Regular Business Meeting

Tuesday, April 14, 2026 5:30 PM
Board Assembly Room, 1250 West Broadway Avenue, Minneapolis, Minnesota 55411

1) **Call to Order and Roll Call**

2) **Adoption of the Agenda**

3) **Public Comments**

4) **Recess**

5) **Presentation by Representatives from the MPS American Indian Parent Advisory Committee (AIPAC)**

6) **Fiscal Year 2024-2025 Financial Audit Presentation**

7) **Reports and Recommendations from the Superintendent of Schools**

7)a. Presentations and Updates

8) **Policy Committee Report**

8)a. Resolution Adopting Policy 4018 (Minnesota Paid Leave)

9) **Action Items by the Board of Education**

9)a. Approval of the Consent Agenda

9)a.1. Acceptance of Minutes

9)a.1.a. March 10, 2026 Regular Business Meeting

9)a.2. Human Resources Transactions

9)a.2.a. Approval of List A personnel matters (2026-04-ER-A)

9)a.2.b. Approval of List B personnel matters (2026-04-ER-B)

9)a.3. Acceptance of Gifts and Donations (2026-0034)

9)a.4. Contracts

9)a.4.a. Contract with Advanced Masonry Restoration (4400003643)

9)a.4.b. Amendment to Contract (4400003228) with Amerigas Propane PL

9)a.4.c. Amendment to Contract (4400002780) with ATS&R Architects and Engineers

9)a.4.d. Amendment to Contract (94400003556) with BerganKDV LTD

9)a.4.e. Amendment to Contract (4400003145) with Bille Bus Transportation

9)a.4.f. Contract with Construction Results Corporation (4400003683)

9)a.4.g. Contract with Conscious Discipline Holdings LLC, dba Loving Guidance LLC

(4400003621)

9)a.4.h. Amendment to Contract (4400003126) with Curriculum Associates LLC

9)a.4.i. Amendment to Contract (4400002855) with Cunningham Group Architecture, Inc

9)a.4.j. Contract with Dering Pierson Group LLC (4400003676)

9)a.4.k. Contract with Dimke Excavating Inc. (4400003662)

9)a.4.l. Amendment to Contract (4400003086) with Ferndale Market

9)a.4.m. Contract with Flagship Recreation (4400003672)

9)a.4.n. Contract with Flagship Recreation (4400003678)

9)a.4.o. Contract with Flagship Recreation (4400003674)

9)a.4.p. Amendment to Contract (4400003146) with Frontier Transportation

9)a.4.q. Amendment to Contract (4400003101) with GardaWorld Security Services

9)a.4.r. Contract with Greiner Construction Inc. (4400003669)

9)a.4.s. Amendment to Contract (4400002448) with Jamf Software LLC

9)a.4.t. Contract with Landscape Structures Inc. (4400003679)

9)a.4.u. Contract with Landscape Structures Inc. (4400003681)

9)a.4.v. Contract with Landscape Structures Inc. (4400003680)

9)a.4.w. Amendment to Contract (4400003044) with Morcon Construction Company

9)a.4.x. Contract with Morcon Construction Co. Inc. (4400003675)

9)a.4.y. Amendment to Contract (440003150) with Rift Valley Transportation

9)a.4.z. Contract with SVL (4400003670)

9)a.4.aa. Contract with SVL (4400003673)

9)a.4.bb. Contract with SVL (4400003671)

9)a.4.cc. Contract with Teaching Strategies LLC (4400003667)

9)a.4.dd. Contract with Titan Environmental (4400003550)

9)a.4.ee. Amendment to Contract (4400003677) with Warshaw Group, DBA Intellis Labs

9)a.5. Authorizations

9)a.5.a. Recommendation for the Approval of Girls' Flag Football for MSHSL Emerging Status (2026-00330

9)a.6. Agreements

9)a.6.a. Amendment to 2026 Softball Field Lease Agreement Between MPS and MPRB (2025-0055-1)

9)b. Resolution Acknowledging Receipt of the Fiscal Year 2025 Financial Audit (2026-0032)

10) **New Business**

10)a. Discussion Regarding Committee Assignments

10)b. Resolution Authorizing Participation in Litigation

11) **Reports from Board of Education Directors**

12) **Adjournment**

American Indian Parent Advisory Committee (AIPAC) Non-Concurrence Recommendations FY27

APRIL 14, 2026

MINNEAPOLIS PUBLIC SCHOOLS

American Indian Parent Advisory Committee 25-26

Parent/Guardian Representatives (11)

Andrea Reese, Chair
Nation Wright, Vice Chair
Miranda Bellanger
Kassie Benjamin-Ficken
Daanis Chosa
Sonja Fracisco
Jennifer Hubbard
Nelly Long
Eileen Stand
Sarah Vinueza
Valentina Zaragoza

Student Representatives (3)

Ishayla (Shay) Castillo
Jude Fracisco
Lazzarious Washington-St. Clair

Community Representatives (4)

Mishaila Bowman
Autumn Campbell
Amanda Dionne
Arabella (Bells) Fracisco, Secretary

American Indian Educator/Staff Representative (1)

Aaron Vizenor-Hammerly

MINNEAPOLIS PUBLIC SCHOOLS

Requirement of AIPAC

Minnesota Statutes 2024, section 124D.78 requires Minnesota districts, charter schools, cooperatives, and Tribally controlled schools with 10 or more American Indian students to have an American Indian Parent Advisory Committee (AIPAC).

Specifically, the Statutes cite that school boards and American Indian schools must provide for the maximum involvement of parents and children enrolled in education programs, programs for elementary and secondary grades, special education programs, and support services.

AIPAC Annual Compliance Requirement

Why we are here: Each year American Indian Parent Committees receive data from the district and vote on whether or not the district has met the needs of American Indian students. This is defined as concurrence or nonconcurrence.

If the vote is one of nonconcurrence, the AIPAC must provide written recommendations for improvement to the school board at the time of the presentation. The school board then has 60 days in which to respond in writing to the AIPAC recommendations.

In February, MPS AIPAC had a unanimous vote of nonconcurrence for the 3rd year. We are here to publicly present our recommendations.

Acknowledgement of Progress/Positive Steps

We want to express our appreciation & acknowledge the MPS Departments and individual staff members who worked toward improving our areas of concern last year. We know the work, time and energy it took to improve practices, processes and supports to American Indian students and families. We see how you have shown up and it has not gone unnoticed.

AND, AIPAC's 19 elected members collectively agree there is still a lot of work to do.

AIPAC Process from September to Now

- Monthly updates from MPS Departments/Staff
- Full data review for American Indian Students in MPS
- Updates from district staff
- Discussion among elected AIPAC Members

Areas of Priority & Recommendations

Mental Health: Underrepresentation of American Indian educators & lack of culturally affirming mental health support & awareness

Discipline & Accountability: Disproportionate disciplinary & removal practices lacking restorative alternatives.

Academic Support/Outcomes: Lack of *culturally appropriate* access to tutoring & interventions for students below grade level.

Mental Health

Mental Health FY26 Recommendations

- **Leverage Existing Tools (e.g., Wayfinder)** to ensure that at least 40% of American Indian students benefit from social-emotional learning and support programs.
- **Require Trauma-Informed, Culturally Grounded Training for All Staff** to strengthen their ability to support Native students and families.
- **Increase Representation of American Indian Staff** by 10% in FY26, with a long-term goal of placing at least one American Indian educator or support staff member at every school site
- **Establish Retention Supports and Mentorship Pathways** for American Indian educators to strengthen staff longevity and relationships with Native youth.

Mental Health FY27 Recommendations

- **Increase Representation & Support of American Indian Staff:**
  - Explore Retention Supports and Mentorship Pathways for American Indian educators that strengthen staff longevity and relationships with American Indian youth in MPS:
    - Evaluate & Report on current Anti-Bias/Anti-Racist support & impact, specifically for American Indian staff
    - Evaluate & Report on current Grow Your Own & MN Indian Teacher Training Program support & impact, specifically for American Indian staff

Mental Health FY27 Recommendations (continued)

➢ Culturally Affirming Mental Health Supports:

- **Develop a Culturally specific Trauma Informed virtual training** module in partnership with AIPAC, Indian Education and community partners such as Native American Community Clinic (NACC), Indian Health Board or Mino Bimaadiziwin Wellness Clinic.
- Offer district mental health supports for American Indian studnets at ANY school.
- **Leverage Existing Tools (e.g., Wayfinder)** to ensure that *at least 40% o*f American Indian students benefit from social-emotional learning and support programs.
  - Need to determine a way to track impact specifically for American Indian students.
  - Monthly Updates to AIPAC
  - Quarterly Updates to School Board

Accountability & Discipline

Discipline & Accountability FY26 Recommendations

- **Implement In-School Suspension** to keep students connected to school while addressing behavior.
- **Ensure Staff Consultation** to problem-solve and support student needs collaboratively.
- **Provide Clear, Consistent Policy and Practice Training for All Staff**, outlining what is allowable and effective under district discipline policies, with a focus on equitable practices.

Discipline & Accountability FY27 Recommendations

- **Staff Consultation & Collaboration:**
  - Develop policy & process that ensures school administrators consult with the Indian Education Department **prior to** any exclusionary practices, to expand this consultation beyond the most extreme cases of administrative transfer or expulsion.
- **Restorative Justice over Exclusionary Practice:**
  - Provide clear & consistent policy & practice training for all staff that shifts from a punitive & exclusionary culture to a relational & restorative one.
  - Provide Trauma-Informed, Relationship-Based Practices: Prioritize training for all staff that focus on personalized relationship-based learning, leveraging student strengths and addressing student needs.

Academic Support/Outcomes

Academic Support/Outcome Recommendations FY26

- **Provide Interventions for All American Indian Students Below Proficiency in Reading and Math**, with systems in place to address related attendance barriers.
- **Prioritize Funding for Targeted, Culturally Responsive Tutoring and Learning Supports** that reflect Indigenous identities and histories.
- **Increase Special Education and Intervention Staffing by 10% in FY26** to reduce caseloads and improve student access.
- **Equip Families with Clear Guidance on Navigating 504 Plans and Special Education Evaluations**, using culturally respectful communication.
- **Train Staff in Trauma-Informed, Relationship-Based Practices**, and implement mentorship models (e.g., Big Brothers Big Sisters, peer/community mentoring) and student-led safe spaces focused on identity, healing, and academic empowerment.

Academic Support/Outcome Recommendations FY27

- **Culturally Responsive Academic Interventions:**
  - Provide supports to ensure all 9th and 10th grade students finish the year credit-ready/on track for graduation.
  - Provide Interventions for all American Indian students **below proficiency** in reading and math, with systems in place to address related attendance barriers.
    i. These interventions should be culturally responsive and vetted alongside families & American Indian Education Department.

- **Trauma-Informed, Relationship-Based Practices:**
  - Prioritize training for all staff that focus on personalized relationship-based learning, leveraging student strengths and addressing student needs.
  - Explore implementation of an mentorship model (e.g., Big Brothers Big Sisters, peer/community mentoring) and student-led safe spaces focused on identity, healing, and academic empowerment.

Recommendations for Progress Monitoring

- Continue goals specifically for American Indian Outcomes in the School Improvement Plans (SIP) that align with the District Strategic Plan.
    - Increase from 1 goal area to all SIP goals in the upcoming year and ongoing thereafter
- School Board Chair (or designated Director) meet individually with AIPAC quarterly to hear directly from the committee.
- Ask that District Staff present quarterly progress reports at public School board meetings.

Questions

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Chi Miigwech
Thank you

MINNEAPOLIS PUBLIC SCHOOLS

Minneapolis Public Schools

Audit Presentation

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AUDIT & ATTEST

The Audit

Components of the Audit

- Independent Auditor's Report - Unmodified Opinion on the District's Financial Statements for the year ended June 30 ,2025
- Report on the result of an audit performed in accordance with *Government Auditing Standards*
  - Material Weaknesses: Segregation of Accounting Duties and Deficiency in Internal Controls over Disbursements
  - Significant Deficiency: Budget Reporting Process
- Unmodified Opinion on Compliance over Major Federal Programs in accordance with Uniform Guidance – No compliance or internal control findings reported
- Report on Minnesota Legal Compliance – Finding related to UFARS Compliance and Group Insurance Request for Proposals

Financial Communications

General Fund – Budget to Actual

Budget:

- General Fund Revenue budgeted at $ 647.6 million
- General Fund Expenditures budgeted at $ 735.3 million
- General Fund Transfers out at $4.7 million
- $ 92.4 million decrease in fund balance budgeted

Actual:

- General Fund Revenues actually $ 658.5 million; $ 10.9 million over budget (1.9%) – Main factor is conservative budgeting for property taxes and state sources
- General Fund Expenditures actually $ 705.3 million; $ 30.1 million under budget (4.1%) – Main factor was staffing shortages and less supply purchases
- Fund Balance decreased $ 40.6 million to $ 111.6 million
- Unassigned Fund Balance decreased $ 7.9 million to $ 54.5 million

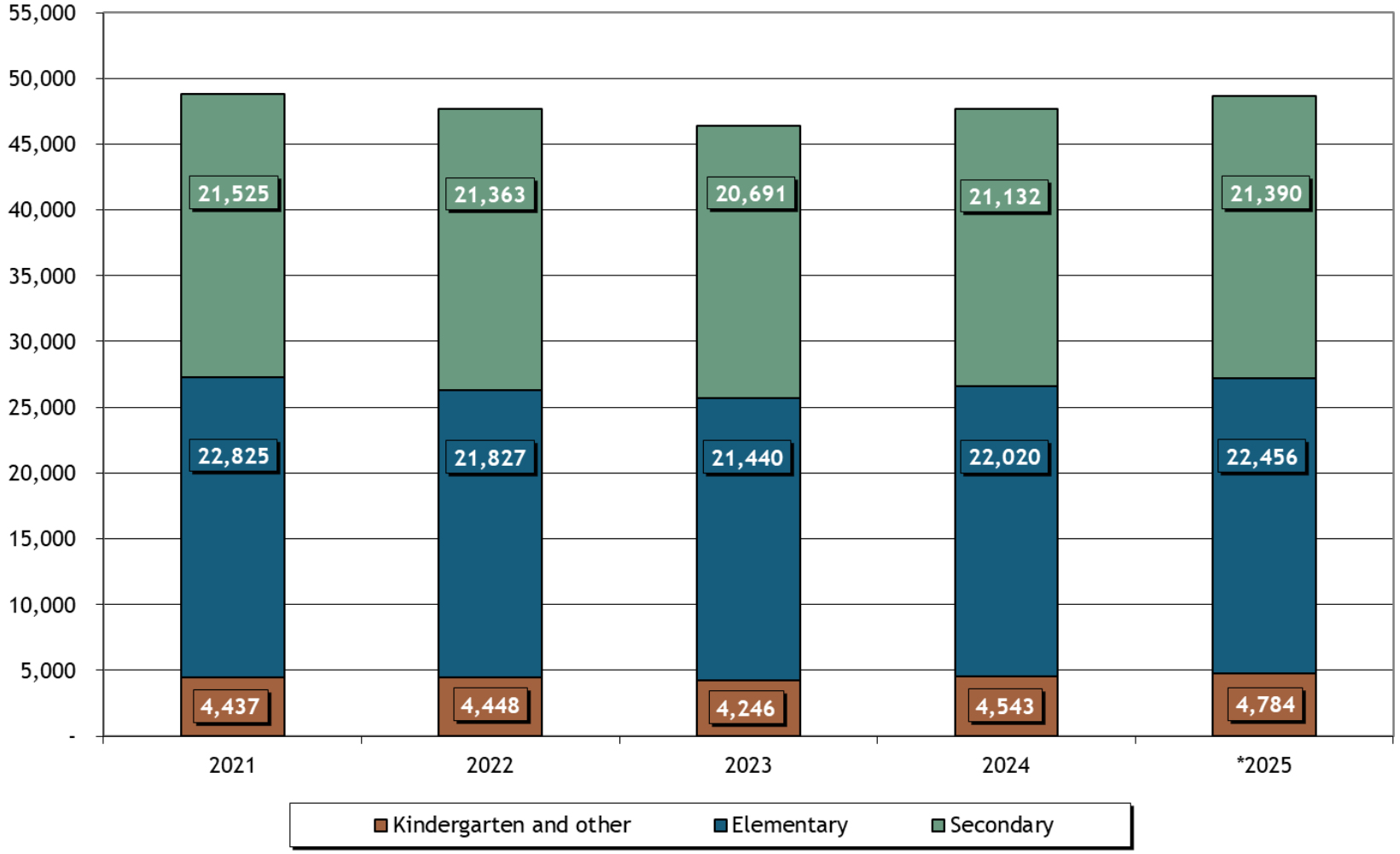
General Education Aid – Formula Allowance

	General Education Aid Formula Allowance	
Year	Amount	Percent Increase
2017	$ 6,067	2.0%
2018	6,188	2.0%
2019	6,312	2.0%
2020	6,438	2.0%
2021	6,567	2.0%
2022	6,728	2.5%
2023	6,863	2.0%
2024	7,138	4.0%
2025	7,281	2.0%
2026	7,481	2.7%

Average Daily Membership and Pupil Units - Resident ADM

Students (Resident ADM)	2021	2022	2023	2024	*2025
Kindergarten and other	4,437	4,448	4,246	4,543	4,784
Elementary	22,825	21,827	21,440	22,020	22,456
Secondary	21,525	21,363	20,691	21,132	21,390
Total Students (Resident ADM)	**48,787**	**47,638**	**46,377**	**47,695**	**48,631**

Average Daily Membership and Pupil Units - Resident ADM

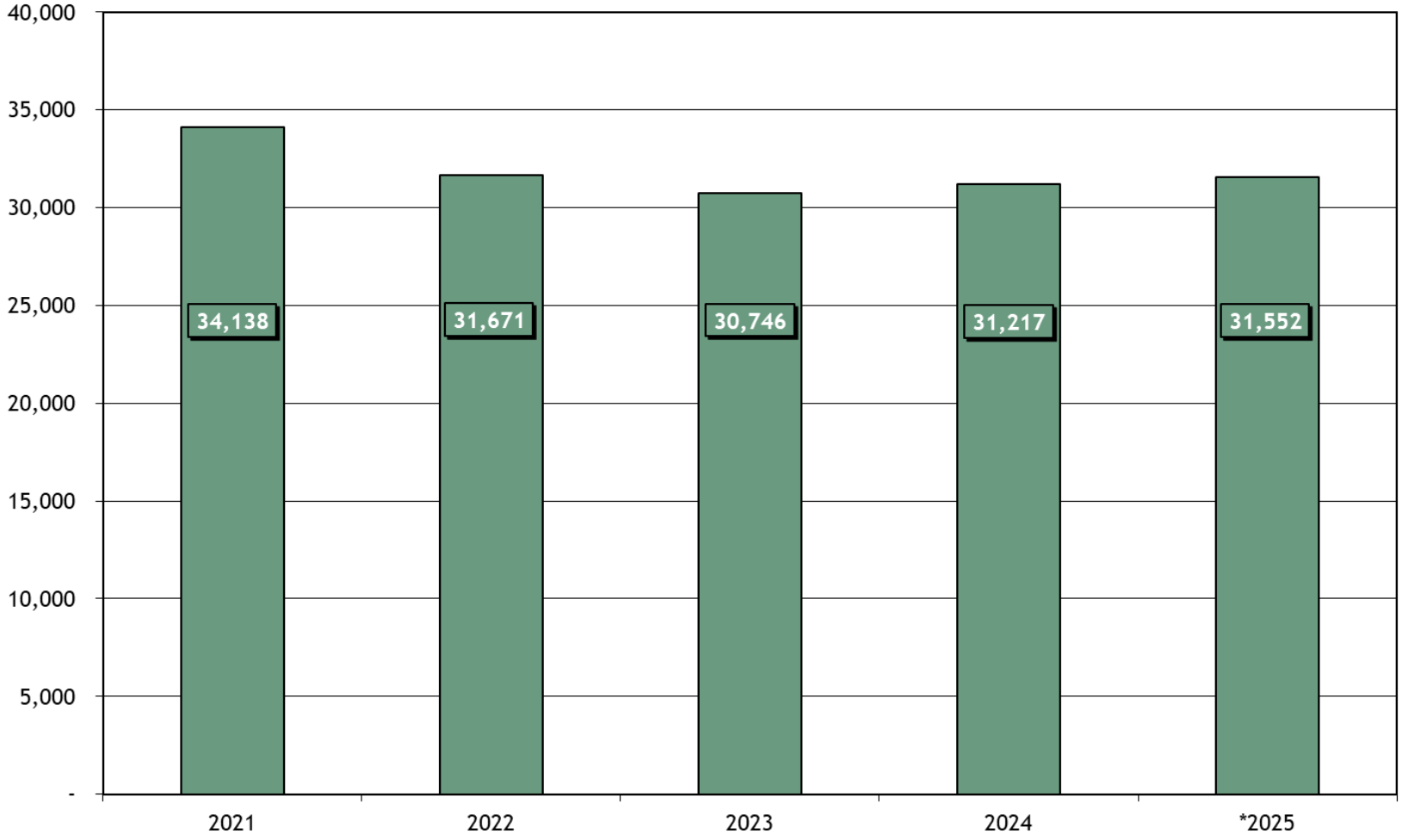


Average Daily Membership and Pupil Units - Weighting & Adjusted PUN

	Pre-Kindergarten and Kindergarten	Grades 1-3	Grades 4-6	Secondary
Year 2021-2025	1.000	1.000	1.000	1.200

Adjusted PUN	**2021**	**2022**	**2023**	**2024**	***2025**
Residents	53,092	51,910	50,514	51,920	52,908
PUN gain	1,871	815	1,382	845	964
PUN loss	(20,825)	(21,054)	(21,150)	(21,548)	(22,320)
Total Adjusted PUN	**34,138**	**31,671**	**30,746**	**31,217**	**31,552**

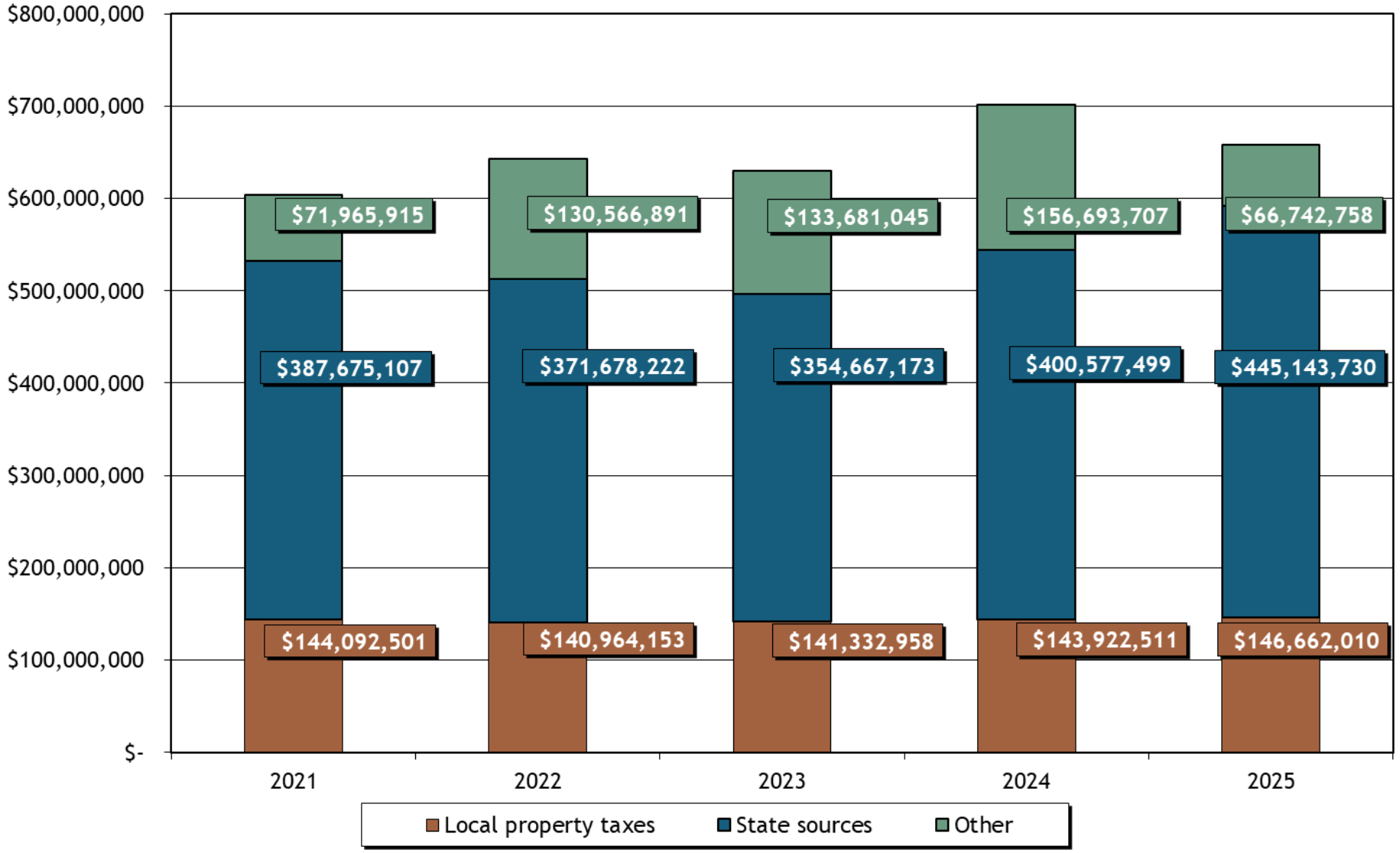
Average Daily Membership and Pupil Units - PUN Served



General Fund - Sources of Revenue

For the Year Ended June 30,	2021	2022	2023	2024	2025
Local property taxes	$ 144,092,501	$ 140,964,153	$ 141,332,958	$ 143,922,511	$ 146,662,010
State sources	387,675,107	371,678,222	354,667,173	400,577,499	445,143,730
Other	71,965,915	130,566,891	133,681,045	156,693,707	66,742,758
Total	**$ 603,733,523**	**$ 643,209,266**	**$ 629,681,176**	**$ 701,193,717**	**$ 658,548,498**

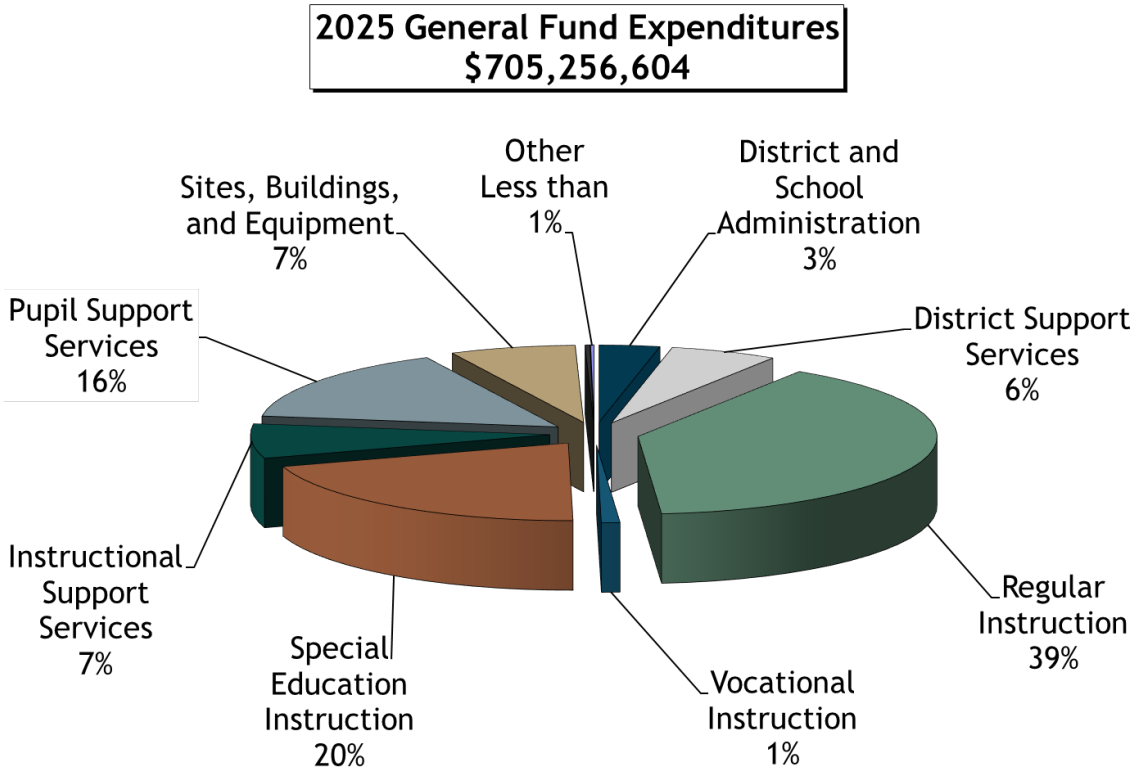
General Fund Sources of Revenue

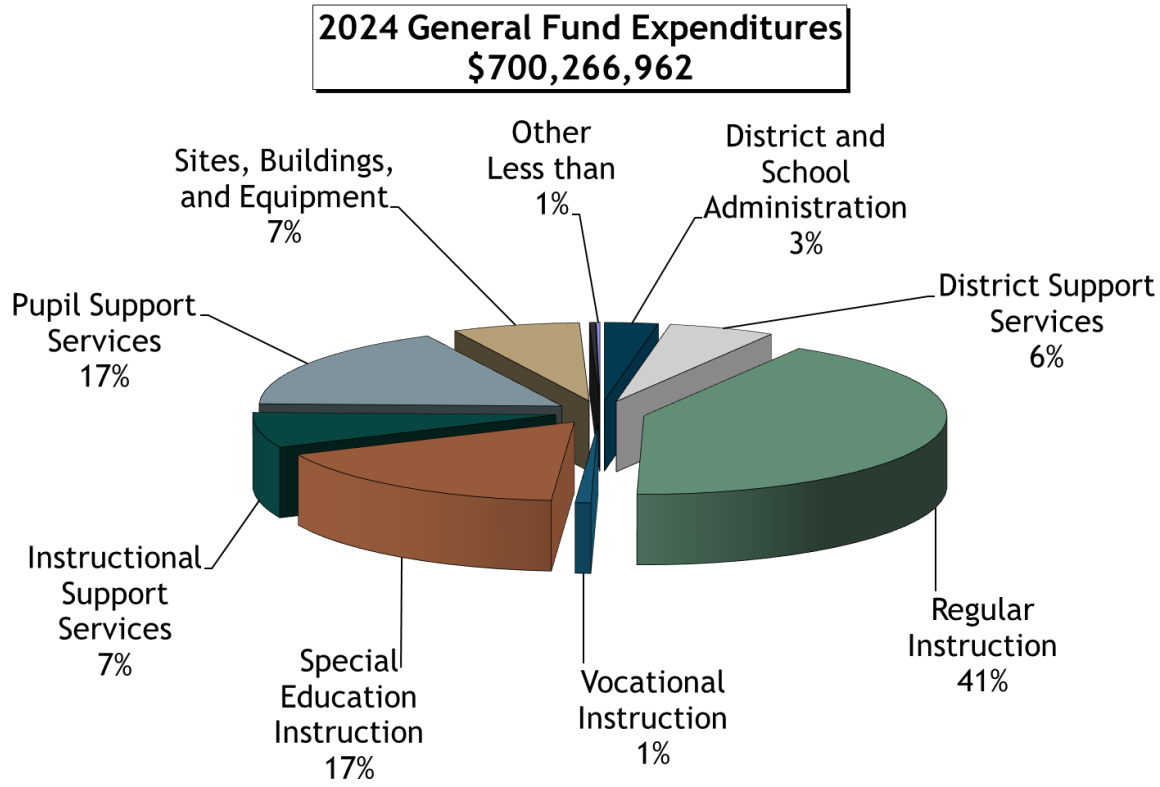


General Fund Revenues Budget and Actual

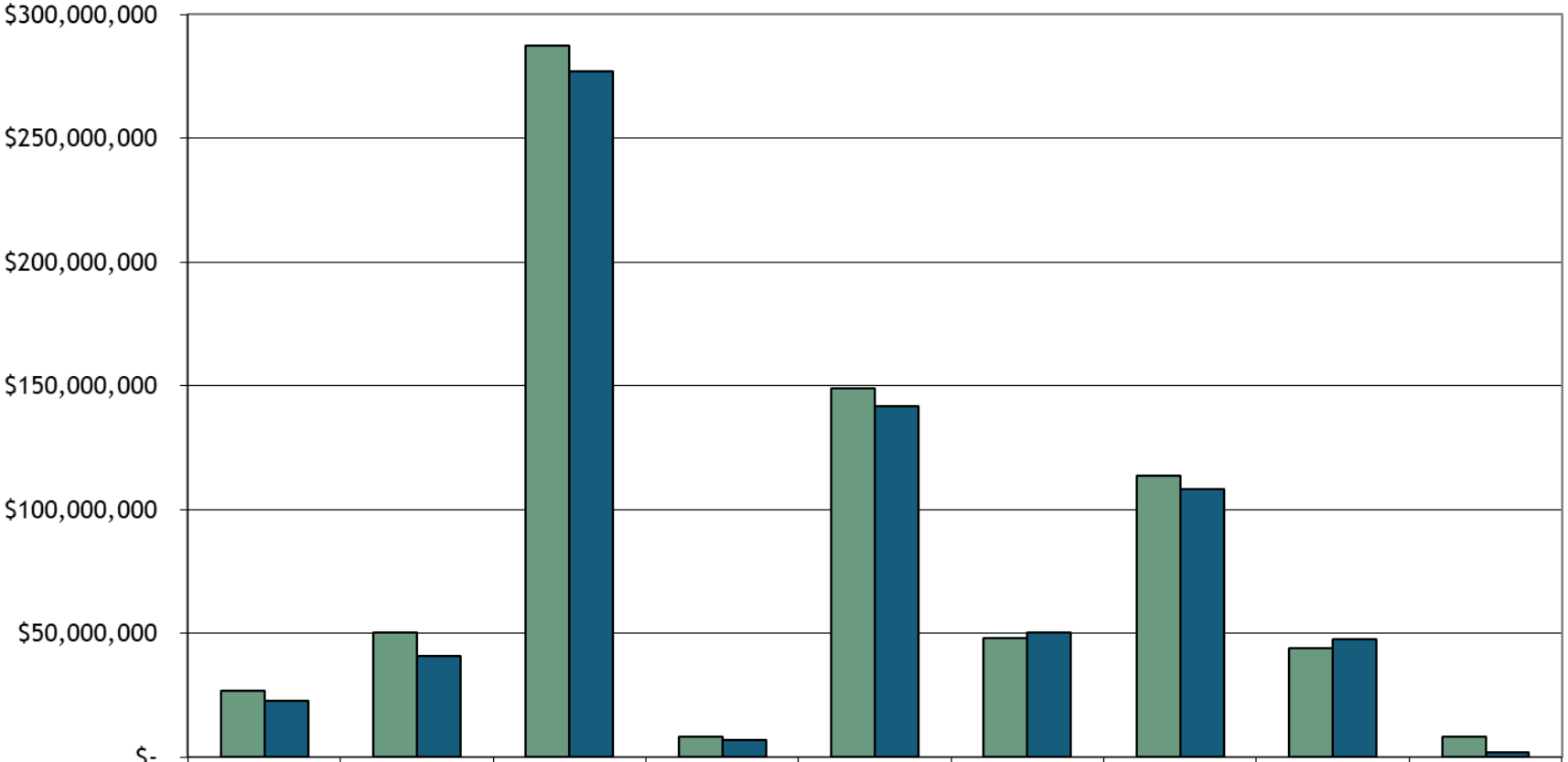


General Fund Expenditures





General Fund Expenditures Budget and Actual



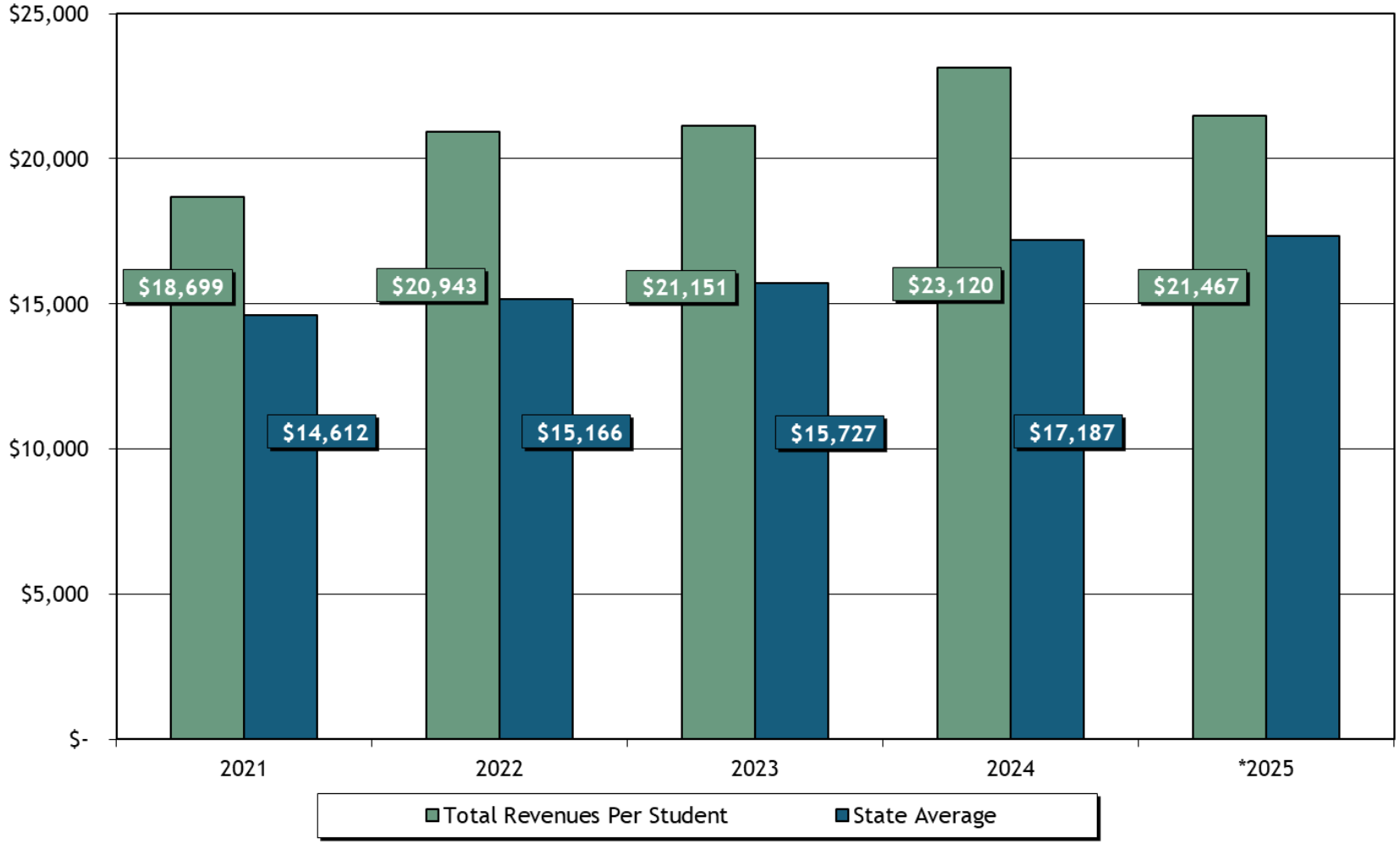
	District and School Administration	District Support Services	Regular Instruction	Vocational Instruction	Special Education Instruction	Instructional Support Services	Pupil Support Services	Sites, Buildings, and Equipment	Fiscal and Other Fixed Cost Programs
Budget	$26,656,299	$50,160,809	$287,481,775	$8,303,998	$149,076,929	$47,795,916	$113,822,205	$43,772,339	$8,267,500
Actual	22,837,635	40,566,362	276,746,703	6,947,779	141,807,310	50,159,719	108,103,218	47,461,151	1,818,605

General Fund
- Revenues Per Student ADM Served

Special District No. 1	2021	2022	2023	2024	*2025
General Fund	$ 18,699	$ 20,943	$ 21,151	$ 23,120	$ 21,467
Food Service Fund	665	692	605	727	708
Community Service Fund	841	972	1,196	1,219	1,168
Building Construction Fund	7	20	363	423	313
Debt Service Fund	2,903	2,919	3,448	3,485	3,683
Post Employment Debt Service Fund	74	76	-	-	-
Total Revenues Per Student	**$ 23,189**	**$ 25,622**	**$ 26,763**	**$ 28,974**	**$ 27,339**

State Average	2021	2022	2023	2024	2025
General Fund	$ 14,612	$ 15,166	$ 15,727	$ 17,187	$ 17,334
Food Service Fund	569	791	667	836	832
Community Service Fund	571	685	745	781	807
Building Construction Fund	82	35	104	173	1,908
Debt Service Fund	1,398	1,393	1,456	1,536	1,862
Total Revenues Per Student	**$ 17,232**	**$ 18,070**	**$ 18,699**	**$ 20,513**	**$ 22,743**

General Fund
- Revenues Per Student ADM Served



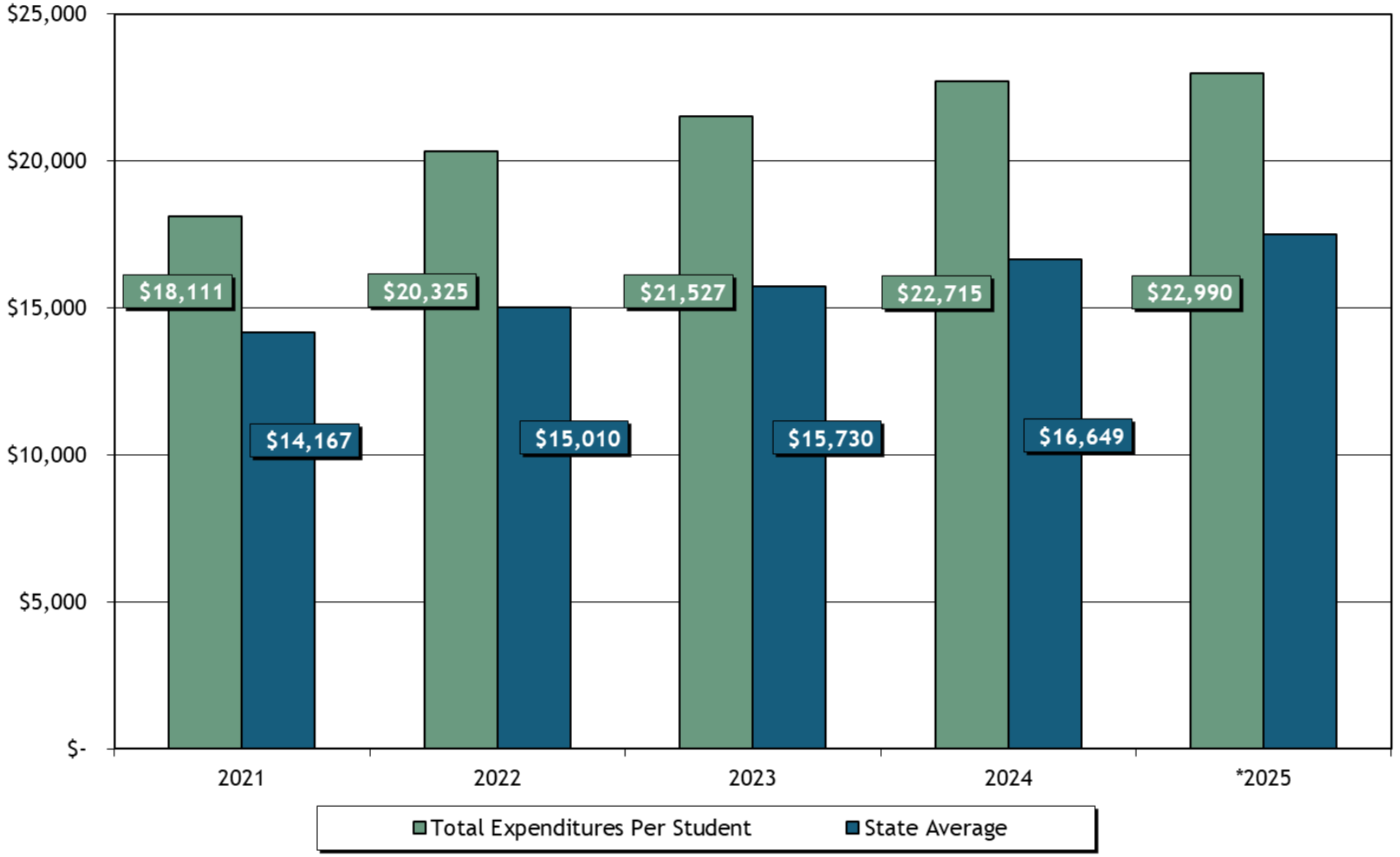
General Fund
- Expenditures Per Student ADM Served

Special District No. 1	2021	2022	2023	2024	*2025
General Fund	$ 18,111	$ 20,325	$ 21,527	$ 22,715	$ 22,990
Food Service Fund	598	825	803	844	902
Building Construction Fund	2,233	2,384	3,253	3,748	3,006
Community Service Fund	845	968	1,114	1,093	1,220
Debt Service Fund	2,905	3,155	3,340	3,304	3,415
Total Expenditures Per Student	**$ 24,692**	**$ 27,657**	**$ 30,037**	**$ 31,704**	**$ 31,533**

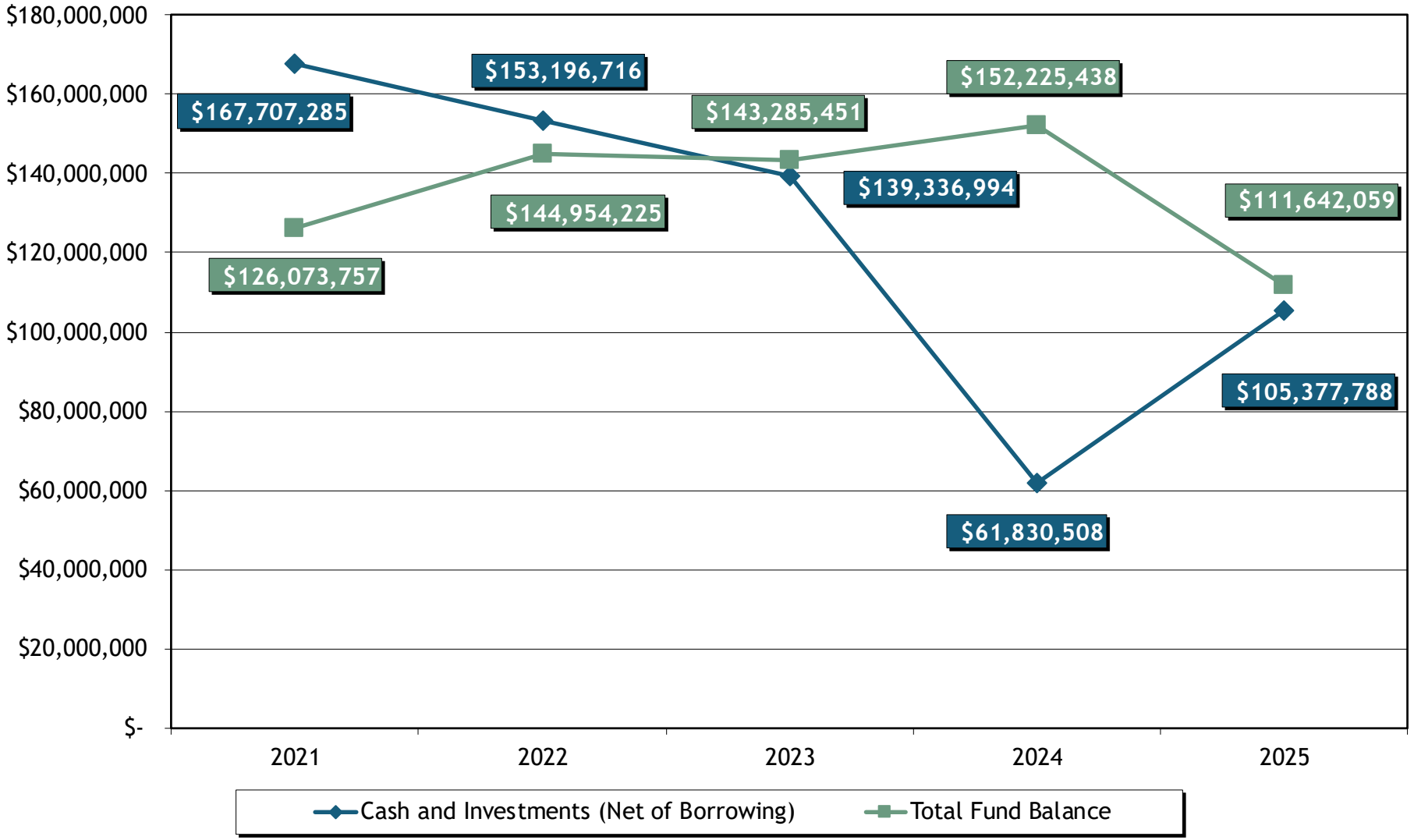
State Average	2021	2022	2023	2024	2025
General Fund	$ 14,167	$ 15,010	$ 15,730	$ 16,649	17,495
Food Service Fund	529	666	702	801	822
Community Service Fund	571	646	715	765	804
Building Construction Fund	2,008	1,773	1,513	1,657	193
Debt Service Fund	1,457	1,477	1,499	1,598	1,709
Total Expenditures Per Student	**$ 18,732**	**$ 19,572**	**$ 20,159**	**$ 21,470**	**$ 21,023**

General Fund

- Expenditures Per Student ADM Served



General Fund Financial Position



General Fund Operations

For the Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	$ 603,733,523	$ 643,209,266	$ 629,681,176	$ 701,193,717	$ 658,548,498
Expenditures	(584,833,448)	(648,092,852)	(640,898,978)	(700,266,962)	(705,256,604)
Excess of revenues over (under) expenditures	18,900,075	(4,883,586)	(11,217,802)	926,755	(46,708,106)
Proceeds from sale of equipment	-	-	32,105	-	-
Lease/SBITA/Finance Issuance	-	23,707,892	8,928,669	10,806,377	10,704,333
Insurance recovery	-	56,162	86,338	512,046	1,580,103
Notes from direct borrowing	-	-	6,983,121	-	-
Transfer out	-	-	(6,481,205)	(3,305,191)	(6,159,709)
Fund balance, July 1	106,477,779	126,073,757	144,954,225	143,285,451	152,225,438
Change in accounting principle	695,903	-	-	-	-
Fund Balance, June 30	**$ 126,073,757**	**$ 144,954,225**	**$ 143,285,451**	**$ 152,225,438**	**$ 111,642,059**

Components of Fund Balance					
For the Year Ended June 30,	**2021**	**2022**	**2023**	**2024**	**2025**
Nonspendable	$ 1,414,679	$ 5,294,596	$ 5,957,921	$ 5,040,225	$ 6,064,661
Restricted for					
Area learning center	-	-	-	4,992,182	1,004,969
Student activities	572,832	570,515	543,356	483,807	593,039
Literacy aid	-	-	-	-	162,555
Literacy incentive aid	-	-	-	102,634	1,492,557
American Indian education aid	-	-	-	174,460	174,460
Basic skills program	495,016	-	-	-	2,619,580
Community education programs	65,178	-	-	-	-
Operating capital	5,501,542	8,783,209	12,572,197	16,695,350	20,498,301
Contracted alternative programs	-	1,164,265	966,181	887,820	741,046
School library aid	-	-	-	273,168	265,224
Gifted and talented	579,035	483,254	439,264	-	-
Student support personnel aid	-	-	-	364,743	539,709
Medical assistance	-	-	-	1,657,365	2,254,537
Basic skills extended time	4,610,186	6,306,894	7,631,978	-	-
Long-term facilities maintenance	156,383	156,383	-	-	2,141
Teacher Comp READ Act	-	-	-	-	1,048,012
Learning and development	-	-	-	-	8,977
Other	234,359	234,359	233,781	456,137	478,511
Assigned	57,295,506	68,347,003	54,915,232	58,679,417	19,222,835
Unassigned	55,149,041	53,613,747	60,025,541	62,418,130	54,470,945
Fund Balance, June 30	**$ 126,073,757**	**$ 144,954,225**	**$ 143,285,451**	**$ 152,225,438**	**$ 111,642,059**

Food Service Fund

For the Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	$ 21,349,575	$ 21,168,074	$ 18,009,094	$ 21,977,738	$ 21,716,925
Expenditures	(19,211,722)	(25,223,498)	(23,904,788)	(25,516,568)	(27,675,147)
Excess of revenues over (under) expenditures	2,137,853	(4,055,424)	(5,895,694)	(3,538,830)	(5,958,222)
Transfer in	-	-	6,481,205	3,305,191	6,159,709
Fund balance, July 1	3,302,827	5,440,680	1,385,256	1,970,767	1,737,128
Fund Balance, June 30	**$ 5,440,680**	**$ 1,385,256**	**$ 1,970,767**	**$ 1,737,128**	**$ 1,938,615**
Nonspendable	$ 1,732,388	$ 1,505,951	$ 1,970,767	$ 1,737,128	$ 1,938,615
Restricted for other purposes	3,708,292	(120,695)	-	-	-
Total Fund Balance, June 30	**$ 5,440,680**	**$ 1,385,256**	**$ 1,970,767**	**$ 1,737,128**	**$ 1,938,615**

Community Service Fund

For the Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	$ 27,022,352	$ 29,701,512	$ 35,606,486	$ 36,848,342	$ 35,835,123
Expenditures	(27,155,640)	(29,589,555)	(33,152,664)	(33,059,208)	(37,439,147)
Excess of revenues over (under) expenditures	(133,288)	111,957	2,453,822	3,789,134	(1,604,024)
Fund balance, July 1	5,193,697	5,060,409	5,172,366	7,626,188	11,415,322
Fund Balance, June 30	**$ 5,060,409**	**$ 5,172,366**	**$ 7,626,188**	**$ 11,415,322**	**$ 9,811,298**
Nonspendable	$ -	$ -	$ -	$ 750	$ 16,883
Restricted for					
School readiness	2,024,215	961,509	1,241,654	1,521,933	1,045,445
Adult basic education	879,610	1,340,717	1,364,412	1,674,794	86,765
Community education programs	1,120,064	7,786	1,814,399	5,688,702	5,283,665
ECFE	119,623	159,453	664,466	1,565,336	1,713,950
Other programs	916,897	2,702,901	2,541,257	963,807	1,664,590
Total Fund Balance, June 30	**$ 5,060,409**	**$ 5,172,366**	**$ 7,626,188**	**$ 11,415,322**	**$ 9,811,298**

Auditor



Andy Grice

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Thank You



This commentary is provided for general information purposes only, should not be construed as investment, tax or legal advice, and does not constitute an attorney/client relationship. Past performance of any market results is no assurance of future performance. The information contained herein has been obtained from sources deemed reliable but is not guaranteed.

Minneapolis Public Schools
Special District No. 1

Communications Letter

June 30, 2025

Minneapolis Public Schools
Special District No. 1
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Report on Matters Identified as a Result of the Audit of the Basic Financial Statements

To the School Board and Management
Minneapolis Public Schools Special District No. 1
Minneapolis, Minnesota

In planning and performing our audit of the financial statements of Minneapolis Public Schools Special District No. 1, Minneapolis, Minnesota, as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified certain deficiencies below that we consider to be a material weaknesses and a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the District's basic financial statements will not be prevented, or detected and corrected, on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible*. The chance of the future event or events occurring is more than remote but less than likely.

- *Probable*. The future event or events are likely to occur.

The material weaknesses identified are stated within this letter.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. The significant deficiency identified is stated within this letter.

The accompanying memorandum also includes financial analysis provided as a basis for discussion. The matters discussed herein were considered by us during our audit and they do not modify the opinion expressed in our Independent Auditor's Report dated March 27, 2026, on such statements.

The purpose of this communication, which is an integral part of our audit, is to describe for the School Board, management, others within the District, and state oversight agencies the scope of our testing of internal control and the results of that testing. Accordingly, this communication is not intended to be and should not be used for any other purpose.



Minneapolis, Minnesota
March 27, 2026

Minneapolis Public Schools
Special District No. 1
Material Weaknesses

Lack of Segregation of Accounting Duties
The District had a lack of segregation of accounting duties. The lack of adequate segregation of accounting duties could adversely affect the District's ability to initiate, record, process, and report financial data consistent with the assertions of management in the basic financial statements.

Management is aware of this condition and will take certain steps to compensate for the lack of segregation.

Segregation of Accounting Duties Relates to Four Key Areas – initiation/authorization, processing/recording, reconciling/reporting of financial data, and custody of assets. This lack of segregation can be demonstrated in the following areas, which is not intended to be an all-inclusive list:

- *Financial Closing Process* – Certain employees record transactions and reconcile balances at the end of the year without evidence of reconciliations being performed timely with review by another employee. There were also instances noted where there was no evidence of timely review or approval of bank reconciliations.
- *SAP User Rights* - A number of employees have excessive access to Accounts Payable functions, Purchasing functions, and the general ledger. Also, there were instances identified where individuals have excessive access to perform many responsibilities within a process (e.g., create a vendor, enter an invoice for payment, and cut a check). There are also some employees who have the ability to make journal entries without review as a result of SAP user rights allocated to them. We recommend that the District review all user roles and the permissions granted to each role for appropriateness, taking into consideration adequate segregation of duties. The District should also validate that adequate compensating controls are implemented to review and detect irregular or fraudulent activity performed by users with elevated permissions. Additionally, individuals in a position of authority should have limited transactional ability within the SAP application to further prevent management override controls.

Deficiency in Internal Control over Disbursements
The District's procurement and payment policy requires that all disbursements for contracted services comply with the executed contract terms. Additionally, GAO's Standards for Internal Control in the Federal Government (Green Book) state that management should design control activities to ensure transactions are properly authorized and accurately recorded.

For the fiscal year under audit, we noted instances of vendors that appeared to be paid more than the contracted amount. Payments were processed based on invoices that were prepared with different terms than the agreed-upon contract terms.

Minneapolis Public Schools
Special District No. 1
Significant Deficiency

Budget Reporting Process
During our audit, we noted significant variances between budgeted amounts and actual amounts for expenditures by program and revenue classifications. Upon further investigation, amounts presented in the original budget and final budget did not appear to follow UFARS or GAAP reporting requirements. Due to the current budget practice resulting in adjustments to program codes that are inconsistent with actual activity in accordance with UFARS and GAAP.

Minneapolis Public Schools
Special District No. 1
Required Communication

We have audited the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2025. Professional standards require that we advise you of the following matters related to our audit.

Our Responsibility in Relation to the Basic Financial Statement Audit
As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express opinions about whether the basic financial statements prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the basic financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the basic financial statements are free of material misstatement. An audit of the basic financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Generally accepted accounting principles provide for certain Required Supplementary Information (RSI) to supplement the basic financial statements. Our responsibility with respect to the RSI, which supplements the basic audit financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI was not audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we do not express an opinion or provide any assurance on the RSI.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Our Responsibility in Relation to *Government Auditing Standards*
As communicated in our engagement letter, part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Minneapolis Public Schools
Special District No. 1
Required Communication

Our Responsibility in Relation to *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)

As communicated in our engagement letter, in accordance with the Uniform Guidance, we examined on a test basis, evidence about the District's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget* (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the District's compliance with those requirements. While our audit provided a reasonable basis for our opinion, it did not provide a legal determination on the District's compliance with those requirements.

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

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Significant Risks

We addressed the following significant risks of material misstatement identified in our planning procedures:

- Management Override of Controls – Overall Financial Statements – Management override of internal control is considered a risk in substantially all engagements as management may be incentivized to produce better results.
- Improper Revenue Recognition – Revenue recognition is considered a fraud risk on substantially all engagements as it generally has a significant impact on the results of the governments operations. In addition, complexities exist surrounding the calculation and recording of various revenue sources.
- Misappropriation of Assets – If duties cannot be appropriately segregated, there is a risk of unauthorized transactions being made by the District.
- Bank Reconciliations – Staff turnover can create a risk of improper bank reconciliations.
- State Aid Valuation – Revenue and receivable amounts related to General Education Aid and Special Education Aid are generally material to the financial statements and involve significant estimates.
- Pension Valuation – Net pension liability, deferred outflows of resources related to pensions, and deferred inflows of resources related to pensions are generally material to the financial statements and involve significant estimates.
- Other Post Employment Benefits (OPEB) Valuation – Net OPEB liability, deferred outflows of resources related to OPEB, and deferred inflows of resources related to OPEB are generally material to the financial statements and involve significant estimates.

Significant Risks (Continued)

- Lease and Subscription Liability Valuation - These balances are based on estimates and judgments determined by the District related to the discount rate and term.
- Compensated Absences Valuation – Compensated absence balances are generally material to the financial statements and involve significant estimates.

Qualitative Aspects of the District's Significant Accounting Practices

Significant Accounting Policies
Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in the notes to the basic financial statements. There have been no initial selection of accounting policies and no changes to significant accounting policies or their application during 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates and Related Disclosures
Accounting estimates and related disclosures are an integral part of the basic financial statements prepared by management and are based on management's current judgements. Those judgements are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgements. The most sensitive estimates affecting the basic financial statements relate to:

General Education and Special Education Aid – General Education Aid is an estimate until average daily membership (ADM) values are final. Since this is normally not done until after the reporting deadlines, this Aid is an estimate. Special Education Aid is dependent on the availability of funds and complex formulas that are finalized after reporting deadlines.

Net Other Post Employment Benefits (OPEB) Liability, Deferred Outflows of Resources Related to OPEB and Deferred Inflows of Resources Related to OPEB – These balances are based on an actuarial study using the estimates of future obligations of the District for post-employment benefits.

Net Pension Liability, Deferred Outflows of Resources Related to Pensions, and Deferred Inflows of Resources Related to Pensions – These balances are based on an allocation by the pension plans using estimates based on contributions.

Lease Liability and Right-to-Use Lease Assets – These balances are based on estimates and judgments determined by the District related to the discount rate, lease term, and lease payments.

Qualitative Aspects of the District's Significant Accounting Practices (Continued)

Significant Accounting Estimates and Related Disclosures (Continued)

Subscription Liability and Right-to-Use Subscription Assets – These balances are based on estimates and judgments determined by the District related to the discount rate, subscription term, and subscription payments.

Compensated Absences Payable – This balance is based on an actuarial study using the estimates of future obligations of the District for compensated absences.

We evaluated the key factors and assumptions used to develop the accounting estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures
Certain basic financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The basic financial statement disclosures are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit
We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements
For the purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effects of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the basic financial statements taken as a whole and each applicable opinion unit.

The following bullet point summarizes the uncorrected financial statement misstatement whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

- Amounts Due from Minnesota Department of Education and Revenue from state sources are overstated.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the basic financial statements taken as a whole.

Minneapolis Public Schools
Special District No. 1
Required Communication

Disagreements with Management
For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's basic financial statements or the auditor's report. No such disagreements arose during the course of our audit.

Representations Requested from Management
We have requested certain written representations from management, which are included in the management representation letter.

Management's Consultations with Other Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management has informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues
In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating, and regulatory conditions affecting the District, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditor.

Other Information Included in Annual Reports
Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the District's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

We applied certain limited procedures to the RSI that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the basic financial statements.

Minneapolis Public Schools
Special District No. 1
Financial Analysis

The following pages provide graphic representation of select data pertaining to the financial position and operations of the District for the past five years. Our analysis of each graph is presented to provide a basis for discussion of past performance and how implementing certain changes may enhance future performance. We suggest you view each graph and document if our analysis is consistent with yours. A subsequent discussion of this information should be useful for planning purposes.

Due to its complexity, it would be impossible to fully explain the funding of public education in Minnesota within this letter. The last section of this report contains a summary of legislative changes affecting school districts from the most recent session. The following provides some state-wide funding and financial trend information.

Average Daily Membership and Pupil Units
The largest single funding source for Minnesota school districts is basic General Education Aid. Each year, the State Legislature sets a basic formula allowance. Total basic general education revenue is calculated by multiplying the formula allowance by the number of pupil units for which a district is entitled to aid. Pupil units are calculated using a legislatively determined weighting system applied to ADM. Over the years, various modifications have been made to this calculation, including changes in weighting and special consideration for declining enrollment districts.

	General Education Aid Formula Allowance	
Year	Amount	Percent Increase
2017	$ 6,067	2.0%
2018	6,188	2.0%
2019	6,312	2.0%
2020	6,438	2.0%
2021	6,567	2.0%
2022	6,728	2.5%
2023	6,863	2.0%
2024	7,138	4.0%
2025	7,281	2.0%
2026	7,481	2.7%

Minneapolis Public Schools
Special District No. 1
Financial Analysis

Average Daily Membership and Pupil Units Served

Approximately 68% of the District's General Fund revenue is from the state. A majority of this funding is based on student counts, so an understanding of the District's population trends is critical to overall budgeting plans. The following summarizes resident ADM of the District over the past five years ended June 30:

Students (Resident ADM)	2021	2022	2023	2024	*2025
Kindergarten and other	4,437	4,448	4,246	4,543	4,784
Elementary	22,825	21,827	21,440	22,020	22,456
Secondary	21,525	21,363	20,691	21,132	21,390
Total Students (Resident ADM)	**48,787**	**47,638**	**46,377**	**47,695**	**48,631**



* Estimate as of December 11, 2025

In 2025, total resident ADM increased by 936 from the prior year, an increase of 2.0%.

To calculate a majority of the District's education aids, the ADM amounts are converted into pupil units by weighting, based on the student's grade level. These weighting factors are presented in the table on the following page.

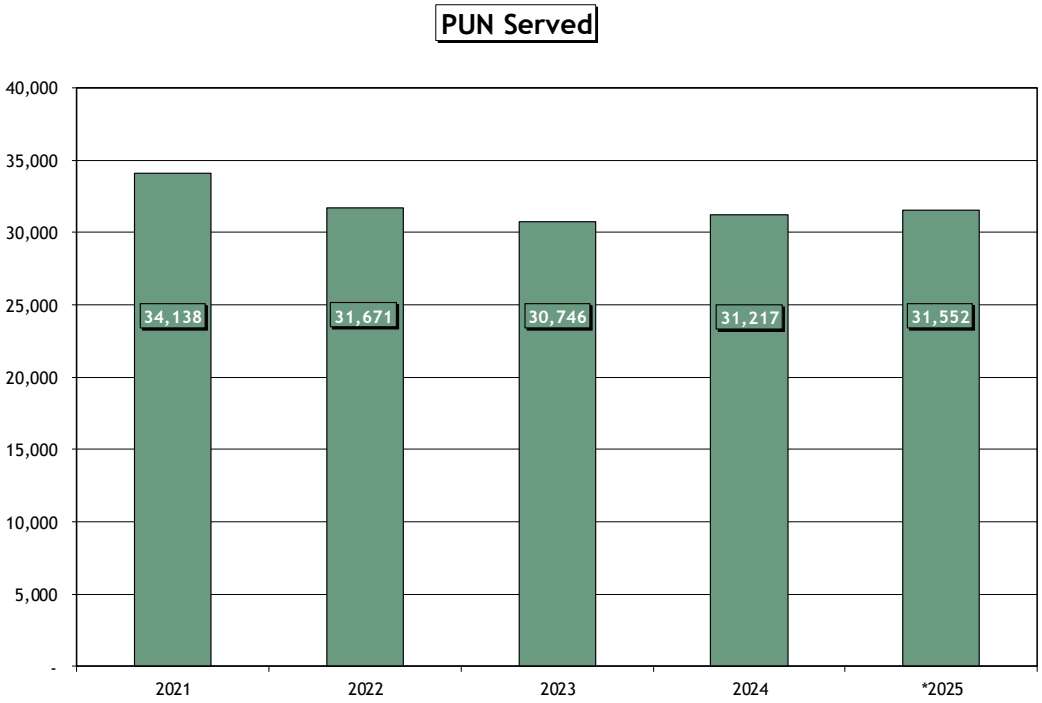
Minneapolis Public Schools
Special District No. 1
Financial Analysis

Average Daily Membership and Adjusted Pupil Units

	Pre-Kindergarten and Kindergarten	Grades 1-3	Grades 4-6	Secondary
Year 2021-2025	1.000	1.000	1.000	1.200

The following chart and graph convert the ADM into adjusted pupil units (PUN) for the same five-year period, as noted on the previous page.

Adjusted PUN	2021	2022	2023	2024	*2025
Residents	53,092	51,910	50,514	51,920	52,908
PUN gain	1,871	815	1,382	845	964
PUN loss	(20,825)	(21,054)	(21,150)	(21,548)	(22,320)
Total Adjusted PUN	**34,138**	**31,671**	**30,746**	**31,217**	**31,552**



* Estimate as of December 11, 2025

PUN loss is the resident students who chose open enrollment and decided to enroll at another district or charter school. PUN gain is the resident students from another school district choosing to enroll with Minneapolis Public Schools.

In 2025, total PUN served increased by 335 from the prior year, an increase of 1.1%. This was a result of an increase in resident PUN of 988, an increase in PUN gain of 119, and an increase in PUN loss of 772 to other districts.

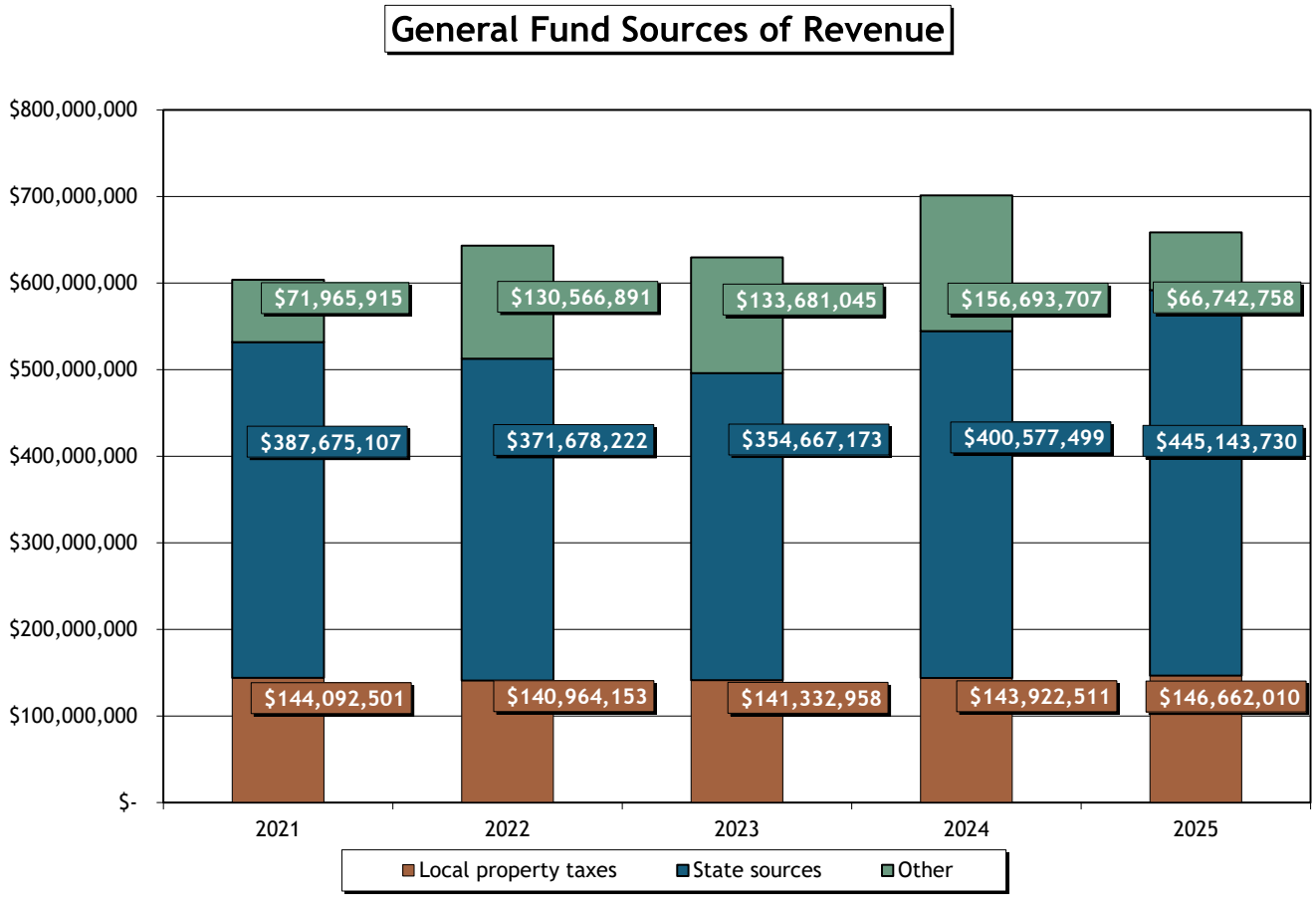
Minneapolis Public Schools
Special District No. 1
Financial Analysis

General Fund Sources of Revenue

General Fund sources of revenue are summarized as follows:

For the Year Ended June 30,	2021	2022	2023	2024	2025
Local property taxes	$ 144,092,501	$ 140,964,153	$ 141,332,958	$ 143,922,511	$ 146,662,010
State sources	387,675,107	371,678,222	354,667,173	400,577,499	445,143,730
Other	71,965,915	130,566,891	133,681,045	156,693,707	66,742,758
Total	**$ 603,733,523**	**$ 643,209,266**	**$ 629,681,176**	**$ 701,193,717**	**$ 658,548,498**

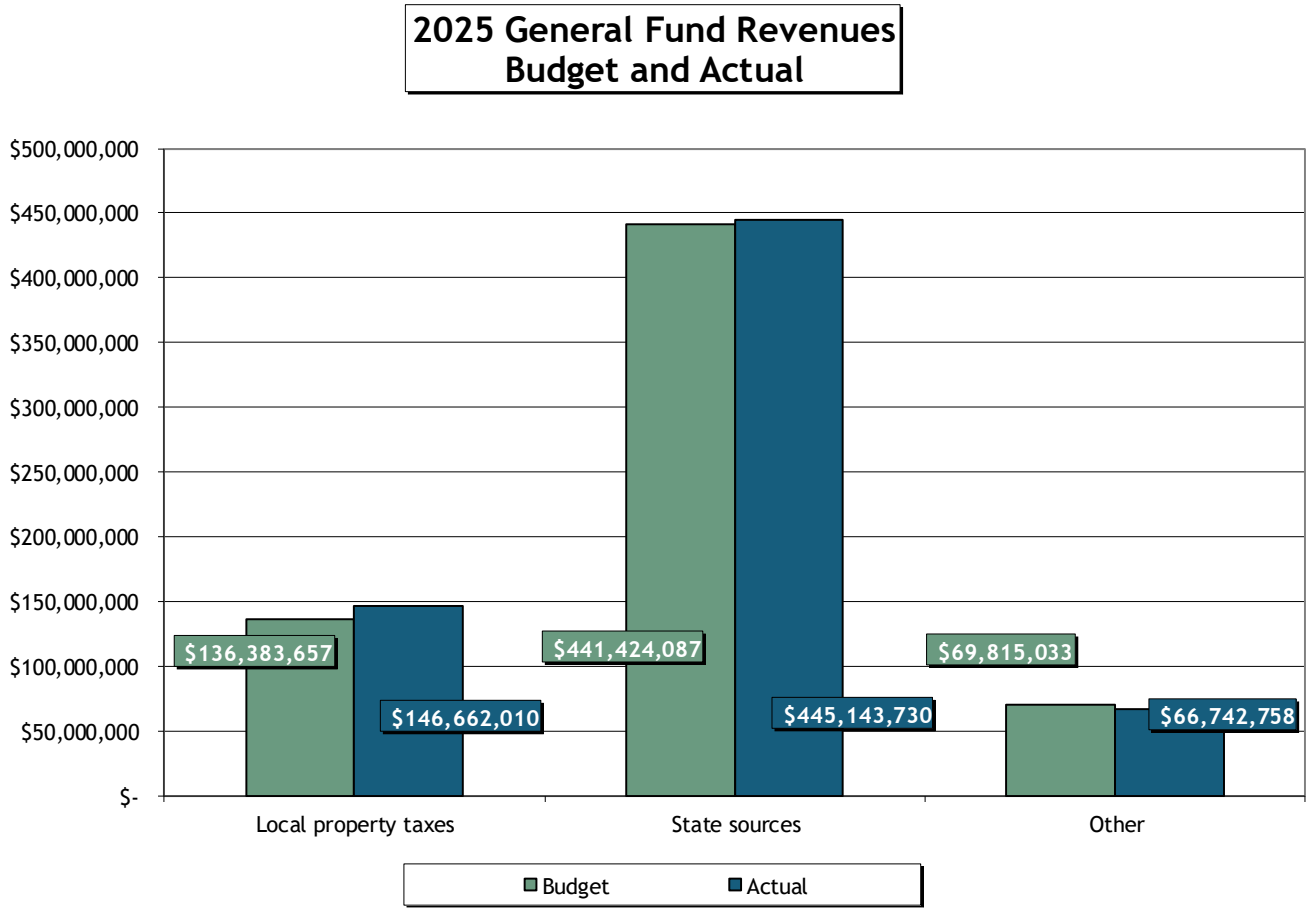
Revenue decreased from the prior year by $42,645,219, or 6.1%, due to a decrease in revenue from other sources, particularly less federal revenue from COVID-related grants. General Fund revenues over the past five years are portrayed in the following graph.



Minneapolis Public Schools
Special District No. 1
Financial Analysis

General Fund Revenues - Budget and Actual

The District approved a final revenue budget of $647,622,777. Actual revenues of $658,548,498 were $10,925,721, or 1.7%, over budget.



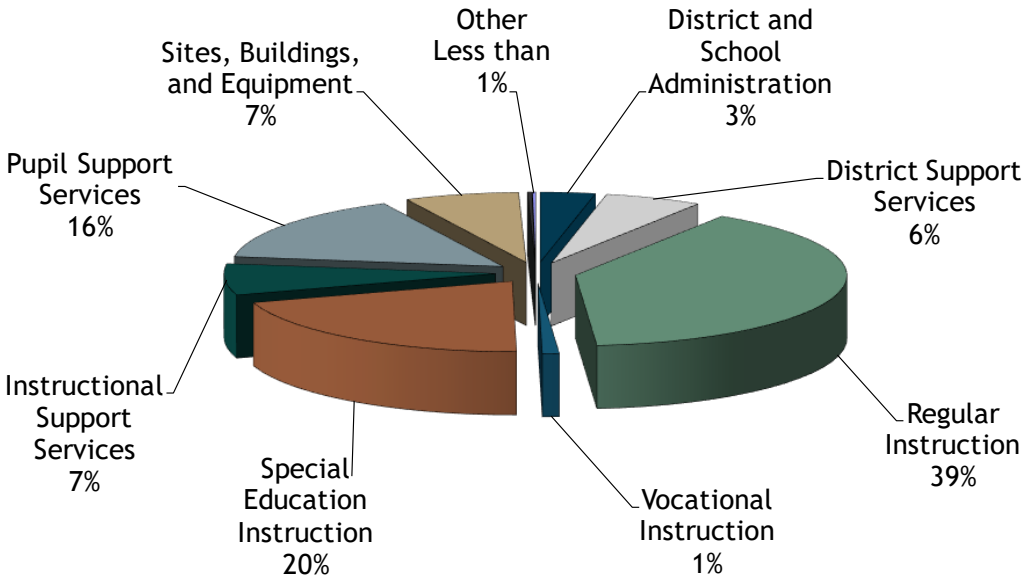
Revenues from local property taxes were over budget $10,278,353 due to not budgeting for fiscal disparities. Revenues from State sources were over budget $3,719,643 as a result of conservative budgeting. Revenue from other sources were $3,072,275 under budget. This was a result of budgeting higher for federal funding.

General Fund Expenditures

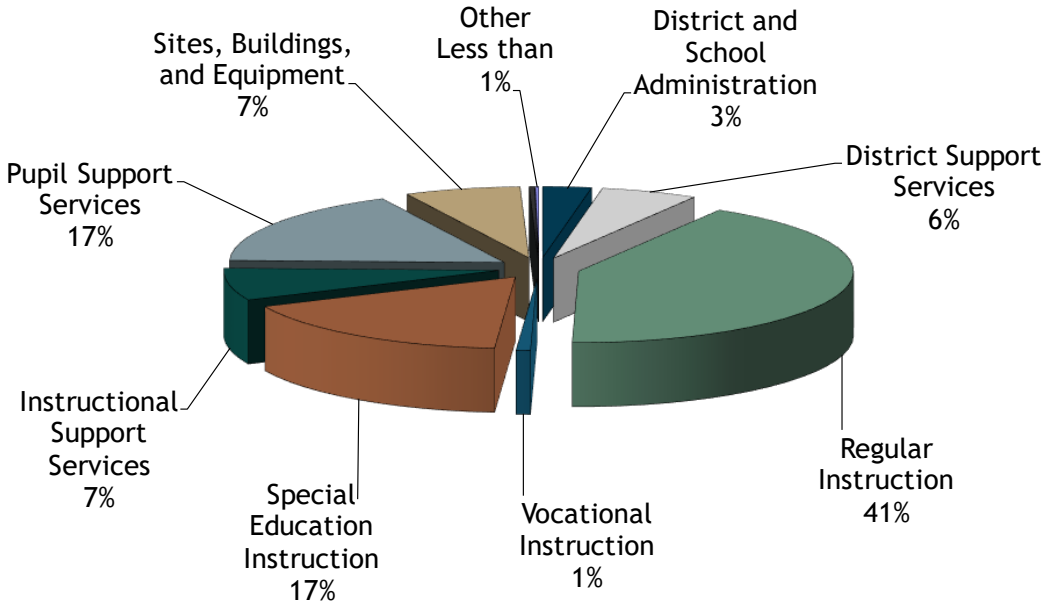
On the following page is the allocation of expenditures by program for the past two years. Overall, expenditures in the General Fund increased $4,989,642, or 0.7%, from 2024 to 2025. Special education expenditures increased by $23,523,099 due to the increased filling of special education positions along with more student program needs during the year. Regular instruction decreased $14,426,409 due in part to lesser salary and benefit costs based on staffing levels. Pupil support services decreased $11,667,371 as a result of less spending of COVID-related funding in 2025 compared to 2024.

General Fund Expenditures (Continued)
The three instruction categories, regular, vocational, and special education comprise 60% of the total District expenditures for 2025 and 59% for 2024.

2025 General Fund Expenditures
$705,256,604

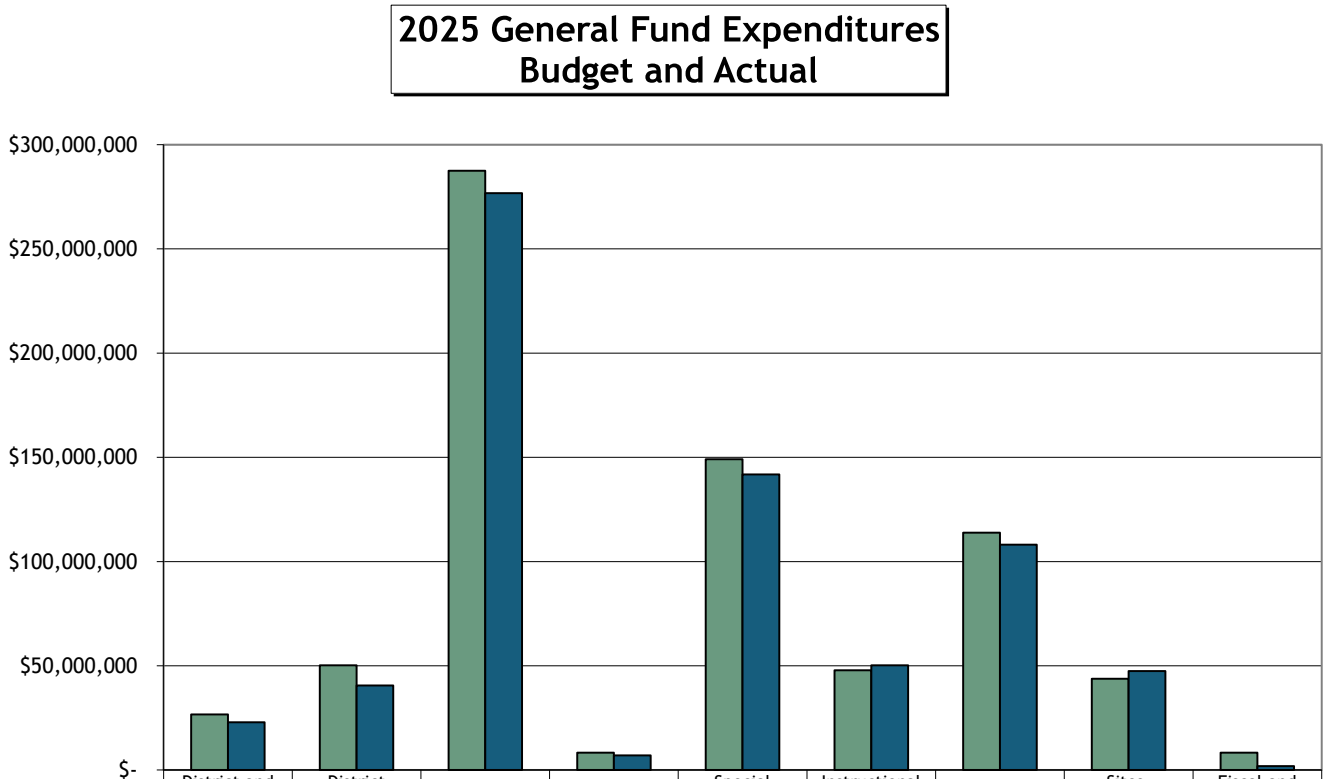


2024 General Fund Expenditures
$700,266,962



Minneapolis Public Schools
Special District No. 1
Financial Analysis

General Fund Expenditures - Budget and Actual



	District and School Administration	District Support Services	Regular Instruction	Vocational Instruction	Special Education Instruction	Instructional Support Services	Pupil Support Services	Sites, Buildings, and Equipment	Fiscal and Other Fixed Cost Programs
Budget	$26,656,299	$50,160,809	$287,481,775	$8,303,998	$149,076,929	$47,795,916	$113,822,205	$43,772,339	$8,267,500
Actual	22,837,635	40,566,362	276,746,703	6,947,779	141,807,310	50,159,719	108,103,218	47,461,151	1,818,605

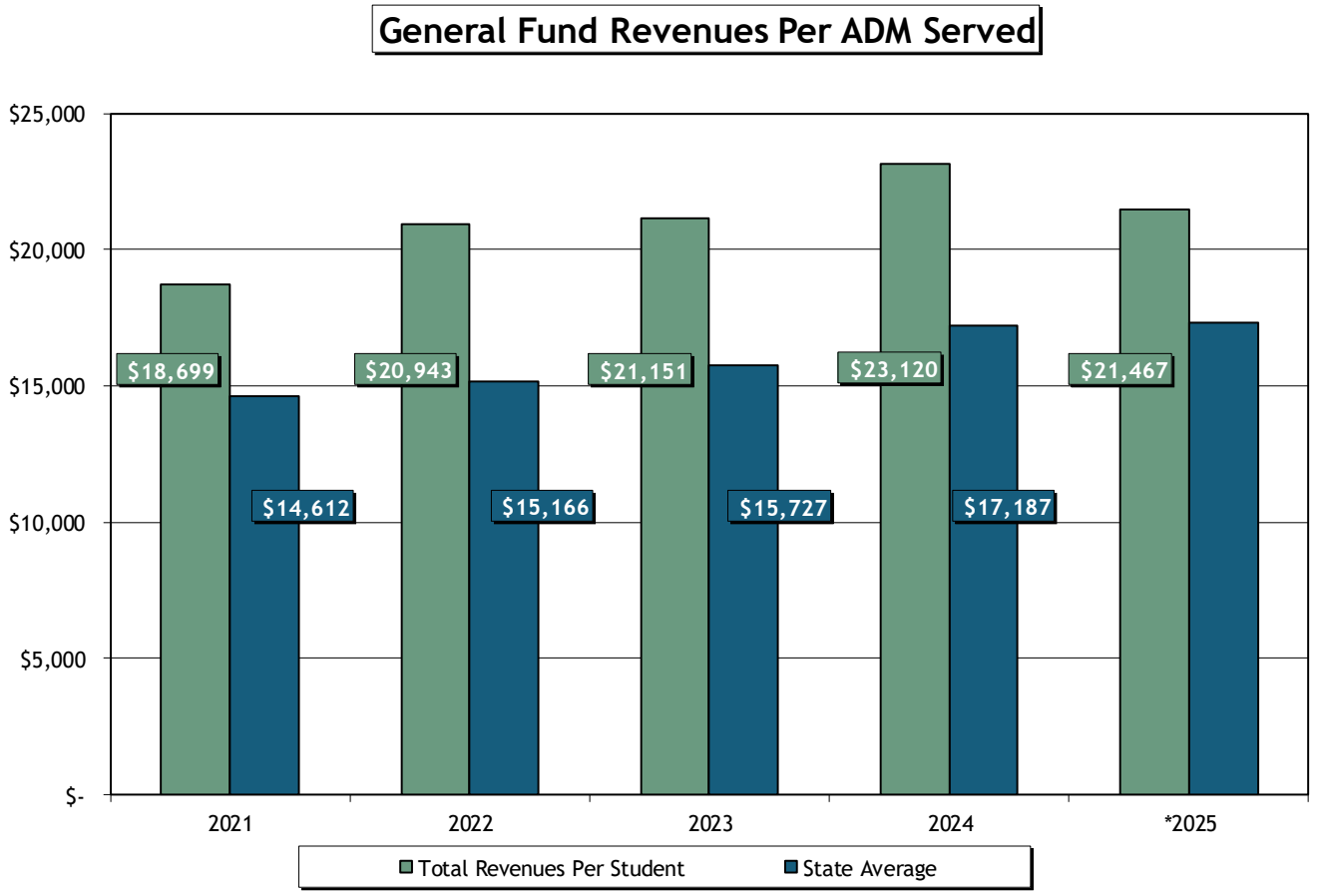
Overall, General Fund expenditures of $705,256,604 were $30,084,698, or 4.1%, under budget.

Minneapolis Public Schools
Special District No. 1
Financial Analysis

Revenues Per ADM Served

Special District No. 1	2021	2022	2023	2024	*2025
General Fund	$ 18,699	$ 20,943	$ 21,151	$ 23,120	$ 21,467
Food Service Fund	665	692	605	727	708
Community Service Fund	841	972	1,196	1,219	1,168
Building Construction Fund	7	20	363	423	313
Debt Service Fund	2,903	2,919	3,448	3,485	3,683
Post Employment Debt Service Fund	74	76	-	-	-
Total Revenues Per Student	**$ 23,189**	**$ 25,622**	**$ 26,763**	**$ 28,974**	**$ 27,339**

State Average	2021	2022	2023	2024	2025
General Fund	$ 14,612	$ 15,166	$ 15,727	$ 17,187	$ 17,334
Food Service Fund	569	791	667	836	832
Community Service Fund	571	685	745	781	807
Building Construction Fund	82	35	104	173	1,908
Debt Service Fund	1,398	1,393	1,456	1,536	1,862
Total Revenues Per Student	**$ 17,232**	**$ 18,070**	**$ 18,699**	**$ 20,513**	**$ 22,743**



* Estimate as of December 11, 2025

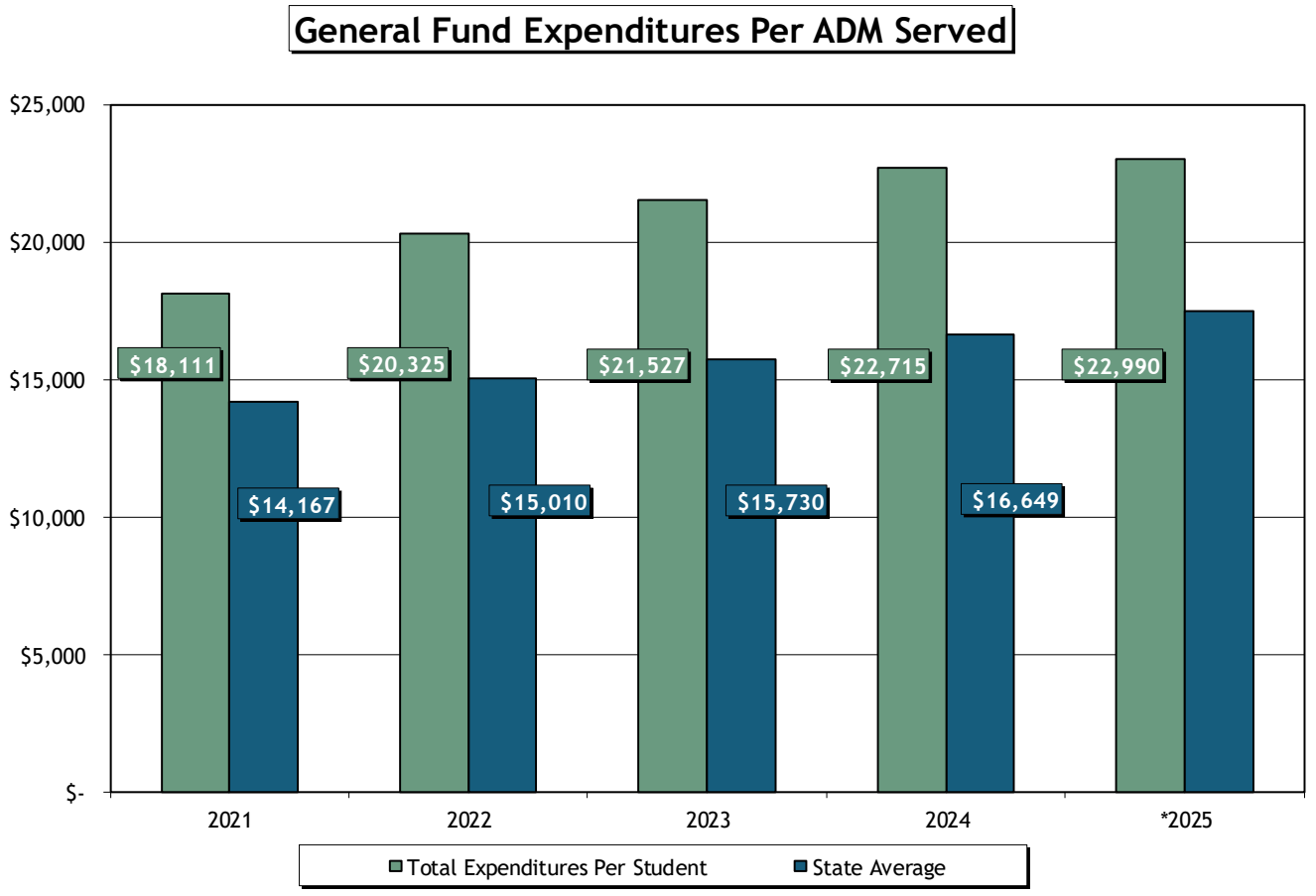
Minneapolis Public Schools
Special District No. 1
Financial Analysis

Expenditures Per ADM Served

Expenditures per student (ADM served) are summarized as follows:

Special District No. 1	2021	2022	2023	2024	*2025
General Fund	$ 18,111	$ 20,325	$ 21,527	$ 22,715	$ 22,990
Food Service Fund	598	825	803	844	902
Building Construction Fund	2,233	2,384	3,253	3,748	3,006
Community Service Fund	845	968	1,114	1,093	1,220
Debt Service Fund	2,905	3,155	3,340	3,304	3,415
Total Expenditures Per Student	**$ 24,692**	**$ 27,657**	**$ 30,037**	**$ 31,704**	**$ 31,533**

State Average	2021	2022	2023	2024	2025
General Fund	$ 14,167	$ 15,010	$ 15,730	$ 16,649	17,495
Food Service Fund	529	666	702	801	822
Community Service Fund	571	646	715	765	804
Building Construction Fund	2,008	1,773	1,513	1,657	193
Debt Service Fund	1,457	1,477	1,499	1,598	1,709
Total Expenditures Per Student	**$ 18,732**	**$ 19,572**	**$ 20,159**	**$ 21,470**	**$ 21,023**

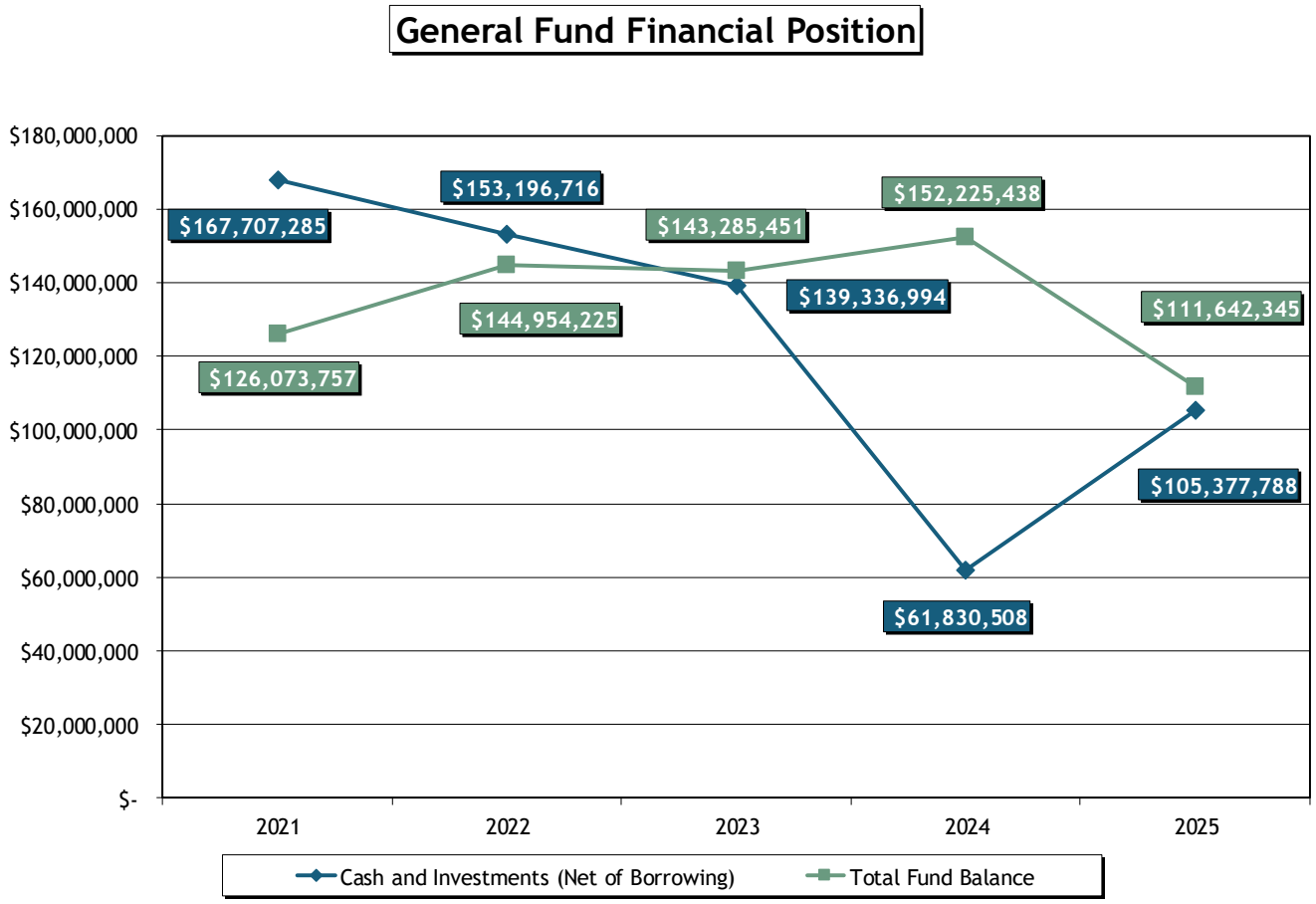


* Estimate as of December 11, 2025

Minneapolis Public Schools
Special District No. 1
Financial Analysis

General Fund Operations

As the following graph indicates, cash and investments increased $43,547,280 from 2024 to 2025 while total fund balance decreased $40,583,093, or 26.7%.



General Fund Operations (Continued)

The following table presents five years of comparative operating results for the District's General Fund:

For the Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	$ 603,733,523	$ 643,209,266	$ 629,681,176	$ 701,193,717	$ 658,548,498
Expenditures	(584,833,448)	(648,092,852)	(640,898,978)	(700,266,962)	(705,256,604)
Excess of revenues over (under) expenditures	18,900,075	(4,883,586)	(11,217,802)	926,755	(46,708,106)
Proceeds from sale of equipment	-	-	32,105	-	-
Lease/SBITA/Finance Issuance	-	23,707,892	8,928,669	10,806,377	10,704,333
Insurance recovery	-	56,162	86,338	512,046	1,580,103
Notes from direct borrowing	-	-	6,983,121	-	-
Transfer out	-	-	(6,481,205)	(3,305,191)	(6,159,709)
Fund balance, July 1	106,477,779	126,073,757	144,954,225	143,285,451	152,225,438
Change in accounting principle	695,903	-	-	-	-
Fund Balance, June 30	**$ 126,073,757**	**$ 144,954,225**	**$ 143,285,451**	**$ 152,225,438**	**$ 111,642,059**

Components of Fund Balance					
For the Year Ended June 30,	**2021**	**2022**	**2023**	**2024**	**2025**
Nonspendable	$ 1,414,679	$ 5,294,596	$ 5,957,921	$ 5,040,225	$ 6,064,661
Restricted for					
Area learning center	-	-	-	4,992,182	1,004,969
Student activities	572,832	570,515	543,356	483,807	593,039
Literacy aid	-	-	-	-	162,555
Literacy incentive aid	-	-	-	102,634	1,492,557
American Indian education aid	-	-	-	174,460	174,460
Basic skills program	495,016	-	-	-	2,619,580
Community education programs	65,178	-	-	-	-
Operating capital	5,501,542	8,783,209	12,572,197	16,695,350	20,498,301
Contracted alternative programs	-	1,164,265	966,181	887,820	741,046
School library aid	-	-	-	273,168	265,224
Gifted and talented	579,035	483,254	439,264	-	-
Student support personnel aid	-	-	-	364,743	539,709
Medical assistance	-	-	-	1,657,365	2,254,537
Basic skills extended time	4,610,186	6,306,894	7,631,978	-	-
Long-term facilities maintenance	156,383	156,383	-	-	2,141
Teacher Comp READ Act	-	-	-	-	1,048,012
Learning and development	-	-	-	-	8,977
Other	234,359	234,359	233,781	456,137	478,511
Assigned	57,295,506	68,347,003	54,915,232	58,679,417	19,222,835
Unassigned	55,149,041	53,613,747	60,025,541	62,418,130	54,470,945
Fund Balance, June 30	**$ 126,073,757**	**$ 144,954,225**	**$ 143,285,451**	**$ 152,225,438**	**$ 111,642,059**

The chart above summarizes General Fund activity and financial position for each of the last five years. The unassigned fund balance represented 7.5% of 2026 budgeted expenditures. The District's fund balance policy calls for a minimum unassigned balance of 8% of the annual budgeted expenditures for the following year.

Minneapolis Public Schools
Special District No. 1
Financial Analysis

Food Service Fund

The following table presents five years of comparative operating results for the District's Food Service Fund.

For the Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	$ 21,349,575	$ 21,168,074	$ 18,009,094	$ 21,977,738	$ 21,716,925
Expenditures	(19,211,722)	(25,223,498)	(23,904,788)	(25,516,568)	(27,675,147)
Excess of revenues over (under) expenditures	2,137,853	(4,055,424)	(5,895,694)	(3,538,830)	(5,958,222)
Transfer in	-	-	6,481,205	3,305,191	6,159,709
Fund balance, July 1	3,302,827	5,440,680	1,385,256	1,970,767	1,737,128
Fund Balance, June 30	**$ 5,440,680**	**$ 1,385,256**	**$ 1,970,767**	**$ 1,737,128**	**$ 1,938,615**
Nonspendable	$ 1,732,388	$ 1,505,951	$ 1,970,767	$ 1,737,128	$ 1,938,615
Restricted for other purposes	3,708,292	(120,695)	-	-	-
Total Fund Balance, June 30	**$ 5,440,680**	**$ 1,385,256**	**$ 1,970,767**	**$ 1,737,128**	**$ 1,938,615**

Community Service Fund

The following table presents five years of comparative operating results for the District's Community Service Fund.

For the Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	$ 27,022,352	$ 29,701,512	$ 35,606,486	$ 36,848,342	$ 35,835,123
Expenditures	(27,155,640)	(29,589,555)	(33,152,664)	(33,059,208)	(37,439,147)
Excess of revenues over (under) expenditures	(133,288)	111,957	2,453,822	3,789,134	(1,604,024)
Fund balance, July 1	5,193,697	5,060,409	5,172,366	7,626,188	11,415,322
Fund Balance, June 30	**$ 5,060,409**	**$ 5,172,366**	**$ 7,626,188**	**$ 11,415,322**	**$ 9,811,298**
Nonspendable	$ -	$ -	$ -	$ 750	$ 16,883
Restricted for					
School readiness	2,024,215	961,509	1,241,654	1,521,933	1,045,445
Adult basic education	879,610	1,340,717	1,364,412	1,674,794	86,765
Community education programs	1,120,064	7,786	1,814,399	5,688,702	5,283,665
ECFE	119,623	159,453	664,466	1,565,336	1,713,950
Other programs	916,897	2,702,901	2,541,257	963,807	1,664,590
Total Fund Balance, June 30	**$ 5,060,409**	**$ 5,172,366**	**$ 7,626,188**	**$ 11,415,322**	**$ 9,811,298**

Minneapolis Public Schools
Special District No. 1
Legislative Summary

The following is a brief summary of current legislative changes and issues affecting the funding of Minnesota school districts. More detailed and extensive summaries are available from the Minnesota Department of Education (MDE).

Achievement and Integration Revenue
The administrative amount of each district's initial achievement and integration revenue that MDE may retain for administration of the program increased from 0.3% to 1.3% for the second prior fiscal year beginning in 2026 and later.

Basic Alternative Teacher Compensation Aid (Q-Comp)
The total cap for basic alternative teacher compensation aid increased to $89,486,000 for 2026 and beyond. Unspent "Q Comp" funds must be reserved in a restricted fund balance and used only for their intended purpose.

Basic General Education Aid
The formula allowance for 2025 was set at $7,281 and for 2026, the formula allowance increases to $7,481, which is a 2.7% increase over 2025.

Compensatory Education Revenue
For fiscal year 2026 only, the compensation revenue pupil units for each building in a district are set equal to the greater of the building's actual compensation revenue pupil units for revenue in FY 2026, or the building's actual compensation revenue pupil units computed for revenue in FY 2024. The transition to the new compensatory formula enacted in Minnesota Laws 2023, chapter 55 has been delayed until fiscal year 2027.

English Learner Aid and Cross Subsidy
For 2026, the aid is $1,228 times the greater of 20 or total English learner ADM. For 2027, this increases to $1,775 times the greater of 20 or total English learner ADM. The English learner concentration formula amount increases from $436 in 2026 to $630 in 2027. For 2027 and later, a district's Cross Subsidy Aid equals 25% of the district's cross subsidy, which is the greater of zero or the difference between the district's expenditures for qualifying services for the second prior year and the district's English learner revenue for the second previous year.

Food Service Net Cash Resource Limitation
The temporary 6-month net cash resource limit of operating expenditures in the Food Service Fund has been extended through fiscal year 2026 for authorities who provide justification for higher balances.

Long-Term Facilities Maintenance (LTFM) Revenue
Districts may include roof repair and replacement costs totaling $100,000 or more per site in the annual LTFM revenue authority effective for fiscal year 2027 and later. The LTFM equalizing factor increased to offset the projected increase in statewide LTFM levies with additional equalization aid.

Minneapolis Public Schools
Special District No. 1
Legislative Summary

Pension Bill and Pension Adjustment Revenue
Minnesota Laws 2025, chapter 37, article 13, section 1 increases the pension adjustment rate for all other districts (besides ISD No. 625, St. Paul) in fiscal year 2026 and later from 2.0% to 2.31%. Article 13, section 2 increases the employer contribution to the Teachers Retirement Association in the special revenue fund in fiscal year 2026 and later from 9.5% to 9.81% of the salary of each coordinated member and from 13.5% to 13.81% of the salary of each basic member.

School Library Aid
Beginning in fiscal year 2026, the school library aid per pupil allowance is reduced from $16.11 to $10.27 for 2026 and 2027, and $9.12 for 2028 and later. The minimum amount for a school district is reduced from $40,000 to $20,000, while the minimum amount for a charter school is reduced from $20,000 to $10,000 beginning in 2026.

Special Education Aid
The Special Education Cross Subsidy Reduction Aid paid to districts increased from 6.43% to 44% beginning in 2024. A further increase to 50% begins in 2027.

Student Support Personnel Aid
Beginning in fiscal year 2026, the per pupil allowance is reduced from $48.73 to $30.05 in 2026 and 2027, and $34.32 in 2028 and later. The cooperative student support allowance is reduced from $2.44 to $1.60 in 2026 and later.

Minneapolis Public Schools
Special District No. 1
Emerging Issues

Executive Summary
The following is an executive summary of financial related updates to assist you in staying current on emerging issues in accounting and finance. This summary will give you a preview of the new standards that have been recently issued and what is on the horizon for the near future. The most recent and significant updates include:

- **Accounting Standard Update – GASB Statement No. 103 – *Financial Reporting Model Improvements***
  GASB has issued GASB Statement No. 103 relating to changes in financial reporting requirements. The changes provide clarity, enhance the relevance of information, provide more useful information for decision-making, and provide for greater comparability amongst government entities.
- **Accounting Standard Update – GASB Statement No. 104 – *Disclosure of Certain Capital Assets***
  GASB has issued GASB Statement No. 104 relating to capital asset disclosures. The disclosures required by this Statement provide users of the financial statements with essential information about certain types of capital assets.

The following are extensive summaries of the current updates. As your continued business partner, we are committed to keeping you informed of new and emerging issues. We are happy to discuss these issues with you further and their applicability to your District.

Minneapolis Public Schools
Special District No. 1
Emerging Issues

Accounting Standard Update – GASB Statement No. 103 – *Financial Reporting Model Improvements*

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

This Statement addresses 5 areas of the financial statements (1) Management's Discussion and Analysis (MD&A), (2) Unusual or Infrequent Items, (3) Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position, (4) Major Component Unit Information, and (5) Budgetary Comparison Information.

This Statement continues the requirement that the MD&A precede the basic financial statements as part of the Required Supplementary Information (RSI). This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. The Statement stresses that detailed analyses should explain why balances and results of operations changed, rather than stating amounts and "boilerplate" discussions.

This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows.

This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. The Statement provides clarification regarding operating and nonoperating revenues and expenses. Also, this Statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses.

This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements.

This Statement requires governments to present budgetary comparison information using a single method of communication - RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

GASB Statement No. 103 is effective for fiscal years beginning after June 15, 2025. Earlier application is encouraged.

Information provided above was obtained from www.gasb.org.

Minneapolis Public Schools
Special District No. 1
Emerging Issues

Accounting Standard Update – GASB Statement No. 104 – *Disclosure of Certain Capital Assets*
The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

This Statement requires certain types of capital assets continue to be disclosed separately in the capital assets note disclosures including presentation of capital assets by major class and separate disclosure of lease assets, subscription assets, and intangible right-to-use assets.

This Statement requires additional disclosures for capital assets held for sale. A capital asset is held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date.

Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

GASB Statement No. 104 is effective for fiscal years beginning after June 15, 2025. Earlier application is encouraged.

Information provided above was obtained from www.gasb.org.

Minneapolis Public Schools
Special School District No. 1

Reports on *Government Auditing Standards*, Uniform Guidance, and Legal Compliance

June 30, 2025

Minneapolis Public Schools
Special School District No. 1
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Minneapolis Public Schools
Special School District No. 1
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Agency/Pass Through Agency/Program Title	Federal Assistance Listing Number	Expenditures
U.S. Department of Agriculture		
Through Minnesota Department of Education		
Child Nutrition Cluster		
School Breakfast Program	10.553	$ 3,124,630
National School Lunch Program	10.555	10,211,678
Commodities Programs - Non Cash	10.555	1,216,100
Fresh Fruits and Vegetables Program	10.582	498,114
Summer Food Service Program for Children	10.559	831,890
Total Child Nutrition Cluster		15,882,412
Cash in Lieu of Child and adult Care Food Program	10.558	709,308
Total U.S. Department of Agriculture		16,591,720
U.S. Department of Education		
Through Minnesota Department of Education		
Adult Education - Basic Grants to States	84.002	704,678
Title I Grants To Local Educational Agencies		
Title I, Part A	84.010	25,028,507
Title I, Part D	84.010A	148,305
Total Title I Grants To Local Educational Agencies		25,176,812
Special Education Cluster		
Special Education	84.027	13,463,455
Special Education - Preschool Grants	84.173	358,129
Total Special Education Cluster		13,821,584
Special Education - Grants for Infants and Families	84.181	184,384
Career and Technical Education - Basic Grants to States	84.048	680,503
Education for Homeless Children and Youth	84.196	79,777
Comprehensive State Literacy Development	84.371C	52,500
Maltreatment reducation	84.027A	42,893
State Personnel Development Grant	84.323	7,095
Title III, Part A - English Language Acquisition	84.365	947,687
Title II, Part A - Supporting Effective Instruction	84.367	1,208,312
Student Support and Academic Enrichment Program		
Title IV, Part A - Student Support and Academic Enrichment Program	84.424A	1,803,306
Stronger Connections Grant	84.424F	137,173
Total Student Support and Academic Enrichment Program		1,940,479

See notes to the schedule of expenditures of federal awards.

Minneapolis Public Schools
Special School District No. 1
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Agency/Pass Through Agency/Program Title	Federal Assistance Listing Number	Expenditures
U.S. Department of Education (Continued)		
Through Minnesota Department of Education		
COVID - ARP Homeless I	84.425W	$ 61,067
COVID - Elementary and Secondary School Education Relief Fund III	84.425U	554,090
Total Education Stabilization Funds		615,157
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334S	4,342
Direct		
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	2,050,712
21st Century Community Learning Centers	84.287C	985,510
Fund for Improvement of Education	84.215	928
Indian Education Grants to Local Educational Agencies	84.060	272,017
Total U.S. Department of Education		48,775,370
U.S. Department of Justice		
Direct		
COPS Lock Replacement	16.710	128,375
U.S. Department of Health and Human Services		
Through Minnesota Department of Education		
Refugee Family Coach	93.566	110,603
U.S. Department of Homeland Security		
Direct		
Citizenship Grant	97.010	45,168
National Endowment for the Humanities		
Through Minnesota Department of Education		
Library Services Tech Art	45.310	52,563
Total Federal Expenditures		$ 65,703,799

See notes to the schedule of expenditures of federal awards.

Minneapolis Public Schools
Special District No. 1
Notes to the Schedule of Expenditures of Federal Awards

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes of net assets, or cash flows of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – PASS-THROUGH GRANT NUMBERS

All pass-through entities listed above use the same Assistance Listing numbers as the federal grantors to identify these grants and have not assigned any additional identifying numbers.

NOTE 4 – NONMONETARY ASSISTANCE

Nonmonetary assistance is reported in this schedule at the fair market value of commodities received and disbursed for the USDA Commodities Program (Assistance Listing #10.555).

NOTE 5 – INDIRECT COST RATE

The District did not elect to use the 10 percent de minimis indirect cost rate, as allowed under the Uniform Guidance.

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To the School Board
Minneapolis Public Schools
Special District No. 1
Minneapolis, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Minneapolis Public Schools, Minneapolis, Minnesota, as of and for the year ended June 30, 2025, and the related notes to basic financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 27, 2026.

Report on Internal Control over Financial Reporting
In planning and performing our audit of the basic financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses, Audit Findings 2025-001 and 2025-002.

Report on Internal Control over Financial Reporting (Continued)
A significant deficiency is a deficiency, or a combination of deficiencies in internal control that is less serve then a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a significant deficiency, Audit Finding 2025-003.

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the District's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

District's Response to the Findings
Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our engagement and described in the accompanying Schedule of Findings and Questioned Costs. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Minneapolis, Minnesota
March 27, 2026

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Independent Auditor's Report

To the School Board
Minneapolis Public Schools
Special District No. 1
Minneapolis, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program
We have audited the District's compliance with the types of compliance requirements identified as subject to audit in the *Office of Management and Budget* (OMB) Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program
We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance
Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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

Report on Internal Control over Compliance (Continued)
Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance
We have audited the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2025, and the related notes to basic financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated March 27, 2026, which contained unmodified opinions on those basic financial statements. Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BerganKDV, Ltd.

Minneapolis, Minnesota
March 27, 2026

Minneapolis Public Schools
Special District No. 1
Schedule of Findings and Questioned Costs
in Accordance with the Uniform Guidance

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements	
Type of auditor's report issued:	We issued an unmodified opinion on the fair presentation of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in accordance with accounting principles generally accepted in the United States of America (GAAP).
Internal control over financial reporting:	
• Material weakness(es) identified?	Yes, Audit Findings 2025-001 and 2025-002
• Significant deficiency(ies) identified?	Yes, Audit Finding 2025-003
Noncompliance material to financial statements noted?	No
Federal Awards	
Type of auditor's report issued on compliance for major programs:	Unmodified
Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516?	No
Identification of Major Programs	
Assistance Listing No:	84.010
Name of Federal Program or Cluster:	Title I
Assistance Listing No:	84.334
Name of Federal Program or Cluster:	Gaining Early Awareness and Readiness for Undergraduate Programs
Assistance Listing No:	84.424
Name of Federal Program or Cluster:	Student Support and Academic Enrichment Programs
Dollar threshold used to distinguish between type A and type B programs:	$1,971,073
Auditee qualified as low-risk auditee?	No

Minneapolis Public Schools
Special District No. 1
Schedule of Findings and Questioned Costs
in Accordance with the Uniform Guidance

SECTION II – BASIC FINANCIAL STATEMENT FINDINGS

Audit Finding 2025-001 – Lack of Segregation of Duties

Criteria or Specific Requirement:
Internal control that supports the District's ability to initiate, record, process and report financial data consistent with the assertions of management in the basic financial statements requires adequate segregation of accounting duties.

Condition:
We noted during review of the District's internal controls that there is a lack of segregation of duties over certain processes. A lack of segregation occurs when there is an individual who has responsibility to perform multiple functions in four key areas: initiation/authorization, processing/recording, reconciling/reporting of financial data, and custody of assets.

We noted lack of segregation of duties, to various degrees, in the following area:

- **Financial Closing and Bank Reconciliation Process**: Certain employees record transactions and reconcile balances at the end of the year without evidence of reconciliations being performed timely with review by another employee. There were also instances noted where there was no evidence of timely review or approval of bank reconciliations.
- **SAP User Rights***:* A number of employees have excessive access to Accounts Payable functions, Purchasing functions, and the general ledger. Also, there were instances identified where individuals have excessive access to perform many responsibilities within a process (e.g. create a vendor, enter an invoice for payment, and cut a check). There are also some employees who have the ability to make journal entries without review as a result of SAP user rights allocated to them. We recommend that the District review all user roles and the permissions granted to each role for appropriateness, taking into consideration adequate segregation of duties. The District should also validate that adequate compensating controls are implemented to review and detect irregular or fraudulent activity performed by users with elevated permissions. Additionally, individuals in a position of authority should have limited transactional ability within the SAP application to further prevent management override controls.

Context:
This finding impacts the internal control for all significant accounting functions.

Cause:
Process flows and SAP user access rights are not designed to provide for proper segregation of duties in each area. Turnover of finance staff contributed to reconciliations of certain account balances not being reviewed timely.

Effect or Potential Effect:
The lack of adequate segregation of accounting duties adversely affected the District's ability to initiate, record, process, and report financial data consistent with the assertions of management in the basic financial statements. Financial information could contain inaccurate information if reconciliations are not reviewed timely.

Minneapolis Public Schools
Special District No. 1
Schedule of Findings and Questioned Costs
in Accordance with the Uniform Guidance

SECTION II – BASIC FINANCIAL STATEMENT FINDINGS (CONTINUED)

Audit Finding 2025-001 – Lack of Segregation of Duties (Continued)

Recommendation:
We recommend the District review process and procedures to identify further segregation of accounting duties or implement additional controls to mitigate the condition. We also recommend the District improve the accounts payable listing and reconciliation process to remove all old items.

Views of the Responsible Officials and Planned Corrective Actions:

CORRECTIVE ACTION PLAN (CAP):

1. Explanation of Disagreement with Audit Finding
   There is no disagreement with the finding.

2. Actions Planned in Response to Finding
   Financial Closing Process – The process for the financial closing and bank reconciliation process will improve after changes in roles and responsibilities in the Finance Department.

   SAP User Rights – The Executive Director – IT has been working on system audits and some corrective action has already been implemented on user rights and we will keep monitoring the process.

3. Official Responsible for Ensuring CAP
   The Chief Financial Officer is the official responsible for ensuring corrective action of the deficiency.

4. Planned Completion Date for CAP
   The planned completion date for the CAP is June 30, 2026.

5. Plan to Monitor Completion of CAP
   The Finance Department will be monitoring the corrective action plan.

SECTION II – BASIC FINANCIAL STATEMENT FINDINGS (CONTINUED)

Audit Finding 2025-002 – Deficiency in Internal Control over Disbursements

Criteria or Specific Requirement:
The District's procurement and payment policy requires that all disbursements for contracted services comply with the executed contract terms. Additionally, GAO's Standards for Internal Control in the Federal Government (Green Book) state that management should design control activities to ensure transactions are properly authorized and accurately recorded.

Condition:
For the fiscal year under audit, we noted instances of vendors that appeared to be paid more than the contracted amount. Payments were processed based on invoices that were prepared with different terms than the agreed-upon contract terms.

Context:
This finding impacts internal control over financial reporting.

Cause:
The overpayments occurred because the District does not have an effective review process to effectively reconcile complex invoices to contract terms prior to payment for certain activities. Contract terms also appeared to be unclear which contributed to misinterpretation of amounts due.

Effect or Potential Effect:
The deficiency resulted in overpayments, creating a risk of financial loss and noncompliance with procurement regulations.

Recommendation:
We recommend management:

1. Ensure contract terms are clear and that sufficient information is provided by vendors related to services performed to minimize misinterpretation of amounts due.

2. Implement a formal review process requiring reconciliation of invoices to contract terms before approving payment for all contracted services activities.

3. Ensure system-based controls are configured to flag discrepancies between invoice amounts and contract limits.

4. Provide training to staff responsible for invoice processing on contract compliance requirements.

SECTION II – BASIC FINANCIAL STATEMENT FINDINGS (CONTINUED)

Audit Finding 2025-002 – Deficiency in Internal Control over Disbursements (Continued)

Views of the Responsible Officials and Planned Corrective Actions:

CORRECTIVE ACTION PLAN (CAP):

1. Explanation of Disagreement with Audit Finding
   There is no disagreement with the finding.

2. Actions Planned in Response to Finding
   The District's internal controls related to the disbursement process will continue to improve.

3. Official Responsible for Ensuring CAP
   The Chief Financial Officer is the official responsible for ensuring corrective action of the deficiency.

4. Planned Completion Date for CAP
   Additional procedures have been implemented related to this process.

5. Plan to Monitor Completion of CAP
   The Finance Department management will be monitoring the corrective action plan.

Minneapolis Public Schools
Special District No. 1
Schedule of Findings and Questioned Costs
in Accordance with the Uniform Guidance

SECTION II – BASIC FINANCIAL STATEMENT FINDINGS (CONTINUED)

Audit Finding 2025-003 – Budget Reporting Process

Criteria or Specific Requirement:
The District should use budgets within SAP to provide budget to actual reports in accordance with UFARS and GAAP and analyze variances on a regular basis.

Condition:
During our audit, we noted significant variances between budgeted amounts and actual amounts for expenditures by program and revenue classifications. Upon further investigation, amounts presented in the original budget and final budget did not appear to follow UFARS or GAAP reporting requirements due to the current budget practice resulting in adjustments to program codes that are inconsistent with actual activity in accordance with UFARS and GAAP.

Context:
This finding impacts internal control over financial reporting.

Cause:
Budgets were not allocated to correct classifications.

Effect or Potential Effect:
Budget to actual variances may be inaccurate.

Recommendation:
We recommend that the District improve its budget process and ensure UFARS and GAAP reporting requirements are followed and that budgets reported match what the Board approved.

Views of the Responsible Officials and Planned Corrective Actions:

CORRECTIVE ACTION PLAN (CAP):

1. Explanation of Disagreement with Audit Finding
   There is no disagreement with the finding.

2. Actions Planned in Response to Finding
   The District's internal controls related to the budgeting process will continue to improve.

3. Official Responsible for Ensuring CAP
   The Chief Financial Officer and Budget Manager are the officials responsible for ensuring corrective action of the deficiency.

4. Planned Completion Date for CAP
   The planned completion date for the CAP is June 30, 2026.

5. Plan to Monitor Completion of CAP
   The Finance Department management will be monitoring the corrective action plan.

Minneapolis Public Schools
Special District No. 1
Schedule of Findings and Questioned Costs
in Accordance with the Uniform Guidance

SECTION III – PRIOR YEAR FINDINGS

Audit Finding 2024-003 – Prior Period and Material Audit Adjustments

During our audit for the year ended June 30, 2024, a prior period adjustment was required related to capital assets and material audit adjustments were identified to ensure accurate financial reporting for cash, receivables, state and federal revenues, debt related activity, and property taxes. We did not identify material misstatements during the audit for the year ended June 30, 2025.

SECTION IV – FEDERAL AWARD PRIOR YEAR FINDINGS AND QUESTIONED COSTS

There were no prior year findings or questioned costs.

Minnesota Legal Compliance

Independent Auditor's Report

To the School Board
Minneapolis Public Schools
Special District No. 1
Minneapolis, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Minneapolis Public Schools , Minneapolis, Minnesota, as of and for the year ended June 30, 2025, and the related notes to basic financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 27, 2026.

In connection with our audit, we noted that the District failed to comply with the provisions of the uniform financial accounting and reporting standards for Minnesota school districts (UFARS) and contracting – bid laws of the *Minnesota Legal Compliance Audit Guide for School Districts* promulgated by the State Auditor pursuant to *Minnesota Statutes* § 6.65, insofar as they relate to accounting matters as described in the Schedule of Findings and Corrective Action Plans on Legal Compliance as items 2025-004 and 2025-005, respectfully. Also, in connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for School Districts,* insofar as they relate to accounting matters. However, our audit as not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is to describe the scope of our testing of compliance and the result of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

BerganKDV, Ltd.

Minneapolis, Minnesota
March 27, 2026

Minneapolis Public Schools
Special District No. 1
Schedule of Findings and Corrective Action
Plans on Legal Compliance

CURRENT YEAR AND PRIOR YEAR LEGAL COMPLIANCE FINDING:

Audit Finding 2025-004 – Lack of Uniform Financial Accounting and Reporting Standards Compliance

According to *Minnesota Statute* 123B. 77, subdivision 1, Uniform financial accounting and reporting standards, state: Each Minnesota school district must adopt the uniform financial accounting and reporting standards for Minnesota school districts provided for in guidelines adopted by the department.

During our audit we noted instances when the District did not follow accounting practices within the Uniform Financial Accounting and Reporting Standards.

Views of the Responsible Officials and Planned Corrective Actions:

CORRECTIVE ACTION PLAN (CAP):

1. Explanation of Disagreement with Audit Finding
   There is no disagreement with the finding.

2. Actions Planned in Response to Finding
   The District will ensure they follow the uniform financial accounting and reporting standards.

3. Official Responsible for Ensuring CAP
   The Chief Financial Officer is the official responsible for ensuring corrective action of the deficiency.

4. Planned Completion Date for CAP
   The planned completion date for the CAP is November 30, 2026.

5. Plan to Monitor Completion of CAP
   The Finance Department management will be monitoring the corrective action plan.

Minneapolis Public Schools
Special District No. 1
Schedule of Findings and Corrective Action
Plans on Legal Compliance

CURRENT YEAR LEGAL COMPLIANCE FINDING:

Audit Finding 2025-005 – Group Insurance Request for Proposals Noncompliance

According to *Minnesota Statute* 471.6161, subdivision 2, every political subdivision authorized by law to purchase group insurance for its employees and providing or intending to provide group insurance coverage and benefits for 25 or more of its employees shall request proposals from and enter into contracts with entities reference in subdivision 1 that in the judgement of the political subdivision are best qualified to provide coverage. The request for proposals shall be in writing and at a minimum shall include: coverage to be provided, criteria for evaluation of proposals from entities referenced in subdivision 1, and the aggregate claims records for the appropriate period. A political subdivision may exclude from consideration proposals requiring self-insurance. Public notice of the request for proposals must be provided in a newspaper or trade journal at least 21 days before the final date for submitting proposals.

During our audit, we noted public notice of the request for proposals was not provided in a newspaper or trade journal at least 21 days before the final date for submitting proposals.

Views of the Responsible Officials and Planned Corrective Actions:

CORRECTIVE ACTION PLAN (CAP):

1. Explanation of Disagreement with Audit Finding
   There is no disagreement with the finding.

2. Actions Planned in Response to Finding
   The District will ensure they follow the group insurance request for proposals compliance standards.

3. Official Responsible for Ensuring CAP
   The Chief Financial Officer is the official responsible for ensuring corrective action of the deficiency.

4. Planned Completion Date for CAP
   The planned completion date for the CAP is June 30, 2026.

5. Plan to Monitor Completion of CAP
   The Finance Department management will be monitoring the corrective action plan.

Minneapolis Public Schools
Special District No. 1
Schedule of Findings and Corrective Action
Plans on Legal Compliance

PRIOR YEAR LEGAL COMPLIANCE FINDING:

Audit Finding 2024-004 – Prompt Payment of Local Government Bills

Minnesota Statute § 471.425 requires that school districts must pay each vendor obligation according to the terms of the contract or, if no contract terms apply, within the standard payment period. For school districts with governing boards that have regular meetings at least once a month, the standard payment period is within 35 days of the date of receipt.

During our audit, we noted invoices in our sample selection were not paid within the standard payment period of 35 days.

Views of the Responsible Officials:

CORRECTIVE ACTION TAKEN:

During our audit for the year ended June 30, 2025, we noted no invoices in our sample selection that were not paid within the standard payment period of 35 days.

Year Ending June 30, 2025

Annual comprehensive financial report

Minneapolis Public Schools
Special School District No.1,
Minneapolis, Minnesota



MINNEAPOLIS PUBLIC SCHOOLS

www.mpschools.org

1250 W. Broadway Ave. Minneapolis, MN 55411

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

OF

MINNEAPOLIS PUBLIC SCHOOLS
SPECIAL SCHOOL DISTRICT NO. 1
MINNEAPOLIS, MINNESOTA

For the Year Ended

June 30, 2025

Prepared by

THE FINANCE DEPARTMENT

MINNEAPOLIS PUBLIC SCHOOLS
SPECIAL SCHOOL DISTRICT NO. 1

John B. Davis Education and Service Center
1250 W. Broadway Ave.
Minneapolis, MN 55411

Minneapolis Public Schools
Special School District No. 1
Minneapolis, Minnesota
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Special School District No. 1
Minneapolis, Minnesota
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INTRODUCTORY SECTION

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Minneapolis Public Schools
Special School District No. 1
Board of Education and Administration
June 30, 2025

Board of Education	Position	Term Expires
Collin Beachy	Chair	2027
Kim Ellison	Vice Chair	2029
Lori Norvell	Clerk	2027
Abdul Abdi	Treasurer	2027
Lucie Skjefte	Director	2027
Adriana Cerrillo	Director	2029
Sharon El-Amin	Director	2029
Joyner Emerick	Director	2027
Greta Callahan	Director	2029
Lyn Ampey	Student Representative	2025
Isiah Martin	Student Representative	2025

Administration	
Dr. Lisa Sayles-Adams	Superintendent
District Offices	Special School District No. 1 Minneapolis Public Schools 1250 West Broadway Avenue Minneapolis, MN 55411 (612) 668-0000

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March 27, 2026

To: People of Minneapolis
Board of Education
Dr. Lisa Sayles-Adams, Superintendent

INTRODUCTION

We respectfully submit the Annual Comprehensive Financial Report (ACFR) of Special School District No. 1, Minneapolis, Minnesota (the "District" or "MPS"), for the fiscal year ended June 30, 2025. Responsibility for the entire financial report rests with District management including the financial information and internal controls throughout the audited fiscal year. The report contains all funds of the District in conformity with accounting principles generally accepted in the United States of America for defining the reporting entity.

The Governmental Accounting Standards Board (GASB) Statement No. 34 requires that the District includes within its ACFR a management discussion and analysis (MD&A) report, which allows the District to explain its financial position and the results of its operations for the past fiscal year.

The ACFR includes three primary sections:

- Introductory Section
- Financial Section
- Statistical Section

The introductory section includes a list of principal officials, an organizational chart, awards, and acknowledgements (if applicable), and this transmittal letter. The financial section includes the basic financial statements, individual fund statements and related schedules, and required supplementary information. The independent auditor's report is also included in the financial section. The independent auditor's report includes the basis for opinion on the District's financials and internal controls for the fiscal year. Notes to the financial section are provided to enhance the reader's understanding of the District's accounting policies and procedures. The statistical section includes selected financial and general information presented on a multiyear comparative basis.

ECONOMIC CONDITION AND OUTLOOK

MPS is a full service, comprehensive special school district created by the Minnesota Legislature in 1959, although the District had been operating under different organizational structures since 1860. MPS provides full day kindergarten through twelfth grade general education services as well as special education services, career and technical instruction, early childhood and voluntary pre-kindergarten programming, and adult basic educational programming taught by licensed Minnesota educators. The District also offers community education, school age care, and after school enrichment programming, as well as culinary and transportation services for students.

ECONOMIC CONDITION AND OUTLOOK (CONTINUED)

MPS, Minnesota's third largest school district by enrollment, is governed by the Minneapolis Board of Education (the "school board"), a publicly elected board with nine members, six of whom represent geographic sub-districts and three at-large members elected citywide. Board directors are elected to four-year terms which are staggered so that half of the seats stand for election every two years, with an additional seat elected in even non-Presidential years. The board's primary duties include monitoring the District's budget, setting District policies, and selecting a Superintendent to manage the day-to-day affairs of the District. The District's boundaries are coterminous with those of the City of Minneapolis. The estimated population for the City of Minneapolis is 435,233.

MPS exists independently from other local government entities such as the City of Minneapolis, Hennepin County, or the Metropolitan Council, with its own governing body, budgetary authority, and taxing power. The appropriated budget includes the District's governmental funds including The General Fund, Food Service Fund, Community Service Fund, Capital Project Fund and the Debt Service Fund. The budgetary authority of the District is annually appropriated with approval by The District's Board of Education which is The District's legal level of budgetary control. MPS is overseen by the Minnesota Department of Education.

MPS' process for budgeting is a multi-month budget tie out process that takes the knowledge of key members throughout the District in the development and recommendation to the Finance Committee. After the recommendation to the Finance Committee the budget is presented to the MPS Board of Education for approval by resolution.

For 2024–2025, District facilities included forty elementary schools, eight middle schools, two K-8 schools, ten high schools, three alternative schools, five District administration buildings, two vacant schools and two surplus properties. District facilities were constructed between 1898 and 2018, with the largest concentration being constructed in the 1920s. The District finances major upkeep, as well as major updates such as remodeling or additions, with capital project funding. The full list of District building information is listed in the Statistics Section of the ACFR.

Adjusted daily membership (ADM) for the 2024-25 school year was 29,109, an increase of 620 ADMs from the previous year. Enrollment is projected to be stable in the future fiscal years.

The tax base of the District decreased .9% percent during the past year. The market value of all taxable properties in the District in fiscal year 2025 was $63,326,682,875 compared to 2024 which was $63,873,441,990 and compared to $66,880,677,472 in fiscal year 2023. The net tax capacity of the District for fiscal year 2025 was $762,358,686, a decrease of 0.8% from 2024's value of $768,714,251 and 2023's value of $806,681,563.

The state fiscal disparities law provides for the pooling of 40.0 percent of all new commercial/industrial property valuation added since 1971 in the seven-county Minneapolis-Saint Paul metropolitan area. The pooled valuation is redistributed among the taxing authorities according to population and a ratio measuring relative fiscal capacity. Local tax rates reflect the net contribution/distribution of fiscal disparities valuation. The District has been a net contributor to the fiscal disparities pool in recent years. The District contributed $25,045,196 in fiscal year 2025 compared to $22,987,159 in fiscal year 2024 and $22,128,927 in fiscal year 2023.

FINANCIAL INFORMATION

The District's accounting system has been designed to reasonably assure the safety of District assets and the reliability of financial records with adequate internal controls and segregation of duties across finance department staff. Financial statements are prepared in conformity with generally accepted accounting principles as specified by the Governmental Accounting Standards Board ("GASB"). The accounting principle of reasonable assurance recognizes that the costs of internal controls should not exceed the benefits derived, and that management must use judgement and estimation in determining the value of costs and benefits.

The District's main sources of revenue are revenue from the State of Minnesota, property taxes, federal sources, and other revenues. State aid is primarily tied to the District's enrollment and certain expenditures. Changes to the District's enrollment will lead to changes to state aid received. Property tax support remains stable for the District in the future fiscal years. The District's use of one-time COVID relief funds provided the District support in prior years with the last grants expiring in September 2024.

The District has an internal policy to maintain an unassigned General Fund balance of 8% of current fiscal year budgeted expenditures. The District ended the fiscal year with an unassigned balance of $54,470,945, which amounts to 7.5% of the FY26 budgeted expenditures. However, the District paid a $4,838,400 invoice prior to year-end that was due in fiscal year 2026. In accordance with Generally Accepted Accounting Principles (GAAP), this payment was classified as a prepaid asset. Because GASB requires prepaid assets' corresponding fund balance to be classified separately, the unassigned fund balance is below the policy balance. If the nonspendable fund balance was added to the unassigned fund balance, the District would exceed the 8% policy limit. The District maintains a total General Fund balance of $111,642,059 and a total Governmental Fund balance of $399,468,821.

Below are some facts about the 2024–2025 fiscal year financial and nonfinancial information:

Revenues:

- General Fund revenue decreased approximately $42.6 million compared to the previous fiscal year. The decrease is primarily related to the expiration of Federal COVID funding grants.
- The basic per pupil General Education Aid formula amount from the state was $7,281 for fiscal year 2025 and $7,138 for fiscal year 2024 (a 2.0% increase from fiscal year 2024). The rate per pupil is a driving factor in the amount of General Education Aid the District received.
- The District recorded revenue of approximately $248.2 million in fiscal year 2025 for property taxes related to The District's levy. This is the District's second largest source of revenue after revenue received from state sources.

Expenditures:

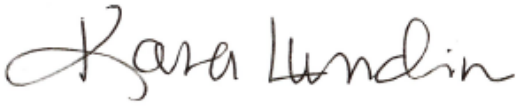
- General Fund expenditures remained flat, increasing only $5 million or 0.7% from the previous fiscal year. The increase in salaries is the main reason General Fund expenditures increased compared to last fiscal year.
- Most of the District's expenditures are related to employee salaries and benefits. The largest share of the cost of salaries and benefits are related to expenditures for instruction of students.
- The District continues to use its general resources to finance a great portion of special education services, as the state and federal government reimbursement rates are insufficient to fully fund these costs.

OTHER INFORMATION

State law requires an annual audit by independent certified public accountants. The accounting firm of Bergan KDV, LTD. was selected by the School Board to conduct the annual audit for the fiscal year ended June 30, 2025. In addition to meeting the requirements set forth by state law, the audit also was designed to meet the requirements of the federal Single Audit Act as amended in 1996, and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The independent auditor's report on the financial statements is included in the financial section of this report. The independent auditor's reports related specifically to the single audit are issued as a separate report, which is available from the District upon request.

This report has been prepared following guidelines recommended by the Association of School Business Officials (ASBO) International for its Certificate of Excellence in Financial Reporting program and Government Finance Officers Association (GFOA) for its Certificate of Achievement for Excellence in Financial Reporting. Achieving recognition from these two programs is a primary financial goal for the District as this would indicate high standards in financial reporting and accountability for the District. This is the fourth year the District has prepared an Annual Comprehensive Financial Report. The District was awarded a Certificate of Excellence in Financial Reporting from the Association of School Business Officials International for the 2023 and 2024 Annual Comprehensive Financial Reports. As of the report date, the District's general obligation and full-term certificates of participation debt is rated 'Aa2' by Moody's Investors Service and 'AA' by S&P Global Ratings. We acknowledge the efforts of the entire Accounting staff in providing complete and accurate data for the fiscal year 2025 ACFR. Credit is also due to the School Board for its governance and unfailing support of maintaining the highest standards of stewardship of the District's finances.

Respectfully submitted,



Kara Lundin
Interim Senior Officer of Finance (Contract)
Center for Effective School Operations (CESO)

Minneapolis Public Schools
Special School District No. 1
ASBO Certificate of Excellence in Financial Reporting

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

The Certificate of Excellence in Financial Reporting is presented to

Minneapolis Public Schools

for its Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024.

The district report meets the criteria established for ASBO International's Certificate of Excellence in Financial Reporting.

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Ryan S. Stechschulte
President

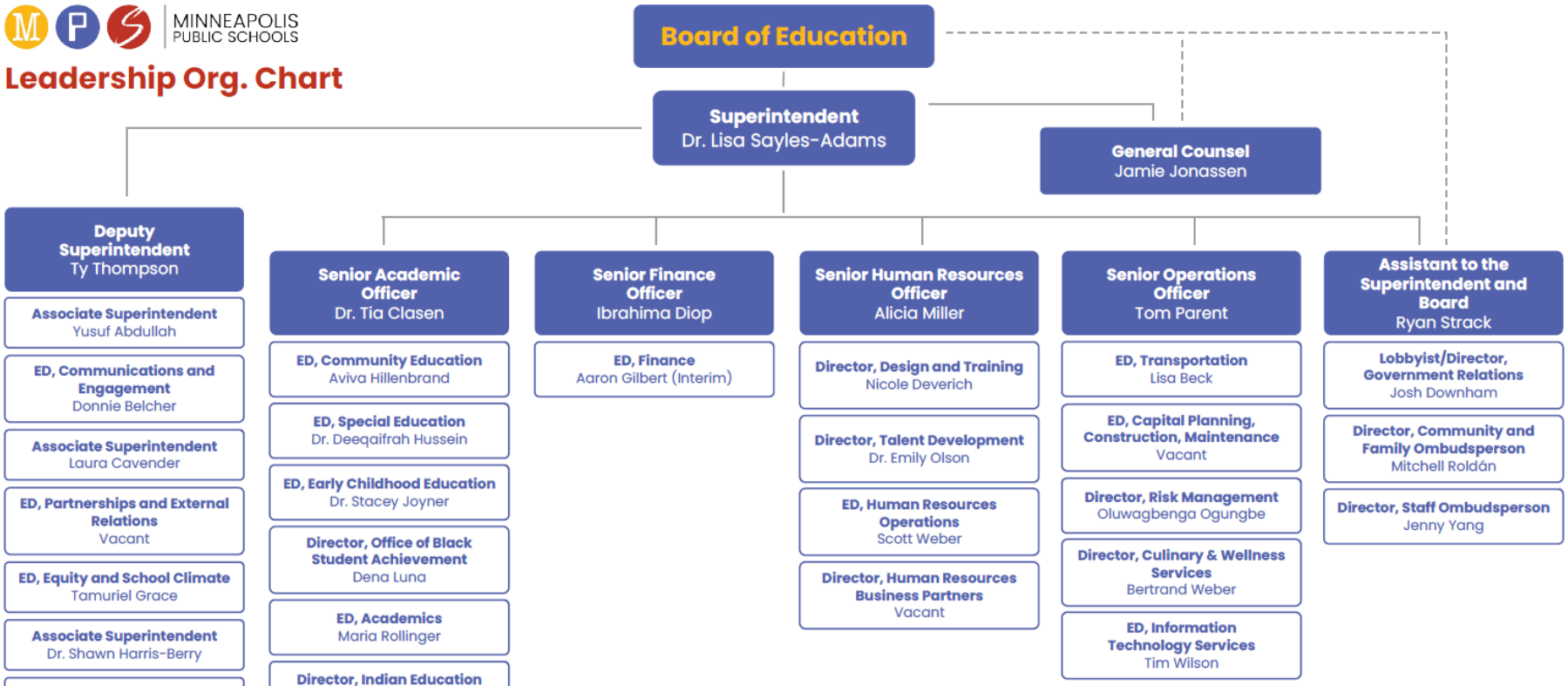
James M. Rowan, CAE, SFO
CEO/Executive Director

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Minneapolis Public Schools
Special School District No. 1
Organizational Chart

MINNEAPOLIS PUBLIC SCHOOLS

Leadership Org. Chart



This organizational chart lists the superintendent's senior leadership team members, associate superintendents, executive directors (ED), and directors reporting to the senior leader, listed alphabetically.

View a more detailed org chart and learn more about MPS leadership at:
www.mpschools.org/about-mps/administration

6.30.2025

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FINANCIAL SECTION

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Independent Auditor's Report

To the School Board
Minneapolis Public Schools
Special School District No. 1
Minneapolis, Minnesota

Report on the Audit of the Financial Statements

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Minneapolis Public Schools, Special School District No. 1, Minneapolis, Minnesota, as of and for the year ended June 30, 2025, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Minneapolis Public Schools, Special School District No. 1, as of June 30, 2025, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Minneapolis Public Schools, Special School District No. 1 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter
The District has adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated* Absences. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements
The management of Minneapolis Public Schools, Special School District No. 1 is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information identified in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information
Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Minneapolis, Minnesota
March 27, 2026

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Minneapolis Public Schools
Special School District No. 1
Management's Discussion and Analysis

This section of the district's annual financial report presents a discussion and analysis of the district's financial performance during the fiscal year ending June 30, 2025. Please read it alongside the financial statements that immediately follow this section.

Management's Discussion and Analysis ("MD&A") is required supplementary information as specified by GASB No. 34, *Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999. Certain comparative information is required to be presented in the MD&A.

Financial Highlights

- Government-wide operation causes a positive increase in Net Position; however, this was offset by a $21.6M decrease due to a change in accounting principle.
- Total fund balance in the governmental funds decreased by $29.7M.
- The General Fund outperformed its $92.4M budget deficit with only a $40.6M operating loss. Revenues were 1.7% over budget and expenditures were 4.1% under budget.

Overview of the Financial Section

The financial section of the annual audit report consists of four subparts: the Independent Auditor's report, required supplementary information, including MD&A, the basic financial statements, and supplementary information to those statements. The financial statements include two kinds of statements that present different views of the district:

- Government-wide financial statements provide both short-term and long-term information about the district's overall financial status. These are the first two financial statements.
- The remaining statements are fund financial statements that focus on individual parts of the district, reporting the district's operations in more detail than the government-wide statements.

Within these fund financial statements are three different types of fund statements:

- Governmental funds statements tell how basic services such as regular education, special education, and other services were financed in the short-term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the district's self-insured risk management activities.
- Fiduciary funds statements provide information about the financial relationships in which the district acts solely as a trustee or agent for the benefit of others to whom the resources belong.

The financial statements also include notes that explain some of the information in the statements, as well as providing more detail.

Overview of the Financial Section (Continued)

Government-Wide Statements
The government-wide statements report information about the district as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the district's assets and deferred outflows of resources along with liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or disbursed.

Our financial statements include two government-wide statements that report on the district's net position. The net position is the difference between the district's assets and deferred outflows of resources over liabilities and deferred inflows of resources and is one way to measure the district's financial health. Over time, increases or decreases in the district's net position are an indicator of whether its financial position is improving or deteriorating. However, to assess the overall health of the district you must consider additional non-financial factors such as, but not limited to, the district's property tax base and the condition of school buildings and other facilities.

Government-wide financial statements show the district's activities through the singular category of '*Governmental Activities*', which includes most basic district services such as, but not limited to regular education, special education, transportation, administration, food service and community education. These activities are primarily financed through property taxes and various state aids.

Fund Financial Statements
Fund financial statements provide more detailed information about the district's funds with a focus on the most significant funds, as opposed to the district as a whole. "Funds" are accounting devices used by the district to track specific sources of funding alongside the expenses for a particular set of programs. Some funds are required under state law and/or by bond covenants, while other funds may be established by the district to control and manage money for particular purposes (e.g., repayment of long-term debt) or to show that certain revenues (such as federal grants) are being properly expended.

- **Governmental Funds -** Most of the district's basic services are included in governmental funds, which usually focus on how cash and cash equivalents flow into and out of the district; as well as any remaining balance at the end of the fiscal year that are available for spending. Consequently, governmental funds statements provide a detailed short-term view that can help determine the availability of resources in the near future that can be used to finance district programming. Since this information does not encompass the additional long-term information included in the government-wide statements, we provide additional information immediately following the governmental funds statements in the form of reconciliation schedules to explain the relationship between the two types of financial presentations. These additional statements follow immediately after the governmental fund statements.

Overview of the Financial Section (Continued)

Fund Financial Statements (Continued)
The district has three categories of funds:

- **Proprietary Fund –** Internal Service Fund – Used to report activities that provide services for the district's other programs and activities. The district currently has one internal service fund through which it records financial activity related to the self-insurance of worker's compensation, property, and liability. This fund Is also used to accumulate and record the district's liability for accrued compensated absences (such as severance and vacation) as well as health insurance benefits for eligible former employees who have retired.

- **Fiduciary Fund –** The district is the trustee, also known as a *fiduciary*, for assets that belong to others, such as assets held in trust for post-employment benefits. The district is responsible for ensuring that the assets reported in these funds are used only for their intended purpose and for whom the assets belong. All of the district's fiduciary activities are reported in a separate statement of fiduciary net position and statement of changes in fiduciary position. We exclude these activities from the government wide financial statements because the district cannot use these assets to finance operations.

Financial Analysis of the District – Government-Wide

Net Position

The district's combined net position was ($216.5M) on June 30, 2025. This was a decrease of 11% from the prior year.

Net Position

	Primary Government		
	Governmental Activities		Percentage
	2024	2025	Change
Current and other assets	$ 805,588,602	$ 793,209,076	-2%
Capital assets	918,227,336	922,939,096	1%
Total assets	1,723,815,938	1,716,148,172	0%
Deferred outflows of resources	150,364,933	134,173,988	-11%
Total assets and deferred outflows of resources	1,874,180,871	1,850,322,160	-1%
Current liabilities	72,221,888	69,211,871	-4%
Long-term liabilities	1,611,878,377	1,490,526,561	-8%
Total liabilities	1,684,100,265	1,559,738,432	-7%
Deferred inflows of resources	385,237,423	507,087,697	32%
Total liabilities and deferred inflows of resources	2,069,337,688	2,066,826,129	0%
Net position			
Net investment in capital assets	235,214,130	237,783,076	1%
Restricted	74,141,069	105,061,828	42%
Unrestricted	(504,512,016)	(559,348,873)	11%
Total net position	$ (195,156,817)	$ (216,503,969)	11%

From FY2024 to FY2025 the District's assets and liabilities were consistent between years. Deferred inflows and outflows decreased and increased, respectively, because of the pension liability. The net investment in capital assets is the District's net assets netted with the outstanding debt used to finance those assets was flat. Restricted net position increased by $31M, or 42%, due in part to an increase in operating capital funding in the General Fund along with restricted funds for employee benefits. The unrestricted net position decreased related to the deficit of the General Fund operations.

Financial Analysis of the District – Government-Wide (Continued)

Changes in Net Position

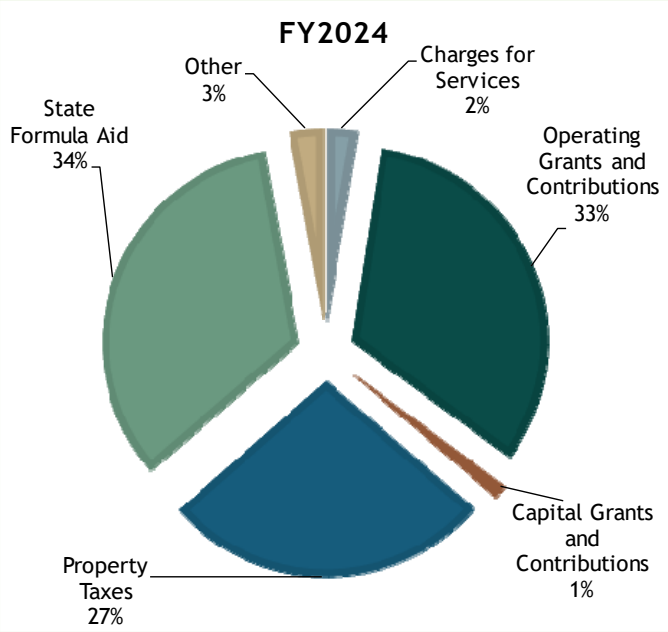
The District nearly broke even for the year ended June 30, 2025 with revenues exceeding expenses by $292,699. However, GASB 101 was implemented which required the District to account for additional sick time that wasn't accounted for, in the statements, in the past. A summary of the revenues and expenses is presented in the table below.

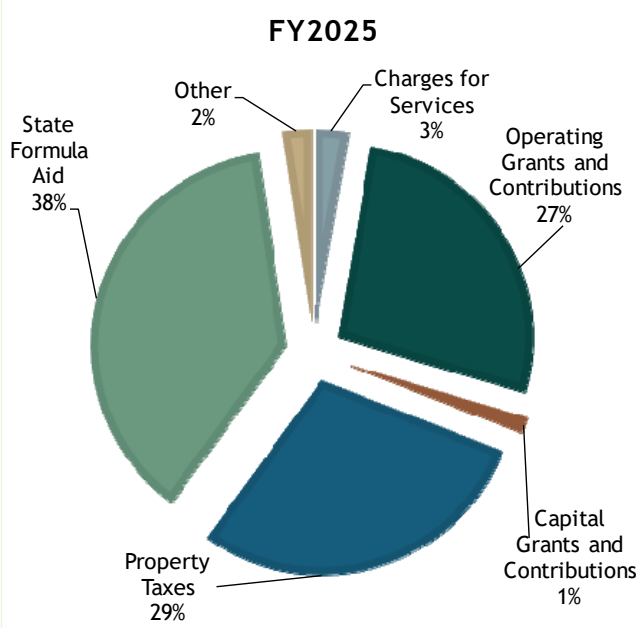
Table A-2
Change in Net Position

	Primary Government		
	Governmental Activities for the Fiscal Year Ended June 30,		Percentage
Revenues	2024	2025	Change
Program revenues			
Charges for services	$ 21,380,644	$ 23,010,321	8%
Operating grants and contributions	289,188,045	229,441,822	-21%
Capital grants and contributions	10,331,303	11,471,934	11%
General revenues			
Property taxes	240,749,302	248,218,599	3%
State formula aid	297,488,168	321,151,226	8%
Other	24,432,567	19,697,816	-19%
Total revenues	883,570,029	852,991,718	-3%
Expenses			
District and school administration	15,358,708	22,184,537	44%
District support services	41,910,064	42,982,581	3%
Regular instruction	232,706,103	275,181,712	18%
Vocational instruction	4,461,105	6,510,653	46%
Special education instruction	94,210,309	137,699,917	46%
Instructional support services	43,307,250	48,790,897	13%
Pupil support services	112,661,018	107,809,187	-4%
Sites, buildings, and equipment	98,745,884	117,532,632	19%
Fiscal and other fixed cost programs	2,216,255	1,818,605	-18%
Food service	25,254,319	27,679,668	10%
Community education and services	30,605,377	37,969,547	24%
Interest and fiscal charges on long-term debt	26,277,977	26,539,083	1%
Total expenses	727,714,369	852,699,019	17%
Change in net position	155,855,660	292,699	-100%
Prior period restatements and Change in accounting principle (see note 12)	14,445,155	(21,639,851)	-250%
Net position - beginning	(365,457,632)	(195,156,817)	-47%
Net position - ending	$ (195,156,817)	$ (216,503,969)	11%

Financial Analysis of the District, Government-Wide (Continued)

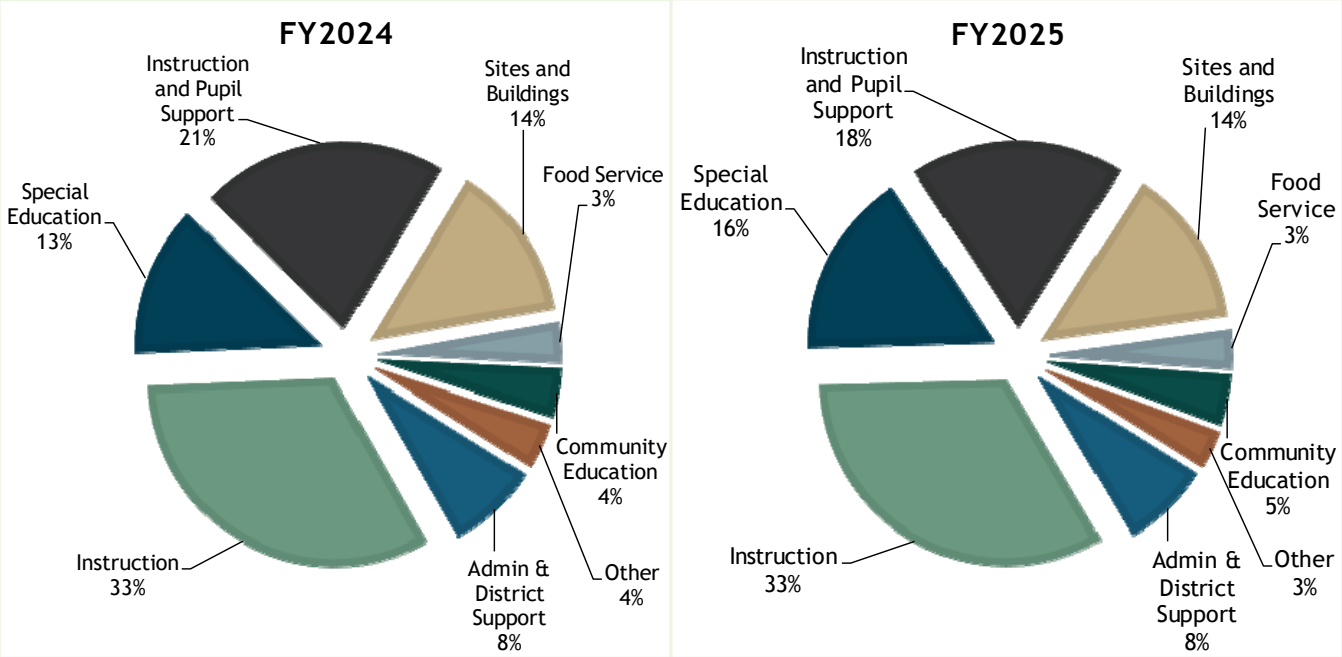
Total district FY2025 government-wide revenue was approximately $853.0M compared to $883.6M in FY2024, decreasing by $30.6M. The largest sources of revenue for the District are operating grants, property taxes, and state formula aid. These categories make up 94% of the total revenue in both FY2024 and FY2025; however, the make up of these revenues changes between years. The most significant change was in operating grants, which decreased by nearly $60M, or 21%, due to the expiration of the COVID grants. State formula aid increased due to higher enrollment over the prior year, an increase of 2% to the General Education Aid formula, and additional funding for English Learners.





Financial Analysis of the District, Government-Wide (Continued)

Total expenses for all programs and services were $852.7M in fiscal year 2025, an increase of $125.0M, or 17%, over the prior year. While Regular Instruction spending decreased in FY25 and Special Education Funding increased in the governmental funds by $23M related to salaries, benefits, and purchased services based on staffing levels and program needs, the net pension effect on the Government-wide expenses creates an increase in nearly every program. This is due in large part to changes of actual assumptions when calculating the net pension liability and related deferred outflows and inflows. The composition of the expense remained consistent between years.



Financial Analysis of the District, Government-Wide (Continued)

Table A-3

Primary Government Cost and Net Cost of Services

	Total Cost of Services		Percentage	Net Cost of Services		Percentage
	2024	2025	Change	2024	2025	Change
Administration	$ 15,358,708	$ 22,184,537	44%	$ 5,527,007	$ (19,625,545)	-455%
District Support Services	41,910,064	42,982,581	3%	(41,118,104)	(42,175,413)	3%
Elementary and Secondary Regular Instruction	232,706,103	275,181,712	18%	(194,664,685)	(224,462,864)	15%
Vocational Education Instruction	4,461,105	6,510,653	46%	(3,944,825)	(5,825,150)	48%
Special Education Instruction	94,210,309	137,699,917	46%	4,371,043	(6,443,141)	-247%
Instructional Support Services	43,307,250	48,790,897	13%	(39,454,435)	(44,232,191)	12%
Pupil Support Services	112,661,018	107,809,187	-4%	(19,382,514)	(100,204,983)	417%
Sites and Buildings	98,745,884	117,532,632	19%	(86,840,332)	(103,608,371)	19%
Fiscal and Other Fixed Cost Programs	2,216,255	1,818,605	-18%	(2,216,255)	(1,818,605)	-18%
Food Service	25,254,319	27,679,668	10%	(3,276,580)	(5,940,763)	81%
Community Education and Services	30,605,377	37,969,547	24%	463,280	(7,899,833)	-1805%
Interest and Fiscal Charges on Long-term Debt/Depreciation	26,277,977	26,539,083	1%	(26,277,977)	(26,539,083)	1%
Total	$ 727,714,369	$ 852,699,019	17%	$ (406,814,377)	$ (588,775,942)	45%

The net cost of governmental activities is the total cost of the program less the related revenues applicable to each category. The above table presents these costs. All categories of expenses show a negative net cost of services in FY2025 because property taxes and state aid formula grants support a large part of each program. In addition, depreciation expenses and changes in pension and OPEB costs are recognized in each program.

Financial Analysis of the District's Funds

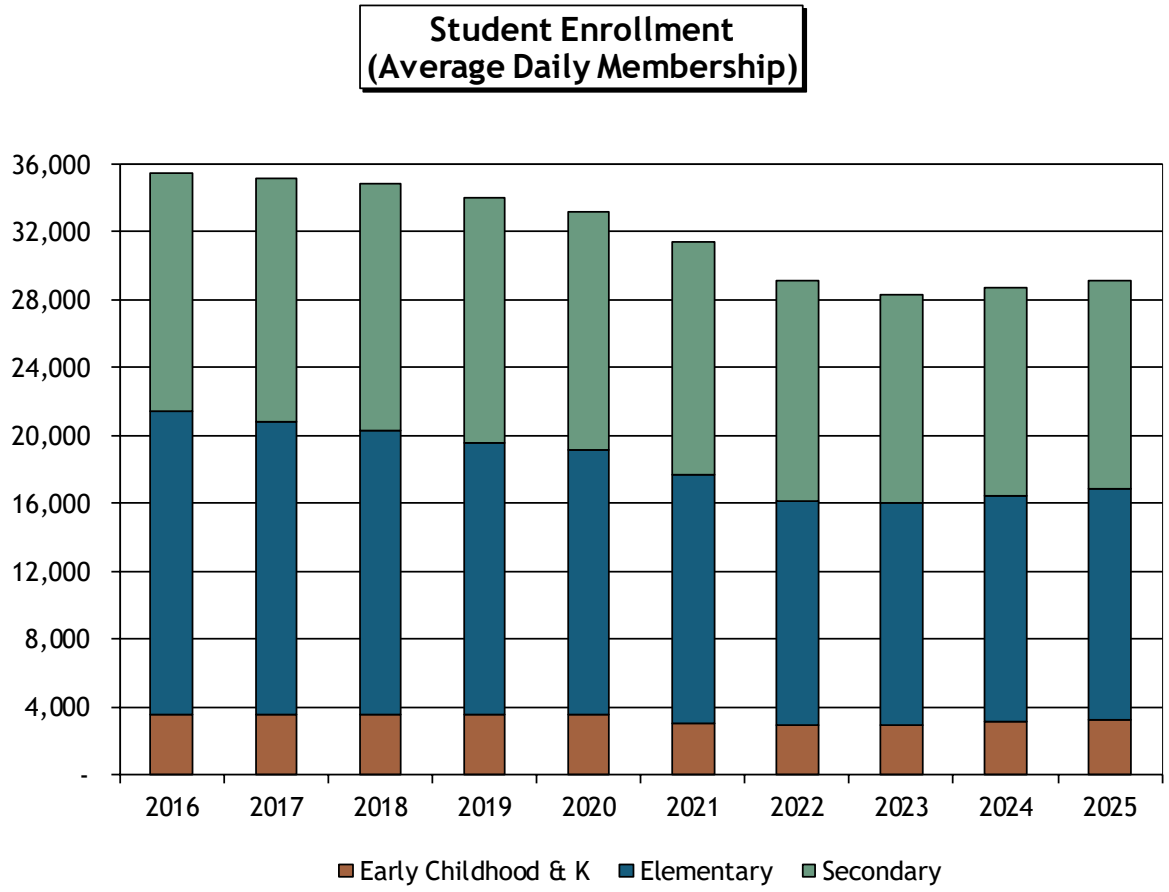
The performance of the District is also reflected in its governmental funds. As of June 30, 2025, the District reported a *combined* fund balance of $399.5M, a $29.7M decrease from the previous year.

Total governmental revenues were $838.7M while expenditures were $967.3M. The District issued $77.3M in bonds which had $8.8M in bond premium and recognized $11.3M in finance purchases and software subscription leases. The decrease in the governmental fund balance is attributed to the budgeted spenddown in the General Fund, whose budget called for a decrease in fund balance of $92.4M. This fund outperformed its budget and the fund balance only decreased $40.6M.

The details of the governmental funds will be discussed on the following pages.

Enrollment

District enrollment is the most critical factor that impacts revenue and uses of resources. In Minnesota, enrollment is measured using 'average daily membership' (ADM), which is the portion of the year that a student is enrolled in the District. Over the last ten years, the District experienced peak membership in the fiscal-2016 school year at 35,472. While enrollment decreased in fiscal years 2017 through 2023, enrollment increased in the past two fiscal years: 2024 and 2025.



Source: Minnesota Department of Education MFR Report, District/School ADM Report

General Fund

The General Fund contains all revenue and expenses for the general day-to-day operations of the District. This includes salaries and benefits for teachers, paraprofessionals, administrators, custodians, and clerical; instructional supplies, technology, transportation, textbooks and money spent to operate and repair District assets.

Table A-5

General Fund Revenues

	Year Ended June 30,		Increase	Percentage
	2024	2025	(Decrease)	Change
Local sources				
Property taxes	$ 143,922,511	$ 146,662,010	$ 2,739,499	2%
Earnings on investments	6,585,296	3,760,057	(2,825,239)	-43%
Other	16,677,729	17,305,564	627,835	4%
State sources	400,577,499	445,143,730	44,566,231	11%
Federal sources	133,186,390	45,464,108	(87,722,282)	-66%
Sales and other conversion of assets	244,292	213,029	(31,263)	-13%
Total	$ 701,193,717	$ 658,548,498	$ (42,645,219)	-6%

In fiscal year 2025, General Fund revenue decreased by $42.6M, or 6%, from the previous year. The sole reason for the decrease is due to the expiration of COVID funds. Federal aids decreased by $87.7M, or 66%, due to the COVID grants expiring in September 2024. In FY2024, the District received $89M in COVID grants and in FY2025, it only received $517,000. This decrease was offset by an increase in General Education Aid of nearly $2M, $30M in Special Education Aid, $9.4M in English Learner Aid, and $2.2M in Read Act funds. The investment earnings decrease was due mainly to the spend down of fund balance, which decreases the amount of cash-on-hand to earn interest.

General Fund (Continued)

Table A-6

General Fund Expenditures

	Year Ended June 30, 2024	Year Ended June 30, 2025	Increase (Decrease)	Percentage Change
Salaries	$ 394,855,451	$ 400,711,557	$ 5,856,106	1.5%
Employee benefits	139,356,369	144,829,646	5,473,277	3.9%
Purchased services	118,830,991	110,868,372	(7,962,619)	-6.7%
Supplies and materials	25,525,294	26,089,868	564,574	2.2%
Capital expenditures	13,017,513	11,364,536	(1,652,977)	-12.7%
Other expenditures	8,681,344	11,392,625	2,711,281	31.2%
Total	$ 700,266,962	$ 705,256,604	$ 4,989,642	0.7%

For the year ended June 30, 2025, General Fund expenditures increased by $5.0M, or 0.7%, from the prior year. Salaries and benefits increased by $11.3M, or 2.1%, from the prior year. The largest factor driving the increase in Salaries and benefits was vacant positions being filled compared to the prior year.

General Fund Budget

Annual budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America for the General, Food Service, Community Service, Debt Service, and Capital Projects funds. All annual unencumbered appropriations lapse at the end of the fiscal year.

To comply with the state statute that established the District, the District's Board of Education must adopt a budget for these funds by June 15 of the preceding fiscal year. Over the course of the fiscal year the Board adopts amendments to the respective fund budgets on an as-needed basis. There were amendments to the budget in fiscal year 2025.

For fiscal year 2025, the Board originally approved an $85.3M decrease in the General Fund balance. This budget was amended to a $92.4M decrease. The General Fund outperformed that budget with an operating loss of $40.6M. Revenues of $658.6M exceeded budget of $647.6M by $10.9M or 1.7%. Most budgeted revenues were consistent with the results however property taxes exceeding the budget by $10.3M due to fiscal disparities and federal sources were under budget by $6.5M based on the anticipated amount of funding.

Expenditures of $705.3M were under the budget by $30.1M or 4.1%. Overall, most programs were under budget offset by the larger budget variances in capital outlay and debt service that exceeded budget.

Capital Project – Building Construction Fund
The Capital Project Fund's purpose is to report on the activity related to the District's capital activity. Proceeds from the issuance of debt are used to fund the subsequent construction and improvement of District assets. Assets in this fund earn interest, which was $9.6M in FY25. The Fund reported $86.6M in debt proceeds and expended $92.2M on projects. The fund balance of this fund was $219.2M at year-end, an increase of $4.0M from the prior year.

Debt Service Fund
The Debt service fund is used to collect taxes levied and pay the subsequent principal and interest payments on the related bonds. This fund is highly regulated through the amount of property taxes that are allowed to be levied for the related payments. The District is allowed to levy up to 105% of the subsequent year's payment. In FY2025, the Debt Service Fund's revenue exceeded expenditures by $8.2M increasing the fund balance to $56.9M.

Other Non-Major Funds
The Food Service Fund's expenditures exceeded revenues by nearly $6M in FY25. The General Fund transferred $6.2M to cover those losses, increasing the fund balance to $1.9M.

The Community Service Fund ended FY2025 with a decrease in its fund balance of $1.6M, exceeding its budget which anticipated an operating loss of $4.2M.

Capital Asset and Debt Administration

Capital Assets
Total District investment in capital assets, net of accumulated depreciation and amortization at June 30, 2025, was $922.9M. This is an increase of $4.7M, or 1%, over the prior year balance of $918.2M. Significant changes between the years are a result of the District finishing $87.7M in construction projects that were added to buildings, netted with the addition of $58.7M in new construction in progress. The District evaluated its machinery and equipment and disposed of assets that had previously been discarded or sold. Additional detail about capital assets can be found in Note 4 within the notes to basic financial statements. Depreciation and amortization expense for fiscal year 2025 was $48.7M.

Table A-7

Capital Assets (Net of Depreciation/Amortization)

	2024	2025	Change	
Land	$ 35,446,301	$ 35,446,301	$ -	0%
Construction in progress	148,016,270	118,978,568	(29,037,702)	-20%
Buildings	696,503,378	735,153,310	38,649,932	6%
Machinery and equipment	25,972,648	21,181,392	(4,791,256)	-18%
Lease and subscription assets	12,288,739	12,179,525	(109,214)	-1%
Total	$ 918,227,336	$ 922,939,096	$ 4,711,760	1%

Capital Asset and Debt Administration (Continued)

Long-Term Debt

As of June 30, 2025, the district had $1.5B in outstanding long-term liabilities, an 8% or $121.4M decrease from the prior year's balance of $1.6B. The most significant decrease relates to the net pension liability, which decreased by $161.9M. This is the District's portion of the State of Minnesota's pension plans. The District has very little control over this liability. The self-insurance reserve and compensated absence balance increased by 66% due to the implementation of the new GASB 101. This new pronouncement requires recognition of additional sick leave that wasn't measured in the past because it isn't paid out upon separation. For more information about the District's long-term liabilities see Note 5, Note 7, and Note 8 within the notes to basic financial statements.

Table A-8

Outstanding Long-Term Liabilities

	2024	2025	Change	
General obligation bonds	$ 613,775,000	$ 638,660,000	$ 24,885,000	4%
Bond premium	100,420,440	100,021,644	(398,796)	0%
Certificates of participation payable	148,715,000	131,485,000	(17,230,000)	-12%
Notes from direct borrowing	14,135,835	13,960,740	(175,095)	-1%
Lease liability	9,272,735	8,144,708	(1,128,027)	-12%
Subscription liability	2,183,998	4,027,044	1,843,046	84%
Self insurance reserves and compensated absences	44,870,084	74,324,228	29,454,144	66%
Net OPEB liability	26,540,111	29,845,457	3,305,346	12%
Net pension liability	651,965,174	490,057,740	(161,907,434)	-25%
Total	$ 1,611,878,377	$ 1,490,526,561	$ (121,351,816)	-8%

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following existing conditions that could significantly affect its financial health in the future:

- The District approved a General Fund budget with an operating loss of $26.3M for FY26. In addition, the Food Service Fund is anticipated to have an operating loss greater than original budgeted loss of $1.4M due to the decreased enrollment in the months of January and part of February.

- Significant mandates were approved by the legislature in both May of 2023 and 2024. Many of these require significant financial and personal efforts to implement. It is unknown what future implication will result from these mandates. Currently it is unknown if the District will need to cover future costs from its operating budget such as: summer unemployment benefits and Read Act ongoing costs. It is also unknown the costs of the Paid Family Medical Leave act.

Factors Bearing on the District's Future (Continued)

- The compensatory funding was changed through legislative action and decreased the amount that ISD No. 1 receives. This change was offset in FY26 with a hold-harmless provision that restored funding. It is unknown if a hold-harmless provision will again be approved for Minnesota Districts.

- The State of Minnesota is looking to reduce special education funding in future years. It has reduced the amount of special education transportation reimbursement in FY26 and will reduce that by an additional amount in FY27. Additional reductions are anticipated but unknown.

Request for Information

This financial report is designed to provide a comprehensible overview of the district's finances for a general audience including taxpayers, parents, students, investors, employees, creditors, and residents of the City of Minneapolis, This report also demonstrates district accountability for the funding it receives. Additional details can be requested by mail by writing to:

Minneapolis Public Schools
ATTN: Finance Department
1250 West Broadway Ave
Minneapolis, MN 55411

Or visit our website at:
http://www.mpschools.org

BASIC FINANCIAL STATEMENTS

Minneapolis Public Schools
Special School District No. 1
Statement of Net Position
June 30, 2025

	Governmental Activities
Assets	
Cash and investments	$ 489,245,512
Cash and investments held by trustee	40,629,617
Receivables	
Property taxes	146,785,806
Other governments	101,150,238
Accounts receivable	4,279,361
Lease receivable	431,760
Prepaid items	8,623,783
Inventory	2,062,999
Capital assets	
Land and construction in progress	154,424,869
Other capital asset, net of depreciation	756,334,702
Lease assets, net of amortization	12,179,525
Total assets	1,716,148,172
Deferred Outflows of Resources	
Deferred outflows related to OPEB	3,064,031
Deferred outflows related to pensions	131,109,957
Total deferred outflows of resources	134,173,988
Total assets and deferred outflows of resources	$ 1,850,322,160
Liabilities	
Salaries and compensated absences payable	$ 25,660,931
Accounts and contracts payable	26,013,623
Accrued interest	15,078,946
Due to other governmental units	4,824
Unearned revenue	2,453,547
Long-term liabilities	
Portion due within one year	152,952,922
Portion due in more than one year	1,337,573,639
Total liabilities	1,559,738,432
Deferred Inflows of Resources	
Property taxes levied for subsequent year's expenditures	253,823,317
Deferred charge on refunding	8,049,407
Deferred inflows related to leases	417,222
Deferred inflows related to OPEB	37,042,908
Deferred inflows related to pensions	207,754,843
Total deferred inflows of resources	507,087,697
Net Position	
Net investment in capital assets	237,783,076
Restricted for	
General Fund state-mandated reserves	31,883,618
Food service	1,938,615
Community service	9,859,496
Debt service	42,729,002
Employee benefits	18,651,097
Unrestricted	(559,348,873)
Total net position	(216,503,969)
Total liabilities, deferred inflows of resources, and net position	$ 1,850,322,160

See notes to basic financial statements.

Minneapolis Public Schools
Special School District No. 1
Statement of Activities
Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenues and Changes in Net Position: Governmental Activities
Governmental activities					
Administration	$ 22,184,537	$ 1,793,918	$ 765,074	$ -	$ (19,625,545)
District support services	42,982,581	-	807,168	-	(42,175,413)
Elementary and secondary regular instruction	275,181,712	954,425	49,764,423	-	(224,462,864)
Vocational education instruction	6,510,653	-	685,503	-	(5,825,150)
Special education instruction	137,699,917	5,245,746	126,012,030	-	(6,442,141)
Instructional support services	48,790,897	7,527	4,551,179	-	(44,232,191)
Pupil support services	107,809,187	111,542	7,492,662	-	(100,204,983)
Sites and buildings	117,532,632	1,500,000	952,327	11,471,934	(103,608,371)
Fiscal and other fixed cost programs	1,818,605	-	-	-	(1,818,605)
Food service	27,679,668	826,493	20,912,412	-	(5,940,763)
Community education and services	37,969,547	12,570,670	17,499,044	-	(7,899,833)
Interest and fiscal charges on long-term debt	26,539,083	-	-	-	(26,539,083)
Total governmental activities	$ 852,699,019	$ 23,010,321	$ 229,441,822	$ 11,471,934	(588,774,942)
General revenues					
Taxes					
Property taxes, levied for general purposes					146,789,820
Property taxes, levied for community service					5,123,311
Property taxes, levied for debt service					96,305,468
State aid not restricted to specific purposes					321,151,226
Earnings on investments					19,697,816
Total general revenues					589,067,641
Change in net position					292,699
Net position - beginning, as previously stated					(195,156,817)
Change in accounting principle (see Note 12)					(21,639,851)
Net position - beginning, as restated					(216,796,668)
Net position - ending					$ (216,503,969)

See notes to basic financial statements.

Minneapolis Public Schools
Special School District No. 1
Balance Sheet - Governmental Funds
June 30, 2025

	Major Funds				
	General	Capital Project-Building Construction	Debt Service	Other Nonmajor Funds	Total Governmental Funds
Assets					
Cash and investments	$ 105,377,788	$ 225,435,283	$ 64,533,639	$ 10,734,935	$ 406,081,645
Cash and investments held by trustee	-	-	40,106,670	-	40,106,670
Receivables					
Current property taxes receivable	89,062,759	-	52,364,819	2,804,645	144,232,223
Delinquent property taxes receivable	1,581,763	-	923,622	48,198	2,553,583
Due from other Minnesota school districts	12,680	-	-	1,202	13,882
Due from Minnesota Department of Education	49,634,033	-	1,128,118	1,944,645	52,706,796
Due from Federal Government through Minnesota Department of Education	40,300,329	-	-	3,134,374	43,434,703
Due from Federal Government received directly	650,054	-	-	929	650,983
Due from other governmental units	4,239,252	-	-	104,622	4,343,874
Accounts receivable	4,166,361	-	-	113,000	4,279,361
Lease receivable	431,760	-	-	-	431,760
Due from other funds	2,602,824	-	-	-	2,602,824
Prepaid items	5,940,277	2,666,623	-	16,883	8,623,783
Inventory	124,384	-	-	1,938,615	2,062,999
Total assets	$ 304,124,264	$ 228,101,906	$ 159,056,868	$ 20,842,048	$ 712,125,086
Liabilities					
Salaries and compensated absences payable	$ 24,948,102	$ 241,362	$ -	$ 471,467	$ 25,660,931
Accounts and contracts payable	16,036,814	8,668,021	-	435,182	25,140,017
Due to other governmental units	-	-	-	4,824	4,824
Due to other funds	-	-	-	2,602,824	2,602,824
Unearned revenue	2,341,280	-	-	112,267	2,453,547
Total liabilities	43,326,196	8,909,383	-	3,626,564	55,862,143
Deferred Inflows of Resources					
Property taxes levied for subsequent year's expenditures	147,157,024	-	101,248,920	5,417,373	253,823,317
Deferred inflows of resources related to leases	417,222	-	-	-	417,222
Unavailable revenue - delinquent property taxes	1,581,763	-	923,622	48,198	2,553,583
Total deferred inflows of resources	149,156,009	-	102,172,542	5,465,571	256,794,122
Fund Balances					
Nonspendable					
Prepaid items	5,940,277	2,666,623	-	16,883	8,623,783
Inventory	124,384	-	-	1,938,615	2,062,999
Restricted for					
Student activities	593,039	-	-	-	593,039
Area learning center	1,004,969	-	-	-	1,004,969
Literacy incentive aid	1,492,557	-	-	-	1,492,557
American Indian education aid	174,460	-	-	-	174,460
Operating capital	20,498,301	-	-	-	20,498,301
Long-term facilities maintenance	2,141	85,071,166	-	-	85,073,307
Contracted alternative schools	741,046	-	-	-	741,046
Literacy aid	162,555	-	-	-	162,555
Teacher Comp READ Act	1,048,012	-	-	-	1,048,012
School library aid	265,224	-	-	-	265,224
Learning and development	8,977	-	-	-	8,977
Student support personnel aid	539,709	-	-	-	539,709
Medical assistance	2,254,537	-	-	-	2,254,537
Community education programs	-	-	-	5,283,665	5,283,665
Early childhood and family educations programs	-	-	-	1,713,950	1,713,950
School readiness	-	-	-	1,045,445	1,045,445
Adult basic education	-	-	-	86,765	86,765
Basic skills programs	2,619,580	-	-	-	2,619,580
QSCB/QZAB	-	-	34,848,683	-	34,848,683
Building construction	-	131,454,734	-	-	131,454,734
Other purposes	478,511	-	22,035,643	1,664,590	24,178,744
Assigned	19,222,835	-	-	-	19,222,835
Unassigned	54,470,945	-	-	-	54,470,945
Total fund balances	111,642,059	219,192,523	56,884,326	11,749,913	399,468,821
Total liabilities, deferred inflows of resources, and fund balances	$ 304,124,264	$ 228,101,906	$ 159,056,868	$ 20,842,048	$ 712,125,086

See notes to basic financial statements.

Minneapolis Public Schools
Special School District No. 1
Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Position
June 30, 2025

Total fund balances - governmental funds	$	399,468,821
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds:		
Land		35,446,301
Construction in progress		118,978,568
Buildings and improvements, net of accumulated depreciation		735,153,310
Equipment, net of accumulated depreciation		21,181,392
Lease building, net of accumulated amortization		7,266,109
Lease equipment, net of accumulated amortization		129,114
Leased building improvement, net of accumulated amortization		12,480
Subscription assets, net of accumulated amortization		4,771,822
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		
Long-term liabilities at year-end consist of:		
Bond principal payable		(638,660,000)
Unamortized bond premiums and discounts		(100,021,644)
Notes from direct borrowing - finance purchase agreement		(13,960,740)
Lease liability		(8,144,708)
Subscription liability		(4,027,044)
Certificate of participation payable		(131,485,000)
Net other post employment benefit liability		(29,845,457)
Net pension liability		(490,057,740)
Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions, OPEB, and debt that are not recognized in the governmental funds:		
Deferred outflows related to pensions		131,109,957
Deferred inflows related to pensions		(207,754,843)
Deferred outflows related to OPEB		3,064,031
Deferred inflows related to OPEB		(37,042,908)
Deferred charge on refunding		(8,049,407)
Governmental funds do not report a liability for accrued interest on bonds and certificates of participation until due and payable.		(15,078,946)
Delinquent property taxes receivable will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.		2,553,583
Internal service funds are used by management to charge the cost of workers compensation and general liability insurance to individual funds, as well as severance benefits. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position:		
Internal service fund net position		8,488,980
Total net position - governmental activities	$	(216,503,969)

See notes to basic financial statements.

Minneapolis Public Schools
Special School District No. 1
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2025

	Major Funds				
	General	Capital Project-Building Construction	Debt Service	Other Nonmajor Funds	Total Governmental Funds
Revenues					
Local sources					
Property taxes	$ 146,662,010	$ -	$ 96,387,163	$ 5,128,963	$ 248,178,136
Earnings on investments	3,760,057	9,610,326	4,832,874	528,934	18,732,191
Other	17,305,564	-	-	13,825,891	31,131,455
Revenue from state sources	445,143,730	-	11,281,012	18,940,760	475,365,502
Revenue from federal sources	45,464,108	-	472,085	18,301,007	64,237,200
Sales and other conversion of assets	213,029	-	-	826,493	1,039,522
Total revenues	658,548,498	9,610,326	112,973,134	57,552,048	838,684,006
Expenditures					
Current					
Administration	22,837,635	-	-	-	22,837,635
District support services	37,378,625	-	-	-	37,378,625
Elementary and secondary regular instruction	276,556,679	-	-	-	276,556,679
Vocational education instruction	6,696,213	-	-	-	6,696,213
Special education instruction	141,625,121	-	-	-	141,625,121
Instructional support services	50,147,691	-	-	-	50,147,691
Pupil support services	108,100,736	-	-	-	108,100,736
Sites and buildings	39,922,641	57,627,723	-	-	97,550,364
Fiscal and other fixed cost programs	1,818,605	-	-	-	1,818,605
Food service	-	-	-	27,606,948	27,606,948
Community education and services	1,333,578	-	-	37,420,015	38,753,593
Capital outlay					
District support services	3,187,737	-	-	-	3,187,737
Elementary and secondary regular instruction	190,024	-	-	-	190,024
Vocational education instruction	251,566	-	-	-	251,566
Special education instruction	182,189	-	-	-	182,189
Instructional support services	12,028	-	-	-	12,028
Pupil support services	2,482	-	-	-	2,482
Sites and buildings	7,538,510	29,366,085	-	-	36,904,595
Food service	-	-	-	68,199	68,199
Community education and services	-	-	-	19,132	19,132
Debt service					
Principal	6,411,346	3,709,716	69,620,000	-	79,741,062
Interest and fiscal charges	1,063,198	1,510,282	35,128,875	-	37,702,355
Total expenditures	705,256,604	92,213,806	104,748,875	65,114,294	967,333,579
Excess of revenues over (under) expenditures	(46,708,106)	(82,603,480)	8,224,259	(7,562,246)	(128,649,573)
Other Financing Sources (Uses)					
Insurance recovery	1,580,103	-	-	-	1,580,103
Bond issuance	-	77,275,000	-	-	77,275,000
Bond premium	-	8,794,914	-	-	8,794,914
Finance purchase and SBITA issuance	10,704,333	576,016	-	-	11,280,349
Transfers in	-	-	-	6,159,709	6,159,709
Transfers out	(6,159,709)	-	-	-	(6,159,709)
Total other financing sources (uses)	6,124,727	86,645,930	-	6,159,709	98,930,366
Net change in fund balances	(40,583,379)	4,042,450	8,224,259	(1,402,537)	(29,719,207)
Fund Balances					
Beginning of year	152,225,438	215,150,073	48,660,067	13,152,450	429,188,028
End of year	$ 111,642,059	$ 219,192,523	$ 56,884,326	$ 11,749,913	$ 399,468,821

See notes to basic financial statements.

Minneapolis Public Schools
Special School District No. 1
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2025

Net change in fund balances - total governmental funds	$ (29,719,207)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities the cost of those assets is allocated over the estimated useful lives as depreciation expense:	
Capital outlay	66,824,559
Net book value of disposed assets	(17,467)
Depreciation/amortization expense	(65,841,871)
The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities and repayment of principal reduces the liability. Also, governmental funds report the effect of discounts and premium when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the Statement of Activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:	
General obligation bond and certificates of participation proceeds	(50,465,000)
Long-term facility maintenance proceeds	(26,810,000)
Notes from direct borrowing proceeds	(7,533,810)
Bond premium	(8,794,914)
Repayment of certificates of participation payable	17,230,000
Finance purchase agreements principal payments	7,089,541
Lease principal payments	1,128,027
Subscription principal payments	1,903,493
Repayment of bond principal	52,390,001
Change in accrued interest expense	358,698
Amortization of bond premiums and discounts	9,193,710
Amortization of deferred charge on refunding	1,610,864
Internal service funds are used by the District to charge the costs of employee health and dental benefits to individual funds. The net revenue (loss) of the internal service funds is reported with governmental activities.	(15,506,099)
Net other post employement benefit liabilities are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities.	2,527,553
Governmental funds recognize pension contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to pensions on a full accrual perspective:	
Pension expense	44,684,158
Delinquent property taxes receivable will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	40,463
Change in net position - governmental activities	$ 292,699

See notes to basic financial statements.

Minneapolis Public Schools
Special School District No. 1
Statement of Revenues, Expenditures, and
Changes in Fund Balance -
Budget and Actual - General Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final	Amounts	Over (Under)
Revenues				
Local sources				
Local property taxes	$ 136,383,657	$ 136,383,657	$ 146,662,010	$ 10,278,353
Earnings on investments	2,000,000	2,000,192	3,760,057	1,759,865
Other local and county revenues	16,700,000	15,572,057	17,305,564	1,733,507
Revenue from state sources	422,941,204	441,424,087	445,143,730	3,719,643
Revenue from federal sources	52,000,000	52,000,000	45,464,108	(6,535,892)
Sales and other conversion of assets	-	242,784	213,029	(29,755)
Total revenues	630,024,861	647,622,777	658,548,498	10,925,721
Expenditures				
Current				
Administration	27,093,675	26,656,299	22,837,635	(3,818,664)
District support services	52,776,232	50,160,809	37,378,625	(12,782,184)
Elementary and secondary regular instruction	269,644,668	287,481,775	276,556,679	(10,925,096)
Vocational education instruction	8,380,859	8,303,998	6,696,213	(1,607,785)
Special education instruction	147,310,529	149,076,929	141,625,121	(7,451,808)
Instructional support services	45,504,265	47,795,916	50,147,691	2,351,775
Pupil support services	104,889,654	113,822,205	108,100,736	(5,721,469)
Sites and buildings	43,429,896	40,584,571	39,922,641	(661,930)
Fiscal and other fixed cost programs	8,274,700	8,267,500	1,818,605	(6,448,895)
Community education and services	-	3,532	1,333,578	1,330,046
Capital outlay				
District support services	-	-	3,187,737	3,187,737
Elementary and secondary regular instruction	-	-	190,024	190,024
Vocational education instruction	-	-	251,566	251,566
Special education instruction	-	-	182,189	182,189
Instructional support services	-	-	12,028	12,028
Pupil support services	-	-	2,482	2,482
Sites and buildings	3,176,675	3,187,768	7,538,510	4,350,742
Debt service				
Principal	-	-	6,411,346	6,411,346
Interest and fiscal charges	-	-	1,063,198	1,063,198
Total expenditures	710,481,153	735,341,302	705,256,604	(30,084,698)
Excess of revenues over (under) expenditures	(80,456,292)	(87,718,525)	(46,708,106)	41,010,419
Other Financing Sources (Uses)				
Insurance recovery	-	-	1,580,103	1,580,103
Finance purchase and SBITA issuance	-	-	10,704,333	10,704,333
Transfers out	(4,796,306)	(4,726,455)	(6,159,709)	(1,433,254)
Total other financing sources (uses)	(4,796,306)	(4,726,455)	6,124,727	10,851,182
Net change in fund balance	$ (85,252,598)	$ (92,444,980)	(40,583,379)	$ 51,861,601
Fund Balance				
Beginning of year			152,225,438	
End of year			$ 111,642,059	

See notes to basic financial statements.

Minneapolis Public Schools
Special School District No. 1
Statement of Net Position - Proprietary Fund
Internal Service Fund
June 30, 2025

Assets	
Current assets	
Cash and cash equivalents	$ 83,163,867
Cash with fiscal agent	522,947
Total assets	$ 83,686,814
Liabilities	
Current liabilities	
Accounts payable	$ 873,606
Accrued severance	14,904,932
Loss and loss adjustment reserves	
Workers' compensation	2,238,465
Incurred but not reported reserves	
Accrued health insurance benefits	5,512,175
Total current liabilities	23,529,178
Noncurrent liabilities	
Loss and loss adjustment reserves	
Workers' compensation	3,357,698
Incurred but not reported reserves	
Workers' compensation	3,357,698
Property/casualty	1,510,906
Accrued severance	43,442,354
Total noncurrent liabilities	51,668,656
Total liabilities	$ 75,197,834
Net Position	
Restricted for employee benefits	$ 18,651,097
Unrestricted	(10,162,117)
Total Net Position	$ 8,488,980

See notes to basic financial statements.

Minneapolis Public Schools
Special School District No. 1
Statement of Revenues, Expenses, and Change in Fund Net Position - Proprietary Fund
Internal Service Fund
Year Ended June 30, 2025

Operating Revenue	
Local sources - charges for services	$ 72,423,534
Operating Expenses	
Claims administration	4,628,125
Workers compensation and other benefits	6,050,021
Self-insured medical benefits	69,298,948
Severance	8,918,164
Total operating expenses	88,895,258
Operating income	(16,471,724)
Nonoperating Revenue	
Earnings on investments	965,625
Change in net position	(15,506,099)
Net Position	
Beginning of year, as previously stated	45,634,930
Change in accounting principle (Note 10)	(21,639,851)
Beginning of year, as restated	23,995,079
End of year	$ 8,488,980

See notes to basic financial statements.

Minneapolis Public Schools
Special School District No. 1
Statement of Cash Flows - Proprietary Fund
Internal Service Fund
June 30, 2025

Cash Flows - Operating Activities	
Receipts from premiums	$ 72,423,534
Claims administration	(4,523,643)
Claims and severence benefits paid	(75,781,045)
Net cash flows - operating activities	(7,881,154)
Cash Flows - Investing Activities	
Investment earnings	965,625
Net change in cash and cash equivalents	(6,915,529)
Cash and Cash Equivalents (Including Cash with Fiscal Agent)	
Beginning of year	90,602,343
End of year	$ 83,686,814
Reconciliation of Operating Loss to Net Cash Flows - Operating Activities	
Operating loss	$ (16,471,724)
Adjustments to reconcile operating loss to net cash flows - operating activities	
Accounts payable	104,482
Prepaid insurance	671,795
Loss and loss adjustment reserves	(398,092)
Accrued health insurance benefits	821,526
Accrued compensated absences	7,390,859
Net adjustments	8,590,570
Net cash flows - operating activities	$ (7,881,154)

See notes to basic financial statements.

Minneapolis Public Schools
Special School District No. 1
Statement of Fiduciary Net Position
June 30, 2025

	Other Post Employment Benefits Irrevocable Trust Fund
Assets	
Current	
Mutual funds	$ 29,805,437
Cash/Money market fund	194,440
Total assets	$ 29,999,877
Net Position Restricted	
Postemployment Benefits Other than Pensions	$ 29,999,877

Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2025

	Other Post Employment Benefits Irrevocable Trust Fund
Additions	
Contributions	$ 722,733
Investment income	2,935,634
Total additions	3,658,367
Deductions	
Administrative expenses	25,675
Benefit payments	801,082
Total deductions	826,757
Change in net position	2,831,610
Net Position Restricted	
Postemployment Benefits Other than Pensions	
Beginning of year	27,168,267
End of year	$ 29,999,877

See notes to basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The basic financial statements of Minneapolis Public Schools Special School District No. 1 have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

Minneapolis Public Schools Special School District No. 1 (the District) is an instrumentality of the State of Minnesota established to function as an educational institution. The elected School Board (Board) is responsible for legislative and fiscal control of the District. A Superintendent is appointed by the Board and is responsible for administrative control of the District.

GAAP require that the District's basic financial statements include all funds, departments, agencies, boards, commissions, and other organizations which are not legally separate from the District. In addition, the District's basic financial statements are to include all component units – entities for which the District is financially accountable. The District is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of service performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the District. The District has no component units.

Student activities are determined primarily by student participants under the guidance of an adult and are generally conducted outside school hours. The School Board does have a fiduciary responsibility in establishing broad policies and ensuring that appropriate financial records are maintained for student activities. However, in accordance with Minnesota State Statutes, the District's School Board has not elected to control or exercise oversight responsibility with respect to the underlying student activities. Accordingly, the student activity accounts are not included in these basic financial statements. As of July 1, 2019, these accounts have been taken under board control and will not be reported separately.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary fund. The fiduciary fund is only reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position at the fund financial statement level.

The student activity accounts of the District are under board control and are reported in the General Fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basic Financial Statement Presentation

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Separate fund financial statements are provided for the governmental, proprietary, and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Fiduciary funds are presented in the fiduciary fund financial statements by type: Other Post Employment Benefits (OPEB) Irrevocable Trust Fund. Since by definition, fiduciary fund assets are being held for the benefit of a third party and cannot be used for activities or obligations of the District, these funds are excluded from the government-wide statements.

The Internal Service Fund is presented in the proprietary fund financial statements. Because the principal user of the internal services is the District's governmental activities, the basic financial statement of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are generally recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner:

1. **Revenue Recognition**
   Revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property tax revenue is generally considered as available if collected within 60 days after year-end. State revenue is recognized in the year to which it applies according to *Minnesota Statutes* and GAAP. *Minnesota Statutes* include state aid funding formulas for specific fiscal years. Federal revenue is recorded in the year in which the related expenditure is made. Food service sales, community education tuition, and other miscellaneous revenue (except investment earnings) are recorded as revenues when received because they are generally not measurable until then. Investment earnings are recorded when earned because they are measurable and available. A six-month availability period is generally used for other fund revenue.

2. **Recording of Expenditures**
   Expenditures are generally recorded when a liability is incurred. However, expenditures are recorded as prepaid for approved disbursements or liabilities incurred in advance of the year in which the item is to be used. Principal and interest on long-term debt issues are recognized on their due dates. Compensated absences and claims and judgments are recognized when payment is due.

The District reports unearned revenue on its balance sheet and government-wide Statement of Net Position. Unearned revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to incurring the qualifying expenditures. In subsequent periods when the District has a legal claim to the resources, the unearned revenue is removed, and revenue is recognized.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

Description of Funds:
The existence of the various District funds has been established by the Minnesota Department of Education. The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. A description of the funds included in this report are as follows:

Major Governmental Funds:

General Fund – This fund is used to account for all financial resources except those required to be accounted for in another fund. It includes the general operations and pupil transportation activities of the district, as well as the capital related activities such as maintenance of facilities, equipment purchases, health and safety projects, and disabled accessibility projects.

Capital Projects Fund – This fund is used to account for financial resources used for the acquisition or construction of major capital facilities. The fund was established for building construction activity authorized by specific voter-approved bond issues and for large-scale construction activity authorized by the Board under provisions of state law. Revenues are from property taxes restricted for property maintenance and bond proceeds.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and payment of, general long-term obligation bond principal, interest, and related costs. The regular debt service account is used for all general obligation bond debt service except for refunding bond issues, for which a separate refunding bond trust account has been established. Revenues included in this fund are state and federal aid and property taxes.

Nonmajor Funds:

Food Service Special Revenue Fund – This fund is used to account for food service revenues and expenditures. Revenues recorded in this fund include charges for meals along with state and federal reimbursement for meals.

Community Service Special Revenue Fund – This fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, veterans, adult or early childhood programs, K-6 extended day programs, or other similar services. Revenues included in this fund include property taxes restricted for Community Service purposes and tuition and fees charged for Community Education along with state and federal aid.

Post Employment Benefits Debt Service – This fund is used to account for the accumulation of resources for and payment of MERF bonds used to finance the District's obligation related to this now defunct pension plan.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

Description of Funds: (Continued)

Proprietary Fund:

Internal Service Fund – This fund accounts for the financing of goods or services provided by one department to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis.

The District's Internal Service Fund has two main purposes:

1. Self-insurance activities for property, liability, health, and workers' compensation risks.

2. Accumulate and record the liability for accrued compensated absences (severance and vacation).

Fiduciary Fund:

The District has established an OPEB Irrevocable Trust Fund for other post employment benefit payments.

E. Budgeting

Budgets presented in this report for comparison to actual amounts are presented in accordance with GAAP. Each June, the School Board adopts an annual budget for the following fiscal year for the General, Food Service, Community Service, Debt Service, and Capital Projects Funds. The approved budget is published in summary form in the District's legal newspaper. Reported budget amounts represent the amended budget as adopted by the School Board. Legal budgetary control is at the fund level. Budgeted expenditure appropriations lapse at year-end.

The District employs the encumbrance method of accounting. Under this system, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve the portion of applicable appropriation. All unencumbered appropriations lapse at fiscal year-end. Encumbrances are generally re-appropriated in the ensuing year's budget.

Procedurally, in establishing the budgetary data reflected in these basic financial statements, the Superintendent submits to the School Board prior to July 1, a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means to finance them. The budget is legally enacted by School Board action. Revisions to budgeted amounts must be approved by the School Board.

Total fund expenditures in excess of the budget require approval of the School Board. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at line item levels.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgeting (Continued)

At the end of each fiscal year, if the General Fund has a net unassigned deficit fund balance, calculated in accordance with the uniform financial accounting and reporting standards for Minnesota school districts which excludes certain reserves specified in *Minnesota Statutes*, exceeding a negative 2.5% of operating expenditures, a condition referred to as "statutory operating debt" exists. That debt requires retirement through the accumulation of subsequent operating surpluses in accordance with a "special operating plan" approved by the Commissioner of the Department of Education.

F. Cash and Investments

The District's total deposits and investments are comprised of two major components, each with its own set of legal and contractual provisions as described on the following pages.

1. District Governmental Funds

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Cash and investment balances from all funds, with the exception of the investments related to the OPEB Irrevocable Trust Fund, are combined, and invested to the extent available in various securities as authorized by *Minnesota Statutes*. Earnings from the pooled investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund.

Cash and investments held by trustee include balances held in segregated accounts that are established for specific purposes. In the Debt Service Fund, the refunding bond escrow account held by trustee can be used only to retire refunded bond issues and to pay interest on refunding bond issues until the crossover refunding dates. Interest earned on these investments is allocated directly to the escrow account.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments held by investment pools are measured at amortized cost.

Cash and investments at June 30, 2025, were comprised of deposits, negotiable certificates of deposit, shares in the Minnesota School District Liquid Asset Fund (MSDLAF), government securities, FHLB, FHLMC, FNMA, and money market funds.

Minnesota Statutes require all deposits be protected by federal deposit insurance corporate surety bond or collateral. The market value of collateral pledged must equal 100% of the deposits not covered by Federal Deposit Insurance Corporation (FDIC) insurance or corporate surety bonds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Cash and Investments (Continued)

1. District Governmental Funds (Continued)

Minnesota Statutes authorize the District to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, repurchase and reverse repurchase agreements, and commercial paper of the highest quality with a maturity of no longer than 270 days.

In accordance with GASB Statement No. 79, the various MSDLAF securities are valued at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals from the MSDLAF. Investments in the MSDLAF MAX must be deposited for a minimum of 14 calendar days with the exception of direct investments of funds distributed by the State of Minnesota. Withdrawals prior to the 14-day restriction period may be subject to a penalty and there is a 24 hour hold on all requests for redemptions. MSDLAF+ Term investments have a maturity of 60 days to one year and early withdrawal may result in substantial early redemption penalties.

2. OPEB Irrevocable Trust Fund

These funds represent investments administered by the District's OPEB Irrevocable Trust Fund investment managers. As of June 30, 2025, they were comprised of mutual funds. The District's investment policy extends to the OPEB Irrevocable Trust Fund investments.

Minnesota Statutes authorize the OPEB Trust Fund to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, corporate bonds, common stock and foreign stock of the highest quality, mutual funds, repurchase and reverse agreements, commercial paper of the highest quality with a maturity no longer than 270 days, and in the State Board of Investments. Investments are stated at fair value.

G. Accounts Receivable

Represents amounts receivable from individuals, firms, and corporations for goods and services furnished by the District. No substantial losses are anticipated from present receivable balances, therefore, no allowance for uncollectible accounts is deemed necessary.

H. Inventory

Inventory is recorded using the consumption method of accounting and consist of purchased food, supplies, and surplus commodities received from the federal government. Food and supply purchases are recorded at invoice cost, computed on weighted average cost method, along with processing costs, and surplus commodities are stated at standardized cost, as determined by the Department of Agriculture.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded as an expenditure at the time of consumption.

J. Property Taxes

The District levies its property tax during the month of December. December 28 is the last day the District can certify a tax levy to the County Auditor. Such taxes become a lien on January 1. The property tax is recorded as revenue when it becomes measurable and available. Hennepin County is the collecting agency for the levy and remits the collections to the District three times a year. The tax levy notice is mailed in March with the first half of the payment due on May 15 and the second half due on October 15. Delinquent collections for November and December are received the following January.

A portion of property taxes levied is paid by the State of Minnesota through various tax credits, which are included in revenue from state sources in the basic financial statements.

Current property taxes receivable are recorded for taxes certified the previous December and collectible in the current calendar year, which have not been received by the District. Delinquent property taxes receivable represent uncollected taxes for the past six years and are deferred and included in the deferred inflows of resources section of the fund financial statements as unavailable revenue because they are not available to finance the operations of the District in the current year.

Property taxes levied for subsequent year's expenditures consist principally of property taxes levied in the current year which will be collected and recognized as revenue in the District's following year to properly match those revenues with the budgeted expenditures for which they were levied. This amount is equal to the amount levied by the School Board in December 2024, less various components and their related adjustments as mandated by the state. These portions of that levy were recognized as revenue in the fiscal year 2025. The remaining portion of the levy will be recognized when measurable and available.

K. Lease Receivable

The District is a lessor for noncancellable leases. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the District measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date.

Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term in a systematic and rational manner.

Key estimates and judgments include how the District determines (1) the discount rate, (2) lease term, and (3) lease receipts.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Lease Receivable (Continued)

The District determines the discount rate for leases based on the applicable State and Local Government Securities (SLGS) rate. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

L. Right-to-Use Lease Assets/Lease Liabilities

The District recorded right-to-use lease assets as a result of implementing GASB Statement No. 87, Leases. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the lease liability plus any payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease.

Key estimates and judgments related to leases include (1) the discount rate, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District determines its estimated borrowing rate based on the applicable State and Local Government Securities rate. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a re-measurement of the leases and will remeasure the right-to-use lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability.

M. Subscription-Based Information Technology Arrangements

The District recorded subscription-based assets as a result of implementing GASB Statement No. 96, Subscription-based information technology agreements. The subscription-based assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any payments made prior to the subscription agreement term, less incentives, and plus ancillary charges necessary to place get the technology into service. The subscription-based assets are amortized on a straight-line basis over the life of the related agreement.

Key estimates and judgments related to leases include (1) the discount rate, (2) lease term, and (3) lease payments.

The District uses the interest rate charged in the agreement as the discount rate. When the interest rate charged by the lessor is not provided, the District determines its estimated borrowing rate based on the applicable State and Local Government Securities rate. The subscription-based agreement's term includes the noncancellable period of the agreement. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option the District is reasonably certain to exercise.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Subscription-Based Information Technology Arrangements (Continued)

The District monitors changes in circumstances that would require a re-measurement of the subscription-based agreements and will remeasure the subscription-based assets and liabilities if certain changes occur that are expected to significantly affect the amount of the subscription liability.

N. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has two items that qualify for reporting in this category. Deferred outflows of resources related to pensions is recorded in the government-wide Statement of Net Position for various estimate differences that will be amortized and recognized over future years. Deferred outflows of resources related to OPEB is recorded for various estimate differences that will be amortized and recognized over future years.

In addition to liabilities, the Statement of Financial Position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has six types of items which qualify for reporting in this category. The first item, unavailable revenue from property taxes, arises under a modified accrual basis of accounting and is reported only in the Governmental Funds Balance Sheet. Delinquent property taxes not collected within 60 days of year-end are deferred and recognized as an inflow of resources in the governmental funds in the period the amounts become available. The second item is property taxes levied for subsequent years, which represent property taxes received or reported as a receivable before the period for which the taxes are levied and is reported as a deferred inflow of resources in both the government-wide Statement of Net Position and the Governmental Funds Balance Sheet. Property taxes levied for subsequent years are deferred and recognized as an inflow of resources in the government-wide financial statements in the year for which they are levied and in the governmental fund financial statements during the year for which they are levied, if available. The third item is a deferred charge on refunding and is reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The fourth item is deferred inflows of resources related to pensions and is recorded on the government-wide statements for various estimate differences that will be amortized and recognized over future years. The fifth item is deferred inflows of resources related to OPEB for various estimate differences related to this liability that will be amortized and recognized in future years. The sixth item is deferred inflows of resources related to lease receivable is reported in both the government-wide Statement of Net Position and the Governmental Funds Balance Sheet.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Capital Assets

Capital assets are capitalized at historical cost or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of donation. The District records all asset purchases in a capital asset group if the purchase is equal or greater than approximately $5,000 for all equipment. All vehicles and land are capitalized if greater than $5,000 and all building and site improvements are capitalized if greater than $25,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded in the government-wide financial statement but are not reported in the fund financial statements. Capital assets are depreciated or amortized using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation or amortization purposes. The District's capital assets have estimated useful lives as follows:

Asset	Useful Life
Buildings	50 years
Building improvements	20 years
Equipment	10 years
Vehicles	8 years
Computers	5 years

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

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

P. Long-Term Obligations

In the government-wide financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Compensated Absences

The District's employee vacation and sick leave policies grant to certain groups of employees, if certain conditions are met (see Note 10), a specific number of days of vacation with pay and payment for unused sick leave upon retirement. On June 30, 1998, the District established an internal service fund to accrue for and fund the liability for vacation earned and not yet taken, vested sick pay, salary-related payments, and retiree health insurance benefits due to certain active and retired employees.

Significant assumptions made in estimating the District's severance liability are as follows: (1) annual salary increases of 3.5% annually, and (2) discount rate of 3.25%.

The liability for compensated absences reported in the Statement of Net Position consists of leave that has not been used that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

R. Pensions

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

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis, and Minneapolis School District. The direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association into TRA in 2006. A second direct aid source is from the State of Minnesota for the merger of the Duluth Teacher's Retirement Fund Association (DTRFA) in 2015.

S. Risk Management

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to employees for which the District carries commercial insurance and is self-insured for some risks as indicated in Note 11. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in the District's insurance coverage during the year ending June 30, 2025.

T. Restricted Assets

Restricted assets are cash and cash equivalents whose use is limited by legal requirements such as a bond indenture. Restricted assets in these basic financial statements are labeled "Cash and Investments Held by Trustee".

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Net Position

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

V. Fund Balance

In the fund financial statements, governmental funds report fund balances in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

- Nonspendable Fund Balances – Portions of fund balance related to prepaids, inventory, long-term receivables, and corpus on any permanent fund.

- Restricted Fund Balances – These funds are constrained from outside parties (statute, grantors, bond agreements, etc.).

- Committed Fund Balances – These funds are established and modified by a resolution approved by the Board of Education.

- Assigned Fund Balances – These funds consist of internally imposed constraints. The Board of Education policy authorized the Superintendent and Superintendent's administration to assign fund balances and their intended uses.

- Unassigned Fund Balances – These funds are the residual classification for the general fund and also reflects negative residual amounts in other funds.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District's policy to use restricted first, then unrestricted fund balance. When an expenditure is incurred for purposes for which committed, assigned, and unassigned amounts are available, it is the District's policy to use committed first, then assigned, and finally unassigned amounts.

The District formally adopted a fund balance policy for the General Fund. The policy establishes a year-end minimum unassigned fund balance of no less than 8% of the estimated General Fund expenditures for the following year.

W. Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements. Estimates also affect the reported amounts of revenue and expenditures/expense during the reporting period. Actual results could differ from those estimates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

X. Postemployment Benefits Other than Pensions (OPEB) – Trust Fund

Information about the fiduciary net position of the District and additions to/deductions from the District's fiduciary net position have been determined on the same basis as they are reported by the District. For this purpose, the District recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments, and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Deposits

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the Statement of Net Position and the Balance Sheet as "Cash and Investments." In accordance with *Minnesota Statutes*, the District maintains deposits at financial institutions which are authorized by the District's Board.

Custodial Credit Risk - Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk and follows *Minnesota Statutes* for deposits. *Minnesota Statutes* require that all deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or corporate surety bonds. Authorized collateral include: U.S. government treasury bills, notes, or bonds; issues of a U.S. government agency; general obligations of a state or local government rated "A" or better; revenue obligations of a state or local government rated "AA" or better; irrevocable standby letter of credit issued by a Federal Home Loan Bank; and time deposits insured by a federal agency. *Minnesota Statutes* require securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or at an account at a trust department of a commercial bank or other financial institution not owned or controlled by the depository. As of June 30, 2025, the District's deposits were not exposed to custodial credit risk because the balances were fully insured by FDIC or secured by pledged collateral or letters of credit.

As of June 30, 2025, the book value of the District's deposits was as follows:

Checking - pooled	$	522,947
Savings - pooled		119,185,631
Total pooled deposits	$	119,708,578

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments

1. Investment Policy

In accordance with the *Minnesota Statutes* Chapter 118A and other applicable law, including regulations, the District's investment policy permits making deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in the State of Minnesota. The District is allowed to invest in U.S. Treasury or Federal Agency obligations, commercial paper rated "A-1" or higher and that matures in 270 days or less at the time of purchase, collateralized certificates of deposit, repurchase agreements backed by government collateral, and bankers' acceptances of the top 40 U.S. banks.

The District's investment policy establishes limitations on the holdings on non-U.S. government obligations. The maximum percentage of the portfolio (book value at the date of acquisition) permitted in each security is as follows:

U.S. Treasury/U.S. Government Agencies	100% Maximum
Domestic Commercial Paper ("A-1"/"P-1")	50% Maximum
Collateralized Investment Agreements	100% Maximum
Eligible Bankers' Acceptances	30% Maximum
Repurchase Agreements	25% Maximum
Collateralized Certificates of Deposit	30% Maximum

The District's investment policy with regards to its deposits and investments are in accordance with statutory authority.

2. Concentration of Credit Risk

This is the risk of loss attributed to the magnitude of an investment in a single issuer. The District's investment policy establishes limitations on portfolio composition by issuer in order to control concentration of credit risk. No more than $5,000,000 of the District's portfolio will be invested in the securities of any single commercial paper issuer.

3. Custodial Credit Risk

This is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. GASB 40 requires disclosure of all uninsured investment securities purchased by the District or held as collateral on deposits or investments that are not registered in the name of the Minneapolis Public Schools, and held by the counterparty to the investment transactions. The District's investments held by one broker-dealer were insured by SIPC or other supplemental insurance as of June 30, 2025. However, each investment brokerage firm may have a limit to their supplemental insurance and because of the size of the District's portfolio in relation to the brokerage firm's excess SIPC coverage limits, the portion of the supplemental policy applicable to the District's portfolio is unknown.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

4. Interest Rate Risk

This is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates. The District's investment policy states that investments shall be managed in a manner to attain a market rate of return through various economic and budgetary cycles, taking into account constraints on risk and other criteria requirements. As of June 30, 2025, the market values, and duration of the District's investments were as listed below.

			Investment Maturities			
Type of Investments	Rating	Fair Value	Less than 1 year	1-2 years	2-5 years	5+ years
Pooled Investments						
Commercial paper	A+	$ 1,830,396	$ 1,830,396	$ -	$ -	$ -
US Treasury securities	AA+	8,390,908	4,448,149	3,942,759	-	-
Other gov't backed securities	AA+	5,165,239	2,458,332	2,113,080	593,827	-
MSDLAF	NR	34,884,094	34,884,094	-	-	-
MSDLAF MAX	NR	136,461,057	136,461,057	-	-	-
Total pooled investments		186,731,694	180,082,028	6,055,839	593,827	-
Non-pooled Investments						
Money Market	NR	18,845,537	18,845,537	-	-	-
ETFs	NR	11,876,751	11,876,751	-	-	-
Mutual Funds	NR	17,929,283	17,929,283	-	-	-
MSDLAF	NR	512	512	-	-	-
MSDLAF MAX	NR	204,782,651	204,782,651	-	-	-
Total non-pooled investments		253,434,734	253,434,734	-	-	-
Total Investments		$ 440,166,428	$ 433,516,762	$ 6,055,839	$ 593,827	$ -

The District has the following recurring fair value measurements as of June 30, 2025:

Type of investments	Total	Level 1	Level 2	Level 3
Money market	$ 18,845,537	$ 18,845,537	$ -	$ -
ETFs	11,876,751	11,876,751	-	-
Mutual funds	17,929,283	17,929,283	-	-
Commercial paper	1,830,396	-	1,830,396	-
US Treasury securities	8,390,908	-	8,390,908	-
Other gov't backed securities	5,165,239	-	5,165,239	-
Total	$ 64,038,114	$ 48,651,571	$ 15,386,543	$ -
Investments at amortized cost	$ 376,128,314			
Total investments	$ 440,166,428			

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

C. Deposits and Investments

The following is a summary of total deposits and investments:

Deposits - pooled	$ 119,708,578
Investments - pooled	186,731,694
Investments - non-pooled	253,434,734
Total cash and investments	$ 559,875,006

Deposits and investments are presented in the June 30, 2025, basic financial statements as follows:

Statement of Net Position	
Governmental activities	$ 529,875,129
Fiduciary funds	29,999,877
Total cash and investments	$ 559,875,006

NOTE 3 – INTERFUND ACTIVITY

A. Due To/Due From Other Funds

As of June 30, 2025, the following amounts were due to/due from other funds:

	Due from Other Fund	Due to Other Fund
General Fund	$ 2,602,824	$ -
Food Service Fund	-	2,602,824
Total	$ 2,602,824	$ 2,602,824

The amount due to/from of $2,602,824 is to cover a deficit cash balance in the Food Service Fund, this was covered using the General Fund.

B. Interfund Transfers

The General Fund transferred $6,159,709 to the Food Service Fund to cover deficit operations and resolve negative fund balance.

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	$ 35,446,301	$ -	$ -	$ 35,446,301
Construction in progress	148,016,270	58,710,852	87,748,554	118,978,568
Total capital assets not being depreciated	183,462,571	58,710,852	87,748,554	154,424,869
Capital assets being depreciated				
Buildings	1,499,203,340	87,287,529	461,048	1,586,029,821
Machinery and equipment	93,183,477	9,968,228	40,286,264	62,865,441
Lease buildings	10,833,849	-	-	10,833,849
Lease building improvements	149,758	-	-	149,758
Lease equipment	265,980	-	-	265,980
Subscription-based software	6,463,722	4,182,265	2,095,914	8,550,073
Total capital assets being depreciated/amortized	1,610,100,126	101,438,022	42,843,226	1,668,694,922
Less accumulated depreciation/amortization for				
Buildings	802,699,962	48,622,229	445,680	850,876,511
Machinery and equipment	67,210,829	12,928,163	38,454,943	41,684,049
Lease buildings	2,280,629	1,287,110	-	3,567,739
Lease building improvements	87,359	49,920	-	137,279
Lease equipment	84,362	52,504	-	136,866
Subscription-based software	2,972,220	2,901,945	2,095,914	3,778,251
Total accumulated depreciation/amortization	875,335,361	65,841,871	40,996,537	900,180,695
Total capital assets being depreciated/amortized, net	734,764,765	35,596,151	1,846,689	768,514,227
Governmental activities, capital assets net	$ 918,227,336	$ 94,307,003	$ 89,595,243	$ 922,939,096

NOTE 4 – CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense of $65,841,871 for the year ended June 30, 2025, was charged to the following governmental functions:

Administration	$ 81,987
District Support Services	13,132,788
Regular Instruction	7,783,567
Vocational Education Instruction	21,789
Special Education Instruction	301,474
Community Education	5,062
Instructional Support Services	11,354
Pupil Support Services	1,226,773
Food Service	300,745
Sites and Buildings	42,976,332
Total depreciation and amortization expense, governmental activities	$ 65,841,871

NOTE 5 – LONG-TERM LIABILITIES

The District has issued general obligation school building bonds, alternative facilities bonds, and long-term facilities maintenance bonds to finance the construction of capital facilities or to refinance previous bond issues. Assets of the Debt Service Fund, together with scheduled future tax levies are dedicated for the retirement of these bonds and loans. These levies are subject to reduction if fund balance amounts exceed limitations imposed by Minnesota law.

NOTE 5 – LONG-TERM LIABILITIES (CONTINUED)

A. Components of Long-Term Liabilities

	Issue Date	Interest Rates	Original Issue	Maturity Date	Principal Outstanding	Due Within One Year
Long-term liabilities						
G.O. Bonds, including Refunding bonds						
	12/15/09	1.15%	$ 17,200,000	12/15/2025	$ 17,200,000	$ 17,200,000
	12/28/10	5.13%	19,785,000	12/15/2025	19,785,000	19,785,000
	12/01/11	3.80%	4,260,000	12/15/2025	4,260,000	4,260,000
	12/23/14	2.00%-3.00%	21,840,000	2/1/2030	4,360,000	1,610,000
	12/23/14	3.00%-4.00%	45,270,000	2/1/2030	17,780,000	3,350,000
	12/29/15	2.34%	21,275,000	2/1/2031	6,610,000	1,295,000
	12/29/15	2.51%	34,755,000	2/1/2031	16,220,000	2,510,000
	12/22/16	5.00%	41,905,000	2/1/2037	23,440,000	2,200,000
	12/22/16	4.00%-5.00%	51,910,000	2/1/2035	34,670,000	2,755,000
	12/06/17	4.00%-5.00%	28,895,000	2/1/2033	10,930,000	1,395,000
	12/06/17	4.00%-5.00%	51,565,000	2/1/2038	33,705,000	2,590,000
	12/01/18	4.00%-5.00%	40,395,000	2/1/2039	20,140,000	3,110,000
	12/01/18	4.00%-5.00%	51,275,000	2/1/2038	40,150,000	2,265,000
	12/01/19	5.00%	42,735,000	2/1/2040	22,825,000	2,660,000
	12/01/19	5.00%	29,385,000	2/1/2038	23,670,000	1,355,000
	12/01/19	5.00%	5,385,000	2/1/2027	1,450,000	705,000
	12/29/20	4.00%-5.00%	46,785,000	2/1/2041	31,505,000	4,360,000
	12/29/20	1.00%-5.00%	26,140,000	2/1/2041	22,620,000	1,020,000
	07/14/21	5.00%	18,725,000	2/1/2033	13,365,000	1,400,000
	12/30/21	5.00%	35,895,000	2/1/2042	23,750,000	4,515,000
	12/30/21	5.00%	31,600,000	2/1/2042	27,320,000	1,620,000
	12/30/21	5.00%	29,060,000	2/1/2034	21,565,000	2,755,000
	12/01/22	5.00%	31,150,000	2/1/2043	26,295,000	2,730,000
	12/01/22	5.00%	27,600,000	2/1/2043	24,925,000	1,490,000
	12/21/23	5.00%	35,050,000	2/1/2044	32,800,000	2,555,000
	12/21/23	5.00%	41,790,000	2/1/2044	40,045,000	1,855,000
	12/31/24	5.00%	50,465,000	2/1/2045	50,465,000	6,270,000
	12/31/24	5.00%	26,810,000	2/1/2045	26,810,000	1,110,000
Total			908,905,000		638,660,000	100,725,000
Certificates of participation						
	12/29/15	2.00-3.20%	44,475,000	2/1/2031	20,235,000	3,130,000
	12/22/16	5.00%	22,025,000	2/1/2032	12,690,000	1,560,000
	12/06/17	4.00-5.00%	38,565,000	2/1/2033	23,900,000	2,535,000
	12/01/19	2.67%	6,715,000	2/1/2035	5,000,000	405,000
	09/29/20	5.00%	26,055,000	4/1/2036	20,265,000	1,465,000
	12/01/22	5.00%	65,545,000	2/1/2030	49,395,000	8,940,000
Total			203,380,000		131,485,000	18,035,000
Bond premium					100,021,644	-
Notes from direct borrowing					13,960,740	5,715,026
Lease liability					8,144,708	984,699
Subscription liability					4,027,044	1,853,043
Self insurance liability					15,976,942	7,750,640
Compensated absences					58,347,286	14,904,932
Net OPEB liability					29,845,457	2,984,582
Net pension liability					490,057,740	-
Total long-term liabilities					$ 1,490,526,561	$152,952,922

NOTE 5 – LONG-TERM LIABILITIES (CONTINUED)

B. Minimum Debt Payments

General Obligation Bonds and Certifications of Participation

Year Ending June 30,	Certificates of Participation		G.O. Bonds	
	Principal	Interest	Principal	Interest
2026	$ 18,035,000	$ 5,689,450	$ 100,725,000	$ 28,615,505
2027	18,870,000	4,850,300	58,210,000	25,326,400
2028	19,745,000	3,971,200	48,120,000	22,589,700
2029	20,680,000	3,050,350	46,390,000	20,335,600
2030	21,610,000	2,114,100	44,255,000	18,219,700
2031-2035	30,395,000	2,504,250	178,370,000	62,716,600
2036-2040	2,150,000	43,000	109,790,000	27,235,100
2041-2045	-	-	52,800,000	6,386,300
Total	$ 131,485,000	$ 22,222,650	$ 638,660,000	$ 211,424,905

Leases and Notes from Direct Borrowing

Year Ending June 30,	Notes from Direct Borrowing		Lease Liability	
	Principal	Interest	Principal	Interest
2026	$ 5,715,026	$ 1,056,918	$ 984,699	$ 383,766
2027	4,613,258	645,610	686,810	339,964
2028	2,825,546	287,116	591,068	310,124
2029	806,910	62,294	612,249	280,270
2030	-	-	680,486	248,119
2031-2035	-	-	4,589,396	618,943
Total	$ 13,960,740	$ 2,051,938	$ 8,144,708	$ 2,181,186

C. Description of Long-Term Liabilities

On December 31, 2024, the District issued $50,465,000 of General Obligation School Building Bonds, Series 2024A. The proceeds of this bond are to finance the rehabilitating, remodeling, expanding, and equipping of existing school buildings, the acquisition of sites, construction, and equipping of new school buildings and the acquisition and betterment of District facilities, and to pay costs of issuing the series 2024A Bonds.

NOTE 5 – LONG-TERM LIABILITIES (CONTINUED)

C. Description of Long-Term Liabilities (Continued)

On December 31, 2024, the District issued $26,810,000 of General Obligation Long-Term Facilities Maintenance bonds, Series 2024B. The proceeds of this bond are to finance the projects included in the facilities plan, and to pay costs of issuing the series 2024B Bonds.

As of June 30, 2025, the District has $219,192,523 in unspent bond proceeds for future capital project expenditures.

The District entered into various financed purchase agreements classified as notes from direct borrowing for the purchase of technology equipment. The interest or discount rate used to calculate the liability for notes from direct borrowing and the related principal and interest ranged from 4.12% to 7.9%. Payment terms related to notes from direct borrowing are listed in the table above.

The District entered into various lease agreements for the leasing of building space and equipment. The interest or discount rate used to calculate the lease liability, and the related principal and interest was 5.0%. Payment terms related to lease liabilities are listed in the table above.

On July 1, 2023, the District entered into a 36-month subscription for the use of Varonis Data Security Platform. An initial subscription liability was recorded in the amount of $1,971,626. As of June 30, 2025, the value of the subscription liability is $684,046, and the value of the short-term subscription liability is $52,554. The District is required to make annual fixed payments of $700,000. The subscription has an interest rate of 5.0%.

On July 1, 2023, the District entered into a 36-month subscription for the use of Illuminate Education Inc - Fast Bridge. An initial subscription liability was recorded in the amount of $1,036,620. As of June 30, 2025, the value of the subscription liability is $382,728, and the value of the short-term subscription liability is $61,450. The District is required to make annual fixed payments of $356,478. The subscription has an interest rate of 5.0%.

On July 1, 2024, the District entered into a 60-month subscription for the use of Palo Alto Cortex XDR. An initial subscription liability was recorded in the amount of $1,809,593. As of June 30, 2025, the value of the subscription liability is $1,352,350, and the value of the short-term subscription liability is $313,761. The District is required to make annual fixed payments of $464,412. The subscription has an interest rate of 5.0%.

On July 1, 2024, the District entered into a 60-month subscription for the use of Tyler Technologies - Student Transportation. An initial subscription liability was recorded in the amount of $1,032,149. As of June 30, 2025, the value of the subscription liability is $893,211, and the value of the short-term subscription liability is $207,227. The District is required to make annual fixed payments of $167,641. The subscription has an interest rate of 5.0%.

On July 1, 2024, the District entered into a 60-month subscription for the use of Shipcom Wireless - Catamaran NextGen. An initial subscription liability was recorded in the amount of $576,016. As of June 30, 2025, the value of the subscription liability is $457,313, and the value of the short-term subscription liability is $104,138. The District is required to make annual fixed payments of $136,964. The subscription has an interest rate of 5.0%.

NOTE 5 – LONG-TERM LIABILITIES (CONTINUED)

C. Description of Long-Term Liabilities (Continued)

On July 1, 2024, the District entered into a 60-month subscription for the use of SAP America Inc - Cloud Analytics. An initial subscription liability was recorded in the amount of $110,353. As of June 30, 2025, the value of the subscription liability is $71,937, and the value of the short-term subscription liability is $35,091. The District is required to make annual fixed payments of $38,627. The subscription has an interest rate of 5.0%.

On July 1, 2024, the District entered into a 60-month subscription for the use of Neptune Software US - Full DXP. An initial subscription liability was recorded in the amount of $218,428. As of June 30, 2025, the value of the subscription liability is $185,459, and the value of the short-term subscription liability is $90,468. The District is required to make annual fixed payments of $33,597. The subscription has an interest rate of 5.0%.

D. Changes in Long-Term Liabilities

See Notes 11 and 12 for detailed information on the District's Self Insurance Plan and Compensated Absences, see Note 7 for detailed information on the District's pension plans, and see note 8 for detailed information on the District's post-employment health care plan.

	June 30, 2024	Change in Accounting Principle	Additions	Retirements	June 30, 2025
Governmental activities					
Bonds payable					
General obligation bonds	$ 613,775,000	$ -	$ 77,275,000	$ (52,390,000)	$ 638,660,000
Bond premium	100,420,440	-	8,794,914	(9,193,710)	100,021,644
Certificates of participation payable	148,715,000	-	-	(17,230,000)	131,485,000
Notes from direct borrowing	14,135,835	-	7,533,810	(7,708,905)	13,960,740
Lease liability	9,272,735	-	-	(1,128,027)	8,144,708
Subscription liability	2,183,998	-	3,746,539	(1,903,493)	4,027,044
Self insurance reserves	15,553,508	-	423,434	-	15,976,942
Compensated absences	29,316,576	21,639,851	7,390,859	-	58,347,286
Net OPEB liability	26,540,111	-	3,305,346	-	29,845,457
Net pension liability	651,965,174	-	-	(161,907,434)	490,057,740
Total governmental activity long-term liabilities	$ 1,611,878,377	$ 21,639,851	$ 108,469,902	$ (251,461,569)	$ 1,490,526,561

The changes in the self insurance reserves liability, compensated absences liability, net OPEB liability, and net pension liability are each presented as a net change.

NOTE 6 – FUND BALANCES

Certain portions of fund balance are restricted based on state requirements to track special program funding, to provide for funding on certain long-term liabilities, or as required by other outside parties. Administration also has the authority to internally assign portions of fund balance for specific purposes. Other amounts are identified as nonspendable as disbursement has been made for a good or service that will benefit future periods.

NOTE 6 – FUND BALANCES (CONTINUED)

Restricted and nonspendable/assigned fund balances at June 30, 2025, are as follows:

	Restricted	Nonspendable/ Assigned
General Fund		
Nonspendable for prepaid items	$ -	$ 5,940,277
Nonspendable for inventory	-	124,384
Restricted for student activities	593,039	-
Restricted for literacy incentive aid	1,492,557	-
Restricted for American Indian education aid	174,460	-
Restricted for operating capital	20,498,301	-
Restricted for area learning center	1,004,969	-
Restricted for contracted alternative schools	741,046	-
Restricted for school library aid	265,224	-
Restricted for student support personnel aid	539,709	-
Restricted for medical assistance	2,254,537	-
Restricted for long-term facilities maintenance	2,141	-
Restricted for literacy aid	162,555	-
Restricted for Teacher Comp READ Act	1,048,012	-
Restricted for learning and development	8,977	-
Restricted for basic skills programs	2,619,580	-
Restricted for other purposes	478,511	-
Assigned for capital projects referendum	-	11,909,098
Assigned for alternative compensation	-	835,898
Assigned for funded projects	-	6,477,839
Total general fund	31,883,618	25,287,496
Special Revenue Funds		
Food Service Fund		
Nonspendable for inventory	-	1,938,615
Community Service Fund		
Nonspendable for prepaids	-	16,883
Restricted for community education programs	5,283,665	-
Restricted for early childhood and family	1,713,950	-
Restricted for school readiness	1,045,445	-
Restricted for adult basic education	86,765	-
Restricted for grants and funded programs	1,664,590	-
Total special revenue funds	9,794,415	1,955,498
Capital Projects - Building Construction Fund		
Nonspendable for prepaid items	-	2,666,623
Restricted for long-term facilities maintenance	85,071,166	-
Restricted for building construction	131,454,734	-
Total building construction fund	216,525,900	2,666,623
Debt Service Fund		
Restricted for QSCB/QZAB	34,848,683	-
Restricted for other purposes	22,035,643	-
Total Debt Service Fund	56,884,326	-
Total all funds	$ 315,088,259	$ 29,909,617

NOTE 6 – FUND BALANCES (CONTINUED)

Restricted/Reserved for Student Activities – This balance represents available resources to be used for the extracurricular activity funds raised by the students.

Restricted/Reserved for Literacy Incentive Aid – This balance represents the resources available to support implementation of evidence-based reading instruction.

Restricted/Reserved for American Indian Education Aid – This balance represents resources remaining in the American Indian Education Funds.

Restricted/Reserved for Operating Capital – This balance represents available resources in the General Fund to be used to purchase equipment and facilities.

Restricted/Reserved for Area Learning Center – This balance represents amounts restricted for students attending area learning centers. Each district that sends students to an area learning center must restrict an amount equal to the sum of 1) at least 90 and no more than 100% of the district average General Education Revenue per adjusted pupil unit minus an amount equal to the product of the formula allowance according to *Minnesota Statute* § 126C.10, subd. 2, times .0466, calculated without basic skills revenue, local optional revenue, and transportation sparsity revenue, times the number of pupil units attending a state-approved area learning center, plus (2) the amount of basic skills revenue generated by pupils attending the area learning center. The amount restricted may only be spent on program costs associated with the area learning center.

Restricted/Reserved for Contracted Alternative Program – Pursuant to *Minnesota Statutes* §§ 124D.68, subd. 3d and 124D.69, subd. 1, districts must reserve at least 95% of the average general education revenue, less basic skills revenue, per pupil unit times the number of pupil units for pupils, attending this program and the amount of basic skills revenue generated by pupils attending the program according to *Minnesota Statutes §§* 126C.10, subd.4.

Restricted/Reserved for School Library Aid – This balance represents resources available for the school library aid uses listed in *Minnesota Statute* § 134.356, subd. 1.

Restricted/Reserved for Student Support Personnel Aid – This balance represents available resources to be used for student support personnel that are in addition to current staff levels.

Restricted/Reserved for Medical Assistance – This balance represents available resources to be used for medical assistance expenditures (*Minnesota Statute* § 125A.21, subd. 3).

Restricted/Reserved for Long-Term Facilities Maintenance (LTFM) – This balance represents available resources to be used for LTFM projects in accordance with the 10-year plan (*Minnesota Statutes* § 123B.595, subd. 12).

Restricted/Reserved for Literacy Aid – This balance represents resources available for literacy aid for evidence-based literacy supports for children in prekindergarten through grade 12 based on structured literacy.

Restricted/Reserved for Teacher Compensation for READ Act Training – This balance represents resources available for teacher compensation for Read Act training.

NOTE 6 – FUND BALANCES (CONTINUED)

Restricted/Reserved for Learning and Development – Learning and development is funded by general education revenue. This reserve represents available general education revenues for learning and development, which is mainly for reducing the pupil to staff ratio.

Restricted/Reserved for Basic Skills Programs – This balance represents resources available for the basic skills uses listed in *Minnesota Statute* § 126C.15, subd. 1.

Restricted for Community Education Programs – The fund balance restriction represents accumulated resources available to provide general community education programming.

Restricted for Early Childhood and Family Education Programs – This fund balance restriction represents accumulated resources available to provide services for early childhood and family education programming.

Restricted for School Readiness Programs – The fund balance restriction represents accumulated resources available to provide school readiness programming (*Minnesota Statutes* § 124D.16).
Restricted for Adult Basic Education – The fund balance restriction represents accumulated resources available to provide adult basic education services.

Restricted/Reserved for Adult Basic Education (ABE) – This account will represent the balance of carryover monies for all activity involving ABE. This would include all state aid and any grants or local funding used in support of ABE.

Restricted for Building Construction – Restricted for building construction represents available resources to fund construction expenditures on current and future contracts.

Restricted for QSCB/QZAB – The fund balance restriction represents resources required by agreement to be segregated for future payments of Qualified Zone Academy Bond (QZAB) or Qualified School Construction Bonds (QSCB) debt instruments. These resources are held by the District and will pay off the debt at maturity.

Restricted for Other Purposes – Represents amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE

The District participates in various pension plans. Total pension expense for the year ended June 30, 2025, was $22,100,267. The components of pension expense are noted in the following plan summaries.

The General Fund typically liquidates the Liability related to the pensions.

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association

A. Plan Description

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

Educators employed in Minnesota's public elementary and secondary schools, charter schools, and certain other TRA-covered educational institutions maintained by the state are required to be TRA members (except those teachers employed by St. Paul Schools or Minnesota State Colleges and Universities). Educators first hired by Minnesota State may elect either TRA coverage or coverage through the Define Contribution Retirement Plan (DCR) administered by Minnesota State. A teacher employed by Minnesota State and electing the DCR plan is not a member of TRA except for purposes of social security coverage.

B. Benefits Provided

TRA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by *Minnesota Statute* and vest after three years of service credit. The defined retirement benefits are based on a member's highest average salary for any consecutive 60 months of formula service, age and years of formula service credit at termination of service. TRA members belong to either the Basic or Coordinated Plan.

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

Tier I Benefits

Tier I	Step Rate Formula	Percentage
Basic	First ten years of service	2.2% per year
	All years after	2.7% per year
Coordinated	First ten years if service years are up to July 1, 2006	1.2% per year
	First ten years if service years are July 1, 2006, or after	1.4% per year
	All other years of service if service years are up to July 1, 2006	1.7% per year
	All other years of service if service years are July 1, 2006, or after	1.9% per year

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

B. Benefits Provided (Continued)

With these provisions:

- Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
- 3% per year early retirement reduction factor for all years under normal retirement age.
- Unreduced benefits for early retirement under a Rule of 90 (age plus allowable service equals 90 or more).

Or

For years of service prior to July 1, 2006, a level formula of 1.7% per year for coordinated members and 2.7% per year for basic members is applied. For years of service July 1, 2006, and after, a level formula of 1.9% per year for Coordinated members and 2.7% for Basic members applies. An early retirement reduction is applied to members retiring prior to age 65. Members who reach age 62 with 30 years of service have a lower (more favorable to the member) reduction rate applied.

Tier II Benefits
Members first employed after June 30, 1989, receive only the Tier II calculation with a normal retirement age that is their retirement age for full Social Security retirement benefits, but not to exceed age 66. After July 1, 2024, the age will change to not to exceed 65. An early retirement reduction is applied to members retiring before age 66 but will be age 65 after July 1, 2024. Members who reach age 62 with 30 years of service have a lower (more favorable to the member) early retirement reduction rate applied.

Six different types of annuities are available to members upon retirement. The No Refund Life Plan is a lifetime annuity that ceases upon the death of the retiree – no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans that have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is eligible for a refund of their employee contributions plus interest.

The benefit provisions stated apply to active plan participants. Vested, terminated employees who are entitled to benefits but not yet receiving them are bound by the plan provisions in effect at the time they last terminated their public service.

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

C. Contributions

Per *Minnesota Statutes* Chapter 354 sets the contribution rates for employees and employers. Rates for the fiscal year 2025 for coordinated were 7.75% for the employee and 8.75% for the employer. Basic rates were 11.25% for the employee and 12.75% for the employer. The District's contributions to TRA for the plan's fiscal year ended June 30, 2025 were $34,872,584. The District's contributions were equal to the required contributions for each year as set by state statute.

D. Actuarial Assumptions

The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Key Methods and Assumptions Used in Valuation of Total Pension Liability

Actuarial Information	
Experience study	August 2, 2023 (demographic and economic assumptions)*
Actuarial cost method	Entry Age Normal
Actuarial assumptions	
Investment rate of return	7.00%
Price inflation	2.50%
Wage growth rate	2.85% before July 1, 2028, and 3.25% after June 30, 2028.
Projected salary increase	2.85% to 8.85% before July 1, 2028, and 3.25% to 9.25% after June 30, 2028.
Cost of living adjustment	1.0% for January 2019 through January 2023, then increasing by 0.1% each year up to 1.5% annually.
Mortality Assumptions	
Pre-retirement	PubT-2010(A) Employee Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.
Post-retirement	PubT-2010(A) Retiree Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.
Beneficiaries	Pub-2010(A) Contingent Survivor Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.
Disabled retirees	PubNS-2010 Disabled Retiree Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.

* The assumptions prescribed are based on the experience study dated August 2, 2023. For GASB 67 purposes, the long-term rate of return assumptions is selected by TRA management in consultation with the actuary.

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

D. Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic stocks	33.5 %	5.10 %
International stocks	16.5	5.30
Private markets	25.0	5.90
Fixed income	25.0	0.75
Total	100.0 %	

Changes in actuarial assumptions since the previous valuation:

- Mortality tables were updated for active employees, retirees, disabled retirees, and contingent beneficiaries to recently published tables derived from public plan data known as the Pub-2010 family.
- Retirement rates were increased for some of the Tier II early retirement ages and some of the unreduced retirement rates were modified for both tiers to better align with actual experience.
- Probability that new female retirees elect either the Straight Life Annuity or 100% Joint and Survivor Annuity were refined to reflect the actual experience.
- Termination rates were reduced in the first 10 years of employment and slightly increased in year 16 to 25 to better match the observed experience.
- Disability rates were decreased beyond age 45 by 15% to reflect the continued lower than expected observations.

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

E. Discount Rate

The discount rate used to measure the total pension liability was 7.0%. There was no change in the discount rate since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2024 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

F. Net Pension Liability

On June 30, 2025, the District reported a liability of $377,281,455 for its proportionate share of the net pension liability. In addition, the net pension liability allocated to the district under a lump sum direct aid payment related to the District's merger into the fund is $24,661,120 for a total liability allocated to the District of $401,942,575. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The District's proportion of the net pension liability was based on the District's contributions to TRA in relation to total system contributions including direct aid from the State of Minnesota, City of Minneapolis, and Minneapolis School District. District proportionate share was 5.9374% at the end of the measurement period and 5.9791% for the beginning of the year. An additional 0.3881% was allocated at June 30, 2024, under the direct aid payment agreement.

The pension liability amount reflected a reduction due to direct aid provided to TRA. The amount recognized by the District as its proportionate share of the net pension liability, the direct aid and total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of net pension liability	$ 401,942,575
State's proportionate share of the net pension liability associated with the District	24,677,108
Total	$ 426,619,683

For the year ended June 30, 2025, the District recognized pension expense of $16,087,284. Included in this amount, the District recognized $1,356,512 as pension expense for the support provided by direct aid.

During the plan year ended June 30, 2024, the State of Minnesota contributed $176 million to the Fund. The State of Minnesota is not included as a non-employer contributing entity in the plan pension allocation schedules for the $176 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The District recognized $11,143,433 for the year ended June 30, 2025 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Fund.

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

F. Net Pension Liability (Continued)

As of June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 19,481,646	$ 5,361,048
Net difference between projected and actual earnings on plan investments	-	55,634,236
Changes of assumptions	43,798,660	47,932,741
Changes in proportion	-	35,811,088
Contributions to TRA subsequent to the measurement date	37,122,584	-
Total	$ 100,402,890	$ 144,739,113

The $37,122,584 reported as deferred outflows of resources related to pensions resulting from District contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026.

Other amounts reported as deferred outflows of resources and (deferred inflows of resources) will be recognized in pension expense as follows:

Year Ended June 30,	Pension Expense Amount
2026	$ (37,773,385)
2027	30,429,186
2028	(36,385,563)
2029	(30,456,941)
2030	(7,272,104)
Total	$ (81,458,807)

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

G. Pension Liability Sensitivity

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percent lower (6.0%) and 1 percent higher (8.0%) than the current rate.

	Sensitivity of NPL to Changes in the Discount Rate		
	1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
Standard share	$ 664,414,722	$ 377,281,455	$ 140,963,972
Direct aid share	43,429,675	24,661,120	9,214,154

H. Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in a separately-issued TRA financial report. That report can be obtained at www.minnesotatra.org, or by writing to TRA at 60 Empire Drive, Suite 400, St. Paul, MN, 55103-4000, or by calling (651) 296-2409 or (800) 657-3669.

Public Employees' Retirement Association

A. Plan Description

The District participates in the following cost-sharing multiple-employer defined benefit pension plan administered by PERA. PERA's defined benefit pension plan is established and administered in accordance with *Minnesota Statutes* Chapters 353, 353D, 353E, 353G, and 356. *Minnesota Statutes* Chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than $425 in a month, unless the employee meets exclusion criteria.

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service. When a member is "vested", they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Public Employees' Retirement Association (Continued)

B. Benefits Provided (Continued)

General Employees Plan Benefits

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2% of the highest average salary for each of the first 10 years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of the highest average salary for all years of service. For members hired prior to July 1, 1989, a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25% for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1.0% and a maximum of 1.5%. The 2024 annual increase was 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

C. Contributions

Minnesota Statutes Chapter 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

General Plan members were required to contribute 6.5% of their annual covered salary in fiscal year 2025 and the District was required to contribute 7.5% for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2025, were $15,297,817. The District's contributions were equal to the required contributions as set by state statute.

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Public Employees' Retirement Association (Continued)

D. Pension Costs

General Employees Fund Pension Costs

At June 30, 2025, the District reported a liability of $88,115,165 for its proportionate share of the General Employees Fund's net pension liability. The District's net pension liability reflected a reduction due to the State of Minnesota's contribution of $16 million. The State of Minnesota is considered a non-employer contributing entity and the State's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the District totaled $2,278,478.

District's proportionate share of net pension liability	$ 88,115,165
State of Minnesota's proportionate share of the net pension liability associated with the District	2,278,478
Total	$ 90,393,643

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on the District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023, through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 2.3835% at the end of the measurement period and 2.2201% for the beginning of the period.

For the year ended June 30, 2025, the District recognized pension expense of $6,012,983 for its proportionate share of General Employees Plan's pension expense. Included in this amount, the District recognized an additional $61,085 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of $16 million to the General Employees Fund.

During the plan year ended June 30, 2024, the State of Minnesota contributed $170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedule for the $170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The District recognized $4,054,281 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the General Employees Fund.

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Public Employees' Retirement Association (Continued)

D. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

At June 30, 2025, the District reported its proportionate share of deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 8,130,030	$ -
Changes in actuarial assumptions	427,652	31,680,827
Net difference between projected and actual investment earnings	-	25,232,564
Change in proportion	6,851,568	6,102,339
District's contributions to PERA subsequent to the measurement date	15,297,817	-
Total	$ 30,707,067	$ 63,015,730

The $15,297,817 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Pension Expense
2026	$ (27,929,809)
2027	(4,609,149)
2028	(8,314,056)
2029	(6,753,466)
Total	$ (47,606,480)

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Public Employees' Retirement Association (Continued)

E. Long-Term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.5 %	5.10 %
International stocks	16.5	5.30
Fixed income	25.0	0.75
Private markets	25.0	5.90
Total	100.0 %	

F. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 7.0%. The 7.0% assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates considered reasonable by the actuary. An investment return of 7.0% is within that range.

Inflation is assumed to be 2.25% for the General Employees Plan. Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. The table is adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023, actuarial valuation.

NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Public Employees' Retirement Association (Continued)

F. Actuarial Methods and Assumptions (Continued)
The following changes in actuarial assumptions and plan provisions occurred in 2024:

Changes in Actuarial Assumptions
- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: Increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions
- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

G. Discount Rate
The discount rate used to measure the total pension liability in 2024 was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in *Minnesota Statutes*. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Pension Liability Sensitivity
The table on the following page presents the District's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
District's proportionate share of the PERA net pension liability	$ 192,457,702	$ 88,115,165	$ 2,283,912

I. Pension Plan Fiduciary Net Position
Detailed information about the General Employees Fund's fiduciary net position is available in a separately-issued PERA financial report that includes the basic financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

NOTE 8 – POST EMPLOYMENT HEALTH CARE PLAN

A. Plan Description

The District provides a single-employer defined benefit health care plan to eligible retirees and their families. The plan offers medical and dental coverage administered by HealthPartners and Delta Dental, respectively. It is the District's policy to periodically review its medical coverage and to obtain requests for proposals in order to provide the most favorable benefits and premiums for District employees and retirees.

B. Benefits Provided

Employees of the District who retire and have met the age and service requirements necessary to receive an annuity from PERA, TRA, or MERF are eligible to remain in the group health insurance plans. Employees who are at least age 55 or have 30 years or more service (including 10 years of service with the District) at retirement and are not qualified to participate in such program of medical insurance provided by another employer will receive health insurance. The District will contribute the same amount towards retiree health insurance as it would for active employees. The District will contribute the prevailing employer contribution from the master agreement in effect at the time of retirement until the earlier of age 65 or death. The General Fund, Capital Projects Fund, Food Service Fund, and Community Service Fund typically liquidate the Liability related to OPEB.

Dental insurance is covered by the District in the group plan for active employees and retirees contribute COBRA rates. For MPSASP and ELT plan members dental coverage through the District is only for those who were hired prior to July 1, 2010. Retirees for those plans still contribute the COBRA rates.

C. Members

As of July 1, 2023, the following were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	68
Active employees	5,427
Total	5,495

D. Contributions

Retirees contribute to the health care plan at the same rate as District employees. This results in the retirees receiving an implicit rate subsidy. Contribution requirements are established by the District, based on the contract terms with Health Partners. The required contributions are based on projected pay-as-you-go financing requirements. For the year 2025, the District contributed $801,082 to the plan.

NOTE 8 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

E. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation measurement date as of June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability

Investment rate of return	4.50%, net of investment expense
Salary Scale	3.00%
Inflation	2.50%
Healthcare cost trend increases	7.50%, decreasing to 4.50% over twelve years.
Mortality Assumption	RP-2014 Disabled Retiree Mortality Table, adjusted for mortality improvements using projection scale MP-2020, from a base year of 2014.

The actuarial assumptions used in the June 30, 2025, valuation were based on the results of an actuarial experience study for the period July 1, 2024 through June 30, 2025.

Changes in Actuarial Assumptions

- Discount rate was increased from 4.29% to 4.72%

The discount rate used to measure the total OPEB liability was 4.72% based on the long-term expected rate of return and the municipal bond index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another scale).

NOTE 8 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

E. Actuarial Assumptions (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed income	50.0 %	0.00 %
Domestic equity	33.0	3.60
International equity	17.0	4.50
Unallocated cash	0.0	0.00
Other	0.0	0.00
Total	100.0 %	

The details of the investments and the investment policy are described in Note 2 of the District's basic financial statements. For the year ended June 30, 2025, the annual money-weighed rate of return on investments, net of investment expense, was 10.94%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

F. Discount Rate

The discount rate used to measure the total OPEB liability was 4.72%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

NOTE 8 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

G. Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at July 1, 2023	$ 53,708,378	$ 27,168,267	$ 26,540,111
Changes for the year			
Service cost	3,862,852	-	3,862,852
Interest	2,421,950	-	1,886,130
Differences between expected and actual economic experience	(1,095,804)	-	(4,891,341)
Employer contributions	-	722,733	(618,046)
Changes in assumptions	1,749,040	-	1,972,160
Benefit payments	(801,082)	(801,082)	-
Projected earnings on fiduciary net position	-	2,935,634	(977,564)
Administrative expense	-	(25,675)	25,675
Net changes	6,136,956	2,831,610	3,305,346
Balances at June 30, 2024	$ 59,845,334	$ 29,999,877	$ 29,845,457
Plan fiduciary net position as a percentage of the total OPEB liability			50.13%

H. OPEB Liability Sensitivity

The following presents the District's net OPEB liability calculated using the discount rate of 4.72% as well as the liability measured using 1% lower and 1% higher than the current discount rate.

	1% Decrease in Discount Rate (3.72%)	Current Discount Rate (4.72%)	1% Increase in Discount Rate (5.72%)
Net OPEB liability	$ 35,024,081	$ 29,845,457	$ 25,087,517

NOTE 8 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

H. OPEB Liability Sensitivity (Continued)

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using trend rates that are 1% lower and 1% higher than the trend rates.

	1% Decrease in Trend Rate (6.50%)	Current Trend Rate (7.50%)	1% Increase in Trend Rate (8.50%)
Net OPEB liability	$ 22,481,615	$ 29,845,457	$ 38,640,654

I. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the District recognized OPEB expense of $1,804,820. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	$ -	$ 1,690,120
Differences between expected and actual economic experience	209,121	15,735,811
Changes of assumptions	2,854,910	19,616,977
Total	$ 3,064,031	$ 37,042,908

NOTE 8 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

I. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

Year Ending June 30,	Total
2026	$ (6,156,657)
2027	(7,085,618)
2028	(6,209,619)
2029	(5,808,529)
2030	(3,063,940)
2031 +	(5,654,514)
Total	$ (33,978,877)

NOTE 9 – COMMITMENTS AND CONTINGENCIES

A. Federal and State Programs

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

B. Contingencies

The District is subject to legal proceedings and claims which arise in the ordinary course of business. Management has accrued claims payable in the amount of $10,464,766 as disclosed in Note 11 for general liability, auto liability, and worker's compensation claims.

C. Teachers Retirement Association

The District is required to levy for and contribute amounts to Minnesota Teachers Retirement Association under *Minnesota Statutes* totaling $2,250,000 each year, due by October 1. These amounts are further described in Note 7 as direct aid contributions.

D. Construction Commitments

The District has in process various multi-year construction and repair projects in the Capital Projects Fund which were not completed in the current fiscal year. As of June 30, 2025, outstanding commitments for these multi-year projects total approximately $18,892,676.

NOTE 10 – COMPENSATED ABSENCES

Employees of the District are eligible for severance pay based on unused sick leave as follows:

A. Administrators

Employees who are at least 55 years of age or who are credited with 30 years of service by the Minneapolis Teachers Retirement Fund Association (MORFA) may be eligible to receive payment for 50% of unused sick leave.

B. Teachers

Employees who are at least 55 years of age or who are credited with 30 years of service by the MTRFA receive payment for 50% of unused sick leave. All amounts of vested sick pay are accrued as liabilities in the Internal Service Post Retirement Benefits Fund.

C. Principals

Employees hired on or before July 1, 2014, and who are at least 55 years of age or who are credited with 30 years of service receive severance pay amounting to 60% of unused sick leave. Employees hired after July 1, 2014, receive payment up to 80 hours of unused sick leave at 60% of the daily rate of pay.

NOTE 11 – RISK MANAGEMENT

The District accounts for the risk management activities of workers' compensation and general liability exposure in its Self-Insurance Fund, a proprietary-type Internal Service Fund. Inter-fund premiums for coverage are charged to activities of user funds as quasi-external transactions. The District purchases insurance coverage for its property exposure, with an aggregate coverage amount of $250,000,000.

The District is self-insured for workers' compensation coverage and caps its liability with the purchase of reinsurance coverage. The District is a member of Workers' Compensation Reinsurance Association (WCRA), which reimburses members for individual claim losses exceeding a member's chosen retention limit. The retention limit for the District at June 30, 2025 and 2024, was $2,000,000.

Liabilities of $8,953,861 have been recorded in the Self-Insurance Fund for known workers' compensation claims and for claims incurred but not reported as of June 30, 2025. The recorded reserves are actuarially evaluated annually and adjusted accordingly. The discount rate used at June 30, 2025, was 4.72%.

The District became self-insured for general liability for claims incurred after January 1, 1990, through June 30, 1999, and for claims incurred after July 1, 2001 (the self-insurance period). The District purchased general liability insurance from Royal Insurance covering the period from July 1, 1999 through June 30, 2001. Claims incurred during the self-insurance period are the responsibility of the District. *Minnesota Statutes* limit the maximum liability of a public employer to $300,000 per claimant and $1,500,000 for claims from a single event. There are several lawsuits pending in which the District is involved. The District estimates that the potential claims against the District that are not covered by insurance or reserves resulting from such litigation would not materially affect the District's basic financial statements. Liabilities of $1,510,906 have been established to cover such claims as of June 30, 2025.

NOTE 11 – RISK MANAGEMENT (CONTINUED)

The following summarizes claims activity in the District's self-insurance internal service fund related to general liability and workers' compensation:

Claims incurred but not reported or case reserves at June 30, 2022	$ 9,497,669
Claims incurred, fiscal year 2023	8,007,083
Claims paid, fiscal year 2023	(5,664,984)
Claims incurred but not reported or case reserves at June 30, 2023	11,839,768
Claims incurred, fiscal year 2024	5,636,884
Claims paid, fiscal year 2024	(6,613,793)
Claims incurred but not reported or case reserves at June 30, 2024	10,862,859
Claims incurred, fiscal year 2025	7,264,492
Claims paid, fiscal year 2025	(7,662,584)
Claims incurred but not reported or case reserves at June 30, 2025	$ 10,464,767

The District maintains commercial coverage for property insurance.

The District is self-insured for health benefits. A stop-loss policy was purchased that limits the District's loss to $300,000 at which point the reinsurance coverage is available. The District also has aggregate stop-loss coverage in place which limits the District's liability to 120% of the prior year's claims. Settled claims have not exceeded this commercial coverage in any of the past three years.

The governmental funds of the District participate in the program and make payments to the Self-Insured Medical Benefits Internal Service Fund. Based on the requirements of GASB Statement No. 10, a liability is reported if information prior to the issuance of the basic financial statements indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. Participants in the program make premium payments to the fund based on the insurance premium. The Self-Insured Medical Benefits Internal Service Fund does not include a reserve for catastrophe losses. The total claims liability reported in the Fund at June 30, 2025, is $5,512,175 and include amounts for known claims and for estimated incurred but not reported claims. These estimates are determined based on the probability that a loss has occurred, and the amount of the loss can be reasonably estimated.

NOTE 11 – RISK MANAGEMENT (CONTINUED)

Changes in the Fund's claims liability amounts for the past five years were as follows:

	Balance, Beginning of Year	Claims, Expense and Estimates	Claims Payments	Balance, End of Year
2022-2023	$ 5,183,219	$ 57,893,938	$ (58,602,959)	$ 4,474,198
2023-2024	4,474,198	64,012,299	(63,795,848)	4,690,649
2024-2025	4,690,649	68,459,505	(67,637,979)	5,512,175

NOTE 12 – CHANGE IN ACCOUNTING PRINCIPLE

The government wide beginning net position for governmental activities was restated as a result of the implementation of GASB Statement No. 101, Compensated Absences.

	Government-Wide Governmental Activities
6/30/2024, as previously reported	$ (195,156,817)
Change in accounting principle	(21,639,851)
6/30/2024, as adjusted or restated	$ (216,796,668)

NOTE 13 – SUBSEQUENT EVENTS

On December 9, 2025, the District issued $43,805,000 in General Obligation School Building Bonds, Series 2025A. The proceeds will be used to finance the rehabilitating, remodeling, expanding, and equipping of existing school buildings, the acquisition of sites, construction, and equipping of new school buildings and for acquisition and betterment purposes, and to pay costs of issuing the Series 2025A Bonds. The District issued $38,070,000 in General Obligation Long-Term Facilities Maintenance Bonds, Series 2025B. The proceeds of the Series 2025B Bonds will be used to finance the projects included in the District’s ten-year facilities plan, and to pay the costs associated with the issuance of the Series 2025B Bonds. The District issued $26,265,000 in General Obligation Refunding Bonds, Series 2025C. The proceeds of the Series 2025C Bonds will be used to accomplish the refunding of the Series 2014B Bonds and the Series 2015B Bonds, and to pay costs of such refunding and costs associated with the issuance of the Series 2025C Bonds.

NOTE 14 – GASB STANDARDS ISSUED BUT NOT YET IMPLEMENTED

GASB Statement No. 103, Financial Reporting Model Improvements. The changes required by this Statement provide clarity, enhance the relevance of information, provide more useful information for decision-making and provide for greater comparability amongst government entities. This Statement will be effective for the year ending June 30, 2026.

GASB Statement No. 104, Disclosure of Certain Capital Assets. The disclosures required by this Statement provide users of the financial statements with essential information about certain types of capital assets. This Statement will be effective for the year ending June 30, 2026.

REQUIRED SUPPLEMENTARY INFORMATION

Minneapolis Public Schools
Special School District No. 1
Schedule of Changes in Net OPEB Liability
and Related Ratios

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Total OPEB Liability				
Service cost	$ 6,076,552	$ 6,419,803	$ 6,069,488	$ 4,623,805
Interest	3,005,357	2,178,073	2,804,957	1,939,402
Differences between expected and actual experience	-	(7,083,960)	-	(15,311,149)
Changes of assumptions	-	(2,164,523)	939,873	(10,786,001)
Benefit payments	(285,922)	(1,376,822)	(1,782,208)	(1,100,265)
Implicit rate subsidies	(1,920,313)	-	-	-
Net change in total OPEB liability	6,875,674	(2,027,429)	8,032,110	(20,634,208)
Beginning of year	67,888,829	74,764,503	72,737,074	80,769,184
End of year	$ 74,764,503	$ 72,737,074	$ 80,769,184	$ 60,134,976
Plan Fiduciary Net Pension (FNP)				
Employer contributions	$ -	$ 3,376,822	$ 1,782,208	$ 1,100,265
Net investment income	1,272,204	-	-	-
Projected earnings on fiduciary net position	-	773,287	863,995	947,116
Net difference between projected and actual earnings	-	313,862	1,059,510	(188,054)
Benefit payments	-	(1,376,822)	(1,782,208)	(1,100,265)
Administrative expense	-	(69,058)	(73,760)	(79,035)
Net change in plan fiduciary net position	1,272,204	3,018,091	1,849,745	680,027
Beginning of year	14,946,492	16,218,695	19,236,786	21,086,531
End of year	$ 16,218,696	$ 19,236,786	$ 21,086,531	$ 21,766,558
Net OPEB liability	$ 58,545,807	$ 53,500,288	$ 59,682,653	$ 38,368,418
Plan FNP as a percentage of the total OPEB liability	21.69%	26.45%	26.11%	36.20%
Covered payroll	$ 363,751,046	$ 360,122,986	$ 372,727,291	$ 331,585,577
Net OPEB liability as a percentage of covered payroll	16.10%	14.86%	16.01%	11.57%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

See notes to required supplementary information.

June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
$ 5,213,029	$ 5,296,029	$ 4,436,196	$ 3,809,643	$ 3,862,852
1,886,130	1,592,231	2,618,749	2,230,092	2,421,950
(1,045,632)	347,613	(990,401)	(7,343,481)	(1,095,804)
1,972,160	(14,247,617)	(205,995)	(7,651,166)	1,749,040
(618,046)	(1,393,726)	(941,929)	(1,390,477)	(801,082)
-	-	-	-	-
7,407,641	(8,405,470)	4,916,620	(10,345,389)	6,136,956
60,134,976	67,542,617	59,137,147	64,053,767	53,708,378
$ 67,542,617	$ 59,137,147	$ 64,053,767	$ 53,708,378	$ 59,845,334
$ 618,046	$ 1,393,726	$ 941,929	$ 1,390,477	$ 722,733
-	-	-	-	-
977,564	1,190,606	1,031,227	1,098,844	1,218,933
3,845,709	(4,644,817)	556,798	1,694,598	1,716,701
(618,046)	(1,393,726)	(941,929)	(1,390,477)	(801,082)
(85,809)	(92,205)	(82,911)	(87,895)	(25,675)
4,737,464	(3,546,416)	1,505,114	2,705,547	2,831,610
21,766,558	26,504,022	22,957,606	24,462,720	27,168,267
$ 26,504,022	$ 22,957,606	$ 24,462,720	$ 27,168,267	$ 29,999,877
$ 41,038,595	$ 36,179,541	$ 39,591,047	$ 26,540,111	$ 29,845,457
39.24%	38.82%	38.19%	50.58%	50.13%
$ 371,887,319	$ 363,821,219	$ 371,750,040	$ 347,543,376	$ 368,708,767
11.04%	9.94%	10.65%	7.64%	8.09%

Minneapolis Public Schools
Special School District No. 1
Schedule of Employer Contributions - OPEB

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Actuarially determined contribution	$ 8,990,196	$ 1,251,751	$ 1,778,462	$ 1,037,462
Contributions in relation to the actuarially determined contribution	2,356,085	3,376,822	1,782,208	1,100,265
Contribution deficiency (excess)	$ 6,634,111	$ (2,125,071)	$ (3,746)	$ (62,803)
Covered payroll	$ 363,751,046	$ 360,122,986	$ 372,727,291	$ 331,585,577
Contributions as a percentage of covered payroll	0.65%	0.94%	0.48%	0.33%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

See notes to required supplementary information.

June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
$ 618,046	$ 1,393,726	$ 941,929	$ 1,390,477	$ 722,733
618,046	1,393,726	941,929	1,390,477	722,733
$ -	$ -	$ -	$ -	$ -
$ 371,887,319	$ 363,821,219	$ 371,750,040	$ 347,543,376	$ 368,708,767
0.17%	0.38%	0.25%	0.40%	0.20%

Minneapolis Public Schools
Special School District No. 1
Schedule of Investment Returns

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
Annual money-weighted rate of return, net of investment expense	8.97%	6.72%	10.02%	3.61%	22.20%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

See notes to required supplementary information.

June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
-13.05%	6.93%	11.32%	10.94%

Minneapolis Public Schools
Special School District No. 1
Schedule of District's and Non-Employer Proportionate Share
of Net Pension Liability - General Employees Retirement Fund
Last Ten Years

For Fiscal Year Ended June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Proportionate Share of State of Minnesota's Proportionated Share of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability and District's Share of the State of Minnesota's Share of the Net Pension of Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	3.5536%	$ 184,165,995	$ -	$ 184,165,995	$ 114,079,707	161.4%	78.2%
2016	3.3730%	273,870,870	3,577,010	277,447,880	114,079,707	240.1%	78.8%
2017	2.8326%	180,831,314	2,273,787	183,105,101	87,249,667	207.3%	75.9%
2018	2.6337%	146,106,878	4,792,584	150,899,462	81,788,760	178.6%	79.5%
2019	2.9200%	161,440,259	5,017,615	166,457,874	111,419,373	144.9%	80.2%
2020	2.4981%	149,772,511	4,618,393	154,390,904	82,920,813	180.6%	79.1%
2021	2.3872%	101,944,135	3,113,163	105,057,298	76,839,200	132.7%	87.0%
2022	2.3694%	187,657,262	5,501,631	193,158,893	82,241,773	228.2%	76.7%
2023	2.2201%	124,145,505	3,422,260	127,567,765	89,068,360	139.4%	83.1%
2024	2.3835%	88,115,165	2,278,478	90,393,643	106,493,760	82.7%	89.1%

Schedule of District's and Non-Employer Proportionate Share
of Net Pension Liability - TRA Retirement Fund
Last Ten Years*

For Fiscal Year Ended June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Proportionated Share of State of Minnesota's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability and District's Share of the State of Minnesota's Share of the Net Pension of Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	8.1323%	$ 503,063,183	$ 57,223,106	$ 560,286,289	$ 257,683,734	195.2%	76.8%
2016	9.1760%	2,188,694,939	192,864,529	2,394,574,710	301,171,984	726.7%	44.9%
2017	8.3442%	1,665,653,683	150,258,878	1,815,912,561	282,186,562	590.3%	51.6%
2018	7.8961%	495,950,319	43,395,549	539,345,868	273,509,336	181.3%	78.1%
2019	7.3196%	466,552,841	38,392,377	504,945,218	262,426,079	177.8%	78.2%
2020	7.1483%	528,125,983	41,243,603	569,369,586	265,187,388	199.2%	75.5%
2021	6.8341%	299,080,650	23,520,205	322,600,855	259,255,930	115.4%	86.6%
2022	6.7726%	542,313,981	37,625,433	579,939,414	272,653,965	198.9%	76.2%
2023	6.3930%	527,819,669	34,572,704	562,392,373	278,487,145	189.5%	76.4%
2024	6.3255%	401,942,575	24,677,108	426,619,683	277,812,454	144.7%	82.1%

* The District's Proportion and Proportionate Share of the Net Pension Liability include the percentage and amount under a special funding situation.

See notes to required supplementary information.

Minneapolis Public Schools
Special School District No. 1
Schedule of District Contributions
General Employees Retirement Fund
Last Ten Years*

Fiscal Year Ending June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	District's Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2016	$ 8,555,978	$ 8,555,978	$ -	$ 114,079,707	7.50%
2017	6,543,725	6,543,725	-	87,249,667	7.50%
2018	6,134,157	6,134,157	-	81,788,760	7.50%
2019	8,356,453	8,356,453	-	111,419,373	7.50%
2020	6,219,061	6,219,061	-	82,920,813	7.50%
2021	5,762,940	5,762,940	-	76,839,200	7.50%
2022	6,168,133	6,168,133	-	82,241,773	7.50%
2023	6,680,127	6,680,127	-	89,068,360	7.50%
2024	7,987,032	7,987,032	-	106,493,760	7.50%
2025	8,155,417	8,155,417	-	108,738,893	7.50%

* In addition to these contributions, the District made an annual contribution of $7,142,400 under a special funding situation for fiscal years 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, and 2025.

Schedule of District Contributions
TRA Retirement Fund
Last Ten Years*

Fiscal Year Ending June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	District's Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2016	$ 33,550,559	$ 33,550,559	$ -	$ 301,171,984	11.14%
2017	31,435,583	31,435,583	-	282,186,562	11.14%
2018	30,468,940	30,468,940	-	273,509,336	11.14%
2019	29,785,360	29,785,360	-	262,426,079	11.35%
2020	30,655,662	30,655,662	-	265,187,388	11.56%
2021	30,514,423	30,514,423	-	259,255,930	11.77%
2022	32,663,945	32,663,945	-	272,653,965	11.98%
2023	33,947,583	33,947,583	-	278,487,145	12.19%
2024	34,420,963	34,420,963	-	277,812,454	12.39%
2025	34,872,584	34,872,584	-	281,457,498	12.39%

* In addition to these contributions, the District makes an annual contribution of $2,250,000 under a special funding situation.

See notes to required supplementary information.

Minneapolis Public Schools
Special School District No. 1
Notes to the Required Supplementary Information

TRA Retirement Funds

2024 Changes

Changes in Actuarial Assumptions

- Mortality tables were updated for active employees, retirees, disabled retirees, and contingent beneficiaries to recently published tables derived from public plan data known as the Pub-2010 family.
- Retirement rates were increased for some of the Tier II early retirement ages and some of the unreduced retirement rates were modified for both tiers to better align with actual experience.
- Probability that new female retirees elect either the Straight Life Annuity or 100% Joint and Survivor Annuity were refined to reflect the actual experience.
- Termination rates were reduced in the first 10 years of employment and slightly increased in years 16 to 25 to better match the observed experience.
- Disability rates were decreased beyond age 45 by 15% to reflect the continued lower than expected observations.

Changes of Benefit Terms

- The Normal Retirement Age (NRA) for active and eligible deferred Tier II members will be 65 effective July 1, 2024.

2023 Changes

Changes in Actuarial Assumptions

- None

Changes of Benefit Terms

The 2023 Tax Finance and Policy Bill, effective July 1, 2025:

- The employer contribution rate will increase from 8.75% to 9.5% on July 1, 2025.
- The employee contribution rate will increase from 7.75% to 8.0% on July 1, 2025.
- The pension adjustment rate for school districts and the base budgets for Minnesota State, Perpich Center for Arts Education, and Minnesota Academies will increase to reflect the 0.75% employer contribution rate increase.

The 2024 Omnibus Pensions and Retirement Bill:

- The Normal Retirement Age (NRA) for active and eligible deferred Tier II members will be 65 effective July 1, 2024.
- TRA's amortization date will remain the same at 2048.

2022 Changes

Changes in Actuarial Assumptions

- None

2021 Changes

Changes in Actuarial Assumptions

- The investment return assumption was changed from 7.5% to 7.0%.

TRA Retirement Funds (Continued)

2020 Changes
Changes in Actuarial Assumptions

- Assumed termination rates were changed to more closely reflect actual experience.
- The pre-retirement mortality assumption was changed to the RP 2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP 2015 scale.
- Assumed form of annuity election proportions were changed to more closely reflect actual experience for female retirees.

2019 Changes
Changes in Actuarial Assumptions

- None

2018 Changes
Changes in Actuarial Assumptions

- The discount rate was increased to 7.5% from 5.12%.
- The cost-of-living adjustment (COLA) was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019, and ending July 1, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to 0% beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers was reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next six years (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

2017 Changes
Changes in Actuarial Assumptions

- The discount rate was increased to 5.12% from 4.66%
- The cost-of-living adjustment (COLA) was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2045.
- The COLA was not assumed to increase to 2.5% but remain at 2.0% for all future years.

TRA Retirement Funds (Continued)

2017 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- Adjustments were made to the combined service annuity loads. The active load was reduced from 1.4% to 0.0%, the vested inactive load increased from 4.0% to 7.0% and the non-vested inactive load increased from 4.0% to 9.0%.
- The investment return assumption was changed from 8.0% to 7.5%.
- The price inflation assumption was lowered from 2.75% to 2.5%.
- The payroll growth assumption was lowered from 2.5% to 3.0%.
- The general wage growth assumption was lowered from 3.5% to 2.85% for ten years followed by 3.25% thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.

2016 Changes

Changes in Actuarial Assumptions

- The discount rate was decreased to 4.66% from 8.0%.
- The COLA was not assumed to increase for funding or the GASB calculation. It remained at 2% for all future years.
- The price inflation assumption was lowered from 3% to 2.75%.
- The general wage growth and payroll growth assumptions were lowered from 3.75% to 3.5%.
- Minor changes as some durations for the merit scale of the salary increase assumption.
- The pre-retirement mortality assumption was changed to the RP 2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP 2015 scale.
- The post-retirement mortality assumption was changed to the RP 2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP 2015 scale.
- The post-disability mortality assumption was changed to the RP 2014 disabled retiree mortality table, without adjustment.
- Separate retirement assumptions for members hired before or after July 1, 1989, were created to better reflect each group's behavior in light of different requirements for retirement eligibility.
- Assumed termination rates were changed to be based solely on years of service in order to better fit the observed experience.
- A minor adjustment and simplification of the assumption regarding the election of optional form of annuity payment at retirement were made.

2015 Changes

Changes of Benefit Terms

- The DTRFA was merged into TRA on June 30, 2015.

Changes in Actuarial Assumptions

- The annual COLA for the June 30, 2015, valuation assumed 2%. The prior year valuation used 2% with an increase to 2.5% commencing in 2034. The discount rate used to measure the total pension liability was 8.0%. This is a decrease from the discount rate at the prior measurement date of 8.25%.

General Employees Fund

2024 Changes

Changes in Actuarial Assumptions

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: Increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 Changes

Changes in Actuarial Assumptions

- The investment return assumption and single discount rate were changed from 6.5% to 7.0%.

Changes in Plan Provisions

- An additional one-time direct state aid contribution of $170.1 million will be contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 Changes

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from scale MP-2020 to scale MP-2021.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2021 Changes

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- The mortality improvement scale was changed from scale MP-2019 to scale MP-2020.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.5% to 2.25%.

General Employees Fund (Continued)

2020 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- The payroll growth assumption was decreased from 3.25% to 3.0%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019, experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019, experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changes as recommended in the June 30, 2019, experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019, experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the Pub-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retires electing the 100% Joint and Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023, and 0.0% thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- The employer supplemental contribution was changed prospectively, decreasing from $31 million to $21 million per year. The State's special funding contribution was changed prospectively, requiring $16 million due per year through 2031.

2018 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0% per year through 2044 and 2.5% per year thereafter to 1.25% per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.

General Employees Fund (Continued)

2018 Changes (Continued)

Changes in Plan Provisions (Continued)

- Interest credited on member contributions decreased from 4.0% to 3.0%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.0%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.0% per year with a provision to increase to 2.5% upon attainment of 90% funding ratio to 50% of the Social Security Cost of Living Adjustment, not less than 1.0% and not more than 1.5%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches Normal Retirement Age. This does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions

- The CSA loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15% for vested deferred member liability and 3% for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals $16,000,000 in 2017 and 2018, and $6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from $21,000,000 to $31,000,000 in calendar years 2019 to 2031. The State's contribution changed from $16,000,000 to $6,000,000 in calendar years 2019 to 2031.

2016 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, the inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

General Employees Fund (Continued)

2015 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2035 and 2.5% per year thereafter.

Changes in Plan Provisions

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by $1.1 billion and increased the fiduciary plan net position by $892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of $6.0 million, which meets the special funding situation definition, was due September 2015.

Minneapolis Public Schools
Special School District No. 1
Notes to the Required Supplementary Information

Post Employment Health Care Plan

2024 Changes
Changes in Actuarial Assumptions
- Discount rate was increased from 4.29% to 4.72%.
- Medical trend rates were updated to reflect actual costs increases since the valuation date, with future trend rates updated to reflect industry surveys and expectations.

2023 Changes
Changes in Actuarial Assumptions
- Discount rate was increased from 4.19% to 4.29%.

2022 Changes
Changes in Actuarial Assumptions
- Discount rate was increased from 4.15% to 4.19%.

2021 Changes
Changes in Actuarial Assumptions
- Discount rate was increased from 2.53% to 4.15%.
- Per-capita costs were updated to reflect experience since the previous valuation.
- Medical Trend rates were shifted to maintain the same immediate rate of 8.00%.

2020 Changes
Changes in Actuarial Assumptions
- Discount rate was decreased from 2.90% to 2.53%.

2019 Changes
Changes in Actuarial Assumptions
- Discount rate was decreased from 3.46% to 2.90%.
- Annual wage increase rate was decreased from 3.50% to 3.00%.
- Loads on healthcare trend were removed due to the repeal of the so-call "Cadillac Tax".
- Per-capita costs were updated to reflect experience since the previous valuation, including increase in morbidity assumption from 3.00% to 4.00%.
- Future retiree plan election was updated for Plan 1, Plan 2, and Plan 3 from 75%, 23%, 2% to 50%, 40%, 10%, respectively.
- Mortality improvement scale was updated from MP-2015 to MP-2018 for all groups except Teachers and Principals.

2018 Changes
Changes in Actuarial Assumptions
- Discount rate was decreased from 3.60% to 3.46%.

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SUPPLEMENTARY INFORMATION

Minneapolis Public Schools
Special School District No. 1
Combining Balance Sheet -
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue		
	Food Service	Community Service	Total Nonmajor Funds
Assets			
Cash and investments	$ -	$ 10,734,935	$ 10,734,935
Current property taxes receivable	-	2,804,645	2,804,645
Delinquent property taxes receivable	-	48,198	48,198
Accounts receivable	-	113,000	113,000
Due from Department of Education	622,803	1,321,842	1,944,645
Due from other Minnesota school districts	-	1,202	1,202
Due from federal government through Department of Education	2,309,401	824,973	3,134,374
Due from federal government received directly	-	929	929
Due from other governmental units	104,622	-	104,622
Inventory	1,938,615	-	1,938,615
Prepaid Items	-	16,883	16,883
Total assets	$ 4,975,441	$ 15,866,607	$ 20,842,048
Liabilities			
Accounts payable	$ 286,692	$ 148,490	$ 435,182
Salaries and benefits payable	71,833	399,634	471,467
Due to other funds	2,602,824	-	2,602,824
Due to other governmental units	4,824	-	4,824
Unearned revenue	70,653	41,614	112,267
Total liabilities	3,036,826	589,738	3,626,564
Deferred Inflows of Resources			
Property taxes levied for subsequent year's expenditures	-	5,417,373	5,417,373
Unavailable revenue - delinquent property taxes	-	48,198	48,198
Total deferred inflows of resources	-	5,465,571	5,465,571
Fund Balances			
Nonspendable	1,938,615	16,883	1,955,498
Restricted			
Restricted for other purposes	-	1,664,590	1,664,590
Community education programs	-	5,283,665	5,283,665
Adult basic education	-	86,765	86,765
Early childhood and family education programs	-	1,713,950	1,713,950
School readiness	-	1,045,445	1,045,445
Total fund balances	1,938,615	9,811,298	11,749,913
Total liabilities, deferred inflows of resources and fund balances	$ 4,975,441	$ 15,866,607	$ 20,842,048

Minneapolis Public Schools
Special School District No. 1
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended June 30, 2025

	Special Revenue Funds		
	Food Service	Community Service	Total Nonmajor Funds
Revenues			
Local sources			
Local property taxes	$ -	$ 5,128,963	$ 5,128,963
Earnings on investments	-	528,934	528,934
Other local and county revenues	239,655	13,586,236	13,825,891
Revenue from state sources	4,059,057	14,881,703	18,940,760
Revenue from federal sources	16,591,720	1,709,287	18,301,007
Sales and other conversion of assets	826,493	-	826,493
Total revenues	21,716,925	35,835,123	57,552,048
Expenditures			
Current			
Food service	27,606,948	-	27,606,948
Community education and services	-	37,420,015	37,420,015
Capital outlay			
Food service	68,199	-	68,199
Community education and services	-	19,132	19,132
Total expenditures	27,675,147	37,439,147	65,114,294
Excess of revenues over (under) expenditures	(5,958,222)	(1,604,024)	(7,562,246)
Other Financing Sources (Uses)			
Transfers in	6,159,709	-	6,159,709
Net change in fund balances	201,487	(1,604,024)	(1,402,537)
Fund Balances			
Beginning of year	1,737,128	11,415,322	13,152,450
End of year	$ 1,938,615	$ 9,811,298	$ 11,749,913

Minneapolis Public Schools
Special School District No. 1
Schedule of Revenues, Expenditures, and
Changes in Fund Balance -
Budget and Actual - Food Service Special Revenue Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local sources				
Other local and county revenues	$ -	$ -	$ 239,655	$ 239,655
Revenue from state sources	3,857,896	3,857,896	4,059,057	201,161
Revenue from federal sources	16,977,438	16,977,438	16,591,720	(385,718)
Sales and other conversion of assets	1,085,666	1,085,666	826,493	(259,173)
Total revenues	21,921,000	21,921,000	21,716,925	(204,075)
Expenditures				
Current				
Food service	26,717,306	26,640,855	27,606,948	966,093
Capital outlay				
Food service	-	6,600	68,199	61,599
Total expenditures	26,717,306	26,647,455	27,675,147	1,027,692
Excess of revenues over (under) expenditures	(4,796,306)	(4,726,455)	(5,958,222)	(1,231,767)
Other Financing Sources				
Transfers in	4,796,306	4,726,455	6,159,709	1,433,254
Net change in fund balance	$ -	$ -	201,487	$ 201,487
Fund Balance				
Beginning of year			1,737,128	
End of year			$ 1,938,615	

Minneapolis Public Schools
Special School District No. 1
Schedule of Revenues, Expenditures, and
Changes in Fund Balance -
Budget and Actual - Community Service Special Revenue Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local sources				
Local property taxes	$ 5,355,709	$ 5,355,709	$ 5,128,963	$ (226,746)
Earnings on investments	-	-	528,934	528,934
Revenue from state sources	12,555,277	14,807,571	14,881,703	74,132
Revenue from federal sources	1,600,000	1,600,000	1,709,287	109,287
Total revenues	32,511,627	32,511,627	35,835,123	3,323,496
Expenditures				
Current				
Community education and services	35,457,083	36,697,655	37,420,015	722,360
Capital outlay				
Community education and services	37,200	37,200	19,132	(18,068)
Total expenditures	35,494,283	36,734,855	37,439,147	704,292
Excess of revenues over (under) expenditures	$ (2,982,656)	$ (4,223,228)	(1,604,024)	$ 2,619,204
Fund Balance				
Beginning of year			11,415,322	
End of year			$ 9,811,298	

Minneapolis Public Schools
Special School District No. 1
Schedule of Revenues, Expenditures, and
Changes in Fund Balance -
Budget and Actual - Debt Service Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local sources				
Local property taxes	$ 99,384,598	$ 99,384,598	$ 96,387,163	$ (2,997,435)
Earnings on investments	-	-	4,832,874	4,832,874
Revenue from state sources	-	-	11,281,012	11,281,012
Revenue from federal sources	-	-	472,085	472,085
Total revenues	99,384,598	99,384,598	112,973,134	13,588,536
Expenditures				
Debt service				
Principal	99,384,598	99,384,598	69,620,000	(29,764,598)
Interest and fiscal charges	-	-	35,128,875	35,128,875
Total expenditures	99,384,598	99,384,598	104,748,875	5,364,277
Excess of revenues over (under) expenditures	$ -	$ -	8,224,259	$ 8,224,259
Fund Balance				
Beginning of year			48,660,067	
End of year			$ 56,884,326	

Minneapolis Public Schools
Special School District No. 1
Schedule of Revenues, Expenditures, and
Changes in Fund Balance -
Budget and Actual - Capital Project - Building Construction
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local sources				
Earnings on investments	$ -	$ -	$ 9,610,326	$ 9,610,326
Expenditures				
Current				
Sites and buildings	40,821,119	32,217,111	57,627,723	25,410,612
Capital outlay				
Sites and buildings	115,352,315	123,956,323	29,366,085	(94,590,238)
Debt service				
Principal	-	-	3,709,716	3,709,716
Interest and fiscal charges	-	-	1,510,282	1,510,282
Total expenditures	156,173,434	156,173,434	92,213,806	(63,959,628)
Excess of revenues over (under) expenditures	(156,173,434)	(156,173,434)	(82,603,480)	73,569,954
Other Financing Sources (uses)				
Bond issuance	85,425,010	85,425,010	77,275,000	(8,150,010)
Bond premium	-	-	8,794,914	8,794,914
Lease issuance	-	-	576,016	576,016
Total other financing sources (uses)	85,425,010	85,425,010	86,645,930	1,220,920
Net change in fund balance	$ (70,748,424)	$ (70,748,424)	4,042,450	$ 74,790,874
Fund Balance				
Beginning of year			215,150,073	
End of year			$ 219,192,523	

Minneapolis Public Schools
Special School District No. 1
Uniform Financial Accounting and Reporting Standards
Compliance Table
Year Ended June 30, 2025

	Audit	UFARS	Audit-UFARS
01 GENERAL FUND			
Total revenue	$ 658,548,498	$ 660,483,295	$ (1,934,797)
Total expenditures	705,256,604	706,283,304	(1,026,700)
Nonspendable:			
4.60 Nonspendable fund balance	6,064,661	1,226,261	4,838,400
Restricted/reserved:			
4.01 Student Activities	593,039	593,039	-
4.02 Scholarships	-	-	-
4.03 Staff Development	-	-	-
4.05 Deferred Maintenance	-	-	-
4.07 Capital Projects Levy	-	-	-
4.08 Cooperative Programs	-	-	-
4.12 Literacy Incentive Aid	1,492,557	1,492,557	-
4.14 Operating Debt	-	-	-
4.16 Levy Reduction	-	-	-
4.17 Taconite Building Maintenance	-	-	-
4.20 American Indian Education Aid	174,460	174,460	-
4.24 Operating Capital	20,498,301	20,498,301	-
4.26 $25 Taconite	-	-	-
4.27 Disabled Accessibility	-	-	-
4.28 Learning and Development	8,977	8,977	-
4.34 Area Learning Center	1,004,969	1,004,969	-
4.35 Contracted Alternative Learning Programs	741,046	741,046	-
4.36 State Approved Alternative Program	-	-	-
4.37 Quality Compensation - Alternative Teacher Professional Pay System	-	-	-
4.38 Gifted and Talented	-	-	-
4.39 English Learner	-	-	-
4.40 Teacher Development and Evaluation	-	-	-
4.41 Basic Skills Programs	2,619,580	2,619,580	-
4.43 School Library Aid	265,224	265,224	-
4.45 Career Technical Programs	-	-	-
4.48 Achievement and Integration	-	-	-
4.49 Safe Schools Revenue	-	-	-
4.51 QZAB and QSCB Payments	-	-	-
4.52 OPEB Liabilities not Held in Trust	-	-	-
4.53 Unfunded Severance and Retirement Levy	-	-	-
4.56 Literacy Aid	162,555	162,555	-
4.57 Teacher Compensation for READ Act Training	1,048,012	1,048,012	-
4.59 Basic Skills Extended Time	-	-	-
4.67 LTFM	2,141	2,141	-
4.71 Student Support Personnel Aid	539,709	539,709	-
Restricted:			
4.72 Medical Assistance	2,254,537	2,254,537	-
4.64 Restricted fund balance	478,511	478,511	-
4.75 Title VII - Impact Aid	-	-	-
4.76 Payments in Lieu of Taxes	-	-	-
Committed:			
4.18 Committed for separation	-	-	-
4.61 Committed	-	-	-
Assigned:			
4.62 Assigned fund balance	19,222,835	19,222,835	-
Unassigned:			
4.22 Unassigned fund balance (net position)	54,470,945	60,217,438	(5,746,493)
02 FOOD SERVICE FUND			
Total revenue	$ 21,716,925	$ 20,500,824	$ 1,216,101
Total expenditures	27,675,147	26,459,046	1,216,101
Nonspendable:			
4.60 Nonspendable fund balance	1,938,615	1,938,615	-
Restricted/reserved:			
4.52 OPEB liabilities not held in trust	-	-	-
Restricted:			
4.64 Restricted fund balance	-	-	-
Unassigned:			
4.63 Unassigned fund balance	-	-	-
04 COMMUNITY SERVICE FUND			
Total revenue	$ 35,835,123	$ 35,835,124	$ (1)
Total expenditures	37,439,147	37,439,146	1
Nonspendable:			
4.60 Nonspendable fund balance	16,883	16,883	-
Restricted/reserved:			
4.26 $25 Taconite	-	-	-
4.31 Community Education	5,283,665	3,517,193	1,766,472
4.32 ECFE	1,713,950	3,402,469	(1,688,519)
4.40 Teacher Development and Evaluation	-	-	-
4.44 School Readiness	1,045,445	1,063,084	(17,639)
4.47 Adult Basic Education	86,765	149,397	(62,632)
4.52 OPEB Liabilities not Held in trust	-	-	-
Restricted:			
4.64 Restricted fund balance	1,664,590	1,662,273	2,317
Unassigned:			
4.63 Unassigned fund balance	-	-	-

	Audit	UFARS	Audit-UFARS
06 BUILDING CONSTRUCTION FUND			
Total revenue	$ 9,610,326	$ 9,610,328	$ (2)
Total expenditures	92,213,806	92,492,554	(278,748)
Nonspendable:			
4.60 Nonspendable fund balance	2,666,623	2,666,624	(1)
Restricted/reserved:			
4.07 Capital Projects Levy	-	-	-
4.13 Building Projects Funded by COP/LP	-	-	-
4.67 Long-term Facilities Maintenance	85,071,166	85,071,166	-
Restricted:			
4.64 Restricted fund balance	131,454,734	131,454,730	4
Unassigned:			
4.63 Unassigned fund balance	-	-	-
07 DEBT SERVICE FUND			
Total revenue	$ 112,973,134	$ 112,973,134	$ -
Total expenditures	104,748,875	104,748,875	-
Nonspendable:			
4.60 Nonspendable fund balance	-	-	-
Restricted/reserved:			
4.25 Bond refundings	-	-	-
4.33 Maximum effort loan aid	-	-	-
4.51 QZAB payments	34,848,683	34,848,683	-
4.67 LTFM	-	-	-
Restricted:			
4.64 Restricted fund balance	22,035,643	22,035,643	-
Unassigned:			
4.63 Unassigned fund balance	-	-	-
08 TRUST FUND			
Total revenue	$ -	$ -	$ -
Total expenditures	-	-	-
Unassigned:			
4.01 Student Activities	-	-	-
4.02 Scholarships	-	-	-
4.22 Net position	-	-	-
18 CUSTODIAL			
Total revenue	$ -	$ -	$ -
Total expenditures	-	-	-
Restricted/reserved:			
4.01 Student Activities	-	-	-
4.02 Scholarships	-	-	-
4.48 Achievement and Integration	-	-	-
4.65 Restricted	-	-	-
20 INTERNAL SERVICE FUND			
Total revenue	$ 73,389,159	$ 73,389,159	$ -
Total expenditures	88,895,258	81,823,067	7,072,191
Unassigned:			
4.22 Net position	30,128,831	37,201,021	(7,072,190)
25 OPEB REVOCABLE TRUST			
Total revenue	$ -	$ -	$ -
Total expenditures	-	-	-
Unassigned:			
4.22 Net position	-	-	-
45 OPEB IRREVOCABLE TRUST			
Total revenue	$ 2,831,610	$ 2,831,610	$ -
Total expenditures	-	-	-
Unassigned:			
4.22 Net position	29,999,877	29,999,876	1
47 OPEB DEBT SERVICE			
Total revenue	$ -	$ -	$ -
Total expenditures	-	-	-
Nonspendable:			
4.60 Nonspendable fund balance			
Restricted:	-	-	-
4.25 Bond refundings			
4.64 Restricted fund balance	-	-	-
Unassigned:			
4.63 Unassigned fund balance	-	-	-

STATISTICAL SECTION

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Minneapolis Public Schools
Special School District No. 1
Statistical Section (Unaudited)

III. Statistical Section (Unaudited)

This part of Special School District No. 1's annual comprehensive financial report presents detailed information as a context for understanding what the information in the basic financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents **Page**

Financial Trends
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. 122

Revenue Capacity
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax. 138

Debt Capacity
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. 146

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. 154

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. 158

Sources: *Unless otherwise noted, the information in these schedules is derived from the District's financial statements for the relevant year.*

Minneapolis Public Schools
Special School District No. 1
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Years			
	2016	2017	2018	2019
Governmental Activities				
Net investment in capital assets	$ 163,600,431	$ 149,160,083	$ 159,397,295	$ 154,921,449
Restricted	20,331,931	35,723,782	35,798,200	39,223,672
Unrestricted	(552,605,238)	(870,333,620)	(1,196,502,668)	(963,390,821)
Total governmental activities	$ (368,672,876)	$ (685,449,755)	$ (1,001,307,173)	$ (769,245,700)

Note 1: The District implemented GASB Statement No. 65 in fiscal 2014. The District reported a change in accounting principle as a result of implementing this standard that decreased unrestricted net position by approximately $3.8 million.

Note 2: The District implemented GASB Statement No. 68 in fiscal 2015. The District reported a change in accounting principle as a result of implementing this standard that decreased unrestricted net position by approximately $622.0 million.

Note 3: The District implemented GASB Statement Nos. 74 and 75 in fiscal 2018. The District reported a change in accounting principle as a result of implementing these standards that decreased unrestricted net position by approximately $35.8 million.

Note 4: The District implemented GASB Statement No. 84 in fiscal 2020. The District reported a change in accounting principle as a result of implementing these standards that increased unrestricted net position by approximately $696 thousand.

Note 5: The District reported a prior period adjustment in fiscal 2021, increasing unrestricted net position by approximately $14.0 million. Prior fiscal years were not adjusted to reflect the impact of this adjustment.

Table 1

Fiscal Years					
2020	2021	2022	2023	2024	2025
$ 152,437,418	$ 167,231,208	$ 180,023,633	$ 205,481,189	$ 235,214,130	$ 237,783,076
47,574,870	54,965,174	50,733,450	60,900,783	74,141,069	105,061,828
(965,866,372)	(945,402,805)	(862,696,210)	(631,839,604)	(504,512,016)	(559,348,873)
$ (765,854,084)	$ (723,206,423)	$ (631,939,127)	$ (365,457,632)	$ (195,156,817)	$ (216,503,969)

Minneapolis Public Schools
Special School District No. 1
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2016	2017	2018	2019
Expenses				
Governmental activities				
Administration	$ 18,298,352	$ 29,036,288	$ 24,413,289	$ 5,475,381
District support services	26,864,475	22,972,094	30,190,752	27,778,362
Elementary and secondary regular instruction	304,864,660	494,078,827	461,472,662	123,939,300
Vocational education instruction	4,191,742	6,788,131	6,528,984	1,742,583
Special education instruction	128,294,358	185,485,643	170,696,488	57,885,398
Instructional support services	56,903,247	90,336,077	66,244,175	29,676,916
Pupil support services	70,333,762	87,780,289	80,939,128	56,404,314
Sites and buildings	61,837,606	82,267,082	77,919,006	96,270,486
Fiscal and other fixed cost programs	585,971	559,310	594,641	688,012
Food service	22,736,775	23,606,809	22,597,860	22,948,092
Community service	28,205,073	36,961,573	37,364,970	27,107,793
Interest and fiscal charges	16,485,498	20,999,111	23,770,907	25,003,650
Total governmental activities expenses	739,601,519	1,080,871,234	1,002,732,862	474,920,287
Program Revenues				
Governmental activities				
Charges for services				
Food service	2,348,480	2,048,694	1,809,691	2,694,907
Community service	7,931,383	8,190,904	8,652,521	9,248,182
All other	7,412,017	6,965,141	5,917,604	6,034,017
Operating grants and contributions	155,997,379	156,341,813	180,608,137	175,750,568
Capital grants and contributions	11,000,000	10,733,375	11,198,000	11,110,000
Total governmental activities program revenues	184,689,259	184,279,927	208,185,953	204,837,674
Net (expense) revenue	(554,912,260)	(896,591,307)	(794,546,909)	(270,082,613)
General Revenues and Other Changes in Net Position				
Taxes				
Property taxes, levied for general purposes	116,393,510	117,353,242	123,108,189	113,975,914
Property taxes, levied for capital projects	82,169	-	-	-
Property taxes, levied for community service	5,142,659	5,676,054	5,536,744	5,202,393
Property taxes, levied for debt service	57,175,506	62,926,501	65,124,099	82,407,024
Unrestricted grants and contributions	336,893,500	353,255,021	316,909,702	287,017,586
Other general revenues	8,302,254	11,189,340	701,551	13,158
Investment earnings	2,843,804	1,421,895	3,148,581	13,528,011
Total general revenues and other changes in net position	526,833,402	551,822,053	514,528,866	502,144,086
Change in net position	(28,078,858)	(344,769,254)	(280,018,043)	232,061,473
Prior period adjustment	-	-	-	-
Change in accounting principle	-	-	(35,839,375)	-
Total change in net position	$ (28,078,858)	$ (344,769,254)	$ (315,857,418)	$ 232,061,473

Note 1: The District implemented GASB Statement Nos. 74 and 75 in fiscal 2018. The District reported a change in accounting principle as a result of implementing these standards that decreased unrestricted net position by approximately $35.8 million.

Note 2: The District implemented GASB Statement No. 84 in fiscal 2020. The District reported a change in accounting principle as a result of implementing these standards that increased unrestricted net position by approximately $696 thousand.

Note 3: The District reported a prior period adjustment in fiscal 2021, increasing unrestricted net position by approximately $14.0 million. Prior fiscal years were not adjusted to reflect the impact of this adjustment.

Note 4: The District implemented GASB Statement No. 96 in 2023, resulting in a change in accounting principle of $2,160,573.

Note 5: The District reported a prior period adjustment in fiscal 2024, increasing unrestricted net position by approximately $11.1 million. Prior fiscal years were not adjusted to reflect the impact of this adjustment.

Note 6: The District implemented GASB Implementation Guide No. 2021-1 in 2024, resulting in a change in accounting principle of $11,066,555.

Note 7: The District implemented GASB 101 in fiscal 2025, resulting in a change in accounting principle of ($21,639,851).

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 16,864,097	$ 17,003,242	$ 14,936,110	$ 8,361,982	$ 15,358,708	$ 22,184,537
19,824,078	24,318,391	48,857,105	38,720,471	41,910,064	42,982,581
309,850,944	280,150,136	251,618,186	130,065,948	232,706,103	275,181,712
5,068,728	5,089,516	5,013,209	2,618,812	4,461,105	6,510,653
118,877,734	122,202,296	103,577,983	66,293,506	94,210,309	137,699,917
45,584,282	41,490,014	40,278,990	32,408,488	43,307,250	48,790,897
73,028,360	63,131,018	78,666,331	83,573,060	112,661,018	107,809,187
87,021,218	90,552,655	69,871,966	96,246,230	98,745,884	117,532,632
932,903	6,275,779	1,221,175	1,401,602	2,216,255	1,818,605
22,816,700	18,174,647	24,410,001	24,193,934	25,254,319	27,679,668
31,916,490	26,261,083	27,517,183	27,843,092	30,605,377	37,969,547
25,816,996	25,999,423	27,457,019	26,534,105	26,277,977	26,539,083
757,602,530	720,648,200	693,425,258	538,261,230	727,714,369	852,699,019
2,144,670	187,554	588,874	1,795,016	1,065,297	826,493
6,531,527	2,656,536	5,882,782	9,404,450	11,041,958	12,570,670
6,589,276	5,758,440	5,045,316	6,177,552	9,273,389	9,613,158
174,224,653	202,953,369	256,492,930	248,294,318	289,188,045	229,441,822
11,000,000	11,000,000	11,000,000	11,000,000	10,331,303	11,471,934
200,490,126	222,555,899	279,009,902	276,671,336	320,899,992	263,924,077
(557,112,404)	(498,092,301)	(414,415,356)	(261,589,894)	(406,814,377)	(588,774,942)
151,288,101	144,175,066	140,428,013	141,257,137	144,584,558	146,789,820
-	-	-	-	-	-
5,483,503	5,530,668	5,409,069	5,494,669	5,379,912	5,123,311
80,690,817	84,154,604	80,263,492	90,306,485	90,784,832	96,305,468
311,877,276	292,899,839	279,405,692	271,576,778	297,488,168	321,151,226
18,765	-	-	32,105	-	-
10,449,655	754	176,386	17,243,642	24,432,567	19,697,816
559,808,117	526,760,931	505,682,652	525,910,816	562,670,037	589,067,641
2,695,713	28,668,630	91,267,296	264,320,922	155,855,660	292,699
-	13,979,031	-	-	11,066,555	-
695,903	-	-	2,160,573	3,378,600	(21,639,851)
$ 3,391,616	$ 42,647,661	$ 91,267,296	$ 266,481,495	$ 170,300,815	$ (21,347,152)

Minneapolis Public Schools
Special School District No. 1
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2016	2017	2018	2019
Revenues				
Local sources				
Property taxes	$ 179,102,986	$ 186,848,106	$ 193,482,261	$ 201,623,012
Earnings on investments	2,540,323	1,454,684	2,681,596	11,546,213
Other	31,311,889	28,387,597	25,794,522	23,747,220
Revenue from state sources	434,427,393	427,523,543	434,379,126	433,327,525
Revenue from federal sources	62,467,008	66,351,478	65,693,449	64,556,526
Sales and other conversion of assets	-	-	-	2,694,907
Total revenues	709,849,599	710,565,408	722,030,954	737,495,403
Expenditures				
Current				
Administration	17,687,848	17,384,736	15,547,683	14,078,320
District support services	18,772,996	19,613,778	27,059,474	28,409,955
Elementary and secondary regular instruction	281,183,312	279,209,325	277,152,841	258,489,689
Vocational education instruction	3,824,712	4,018,952	4,166,786	4,480,099
Special education instruction	120,631,699	118,988,717	116,754,950	114,880,487
Instructional support services	53,888,807	61,076,185	48,331,889	43,030,096
Pupil support services	65,090,663	66,342,086	63,842,797	68,351,249
Sites and buildings	67,537,181	70,831,796	70,541,979	91,101,190
Fiscal and other fixed cost programs	585,971	559,310	594,641	688,012
Food service	21,379,447	21,955,089	21,226,849	22,521,883
Community service	26,096,351	28,470,422	29,788,981	32,739,857
Capital outlay	113,558,642	32,964,683	82,671,403	60,346,611
Debt service				
Principal	65,651,000	54,410,000	51,925,000	57,190,000
Interest and fiscal charges	22,474,693	24,365,539	28,224,134	31,055,389
Total expenditures	878,363,322	800,190,618	837,829,407	827,362,837
Excess of revenues over (under) expenditures	(168,513,723)	(89,625,210)	(115,798,453)	(89,867,434)
Other Financing Sources (Uses)				
Insurance recovery	-	-	-	-
Proceeds from sale of capital assets	8,042,914	14,250	1,566	9,765
Bonds issuance	111,335,000	115,840,000	119,025,000	91,670,000
Bond premium	7,562,991	18,670,496	17,676,619	11,814,468
Lease issuance	-	-	-	-
Notes from direct borrowing	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	16,000,000	3,300,000	-	-
Transfers out	-	(3,300,000)	-	-
Total other financing sources (uses)	142,940,905	134,524,746	136,703,185	103,494,233
Net change in fund balances	$ (25,572,818)	$ 44,899,536	$ 20,904,732	$ 13,626,799
Change in accounting principle	$ -	$ -	$ -	$ -
Debt service as a percentage of noncapital expenditures	11.5%	10.3%	10.6%	11.5%

Note 1: The District implemented GASB Statement No. 84 in fiscal 2020. The District reported a change in accounting principle as a result of implementing these standards that increased unrestricted net position by approximately $696 thousand.

Table 3

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 237,688,936	$ 233,710,937	$ 226,948,273	$ 237,172,227	$ 239,566,215	$ 248,178,136
9,346,761	(9,950)	(2,090,001)	15,398,535	23,036,105	18,732,191
20,983,762	16,415,426	16,975,798	21,408,399	28,794,904	31,131,455
426,392,228	413,948,831	396,699,931	379,965,999	429,229,908	475,365,502
62,670,352	83,704,821	146,899,330	140,830,749	156,232,092	64,237,200
2,144,670	187,560	804,780	1,959,350	1,309,746	1,039,522
759,226,709	747,957,625	786,238,111	796,735,259	878,168,970	838,684,006
15,207,556	16,049,086	16,954,667	18,487,733	19,914,951	22,837,635
20,382,355	26,601,884	30,826,898	32,112,101	36,013,542	37,378,625
273,196,985	259,680,752	274,310,418	255,920,748	290,646,191	276,556,679
4,620,367	4,797,462	5,476,323	5,482,394	5,776,736	6,696,213
114,972,663	120,905,966	117,840,105	118,665,141	118,209,002	141,625,121
43,973,545	43,590,389	44,617,199	46,287,017	50,327,388	50,147,691
69,626,854	64,371,133	83,826,106	95,377,944	118,035,149	108,100,736
65,137,597	78,814,675	73,838,180	81,753,676	83,012,015	97,550,364
932,903	6,275,779	1,221,175	1,401,602	2,216,255	1,818,605
22,866,971	19,090,261	25,151,830	23,676,472	25,460,403	27,606,948
31,181,411	27,154,272	29,657,088	33,255,575	34,315,979	38,753,593
60,391,425	35,404,410	63,722,408	73,429,281	75,362,909	40,817,952
58,285,000	59,770,000	69,864,767	72,540,501	75,658,511	79,741,062
32,919,855	33,761,265	35,423,870	35,843,234	37,123,145	37,702,355
813,695,487	796,267,334	872,731,034	894,233,419	972,072,176	967,333,579
(54,468,778)	(48,309,709)	(86,492,923)	(97,498,160)	(93,903,206)	(128,649,573)
-	-	56,162	900,460	580,141	1,580,103
18,765	-	-	32,105	-	-
84,220,000	98,980,000	115,280,000	124,295,001	76,840,000	77,275,000
14,931,237	20,389,236	27,638,692	10,829,198	9,803,448	8,794,914
-	-	24,202,006	8,928,669	10,806,377	11,280,349
-	-	-	6,983,121	-	-
(6,095,000)	(29,955,000)	(59,085,000)	(70,830,000)	-	-
3,197,268	-	470,867	6,481,205	3,305,191	6,159,709
(3,197,268)	-	(470,867)	(6,481,205)	(3,305,191)	(6,159,709)
93,075,002	89,414,236	108,091,860	81,138,554	98,029,966	98,930,366
$ 38,606,224	$ 41,104,527	$ 21,598,937	$ (16,359,606)	$ 4,126,760	$ (29,719,207)
$ -	$ 695,903	$ -	$ -	$ -	$ -
12.1%	12.3%	13.0%	13.4%	12.7%	13.0%

Minneapolis Public Schools
Special School District No. 1
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2016	2017	2018	2019
General Fund				
Nonspendable	$ 853,532	$ 128,675	$ 90,987	$ 1,227,627
Restricted	293,573	3,319,894	1,107,421	2,660,707
Assigned	25,350,565	21,455,251	29,671,886	32,138,104
Unassigned	54,219,695	41,392,543	31,645,115	38,832,518
Total General Fund	80,717,365	66,296,363	62,515,409	74,858,956
All Other Governmental Funds				
Nonspendable	484,372	872,545	835,232	856,369
Restricted				
Special revenue funds	9,064,174	10,704,840	11,266,229	9,662,107
Building construction	141,287,222	201,062,678	225,872,041	219,626,151
Debt service funds	28,431,083	25,947,326	25,299,573	34,411,700
Total all other governmental funds	$ 259,984,216	$ 304,883,752	$ 325,788,484	$ 339,415,283

Table 4

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 1,269,376	$ 1,414,679	$ 5,294,596	$ 5,957,921	$ 5,040,225	$ 6,064,661
9,593,882	12,214,531	17,698,879	22,386,757	26,087,666	31,883,618
43,737,399	57,295,506	68,347,003	54,915,232	58,679,417	19,222,835
52,573,025	55,149,041	53,613,747	60,025,541	62,418,130	54,470,945
107,173,682	126,073,757	144,954,225	143,285,451	152,225,438	111,642,059
2,532,517	1,732,388	2,187,502	2,913,129	1,763,060	4,622,121
6,881,059	8,768,701	5,051,671	7,626,188	11,414,572	9,794,415
219,959,276	238,481,069	249,030,441	228,031,386	215,124,891	216,525,900
42,170,876	44,766,022	40,197,035	43,205,114	48,660,067	56,884,326
$ 378,717,410	$ 419,821,937	$ 441,420,874	$ 425,061,268	$ 429,188,028	$ 399,468,821

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Minneapolis Public Schools
Special School District No. 1
General Fund Revenue by Source
Last Ten Fiscal Years

Table 5

Year Ended June 30,	Local Property Tax Revenue	State Revenue	Federal Revenue	Other Local and Miscellaneous	Total
2016	$ 116,602,944 19.9%	$ 410,256,617 70.1%	$ 40,075,526 6.8%	$ 18,292,458 3.1%	$ 585,227,545 100.0%
2017	$ 117,942,218 20.3%	$ 402,839,217 69.2%	$ 43,016,218 7.4%	$ 17,971,173 3.1%	$ 581,768,826 100.0%
2018	$ 122,930,971 20.8%	$ 408,375,976 69.2%	$ 42,823,711 7.3%	$ 15,705,490 2.7%	$ 589,836,148 100.0%
2019	$ 114,084,818 19.7%	$ 406,906,740 70.1%	$ 42,269,350 7.3%	$ 17,035,980 2.9%	$ 580,296,888 100.0%
2020	$ 151,392,761 24.9%	$ 400,306,331 65.9%	$ 39,941,226 6.6%	$ 16,203,960 2.7%	$ 607,844,278 100.0%
2021	$ 144,092,501 23.9%	$ 387,675,107 64.2%	$ 58,628,646 9.7%	$ 13,337,269 2.2%	$ 603,733,523 100.0%
2022	$ 140,964,153 21.9%	$ 371,678,222 57.8%	$ 120,482,318 18.7%	$ 10,084,573 1.6%	$ 643,209,266 100.0%
2023	$ 141,332,958 22.4%	$ 354,667,173 56.3%	$ 119,072,623 18.9%	$ 14,608,422 2.3%	$ 629,681,176 100.0%
2024	$ 143,922,511 20.5%	$ 400,577,499 57.1%	$ 133,186,390 19.0%	$ 23,507,317 3.4%	$ 701,193,717 100.0%
2025	$ 146,662,010 22.3%	$ 445,143,730 67.6%	$ 45,464,108 6.9%	$ 21,278,650 3.2%	$ 658,548,498 100.0%

Minneapolis Public Schools
Special School District No. 1
General Fund Expenditures by Program
Last Ten Fiscal Years

Year Ended June 30,	Administration	District Support Services	Elementary and Secondary Regular Instruction	Vocational Education Instruction	Special Education Instruction	Instructional Support Services
2016	$ 17,687,848 2.9%	$ 18,772,996 3.1%	$ 281,183,312 46.4%	$ 3,824,712 0.6%	$ 120,631,699 19.9%	$ 53,888,807 8.9%
2017	$ 17,384,736 2.9%	$ 19,613,778 3.2%	$ 279,209,325 46.1%	$ 4,018,952 0.7%	$ 118,988,717 19.6%	$ 61,076,185 10.1%
2018	$ 15,547,683 2.6%	$ 27,059,474 4.6%	$ 277,152,841 46.7%	$ 4,166,786 0.7%	$ 116,754,950 19.7%	$ 48,331,889 8.1%
2019	$ 14,078,320 2.5%	$ 28,409,955 5.0%	$ 258,489,689 45.5%	$ 4,480,099 0.8%	$ 114,880,487 20.2%	$ 43,030,096 7.6%
2020	$ 15,207,556 2.6%	$ 20,382,355 3.5%	$ 273,196,985 47.3%	$ 4,620,367 0.8%	$ 114,972,663 19.9%	$ 43,973,545 7.6%
2021	$ 16,049,086 2.7%	$ 26,601,884 4.5%	$ 259,680,752 44.4%	$ 4,797,462 0.8%	$ 120,905,966 20.7%	$ 43,590,389 7.5%
2022	$ 16,954,667 2.6%	$ 30,826,898 4.8%	$ 274,310,418 42.3%	$ 5,476,323 0.8%	$ 117,840,105 18.2%	$ 44,617,199 6.9%
2023	$ 18,487,733 2.9%	$ 32,112,101 5.0%	$ 255,920,748 39.9%	$ 5,482,394 0.9%	$ 118,665,141 18.5%	$ 46,287,017 7.2%
2024	$ 19,914,951 2.8%	$ 36,013,542 5.1%	$ 290,646,191 41.5%	$ 5,776,736 0.8%	$ 118,209,002 16.9%	$ 50,327,388 7.2%
2025	$ 22,837,635 3.2%	$ 37,378,625 5.3%	$ 276,556,679 39.2%	$ 6,696,213 0.9%	$ 141,625,121 20.1%	$ 50,147,691 7.1%

Table 6

Pupil Support Services	Sites and Buildings	Fiscal and Other Fixed Cost Programs	Community Education and Services	Capital Outlay	Debt Service	Total
$ 65,090,663	$ 34,369,886	$ 585,971	$ -	$ 10,348,822	$ -	$ 606,384,716
10.7%	5.7%	0.1%	-	1.7%	-	100.0%
$ 66,342,086	$ 35,852,999	$ 559,310	$ 58,786	$ 2,824,954	$ -	$ 605,929,828
10.9%	5.9%	0.1%	0.0%	0.5%	-	100.0%
$ 63,842,797	$ 34,563,786	$ 594,641	$ -	$ 5,602,255	$ -	$ 593,617,102
10.8%	5.8%	0.1%	-	0.9%	-	100.0%
$ 68,351,249	$ 33,716,339	$ 688,012	$ -	$ 1,838,860	$ -	$ 567,963,106
12.0%	5.9%	0.1%	-	0.3%	-	100.0%
$ 69,626,854	$ 33,229,408	$ 932,903	$ -	$ 1,201,584	$ -	$ 577,344,220
12.1%	5.8%	0.2%	-	0.2%	-	100.0%
$ 64,371,133	$ 40,028,331	$ 6,275,779	$ -	$ 2,532,666	$ -	$ 584,833,448
11.0%	6.8%	1.1%	-	0.4%	-	100.0%
$ 83,826,106	$ 38,970,766	$ 1,221,175	$ 71,406	$ 26,408,839	$ 7,568,950	$ 648,092,852
12.9%	6.0%	0.2%	0.0%	4.1%	1.2%	100.0%
$ 95,377,944	$ 43,860,343	$ 1,401,602	$ 133,680	$ 16,721,011	$ 6,449,264	$ 640,898,978
14.9%	6.8%	0.2%	0.0%	2.6%	1.0%	100.0%
$ 118,035,149	$ 39,629,657	$ 2,216,255	$ 1,381,035	$ 13,017,513	$ 5,099,543	$ 700,266,962
16.9%	5.7%	0.3%	0.2%	1.9%	0.7%	100.0%
$ 108,100,736	$ 39,922,641	$ 1,818,605	$ 1,333,578	$ 11,364,536	$ 7,474,544	$ 705,256,604
15.3%	5.7%	0.3%	0.2%	1.6%	1.1%	100.0%

Minneapolis Public Schools
Special School District No. 1
Summary of Revenues and Expenditures
Last Ten Fiscal Years

	Fiscal Year			
	2016	2017	2018	2019
Revenues				
General Fund	$ 585,227,545	$ 581,768,826	$ 589,836,148	$ 580,296,888
Special revenue funds				
Food service	22,486,250	22,589,754	21,897,237	22,062,833
Community service	28,570,581	29,825,786	30,506,573	31,853,780
Building construction	1,802,571	1,115,839	1,249,177	6,211,282
Debt service funds	71,762,652	75,265,203	78,541,819	97,070,620
Total revenues	$ 709,849,599	$ 710,565,408	$ 722,030,954	$ 737,495,403
Expenditures				
General Fund	$606,384,716	$605,929,828	$593,617,102	$567,963,106
Special revenue funds				
Food service	22,027,820	22,077,485	21,646,325	22,624,251
Community service	26,563,620	28,554,216	30,234,975	32,875,347
Building construction	135,261,473	65,875,000	113,141,433	115,941,640
Debt service funds	88,125,693	77,754,089	79,189,572	87,958,493
Total expenditures	$ 878,363,322	$ 800,190,618	$ 837,829,407	$ 827,362,837

Table 7

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 607,844,278	$ 603,733,523	$ 643,209,266	$ 629,681,176	$ 701,193,717	$ 658,548,498
23,694,428	21,349,575	21,168,074	18,009,094	21,977,738	21,716,925
28,471,098	27,022,352	29,701,512	35,606,486	36,848,342	35,835,123
3,611,101	212,058	597,098	10,799,107	12,781,387	9,610,326
95,605,804	95,640,117	91,562,161	102,639,396	105,367,786	112,973,134
$ 759,226,709	$ 747,957,625	$ 786,238,111	$ 796,735,259	$ 878,168,970	$ 838,684,006
$577,344,220	$ 584,833,448	$ 648,092,852	$ 640,898,978	$ 700,266,962	$ 705,256,604
22,955,476	19,211,722	25,223,498	23,904,788	25,516,568	27,675,147
31,232,002	27,155,640	29,589,555	33,152,664	33,059,208	37,439,147
91,067,412	71,747,909	73,373,599	96,831,741	113,316,605	92,213,806
91,096,377	93,318,615	96,451,530	99,445,248	99,912,833	104,748,875
$ 813,695,487	$ 796,267,334	$ 872,731,034	$ 894,233,419	$ 972,072,176	$ 967,333,579

Minneapolis Public Schools
Special School District No. 1
Cash and Investments by Fund
Last Ten Fiscal Years

	Fiscal Year			
	2016	2017	2018	2019
General Fund	$ 95,179,498	$ 85,619,508	$ 94,582,285	$ 116,595,173
Special revenue funds				
Food Service	933,829	1,939,704	2,081,764	1,869,294
Community Service	8,976,796	11,242,777	11,338,299	9,314,974
Building construction	161,675,892	213,222,358	246,717,038	236,462,242
Debt service funds	58,600,779	57,151,753	67,471,802	73,465,944
Internal service funds	29,705,483	44,918,470	52,288,028	59,713,246
OPEB Trust Fund	14,946,492	16,218,696	19,236,786	21,086,531
Total cash and investments by fund	$ 370,018,769	$ 430,313,266	$ 493,716,002	$ 518,507,404

Table 8

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 146,432,589	$ 167,707,285	$ 153,196,716	$ 139,336,994	$ 61,830,508	$ 105,377,788
-	2,925,204	-	-	-	-
6,423,422	4,959,083	7,234,505	7,011,091	8,725,210	10,734,935
229,145,567	247,489,262	255,932,860	237,460,374	226,972,163	225,435,283
80,663,292	83,644,344	84,334,717	87,172,216	58,897,130	104,640,309
69,745,932	88,143,884	83,801,385	86,204,994	90,602,343	83,686,814
21,766,550	26,504,022	22,957,606	24,462,720	27,168,267	29,999,877
$ 554,177,352	$ 621,373,084	$ 607,457,789	$ 581,648,389	$ 474,195,621	$ 559,875,006

Minneapolis Public Schools
Special School District No. 1
Governmental Funds Tax Revenues by Source and Levy Type
Last Ten Fiscal Years

Table 9

Year Ended June 30,	Property Tax				
	General Fund	Community Service Special Revenue Fund	Capital Projects - Building Construction	Debt Service Funds	Total
2016	$ 116,602,944	$ 5,150,988	$ 82,169	$ 57,266,885	$ 179,102,986
2017	117,942,218	5,699,513	-	63,206,375	186,848,106
2018	122,930,971	5,529,590	-	65,021,700	193,482,261
2019	114,084,818	5,206,428	-	82,331,766	201,623,012
2020	151,392,761	5,492,440	-	80,803,735	237,688,936
2021	144,092,501	5,528,142	-	84,090,294	233,710,937
2022	140,964,153	5,432,626	-	80,551,494	226,948,273
2023	141,332,958	5,498,248	-	90,341,021	237,172,227
2024	143,922,511	5,357,869	-	90,285,835	239,566,215
2025	146,662,010	5,128,963	-	96,387,163	248,178,136

Minneapolis Public Schools
Special School District No. 1
Tax Capacities and Market Values
Last Ten Fiscal Years

Table 10

For Taxes Collectible	Total Taxable Net Tax Capacity	Estimated Market Value	Percentage Tax Capacity to Market Value
2016	$ 515,956,442	$ 42,812,588,043	1.21 %
2017	533,536,600	46,774,230,040	1.14
2018	616,220,416	51,664,025,894	1.19
2019	657,711,218	55,348,980,258	1.19
2020	697,099,022	58,391,790,385	1.19
2021	704,727,819	59,717,760,948	1.18
2022	760,971,311	63,788,249,397	1.19
2023	806,681,563	66,880,677,472	1.21
2024	768,714,251	63,873,441,990	1.20
2025	762,358,686	63,326,682,875	1.20

Note: Per the Hennepin County Taxpayer Services Division, reliable information for the breakdown of assessed and actual residential, commercial, and industrial property values is not available. Actual value of property.

Source: MDE Levy Limitiation and Certification Report

Minneapolis Public Schools
Special School District No. 1
School Tax Levies, and Tax Rates
Last Ten Fiscal Years

Table 11

	Year Collectible	General Fund	Community Service Special Revenue Fund	Debt Service Fund	Total All Funds
Levies					
	2016	$ 117,008,161	$ 5,503,645	$ 63,228,410	$ 185,740,216
	2017	119,784,624	5,330,747	65,796,848	190,912,220
	2018	114,064,112	5,241,275	83,098,180	202,403,566
	2019	149,699,526	5,541,672	81,436,314	236,677,511
	2020	142,851,932	5,568,034	84,751,020	233,170,987
	2021	137,639,976	5,453,410	80,948,599	224,041,985
	2022	144,015,606	5,541,222	91,134,710	240,691,538
	2023	145,848,250	5,474,604	92,497,294	243,820,149
	2024	143,236,728	5,282,472	99,384,598	247,903,798
	2025	172,441,562	5,417,373	101,248,920	279,107,855
Tax Rates					
	2016	0.06278	0.01193	0.13702	0.21173
	2017	0.06197	0.01067	0.13160	0.20424
	2018	0.05877	0.00976	0.22312	0.29165
	2019	0.05328	0.00947	0.15956	0.22231
	2020	0.06900	0.00876	0.13326	0.21102
	2021	0.06576	0.00765	0.11351	0.18692
	2022	0.06618	0.07700	0.12648	0.26966
	2023	0.06179	0.00717	0.11843	0.18739
	2024	0.05808	0.00638	0.11988	0.18434
	2025	0.09695	0.00715	0.13348	0.23758

Note: Tax rates are expressed in terms of “net tax capacity.” A property’s tax capacity is determined by multiplying its taxable market value by a state determined class rate. Class rates vary by property type and change periodically based on state legislation.

Source: State of Minnesota School Tax Report

Minneapolis Public Schools
Special School District No. 1
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Table 12

	ISD No. 001		Overlapping Rates				Total Rates
For Taxes Collectible	Tax Capacity Based Rates	Market Value Based Rates	City of Minneapolis	Hennepin County	Watershed Districts	Other Special Taxing Districts	Minneapolis Resident
2016	2.72	0.02	8.29	5.78	0.22	0.67	17.70
2017	2.63	0.02	8.11	5.64	0.22	0.68	17.30
2018	2.88	0.01	7.94	5.49	0.22	0.68	17.22
2019	2.87	0.02	7.63	5.37	0.20	0.64	16.73
2020	2.72	0.01	7.59	5.25	0.19	0.61	16.37
2021	2.41	0.01	7.51	4.89	0.18	0.58	15.58
2022	2.65	0.01	7.44	4.96	0.18	0.58	15.82
2023	2.44	0.01	7.62	4.40	0.16	0.50	15.13
2024	2.43	0.01	7.42	4.39	0.16	0.50	14.91
2025	2.4	0.01	7.37	4.41	0.14	0.57	14.90

Note 1: Based upon weighted class rate among property types (e.g. commercial/industrial, residential).
Note 2: Per City of Mpls ACFR, Sch 6, "Data updated from 2014 to 2022 using the correct Tax Capacity Rate Card"

Source: City of Minneapolis 'Annual Comprehensive Financial Report' (ACFR)

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Minneapolis Public Schools
Special School District No. 1
Principal Property Taxpayers
Current Year and Nine Years Ago

Table 13

	2025				2016		
Taxpayer	Taxable Net Tax Capacity	Rank	Percentage of Taxable Net Tax Capacity	Taxpayer	Taxable Net Tax Capacity	Rank	Percentage of Taxable Net Tax Capacity
BRI 1855 IDS Center, LLC	$ 3,094,498	1	0.41 %	Northern States Power Co.	$ 4,557,376	1	0.88 %
SRI Eleven MPLS 225 LLC	3,052,845	2	0.40	First Minneapolis-Hines Co	3,259,187	2	0.63
WFM Office Owner LLC	2,727,926	3	0.36	SRI Eleven Minneapolis 225 L	2,937,436	3	0.57
33 City Center 33 S. Prop LLC	2,497,870	4	0.33	Target Corporation	2,882,613	4	0.56
US Bank Corp RE Tax Dept	2,103,127	5	0.28	BRI 1855 IDS Center, LLC	2,530,456	5	0.49
Piedmont-800 Nicollett	2,065,206	6	0.27	NWC Limited Partnership	2,329,316	6	0.45
South Sixth Office LLC	1,798,432	7	0.24	Minneapolis 225 Holdings LL	2,265,082	7	0.44
250 Nicollet Office LLC	1,636,695	8	0.21	Wells Operating Partnership LP	1,754,700	8	0.34
KBSIII 60 South Sith St LLC	1,439,264	9	0.19	Diamondrock Minneapolis LLC	1,602,851	9	0.31
Dayton Hudson Corporation	1,351,804	10	0.18	Wells Fargo Bank and Home Mortgage	1,536,520	10	0.30
Total taxpayers	$ 21,767,667		2.86 %	Total taxpayers	$ 25,655,537		4.97 %

Source: Hennepin County

Minneapolis Public Schools
Special School District No. 1
Property Tax Levies and Receivables
Last Ten Fiscal Years

For Taxes Collectible	Taxes Levied for the Fiscal Year			Collections First Year Levy Recognized	
	Operating Tax Levy	Debt Tax Levy	Total	Amount	Percentage of Levy
2016	$ 122,511,806	$ 63,228,410	$ 185,740,216	$ 185,740,216	100.0
2017	125,115,372	65,796,848	190,912,220	190,912,220	100.0
2018	119,305,386	83,098,180	202,403,566	202,403,566	100.0
2019	155,241,197	81,436,314	236,677,511	236,677,511	100.0
2020	148,419,966	84,751,020	233,170,986	233,170,987	100.0
2021	143,093,386	80,948,599	224,041,985	224,041,985	100.0
2022	149,556,828	91,134,710	240,691,538	240,691,538	100.0
2023	151,322,854	92,497,294	243,820,148	243,820,149	100.0
2024	148,519,200	99,384,598	247,903,798	118,675,581	47.9
2025	177,858,935	101,248,920	279,107,855	248,178,136	88.9
Total					

Note 1: A portion of the total spread levy is paid through various property tax credits, which are paid through state aids and have been included in collections. Legislative changes, beginning with taxes collectible in 2012, significantly reduced or eliminated the amount of tax credits paid through state aids.

Note 2: Delinquent taxes receivable are written off after seven years. The amount of collections has been adjusted to reflect the write-off of delinquent taxes receivable.

Source: State of Minnesota School Tax Report

Table 14

Collections			Uncollected Taxes Receivable as of June 30, 2025			
Received in Subsequent Years	Total to Date		Delinquent (2)		Current	
	Amount	Percentage of Levy	Amount	Percent	Amount	Percent
$ -	$ 185,740,216	100.0	$ -	-	$ -	- %
-	190,912,220	100.0	-	-	-	-
-	202,403,566	100.0	-	-	-	-
-	236,677,511	100.0	44,445	0.02	-	-
-	233,170,987	100.0	122,006	0.05	-	-
-	224,041,985	100.0	129,324	0.06	-	-
-	240,691,538	100.0	(290,434)	(0.12)	-	-
-	243,820,149	100.0	2,548,242	1.05	-	-
129,228,217	247,903,798	100.0	-	-	-	-
3,777,170	251,955,306	90.3	-	-	144,232,223	51.7
			$ 2,553,583		$ 144,232,223	

Minneapolis Public Schools
Special School District No. 1
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Year	G. O. Bonds	Certificates of Participation	Notes from Direct Borrowing	Lease Liability
2016	$ 317,010,000	$ 259,370,000	$ -	$ -
2017	382,585,000	255,225,000	-	-
2018	435,020,000	269,890,000	-	-
2019	495,505,000	243,885,000	-	-
2020	530,255,000	228,975,000	-	-
2021	562,395,000	206,090,000	-	-
2022	573,655,000	188,455,000	15,129,168	1,778,071
2023	585,995,000	164,755,000	15,029,262	10,315,441
2024	613,775,000	148,715,000	14,135,835	9,272,735
2025	638,660,000	131,485,000	13,960,740	8,144,708

Note 1: Details regarding the District's outstanding debt can be found in the notes to the basic financial statements.
Note 2: Personal income data for Fiscal year 23 is not available.
Note 3: GASB Statement No. 87 was implemented for fiscal yeart 2022 which resulted in the recognition of lease liability with finance purchases through notes from directed borrowing.
Note 4: GASB Statement No. 96 was implemented for fiscal year 2023 which resulted in the recognition of subscription - based information technology lease liability with finance purchases.

Source: State of Minnesota School Tax Report and Metropolitan Council

Table 15

Subscription Liability	Premiums (Discount) on Debt	Total Primary Government	Estimated Population	Total Debt per Capita	Percent of Total Debt to Personal Income
$ -	$ 41,126,988	$ 617,506,988	$ 412,517	$ 1,497	4.31 %
-	54,506,071	692,316,071	413,645	1,674	4.85
-	65,997,346	770,907,346	422,326	1,825	4.79
-	70,897,597	810,287,597	425,403	1,905	5.14
-	78,155,890	837,385,890	435,885	1,921	4.95
-	90,870,567	859,355,567	429,954	1,999	5.14
-	106,867,987	885,885,226	435,105	2,036	4.64
-	99,831,500	875,926,203	429,292	2,040	4.03
2,183,998	100,420,440	888,503,008	425,115	2,090	3.93
4,027,044	100,021,644	896,299,136	435,233	2,059	2.74

Minneapolis Public Schools
Special School District No. 1
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Year	G. O. Bonds	Certificates of Participation	Premiums (Discount) on Debt	Less Amounts Available in Debt Service Fund
2016	$ 317,010,000	$ 259,370,000	$ 41,126,988	$ 28,431,083
2017	382,585,000	255,225,000	54,506,071	25,947,326
2018	435,020,000	269,890,000	65,997,346	25,299,573
2019	495,505,000	243,885,000	70,897,597	34,411,700
2020	530,255,000	228,975,000	78,155,890	42,170,876
2021	562,395,000	206,090,000	90,870,567	44,766,022
2022	573,655,000	188,455,000	106,867,987	40,197,035
2023	585,995,000	164,755,000	99,831,500	43,205,114
2024	613,775,000	148,715,000	100,420,440	48,660,067
2025	638,660,000	131,485,000	100,021,644	56,884,326

Note 1: Details regarding the District's outstanding debt can be found in the notes to the basic financial statements.
Note 2: Personal income data for Fiscal year 23 is not available
Note 3: GASB Statement No. 87 was implemented for fiscal yeart 2022 which resulted in the recognition of lease liability with fiance purchases through notes from directed borowing.
Note 4: GASB Statement No. 96 was implemented for fiscal year 2023 which resulted in the recognition of subscription -based information technology lease liability with finance purchases.

Source: State of Minnesota School Tax Report and Metropolitan Council

Table 16

Net Bonded Debt	Net Tax Capacity	Percent of Estimated Actual Value of Property	Estimated Population	Net Bonded Debt per Capita
$ 589,075,905	$ 515,956,442	114.17%	$ 412,517	$ 1,428
666,368,745	533,536,600	124.90%	413,645	1611
745,607,773	616,220,416	121.00%	422,326	1765
775,875,897	657,711,218	117.97%	425,403	1824
795,215,014	697,099,022	114.07%	435,885	1824
814,589,545	704,727,819	115.59%	429,954	1895
828,780,952	760,971,311	108.91%	435,105	1905
807,376,386	806,681,563	100.09%	429,292	1881
814,250,373	768,714,251	105.92%	425,115	1915
813,282,318	762,358,686	106.68%	435,233	1869

Minneapolis Public Schools
Special School District No. 1
Ratio of Annual Debt Expenditures to General Fund Expenditures
Last Ten Fiscal Years

Table 17

Fiscal Year	Principal	Interest and Other Charges	Total Debt Service Expenditures	Total General Fund Expenditures	Percent of Debt Service to General Fund Expenditures
2016	$ 65,651,000	$ 22,474,693	$ 88,125,693	$ 606,384,716	14.53 %
2017	54,410,000	24,365,539	78,775,539	605,929,828	13.00
2018	51,925,000	28,224,134	80,149,134	593,617,102	13.50
2019	57,190,000	31,055,389	88,245,389	567,963,106	15.54
2020	58,285,000	32,919,855	91,204,855	577,344,220	15.80
2021	59,770,000	33,761,265	93,531,265	584,833,448	15.99
2022	69,864,767	35,423,870	105,288,637	648,092,852	16.25
2023	72,540,501	35,843,234	108,383,735	640,898,978	16.91
2024	75,658,511	37,123,145	112,781,656	700,266,962	16.11
2025	79,741,062	37,702,355	117,443,417	705,256,604	16.65

Minneapolis Public Schools
Special School District No. 1
Direct and Overlapping Debt
as of June 30, 2025

Table 18

Governmental Unit	General Obligation Debt	2025 Tax Capacity Value	Percent of Debt Applicable	Amount of Debt Applicable
Overlapping debt				
City of Minneapolis	$ 813,093,099	$676,567,024	100.00 %	$ 813,093,099
Hennepin County	1,192,537,479	2,835,449,560	25.97	309,701,983
Hennepin County (HCRRA)	76,774,733	2,052,772,775	25.97	19,938,398
Metropolitan Council	40,609,929	2,833,554,408	11.77	4,779,789
Total overlapping debt	2,123,015,240	8,398,343,767		1,147,513,269
Direct debt				
SSD No. 001	581,775,674	762,358,686	100.00	581,775,674
Total direct and overlapping debt	$ 4,827,806,154	$ 17,559,046,220		$ 2,876,802,212

Source 1: General obligation debt and amount applicable debt data - The Official Statement associated with the District's 2024A, and 2024B(prepared by PFM)
Source 2: Tax capacity data from other entities were provided Hennipen County
Source 3: Internal data reports were used for the District's data

Minneapolis Public Schools
Special School District No. 1
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year			
	2016	2017	2018	2019
Debt limit	$ 6,421,888,206	$ 7,016,134,506	$ 7,749,603,884	$ 8,302,347,039
Total net debt applicable to the limit	262,202,375	288,578,917	356,637,674	409,776,185
Legal debt margin	$ 6,159,685,831	$ 6,727,555,589	$ 7,392,966,210	$ 7,892,570,854
Total net debt applicable to the limit as a percentage of debt limit	4.08%	4.11%	4.60%	4.94%

Note: Under state finance law, the District's outstanding general obligation debt should not exceed 15 percent of total market property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for

Souce: State of Minnesota School Tax Report

Table 19

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 8,758,768,558	$ 8,957,664,142	$ 9,568,237,410	$ 10,032,101,621	$ 9,581,016,299	$ 9,499,002,431
461,261,093	488,361,678	520,297,973	542,789,886	565,114,933	581,775,674
$ 8,297,507,465	$ 8,469,302,464	$ 9,047,939,437	$ 9,489,311,735	$ 9,015,901,366	$ 8,917,226,757
5.27%	5.45%	5.44%	5.41%	5.90%	6.12%

Legal Debt Margin Calculation for Fiscal Year 2025

Market value	$ 63,326,682,875
Debt limit (15% of market value)	9,499,002,431
Debt applicable to limit	
General obligation bonds	638,660,000
Less amount set aside for repayment of general obligation debt	(56,884,326)
Total net debt applicable to the limit	$ 581,775,674
Legal debt margin	$ 8,917,226,757

Minneapolis Public Schools
Special School District No. 1
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income	Per Capita Personal Income (2)	Median Age (3)
2016	412,517	$ 14,340,328,471	$ 34,763	32.4
2017	413,645	14,281,920,915	34,527	32.0
2018	422,326	16,103,712,706	38,131	32.4
2019	425,403	15,770,114,613	37,071	32.1
2020	435,885	16,915,825,080	38,808	32.2
2021	429,954	16,717,041,474	38,881	32.3
2022	435,105	19,111,987,125	43,925	33.5
2023	429,292	21,724,321,660	50,605	32.8
2024	425,115	22,561,703,280	53,072	33.0
2025	435,233	32,617,666,719	74,943	30.0

Data Sources:

Note 1: Information was provided as of December 31st (six month lag on reporting of data)

Note 2: Population provided by Metropolitan Council (calander year)

Note 3: Per Capita Income - U.S. Census Bureau - American Community Survey Table DP03 - 1 Year Estimate (calander year)

Note 4: Median Age - U.S. Census Bureau - American Community Survey Table DP05 - 1 Year Estimate (calander year)

Note 5: Personal Income = Population x Per Capita Income (calander year)

Note 6: Jobs data from MN DEED/QCEW tables; (calander year)

Note 7: Annual Average Unemployment Rate - from MN DEED/LAUS tables (calander year)

Note 8: Median Household Income - U.S. Census Bureau - American Community Survey - 1 Year Estimate (calander year)

Note 9: School enrollement provided by Minnesota Department of Education (June fiscal year-end)

Table 20

Households (2)	Jobs (5)	Median Household Income (2)	School Enrollment (8)	Annual Average Unemployment Rate (2)
176,878	317,475	$ 54,571	35,449	3.4 %
179,807	324,620	56,255	35,380	3.4
176,807	327,355	60,789	35,020	3.2
173,916	332,175	58,993	34,088	2.5
176,974	339,242	62,583	33,202	2.6
178,886	309,636	66,068	31,393	4.8
182,419	314,809	70,099	29,077	2.5
188,944	316,728	80,269	28,290	2.8
197,053	321,220	86,534	28,489	3.4
N/A	312,465	83,730	29,109	2.6

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Minneapolis Public Schools
Special School District No. 1
Principal Employers
Current Year and Nine Years Ago

Table 21

Employer	2025 Approximate Number of Employees	2025 Rank	2025 Percentage of Total District Employment	2016 Approximate Number of Employees	2016 Rank	2016 Percentage of Total District Employment
University of Minnesota	25,640	1	8.0 %	14,400	1	4.5 %
Allina Health	9,605	2	3.0	9,400	5	3.0
Hennepin Healthcare	7,541	3	2.3	7,200	6	2.3
Target Corporation	7,100	4	2.2	9,500	4	3.0
Hennepin County	6,176	5	1.9	6,200	8	2.0
Minneapolis Public Schools	6,036	6	1.9	6,900	7	2.2
Wells Fargo Bank	5,500	7	1.7	11,000	2	3.5
US Bancorp	4,256	8	1.3	4,100	*	1.3
Ameriprise Financial Services	4,249	9	1.3	5,000	9	1.3
City of Minneapolis	2,378	10	0.7	5,000	9	1.3
Fairview Health Services				10,200	3	3.2
Total	78,481		24.3 %	88,900		27.6 %

Source: City of Minneapolis ACFR (2024) and Minneapolis Public Schools internal records

* Employer not part of top ten employers in 2016 City of Minneapolis Report

Minneapolis Public Schools
Special School District No. 1
Employees by Classification
Last Ten Fiscal Years

	Fiscal Year					
	2016	2017	2018	2019	2020	2021
ABE Teachers	54.2	54.2	56.8	56.6	52.3	36.2
AFSCME	336.1	323.3	317.9	298.5	310.8	294.5
AMP	112.3	118.6	121.6	146.5	200.9	199.9
Board Members	9.0	9.0	9.0	9.0	9.0	9.0
Employment Contracts	39.6	35.9	27.4	6.3	6.8	3.7
ESP	1,431.2	1,510.1	1,438.5	1,367.0	1,367.4	1,276.6
Food Service	170.7	192.3	199.8	210.8	233.2	237.6
Grounds/Stockworkers	19.0	20.0	20.0	20.0	21.0	20.0
Intermittent/Clerica	11.0	11.0	10.0	10.0	10.0	-
Janitor/Eng/Bus/Ice	291.6	263.0	274.0	270.0	278.0	256.0
MAAS	140.3	123.2	126.1	113.0	117.8	113.4
MACA	117.5	117.6	124.0	115.0	127.0	125.0
Machinists	1.0	1.0	1.0	1.0	1.0	1.0
Non-Represented	42.0	43.0	39.0	40.0	33.0	31.0
Principals	124.0	130.0	128.0	122.0	121.0	117.0
SSS (until 2015)	2.0	-	-	-	-	-
Superintendent	1.0	1.0	1.0	1.0	1.0	1.0
Teachers	3,571.9	3,593.4	3,472.0	3,306.4	3,361.1	3,215.2
Trade-Bricklayer	1.0	1.0	1.0	1.0	1.0	1.0
Trade-Carpenter	10.0	10.0	10.0	9.0	9.0	12.0
Trade-Electrician	10.0	13.0	12.0	12.0	6.0	5.0
Trade-Electronics	6.0	7.0	8.0	8.0	8.0	8.0
Trade-Glazier	3.0	3.0	3.0	2.0	2.0	2.0
Trade-Painter	16.0	16.0	16.0	11.0	11.0	11.0
Trade-Pipefitter	23.0	24.0	24.0	24.0	24.0	24.0
Trade-Plasterer	1.0	1.0	1.0	1.0	1.0	1.0
Trade-Plaster Tender	1.0	1.0	1.0	1.0	1.0	1.0
Trade-Plumber	9.0	10.0	10.0	9.0	9.0	9.0
Trade-Roofer	5.0	5.0	5.0	5.0	5.0	5.0
Trade-Sheet Metal	15.0	16.0	16.0	16.0	16.0	16.0
Trade-Sprinkler Fit	2.3	2.3	2.3	2.3	2.3	2.5
Transportation	191.0	182.0	179.0	188.0	169.9	164.6
	6,767.7	6,837.9	6,654.4	6,382.4	6,516.5	6,199.2

Source: Internal records of Minneapolis Public Schools

Table 22

Fiscal Year			
2022	2023	2024	2025
34.8	33.0	31.8	32.0
287.4	311.0	306.6	288.0
222.0	270.2	270.8	262.0
9.0	9.0	9.0	9.0
3.6	8.1	14.2	9.0
1,222.5	1,536.2	1,556.0	1,340.0
240.5	214.4	220.8	223.0
20.0	19.0	19.0	18.0
-	-	-	-
285.5	256.5	257.5	237.0
109.9	169.4	169.1	169.0
125.0	150.0	149.0	138.0
1.0	1.0	-	1.0
32.0	30.0	31.0	31.0
118.0	119.0	119.0	113.0
-	-	-	-
1.0	1.0	1.0	1.0
3,228.4	3,253.4	3,234.9	2,952.0
1.0	1.0	1.0	1.0
12.0	12.0	12.0	12.0
2.5	4.5	4.5	5.0
8.0	8.0	8.0	8.0
2.0	2.0	2.0	2.0
11.0	11.0	11.0	11.0
24.0	24.0	24.0	24.0
1.0	1.0	1.0	1.0
1.0	1.0	1.0	1.0
9.0	9.0	9.0	9.0
5.0	5.0	5.0	5.0
18.0	18.0	18.0	18.0
2.5	3.0	3.0	3.0
164.6	154.8	154.6	113.0
6,202.2	6,635.5	6,643.8	6,036.0

Minneapolis Public Schools
Special School District No. 1
Student Enrollment
as of June 30, 2025

Table 23

Year Ended June 30,	Average Daily Membership (ADM)					Total Pupil Units
	Handicapped and Pre-Kindergarten	Kindergarten	Elementary	Secondary	Total	
2016	765.59	2,821.67	17,865.38	13,996.06	35,448.70	38,247.91
2017	554.92	2,961.59	17,349.56	14,513.50	35,379.57	38,282.27
2018	625.60	2,933.68	16,800.37	14,660.08	35,019.73	37,951.60
2019	610.58	2,898.31	16,105.80	14,473.40	34,088.09	36,982.64
2020	605.53	2,934.53	15,598.05	14,064.16	33,202.27	36,015.12
2021	590.60	2,419.57	14,656.99	13,726.15	31,393.31	34,138.56
2022	469.04	2,510.56	13,174.49	12,922.83	29,076.92	31,661.46
2023	490.78	2,477.80	13,048.21	12,273.65	28,290.44	29,084.61
2024	745.34	2,310.93	13,345.57	12,087.01	28,488.85	31,067.19
2025	796.00	2,467.00	13,631.00	12,215.00	29,109.00	31,552.00

Source: *Minnesota Department of Education student reporting system*

Minneapolis Public Schools
Special School District No. 1
Operating Statistics
as of June 30, 2025

Table 24

Year Ended June 30,	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio	Percentage of Students Receiving Free or Reduced Priced Meals
2016	35,448.70	$ 676,678,987	$ 19,089	4.8 %	3,572	9.92	64.1 %
2017	35,379.57	688,450,396	19,459	1.9	3,593	9.85	63.2
2018	35,019.73	675,008,870	19,275	-0.9	3,472	10.09	62.5
2019	34,088.09	678,770,837	19,912	3.3	3,306	10.31	61.7
2020	33,202.27	662,099,207	19,941	0.1	3,361	9.88	60.9
2021	31,393.31	667,331,659	21,257	6.6	3,215	9.76	60.8
2022	29,076.92	703,719,989	24,202	13.9	3,228	9.01	59.7
2023	28,290.44	712,420,403	25,182	4.1	3,253	8.70	51.3
2024	28,488.85	783,927,611	27,517	9.3	3,235	8.81	58.7
2025	29,109.00	809,072,210	27,795	1.0	2,952	9.86	58.0

Note: Operating expenditures are total expenditures less debt service and capital outlays

Source: Nonfinancial information from district records

Minneapolis Public Schools
Special School District No. 1
Building Information
as of June 30, 2025

Table 25

Facility	Constructed	Square Feet	Capacity	2024 - 2025 Enrollment
Elementary Schools				
Armatage	1952	86,488	575	375
Bancroft	1912	79,267	665	499
Barton Community	1915	83,752	660	502
Bethune Arts	1968	75,615	519	282
Bryn Mawr Community	1959	102,658	580	431
Burroughs Community	1926/2003	100,367	647	473
Cityview	1999	121,588	712	256
Dowling	1924	88,608	485	337
Ella Baker	1923	156,450	645	653
Emerson Spanish Dual Immersion	1926	57,061	431	519
Field Community	1921	81,171	476	287
Folwell	1931	140,629	863	468
Green Central Dual Language	1977	117,773	665	574
Hale Community	1930	81,807	539	334
Hall STEM Academy	1960	81,030	489	241
Hiawatha (Hiawatha Community	1916	40,888	284	220
Hmong International Academy (Jordan Park)	1999	123,293	751	258
Howe (Hiawatha Community)	1927	36,161	267	247
Jenny Lind Elementary	1995	96,693	529	254
Kenny Community	1954	60,104	413	299
Kenwood Community	1908	65,699	431	383
Lake Harriet Community Lower	1924	63,646	480	314
Lake Harriet Community Upper	1915	85,874	615	273
Lake Nokomis Community Keewaydin Campus	1928	86,050	561	355
Lake Nokomis Community Wenonah Campus	1952	44,827	284	167
Las Estrellas/ Sheridan Dual Language	1967/1932	148,005	737	467
Loring	1928	59,896	373	339
Lucy Craft Laney at Cleveland Park	2000	109,026	711	417
Lyndale Elementary	1968	97,506	631	512
Marcy Arts Elementary	1992	78,957	611	470
Nellie Stone Johnson Community	2001	125,150	713	285
Northrop/ Ericsson	1916	33,698	444	384
Pillsbury Community	1907/1991	87,705	582	419
Pratt Community	1898	42,437	256	228
Seward Montessori	1887/1966	126,726	905	648
Tuttle (vacant)	1910	63,305	-	-
Waite Park Community	1950	60,073	485	293
Webster	1974	73,414	467	308
Whittier	1882/1997	142,460	565	497
Willard (vacant)	1910	53,635	-	-
Windom	1920	73,618	503	385
Middle Schools				
Andersen United	1975	232,557	1,517	1,063
Anthony	1957	143,158	931	741
Anwatin	1959	146,771	760	307
Franklin STEAM	1970	125,794	656	280
Justice Page	1931	156,856	1,189	968
Lincoln (vacant)	1922	155,831	-	-
Northeast Middle	1956	173,080	948	565
Olson, Floyd B.	1962	114,959	640	333
River Bend Educational Center (K - 8th) W Harry Davis	1995	93,483	533	68
Sanford	1926	150,680	1,025	721
Sullivan STEAM (K-8)	1949	60,073	1,230	646
Anishinabe (K-5)				209
High Schools				
Camden	1926	240,121	1,477	785
Edison	1922	257,922	1,421	840
FAIR School Downtown	1996	86,150	728	311
Harrison Education Center	1998	54,793	246	50
Longfellow Alternative and TPS	1918	42,733	417	48
North Community	1972	329,413	1,292	510
Roosevelt	1922	324,718	2,033	1,240
South	1970	283,094	2,089	1,260
Southwest	1940	295,832	2,030	1,198
Stadium View	-	-	-	36
Washburn	1925	246,430	1,771	1,523
Other				
Adult Basic Education (ABE) South Campus (2015 E Lake St)	2018	134,340	-	71
Transition Plus (ages 18-21)				248
Adult Basic Education (ABE) North Campus (800 W Broadway)	2017	22,009	-	-
MPS K-12 Online School	-	-	-	658
Northstar (Admin)	1975	144,197	-	-
Mona Moede Early Learning Center				-
Wilder	1967	205,536	1,622	-
Heritage Academy (program)			418	104
Administrative				
Davis Center	2012	173,768	-	-
Maintenance and Operations Building	1995	89,729	-	-
Nutrition Center	1975	73,143	-	-
Victory Memorial Ice Arena (vacant)	1974	27,725	-	-

*Information related to private alternatives are not displayed above

Source: Nonfinancial information from district records



Superintendent's Report

Regular Business Meeting

April 14, 2026

MINNEAPOLIS PUBLIC SCHOOLS

Superintendent's Update

Superintendent Dr. Lisa Sayles-Adams

MINNEAPOLIS PUBLIC SCHOOLS

Fiscal Year 27 (2026-27) Budget Development Process Update

Regular Business Meeting

April 14, 2026



MINNEAPOLIS PUBLIC SCHOOLS

Agenda



1. Reminders and Timeline Review
2. Process and Timeline
3. Budget Process Status Updates
4. Budget Website
5. Capital Plan
6. Questions and Discussion

Reminders and Timeline Review

Context and Reminders

- The effect of chronic underfunding of public education and expenses outpacing revenue growth means school districts across the state and country are facing substantial budget gaps
- Obligations (contractual/statutory/grants), commitments (programming/predictable staffing/school configurations), and restrictions (funding source use) dictate where significant portions of funding is used
- Fund balance is not available to close operating budget gaps as it has been in recent years, so expenses must match revenue
- Despite fiscal challenges and resulting reductions, our proposed budget invests in supports, programs, and services in alignment with board values and priorities
- Through board presentations and the dedicated budget transparency website, we will increase the amount of available budget information so families, staff, and our community can easily access how their public resources are being used

School District Budget Challenges: A Shared Crisis

Robbinsdale school board votes to close 3 schools amid budget shortfall

Portland school district leaders warn potential $50M cuts could eliminate 300 jobs, close school

Oakland Unified school board approves hundreds of layoffs amid $100M budget deficit

Anchorage School Board approves 'severe' budget with hundreds of staff layoffs and 3 school closures

Stillwater part of dozens of metro school districts facing combined $223 million deficit

Duluth Public Schools face $4M budget shortfall, leaders discuss cuts

Anoka-Hennepin Schools dealing with a budget crunch

Milwaukee Public Schools plans to cut 263 jobs to address $46 million budget shortfall

Rochester Public Schools faces $8.3 million deficit

Moody's downgrades a Minnesota school district's GOs to junk

Fresno Unified votes to cut over 200 jobs amid $77 million budget shortfall

LAUSD to send 3,200 layoff notices as district faces $877M budget deficit

Common denominator: insufficient funding

Budget Process Overview

Key Steps/Milestones

1. Values and priorities set by board
2. Enrollment and revenue projected
3. Expenses projected
4. Balanced budget recommendation developed
5. Department and school allocations proposed
6. Presentation of comprehensive budget
7. Board review
8. Board approval

Ongoing Activities

- Share updates with stakeholders via website and newsletters
- Gather community input:
  - Caregiver survey
  - School-specific feedback through site council and other methods
- Updates to finance committee and board
- Direction from finance committee and board

FY27 Budget Timeline (Overview)

Schools receive budget allocations and engage with stakeholders

Dec-Feb
Board sets priorities. Develop school and department budgets

March
Budget tie-out (BTO) closes & budget review

April
Budget review



May
First reading of budget

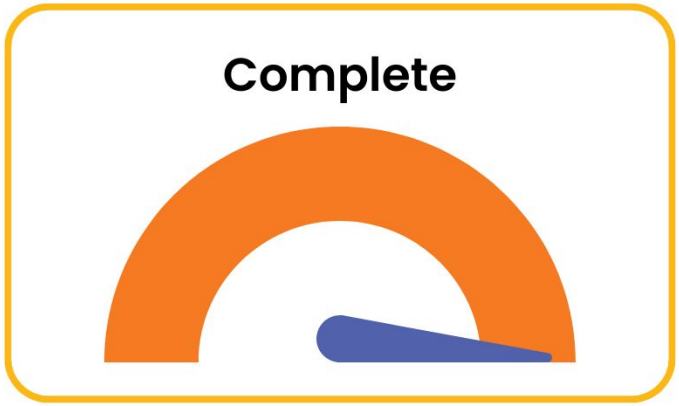
June
Approval of the budget



Budget website: bit.ly/mpsbudget2627

Budget Process Status Updates

Review of submitted school and department budgets



- Budgets submitted by principals and department leaders were reviewed Finance, Human Reources, Title, Special Educaiton
- This process was completed on April 8

Personnel processes



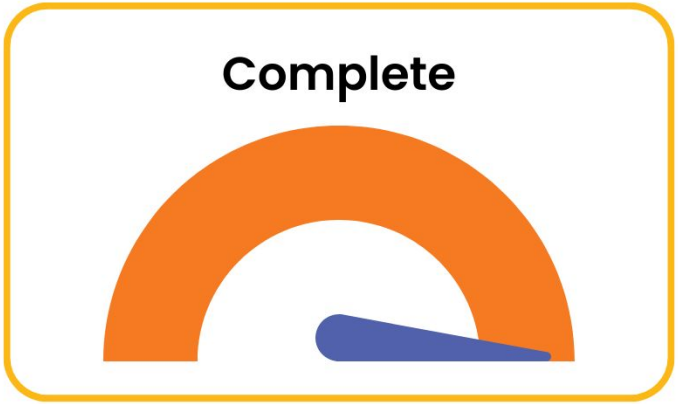
- Positions in AMP, MACA, and MAAS were posted on April 6 and will remain open to internal only applicants through April 17
- The first round of Interview and Select began on April 9, and conclude on April 14
- The second round of Interview and Select will begin on April 27 and conclude on May 14
- Transfer and reassignment processes for Education Support Professionals (ESPs) and clerical staff

Comprehensive budget recommendation



- No substantial change to projected revenue or proposed expenses from what was presented at the March 10 regular business meeting
- The final proposed budget will be reviewed by the Board Finance Committee on April 28
- The first reading of the proposed budget occur at the May 12 regular business meeting
- The proposed budget will be on the board agenda for approval at the June 9 regular business meeting

Budget website published



- Our new budget transparency tool was published on April 10
- Provides detailed information about the proposed budget, including at the individual and department budget level

Budget Website

Proposed 2026-27 Budget Website

budget.mpschools.org



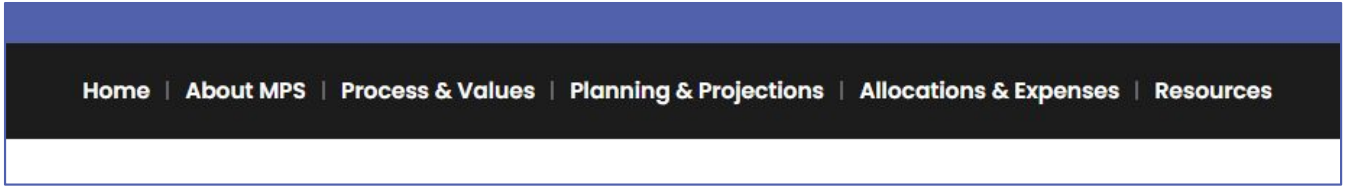
Scan the QR code to visit the budget site

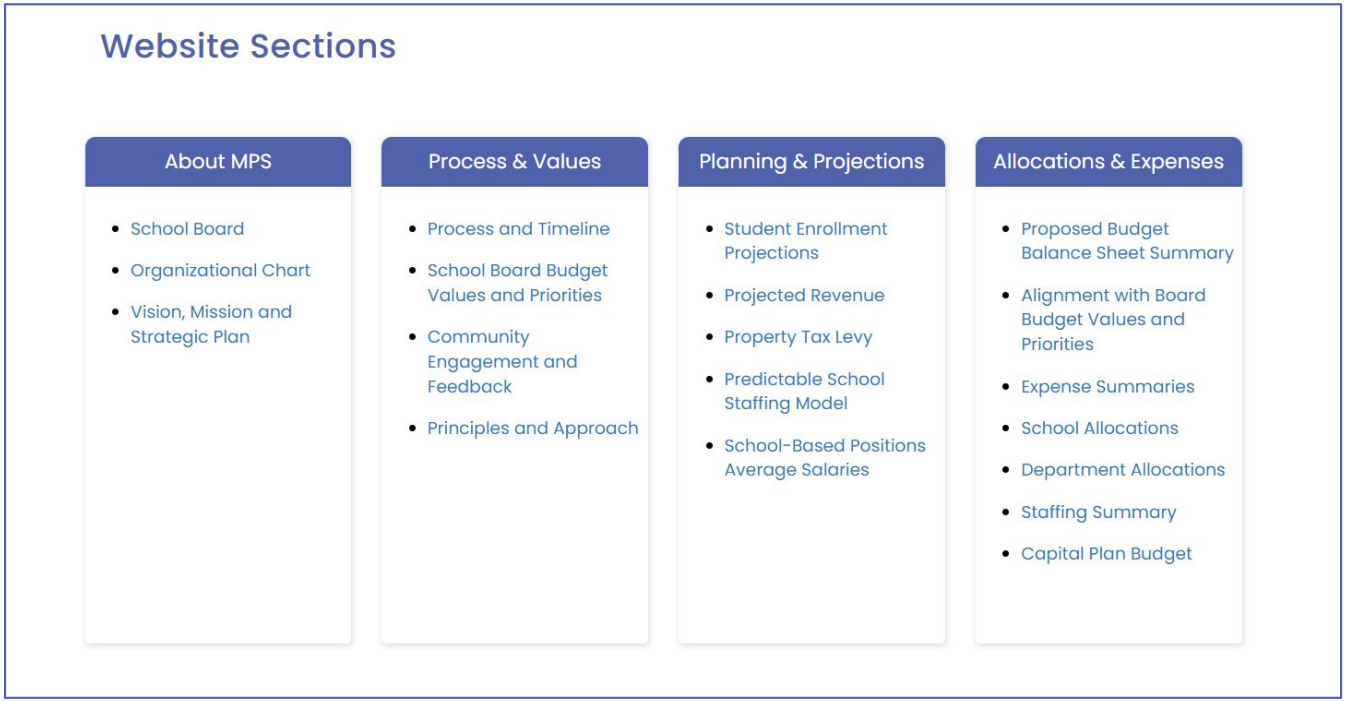


Screenshot of budget.mpschools.org homepage

Key Features

- Responsive for viewing on phones and tablets
- One-click to translate the website into multiple languages
- Will be updated for any changes throughout the process, with the date noted

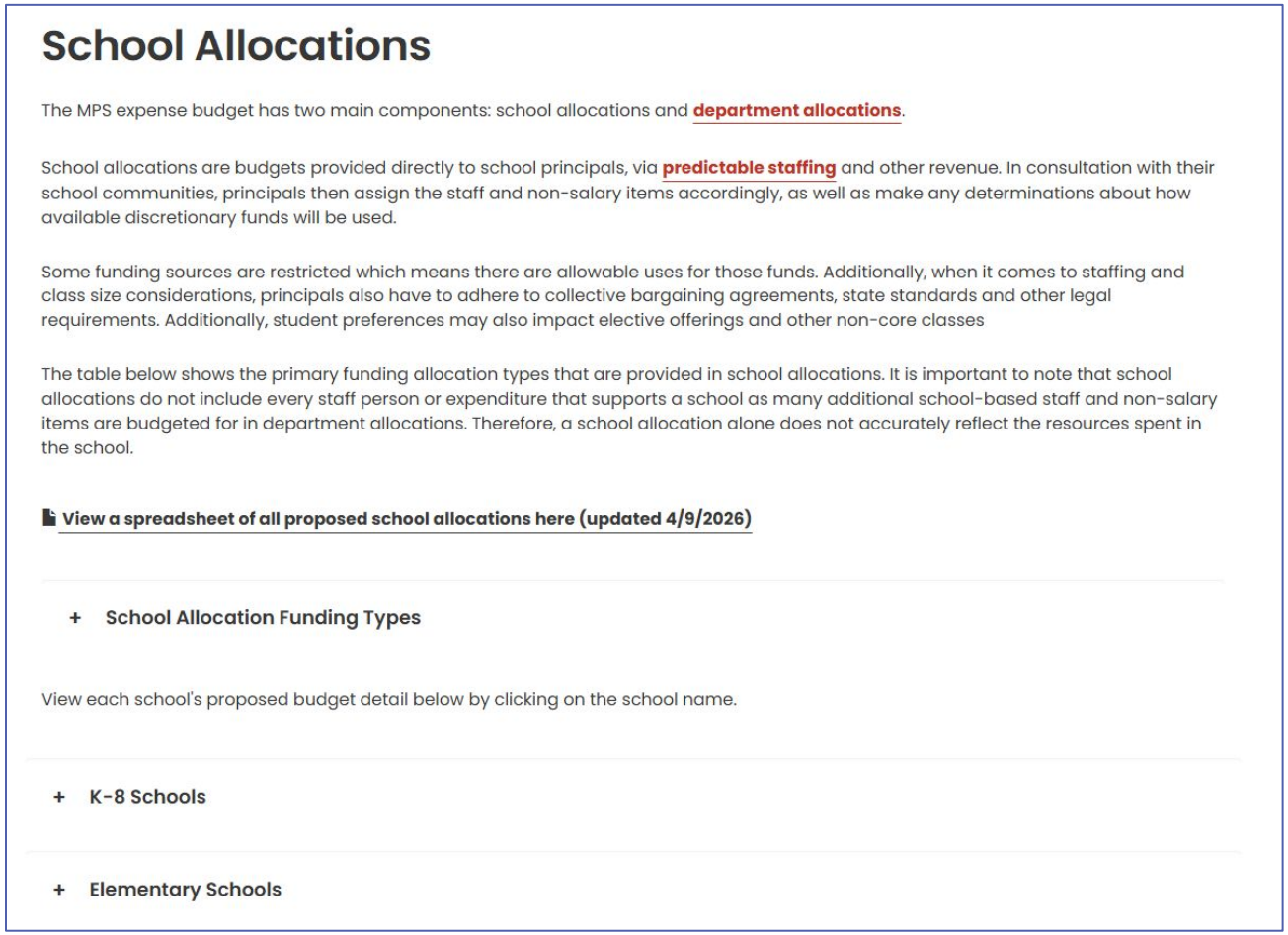




Screenshots of the navigation menus from budget.mpschools.org

Sections

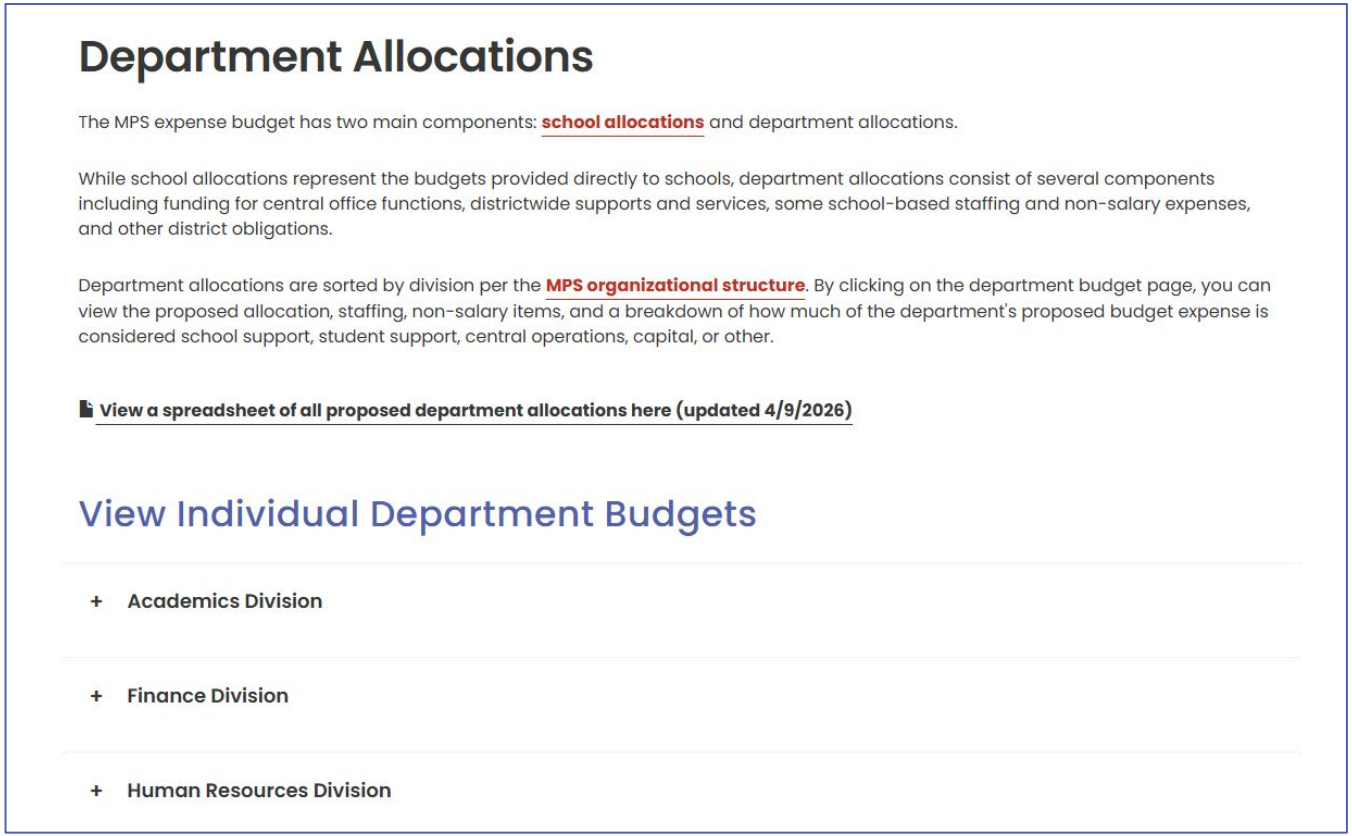
- Accessible on the navigation bar towards the top of the site
- In the tiles at the bottom of the homepage



Screenshot of the School Allocations page from budget.mpschools.org

School Budgets

- Accessible on the navigation bar towards the top of the site
- In the tiles at the bottom of the homepage
- View each school's funding sources, positions, and non-salary items



Screenshot of the Department Allocations page from budget.mpschools.org

Department Pages

- Accessible on the navigation bar towards the top of the site
- In the tiles at the bottom of the homepage
- View each department's funding sources, positions, non-salary items, and breakdown of the type of spending

Legislative Session Status Update

Legislative Session Status Update

- Governor Walz released his supplemental budget recommendations and called for additional cuts to special education funding starting in fiscal year 2028. He would cut an additional $50 million from cross subsidy reduction aid for a total cut of $300 million for fiscal years 2028-29.
- The Minnesota Senate appears poised to pass a one-year compensatory revenue increase but details of the proposal are still being worked out.
- The Minnesota House is unlikely to advance either an education policy or education finance omnibus bill this year. Republican House leaders have said they will not consider fixes to compensatory revenue, special education funding or school safety revenue unless the Governor agrees to adopt the federal tax credits for private school tuition that were part of HR 1 (federal tax and spending bill).
- A bill traveling separately would put a question on the November ballot to change the state constitution governing payouts to schools from the school trust lands fund. If passed by voters, districts would see roughly a doubling of funding from the trust land fund (from $60 to $120 per pupil.



Capital Plan FY27

Facilities Planning, Design, & Construction

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What is the Capital Plan?

- Identifies and prioritizes needs of the built environment in order to further the mission of the school district
  - Capital renewal of existing systems
  - Capital improvements
- Establishes project timelines
- Identifies funding sources and financing options
- Living document that is reviewed and updated annually
- Aligned with strategic plan

MPS' Portfolio of Facilities

- 73 buildings in the District
- 8.5 million square feet
- 436 acres of property
- Average age of all buildings is 70
- 21 buildings over 100 years old

The total Current Replacement Value (CRV) of all MPS' buildings is: **~$4.3 Billion**

Capital Plan

- **Guided by Policy 3170**
  - Requires a specific multi-year capital plan covering a minimum of three years
  - Requires a rolling, long-term maintenance and repair plan covering 10 years

- **Funding Sources**
  - General Obligation bonds
  - Long Term Facilities Maintenance revenue (bonds & levies)
  - Capital levies (Certificates of Participation)

- **March 24, 2026 Finance Committee**
  - Initial presentation of the capital plan



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Recently Completed Projects







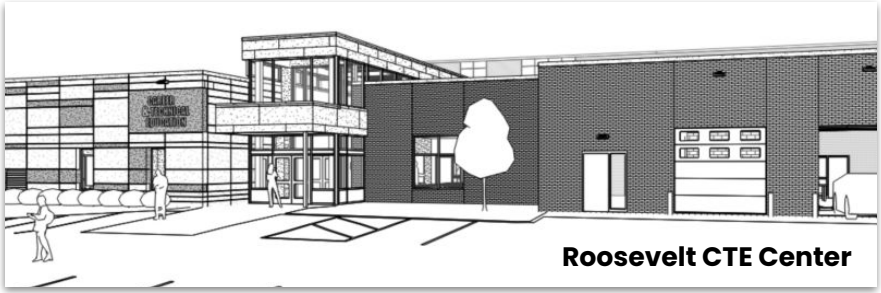


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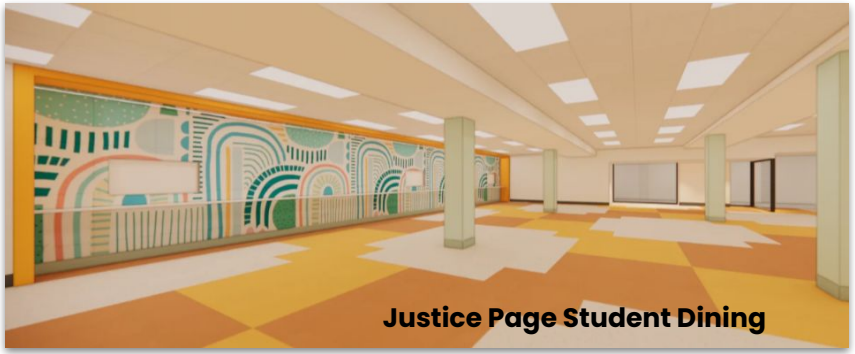
Upcoming Construction Projects











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Capital Plan Goals and Strategies

- **Continue implementation of previously identified capital project priorities**
  - Safe and Welcoming Entrances
  - Indoor Air Quality / Building Cooling
  - Kitchen and Student Dining
  - Student Athletics

- **Align Long-Term Facilities Maintenance Plan with Facility Condition Assessment**

- **Consolidate multiple projects at a given site, if possible**
  - Economies of scale
  - Reduces disruptions
  - Coordinate with summer programming

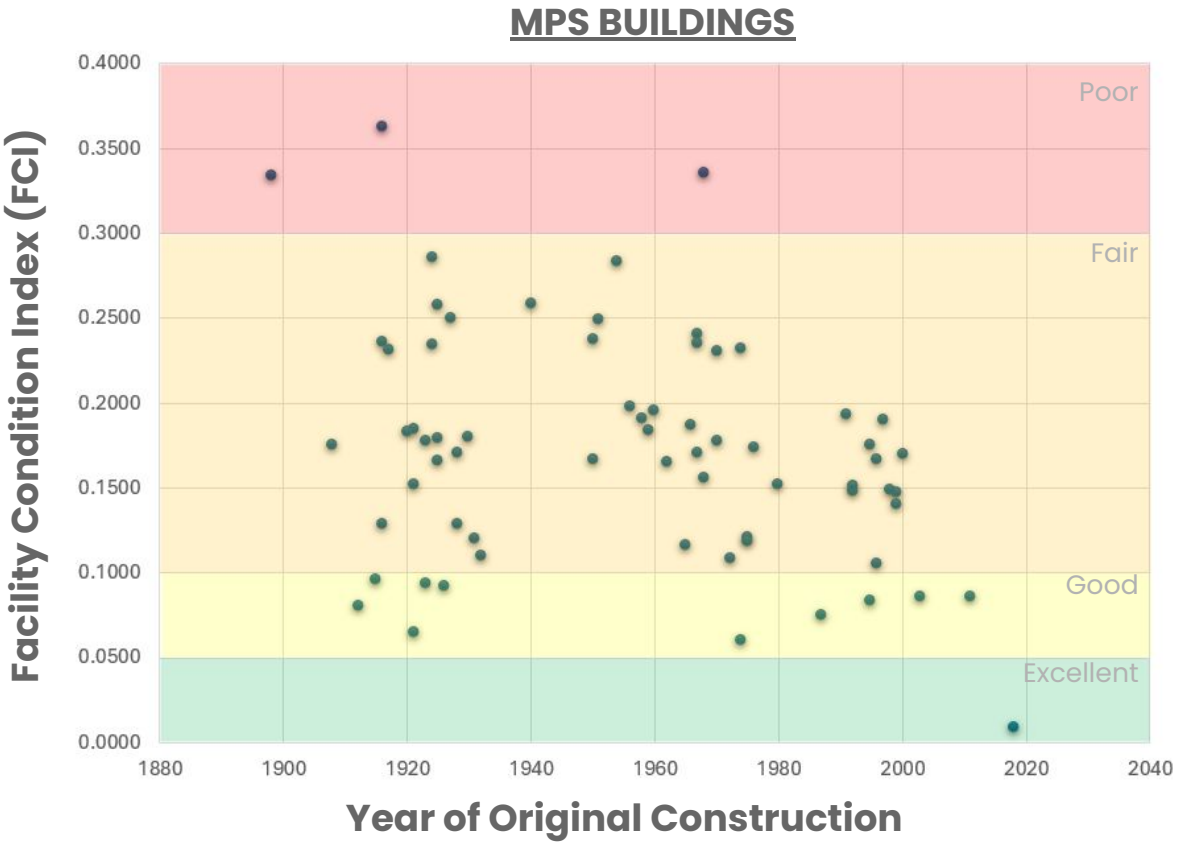
- **Project Updates Available on the Facilities Planning, Design, & Construction Website**
  - https://www.mpschools.org/departments/operations/cp

Facilities Condition Assessment (FCA)

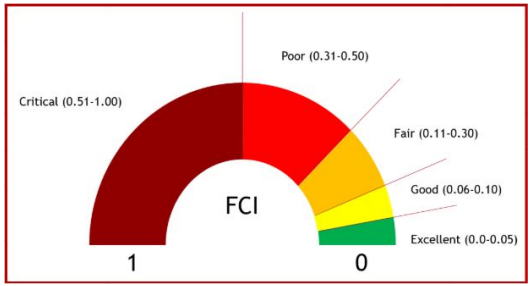
Provides an industry-standard way for assessing the condition of buildings and allowing for prioritization of resources and the tracking of impacts of investments

- The last FCA completed for MPS was in the year 2018.
- New FCA in 2025. Every district facility was inspected to analyze the condition of all individual building components.
- Data is incorporated into the capital plan and will be updated annually as projects are completed to maintain an accurate understanding of ongoing facility needs throughout the district
- Long-Term Facilities Maintenance (LTFM) budget allocations are aligned to reflect priorities identified by the FCA

Facility Condition Index (FCI)



$$FCI = \frac{\text{Deferred Maintenance Totals}}{\text{Building Replacement Costs}}$$



MINNEAPOLIS PUBLIC SCHOOLS

Capital Plan FY27 Projects

FY27 Projects

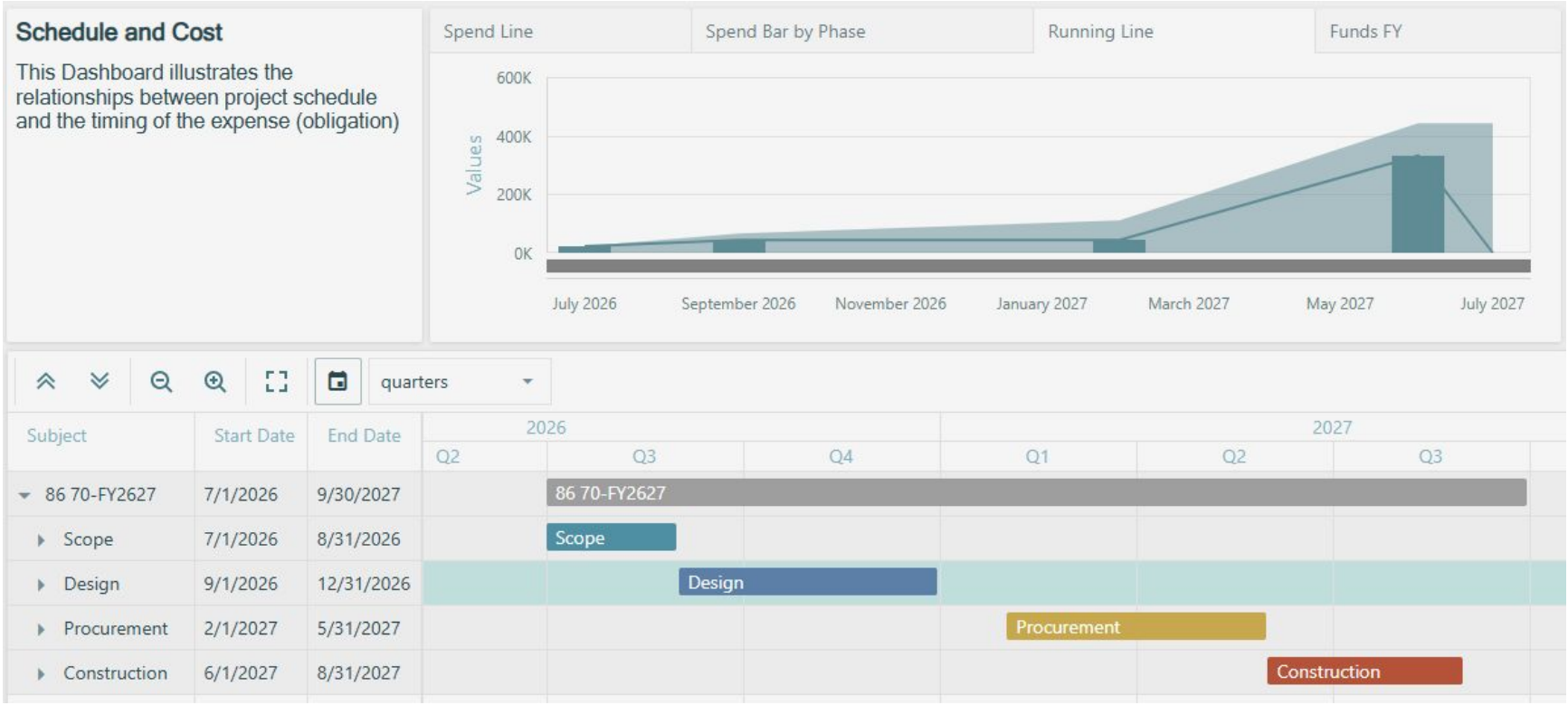
- Franklin Safe & Welcoming Entrance
- Howe Safe & Welcoming Entrance
- Northrop Building Cooling
- Southwest Athletic Field
- Student Placement / Davis Security
- Furniture, Fixtures, Equipment
- Small Capital Requests
- Title IX Compliance
- Strategic Direction / Transformation
- Security Camera Renewal
- Playground Improvements
- Transportation Fleet
- Long-Term Facilities Maintenance

Total - $90,336,000



MINNEAPOLIS PUBLIC SCHOOLS

Sample Project Schedule



MINNEAPOLIS PUBLIC SCHOOLS

Multi-Site Projects

- **Multi-Site projects address common, persistent needs in all buildings throughout the district**
  - Furniture, Fixtures & Equipment
  - Small Capital Project Requests
  - Strategic Direction / Transformation
  - Security Camera Renewal
  - Playground Improvements
  - Transportation Fleet & Equipment
  - LTFM Renewal Projects



Long-Term Facilities Maintenance (LTFM)

- **Annual reporting to, and approval from MN Department of Education**
- **Authorized Expenditures**
  - Deferred capital expenditures and renewal projects necessary to prevent further erosion of facilities
  - Increasing accessibility of school facilities
  - Health and safety capital projects
- **Typical Project Categories**
  - Building Envelope and Roof Systems
  - Electrical Systems, Hardware & Equipment
  - Mechanical and Plumbing Systems
  - Interior Surfaces
  - Exterior Site Projects





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Capital Plan FY28 Projects

FY28 Projects

- Kenwood Building Cooling and Safe & Welcoming Entrance
- Furniture, Fixtures, Equipment
- Small Capital Requests
- Strategic Direction / Transformation
- Security Camera Renewal
- Playground Improvements
- Transportation Fleet
- Long-Term Facilities Maintenance

Total - $89,004,000



Capital Plan FY29 Projects

FY29 Projects

- Field Building Cooling
- Furniture, Fixtures, Equipment
- Small Capital Requests
- Security Camera Renewal
- Playground Improvements
- Transportation Fleet
- Long-Term Facilities Maintenance

Total - $87,312,000



MINNEAPOLIS PUBLIC SCHOOLS

Summary 3-Year Capital Plan

- **General Obligation Bonds**

Location	Improvement	FY27	FY28	FY29
	Capital Improvement Projects			
Field	Building Cooling			$12,640,000
Franklin	Safe & Welcoming Entrance	$1,000,000	$4,900,000	
Howe	Safe & Welcoming Entrance	$1,000,000	$4,045,000	
Kenwood	Building Cooling / Safe & Welcoming Entry		$10,640,000	$6,340,000
Multi-Site	Small Capital Projects	$1,500,000	$1,500,000	$1,500,000
Multi-Site	Title IX Compliance	$1,500,000		
Multi-Site	Strategic Direction / Transformation	$3,000,000	$2,500,000	
Multi-Site	Security Camera Renewal	$1,400,000	$1,000,000	$1,000,000
Multi-Site	Playground Improvements	$1,500,000	$1,500,000	$1,500,000
Maintenance & Operations	Self-Performed Improvements	$4,000,000	$4,000,000	$4,000,000
Maintenance & Operations	Fleet & Equipment	$250,000	$250,000	$250,000
Northrop	Building Cooling	$10,680,000		
Southwest	Turf Athletic Field	$9,369,000		
Student Placement Davis Center	Entrance & Security Improvements	$500,000		
Transportation	Fleet Vehicles	$1,500,000	$1,500,000	$1,500,000
	General Obligation Bonds Subtotal	**$38,099,000**	**$32,735,000**	**$29,630,000**

Summary 3-Year Capital Plan

- **Long-Term Facilities Maintenance Bonds**

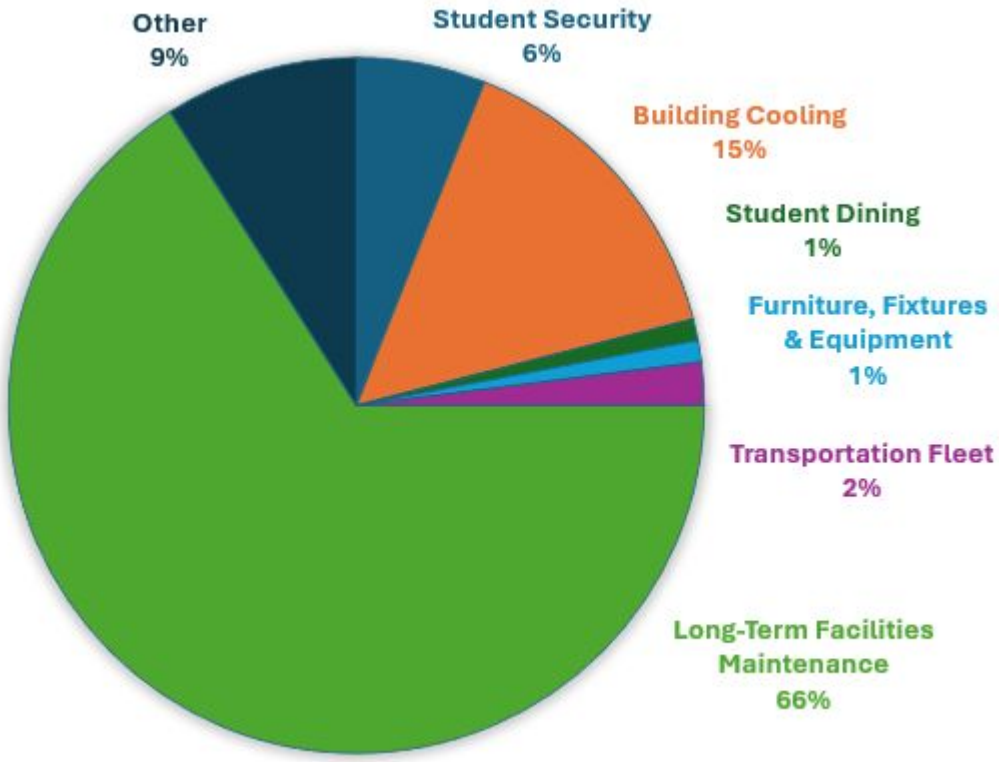
Location	Improvement	FY27	FY28	FY29
	Long-Term Facilities Maintenance Plan			
Multi-Site	Building Envelope	$5,223,700	$5,626,900	$5,768,200
Multi-Site	Hardware & Equipment	$2,611,850	$2,813,450	$2,884,100
Multi-Site	Electrical Systems	$2,611,850	$2,813,450	$2,884,100
Multi-Site	Interior Surfaces	$7,835,550	$8,440,350	$8,652,300
Multi-Site	Mechanical Systems	$18,282,950	$19,694,150	$20,188,700
Multi-Site	Plumbing Systems	$3,917,775	$4,220,175	$4,326,150
Multi-Site	Professional Services	$3,917,775	$4,220,175	$4,326,150
Multi-Site	Roof Systems	$5,223,700	$5,626,900	$5,768,200
Multi-Site	Site Projects	$2,611,850	$2,813,450	$2,884,100
	LTFM Bonds Subtotal	**$52,237,000**	**$56,269,000**	**$57,682,000**
	Capital Plan Total	**$90,336,000**	**$89,004,000**	**$87,312,000**

Summary Future Capital Plan FY30 - FY37

Location	Improvement	2030	2031	2032	2033	2034	2035	2036	2037
Anthony	Building Cooling				$10,000,000	$15,000,000			
Anwatin	Building Cooling		$10,200,000	$19,800,000					
Burroughs	Safe & Welcoming Entrance	$5,200,000							
Hiawatha	Safe & Welcoming Entrance			$4,500,000					
Kenny	Building Cooling						$15,000,000		
Lake Harriet Low	Safe & Welcoming Entrance				$2,628,000				
Multi-Site	Furniture, Fixtures & Equipment	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Multi-Site	Restroom Improvements	$1,000,000	$1,000,000	$1,000,000					
Multi-Site	Security Camera Renewal	$1,000,000	$1,000,000	$1,000,000					
Multi-Site	Small Capital Projects	$1,650,000	$1,750,000	$1,750,000	$1,950,000	$1,950,000	$1,950,000	$1,950,000	$1,950,000
Multi-Site	Long-Term Facilities Maintenance	$55,000,000	$57,000,000	$55,000,000	$57,000,000	$60,000,000	$57,000,000	$67,000,000	$67,000,000
Maint. & Oper.	Fleet & Equipment	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Maint. & Oper.	Self-Performed Improvements	$4,000,000	$4,000,000	$4,000,000	$4,500,000	$4,500,000	$4,500,000	$5,000,000	$5,000,000
Pratt	Safe & Welcoming Entrance				$6,760,000				
Roosevelt	Safe & Welcoming Entrance		$5,100,000						
Roosevelt	Building Cooling						$10,000,000	$15,000,000	$15,000,000
Transportation	Facility Improvements					$5,000,000			
Transportation	Fleet Vehicles	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Washburn	Safe & Welcoming Entrance	$5,100,000							
Whittier	Safe & Welcoming Entrance	$10,500,000							
Whittier	Kitchen & Student Dining		$6,300,000						
	Total	$86,200,000	$89,100,000	$89,800,000	$85,588,000	$89,200,000	$91,200,000	$91,700,000	$91,700,000

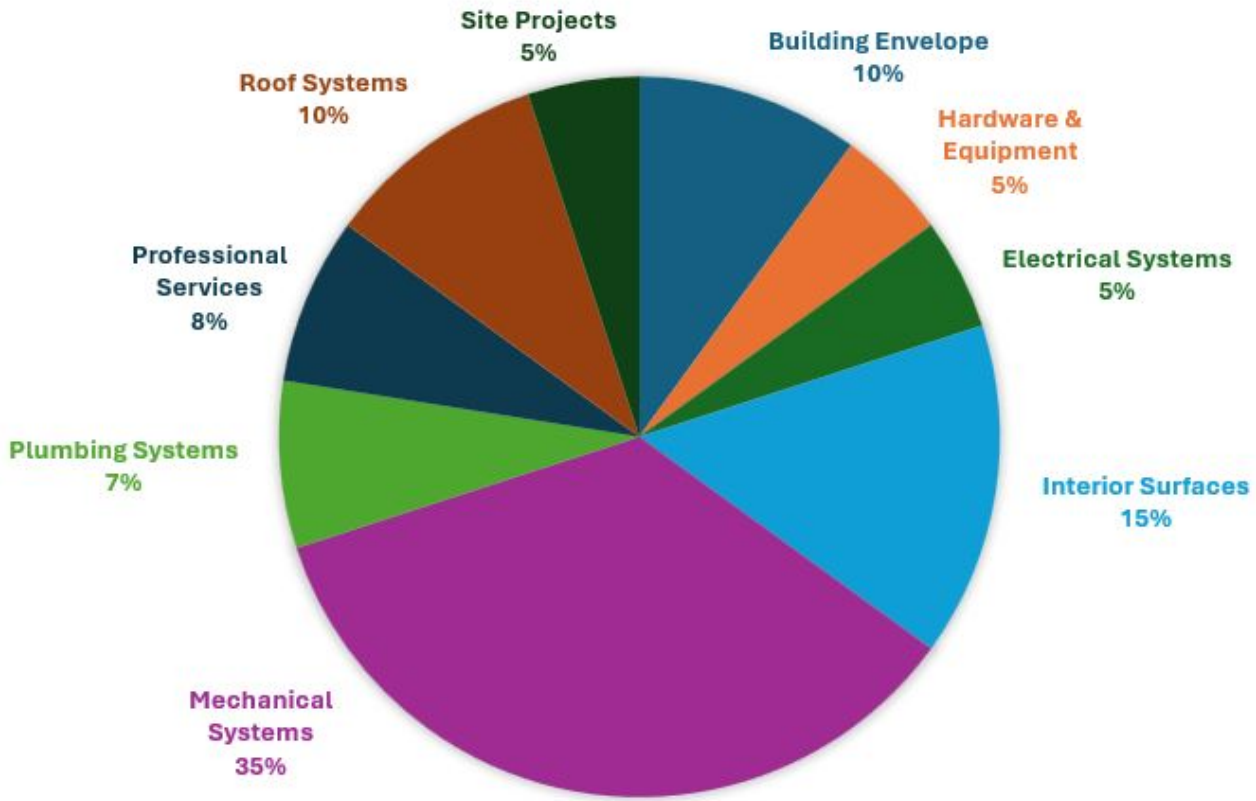
MINNEAPOLIS PUBLIC SCHOOLS

Future Capital Plan FY30 to FY37 Project Distribution



MINNEAPOLIS PUBLIC SCHOOLS

Long-Term Facilities Maintenance Distribution



MINNEAPOLIS PUBLIC SCHOOLS

Student Focus – Remaining Projects

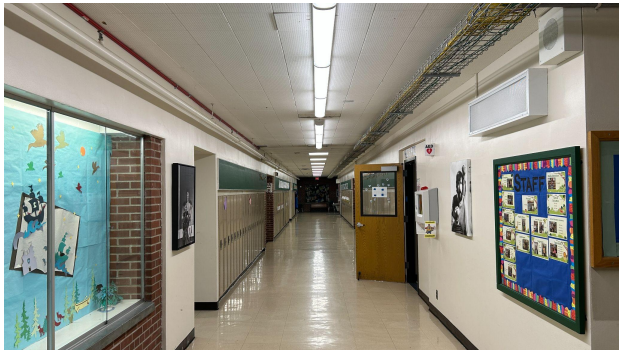
Safe and Welcoming Entrances
Burroughs
Franklin
Hiawatha
Howe
Kenwood
Pratt
Roosevelt
Washburn
Whittier

Building Cooling
Anthony
Anwatin
Field
Kenny
Kenwood
Northrop
Roosevelt

Student Dining
Whittier

Athletic Facilities
Southwest

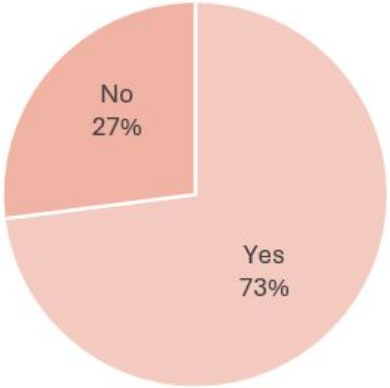




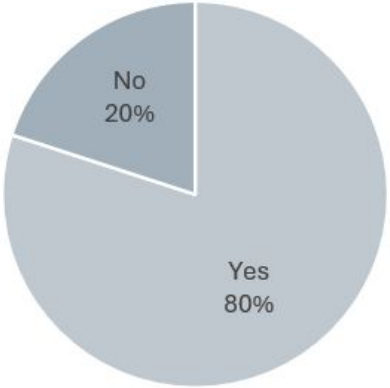
MINNEAPOLIS PUBLIC SCHOOLS

Strategic Focus Areas Progress

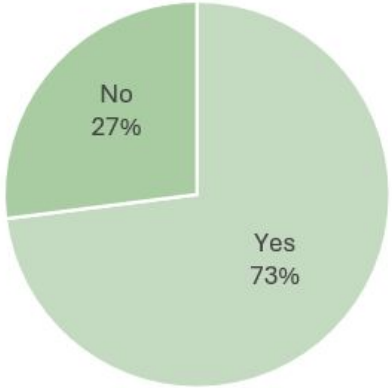
Safe & Welcoming Entrance



Building Cooling



Culinary Kitchen



MINNEAPOLIS PUBLIC SCHOOLS

Strategic Direction / School Transformation

- Anticipate potential for emerging strategic directions over the next several years that may require some capital improvements:
  - School Transformation
  - Continued work for relocation of Anishinabe Academy
    - Full funding for that potential project not included in this plan and would require plan modifications if / when the Board approves Gate Check C
- Though exact work is not determined at this point, we want to preserve bonding capacity and opportunity to fund it when determined by Board action
- If not needed, funding will go towards existing established priorities and fast-tracking other approved projects
- Outputs from Transformation may require additional modifications to the capital plan for FY28 and beyond

Summary

- Board Policy requires a three-year capital plan showing the specific location, improvement and funding as well as a ten-year plan for compliance with Long Term Facilities Maintenance revenue.
- The capital plan aligns to the strategic plan by providing secure and welcoming spaces to maintain the environment for academic achievement, student well being, effective staff and welcoming environments that are safe and well maintained.
- The capital plan's focus is on Safe & Welcoming Entrances, Building Cooling, Athletics and Student Dining Experience
- The plan includes funds for renewal of aging building assets.
- The plan is a roadmap to improvements and can be adjusted from year to year as needed to meet changing strategies and emerging issues.

Stay Connected and Updated



bit.ly/mpsbudget2627

- Visit our FY27 budget webpage
- Read our newsletters: Family Update, MPS Insider and our Community Newsletter
- Attend Board Finance Committee meetings
- Join the MPS Parent Legislative Action Committee
- For questions about school allocations, reach out to the principal
- Email answers@mpls.k12.mn.us

Questions and Discussion

SECTION 1: **ADOPTION** "Policy 4018: Minnesota Paid Leave" of the Minneapolis Public Schools Policies & Regulations is hereby *added* as follows:

A D O P T I O N

Policy 4018: Minnesota Paid Leave*(Added)*

1. **PURPOSE**
   The purpose of this policy is to establish a consistent understanding and administration of Minnesota Paid Leave ("MPL") law benefits, which provide partial wage replacement to eligible employees who take leave for qualifying reasons such as their own serious health condition, family care, bonding, safety leave, or military exigency. It provides guidance on eligibility, notification requirements, coordination with other leave laws, and employee responsibilities before, during, and after leave.
2. **GENERAL STATEMENT OF POLICY**
   The MPL law establishes a state-run insurance program that provides partial wage replacement to eligible employees when they take leave for a qualifying reason. MPL is funded through premiums that are split between employers and employees. Employees can apply for leave from the District and paid benefits from the state, as discussed below, and, if approved, the state will pay employees a portion of their usual wages during their leave as MPL benefits. The state, not the District, determines employees' eligibility to receive paid benefits and the amount of paid benefits that employees receive.
3. **DEFINITION**
   The following terms are fully defined in either the MPL law (Minn. Stat. ch. 268B) or the Minnesota Department of Employment and Economic Development Administrative Rules Regulating Paid Leave (Minn. R. ch. 3317). For employees' convenience, these definitions are summarized below but the full legal definitions apply to the District's administration of MPL:
   a. "MPL year" means the period of 52 calendar weeks beginning the effective date of leave under the MPL law.
   b. "Bonding" means time spent by an employee who is the biological, adoptive, or foster parent with a biological, adopted, or foster child in connection with the child's birth, adoption, or placement.
   c. "Child" includes a biological child, adopted child, foster child, stepchild, child of a domestic partner, or child to whom the employee stands in loco parentis, is a legal guardian, or is a de facto custodian.
   d. A "covered family member" means a spouse or domestic partner, child, parent or legal guardian, sibling, grandchild, grandparent or spouse's grandparent, a son-in-law or daughter-in law, and an individual with whom the employee has a personal relationship that creates an expectation and reliance that the employee care for the individual without compensation, whether or not the employee and individual reside together.

e. "Grandchild" means a child of the employee's child.
f. "Grandparent" means a parent of the employee's parent.
g. "Health care provider" includes an individual who is licensed, certified, or otherwise authorized under law to practice in the individual's scope of practice as a physician, physician assistant, podiatrist, osteopath, surgeon, advanced practice registered nurse, an alcohol and drug counselor, or a mental health professional.
h. "Incapacity" means inability to perform regular work, attend school, or perform regular daily activities due to a serious health condition or treatment or recovery from such condition.
i. "Inpatient care" means an overnight stay in a hospital, hospice, or residential medical care facility, including any period of incapacity, or any subsequent treatment in connection with such inpatient care.
j. "Medical care related to pregnancy" includes prenatal care or incapacity due to pregnancy or recovery from childbirth, stillbirth, miscarriage, or related health conditions.
k. "Military member" means a current or former member of the U.S. armed forces, including a member of the National Guard or reserves, who, except for a deceased military member, is a resident of the state and is a covered family member of the employee.
l. "Qualifying exigency" means a need arising out of a military member's active duty service or notice of an impending call or order to active duty in the U.S. armed forces, including providing for the care or other needs of the covered family member's child or other dependent, making financial or legal arrangements for the covered family member, attending counseling, attending military events or ceremonies, spending time with the covered family member during a rest and recuperation leave or following return from deployment, or making arrangements following the death of a military member.
m. "Safety leave" means leave from work because of domestic abuse, sexual assault, or stalking of the employee or the employee's covered family member, provided the leave is to:
    i. seek medical attention related to the physical or psychological injury or disability caused by domestic abuse, sexual assault, or stalking;
    ii. obtain services from a victim services organization;
    iii. obtain psychological or other counseling;
    iv. seek relocation due to the domestic abuse, sexual assault, or stalking; or
    v. seek legal advice or take legal action, including preparing for or participating in any civil or criminal legal proceeding related, or resulting from, the domestic abuse, sexual assault, or stalking.
n. "Seasonal employee" means an individual who is employed for not more than 150 days during any consecutive 52-week period in hospitality by an employer whose average receipts during any six months of the preceding calendar year were not more than 33% percent of its average receipts for the other six months of such year.

o. "Serious health condition" means a physical or mental illness, injury, impairment, condition, or substance use disorder that involves:
    i. inpatient care in a hospital, hospice, or residential medical care facility, including any period of incapacity; or
    ii. continuing treatment or supervision by a health care provider, which includes any one or more of the following:
        (1) a period of incapacity of seven or more days, and any subsequent treatment or period of incapacity relating to the same condition, that also involves treatment by a health care provider as specified by law;
        (2) a period of incapacity due to medical care related to pregnancy;
        (3) a period of incapacity or treatment for a chronic health condition that:
            (A) requires periodic visits (at least twice a year) for treatment by a health care provider or under orders of or referral by a health care provider;
            (B) continues over an extended period of time; and
            (C) may cause episodic rather than continuing periods of incapacity
        (4) a period of permanent or long-term incapacity due to a condition for which treatment may not be effective and for which the individual is under continuing supervision of a health care provider (though may not be receiving active treatment);
        (5) a period of absence to receive multiple treatments by a health care provider for (1) restorative surgery after an accident or other injury, or (2) a condition that would likely result in a period of incapacity of more than seven calendar days in the absence of medical intervention or treatment.

4. **ELIGIBILITY, LENGTH, AND WAGE REPLACEMENT**
    a. Qualifying Reasons for MPL Leave: An eligible employee may take MPL leave for the following reasons:
        i. their own qualifying serious health condition;
        ii. bonding with their child during the first 12 months after the child's birth, adoption or placement;
        iii. providing care for a covered family member with a qualifying serious health condition;
        iv. safety leave because of domestic abuse, sexual assault, or stalking of the employee or employee's covered family member; or
        v. any qualifying exigency arising from the active-duty service (or notice of an impending call or order to active duty) in the U.S. armed forces of an employee's covered family member.

Except for bonding leave, the period for which an employee is seeking MPL leave must be based on a seven-day qualifying event.

b. Eligibility: To be eligible for leave under the MPL law, an employee must:
   i. have earned at least 5.3% of the statewide average annual wage in the past year;
   ii. have worked 50% or more of the prior year in Minnesota, or, for employees who did not work 50% or more of the year in any one state, live in Minnesota;
   iii. Seasonal employees, as defined below, are not eligible for MPL.

c. Length: An eligible employee may take up to 12 weeks of MPL per MPL leave and benefit year (the "MPL year") for their own serious health condition and up to 12 weeks of MPL per MPL year for bonding, safety leave, family care, and qualifying exigency, except that the total amount of MPL cannot exceed more than 20 weeks in a single MPL year. Employees may take MPL in blocks or intermittently. For leave covered by both the federal Family Medical Leave Act (FMLA) and MPL law, except for bonding leave, intermittent leave may be taken in increments of no less than one hour. For bonding leave, and for MPL family and medical leave not covered by FMLA, intermittent leave may be taken in increments of no less than one calendar day. Leave based on a serious health condition of the employee or a covered family member may be taken intermittently only if such leave is reasonable and appropriate to the needs of the individual with the serious health condition. Employees may take up to no more than 480 hours of intermittent leave in the applicable MPL year

d. Wage Replacement: The wage replacement that an eligible employee will receive during a leave covered under the MPL law are calculated as follows, up to the maximum weekly benefit amount:
   i. 90% of wages that do not exceed 50% of the state average weekly wage; plus
   ii. 66% of wages that exceed 50% of the state's average weekly wage but not 100%; plus
   iii. 55% of wages that exceed 100% of the state average weekly wage.

   Employees may calculate their estimated MPL benefits using this online calculator, which has been established by the Minnesota Department of Employment and Economic Development's ("DEED") Paid Leave Division.

5. **NOTIFICATION REQUIREMENTS**

a. Eligible employees must notify the District in advance of the anticipated timing and duration of MPL leave by making a leave request to the Total Compensation department.

b. If the need for leave is foreseeable, employees must provide the District with at least 30 days' advance notice before the leave is to begin. Foreseeable qualifying events include, for example, an expected birth, placement for adoption or foster care; planned medical treatment for the employee's or

covered family member's serious health condition; or other known military exigency. If an employee does not provide at least 30 days advance notice of foreseeable leave, the District may request that the employee explain the reasons why notice was not practicable.

c. If 30 days advance notice is not practicable for reasons such as a lack of knowledge of approximately when leave will be required to begin, a change in circumstances, or a medical emergency, notice must be given as soon as practicable. As soon as practicable means as soon as both possible and practical, taking into account all of the facts and circumstances in the individual case. When an employee becomes aware of a qualifying event less than 30 days in advance, it should be practicable for the employee to provide notice of the need for leave either the same day or the next business day that the employee recognizes the need for leave, unless the need for leave is based on a medical emergency.
d. The employee must inform the District as soon as practicable if dates of scheduled leave change or are extended or were initially unknown.
e. When an employee takes intermittent MPL, the employee must provide the District with a schedule of needed workdays off as soon as practicable and must make a reasonable effort to schedule the intermittent leave so as not to unduly disrupt the operations of the District.
f. The District may request certification of the reason for leave from the employee consistent with the MPL law, which the employee must provide as soon as practicable.

6. **BENEFITS DURING MPL**

a. Benefits: During MPL, an employee's eligibility status for any group insurance policy or health care plan will not change and the employee may continue their participation in such policy or plan. All employee contributions (if any) must be paid on a timely basis to the District's third-party provider ("Benefit Resource, Inc." or "BRI") in order to maintain the continuous coverage of benefits. Contributions will be at the same level as if the employee was working. Coverage will cease if payments are not made within a thirty-calendar day grace period of the due date. Premium payments or policy coverage are subject to change.
b. Use of Accrued Leave to Supplement PML: An employee who has accrued sick or vacation time and applies for Paid Medical Leave (PML) may use that accrued time to supplement, or "top off," benefits paid by the state. For PML that occurs outside of the employee's regular contract year (such as summer break), supplementation is not permitted. However, winter break, spring break, and other workshop days are eligible for supplementation using accrued leave.

When an employee chooses to supplement PML benefits with accrued sick or vacation time, pension contributions, union dues, and applicable taxes will be deducted. If the employee supplements with short-term disability payments or chooses not to supplement PML benefits, no pension contributions or union

dues will be deducted, and the employee is responsible for contacting TRA or PERA to purchase any applicable pension credits.

c. Disability Benefits and Sick Leave Bank or Donation: An employee who is eligible for both disability benefits and MPL may receive disability insurance payments in addition to MPL benefits. Disability insurance benefits may be offset by MPL benefits paid to employees under the terms of the disability insurance plan.

   For Unions Groups with a "Sick Bank" of donated hours by fellow employees, any sick leave bank hours may only be credited if the applicant falls under the provisions within the contract (i.e., FMLA). Sick bank hours shall not be used to extend any leave of absence outside of the PML or FMLA entitlement.

   The total amount of MPL benefits and vacation and/or sick time will not exceed an employee's usual salary. The use of vacation and/or sick time to supplement MPL benefits does not extend the length of MPL.

d. Time Accrual: Employees will continue to accrue vacation, and/or sick time only for hours paid by the district. Employees will not accrue vacation and/or sick time for any hours paid by the state. Holidays may only be "topped off" if the employee has elected to "top off" the rest of their PML leave.

7. **APPLYING FOR MPL BENEFITS**

   a. Employees who wish to submit an application for MPL benefits must first request leave from Total Compensation and then complete any portion of the MPL paid benefits application form that is designated to be completed by the employee and submit the application for MPL benefits along with any necessary certifications (medical or otherwise) to the state. The District will respond to requests for information about an employee's application for MPL benefits within seven calendar days of the request.

8. **RETURN TO WORK**

   a. Reinstatement: At the conclusion of the leave of absence, an employee who has been employed by the district for ninety (90) or more days is entitled to be returned to the position the employee held when the leave began, or an equivalent position with equivalent benefits, pay and working conditions, provided that the employee returns to work immediately following such leave. For employees who have not completed 90 days of employment, MPL leave is not job-protected, and the District will determine reinstatement based on the circumstances of the employee's leave, the district's needs and other relevant factors.

   b. Early Return: When it is foreseeable, an employee who intends to return to work earlier than anticipated must notify the Total Compensation at least one week prior to the date the employee is able to return. The Total Compensation shall in turn notify the employee's immediate supervisor.

9. **COORDINATION WITH OTHER LEAVES**

   If any employee is eligible for MPL and leave under any other District policy or applicable law, including the federal Family and Medical Leave Act and the Minnesota Pregnancy and Parenting Leave law, the leaves run concurrently unless

prohibited by law and employees will be required to follow notice and documentation obligations under such policies or applicable laws in addition to the steps required for MPL.

10. **EMPLOYMENT RESTRICTIONS DURING MPL**
    a. While on MPL, the employee may not be employed by another employer during the same hours that the employee was normally scheduled to work for the district.

    b. While on MPL for an individuals' own serious health condition, working at other positions (such as summer school, curriculum writing, extended day, extended school year, etc.) is not allowed. While on MPL for care of a family member or bonding leave, working of other positions must be approved, in writing, by the employee's supervisor and Total Compensation, prior to the start of any such position.
11. **RETALIATION PROHIBITED**
    The District will not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against any employee for requesting or obtaining benefits or leave, or for exercising any other right under the MPL law.

Original Adoption:

[Date of adoption]

Legal References:

- Minn. Stat. § 268B (Paid Family and Medical Leave) Minn. Stat. § 181.941 (Pregnancy and Parenting Leave)
- Minn. Stat. § 181.9412 (School Conference and Activities Leave) Minn. Stat. § 181.9413 (Sick Leave Benefits; Care of Relatives)
- Minn. Statutes § 181.9414 (Bone Marrow and Organ Donation Leave) Federal Family and Medical Leave Act (FMLA), 29 U.S.C. § 2601 et seq.

OFFICIAL MINUTES
MINNEAPOLIS BOARD OF EDUCATION (SPECIAL SCHOOL DISTRICT NO. 1)

REGULAR BUSINESS MEETING
March 10, 2026

CALL TO ORDER

In accordance with applicable requirements, notice was provided to each member of the Board of Education and to the public not less than three days prior to the meeting. Board members met in a regular meeting in the assembly room at the John B. Davis Educational Services Center (1250 West Broadway Ave. Minneapolis, MN) on March 10, 2026.

The meeting was called to order at 5:35 p.m. by Chair Beachy, a quorum being present.

ROLL CALL

Present: Directors Abdul Abdi, Sharon El-Amin, Lucie Skjefte, Lori Norvell, Greta Callahan, Kim Ellison, Joyner Emerick, Collin Beachy (8); Ex Officio member Superintendent Dr. Lisa Sayles-Adams (1)

Absent: Director Adriana Cerrillo (1)

Also Present: Student Representatives Boisey Corvah and Zion Webster.

APPROVAL OF AGENDA

Ellison moved to approve the agenda. Abdi seconded the motion. Director Emerick moved to amend the agenda and remove item 6)a.4.g Contract with GardaWorld Security Services from the consent agenda. Director Ellison seconded the motion.

On a roll call vote, the motion to remove item 6)a.4.g Contract with GardaWorld Security Services from the consent agenda was adopted with the following result:

Aye: Abdi, El-Amin, Skjefte, Norvell, Callahan, Ellison, Emerick, Beachy (8)
Nay: (0)
Abstain: (0)
Absent: Cerrillo (1)

On a roll call vote, the amended agenda was adopted with the following result:

DRAFT

Aye: Abdi, El-Amin, Skjefte, Norvell, Callahan, Ellison, Emerick, Beachy (8)
Nay: (0)
Abstain: (0)
Absent: Cerrillo (1)

PUBLIC COMMENTS

Comments were heard from members of the public.

RECESS

A recess was taken.

REPORTS AND RECOMMENDATIONS FROM THE SUPERINTENDENT OF SCHOOLS

Superintendent Dr. Sayles-Adams and staff provided presentations on the following topics:

- Superintendent's Update
- Strategic Plan Update
- 2026-2027 Budget Development Process Update

No action was taken on these informational items.

ACTION ITEMS BY THE BOARD OF EDUCATION

Approval of the Consent Agenda

Abdi moved to approve the consent agenda. Ellison seconded the motion. The consent agenda included the following items:

Acceptance of Minutes

- Feb. 10, 2026 Regular Business Meeting

Human Resources Transactions

- Approval of List A personnel matters (2026-03-ER-A)
- Approval of List B personnel matters (2026-03-ER-B)

Agreements

- Authorizing a lease agreement with Minneapolis Nature Preschool (2026-0021)
- Third Amendment to the Tuttle Purchase Agreement (2026-0023)

Reports

- Radon testing report summary (2025-0026)

Acceptance of Gifts and Donations

DRAFT

- Acceptance of Gifts and Donations March 10, 2026 (2026-0031)

Contracts

- Amendment to contract 4400003178 with CESO
- Contract with Construction Results Corporation (2026-4400003612)
- Contract with Construction Results (2026-4400003616)
- Contract with Culinary Depot (2026-4400003617)
- Amendment to contract with the City of Minneapolis Elections & Voter Services (2026-COM0001489)
- Contract with Davis Mechanical Systems (2026-4400003604)
- Amendment to contract (2026-0000TBD) with the Institute for Environmental Assessment Inc.
- Amendment to Contract (2026-4400003377) with Johnson Litho Printing
- Amendment to contract (4400003403) with PPL-LNAS
- Amendment to contract (4400003329) with PPL- MERC
- Contract with SVL (4400003602)
- Contract with SVL (4400003613)
- Amendment to contract (4400003328) with VOA High School
- Contract with Wendel Architecture, PC (2026-4400003611)
- Contract with Wold Architects and Engineers (4400003605)

On a roll call vote, the motion to approve the consent agenda was adopted with the following result:

Aye: Abdi, El-Amin, Skjefte, Norvell, Callahan, Ellison, Emerick, Beachy (8)
Nay: (0)
Abstain: (0)
Absent: Cerrillo (1)

Approval of item 6)a.4.g Contract with GardaWorld Security Services

Director Ellison moved to table this item for the April business meeting. Abdi seconded the motion.

On a roll call vote, the motion was approved with the following result:

Aye: Abdi, El-Amin, Skjefte, Norvell, Ellison, Emerick, Beachy (7)
Nay: Callahan (1)
Abstain: (0)
Absent: Cerrillo (1)

Approval of the 2025-2027 Collective Bargaining Agreement between Special School District No.1 and Association of Minneapolis District Professional Employees (2026-26)

Abdi moved to approve the 2025-2027 Collective Bargaining Agreement between Special School District No.1 and Association of Minneapolis District Professional Employees. Callahan seconded the motion.

On a roll call vote, the motion was approved with the following result:

Aye: Abdi, El-Amin, Skjefte, Norvell, Callahan, Ellison, Emerick, Beachy (8)
Nay: (0)
Abstain: (0)
Absent: Cerrillo (1)

Approval of the 2025-2027 Collective Bargaining Agreement between Special School District No.1 and the Minneapolis Association of Administrators and Supervisors (2026-0027)

Abdi moved to approve the 2025-2027 Collective Bargaining Agreement between Special School District No.1 and the Minneapolis Association of Administrators and Supervisors. Callahan seconded the motion.

On a roll call vote, the motion was approved with the following result:

Aye: Abdi, El-Amin, Skjefte, Norvell, Callahan, Ellison, Emerick, Beachy (8)
Nay: (0)
Abstain: (0)
Absent: Cerrillo (1)

Approval of the 2025-2027 Collective Bargaining Agreement between Special School District No.1 and Minneapolis Association of Confidential Administrators (202-0028)

Abdi moved to approve the 2025-2027 Collective Bargaining Agreement between Special School District No.1 and Minneapolis Association of Confidential Administrators. Callahan seconded the motion.

On a roll call vote, the motion was approved with the following result:

Aye: Abdi, El-Amin, Skjefte, Norvell, Callahan, Ellison, Emerick, Beachy (8)
Nay: (0)
Abstain: (0)
Absent: Cerrillo (1)

Resolution Approving the 2026-2029 Achievement and Integration Plan (2026-0031)

Ellison moved to approve the Resolution Approving the 2026-2029 Achievement and Integration Plan. Abdi seconded the motion. On a roll call vote, the motion was approved with the following result:

Aye: Abdi, El-Amin, Skjefte, Norvell, Callahan, Ellison, Emerick, Beachy (8)
Nay: (0)
Abstain: (0)
Absent: Cerrillo (1)

Resolution Extending the Reporting Deadline Related to the Transformation Process (2026-0029)

Ellison moved to approve the Resolution Extending the Reporting Deadline Related to the Transformation Process (2026-0029). Abdi seconded the motion. On a roll call vote, the motion was approved with the following result:

Aye: Abdi, El-Amin, Skjefte, Norvell, Callahan, Ellison, Emerick, Beachy (8)
Nay: (0)
Abstain: (0)
Absent: Cerrillo (1)

REPORTS FROM BOARD OF EDUCATION DIRECTORS

The following directors and student representatives provided reports:

- Norvell
- Beachy
- Abdi

ADJOURNMENT

Without objection, Chair Beachy adjourned the meeting at 9:48 p.m.

DRAFT

Secretary Notations:

- Minutes submitted by Nandi Solórzano O'Brien, Assistant Clerk
- Meeting materials: https://meetings.boardbook.org/Public/Agenda/1807?meeting=734373
- Minutes approved: April 14, 2026.

Approvals:

Collin Beachy, Chair

Lori Norvell, Clerk

DRAFT

Request for Board Action (RBA)

Memo

Item Overview

Name:	Human Resources Transactions
Type:	HR Transaction Items
Meeting Date:	03/10/2026
File Number:	2026-04-ER-A, 2026-04-ER-B
Requesting Staff:	Alicia Miller, Senior Human Resources Officer

Background and Pertinent Facts

1. List A includes all hiring actions by the district since the previous board meeting. Effective upon board approval, per dates listed.
2. List B includes all employment separations that require board action since the previous board meeting. Effective upon board approval, per dates listed.

Recommendation

1. Authorize the appropriate board officer(s) or school district administrator(s) to sign all documents necessary to effectuate these agreements.

Attachments and Relevant Links

1. 2026-04-ER-A, 2026-04-ER-B.

Minneapolis Public Schools

List A: All Employees: Tuesday, April 14, 2026

Hiring - Licensed

Marie Metzger	Folwell Elementary	Teacher, Social Worker	3/23/2026

Hiring - Non Licensed

Bilal Addow	Edison High	Special Education Assistant (1:1)	8/28/2025
Edymar Diaz Castro	Las Estrellas Elementary	Associate Educator	4/6/2026
Alton Foster	Engineers, Zone 2	Custodian	3/23/2026
Amir Harris	River Bend Education Center	Special Education Assistant (Program)	2/9/2026
Johnneta Hughes	Marcy Elementary	Associate Educator	3/9/2026
Important Layeni	Engineers, Zone 2	Custodian	2/10/2026
Tyler Martin	Edison High	Special Education Assistant (1:1)	2/23/2026
Robert Peterson	Engineers, Zone 1	Custodian	3/11/2026

Discharges

Licensed

Non-Licensed

School Athletic Director	03-06-2026	2026-04-ER-8278
School Success Program Assistant	03-09-2026	2026-04-ER-7630
Special Education Assistant	03-26-2026	2026-04-ER-8299

Non-Represented

Probationary Separations

Licensed

Teacher	04-17-2026	2026-04-ER-8320
Assistant Principal	04-01-2026	2026-04-ER-8293

Non-Licensed

Food Service Assistant	03-23-2026	2026-04-ER-8408
Special Education Assistant	03-17-2026	2026-04-ER-8382
Special Education Assistant	03-23-2026	2026-04-ER-8392

Staff Reduction, Licensed

Staff Reduction, Non-Licensed

Discontinuance of Contract

Discontinuance of Contract, Licensed,

Discontinuance of Contract, Non-Licensed,

Teacher	03-27-2026	2026-04-ER-8328

Layoffs

Licensed

Non-Licensed

Administrative Contract Non-Renewals

Acceptance of Gifts and Donations

Month Year

Description	Value	Terms/Restrictions	Donor	ID
Cash gift to KBEM	$1,000.00	For KBEM	6 Tuning Pegs	KBEM-192
Cash gift to KBEM	$1,210.00	For KBEM	Celtic Junction Arts Center	KBEM-193
Cash gift to KBEM	$500.00	For KBEM	Dakota Cooks, LLC	KBEM-194
Cash gift to KBEM	$1,254.97	For KBEM	Linnehan Foy Advertising	KBEM-195
Cash gift to KBEM	$1,830.00	For KBEM	Northrup Inc.	KBEM-196
Cash gift to KBEM	$1,030.30	For KBEM	Pure Soap Flake Company	KBEM-197
Cash gift to KBEM	$1,496.00	For KBEM	Solve	KBEM-198
Cash gift to KBEM	$1,015.00	For KBEM	University of Minnesota & Harv	KBEM-199
Cash gift to KBEM	$1,000.00	For KBEM	Anne Chenette	KBEM-200
Cash gift to KBEM	$1,000.00	For KBEM	Lee Cunningham	KBEM-201
Cash gift to KBEM	$515.30	For KBEM	Meg Killian	KBEM-202
Cash gift to KBEM	$2,000.00	For KBEM	Rose Davis	KBEM-203
Cash gift to KBEM	$500.00	For KBEM	Stephen Meyers	KBEM-204
Cash gift to KBEM	$500.00	For KBEM	Wes Kramer	KBEM-205
Cash gift to KBEM	$635.00	For KBEM	Erin Bowley	KBEM-206

Acceptance of Gifts and Donations

Month Year

Cash gift to KBEM	$1,000.00	For KBEM	Ordway	KBEM-207
Cash gift to KBEM	$3,250.00	For KBEM	AMPERS	KBEM-208
Cash gift to KBEM	$500.00	For KBEM	Dakota	KBEM-209
Cash gift to KBEM	$1,200.00	For KBEM	City of Hopkins	KBEM-210
Cash gift to KBEM	$1,000.00	For KBEM	Linda Arlien	KBEM-211
Cash gift to KBEM	$1638.12	For KBEM	Michael Bash	KBEM-192
Cash gift to KBEM	$1,000.00	For KBEM	Brenda Beckman	KBEM-193
Cash gift to KBEM	$500.00	For KBEM	Barbara Benner	KBEM-194
Cash gift to KBEM	$1030.30	For KBEM	Christopher Brown	KBEM-195
Cash gift to KBEM	$500.00	For KBEM	Benjamin Cherryhomes	KBEM-196
Cash gift to KBEM	$1,000.00	For KBEM	Tim Faricy	KBEM-197
Cash gift to KBEM	$1030.30	For KBEM	Rick Graves	KBEM-198
Cash gift to KBEM	$500.00	For KBEM	Gary & Trudy Hanus	KBEM-199
Cash gift to KBEM	$1,000.00	For KBEM	Shane Johnson	KBEM-200
Cash gift to KBEM	$1,000.00	For KBEM	Steven Krikava	KBEM-201
Cash gift to KBEM	$1,500.00	For KBEM	John Lindstrom	KBEM-202
Cash gift to KBEM	$500.00	For KBEM	Jeffrey Messerich	KBEM-203

Acceptance of Gifts and Donations

Month Year

Cash gift to KBEM	$1,380.00	For KBEM	Mark Northrup	KBEM-204
Cash gift to KBEM	$515.30	For KBEM	Amie Penny Sayler	KBEM-205
Cash gift to KBEM	$1,031.25	For KBEM	Alan E. Shapiro	KBEM-206
Cash gift to KBEM	$515.30	For KBEM	Jane Sigford	KBEM-207
Cash gift to KBEM	$500.00	For KBEM	Anthony Tennis	KBEM-208
Cash gift to KBEM	$515.30	For KBEM	Suzanne Weinstein	KBEM-209
Cash gift to KBEM	$1,157.32	For KBEM	John Woodington	KBEM-210
Cash gift to KBEM	$1,000.00	For KBEM	Linda Arlien	KBEM-211
Cash gift to KBEM	$1,638.12	For KBEM	Michael Bash	KBEM-212
Cash gift to KBEM	$1,000.00	For KBEM	Brenda Beckman	KBEM-213
Cash gift to KBEM	$500.00	For KBEM	Barbara Benner	KBEM-214
Cash gift to KBEM	$1030.30	For KBEM	Christopher Brown	KBEM-215
Cash gift to KBEM	$500.00	For KBEM	Benjamin Cherryhomes	KBEM-216
Cash gift to KBEM	$1,000.00	For KBEM	Tim Faricy	KBEM-217
Cash gift to KBEM	$1,030.30	For KBEM	Rick Graves	KBEM-218
Cash gift to KBEM	$500.00	For KBEM	Gary & Trudy Hanus	KBEM-219
Cash gift to KBEM	$1,000.00	For KBEM	Shane Johnson	KBEM-220

Acceptance of Gifts and Donations

Month Year

Cash gift to KBEM	$1,000.00	For KBEM	Steven Krikava	KBEM-221
Cash gift to KBEM	$1,500.00	For KBEM	John Lindstrom	KBEM-222
Cash gift to KBEM	$500.00	For KBEM	Jeffrey Messerich	KBEM-223
Cash gift to KBEM	$1,380.00	For KBEM	Mark Northrup	KBEM-224
Cash gift to KBEM	$515.30	For KBEM	Amie Penny Sayler	KBEM-225
Cash gift to KBEM	$1031.25	For KBEM	Alan E. Shapiro	KBEM-226
Cash gift to KBEM	$515.30	For KBEM	Jane Sigford	KBEM-227
Cash gift to KBEM	$500.00	For KBEM	Anthony Tennis	KBEM-228
Cash gift to KBEM	$515.30	For KBEM	Suzanne Weinstein	KBEM-229
Cash gift to KBEM	$1157.32	For KBEM	John Woodington	KBEM-230
Cash gift to MPS	$10,000.00	Strider Bikes in-kind donation	Free Bikes for Kids	MPS -64
Cash gift to MPS	$20,000.00	Conference meeting chairs in-kind donation	Feagre Drinker Biddle & Reath LLC	MPS-65
Cash gift to MPS	$7,500.00	Book donation - 400 copies of “A Walk to the Store”	Lily Cole	MPS-67
Cash gift to MPS	$1,250.00	Chairs and stools	Green Standards	MPS-68

Acceptance of Gifts and Donations

Month Year

Cash gift to MPS	$648.06	For athletic department	Andrew Kollar	MPS-69
Cash gift to MPS	$2,803.01	For Anthony Middle School Supplies	Anthony Middle School PTA	MPS-70
Cash gift to MPS	$6,712.83	For printing at MPS Document Center	Anthony Middle School PTA	MPS-71
Cash gift to MPS	$682.75	Supplies for Anthony Middle School	American Online Giving Foundation	MPS-72

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Advanced Masonry Restoration
Type:	New Master Contract
Meeting Date:	4/14/2026
Contract Number:	4400003643
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	4/ 14/ 2026 to 12/31/2026
Total Fiscal Obligation:	$303,365.00 ($333,701.50 with 10% construction contingency)
Amendment Amount:	N/A
Funding Sources:	Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This contract is for repairs of the brick facade at Hale School, procured via public bid OP #26-2611.

Recommendation

Authorize the Senior Operations Officer to execute a contract with Advanced Masonry Restoration for repairing the brick facade at Hale School in the amount of $303,365.00. Furthermore, authorize the Senior Operations Officer to administer a 10% construction contingency appropriation of $30,336.50 in the performance of this contract, for a total fiscal obligation of $333,701.50.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Amerigas Propane PL
Type:	Amendment
Meeting Date:	4.14.2026
Contract Number:	4400003228
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	7/1/2025 - 6/30/2026
Total Fiscal Obligation:	$190,000
Amendment Amount:	Increase of $95,000
Funding Sources:	● General fund (100%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. Propane, which is used to fuel many district vehicles, is purchased as funds become available through month end charge backs between departments and funds.
2. The total fiscal obligation is in alignment with previous years' amounts.
3. Contract was originally signed 9/5/2026

Recommendation

Authorize the Senior Operations Officer to execute an amendment to contract 4400003228 with Amerigas Propane PL to increase the contract amount by $95,000, for the term through 6/30/2026. The cumulative contract amount with the amendment is $190,000.

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	ATS&R Architects and Engineers
Type:	Amendment
Meeting Date:	4/14/2026
Contract Number:	4400002780
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	12/10/2024 - 12/31/2026
Total Fiscal Obligation:	$317,677.66 (Original Contract Amount: $297,000)
Amendment Amount:	Increase of $20,677.66
Funding Sources:	Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This Amendment #1 is for Commissioning Services and Additional Architectural and Engineering Services for New Safe & Welcoming Entrance project at Wilder Complex.

2. Original Contract of $297,000 approved at MPS Board Meeting on 12/10/2024

Recommendation

Authorize the Senior Operations Officer to execute an amendment to contract #4400002780 with ATS&R Architects and Engineers to increase the contract amount by $20,677.66, for a term of 12/10/24 to 12/31/2026. The cumulative contract amount with the amendment is $317,677.66.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	BerganKDV LTD
Type:	Amendment
Meeting Date:	4/14/2026
Contract Number:	4400003556
Requesting Staff:	Ryan Strack, Senior Executive Officer
Term:	7/1/2025 to 6/ 30/2026
Total Fiscal Obligation:	$178,230
Amendment Amount:	Increase of $38,200
Funding Sources:	● 100% General Fund
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. School districts are required to have an annual fiscal audit, conducted by a qualified third-party in accordance with certain accounting standards.
2. MPS has contracted with BerganKDV to perform the audit.
3. The original contract has a provision that allows for an additional 25% fee to be added to the estimated base amount if significant time is necessary to complete the audit.

Request for Board Action (RBA)

Contracts Memo

Recommendation

Authorize the Senior Executive Officer to execute an amendment to contract 4400003556 with BerganKDV LTD to increase the contract amount by $38,200, for the term of 7/1/2025 to 6/ 30/2026. The cumulative contract amount with the amendment is $178,230.

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Bille Bus Transportation
Type:	Amendment
Meeting Date:	04/14/2026
Contract Number:	4400003145
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	7/21/2025 to 6/30/2026
Total Fiscal Obligation:	$24,000,000
Amendment Amount:	Increase of $2,300,000
Funding Sources:	• 1001 760.720.000; 760.723.000; 760.728.000 1815 190000007 • General fund (100%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. MPS has a current contract with Bille Bus Transportation. Adding an additional $2,300,000 to contract to cover General Education, Special Education, and Homeless & Highly Mobile routes through 6/30/2026. Cumulative Contract total = $24,0000,000

2. FY26 the Transportation department reduced the number of Contractors so additional routes were given to the Contractors that we stayed with.

3. 4400003145 was Fully signed 7/21/2025

Request for Board Action (RBA)

Contracts Memo

Recommendation

Authorize the Senior Operations Officer to execute an amendment to contract 4400003145 with Bille Bus to increase the contract amount by $2,300,000 for the term through 6/30/2026. The cumulative contract amount with the amendment is $24,000,000.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Construction Results Corporation
Type:	New Master Contract
Meeting Date:	4/14/2026
Contract Number:	4400003683
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	April 14, 2026 - September 27, 2026
Total Fiscal Obligation:	$329,192.00 ($362,111.20 with 10% construction contingency)
Amendment Amount:	N/A
Funding Sources:	● Fund 5027 (Grant Funding) (83%) ● Fund 6 (MPS Contributing Funds) (17%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This contract is for the renovation of the gymnasium at Dowling Elementary School including floor refinishing, painting of the walls, addition of acoustic panels, replacement of the divider curtain, basketball hoops, safety wall mats, drinking water fountains, audio visual equipment and the addition of scoreboards procured via public bid OP #26-2620.

Recommendation

Authorize the Senior Operations Officer to execute a contract with Construction Results Corporation for the renovations of the gymnasium at Dowling Elementary School in the amount of $329,192.00. Furthermore, authorize the Senior Operations Officer to administer a 10% construction

contingency appropriation of $32,919.20 in the performance of this contract, for a total fiscal obligation of $362,111.20.

Request for Board Action

(RBA) Contracts Memo

Item Overview

Vendor Name:	Conscious Discipline Holdings LLC, dba Loving Guidance LLC
Type:	New Master Contract
Meeting Date:	04/14/2026
Contract Number:	2026-4400003621
Requesting Staff:	Melissa Sonnek, Senior Academic Officer
Term:	May 26, 2026 to June 30, 2029
Total Fiscal Obligation:	$123,780.00
Amendment Amount:	n/a
Funding Sources:	● Fund 2004 Community Service Fund: $61,890.00 ● Fund 5023 Federal Pass Thru $61,890.00
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. Training introduces participants to the foundational principles and practices of Conscious Discipline, a research-based approach to social-emotional learning, self-regulation, and classroom management. Participants will learn how Conscious Discipline integrates the Seven Powers for Conscious Adults and the Seven Skills of Discipline to create safe, connected, and cooperative environments for children and adults.

2. Conscious Discipline's on-site coaching model is designed to strengthen the connections within your educational community through a structured and cyclical coaching process. 'Conscious Coaching' offers a robust coaching experience designed to enhance your educational practices through personalized and flexible support. Ideal for educators who have demonstrated a willingness to grow their practice after initial training.

Request for Board Action

(RBA) Contracts Memo

Recommendation

Authorize the Senior Academic Officer to execute a contract with Conscious Discipline Holdings LLC, dba Loving Guidance LLC, for staff development training for a term of 5/26/26 to 10/30/29 for an amount not to exceed $123,780.00

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Curriculum Associates, LLC
Type:	Amendment
Meeting Date:	04/14/2026
Contract Number:	4400003126
Requesting Staff:	Melissa Sonnek, Senior Academic Officer
Term:	07/01/2025 - 06/30/2026
Total Fiscal Obligation:	$505,071.08
Amendment Amount:	Increase of $90,621.08
Funding Sources:	• General Fund (100%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. Original contract section 3.1 Total Obligation and Exhibit A, Scope of Work, amended to include Price Quote ID: 456340.2

2. The transition of a number of our students to Temporary Online Learning, prompted by recent immigration enforcement activities, has resulted in a significantly greater need for curriculum materials than was anticipated when the Board approved the original contract amount. To ensure continuity of high-quality instruction, students selecting the Temporary Online Learning option require access to both print and digital resources equivalent to those used in in-person settings. Meeting this need has required the rapid redistribution of existing materials, which in turn has substantially depleted school-site inventories. The requested contract increase is therefore necessary to provide adequate curriculum materials for online learners while also replenishing

inventory so that all students—regardless of learning environment—continue to receive equitable access to essential instructional resources.

Recommendation

Authorize the Senior Academic Officer, Melissa Sonnek, to execute an amendment to contract 4400003126 with Curriculum Associates, LLC to increase the contract amount by $90,621.08, for the term of 07/01/2025-06/30/2026. The cumulative contract amount with the amendment is $505,071.08.

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Cunningham Group Architecture, Inc
Type:	Amendment
Meeting Date:	4/14/2026
Contract Number:	4400002855
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	3/20/2026 to 12/31/2026
Total Fiscal Obligation:	$420,489.00
Amendment Amount:	Increase of $38,589.00
Funding Sources:	• Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. Amendment to architectural & engineering services contract to add special inspections for the South High School new safe & welcoming project.
2. Special inspections include soil, concrete, structural masonry, structural steel, building enclosure and window testing.

Recommendation

Authorize the Senior Operations Officer to execute an amendment to contract 4400002855 with Cunningham Group Architecture, Inc to increase the contract amount by $38,589.00, for the term of March 20, 2026 to December 31, 2026. The cumulative contract amount with the amendment is $420,489.00.

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Dering Pierson Group LLC
Type:	New Master Contract
Meeting Date:	04/14/2026
Contract Number:	4400003676
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	4/14/2026 - 12/31/2027
Total Fiscal Obligation:	$303,365.00 ($333,701.50 with 10% construction contingency)
Amendment Amount:	NA
Funding Sources:	Fund 6 (100%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This contract is for general construction for renovation of the locker rooms at Camden HS & Washburn HS to accommodate Title IX compliance, procured via public bid OP #26-2618.

Recommendation

Authorize the Senior Operations Officer to execute a contract with Dering Pierson Group LLC for Title IX Locker Room Renovations at Camden High School and Washburn High School, for a term of 4/14/26 to 12/31/27, in the amount of $303,365.00. Furthermore, authorize the Senior Operations Officer to administer a 10% construction contingency appropriation of $30,336.50 in the performance of this contract, for a total fiscal obligation of $333,701.50.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Dimke Excavating Inc.
Type:	New Master Contract
Meeting Date:	4/14/2026
Contract Number:	4400003662
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	April 14, 2026 to June 18, 2027
Total Fiscal Obligation:	$7,478,000 ($8,225,800 with 10% construction contingency)
Amendment Amount:	N/A
Funding Sources:	Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This contract is for the addition of turf field, running track replacement and site and building improvements including water and sanitary sewer services, concession, restrooms and ticket building, and new press box and bleacher upgrades at Camden High School, procured via public bid OP #26-2614.

Recommendation

Authorize the Senior Operations Officer to execute a contract with Dimke Excavating, Inc. for field facility upgrades at Camden High School in the amount of $7,478,000.00. Furthermore, authorize the Senior Operations Officer to administer a 10% construction contingency appropriation of $747,800.00 in the performance of this contract, for a total fiscal obligation of $8,225,800.00.

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Ferndale Market
Type:	Amendment
Meeting Date:	04/14/2026
Contract Number:	4400003086
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	07/01/2025 - 06/30/2026
Total Fiscal Obligation:	$145,000.00
Amendment Amount:	Increase of $20,000
Funding Sources:	• Food Service 2002 (100%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. The vendor supplies fresh and frozen local turkey products for Culinary and Wellness Services (CWS).
2. To meet the program goals of providing healthful, nutritious foods for the students of MPS, this amendment is part of a rebalancing of the initial budget with the actual menu implemented.

Recommendation

Authorize the Senior Operations Officer to execute an amendment to contract 4400003086 with Ferndale Market to increase the contract amount by $20,000.00, for the term of 07/01/2025-06/30/2026. The cumulative contract amount with the amendment is $145,000.00.

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Flagship Recreation
Type:	New Master Contract
Meeting Date:	04/14/2026
Contract Number:	4400003672
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	April 14, 2026 to December 31, 2026
Total Fiscal Obligation:	$149,108.64 ($164,019.50 with 10% construction contingency)
Amendment Amount:	N/A
Funding Sources:	● Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This contract is for the labor required to replace the existing playground at Pillsbury Elementary, procured via a Cooperative Purchasing Venture.

2. The existing playground shows significant signs of wear and tear and should be replaced in accordance with the school district's playground safety program.

3. Due to the potential impact to schedule and costs due to unforeseen conditions or other changes to the work during construction, an amount of 10% of the original contract is prudent to be established as a construction contingency fund.

Request for Board Action (RBA)

Contracts Memo

Recommendation

Authorize the Senior Operations Officer to execute a contract with Flagship Recreation for labor to replace the playground at Pillsbury Elementary in an amount of $149,108.64. Furthermore, authorize the Senior Operations Officer to administer a 10% construction contingency appropriation of $14,910.86 in the performance of this contract, for a total fiscal obligation of $164,019.50.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Flagship Recreation
Type:	New Master Contract
Meeting Date:	04/14/2026
Contract Number:	4400003678
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	March 20, 2026 to December 31, 2026
Total Fiscal Obligation:	$101,885 ($112,073.50 with 10% construction contingency)
Amendment Amount:	N/A
Funding Sources:	• Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This contract is for the labor required to replace the existing playground at Lyndale Elementary, procured via a Cooperative Purchasing Venture.

2. The existing playground shows significant signs of wear and tear and should be replaced in accordance with the school district's playground safety program.

3. Due to the potential impact to schedule and costs due to unforeseen conditions or other changes to the work during construction, an amount of 10% of the original contract is prudent to be established as a construction contingency fund.

Recommendation

Authorize the Senior Operations Officer to execute a contract with Flagship Recreation for labor to replace the playground at Lyndale Elementary in an amount of $101,885.00. Furthermore, authorize the Senior Operations Officer to administer a 10% construction contingency appropriation of $10,188.50 in the performance of this contract, for a total fiscal obligation of $112,073.50.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Flagship Recreation
Type:	New Master Contract
Meeting Date:	04/14/2026
Contract Number:	4400003674
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	March 20, 2026 to December 31, 2026
Total Fiscal Obligation:	$183,960.48 ($202,356.53 with 10% construction contingency)
Amendment Amount:	N/A
Funding Sources:	• Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This contract is for the labor required to replace the existing playground at the Sullivan STEAM School & Anishinabe Academy, procured via a Cooperative Purchasing Venture.

2. The existing playground shows significant signs of wear and tear and should be replaced in accordance with the school district's playground safety program.

3. Due to the potential impact to schedule and costs due to unforeseen conditions or other changes to the work during construction, an amount of 10% of the original contract is prudent to be established as a construction contingency fund.

Recommendation

Authorize the Senior Operations Officer to execute a contract with Flagship Recreation for the labor to replace the playground at the Sullivan STEAM School and Anishinabe Academy in an amount of $183,960.48. Furthermore, authorize the Senior Operations Officer to administer a 10% construction contingency appropriation of $18,396.05 in the performance of this contract, for a total fiscal obligation of $202,356.53.

Request for Board Action (RBA)

Contracts Memo Frontier Transportation

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Frontier Transportation
Type:	Amendment
Meeting Date:	4/14/2026
Contract Number:	4400003146
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	6/26/25 - 6/30/2026
Total Fiscal Obligation:	$2,700,268
Amendment Amount:	Increase of $700,000
Funding Sources:	● General fund (100%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. MPS has a current contract with Frontier Transportation. Adding an additional $700,000 to contract to cover Special Education and Homeless and Highly Mobile routes through 6/30/2026. Cumulative Contract total will be $2,700,268
2. The amendment is within the department budget and expense neutral, as there are corresponding reductions in other vendors' allocations / contracts in FY26 from when initial budget allocations occurred.
3. Original Contract (4400003146) was executed 6/26/2025

Recommendation

Authorize the Senior Operations Officer to execute an amendment to contract 4400003146 with Frontier Transportation to increase the contract amount by

$700,000 for the term of 6/26/25 to 6/30/2026. The cumulative contract amount with the amendment is $2,700,268.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	GardaWorld Security Services
Type:	Amendment
Meeting Date:	4/14/2026
Contract Number:	4400003101
Requesting Staff:	Ty Thompson, Deputy Superintendent
Term:	February 1, 2026 to June 30, 2026
Total Fiscal Obligation:	$176,655.07
Amendment Amount:	Increase of $30,000.00
Funding Sources:	● General fund (100%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. MPS has contracted with GardaWorld Security Services for Davis Center security and front desk attendant services.
2. MPS does not plan to renew or extend the contract after the current contract expiries on June 30, 2026.
3. The current contract was originally approved in June 2025.
4. During the review of projected expenses for the period of February 1, 2026, through June 30, 2026, GardaWorld identified a shortfall totaling $30,000 caused by several cost factors that were not fully captured in the initial estimate/contract amount.

5. An amendment is necessary to continue the services through the contract term period and allow MPS staff to be hired, trained, and on-boarded to fulfill these services beginning July 1, 2026.

Recommendation

Authorize the Deputy Superintendent to execute an amendment to increase the value of contract 4400003101 with Gardaworld Security by up to $30,000 for security services, for a term of 2/1/2026 to 6/30/2026. The total amount of the contract with the amendment is $176,655.07.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Greiner Construction, Inc.
Type:	New Master Contract
Meeting Date:	04/14/2026
Contract Number:	4400003669
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	04/14/2026-10/31/2027
Total Fiscal Obligation:	$652,530 ($717,783 with 10% construction contingency)
Amendment Amount:	N/A
Funding Sources:	• Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. Contract to furnish all labor, materials, equipment, and incidentals to complete work for FY26 Multi-Site Flooring Replacement project. Procured via public bid OP#26-2619.

2. MPS flooring replacement sites include Hale, Ella Baker, Lucy Laney, Waite Park, Nellie Stone Johnson, Jenny Lind, and Kenny.

Recommendation

Authorize the Senior Operations Officer to execute a contract with Greiner Construction, Inc. for construction services at multiple school sites, in the amount of $652,530. Furthermore, authorize the Senior Operations Officer to administer a 10% construction contingency appropriation of $65,253 in the performance of this contract, for a total fiscal obligation of $717,783.

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Jamf Software, LLC
Type:	Amendment
Meeting Date:	4/14/2026
Contract Number:	4400002448
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	7/1/2024 -12/30/2026
Total Fiscal Obligation:	$419,229.45 (Original contract: $174,030.00)
Amendment Amount:	Increase of $245,199.45
Funding Sources:	● Fund 1097 (100%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This amendment extends the contract amount and duration for the software that manages our district Apple devices through 12/30/2026.
2. This software has been in use by the district since 2019.

Recommendation

Authorize the Senior Operations Officer to execute an amendment to contract 4400002448 with Jamf Software LLC, to increase the contract amount by $245,199.45 for the term of 7/1/2024 to 12/30/2026. The cumulative contract amount with the amendment is $419,229.45.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Landscape Structures, Inc.
Type:	New Master Contract
Meeting Date:	04/14/2026
Contract Number:	4400003679
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	3/20/2026 to 12/31/2026
Total Fiscal Obligation:	$165,845.79
Amendment Amount:	N/A
Funding Sources:	• Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This contract is for the equipment to replace the existing playground at Pillsbury Elementary, procured via a Cooperative Purchasing Venture.

2. The existing playground shows significant signs of wear and tear and should be replaced in accordance with the school district's playground safety program

Recommendation

Authorize the Senior Operations Officer to execute a contract with Landscape Structures, Inc. for the equipment to replace the playground at Pillsbury Elementary for a term of 3/20/2026 to 12/31/2026 in an amount not to exceed $165,845.79.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Landscape Structures, Inc.
Type:	New Master Contract
Meeting Date:	04/14/2026
Contract Number:	4400003681
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	4/14/2026 to 12/31/2026
Total Fiscal Obligation:	$105,025.51
Amendment Amount:	N/A
Funding Sources:	• Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This contract is for the equipment to replace the existing playground at the Sullivan STEAM School & Anishinabe Academy, procured via a Cooperative Purchasing Venture.

2. The existing playground shows significant signs of wear and tear and should be replaced in accordance with the school district's playground safety program.

Recommendation

Authorize the Senior Operations Officer to execute a contract with Landscape Structures, Inc. for a term of 4/14/2026 to 12/31/2026 for equipment to replace the playground at Sullivan STEAM School and Anishinabe Academy in an amount not to exceed $105,025.51.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Landscape Structures, Inc.
Type:	New Master Contract
Meeting Date:	04/14/2026
Contract Number:	4400003680
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	3/20/2026 to 12/31/2026
Total Fiscal Obligation:	$204,953.15
Amendment Amount:	N/A
Funding Sources:	• Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This contract is for the equipment to replace the existing playground at Lyndale Elementary, procured via a Cooperative Purchasing Venture.

2. The existing playground shows significant signs of wear and tear and should be replaced in accordance with the school district's playground safety program.

Recommendation

Authorize the Senior Operations Officer to execute a contract with Landscape Structures, Inc. for the equipment to replace the playground at Lyndale Elementary for the term of 3/20/26 to 12/31/26 for an amount not to exceed $204,953.15.

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Morcon Construction Company
Type:	Amendment
Meeting Date:	4/14/2026
Contract Number:	4400003044
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	5/13/2025 to 6/30/2026
Total Fiscal Obligation:	$291,798.73
Amendment Amount:	Increase of $8,303.10
Funding Sources:	Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This is the 5th amendment to the original contract.
2. Work entails additional interior patching required under the concrete stairs at Justice Page Middle School. The work was completed October 2025 and this is the final change for closeout.

Recommendation

Authorize the Senior Operations Officer to execute an amendment to contract 4400003044 with Morcon Construction Company to increase the contract amount by $8,303.10, for the term of 5/13/2025 to 6/30/2026. The cumulative contract amount with the amendment is $291,798.73.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Morcon Construction Co., Inc.
Type:	New Master Contract
Meeting Date:	04/14/2026
Contract Number:	4400003675
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	04/15/2026-10/31/2027
Total Fiscal Obligation:	$3,716,117 ($4,087,728 with 10% construction contingency)
Amendment Amount:	N/A
Funding Sources:	• Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. Contract to furnish all labor, materials, equipment, and incidentals to complete work for FY26 MPS and MPRB Fastpitch Softball Facilities Improvements project. Procured via public bid OP#26-2615.
2. Signed Property Lease and Use Agreement (February 23, 2026) between MPS and Minneapolis Park and Recreation Board (MPRB)
3. Amendment #1 to the Property Lease and Use Agreement, for MPRB financial contribution to the project

Recommendation

Authorize the Senior Operations Officer to execute a contract with Morcon Construction Co., Inc. for construction services, at multiple fastpitch softball sites, in the amount of $3,716,117. Furthermore, authorize the Senior Operations Officer to administer a 10% construction contingency appropriation of $371,611 in the performance of this contract, for a total fiscal obligation of $4,087,728.

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Rift Valley Transportation
Type:	Amendment
Meeting Date:	04/14/2026
Contract Number:	4400003150
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	6/26/2025 to 6/30/2026
Total Fiscal Obligation:	$3,939,541
Amendment Amount:	Increase of $1,250,000
Funding Sources:	• General fund (100%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. MPS has a current contract with Rift Valley Transportation. Adding an additional $1,250,000 to contract to cover Special Education and Homeless and Highly Mobile routes through 6/30/2026. Cumulative Contract total of $3,939,541
2. The amendment is within the department budget and expense neutral, as there are corresponding reductions in other vendors' allocations/contracts in FY26 from when initial budget allocations occurred.
3. Original Contract (4400003150) was executed 6/26/2025

Recommendation

Request for Board Action (RBA)

Contracts Memo

Authorize the Senior Operations Officer to execute an amendment to contract 4400003150 with Rift Valley Transportation to increase the contract amount by $1,250,000 for the term of 6/26/2025 to 6/30/2026. The cumulative contract amount with the amendment will be $3,939,541.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	SVL
Type:	New Master Contract
Meeting Date:	4/14/2026
Contract Number:	4400003670
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	4/14/2026 -12/31/2026
Total Fiscal Obligation:	$179,491.00
Amendment Amount:	N/A
Funding Sources:	• Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. Mechanical systems construction project as part of our Long Term Facilities Maintenance program, procured OMNIA Cooperative Purchasing Venture #R240901.
2. Scope includes the renewal of rooftop air handling units at Dowling and associated work.

Recommendation

Authorize the Senior Officer of Operations to execute a contract with SVL for renewing the rooftop air handling units at Dowling and associated work, for a term of 4/14/2026 to 12/31/2026, for an amount not to exceed $179,491.00.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	SVL
Type:	New Master Contract
Meeting Date:	4/14/2026
Contract Number:	4400003673
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	4/14/2026 - 6/30/2028
Total Fiscal Obligation:	$247,709.00
Amendment Amount:	N/A
Funding Sources:	● 100% Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. Mechanical systems construction project as part of our Long Term Facilities Maintenance program, procured OMNIA Cooperative Purchasing Venture #R240901.

2. Scope includes fully replacing air handler units AHU-S07-16683 & AHU-S09-16683 at Roosevelt High School, and associated work.

Recommendation

Authorize the Senior Operations Officer to execute a contract with SVL for the replacement of air handler units and associated work at Roosevelt High School, for a term of 4/ 14/2026 to 6/30/2028, for an amount not to exceed $247,709.00.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	SVL
Type:	New Master Contract
Meeting Date:	4/14/2026
Contract Number:	4400003671
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	4/14/2026 to 12/31/2028
Total Fiscal Obligation:	$244,713.00
Amendment Amount:	N/A
Funding Sources:	• Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. Mechanical systems construction project as part of our Long Term Facilities Maintenance program, procured via OMNIA Cooperative Purchasing Venture #R240901.
2. Scope includes the replacing of ventilation system components and associated work at Roosevelt High School.

Recommendation

Authorize the Senior Officer of Operations to execute a contract with SVL for renewing ventilation system components and associated work at Roosevelt High School, for a term of 4/14/2026 to 12/31/2028, for an amount not to exceed $244,713.00.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Teaching Strategies, LLC
Type:	New Master Contract
Meeting Date:	04/14/2026
Contract Number:	4400003667
Requesting Staff:	Melissa Sonnek, Senior Academic Officer
Term:	05/26/2026 - 06/30/2029
Total Fiscal Obligation:	$106,966.10
Amendment Amount:	N/A
Funding Sources:	Community Service Fund 2004 (100%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. Preschool Foundational Literacy Curriculum to include 70 Kickstart Literacy Curriculum Bundles, Professional Development and ongoing coaching and access to support.
2. This service was procured through the request for proposal process number RFP26-13.

Recommendation

Authorize the Senior Academic Officer to execute a contract with Teaching Strategies, LLC for Preschool Foundational Literacy Curriculum, for a term of 05/26/2026 through 06/30/2029, for an amount not to exceed $106,966.10.

Request for Board Action (RBA)

Contracts Memo

Item Overview

Vendor Name:	Titan Environmental
Type:	New Master Contract
Meeting Date:	4/14/2026
Contract Number:	44400003550
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	4/14/2026 to 12/31/2028
Total Fiscal Obligation:	Not-to-Exceed $300,000
Amendment Amount:	N/A
Funding Sources:	• Fund 6 (100%)
Contract Template:	MPS

Summary of Services, Purpose, and Terms

Projects associated with this contract consist of asbestos abatement services for maintenance and construction projects throughout the district. All work performed under this contract is done so on a time-and-materials basis.

Recommendation

Authorize the Senior Operations Officer to execute a contract with Titan Environmental for Asbestos Abatement Services, for a term of 4/14/2026 to 12/31/2028, for an amount not to exceed $300,000.

Request for Board Action (RBA)

Contracts Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Vendor Name:	Warshaw Group, DBA Intellis Labs
Type:	Amendment
Meeting Date:	4/14/2026
Contract Number:	4400003677
Requesting Staff:	Tom Parent, Senior Operations Officer
Term:	March 1, 2024 - June 30, 2026
Total Fiscal Obligation:	$518,350.00
Amendment Amount:	$172,250.00
Funding Sources:	Fund 6
Contract Template:	MPS

Summary of Services, Purpose, and Terms

1. This contract is for implementation of a digital capital planning system that will analyze data collected from the 2025 district-wide facilities condition assessment and other inputs in order to provide detailed project plan scenarios to be considered as part of the District's annual capital plan.

Recommendation

Authorize the Senior Operations Officer to execute an amendment to contract MAS-14384 with Intellis Labs to increase the contract amount by $172,250.00, for the term of 3/1/2024 - 6/30/2026. The cumulative contract amount with the amendment is $518,350.00.

Request for Board Action (RBA)

Memo

Item Overview

Name:	Recommendation for the Approval of Girls' Flag Football for MSHSL Emerging Status
Type:	Authorization
Meeting Date:	04/14/2026
File Number:	2026-0033
Requesting Staff:	Ty Thompson, Deputy Superintendent

Background and Pertinent Facts

1. Emerging Status School Commitment Forms
    a. Camden High School
    b. Edison High School
    c. North Community High SChool
    d. Roosevelt High School
    e. South High School
    f. Southwest High School
    g. Washburn High School
2. To qualify for Emerging Status, an activity must demonstrate a sustained foundation of at least 20 school-based teams (limited to one per member high school or co-op) competing for two consecutive years. Additionally, the application must be supported by 20 formal commitment forms, verifying each team's intent to register with the MSHSL once status is granted.

3. Include summary of related prior board action - This initiative follows the precedent set by Boys Volleyball, which transitioned from 'Emerging Status' to a fully sanctioned MSHSL sport in the spring of 2025. This prior board action provides a framework for the current expansion of Girls Flag Football.

4. Note things like fiscal impact, etc. - The introduction of Girls Flag Football carries significant implications for both district finances and gender equity compliance. Per our current agreement with the Minnesota Vikings, MPS is committed to assuming full financial responsibility for the program effective the 2027-2028 school year. Furthermore, this initiative serves as a strategic move toward satisfying Title IX 'prong two' requirements regarding substantial proportionality.

Recommendation

MPS Athletic Office recommends that MPS designates Girls Flag Football as an "Emerging Status" sport within the Minnesota State High School League (MSHSL). This move aims to increase athletic equity and capitalize on the sport's rapid national growth.

Attachments and Relevant Links

a. Camden High School
b. Edison High School
c. North Community High School
d. Roosevelt High School
e. South High School
f. Southwest High School
g. Washburn High School
h. Minneapolis Public School District Girls Flag Football Grant Letter (2026)

Request for Board Action (RBA)

Memo

MINNEAPOLIS PUBLIC SCHOOLS

Item Overview

Name:	Amendment to 2026 Softball Field Lease Agreement Between MPS and MPRB
Type:	Lease Amendment
Meeting Date:	04/14/2026
File Number:	Entered by Board office staff
Requesting Staff:	Tom Parent, Senior Operations Officer

Background and Pertinent Facts

1. MPS and MPRB (Minneapolis Park and Recreation Board) have the approved 2026 Softball Field Lease Agreement Between MPS and MPRB. The parties entered into this lease agreement dated February 23rd, 2026.
2. The lease agreement is for softball facilities improvements and usage at Creekview Park, Jackson Square Park, and Todd Park between MPS and MPRB.
3. The term of the current lease expires February 1, 2046. The date is twenty years after the placed-in service date of the improvements included in the lease, which represents the useful life of the improvements.
4. This amendment will allow MPRB to transfer funds to MPS for the FY26 Joint MPS and MPRB Softball Facilities Improvements Project. OP 26-2615.
5. MPRB has approved lease amendment #1, Resolution 2026-52, to transfer funds to MPS for the softball field improvements. This request is for MPS to approve the same lease amendment #1.
6. All other terms of the lease shall remain unchanged.

Recommendation

Authorize the Senior Operations Officer to approve amendment #1 to the 2026 Softball Field Lease Agreement between Minneapolis Park and Recreation Board (landlord) and Special School District No. 1 (tenant).

Attachments and Relevant Links

1. Signed lease agreement (February 23, 2026) 2026 Softball Field Lease Agreement Between MPS and MPRB
2. MPRB signed, lease amendment resolution 2026-52 (March 20, 2026)
3. Lease Amendment #1

MINNEAPOLIS PARK AND RECREATION BOARD

AN ACTION, RESOLUTION OR ORDINANCE

In accordance with Article VI, Section 6.2(j), of the City Charter, there is herewith submitted to you, the Mayor of the City of Minneapolis, an action, resolution or ordinance adopted by the Minneapolis Park and Recreation Board which you may approve by affixing your signature herein below or if you disapprove of same to return to the Board, with your objection thereto, by depositing the same with the Secretary of the Board to be presented to the Board at their next meeting where the question of its passage will be put again before the Board.

XI.4. Resolution 2026-52

RESOLUTION APPROVING AMENDMENT #1 TO THE PROPERTY LEASE AND USE AGREEMENT FOR SOFTBALL FIELD IMPROVEMENTS BETWEEN MINNEAPOLIS PUBLIC SCHOOLS AND THE MINNEAPOLIS PARK AND RECREATION BOARD AT CREEKVIEW PARK, JACKSON SQUARE PARK, AND TODD PARK

PASSED March 18, 2026

Secretary of the Board

☑ APPROVED ☐ VETOED

Mayor

Offered by: Amber Frederick

Seconded by: Jason Garcia

Resolution 2026-52

RESOLUTION APPROVING AMENDMENT #1 TO THE PROPERTY LEASE AND USE AGREEMENT FOR SOFTBALL FIELD IMPROVEMENTS BETWEEN MINNEAPOLIS PUBLIC SCHOOLS AND THE MINNEAPOLIS PARK AND RECREATION BOARD AT CREEKVIEW PARK, JACKSON SQUARE PARK, AND TODD PARK

Whereas, The Minneapolis Park and Recreation Board (MPRB) was created by the Minnesota Legislature in April 1883 and has authority to manage and operate park facilities;

Whereas, MPRB approved the long range vision plans for the North Service Area, Northeast Service Area, and South Service Area which envisions softball field improvements at Creekview Park, Jackson Square Park, and Todd Park;

Whereas, Under a Property Lease and Use Agreement, approved by the Board of Commissioners under Resolution 2025-286 on December 10, 2025, the Minneapolis Public Schools (School District) will construct softball field improvements at Creekview Park, Jackson Square Park, and Todd Park (Project);

Whereas, An amendment to the Property Lease and Use Agreement is necessary to address reimbursement, additional improvements, and insurance;

Whereas, This resolution is supported by Parks for All, the MPRB Comprehensive Plan 2021-2036, under Goal 4: "Work from our strengths and determine our role in partnerships."

RESOLVED, That the Board of Commissioners approves Amendment #1 to the Property Lease and Use Agreement between the Minneapolis Public Schools and the Minneapolis Park and Recreation Board for softball field improvements between Minneapolis Public Schools and the Minneapolis Park and Recreation Board at Creekview Park, Jackson Square Park, and Todd Park; and

RESOLVED, That the President of the Board and Secretary to the Board are authorized to take all necessary actions to implement this resolution.

Adopted by the Minneapolis Park and Recreation Board
In formal meeting assembled on March 18, 2026

Commissioner	Aye	Nay	Abstain	Absent
Abene	X			
Carvajal Moran	X			
Deshpande	X			
Engelhart	X			
Forney				X
Frederick	X			
Garcia	X			
Olsen	X			
Rucker	X			

Tom Olsen, President

Jennifer B. Ringold, Secretary

Mayor Action:

☑ APPROVED ☐ VETOED

Jacob Frey, Mayor

MAR 20 2026

Date

Amendment #1 to the Property Lease and Use Agreement

This AMENDMENT #1 to the Property Lease and Use Agreement (this "Amendment") made this _____ day of _____, 2026, by and between the CITY OF MINNEAPOLIS, ACTING BY AND THROUGH ITS PARK AND RECREATION BOARD, a body corporate and politic under the laws of the State of Minnesota (the "Park Board") and SPECIAL SCHOOL DISTRICT NO.1, a statutorily created political subdivision created and existing under the laws of the State of Minnesota (the "School District") (collectively, the "Parties").

RECITALS

(A) The Parties entered in a certain Property Lease and Use Agreement, dated _____, under which the School District would implement improvements to existing diamond sports fields at Jackson Square Park, Creekview Park, and Todd Park, all properties owned by and under the jurisdiction of the Park Board, with such improvements directed to the creation of fields supporting high school fast pitch softball.
(B) Under the Property Lease and Use Agreement, the School District would design, engineer, and cause to be constructed certain improvements enumerated and described in the Property and Use Agreement at its cost (the "Originally Planned Improvements").
(C) The Park Board has agreed to contribute certain amounts for the costs of the Originally Planned Improvements.
(D) The Park Board has recognized the need to make improvements beyond those enumerated and described in the Property Lease and Use Agreement (the "Additional Improvements").
(E) The Park Board will reimburse the School District for the costs of certain of the Originally Planned Improvements enumerated in the Property Lease and Use Agreement and the costs of the Additional Improvements.
(F) The Parties have recognized the need to address items not included in the Property Lease and Use Agreement to ensure clarity, responsibility, and continued progress in implementation of the Originally Planned Improvements and the Additional Improvements.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Parties agree as follows:

Section 1. RECITALS; DEFINED TERMS

The foregoing Recitals are true and correct and hereby incorporated herein by this reference. All capitalized terms used herein and not otherwise defined herein shall have the meaning assigned such terms in the Property Lease and Use Agreement.

Section 2. AMENDED PROVISIONS

The following provisions are amended through this AMENDMENT #1 and made a part of the Property Lease and Use Agreement:

(A) DEFINED TERMS. The term "Improvements" is hereby amended to include improvements to the Facilities financed with proceeds of the Bonds and improvements paid for by the Park Board pursuant to this AMENDMENT #1.

(B) PAYMENTS BY THE PARK BOARD TO THE SCHOOL DISTRICT. For the work enumerated under the Property Use and Lease Agreement attributable to the Park Board (see Exhibit E of the Property Use and Lease Agreement for a description of such Originally Planned Improvements), the Park Board agrees, pursuant to Section 8(D)(ii) of the Property Use and Lease Agreement, to reimburse the School District for its costs associated with that work based on invoicing submitted by the School District to the Park Board. Invoices may be submitted incrementally based on work documented to be proper, suitable, and complete. Invoices shall be paid within thirty (30) days of receipt of an invoice determined by the Park Board to be true and correct.

The reimbursement by the Park Board to the School District for that work enumerated in the Property Use and Lease Agreement shall not be more than $455,691.00 (based on bids received by the School District for the work), which amount shall include the costs of design, engineering, and project administration.

For the avoidance of doubt, this AMENDMENT #1 is intended to further amend the Property Use and Lease Agreement to the extent that it provides that all costs of the Improvements are the responsibility of the School District (see, for example, Section 3 and Section 8(D)(v)).

(C) PROJECT FUND AND BONDS. Section 8(D)(i) is amended to clarify that the Project Fund established by the School District will be used to pay costs of the School District's portion of the costs of the Improvements. Amounts reimbursed to the School District by the Park Board will not be accounted for in the Project Fund. The District shall not pay from the Project Fund any costs of the Improvements for which it expects Park Board reimbursement.

(D) ADDITIONAL IMPROVEMENTS. The Park Board desires that certain improvements not part of the Originally Planned Improvements (the "Additional Improvements") be made a part of the Improvements, and the School District is willing to incorporate such Additional Work into the Improvements. A general description of the Additional improvements includes:

At Todd Park, the following Additional Improvements shall be performed:
JV Softball Chain Link Backstop, furnished and installed according to standards of the Park Board and located as directed by the Park Board.
Such Additional Improvements shall conform to specific requirements as provided to the School District by the Park Board.

For the Additional Improvements, the Park Board agrees to reimburse the School District for its costs associated with the Additional Improvements based on invoicing submitted by the School Distirct to the Park Board. Invoices may be submitted incrementally based on work documented to be proper, suitable, and complete. Invoices shall be paid within thirty (30) days of receipt of an invoice determined by the Park Board to be true and correct.

The Park Board shall contribute not more than $39,398.00 for costs associated with the Additional Improvements (based on bids received by the School District for the work), with such contribution to address costs including materials, labor, and other amounts due to project managers (whether or not employed by the School District) and to third parties, including but not limited to contractors, engineers, designers.

(E) INSURANCE. The Parties agree to amend Section 8(C)(4) to provide that any contract let by the School District and/or the Park Board for the performance of any of the work included hereunder shall include clauses that will require the contractor to:

a. Indemnify and hold the School District and the Park Board, their commissioners, officers, agents and employees harmless from any liability, claim, demand, judgments, expenses, action or cause of action of any kind or character arising out of any act or omission of the contractor, its officers, employees, agents or subcontractors;
b. Be an independent contractor for the purposes of completing the work provided for in the Property Use and Lease Agreement; and
c. Provide and maintain the following insurance so as to assure the performance of its indemnification and hold harmless obligation:

	Limits
(1) Commercial General Liability on an occurrence Basis with contractual liability coverage:	
General Aggregate	$2,000,000
Products - Completed Operations Aggregate	$2,000,000
Personal and Advertising Injury	$1,500,000
Each Occurrence - Combined Bodily Injury and Property Damage	$1,500,000

The School District and the Park Board, respectively, shall be named as additional insured for the Commercial General Liability coverage with respect to operations covered under the Property Use and Lease Agreement by their respective contractors.

(2) Automobile Liability: Combined Single limit each occurrence coverage or the equivalent covering owned, non-owned, and hired automobiles	$1,500,000

(3) Workers' Compensation and employer's Liability: Workers' Compensation:	Statutory

If the contractor is based outside the State of Minnesota, coverage must apply to Minnesota laws.

Employer's Liability. Bodily injury by:	
Accident – Each Accident	$500,000
Disease – Policy Limit	$500,000
Disease - Each Employee	$500,000

(4) Professional Liability – Per Claim and Aggregate: $2,000,000

The above listed Professional Liability insurance will not be required in any construction contract let by the School District and/or the Park Board if the contractors are not required to perform design engineering as part of the construction contract.

An umbrella or excess policy over primary liability coverages is an acceptable method to provide the required insurance limits.

The above subparagraphs establish minimum insurance requirements. It is the sole responsibility of the contractors to determine the need for and to procure additional insurance which may be needed in connection with the Improvements.

All insurance policies shall be open to inspection by the School District and the Park Board, and copies of policies shall be submitted to the School District and the Park Board upon written request.

Section 4. ENTIRE AGREEMENT

No terms of the Property Lease and Use Agreement are added, deleted, or otherwise modified unless so indicated in this AMENDMENT #1. Except as otherwise provided herein, this AMENDMENT #1 constitutes the entire agreement between the Parties with respect to the subject matter hereof, and there are no other representations, warranties, or agreements except as herein provided.

IN WITNESS WHEREOF, the School District and the Park Board have executed this AMENDMENT #1 by the signatures below and have approved this Lease by their respective governing bodies.

[Remainder of page intentionally left blank]

[Signature pages to follow]

MINNEAPOLIS SPECIAL SCHOOL DISTRICT NO. 1

BY: _____

Its: Chair of the School Board

BY: _____

Its: School District Clerk

BY: _____

Its: Senior Operations Officer

MINNEAPOLIS PARK AND RECREATION BOARD

BY: _____

Its: President

BY: _____

Its: Secretary

Approved as to Form:

BY: _____

Attorney for Park Board

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PROPERTY LEASE AND USE AGREEMENT

THIS PROPERTY LEASE AND USE AGREEMENT (this "Lease") made this 23rd day of February, 2026, ~~2025,~~ by and between the **CITY OF MINNEAPOLIS, ACTING BY AND THROUGH ITS PARK AND RECREATION BOARD**, a body corporate and politic under the laws of the State of Minnesota (the "Park Board") and **SPECIAL SCHOOL DISTRICT NO.1**, a statutorily created political subdivision created and existing under the laws of the State of Minnesota (the "School District") (collectively, the "Parties").

RECITALS

(A) The Park Board controls and governs over 7,000 acres of land in and adjacent to the City of Minneapolis, Minnesota (the "City"), and provides recreational opportunities to all citizens, there is an intense demand for use of such land and the Park Board desires to cooperate with the School District to create more and better opportunities for all citizens, and therefore, this Lease intends to improve more softball fields in the City on such land the Park Board governs that will be available to citizens.

(B) The Park Board is the fee owner of the real property in the City described in **Exhibit A** attached hereto and known as Jackson Square Park, Creekview Park, and Todd Park, at which it operates public parks that include one or more softball fields (the "Parks").

(C) The School District desires to lease and use one softball field in each of the Parks (such softball fields more legally described in **Exhibit B** attached hereto, collectively, the "Softball Fields," and with their related facilities as set forth in **Exhibit C** attached hereto, collectively, the "Facilities") for its students' softball activities and programs.

(D) The Park Board desires to lease the Facilities to the School District and permit the School District to use the Facilities for such purposes.

(E) The Parties desire to jointly make a range improvements to the Facilities that will require investment, construction, and installation (as further defined herein, the "Improvements").

(F) The School District has agreed to finance a majority of the Improvements with proceeds of certain general obligation bonds authorized and issued by the School District from time to time (whether one issue or more, as the same may be refinanced or reissued from time to time, the "Bonds").

(G) The Parties desire to enter into this Lease to provide for the lease and mutual long-term use of the Facilities and to establish the current rights and obligations related to the uses of the Facilities and related outdoor recreational areas.

(H) The School District is authorized to enter into this lease pursuant to Minn. Stat. §§ 128D.04, 123B.02, 123B.51, Subd. 3., and 471.64.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Parties agree as follows:

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Section 1. DEFINITIONS

(A) "Bonds" has the meaning assigned in the recitals.

(B) "Facilities" has the meaning assigned in the recitals.

(C) "Governmental unit" means a political subdivision within the United States, including any political subdivision within the State of Minnesota, but does not mean the United States or any of its governmental branches, departments or agencies.

(D) "Improvements" means improvements to the Facilities financed with proceeds of the Bonds.

(E) "Lease" means this Property Lease and Use Agreement made between the City of Minneapolis, acting by and through its Park and Recreation Board, and Special School District No. 1.

(F) "Lease Term" means the period beginning on the date this Lease is executed and continuing until the later of (a) February 1, 2046, and (b) the date that is twenty years after the placed-in-service date of the Improvements, which represents the useful life of the Improvements.

(G) "Parties" means collectively the Park Board and the School District.

(H) "Park Board" means the City of Minneapolis, acting by and through its Park and Recreation Board, a body corporate and politic under the laws of the State of Minnesota.

(I) "School District" means Special School District No. 1, a statutorily created political subdivision created and existing under the laws of the State of Minnesota.

(J) "Softball Fields" means the softball fields identified on **Exhibit B** hereto.

(K) "Softball Season" means the high school girls' softball season as defined each year by the Minnesota State High School League.

(L) "Private Business Use" means use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit (as hereinafter defined), as defined and interpreted in accordance with the Internal Revenue Code of 1986 and Treasury Regulations promulgated thereunder.

(M) "Project Fund" means the Project Fund established by the School District in connection with the issuance of the Bonds.

Section 2. REPRESENTATIONS, COVENANTS, AND WARRANTIES

(A) Representations, Covenants and Warranties of the School District. The School District represents, covenants and warrants as follows:

(i) The School District is a duly formed and validly existing body corporate and political subdivision of the State of Minnesota, governed by the

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Constitution and laws of the State of Minnesota.

(ii) State and federal law authorize the School District to enter into this Lease and the transactions contemplated hereby, and to carry out its obligations under this Lease.

(iii) The officers of the School District executing this Lease and the documents contemplated hereby have been duly authorized to execute and deliver this Lease and such documents under the terms and provisions of a resolution of the School District's governing body or by other appropriate official action.

(iv) The School District has complied with or will comply with all open meeting laws, all public bidding laws and all other State and Federal Laws applicable to this Lease and the acquisition and construction of the Improvements by the School District.

(v) Except as provided under the terms of this Lease, the School District will not transfer, lease, assign, mortgage or encumber the Facilities.

(vi) The School District may accomplish any of its obligations herein by an agent.

(B) Representations Covenants and Warranties of the Park Board. The Park Board represents, covenants and warrants as follows:

(i) The Park Board is a public body, corporate and politic duly organized, governed by the Constitution and laws of the State of Minnesota.

(ii) State and federal law and the City Charter of the City authorize the Park Board to enter into this Lease and the transactions contemplated hereby, and to carry out its obligations under this Lease.

(iii) The officers of the Park Board executing this Lease and the documents contemplated hereby have been duly authorized to execute and deliver this Lease and such documents under the terms and provisions of a resolution of the Park Board's governing body or by other appropriate official action.

(iv) Neither the execution and delivery of this Lease, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any law, regulation, restriction or any agreement or instrument to which the Park Board is now a party or by which the Park Board or its property is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Park Board, or upon the Facilities.

(v) During the Lease Term, the Park Board will not take or permit to be taken any action with respect to the Lease or Facilities which would cause the

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interest received by the holders of the Bonds to become includable in gross income of such recipients for federal income tax purposes under the Code.

Section 3. LEASE; LEASE TERM; RENT

Subject to and upon the terms, conditions, covenants and undertaking hereinafter set forth, the Park Board hereby leases the Facilities located at the Parks to the School District, and the School District hereby leases the Facilities from the Park Board for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, for the Lease Term. As rent, the School District shall directly pay the costs of the Improvements to the Facilities. In exchange for the payment of rent, the Park Board enters into this Lease and hereby waives for the School District, for the Lease Term, other fees, costs, charges and other payments with respect to the use the Facilities, except as otherwise set forth in Section 6.

Section 4. OWNERSHIP

The Facilities will at all times be owned by the Park Board, subject to lease by the School District as provided herein. Upon the expiration or termination of this Lease, the Park Board shall continue to own the Facilities with all Improvements made during the term of this Lease whether or not financed by the Park Board.

Section 5. SCHOOL PROPERTY; PRIORITY USE; RECORDS

The Park Board agrees that the Facilities are hereby leased to the School District for priority use in connection with school purposes. In furtherance of the foregoing:

(A) The Parties agree that the Facilities shall be treated as "school grounds" and a "school site" for purposes of applicable state law. The Park Board agrees to enforce applicable statutes and ordinances in and around the Facilities in the same manner that the Park Board enforces applicable statutes and ordinances on other park and school property.

(B) The School District shall have a first priority use right with respect to the Facilities during the Softball Season as further set forth set forth in **Exhibit D** hereto. The Park Board shall be entitled to use the Facilities at any other time, including permitting and renting the use of the Softball Fields to third parties at times other than the Softball Season and at times during the Softball Season that are not scheduled by the School District. The Park Board shall keep records of when it uses the Facilities or permits third parties (including non-profits and the general public) to use the Facilities and shall annually provide that data to the School District and its attorneys, which records shall include but not be limited to all scheduling records, names of users, schedules of hours, fee or rate schedules (for other parties), use agreements, dates and times of use, amounts paid, etc.

(C) During the Softball Season, the School District and the Park Board further agree that the School District shall also have a priority use right with respect to all other Park Board-owned fields (the "Other Fields") pursuant to the Park Board's existing priority use policy, as revised by the Park Board from time to time in its own discretion and other agreements between the Park Board and the School District, for softball games and practice and for other scheduled school events.

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Section 6. OPERATING AND MAINTENANCE COSTS OF THE FACILITIES.

The Park Board shall be responsible for maintaining the Facilities at all times in accordance with the Park Board's published maintenance standards in place on the Fields in the Parks prior to the School District's Improvements, or as the Park Board may amend the same from time to time. In the event the School District requires additional maintenance, the School District is responsible for the increased costs and the Parties will mutually agree on costs and invoicing mechanisms. The School District agrees to pay invoices upon receipt. The School District shall also be solely responsible for the maintenance and upkeep of all equipment it owns and uses in connection with the Facilities and Other Fields.

Section 7. SCHEDULING; ATHLETIC FACILITY PERMIT

The Park Board shall be solely responsible for the management of the schedule of the Facilities and the Other Fields; *provided, however*, that all scheduling shall comply with the terms of the School District's rights to first priority use for the Facilities as set forth in **Exhibit D** of this Lease. Annually, the Park Board shall require that the School District obtain an Athletic Facility Permit for use of the Facilities and the Other Fields.

Section 8. IMPROVEMENTS TO THE FACILITIES

(A) Minimum Investment: In consideration for the lease of the Facilities and the use and other rights described herein, the School District shall contribute not less than $[2,000,000.00] to improve the Facilities, such contribution to include without limitation payment by the School District for materials, labor, and other amounts due to project managers (whether or not employed by the School District) and to third parties, including but not limited to contractors, engineers, designers. None of the minimum investment described herein shall be paid or payable to the Park Board. A general, but non-binding, description of the Improvements is included in **Exhibit E** hereto, the scope of which includes, at each of the Softball Fields, one or more of the following components: earthwork, dugouts, seating, fencing, lighting, accessory facilities like bullpens and batting cages, and scoreboards.

(B) Improvement Selection and Construction: The School District shall be solely responsible for the acquisition, construction, improvement, installation and equipping of the Improvements. The School District shall provide the Park Board with the plans for Improvements and the School District shall not construct the Improvements until the Park Board approves such plans, such approval not to be unreasonably withheld. Approval or objection by the Park Board to the plans for Improvements shall be provided in writing within 30 days after receipt of the plans for Improvements by the Park Board. Objections to the plans for Improvements shall be submitted by the Park Board to the School District with specific detail regarding the objection(s) and one or more alternatives acceptable to the Park Board. Failure to approve plans for Improvements without clear objections and alternatives that do not materially increase the overall budget for the Improvements above the minimum investment described in Section 8(A) above shall be deemed unreasonable and in such case, the District may proceed with the plans proposed after 30 days. The parties agree to cooperate in good faith and without delay to finalize plans for Improvements which are acceptable to both the Park Board and the School District.

(C) The School District shall the sole authority to select any general contractor, design agency,

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or architect for the Improvements. The School District shall manage or provide for management of the acquisition, construction, improvement, installation and equipping of the Improvements. To School District shall use commercially reasonable best efforts to ensure that the Improvements to the Softball Fields conform with the field standards of the Park Board attached hereto as **Exhibit F**, if any. The School District shall consult in good faith with the Park Board and its representatives to as it relates to the scope of the Improvements and the work required to complete the Improvements. The Park Board shall require that the School District obtain a construction permit from the Park Board to construct the Improvements at no cost to the School District. The Park Board shall cooperate fully with the School District in the acquisition, construction, improvement, installation and equipping of the Improvements by the School District.

(i) The School District shall have sole authority to select, engage, and order the general contractor, subcontractors and project managers for the Improvements. The School District shall ensure that the general contractor selected is properly licensed, bonded, and insured in accordance with applicable laws and regulations.

(ii) The School District shall hold all engineering, design, and construction contracts related to the Improvements. The Park Board will not be party to any agreements with respect to acquisition, construction, improvement, installation and equipping of the Improvements other than this Lease.

(iii) The School District shall manage the construction contracts and shall be responsible for ensuring that construction of the Improvements is accomplished in a good and workmanlike manner, free from faults and defects, and in conformance with the construction documents.

(iv) The School District assumes liability for all risks of loss during the construction and installation of the Improvements. The School District shall require that all contractors maintain in force during the entire construction and installation period for the Improvements, builder's risk or property damage insurance in an amount not less than the full value of all work done and materials and equipment provided or delivered by the contractor and in any event not less than the applicable prepayment price, and comprehensive liability insurance, worker's compensation insurance and other insurance required by law or customarily maintained with respect to like projects. All policies of such insurance shall show the Park Board and the School District as named insured, in such amounts as their interests may appear.

(v) The School District will be responsible for the payment of all construction costs and will be responsible to keep the Park Board property subject hereto free from all future encumbrances and liens, including mechanics liens, related to the construction of the Fields by the School District and its agents. The failure of the School District to resolve or pay a lien of any type related to the construction of the Fields by the School District and its agents against the Park Board property subject hereto within thirty days of notice of such liens shall void this lease.

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(vi) All Improvements shall be the property of the Park Board.

(D) Costs of the Improvements.

(i) The School District has or will establish a Project Fund to pay costs of the Improvements.

(ii) The Park Board will provide any grants or other contributions to the costs of the Improvements to the School Board for application by the School District only in cases where the Park Board has approved the plans for Improvements and the Park Board agreed to contribute such amounts.

Section 9. BOND FINANCING RESTRICTIONS

(A) Tax-Exempt Obligations; Private Business Use Restrictions. The Park Board hereby acknowledges that the School District intends to finance the costs of the Improvements in an amount not less than provided in Section 8(A) though the issuance of the Bonds, the interest on which is intended to be exempt from gross income of the owners thereof for federal income tax purposes. The maintenance of the tax-exempt status of the Bonds will depend, in part, on the Parties' compliance with the following provisions of this Lease. The following provisions shall remain in full force and effect while any portion of the Bonds remain outstanding, notwithstanding any earlier termination of this Lease:

(i) The Parties shall not use or permit the use of the Facilities in any manner which would jeopardize the tax-exempt status of the Bonds.

(ii) Neither the Park Board nor the School District shall take any action or fail to take any action which would jeopardize the tax-exempt status of the Bonds.

(iii) That Park Board and the School District shall take any and all actions required by counsel to the School District nationally recognized in matters relating to tax-exempt financing to maintain the tax-exempt status of the Bonds.

(iv) The Park Board shall maintain and provide to the School District accurate records (for the term of the Bonds plus seven years) regarding the use and users of the Facilities as provided in Section 5(B) of this Lease. The School District shall be solely responsible for monitoring and measuring use of the Facilities for compliance with applicable federal tax law.

(v) That, to ensure that the Bonds will not be or become "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986:

(1) The Park Board shall not permit the Facilities to be used by any person or persons for any Private Business Use in an amount which jeopardizes the tax-exempt status of the Bonds, while at the same time the payment of principal of, or the interest on, the Bonds is directly or

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indirectly (A) secured by any interest in (i) property used or to be used for a private business use or (ii) payments made with respect to such property or (B) derived from (i) payments with respect to such property (whether or not made to the parties) or (ii) borrowed money used or to be used for Private Business Use.

Use of the Facilities as a member of the general public will not be considered Private Business Use. Any activity carried on by a person other than a natural person shall be treated as a trade or business. Use by an organization which qualifies under Section 501(c)(3) of the Internal Revenue Code of 1986 shall be considered a Private Business Use. Use of the Facilities by the Park Board and third parties are governed by Section 5(B) of this Lease. The Parties anticipate that the Park Board will be able to rent the Fields and the Facilities at times when the School District is not using them and that the payment from such non-School District use is reasonably estimated to be $25,000 annually per each of the Fields and that these payments will not cause the limitation on the Private Business Use to be violated.

(B) Bond Counsel Interpretation. If there is any question about the application of the foregoing restrictions relating to Private Business Use, the Park Board and the School District agree to immediately request assistance from counsel to the School District nationally recognized in matters relating to tax-exempt financing prior to permitting any use or entering into any agreement which may be prohibited as provided herein. It shall not be a breach of any provision of this Lease if the Park Board or the School District take or permit to be taken, or omit to take, any action relating to use of the Facilities in consultation with counsel to the School District nationally recognized in matters relating to tax-exempt financing.

(C) Reservation of Rights. In connection with the issuance of the Bonds, the School District has or will enter into one or more tax certificates (whether one or more, the "Tax Certificate"). Notwithstanding the rights of the Park Board to schedule and control the use of the Facilities subject to the priority use rights of the School District, the School District hereby reserves to itself the right to direct or control the use of the Facilities in consultation with the Park Board in such a manner as may be required by the Internal Revenue Code of 1986 to preserve the tax-exempt status of the Bonds.

Section 10. INDEMNIFICATION.

(A) Park Board Indemnifies School District: The Park Board hereby indemnifies and holds the School District harmless from and against any and all claims, demands, liabilities, and expenses, including attorney's fees, arising from the Park Board's use of the Facilities or from any act permitted, or any omission to act, in or about the Facilities by the Park Board or its agents, employees, invitees, customers or contractors, or from any breach or default by the Park Board of this Lease, except to the extent caused by the negligence or willful misconduct of the School District or School District's agents, employees, invitees, customers or contractors. In the event any action or proceeding shall be brought against the School District by reason of any such claim, the Park Board shall defend the same at the Park Board's expense.

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(B) School District Indemnifies Park Board: The School District hereby indemnifies and holds the Park Board harmless from and against any and all claims, demands, liabilities, and expenses, including attorney's fees, arising from the School District's use of the Facilities or from any act permitted, or any omission to act, in or about Facilities by the School District or its agents, employees, invitees, customers or contractors, or from any breach or default by the School District of this Lease, except to the extent caused by the negligence or willful misconduct of the Park Board or the Park Board's agents, employees, invitees, customers or contractors. In the event any action or proceeding shall be brought against the Park Board by reason of any such claim, the School District shall defend the same at the School District's expense. Additionally, under no circumstances shall the Park Board be liable for any obligation the School District has under Title IX of the United States Code and the School District shall defend and indemnify the Park Board for any all such claims, including costs and attorney's fees, brought against the Park Board.

The School District will be responsible for the payment of all construction costs and will be responsible to keep the Park Board property free from all encumbrances and liens, including mechanics liens. The failure of the School District to resolve or pay a lien of any type against the Park Board property within thirty days of the notice of such liens shall void this lease.

(C) Notwithstanding the above, the School District and the Park Board shall release each other from all claims to the extent covered or required hereunder to be covered by insurance.

Section 11. DAMAGE; EXTRAORDINARY REPAIR AND REPLACEMENT.

In the event of any damage to the Facilities during the term of this Lease by fire or other casualty beyond the control of either party, the Park Board agrees that they shall repair and restore the Facilities with reasonable dispatch. The cost of repair of the Facilities and the replacement of any damaged equipment, fences, scoreboards, or any other accessory, shall be the equal responsibility of the Park Board and the School District.

Section 12. SUBLEASE, ASSIGNMENT OR TRANSFER.

Neither the School District nor the Park Board may, voluntarily or by operation of law, assign, mortgage, pledge, lease, sublease or otherwise transfer (collectively, "Transfer") this Lease or the Facilities, or any interest held by either party in the Facilities.

Section 13. DEFAULT.

All rights and remedies of the School District and Park Board herein enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law. The following events shall be considered a default of this Lease:

(A) That the School District shall fail, neglect or refuse to pay any monies due pursuant to this Lease when and as the same shall become due and payable under the terms hereof.

(B) Either Party shall default, fail, neglect or refuse to keep and perform any of the other covenants, conditions, stipulations or agreements agreed to be kept and performed by the

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respective party, and in the event such default shall continue for a period of more than thirty (30) days after notice thereof in writing given to the defaulting party by the non-defaulting party. Provided, however, that if the cause for giving such notice involves the making of repairs or other matters reasonably requires a longer period of time than the period of such notice, the party shall be deemed to have complied with such notice so long as it has commenced to comply with said notice within the period set forth in the notice and is diligently prosecuting compliance with said notice, or has taken proper steps or proceedings under the circumstances to prevent the seizure, destruction, alteration or other interference with the Facilities by reason of non-compliance with the requirements of any law or ordinance or with the rules, regulations or directions of any governmental authority as the case may be.

Section 14. REMEDIES UPON DEFAULT.

The non-defaulting party may, at any time after such default or violation of condition or covenant, pursue any remedies available to it at law or in equity including specific performance and damages. Furthermore, upon the occurrence of any material default or violation which is not cured by the defaulting party within 120-days after notice from the non-defaulting party, then the non-defaulting party may terminate this Lease by providing the defaulting party with a notice of termination giving the defaulting party 60 additional days to cure such material default or violation, and if such material default or violation is not cured to the reasonable satisfaction of the non-defaulting party within such 60-day period, then this Lease shall terminate after that 60-days.

Section 15. WAIVER OF CLAIMS.

All property belonging to the Park Board or any occupant of the Facilities shall be there at the risk of the Park Board or such other person only, and the School District shall not be liable for any damage thereto and the Park Board waives all claims against the School District for damages to persons or property sustained by the Park Board or any occupant of the Facilities.

Section 16. HAZARDOUS MATERIALS.

(A) Hazardous substance. As used herein, "Hazardous Substance" shall mean any substance, element, compound, solution, mixture or combination thereof which because of its quantity, concentration or physical, chemical or infectious characteristics presents, may present or could present danger or potential danger for damage, injury or illness to health, welfare or to the environment, including, but not limited to: (i) those substances which are inherently or potentially radioactive , explosive, ignitable, corrosive, reactive, carcinogenic or toxic, (ii) the following: asbestos, urea formaldehyde, polychlorinated biphenyls, nuclear fuel or materials, chemical waste, radioactive materials, known carcinogens and petroleum products, and (iii) other substances or materials which are defined as hazardous substances or which are included under or regulated by any local, state or federal law, rule or regulation pertaining to environ- mental regulation, contamination or cleanup, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Clean Water Act, 33 U.S.C. § 1321 et seq.; and the Clean Air Act, 42 U.S.C. § 7401 et seq.; or any other federal, state, local or other governmental statute, regulation, law or ordinance related to pollution or the release into the environment or disposal of solid or

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hazardous waste or hazardous substances, all as the same may be amended from time to time.

(B) Park Board's Responsibility. The Park Board hereby covenants, represents and warrants to the School District that at all times during the Lease Term, the Park Board shall not manufacture, process, distribute, use, produce, treat, store, dispose or allow to be present any Hazardous Substance in or about the Facilities, other than those needed to operate the Facilities.

Section 17. RIGHT TO INSPECT.

In addition to scheduled hours, following reasonable notice from the School District to the Park Board, the School District and its agents shall have reasonable access to the Facilities during all reasonable hours for the purpose of examining the same and to ascertain if they are in good repair.

Section 18. NOTICE.

All notices and requests to the School District or the Park Board which may be given, or which are required to be given shall be sent by United States Mail, postage prepaid, certified with return receipt requested as follows:

IF TO SCHOOL DISTRICT: Minneapolis Special School District No. 1
1250 West Broadway
Minneapolis, MN 55411
Attention: Tom Parent, Senior Operations Officer

IF TO PARK BOARD: Minneapolis Park and Recreation Board
2117 West River Road
Minneapolis, MN 55411
Attention: [NTD: To be revised for appropriate officer.]

Section 19. WAIVER AND AMENDMENT

No provision of this Lease shall be deemed waived or amended except by a written instrument unambiguously setting forth the matter waived or amended and signed by the party against which enforcement of such waiver or amendment is sought. Waiver of any matter shall not be deemed a waiver of the same or any other matter on any future occasion.

Section 20. SEVERABILITY

If any of the terms or provisions contained herein shall be declared to be invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions and conditions of this Lease, or the application of such to persons or circumstances other than those to which it is declared invalid or unenforceable, shall not be affected thereby and shall remain in full force and effect and shall be valid and enforceable to the fullest extent permitted by law.

Section 21. CHOICE OF LAW

This Lease involves property located within the State of Minnesota and shall be construed

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according to the laws of the State of Minnesota without regard to its conflict of law principles.

Section 22. RECORDING

The Park Board shall record this Lease in the real property records where the Facilities are located in the manner prescribed by law.

Section 23. ENTIRE AGREEMENT

Except as otherwise provided herein, this Lease constitutes the entire agreement between the Parties with respect to the subject matter hereof, and there are no other representations, warranties, or agreements except as herein provided.

IN WITNESS WHEREOF, the School District and the Park Board have executed this Lease by the signatures below and have approved this Lease by their respective governing bodies.

[Remainder of page intentionally left blank]

[Signature pages to follow]

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MINNEAPOLIS SPECIAL SCHOOL DISTRICT NO. 1

BY: Collin Beachy (Feb 24, 2026 18:14:18 CST)
Its: Chair of the School Board

BY: Lori Norvell (Feb 25, 2026 12:41:03 CST)
Its: School District Clerk

BY: Digitally signed by Tom Parent
Date: 2026.02.23 21:52:14-06'00'
Its: Senior Operations Officer

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MINNEAPOLIS PARK AND RECREATION BOARD

BY: Signed by: 2DA6BFF1E4CD489... _____
Its: President

BY: DocuSigned by: 1B17A66AD24D40F... _____
Its Secretary

Approved as to Form:

BY: Signed by: BRIAN RICE E200FB7200194EA... _____

Attorney for Park Board

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EXHIBIT A

Description of Parks

Jackson Square Park located at approximately 2212 NE Jackson Street, Minneapolis, MN

Creekview Park located at approximately 5001 Humboldt Ave N, Minneapolis, MN

Todd Park located at approximately 5600 Chicago Ave, Minneapolis, MN

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EXHIBIT B

Legal Description of Softball Fields

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DESCRIPTION OF EASEMENT AREA

An easement over that part of Jackson Square, according to the recorded plat thereof, Hennepin County, Minnesota, described as commencing at the southwest corner of said Jackson Square; thence North 0 degrees 10 minutes 56 seconds East, assumed bearing along the west line of said Jackson Square a distance of 285.71 feet; thence South 89 degrees 49 minutes 04 seconds East 176.29 feet; thence South 35 degrees 41 minutes 18 seconds East 127.07 feet; thence South 0 degrees 41 minutes 16 seconds East 181.40 feet to the south line of said Jackson Square; thence South 89 degrees 52 minutes 31 seconds West along the south line of said Jackson Square a distance of 253.51 feet to the point of beginning and there terminating.

I hereby certify that this sketch, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Dated this 13th day of February, 2026

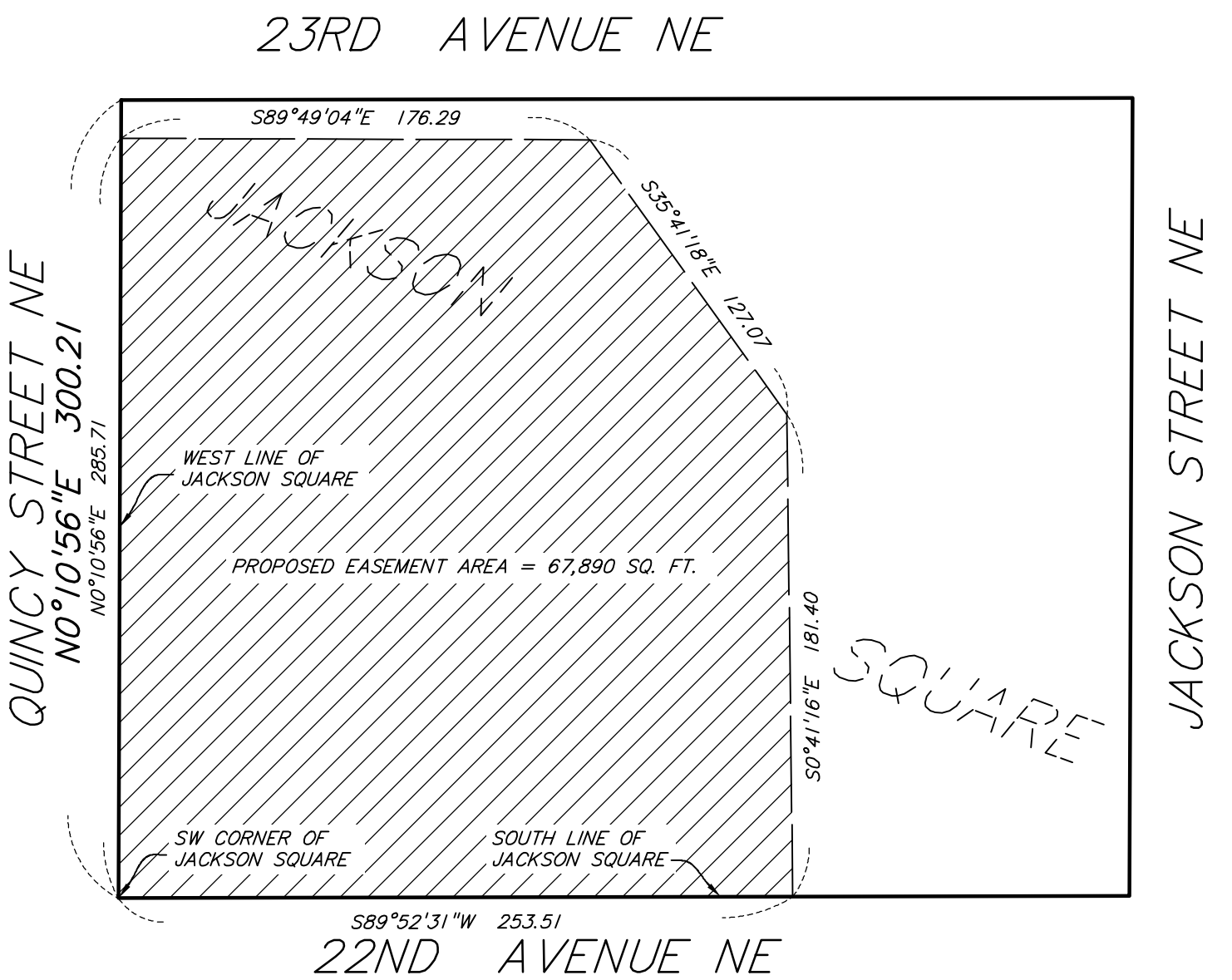
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By: _____
Arlee J. Carlson, P.L.S. Minn. Lic. No. 44900

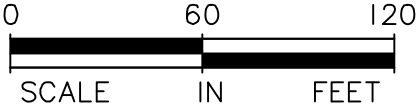
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EASEMENT SKETCH OF JACKSON SQUARE







SHEET 2 OF 2

2026-007 T.29, R.24, S.11
2026007 JACKSON SQUARE.dwg NDN

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DESCRIPTION OF EASEMENT AREA

An easement over those parts of Blocks 4 and 5, Shingle Creek Addition, according to the recorded plat thereof, Hennepin County, Minnesota, together with adjacent Half of vacated Streets and alleys accruing thereto, by reason of vacations thereof, described as commencing at the southwest corner of said Block 4; thence North 0 degrees 18 minutes 19 seconds West, assumed bearing along the west line of said Block 4 a distance of 36.33 feet to the point of beginning; thence continuing North 0 degrees 18 minutes 19 seconds West 442.73 feet; thence North 89 degrees 41 minutes 41 seconds East 9.00 feet; thence South 48 degrees 21 minutes 15 seconds East 476.15 feet; thence South 0 degrees 54 minutes 17 seconds East 126.12 feet; thence South 89 degrees 57 minutes 36 seconds West 364.44 feet to the point of beginning and there terminating.

I hereby certify that this sketch, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Dated this 13th day of February, 2026

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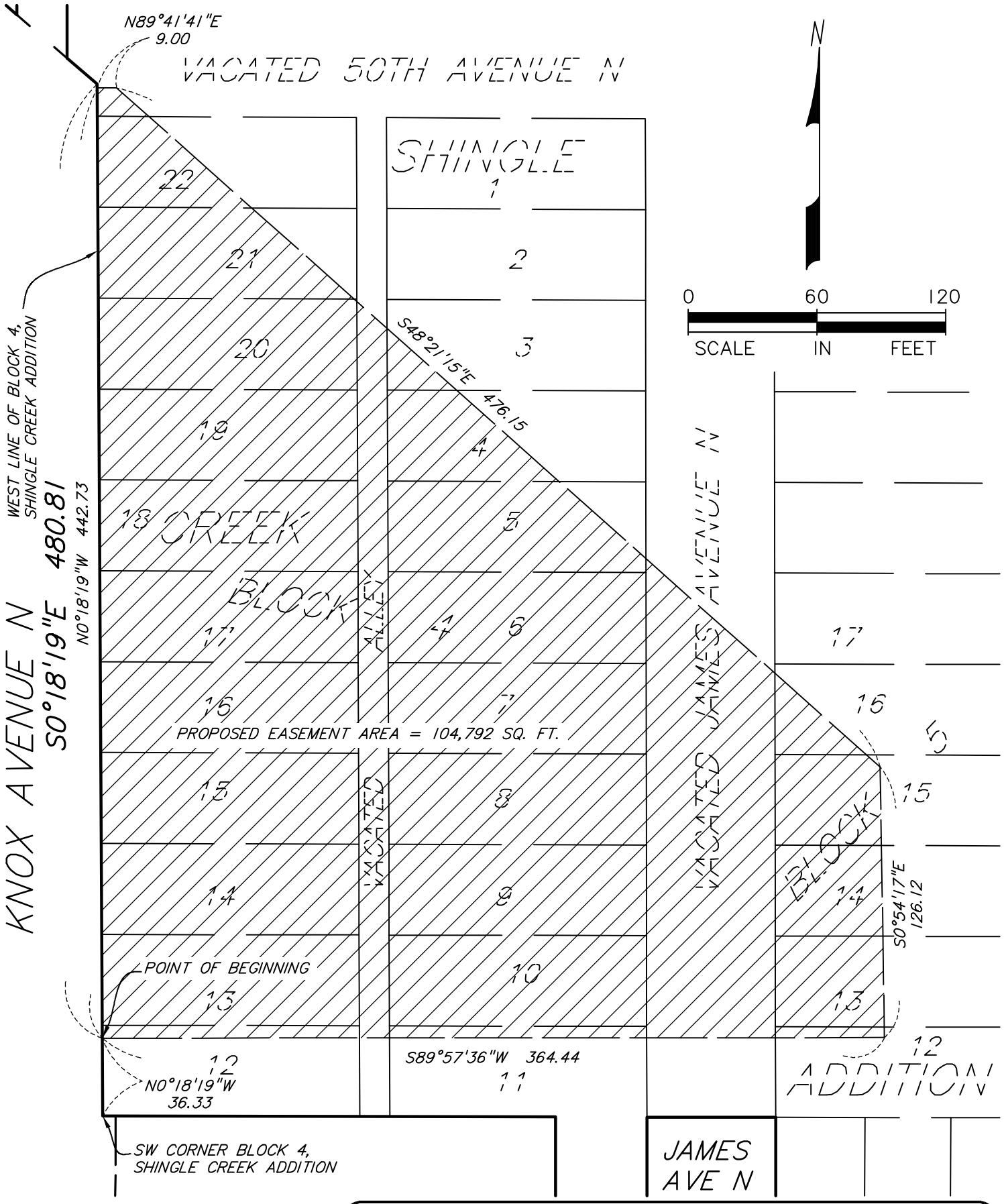
By: _____
Arlee J. Carlson, P.L.S. Minn. Lic. No. 44900

2026-007 T.118, R.21, S.11
2026007 CREEKVIEW.dwg NDN

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EASEMENT SKETCH OF CREEKVIEW PARK



SHEET 2 OF 2

2026-007 T.118, R.21, S.11
2026007 CREEKVIEW.dwg NDN

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DESCRIPTION OF EASEMENT AREA

An easement over that part of the Plat of Diamond Lake Terrace designated as "This Block Dedicated to Public For Park Purposes" according to the recorded plat thereof, Hennepin County, Minnesota, described as commencing at the northwest corner of said Block; thence North 89 degrees 36 minutes 31 seconds East, assumed bearing along the north line of said Block a distance of 79.60 feet; thence South 0 degrees 23 minutes 29 seconds East 12.28 feet to the point of beginning; thence North 89 degrees 23 minutes 12 seconds East 309.08 feet; thence South 0 degrees 01 minutes 57 seconds East 210.29 feet; thence South 73 degrees 16 minutes 56 seconds West 93.57 feet; thence South 0 degrees 06 minutes 46 seconds West 43.75 feet; thence South 76 degrees 55 minutes 45 seconds West 140.32 feet; thence North 52 degrees 55 minutes 32 seconds West 73.87 feet; thence North 12 degrees 15 minutes 26 seconds West 218.54 feet; thence North 23 degrees 42 minutes 51 seconds East 56.01 feet to the point of beginning and there terminating.

I hereby certify that this sketch, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Dated this 13th day of February, 2026

SUNDE LAND SURVEYING, LLC

By: _____

Arlee J. Carlson, P.L.S. Minn. Lic. No. 44900

SHEET 1 OF 2

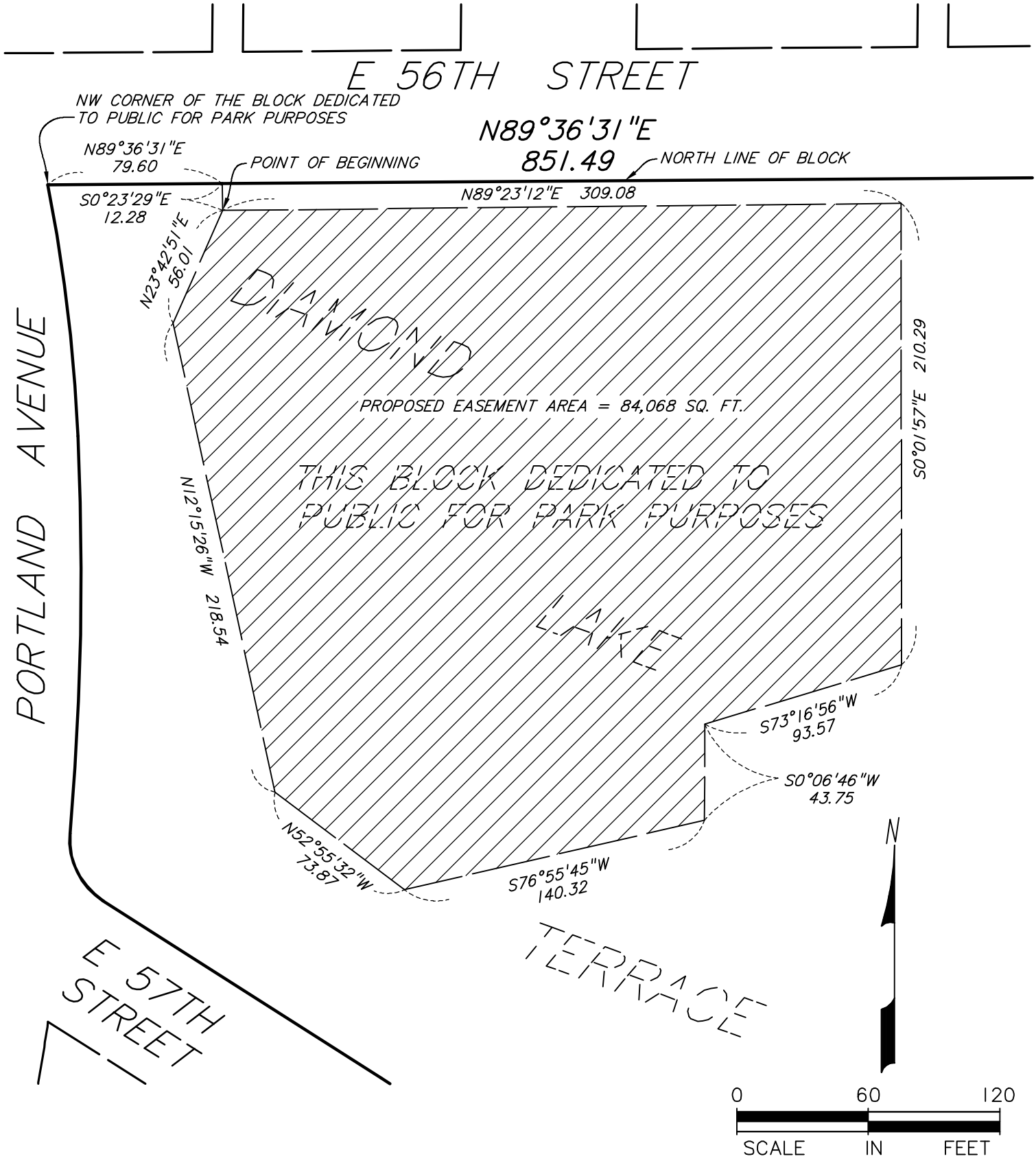
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2026–007 T.28, R.24, S.23
2026007 TODD.dwg NDN

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EASEMENT SKETCH OF TODD PARK



SHEET 2 OF 2

2026-007 T.28, R.24, S.23
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EXHIBIT C

Description of Related Facilities

Sidewalks, trails and trail connections

Permanent and/or portable restrooms

Concessions buildings

Equipment storage buildings

Drinking fountains

Existing fencing, backstops and seating

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EXHIBIT D

First Priority Use Rights

Scheduling and Priority Use

1. **Priority Use**
    - The School District (MPS) has priority use of the three new fields (Jackson Square, Creekview #4, and Todd #4) for all school-related practices, games, and scheduled events.
2. **Seasonal Priority**
    - March and April: School District has first priority use of the Facilities.
    - May through the end of the high school season: First priority Monday–Thursday until 6:15 p.m. and Friday and Saturday evenings:
    - Varsity games will be played in their entirety; games that begin on time and that run past 6:15 p.m. will be allowed to finish, and remaining evening activities will be pushed back.
    - **Rescheduling:** In the event of cancellation due to weather, facility closures, team no-shows, or other reasons, School Athletic Directors will work with the MPRB Athletics Program Manager to reschedule on a mutually agreed-upon date and time.
3. **Evening Game Scheduling on New Fields**
    - School District has priority for two evening games Monday through Friday on each of the new fields.
4. **Scheduling Deadline**
    - Schedules must be submitted to the MPRB Athletics Program Manager by MLK Day annually to receive priority consideration.
5. **Other Park Board Fields**
    - The School District will adhere to the current priority schedule as outlined in MPRB policy.

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EXHIBIT E

Description of Improvements

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MINNEAPOLIS PUBLIC SCHOOLS

BOLTON & MENK
Real People. Real Solutions.

3300 Fernbrook Ln North
Suite 300
Plymouth, MN 55447

Phone: (763) 544-7129
Bolton-Menk.com

Memorandum

Enumeration of Improvements

Date: December 8, 2025
Client: Minneapolis Public Schools
Project: MPS & MPRB Fastpitch Softball Facilities Improvements
BMI Project No: 25X.140365
Subject: Enumeration of Improvements- Field Class 1 Amenities
Memo To: Kanj Foster- Minneapolis Public Schools

Memo By: Jay Pomeroy, BMI

The following is an "Enumeration of Improvements" you've requested for the proposed FY26 Joint MPS and MPRB Fastpitch Softball Facilities Improvements.

JACKSON SQUARE PARK

AMENITIES TO MEET SOFTBALL FIELD CLASS 1

DESCRIPTION	MPS Funded	MPRB Funded
Player Safety		
Safety Fencing at Players Bench	YES	
Safety Fencing at Bullpen	YES	
Non-overlapping Field	YES	
Field Characteristics		
Lighting		YES
Outfield Fencing- Permanent	YES	
Semi-permanent Outfield Fencing	*NOT INCLUDED*	
Foul Line Poles	YES	
Warning Track	YES	
Trails/ Trail Connections	YES	
Maintenance		
Field Equipment Shed	*NOT INCLUDED*	
Irrigation	YES	
Weed-free Infield	YES	
Rain Cover (for clay areas)	YES	

DESCRIPTION	MPS Funded	MPRB Funded
Play Characteristics		
Full Backstop (Existing)		YES
Adjustable Bases	YES	
Permanent Bases	YES	
Scoreboard	YES	
Dugouts	YES	
Players Benches	YES	
Drinking Fountain	YES	
Electricity Source	YES	
Batting Cage	YES	
Team Equipment Storage	YES	
Flag Pole	YES	
Spectating		
Seating	YES	
Protected Seating	*NOT INCLUDED*	
Covered Seating	*NOT INCLUDED*	
Concessions	*NOT INCLUDED*	

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Stormwater BMPs	YES	
Contaminated Soil Removal/ Management	*N/A*	

Concrete Pad for Portable Restroom	YES	
Concrete Pad for Storage Shed/ concessions	YES	

CREEKVIEW PARK

AMENITIES TO MEET SOFTBALL FIELD CLASS 1

DESCRIPTION	MPS Funded	MPRB Funded
Player Safety		
Safety Fencing at Players Bench	YES	
Safety Fencing at Bullpen	YES	
Non-overlapping Field	YES	
Field Characteristics		
Lighting	YES	
Outfield Fencing- Permanent	YES	
Semi-permanent Outfield Fencing	*NOT INCLUDED*	
Foul Line Poles	YES	
Warning Track	YES	
Trails/ Trail Connections		YES
Maintenance		
Field Equipment Shed	*NOT INCLUDED*	
Irrigation	YES	
Weed-free Infield	YES	
Rain Cover (for clay areas)	YES	
Stormwater BMPs	YES	
Contaminated Soil Removal/ Management	*N/A*	

DESCRIPTION	MPS Funded	MPRB Funded
Play Characteristics		
Full Backstop	YES	
Adjustable Bases	YES	
Permanent Bases	YES	
Scoreboard	YES	
Dugouts	YES	
Players Benches	YES	
Drinking Fountain		YES
Electricity Source	YES	
Batting Cage	YES	
Team Equipment Storage	YES	
Flag Pole	YES	
Spectating		
Seating	YES	
Protected Seating	*NOT INCLUDED*	
Covered Seating	*NOT INCLUDED*	
Concessions	*NOT INCLUDED*	
Concrete Pad for Portable Restroom		YES
Concrete Pad for Storage Shed/ concessions		YES

TODD PARK

AMENITIES TO MEET SOFTBALL FIELD CLASS 1

DESCRIPTION	MPS Funded	MPRB Funded
Player Safety		
Safety Fencing at Players Bench	YES	
Safety Fencing at Bullpen	YES	
Non-overlapping Field	YES	
Field Characteristics		
Lighting	YES	
Outfield Fencing- Permanent	YES	
Semi-permanent Outfield Fencing	*NOT INCLUDED*	
Foul Line Poles	YES	
Warning Track	YES	
Trails/ Trail Connections		YES
Maintenance		

DESCRIPTION	MPS Funded	MPRB Funded
Play Characteristics		
Full Backstop	YES	
Adjustable Bases	YES	
Permanent Bases	YES	
Scoreboard	YES	
Dugouts	YES	
Players Benches	YES	
Drinking Fountain		YES
Electricity Source	YES	
Batting Cage	YES	
Team Equipment Storage	YES	
Flag Pole	YES	
Spectating		

Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Field Equipment Shed	*NOT INCLUDED*	
Irrigation	YES	
Weed-free Infield	YES	
Rain Cover (for clay areas)	YES	
Stormwater BMPs	YES	
Contaminated Soil Removal/ Management		YES

Seating	YES	
Protected Seating	*NOT INCLUDED*	
Covered Seating	*NOT INCLUDED*	
Concessions	*NOT INCLUDED*	
Concrete Pad for Portable Restroom		YES
Concrete Pad for Storage Shed/ concessions		YES

END

Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

EXHIBIT F

Park Board Field Standards

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APPENDIX:
DIAMOND SPORTS FIELD MANUAL

MAY 2024

Minneapolis
Park & Recreation Board

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Baseball and Softball is about so much more than playing a sport or winning a game. Show everyone how much you love what the sport is truly about or how much you love watching your little one find their passion for sports.

“You could be a kid for as long as you want when you play baseball.” - Cal Ripken Jr.



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Multiple Field Layouts

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26 **Field Materials**
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Field Irrigation Design Intent
Field Lighting Design Intent

*All files and information relating to Diamond Sports can be found internally:
S:\Planning\Citywide_MPRB STANDARDS\DIAMOND SPORTS

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Field Layout Principles

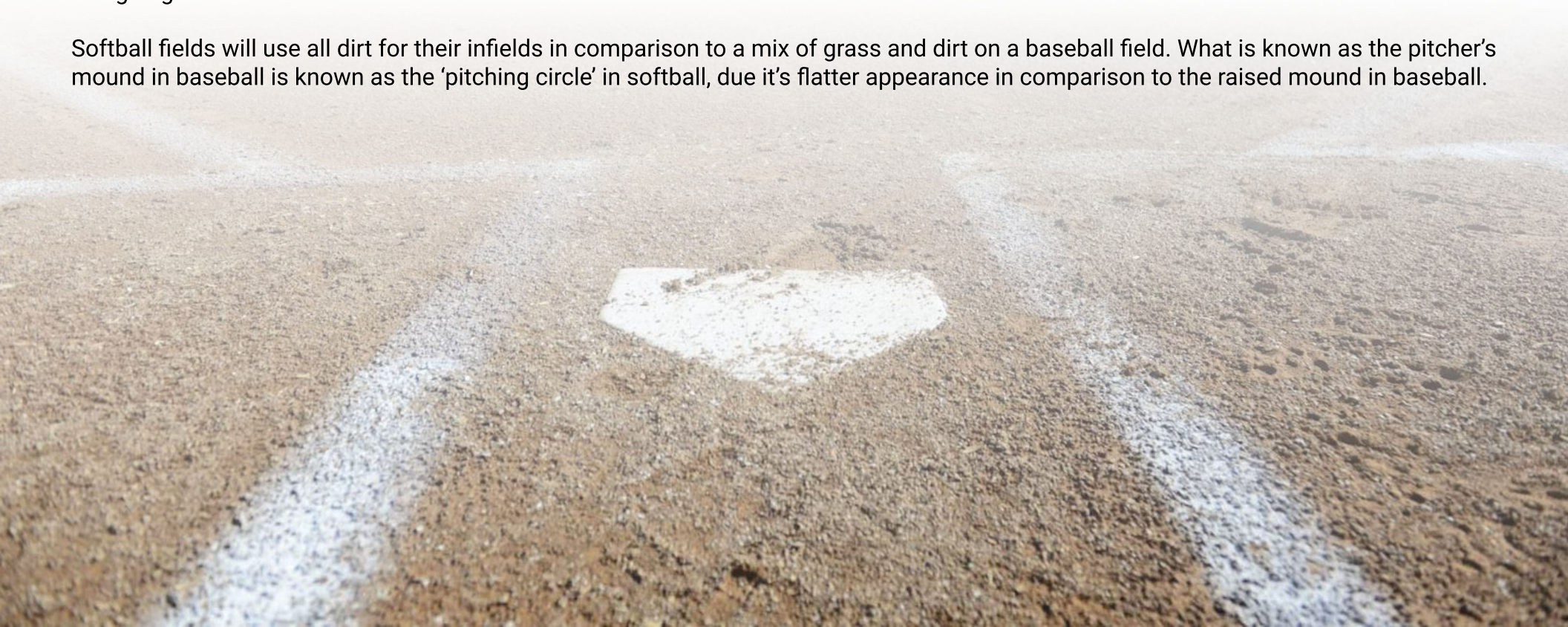
Baseball and softball fields have a variety of different lines and markings that play a vital role in the game. However, there are also important differences in the overall dimensions of the field depending on the age of the participants.

With this in mind, we have created a comprehensive Field Dimensions Table that details all the dimensions and markings you can expect to see on a baseball and softball field. The guide outlines how the dimensions change from the baseball to sofball, high school to collegiate, and the different age groups for each.

Baseball and softball fields are similar in design however, there are important differences between the two fields to note so that you design your field correctly.

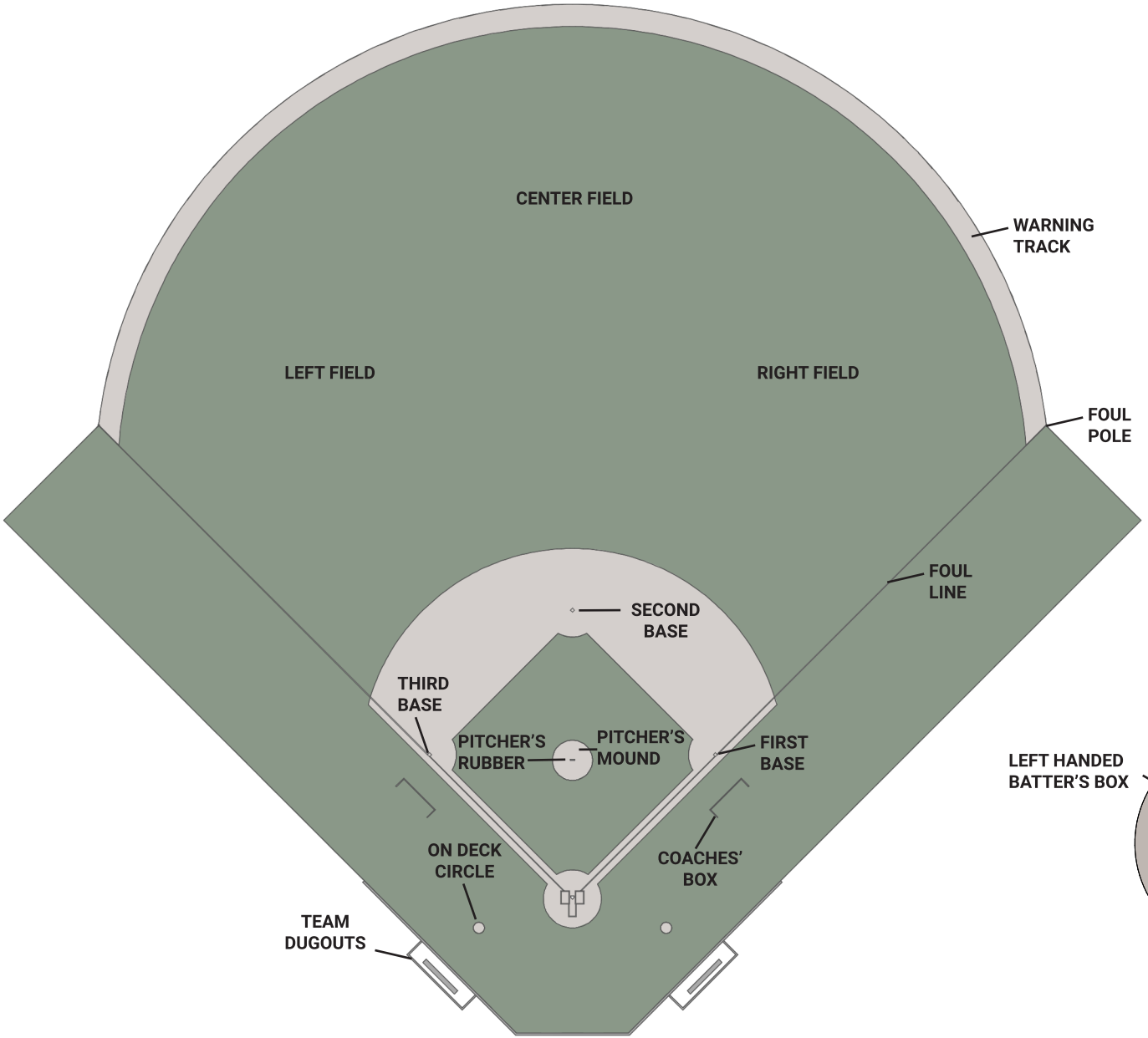
The most obvious difference between softball and baseball fields is that the infield diamond on a softball field is much smaller than in baseball. The diamond will be 60ft long on each side, meaning there is a shorter running distance between the bases in softball. The centerfield on a softball field is closer to the home plate than on a baseball field, typically measuring between 200ft-250ft. Another key difference between the two fields is that the pitching distance is shorter on a softball field at 43ft, depending which level of play you are designing too.

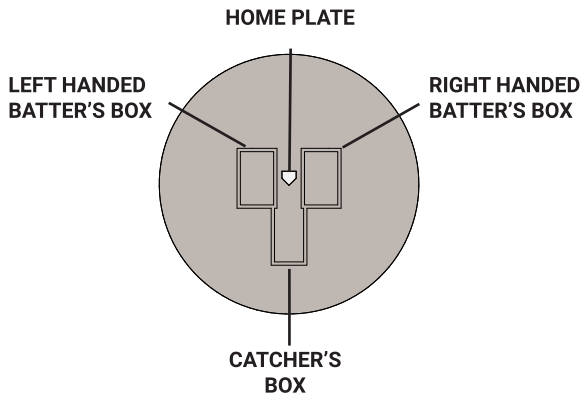
Softball fields will use all dirt for their infields in comparison to a mix of grass and dirt on a baseball field. What is known as the pitcher's mound in baseball is known as the 'pitching circle' in softball, due it's flatter appearance in comparison to the raised mound in baseball.



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Field Layout Principles





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Field Layout Principles - Setting Up A Field

Field Orientation



Determin sun and existing site condition impacts of playability for softball and baseball. Factors to consider are slope of field, access to field, and/or sun path. The preferred field orientation places the back of the home plate facing due north to northeast, and the first baseline running west. However, optimum utilization of the site may require variations from this preferred orientation. Sun orientation can prevent the batter and catcher from looking into the sun as they stand at the plate and positions most of the fileders so that their line of sight is not directly into the setting sun. Aligning the field so that the pitcher is throwing across the sunrise/sunset line or having the field centerline home plate facing northeast for ideal orientation.

Step 1 - Determine Home Plate Location

If there is no backstop, position the apex of home plate in an appropriate spot. For positioning the apex of home plate using an existing backstop, start from one outside corner of the backstop and run a string or tape measure out to a couple of feet past where you think the pitching rubber will be. Scribe an arc. Repeat this process starting from the second post, making sure the second string or tape is the same length as the first.

Next, measure and locate the center of the backstop. Extend a straight line from this point out to where the arcs intersect. Position the apex of home plate on this line, and depending on which type of field, a prescribed distance from the backstop.



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Step 2 - Locate Second Base

Run a line from the center point on the backstop, through the apex and over pitcher's mound to place second base on center. The distance to measure is from the apex of home plate to the center of second base.

Refer to Field Dimensions Table (FDT) for specific level of play and field preference.



Step 3 - Locate 1st and 3rd Base

To find the location for 1st base, extend the measuring tape from 2nd base in the direction where the approximate location for 1st base will be. Be sure to measure using the required distance according to your league. Then, extend a second measuring tape from your home plate stake toward 1st base. You will place another stake at the point at which the two tapes intersect using equal distances from home-to-1st and 2nd-to-1st. This point will be the back outside corner of 1st base. Repeat this process to find the location of 3rd base.

Step 4 - Set the Pitching Mound

Now that home plate and the three bases are staked, locate the pitching mound. The center of the mound is located on the centerline of the field. The distance from home plate — See Field Dimensions Table — is always measured from the apex of the white portion of home plate to 2nd base. The black outside edging on the plate is not considered part of home plate and should not be included when measuring.

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Field Layout Principles - Setting Up A Field

Locate the Foul Poles

To determine where the foul poles should be located, use the geometric formula for a right triangle: $A^2 + B^2 = C^2$

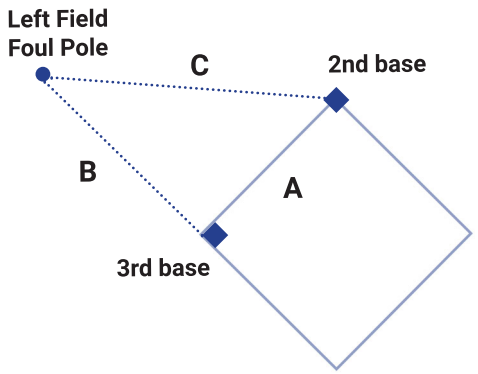
To find the left field foul line, let A equal the distance between 2nd and 3rd base. Let B equal the distance the foul line will extend past 3rd base to the foul pole.

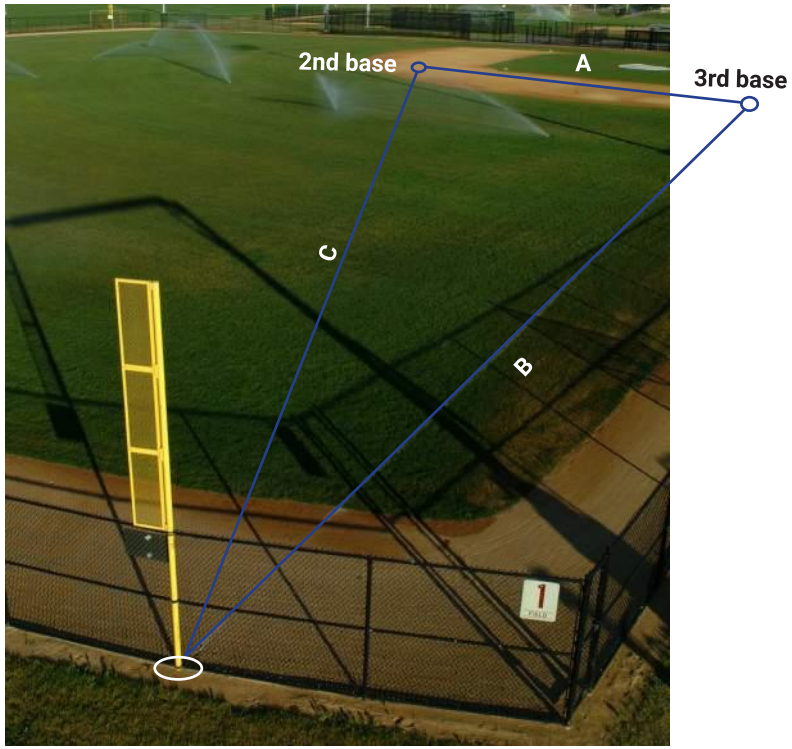
Square each of these two numbers. Then, add them together. Next, take the square root of the sum of the two numbers to calculate the length of C — the hypotenuse (follow the sample below). Once you have values for A, B and C, you can go to work on your field to triangulate the location of your foul poles.

If you have been following Steps 1-5, you have stakes set at the back corner of 3rd base and the exact center of 2nd base. Extend a 300' measuring tape from each stake. Extend the tape from the 3rd base stake to the B distance, and you will extend the tape from 2nd base to the C distance.

Pull the two measuring tapes toward each other until they are perfectly straight and intersect at the correct measurements. Place a stake at this location to mark the left field corner. This is the location of your left field foul pole.

Repeat this process for finding the right field foul pole by having A equal the distance from 1st base to 2nd base, and B equal the distance you want the foul pole to extend past 1st base.





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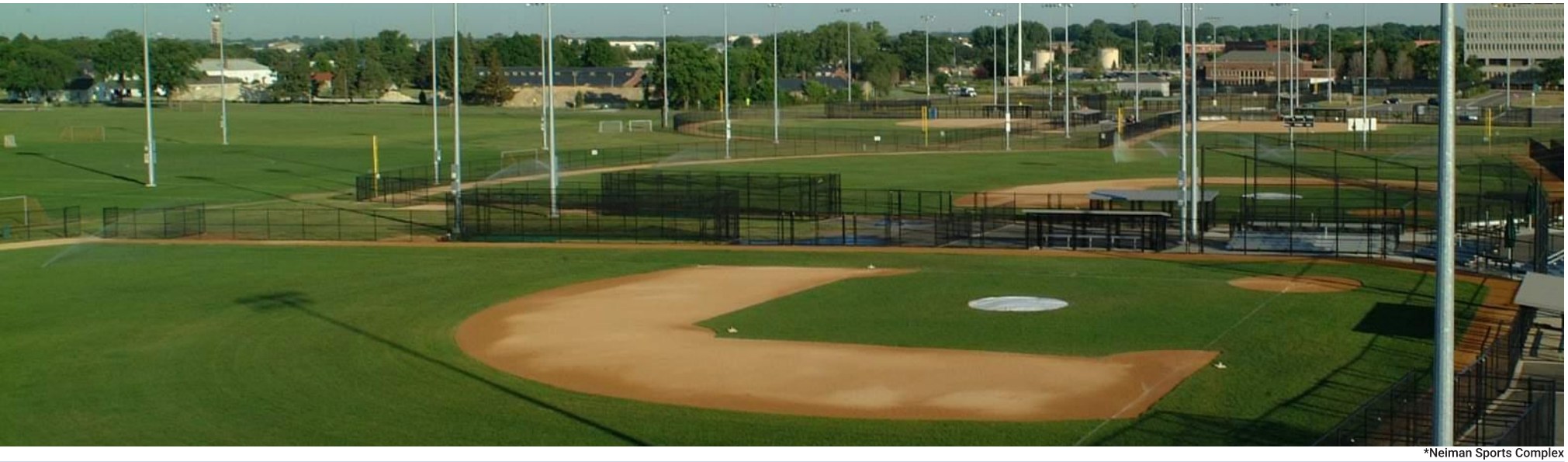
Multiple Fields

Multiple fields being placed adjacent to one another shall be placed side-by-side. Fields may be “off-set” to facilitate field layout, but may not be end-to-end. The minimum separation between fields shall be 9 feet.

Planning for multi-field layouts should use a preferred “pinwheel” approach for effeciency and increased level of playability.



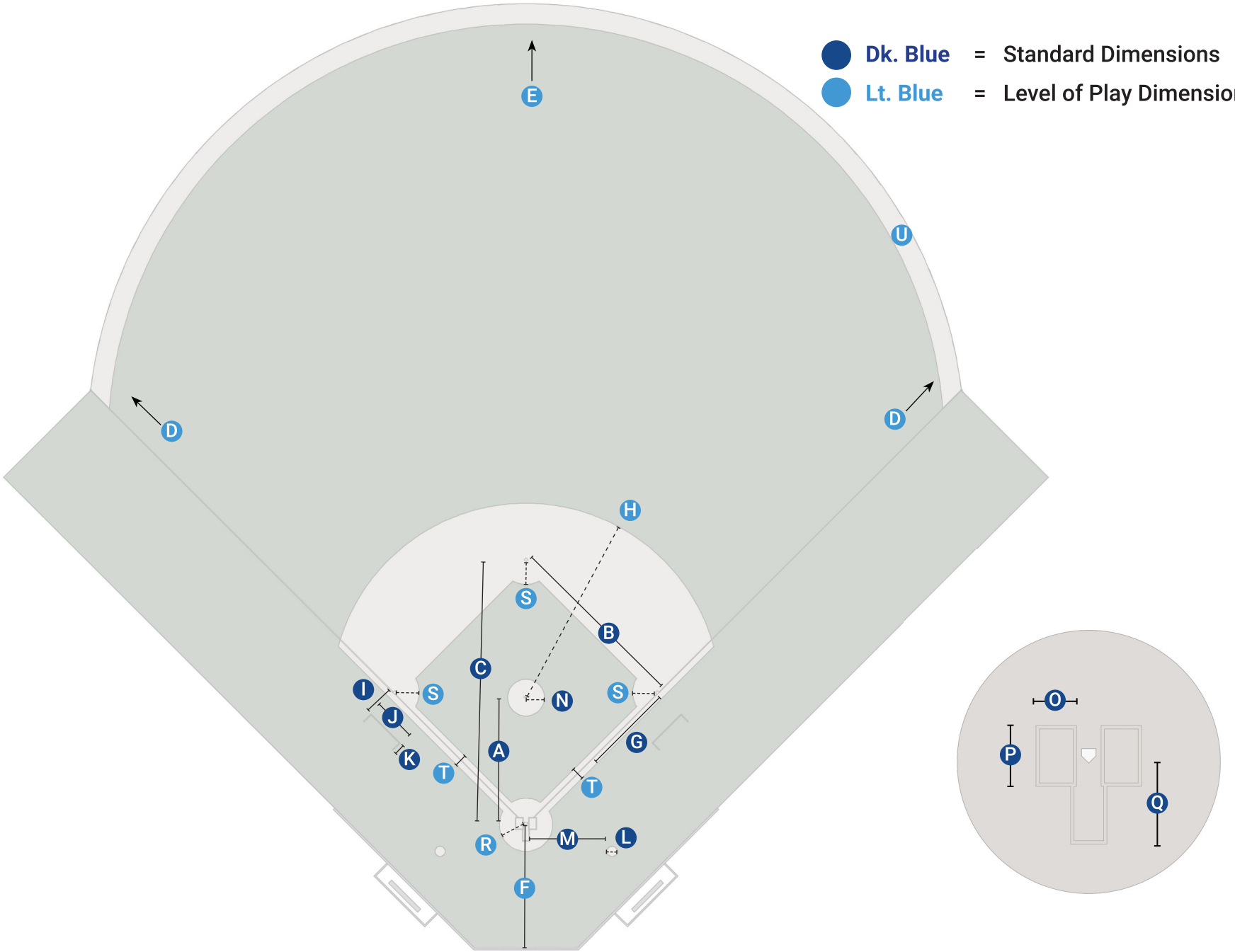
*Baseball Fields Pinwheel Layout at Bossen Field Park



*Neiman Sports Complex

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Baseball Field Dimensions



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Baseball Field Dimensions Table

League (Level of Play)	Pitching Rubber Distance	Base Lengths	Home Plate to Second Base	Outfield Fence Distance	Minimum Center Field Fence Distance	Home Plate to Backstop	1st base Runner's Lane	Infield Arc Radius	Coaches box from foul line	Coaches's box length	Coaches box width	On Deck Circle Diameter	On Deck Circle from Home Plate	Picture's Mound Radius	Batter's Box Width	Batter's Box Length	Home Plate to Catcher's Box	Home Plate Radius	Base Cut out Radius	Baseline Width (home to 1st and 3rd)	Warning Track Width - Outfield
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U
10U	46'	60'	84' - 10 1/4"	200'	200'	60'	45'	95'	15'	20'	5'	5'	37'	9'	6'	4'	8'	13'	13'	6'	10'
12U	52'	75'	84' - 10 1/4"	250'	250'	60'	45'	95'	15'	20'	5'	5'	37'	9'	6'	4'	8'	13'	13'	6'	10'
13U to 15U	60' - 6"	90'	127' - 3 3/8"	300'	300'	60'	45'	95'	15'	20'	5'	5'	37'	9'	6'	4'	8'	13'	13'	6'	10'
18U, High School, M	60' - 6"	90'	127' - 3 3/8"	300'	400'	60'	45'	95'	15'	20'	5'	5'	37'	9'	6'	4'	8'	13'	13'	6'	10'

Dk. Blue = Standard Dimensions **Lt. Blue** = Level of Play Dimensions



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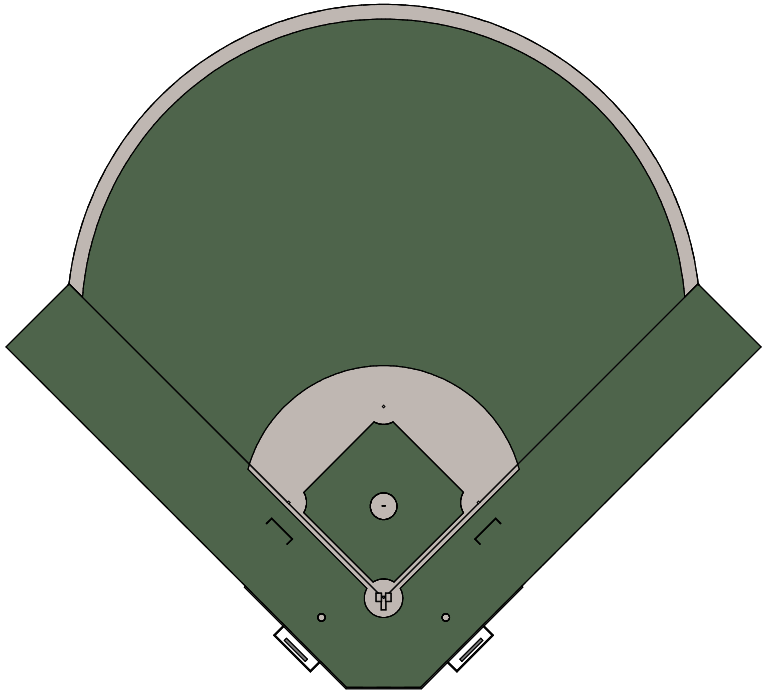
Baseball Field Classifications

Field Class

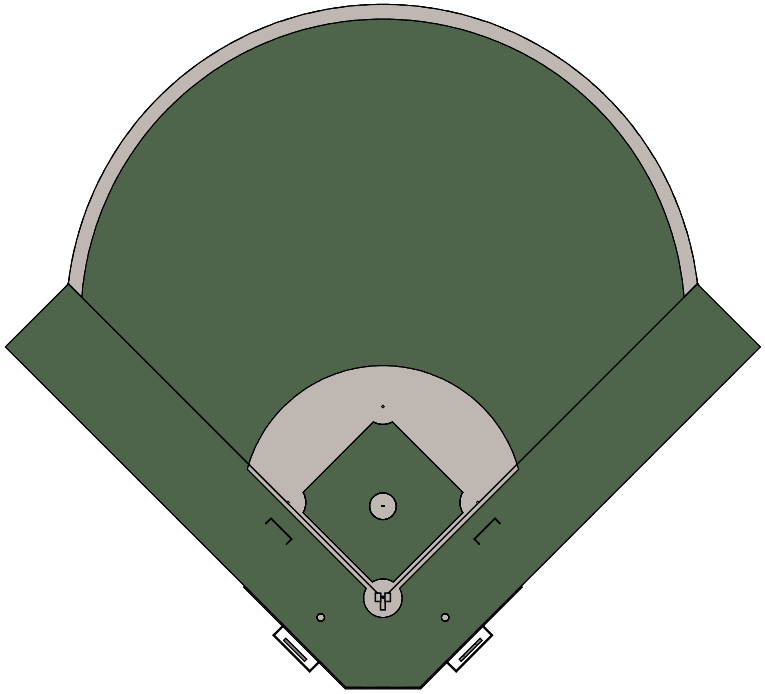
FACTORS	Field focus	FIELD CLASS	Field focus
Player ability	High skills	1 2 3 4	Skill development
Competition	Intense play		Learning and leisure
Access	Reservation basis		Walk-on possible
Fee	Program cost		Little or no cost
Care	High maintenance		Aligned with park
...	...		...

Features Key

REQUIRED	Feature shall be present for best play experience
PREFERRED	Feature is desired to enhance play experience
OPTIONAL	Feature may be present if conditions, funding, and operations are supportive and experience of play is enhanced
NOT REQUIRED	Feature is not needed to support experience for that field's level of play



Level 1



Level 2

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Baseball Field Classifications and Locations

Baseball - Level 1

BOSSEN FIELD PARK
NEIMAN SPORTS COMPLEX
PARADE PARK

Baseball - Level 2

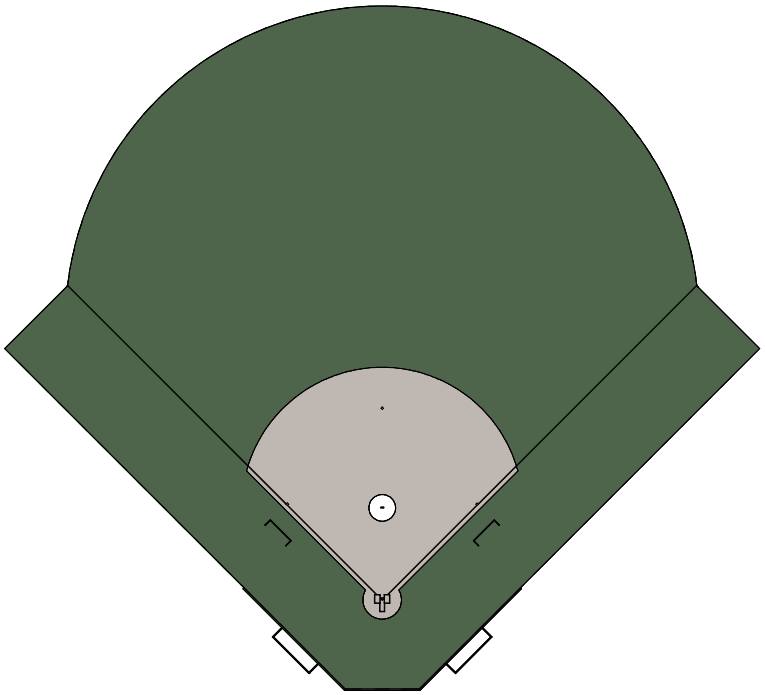
FARVIEW PARK
NORTHEAST ATHLETIC FIELD PARK
PEARL PARK
SHINGLE CREEK PARK
STEWART PARK
VAN CLEVE PARK
XCEL FIELD PARK

Baseball - Level 3

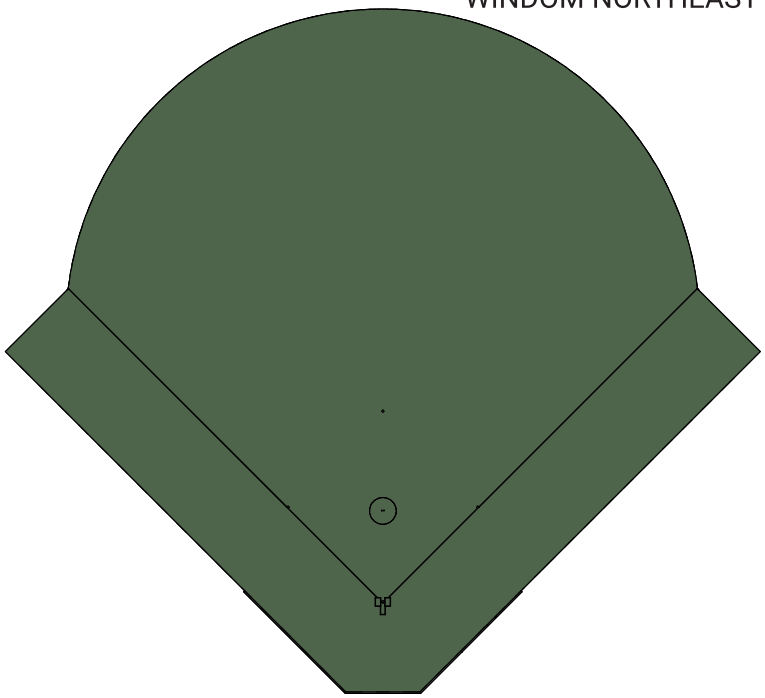
ARMATAGE PARK
BOTTINEAU FIELD PARK
EAST PHILLIPS PARK
JACKSON SQUARE PARK
MCRAE PARK
NORTHEAST ATHLETIC FIELD PARK
PERSHING FIELD PARK
POWDERHORN PARK
REV. DR. MARTIN LUTHER KING JR. PARK
SHINGLE CREEK PARK
WHITTIER PARK

Baseball - Level 4

BASSETT'S CREEK PARK
BOHANON PARK
BRACKET FIELD PARK
BRYANT SQUARE PARK
BRYN MAWR PARK
FOLWELL PARK
HIAWATHA SCHOOL PARK
KEEWAYDIN PARK
KENWOOD PARK
LAKE HIAWATHA NEIGHBORHOOD PARK
LAKE NOKOMIS REGIONAL PARK
LINDEN HILLS PARK
LOGAN PARK
LONGFELLOW PARK
LYNNHURST PARK
MATTHEWS PARK
MINNEHAHA CREEK PARK
MORRIS PARK
NORTH COMMONS
PAINTER PARK
PEARL PARK
PHELPS FIELD PARK
SIBLEY PARK
TODD PARK
VAN CLEVE PARK
WILLARD PARK
WINDOM NORTHEAST PARK



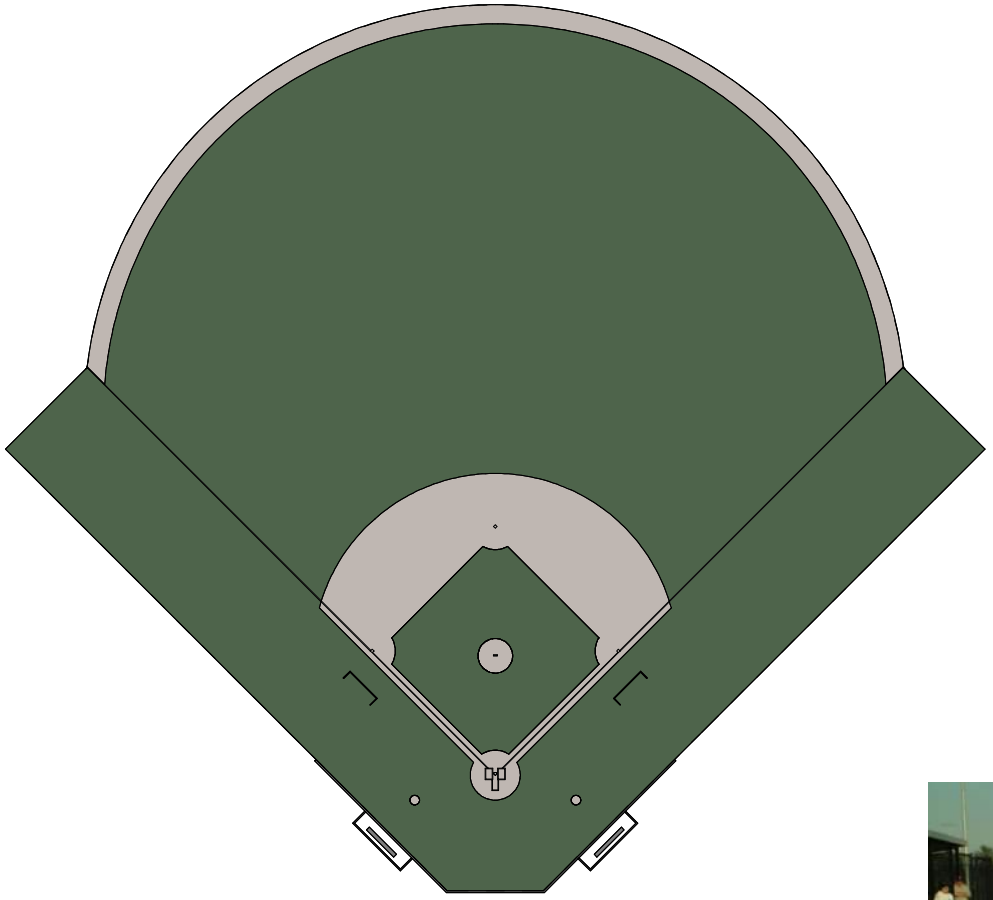
Level 3

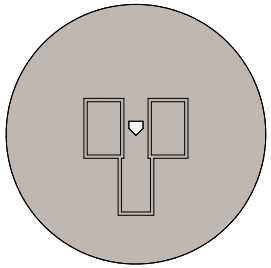


Level 4

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Baseball Field Classifications - Level 1





	Field Class			
	1	2	3	4
Player Safety				
Safety Fencing at Players Bench	REQ	REQ	REQ	REQ
Safety Fencing at Bullpen	REQ	PREF	OPT	NOT REQ
Non-overlapping Field	REQ	REQ	OPT	NOT REQ
Field Characteristics				
Lighting	REQ	REQ	PREF	NOT REQ
Outfield Fencing	N/A	REQ	OPT	NOT REQ
Semi-permanent Outfield Fencing	REQ	REQ	OPT	NOT REQ
Foul Line Poles	REQ	REQ	OPT	NOT REQ
Warning Track	REQ	PREF	OPT	NOT REQ
Play Characteristics				
Full Backstop	REQ	REQ	PREF	OPT
Adjustable Bases	REQ	REQ	PREF	OPT
Permanent Bases	REQ	REQ	PREF	OPT
Scoreboard	REQ	REQ	NOT REQ	NOT REQ
Dugouts	REQ	REQ	REQ	OPT
Players Benches	REQ	REQ	PREF	OPT
Drinking Fountain	REQ	REQ	PREF	OPT
Electricity Source	REQ	REQ	PREF	OPT
Batting Cage	REQ	REQ	PREF	OPT
Team Equipment Shed	REQ	PREF	NOT REQ	NOT REQ
Maintenance				
Field Equipment Shed	REQ	REQ	OPT	NOT REQ
Irrigation	REQ	REQ	NOT REQ	NOT REQ
Weed-free Infield	REQ	REQ	REQ	PREF
Rain Cover	REQ	REQ	NOT REQ	NOT REQ
Spectating				
Seating	REQ	REQ	OPT	NOT REQ
Protected Seating	REQ	REQ	OPT	NOT REQ
Covered Seating	REQ	REQ	NOT REQ	NOT REQ
Concessions	REQ	OPT	NOT REQ	NOT REQ

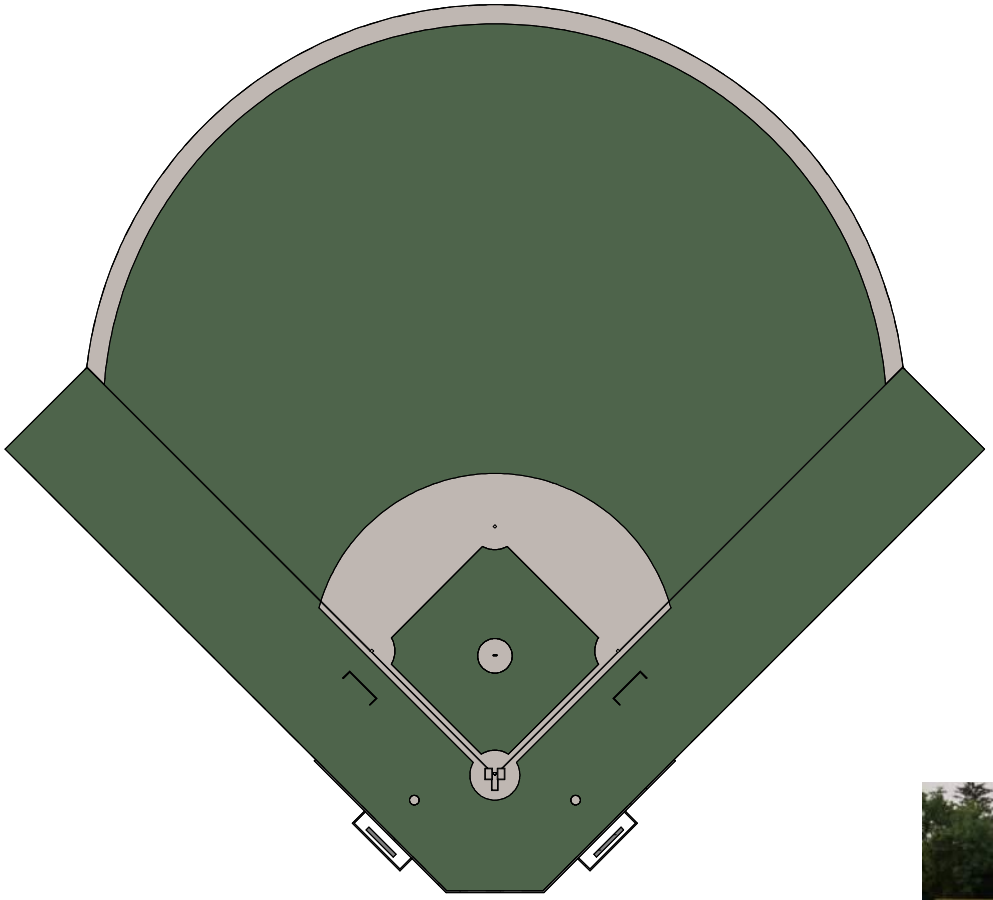
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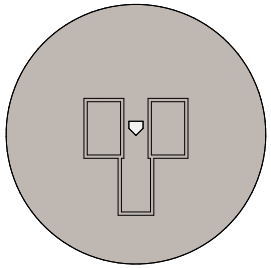


* Neiman Sports Complex

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Baseball Field Classifications - Level 2





	Field Class			
	1	2	3	4
Player Safety				
Safety Fencing at Players Bench	REQ	REQ	REQ	REQ
Safety Fencing at Bullpen	REQ	PREF	OPT	NOT REQ
Non-overlapping Field	REQ	REQ	OPT	NOT REQ
Field Characteristics				
Lighting	REQ	REQ	PREF	NOT REQ
Outfield Fencing	N/A	REQ	OPT	NOT REQ
Semi-permanent Outfield Fencing	REQ	REQ	OPT	NOT REQ
Foul Line Poles	REQ	REQ	OPT	NOT REQ
Warning Track	REQ	PREF	OPT	NOT REQ
Play Characteristics				
Full Backstop	REQ	REQ	PREF	OPT
Adjustable Bases	REQ	REQ	PREF	OPT
Permanent Bases	REQ	REQ	PREF	OPT
Scoreboard	REQ	REQ	NOT REQ	NOT REQ
Dugouts	REQ	REQ	REQ	OPT
Players Benches	REQ	REQ	PREF	OPT
Drinking Fountain	REQ	REQ	PREF	OPT
Electricity Source	REQ	REQ	PREF	OPT
Batting Cage	REQ	REQ	PREF	OPT
Team Equipment Shed	REQ	PREF	NOT REQ	NOT REQ
Maintenance				
Field Equipment Shed	REQ	REQ	OPT	NOT REQ
Irrigation	REQ	REQ	NOT REQ	NOT REQ
Weed-free Infield	REQ	REQ	REQ	PREF
Rain Cover	REQ	REQ	NOT REQ	NOT REQ
Spectating				
Seating	REQ	REQ	OPT	NOT REQ
Protected Seating	REQ	REQ	OPT	NOT REQ
Covered Seating	REQ	REQ	NOT REQ	NOT REQ
Concessions	REQ	OPT	NOT REQ	NOT REQ

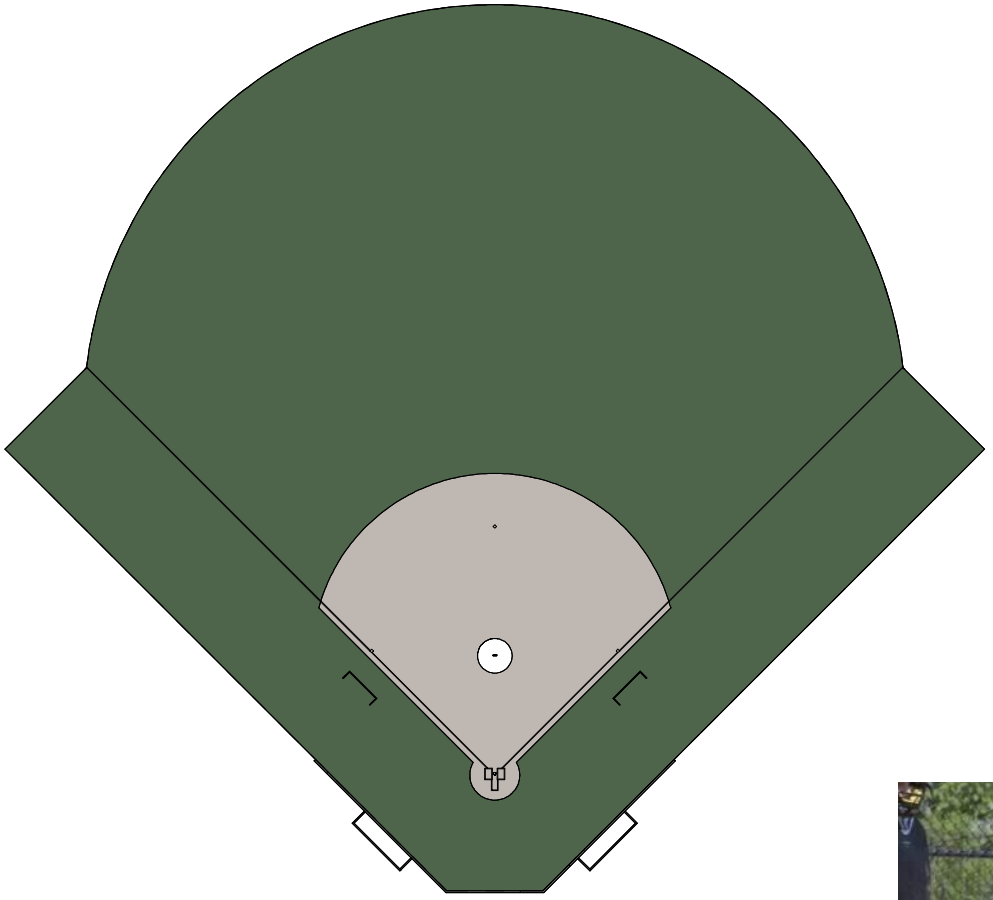
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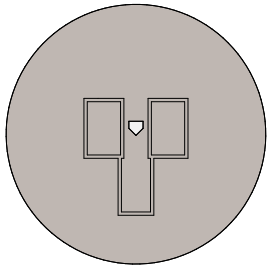


* Twins Takeover at Pearl Park

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Baseball Field Classifications - Level 3





	Field Class			
	1	2	3	4
Player Safety				
Safety Fencing at Players Bench	REQ	REQ	REQ	REQ
Safety Fencing at Bullpen	REQ	PREF	OPT	NOT REQ
Non-overlapping Field	REQ	REQ	OPT	NOT REQ
Field Characteristics				
Lighting	REQ	REQ	PREF	NOT REQ
Outfield Fencing	N/A	REQ	OPT	NOT REQ
Semi-permanent Outfield Fencing	REQ	REQ	OPT	NOT REQ
Foul Line Poles	REQ	REQ	OPT	NOT REQ
Warning Track	REQ	PREF	OPT	NOT REQ
Play Characteristics				
Full Backstop	REQ	REQ	PREF	OPT
Adjustable Bases	REQ	REQ	PREF	OPT
Permanent Bases	REQ	REQ	PREF	OPT
Scoreboard	REQ	REQ	NOT REQ	NOT REQ
Dugouts	REQ	REQ	REQ	OPT
Players Benches	REQ	REQ	PREF	OPT
Drinking Fountain	REQ	REQ	PREF	OPT
Electricity Source	REQ	REQ	PREF	OPT
Batting Cage	REQ	REQ	PREF	OPT
Team Equipment Shed	REQ	PREF	NOT REQ	NOT REQ
Maintenance				
Field Equipment Shed	REQ	REQ	OPT	NOT REQ
Irrigation	REQ	REQ	NOT REQ	NOT REQ
Weed-free Infield	REQ	REQ	REQ	PREF
Rain Cover	REQ	REQ	NOT REQ	NOT REQ
Spectating				
Seating	REQ	REQ	OPT	NOT REQ
Protected Seating	REQ	REQ	OPT	NOT REQ
Covered Seating	REQ	REQ	NOT REQ	NOT REQ
Concessions	REQ	OPT	NOT REQ	NOT REQ

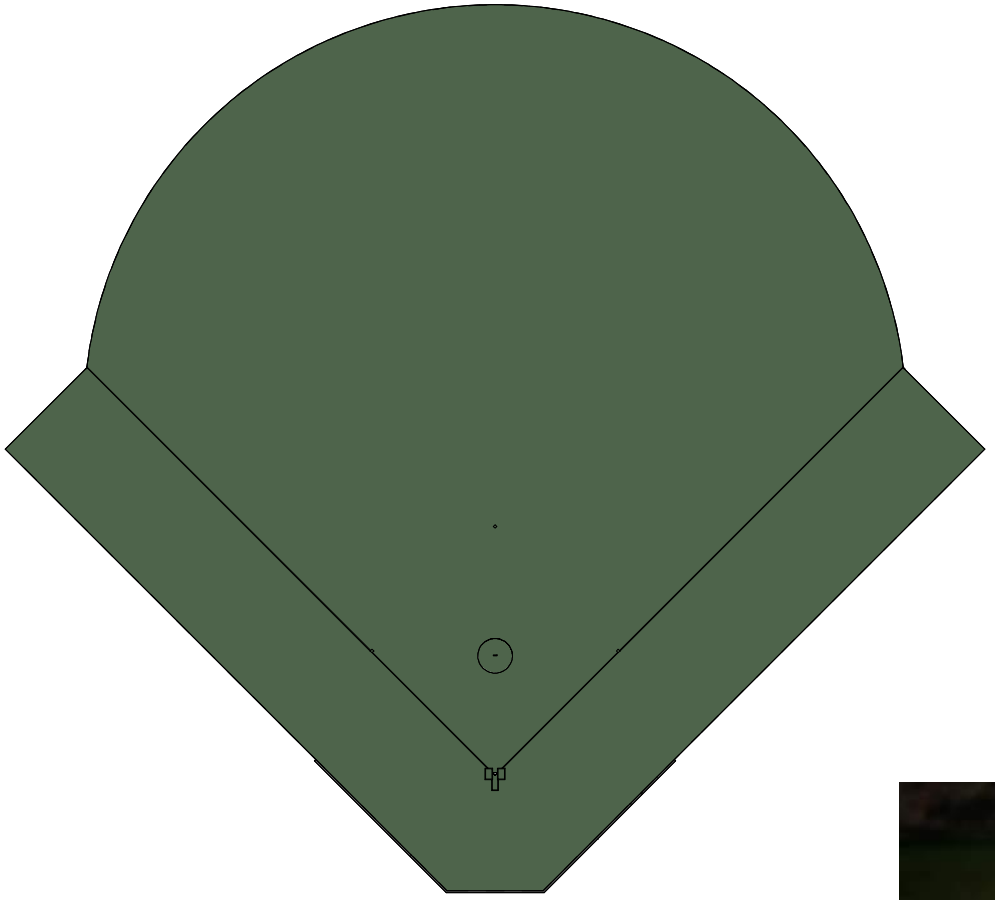
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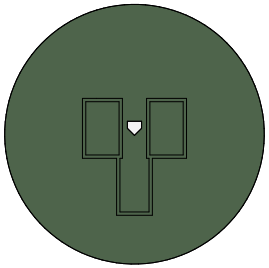


* Youth Baseball at Bottineau Field Park

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Baseball Field Classifications - Level 4





	Field Class			
	1	2	3	4
Player Safety				
Safety Fencing at Players Bench	REQ	REQ	REQ	REQ
Safety Fencing at Bullpen	REQ	PREF	OPT	NOT REQ
Non-overlapping Field	REQ	REQ	OPT	NOT REQ
Field Characteristics				
Lighting	REQ	REQ	PREF	NOT REQ
Outfield Fencing	N/A	REQ	OPT	NOT REQ
Semi-permanent Outfield Fencing	REQ	REQ	OPT	NOT REQ
Foul Line Poles	REQ	REQ	OPT	NOT REQ
Warning Track	REQ	PREF	OPT	NOT REQ
Play Characteristics				
Full Backstop	REQ	REQ	PREF	OPT
Adjustable Bases	REQ	REQ	PREF	OPT
Permanent Bases	REQ	REQ	PREF	OPT
Scoreboard	REQ	REQ	NOT REQ	NOT REQ
Dugouts	REQ	REQ	REQ	OPT
Players Benches	REQ	REQ	PREF	OPT
Drinking Fountain	REQ	REQ	PREF	OPT
Electricity Source	REQ	REQ	PREF	OPT
Batting Cage	REQ	REQ	PREF	OPT
Team Equipment Shed	REQ	PREF	NOT REQ	NOT REQ
Maintenance				
Field Equipment Shed	REQ	REQ	OPT	NOT REQ
Irrigation	REQ	REQ	NOT REQ	NOT REQ
Weed-free Infield	REQ	REQ	REQ	PREF
Rain Cover	REQ	REQ	NOT REQ	NOT REQ
Spectating				
Seating	REQ	REQ	OPT	NOT REQ
Protected Seating	REQ	REQ	OPT	NOT REQ
Covered Seating	REQ	REQ	NOT REQ	NOT REQ
Concessions	REQ	OPT	NOT REQ	NOT REQ

* REQ = Required PREF = Preferred OPT = Optional NOT REQ = Not Required N/A = Not Available

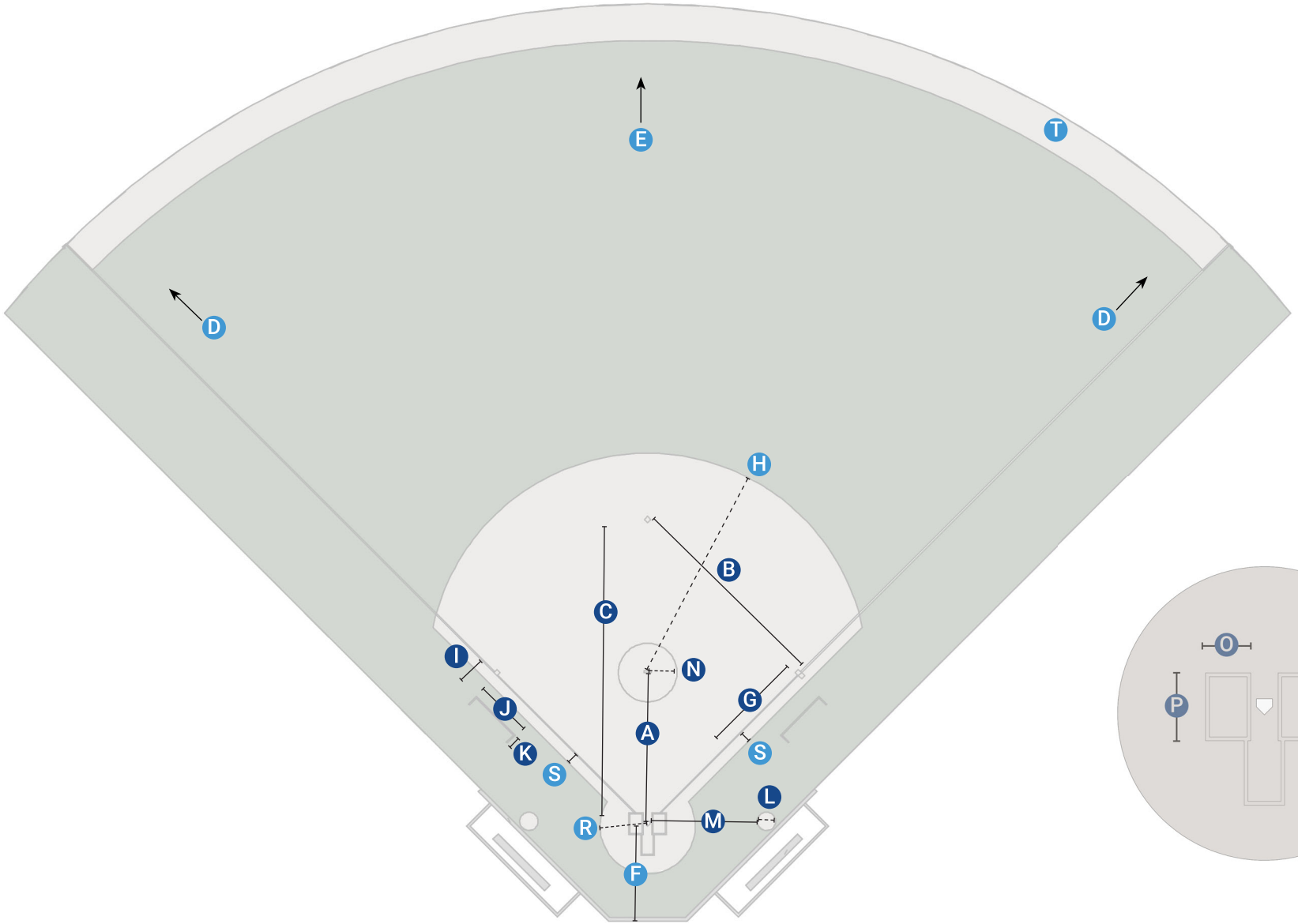


*Yourth Sports Clinic at Morris Park

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Softball Field Dimensions

Dk. Blue = Standard Dimensions
Lt. Blue = Level of Play Dimensions



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Softball Field Dimensions Table

League (Level of Play)	A Pitching Rubber Distance	B Base Lengths	C Home Plate to Second Base	D Outfield Fence Min. Distance	E Outfield Fence Max. Distance	F Home Plate to Backstop	G 1st base Runner's Lane	H Infield Arc Radius	I Coaches box from foul line	J Coaches's box length	K Coaches box width	L On Deck Circle Diameter	M On Deck Circle from Home Plate	N Picture's Mound Radius	O Batter's Box Width	P Batter's Box Length	Q Home Plate to Catcher's Box	R Home Plate Radius	S Baseline Width (foul line to grass)	T Warning Track Width - Outfield
12U & 14U (fast pitch)	40'	60'	84' - 10 1/4"	200'	225'	25'	30'	65'	8	15'	3'	5'	30'	8'	6'	4'	8'	13'	6'	10'
12U (slow pitch)	46'	60'	84' - 10 1/4"	175'	200'	25'	30'	65'	8	15'	3'	5'	30'	8'	6'	4'	8'	13'	6'	10'
14U, 16U & 18U (slow pitch)	50'	60'	91' - 11"	225'	250'	25'	30'	65'	8	15'	3'	5'	30'	8'	6'	4'	8'	13'	6'	10'
High School, Womens, & College (fast pitch)	43'	60'	84' - 10 1/4"	200'	225'	25'	30'	65'	8	15'	3'	5'	30'	8'	6'	4'	8'	13'	6'	10'
Mens (fast pitch)	46'	60'	84' - 10 1/4"	225'	275'	25'	30'	65'	8	15'	3'	5'	30'	8'	6'	4'	8'	13'	6'	10'
Adult (slow pitch)	50'	60'	99'	275'	300'	25'	30'	65'	8	15'	3'	5'	30'	8'	6'	4'	8'	13'	6'	10'

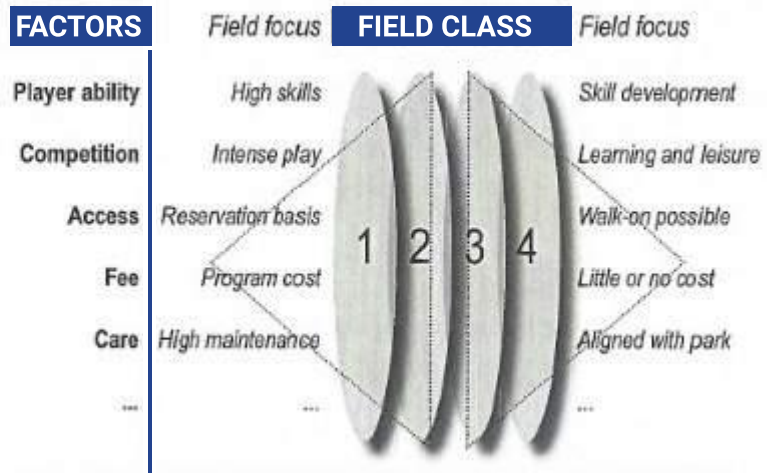
Dk. Blue = Standard Dimensions **Lt. Blue** = Level of Play Dimensions



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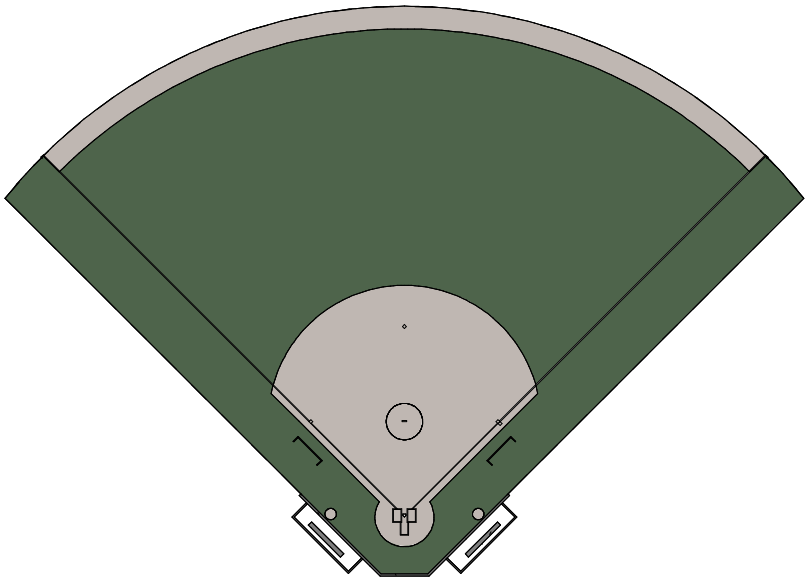
Softball Field Classifications

Field Class

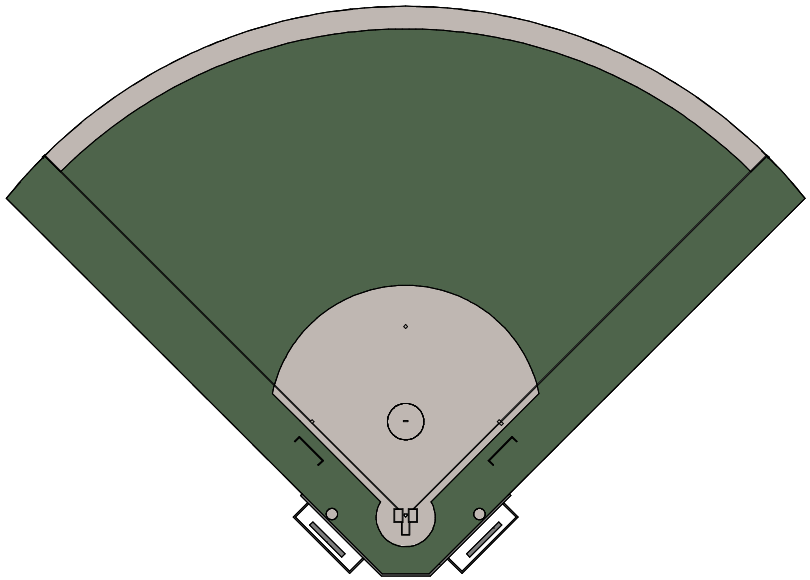


Features Key

REQUIRED	Feature shall be present for best play experience
PREFERRED	Feature is desired to enhance play experience
OPTIONAL	Feature may be present if conditions, funding, and operations are supportive and experience of play is enhanced
NOT REQUIRED	Feature is not needed to support experience for that field's level of play



Level 1



Level 2

Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Softball - Level 1

TBD

Softball - Level 2

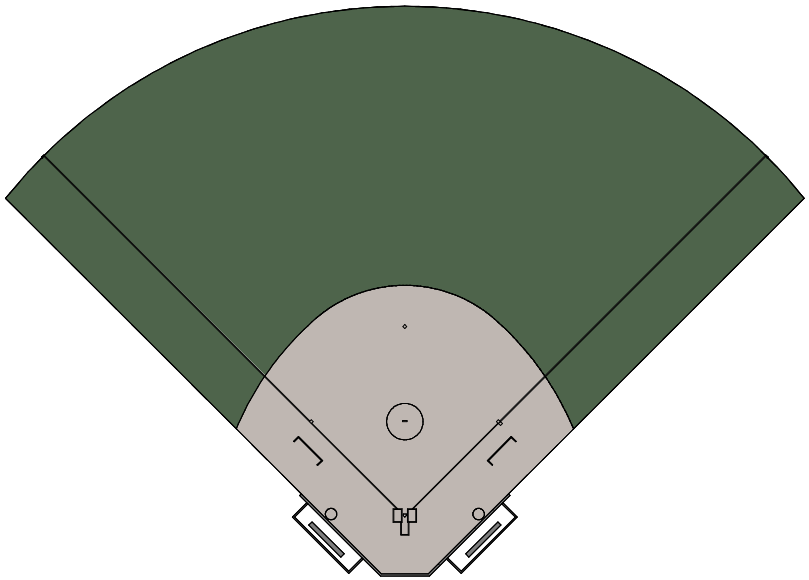
XCEL FIELD PARK
PEARL PARK

Softball - Level 3

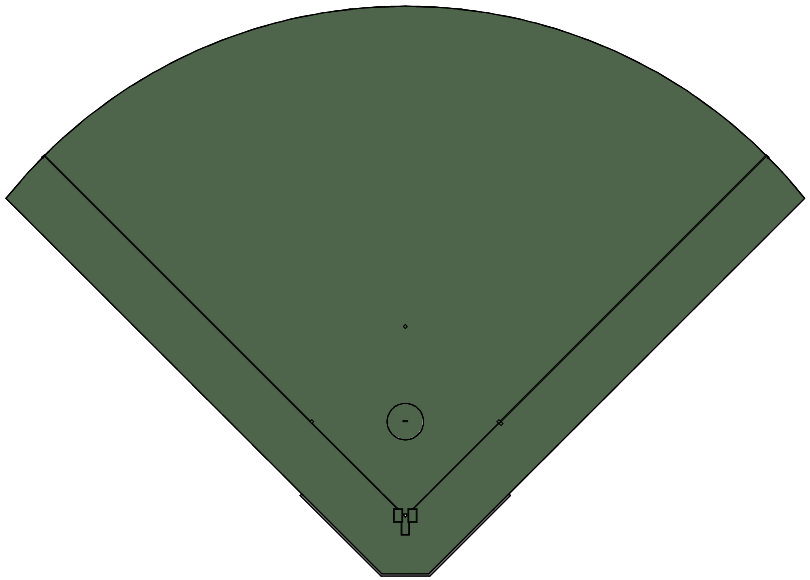
BOTTINEAU FIELD PARK

Softball - Level 4

AUTUBON PARK
BRYN MAWR MEADOWS PARK
MARSHALL TERRACE PARK
WAITE PARK
LAKE NOKOMIS REGIONAL PARK
PEARL PARK



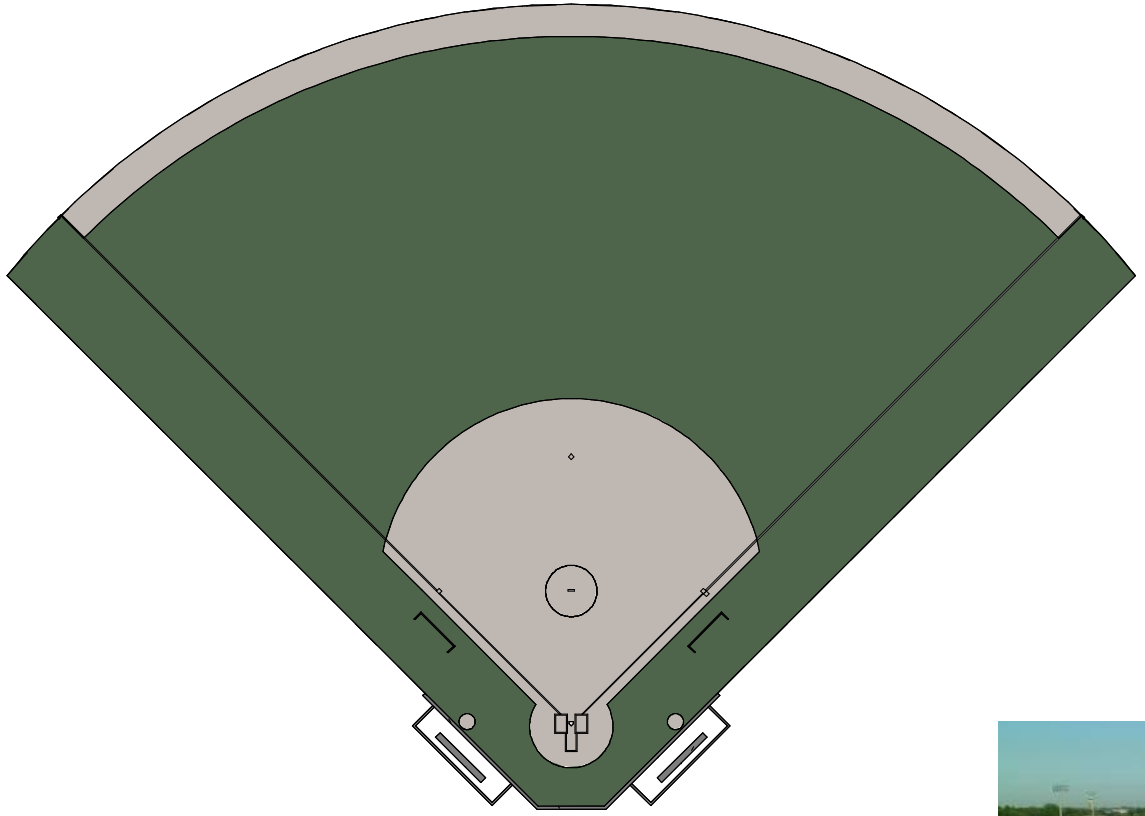
Level 3

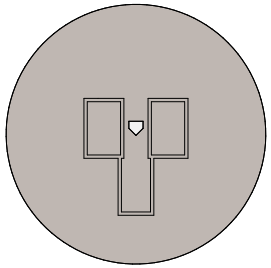


Level 4

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Softball Field Classifications - Level 1





	Field Class			
	1	2	3	4
Player Safety				
Safety Fencing at Players Bench	REQ	REQ	REQ	REQ
Safety Fencing at Bullpen	REQ	PREF	OPT	NOT REQ
Non-overlapping Field	REQ	REQ	OPT	NOT REQ
Field Characteristics				
Lighting	REQ	REQ	PREF	NOT REQ
Outfield Fencing	REQ	REQ	OPT	NOT REQ
Semi-permanent Outfield Fencing	REQ	REQ	OPT	NOT REQ
Foul Line Poles	REQ	REQ	OPT	NOT REQ
Warning Track	REQ	PREF	OPT	NOT REQ
Play Characteristics				
Full Backstop	REQ	REQ	PREF	OPT
Adjustable Bases	REQ	REQ	PREF	OPT
Permanent Bases	REQ	REQ	PREF	OPT
Scoreboard	REQ	REQ	NOT REQ	NOT REQ
Dugouts	REQ	REQ	REQ	OPT
Players Benches	REQ	REQ	PREF	OPT
Drinking Fountain	REQ	REQ	PREF	OPT
Electricity Source	REQ	REQ	PREF	OPT
Batting Cage	REQ	REQ	PREF	OPT
Team Equipment Shed	REQ	PREF	NOT REQ	NOT REQ
Maintenance				
Field Equipment Shed	REQ	REQ	OPT	NOT REQ
Irrigation	REQ	REQ	NOT REQ	NOT REQ
Weed-free Infield	REQ	REQ	REQ	PREF
Rain Cover	REQ	REQ	NOT REQ	NOT REQ
Spectating				
Seating	REQ	REQ	OPT	NOT REQ
Protected Seating	REQ	REQ	OPT	NOT REQ
Covered Seating	REQ	REQ	NOT REQ	NOT REQ
Concessions	REQ	OPT	NOT REQ	NOT REQ

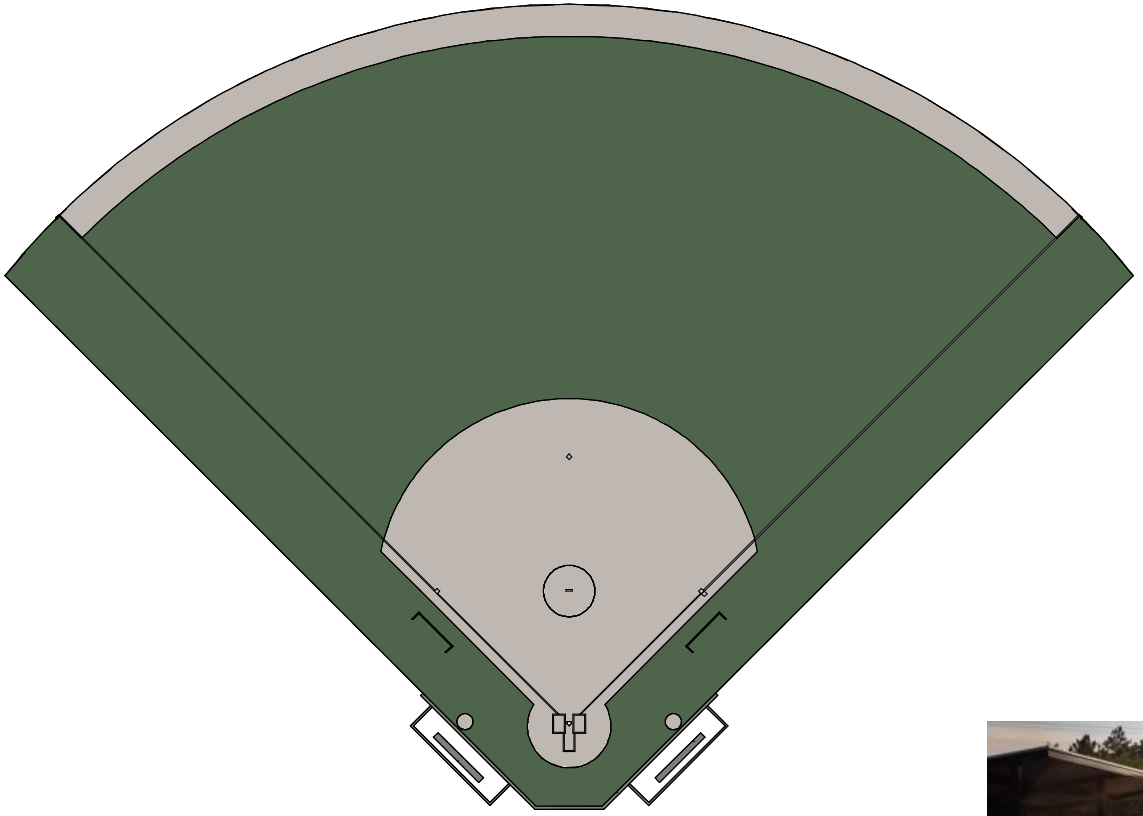
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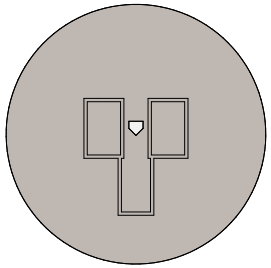


* Neiman Sports Complex

Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Softball Field Classifications - Level 2





	Field Class			
	1	2	3	4
Player Safety				
Safety Fencing at Players Bench	REQ	REQ	REQ	REQ
Safety Fencing at Bullpen	REQ	PREF	OPT	NOT REQ
Non-overlapping Field	REQ	REQ	OPT	NOT REQ
Field Characteristics				
Lighting	REQ	REQ	PREF	NOT REQ
Outfield Fencing	REQ	REQ	OPT	NOT REQ
Semi-permanent Outfield Fencing	REQ	REQ	OPT	NOT REQ
Foul Line Poles	REQ	REQ	OPT	NOT REQ
Warning Track	REQ	PREF	OPT	NOT REQ
Play Characteristics				
Full Backstop	REQ	REQ	PREF	OPT
Adjustable Bases	REQ	REQ	PREF	OPT
Permanent Bases	REQ	REQ	PREF	OPT
Scoreboard	REQ	REQ	NOT REQ	NOT REQ
Dugouts	REQ	REQ	REQ	OPT
Players Benches	REQ	REQ	PREF	OPT
Drinking Fountain	REQ	REQ	PREF	OPT
Electricity Source	REQ	REQ	PREF	OPT
Batting Cage	REQ	REQ	PREF	OPT
Team Equipment Shed	REQ	PREF	NOT REQ	NOT REQ
Maintenance				
Field Equipment Shed	REQ	REQ	OPT	NOT REQ
Irrigation	REQ	REQ	NOT REQ	NOT REQ
Weed-free Infield	REQ	REQ	REQ	PREF
Rain Cover	REQ	REQ	NOT REQ	NOT REQ
Spectating				
Seating	REQ	REQ	OPT	NOT REQ
Protected Seating	REQ	REQ	OPT	NOT REQ
Covered Seating	REQ	REQ	NOT REQ	NOT REQ
Concessions	REQ	OPT	NOT REQ	NOT REQ

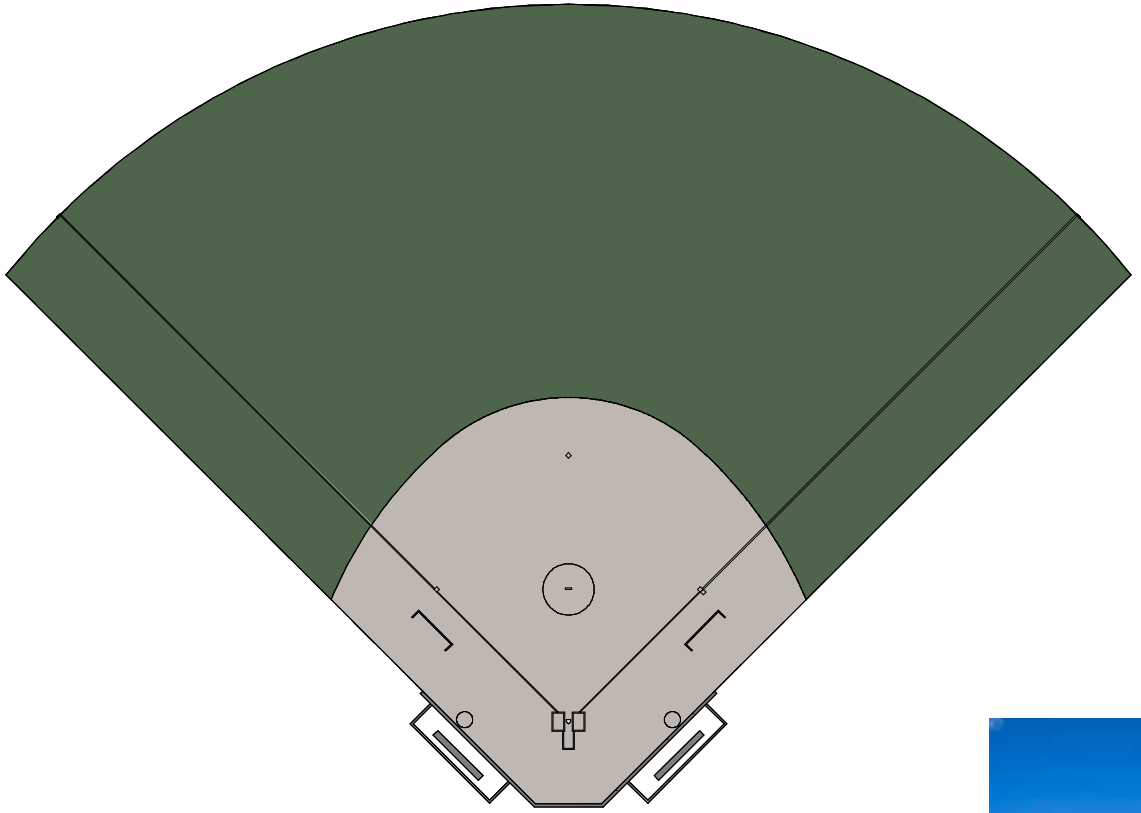
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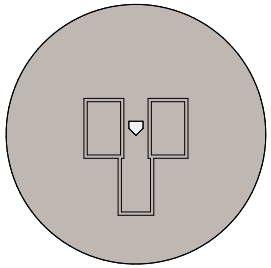


* Men's Softball at Xcel Field Park

Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Softball Field Classifications - Level 3





	Field Class			
	1	2	3	4
Player Safety				
Safety Fencing at Players Bench	REQ	REQ	REQ	REQ
Safety Fencing at Bullpen	REQ	PREF	OPT	NOT REQ
Non-overlapping Field	REQ	REQ	OPT	NOT REQ
Field Characteristics				
Lighting	REQ	REQ	PREF	NOT REQ
Outfield Fencing	REQ	REQ	OPT	NOT REQ
Semi-permanent Outfield Fencing	REQ	REQ	OPT	NOT REQ
Foul Line Poles	REQ	REQ	OPT	NOT REQ
Warning Track	REQ	PREF	OPT	NOT REQ
Play Characteristics				
Full Backstop	REQ	REQ	PREF	OPT
Adjustable Bases	REQ	REQ	PREF	OPT
Permanent Bases	REQ	REQ	PREF	OPT
Scoreboard	REQ	REQ	NOT REQ	NOT REQ
Dugouts	REQ	REQ	REQ	OPT
Players Benches	REQ	REQ	PREF	OPT
Drinking Fountain	REQ	REQ	PREF	OPT
Electricity Source	REQ	REQ	PREF	OPT
Batting Cage	REQ	REQ	PREF	OPT
Team Equipment Shed	REQ	PREF	NOT REQ	NOT REQ
Maintenance				
Field Equipment Shed	REQ	REQ	OPT	NOT REQ
Irrigation	REQ	REQ	NOT REQ	NOT REQ
Weed-free Infield	REQ	REQ	REQ	PREF
Rain Cover	REQ	REQ	NOT REQ	NOT REQ
Spectating				
Seating	REQ	REQ	OPT	NOT REQ
Protected Seating	REQ	REQ	OPT	NOT REQ
Covered Seating	REQ	REQ	NOT REQ	NOT REQ
Concessions	REQ	OPT	NOT REQ	NOT REQ

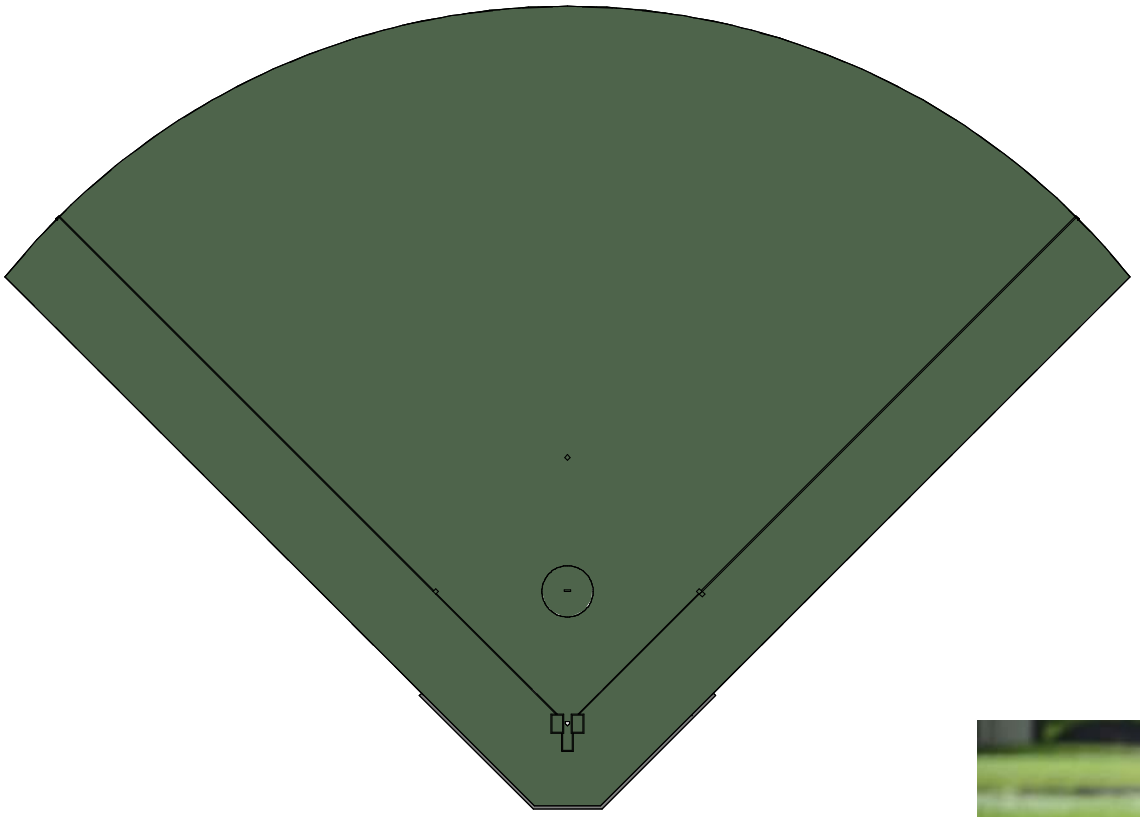
* REQ = Required PREF = Preferred OPT = Optional NOT REQ = Not Required N/A = Not Available

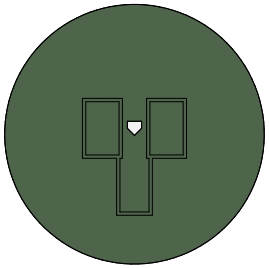


* 18U Softball at Bottineau Field Park

Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Softball Field Classifications - Level 4





	Field Class			
	1	2	3	4
Player Safety				
Safety Fencing at Players Bench	REQ	REQ	REQ	REQ
Safety Fencing at Bullpen	REQ	PREF	OPT	NOT REQ
Non-overlapping Field	REQ	REQ	OPT	NOT REQ
Field Characteristics				
Lighting	REQ	REQ	PREF	NOT REQ
Outfield Fencing	REQ	REQ	OPT	NOT REQ
Semi-permanent Outfield Fencing	REQ	REQ	OPT	NOT REQ
Foul Line Poles	REQ	REQ	OPT	NOT REQ
Warning Track	REQ	PREF	OPT	NOT REQ
Play Characteristics				
Full Backstop	REQ	REQ	PREF	OPT
Adjustable Bases	REQ	REQ	PREF	OPT
Permanent Bases	REQ	REQ	PREF	OPT
Scoreboard	REQ	REQ	NOT REQ	NOT REQ
Dugouts	REQ	REQ	REQ	OPT
Players Benches	REQ	REQ	PREF	OPT
Drinking Fountain	REQ	REQ	PREF	OPT
Electricity Source	REQ	REQ	PREF	OPT
Batting Cage	REQ	REQ	PREF	OPT
Team Equipment Shed	REQ	PREF	NOT REQ	NOT REQ
Maintenance				
Field Equipment Shed	REQ	REQ	OPT	NOT REQ
Irrigation	REQ	REQ	NOT REQ	NOT REQ
Weed-free Infield	REQ	REQ	REQ	PREF
Rain Cover	REQ	REQ	NOT REQ	NOT REQ
Spectating				
Seating	REQ	REQ	OPT	NOT REQ
Protected Seating	REQ	REQ	OPT	NOT REQ
Covered Seating	REQ	REQ	NOT REQ	NOT REQ
Concessions	REQ	OPT	NOT REQ	NOT REQ

* REQ = Required PREF = Preferred OPT = Optional NOT REQ = Not Required N/A = Not Available



* Youth Softball at Pearl Park

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Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Baseball and softball fields rely heavily on the use of high-quality materials and specialized equipment, which are instrumental in ensuring the fields' quality and durability. These materials and tools are selected for their ability to withstand the rigors of frequent play and varying weather conditions, ensuring the field's longevity. Although high-quality materials are preferred, those material selection can be determined by the Level of Classification of Field or current conditions of each field.

Key materials in field construction include high-grade turf, either natural or synthetic, tailored to specific environmental conditions and usage patterns. For natural grass fields, a blend of grass types is often chosen for optimal growth, resilience, and color. Synthetic turf, on the other hand, involves advanced fibers that mimic the feel and bounce of natural grass, while offering greater durability and lower maintenance requirements.

Infield soil mix, a critical component of the baseball diamond, is another crucial material. It is typically a carefully balanced mixture of sand, clay, and silt, providing the right combination of firmness, drainage, and playability. The choice of infield mix can significantly affect the ball's behavior on the field, making it an essential factor in field construction.

Other essential equipment includes irrigation systems, lighting photometrics of the playing field, field fencing, player protection, spector safety, and specialized equipment that make up today's ballfield design.



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Field Surfaces Design Intent Standard

Infield Soil - Ag Lime

Every baseball and softball team needs a verdant, lush field to play on, and effective irrigation design is paramount for maintaining the grass in that field. Installing a reliable irrigation system throughout your baseball field is crucial to the success of the field and the team's performance and reputation.



SPECIFICATIONS

- Provide Standard Zone Irrigation Design with Looped Mainline
- Rain Sensor Irrigation Controller
- Quick Couplers located along field lines near the dugout, and one in grass area behind second base

Material Selection can vary by Level of Classification of Field.

- Rain Bird or approved equal.

Outfield Soil - TBD

Every baseball and softball team needs a verdant, lush field to play on, and effective irrigation design is paramount for maintaining the grass in that field. Installing a reliable irrigation system throughout your baseball field is crucial to the success of the field and the team's performance and reputation.





SPECIFICATIONS

- Provide Standard Zone Irrigation Design with Looped Mainline
- Rain Sensor Irrigation Controller
- Quick Couplers located along field lines near the dugout, and one in grass area behind second base

Material Selection can vary by Level of Classification of Field.

- Rain Bird or approved equal.

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Infield Seed Mix -TBD

Every baseball and softball team needs a verdant, lush field to play on, and effective irrigation design is paramount for maintaining the grass in that field. Installing a reliable irrigation system throughout your baseball field is crucial to the success of the field and the team's performance and reputation.





SPECIFICATIONS

- Provide Standard Zone Irrigation Design with Looped Mainline
- Rain Sensor Irrigation Controller
- Quick Couplers located along field lines near the dugout, and one in grass area behind second base

Material Selection can vary by Level of Classification of Field.

- Rain Bird or approved equal.

Outfield Seed Mix - TBD

Every baseball and softball team needs a verdant, lush field to play on, and effective irrigation design is paramount for maintaining the grass in that field. Installing a reliable irrigation system throughout your baseball field is crucial to the success of the field and the team's performance and reputation.





SPECIFICATIONS

- Provide Standard Zone Irrigation Design with Looped Mainline
- Rain Sensor Irrigation Controller
- Quick Couplers located along field lines near the dugout, and one in grass area behind second base

Material Selection can vary by Level of Classification of Field.

- Rain Bird or approved equal.

Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Batting Cage Design Intent Standard

Batting cages may be required based on Level of Classification of Field and are located on one or both sides of the field. Each batting cage shall have a minimum inside dimension of 70 feet by 15 feet or 60 feet by 15 feet (for youth baseball or softball use). The floor shall be a 4-inch thick concrete pad with a centered floor drain. The perimeter fencing shall be 12 feet high chain link fence supported by galvanized steel posts, maximum 8 feet on center.

Each batting cage shall have two 120V outlets, located at the door end of the cage. Each batting cage shall have its own door with lockable latch. The batting cages shall be equipped with a pitching machine and sports turf homeplate mat.

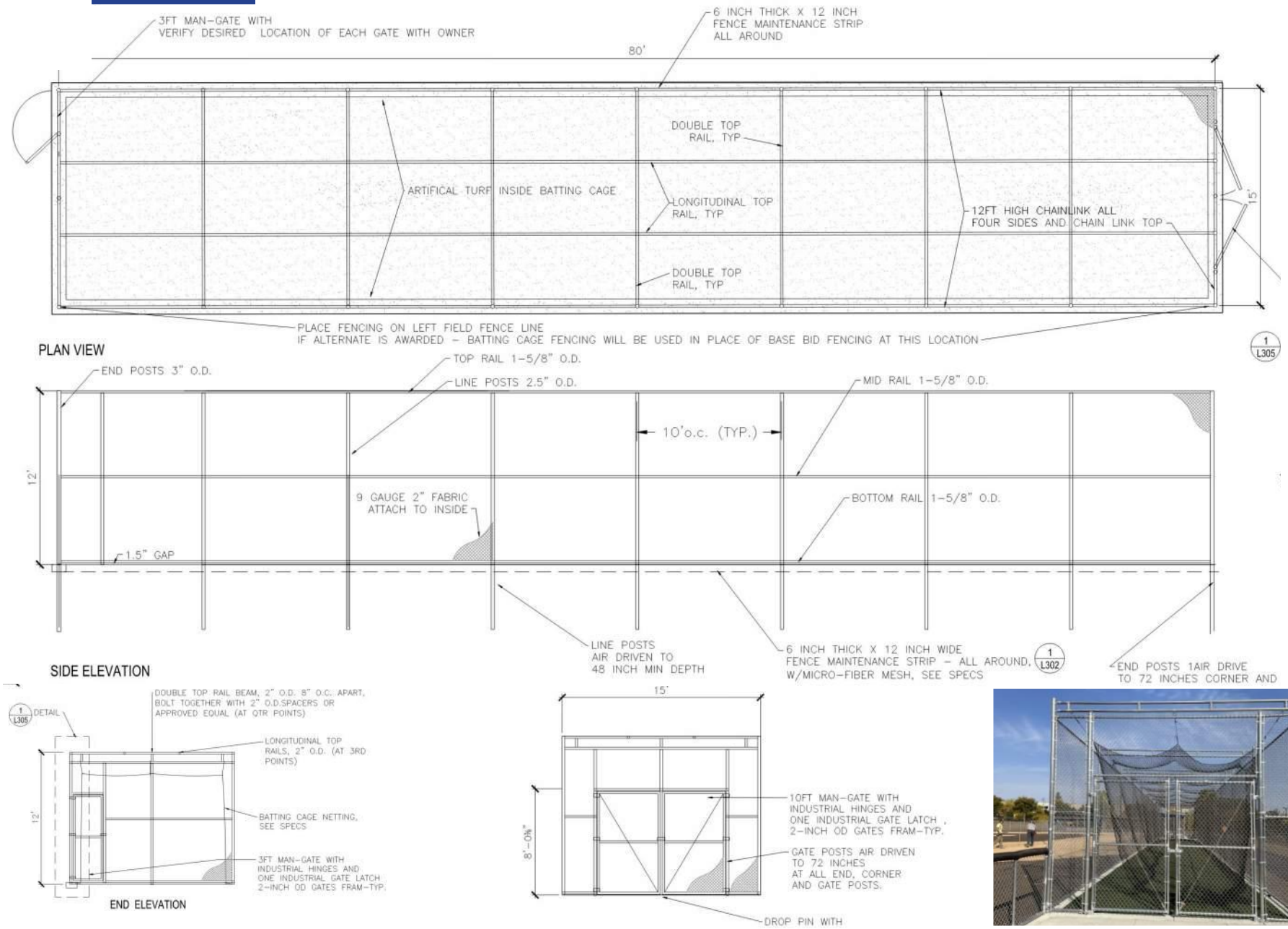


SPECIFICATIONS

- Provide Standard galvanized finish
  -Black coated **LEVEL 1 EXAMPLE**
- Posts shall be standard weight (Schedule 40) and hot-dip galvanized pipe meeting the requirements of ASTM F1083.
- Corner Posts, Warm-up Board Posts and Gate Posts: Shall be nominal 3 inch O.D. schedule 40, galvanized steel pipe, unless noted otherwise. Posts shall be of sufficient length to be set in concrete frost footings as noted on the drawings.
- Line Posts: Shall be nominal 2-3/8 inches O.D. schedule 40, galvanized steel pipe.
- Rails: Shall be nominal 1-5/8” (min) O.D., schedule 40 galvanized steel pipe, plain end, sleeve coupled
- Post Caps: Sized to post diameter, set screw retainer, cast steel galvanized.
- Fabric: Shall be woven from 6-gauge or 9-gauge (as indicated in the Plans) galvanized steel wire in a 2-inch interwoven Diamond mesh. Fabric wire shall have a minimum tensile strength of 80,000 pounds per square inch. Fabric shall be 1-piece vertically for fences up to and including 12 feet high.

Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Intent Detail



Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Field Fence Design Intent Standard

Permanent outfield fencing shall be required where there is no field overlay and depending on Level of Classification of Field. All permanent fencing shall be a minimum 8 feet high and constructed of 6-gauge chain link, unless noted on plans. The fences shall have top, center, and bottom rails. For permanent fencing there shall be concrete mow strips and the fence will be covered with windscreen fabric, optional depending on Level of Classification of Field.

When multi-sport field overlay occurs, semi-permant fencing shall be provided that is 5 feet high made of flexible mesh - see **Temporary Fencing Design Intent Standards**.





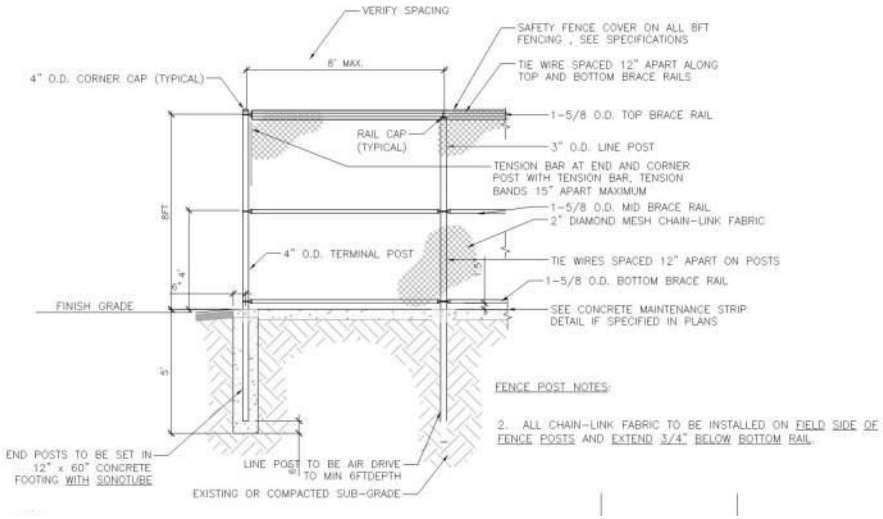
SPECIFICATIONS

- Provide Standard galvanized finish
  -Black coated **LEVEL 1 EXAMPLE**
- Fencing, posts, and rails, see batting cage specification.
- Fence Caps - suggested and depends on Level of Classification of Field.

LEVEL 1 EXAMPLE

- Gopher Sport, Kodiak Sports, PW Athletics or approved equal.
- 4-1/2" Dia. Polyethylene, pre-slit, UV-protected, standard color selection with color-matched ties.

Design Intent Detail



Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

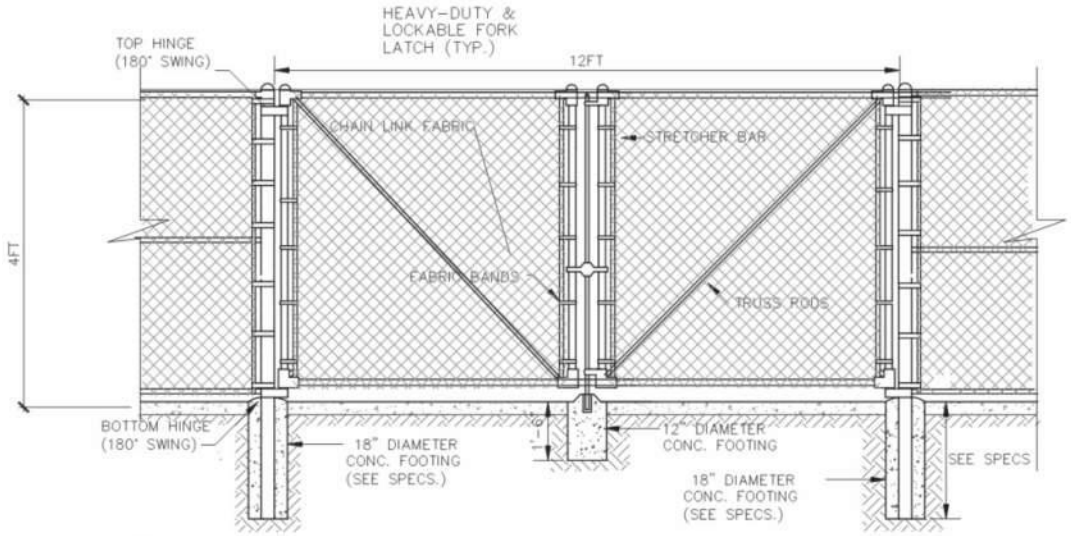
Field Maintenance Gate Design Intent Standard



Field maintenance gates shall be provided on left and right side of the field fencing. If field has a paved trail near gate access, provide a paved entrance to the maintenance gate.

Width of maintance gate shall be a minimum width 10’ and minimum height 4’. Fence caps are suggested.

Design Intent Detail



NOTES:
1. FENCE FABRIC SHALL BE SECURED TO GATE FRAMES WITH KNUCKLED SELVAGE ALONG ALL EDGES FOR ALL TYPES CHAIN LINK FENCE INSTALLATIONS.
2. REFER TO SPECIFICATIONS FOR ALL PIPE SIZING, WIRE FABRIC GAUGES, FOOTING SIZES & OTHER APPLICABLE INFORMATION.
3. ALL CONCRETE FOOTINGS AROUND POSTS AT GROUND LINE SHALL BE MOUNDED & SLOPED FOR POSITIVE DRAINAGE.

SPECIFICATIONS

- Provide Standard galvanized finish
  -Black coated **LEVEL 1 EXAMPLE**

LEVEL 1 EXAMPLE

- Gate perimeter frame shall be nominal 2-inch O.D. Schedule 40 pipe.
- Provide additional horizontal and vertical members to ensure proper gate operation and for attachment of fabric, hardware, and accessories.
- Assemble gate frames by welding fittings and rivets for rigid connections.
- Use same fabric specified for fence. Install fabric with stretcher bars at vertical edges and tie at top and bottom edges. Attach stretcher bars to gate frame at 15 inches on center maximum.
- Attach hardware with rivets or by other means which will provide security against removal or breakage.
- Hinges: Pressed steel or malleable iron to suit gate size, non-lift-off type, offset to permit 180 degree swing. Provide 1 pair of hinges for each leaf.
- Latch: Sized to post diameter, cast galvanized steel with a positive-type latching device, provision for padlocking and hinges as required to secure gate.
- Keeper: Provide semi-automatic outer catches to secure gates in open position.

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Backstop Design Intent Standard



Backstop shall be surrounded by a 6 inch high concrete curb or block wall on the outside of the backstop to keep water from draining onto the field. All concrete surrounding the backstop shall slope 1 percent away from the field.

Backstops and wings shall be minimum 25 feet in height. Back of backstop, centered behind the home plate, shall be 30 feet long, with each wing extending 30 feet parallel to each foul line.

SPECIFICATIONS

- Provide Standard Backstop Dimensions
- Height may vary
- Installation with concrete curb or block wall
- Additional safety netting is optional, depending on Level of Classification of Field and field conditions.

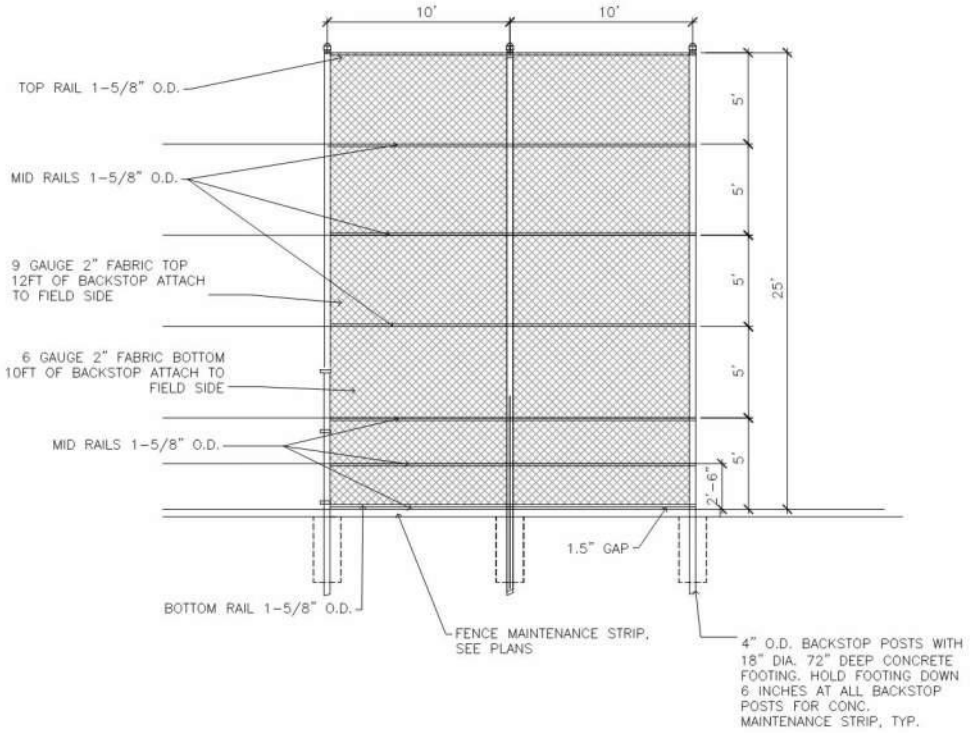
Material Selection can vary by Level of Classification of Field.

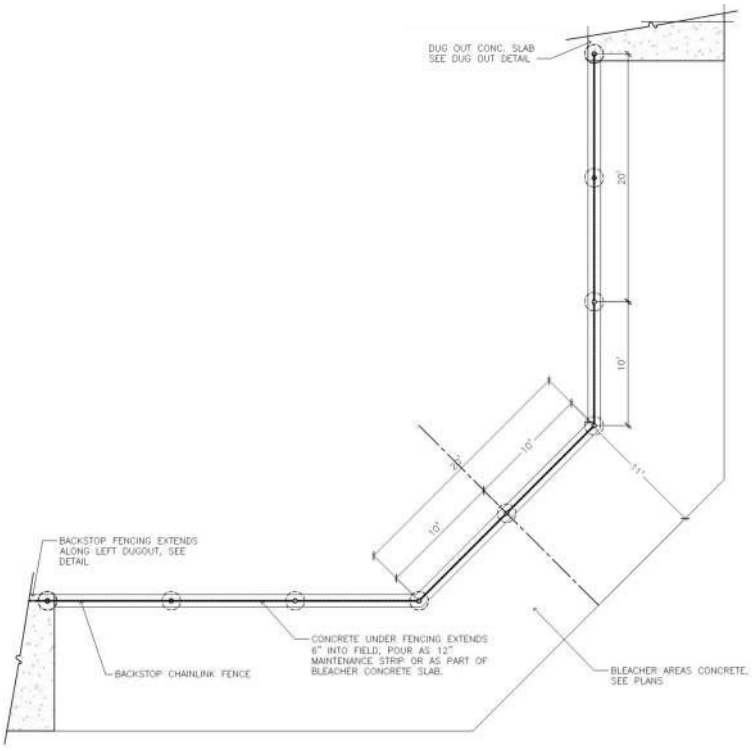
SPECIFICATIONS

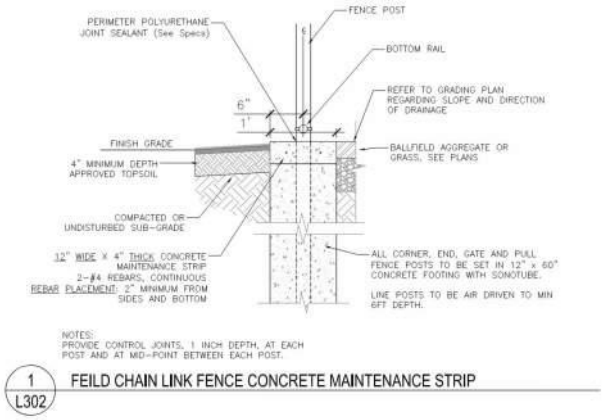
- Provide Standard galvanized finish
  -Black coated **LEVEL 1 EXAMPLE**
- Posts shall be standard weight (Schedule 40) and hot-dip galvanized pipe meeting the requirements of ASTM F1083.
- Posts, Shall be nominal 4 inch O.D. schedule 40, galvanized steel pipe, unless noted otherwise. Posts shall be of sufficient length to be set in concrete frost footings as noted on the drawings.
- Line Posts: Shall be nominal 2-3/8 inches O.D. schedule 40, galvanized steel pipe.
- Rails: Shall be nominal 1-5/8” (min) O.D., schedule 40 galvanized steel pipe, plain end, sleeve coupled
- Post Caps: Sized to post diameter, set screw retainer, cast steel galvanized.
- Fabric: Shall be woven from 6-gauge or 9-gauge (as indicated in the Plans) galvanized steel wire in a 2-inch interwoven Diamond mesh. Fabric wire shall have a minimum tensile strength of 80,000 pounds per square inch. Fabric shall be 1-piece vertically for fences up to and including 12 feet high.

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Design Intent Details









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Dugout Design Intent Standard

Dugouts provide protection for players and coaches from all elements. The design of the dugout should allow for unobstructed views for teams.

Dugouts shall be located along the first and third baselines, behind the backstop wings or integrated into the field fencing. They shall be installed on concrete pads at field grade that are sloped away from the field, and surrounded by an 8 foot high chain link. Optional black windscreen fabric on three sides of the dugout. The dugouts shall be 30 feet long, 10 feet wide, and equipped with a 25 foot long

Dugout roofs are optional and provided depending on Level of Classification of Field.



SPECIFICATIONS

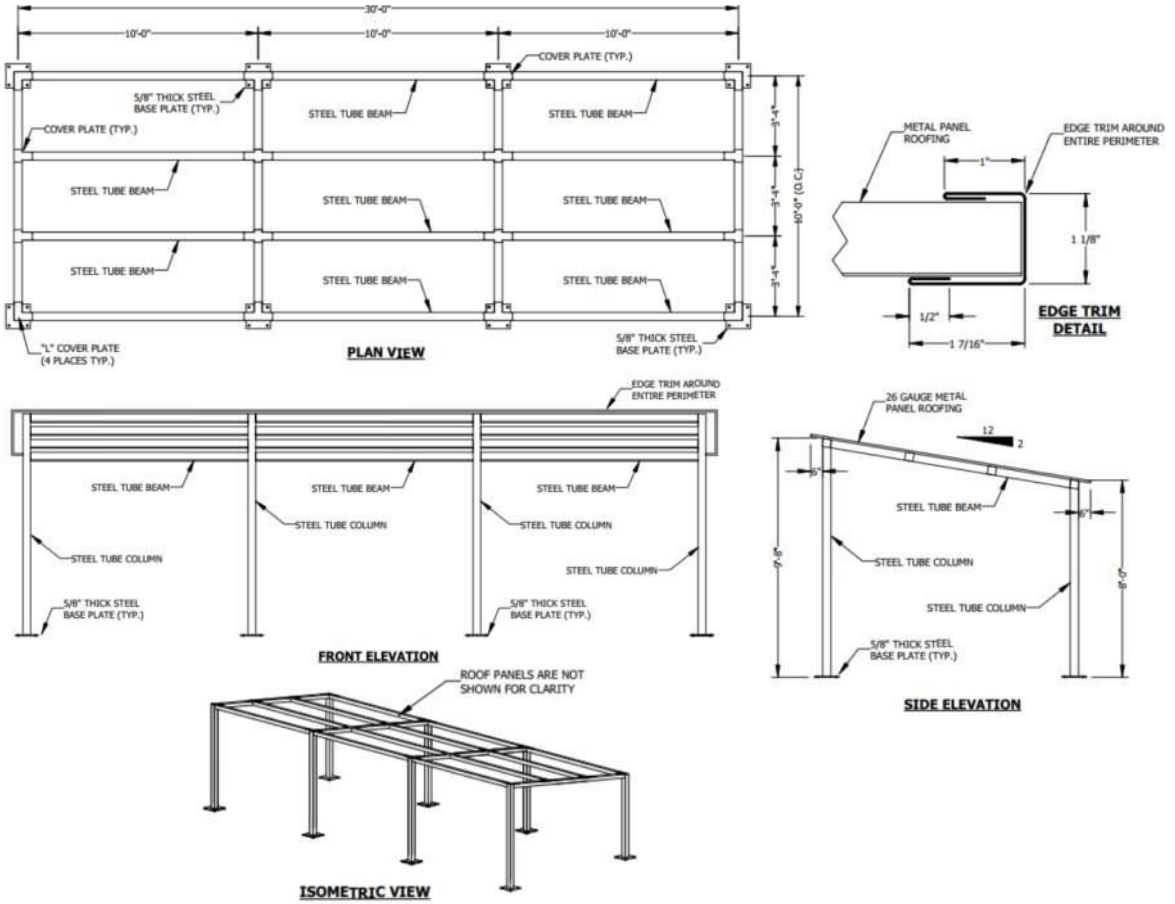
- Provide Standard galvanized finish
  -Black coated **LEVEL 1 EXAMPLE**
- Fencing, posts, rails, and roof depends on Level of Classification of Field.

LEVEL 1 EXAMPLE

- Beacon Athletics, or approved equal.
- Prefabricated Premium Team Dugouts 10’ x 30’ Northern Style.
- **Dimensions:** 10’D x 30’L x 8’H
- All-steel construction (A500 square structural steel tubing)
- 26-gauge galvanized metal roof panel & steel support columns are powder coated
- Standard Colors Available

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FeaturesA

- These premium dugouts arrive ready to assemble. Prefabricated and pre-engineered with all fasteners concealed within tubing to avoid corrosion and provide better safety.
- Northern U.S. dugouts designed to handle snow loads.
- Optional stamped engineering report for an additional chargeA
- Please Note: Optional chain-link fencing not included with dugouts - must be provided by others.A

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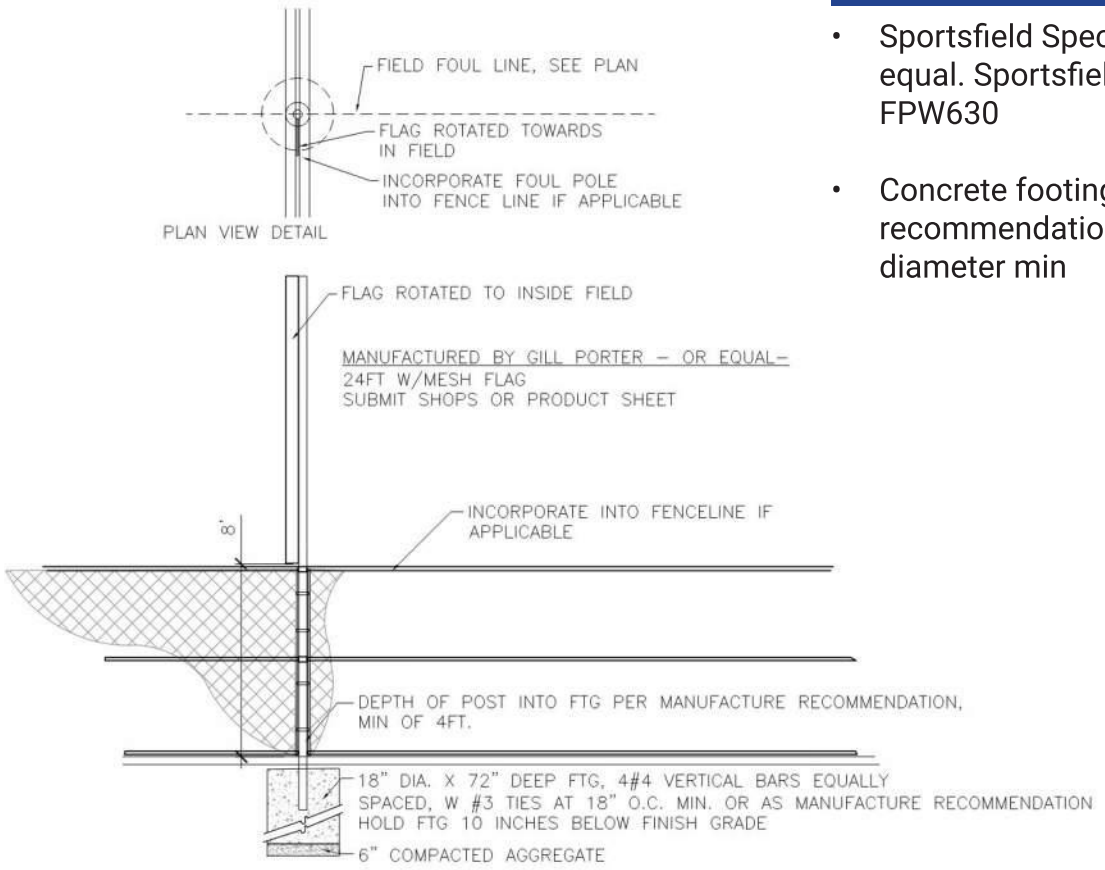
Foul Pole Design Intend Standard



Foul Poles are installed directly on the foul line with the wing facing in towards the field of play. No part of the foul pole should extend outside of the foul line. The “Foul Line” and “Foul Pole” are in play.

All poles within or in the vicinity of the playing area that are not protected by a fence shall have 6 feet high pole pads.

Design Intent Detail



SPECIFICATIONS

- Provide Standard Foul Pole
- Metal wing is optional
- Direct bury is typical installation method
- Yellow powder coated finish
- Height may vary

Material Selection can vary by Level of Classification of Field.

LEVEL 1 EXAMPLE

- Sportsfield Specialties or approved equal. Sportsfield specialties model # FPW630

- Concrete footings as per manufacturer recommendations – 5ft depth min, 24” diameter min

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Scoreboards are an optional feature for baseball and softball fields. See Level of Classification of Field.

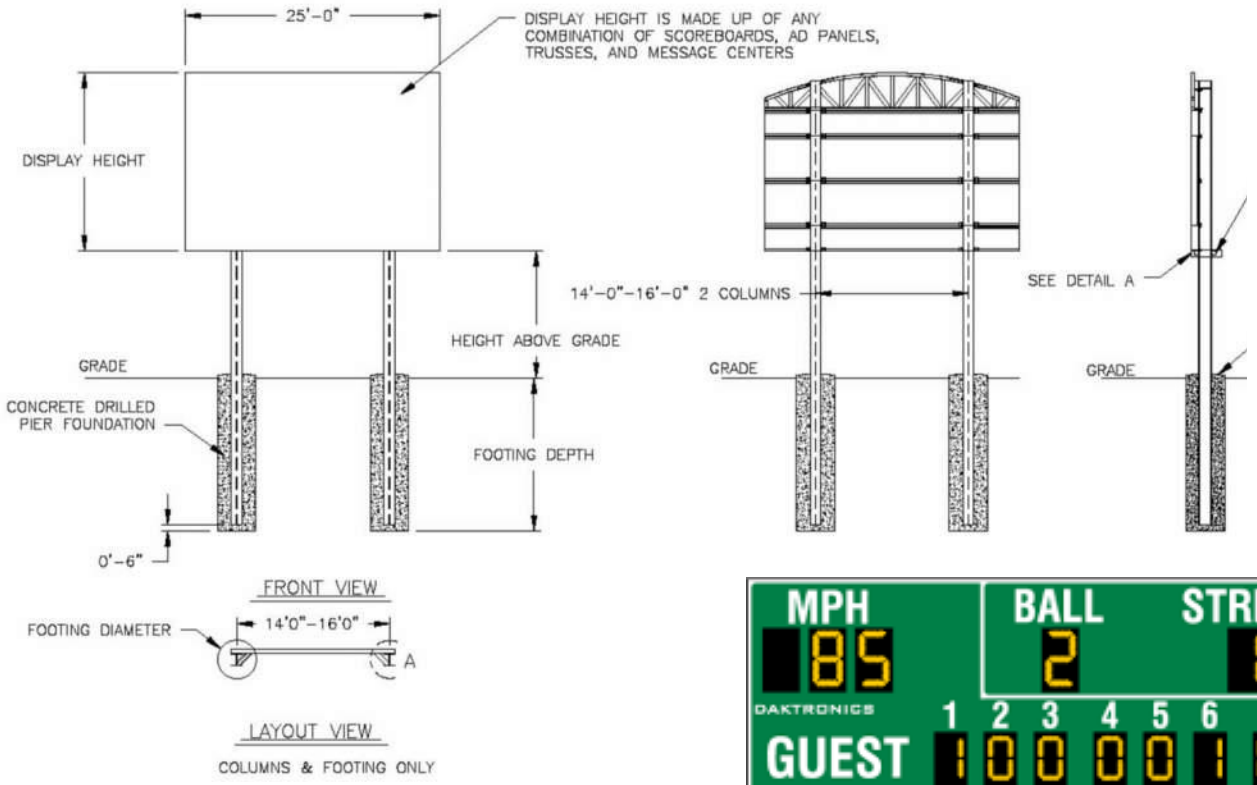
Scoreboards are to be located outside field of play, if no outfield fencing is provided add padding to scoreboard base.

SPECIFICATIONS

- Provide Standard Scoreboard with Wireless Controls.
- Concrete footings as per manufacturer recommendations

Material Selection can vary by Level of Classification of Field.

Design Intent Detail



LEVEL 1 EXAMPLE

- Daktronics, Inc. or approved equal. Daktronics model # BA-2125-AmberLED Digit Baseball Scoreboard including MX-1 App-Based Control, Boarder Stripe and Ball/Strike/Out Striping

- Dimensions: 7'-0" (2.13 m) high, 25'-0" (7.62 m) wide, 0'-8" (203 mm) deep
- Base power requirement: 355 W (red/amber digits), 770 W (white digits) with vinyl captions – options may increase wattage
- Color: provide standar colors to choose from.

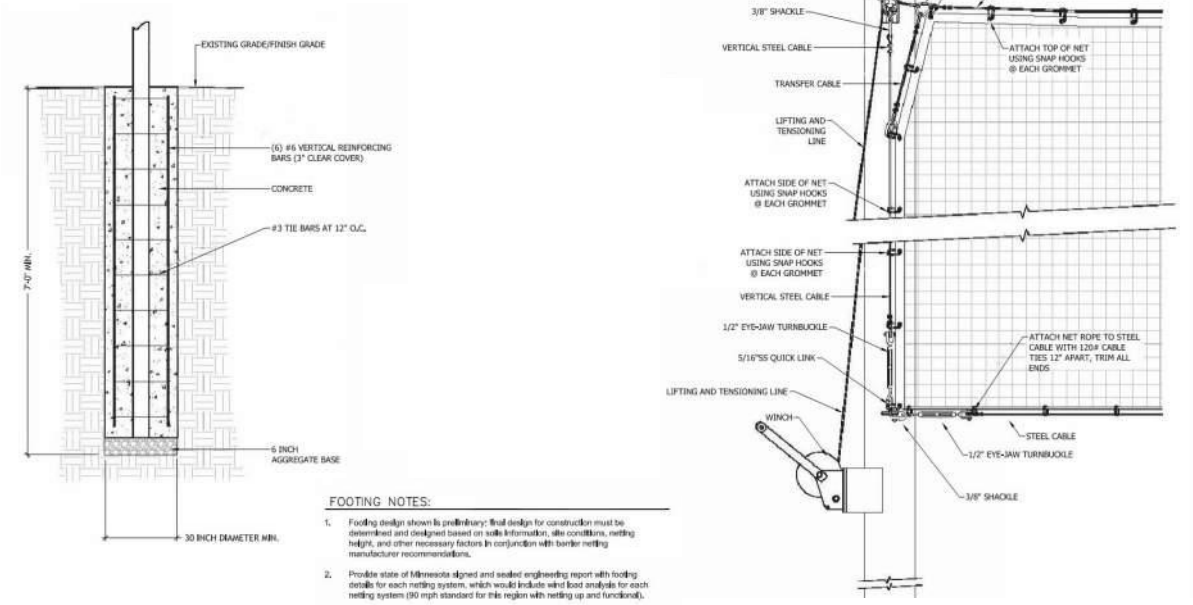


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Safety Netting Design Intent Standard



Design Intent Detail



SPECIFICATIONS

- Provide Standard galvanized finish
  -Black coated **LEVEL 1 EXAMPLE**
- Height and length may vary

Material Selection can vary by Level of Classification of Field.

LEVEL 1 EXAMPLE

General Requirements:

- Posts shall be straight, Schedule 40 and hot-dip galvanized pipe meeting the requirements of ASTM A120.
- Post Caps: Sized to post diameter, set screw retainer, cast steel galvanized.
- Ground Sleeves with Stop Bolt.
- Components shall be hot-dip galvanized.

Barrier Netting:

- Material: Shall be black, #36, twisted, knotted nylon,
- Mesh: 1-3/4" square
- Edging: Sewn hems with grommets on top side with sewn 1/4-inch sewn rope border on sides and bottom of netting.

Hardware:

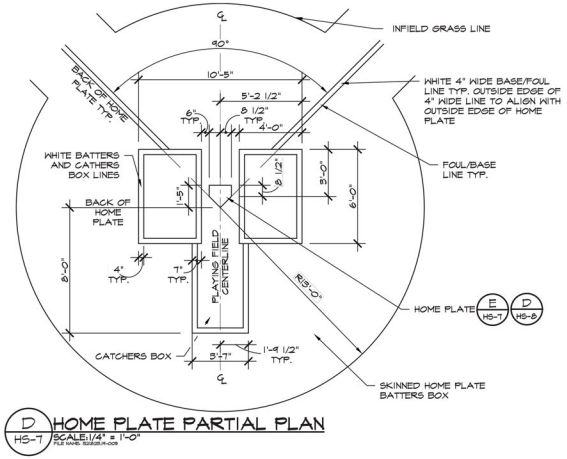
- Must include all cabling/finishing's, winches/ pulleys, attachment and tensioning hardware to facilitate Beacon in-line hoistable, configurable barrier netting system
- Hardware shall be hot-dip galvanized. Independent 1/4-inch diameter 7x19 steel cable.

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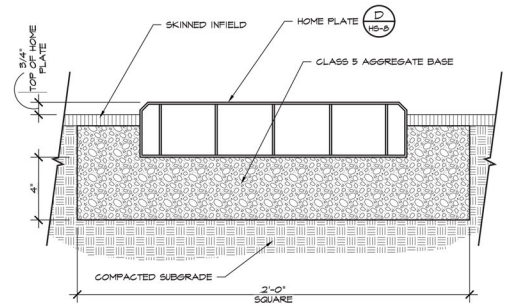


Home plate, the bases, and the pitching rubber shall be provided at the time of construction, but shall be installed by MPRB. For ballfields with turf infields, a pitchers mound cover and a home plate cover shall be provided.

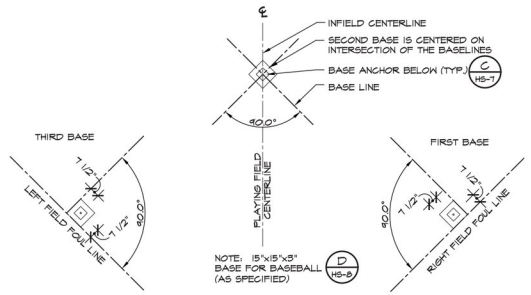
Design Intent Detail



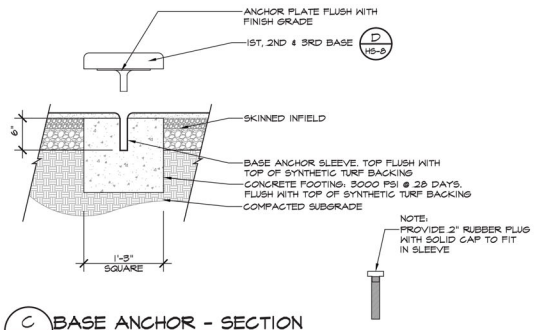
D HS-7 HOME PLATE PARTIAL PLAN SCALE: 1/4" = 1'-0"



E HS-7 HOME PLATE SECTION SCALE: 3" = 1'-0"



B HS-7 BASEBALL BASE ANCHORS LOCATION PLAN SCALE: 1/4" = 1'-0"



C HS-7 BASE ANCHOR - SECTION SCALE: 1" = 1'-0"

SPECIFICATIONS

- Provide Standard Home Plate and Bases
- Clay Base is typical installation method for Home Plate
- One set of steel anchors for bases to be installed, unless noted. Refer to Field Dimensions Table for dimension locations.

Material Selection can vary by Level of Classification of Field.

LEVEL 1 EXAMPLE

- One set of three Hollywood Impact Bases or approved equal, heavy-duty molded rubber construction, chevron design to allow base to compress upon impact with 1-1/2-inch anchors and rubber plugs.
- Base anchors with anchor covers at each of the baseline lengths indicated in the plans.
- One Hollywood Bury-All home plate or approved equal, all rubber construction, waffle bottom design, 3-inch thickness, min. weight 24 lbs.
- One Hollywood Double Stanchion or approved equal, removable, regulation 6-inch x 24-inch with anchors.
- Pitching rubber anchors with anchor covers at each of the pitching lengths indicated in the plans.

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Spectator Seating Design Intent Standard



SPECIFICATIONS

- Number of rows – dependent on field needs. Suggest minimum of 5 rows (net seating = 90)
- Galvanized steel understructure
- 2 x 10 anodized aluminum seat planks
- Vertical picket guardrail system
- Confirm if bleachers should be transportable or, if bleachers should be secured

LEVEL 1 EXAMPLE

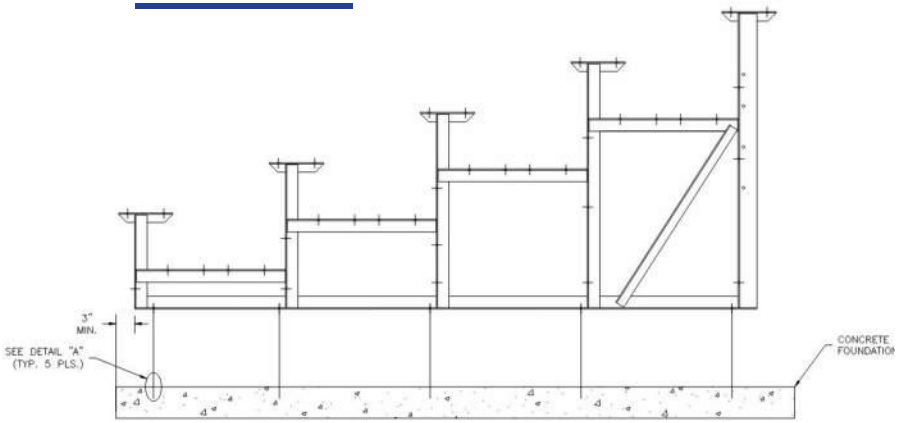
Acceptable Manufacturers/Vendors:

- National Recreation Systems
  – (local rep. St. Croix Recreation)

Spectator seating should be located in an unobstructed area minimum 4 feet wide in front of and on each side of the bleachers, and minimum 6 feet wide at the rear of the bleachers shall be provided for accessibility. Concrete walkways shall be provided for access to the area.

Spectator seating shall be provided by tiered concrete structures or portable bleachers containing minimum of five (5) rows of seating placed in an area approximately 28 feet with 14 feet. Spectator seating is required on each side of the spectator area. All seating facilities shall conform to ADA Accessibility Regulations.

Intent Detail



Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Temporary Fencing Design Intent Standard

When multi-sport field overlay occurs, semi-permant fencing shall be provided based on Level of Classification of Field. All semi-permanent fencing shall be a 5 feet in height and constructed of flexible mesh, unless noted on plans. Semi-permanent fencing should include equipment to transport, install, and store all equipment.







SPECIFICATIONS

- Provide Standard Semi-Permanent Fencing

Material Selection can vary by Level of Classification of Field.

LEVEL 1 EXAMPLE

- Beacon Athletics or approved equal. SPECTO Outfield Fencing

PRODUCT FEATURES

- Pole Carts— Easily store and transport foul and intermediate poles. These powder coated, steel frame carts are built to last and haul easily.
- Fencing Cart — Easily roll onto a fencing cart for transportation and/or storage. Simply hook up and haul the powder coated steel cart behind your maintenance vehicle.
- Foul Territory Fencing — Extend your outfield fence with SPECTO® Foul Territory fencing to protect spectators and your foul territory.

Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Field Accessories Design Intent Standard

Pitching Warm-up Bullpen

Every baseball and softball team needs a verdant, lush field to play on, and effective irrigation design is paramount for maintaining the grass in that field. Installing a reliable irrigation system throughout your baseball field is crucial to the success of the field and the team's performance and reputation.





SPECIFICATIONS

- Provide Standard Zone Irrigation Design with Looped Mainline
- Rain Sensor Irrigation Controller
- Quick Couplers located along field lines near the dugout, and one in grass area behind second base

Material Selection can vary by Level of Classification of Field.

- Rain Bird or approved equal.

Hitting Station



Every baseball and softball team needs a verdant, lush field to play on, and effective irrigation design is paramount for maintaining the grass in that field. Installing a reliable irrigation system throughout your baseball field is crucial to the success of the field and the team's performance and reputation.

SPECIFICATIONS

- Provide Standard Zone Irrigation Design with Looped Mainline
- Rain Sensor Irrigation Controller
- Quick Couplers located along field lines near the dugout, and one in grass area behind second base

Material Selection can vary by Level of Classification of Field.

- Rain Bird or approved equal.

Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Movable Pitching Mound

Every baseball and softball team needs a verdant, lush field to play on, and effective irrigation design is paramount for maintaining the grass in that field. Installing a reliable irrigation system throughout your baseball field is crucial to the success of the field and the team's performance and reputation.



SPECIFICATIONS

- Provide Standard Zone Irrigation Design with Looped Mainline
- Rain Sensor Irrigation Controller
- Quick Couplers located along field lines near the dugout, and one in grass area behind second base

Material Selection can vary by Level of Classification of Field.

- Rain Bird or approved equal.

Additional Accessories

ELECTRICAL OUTLETS

- 30 amp Electrical Outlets
- Located behind the Backstop at Home Plate and behind both Dugouts

DRINKING FOUNTAINS

- ADA Drinking Fountain located within proximity of ballfield

Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Irrigation Design Intent Standard

Every baseball and softball team needs a verdant, lush field to play on, and effective irrigation design is paramount for maintaining the grass in that field. Installing a reliable irrigation system throughout your baseball field is crucial to the success of the field and the team's performance and reputation.

Baseball and softball field irrigation design and locations will be determined by Level of Classification of Field.

SPECIFICATIONS

- Provide Standard Zone Irrigation Design with Looped Mainline
- Rain Sensor Irrigation Controller
- Quick Couplers located along field lines near the dugout, and one in grass area behind second base

Material Selection can vary by Level of Classification of Field.

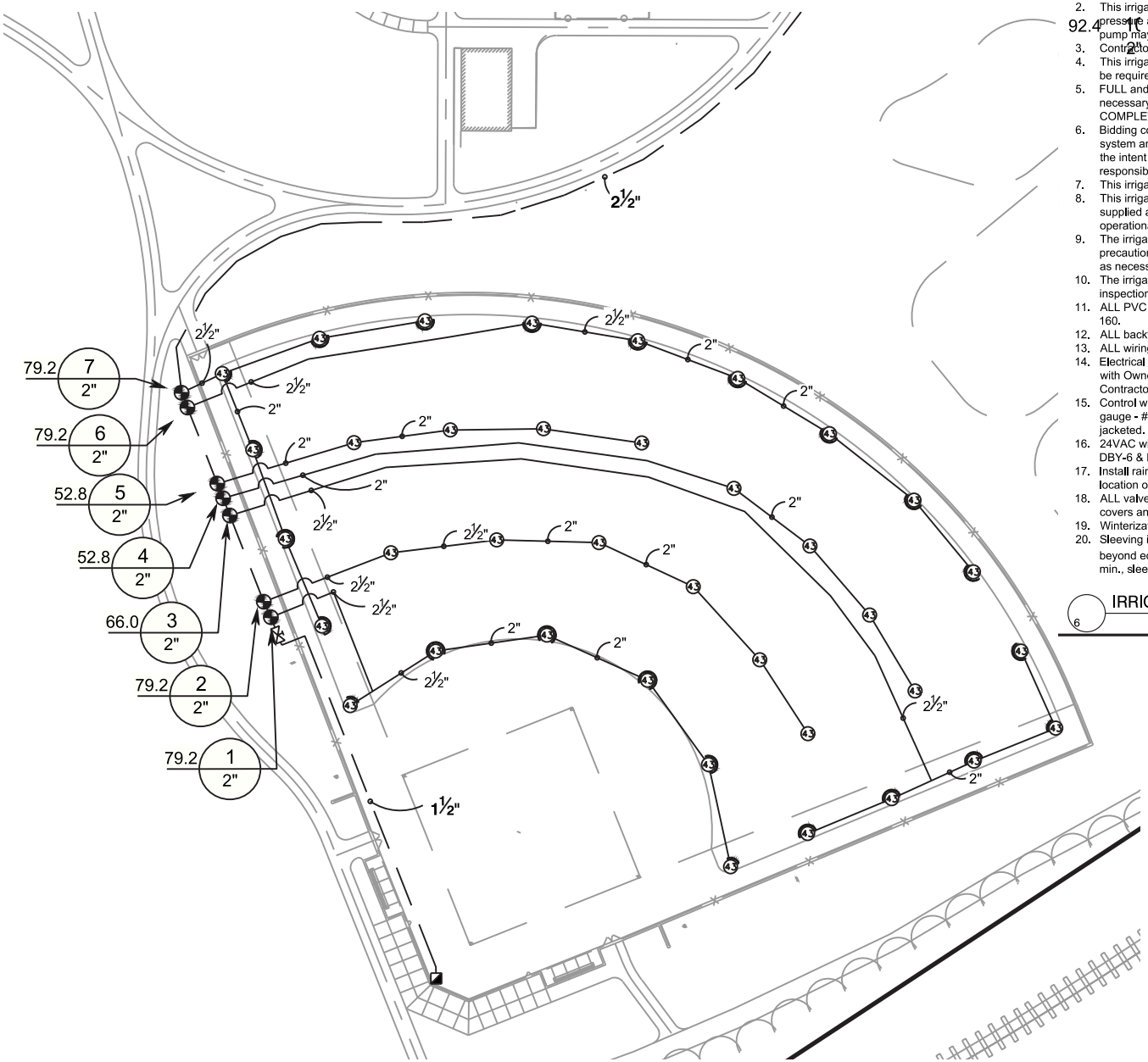
LEVEL 1 EXAMPLE

- Rain Bird or approved equal.



Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6

Design Intent Detail



1. DESIGN BASED ON POC ANALYSIS (downstream of meter).
2. This irrigation design is from the point of connection only. This design is based on the pressure and volume indicated in item #1, which is furnished and verified by others. Booster pump may be required if pressure and flow do not meet listed requirements.
3. Contractor shall be responsible to field verify the information in the POC Analysis.
4. This irrigation design is diagramatic. Adjustments to pipe, valve and/or head placement may be required of contractor.
5. FULL and COMPLETE coverage is required. The irrigation contractor shall make any necessary minor adjustments to the irrigation layout required to achieve FULL and COMPLETE coverage of irrigated areas at no additional cost to owner.
6. Bidding contractors shall become thoroughly familiar with all facets of the proposed irrigation system and the control requirements & specifications. Failure to clarify misunderstandings or the intent of this drawing and/or specifications before submittal of bid shall be the sole responsibility of the contractor.
7. This irrigation system shall be installed as per manufactures specifications.
8. This irrigation design shows necessary materials, but certain other materials may have to be supplied and installed by the irrigation contractor in order to have, upon completion, a fully operational irrigation system.
9. The irrigation contractor shall locate ALL underground utilities, and they shall take every precaution not to damage or disturb such improvements. Coordinate with General Contractor as necessary.
10. The irrigation contractor shall arrange for and pay for any necessary permits and/or inspections required by local agencies or ordinances during the course of construction.
11. ALL PVC piping under continuous pressure shall be Class 200, all other PVC shall be Class 160.
12. ALL backflow devices shall be installed as per local code.
13. ALL wiring as per local code.
14. Electrical power shall be provided to within five (5) feet of controller(s) location. Coordinate with Owners Representative as to the final location of controller(s). Coordinate with Electrical Contractor as required.
15. Control wire shall be solid copper wire U.L. approved for direct burial in ground. Minimum gauge - #14 (#12 for runs over 2000') or as otherwise specified. Decoder wire shall be jacketed. Ground Wire (where applicable) shall be white.
16. 24VAC wire splicing material will be direct burial splice kit as manufactured by 3M, specifically DBY-6 & DBR-6.
17. Install rain sensors on vertical surfaces. Coordinate with Owners Representative as to final location of rain sensor, moisture sensors, weather stations and any additional sensors.
18. ALL valves, quick-couplers and wire splices shall be located in valve boxes with labeled covers and buried flush with grade.
19. Winterization of the irrigation system shall be as per the manufacturers specifications.
20. Sleeving is required under ALL walks and roadways. Sleeves shall extend a minimum of 18" beyond edge of walk/roadway and be marked. Wire shall be contained in a separate, 1 ½" min., sleeve.

6 IRRIGATION GENERAL NOTES:

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Field Lighting Design Intent Standard

The goal is that all fields are lighted for night-time use; however, each park site shall be evaluated for appropriateness for lighting. Lighting will be included at neighborhood parks with athletic fields whenever possible and appropriate. When lights are provided for athletic fields, lighting levels shall be per City of Minneapolis Lighting Standards.

Light poles shall be located behind the backstop, wings parallel to first and third baselines, and outside the area of play. The number of poles and lamps required shall be determined by the field configuration and the photometric measurements. Lighting level requirements vary with Level of Classification of Field. Poles within the fenced playing areas shall be padded.

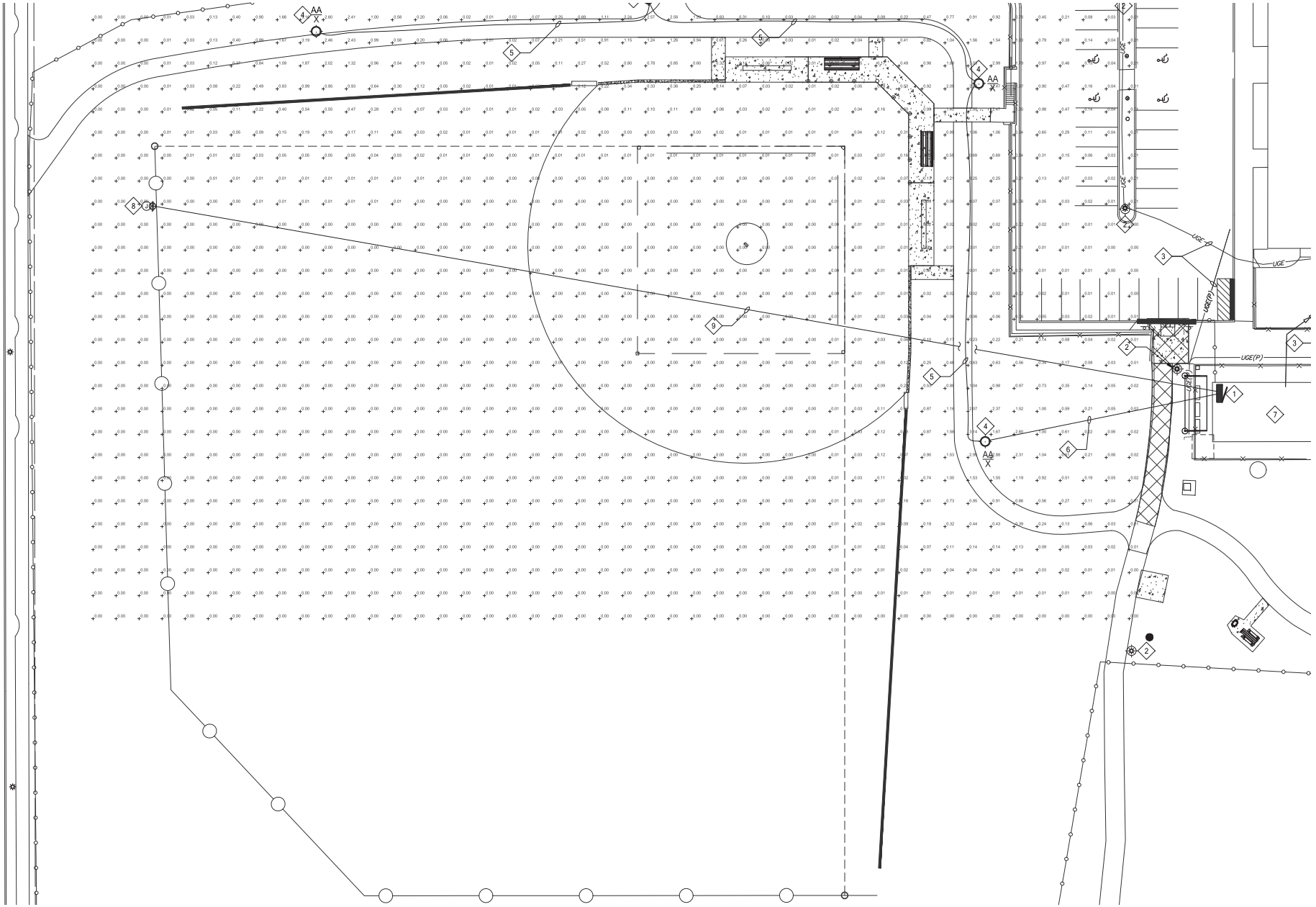
SPECIFICATIONS

- Provide Standard Light Pole, Arm and Fixture: Fixture and Pole may depend on Level of Classification of Field, lighting levels, and existing field conditions.



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Design Intent Detail



Docusign Envelope ID: E83E690A-F294-43F6-B3AE-F628F9A609C6



Minneapolis
Park & Recreation Board

2026 Softball Field Lease Agreement Between MPS and MPRB-tp

Final Audit Report 2026-02-25

Created:	2026-02-24
By:	Nandi O'Brien (nandi.obrien@mpls.k12.mn.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAAUqagjo3l-bsMdHrugrWzNRwn9A22hkSG

"2026 Softball Field Lease Agreement Between MPS and MPRB -tp" History

Document digitally presigned by Tom Parent (tom.parent@mpls.k12.mn.us)
2026-02-24 - 3:52:14 AM GMT

Document created by Nandi O'Brien (nandi.obrien@mpls.k12.mn.us)
2026-02-24 - 11:54:25 PM GMT

Document emailed to collin.beachy@mpls.k12.mn.us for signature
2026-02-24 - 11:57:44 PM GMT

Email viewed by collin.beachy@mpls.k12.mn.us
2026-02-25 - 0:10:58 AM GMT

Signer collin.beachy@mpls.k12.mn.us entered name at signing as Collin Beachy
2026-02-25 - 0:14:16 AM GMT

Document e-signed by Collin Beachy (collin.beachy@mpls.k12.mn.us)
Signature Date: 2026-02-25 - 0:14:18 AM GMT - Time Source: server

Agreement completed.
2026-02-25 - 0:14:18 AM GMT

Request for Board Action (RBA)

Memo

Item Overview

Name:	Resolution Acknowledging receipt of the Fiscal Year 2025 Financial Audit (2026-0032)
Type:	Resolution
Meeting Date:	4/14/2026
File Number:	RBA 2026-0032
Requesting Staff:	Ryan Strack, Senior Executive Officer

Background and Pertinent Facts

1. State law requires MPS to complete an annual independent financial audit.
2. BerganKDV conducted the Fiscal Year 2025 external audit. All required audit reports have been completed and submitted.
3. This resolution formally acknowledges the Board's receipt of the Fiscal Year 2025 audit.

Recommendation

Approve Resolution 2026-0032, Acknowledging receipt of the Fiscal Year 2025 Financial Audit

Attachments and Relevant Links

1. Resolution 2026-0032
2. Audit Presentation (provided by BerganKDV)
3. Communications Letter (provided by BerganKDV)

4. Reports on Government Auditing Standards, Uniform Guidance, and Legal Compliance (provided by BerganKDV)
5. Annual Comprehensive Financial Report

Special School District Number 1
Board of Education Resolution

Resolution: 2026-0032
April 14, 2026

MINNEAPOLIS
PUBLIC SCHOOLS

Resolution Acknowledging receipt of the Fiscal Year 2025 Financial Audit

WHEREAS, in accordance with legal requirements, an independent financial audit of Special School District No. 1 was conducted by BerganKDV and;

WHEREAS, all documents and items related to the financial audit have been reported to the appropriate entities; and

WHEREAS, the School Board has reviewed the audit findings and recommendations.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of Special School District No. 1 (Minneapolis Public Schools) hereby affirms receipt of the FY2025 external audit.

ADOPTED this 14th day of April 2026.

Collin Beachy, Chair

Lori Norvell, Clerk

Special School District Number 1
Board of Education Resolution

Resolution: 2026-0032
April 14, 2026

MINNEAPOLIS
PUBLIC SCHOOLS

RECORD OF BOARD VOTE

DIRECTOR	MOVE	SECOND	AYE	NAY	ABSTAIN	ABSENT
Abdi						
El-Amin						
Skjefte						
Cerrillo						
Norvell						
Callahan						
Beachy						
Ellison						
Emerick						

Special School District Number 1
Board of Education Resolution

Resolution: 2026-0035
April 14, 2026

MINNEAPOLIS
PUBLIC SCHOOLS

Resolution Authorizing Participation in Litigation

WHEREAS, the Special School District No. 1, Minneapolis Public Schools ("District") is committed to protecting its legal rights, financial interests, and the welfare of its students, staff, and community; and

WHEREAS, certain actions, policies, or conditions have arisen that may adversely affect the District, including but not limited to, the impact of social media use by students on the District; and

WHEREAS, legal action has been initiated in the matter of *In re: Social Media Adolescent Addiction*, which addresses issues relevant to the District; and

WHEREAS, the Board of Education has determined that participation in such litigation is in the best interests of the District; and

WHEREAS, participation may include joining as a plaintiff, intervenor, or amicus curiae, as deemed appropriate by legal counsel.

NOW THEREFORE BE IT RESOLVED, that the Board of Education hereby authorizes the District to participate in the litigation described above; and

FURTHER BE IT RESOLVED, that the Board authorizes the District's legal counsel to take all necessary actions to effectuate this participation, including executing agreements, retaining legal counsel, and approving related expenditures, subject to applicable laws and policies; and

BE IT FURTHER RESOLVED, that the District's legal counsel is authorized to determine the appropriate legal posture and strategy in connection with this matter; and

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately upon its adoption.

Special School District Number 1
Board of Education Resolution

Resolution: 2026-0035
April 14, 2026

MINNEAPOLIS
PUBLIC SCHOOLS

ADOPTED this 14th day of April 2026.

Collin Beachy, Chair

Lori Norvell, Clerk

RECORD OF BOARD VOTE

DIRECTOR	MOVE	SECOND	AYE	NAY	ABSTAIN	ABSENT
Abdi						
El-Amin						
Skjefte						
Cerrillo						
Norvell						
Callahan						
Beachy						
Ellison						
Emerick						