



FACILITIES COMMITTEE MEETING
Wednesday, November 30, 2022; 11:00 a.m.
Fargo Park District Board Room
701 Main Avenue, Fargo

Board Committee Members:
Dawn Morgan & Joe Deutsch

AGENDA

1. Broadway Square Update; Ana Rusness-Petersen, presenter.
2. Review Valley Senior Services 2023-2024 Federal Transit Funding application Authorizing Resolution; Paul Grindeland, presenter.
3. Review request to solicit for bids for Island Park Pool Construction project; Dave Leker and Tyler Kirchner, presenters.
4. Review request to solicit bids for Fargo Parks Sports Complex Phase II Construction project; Dave Leker and Tyler Kirchner, presenters.
5. Review bids for Depot Boiler Replacement; Dave Bietz and Tyler Kirchner, presenters.
6. Update on Rose Creek Restaurant; Carolyn Boutain, presenter.
7. Review Eide Bailly Audit Engagement Letter for 2022; Luke Evenson, presenter.
8. Discuss Board Work/Orientation Session; Dave Leker, presenter.
9. Review changes to personnel policies; Broc Lietz and Stacy Kruger, presenters.
 - a. Transgender Staff Policy No. 105
 - b. Vacation Policy No. 230
10. Other

Next Fargo Park Board Meeting: December 13, 2022; 5:30 p.m.
Next Facilities Committee Meeting: December 28, 2022; 11:00 a.m.



MEMORANDUM

DATE: November 22, 2022

TO: Fargo Park Board Facilities Committee

FROM: Kevin Boe, Recreation Director and Ana Rusness-Petersen, Broadway Square Manager

RE: Agenda Item No. 1 – Broadway Square Update (Qtr. 3 Review, Qtr. 4 Preview)

This Broadway Square update is a review of the same material and statistics that are presented on a quarterly basis to the Block 9 Partners Advisory Board at the beginning of each quarter.

Regularly presented information in my Broadway Square Manager's Report includes:

- a. Previous Quarter Review
- b. Upcoming Quarter Preview & Dates of Note
- c. My Current Top Priorities at The Square
- d. Q & A

At the most recent meeting, which was rescheduled and took place November 2, we also began the conversation about renegotiating the Broadway Square Management Agreement. We laid out a working timeline for addressing the agreement over the course of the next year to get an approved version in place by the end of 2023.

Please let me know if you have any questions or concerns, you'd like to discuss prior to the meeting.


Thank you!
~Ana~



BROADWAY

— SQUARE —

WITH THE FARGO PARK DISTRICT



2022 QUARTER 4

Broadway Square Block 9 Partner advisory board meeting

AGENDA:

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes from 8.17.22 meeting
5. Old Business
6. New Business
 - a. **Broadway Square Manager's Report**
 - a. 2022 – Quarter 3 Review
 - b. 2022 – Quarter 4 Preview - Dates of Note
 - c. Top Priorities
 - d. Q & A
 - b. Management Contract Renegotiation
7. Next Meeting Date: January 19, 2023 @ 1 PM
8. Adjournment

2022 QUARTER 3 REVIEW:

- **Broadway Square** won NDRPA's Golden Egg Award
- **Number of Events** and days of planned activity: **91** (and 29 rentals)
- **Visitors:**
 - QTR 3 (July 1 – September 30, 2022): **57,278** uniques with **6,758** repeats and average dwell time of 9:03
 - YTD 2022 (January 1 – October 31, 2022): **136,430** uniques with 18,035 repeats and average dwell time of 9:17
- **Social Media** followers:
 - Facebook – **7,382 followers!**
 - Instagram – **2,598 followers!**
- Fitness Mashup series
- Movies @ The Square (9 events)
- Music @ The Square (6 events)
- Gaming Day (2 events)
- Chalk Fest (1 event)
- Broadway Square Bash
- Day of Dignity
- Community Sing
- Pride Post-Parade Celebration

2022 QUARTER 4 PREVIEW:

- Number of **Events and** days of **Rink Operation**: 49 (plus 8 rentals)
- Events to Mark Your Calendar for:
 - **TONIGHT** – 11/2 – 4 – 7 pm – Dia de los Muertos
 - **Nov. 22** – 5:30 pm – Tree Lighting & Rink Opening event
 - SCHEELS Skating Rink & Skate Shack open for the season
 - **Dec. 3** – Noon to 4 pm – Holiday Express event
 - **Dec. 8** – 7 to 9 pm – Rink Reels series begins (monthly Dec. – Feb.)
 - **Dec. 17** – Noon to 1 pm – Ice Skating Demos

Current TOP PRIORITIES:

- Prepping for Winter 2022-23:
 - Hiring, Training, and Scheduling Skate Shack Staff
 - Summer furniture leaves Nov. 3
 - Rink install starts Nov. 7
 - Skate Shack install Nov. 16
- Data analysis:
 - Last year vs this year (attendance, \$, weather)
- Booking/Scheduling for next summer
- Creating series marketing materials
- Finding SPONSORS for 2023 series, events, and The Square
- Create physical and online Rentals info packet
- Documenting Square operations in How To binder

Q & A

Any questions?



BROADWAY

— SQUARE —

WITH THE FARGO PARK DISTRICT



THANK YOU!

NEXT MEETING: January 19, 2023



Valley
Senior Services

Memo

Date: November 22, 2022

To: Fargo Park Board Facilities Committee

From: Paul Grindeland, Transportation Manager – Valley Senior Services (VSS)

Re: Agenda Item No 2. - Review Valley Senior Services 2023-2024 Federal Transit Funding Resolution

The North Dakota Department of Transportation requires transit providers to receive board approval to submit a Section 5311/State Aid for Public Transit funding application. I am asking for approval of a resolution that will allow me to submit our 2023-2024 VSS transit funding grant application.

The two transit funding sources in this grant application include:

- **State Aid for Public Transit** – This funding is from the State of North Dakota and is used in Fargo/West Fargo and rural county operations. In 2022-2023 Valley Senior Services will receive \$315,802.00 from this funding source.
- **Section 5311 Federal Funding** – This is funding from the Federal Transit Administration and is used for rural county public transit operations only. In 2022-2023 Valley Senior Services will receive \$.00 in Section 5311 Federal Funding.

State Aid for Public Transit and Section 5311 funding provides the majority of funding our agency uses to provide transit services in Fargo and West Fargo; Cass, Traill, Steele, Grand Forks, Richland, Ransom, and Sargent Counties.

I welcome questions or comments regarding our transit services.

Thank you.

Authorizing Resolution

This resolution authorizes the filing of an application for a grant under 49 U.S.C. Section 5311, as amended by The Fixing America's Surface Transportation (FAST) Act, Public Law No. 114-94, December 4, 2015, and the Bipartisan Infrastructure Law, enacted as the Infrastructure Investment and Jobs Act (IIJA), and other authorizing legislation to be enacted,

WHEREAS, the U.S. Department of Transportation is authorized to make grants to states through the Federal Transit Administration (FTA) to support operating and capital assistance projects for non-urbanized area public transportation systems under Section 5311 of The Fixing America's Surface Transportation (FAST) Act, Public Law No. 114-94, December 4, 2015, as amended, and the Bipartisan Infrastructure Law, enacted as the Infrastructure Investment and Jobs Act (IIJA); and

WHEREAS, the North Dakota Department of Transportation has been designated by the Governor to administer Section 5311; and

WHEREAS, the contract for financial assistance will impose certain obligations upon the applicant, including provisions for the local share of project costs;

THEREFORE, BE IT RESOLVED on behalf of the Valley Senior Services that Paul W. Grindeland is authorized to execute and file an application with the North Dakota Department of Transportation to aid the financing of operating and capital assistance for projects pursuant to Section 5311 of The Fixing America's Surface Transportation (FAST) Act, Public Law No. 114-94, December 4, 2015, as amended and the Bipartisan Infrastructure Law, enacted as the Infrastructure Investment and Jobs Act (IIJA);

That Paul W. Grindeland, is authorized to furnish such additional information as the North Dakota Department of Transportation may require in connection with the application of the project.

The undersigned duly qualified and acting President of the **Fargo Park Board** certifies that the foregoing is a true and correct statement.

Signature of Officer

Date

Title of Officer



MEMORANDUM

DATE: November 22, 2022

TO: Fargo Park Board Facilities Committee

FROM: Dave Leker, Executive Director

RE: Agenda Item No. 3 – Review request to solicit for bids for Island Park Pool Construction project

At the October 5, 2021, Park Board Meeting, the Commissioners approved a motion to the commitment of up to \$16.1 million dollars (market adjusted) for the replacement of Island Park Pool. Commissioners also approved design services to Zerr-Berg Architects for approximately \$800,000.

In alignment with our Procurement Policy, Policy No. 390, we are asking permission to solicit bids for Island Park Pool Construction project. We are requesting to cap the project at \$16,900,000. This will include all Soft Costs and Construction Cost for the project. An estimated breakdown of those cost are below:

Soft Cost:

- Design Fees: \$800,000
- Furniture, Fixtures, and Equipment (FF&E): \$186,000
- Fees, Testing, & Inspection: \$190,000
- Owner Contingency: \$578,105

Subtotal of Soft Costs: \$1,754,105

Subtotal of Construction Costs: \$15,145,895

Island Park Pool Construction Total Cost: \$16,900,000

See design and bid schedule below:

Island Park Pool Design: October 2021 to December 2022

Island Park Pool Bids: January 2023 Facilities & February 2023 Board Approval

Island Park Pool Construction: March 2023 to Summer 2024

Please feel free to contact me with any questions prior to the meeting.

Thank you.

Dave Leker, Executive Director
PARK COMMISSIONERS – Vicki Dawson * Joe Deutsch * Aaron Hill * Dawn Morgan * Jerry Rostad
CLERK – Dave Leker



50 Meter Pool

3m DB

5m DB

1m DB

Tube Slide

Fly Slide

Bathhouse

Lazy River

Zero Entry Pool



MEMORANDUM

DATE: November 22, 2022

TO: Fargo Park Board Facilities Committee

FROM: Dave Leker, Executive Director

RE: Agenda Item No. 4 – Review request to solicit bids for Fargo Parks Sports Complex Phase II Construction project

On October 4th, 2022, Park District Staff and JLG presented the scope of Phase II of the Fargo Parks Sports Complex (FPSC) to the Board of Commissioners. During the 2023 Budget review, a financing model for the project was discussed and ultimately approved with the 2023 Budget. Park District Staff was directed to move forward with development of design documents for Phase II.

In alignment with our Procurement Policy, Policy No. 390, we are asking permission to solicit bids for Fargo Parks Sports Complex Phase II Construction project. We are requesting to cap the project at \$49 million. This will include all Soft Costs and Construction Cost for the project. An estimated breakdown of those cost are below:

Soft Cost:

- Design Fees: \$2,050,000
- Financing Costs: \$2,300,000
- Furniture, Fixtures, and Equipment (FF&E): \$1,015,000
- Fees, Testing, & Inspection: \$210,000
- Owner Contingency: \$1,125,000

Subtotal of Soft Costs: \$6,700,000

Subtotal of Construction Costs: \$42,300,000

FPSC Phase II Total Cost: \$49,000,000

In an effort to control costs, reduce risk, and position the project for an on schedule procurement of materials, we plan to bid FPSC Phase II in two bid packages. Bid Package #1 will include Pre-engineered Metal Building (PEMB), Structural Steel, Pre-cast Concrete Walls, and Civil. Bid Package #2 will include the remainder of the project scope. It is important to note Bid Package #1 will also include a total project estimate to ensure FPSC Phase II is still within budget. See design and bid schedule below:

FPSC Phase II Design: October 2022 to March 2022

FPSC Phase II Bid Package #1 & Estimate: February 2023 Facilities & March 2023 Board Approval

FPSC Phase II Bid Package #2: April 2023 Facilities & May 2023 Board Approval.

FPSC Phase II Ice Completed: October 2024

FPSC Phase II Total Construction Completed: January 2025

Please feel free to contact me with any questions prior to the meeting.

Thank you.



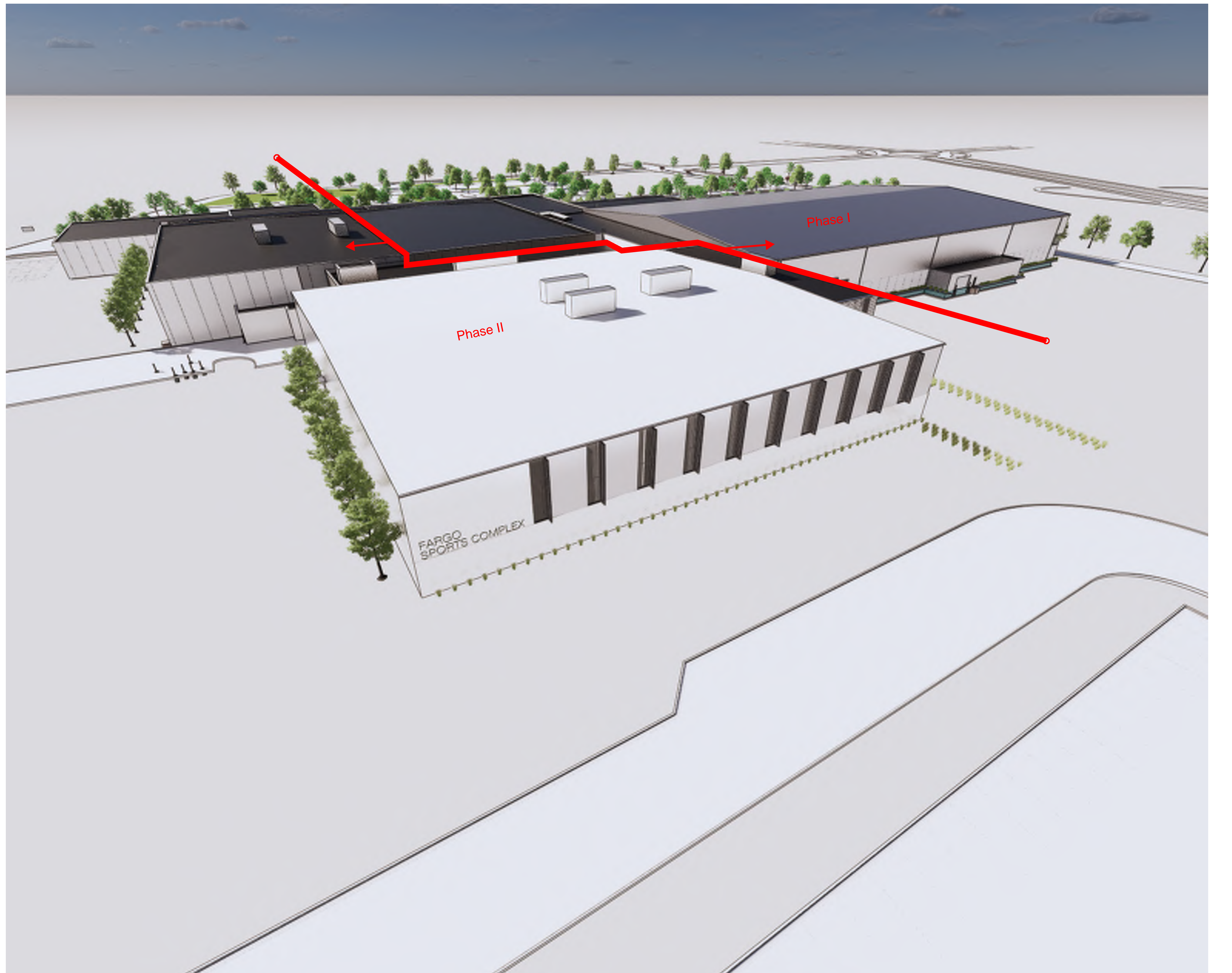
BASE BID - INDOOR PLAYGROUND AND PICKLEBALL



BASE BID - NORTH CONCOURSE



SOUTHWEST BIRDSEYE VIEW



NORTHWEST BIRDSEYE VIEW



MEMORANDUM

DATE: November 22, 2022

TO: Fargo Park Board Facilities Committee

FROM: Dave Bietz, Parks Director

RE: Agenda Item No. 5 – Review bids for Depot Boiler Replacement

Depot Boiler Replacement bids were received and opened Thursday, November 17, 2022, at 2:00pm, at the Park District Office. Attached to this memo is the bid tab from MBN Engineering.

After review of the bid information, staff recommends we reject all bids due to the bids being higher than anticipated. The estimate we received in August 2022 was \$49,900. The lowest complete base bid was \$142,368. BDT Mechanical's bid was rejected due to it being incomplete.

If you should have any questions, please feel free to contact me prior to the meeting.

Thank you.



MEMORANDUM

DATE: November 22, 2022

TO: Fargo Park Board Facilities Committee

FROM: Carolyn Boutain, 701-866-4505

RE: Agenda Item No. 6 – Update on Rose Creek Restaurant

Staff continue to work on the transition to a new tenant to operate the Rose Creek Restaurant. The RFP was sent out to six interested groups on Friday, November 18, 2022. The deadline for the proposals is December 20.

At the November 30 Facilities Committee Meeting, additional updates will be provided.

Please contact me with questions.

Thank.



MEMORANDUM

DATE: November 22, 2022

TO: Fargo Park Board Facilities Committee

FROM: Luke Evenson, Controller

RE: Agenda Item No. 7 – Review Eide Bailly Engagement Letter for 2022 audit

Each year the Fargo Park District is required to have a financial and federal audit which have historically been conducted by Eide Bailly. Included in the overall Park District audit, is the audit of the Fargo Park District Foundation and Valley Senior Services, Inc. The financial audit provides an opinion on whether our financial statements are fairly presented and materially accurate. The federal audit provides an indication of whether we are maintaining compliance with federal requirements.

Attached is the 2022 Engagement Letter along with a schedule of the Audit Fee History. The total estimated amount of the audit is \$36,800 for 2022.

Please let me know if you have any questions.

Thank you.



October 31, 2022

To the Board of Park Commissioners
Park District of the City of Fargo
701 Main Ave
Fargo, North Dakota 58103

You have requested that we audit the financial statements of the governmental activities, the aggregate discretely presented component units, and each major fund of the Park District of the City of Fargo (the Park District) as of December 31, 2022, and for the year then ended, and the related notes to the financial statements, which collectively comprise Park District of the City of Fargo's basic financial statements.

In addition, we will audit the entity's compliance over major federal award programs for the period ended December 31, 2022. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal award programs. The objectives of our audit of the financial statements 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 opinion. 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 auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and 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.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and Government Auditing Standards, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America (U.S. GAAP), as promulgated by the Governmental Accounting Standards Board (GASB), require that certain information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

1. Management's discussion and analysis
2. Schedule of employer's share of net OPEB liability and related ratios
3. Schedule of changes in the Park District's OPEB Liability and related ratios
4. Schedule of employer's share of net pension liability
5. Schedule of employer's contributions

Supplementary information other than RSI will accompany the Park District's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

1. Combining statement of net position – discretely presented component units
2. Combining statements of revenues, expenses and changes in net position – discretely presented component units
3. Balance sheet - modified accrual basis - Valley Senior Services
4. Statement of revenues, expenditures, and changes in fund balance - budget and actual - modified accrual basis - Valley Senior Services

Schedule of Expenditures of Federal Awards

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the financial statements:

1. Listing of Commissioners and Officers

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements and Compliance over Federal Awards

We will conduct our audits in accordance with GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America, the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). As part of an audit of financial statements in accordance with GAAS and in accordance with Government Auditing Standards, Uniform Guidance and/or any state or regulatory audit requirements we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Park District's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the Park District's basic financial statements. Our report will be addressed to the governing body of the Park District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of the Park District's major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the 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 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 entity's compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs, and performing such other procedures as we considers necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the *Uniform Guidance*, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, 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 have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. 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;
3. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received;
4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
6. For designing, implementing, and maintaining effective internal control over federal awards that provides reasonable assurance that the entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
7. For identifying and ensuring that the entity complies with federal laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal award programs and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
8. For disclosing accurately, currently, and completely, the financial results of each federal award in accordance with the requirements of the award;
9. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
10. For taking prompt action when instances of noncompliance are identified;

11. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
12. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
13. For submitting the reporting package and data collection form to the appropriate parties;
14. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
15. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including disclosures, and relevant to federal award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity and others from whom we determine it necessary to obtain audit evidence.
16. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
17. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
18. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
19. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
20. For the accuracy and completeness of all information provided;
21. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
22. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the schedule of expenditures of federal awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards, (c) to include our report on the schedule of expenditures of federal awards in any document that contains the schedule of expenditures of federal awards and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by you of the schedule and our report thereon.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information with the audited financial statements, or if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Nonattest Services

With respect to any nonattest services we perform, we agree to perform the following:

- Prepare or assist with preparing financial statements in conformity with U.S. generally accepted accounting principles based on information provided by you.
- Prepare or assist with preparing the Schedule of Expenditures of Federal Awards
- Complete the auditee's portion of the Data Collection Form.
- Propose journal entries for the government-wide financial statements to be reviewed and approved by management
- Maintain lease schedules, if requested
- Prepare IRS Form 990 for the Fargo Park District Foundation and the Valley Senior Services Foundation

We will not assume management responsibilities on behalf of the Park District. The Park District's management understands and agrees that any advice or recommendation we may provide in connection with our audit engagement are solely to assist management in performing its responsibilities.

The Park District's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined above. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities. Our firm will advise the Park District with regard to tax positions taken in the preparation of the tax return, but the Park District must make all decisions with regard to those matters.

Fees and Timing

Brian Stavenger is the engagement partner for the audit services specified in this letter. Responsibilities include supervising services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. We expect to begin our audit in March 2023.

Our fees are based on the amount of time required at various levels of responsibility, plus actual out-of-pocket expenses, including administrative fees. Invoices are payable upon presentation. We estimate that our fee for the audit will not exceed the following, exclusive of considerations related to the adoption of GASB Statement No. 87, *Leases* (GASB No. 87), which is now effective for the Park District:

Audit of Financial Statements	\$ 28,300
Reporting and auditing impact of the conversion of the Courts Plus Fund from a proprietary fund to a department of the General Fund	4,000
Federal Audit Per Major Program (anticipate one)	4,500
Total	\$ 36,800

GASB No. 87 became effective for fiscal years beginning after June 15, 2021. The requirements of this standard will result in material changes to most governmental entity's financial statements, both with respect to financial statement presentation and related disclosures. Our fees related to the performance of audit procedures related to your implementation of this standard will be dependent upon the number and nature of the Park District's lease arrangements.

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Park District's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

The ability to perform and complete our engagement consistent with the estimated fee included above depends upon the quality of your underlying accounting records and the timeliness of your personnel in providing information and responding to our requests. To assist with this process, we will provide you with a Prepared-by-Client (PBC) request that identifies the information required to perform our engagement, as well as a planned timeline for the engagement. A failure to provide this information in an accurate and timely manner may result in an increase in our fees and/or a delay in the completion of our engagement.

We may be requested to make certain audit documentation available to outside parties, including regulators, pursuant to authority provided by law or regulation or applicable professional standards. If requested, access to such audit documentation will be provided under the supervision of Eide Bailly LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the outside party, who may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We will be compensated for any time and expenses, including time and expenses of legal counsel, we may incur in making such audit documentation available or in conducting or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings as a result of our Firm's performance of these services. You and your attorney will receive, if lawful, a copy of every subpoena we are asked to respond to on your behalf and will have the ability to control the extent of the discovery process to control the costs you may incur.

Should our relationship terminate before our audit procedures are completed and a report issued, you will be billed for services to the date of termination. All bills are payable upon receipt. A service charge of 1% per month, which is an annual rate of 12%, will be added to all accounts unpaid 30 days after billing date. If collection action is necessary, expenses and reasonable attorney's fees will be added to the amount due.

Other Matters

During the course of the engagement, we will only provide confidential engagement documentation to you via Eide Bailly's secure portal or other secure methods, and request that you use the same or similar tools in providing information to us. Should you choose not to utilize secure communication applications, you acknowledge that such communication contains a risk of the information being made available to unintended third parties. Similarly, we may communicate with you or your personnel via e-mail or other electronic methods, and you acknowledge that communication in those mediums contains a risk of misdirected or intercepted communications.

Should you provide us with remote access to your information technology environment, including but not limited to your financial reporting system, you agree to (1) assign unique usernames and passwords for use by our personnel in accessing the system and to provide this information in a secure manner; (2) limit access to "read only" to prevent any unintentional deletion or alteration of your data; (3) limit access to the areas of your technology environment necessary to perform the procedures agreed upon; and (4) disable all usernames and passwords provided to us upon the completion of procedures for which access was provided. We agree to only access your technology environment to the extent necessary to perform the identified procedures.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your website or elsewhere, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

We may use third party service providers and/or affiliated entities (including Eide Bailly Shared Services Private Limited) (collectively, "service providers") in order to facilitate delivering our services to you. Our use of service providers may require access to client information by the service provider. We will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the confidentiality of client information accessed by such service provider and any work performed by such service provider.

Neither of us may use or disclose the other's confidential information for any purpose except as permitted under this engagement letter or as otherwise necessary for Eide Bailly to provide the services. Your confidential information is defined as any information you provide to us that is not available to the public. Eide Bailly's confidential information includes our audit documentation for this engagement. Our audit documentation shall at all times remain the property of Eide Bailly LLP. The confidentiality obligations described in this paragraph shall supersede and replace any and all prior confidentiality and/or nondisclosure agreements (NDAs) between us.

We agree to retain our audit documentation or work papers for a period of at least eight years from the date of our report.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

You agree to share all facts that may affect your financial statements, even if you first become aware of those facts after the date of the auditor's report but before the date your financial statements are issued.

At the conclusion of our audit engagement, we will communicate to the Park Board Commissioners the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

Government Auditing Standards require that we provide, upon request, a copy of our most recent external peer review report and any subsequent review reports to the party contracting for the audit. Accordingly, we will provide a copy of our most recent peer review report at your request.

Eide Bailly LLP is a member of HLB International, a worldwide organization of accounting firms and business advisors, ("HLB"). Each member firm of HLB, including Eide Bailly LLP is a separate and independent legal entity and is not owned or controlled by any other member of HLB. Each member firm of HLB is solely responsible for its own acts and omissions and no other member assumes any liability for such acts or omissions. Neither Eide Bailly LLP, nor any of its affiliates, are responsible or liable for any acts or omission of HLB or any other member firm of HLB and hereby specifically disclaim any and all responsibility, even if Eide Bailly LLP, or any of its affiliates are aware of such acts or omissions of another member of HLB.

Eide Bailly LLP formed The Eide Bailly Alliance Network, a network for small to mid-sized CPA firms across the nation. Each member firm of The Eide Bailly Alliance, including Eide Bailly LLP, is a separate and independent legal entity and is not owned or controlled by any other member of The Eide Bailly Alliance. Each member firm of The Eide Bailly Alliance is solely responsible for its own acts and omissions and no other member assumes any liability for such acts or omissions. Neither Eide Bailly LLP, nor any of its affiliates, are responsible or liable for any acts or omission of The Eide Bailly Alliance or any other member firm of The Eide Bailly Alliance and hereby specifically disclaim any and all responsibility, even if Eide Bailly LLP, or any of its affiliates are aware of such acts or omissions of another member of The Eide Bailly Alliance.

MEDIATION

Any disagreement, controversy or claim arising out of or related to any aspect of our services or relationship with you (hereafter a "Dispute") shall, as a precondition to litigation in court, first be submitted to mediation. In mediation, the parties attempt to reach an amicable resolution of the Dispute with the aid of an impartial mediator. Mediation shall begin by service of a written demand. The mediator will be selected by mutual agreement. If we cannot agree on a mediator, one shall be designated by the American Arbitration Association ("AAA"). Mediation shall be conducted with the parties in person in Fargo, North Dakota. Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties. Neither party may commence a lawsuit until the mediator declares an impasse.

LIMITED INDEMNITY

Eide Bailly LLP and its partners, affiliates, officers and employees (collectively "Eide Bailly") shall not be responsible for any misstatements in your financial statements that we may fail to detect as a result of misrepresentations or concealment of information by any of your owners, directors, officers or employees. You shall indemnify and hold Eide Bailly harmless from any claims, losses, settlements, judgments, awards, damages and attorneys' fees arising from any such misstatement or concealment of information.

If through no fault of Eide Bailly we are named as a party to a dispute between you and a third party, you shall indemnify and hold Eide Bailly harmless against any losses, damages, settlements, judgments, awards, and the costs of litigation (including attorneys' fees) we incur in connection with the dispute.

Eide Bailly shall not be entitled to indemnification under this agreement unless the services were performed in accordance with professional standards in all material respects.

LIMITATION OF LIABILITY

The exclusive remedy available to you for any alleged loss or damages arising from or related to Eide Bailly's services or relationship with you shall be the right to pursue claims for actual damages that are directly caused by Eide Bailly's breach of this agreement or Eide Bailly's violation of applicable professional standards. In no event shall Eide Bailly's aggregate liability to you exceed two times fees paid under this agreement, nor shall Eide Bailly ever be liable to you for incidental, consequential, punitive or exemplary damages, or attorneys' fees.

TIME LIMITATION

You may not bring any legal proceeding against Eide Bailly unless it is commenced within twenty-four (24) months ("Limitation Period") after the date when we delivered our report, return, or other deliverable under this agreement to you, regardless of whether we do other services for you or that may relate to the audit. The Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of a possible Dispute.

GOVERNING LAW AND VENUE

Any Dispute between us, including any Dispute related to the engagement contemplated by this agreement, shall be governed by Minnesota law. Any unresolved Dispute shall be submitted to a federal or state court located in Minneapolis, Minnesota.

ASSIGNMENTS PROHIBITED

You shall not assign, sell, barter or transfer any legal rights, causes of actions, claims or Disputes you may have against Eide Bailly to any person.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

We appreciate the opportunity to be your certified public accountants and look forward to working with you and your staff.

Respectfully,



Brian Stavenger, CPA
Partner

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Park District of the City of Fargo by:

Dawn Morgan, Board President

Date



MEMORANDUM

DATE: November 22, 2022

TO: Fargo Park Board Facilities Committee

FROM: Dave Leker, Executive Director

RE: Agenda Item No. 8 – Discuss January Board Work/Orientation Session

With the busy summer we had we were not able to set up a Board Work/Orientation Session for our new Commissioner. This would also be beneficial for our new Deputy Director.

I would like to discuss setting up a Work/Orientation Session for January with Commissioners to cover two orientation items and then any other items we feel the need to cover in this type of session. The two items I would like to cover for our new Commissioner and a review for current commissioners would be the following:

Public Financing Session – This would be a 1-hour session presented by Brian Stavenger, Eide Bailly. This would be an interactive finance session presented by Brian with the opportunity for Commissioners to ask financial related questions.

NDRPA Park Board Commissioner Training Webinar - This is a 37 minute webinar produced by the North Dakota Recreation and Park Association reviewing topics and material provided in the NDRPA Park Board Manual.

Other Items

If you should have any questions related to this item prior to the Facilities Committee Meeting, please feel free to contact me.

Thank you.



MEMORANDUM

DATE: November 22, 2022

TO: Fargo Park Board Facilities Committee

FROM: Broc Lietz, Finance Director
Stacy Kruger, HR Manager

RE: Agenda Item No. 9 - Review Personnel Policies (Transgender Policy – 105;
Vacation Policy – 230)

At the November 15th, 2022 Board Meeting, commissioners pulled several policies off the consent agenda for further discussion. Two policies were remanded back to the Facilities Committee for further discussion. Staff has revised the following policies and will present them to the Facilities Committee for review:

- Transgender Policy: No. 105
- Vacation Policy: No. 230

Transgender Policy No. 105: The district currently has an Equal Employment Opportunity Policy, # 100, which includes “gender expression and identity” as a basis for non-discrimination. This policy currently outlines focus on equity and inclusion. Also, the district has a Keeping Us Informed Policy, #200, which details life changing events for which employees should notify the Human Resources department. These two policies accomplish much of the intent of the proposed Transgender Policy. As a result, the staff is recommending there is no need for a Transgender Policy.

Vacation Policy No. 230: Following discussion at the November 15th board meeting, the staff amended language in the vacation policy pertaining to the expectation of exempt employees to turn in vacation time. The entire policy is attached as amended. Specifically, the following language was amended from the previous version:

*Exempt employees are expected to take **minimum of 4 hours of vacation** if they are at the workplace for less than 4 hours on **a day that is designated as a regular full workday and should be commensurate with the hours at the workplace to reflect a full workday.** Exempt employees are expected to take 8 hours of vacation if they are gone for the entire scheduled workday. This is regardless of how many hours they have worked in that week.*

Example of Intent: Employee works 6 hours, is not expected to turn any leave.
 Employee works 4 hours, expected to turn in 4 hours of leave.
 Employee works 2 hours, expected to turn in 6 hours of leave.

If you should have any questions, please feel free to contact Broc Lietz or Stacy Kruger prior to the meeting.

Thank you.

PARK DISTRICT OF THE CITY OF FARGO

VACATION
POLICY NO. 230

Date Approved by Park Board 06/14/11

Date Reviewed by Staff 07/01/2022/01/19

Annual vacation, with pay, is granted to all regular full-time Employees. Departmental operations normally determine when vacation will be taken. Consideration is first given to departmental needs, then to Employee's departmental seniority, and finally to the Employee's preference. Vacation is earned as follows:

Regular Full-time Employees:

<u>YEARS OF SERVICE</u>	<u>HOURS PER MONTH</u>	<u>HOURS PER YEAR</u>
Benefit Eligibility Date - End of Year 3	8	96
Start of Year 4 - End of Year 7	10	120
Start of Year 8 - End of Year 12	12	144
Start of Year 13 - End of Year 18	14	168
Start of Year 19 and Over	16	192

Under special circumstances, to assist with recruitment, allow for negotiations regarding an employee's starting accrual levels and/or annual vacation leave beginning balances other than 0. This request must be approved by the Department Director, Direct Supervisor, and HR Manager, before offered to the potential employee. Years of service will be computed from Employee's benefit eligibility date.

~~Years of service will be computed from Employee's benefit eligibility date.~~ Accumulated vacation time, up to 240 hours, will be carried forward to the next fiscal year, on January 1 of each year. Any accumulation in excess of 240 hours, as of the 26th payroll on December 31 of each year will be forfeited. Employee upon termination will be paid out unused leave balance. In case of death, an **active** Employee's beneficiary will be paid for all of the Employee's earned unused vacation time.

An Employee must request and obtain authorization from their supervisor before taking vacation. Requests and authorizations ~~are may be obtained verbally or in writing or~~ through our time and attendance system. Supervisor must respond to the request for vacation within 3 business days. Supervisors will either approve or deny the request. Vacation requests three (3) days or longer, must have supervisor's permission two (2) weeks prior to dates requested.

Exempt employees are expected to take **minimum** of 4 hours of vacation if they are at the workplace for less than 4 hours on a day that is designated as a regular full workday, **and should be commensurate with the hours at the workplace to reflect a full workday.** Exempt employees are expected to take 8 hours of vacation if they are gone for the entire scheduled workday. ~~This is regardless of how many hours they have worked in that week.~~ Exempt employees are required to take vacation time if their missing regular scheduled hours of work due

to performing work in which they are being compensated for at another entity. (example: being a referee, coach, committee or second job). This includes travel time to and from such places. Occasionally at the point a job offer is extended, a potential employee will request time off early in their employment due to previous commitment. If the department head approves the time off, the employee must use all of the annual leave accrued at the time of the leave before going into an unpaid leave status. Likewise, a current employee must exhaust their annual leave before going into an unpaid leave status for time off purposes and only upon the approval of the department head. HR needs to be notified before an employee can go into unpaid status.

If an employee becomes eligible to receive long-term disability benefits, or worker's compensation benefits, vacation leave accruals cease. An employee granted an approved leave of absence without pay will not accrue vacation leave during the leave of absence.

Employees cannot vacation their way out for retirement. The employee's official "retirement date" is the last day that employee physically works for the Park District.

Regular Part Time, Temporary Full Time and Seasonal Employees are not eligible for vacation leave.