ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year ending June 30th, 2022

DISTRICT 196

One District. Infinite Possibilities.

Rosemount-Apple Valley-Eagan Public Schools
Rosemount, Minnesota

Educating our students to reach their full potential

ANNUAL COMPREHENSIVE FINANCIAL REPORT

INDEPENDENT SCHOOL DISTRICT NO. 196
NOVEMBER 11, 2022
ROSEMOUNT, MINNESOTA

YEAR ENDED JUNE 30, 2022

PREPARED BY THE
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DISTRICT 196 · DISTRICT 196 · DISTRICT 196 ·

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
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INTRODUCTORY SECTION

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DISTRICT196
One District. Infinite Possibilities.

Christopher Onyango-Robshaw
Coordinator of Finance

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November 11, 2022
To: Citizens of the School District
Board of Education
Employees of the School District

INTRODUCTION

We are submitting the Annual Comprehensive Financial Report (ACFR) of Independent School District No. 196, Rosemount – Apple Valley – Eagan (the District) for the fiscal year ended June 30, 2022. This report fairly presents the District's financial position and results of operations and cash flows in accordance with accounting principles generally accepted in the United States of America. The District's administration accepts total responsibility for the accuracy, completeness, and fairness in presentation.

The District's financial statements have been audited by CliftonLarsonAllen LLP (CLA), a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance the financial statements of the District for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report.

In addition to the independent audit of the District's financial statements, the District is required to undergo an annual Single Audit in conformity with the provisions of the Federal Single Audit Act Amendments of 1996 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). The District is also required to undergo an annual Minnesota State legal compliance audit under Minnesota Statutes § 6.65. The standards governing Single Audit engagements require the independent auditor to report on not only the fair presentation of the financial statements, but also the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District's separately issued "Schedule of Expenditures of Federal Awards and Other Required Reports."

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

REPORT FORMAT

The ACFR is presented in three sections:

- **Introductory Section** – The introductory section contains this transmittal letter, an organizational chart, a list of School Board members and the Superintendent's Cabinet members, a map of the District, and a copy of the Association of School Business Officials (ASBO) International Certificate of Excellence in Financial Reporting for the District's 2021-2022 ACFR.

- **Financial Section** – The financial section begins with the independent auditors' report. This section includes the MD&A; basic financial statements; required supplementary information; and combining and individual fund statements and schedules presented as supplementary information.

- **Statistical Section** – The statistical section, which is not audited, includes selected financial, demographic, and economic data, generally presented on a multi-year comparative basis.

REPORTING ENTITY AND ITS SERVICES

The financial reporting entity includes all the funds of the primary government (the District). Component units are legally separate entities for which the District (primary government) is financially accountable. There are no organizations considered to be component units of the District.

The District was incorporated in 1950 and serves a portion of 10 suburban communities within Dakota County located on the southeastern edge of the Minneapolis/St. Paul metropolitan area. The District encompasses all or part of the communities of Apple Valley, Burnsville, Coates, Eagan, Empire Township, Farmington, Inver Grove Heights, Lakeville, Rosemount, and Vermillion Township.

Programs and Services

The District provides a full range of public education services appropriate to grade levels ranging from pre-Kindergarten through Grade 12. These include regular and enriched academic education, special education for exceptional children, and career/vocational education. Food service and transportation are provided as supporting programs. The District's community education program includes early childhood family education and adult basic education programs, and a myriad of classes for lifelong learning experiences for children and adults.

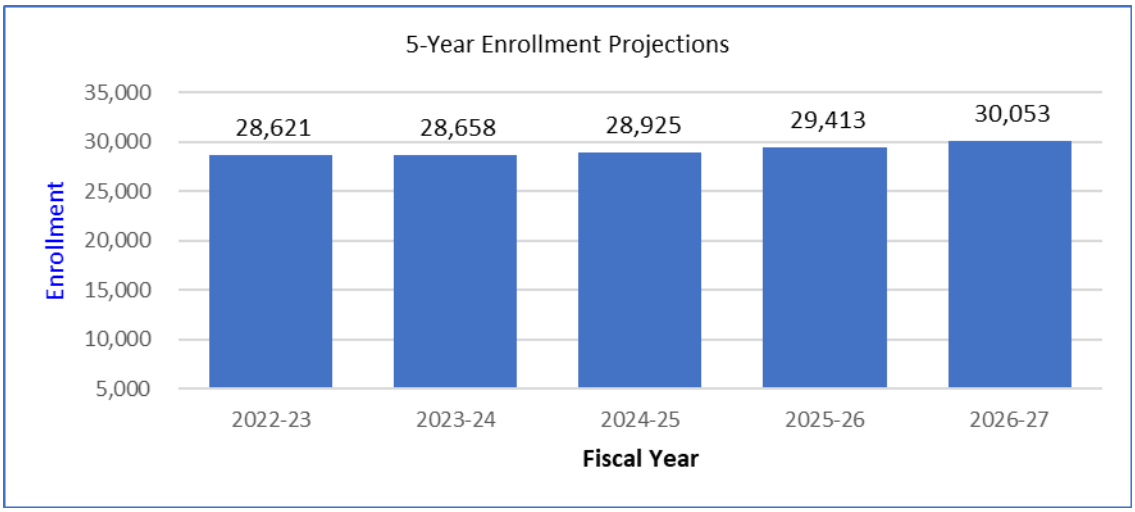
Student Enrollment

The District enrolled 27,800 students (or average daily membership totaling 28,805) in 2021–2022 from a population of 163,960 people residing in a 108.6 square mile area. In terms of the number of students, the District is Minnesota's fourth largest school district.

The District has an increasingly diverse population of students with a variety of needs. For the 2021–2022 school year, 59% of our students were Caucasian, 14% of the District's student population were black, students of Asian descent comprised 8%, Hispanic students totaled 11%, 1% were American Indian, while other races accounted for 7%.

In 2021-2022, 17.2% of our students qualified to receive free or reduced-price meals; this compared to a fall 2022 Minnesota average of 31.6%.

The District enrollment is projected to increase slightly over the next five years.



District Schools and Facilities

During the 2021-2022 school year, the District operated 35 school buildings: an 1 Early Childhood Learning Centers, 4 comprehensive (Grades 9–12) high schools, 1 optional (Grades 11–12) high school, 6 middle schools (Grades 6–8), 19 elementary schools (kindergarten through Grade 5), 1 area learning center, 1 school (kindergarten through Grade 12) for students with special needs, and 2 learning centers dedicated to adult basic education and early childhood education students.

The average age of the District's facilities is 36 years; the District qualifies for Long Term Facilities Maintenance funding and has been able to keep up with routine repairs, maintenance, and other major improvements.

LOCAL ECONOMIC CONDITION AND OUTLOOK

According to the Minnesota Department of Management and Budget, economic data has shown to be positive, despite a forecasted three-quarter recession beginning at the end of 2022. The forecasted GDP growth for 2022 was projected at 1.7%, in the released October report, which is down from the 3.7% growth forecast in the February outlook report. Generally, growth is expected to increase slightly moving into 2022 with a forecasted GDP growth of 2.7%.

According to the October economic update, unemployment across the U.S. in September was at 3.5%, down from last year's rate of 4.8%. The unemployment rate is back to the same pre-pandemic level of 3.5% reported in in February 2020. This unemployment rate does not take into consideration the 160,000 people who have exited the labor force since February 2020.

The state's February 2022 budget forecast indicated an increase in anticipated revenue collections. The $1.15 billion (2.2%) increase in revenues for fiscal year 2022, would result in a budgetary balance of $9.25 billion.

The state of Minnesota assumes major responsibility for funding public education. Following the passage of the 2019 operating referendum, approximately 24% of our General Fund revenues are generated locally from property taxes, 70% from state aids, close to 5% from federal aids, and miscellaneous income made up the remaining 1%. The increase in the federal portion of the receipts is a result of the three rounds of emergency funds appropriated to combat the effects of the COVID19 pandemic.

Reliance on the state for the majority of its operating revenues places the District in the position of being dependent on state-wide economic conditions that drive state tax collections. The 2017 Legislature has provided some increase to the basic general education formula allowance and other categorical funding for the 2021-2022 school year. This funding level was again increased by the 2021 legislature for the coming biennium. Across the state, school boards and administrators continue to adjust instructional and related services delivery in an effort to maintain adequate programing buffeted by funding imbalances. The 2% formula allowance increase has not kept pace with general inflations and rising cost of providing quality education to all our students. The District will continue to respond to this challenge by curtailing expenditures when possible and is committed to engage staff and community members in future budget discussions and to consider other options for increasing revenues and containing growth.

DISTRICT MISSION AND STRATEGIC PLAN

In spring 2011, the District convened a 60-member task force to develop a vision for education that will guide district goals for the next five years. The task force included parents, staff, School Board members, and a variety of leaders from the business, civic, and faith communities. Task force members attended four informational meetings to establish a shared base of knowledge about district enrollment and demographics, school finance, teaching and learning, community and partnerships, educational trends, and innovation. These informational meetings, led by a facilitator, were followed by four planning meetings where the task force members developed revised belief statements for the District and four strategies for the future. The School Board approved the plan in December 2011. A brief summary of the plan is listed below.

Mission Statement: *Educating our students to reach their full potential*.

Belief Statements:

- Students come first
- All students can learn
- High expectations inspire students and staff to excel
- Learning is maximized in a safe, respectful, and inclusive environment
- A well-rounded education includes opportunities in academics, the arts, and athletics
- Learning is a lifelong pursuit
- Effective management of resources is critical
- Partnerships and collaboration enhance educational programming
- A culture of innovation and continuous improvement prepares students to be college and/or career ready
- An informed and engaged community guides effective decision-making

Strategies and Goals:

- **Strategy One – Teaching and Learning**
  - Deliver a high-quality instructional program that anticipates and meets the needs of all learners
- **Strategy Two – Early Learning**
  - Provide a well-aligned continuum of high-quality, culturally responsive, early learning (birth to Grade 3) services to meet the needs of all students
- **Strategy Three – Educational Equity**
  - Implement a systemic process that increases achievement for all students by addressing equitable access to opportunities in our schools and programs
- **Strategy Four – Partnerships**
  - Develop and implement sustainable strategies to increase collaboration between the District and community partners

STUDENT ASSESSMENT AND TESTING

The District uses a variety of state and national tests to measure student achievement, determine student ability, and evaluate curriculum.

Minnesota Comprehensive Assessments (MCAs)

According to the results of the Standards-Based Accountability Assessments released by the Minnesota Department of Education in July 2022, the percentage of the District's students who scored proficient on the state reading, math, and science tests exceeded the state-wide averages for all grades tested in the spring of 2022.

The Standards-Based Accountability Assessments include the MCAs and the Minnesota Test of Academic Skills (MTAS) for students receiving special education services who qualify. These tests are given annually in reading (Grades 3–8 and 10), math (Grades 3–8 and 11), and science (Grades 5, 8 and high schools, after completion of the life science curriculum). More than 14,000 district students took the MCAs or MTAS last spring.

The MCAs and MTAS measure student performance on the Minnesota Academic Standards, which define what students should know and be able to do in a particular grade. Students earn a score that falls into one of four achievement levels: 1) does not meet the standards; 2) partially meets the standards; 3) meets the standards, and 4) exceeds the standards. Students who meet or exceed the standards are considered to be proficient in the subject areas.

Compared to 2021 results, the percentage of district students who scored proficient on the MCAs or MTAS reading, math, and science tests stayed about the same for all levels tested.

American College Test (ACT)

In 2021-2022, the District's high school students continued to score higher than the state and national average composite scores on the ACT college-entrance exam.

The ACT average composite score for the District's students in 2022 was 21.5 points out of a possible score of 36. The District average decreased from the year before but is still 1.7 points higher than the national average of 19.8 points and 0.5 points higher than the state average of 21.0 points, which was highest among the 17 states where more than 90% of all students took the test.

The ACT is the primary admissions test for students attending college in the Midwest; the Scholastic Aptitude Test is the primary test for colleges located in the eastern and western states.

Advanced Placement (AP)

In August 2022, 625 of the District's high school students were recognized as AP Scholars by the College Board for earning a score of 3 or higher (on a scale of 1-to-5) on at least three or more exams. An AP exam score of 3 or higher earns credit at many of the nation's colleges and universities.

National Merit Scholars

In 2021-2022, 13. of the District's high school seniors were named National Merit Scholarship semifinalists (top 1% of seniors nation-wide), another 26 students were named commended students (top 5%).

ACHIEVEMENTS AND AWARDS

National Speech and Debate Association – Top 10 Schools of Outstanding Distinction

In 2021-2022, Apple Valley and Eagan high schools were each in the top 10 Schools of Outstanding Distinction at the June 12-17, 2022 National Speech and Debate Association tournament.

The tournament's top 10 schools are selected based on the number of rounds of competition their students compete in both speech and debate events. A total of 36 District 196 students qualified for this year's national tournament, 11 from Eastview, 11 from Eagan, 13 from Apple Valley and one from Rosemount High School.

FINANCIAL AND BUDGETARY CONTROL

The management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from theft, misuse, or losses and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America and Minnesota Uniform Financial Accounting and Reporting Standards.

The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of the costs and benefits requires estimates and judgments by management.

In addition, the District has also adopted the following policies to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board:

- **Fund Balance Policy** – Requires the District to maintain an operating fund balance of 5% of the expenditure budget.

- **Budget Policy** – Establishes a guideline for allocation of district resources.

- **Personnel Staffing Guidelines** – Personnel costs represent over 85% of General Fund expenditures. These guidelines, which set the staffing allocation for every allocated position in the District, are updated each February by the administration and the School Board.

The District's budget process is based, first, on development of a budget projection model that attempts to project resources and expenses over a multiple year period. The budget projection is used by the School Board and the administration to determine budget parameters and staffing guidelines. Second, the budget, adopted in June, is based on the personnel staffing guidelines and building allocations approved by the School Board in February of the preceding budget year. School and department administrators develop expenditure plans in accordance with School Board-approved budget parameters. The School Board resolution adopting the budget in June also includes a provision directing the administration to update the budget in October. This final budget reflects the District's actual enrollment count on October 1, the actual staff hired, and other dynamics such as employee contract settlements and legislative changes not included in the preliminary budget process.

The level of budgetary control is at the fund level. However, in the General Fund; operating, special education, pupil transportation, capital expenditure, and quality compensation are maintained as separate internal accounts for budgeting purposes. The District also maintains an encumbrance accounting system as one method of maintaining budgetary control. Encumbered amounts lapse at year-end. However, outstanding encumbrances generally are re-appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

CERTIFICATE OF EXCELLENCE

This report will be submitted to the ASBO International for consideration for the Certificate of Excellence in Financial Reporting.

The District received the Certificate of Excellence in Financial Reporting from ASBO International for excellence in the preparation and issuance of the District's ACFR for the year ended June 30, 2021. It is the 19th consecutive year the District has received the award, which was earned by fewer than 10% of all school districts in the state.

The District expects to continue to earn the recognition that accompanies national standards of accuracy and thoroughness of the Certificate of Excellence program.

MERITORIOUS BUDGET AWARD

The District's Finance Department has submitted its 2022-2023 budget for the ASBO international Meritorious Budget Award (MBA). The receipt of this award is pending as of the audit conclusion.

The MBA program promotes and recognizes excellence in school budget presentation. The award is awarded to school districts that have met or exceeded the program's stringent criteria, following a rigorous review by professional auditors. The district has received this award over the past six budget cycles.

FINANCIAL PROSPECTS FOR FUTURE YEARS

With the exception of the voter-approved operating referendum and building bond referendum, the District is dependent on the state of Minnesota for its revenue authority.

The state's budget outlook has improved steadily since 2012 and the Minnesota Department of Management and Budget's February 2022 forecast calls for the continual improvement over the next several years. This positive outlook incorporates the infusion of federal aid in response to the COVID19 pandemic.

The table below summarizes the per pupil unit funding amounts and percentage change over the past five school years:

School Year	Formula Allowance	Percentage Change
2017-18	$6,188	2.00%
2018-19	$6,312	2.00%
2019-20	$6,438	2.00%
2020-21	$6,567	2.00%
2021-22	$6,728	2.45%

The District appreciates and welcomes the additional funding to meet the growing needs of today's learners. The District continues to engage parents, staff, the business community, and legislative members to proactively find ways to align resources with areas of greatest need within our community. The most recently approved operating levy helps the district address class size and mental health needs, among other areas of need.

MAJOR INITIATIVES

Facility Improvements

On November 3, 2015, district voters approved a referendum question for $180 million in capital improvements and technology funding. The approved referendum provided the District with $130 million in bonding authority to make safety and security improvements at all schools, provide additional space for learning, including a new elementary school, and upgrades to technology infrastructure district-wide.

The referendum questions also include a capital project levy that will provide approximately $5.0 million per year for 10 years to increase access to technology for all students and maintain that access over the life of the levy.

The improvements supported by the referendum are summarized below.

Safety and Security

- Modify entrances at all schools to better control visitor access
- Upgrade security equipment at all schools
- Site improvements at 16 sites with identified need to improve pedestrian and traffic safety

Space for Learning

- New elementary school in the southern part of the District
- Additions to five elementary magnet schools and Parkview Elementary
- STEM improvements at all six middle schools, Cedar Park Elementary STEM School and Apple Valley High School
- Improvements to meet district standards for space at Rosemount High School and elementary schools with identified need
- Replacement of worn-out student furniture at middle schools and high schools

Technology for Learning

- Infrastructure upgrades
- Mobile learning device for each student in Grades 4–12, phased in over three years
- 3-to-1 ratio of students-to-mobile learning device for Grades pre-K–3

Operating Referendum

On November 5, 2019, district voters approved an operating referendum question for the district. The referendum question revoked and replaced the previous authority and provided $19 million in additional levy authority beginning in the fiscal year 2021-2022. These funds have been used to reverse the reductions of previous years and provide additional support for areas of great need including mental health support and after school activity busses, which allow more students to participate in enrichment activities beyond the school day.

ACKNOWLEDGMENTS

The preparation of this ACFR in a timely manner would not be possible without the assistance of the entire Finance Department staff. We would like to particularly thank our manager of financial systems, reporting, and compliance, Daniel Duchene; finance department supervisors and staff for their work.

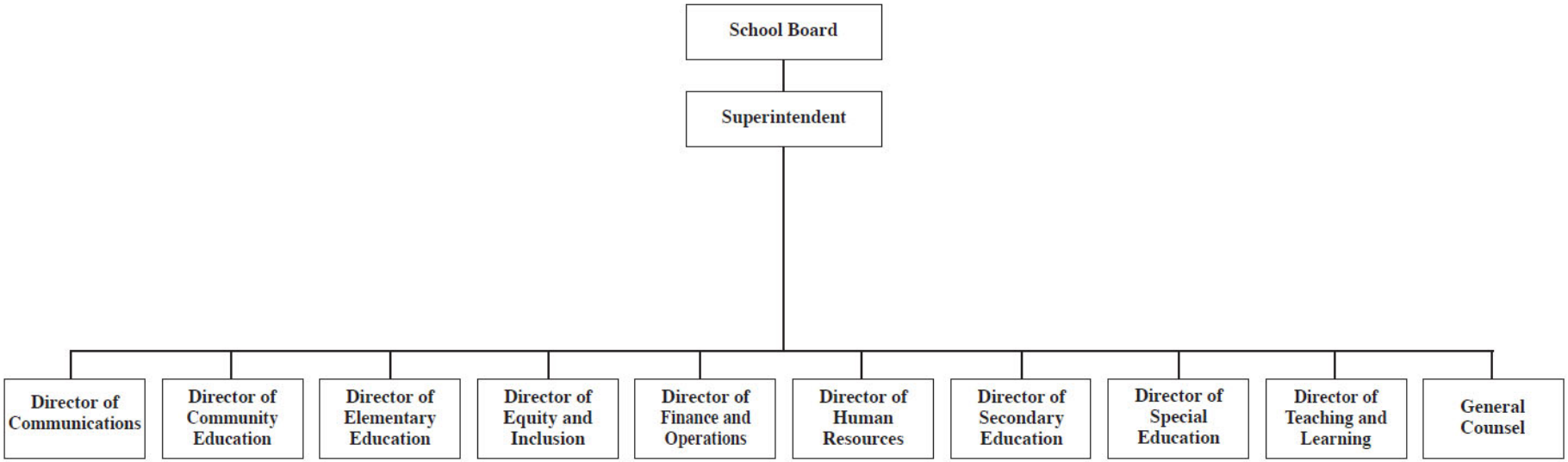
Sincerely,

Adam Lloyd, CPA
Controller

Christopher Onyango-Robshaw, CPA
Coordinator of Finance

Independent School District No. 196
Rosemount-Apple Valley-Eagan Public Schools
Educating our students to reach their full potential

Organization Chart



INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
SCHOOL BOARD AND ADMINISTRATION
JUNE 30, 2022

SCHOOL BOARD

Jackie Magnuson	Chairperson
Joel Albright	Vice-Chairperson
Sachin Isaacs	Clerk
Art Coulson	Treasurer
Cory Johnson	Director
Sakawdin Mohamed	Director
Bianca Virnig	Director

SUPERINTENDENT'S CABINET

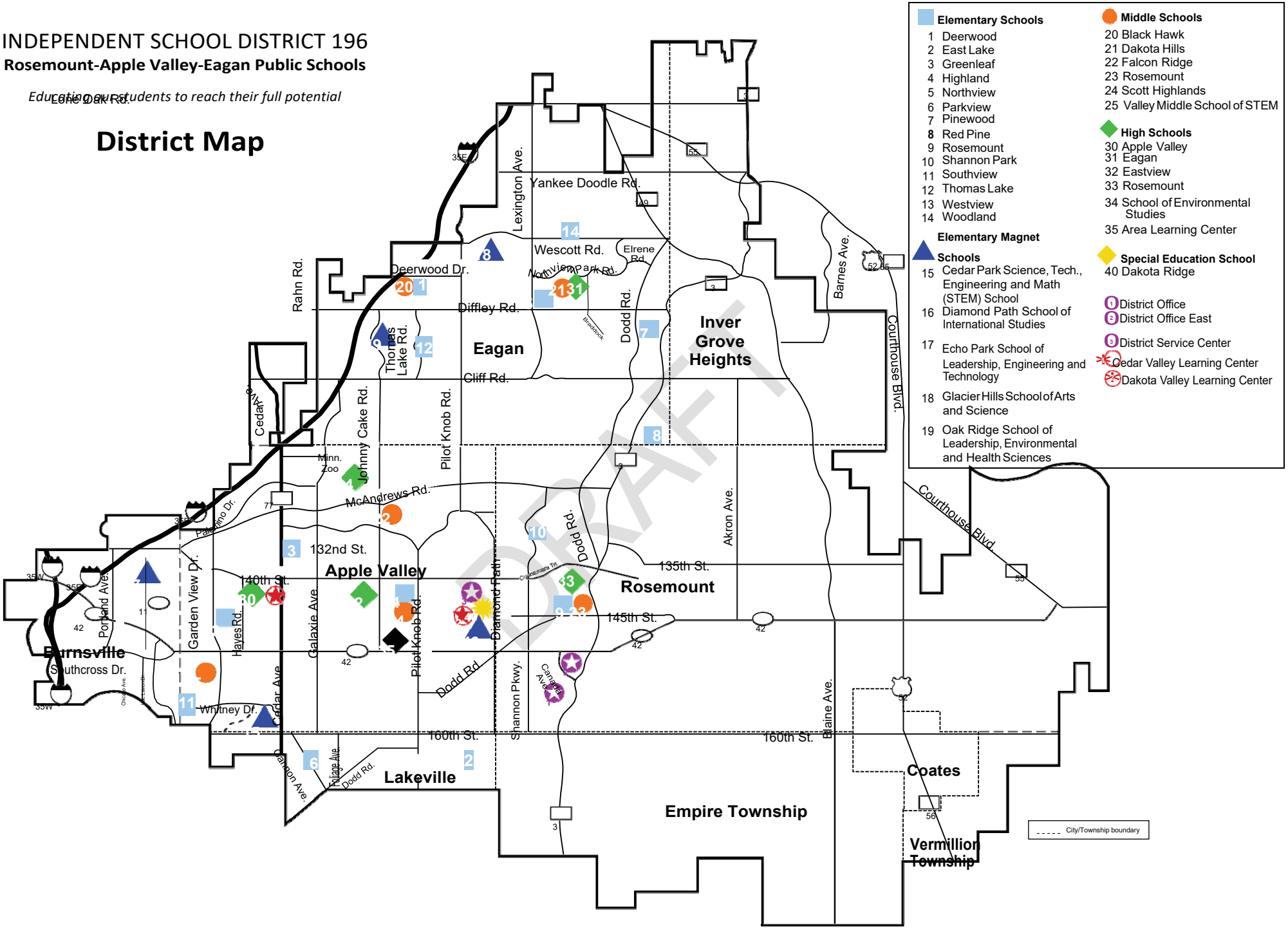
Mary Kreger	Superintendent
Khia Bruse	Director of Community Education
Jill Coyle	School District Attorney
Caley Longendyke	Administrative Assistant to the Superintendent
Janet Fimmen	Director of Special Education
Sally Soliday	Director of Elementary Education
Michael Bolsoni	Director of Secondary Education
Thomas Pederstuen	Director of Human Resources
Mark Stotts	Director of Finance and Operations
Tony Taschner	Director of Communications
Steve Troen	Director of Teaching and Learning
Virgil Jones	Director of Equity and Inclusion

INDEPENDENT SCHOOL DISTRICT 196

Rosemount-Apple Valley-Eagan Public Schools

Educating our students to reach their full potential

District Map



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting is presented to

ISD 196 – Rosemount – Apple Valley – Eagan Public Schools

for its Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021.

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

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

William A. Sutter
President

David J. Lewis
Executive Director

DISTRICT 196 · DISTRICT 196 · DISTRICT 196 ·

FINANCIAL SECTION

DISTRICT 196 · DISTRICT 196 · DISTRICT 196 ·

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

School Board
November 11, 2022
Independent School District No. 196
Rosemount, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 196, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Independent School District No. 196's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 196, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Independent School District No. 196 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.

Responsibilities of Management for the Financial Statements

Management 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 Independent School District No. 196'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.

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Auditors' 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 auditors' 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 Independent School District No. 196'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, that raise substantial doubt about Independent School District No. 196'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, schedules of changes in the District's net OPEB liability and money-weighted rate of return on plan assets, schedules of the District's proportionate shares of net pension liabilities, and schedules of District pension plan contributions 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 the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 Independent School District No. 196's basic financial statements. The combining and individual fund schedules and the Uniform Financial Accounting and Reporting Standards (UFARS) compliance table are presented for purposes of additional analysis and are 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 GAAS. In our opinion, the combining and individual fund schedules and the (UFARS) compliance table 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 report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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.

Report on Summarized Comparative Information

We have previously audited the District's 2021 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated December 8, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2022, on our consideration of Independent School District No. 196'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 Independent School District No. 196's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Independent School District No. 196's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
November 11, 2022

REQUIRED SUPPLEMENTARY INFORMATION

DISTRICT 196 · DISTRICT 196 · DISTRICT 196 ·

This section of Independent School District No. 196's Annual Comprehensive Financial Report (ACFR) presents the management's discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2022. Please read it in conjunction with the district's financial statements, which immediately follow this letter. The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Government Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.

FINANCIAL HIGHLIGHTS

For the year ended June 30, 2022, the District showed an increase in total net position of $44.9 million. Many factors contributed to this change. A few key financial highlights from the District's basic financial statements for the 2021–2022 fiscal year are listed below:

- The liabilities and deferred inflows of resources of the District exceed its assets and deferred outflows of resources at the close of the 2021-2022 fiscal year by $67.74 million. This amount includes a net investment in capital assets of $165.63 million, $31.16 million net position restricted for specific uses, and a negative unrestricted net position of $264.53 million.

- The District's total net position increased by $43.8 million in the current year. Restricted net position decreased by $1.59 million. The unrestricted portion of the District's net position decreased $32.89 million. A more detailed analysis of these changes can be found later in this document.

- As of June 30, 2022, the District's governmental funds reported combined ending fund balances of $110.42 million, a net increase of $6.03 million in comparison with the prior year. Approximately 53.92% of the total fund balance amount, or $59.53 million, is unassigned.

- At the close of the 2021-2022 fiscal year, unassigned fund balance for the General Fund was $59.53 million, or 13.91%, of total General Fund expenditures.

- The District's long-term liabilities decreased by $115.69 million, or 25.18%, during the current fiscal year. This was partially due to a $94.4 million net decrease in the District's proportionate share of the net pension liability related to the statewide pension plans administered by the Teachers Retirement Association (TRA) and the Public Employees Retirement Association (PERA). This decrease was also in part due to a $10.19 million decrease in the District's liabilities for bonds, COPs, and capital leases. The liability for severance benefits and compensated absences payables also decreased $0.58 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts: Independent Auditors' Report, Required Supplementary Information which includes MD&A (this section), the basic financial statements, single and supplementary information. The basic financial statements include several statements that present different views of the District:

- The ***government-wide financial statements,*** including the *Statement of Net Position* and the *Statement of Activities,* provide both short-term and long-term information about the District's overall financial status.
- 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 district-wide statements.
- ***Governmental funds statements*** tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- ***Proprietary funds statements*** offer short- and long-term financial information about the activities the District operates like businesses.
- ***Fiduciary funds statements*** provide information about the financial relationships in which the District acts solely as a trustee or custodian 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 and provide more detailed data.

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, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements the District's activities are shown in one category:

- *Governmental Activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration, food services, and community education. Property taxes and state aids finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's *funds* – focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District may establish other funds to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal grants).

The District has three kinds of funds:

- *Governmental Funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements to explain the relationship (or differences) between them.

- *Proprietary Fund* – The District maintains one type of proprietary fund. The Internal Service Funds are used as an accounting device to accumulate and allocate costs internally among the District's various functions. The District uses its Internal Service Funds to account for its dental and health self-insurance programs as well as contributions and benefit payments for the District's severance benefits. These services have been included within the governmental activities in the government-wide financial statements.

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

Figure 1 depicts how the various parts of this ACFR are arranged and their relationship to one another:

Figure 1

Organization of
Annual Comprehensive Financial Report

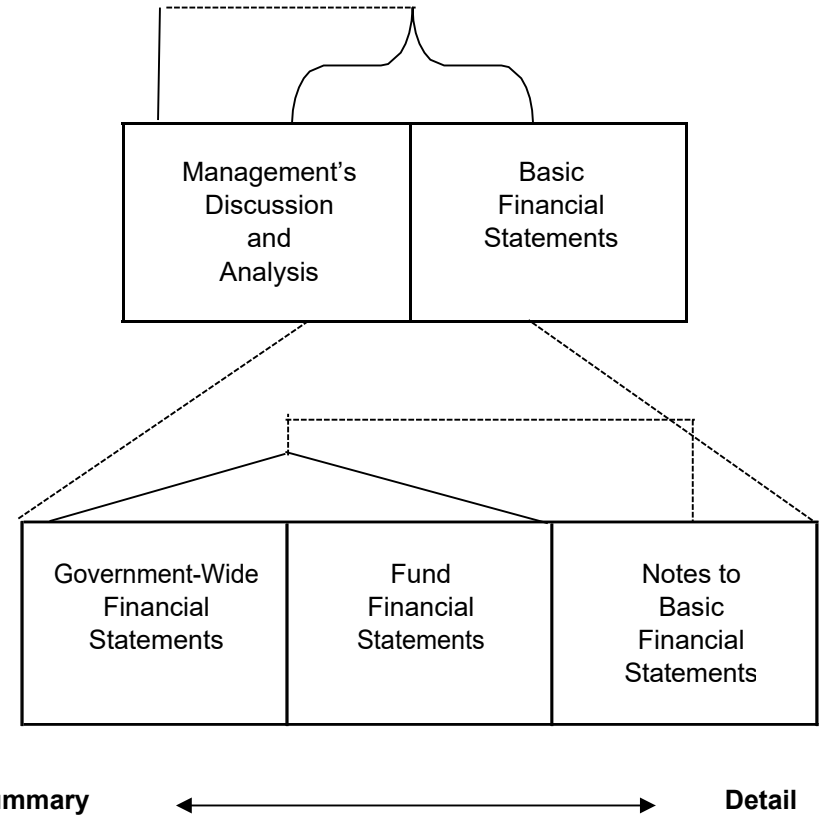


Figure 2, at the top of the next page, summarizes the major features of the District's financial statements, including portions of the District's activities covered and the types of information they contain. The remainder of this overview section of the MD&A highlights the structure and contents of each of the statements.

Figure 2, below, summarizes the major features of the District's financial statements, including portions of the District's activities covered and the types of information they contain.

Figure 2
Major Features of the Government-Wide and Fund Financial Statements

	Government-Wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as building maintenance, food service, and community education	Activities of the District that operate similar to private businesses: internal service funds	Instances in which the District administers resources on behalf of someone else, such as the OPEB Trust
Required financial statements	– Statement of Net Position – Statement of Activities	– Balance Sheet – Statement of Revenue, Expenditures, and Changes in Fund Balances	– Statement of Net Position – Statement of Revenue, Expenses, and Changes in Fund Net Position – Statement of Cash Flows	– Statement of Fiduciary Net Position – Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/deferred outflow of resources/ liability/deferred inflow of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources; both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources; both financial and capital, short-term and long-term	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources; both short-term and long-term. Funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The District's financial position is the product of many factors. As indicated earlier, net position may serve over time as a useful indicator of the District's financial position. The reader needs to understand that the determination of net position includes significant assumptions and estimates, such as current and accumulated depreciation amounts. A conservative versus liberal approach to depreciation estimates, as well as capitalization policies, may produce a significant difference in the calculation of the District's net investment in capital assets.

The District's *combined* net position was a deficit of $67,736,123 on June 30, 2022 (see Table A-1).

The District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at June 30, 2022 reducing the District's net position to a deficit of $67,736,123. The District's total net position was significantly impacted in fiscal 2022 by the required actuarial calculation changes included in GASB Statements related to statewide pension plans. The District had $31,156,932 of net position that was available to meet its ongoing obligations but restricted for specific uses.

Table A-1
The District's Net Position

	Governmental Activities as of June 30,		Percentage
	2022	2021	Change
Current and Other Assets	$ 331,531,007	$ 329,895,036	0.50 %
Capital Assets	312,688,639	298,284,299	4.83
Total Assets	644,219,646	628,179,335	2.55
Deferred Outflows of Resources	118,494,158	127,843,974	(7.31)
Current Liabilities	69,976,888	67,905,584	3.05
Long-Term Liabilities	343,769,045	459,459,119	(25.18)
Total Liabilities	413,745,933	527,364,703	(21.54)
Deferred Inflows of Resources	416,703,994	340,220,614	22.48
Net Position:			
Net Investment in Capital Assets	165,633,642	153,112,125	8.18
Restricted	31,156,932	32,747,550	(4.86)
Unrestricted	(264,526,697)	(297,421,683)	(11.06)
Total Net Position	$ (67,736,123)	$ (111,562,008)	(39.28)

Changes in Net Position

In Table A-2, Change in Net Position, operations are reported on a governmental-wide basis with no reference to funds.

Table A-2
Change in Net Position

	Governmental Activities for the Fiscal Year Ended June 30, 2022	Governmental Activities for the Fiscal Year Ended June 30, 2021	Percentage Change
Revenues			
Program Revenues			
Charges for Services	$ 10,688,270	$ 6,059,337	76.39 %
Operating Grants and Contributions	123,974,808	120,151,777	3.18
Capital Grants and Contributions	4,856,655	5,014,416	(3.15)
General Revenues			
Property Taxes	122,386,311	116,483,109	5.07
Unrestricted State Aid	218,742,166	214,852,352	1.81
Investment Earnings	240,810	137,477	75.16
Other	799,180	142,331	461.49
Total Revenues	481,688,200	462,840,799	4.07
Expenses			
Administration	17,291,218	17,679,393	(2.20)
District Support Services	15,910,214	16,663,789	(4.52)
Regular Instruction	203,445,557	216,373,592	(5.97)
Vocational Education Instruction	5,300,791	5,430,687	(2.39)
Special Education Instruction	85,358,191	76,596,038	11.44
Instructional Support Services	22,736,483	22,568,796	0.74
Pupil Support Services	34,797,537	31,273,851	11.27
Sites and Buildings	27,841,384	30,109,325	(7.53)
Fiscal and Other Fixed Cost Programs	1,209,218	1,237,889	(2.32)
Food Service	15,389,003	10,711,362	43.67
Community Service	9,251,885	8,367,921	10.56
Interest and Fiscal Charges on Long-Term Liabilities	(669,166)	4,131,775	(116.20)
Total Expenses	437,862,315	441,144,418	(0.74)
Change in Net Position	43,825,885	21,696,381	
Beginning Net Position	(111,562,008)	(133,258,389)	
Ending Net Position	$ (67,736,123)	$ (111,562,008)	

The District's total revenues were $481,688,200 for the year ended June 30, 2022, an increase of $18,847,401 (4.07%) from 2020-2021 actual revenues of $462,840,799.

For 2021-2022, property taxes and general grants and aids accounted for 70.82% of total revenue for the year. About 26.75% of the District's revenue came from operating and capital grants. Fees and charges for services accounted for 2.22% of the total revenue, while the remaining 0.21% came from other general revenue, including investment income.

For 2021-2022, the cost of all *governmental* programs and services was $437,862,315. This was a decrease of $3,282,103 (0.74%) from the 2020-2021 total cost of $441,144,418.

As in past years, the bulk of the District's resources (84%) were directed to providing instructional services to our students enrolled in regular education, special education, and vocational education programs (including instructional and pupil support). The administrative activities of the District accounted for 4% of total costs for the year. Total revenues exceeded expenses, increasing the District's net position by $43.80 million.

Figure 3

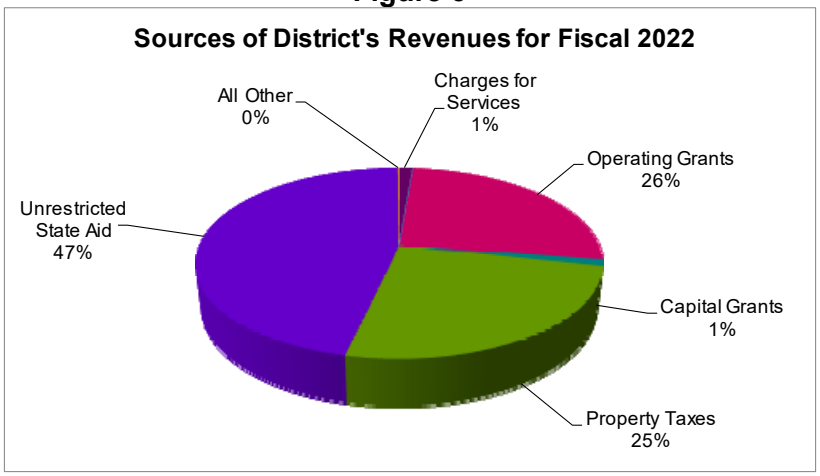
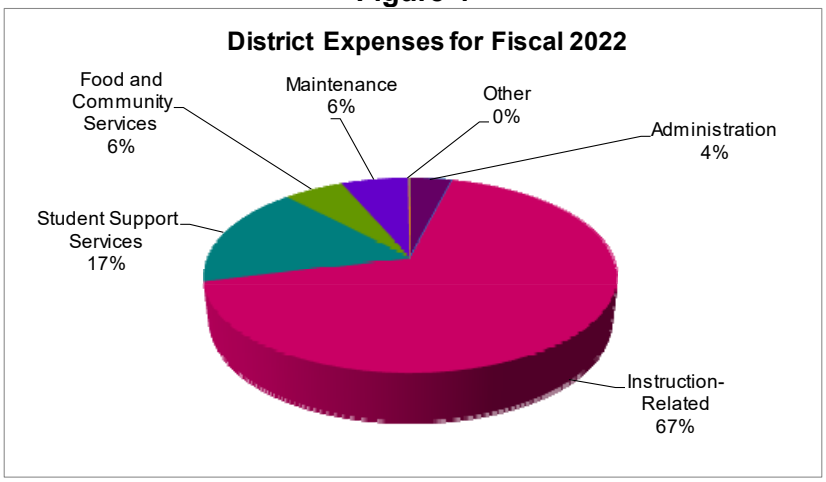


Figure 4



The cost of all *governmental* activities for 2021-2022 was $437.86 million. Of this amount, $139.52 million was supported by "charges for services, operating grants, or capital grants" received by the schools.

- A majority of the District's costs were paid for by state taxpayers based on the statewide education aid formula, and property taxes paid by district taxpayers.
- The federal and state governments, and other local sources, subsidized certain programs with grants and contributions totaling $134.66 million, or 30.75%, of the total costs for 2021-2022. In addition, state and local sources subsidized general district operations with grants and contributions of $218.74 million, or 49.96%, of the total costs for 2021-2022.
- About 2.70%, or $11.81 million, of costs were paid by the users of the District's programs.
- Finally, $1.04 million of the district revenue came from investment earnings and other general revenue.

Table A-3
Program Expenses and Net Cost of Services

	Total Cost of Services		Percentage	Net Cost of Services		Percentage
	2022	2021	Change	2022	2021	Change
Administration	$ 17,291,218	$ 17,679,393	(2.20)%	$ 5,669,834	$ 8,846,619	(35.91)%
District Support Services	15,910,214	16,663,789	(4.52)	13,208,259	8,857,724	49.12
Regular Instruction	203,445,557	216,373,592	(5.97)	186,870,519	199,445,571	(6.31)
Vocational Education Instruction	5,300,791	5,430,687	(2.39)	4,039,804	4,221,575	(4.31)
Special Education Instruction	85,358,191	76,596,038	11.44	33,550,177	25,357,425	32.31
Instructional Support Services	22,736,483	22,568,796	0.74	22,720,718	22,323,338	1.78
Pupil Support Services	34,797,537	31,273,851	11.27	14,080,763	10,778,709	30.63
Sites and Buildings	27,841,384	30,109,325	(7.53)	20,338,350	22,532,944	(9.74)
Fiscal and Other Fixed Cost Programs	1,209,218	1,237,889	(2.32)	1,209,218	1,237,889	(2.32)
Food Service	15,389,003	10,711,362	43.67	(4,265,195)	541,612	(887.50)
Community Service	9,251,885	8,367,921	10.56	1,589,301	1,643,707	(3.31)
Interest and Fiscal Charges on Long-Term Liabilities	(669,166)	4,131,775	(116.20)	(669,166)	4,131,775	(116.20)
Total	$ 437,862,315	$ 441,144,418	(0.74)	$ 298,342,582	$ 309,918,888	(3.74)

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is also reflected in its governmental funds. As of June 30, 2022, the District's governmental funds reported total fund balances of $110.42 million, an increase of $6.03 million, or 5.77%, from last year's ending total fund balances of $104.39 million. This net increase is chiefly due to the following factors:

- In 2021-2022, actual revenues and other financing sources were $6.03 million more than actual expenditures and other financing uses in the General Fund. This is primarily a result of the district utilizing one-time federal funds to meet evolving pandemic related needs. The labor shortfall also led to additional savings in the wages and benefits category of expenditures.
- The year-round aid payment of student meals contributed to the increase in the Food Service fund balance, as it increased the utilization rate of food delivery inputs.

Table A-4 below shows the total fund balances of each of the District's governmental funds:

Table A-4
Fund Balance - All Governmental Funds

	Year Ended		
	June 30, 2022	June 30, 2021	Change
General Fund	$ 94,094,796	$ 84,858,577	$ 9,236,219
Food Service Fund	8,272,064	4,014,131	4,257,933
Community Service Fund	3,209,951	3,244,071	(34,120)
Capital Projects Fund	298,598	8,639,338	(8,340,740)
Debt Service Fund	4,543,912	3,636,775	907,137
Total	$ 110,419,321	$ 104,392,892	$ 6,026,429

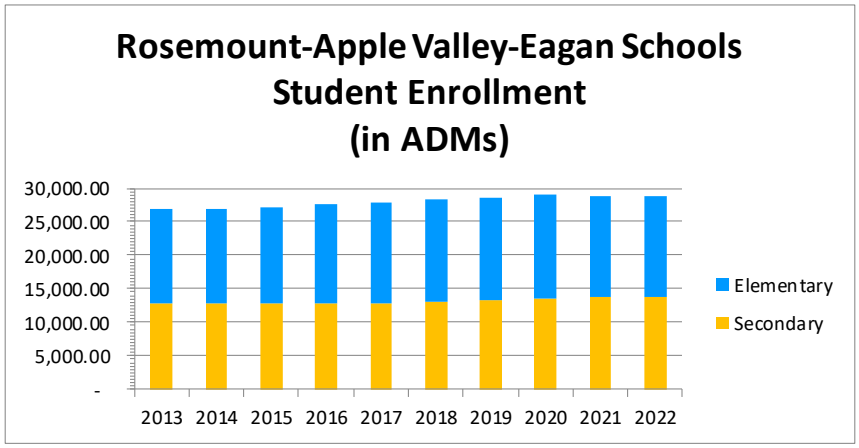
GENERAL FUND

The General Fund is used by the District to record the primary operations of providing education services to students from kindergarten through Grade 12. Pupil transportation activities and capital and major maintenance projects are also included in the General Fund.

Funding for Minnesota school districts is largely driven by enrollment. Over the last five years, the District's enrollment has increased year over year, with the exception of 2020 which decreased slightly due to the pandemic. Based on the results of an updated enrollment projection reviewed by the School Board in February 2022, enrollment was projected to increase slightly over the next few years.

The graph below (Figure 5) shows the District's actual average daily membership (ADM) over the last 10 years. ADM for 2021–2022 increased from the previous year at the kindergarten through elementary levels, but decreased at the secondary level. Preliminary enrollment data for the 2022–2023 fiscal year shows an increase of 96 ADMs over the 2021–2022 total of 28,709.

Figure 5
Average Daily Membership (ADM)



2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
240	244	263	261	279	303	306	322	266	289
1,846	1,758	1,988	1,970	2,005	2,085	2,098	2,143	1,849	2,066
11,927	12,116	12,236	12,424	12,728	12,840	12,865	12,957	12,760	12,603
12,780	12,801	12,719	12,871	12,901	13,087	13,294	13,597	13,833	13,847
26,793	26,918	27,206	27,526	27,914	28,316	28,563	29,019	28,709	28,805
-0.96%	0.47%	1.07%	1.18%	1.41%	1.44%	0.88%	1.59%	-1.07%	0.33%

The following schedule presents a summary of General Fund Revenues and Other Financing Sources.

Table A-5
General Fund Revenues and Other Financing Sources

	Year Ended		Change	
REVENUES	June 30, 2022	June 30, 2021	Increase (Decrease)	Percent Change
Local Sources:				
Property Taxes	$ 102,779,442	$ 96,675,912	$ 6,103,530	6.3 %
Earnings on Investments	208,684	88,250	120,434	136.5
Other	9,680,440	6,493,442	3,186,998	49.1
State Sources	300,322,037	297,108,482	3,213,555	1.1
Federal Sources	23,449,604	24,595,310	(1,145,706)	(4.7)
Total Revenues	436,440,207	424,961,396	11,478,811	
OTHER FINANCING SOURCES				
Sale of Equipment	782,650	-	782,650	N/A
Long-Term Leases	-	191,868	(191,868)	(100.0)
Judgments for School District	7,623	46,259	(38,636)	(83.5)
Total Other Financing Sources	790,273	238,127	552,146	231.9
Total General Fund Revenues and Other Financing Sources	$ 437,230,480	$ 425,199,523	$ 12,030,957	2.8

During 2021-2022, the District's total General Fund revenues and other financing sources increased $12.03 million, or 2.83%, from the previous year. The increase was due to the following factors:

- An increase of $6.10 million in property taxes due to the voter approved increase in the operating levy

- State aids for 2021-2022 were $3.21 million more than the previous year. This increase was mainly due to the following factors:

  1) A decrease of $0.99 million in special education aid.
  2) The rest of the increase is a result of increases in the per pupil formula amount in state aid and increased enrollment from prior year.

- Federal aids for 2021-2022 were $1.15 million less than the previous year. This decrease was mainly due to the reduced expenditures in areas funded by federal funds. The district still received an elevated amount of federal funding as part of efforts to mitigate the effects of the COVID19 pandemic on local education agencies.

The following schedule presents a summary of General Fund Expenditures and Other Financing Uses.

Table A-6
General Fund Expenditures and Other Financing Uses

	Year Ended		Change	
	June 30, 2022	June 30, 2021	Increase (Decrease)	Percent Change
EXPENDITURES				
Salaries	$ 268,137,412	$ 249,928,248	$ 18,209,164	7.3 %
Employee Benefits	96,975,089	89,646,395	7,328,694	8.2
Purchased Services	28,657,226	25,241,225	3,416,001	13.5
Supplies and Materials	18,297,340	17,886,749	410,591	2.3
Capital Expenditures	10,479,081	11,415,954	(936,873)	(8.2)
Debt Service	4,819,651	3,651,804	1,167,847	32.0
Other Expenditures	554,365	900,135	(345,770)	(38.4)
Total Expenditures	427,920,164	398,670,510	29,249,654	7.3
OTHER FINANCING USES				
Transfers Out	92,212	34,763	57,449	165.3
Total General Fund Expenditures and Other Financing Uses	$ 428,012,376	$ 398,705,273	$ 29,307,103	7.4

Total General Fund expenditures and other financing uses increased $29.31 million or 7.35% from the previous year. The changes in the major expenditure categories include:

Overall salaries increased by $18.21 million which was primarily due to wage increases based on salary settlements and additional staff hired to meet students' educational needs exacerbated by the pandemic and transitions between in-person and remote learning.

Employee benefits increased $7.33 million or 8.2% over the previous year due to the additional costs of increased staff coupled with the cost of related benefits associated with the wage settlements. The district drew funds from the Other Post-Employment Benefits (OPEB) trust to cover the implicit and subsidized insurance costs during the year.

Purchased Services consist of expenditures for fees for service including transportation contracts, postage, utilities, property insurance, maintenance repairs, leases, travel, telephone, and tuition. The District's increase of $3.42 million or 13.5% in purchased services was mostly due to increased contracted transportation costs, post the pandemic period with the resumption to in-person learning.

Supplies and Materials increased by $0.41 million, or 2.3%, from the previous year. This was due to reduced use of funds for discretionary supplies.

Capital expenditures increased $0.94 million, or 8.2% from the previous year.

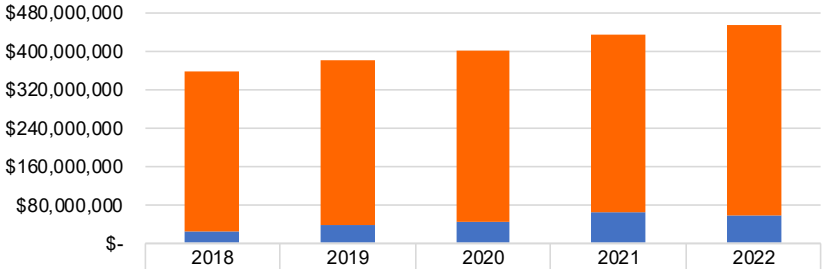
Debt service expenditures increased $1.17 million, or 32.0% from the previous year per the debt redemption schedule.

Other expenditures decreased $0.35 million or 38.4%, from the previous year.

In summary, 2021-2022 General Fund revenues and other financing sources exceeded expenditures and other financing uses by $9.22 million. After deducting statutory restrictions and internal assignments, the unassigned fund balance decreased to $59.53 million.

Figure 6 shows the General Fund – Operating Account unassigned fund balance as a percentage of expenditures.

Figure 6
Unassigned Fund Balance as a % of Expenditures - Operating Account



	2018	2019	2020	2021	2022
Unassigned Percentage	7.76%	10.92%	12.94%	17.33%	15.11%
Total Expenditures	$331,121,953	$342,035,760	$353,450,013	$369,255,728	$393,916,598
Unassigned Fund Balance	$25,699,811	$37,352,791	$45,737,258	$63,988,692	$59,534,594

The graph, as shown in Figure 6 above, is the single best measure of the District's overall financial health. The unassigned fund balance of $59.53 million in the Operating Account of the General Fund at June 30, 2022 represents 15.11% of annual Operating Account expenditures, or almost eight weeks of operations, assuming level spending throughout the year.

The District is committed to continuing to provide quality instructional services to our students; the administration and School Board will continue to monitor expenditures and maintain fund balance as prescribed in School Board policy.

General Fund Budgetary Highlights

The District is required to adopt an operating budget prior to the beginning of its fiscal year (July 1) and is referred to as the original budget. Over the course of the year, the District revised its annual operating budget to the appropriate levels. The budget amendments fall into two categories:

1) Implementing budgets for specially funded projects, which include both federal and state grants, adjusting staffing and various instructional allocations to the schools based on actual enrollment and unspent funds carried over from fiscal year 2021-2022.

2) Increase in appropriations for significant unbudgeted costs.

The final budget amounts, as shown in Table 7 below, include all of these adjustments and represent the District's revised estimates for 2021-2022:

	Preliminary Budget	Final Budget	Increase (Decrease)	Percent Change
Revenue and Other Financing Sources	$ 426,927,297	$ 441,770,871	$ 14,843,574	3.5 %
Expenditures and Other Financing Uses	426,551,033	443,647,303	17,096,270	4.0 %
Net Change in Fund Balance	$ 376,264	$ (1,876,432)	$ (2,252,696)	(598.7)%

While the District's final budget for the General Fund anticipated that expenditures and other financing uses would exceed revenues and other financing sources by $1.88 million (net loss), the actual results for the year show a net gain of $9.22 million.

- Actual revenues and other financing sources were about $4.54 million, or 1.03%, less than expected. The major factors that had contributed to this variance are as follows:

    1) State aids received during the year were less than budget by $0.79 million, primarily from Special education aid, which was $1.60 million lower than anticipated. Special education aid factors in actual expenditures and prorated state appropriation, which provides a good challenge when budgeting, especially in non-normal school year.

    2) Federal aids received were $3.45 million, or 12.86%, lower than budget, in alignment with actual expenditures, which were lower.

- Actual expenditures and other financing uses were $15.63 million, or 3.52% less than budget. There are many factors, both positive and negative, that have contributed to the variance.

    1) Actual employee benefits were $3.75 million less than budget. This was mainly due to the lower than anticipated salary expenditures.

    2) In 2021-2022, actual salaries were $4.45 million less than budget.

    3) The District spent $7.77 million less than budgeted in the areas of purchased services and supplies and materials, and capital related expenditures. Reductions in capital expenditures came from delays in delivery of goods due to supply chain constraints.

Food Service Fund

The Food Service Special Revenue Fund revenues for 2021-2022 totaled $19.68 million and expenditures were $15.42 million, resulting in an increase in fund balance of $4.26 million. The June 30, 2022 Food Service Special Revenue Fund balance was at $8.27 million.

The 2021-2022 actual revenues were $1.92 million, or 10.85%, more than the budgeted amount. Additional federal funding targeted at providing meals to all students was provided to the district in 2022. These revenues were not foreseen when revenue budgets were finalized.

The actual 2020-2021 Food Service Special Revenue Fund expenditures were $1.27 million, or 8.94%, more than the budgeted amount. The variance was caused by the increase in federal aid, leading to an increased demand for meals.

Consistent with the food service comprehensive capital projects plan, the District will continue to use the accumulated fund balance to fund routine equipment purchases and major capital projects.

Community Service Fund

In 2021-2022, the total revenues and other financing sources for the Community Service Special Revenue Fund were $9.59 million and the total expenditures were $9.62 million, resulting in a decrease to fund balance of $0.03 million. The Community Service Special Revenue Fund balance as of June 30, 2022 is $3.21 million. Of this amount, $0.34 million is restricted for community education programs, $1.21 million is restricted for the Early Childhood Family Education Program, $1.17 million is restricted for the School Readiness Program, $0.46 million is restricted for the Adult Basic Education Program, and $.02 million is restricted for community service programs.

Capital Projects – Building Construction Fund

The Capital Projects – Building Construction Fund expenditures exceeded revenues by $19.04 million for the year ended June 30, 2022. After other financing sources of $10.70 million from the issuance of certificates of participation, the fund had a decrease in fund balance of $8.34 million.

Debt Service Fund

Revenues and expenditures for the District's Debt Service Fund are directly tied to the District's bond principal and interest payment needs. For 2021-2022, approximately 99.64% of the District's debt service revenues came from property taxes. The remaining balance came from the state in the form of agricultural market value property tax credits and interest income from short-term investments.

In 2021-2022, the District's total Debt Service Fund revenues exceeded expenditures by $782 thousand.

The June 30, 2022 Debt Service Fund balance totaled $4.54 million. The general debt service account had an ending balance of $2.26 million, while the reserve for Other Post-Employment Benefits (OPEB) at year-end was $2.26 million.

INTERNAL SERVICE FUNDS

The District maintains three internal service funds at year-end. The Severance Benefits Internal Service Fund is used to fund severance or retirement pay for eligible retirees. For 2021-2022, the revenues for this fund include interest income from short-term investments and contributions paid from the District's governmental funds. The severance payable liabilities for the District on June 30, 2022 totaled $13.75 million, and the net position of the fund was a deficit $3.16 million.

The Self-Insured Dental Benefits Internal Service Fund was established to report all activities related to the District's self-insured dental benefits plan. This plan covers all non-bargained staff, as well as principals, building chiefs, and vehicle technicians. The total contributions (both district and employee) for 2021-2022 totaled $0.48 million, and claims paid or accrued totaled $0.45 million, resulting in net position increasing $0.013 million to $0.33 million at year-end.

The Self-Insured Health Benefits Internal Service Fund was established to report all activities related to the District's self-insured health benefits plan, which covers all district employees. The total contributions (both district and employee) to the plan for 2021-2022 totaled $60.08 million, and claims paid or accrued totaled $61.62 million, resulting in net position decreasing $1.52 million to $19.55 million at year-end.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At year-end, the District has net capital assets of $312.69 million representing a broad range of capital assets as well as right-to-use leased assets, including school buildings; athletic facilities; and computer, audio-visual, and other equipment for instructional programs (see Table 8). Total depreciation expense for the year was $15.38 million.

During 2021–2022, the District invested a total of $3.05 million in furniture and equipment and $22.67 million in buildings and construction in progress. The majority of the capital investment can be attributed to major maintenance and building improvement projects funded by proceeds from the Series 2016A General Obligation Building Construction Bond, which were used to fund several projects across the district.

Table A-8
Capital Assets

	2022	2021	Percentage Change
Land	$ 11,966,353	$ 11,966,353	- %
Construction in Progress	18,356,829	16,033,473	14.5
Land Improvements	17,590,398	16,545,781	6.3
Buildings and Improvements	498,256,495	477,658,761	4.3
Equipment	61,190,221	59,819,727	2.3
Less: Accumulated Depreciation/Amortization	(294,671,657)	(283,739,796)	3.9
Total Capital Assets	$ 312,688,639	$ 298,284,299	4.8

Long-Term Liabilities

At year-end, the District had $141.41 million in bonds, refunding bonds, and certificates of participation outstanding, including unamortized premiums and discounts. This is a decrease of $10.52 million from the previous year, as shown in Table A-9.

- Outstanding bonds and certificates of participation show a decrease of $5.96 million, due to the District continuing to make required scheduled payments.
- Premiums and discounts on bonds show a net increase of $4.56 million, mostly due to amortization.
- During 2021-2022, the District also retired $0.95 million of existing financed purchases principal.
- The District's liabilities for various long-term employee benefits, including pensions, severance, and compensated absences, decreased $109.6 million during 2021-2022, mainly due to the decrease in the District's proportionate share of two statewide pension plan liabilities.

Table A-9
The District's Long-Term Liabilities

	2022	2021	Percentage Change
General Obligation Bonds	$ 97,905,000	$ 110,985,000	(11.8)%
Net Bond Premium and Discount	10,188,608	14,748,892	(30.9)
Certificates of Participation Payable	33,320,000	26,200,000	27.2
Financed Purchases Payable	4,763,307	5,711,406	(16.6)
Long-Term Leases Payable	325,334	-	N/A
Net Pension Liability	175,295,892	284,083,636	(38.3)
Severance Benefits Payable	13,754,736	14,331,501	(4.0)
Compensated Absences Payable	3,162,373	3,398,684	(7.0)
Total Long-Term Liabilities	$ 338,715,250	$ 459,459,119	(26.3)
Long-Term Liabilities:			
Due Within One Year	$ 15,456,171	$ 14,375,901	
Due in More Than One Year	323,259,079	445,083,218	
Total	$ 338,715,250	$ 459,459,119	

Bond Ratings

The District's general obligation bonds carry a rating of Aa1, upgraded by Moody's Investors Services in April 2010, and reconfirmed in March 2021 during the preparation for the sale of the 2021 Certificates of Participation.

Limitation on Debt

The state limits the amount of general obligation debt the District can issue up to 15% of actual market value of all taxable property within the District's boundaries. The estimated market value of all taxable property is $21.46 billion for calendar year 2022 and the District's debt limit is $3.22 billion.

The District's outstanding debt is significantly below this limit. The District's outstanding debt as of June 30, 2022 is $123.20 million. The amount that is applicable to the debt limit calculation is $119.57 million (total outstanding debt less Debt Service Fund balance).

Additional details of the Districts capital assets and long-term debt activity can be found in the notes to the basic financial statements.

FACTORS BEARING ON THE DISTRICT'S FUTURE

With the exception of the voter-approved operating referendum and building bond referendum, the District is dependent on the state of Minnesota for a majority of its revenue. District voters approved an operating levy increase in the 2019 election, providing additional funding to the district beginning in the fiscal year 2020-2021.

Since 2011–2012 school year, the state has provided annual increases to the per pupil unit funding for basic general education aid. The basic general education formula allowance for the 2021-2022 school year was $6,728, representing a 2.45% increase from the 2020-2021 fiscal year.

The District welcomes additional funding to meet the growing needs of students in the district. Education communities across the state note the imbalance in the funding levels in comparison to the changes in inflationary, hence the growing requests for additional property tax increases through operating referenda across the state.

The administration appreciates the continued support from the community and is committed to continuing to monitor its spending and striving to maintain sustainable operations while delivering a high standard of education and engagement in academics, athletics, and the arts.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This ACFR is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, Independent School District No. 196, Rosemount – Apple Valley – Eagan Public Schools, 3455 – 153rd Street West, Rosemount, Minnesota 55068.

BASIC FINANCIAL STATEMENTS

DISTRICT 196 · DISTRICT 196 · DISTRICT 196 ·

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities 2022
ASSETS	
Cash and Investments	$ 211,082,322
Cash with Fiscal Agent	187
Receivables:	
Current Taxes	67,371,792
Delinquent Taxes	551,189
Other Governments	40,378,985
Accounts and Interest	6,644,822
Lease Receivable	1,124,020
Prepaid Items	3,251,764
Inventories	1,125,926
Capital Assets:	
Capital Assets Not Being Depreciated or Amortized	30,323,182
Other Capital Assets, Net of Depreciation and Amortization	282,365,457
Total Assets	644,219,646
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows - Pensions	112,015,259
Deferred Outflows - OPEB	6,478,899
Total Deferred Outflows	118,494,158
LIABILITIES	
Salaries Payable	44,274,578
Accounts and Contracts Payable	10,963,830
Accrued Interest	2,039,194
Due to Other Governmental Units	1,015,344
Unearned Revenue	11,683,942
Long-Term Liabilities:	
Net Pension Liability	175,295,892
Net OPEB Liability	5,053,795
Portion Due Within One Year	15,456,171
Portion Due in More Than One Year	147,963,187
Total Liabilities	413,745,933
DEFERRED INFLOWS OF RESOURCES	
Property Taxes Levied for Subsequent Year	121,030,245
Lease Receivable	1,122,222
Gains on Debt Refunding	219,851
Deferred Inflows - Pensions	291,532,256
Deferred Inflows - Other Postemployment Benefits	2,799,420
Total Deferred Inflows of Resources	416,703,994
NET POSITION	
Net Investment in Capital Assets	165,633,642
Restricted for:	
General Fund Operating Capital Purposes	4,878,323
State-Mandated Restrictions	12,005,337
Food Service	7,830,556
Community Service	3,217,492
Debt Service	2,596,229
Capital Asset Acquisition	628,995
Unrestricted	(264,526,697)
Total Net Position	$ (67,736,123)

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

	2022				
		Program Revenues			Net (Expense) Revenue and Change in Net Position
Functions	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
GOVERNMENTAL ACTIVITIES					
Administration	$ 17,291,218	$ 4,008	$ 11,473,754	$ 143,622	$ (5,669,834)
District Support Services	15,910,214	14,533	1,890,845	796,577	(13,208,259)
Regular Instruction	203,445,557	3,998,689	11,788,141	788,208	(186,870,519)
Vocational Education Instruction	5,300,791	-	1,243,947	17,040	(4,039,804)
Special Education Instruction	85,358,191	1,717,605	50,090,409	-	(33,550,177)
Instructional Support Services	22,736,483	26,148	(44,015)	33,632	(22,720,718)
Pupil Support Services	34,797,537	230,626	20,462,649	23,499	(14,080,763)
Sites and Buildings	27,841,384	1,798	4,447,159	3,054,077	(20,338,350)
Fiscal and Other Fixed Cost Programs	1,209,218	-	-	-	(1,209,218)
Food Service	15,389,003	844,796	18,809,402	-	4,265,195
Community Service	9,251,885	3,850,067	3,812,517	-	(1,589,301)
Interest and Fiscal Charges on Long-Term Liabilities	(669,166)	-	-	-	669,166
Total School District	$ 437,862,315	$ 10,688,270	$ 123,974,808	$ 4,856,655	(298,342,582)
	GENERAL REVENUES				
	Property Taxes Levied for:				
	General Purposes				102,820,209
	Community Service				1,798,860
	Debt Service				17,767,242
	State Aid Not Restricted to Specific Purposes				218,742,166
	Earnings on Investments				240,810
	Miscellaneous				799,180
	Total General Revenues				342,168,467
	CHANGE IN NET POSITION				43,825,885
	Net Position - Beginning				(111,562,008)
	NET POSITION - ENDING				$ (67,736,123)

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)

	Major Funds					Total Governmental Funds	
	General	Food Service	Community Service	Capital Projects	Debt Service	2022	2021
ASSETS							
Cash and Investments	$ 139,501,760	$ 8,603,574	$ 5,238,390	$ 643,737	$ 12,559,910	$ 166,547,371	$ 149,562,911
Cash with Fiscal Agent	184	-	-	3	-	187	14,017,920
Receivables:							
Current Property Taxes	56,772,687	-	953,917	-	9,645,188	67,371,792	65,226,763
Delinquent Property Taxes	450,832	-	8,846	-	91,511	551,189	502,664
Due from Minnesota Department of Education	27,750,835	11,543	404,087	-	4,883	28,171,348	29,172,508
Due from Federal through Minnesota Department of Education	10,112,492	609,030	151,441	-	-	10,872,963	9,997,150
Due from Federal Government Received Directly	35,807	-	-	-	-	35,807	64,062
Due from Other Governmental Units	1,124,577	-	16,210	-	158,080	1,298,867	567,030
Accounts and Interest Receivable	144,270	-	20,278	-	-	164,548	298,675
Due from Other Funds	6,287,996	60,885	131,393	-	-	6,480,274	7,537,694
Lease Receivables	1,124,020	-	-	-	-	1,124,020	-
Prepaids	3,247,959	-	1,305	2,500	-	3,251,764	82,497
Inventory	684,418	441,508	-	-	-	1,125,926	1,038,330
Total Assets	$ 247,237,837	$ 9,726,540	$ 6,925,867	$ 646,240	$ 22,459,572	$ 286,996,056	$ 278,068,204
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE							
Liabilities:							
Salaries and Wages Payable	$ 30,370,527	$ 315,508	$ 569,866	$ -	$ -	$ 31,255,901	$ 29,737,200
Payroll Deductions and Employer	12,539,474	118,242	360,961	-	-	13,018,677	13,025,294
Accounts and Contracts Payable	6,146,945	121,790	113,330	332,900	-	6,714,965	6,466,489
Due to Other Governmental Units	995,406	-	5,196	14,742	-	1,015,344	633,761
Due to Other Funds	-	-	-	-	-	-	3,836,286
Unearned Revenue	78,601	898,936	890,655	-	-	1,868,192	1,747,953
Total Liabilities	50,130,953	1,454,476	1,940,008	347,642	-	53,873,079	55,446,983
Deferred Inflows of Resources:							
Unavailable Revenue - Property Taxes Levied for Subsequent Year	101,439,034	-	1,767,062	-	17,824,149	121,030,245	117,725,665
Unavailable Revenue - Delinquent Property Taxes	450,832	-	8,846	-	91,511	551,189	502,664
Lease Receivable	1,122,222	-	-	-	-	1,122,222	-
Total Deferred Inflows of Resources	103,012,088	-	1,775,908	-	17,915,660	122,703,656	118,228,329
Fund Balance:							
Nonspendable:							
Prepaids	3,247,959	-	1,305	2,500	-	3,251,764	82,497
Inventory	684,418	441,508	-	-	-	1,125,926	1,038,330
Restricted for:							
Student Activities	344,575	-	-	-	-	344,575	349,773
Adult Basic Education	-	-	455,668	-	-	455,668	415,002
Capital Projects Levy	6,640,465	-	-	-	-	6,640,465	4,964,616
Community Education	-	-	342,171	-	-	342,171	540,174
Early Childhood and Family Education	-	-	1,214,683	-	-	1,214,683	1,069,608
Long-Term Facility Maintenance	2,761,334	-	-	-	-	2,761,334	1,851,995
Medical Assistance	2,258,963	-	-	-	-	2,258,963	2,019,014
Operating Capital	4,878,323	-	-	-	-	4,878,323	3,908,082
Projects Funded by Certificates of Participation	-	-	-	-	-	-	7,056,154
School Readiness	-	-	1,172,896	-	-	1,172,896	1,116,243
Other Purposes	-	7,830,556	23,228	296,098	4,543,912	12,693,794	8,863,964
Assigned for:							
Site Carry-Over	9,083,165	-	-	-	-	9,083,165	7,128,748
Subsequent Year Budget Deficit	4,661,000	-	-	-	-	4,661,000	-
Unassigned for:							
Unassigned	59,534,594	-	-	-	-	59,534,594	63,988,692
Total Fund Balance	94,094,796	8,272,064	3,209,951	298,598	4,543,912	110,419,321	104,392,892
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 247,237,837	$ 9,726,540	$ 6,925,867	$ 646,240	$ 22,459,572	$ 286,996,056	$ 278,068,204

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

	2022
Total Fund Balance for Governmental Funds	$ 110,419,321
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Land	11,966,353
Construction in Progress	18,356,829
Land Improvements, Net of Accumulated Depreciation	5,798,334
Buildings and Improvements, Net of Accumulated Depreciation	263,793,878
Equipment, Net of Accumulated Depreciation	12,439,294
Leased Equipment, Net of Accumulated Amortization	333,951
Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore are reported as deferred inflows in the funds.	551,189
The District's net other postemployment benefits asset and related deferred inflows and outflows are recorded only on the statement of net position. Balances at year-end are:	
Net Other Postemployment Benefits Liability	(5,053,795)
Deferred Inflows of Resources - Other Postemployment Benefits	(2,799,420)
Deferred Outflows of Resources - Other Postemployment Benefits	6,478,899
When a bond defeasance occurs the difference between the amount paid to the refunded bond escrow and the principal of the defeased debt is expensed in the governmental funds. These expenditures are capitalized on the statement of net position as deferred outflows and deferred inflows.	
Gains on Debt Refunding	(219,851)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(2,039,194)
The District's net pension liability and related deferred inflows and outflows are recorded only on the statement of net position. Balances at year-end are:	
Net Pension Liability	(175,295,892)
Deferred Inflows of Resources - Pensions	(291,532,256)
Deferred Outflows of Resources - Pensions	112,015,259
Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:	
Bonds Payable	(97,905,000)
Unamortized Premiums	(10,188,608)
Certificates of Participation Payable	(33,320,000)
Obligations Under Financed Purchases	(4,763,307)
Long-Term Leases Payable	(325,334)
Compensated Absences Payable	(3,162,373)
Internal service funds are used by management to charge the costs of health and dental insurance services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position at year-end is:	16,715,600
Total Net Position of Governmental Activities	$ (67,736,123)

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2021)

	Major Funds					Total Governmental Funds	
	General	Food Service	Community Service	Capital Projects	Debt Service	2022	2021
REVENUES							
Local Sources:							
Property Taxes	$ 102,779,442	$ -	$ 1,798,147	$ -	$ 17,760,197	$ 122,337,786	$ 116,395,290
Earnings and Investments	208,684	8,785	-	4,051	15,439	236,959	106,618
Other	9,680,440	876,491	3,973,811	-	-	14,530,742	9,187,718
State Sources	300,322,037	534,666	3,462,620	-	48,827	304,368,150	300,697,987
Federal Sources	23,449,604	18,255,390	263,419	-	-	41,968,413	35,520,203
Total Revenues	436,440,207	19,675,332	9,497,997	4,051	17,824,463	483,442,050	461,907,816
EXPENDITURES							
Current:							
Administration	18,093,029	-	-	-	-	18,093,029	17,240,096
District Support Services	13,836,251	-	-	-	-	13,836,251	12,338,544
Elementary and Secondary Regular Instruction	203,653,924	-	-	-	-	203,653,924	189,442,516
Vocational Education Instruction	5,500,400	-	-	-	-	5,500,400	5,052,494
Special Education Instruction	83,456,701	-	-	-	-	83,456,701	77,148,300
Instructional Support Services	23,679,065	-	-	-	-	23,679,065	21,506,153
Pupil Support Services	35,089,618	-	-	-	-	35,089,618	29,228,298
Sites and Buildings	28,103,226	-	-	-	-	28,103,226	30,408,462
Fiscal and Other Fixed Cost Programs	1,209,218	-	-	-	-	1,209,218	1,237,889
Food Service	-	15,007,297	-	-	-	15,007,297	10,538,159
Community Service	-	-	9,601,763	-	-	9,601,763	8,164,705
Capital Outlay	10,479,081	408,310	13,314	19,042,686	-	29,943,391	22,311,175
Debt Service:							
Principal	3,848,452	1,640	8,863	-	12,205,000	16,063,955	14,703,513
Interest and Fiscal Charges	971,199	152	389	-	4,837,888	5,809,628	6,005,061
Total Expenditures	427,920,164	15,417,399	9,624,329	19,042,686	17,042,888	489,047,466	445,325,365
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,520,043	4,257,933	(126,332)	(19,038,635)	781,575	(5,605,416)	16,582,451
OTHER FINANCING SOURCES (USES)							
Sale of Equipment	782,650	-	-	-	-	782,650	191,868
Insurance Recovery	7,623	-	-	-	-	7,623	46,259
Sale of Bonds	-	-	-	-	11,235,000	11,235,000	-
Bond Premium	-	-	-	-	1,000,562	1,000,562	-
Issuance of Certificates of Participation	-	-	-	9,775,000	-	9,775,000	8,997,355
Premiums on Certificates of Participation	-	-	-	922,895	-	922,895	544,202
Long-Term Leases	18,115	-	-	-	-	18,115	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	(12,110,000)	(12,110,000)	-
Transfers In	-	-	92,212	-	-	92,212	34,763
Transfers Out	(92,212)	-	-	-	-	(92,212)	(34,763)
Total Other Financing Sources (Uses)	716,176	-	92,212	10,697,895	125,562	11,631,845	9,779,684
NET CHANGE IN FUND BALANCES	9,236,219	4,257,933	(34,120)	(8,340,740)	907,137	6,026,429	26,362,135
FUND BALANCE							
Beginning of Year	84,858,577	4,014,131	3,244,071	8,639,338	3,636,775	104,392,892	78,030,757
End of Year	$ 94,094,796	$ 8,272,064	$ 3,209,951	$ 298,598	$ 4,543,912	$ 110,419,321	$ 104,392,892

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

	2022
Net Change in Fund Balances - Total Governmental Funds	$ 6,026,429
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation and amortization expense. The amount by which capital outlays exceeded depreciation and amortization in the current period is:	
Capital Outlays	29,110,930
Gain (Loss) on Disposal of Capital Assets	266,077
Proceeds from the Sales of Capital Assets	(268,480)
Depreciation and Amortization Expense	(15,267,262)
Delinquent property taxes receivable and long-term leases are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the governmental funds.	
	48,525
	1,122,222
Some capital asset additions are right-to-use assets through long-term leases. In governmental funds, a long-term lease arrangement is considered a source of financing, but in the statement of net position, the lease obligation is reported as a liability. Repayment of long-term lease principal is an expenditure in the governmental funds, but repayment reduces the lease obligation in the statement of net position.	
Principal Payments - Long-Term Leases	255,856
Long-Term Leases Entered Into	(18,115)
Pension expenditures in the governmental funds are measured by current year employer contributions. Pension expense in the statement of activities is measured by the change in the net pension liability and the related deferred inflows and outflows of resources.	16,753,708
In the statement of activities, certain operating expenses - compensated absences - are measured by amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (amounts actually paid).	236,311
OPEB expense in the statement of activities is measured by the change in the net OPEB liability or asset and the related deferred inflows and outflows of resources.	(3,849,845)
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 premiums when debt is first issued, whereas these amounts are amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds 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 Bonds and Certificates of Participation Issued	(21,010,000)
Premium or Discount on Issued Debt	(1,923,457)
Repayment of Bond Principal	24,315,000
Repayment of Certificates of Participation Payable	2,655,000
Repayment of Financed Purchases	948,099
Change in Accrued Interest	214,904
Amortization of Bond Premium	6,483,741
Amortization of Deferred Gain on Bond Refunding	(219,851)
Internal service funds are used by the District to charge the costs of employee health and dental benefits to individual funds. The change in net position of the internal service funds is reported with governmental activities.	(931,685)
Total	$ 44,948,107

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Over (Under)
	Original	Final	Amounts	Final Budget
REVENUES				
Local Sources:				
Property Taxes	$ 101,944,695	$ 102,158,284	$ 102,779,442	$ 621,158
Earnings and Investments	-	-	208,684	208,684
Other	6,002,443	9,051,199	9,680,440	629,241
State Sources	297,862,725	302,906,080	300,322,037	(2,584,043)
Federal Sources	21,107,434	26,865,308	23,449,604	(3,415,704)
Total Revenues	426,917,297	440,980,871	436,440,207	(4,540,664)
EXPENDITURES				
Current:				
Administration	18,449,722	19,628,995	18,093,029	(1,535,966)
District Support Services	20,693,188	16,756,395	13,836,251	(2,920,144)
Elementary and Secondary Regular Instruction	198,792,735	209,071,745	203,653,924	(5,417,821)
Vocational Education Instruction	5,418,292	5,554,747	5,500,400	(54,347)
Special Education Instruction	83,480,331	86,600,933	83,456,701	(3,144,232)
Community Service	-	16,010	-	(16,010)
Instructional Support Services	22,125,696	22,452,394	23,679,065	1,226,671
Pupil Support Services	33,621,042	35,979,081	35,089,618	(889,463)
Sites and Buildings	24,280,667	24,750,612	28,103,226	3,352,614
Fiscal and Other Fixed Cost Programs	1,380,500	1,380,500	1,209,218	(171,282)
Capital Outlay	14,671,679	17,823,710	10,479,081	(7,344,629)
Debt Service:				
Principal	2,824,671	2,824,671	3,848,452	1,023,781
Interest and Fiscal Charges	718,847	713,847	971,199	257,352
Total Expenditures	426,457,370	443,553,640	427,920,164	(15,633,476)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	459,927	(2,572,769)	8,520,043	11,092,812
OTHER FINANCING SOURCES (USES)				
Sale of Equipment	10,000	790,000	782,650	(7,350)
Insurance Recovery	-	-	7,623	7,623
Issuance of Long-Term Leases	-	-	18,115	18,115
Transfers Out	(93,663)	(93,663)	(92,212)	1,451
Total Other Financing Sources (Uses)	(83,663)	696,337	716,176	19,839
NET CHANGE IN FUND BALANCE	$ 376,264	$ (1,876,432)	9,236,219	$ 11,112,651
FUND BALANCE				
Beginning of Year			84,858,577	
End of Year			$ 94,094,796	

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Over (Under)
	Original	Final	Amounts	Final Budget
REVENUES				
Local Sources:				
Earnings and Investments	$ 45,955	$ 45,955	$ 8,785	$ (37,170)
Other - Primarily Meal Sales	6,528,065	1,513,514	876,491	(637,023)
State Sources	813,296	833,903	534,666	(299,237)
Federal Sources	5,301,241	15,356,000	18,255,390	2,899,390
Total Revenues	12,688,557	17,749,372	19,675,332	1,925,960
EXPENDITURES				
Current:				
Food Service	12,678,643	14,152,246	15,007,297	855,051
Capital Outlay	-	-	408,310	408,310
Debt Service				
Principal	-	-	1,640	1,640
Interest and Fiscal Charges	-	-	152	152
Total Expenditures	12,678,643	14,152,246	15,417,399	1,265,153
NET CHANGE IN FUND BALANCE	$ 9,914	$ 3,597,126	4,257,933	$ 660,807
FUND BALANCE				
Beginning of Year			4,014,131	
End of Year			$ 8,272,064	

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY SERVICE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Over (Under)
	Original	Final	Amounts	Final Budget
REVENUES				
Local Sources:				
Property Taxes	$ 1,958,612	$ 1,781,303	$ 1,798,147	$ 16,844
Earnings and Investments	45,000	45,000	-	(45,000)
Other - Primarily Tuition and Fees	3,417,090	3,721,082	3,973,811	252,729
State Sources	3,412,096	3,432,102	3,462,620	30,518
Federal Sources	64,326	259,099	263,419	4,320
Total Revenues	8,897,124	9,238,586	9,497,997	259,411
EXPENDITURES				
Current:				
Community Service	8,683,890	9,215,844	9,601,763	385,919
Capital Outlay	7,750	25,750	13,314	(12,436)
Debt Service:				
Principal	-	-	8,863	8,863
Interest and Fiscal Charges	-	-	389	389
Total Expenditures	8,691,640	9,241,594	9,624,329	382,735
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	205,484	(3,008)	(126,332)	(123,324)
OTHER FINANCING SOURCES				
Transfers In	93,663	93,663	92,212	(1,451)
NET CHANGE IN FUND BALANCE	$ 299,147	$ 90,655	(34,120)	$ (124,775)
FUND BALANCE				
Beginning of Year			3,244,071	
End of Year			$ 3,209,951	

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
STATEMENT OF NET POSITION
PROPRIETARY FUND
INTERNAL SERVICE FUND
JUNE 30, 2022

	Governmental Activities - Internal Service Funds 2022
ASSETS	
Cash and Investments	$ 44,534,951
LIABILITIES	
Current Liabilities:	
Claims Payable - Medical	4,248,865
Severance Benefits Payable	1,799,197
Unearned Revenue	9,815,750
Total Current Liabilities	15,863,812
Long-Term Liabilities:	
Severance Benefits Payable	11,955,539
NET POSITION	
Unrestricted	$ 16,715,600

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
PROPRIETARY FUND
INTERNAL SERVICE FUND
YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds 2022
OPERATING REVENUES	
Local Sources:	
Contributions from Governmental Funds	$ 53,981,245
Contributions from Employees	7,724,447
Total Operating Revenues	61,705,692
OPERATING EXPENSES	
Severance Benefits	568,479
Self-Insured Benefits	62,072,749
Total Operating Expenses	62,641,228
OPERATING INCOME (LOSS)	(935,536)
NONOPERATING REVENUE	
Earnings on Investments	3,851
CHANGE IN NET POSITION	(931,685)
Net Position - Beginning	17,647,285
NET POSITION - ENDING	$ 16,715,600

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
INTERNAL SERVICE FUND
YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds 2022
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Assessments Made to Other Funds	$ 53,981,245
Receipts from Employee Contributions	8,326,738
Payments for Severance, OPEB, and Self-Insured Claims	(63,796,458)
Net Cash Provided (Used) by Operating Activities	(1,488,475)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	3,851
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,484,624)
Cash and Cash Equivalents - Beginning	46,019,575
CASH AND CASH EQUIVALENTS - ENDING	$ 44,534,951
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Income (Loss)	$ (935,536)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Increase (Decrease) in Claims Payable	(578,465)
Increase in Unearned Revenue	602,291
(Decrease) in Severance Benefits Payable	(576,765)
Total Adjustments	(552,939)
Net Cash Provided (Used) by Operating Activities	$ (1,488,475)

See accompanying Notes to Basic Financial Statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

	Trust Funds OPEB Trust
ASSETS	
Cash and Temporary Investments	$ 3,701,408
Investments	57,292,046
Total Assets	60,993,454
LIABILITIES	
Due to Governmental Funds	6,480,274
NET POSITION	
Restricted for Employee Benefits and OPEB	$ 54,513,180

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2022

	Trust Funds OPEB Trust
ADDITIONS	
Earnings on Investments	$ (6,059,314)
DEDUCTIONS	
Benefits Paid to Plan Members	2,778,866
NET INCREASE (DECREASE) IN NET POSITION	(8,838,180)
Net Position - Beginning of Year	63,351,360
NET POSITION - END OF YEAR	$ 54,513,180

See accompanying Notes to Basic Financial Statements.

DISTRICT 196 · DISTRICT 196 · DISTRICT 196 ·

NOTES TO BASIC FINANCIAL STATEMENTS

DISTRICT 196 · DISTRICT 196 · DISTRICT 196 ·

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The financial statements of Independent School District No. 196 have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) 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. Financial Reporting Entity

Independent School District No. 196 (the District) was formed and operates pursuant to applicable Minnesota laws and statutes and is an instrumentality of the state of Minnesota established to function as an educational institution. The District is governed by a seven-member School Board elected by voters of the District to serve four-year terms.

U.S. GAAP require that the District's financial statements include all funds, departments, agencies, boards, commissions, and other organizations which are not legally separated from the District. In addition, the District's financial statements are to include all component units - entities for which the District is financially accountable.

Component units are legally separate entities for which the District (primary government) is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for a component unit includes whether or not the primary government appoints the voting majority of the potential component unit's governing body, is able to impose its will on the potential component unit, is in a relationship of financial benefit or burden with the potential component unit or is fiscally depended upon by the potential component unit. Based on these criteria, there are no organizations considered to be component units of the District.

Extracurricular student activities are determined primarily by student participants under the guidance of an adult and are generally conducted outside school hours. The School Board has a fiduciary responsibility in establishing broad policies and ensuring that appropriate financial records are maintained for student activities. Accordingly, Student Activity funds are included in these financial statements within the General Fund.

Adoption of New Accounting Standards:

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basic Financial Statement Presentation

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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 is 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 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. The District has one type of fiduciary fund: the OPEB irrevocable trust. 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 Funds are presented in the proprietary fund financial statements. Because the principal users of the internal services are the District's governmental activities, the financial statement of the internal service funds are 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 nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's internal service funds is charges for services in the form of health and dental insurance premiums, early retirement incentive costs, and sick pay.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basic Financial Statement Presentation (Continued)

Operating expenses for the internal service funds include the cost of services (claims and admin costs). All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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, except for amounts advance recognized in accordance with a statutory “tax shift” described later in these notes. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner:

1. Revenue Recognition

   Revenue is recognized when it becomes measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property tax revenue is generally considered as available if collected within 60 days after year-end. State revenue is recognized in the year to which it applies according to Minnesota Statutes and U.S. 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. Capital asset acquisitions are reported as capital outlay expenditures in the governmental funds. In the General Fund, capital outlay expenditures are included within the applicable functional areas.

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 state of 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 is as follows:

Major Governmental Funds

General Fund

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The District maintains three accounts within the General Fund:

Operating Account – The Operating Account is used to account for the general operations of the District.

Pupil Transportation Account – The Pupil Transportation Account is used to account for pupil transportation activities of the District.

Capital Expenditures Accounts – The Capital Expenditures Account is used to account for the maintenance of facilities, equipment purchases, and disabled accessibility projects.

Food Service Special Revenue Fund

The Food Service Fund is used to account for food service revenues and expenditures, with revenue primarily coming from meal sales to students and state and federal meal reimbursements.

Community Service Special Revenue Fund

The Community Service Fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, adult or early childhood programs, or other similar services. The primary source of revenue is user fees related to these programs.

Capital Projects – Building Construction Fund

The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital facilities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

Description of Funds (Continued)

Major Governmental Funds (Continued)

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and payment of, general obligation bond principal, interest, and related costs. The District maintains a separate Other Postemployment Benefits (OPEB) account within the Debt Service Fund to account for OPEB-related debt activity. All other debt is recorded in the General Debt Service Account.

Proprietary Fund

Internal Service Funds

Internal Service Funds are used to account for the financial resources used for the District's self-insurance of the employee dental and health insurance programs as well as the District's severance benefits. As proprietary funds the internal service funds employ the economic resources measurement focus and are accounted for on the accrual basis.

Fiduciary Funds

Other Postemployment Benefit Trust

The Other Postemployment Benefit Trust Fund is used to account for resources set aside and held in an irrevocable trust arrangement for postemployment benefits.

E. Budgeting

The School Board adopted annual budgets for the General Fund (including separate budgets for the Operating, Pupil Transportation, and Capital Expenditure Accounts), Food Service Special Revenue, Community Service Special Revenue, Capital Projects – Building Construction, and Debt Service Funds (including separate budgets for the General Account and OPEB Account). The budget for each fund is prepared on the same basis of accounting as the fund financial statements. Legal budgetary control is at the fund level. All appropriations lapse at year-end. Actual expenditures for the year ended June 30, 2022 exceeded budgeted amounts in the following funds:

	Budget	Expenditures	Excess
Special Revenue Funds:			
Food Service Fund	$ 14,152,246	$ 15,417,399	$ 1,265,153
Community Service Fund	9,241,594	9,624,329	382,735

Management and the School Board determined these budget overages to be necessary to the operations of the School District.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Cash and Investments

Cash and temporary investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund. Earnings from the investments of the Capital Projects – Building Construction Fund, the Debt Service Fund, and all trust funds are allocated directly to those funds/accounts.

Cash and investments include balances held in segregated accounts established for specific purposes. In the Capital Projects – Building Construction Fund, this represents capital lease proceeds held by a trustee available for the renovation of an elementary school.

For purposes of the Statement of Cash Flows, the District considers all highly liquid debt instruments with an original maturity from the time of purchase by the District of three months or less to be cash equivalent. The proprietary funds' equity in the government-wide cash and investment management pool is considered to be cash equivalent.

Investments are generally stated at fair value, except for investments in external investment pools, which are stated at amortized cost. Short-term, highly liquid debt instruments (including commercial paper, bankers' acceptance, and U.S. treasury and agency obligations) purchased with a remaining maturity of one year or less are also reported at amortized cost. Investment income is accrued at the balance sheet date.

The District categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. 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; and Level 3 inputs are significant unobservable inputs.

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

See Note 2 for the District's recurring fair value measurements as of year-end.

G. Accounts Receivable

Accounts receivable represent amounts receivable from individuals, firms, and corporations for goods and services furnished by the District. When necessary, the District utilizes an allowance for uncollectible accounts to value its receivables. However, the District considers all of its current receivables to be collectible. The only receivables not expected to be fully collected within one year are delinquent property taxes receivable.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Inventories

Inventories are 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 a first-in, first-out method, and surplus commodities are stated at standardized cost, as determined by the Department of Agriculture.

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepayments. Prepaid items are reported using the consumption method and recorded as an expense or expenditure at the time of consumption.

J. Property Taxes

Property tax levies are established by the School Board in December each year and are certified to the County for collection the following calendar year. In Minnesota, counties act as collection agents for all property taxes and are responsible for spreading all levies over taxable property. Such taxes become a lien on January 1. Taxes are generally due on May 15 and October 15 and counties generally remit taxes to the Districts at periodic intervals as they are collected. A portion of property taxes levied is paid through state credits which are included in revenue from state sources in the financial statements.

Generally, property taxes are recognized as revenue by the District in the fiscal year that begins midway through the calendar year in which the tax levy is collectible. To help balance the state budget, the Minnesota Legislature utilizes a tool referred to as the “tax shift,” which periodically changes the District’s recognition of property tax revenue. The tax shift advance recognizes cash collected for the subsequent year’s levy as current year revenue, allowing the state to reduce the amount of aid paid to the District. Currently, the mandated tax shift recognizes $3,735,778 of the property tax levy collectible in 2023 as revenue to the District in fiscal year 2021–2022. The remaining portion of the taxes collectible in 2023 is recorded as a deferred inflow of resources (property taxes levied for the subsequent year).

Taxes which remain unpaid are classified as delinquent taxes receivable. Revenue from these delinquent property taxes that is not collected within 60 days of year-end is reported as a deferred inflow of resources (unavailable revenue) in the governmental fund financial statements because if it not considered to be available to finance the current operations of the District.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. 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 estimated acquisition value at the date of donation. The District defines capital assets as those with an initial, individual cost of $5,000 or more, which benefit more than one fiscal year. 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 statements, but are not reported in the fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since assets are generally sold for an immaterial amount or scrapped when no longer fit or needed for public school purposes by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for furniture and equipment. Land and construction in progress are not depreciated.

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

L. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are amortized as a component of interest expense 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 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.

M. Compensated Absences

Under the terms of collectively bargained contracts, eligible employees accrue vacation and sick leave at varying rates, portions of which may be carried over to future years. Employees are reimbursed for any unused, accrued vacation upon termination. Unused sick leave enters into the calculation of certain termination payments for some employees. Compensated absences are accrued in governmental fund financial statements only when used or matured prior to year-end due to employee termination or similar circumstances and are paid by the General Fund and special revenue funds. Unused vacation pay is accrued when incurred in the government-wide financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Severance Benefits

The District provides lump sum severance benefits to eligible employees in accordance with provisions of certain collectively bargained contracts. Eligibility is based on years of service and/or minimum age requirements. Severance benefits are calculated by converting a portion of an eligible employee's unused accumulated sick leave. Severance benefits for any individual cannot exceed one year's salary.

Members of certain employee groups may also elect to receive district matching contributions paid into a tax-deferred matching contribution plan established under Internal Revenue Code (IRC) Section 403(b). The amount of any severance benefits due to an individual is reduced by the total matching contributions made by the District to such a plan over the course of that individual's employment. If the District's 403(b) matching contributions for an individual employee exceed the severance benefits due that individual, the excess would then reduce any OPEB (described later in these notes) earned by that individual.

Severance benefits are required to be paid out within 30 days following the effective date of retirement. Severance benefits for eligible teachers are paid into a postretirement, healthcare savings plan administered by the Minnesota State Retirement System. For other employees, severance benefits are paid into a pay deferral plan or healthcare savings plan as directed by the individual retirees.

The District has established a separate Internal Service Fund to account for its severance benefits liability. Severance benefits payable, along with any related benefit costs, are accrued in the government-wide and proprietary fund financial statements as they are earned, and it becomes probable they will vest at some point in the future.

O. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net positions of the Public Employees Retirement Association (PERA) and 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 payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

TRA has a special funding situation created by direct aid contributions made by the state of Minnesota, City of Minneapolis, and Minneapolis School District. This direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. A second direct aid source is from the state of Minnesota for the merger of the Duluth Teachers Retirement Fund Association (DTRFA) in 2015. PERA has a special funding situation created by a direct aid contribution made by the state of Minnesota. The direct aid is a result of the merger of the Minneapolis Employees Retirement Fund into PERA. Additional information can be found in Note 6.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Leases

The District determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represent the District's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

The District has elected to recognize payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

The District determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

Lease assets represent the District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the Entity will exercise that option.

The District has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

Significant lease terms are disclosed in notes 4 and 5.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Other Postemployment Benefits Payable

The District operates and administers a single employer defined benefit other postemployment benefit plan (the Plan) that provides health insurance to eligible employees and their spouses through the District's self-insured health insurance plan. There are 3,536 active participants and 217 retired participants. Benefit and eligibility provisions are established through contractual agreements with employee groups. These contractual agreements do not include any specific contribution or funding requirements. The Plan does not issue a publicly available financial report. See Note 7 for further information.

R. Risk Management

1. General Insurance – 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 workers' compensation for which it carries commercial insurance. 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 in fiscal year 2022.

2. Self-Insurance – The District has established two internal service funds to account for and finance its uninsured risk of loss for respective employee dental and health insurance plans. Under these plans, the internal service funds provide coverage to participating employees and their dependents for various dental and healthcare costs as described in the plan.

   The District made premium payments to the internal service funds on behalf of program participants based on provisional rates determined by insurance company estimates of monthly claims paid for each coverage class, plus the stop-loss health insurance premium costs and administrative service charges.

   District claim liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported. Because actual claim liabilities depend on complex factors such as inflation, changes in legal doctrines, and damage awards, the process used in computing a claim liability does not necessarily result in an exact amount. Claim liabilities are evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

   Changes in the balance of dental claim liabilities for the last two years were as follows:

Fiscal Year Ended June 30,	Claims Payable Beginning of Year	Current Year Claims	Claim Payments	Claims Payable End of Year
2021	$ 23,906	$ 443,112	$ 445,956	$ 21,062
2022	21,062	448,543	440,086	29,519

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Risk Management (Continued)

Changes in the balance for health insurance claim liabilities for the last two years were as follows:

Fiscal Year Ended June 30,	Claims Payable Beginning of Year	Current Year Claims	Claim Payments	Claims Payable End of Year
2021	$ 3,907,159	$ 55,329,457	$ 54,430,348	$ 4,806,268
2022	4,806,268	61,624,206	62,211,128	4,219,346

S. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two types of items that qualify for reporting in this category as deferred outflows of resources related to pensions and other postemployment benefits. See Notes 7 and 8 for details.

In addition to liabilities, the statement of financial position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has six types of deferred inflows, two of which are related to revenue recognition. The first is property taxes levied for subsequent year. As an imposed nonexchange revenue transaction, property taxes received or reported as a receivable before the period for which the property taxes are levied are reported as a deferred inflow of resources in the government-wide financial statements and in the governmental fund financial statements. The second type of deferred inflow of resources is delinquent property taxes. Governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the District's year-end) under the modified accrual basis of accounting. Delinquent taxes not collected within 60 days after the District's year-end are considered unavailable and reported as a deferred inflow of resources in the governmental fund financial statements. The third type is related to refunding debt issuances, when the net carrying amount of the refunded debt (net of any unamortized premium or discount) exceeds the reacquisition price the a deferred inflow of resources is recorded. The gain on refunding is then amortized over the shorter of the remaining life of the refunded debt or the life of the new refunding debt, The District also has deferred inflows of resources related to leases, pensions, and other postemployment benefits. See Notes 4, 7, and 8 for details.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Unearned Revenue

Unearned revenues are those in which resources are received by the District before it has a legal claim to them. The District has reported unearned revenues for prepaid General Fund and Community Service Fund revenues and school lunch balances for students in the Food Service Fund.

U. 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 – portions of fund balance related to prepaids, inventories, long-term receivables, and corpus on any permanent fund.

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

Committed – funds are established and modified by a resolution approved by the School Board. Those committed amounts cannot be used for any other purposes unless the School Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned – consists of internally imposed constraints. These constraints consist of amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned amounts represent intended uses established by the governing body itself or by an official to which the governing body delegates the authority. The School Board passed a resolution authorizing the Superintendent or other authorized designee to establish assignments of fund balance.

Unassigned – is 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 target of 5% of annual operating expenditures.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

V. Net Position

Net position represents the difference between assets, deferred outflow of resources and liabilities, and deferred inflows of resources in the government-wide, Proprietary and Fiduciary Fund financial statements. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statement when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. All other net position that does not meet the definition of restricted or net investment in capital assets is presented as unrestricted.

The District applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

W. Comparative Data

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

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 School District's Board.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School 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.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

Custodial Credit Risk (Continued)

The carrying value and bank balance of the District's deposits in banks at June 30, 2022 is $39,215,773 and $40,179,187, respectively, and were entirely covered by federal depository insurance or by surety bonds and collateral in accordance with Minnesota Statutes.

B. Investments

The District may also invest idle funds as authorized by Minnesota Statutes as follows:

- Direct obligations or obligations guaranteed by the United States or its agencies
- Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, is rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less
- General obligations rated "A" or better; revenue obligations rated "AA" or better
- General obligations of the Minnesota Housing Finance Agency rate "A" or better Bankers acceptances of United States banks eligible for purchase by the Federal Reserve System
- Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by a least two nationally recognized rating agencies, and maturing in 270 days or less
- Guaranteed investment contracts guaranteed by United States commercial banks or domestic branches of foreign banks or United States insurance companies if similar debt obligations of the issuer or the collateral pledged by the issuer is in the top two rating categories
- Repurchase or reverse purchase agreement and securities lending agreements financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding $10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers
- Investments related to the OPEB Irrevocable Trust Fund may be invested in accordance with Minnesota Statute 356A.06.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

At June 30, 2022, the District's investment balances were as follows:

	Amortized Cost
MSDLAF+ Liquid Class	$ 34,254
MSDLAF+ Max Class	52,593,304
MN Trust Investment Shares	77,912,093
Commercial Paper	45,028,493
Total Investments at Amortized Cost	$ 175,568,144

The Minnesota School District Liquid Asset Fund is an external investment pool not registered with the Securities Exchange Commission (SEC). The Liquid Class has no redemption requirements while the Max Class may not be redeemed for at least 14 days and a 24-hour hold is placed on redemption requests. The MN Trust Investment Shares portfolio is an external investment pool, and its investments are valued at amortized cost.

Investments Held in Other Postemployment Benefit Trust

The following investments are held within the other postemployment benefit trust. The funds are invested in accordance with the investment policy adopted by the District for the OPEB Trust. State statute does not limit the allowable investments for OPEB trust assets.

	Fair Value
U.S. Treasuries with Maturities at Purchase of Greater Than 1 Year	$ 9,993,070
Federal Home Loan Bank	242,120
Federal Home Loan Mortgage Corp.	880,857
Federal National Mortgage Association	140,265
Corporate Bonds	16,137,223
Equities	24,307,513
Real Estate Investment Trusts (REITs)	220,400
Real Asset Funds	4,367,096
Total	$ 56,288,544

	Amortized Cost
Money Markets	$ 1,003,502

Credit Risk and Interest Rate Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Investments Held in Other Postemployment Benefit Trust (Continued)

Credit Risk and Interest Rate Risk (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investment policies do not limit the maturities of investments; however, when purchasing investments, the District considers such things as interest rates and cash flow needs. The credit ratings and maturities of the District's investments are as follows:

		Maturity Duration in Years			No	
Type	Total	Less Than 1	1 to 2	2 to 5	Maturities	Rating
MSDLAF+ Liquid Class	$ 34,254	$ -	$ -	$ -	$ 34,254	AA
MSDLAF+ Max Class	52,593,304	-	-	-	52,593,304	A-1
Commercial Paper	45,028,493	45,028,493	-	-	-	P1/A1
MN Trust Investment Shares	77,912,093	-	-	-	77,912,093	AAAm
Total	$ 175,568,144	$ 45,028,493	$ -	$ -	$ 130,539,651	

The credit ratings and average duration for the OPEB Trust assets are as follows:

		Maturity Duration in Years				
Type	Total	Less Than 1	1 to 5	6 to 10	No Maturities	Rating
U.S. Treasury Notes	$ 9,993,070	$ -	$ 9,139,216	$ 853,854	$ -	N/A
Federal Home Loan Bank	242,120	-	242,120	-	-	AAA/AA+
Federal Home Loan Mortgage Corp.	880,857	880,857	-	-	-	AAA/AA+
Federal National Mortgage Association	140,265	-	140,265	-	-	AAA/AA+
Corporate Bonds	16,137,223	100,032	13,059,671	2,977,520	-	Baa2/BBB
Equities	24,307,513	-	-	-	24,307,513	N/A
Real Estate Investment Trusts (REITs)	220,400	-	-	-	220,400	N/A
Real Asset Funds	4,367,096	-	-	-	4,367,096	N/A
Money Markets	1,003,502	-	-	-	1,003,502	N/A
Total	$ 57,292,046	$ 980,889	$ 22,581,272	$ 3,831,374	$ 29,898,511	N/A

Custodial Credit Risk

For an investment, custodial risk is the risk that, in the event of failure of the counterparty, the School District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The School District's investment policy requires that brokers provide insurance to cover balances held in each investment account. As of June 30, 2022, the investment balances were fully covered by insurance for each brokerage firm.

Concentration of Credit Risk

The District places no limit on the amount that the District may invest in any one issuer. Currently, the District did not have investments with any issuer which individually comprised more than 5% of total investments.

The deposits and investments are presented in the financial statements as follows:

Cash and Investments - Statement of Net Position	$ 211,082,509
Cash and Cash Equivalents - Statement of Fiduciary Net Position	60,993,454
Total Cash and Investments	$ 272,075,963

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

C. Fair Value Measurements

The District uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures.

The District follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the District has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants and would use in pricing the asset.

All of the District's $175,568,144 in investments are measured at amortized cost and are therefore not subject to fair value leveling. However, the District's OPEB Trust consists of assets measured at both fair value and amortized cost.

Assets of the OPEB Trust measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
U.S. Treasuries	$ 9,993,070	$ -	$ -	$ 9,993,070
Federal Home Loan Bank	-	242,120	-	242,120
Federal Home Loan Mortgage Corp.	-	880,857	-	880,857
Federal National Mortgage Association	-	140,265	-	140,265
Corporate Bonds	16,137,223	-	-	16,137,223
Equities	24,307,513	-	-	24,307,513
Real Estate Investment Trusts (REITs)	-	220,400	-	220,400
Real Asset Funds	-	4,367,096	-	4,367,096
Total	$ 50,437,806	$ 5,850,738	$ -	56,288,544
Investments Measured at Amortized Cost				1,003,502
Total				$ 57,292,046

NOTE 3 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balance*	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	$ 11,966,353	$ -	$ -	$ 11,966,353
Construction in Progress	16,033,473	15,199,410	(12,876,054)	18,356,829
Total Capital Assets, Not Being Depreciated	27,999,826	15,199,410	(12,876,054)	30,323,182
Capital Assets, Being Depreciated:				
Land Improvements	16,545,781	1,044,617	-	17,590,398
Buildings and Improvements	477,658,761	22,673,351	(2,075,617)	498,256,495
Furniture and Equipment	59,819,727	3,051,491	(2,259,984)	60,611,234
Leased Assets, Being Amortized				
Furniture and Equipment	563,075	18,115	(2,203)	578,987
Total Capital Assets, Being Depreciated and Amortized	554,587,344	26,787,574	(4,337,804)	577,037,114
Accumulated Depreciation for:				
Land Improvements	(11,401,573)	(390,491)	-	(11,792,064)
Buildings and Improvements	(225,123,709)	(11,414,525)	2,075,617	(234,462,617)
Furniture and Equipment	(47,214,514)	(3,215,007)	2,257,581	(48,171,940)
Accumulated Amortization for:				
Furniture and Equipment	-	(247,239)	2,203	(245,036)
Total Accumulated Depreciation and Amortization	(283,739,796)	(15,267,262)	4,335,401	(294,671,657)
Total Capital Assets, Being Depreciated/Amortized, Net	270,847,548	11,520,312	(2,403)	282,365,457
Governmental Activities Capital Assets, Net	$ 298,847,374	$ 26,719,722	$ (12,878,457)	$ 312,688,639

*Beginning balances have been revised for the implementation of GASB 87, *Leases.*

Depreciation and amortization expense was charged to functions of the District as follows:

Governmental Activities	
Administration	$ 57,763
District Support Services	97,958
Regular Instruction	11,563,064
Vocational Education Instruction	2,146
Special Education Instruction	15,574
Community Service	8,002
Instructional Support Services	1,258
Pupil Support Services	1,893,926
Sites and Buildings	1,498,226
Food Service	129,345
Total Depreciation and Amortization Expense, Governmental Activities	$ 15,267,262

NOTE 4 LEASE RECEIVABLES

The District, acting as lessor, leases certain real property under long-term, noncancelable lease agreements. The leases contain discount rates of 2.40% and expire at various dates through 2039 and provide for renewal options ranging from three months to six years. During the year ended December 31, 2022, the District recognized $81,363 and $2,473 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under lease agreements are as follows:

	Long-Term Leases Receivable	
Year Ending June 30,	Principal	Interest
2023	$ 53,478	$ 26,936
2024	56,259	25,887
2025	59,661	24,525
2026	63,220	23,080
2027	66,943	21,549
2028-2032	311,836	84,758
2033-2037	358,234	47,018
2038-2042	154,389	6,161
Total	$ 1,124,020	$ 259,914

NOTE 5 LONG-TERM LIABILITIES

A. Components of General Long-Term Debt

Issue	Issue Date	Net Interest Rate	Original Issue	Final Maturity	Principal Outstanding Due Within One Year	Principal Outstanding Total
2016A School Building Bonds	2/16/2016	1.00% - 5.00%	112,150,000	2/1/2030	$ 8,865,000	$ 86,670,000
2022A Refunding Bonds					3,780,000	11,235,000
Total General Obligation Bonds					12,645,000	97,905,000
Bond Premiums					-	10,188,608
Certificates of Participation					3,185,000	33,320,000
Financed Purchases Payable					755,317	4,763,307
Leases Payable					182,341	325,334
Severance Benefits Payable					1,799,197	13,754,736
Compensated Absences Payable					74,316	3,162,373
Total					$ 15,456,171	$ 163,419,358

B. Descriptions of Long-Term Liabilities

General Obligation Bonds Payable

These bonds were issued to finance the acquisition and/or construction of capital facilities, the retirement (refunding) of prior bond issues, or OPEB. Assets of the Debt Service Fund, together with scheduled future ad valorem tax levies, are dedicated for the retirement of these bonds and notes. The annual future debt service levies authorized equal 105% of the principal and interest due each year. These levies are subject to reduction if fund balance amounts exceed limitations imposed by Minnesota law.

Certificates of Participation

The District issued certificates of participation of $2,705,000 in October 2010 to finance the purchase and renovation of a building. This debt requires semiannual principal and interest payments of varying amounts (at rates ranging from 2.0% to 3.5%) for 15 years, maturing in April 2026. These certificates are being repaid from the General Fund.

The District issued certificates of participation of $13,710,000 in December 2013 to finance the construction of a new Early Childhood/Adult Education facility. This debt requires semiannual principal and interest payments of varying amounts (at rates ranging from 2.0% to 4.0%) for 15 years, maturing in February 2029. These certificates are being repaid from the General Fund.

The District issued certificates of participation of $8,960,000 in May 2020 to finance the construction of artificial turf athletic fields at Eagan and Rosemount High Schools. This debt requires semiannual principal and interest payments of varying amounts (at rates ranging from 2.0% to 4.0%) for 10 years, maturing in February 2030. These certificates are being repaid from the General Fund.

The District issued certificates of participation of $9,005,000 in March 2021 to finance the construction of artificial turf athletic fields at Apple Valley and Eastview High Schools. This debt requires semiannual principal and interest payments of varying amounts (at rates ranging from 1.4% to 3.0%) for 10 years, maturing in April 2031. These certificates are being repaid from the General Fund.

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

B. Descriptions of Long-Term Liabilities (Continued)

Certificates of Participation (Continued)

The District issued certificates of participation of $9,775,000 in March 2022 to finance the acquisition of an existing facility to provide instructional services for early childhood students and an alternative learning center site. This debt requires semiannual principal and interest payments of varying amounts (at rates ranging from 3.0% to 5.0%) for 15 years, maturing in April 2037. These certificates are being repaid from the General Fund.

Financed Purchases

The District has purchased various assets through financed purchase agreements. Annual principal and interest on these arrangements is paid from the General Fund.

Leases Payable

The District leases equipment and computers for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2026.

Right-to-use assets acquired through these leases are show below:

	Furniture and Equipment
Assets	$ 578,987
Less: Accumulated Amortization	(245,036)
Total	$ 333,951

C. Minimum Debt Payments

Minimum annual principal and interest payments required to retire long-term debt, not including pension, severance, and health benefits payable are as follows:

	General Obligation Bonds Payable		Certificates of Participation Payable	
Year Ending June 30,	Principal	Interest	Principal	Interest
2023	$ 12,645,000	$ 4,275,029	$ 3,185,000	$ 1,123,777
2024	12,955,000	3,645,900	3,320,000	987,944
2025	13,595,000	2,998,150	3,445,000	868,188
2026	10,695,000	2,318,400	3,565,000	742,313
2027	11,250,000	1,783,650	3,475,000	609,363
2028-2032	36,765,000	2,349,150	12,400,000	1,399,515
2033-2037	-	-	3,930,000	360,900
Total	$ 97,905,000	$ 17,370,279	$ 33,320,000	$ 6,092,000

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

C. Minimum Debt Payments (Continued)

	Financed Purchases Payable		Lease Payable		Total	
Year Ending June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2023	$ 755,317	$ 131,293	$ 182,341	$ 5,612	$ 16,767,658	$ 5,530,099
2024	776,894	109,716	74,148	2,504	17,126,042	4,743,560
2025	798,937	87,673	48,796	1,130	17,887,733	3,954,011
2026	699,836	64,680	20,049	160	14,979,885	3,125,393
2027	720,677	43,839	-	-	15,445,677	2,436,852
2028-2032	1,011,646	52,003	-	-	50,176,646	3,800,668
2033-2037	-	-	-	-	3,930,000	360,900
Total	$ 4,763,307	$ 489,204	$ 325,334	$ 9,406	$ 136,313,641	$ 23,951,483

D. Changes in Long-Term Debt

	June 30, 2021	Additions	Retirements	June 30, 2022
Bonds Payable	$ 110,985,000	$ 11,235,000	$ 24,315,000	$ 97,905,000
Unamortized Premiums	14,748,892	1,923,457	6,483,741	10,188,608
Certificates of Participations	26,200,000	9,775,000	2,655,000	33,320,000
Financed Purchases Payable	5,711,406	-	948,099	4,763,307
Leases Payable*	563,075	18,115	255,856	325,334
Severance Benefits Payable	14,331,501	575,186	1,145,244	13,754,736
Compensated Absences Payable	3,398,684	2,932,248	3,168,559	3,162,373
Total	$ 175,938,558	$ 26,459,006	$ 38,971,499	$ 163,419,358

*Beginning balances have been revised for the implementation of GASB 87, *Leases.*

Governmental compensated absences and severance benefits are typically liquidated (paid) by the operating funds.

NOTE 6 FUND BALANCES AND NET POSITION

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. A description of deficit balance reserves is included herein since the District has specific statutory authority to levy taxes for such deficits.

Restricted and Assigned fund balances at year-end are as follows:

Restricted for Student Activities – Represents the resources available for the extracurricular activity funds raised by students.

Restricted for Adult Basic Education – Represents available resources available for activities involving Adult Basic Education.

Restricted for Capital Projects Levy – Represents available resources dedicated for capital projects.

NOTE 6 FUND BALANCES AND NET POSITION (CONTINUED)

Restricted for Community Education Programs – Represents accumulated resources available to provide general community education programming.

Restricted for Early Childhood and Family Education Programs – Represents accumulated resources available to provide services for early childhood and family education programming.

Restricted for Long-Term Facility Maintenance – Represents resources available to be used for long-term facilities maintenance projects in accordance with the District's 10-year plan.

Restricted for Medical Assistance – Represents resources available to be used for Medical Assistance expenditures.

Restricted for Operating Capital – The District levies taxes and receives state aid to be used for the purchase of equipment, books, and vehicles and to purchase, rent, improve and repair school facilities as allowed by state statute. The cumulative excess of such revenues over equipment and facilities expenditures is reported as a restriction of fund balance in the General Fund.

Restricted for Projects Funded by Certificates of Participation – Represents resources remaining for projects funded by certificates of participation with related lease levy authority.

Restricted for School Readiness – Represents accumulated resources available to provide school readiness programming.

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.

Assigned for Site Carryover – Represents dollars assigned for unspent site supply allocations.

Assigned for Subsequent Year Budget Deficit – Represents dollars assigned to fund budgeted deficits in the subsequent year.

On the statement of net position, the District presents net position representing the District's net investment in capital assets. This amount is calculated as follows:

Capital Assets, Net of Accumulated Depreciation	$ 312,688,639
Bonds Payable at June 30	(97,905,000)
COPs Payable at June 30	(33,320,000)
Financed Purchases Payable at June 30	(4,763,307)
Leases Payable	(325,334)
Premiums/Discounts	(10,188,608)
Deferred (Gains) Losses on Bond Refundings	(219,851)
Capital Related Payables	(332,900)
Add Back: Unspent Bond Proceeds	3
Net Investment in Capital Assets	$ 165,633,642

NOTE 7 DEFINED BENEFIT PENSION PLANS

A. Plan Description

The District participates in the following cost-sharing multiple-employer, defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA) and Teachers Retirement Fund (TRA). PERA's and TRA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's and TRA's defined benefit pension plans are tax-qualified plans under Section 401(a) of the IRC.

1. General Employees Retirement Plan

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

2. Teachers Retirement Fund (TRA)

The Teacher's 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 employed by St. Paul Schools or Minnesota State Colleges and Universities).

B. Benefits Provided

PERA and TRA provide 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.

1. General Employees Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Benefits Provided (Continued)

1. General Employees Plan Benefits (Continued)

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% and a maximum of 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. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

2. TRA Benefits

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

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

Tier I Benefits

Tier 1	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

With these provisions:

(a) Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
(b) 3.0% per year early retirement reduction factor for all years under normal retirement age.
(c) Unreduced benefits for early retirement under a Rule-of-90 (age plus allowable service equals 90 or more).

or

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Benefits Provided (Continued)

2. TRA Benefits (Continued)

Tier II Benefits

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

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

Six different types of annuities are available to members upon retirement. The No Refund Life Plan is a lifetime annuity that ceases upon the death of the retiree - no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans 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 state apply to active plan participants. Vested, terminated employees who are entitled to benefits but not yet receiving hem are bound by the plan provisions in effect at the time they last terminated their public service.

C. Contributions

1. General Employees Plan Contributions

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature. Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2022 and the District was required to contribute 7.50% for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2022 were $4,523,530. The District's contributions were equal to the required contributions as set by state statute.

2. TRA Contributions

Per Minnesota Statutes, Chapter 354 rates for the fiscal year for coordinated were 7.5% for the employee and 8.34% for the employer. Basic rates were 11.00% for the employee and 12.34% for the employer. The Districts contributions to TRA for the plan's fiscal year ended June 30, 2022 were $17,535,816. The District's contributions were equal to the required contributions for each year as set by state statue.

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Pension Costs

1. General Employees Fund Pension Costs

At June 30, 2022, the District reported a liability of $31,473,202 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 nonemployer 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 $961,118, for a total liability of $32,434,320 associated with the District. The net pension liability was measured as of June 30, 2021, 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, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.7370% at the end of the measurement period and 0.7648% for the beginning of the period.

For the year ended June 30, 2022, the District recognized pension expense of $(183,475) for its proportionate share of General Employees Plan's pension expense. In addition, the District recognized $77,547 as grant revenue for its proportionate share of the state of Minnesota's pension expense for the annual $16 million contribution.

At June 30, 2022, the District reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 193,364	$ 963,169
Changes in Actuarial Assumptions	19,216,883	696,207
Net Difference Between Projected and Actual Earnings on Plan Investments	-	27,257,120
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	525,568	1,464,153
District Contributions Subsequent to the Measurement Date	4,523,530	-
Total	$ 24,459,345	$ 30,380,649

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

1. General Employees Fund Pension Costs (Continued)

A total of $4,523,530 reported as deferred outflows of resources related to pensions resulting from District contributions to General Employees Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to General Employees Plan pensions will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense Amount
2023	$ (1,709,967)
2024	(632,555)
2025	(667,871)
2026	(7,434,441)
2027	-
Thereafter	-

2. TRA Pension Costs

At June 30, 2022, the District reported a liability of $143,822,690 for its proportionate share of TRA's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to TRA in relation to total system contributions including direct aid from the state of Minnesota, City of Minneapolis, and Minneapolis School District. The District's proportionate share was 3.2864% at the end of the measurement period and 3.2245% for the beginning of the period.

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:

Description	Amount
District's Proportionate Share of the TRA Net Pension Liability	$ 143,822,690
State's Proportionate Share of the Net Pension Liability Associated with the District	12,129,930
Total	$ 155,952,620

For the year ended June 30, 2022, the District recognized pension expense of $5,578,977. It also recognized $(1,161,990) as pension expense and grant revenue for the support provided by direct aid.

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

2. TRA Pension Costs (Continued)

At June 30, 2022, the District reported its proportionate share of the TRA's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 3,895,348	$ 4,073,697
Changes in Actuarial Assumptions	52,705,597	129,758,549
Net Difference Between Projected and Actual Earnings on Plan Investments	-	120,594,563
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	13,419,153	6,724,798
District Contributions Subsequent to the Measurement Date	17,535,816	-
Total	$ 87,555,914	$ 261,151,607

A total of $17,535,816 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 ending June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to TRA will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense Amount
2023	$ (93,706,102)
2024	(70,461,253)
2025	(15,844,131)
2026	(22,385,039)
2027	11,265,016
Thereafter	-

The District recognized $5,395,502 in pension expense for all of the pension plans in which it participates.

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Actuarial Assumptions

The total pension liability in the June 30, 2021**June 30, 2021** actuarial valuation was determined using the following actuarial assumptions:

Assumptions	General Employees Plan	TRA
Inflation	2.25% per Year	2.50%
Salary Growth	3.00% per Year	2.85% before July 1, 2028 and 3.25% thereafter
Investment Rate of Return	6.50%	7.00%

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

Actuarial assumptions used in the June 30, 2021 valuation were based on the results of actuarial experience studies. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

TRA pre-retirement mortality rates were based on the RP-2014 white collar employee table, male rates set back 6 years and female rates set back 5 years. Generational projection uses the MP-2015 scale. Postretirement mortality rates were based on the RP-2014 white collar annuitant table, male rates set back 3 years and female rates set back 3 years, with further adjustments of the rates. Generational projection uses the MP-2015 scale. Post-disability mortality rates were based on the RP-2014 disabled retiree mortality table, without adjustment. TRA cost of living benefit increases 1.0% for January 2020 through January 2023, then increasing by 0.1% each year up to 1.5% annually.

The following changes in actuarial assumptions and plan provisions for PERA occurred in 2021:

- 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 form Scale MP-2019 to Scale MP-2020.
- There were no changes in plan provisions since the previous valuation.

The following changes for TRA occurred in 2021:

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

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Actuarial Assumptions (Continued)

The State Board of Investment, which manages the investments of PERA and TRA, 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	35.50 %	5.10%
Private Markets	25.00	5.90%
Fixed Income	20.00	0.75%
International Equity	17.50	5.30%
Cash	2.00	0.00%
Totals	100.00 %	

F. Discount Rate

The discount rate used to measure the PERA General Employees Plan liability in 2021 was 6.50%. 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 of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate used to measure the TRA pension liability was 7.00%. The discount rate used to measure the total net pension liability at the prior measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contribution will be made at the fiscal year 2021 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

G. Pension Liability Sensitivity

The following 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 one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
General Employees Plan Discount Rate	5.50%	6.50%	7.50%
Net Pension Liability at Different Discount Rates	$ 64,189,266	$ 31,473,202	$ 4,627,675
TRA Discount Rate	6.00%	7.00%	8.00%
Net Pension Liability at Different Discount Rates	$ 290,528,835	$ 143,822,690	$ 23,511,957

H. Pension Plan Fiduciary Net Position

Detailed information about the General Employees Fund fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

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

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS PLAN

A. Plan Description

The District operates and administers a single employer defined benefit other postemployment benefit plan (the Plan) that provides health insurance to eligible employees and their spouses through the District's self-insured health insurance plan. There are 3,453 active participants and 182 retired participants. Benefit and eligibility provisions are established through contractual agreements with employee groups. These contractual agreements do not include any specific contribution or funding requirements. The Plan does not issue a publicly available financial report.

Teachers' Postemployment Health Care Savings Benefits – Eligible teachers receive at retirement an amount equal to 25 days of pay multiplied by their daily rate of pay at retirement, plus an additional $12,000. Teachers may also elect to receive district matching contributions paid into a tax-deferred matching contribution plan established under IRC Section 403(b). The amount of any postemployment healthcare savings plan benefits due to an individual is reduced by the total matching contributions made by the District to such a plan over the course of that individual's employment, to the extent that such 403(b) contributions exceed any severance (as described earlier in these notes) earned by the individual.

Postemployment Insurance Benefits – all retirees of the District have the option under state law to continue their medical insurance coverage through the District from the time of retirement until the employee reaches the age of eligibility for Medicare. For members of certain employee groups, the District pays for all or part of the eligible retiree's premiums for medical, dental, and/or life insurance from the time of retirement until the employee reaches the age of eligibility for Medicare. Benefits paid by the District differ by bargaining unit, with some contracts specifying a certain dollar amount per month (ranging from $182 to $1,290), and some covering the full monthly premium costs. Retirees not eligible for these district-paid premium benefits must pay the full district premium rate for their coverage.

The District is legally required to include any retirees from whom it provides health insurance coverage in the same insurance pool as its active employees, whether the premiums are paid by the District or the retiree. Consequently, participating retirees are considered to receive a secondary benefit known as an "implicit rate subsidy." This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the District's younger and statistically healthier active employees.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

B. Funding Policy

The District has assets designated for OPEB. These assets are in a qualified irrevocable trust which is included as a fiduciary fund in these financial statements. The District's investment policy is to follow state statutes as listed in Note 2. The District is assumed to make no future contributions to the trust. Benefit payments equal to the annual direct subsidy plus implicit subsidy are assumed to be made from the trust.

Contribution requirements are also established through contractual agreements with employee groups. The eligibility for, amount of, duration of, and District's contribution to the cost of the benefits provided varies by contract and date of retirement.

C. Net OPEB Liability (Asset) of the District

The components of the net OPEB liability (asset) of the District at June 30, 2022 were as follows:

Total OPEB Liability	$ 59,566,975
Plan Fiduciary Net Position	54,513,180
District's Net OPEB Liability (Asset)	$ 5,053,795
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	91.52%

D. Actuarial Methods and Assumptions

The long-term expected rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that (1) the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and (2) OPEB plan assets are expected to be invested using a strategy to achieve that return, and a yield or 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 rating scale), to the extent that the conditions above are not met.

The District's net OPEB liability (asset) was measured as of June 30, 2022, and the total OPEB liability (asset) used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2020. Liabilities in this report were calculated as of the valuation date and rolled forward to the measurement date using standard actuarial roll-forward techniques.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

D. Actuarial Methods and Assumptions (Continued)

The total OPEB liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	Vary by contract group
Investment Rate of Return	5.60%
20-Year Municipal Bond Yield	3.80%
Medical Trend Rate	6.25% decreasing to 5.00% over 5 years and then to 4.00% over the next 48 year
Dental Trend Rate	4.00%

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables with MP-2019 Generational Improvement Scale.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2016.

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 OPEB plan investment expense and inflation) are developed for each major asset class. These asset class estimates are combined to produce the portfolio long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage (or target allocation, if available) and by adding expected inflation (2.50%).

Best estimates of geometric real and nominal rates of return for each major asset class included in the OPEB plan's asset allocation as of the measurement date are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Fixed Income	40.00 %	2.00 %
Domestic Equity	20.00	8.00
International Equity	20.00	8.00
Real Estate	10.00	8.00
Other	10.00	8.00
Total	100.00 %	5.60
Reduced for Assumed Investment Expense		-
Net Assumed Investment Return (Weighted Avg, Rounded to 1/4%)		5.60 %

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

D. Actuarial Methods and Assumptions (Continued)

The discount rate used to measure the total OPEB liability was 4.90%. The projection of cash flows and OPEB trust assets used to determine the discount rate were based on recent employer contribution history and their stated funding policy. The OPEB trust's long-term assumed investment return was used to discount projected benefit payments for as long as projected trust assets are available to fund OPEB payments. Once projected trust assets are exhausted, the municipal bond index rate of 3.80% was applied to the remaining expected benefit payments.

The expected employer asset return is based on the long-term expected return on short-term/cash-equivalent assets using our capital market assumption model.

Since the most recent GASB 75 valuation, the following changes have been made:

Plan Changes:

- No plan changes.

Assumption Changes:

- The discount rate was changed from 5.60% to 4.90%.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

E. Changes in the Net OPEB Liability (Asset)

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2021	$ 53,707,817	$ 63,351,360	$ (9,643,543)
Changes for the Year:			
Service Cost	3,588,552	-	3,588,552
Interest Cost	3,131,848	-	3,131,848
Changes of Assumptions	1,917,624	-	1,917,624
Plan Changes	-	-	-
Differences Between Expected and Actual Experience	-	(9,606,990)	9,606,990
Contributions-Employer	-	-	-
Projected Investment Return	-	-	-
Net Investment Income	-	3,547,676	(3,547,676)
Benefit Payments	(2,778,866)	(2,778,866)	-
Administrative Expense	-	-	-
Net Changes	5,859,158	(8,838,180)	14,697,338
Balances at June 30, 2022	$ 59,566,975	$ 54,513,180	$ 5,053,795

The following presents the net OPEB liability (asset) of the District, as well as what the District's net OPEB liability (asset) would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (3.9%)	Discount Rate (4.9%)	1% Increase (5.9%)
Net OPEB Liability (Asset)	$ 8,444,139	$ 5,053,795	$ 1,821,557

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

E. Changes in the Net OPEB Liability (Asset) (Continued)

The following presents the net OPEB liability (asset) of the District, as well as what the District's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1% point lower (Medical 5.25% decreasing to 4.0% over six years, and Dental 3.0%) or 1% point higher (Medical 7.25% decreasing to 6.0% over six years, and Dental 5.0%) than the current healthcare cost trend rates:

	Healthcare Cost		
	1% Decrease (Medical 5.25% Decreasing to 4% over 5 Years, Dental 3.00%)	Current (Medical 6.25% Decreasing to 5% over 5 Years, Dental 4.00%)	1% Increase (Medical 7.25% Decreasing to 6% over 5 Years, Dental 5.00%)
Net OPEB Liability (Asset)	$ 796,272	$ 5,053,795	$ 10,005,914

For the year ended June 30, 2022, the District recognized OPEB expense of $3,849,844. At June 30, 2022, the District reported the following deferred outflows of resources and deferred inflows of resources related to OPEB.

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Liability	$ -	$ 1,698,448
Change of Assumptions	2,605,748	1,100,972
Net Difference Between Projected and Actual Investment Earnings	3,873,151	-
Contributions Between Measurement Date and Reporting Date	-	-
Total	$ 6,478,899	$ 2,799,420

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

Year Ending June 30,	Future Recognition
2023	$ 677,121
2024	678,455
2025	648,947
2026	1,938,984
2027	17,591
Thereafter	(281,619)
Total	$ 3,679,479

NOTE 9 FLEXIBLE BENEFIT PLAN

The District offers its employees a flexible benefit plan which is classified as a "cafeteria plan" (the Plan) under § 125 of the IRC (which includes pretax insurance premiums, unreimbursed medical expenses, and dependent care expenses). All employee groups of the District are eligible if and when the collective bargaining agreement or contract with their group allows eligibility. Eligible employees can elect to participate by contributing pretax dollars withheld from payroll checks to the Plan. Payments are made from the Plan to participating employees upon submitting a request for reimbursement of eligible expenses actually incurred by the participant.

Before the beginning of the Plan year, which is from July 1 to June 30, each participant designates a total amount of pretax dollars to be contributed to the Plan during the year. At June 30, the District is contingently liable for claims against the total amount of participants' annual contributions to the medical reimbursement portion of the Plan, whether or not such contributions have been made.

The Plan is being administered by an independent contract administrator. The unreimbursed medical expense and dependent care expense portions of the Plan were recorded in the Employee Benefit Trust Fund. However, the health insurance premium reimbursements were accounted for in the District's operating funds.

All property of the Plan and income attributable to that property is solely the property of the District, subject to the claims of the District's general creditors. Participants' rights under the Plan are equal to those of general creditors of the District in an amount equal to the eligible healthcare and dependent care expenses incurred by the participants. The District believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

NOTE 10 COMMITMENTS AND CONTINGENCIES

A. Legal Claims

The District has the usual and customary types of miscellaneous legal claims pending at year-end, mostly of a minor nature and usually covered by insurance carried for that purpose.

B. Federal and State Receivables

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 applicable funds. 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.

C. Contract Commitments

At June 30, 2022, the District had approximately $358 thousand in commitments related to capital-related contracts.

NOTE 11 INTERFUND BALANCES

The District had the following interfund transfers:

	Transfers In	Transfers Out
General Fund	$ -	$ 92,212
Special Revenue Funds:		
Community Service Fund	92,212	-
Total	$ 92,212	$ 92,212

The District transferred $92,212 to the Community Service Fund to fund a shortfall in preschool screening.

In addition, the District had the following interfund balances at year-end:

	Due from Other Fund	Due to Other Fund
General Fund	$ 6,287,996	$ -
Special Revenue Funds:		
Food Service Fund	60,885	-
Community Service Fund	131,393	-
Fiduciary Funds:		
OPEB Irrevocable Trust Fund	-	6,480,274
Total	$ 6,480,274	$ 6,480,274

The OPEB Irrevocable Trust Fund owed $6,287,996 to the General Fund, $60,885 to the Food Service Fund, and $131,393 to the Community Service Fund for other postemployment benefits paid by each respective fund.

DISTRICT 196 · DISTRICT 196 · DISTRICT 196 ·

REQUIRED SUPPLEMENTARY INFORMATION

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY (ASSET) AND RELATED RATIOS
LAST FIVE FISCAL YEARS

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	$ 3,588,552	$ 3,150,709	$ 3,167,572	$ 3,075,313	$ 2,665,745
Interest	3,131,848	2,929,263	2,810,239	2,847,687	2,777,088
Changes of Benefit Terms	-	(183,686)	-	(179,505)	-
Differences Between Expected and Actual Experience	-	(2,119,363)	-	(5,324)	-
Changes of Assumptions	1,917,624	(1,376,215)	-	1,583,799	-
Benefit Payments	(2,778,866)	(3,701,408)	(3,643,391)	(4,783,071)	(4,405,513)
Net Change in Total OPEB Liability	5,859,158	(1,300,700)	2,334,420	2,538,899	1,037,320
Total OPEB Liability - Beginning	53,707,817	55,008,517	52,674,097	50,135,198	49,097,878
Total OPEB (Asset)Liability - Ending (a)	$ 59,566,975	$ 53,707,817	$ 55,008,517	$ 52,674,097	$ 50,135,198
Plan Fiduciary Net Position					
Contributions - Employer	$ -	$ -	$ 3,643,391	$ 2,283,071	$ 58,362,417
Net Investment Income	(6,059,314)	9,663,992	2,903,606	3,028,266	-
Benefit Payments	(2,778,866)	(3,701,408)	(3,643,391)	(4,783,071)	(4,405,513)
Net Change in Plan Fiduciary Net Position	(8,838,180)	5,962,584	2,903,606	528,266	53,956,904
Plan Fiduciary Net Position - Beginning	63,351,360	57,388,776	54,485,170	53,956,904	-
Plan Fiduciary Net Position - Ending (b)	$ 54,513,180	$ 63,351,360	$ 57,388,776	$ 54,485,170	$ 53,956,904
District's Net OPEB Liability - Ending (a) - (b)	$ 5,053,795	$ (9,643,543)	$ (2,380,259)	$ (1,811,073)	$ (3,821,706)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	91.52%	117.96%	104.33%	103.44%	107.62%
Covered-Employee Payroll	$ 242,463,437	$ 235,401,395	$ 221,133,728	$ 214,673,522	$ 207,060,884
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	2.08 %	(4.10)%	(1.08)%	(0.84)%	(1.85)%

	2022	2021	2020	2019	2018
Actuarially Determined Contribution (ADC)	N/A	N/A	N/A	N/A	N/A
Contributions in Relation to the ADC	N/A	N/A	N/A	N/A	N/A
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A
Covered-Employee Payroll	$ 242,463,437	$ 235,401,395	$ 221,133,728	$ 214,673,522	$ 207,060,884
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%

* The District implemented GASB Statement Nos. 74 and 75 in fiscal year 2018, and the above table will be expanded to 10 years of information as the information becomes available.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN
ON PLAN ASSETS – OPEB
LAST FIVE FISCAL YEARS

Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2018	8.50%
2019	5.60%
2020	5.60%
2021	5.60%
2022	5.60%

* The District implemented GASB Statement Nos. 74 and 75 in fiscal year 2018, and the above table will be expanded to 10 years of information as the information becomes available.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
TRA SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST EIGHT MEASUREMENT DATES

	Measurement Date June 30,							
	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	3.2864%	3.2245%	3.3239%	3.1910%	3.1521%	3.1503%	3.1326%	3.3358%
District's Proportionate Share of the Net Pension Liability	$ 143,822,690	$ 238,230,381	$ 211,866,085	$ 200,421,836	$ 629,216,339	$ 751,421,716	$ 193,782,291	$ 153,711,262
State's Proportionate Share of the Net Pension Liability Associated with District	12,129,930	19,964,267	18,749,509	18,830,184	60,824,265	75,422,961	23,768,953	10,813,476
Total	$ 155,952,620	$ 258,194,648	$ 230,615,594	$ 219,252,020	$ 690,040,604	$ 826,844,677	$ 217,551,244	$ 164,524,738
District's Covered Payroll	$ 196,644,649	$ 187,364,672	$ 188,698,314	$ 178,260,773	$ 169,205,267	$ 164,204,850	$ 159,010,347	$ 152,270,353
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	73.14%	127.15%	112.28%	112.43%	371.87%	457.61%	121.87%	100.95%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.63%	75.48%	78.21%	78.07%	51.57%	44.88%	76.80%	81.50%

* The District implemented GASB Statement No. 68 in fiscal year 2015, and the above table will be expanded to 10 years of information as the information becomes available.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
TRA SCHEDULE OF THE DISTRICT CONTRIBUTIONS
LAST EIGHT FISCAL YEARS*

	Year Ended June 30,							
	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily Required Contribution	$ 17,535,816	$ 15,987,210	$ 14,839,282	$ 14,548,640	$ 13,369,558	$ 12,690,395	$ 12,315,364	$ 11,925,776
Contributions in Relation to the Statutorily Required Contribution	(17,535,816)	(15,987,210)	(14,839,282)	(14,548,640)	(13,369,558)	(12,690,395)	(12,315,364)	(11,925,776)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's Covered Payroll	$ 210,261,583	$ 196,644,649	$ 187,364,672	$ 188,698,314	$ 178,260,773	$ 169,205,267	$ 164,204,850	$ 159,010,347
Contributions as a Percentage of Covered Payroll	8.34%	8.13%	7.92%	7.71%	7.50%	7.50%	7.50%	7.50%

* The District implemented GASB Statement No. 68 in fiscal year 2015, and the above table will be expanded to 10 years of information as the information becomes available.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GERF SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST EIGHT MEASUREMENT DATES*

	Measurement Date June 30,							
	2022	2021	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.7370%	0.7648%	0.7483%	0.7609%	0.7588%	0.7610%	0.7836%	0.8558%
District's Proportionate Share of the Net Pension Liability	$ 31,473,202	$ 45,853,255	$ 41,371,831	$ 42,211,612	$ 48,441,291	$ 61,789,425	$ 40,610,219	$ 40,201,196
State's Proportionate Share of the Net Pension Liability Associated with the District	961,118	1,413,980	1,285,874	1,384,512	609,138	806,952	-	-
Total	$ 32,434,320	$ 47,267,235	$ 42,657,705	$ 43,596,124	$ 49,050,429	$ 62,596,377	$ 40,610,219	$ 40,201,196
District's Covered Payroll	$ 52,020,160	$ 54,420,467	$ 52,812,080	$ 51,294,453	$ 48,849,901	$ 47,231,887	$ 46,021,245	$ 44,913,931
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	60.50%	84.26%	78.34%	82.29%	99.16%	130.82%	88.24%	89.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.00%	79.10%	80.23%	78.07%	75.90%	68.90%	78.20%	78.70%

* The District implemented GASB Statement No. 68 in fiscal year 2015, and the above table will be expanded to 10 years of information as the information becomes available.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GERF SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
LAST EIGHT FISCAL YEARS*

	Year Ended June 30,							
	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily Required Contribution	$ 4,523,530	$ 3,901,512	$ 4,081,535	$ 3,960,906	$ 3,847,084	$ 3,663,743	$ 3,542,392	$ 3,394,067
Contributions in Relation to the Statutorily Required Contribution	(4,523,530)	(3,901,512)	(4,081,535)	(3,960,906)	(3,847,084)	(3,663,743)	(3,542,392)	(3,394,067)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's Covered Payroll	$ 60,313,733	$ 52,020,160	$ 54,420,467	$ 52,812,080	$ 51,294,453	$ 48,849,901	$ 47,231,887	$ 46,021,245
Contributions as a Percentage of Covered Payroll	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.38%

* The District implemented GASB Statement No. 68 in fiscal year 2015, and the above table will be expanded to 10 years of information as the information becomes available.

CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS

The following changes were reflected in the valuation performed on behalf of the Public Employees Retirement Association for the year ended June 30:

2021

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 were no changes in plan provisions since the previous valuation.

2020

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

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% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

2019

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, decreased from $31.0 million to $21.0 million per year. The State's special funding contribution was changed prospectively, requiring $16.0 million due per year through 2031.

2018

Changes in Actuarial Assumption

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed postretirement benefit increase was changed from 1.0% per year through 2044 and 2.50% 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.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50% 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; 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.

CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

2017

Changes in Actuarial Assumption

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and nonvested deferred members. The revised CSA loads are now 0.0% for active member liability, 15.0% for vested deferred member liability and 3.0% for nonvested deferred member liability.
- The assumed postretirement 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 in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00% per year through 2035 and 2.50% per year thereafter to 1.00% per year for all future years.
- The assumed investment return was changed from 7.90% to 7.50%. The single discount rate was changed from 7.90% to 7.50%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Actuarial Plan Provisions

- There have been no changes since the prior valuation.

2015

Changes in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00% per year through 2030 and 2.50% per year thereafter to 1.00% per year through 2035 and 2.50% 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 increase 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.

CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

The following changes were reflected in the valuation performed on behalf of the Teachers Retirement Association for the year ended June 30:

2021

Changes in Actuarial Assumptions

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

2020

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 5 years and female rates set back 7 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.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019

Changes in Actuarial Assumptions

- There have been no changes since the prior valuation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2018

Changes in Actuarial Assumptions

- The investment return assumption was changed from 8.5% to 7.5%.
- The price inflation assumption was lowered from 3.0% to 2.5%.
- The payroll growth assumption was lowered from 3.5% to 3.0%.
- The wage inflation assumption (above price inflation) was reduced from 0.75% to 0.35% for the next 10 years, and 0.75% thereafter.
- The total salary increase assumption was adjusted by the wage inflation change.
- The amortization date for the funding of the Unfunded Actuarial Accrual Liability (UAAL) was reset to June 30, 2048 (30 years).
- The mechanism in the law that provided the TRA Board with some authority is set contribution rates was eliminated.

CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

2018 (CONTINUED)

Changes in Plan Provisions

- The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% in January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 5 years, (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 in Actuarial Assumptions

- The cost-of-living adjustment (COLA) was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2045.
- 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 nonvested inactive load increased from 4.0% to 9.0%.
- The investment return assumption was changed from 8.0% to 7.5%.
- The COLA was not assumed to increase to 2.5% but remain at 2.0% for all future years.
- The price inflation assumption was lowered from 2.75% to 2.5%.
- The payroll growth assumption was lowered from 3.5% 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.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

2016

Changes in Actuarial Assumptions

- The cost-of-living adjustment was not assumed to increase (it remained at 2.0% for all future years).
- The price inflation assumption was lowered from 3.0% to 2.75%.
- The general wage growth and payroll growth assumptions were lowered from 3.75% to 3.5%.
- Minor changes at 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 6 years, and female rates set back 5 years. Generational projection uses the MP-2015 scale.
- The postretirement mortality assumption was changed to the RP-2014 while collar annuitant table, male rates set back 3 years and female rates set back 3 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 adjustments.
- 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 forms of payment at retirement were made.

Changes in Plan Provisions

- There have been no changes since the prior valuation

2015

Changes in Actuarial Assumptions

- The cost-of-living adjustment was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2037.
- The investment return assumption was changed from 8.25% to 8.0%.

Changes in Plan Provisions

- The Duluth Teachers Retirement Fund Association was merged into TRA on June 30, 2015. This also resulted in a state-provided contribution stream of $14.377 million until the System becomes fully funded.

2014

Changes in Actuarial Assumptions

- The cost-of-living adjustment was assumed to increase from 2.0% annually to 2.5% annually once the legally specified criteria was met. This was estimated to occur July 1, 2031.

Changes in Plan Provisions

- The increase in the postretirement benefit adjustment (COLA) will be made once the System is 90% funded (on a market value basis) in two consecutive years, rather than just one year.

DISTRICT 196 · DISTRICT 196 · DISTRICT 196 ·

SUPPLEMENTARY INFORMATION

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INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND
BALANCE SHEET
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)

	2022	2021
ASSETS		
Cash and Investments	$ 139,501,760	$ 128,406,068
Cash with Fiscal Agent	184	180
Receivables:		
Current Taxes	56,772,687	54,751,764
Delinquent Taxes	450,832	406,321
Accounts and Interest Receivable	144,270	259,683
Due from Minnesota Department of Education	27,750,835	28,813,163
Due from Federal Through the Minnesota Department of Education	10,112,492	9,320,206
Due from Federal Government Received Directly	35,807	64,062
Due from Other Governmental Units	1,124,577	342,236
Due from Other Funds	6,287,996	7,433,788
Lease Receivables	1,124,020	-
Inventory	684,418	573,890
Prepaid Items	3,247,959	73,767
Total Assets	$ 247,237,837	$ 230,445,128
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities:		
Salaries and Wages Payable	$ 30,370,527	$ 29,005,537
Payroll Deductions and Employer Contributions Payable	12,539,474	12,640,262
Accounts and Contracts Payable	6,146,945	4,607,861
Due to Other Minnesota School Districts	898,065	405,792
Due to Other Governmental Units	97,341	221,276
Unearned Revenue	78,601	80,763
Total Liabilities	50,130,953	46,961,491
Deferred Inflows:		
Unavailable Revenue - Property Taxes Levied for Subsequent Year	101,439,034	98,218,739
Unavailable Revenue - Delinquent Taxes	450,832	406,321
Lease Receivable	1,122,222	-
Total Deferred Inflows of Resources	103,012,088	98,625,060
Fund Balance:		
Nonspendable:		
Inventory	684,418	573,890
Prepaid Items	3,247,959	73,767
Restricted for:		
Student Activities	344,575	349,773
Capital Projects Levy	6,640,465	4,964,616
Long-Term Facility Maintenance	2,761,334	1,851,995
Medical Assistance	2,258,963	2,019,014
Operating Capital	4,878,323	3,908,082
Assigned for:		
Site Carry-Over	9,083,165	7,128,748
Subsequent Year Budget Deficit	4,661,000	-
Unassigned	59,534,594	63,988,692
Total Fund Balance	94,094,796	84,858,577
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 247,237,837	$ 230,445,128

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	$ 102,158,284	$ 102,779,442	$ 621,158	$ 96,675,912
Earnings and Investments	-	208,684	208,684	88,250
Other	9,051,199	9,680,440	629,241	6,493,442
State Sources	302,906,080	300,322,037	(2,584,043)	297,108,482
Federal Sources	26,865,308	23,449,604	(3,415,704)	24,595,310
Total Revenues	440,980,871	436,440,207	(4,540,664)	424,961,396
EXPENDITURES				
Current:				
Administration:				
Salaries	13,471,356	12,697,957	(773,399)	12,114,024
Employee Benefits	4,807,927	4,795,390	(12,537)	4,649,289
Purchased Services	610,469	230,304	(380,165)	193,548
Supplies and Materials	603,443	191,945	(411,498)	154,694
Capital Expenditures	102,747	86,069	(16,678)	6,310
Other Expenditures	135,800	177,433	41,633	128,541
Total Administration	19,731,742	18,179,098	(1,552,644)	17,246,406
District Support Services:				
Salaries	7,340,599	7,071,279	(269,320)	6,425,253
Employee Benefits	4,095,307	3,814,619	(280,688)	3,234,697
Purchased Services	2,842,479	1,907,913	(934,566)	1,873,533
Supplies and Materials	2,908,317	1,880,556	(1,027,761)	1,255,055
Capital Expenditures	345,484	513,550	168,066	3,896,075
Other Expenditures	(430,307)	(838,116)	(407,809)	(449,994)
Total District Support Services	17,101,879	14,349,801	(2,752,078)	16,234,619
Elementary and Secondary Regular Instruction:				
Salaries	147,459,879	142,208,043	(5,251,836)	132,442,164
Employee Benefits	48,517,758	47,297,628	(1,220,130)	43,273,642
Purchased Services	6,058,391	6,491,589	433,198	4,592,524
Supplies and Materials	6,688,759	6,315,850	(372,909)	7,627,924
Capital Expenditures	2,452,929	723,422	(1,729,507)	1,936,903
Other Expenditures	346,958	1,340,814	993,856	1,506,262
Total Elementary and Secondary Regular Instruction	211,524,674	204,377,346	(7,147,328)	191,379,419

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
EXPENDITURES (Continued)				
Current (Continued):				
Vocational Education Instruction:				
Salaries	$ 3,844,906	$ 3,756,422	$ (88,484)	$ 3,585,391
Employee Benefits	1,217,982	1,259,589	41,607	1,153,192
Purchased Services	326,357	270,545	(55,812)	132,303
Supplies and Materials	147,445	180,273	32,828	172,890
Capital Expenditures	21,600	33,209	11,609	42,133
Other Expenditures	18,057	33,571	15,514	8,718
Total Vocational Education Instruction	5,576,347	5,533,609	(42,738)	5,094,627
Special Education Instruction:				
Salaries	60,017,819	58,462,554	(1,555,265)	54,329,151
Employee Benefits	23,480,609	22,451,135	(1,029,474)	20,924,075
Purchased Services	1,413,649	1,643,434	229,785	901,947
Supplies and Materials	1,649,856	879,405	(770,451)	985,791
Capital Expenditures	1,267,363	1,175,937	(91,426)	241,393
Other Expenditures	39,000	20,173	(18,827)	7,336
Total Special Education Instruction	87,868,296	84,632,638	(3,235,658)	77,389,693
Community Service:				
Supplies and Materials	16,010	-	(16,010)	-
Instructional Support Services:				
Salaries	12,424,749	14,503,102	2,078,353	14,259,172
Employee Benefits	4,501,297	4,777,489	276,192	4,394,647
Purchased Services	1,108,646	371,997	(736,649)	406,035
Supplies and Materials	4,293,906	3,852,722	(441,184)	2,354,549
Capital Expenditures	18,438	27,694	9,256	4,097
Other Expenditures	123,796	173,755	49,959	91,750
Total Instructional Support Services	22,470,832	23,706,759	1,235,927	21,510,250
Current (Continued):				
Pupil Support Services:				
Salaries	17,723,532	18,875,784	1,152,252	16,499,901
Employee Benefits	9,110,932	8,121,372	(989,560)	7,748,249
Purchased Services	5,574,440	5,313,230	(261,210)	3,065,352
Supplies and Materials	3,562,777	2,725,228	(837,549)	1,913,119
Capital Expenditures	1,520,375	1,576,659	56,284	1,649,256
Other Expenditures	7,400	54,004	46,604	1,677
Total Pupil Support Services	37,499,456	36,666,277	(833,179)	30,877,554

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
EXPENDITURES (Continued)				
Sites and Buildings:				
Salaries	$ 10,303,682	$ 10,562,271	$ 258,589	$ 10,273,192
Employee Benefits	4,992,679	4,457,867	(534,812)	4,268,604
Purchased Services	7,852,858	11,218,996	3,366,138	12,838,094
Supplies and Materials	1,601,393	2,271,361	669,968	3,422,727
Capital Expenditures	12,094,774	6,342,541	(5,752,233)	3,639,787
Other Expenditures	-	(407,269)	(407,269)	(394,155)
Total Sites and Buildings	36,845,386	34,445,767	(2,399,619)	34,048,249
Fiscal and Other Fixed Costs:				
Purchased Services	1,380,500	1,209,218	(171,282)	1,237,889
Debt Service:				
Principal	2,824,671	3,848,452	1,023,781	2,903,513
Interest and Fiscal Charges	713,847	971,199	257,352	748,291
Total Debt Service	3,538,518	4,819,651	1,281,133	3,651,804
Total Expenditures	443,553,640	427,920,164	(15,633,476)	398,670,510
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,572,769)	8,520,043	11,092,812	26,290,886
OTHER FINANCING SOURCES (USES)				
Sale of Equipment	790,000	782,650	(7,350)	191,868
Insurance Recovery	-	7,623	7,623	46,259
Issuance of Long-Term Leases	-	18,115	18,115	-
Transfers Out	(93,663)	(92,212)	1,451	(34,763)
Total Other Financing Sources (Uses)	696,337	716,176	19,839	203,364
NET CHANGE IN FUND BALANCE	$ (1,876,432)	9,236,219	$ 11,112,651	26,494,250
FUND BALANCE				
Beginning of Year		84,858,577		58,364,327
End of Year		$ 94,094,796		$ 84,858,577

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
BY ACCOUNT
YEAR ENDED JUNE 30, 2022

	Operating	Pupil Transportation	Capital Expenditures	Total
REVENUES				
Local Sources:				
Property Taxes	$ 96,921,510	$ -	$ 5,857,932	$ 102,779,442
Earnings and Investments	208,684	-	-	208,684
Other	9,485,787	186,852	7,801	9,680,440
State Sources	274,479,151	20,994,032	4,848,854	300,322,037
Federal Sources	23,449,604	-	-	23,449,604
Total Revenues	404,544,736	21,180,884	10,714,587	436,440,207
EXPENDITURES				
Current:				
Administration:				
Salaries	12,697,957	-	-	12,697,957
Employee Benefits	4,795,390	-	-	4,795,390
Purchased Services	229,501	-	803	230,304
Supplies and Materials	131,681	-	60,264	191,945
Capital Expenditures	3,133	-	82,936	86,069
Other Expenditures	177,433	-	-	177,433
Total Administration	18,035,095	-	144,003	18,179,098
District Support Services:				
Salaries	7,071,279	-	-	7,071,279
Employee Benefits	3,814,619	-	-	3,814,619
Purchased Services	1,658,863	-	249,050	1,907,913
Supplies and Materials	1,243,647	-	636,909	1,880,556
Capital Expenditures	302,609	-	210,941	513,550
Other Expenditures	(838,116)	-	-	(838,116)
Total District Support Services	13,252,901	-	1,096,900	14,349,801
Elementary and Secondary Regular Instruction:				
Salaries	142,208,043	-	-	142,208,043
Employee Benefits	47,297,628	-	-	47,297,628
Purchased Services	6,490,487	-	1,102	6,491,589
Supplies and Materials	4,826,765	-	1,489,085	6,315,850
Capital Expenditures	285,660	-	437,762	723,422
Other Expenditures	1,340,814	-	-	1,340,814
Total Elementary and Secondary Regular Instruction	202,449,397	-	1,927,949	204,377,346

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
BY ACCOUNT (CONTINUED)
YEAR ENDED JUNE 30, 2022

	Operating	Pupil Transportation	Capital Expenditures	Total
EXPENDITURES (Continued)				
Current (Continued):				
Vocational Education Instruction:				
Salaries	$ 3,756,422	$ -	$ -	$ 3,756,422
Employee Benefits	1,259,589	-	-	1,259,589
Purchased Services	270,545	-	-	270,545
Supplies and Materials	143,203	-	37,070	180,273
Capital Expenditures	23,369	-	9,840	33,209
Other Expenditures	33,571	-	-	33,571
Total Vocational Education Instruction	5,486,699	-	46,910	5,533,609
Special Education Instruction:				
Salaries	58,462,554	-	-	58,462,554
Employee Benefits	22,451,135	-	-	22,451,135
Purchased Services	1,643,434	-	-	1,643,434
Supplies and Materials	879,405	-	-	879,405
Capital Expenditures	1,175,937	-	-	1,175,937
Other Expenditures	20,173	-	-	20,173
Total Special Education Instruction	84,632,638	-	-	84,632,638
Instructional Support Services:				
Salaries	14,469,488	-	33,614	14,503,102
Employee Benefits	4,758,307	-	19,182	4,777,489
Purchased Services	371,997	-	-	371,997
Supplies and Materials	3,312,801	-	539,921	3,852,722
Capital Expenditures	8,273	-	19,421	27,694
Other Expenditures	173,755	-	-	173,755
Total Instructional Support Services	23,094,621	-	612,138	23,706,759
Pupil Support Services:				
Salaries	8,399,691	10,476,093	-	18,875,784
Employee Benefits	2,999,697	5,121,675	-	8,121,372
Purchased Services	484,532	4,828,698	-	5,313,230
Supplies and Materials	349,919	2,375,309	-	2,725,228
Capital Expenditures	105,032	1,468,957	2,670	1,576,659
Other Expenditures	47,262	6,742	-	54,004
Total Pupil Support Services	12,386,133	24,277,474	2,670	36,666,277

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
BY ACCOUNT (CONTINUED)
YEAR ENDED JUNE 30, 2022

	Operating	Pupil Transportation	Capital Expenditures	Total
EXPENDITURES (Continued)				
Current (Continued):				
Sites and Buildings:				
Salaries	$ 10,562,271	$ -	$ -	$ 10,562,271
Employee Benefits	4,457,867	-	-	4,457,867
Purchased Services	10,949,915	-	269,081	11,218,996
Supplies and Materials	2,271,361	-	-	2,271,361
Capital Expenditures	5,233,287	-	1,109,254	6,342,541
Other Expenditures	(407,269)	-	-	(407,269)
Total Sites and Buildings	33,067,432	-	1,378,335	34,445,767
Fiscal and Other Fixed Costs:				
Purchased Services	1,209,218	-	-	1,209,218
Debt Service:				
Principal	284,126	33,575	3,530,751	3,848,452
Interest and Fiscal Charges	18,338	2,860	950,001	971,199
Total Debt Service	302,464	36,435	4,480,752	4,819,651
Total Expenditures	393,916,598	24,313,909	9,689,657	427,920,164
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	10,628,138	(3,133,025)	1,024,930	8,520,043
OTHER FINANCING SOURCES (USES)				
Sale of Equipment	782,650	-	-	782,650
Insurance Recovery	1,000	6,623	-	7,623
Issuance of Long-Term Leases	-	-	18,115	18,115
Transfers Out	(92,212)	-	-	(92,212)
Total Other Financing Sources (Uses)	691,438	6,623	18,115	716,176
NET CHANGE IN FUND BALANCE	11,319,576	(3,126,402)	1,043,045	9,236,219
FUND BALANCE				
Beginning of Year	74,891,523	5,008,590	4,958,464	84,858,577
End of Year	$ 86,211,099	$ 1,882,188	$ 6,001,509	$ 94,094,796

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND – OPERATING ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES – BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	$ 96,535,524	$ 96,921,510	$ 385,986	$ 93,131,276
Earnings and Investments	-	208,684	208,684	88,250
Other	7,241,653	9,485,787	2,244,134	6,410,770
State Sources	276,214,180	274,479,151	(1,735,029)	271,454,195
Federal Sources	17,998,592	23,449,604	5,451,012	24,595,310
Total Revenues	397,989,949	404,544,736	6,554,787	395,679,801
EXPENDITURES				
Current:				
Administration:				
Salaries	13,471,356	12,697,957	(773,399)	12,114,024
Employee Benefits	4,807,927	4,795,390	(12,537)	4,649,289
Purchased Services	557,620	229,501	(328,119)	187,104
Supplies and Materials	539,646	131,681	(407,965)	131,527
Capital Expenditures	72,000	3,133	(68,867)	810
Other Expenditures	135,800	177,433	41,633	128,541
Total Administration	19,584,349	18,035,095	(1,549,254)	17,211,295
District Support Services:				
Salaries	7,340,599	7,071,279	(269,320)	5,357,257
Employee Benefits	4,095,307	3,814,619	(280,688)	2,710,395
Purchased Services	2,592,479	1,658,863	(933,616)	1,585,338
Supplies and Materials	2,235,118	1,243,647	(991,471)	740,496
Capital Expenditures	52,000	302,609	250,609	3,853,976
Other Expenditures	(430,307)	(838,116)	(407,809)	(449,994)
Total District Support Services	15,885,196	13,252,901	(2,632,295)	13,797,468
Elementary and Secondary Regular Instruction:				
Salaries	147,459,879	142,208,043	(5,251,836)	132,442,164
Employee Benefits	48,517,758	47,297,628	(1,220,130)	43,273,642
Purchased Services	5,984,201	6,490,487	506,286	4,484,822
Supplies and Materials	3,836,684	4,826,765	990,081	6,316,481
Capital Expenditures	478,734	285,660	(193,074)	1,409,700
Other Expenditures	346,958	1,340,814	993,856	1,506,262
Total Elementary and Secondary Regular Instruction	206,624,214	202,449,397	(4,174,817)	189,433,071

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND – OPERATING ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCES – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
EXPENDITURES (Continued)				
Current (Continued):				
Vocational Education Instruction:				
Salaries	$ 3,844,906	$ 3,756,422	$ (88,484)	$ 3,585,391
Employee Benefits	1,217,982	1,259,589	41,607	1,153,192
Purchased Services	326,357	270,545	(55,812)	132,303
Supplies and Materials	147,445	143,203	(4,242)	158,848
Capital Expenditures	11,760	23,369	11,609	20,926
Other Expenditures	18,057	33,571	15,514	8,718
Total Vocational Education Instruction	5,566,507	5,486,699	(79,808)	5,059,378
Special Education Instruction:				
Salaries	60,017,819	58,462,554	(1,555,265)	54,329,151
Employee Benefits	23,480,609	22,451,135	(1,029,474)	20,924,075
Purchased Services	1,413,649	1,643,434	229,785	901,947
Supplies and Materials	1,649,856	879,405	(770,451)	985,791
Capital Expenditures	1,267,363	1,175,937	(91,426)	241,393
Other Expenditures	39,000	20,173	(18,827)	7,336
Total Special Education Instruction	87,868,296	84,632,638	(3,235,658)	77,389,693
Community Service:				
Supplies and Materials	16,010	-	(16,010)	-
Instructional Support Services:				
Salaries	12,393,980	14,469,488	2,075,508	14,047,935
Employee Benefits	4,472,694	4,758,307	285,613	4,284,527
Purchased Services	1,108,646	371,997	(736,649)	406,035
Supplies and Materials	3,726,132	3,312,801	(413,331)	1,716,429
Capital Expenditures	2,000	8,273	6,273	1,132
Other Expenditures	123,796	173,755	49,959	91,750
Total Instructional Support Services	21,827,248	23,094,621	1,267,373	20,547,808
Pupil Support Services:				
Salaries	8,162,413	8,399,691	237,278	7,788,933
Employee Benefits	2,973,962	2,999,697	25,735	2,905,173
Purchased Services	908,842	484,532	(424,310)	317,913
Supplies and Materials	860,077	349,919	(510,158)	65,975
Capital Expenditures	6,500	105,032	98,532	224,614
Other Expenditures	2,700	47,262	44,562	1,120
Total Pupil Support Services	12,914,494	12,386,133	(528,361)	11,303,728

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND – OPERATING ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCES – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
EXPENDITURES (Continued)				
Current (Continued):				
Sites and Buildings:				
Salaries	$ 10,303,682	$ 10,562,271	$ 258,589	$ 10,273,192
Employee Benefits	4,992,679	4,457,867	(534,812)	4,268,604
Purchased Services	7,612,986	10,949,915	3,336,929	12,631,961
Supplies and Materials	1,601,393	2,271,361	669,968	3,422,727
Capital Expenditures	10,786,020	5,233,287	(5,552,733)	2,886,571
Other Expenditures	-	(407,269)	(407,269)	(403,586)
Total Sites and Buildings	35,296,760	33,067,432	(2,229,328)	33,079,469
Fiscal and Other Fixed Costs:				
Purchased Services	1,380,500	1,209,218	(171,282)	1,237,889
Debt Service:				
Principal	200,000	284,126	84,126	180,495
Interest and Fiscal Charges	-	18,338	18,338	9,356
Total Debt Service	200,000	302,464	102,464	189,851
Total Expenditures	407,147,564	393,916,598	(13,230,966)	369,249,650
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,157,615)	10,628,138	19,785,753	26,430,151
OTHER FINANCING SOURCES (USES)				
Sale of Equipment	790,000	782,650	(7,350)	191,868
Insurance Recovery	-	1,000	1,000	-
Transfers Out	(93,663)	(92,212)	1,451	(34,763)
Total Other Financing Sources (Uses)	696,337	691,438	(4,899)	157,105
NET CHANGE IN FUND BALANCE	$ (8,461,278)	11,319,576	$ 19,780,854	26,587,256
FUND BALANCE				
Beginning of Year		74,891,523		48,304,267
End of Year		$ 86,211,099		$ 74,891,523

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND – PUPIL TRANSPORTATION ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Other	$ 170,000	$ 186,852	$ 16,852	$ 76,672
State Sources	21,730,146	20,994,032	(736,114)	20,645,871
Total Revenues	21,900,146	21,180,884	(719,262)	20,722,543
EXPENDITURES				
Current:				
Pupil Support Services:				
Salaries	9,561,119	10,476,093	914,974	8,710,968
Employee Benefits	6,136,970	5,121,675	(1,015,295)	4,843,076
Purchased Services	4,665,598	4,828,698	163,100	2,747,439
Supplies and Materials	2,702,700	2,375,309	(327,391)	1,847,144
Capital Expenditures	1,510,500	1,468,957	(41,543)	1,422,852
Other Expenditures	4,700	6,742	2,042	557
Debt Service				
Principal	31,781	33,575	1,794	-
Interest and Fiscal Charges	2,860	2,860	-	-
Total Pupil Support Services	24,581,587	24,313,909	(304,113)	19,572,036
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,681,441)	(3,133,025)	(415,149)	1,150,507
OTHER FINANCING SOURCES				
Insurance Recovery	-	6,623	6,623	46,259
NET CHANGE IN FUND BALANCE	$ (2,681,441)	(3,126,402)	$ (415,149)	1,196,766
FUND BALANCE				
Beginning of Year		5,008,590		3,811,824
End of Year		$ 1,882,188		$ 5,008,590

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND – CAPITAL EXPENDITURE ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	$ 5,622,760	$ 5,857,932	$ 235,172	$ 3,544,636
Other	-	7,801	7,801	6,000
State Sources	4,961,754	4,848,854	(112,900)	5,008,416
Total Revenues	10,584,514	10,714,587	130,073	8,559,052
EXPENDITURES				
Current:				
Administration:				
Purchased Services	52,849	803	(52,046)	6,444
Supplies and Materials	63,797	60,264	(3,533)	23,167
Capital Expenditures	30,747	82,936	52,189	5,500
Total Administration	147,393	144,003	(3,390)	35,111
District Support Services:				
Salaries	-	-	-	1,067,996
Employee Benefits	-	-	-	524,302
Purchased Services	250,000	249,050	(950)	288,195
Supplies and Materials	673,199	636,909	(36,290)	514,559
Capital Expenditures	293,484	210,941	(82,543)	42,099
Total District Support Services	1,216,683	1,096,900	(119,783)	2,437,151
Elementary and Secondary Regular Instruction:				
Purchased Services	74,190	1,102	(73,088)	107,702
Supplies and Materials	2,852,075	1,489,085	(1,362,990)	1,311,443
Capital Expenditures	1,974,195	437,762	(1,536,433)	527,203
Total Elementary and Secondary Regular Instruction	4,900,460	1,927,949	(2,972,511)	1,946,348
Vocational Education Instruction:				
Supplies and Materials	-	37,070	37,070	14,042
Capital Expenditures	9,840	9,840	-	21,207
Total Vocational Education Instruction	9,840	46,910	37,070	35,249
Instructional Support Services:				
Salaries	30,769	33,614	2,845	211,237
Employee Benefits	28,603	19,182	(9,421)	110,120
Supplies and Materials	567,774	539,921	(27,853)	638,120
Capital Expenditures	16,438	19,421	2,983	2,965
Total Instructional Support Services	643,584	612,138	(31,446)	962,442

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND – CAPITAL EXPENDITURE ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
EXPENDITURES (Continued)				
Current (Continued):				
Pupil Support Services:				
Capital Expenditures	$ -	$ 2,670	$ 2,670	$ 1,790
Sites and Buildings:				
Purchased Services	239,872	269,081	29,209	206,133
Capital Expenditures	1,308,754	1,109,254	(199,500)	1,338,216
Other Expenditures	-	-	-	9,431
Total Sites and Buildings	1,548,626	1,378,335	(170,291)	1,553,780
Debt Service:				
Principal	2,592,890	3,530,751	937,861	2,723,018
Interest and Fiscal Charges	710,987	950,001	239,014	738,935
Total Debt Service	3,303,877	4,480,752	1,176,875	3,461,953
Total Expenditures	11,770,463	9,689,657	(2,080,806)	10,433,824
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,185,949)	1,024,930	2,210,879	(1,874,772)
OTHER FINANCING SOURCES				
Issuance of Long-Term Leases	-	18,115	18,115	585,000
NET CHANGE IN FUND BALANCE	$ (1,185,949)	1,043,045	$ 2,228,994	(1,289,772)
FUND BALANCE				
Beginning of Year		4,958,464		6,248,236
End of Year		$ 6,001,509		$ 4,958,464

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL FUND
SCHEDULE OF SPECIAL EDUCATION REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	$ -	$ 1,554,840	$ 1,554,840	$ 1,142,054
Other	1,400,651	1,727,089	326,438	1,346,903
State Sources	44,345,591	43,412,744	(932,847)	44,384,518
Federal Sources	8,866,716	7,334,541	(1,532,175)	5,995,358
Total Revenues	54,612,958	54,029,215	(583,743)	52,868,832
EXPENDITURES				
Current:				
Special Education Instruction:				
Salaries	60,017,819	58,462,554	(1,555,265)	54,329,151
Employee Benefits	23,480,609	22,451,135	(1,029,474)	20,924,075
Purchased Services	1,413,649	1,643,434	229,785	901,947
Supplies and Materials	1,649,856	879,405	(770,451)	985,791
Capital Expenditures	1,267,363	1,175,937	(91,426)	241,393
Other Expenditures	39,000	15,392	(23,608)	7,336
Debt Service:				
Principal	200,000	188,293	(11,707)	180,495
Interest and Fiscal Charges	-	4,979	4,979	9,356
Total Expenditures	88,068,296	84,821,129	(3,247,167)	77,579,544
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (33,455,338)	$ (30,791,914)	$ 2,663,424	$ (24,710,712)

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
FOOD SERVICE
COMPARATIVE BALANCE SHEET
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022	2021
ASSETS		
Cash and Investments	$ 8,603,574	$ 4,389,440
Receivables:		
Accounts and Interest Receivable	-	111
Due from Minnesota Department of Education	11,543	-
Due from Federal through Minnesota Department of Education	609,030	531,501
Due from Other Funds	60,885	34,018
Inventory	441,508	464,440
Prepaid Items	-	6,230
Total Assets	$ 9,726,540	$ 5,425,740
LIABILITIES AND FUND BALANCE		
Liabilities:		
Salaries and Wages Payable	$ 315,508	$ 280,880
Payroll Deductions and Employer Contributions Payable	118,242	92,005
Accounts and Contracts Payable	121,790	188,448
Unearned Revenue	898,936	850,276
Total Liabilities	1,454,476	1,411,609
Fund Balance:		
Nonspendable:		
Inventory	441,508	464,440
Prepaid Items	-	6,230
Restricted for:		
Food Service	7,830,556	3,543,461
Total Fund Balance	8,272,064	4,014,131
Total Liabilities and Fund Balance	$ 9,726,540	$ 5,425,740

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
FOOD SERVICE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Earnings and Investments	$ 45,955	$ 8,785	$ (37,170)	$ 3,254
Other - Primarily Meal Sales	1,513,514	876,491	(637,023)	112,953
State Sources	833,903	534,666	(299,237)	-
Federal Sources	15,356,000	18,255,390	2,899,390	10,054,372
Total Revenues	17,749,372	19,675,332	1,925,960	10,170,579
EXPENDITURES				
Current:				
Salaries	4,135,828	4,455,626	319,798	3,671,047
Employee Benefits	1,361,932	1,242,996	(118,936)	1,071,510
Purchased Services	11,000	642,982	631,982	569,466
Supplies and Materials	8,634,626	7,973,642	(660,984)	4,734,648
Other Expenditures	8,860	692,051	683,191	491,488
Capital Outlay	-	408,310	408,310	270,479
Debt Service				
Principal	-	1,640	1,640	-
Interest and Fiscal Charges	-	152	152	-
Total Expenditures	14,152,246	15,417,399	1,265,153	10,808,638
NET CHANGE IN FUND BALANCE	$ 3,597,126	4,257,933	$ 660,807	(638,059)
FUND BALANCE				
Beginning of Year		4,014,131		4,652,190
End of Year		$ 8,272,064		$ 4,014,131

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
COMMUNITY SERVICE FUND
BALANCE SHEET
BUDGET AND ACTUAL
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022	2021
ASSETS		
Cash and Investments	$ 5,238,390	$ 5,110,085
Receivables:		
Current Taxes	953,917	927,977
Delinquent Taxes	8,846	8,720
Accounts and Interest Receivable	20,278	38,881
Due from Minnesota Department of Education	404,087	351,187
Due from Federal Through the Minnesota Department of Education	151,441	145,443
Due from Other Governmental Units	16,210	20,156
Due from Other Funds	131,393	69,888
Prepaid Items	1,305	-
Total Assets	$ 6,925,867	$ 6,672,337
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities:		
Salaries and Wages Payable	$ 569,866	$ 450,783
Payroll Deductions and Employer Contributions Payable	360,961	293,027
Accounts and Contracts Payable	113,330	125,564
Due to Other Minnesota School Districts	-	944
Due to Other Governmental Units	5,196	5,749
Unearned Revenue	890,655	816,914
Total Liabilities	1,940,008	1,692,981
Deferred Inflows:		
Property Taxes Levied for Subsequent Year	1,767,062	1,726,565
Unavailable Revenue - Delinquent Taxes	8,846	8,720
Total Deferred Inflows of Resources	1,775,908	1,735,285
Fund Balance:		
Nonspendable:		
Prepaid Items	1,305	-
Restricted for:		
Community Education	342,171	540,174
Early Childhood and Family Education	1,214,683	1,069,608
School Readiness	1,172,896	1,116,243
Adult Basic Education	455,668	415,002
Other Purposes	23,228	103,044
Total Fund Balance	3,209,951	3,244,071
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 6,925,867	$ 6,672,337

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
COMMUNITY SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	$ 1,781,303	$ 1,798,147	$ 16,844	$ 1,784,270
Earnings and Investments	45,000	-	(45,000)	3,374
Other - Primarily Tuition and Fees	3,721,082	3,973,811	252,729	2,334,043
State Sources	3,432,102	3,462,620	30,518	3,507,924
Federal Sources	259,099	263,419	4,320	870,521
Total Revenues	9,238,586	9,497,997	259,411	8,500,132
EXPENDITURES				
Current:				
Salaries	6,449,355	6,435,720	(13,635)	5,664,284
Employee Benefits	2,145,815	2,208,122	62,307	1,914,124
Purchased Services	(102,494)	167,228	269,722	102,105
Supplies and Materials	346,961	294,202	(52,759)	213,436
Other Expenditures	376,207	496,491	120,284	270,756
Capital Outlay	25,750	13,314	(12,436)	1,209
Debt Service:				
Principal	-	8,863	8,863	-
Interest and Fiscal Charges	-	389	389	-
Total Expenditures	9,241,594	9,624,329	382,735	8,165,914
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,008)	(126,332)	(123,324)	334,218
OTHER FINANCING SOURCES				
Transfers In	93,663	92,212	(1,451)	34,763
NET CHANGE IN FUND BALANCE	$ 90,655	(34,120)	$ (124,775)	368,981
FUND BALANCE				
Beginning of Year		3,244,071		2,875,090
End of Year		$ 3,209,951		$ 3,244,071

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
CAPITAL PROJECTS FUND – BUILDING CONSTRUCTION FUND
BALANCE SHEET
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022	2021
ASSETS		
Cash and Investments	$ 643,737	$ -
Cash with Fiscal Agent	3	14,017,740
Prepaid Items	2,500	2,500
Total Assets	$ 646,240	$ 14,020,240
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts and Contracts Payable	$ 332,900	$ 1,544,616
Due to Other Governmental Units	14,742	-
Due to Other Funds	-	3,836,286
Total Liabilities	347,642	5,380,902
Fund Balance:		
Nonspendable:		
Prepaid Items	2,500	2,500
Restricted for:		
Projects Funded by Certificates of Participation	-	7,056,154
Restricted for Capital Projects	296,098	1,580,684
Total Fund Balance	298,598	8,639,338
Total Liabilities and Fund Balance	$ 646,240	$ 14,020,240

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
CAPITAL PROJECTS FUND – BUILDING CONSTRUCTION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Earnings and Investments	$ 4,000	$ 4,051	$ 51	$ 4,649
Other	-	-	-	247,280
Total Revenues	4,000	4,051	51	251,929
EXPENDITURES				
Current:				
Purchased Services	140,000	296,776	156,776	343,042
Supplies and Materials	-	50,194	50,194	62,019
Capital Outlay	19,139,154	18,695,716	(443,438)	10,218,472
Total Expenditures	19,279,154	19,042,686	(236,468)	10,623,533
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(19,275,154)	(19,038,635)	236,519	(10,371,604)
OTHER FINANCING SOURCES				
Issuance of Certificates of Participation	10,640,000	9,775,000	(865,000)	8,997,355
Certificates of Participation Premium	-	922,895	922,895	544,202
Total Other Financing Sources	10,640,000	10,697,895	57,895	9,541,557
NET CHANGE IN FUND BALANCE	$ (8,635,154)	(8,340,740)	$ 294,414	(830,047)
FUND BALANCE				
Beginning of Year		8,639,338		9,469,385
End of Year		$ 298,598		$ 8,639,338

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
DEBT SERVICE FUND
BALANCE SHEET
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	Regular Debt Service	OPEB Debt Service	Totals 2022	Totals 2021
ASSETS				
Cash and Investments	$ 10,298,196	$ 2,261,714	$ 12,559,910	$ 11,657,318
Receivables:				
Current Taxes	9,645,188	-	9,645,188	9,547,022
Delinquent Taxes	75,660	15,851	91,511	87,623
Due from Minnesota Department of Education	4,883	-	4,883	8,158
Due from Other Governmental Units	156,161	1,919	158,080	204,638
Total Assets	$ 20,180,088	$ 2,279,484	$ 22,459,572	$ 21,504,759
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
Deferred Inflows:				
Property Taxes Levied for Subsequent Year	$ 17,824,149	$ -	$ 17,824,149	$ 17,780,361
Unavailable Revenue - Delinquent Taxes	75,660	15,851	91,511	87,623
Total Deferred Inflows of Resources	17,899,809	15,851	17,915,660	17,867,984
Fund Balance:				
Restricted for Debt Service	2,280,279	2,263,633	4,543,912	3,636,775
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 20,180,088	$ 2,279,484	$ 22,459,572	$ 21,504,759

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022					2021
		Actual				
	Final Budgeted Amounts	Regular Debt Service	OPEB Debt Service	Total Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES						
Local Sources:						
Property Taxes	$ 17,725,390	$ 17,760,197	$ -	$ 17,760,197	$ 34,807	$ 17,935,108
Earnings and Investments	7,000	15,439	-	15,439	8,439	7,091
State Sources	82,400	48,827	-	48,827	(33,573)	81,581
Total Revenues	17,814,790	17,824,463	-	17,824,463	9,673	18,023,780
EXPENDITURES						
Debt Service:						
Bond Principal	24,320,000	12,205,000	-	12,205,000	(12,115,000)	11,800,000
Bond Interest	4,715,000	4,713,969	-	4,713,969	(1,031)	5,254,920
Paying Agent Fees and Other	10,000	123,919	-	123,919	113,919	1,850
Total Expenditures	29,045,000	17,042,888	-	17,042,888	(12,002,112)	17,056,770
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(11,230,210)	781,575	-	781,575	12,011,785	967,010
OTHER FINANCING SOURCES (USES)						
Sale of Bonds	12,236,000	11,235,000	-	11,235,000	(1,001,000)	-
Bond Premium	-	1,000,562	-	1,000,562	1,000,562	-
Payment to Refunded Bond Escrow Agent	-	(12,110,000)	-	(12,110,000)	(12,110,000)	-
Total Other Financing Sources (Uses)	12,236,000	125,562	-	125,562	(12,110,438)	-
NET CHANGE IN FUND BALANCE	$ 1,005,790	907,137	-	907,137	$ (98,653)	967,010
FUND BALANCE						
Beginning of Year		1,373,142	2,263,633	3,636,775		2,669,765
End of Year		$ 2,280,279	$ 2,263,633	$ 4,543,912		$ 3,636,775

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
DEBT SERVICE FUND – REGULAR DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	$ 17,725,390	$ 17,760,197	$ 34,807	$ 17,935,108
Earnings and Investments	7,000	15,439	8,439	7,091
State Sources	-	48,827	48,827	81,581
Total Revenues	17,732,390	17,824,463	92,073	18,023,780
EXPENDITURES				
Debt Service:				
Principal	24,320,000	12,205,000	(12,115,000)	11,800,000
Interest	4,715,000	4,713,969	(1,031)	5,254,920
Fiscal Charges and Other	10,000	123,919	113,919	1,850
Total Expenditures	29,045,000	17,042,888	(12,002,112)	17,056,770
NET CHANGE IN FUND BALANCE	$ (11,312,610)	781,575	$ 12,094,185	967,010
FUND BALANCE				
Beginning of Year		1,373,142		406,132
End of Year		$ 2,154,717		$ 1,373,142

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
DEBT SERVICE FUND – OPEB
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	$ -	$ -	$ -	$ -
EXPENDITURES	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	-	$ -	-
FUND BALANCE				
Beginning of Year		2,263,633		2,263,633
End of Year		$ 2,263,633		$ 2,263,633

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	Severance Benefits	Self-Insured Dental Benefits	Self-Insured Health Benefits	Totals 2022	Totals 2021
ASSETS					
Cash and Investments	$ 10,591,139	$ 359,112	$ 33,584,700	$ 44,534,951	$ 46,019,575
LIABILITIES					
Current Liabilities:					
Claims Payable	-	29,519	4,219,346	4,248,865	4,827,330
Severance Benefits Payable	1,799,197	-	-	1,799,197	1,564,029
Unearned Revenue	-	-	9,815,750	9,815,750	9,213,459
Total Current Liabilities	1,799,197	29,519	14,035,096	15,863,812	15,604,818
Long-Term Liabilities:					
Severance Benefits Payable	11,955,539	-	-	11,955,539	12,767,472
NET POSITION					
Unrestricted	$ (3,163,597)	$ 329,593	$ 19,549,604	$ 16,715,600	$ 17,647,285

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
INTERNAL SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN NET POSITION
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	Severance Benefits	Self-Insured Dental Benefits	Self-Insured Health Benefits	Totals 2022	Totals 2021
OPERATING REVENUES					
Local Sources:					
Contributions from Governmental Funds	$ 1,145,244	$ 468,893	$ 52,367,108	$ 53,981,245	$ 52,178,313
Contributions from Employees	-	6,938	7,717,509	7,724,447	7,724,447
Total Operating Revenues	1,145,244	475,831	60,084,617	61,705,692	59,902,760
OPERATING EXPENSES					
Severance Benefits	568,479	-	-	568,479	(149,674)
Self-Insured Benefits	-	448,543	61,624,206	62,072,749	55,772,569
Total Operating Expenses	568,479	448,543	61,624,206	62,641,228	55,622,895
OPERATING INCOME (LOSS)	576,765	27,288	(1,539,589)	(935,536)	4,279,865
NONOPERATING REVENUE (LOSS)					
Earnings on Investments	(13,412)	245	17,018	3,851	30,859
CHANGE IN NET POSITION	563,353	27,533	(1,522,571)	(931,685)	4,310,724
Net Position - Beginning	(3,726,950)	302,060	21,072,175	17,647,285	13,336,561
NET POSITION - ENDING	$ (3,163,597)	$ 329,593	$ 19,549,604	$ 16,715,600	$ 17,647,285

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR JUNE 30, 2021)

	Severance Benefits	Self Insured Dental Benefits	Self-Insured Health Benefits	Totals 2022	Totals 2021
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Assessments Made to Other Funds	$ 1,145,244	$ 468,893	$ 52,367,108	$ 53,981,245	$ 52,178,313
Receipts from Employee Contributions	-	6,938	8,319,800	8,326,738	8,089,194
Payments for Severance, OPEB, and Self-Insurance Claims	(1,145,244)	(440,086)	(62,211,128)	(63,796,458)	(55,993,515)
Net Cash Provided (Used) by Operating Activities	-	35,745	(1,524,220)	(1,488,475)	4,273,992
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	(13,412)	245	17,018	3,851	30,859
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(13,412)	35,990	(1,507,202)	(1,484,624)	4,304,851
Cash and Cash Equivalents - Beginning	10,604,551	323,122	35,091,902	46,019,575	41,714,724
CASH AND CASH EQUIVALENTS - ENDING	$ 10,591,139	$ 359,112	$ 33,584,700	$ 44,534,951	$ 46,019,575
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	$ 576,765	$ 27,288	$ (1,539,589)	$ (935,536)	$ 4,279,865
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used) Operating Activities:					
Increase (Decrease) in Claims Payable	-	8,457	(586,922)	(578,465)	896,265
Increase in Unearned Revenue	-	-	602,291	602,291	364,747
(Decrease) in Severance Benefits Payable	(576,765)	-	-	(576,765)	(1,266,885)
Total Adjustments	(576,765)	8,457	15,369	(552,939)	(5,873)
Net Cash Provided (Used) by Operating Activities	$ -	$ 35,745	$ (1,524,220)	$ (1,488,475)	$ 4,273,992

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS
COMPLIANCE TABLE
YEAR ENDED JUNE 30, 2022

	AUDIT	UFARS	DIFFERENCE
01 GENERAL FUND			
Total Revenue	$ 436,440,207	$ 436,440,209	$ (2)
Total Expenditures	427,920,164	427,920,164	-
Nonspendable:			
460 Nonspendable Fund Balance	3,932,377	3,932,377	-
Restricted:			
401 Student Activities	344,575	344,575	-
403 Staff Development	-	-	-
406 Health and Safety	-	-	-
407 Capital Project Levy	6,640,465	6,640,465	-
408 Cooperative Programs	-	-	-
413 Projects Funded by COP	-	-	-
414 Operating Debt	-	-	-
416 Levy Reduction	-	-	-
417 Taconite Building Maintenance	-	-	-
424 Operating Capital	4,878,323	4,878,323	-
426 $25 Taconite	-	-	-
427 Disabled Accessibility	-	-	-
428 Learning and Development	-	-	-
434 Area Learning Center	-		-
435 Contracted Alternative Programs	-	-	-
436 State-Approved Alternative Programs	-	-	-
438 Gifted and Talented	-	-	-
440 Teacher Development and Evaluations	-	-	-
441 Basic Skills Programs	-	-	-
445 Career and Technical Programs	-	-	-
448 Achievement and Integration	-	-	-
449 Safe Schools Crime Levy	(696,267)	(696,267)	-
451 QZAB Payments	-	-	-
452 OPEB Liability Not Held in Trust	-	-	-
453 Unfunded Severance & Retirement Levy	-	-	-
467 LTFM	2,761,334	2,761,334	-
472 Medical Assistance	2,258,963	2,258,963	-
464 Restricted Fund Balance	-	-	-
Committed:			
418 Committed for Separation	-	-	-
461 Committed Fund Balance	-	-	-
Assigned:			
462 Assigned Fund Balance	13,744,165	13,744,165	-
Unassigned:			
422 Unassigned Fund Balance	60,230,861	60,230,864	(3)
02 FOOD SERVICE			
Total Revenue	19,675,332	19,675,333	(1)
Total Expenditures	15,417,399	15,417,401	(2)
Nonspendable:			
460 Nonspendable Fund Balance	441,508	441,508	-
Restricted:			
452 OPEB Liability Not Held in Trust	-	-	-
464 Restricted Fund Balance	7,830,556	7,830,557	(1)
Unassigned:			
463 Unassigned Fund Balance	-	-	-
04 COMMUNITY SERVICE			
Total Revenue	9,497,997	9,497,995	2
Total Expenditures	9,624,329	9,624,327	2
Nonspendable:			
460 Nonspendable Fund Balance	1,305	1,305	-
Restricted:			
426 $25 Taconite	-	-	-
431 Community Education	342,171	342,171	-
432 E.C.F.E.	1,214,683	1,214,683	-
440 Teacher Development and Evaluations	-	-	-
444 School Readiness	1,172,896	1,172,896	-
447 Adult Basic Education	455,668	455,668	-
452 OPEB Liability Not Held in Trust	-	-	-
464 Restricted Fund Balance	23,228	23,227	1
Unassigned:			
463 Unassigned Fund Balance	-	-	-

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS
COMPLIANCE TABLE (CONTINUED)
YEAR ENDED JUNE 30, 2022

	AUDIT	UFARS	DIFFERENCE
06 BUILDING CONSTRUCTION			
Total Revenue	$ 4,051	$ 4,052	$ (1)
Total Expenditures	19,042,686	19,042,686	-
Nonspendable:			
460 Nonspendable Fund Balance	2,500	2,500	-
Restricted:			
407 Capital Projects Levy	-	-	-
409 Alternative Facility Program	-	-	-
413 Projects Funded by COPs	-	-	-
467 LTFM	-	-	-
464 Restricted Fund Balance	296,098	296,099	(1)
Unassigned:			
463 Unassigned Fund Balance	-	-	-
07 DEBT SERVICE			
Total Revenue	17,824,463	17,824,464	(1)
Total Expenditures	17,042,888	17,042,888	-
Nonspendable:			
460 Nonspendable Fund Balance	-	-	-
Restricted:			
425 Bond Refunding	-	-	-
451 QZAB and QSCB Payments	-	-	-
464 Restricted Fund Balance	2,280,279	2,280,281	(2)
Unassigned:			
463 Unassigned Fund Balance	-	-	-
08 TRUST			
Total Revenue	-	-	-
Total Expenditures	-	-	-
Restricted:			
401 Student Activities	-	-	-
402 Scholarships	-	-	-
422 Unassigned Net Position	-	-	-
18 CUSTODIAL FUND			
Total Revenue	-	-	-
Total Expenditures	-	-	-
Restricted:			
401 Student Activities	-	-	-
402 Scholarships	-	-	-
448 Achievement and Integration	-	-	-
464 Restricted Fund Balance	$ -	-	-
20 INTERNAL SERVICE			
Total Revenue	61,709,543	61,709,543	-
Total Expenditures	62,641,228	62,641,228	-
Net Position:			
422 Net Position	16,715,600	16,715,600	-
25 OPEB REVOCABLE TRUST			
Total Revenue	-	-	-
Total Expenditures	-	-	-
Net Position:			
422 Net Position	-	-	-
45 OPEB IRREVOCABLE TRUST			
Total Revenue	(6,059,314)	(6,059,314)	-
Total Expenditures	2,778,866	2,778,866	-
Net Position:			
422 Net Position	54,513,180	54,513,180	-
47 OPEB DEBT SERVICE			
Total Revenue	-	-	-
Total Expenditures	-	-	-
Nonspendable:			
460 Nonspendable Fund Balance	-	-	-
Restricted:			
425 Bond Refunding	-	-	-
464 Restricted Fund Balance	2,263,633	2,263,632	1
Unassigned:			
463 Unassigned Fund Balance	-	-	-

*Variance is due to an adjustment made after the deadline to make UFARS adjustments.

DISTRICT 196 · DISTRICT 196 · DISTRICT 196 ·

STATISTICAL SECTION (UNAUDITED)

DISTRICT 196 · DISTRICT 196 · DISTRICT 196 ·

STATISTICAL SECTION (UNAUDITED)

This section of Independent School District No. 196's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

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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. 133

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, property taxes. 140

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. 147

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. 152

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 services the District provides and the activities it performs. 155

Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive financial reports for the relevant year.

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INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities:										
Net Investment in Capital Assets	$ 140,892,970	$ 148,790,976	$ 158,918,349	$ 154,681,937	$ 149,036,967	$ 112,909,002	$ 116,725,381	$ 136,635,071	$ 153,112,125	$ 165,633,642
Restricted for:										
Capital Asset Acquisition	1,546,791	3,109,569	3,017,560	2,551,987	7,056,555	19,609,902	7,507,409	2,404,496	-	628,995
Debt Service	3,048,044	3,146,047	2,521,510	4,332,306	2,320,162	1,028,372	-	373,926	1,470,300	2,596,229
Other Postemployment Benefits	-	-	-	10,112	9,646,093	3,821,706	1,811,073	2,178,119	9,643,543	-
Other Purposes	3,899,144	3,665,502	3,223,691	3,083,262	7,378,316	14,634,189	17,760,294	17,614,349	20,360,402	27,931,708
Unrestricted:	29,225,638	27,764,005	(191,421,788)	(186,199,312)	(286,586,292)	(384,314,650)	(279,452,776)	(292,504,778)	(296,148,378)	(264,526,697)
Total Governmental Activities Net Position	$ 178,612,587	$ 186,476,099	$ (23,740,678)	$ (21,539,708)	$ (111,148,199)	$ (232,311,479)	$ (135,648,619)	$ (133,298,817)	$ (111,562,008)	$ (67,736,123)

Note: The District implemented GASB Statement No. 68 in 2015, which resulted in a $222,722,907 reduction of beginning net position. In 2018 the District implemented GASB Statement No. 75, which resulted in a $24,200,608 reduction of beginning net position. Prior year information has not been restated for the effects of either of these standards.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2013	2014	2015	2016
Governmental Activities:				
Expenses:				
Administration	$ 11,433,970	$ 12,788,255	$ 12,801,745	$ 15,493,748
District Support Services	8,309,187	8,478,285	9,142,598	9,058,209
Elementary and Secondary Regular Instruction	147,547,387	150,639,805	160,761,078	166,000,943
Vocational Education Instruction	3,878,014	3,894,552	4,089,165	5,237,887
Special Education Instruction	57,500,259	60,005,088	61,805,761	65,647,768
Instructional Support Services	16,280,078	16,554,014	18,302,791	19,753,852
Pupil Support Services	22,089,783	22,561,249	22,639,915	23,523,058
Sites and Buildings	23,639,275	25,311,941	24,878,718	27,849,964
Fiscal and Other Fixed Cost Programs	598,093	697,917	651,864	650,603
Food Service	10,942,769	11,359,961	11,787,045	12,302,155
Community Service	9,754,914	9,802,212	7,954,502	8,211,003
Unallocated Depreciation	10,385,661	9,805,568	10,322,952	10,580,519
Interest and Fiscal Charges on Debt	5,894,160	4,601,447	4,033,890	4,760,111
Total Expenses	328,253,550	336,500,294	349,172,024	369,069,820
Program Revenues:				
Charges for Services:				
Administration	-	-	-	-
District Support Services	130,907	112,285	141,218	203,086
Elementary and Secondary Regular Instruction	6,294,929	6,289,085	5,966,969	6,205,284
Vocational Education Instruction	14,197	17,675	17,997	3,343
Special Education Instruction	313,960	271,959	978,884	961,972
Instructional Support Services	53,566	44,434	24,389	143,290
Pupil Support Services	1,124,840	1,190,359	1,249,628	231,078
Sites and Buildings	93,836	123,572	245,482	118,028
Food Service	6,547,387	6,519,363	6,376,625	6,390,305
Community Service	5,441,560	5,759,982	3,373,200	3,325,681
Operating Grants and Contributions	47,069,459	48,096,296	54,043,906	58,170,271
Capital Grants and Contributions	41,520	103,677	62,540	8,105
Total Program Revenues	67,126,161	68,528,687	72,480,838	75,760,443
Net (Expense) Revenue	(261,127,389)	(267,971,607)	(276,691,186)	(293,309,377)
General Revenues:				
Taxes:				
Property Taxes, Levied for General Purposes	47,579,360	24,660,338	51,982,775	53,871,623
Property Taxes, Levied for Community Service	1,658,474	850,036	1,678,863	1,662,796
Property Taxes, Levied for Facility Improvements	6,637,900	6,020,570	6,220,053	8,535,237
Property Taxes, Levied for Debt Service	19,463,752	18,533,559	19,185,246	14,584,470
General Grants and Aids	191,800,239	218,035,675	208,882,436	215,880,510
Other General Revenues	2,841,805	2,329,934	383,544	563,633
Investment Earnings (Loss)	3,286,674	5,405,007	864,399	412,078
Total General Revenues	273,268,204	275,835,119	289,197,316	295,510,347
Change in Net Position	$ 12,140,815	$ 7,863,512	$ 12,506,130	$ 2,200,970

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 19,813,397	$ 19,849,495	$ 12,051,588	$ 18,233,295	$ 17,679,393	$ 17,291,218
9,785,816	11,304,721	11,702,181	13,429,650	16,663,789	15,910,214
238,876,726	237,331,260	121,251,866	211,444,602	216,373,592	203,445,557
7,252,774	6,971,224	3,561,099	5,654,203	5,430,687	5,300,791
90,835,750	92,821,199	73,220,623	75,487,437	76,596,038	85,358,191
27,432,668	27,761,713	16,663,894	24,595,643	22,568,796	22,736,483
27,520,644	28,187,078	24,625,849	29,794,651	31,273,851	34,797,537
30,156,308	44,032,340	34,429,780	34,726,544	30,109,325	27,841,384
613,851	582,782	1,182,069	671,312	1,237,889	1,209,218
12,468,780	11,440,841	12,227,206	10,922,877	10,711,362	15,389,003
10,479,888	10,362,136	7,301,923	9,011,068	8,367,921	9,251,885
10,454,449	10,559,793	10,310,511	-	-	-
6,031,917	4,880,487	5,145,850	4,540,835	4,131,775	(669,166)
491,722,968	506,085,069	333,674,439	438,512,117	441,144,418	437,862,315
4,392	435,369	429,722	2,950	25	4,008
111,607	191,466	258,441	248,479	10,911	14,533
3,440,568	3,866,135	3,810,261	3,688,825	2,220,978	3,998,689
-	-	940	-	-	-
1,044,883	796,072	1,082,057	1,135,866	1,333,551	1,717,605
-	16,158	17,965	13,440	7,812	26,148
148,992	267,920	242,342	552,186	139,857	230,626
-	1,798	-	-	-	1,798
6,663,041	6,479,339	7,049,877	4,968,821	95,744	844,796
3,768,615	3,646,054	3,663,168	3,117,331	2,250,459	3,850,067
64,488,748	85,003,445	101,343,381	98,694,661	120,151,777	123,974,808
334,716	4,963,687	5,300,870	5,176,740	5,014,416	4,856,655
80,005,562	105,667,443	123,199,024	117,599,299	131,225,530	139,519,733
(411,717,406)	(400,417,626)	(210,475,415)	(320,912,818)	(309,918,888)	(298,342,582)
66,731,765	71,069,187	72,968,496	76,031,346	96,748,853	102,820,209
1,671,770	1,670,006	1,675,955	1,753,218	1,785,616	1,798,860
-	-	-	-	-	-
17,426,213	16,767,998	16,632,558	17,809,052	17,948,640	17,767,242
229,657,806	208,324,498	212,253,653	213,963,522	214,852,352	218,742,166
258,267	465,747	3,014,218	841,500	142,331	240,810
6,363,094	5,159,316	362,703	1,892,813	137,477	799,180
322,108,915	303,456,752	306,907,583	312,291,451	331,615,269	342,168,467
$ (89,608,491)	$ (96,960,874)	$ 96,432,168	$ (8,621,367)	$ 21,696,381	$ 43,825,885

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2013	2014	2015	2016
General Fund:				
Nonspendable	$ 854,963	$ 940,209	$ 924,736	$ 967,324
Restricted	1,714,690	3,010,821	3,296,572	2,454,724
Assigned	20,341,273	8,451,360	6,636,835	10,790,390
Unassigned	16,844,900	18,728,496	21,074,506	16,839,773
Total General Fund	$ 39,755,826	$ 31,130,886	$ 31,932,649	$ 31,052,211
All Other Governmental Funds:				
Nonspendable	$ 249,138	$ 172,385	$ 132,289	$ 136,641
Restricted	49,345,541	30,575,969	19,888,229	138,407,574
Unassigned, Reported in:				
Capital Projects – Building Construction Fund	-	-	(279,012)	-
Debt Service Funds	-	-	-	-
Total All Other Governmental Funds	$ 49,594,679	$ 30,748,354	$ 19,741,506	$ 138,544,215

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 1,061,586	$ 1,050,944	$ 1,421,379	$ 1,282,831	$ 647,657	$ 3,932,377
5,838,313	9,318,698	10,840,842	10,072,358	13,093,480	16,883,660
7,472,160	8,399,254	1,311,999	1,271,880	7,128,748	13,744,165
22,263,362	25,699,811	37,352,793	45,737,258	63,988,692	59,534,594
$ 36,635,421	$ 44,468,707	$ 50,927,013	$ 58,364,327	$ 84,858,577	$ 94,094,796
$ 163,619	$ 208,298	$ 244,503	$ 497,327	$ 473,170	$ 445,313
104,910,947	45,393,559	14,947,727	16,169,103	19,061,145	15,879,212
-	-	-	-	-	-
-	-	(554,624)	-	-	-
$ 105,074,566	$ 45,601,857	$ 14,637,606	$ 16,666,430	$ 19,534,315	$ 16,324,525

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2013	2014	2015	2016
Revenues:				
Local Sources:				
Taxes	$ 75,534,830	$ 50,312,679	$ 79,262,313	$ 78,828,084
Investment Earnings	183,896	254,245	197,264	990,686
Other	24,762,575	24,827,075	21,183,365	20,303,840
State Sources	224,715,822	251,943,911	247,270,824	258,200,427
Federal Sources	12,289,808	12,123,310	12,820,914	13,700,319
Total Revenues	337,486,931	339,461,220	360,734,680	372,023,356
Expenditures:				
Current:				
Administration	11,685,219	12,662,675	13,188,527	14,846,637
District Support Services	8,303,655	8,245,964	8,802,535	9,360,367
Elementary and Secondary Regular Instruction	146,884,786	151,453,547	160,442,599	165,181,027
Vocational Education Instruction	3,860,595	3,899,432	4,161,539	5,198,949
Special Education Instruction	57,700,284	60,749,987	62,011,436	65,226,216
Instructional Support Services	16,120,814	16,734,739	18,361,748	19,695,766
Pupil Support Services	22,686,884	23,318,080	22,991,342	23,694,661
Sites and Buildings	22,380,519	22,906,580	21,468,077	21,979,790
Fiscal and Other Fixed Cost Programs	598,093	697,917	651,864	650,603
Food Service	10,707,855	11,253,357	11,509,963	11,757,651
Community Service	9,772,281	9,784,435	7,739,627	8,044,250
Capital Outlay	6,200,964	13,388,239	19,028,484	11,640,890
Debt Service:				
Principal	16,871,223	16,460,404	17,880,544	13,326,884
Interest and Fiscal Charges	5,368,621	4,897,774	4,586,660	4,384,850
Total Expenditures	339,141,793	356,453,130	372,824,945	374,988,541
Excess of Revenues Over (Under) Expenditures	(1,654,862)	(16,991,910)	(12,090,265)	(2,965,185)
Other Financing Sources (Uses):				
Transfers in	6,749,505	6,128,424	6,225,838	8,554,099
Transfers out	(7,456,023)	(6,128,424)	(6,225,838)	(8,554,099)
Refunding Debt Issued	12,100,000	2,230,000	-	-
Debt Issued	-	13,710,000	-	112,150,000
Premium on Debt Issued	811,026	325,933	-	20,355,238
Bond Refunding Payments	-	(26,850,000)	(2,325,000)	(12,125,000)
Long-Term Leases and Other Loans	-	96,569	4,200,000	480,000
Insurance Recovery	-	-	-	-
Judgments for the School District	-	-	-	-
Sale of Capital Assets	404,526	8,143	10,180	27,218
Total Other Financing Sources (Uses)	12,609,034	(10,479,355)	1,885,180	120,887,456
Net Change in Fund Balances	$ 10,954,172	$ (27,471,265)	$ (10,205,085)	$ 117,922,271
Debt Service as a Percentage of Noncapital Expenditures	6.7%	6.2%	6.3%	4.8%

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 85,651,484	$ 89,682,487	$ 91,158,991	$ 95,664,211	$ 116,395,290	$ 122,337,786
1,525,963	1,720,017	2,390,487	1,595,266	106,618	236,959
21,655,777	21,241,570	21,450,041	17,975,172	9,187,718	14,530,742
264,144,986	275,878,205	285,746,486	296,520,589	300,697,987	304,368,150
14,628,580	15,834,368	16,232,102	16,894,745	35,520,203	41,968,413
387,606,790	404,356,647	416,978,107	428,649,983	461,907,816	483,442,050
14,931,628	15,599,003	16,342,073	16,978,484	17,240,096	18,093,029
9,807,545	10,694,868	12,008,717	13,024,402	12,338,544	13,836,251
169,848,898	173,672,800	177,357,744	179,118,369	189,442,516	203,653,924
5,013,173	5,137,316	5,396,017	5,104,823	5,052,494	5,500,400
68,020,953	71,133,191	72,650,167	76,516,745	77,148,300	83,456,701
20,664,400	21,616,857	22,489,640	23,078,098	21,506,153	23,679,065
24,615,829	25,550,001	26,181,738	27,564,639	29,228,298	35,089,618
25,390,808	23,681,891	25,398,051	30,069,134	30,408,462	28,103,226
613,851	582,782	1,182,069	671,312	1,237,889	1,209,218
11,992,184	11,258,394	12,113,867	10,890,508	10,538,159	15,007,297
8,822,111	8,751,046	8,933,712	8,606,173	8,164,705	9,601,763
33,546,532	68,021,071	40,050,087	15,362,092	22,311,175	29,943,391
14,394,446	14,079,855	14,694,828	13,251,596	14,703,513	16,063,955
7,911,158	7,595,387	6,992,089	6,333,341	6,005,061	5,809,628
415,573,516	457,374,462	441,790,799	426,569,716	445,325,365	489,047,466
(27,966,726)	(53,017,815)	(24,812,692)	2,080,267	16,582,451	(5,605,416)
20,122	-	135,509	399,229	34,763	92,212
(20,122)	-	(135,509)	(399,229)	(34,763)	(92,212)
-	-	-	-	-	11,235,000
-	-	-	8,960,000	9,005,000	9,775,000
-	-	-	544,202	536,557	1,923,457
-	-	-	-	-	(12,110,000)
-	1,043,209	-	-	-	18,115
-	311,212	56,303	25,413	46,259	7,623
-	-	369	-	-	-
80,287	23,971	19,383	856,256	191,868	782,650
80,287	1,378,392	76,055	10,385,871	9,779,684	11,631,845
$ (27,886,439)	$ (51,639,423)	$ (24,736,637)	$ 12,466,138	$ 26,362,135	$ 6,026,429
5.8%	5.3%	5.3%	4.7%	4.9%	4.8%

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INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCES AND LEVY TYPE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Property Tax				
Fiscal Year	General Purposes	Community Service	Capital Projects – Facility Improvement	Debt Service	Total
2013	$ 47,579,360	$ 1,658,474	$ 6,637,900	$ 19,463,752	$ 75,339,486
2014	24,660,338	850,036	6,020,570	18,533,559	50,064,503
2015	51,982,775	1,678,863	6,220,053	19,185,246	79,066,937
2016	53,871,623	1,662,796	8,535,237	14,584,470	78,654,126
2017	66,731,765	1,671,770	-	17,426,213	85,829,748
2018	71,069,187	1,670,006	-	16,767,998	89,507,191
2019	72,968,496	1,675,955	-	212,253,653	286,898,104
2020	76,033,997	1,752,848	-	17,806,771	95,593,616
2021	96,748,853	1,785,616	-	17,948,640	116,483,109
2022	102,820,209	1,798,860	-	17,767,242	122,386,311

Note: Legislative changes in the “tax shift” impacted the amount of tax revenue recognized in fiscal years 2011 and 2014. These changes were offset by an adjustment to state aid payments of an equal amount.

Per ACFR Statement of Activities.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
TAX CAPACITY AND ESTIMATED MARKET VALUE OF PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

	Tax Capacity (1)				
				Tax Rate Determining Value Subtotal	
Tax Collection Calendar Year	Real and Personal Property	Fiscal Disparities Contribution	Tax Increment	Amount	Percent Increase (Decrease)
2013	$ 140,967,953	$ (15,126,445)	$ (1,921,746)	$ 123,919,762	(4.4) %
2014	145,202,900	(14,651,943)	(2,002,926)	128,548,031	3.7
2015	158,041,081	(14,673,865)	(2,150,890)	141,216,326	9.9
2016	166,440,791	(14,921,393)	(1,904,735)	149,614,663	5.9
2017	173,554,906	(15,383,669)	(2,471,521)	155,699,716	4.1
2018	186,318,358	(15,403,001)	(3,128,406)	167,786,951	7.8
2019	201,428,701	(15,818,379)	(3,731,389)	181,878,933	8.4
2020	215,880,510	(16,477,982)	(4,312,949)	195,089,579	7.3
2021	228,617,628	(17,313,550)	(4,486,386)	206,817,692	6.0
2022	240,575,365	(18,504,314)	(4,884,451)	217,186,600	5.0

(1) Tax capacity is calculated by applying class rates (for specific property classifications such as residential, commercial, etc.) to the assessed market value. Class rates are periodically changed by the state.

Source: Dakota County Department of Property Tax and Public Records

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
TAX CAPACITY AND ESTIMATED MARKET VALUE OF PROPERTY (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)

Tax Capacity (1)			Referendum Market Value	
Fiscal Disparities Distribution	Total Tax Capacity		Amount	Percent Increase
$ 17,944,344	$ 141,864,106		$ 12,717,603,775	(4.9) %
17,217,872	145,765,903		13,089,930,995	2.9
17,375,325	158,591,651		14,246,590,466	8.8
17,855,260	167,469,923		14,984,685,831	5.2
19,309,802	175,009,518		15,593,078,470	4.1
20,713,134	188,500,085		16,705,743,318	7.1
22,023,827	203,902,760		18,061,396,485	8.1
23,476,576	218,566,155		19,320,498,352	7.0
24,920,887	231,738,579		20,353,002,736	5.3
27,109,969	244,296,569		21,456,033,389	5.4

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

		Independent School District No. 196				Overlapping Rates, Municipalities, and Townships					
Rate	Year Collectible	General Fund	Community Service Special Revenue Fund	Debt Service Fund	Total	Apple Valley	Burnsville	Coates	Eagan	Farmington	Inver Grove Heights
Tax Capacity Rate	2013	13.627	1.182	13.147	27.956	49.210	47.021	22.842	38.272	66.821	46.312
Market Value Rate	2013	0.235	-	-	0.235	0.021	-	-	0.017	-	-
Tax Capacity Rate	2014	13.325	1.149	13.132	27.606	47.891	46.670	19.507	38.250	65.876	46.128
Market Value Rate	2014	0.258	-	-	0.258	0.021	-	-	0.017	-	-
Tax Capacity Rate	2015	12.859	1.032	9.380	23.271	45.274	44.790	20.081	36.525	61.455	48.131
Market Value Rate	2015	0.255	-	-	0.255	0.020	-	-	0.016	-	-
Tax Capacity Rate	2016	12.843	1.004	10.470	24.317	44.721	46.525	17.482	37.097	59.239	49.266
Market Value Rate	2016	0.270	-	-	0.270	0.020	-	-	0.015	-	-
Tax Capacity Rate	2017	13.000	0.915	9.421	23.336	44.473	46.557	17.490	37.385	58.760	51.644
Market Value Rate	2017	0.274	-	-	0.274	0.020	-	-	0.015	-	-
Tax Capacity Rate	2018	11.728	0.880	8.744	21.352	42.475	43.552	17.399	36.378	57.161	51.112
Market Value Rate	2018	0.267	-	-	0.267	0.018	-	-	0.013	-	-
Tax Capacity Rate	2019	12.511	0.860	7.242	20.613	39.603	43.595	15.688	35.227	54.372	53.537
Market Value Rate	2019	0.261	-	-	0.261	0.017	-	-	0.012	-	-
Tax Capacity Rate	2020	11.758	0.860	7.242	19.860	39.782	43.148	17.196	35.262	50.971	51.037
Market Value Rate	2020	0.344	-	-	0.344	0.016	-	-	0.012	-	-
Tax Capacity Rate	2021	11.619	0.746	7.681	20.046	38.192	42.853	13.838	36.333	49.251	50.590
Market Value Rate	2021	0.343	–	–	0.343	0.016	-	-	-	-	-
Tax Capacity Rate	2022	11.955	0.723	7.293	19.971	38.182	43.054	14.258	36.119	50.623	51.925
Market Value Rate	2022	0.329	–	–	0.329	0.016	-	-	-	-	-

(1) Overlapping rates are those of local and county governments that apply to property owners within the District. Not all overlapping rates apply to all the District's property owners (e.g., the rates for special districts apply only to the proportion of the District's property owners whose property is located within the geographic boundaries of the special district).

(2) The miscellaneous other levy includes the Metropolitan Council, Mosquito Abatement, Transit District, Dakota County CDA, and Light Rail. These miscellaneous levies vary slightly between municipalities.

Source: Dakota County Department of Property and Public Records

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)

		Overlapping Rates, Municipalities, and Townships (continued)						Total Direct and Overlapping Rates		
Rate	Year Collectible	Lakeville	Rosemount	Empire Township	Vermillion Township	Dakota County	Miscellaneous Other (2)	Apple Valley Resident	Eagan Resident	Rosemount Resident
Tax Capacity Rate	2013	41.234	48.862	31.746	19.555	33.421	5.341	115.928	104.990	115.580
Market Value Rate	2013	0.008	-	-	-	-	-	0.256	0.252	0.235
Tax Capacity Rate	2014	40.696	47.676	31.164	17.466	31.827	4.993	112.317	102.676	112.102
Market Value Rate	2014	0.007	-	-	-	-	-	0.279	0.275	0.258
Tax Capacity Rate	2015	38.948	45.152	29.823	17.214	29.633	4.567	102.745	93.996	102.623
Market Value Rate	2015	-	-	-	-	-	-	0.275	0.270	0.255
Tax Capacity Rate	2016	38.669	43.149	29.445	16.724	28.570	5.063	102.671	95.047	101.099
Market Value Rate	2016	-	-	-	-	-	-	0.290	0.285	0.270
Tax Capacity Rate	2017	37.510	41.832	29.642	16.279	28.004	4.458	100.271	93.183	97.630
Market Value Rate	2017	-	-	-	-	-	-	0.293	0.288	0.274
Tax Capacity Rate	2018	36.419	40.961	29.892	16.282	26.580	4.458	94.865	88.768	93.351
Market Value Rate	2018	-	-	-	-	-	-	0.285	0.280	0.267
Tax Capacity Rate	2019	35.607	39.355	25.386	15.723	-	-	60.216	55.840	59.968
Market Value Rate	2019	-	-	-	-	25.386	-	25.664	25.659	25.647
Tax Capacity Rate	2020	34.615	38.580	29.131	14.728	24.133	4.030	87.805	83.285	86.603
Market Value Rate	2020	-	-	-	-	-	-	0.360	0.356	0.344
Tax Capacity Rate	2021	34.351	36.954	27.250	14.070	22.716	3.432	84.386	82.527	83.148
Market Value Rate	2021	-	-	-	-	-	-	0.359	0.343	0.343
Tax Capacity Rate	2022	32.846	36.949	27.623	16.031	21.630	3.381	83.164	81.101	81.931
Market Value Rate	2022	-	-	-	-	-	-	0.345	0.329	0.329

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2022			2013		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
West Publishing Company	$ 80,270,200	1	0.6 %	$ 73,474,900	2	0.5 %
Northern States Power Co/Xcel Energy	54,322,800	2	–	57,932,400	3	–
Flint Hills Resources Pine Bend LLC	72,183,700	3	0.5	54,072,800	4	0.4
Burnsville Center SPE LLC	42,947,000	4	0.3	104,000,000	1	0.8
Eagan Promenade Inc	39,417,400	5	0.3	33,075,200	7	0.2
Kingston Green Limited Partnership	58,236,700	6	0.4	-	–	–
RRE Woods Holdings LLC	56,400,000	7	0.4	-	–	–
RRE Nicollet Ridge Holdings LLC	54,486,900	8	0.4	-	–	–
Continental 313 Fund LLC	53,700,000	9	0.4	-	–	–
Nighthawk Properties LLC	53,494,600	10	0.4	-	–	–
Dakota Electric Association	-	-	–	49,149,800	5	0.4
Promenade Village Townhomes	-	-	–	34,939,100	6	0.3
Individual	-	-	–	32,971,700	8	0.2
Principal Life Insurance Company	-	-	–	26,165,100	9	0.2
Aimco Woods of Burnsville, LLC	-	-	–	28,760,500	10	0.2
Total	$ 565,459,300		3.8 %	$ 494,541,500		3.3 %

Source: Dakota County Department of Property Tax and Public Records

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Levy Year Collectible December 31,	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	$ 73,876,495	$ 73,303,172	99.22 %	$ 573,323	$ 73,876,495	100.00 %
2014	78,338,055	77,887,178	99.42	450,877	78,338,055	100.00
2015	78,627,184	78,236,512	99.50	390,672	78,627,184	100.00
2016	85,688,567	85,298,846	99.55	314,420	85,613,266	99.91
2017	89,051,368	88,689,493	99.59	344,332	89,033,825	99.98
2018	90,961,693	90,579,847	99.58	334,450	90,914,297	99.95
2019	95,260,090	94,911,727	99.63	279,474	95,191,201	99.93
2020	116,080,843	115,337,462	99.36	591,912	115,337,462	99.36
2021	121,465,415	120,842,451	99.49	432,373	120,842,451	99.49
2022 (1)	117,725,665	57,394,231	48.75	N/A	57,394,231	48.75

N/A – Not Applicable

(1) Only a portion of the calendar year 2022 taxes are collected by June 30, 2022.

Source: Dakota County Department of Property Tax and Public Records

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
RATIOS AND OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	General Obligation Bonds	Refunding Bonds	Capital Notes	Long-Term Leases	Financed Purchases	Certificates of Participation	Total	Percentage of Personal Income (1)	Per Capita (1)
2013	$ 90,175,000	$ 49,230,000	$ -	$ -	$ 8,726,698	$ 2,400,000	$ 150,531,698	0.01 %	$ 1,019
2014	51,730,000	47,975,000	-	-	7,594,863	15,955,000	123,254,863	0.01	831
2015	46,180,000	35,595,000	-	-	10,519,317	14,955,000	107,249,317	0.01	717
2016	138,270,000	32,660,000	-	-	9,467,435	14,030,000	194,427,435	0.01	1,270
2017	128,940,000	29,530,000	-	-	8,477,989	13,085,000	180,032,989	0.01	1,175
2018	139,238,317	26,310,000	-	-	8,286,343	12,125,000	185,959,660	0.01	1,203
2019	126,537,591	24,776,622	-	-	7,046,515	11,140,000	169,500,728	0.01	1,076
2020	117,208,645	20,998,759	-	-	6,149,919	19,614,507	163,971,830	N/A	1,029
2021	107,589,699	17,038,465	-	563,075	5,711,406	27,305,728	158,208,373	N/A	993
2022	94,102,419	12,235,562	-	325,334	4,763,307	35,075,627	146,502,249	N/A	894

N/A – Not Available

(1) See the Schedule of Demographic and Economic Statistics for Dakota County personal income and the District's population data.

Note: Details regarding the District's outstanding debt can be found in the notes to basic financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	General Obligation Bonds and Capital Notes	Less Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Market Value of Property (1)	Per Capita (2)
2013	$ 139,405,000	$ 44,234,187	$ 95,170,813	0.75 %	$ 644
2014	99,705,000	18,831,629	80,873,371	0.62	545
2015	81,775,000	16,385,721	65,389,279	0.46	437
2016	170,930,000	7,362,951	163,567,049	1.09	1,069
2017	158,470,000	5,338,811	153,131,189	0.98	1,000
2018	146,585,000	3,592,701	142,992,299	0.86	925
2019	151,314,213	1,699,991	149,614,222	0.83	950
2020	138,207,404	2,669,765	135,537,639	0.70	850
2021	124,628,164	3,636,775	120,991,389	0.59	759
2022	106,337,981	4,543,912	101,794,069	0.47	621

(1) See the Schedule of Tax Capacity and Estimated Market Value of Property for information on the market value of the District's property.

(2) See the Schedule of Demographic and Economic Statistics for the District's population data.

Note: Details regarding the District's outstanding debt can be found in the notes to basic financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
DIRECT AND OVERLAPPING DEBT
JUNE 30, 2022
(UNAUDITED)

Taxing Unit	Tax Collection Calendar Year 2021-2022 Taxable Net Tax Capacity	General Obligation Bonded Debt (1)	Debt Applicable to Tax Capacity in ISD No. 196	
			Percent	Amount
Direct Debt:				
ISD No. 196	$ 217,186,600	$ 97,905,000	100.00 %	$ 97,905,000
Overlapping Debt:				
Dakota County	592,845,544	-	36.63	-
Cities:				
Apple Valley	65,761,993	11,620,000	99.14	11,520,312
Burnsville	83,623,614	49,620,000	23.76	11,790,109
Eagan	108,780,866	38,265,000	64.54	24,696,767
Farmington	23,768,961	9,260,000	0.03	3,065
Inver Grove Heights	48,108,315	29,245,000	23.90	6,988,356
Lakeville	97,613,297	94,280,000	17.17	16,184,011
Rosemount	33,916,356	6,070,000	93.30	5,663,607
Town of Empire	4,620,402	2,225,000	14.13	314,444
Other:				
Metropolitan Council	5,286,410,000	193,320,000	4.11	7,942,349
Total Overlapping Debt				85,103,020
Total Direct and Overlapping Debt Outstanding				$ 183,008,020

(1) Includes that portion of debt which is secured by the authority to levy taxes on real estate.

Source: Dakota County Department of Property Tax and Public Records

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year			
	2013	2014	2015	2016
Debt Limit	$ 1,907,640,566	$ 1,963,489,649	$ 2,136,988,570	$ 2,247,702,875
Total Net Debt Applicable to Limit	95,170,813	80,873,371	65,389,279	163,567,049
Legal Debt Margin	$ 1,812,469,753	$ 1,882,616,278	$ 2,071,599,291	$ 2,084,135,826
Total Net Debt Applicable to Limit as a Percentage of Debt Limit	4.99%	4.12%	3.06%	7.28%

Note: Under state finance law, the District's outstanding general obligation debt should not exceed 15% of total market property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for the repayment of general obligation bonds.

Source: Dakota County Department of Property Tax and Public Records.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
LEGAL AND DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 2,338,961,771	$ 2,505,861,498	$ 2,709,209,473	$ 2,898,074,753	$ 3,052,950,410	$ 3,277,138,487
153,131,189	142,992,299	149,614,222	135,537,639	120,991,389	131,556,996
$ 2,185,830,581	$ 2,362,869,199	$ 2,559,595,251	$ 2,762,537,114	$ 2,931,959,021	$ 3,145,581,491
6.55%	5.71%	5.52%	4.68%	3.96%	4.01%

.egal Debt Margin Calculation for Fiscal Year 2022

Estimated Market Value – 2021	$ 21,847,589,915
Debt Limit (15% of Market Value)	3,277,138,487
Debt Applicable to Limit:	
General Obligation Bonds	127,013,084
Less Amount Set Aside for Repayment of General Obligation Debt	4,543,912
Total Net Debt Applicable to Limit	131,556,996
Legal Debt Margin	$ 3,145,581,491

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

		Dakota County						
Calendar Year	ISD No. 196 Population (1)	Population (2)	Personal Income (Thousands) (2)	Per Capita Personal Income (2)	Median Age (2)	Education Level in Years of Formal Schooling (3)	School Enrollment (4)	Unemployment Rate (2)
2012	147,703	405,088	20,192,381	49,847	36.7	95.0	27,168	5.2
2013	148,392	408,509	20,706,256	50,687	37.4	94.0	27,202	4.5
2014	149,616	412,529	21,524,339	52,177	36.8	94.0	27,204	3.8
2015	153,051	414,686	22,272,614	53,710	37.3	95.0	27,790	3.3
2016	153,174	417,486	22,951,451	54,975	37.6	94.0	28,182	3.4
2017	154,620	421,751	24,308,945	57,638	38.0	94.0	28,644	2.5
2018	157,475	425,423	25,802,276	60,651	38.2	95.2	29,196	2.5
2019	159,390	429,021	26,562,417	61,914	38.3	N/A	29,019	2.9
2020	159,390	431,807	27,958,762	64,748	38.0	N/A	28,709	5.9
2021	163,960	442,038	N/A	N/A	N/A	N/A	28,805	3.4

N/A – Not Available

Data sources:
(1) District population is based upon an annual school district census and U.S. census. This information is certified to the state and is subsequently used in determining community education revenue.
(2) 2020 annual comprehensive financial report for Dakota County, Minnesota
(3) Dakota County Demographics Report.
(4) Actual number of students enrolled in the District on October 1 of each school year, based on the District's official October 1 enrollment reports.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2021 (1)			2012 (1)		
Employer	Employees	Rank	Percentage of Total District Population	Employees	Rank	Percentage of Total District Population
Total District Population			240,319			231,946
ISD No. 196	4,500	1	1.87 %	4,120	2	1.78 %
Thomson West	4,293	2	1.79	7,100	1	3.06
Blue Cross-Blue Shield	3,000	3	1.25	3,523	3	1.52
Burnsville Center	3,000	3	1.25	-	-	-
U.S. Postal Service	2,400	5	1.00	1,570	6	0.68
ISD No. 194	2,172	6	0.90	1,273	8	0.55
Dakota County	2,030	7	0.84	1,725	4	0.74
Fairview Ridges Hospital	1,500	8	0.62	1,400	7	0.60
Sun Country	1,500	8	0.62	-	-	-
ISD No. 191	1,317	10	1	1,600	5	0.69
UTC (Goodrich)	-	–	–	1,200	6	1
Koch Refinery (Flint Hills)	-	–	–	1,200	6	1

(1) Calendar Year

Source: 2021 Dakota County CAFR

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
EMPLOYEES BY CLASSIFICATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Administrators/Principals (1)	109	104	135	117	117	136	140	138	136	134
Supervisors/Special Staff	58	59	71	69	68	81	85	82	84	84
Teachers/Nurses	2,542	2,537	2,769	2,812	2,815	2,624	2,356	2,378	2,479	2,436
Clerical	928	950	982	1,096	1,087	930	939	863	885	945
Building Chiefs and Custodians	204	203	199	201	203	206	215	185	185	194
Food Service	189	181	194	196	202	193	199	172	184	169
Truck Drivers/Mechanics/Bus Drivers	266	255	257	245	256	253	312	292	290	279
Nonlicensed Specialists	46	52	56	56	53	62	62	48	37	38
Total	4,342	4,341	4,663	4,792	4,801	4,485	4,308	4,158	4,280	4,279

(1) District office cabinet, principals, secondary school building assistant principals, and principals on special assignment.

Note: This schedule is a headcount based on assignment—if an employee has multiple assignments, they are reflected multiple times.

Source: ISD No. 196 – Human

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
OPERATING INDICATORS
STANDARDIZED TESTING AND GRADUATION RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Standardized tests										
MCA Reading (1)										
Grade 3	64 %	63 %	63 %	59 %	65 %	64 %	61 %	N/A %	54 %	53 %
Grade 4	63	61	65	65	62	66	60	N/A	52	56
Grade 5	74	76	72	73	72	70	73	N/A	63	65
Grade 6	67	68	71	66	69	69	66	N/A	60	60
Grade 7	65	65	63	65	64	63	62	N/A	56	52
Grade 8	65	66	67	66	69	66	63	N/A	57	55
Grade 10	75	72	71	74	73	73	73	N/A	73	59
MCA Math (1)										
Grade 3	76	76	76	74	75	73	71	N/A	65	65
Grade 4	77	77	77	73	73	74	70	N/A	56	66
Grade 5	68	70	69	65	64	62	62	N/A	47	54
Grade 6	66	67	66	66	65	64	59	N/A	42	44
Grade 7	67	67	64	63	62	61	59	N/A	43	45
Grade 8	63	66	64	66	66	66	65	N/A	42	46
Grade 11	68	65	63	64	68	64	62	N/A	60	44
MCA Science (1)										
Grade 5	66	71	67	70	68	67	66	N/A	54	56
Grade 8	51	56	57	63	61	59	55	N/A	38	41
High school	68	69	69	73	74	70	74	N/A	59	56
MAP (Measures of Academic Progress) (2)										
Reading										
Grade 2–5	64.3	72.3	72.8	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Grade 6–7	62.5	61.0	63.2	56.6	55.3	56.4	54.5	49.6	57.9	40.6
Math										
Grade 2–5	66.3	65.0	71.9	55.0	54.6	51.2	48.3	51.7	N/A	N/A
Grade 6–7	55.5	60.3	63.2	58.4	60.4	60.8	58.8	56.4	42.5	40.7
ACT										
Average composite score	24.0	24.1	24.4	23.0	23.1	23.1	23	22.7	22.9	21.5
National Merit Scholars										
Commended	36	29	41	32	47.0	47.0	26.0	56.0	49.0	41.0
Finalists and semifinalists	16	15	15	15	15.0	7.0	16.0	12.0	17.0	13.0

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
OPERATING INDICATORS
STANDARDIZED TESTING AND GRADUATION RATES (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Attendance percentages										
Kindergarten	95.80	96.40	95.70	95.80	95.90	96.00	95.70	95.80	97.00	92.80
1st grade	96.00	96.10	95.70	95.80	95.90	96.00	96.00	95.80	96.90	93.00
2nd grade	96.20	96.30	95.80	96.10	95.80	96.20	96.00	96.10	97.10	93.30
3rd grade	96.40	96.50	96.00	96.00	96.10	96.10	96.10	95.90	97.20	93.30
4th grade	96.30	96.40	96.00	96.00	95.70	96.10	95.90	96.00	96.90	93.50
5th grade	96.20	96.30	95.90	95.90	95.80	95.80	96.00	95.90	96.80	93.20
6th grade	95.80	95.50	95.90	95.70	95.40	95.20	95.50	96.00	94.60	92.70
7th grade	95.40	95.60	95.40	95.40	95.30	94.90	95.50	95.60	94.10	92.90
8th grade	95.00	95.40	95.30	95.20	95.00	94.80	95.40	95.30	93.20	92.50
9th grade	96.10	96.10	99.00	95.70	95.20	95.20	96.30	97.00	96.20	93.00
10th grade	95.30	95.50	98.70	95.00	94.20	93.80	95.30	96.10	95.90	92.20
11th grade	94.90	94.60	98.40	93.20	93.10	92.30	95.10	95.30	94.60	91.10
12th grade	91.70	92.10	95.60	90.20	89.40	89.40	92.00	93.30	92.40	88.50
All grades	95.47 %	95.10 %	95.80 %	94.60 %	94.40 %	94.30 %	95.00 %	95.30 %	95.00 %	92.00 %
Graduation data (3)										
District graduation rates	92 %	92 %	90 %	92 %	90 %	91 %	91.2	88.8	88.5	N/A
State graduation rate	80 %	81 %	82 %	82 %	83 %	83 %	83.7	83.8	83.3	N/A

N/A – Not Available

(1) Percent of students scoring at or above proficiency on the Minnesota Comprehensive Assessments (MCA).

(2) Percent of students who met or exceeded their mean growth projection.

(3) To comply with U.S. Department of Education reporting requirements, calculations for high school graduation rates have changed. The state graduation rates shown for fiscal 2008 and thereafter, and the District rates shown for fiscal year 2012, are percentages of students graduating from high school within four years after they enrolled in Grade 9. Students who took an additional year to meet graduation requirements are not included in this calculation.

Source: Standardized testing results for the District are from the “Annual Report on Curriculum, Instruction, and Student Achievement,” prepared by the District’s Teaching and Learning Department.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
CAPITAL ASSETS STATISTICS BY PROGRAM AND CLASSIFICATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program:										
Administration	$ 190,127	$ 190,908	$ 249,608	$ 249,608	$ 249,608	$ 249,608	$ 249,608	$ 249,608	$ 249,608	$ 249,608
District Support Services	1,010,232	1,052,752	1,081,139	1,209,990	1,313,895	1,417,800	1,497,800	1,434,713	1,431,913	1,431,913
Elementary and Secondary Regular Instruction	9,019,255	9,156,130	9,310,499	9,498,719	10,298,063	10,356,373	10,413,270	10,541,161	10,628,195	11,279,997
Vocational Education	166,854	166,854	166,854	153,059	156,601	164,106	164,106	164,106	153,841	153,841
Special Education	324,676	345,565	358,609	387,351	392,500	392,500	392,500	385,920	385,920	385,920
Community Education	42,437	42,437	36,225	36,225	36,225	36,225	36,225	36,225	33,625	33,625
Instructional Support	175,634	158,389	154,527	159,917	159,917	159,917	159,917	159,917	159,917	159,917
Transportation	14,019,124	14,931,523	15,355,534	15,966,253	16,873,062	18,213,195	18,517,122	20,733,236	20,996,459	21,388,599
Food Service	2,164,109	2,296,422	2,392,865	2,486,240	2,662,531	2,746,826	2,982,509	3,161,792	3,185,003	3,211,607
Sites and Buildings	3,711,558	4,766,294	5,049,084	6,418,617	6,666,365	6,993,094	10,600,927	11,966,353	11,966,353	557,098,917
Sites and Buildings – Unallocated	385,485,390	395,222,661	410,215,923	412,984,267	442,192,955	486,431,295	509,995,795	520,991,650	532,833,261	11,966,353
Total Program	$ 416,309,396	$ 428,329,935	$ 444,370,867	$ 449,550,246	$ 481,001,722	$ 527,160,939	555,009,779	569,824,681	582,024,095	607,360,296
Classification:										
Land	$ 8,870,712	$ 8,870,712	$ 8,870,712	$ 8,870,712	$ 8,870,712	$ 8,870,712	$ 11,966,353	$ 11,966,353	$ 11,966,353	$ 11,966,353
Land Improvements	11,616,641	12,841,906	12,948,913	12,976,413	12,976,413	12,976,413	14,812,196	15,808,864	16,545,781	17,590,398
Building	332,834,757	334,572,452	336,821,378	357,940,976	362,591,261	374,845,921	376,147,361	437,802,664	463,331,698	498,256,495
Equipment	28,391,134	29,075,405	30,760,757	32,852,222	36,720,661	37,117,841	38,409,410	37,086,444	37,084,708	36,233,516
Eligible Pupil Transportation Vehicle	14,358,205	15,409,291	15,330,093	14,480,477	15,334,693	17,925,049	18,517,122	18,587,679	19,110,481	20,726,576
Food Service Equipment	2,605,833	2,712,415	2,357,122	2,450,498	2,626,789	2,711,084	2,982,509	3,601,327	3,624,538	3,651,142
Property and Equipment under Capital Leases	17,207,107	17,227,800	17,227,800	17,336,653	14,315,371	15,358,580	13,745,317	13,745,317	14,327,063	578,987
Total Classification	415,884,389	420,709,981	424,316,775	446,907,951	453,435,900	469,805,600	476,580,268	538,598,648	565,990,622	589,003,467
Construction in Progress	425,007	7,619,954	20,054,092	2,642,295	27,565,822	57,355,339	78,429,511	31,226,033	16,033,473	18,356,830
Total Classification and Construction in Progress	$ 416,309,396	$ 428,329,935	$ 444,370,867	$ 449,550,246	$ 481,001,722	$ 527,160,939	$ 555,009,779	$ 569,824,681	$ 582,024,095	$ 607,360,296

Source: The District's Finance Department

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
EXPENDITURES PER STUDENT (AVERAGE DAILY MEMBERSHIP
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Administration	$ 436	$ 470	$ 485	$ 539	$ 537	$ 553	$ 575	$ 589	$ 604	$ 634
District Support Services	310	306	324	340	353	379	423	464	2,564	502
Elementary and Secondary Regular Instruction	5,482	5,626	5,897	6,001	6,110	6,177	6,241	6,250	6,621	7,136
Vocational Education Instruction	144	145	153	189	180	182	190	180	178	192
Special Education Instruction	2,154	2,257	2,279	2,370	2,447	2,516	2,556	2,663	805	2,956
Instructional Support Services	602	622	675	716	743	767	791	806	753	824
Pupil Support Services	847	866	845	861	886	905	921	1,010	1,081	1,278
Sites and Buildings	835	851	789	799	913	839	894	1,301	1,313	1,349
Fiscal and Other Fixed Cost Programs	22	26	24	24	22	21	42	37	45	45
Food Service	400	418	423	427	431	400	426	384	379	537
Community Service	365	363	284	292	317	310	314	292	286	335
Capital Outlay	231	497	699	423	1,207	263	1,409	218	372	664
Debt Service	830	793	826	643	802	767	763	592	597	1,016
Total Expenditures	$ 12,658	$ 13,242	$ 13,704	$ 13,623	$ 14,950	$ 14,078	$ 15,546	$ 14,787	$ 15,599	$ 17,469
Average Daily Membership	26,793	26,918	27,206	27,526	27,797	28,178	28,418	28,870	28,551	28,692

Note 1: Includes all governmental fund expenditures.

Source: Average daily membership from the Minnesota Department of Education

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
FOOD SERVICE SCHOOL LUNCH PROGRAM DATA
LAST TEN FISCAL YEARS
(UNAUDITED)

Year Ended June 30,	Average Daily Attendance (1)	Total Lunches Served	Days	Average Daily Participation	Participation as a Percentage of Average Daily Attendance	Free Lunch		Reduced Lunch	
						Number Served	Percent of Total	Number Served	Percent of Total
2013	23,602	2,398,031	170	14,106	59.8	606,438	25.3	170,748	7.1
2014	24,571	2,385,935	165	14,460	58.9	643,503	27.0	165,163	6.9
2015	24,853	2,528,744	169	14,963	60.2	676,947	26.8	195,960	7.7
2016	25,198	2,561,285	169	15,156	60.1	694,018	27.1	207,102	8.1
2017	26,416	2,585,768	169	15,300	57.9	667,303	25.8	227,423	8.8
2018	25,296	2,598,724	165	15,750	62.3	671,874	25.9	227,855	8.8
2019	28,418	2,603,191	165	15,777	55.5	622,877	23.9	238,377	9.2
2020	28,870	1,924,112	116	16,587	57.5	438,784	22.8	171,961	8.9
2021	27,117	1,538,375	190	8,097	29.9	1,538,375	100.0	–	–
2022	23,415	3,034,816	175	17,342	74.1	2,954,034	97.3	–	–

(1) Attendance is deemed to be 95 percent of enrollment.

Source: ISD No. 196 Summary: Food Service Statistics Reports

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
SCHOOL FACILITIES
AS OF JUNE 30, 2022
(UNAUDITED)

Facility	Use	Constructed	Acres	Classrooms (1)	Square Footage	Capacity	Enrollment (2)
Elementary Schools:							
Cedar Park	School	1977	16.64	29	79,178	595	674
Deerwood	School	1987	(3a)	35	80,741	595	567
Diamond Path	School	1970	40.00	39	83,780	725	658
East Lake	School	2017	22.40	38	84,600	750	788
Echo Park	School	1979	16.29	45	94,876	790	767
Glacier Hills	School	1993	15.01	39	85,167	680	657
Greenleaf	School	1975	30.40	50	88,130	835	778
Highland	School	1986	(3b)	43	85,497	725	715
Northview	School	1960	39.50	37	67,743	705	413
Oak Ridge	School	1991	9.95	45	86,896	680	573
Parkview	School	1970	13.00	39	95,430	680	733
Pinewood	School	1990	17.31	44	85,328	815	533
Red Pine	School	1995	13.09	47	88,784	815	676
Rosemount	School	1960	(3c)	38	76,251	660	792
Shannon Park	School	1990	13.50	47	83,936	770	533
Southview	School	1967	(3d)	46	75,391	790	622
Thomas Lake	School	1979	15.00	34	69,912	595	561
Westview	School	1964	18.00	41	71,678	725	465
Woodland	School	1988	18.43	37	83,724	680	738
Middle Schools:							
Black Hawk	School	1994	38.81	71	198,534	1,200	860
Dakota Hills	School	1989	(3e)	64	223,560	1,300	1,136
Falcon Ridge	School	1996	32.46	73	197,534	1,200	952
Rosemount	School	1918	(3c)	61	173,796	1,055	1,239
Scott Highlands	School	1979	40.00	60	165,735	1,030	1,191
Valley	School	1972	32.74	60	192,198	1,165	1,084
High Schools:							
Apple Valley	School	1976	80.00	83	370,234	1,990	1,758
Eagan	School	1990	94.00	87	382,970	2,040	2,045
Eastview	School	1997	54.00	97	338,242	2,015	2,208
Rosemount	School	1963	120.13	91	414,998	2,015	2,480
School of Environmental Studies	School	1995	12.25	53	71,171	400	319
Area Learning Center and Transition Plus	School	2006	N/A	18	27,659	310	286
Dakota Ridge	School	1997	(3f)	26	50,338	160	113
Cedar Valley Learning Center	School	1993	1.59	6	13,730	309	18
Dakota Valley Learning Center	Special/Early Child/ Adult Education	2014	(3f)	22	54,000	529	247
Silver Bell Learning Center	Special/Early Child/ Adult Education	2017	7.25	13	48,332	N/A	–
District Office	Office	2006	2.10	N/A	25,900	368	–
District Service Center	Office	1972	40.00	N/A	23,937	N/A	–
Facilities	Office/Maintenance/Warehouse	1972	(3f)	N/A	28,964	N/A	–
District Office East	Office	1984	9.50	N/A	18,677	N/A	–

N/A – Not Available

(1) All rooms dedicated for instructional purposes, including regular classrooms, portable classrooms, computer labs, art rooms, band/choir/music rooms, special services rooms, science rooms, F.A.C.S. rooms, and industrial technology rooms.

(2) Enrollment is defined as the adjusted ADMs served excluding resident students tuitioned out to other Minnesota school districts. Students served by the school of environmental studies are included in the students' home high school.

(3) Joint sites
(a) with Black Hawk Middle School
(b) with Scott Highlands Middle School
(c) with Rosemount High School
(d) with Valley Middle School
(e) with Eagan High School
(f) with District Service Center/Facilities/Dakota Ridge/Dakota Valley Learning Center

Source: Building square footage totals are based on Minnesota Department of Education January 6, 2016 Building Age Report; enrollment based on Minnesota Department of Education August 9, 2016 School ADM Served Report. Years of construction and acreages are based on district property records.

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
BUILDING PERMITS ISSUED BY MAJOR CITIES
LAST TEN FISCAL YEARS
(UNAUDITED)

	Total Permits		New Residential Permits (1)	
Calendar Year	Number	Value	Number	Value
City of Rosemount				
2012	2,251	38,804,214	59	16,832,849
2013	2,471	42,084,362	93	26,136,626
2014	2,879	75,168,593	180	45,310,000
2015	2,677	63,330,428	173	39,739,000
2016	3,033	82,205,630	136	38,723,900
2017	3,136	74,717,882	135	37,709,343
2018	3,503	87,287,106	256	57,601,704
2019	3,997	90,278,793	274	65,796,011
2020	4,426	105,548,812	389	67,676,504
2021	6,921	146,000,000	340	80,900,970
City of Apple Valley				
2011	4,248	21,248,500	31	7,929,000
2012	4,438	41,228,000	47	12,284,000
2013	4,426	49,921,500	63	19,317,000
2014	5,430	90,423,600	71	22,147,000
2015	5,755	90,870,178	120	34,525,000
2016	6,573	92,352,609	140	42,385,000
2017	6,932	202,481,522	177	42,973,000
2018	5,698	141,378,881	125	33,552,000
2019	6,534	81,344,499	29	9,899,000
2020	6,006	44,873,377	5	1,368,000
2021	9,353	117,619,214	63	14,402,000
City of Eagan				
2011	2,259	59,743,157	73	20,912,987
2012	2,699	109,835,569	154	37,114,705
2013	7,455	218,669,781	188	70,828,088
2014	5,044	158,991,311	177	57,043,757
2015	2,470	101,187,211	49	17,047,341
2016	2,426	152,547,456	84	29,123,360
2017	3,145	428,078,165	72	26,208,327
2018	2,641	139,726,902	40	14,790,119
2019	2,555	245,770,779	35	14,486,797
2020	3,351	212,030,440	15	6,025,197
2021	3,687	150,278,988	33	11,379,098

(1) Includes single family homes, duplexes, quad homes, townhomes, multi-unit, and condominiums.

Note: The District includes portions of nine municipalities. The above table includes the three main municipalities within the District and is representative of growth in the area. These cities maintain building permit information on a calendar year.

Source: City of Rosemount, City of Apple Valley, and City of Eagan

INDEPENDENT SCHOOL DISTRICT NO. 196
ROSEMOUNT-APPLE VALLEY-EAGAN PUBLIC SCHOOL
STUDENTS – AVERAGE DAILY MEMBERSHIP
LAST TEN FISCAL YEARS
(UNAUDITED)

	ADM (for Students Served or Tuition Paid)						Total Pupil Units	
					Total			
Year Ended June 30,	Early Childhood and Kindergarten – Handicapped	Kindergarten	Elementary	Secondary	Number	Percent Increase (Decrease)	Number	Percent Increase (Decrease)
2013	402.20	1,683.94	11,926.58	12,780.09	26,792.81	(1.0) %	31,079.22	(1.0) %
2014	405.36	1,596.02	12,116.23	12,800.68	26,918.29	0.5	31,261.97	0.6
2015	501.42	1,749.62	12,235.89	12,718.96	27,205.89	1.1	29,748.93	(4.8)
2016	500.75	1,721.13	12,421.88	12,869.63	27,513.39	1.1	30,087.31	1.1
2017	536.81	1,745.10	12,728.02	12,901.49	27,911.42	1.4	30,347.56	0.9
2018	570.62	1,826.07	12,831.89	12,949.34	28,177.92	1.0	30,766.98	1.4
2019	598.22	1,827.47	12,859.96	13,132.63	28,418.28	0.9	31,045.11	0.9
2020	611.78	1,875.46	12,953.75	13,428.55	28,869.54	1.6	31,452.21	1.3
2021	516.21	1,598.46	12,754.60	13,674.79	28,544.06	(1.1)	31,279.02	(0.6)
2022	594.42	1,768.96	12,597.24	13,718.14	28,678.76	0.5	31,422.20	0.5

Note 1: Enrollment numbers are estimated for the most recent fiscal year.

Note 2: ADM is weighted as follows in computing pupil units:

	Early Childhood and Kindergarten – Handicapped	Kindergarten		Elementary		Secondary
		Part-Time	All-Day	1–3	4–6	
Fiscal 2009 through 2014	Various	0.612	0.061	1.115	1.060	1.300
Fiscal 2015 through 2018	Various	0.550	1.000	1.000	1.000	1.200

Source: Minnesota Department of Education

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