



Rin Pettipiece – RHS

2022-23 Final Budget

Fiscal Year Ending June 30, 2023

INDEPENDENT SCHOOL DISTRICT 196

Rosemount-Apple Valley-Eagan Public Schools
Dakota County • Rosemount, Minnesota 55068

www.district196.org



Pierce Rogne - EVHS

*Educating
our students
to reach their
full potential*

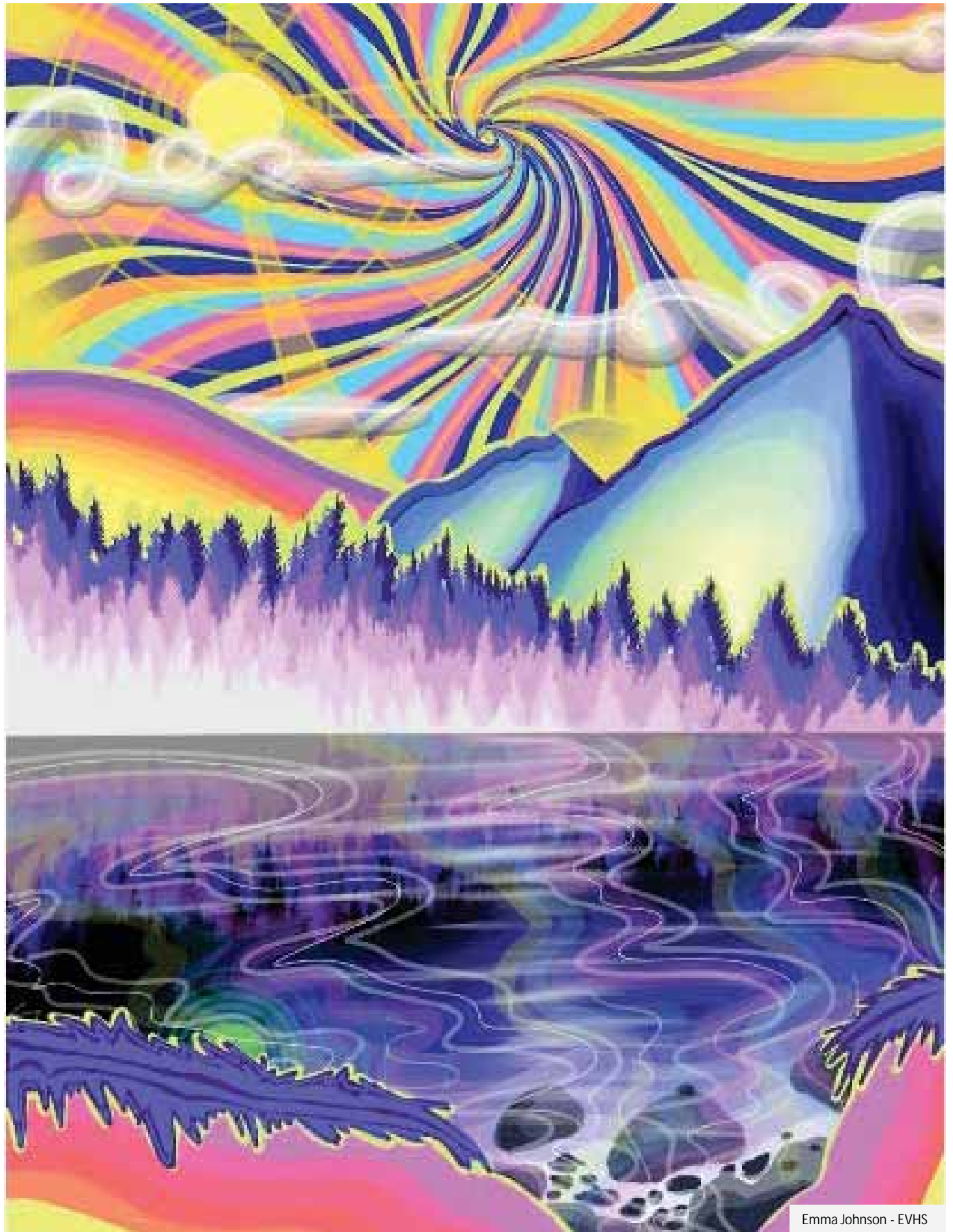


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January 9, 2023

To: School Board of Independent School District 196
From: Mark Stotts, Director of Finance and Operations
Christopher Onyango-Robshaw, Coordinator of Finance
Danny DuChene, Manager of Financial Systems, Reporting and Compliance

INTRODUCTION

To comply with Minnesota Statute 123B.77, the School Board approved the district's 2022-23 Preliminary Budget at the regular school board meeting on Monday, June 27, 2022. The 2022-23 Final Budget included in this report reflects changes in budget items due to updated student enrollment and staffing data, contract settlements and other factors unavailable or unknown at the time of the preliminary budget approval.

REPORT FORMAT

The 2022-23 Final Budget is presented in the three sections outlined below:

- **Community Budget Guide** – provides an executive summary of the remaining two sections described below
- **Financial Section** – provides an overview and analysis of each of the district's funds
- **Informational Section** – provides selected financial, student demographic, and economic data on a multi-year comparative basis

REPORTING ENTITY AND ITS SERVICES

District 196, located on the southeastern edge of the Minneapolis/St. Paul metropolitan area, was incorporated in 1950 and serves a portion of nine suburban communities within Dakota County. The district provides a full range of public and community education services appropriate to grade levels ranging from pre-kindergarten through grade 12, as well as transitional and adult programs.

FINANCIAL AND BUDGETARY CONTROL

District leadership is responsible for establishing and maintaining internal controls designed to ensure the assets and resources of the district are protected from theft, misuse or loss. 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 district leaders.

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. This budget has been prepared in accordance with the budget parameters and staffing guidelines approved by the School Board at the February 2022 meeting. Legal budgetary control is at the fund level; however, directors, principals, coordinators and other budget managers are responsible for monitoring their budget centers within each of the funds. All appropriations lapse at year-end.

BUDGET PROCESS AND ASSUMPTIONS

The district operates in a decentralized or site-based environment. Annually, schools receive staffing, instructional and capital expenditure allocations from the district office to support their operations. Other programs, such as curriculum materials, major maintenance projects, special education program, and facilities and grounds maintenance are centrally managed. A majority of the allocations to the schools are driven by student enrollment and per student allocations reviewed and approved by the School Board, as previously mentioned. In addition to the board approved staffing guidelines, the District utilizes enrollment counts as of October 1 of the current academic year to prepare the final allocations and budget.

Staffing Allocation

- Staff is allocated to each site based on the staffing guidelines and ratios developed by the administration and approved by the School Board. School principals and department administrators are responsible for staffing their building or department according to their allocations.
- The finance department, based on School Board-approved contracts and verified by school principals and other budget administrators, initially calculates employee salaries used in the budget. Salaries for employee groups that do not have approved contracts are estimated based on specific budget parameters determined by the School Board.
- Employee benefits are estimated using a variety of techniques. Retirement benefits, social security and workers' compensation premium budgets are calculated as specified percentages of salaries. Budgets for health, dental, life insurance and a tax-sheltered annuity match are estimated based on the projected number of employees reported by school principals and other budget administrators, premium information provided by the insurance carriers and current employee contracts. For groups that have no contract, but for which there is a limit on the district's contribution, increase in the maximum district contribution is based on budget parameters reviewed by the School Board in March 2022.

Non-Salary Allocations for Schools

- Instructional Allocations – instructional allocations were increased by 2.0 percent as part of the budget increases for the 2022-23 school year
- Staff Development – In addition to the instructional allocations, schools receive \$8 per pupil for staff development activities.
- Co-curricular staffing and supplies – Secondary schools receive co-curricular staffing and supply allocations to support their co-curricular programs. Co-curricular staffing and supply allocations for 2022-23 school year increased by 2.0 percent (supplies) and 2.0 percent for staffing fixed costs, respectively. The staffing increases include new parameters approved by the School Board and an increase in statutory benefits, such as TRA and PERA contributions.
- Compensatory Education Allocations – 2022-23 allocations are based on estimates prepared by the Minnesota Department of Education. These estimates are based on the district's actual enrollment and actual free and reduced-price lunch counts on October 1, 2022. The compensatory allocation was supplemented by federal COVID-19 funding to bring schools back to the 2020-21 allocation.
- Targeted assistance (basic skills) per pupil allocations for grades K-8 remain at the 2012-13 level: \$40.50 per pupil unit for non-Title I elementary and middle schools and \$20.25 for Title I elementary schools.
- Learning and Development Program – School districts are required to reserve a portion of the general education formula revenue to reduce and maintain class size in elementary grades, with first priority on kindergarten, first-, and second-grade class sizes. The allocations for each school were based on actual October 1, 2022 enrollment counts.
- Administrative and support department non-salary budgets were determined by each department head based on parameters established by the School Board, and then reviewed and approved by the superintendent or the Director of Finance and Operations. For 2022-23, the inflationary adjustment for non-salary budgets is 2 percent except for budget items, such as heating fuel and electricity, which are based on recent trends and industry direction.

Revenues

- Estimates are prepared by the finance department based on state statutes, using the actual October 1, 2022 enrollment. The district receives a \$6,863 per pupil allowance during the 2022-23 school year, which reflects a 2.0-percent increase over 2021-22 p.p.u. allowance (\$6,728). The amount set aside for pupil transportation for the current school year is \$319.79, or 4.66 percent of the formula allowance.

DESCRIPTION OF FUNDS

The Minnesota Department of Education has established the existence of the various district funds. Each fund is accounted for as an independent entity. Descriptions of the funds included in this report are as follows:

Governmental Funds

- **General Fund** – Used to account for all financial resources except those required to be accounted for in another fund. The district maintains five sub-accounts within the general fund: Operating, Transportation, Capital, Quality Compensation, and Special Education. Beginning with the 2019-20 school year, student activity accounts are reported in a restricted area of the general fund, as required by MDE and the GASB #84 statement.
- **Building Construction Fund** - Used to account for financial resources used for the acquisition or construction of major capital facilities authorized by bond issue or capital project levies.
- **Debt Service Fund** – Used to account for the accumulation of resources for, and payment of, general obligation long-term debt principal, interest and related costs. The district maintains a separate Other Post-Employment Benefits (OPEB) account within the debt service fund to account for OPEB-related debt activity. All other debt service is recorded in the general debt service account.
- **Food Service Special Revenue Fund** – Used to account for the district's child nutrition program.
- **Community Service Special Revenue Fund** – 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.

Proprietary Funds

- **Internal Service Funds** – Internal service funds account for the financing of goods or services provided by one department to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The district has established three internal service funds: severance benefits, self-insured dental, and self-insured health. Beginning in 2018-19, the district has transitioned to an Irrevocable OPEB Trust, which will be housed in the fiduciary funds below.

Fiduciary Funds

- **Trust Funds** – The district maintains an employee benefit trust fund used to administer resources received and held by the district as the trustee for employees participating in the district's flexible benefit plan (Internal Revenue Code § 125 Cafeteria Plan). The district also will maintain an OPEB Irrevocable Trust fund as mentioned above.

FISCAL SUMMARY

The following is a summary listing of the budget for each of the fund groups contained in the 2022-23 Final Budget:

Fund	Fund Balance			Projected Fund Balance
	7/1/2022	Revenues	Expenditures	6/30/2022
General Fund	94,094,798	451,841,531	473,081,407	72,854,922
Special Revenue Funds	11,482,015	22,959,627	22,543,494	11,898,148
Building Construction Fund	298,599	3,600	30,000	272,199
Debt Service Funds	4,543,913	17,809,700	16,930,000	5,423,613
Internal Service Funds	16,715,600	65,154,500	65,164,999	16,705,101
Fiduciary Funds	54,513,180	1,600,000	4,500,000	51,613,180
Totals	181,648,104	559,368,958	582,249,900	158,767,162

The following table is a fund balance summary of the categories within the general fund for the 2022-23 Final Budget:

Fund	Projected Fund Balance			Projected Fund Balance
	7/1/2022	Revenues	Expenditures	6/30/2023
General Fund				
Unrestricted - Unassigned	59,534,596	419,287,245	434,045,288	44,776,553
Operating Capital	4,878,323	12,501,513	15,397,357	1,982,479
Capital Projects Levy	6,640,465	6,986,813	10,499,328	3,127,950
LTFM	2,761,334	11,926,526	12,000,000	2,687,860
Medical Assistance	2,258,963	1,111,034	1,111,034	2,258,963
Student Activity Accounts	344,575	28,400	28,400	344,575
Site Carry-over	9,083,165	-	-	9,083,165
Negative Budget Assigned FB	4,661,000	-	-	4,661,000
Non-Spendable	3,932,377	-	-	3,932,377
Total General Fund	94,094,798	451,841,531	473,081,407	72,854,922

NOTE: Both tables above include a budgeted transfer from the general fund to the community service fund of \$164,746.

ACKNOWLEDGEMENTS

This budget document, in conjunction with the preliminary budget document, requires many hours of preparation, deliberation and review by the School Board, Budget Advisory Council members, Superintendent, budget managers and members of the finance department. Many thanks go to all involved for their efforts in preparing these important budget documents.

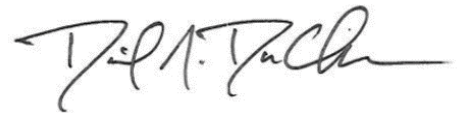
Respectfully,



Mark Stotts
Director of Finance and Operations

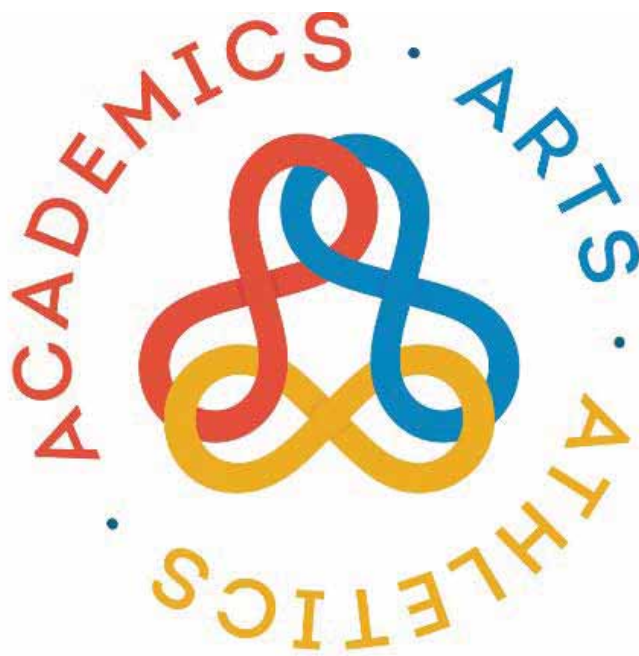


Christopher Onyango-Robshaw
Coordinator of Finance



Danny DuChene
Manager of Financial Systems, Reporting,
Compliance, & Student Information Systems

Community Budget Guide



INDEPENDENT SCHOOL DISTRICT 196
Rosemount-Apple Valley-Eagan Public Schools

Educating our students to reach their full potential



Lillian Johnson - EVHS

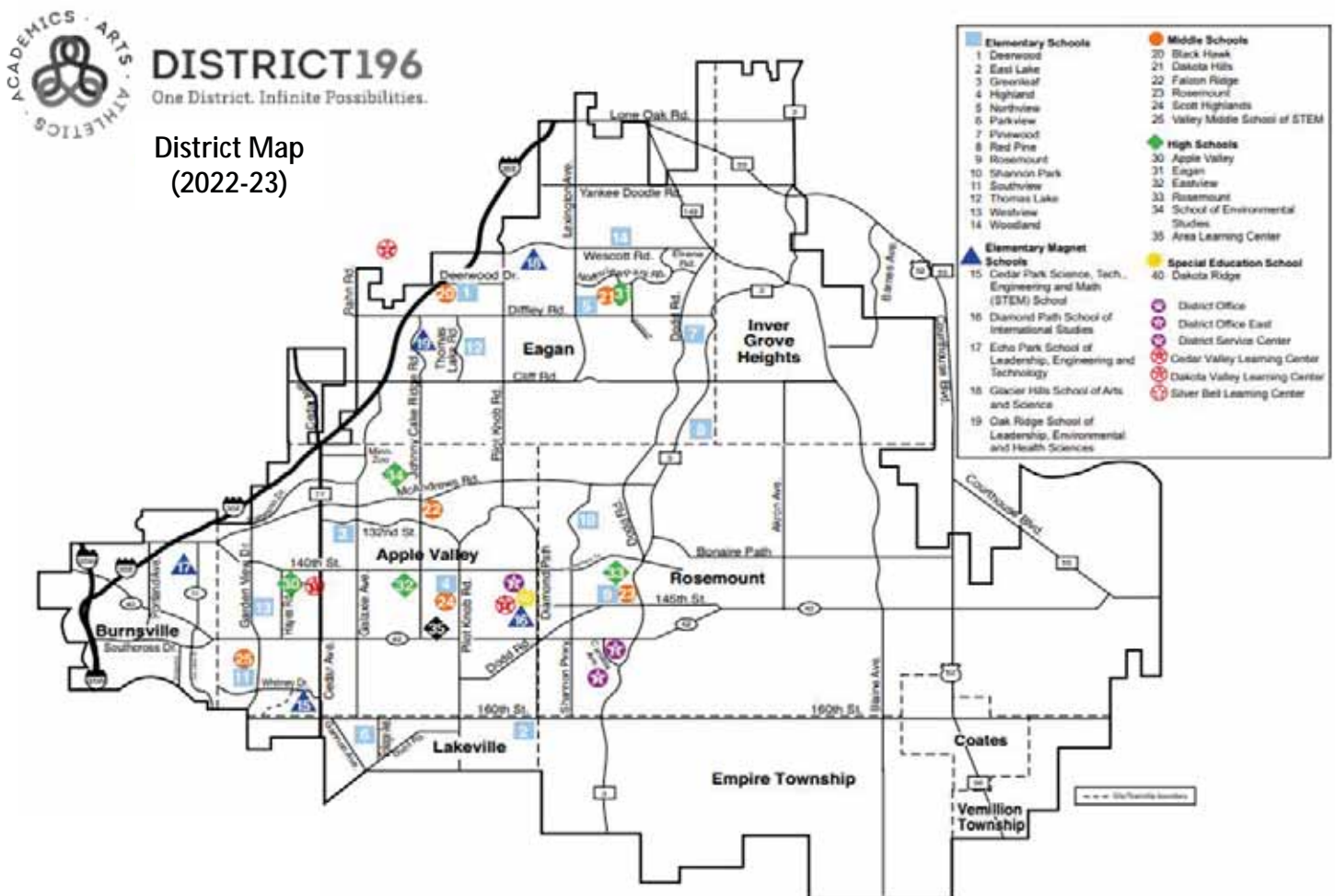


Trinadee Sayarath - RHS

The District

District 196 is a public school district in Dakota County, Minnesota serving approximately 29,000 students in early childhood programs through grade 12 and a Transitions Plus program serving young adults with disabilities, ages 18-21. The mostly suburban district covers 110 square miles in Dakota County and serves all or parts of the cities of Rosemount, Apple Valley, Eagan, Burnsville, Coates, Inver Grove Heights and Lakeville, and the townships of Empire and Vermillion. Total district population is approximately 157,000.

District 196 operates its programs in 38 facilities, including 19 elementary schools, six middle schools, four comprehensive high schools, an optional high school for grades 11-12, an alternative high school, a school for students with special needs and three learning centers. The district also has three facilities for support staff.



District 196 by the Numbers

88.5%

Graduation Rate
After 4 years of High School

39

Students
In the Class of 2022 enlisted in the U.S.
Armed Forces

21.5

Avg. ACT Score in 2022
0.5 points higher than the Minnesota
average, 1.7 points higher than the
national average

226

School Buses in District Fleet
used to transport more than 22,000
students over 2.5 million miles annually

42

**Students received National Merit
recognition in 2022**
Including 13 semifinalists and 29
commendations

625

**Students named
AP Scholars**
Earning a score of 3
or higher on three or more AP exams

20

Years in a Row
District 196 has earned the Certificate of
Excellence in Financial Reporting from
the Association of School Business
Officials (ASBO)

52

Students
Named All-State Musicians for the 2022-
23 school year

#4

District 196 was named the fourth best
employer in the State of Minnesota by
Forbes Magazine

23

Individual State Titles
Won by District 196 students in debate,
BPA, swim & dive, wrestling, speech, golf,
and track & field

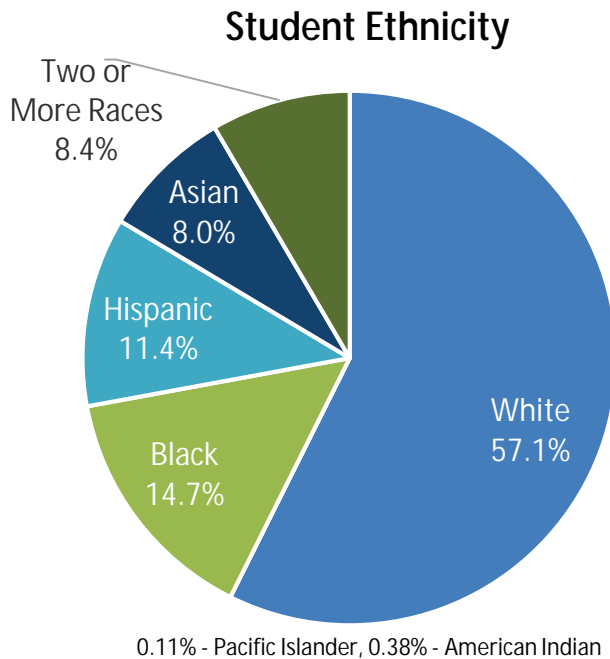
6

State Championships
Won by District 196 teams and
performing groups in adapted floor
hockey, dance, adapted softball, track &
field and Destination Imagination

8

Years in a Row
District 196 has earned the Meritorious
Budget Award from the Association of
School Business Officials (ASBO)

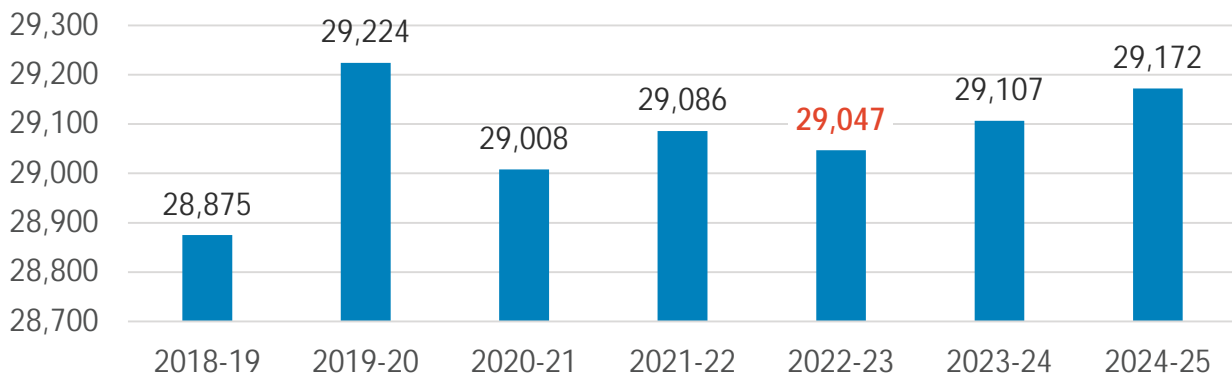
Student Enrollment & Demographics



Total Students: 29,047

- 4th largest public school district in Minnesota
- Grades K-5: 11,865 (40.8%)
- Grades 6-8: 6,318 (21.8%)
- Grades 9-12: 9,124 (31.4%)
- Center-based Special Education: 1,214 (4.2%)
- Early Childhood Special Education: 480 (1.7%)
- Adult Basic Education: 46 (0.2%)

Enrollment History & Projections



District 196 experienced consistent enrollment growth from 2016-17 to 2019-20. The district has experienced a slight decrease in enrollment during the COVID-19 pandemic. The district anticipates a relatively stable enrollment trend over the next couple of years, following the decline experienced during the pandemic.

2,158

- English Learners (EL)**
- 7.45% of all students
 - Nearly 90 languages spoken by District 196 families

4,608

- Special Education**
- 15.8% of all students qualified for special education services in 2021-22

17.2%

- Free/Reduced Lunch**
- Students who qualified for free/reduced lunch in 2021-22

1,908

- Gifted & Talented**
- Students who are participating in the Gifted & Talented Program as of October 1, 2022

8

- District 196 Schools**
- Receive Federal Title I Funds to improve the educational achievement of disadvantaged students

Achievement

District 196 students have a tradition of outstanding achievement both in and out of the classroom. Our students win a large number of state and national awards in a variety of curricular and co-curricular competitions, earn scholarships to colleges and universities throughout the country, and receive appointments to United States military academies.

District 196 students consistently score well above average on state and national assessments and graduate at a high rate (*see bottom table*). The Minnesota Comprehensive Assessments (MCAs) and Minnesota Test of Academic Skills (MTAS) are given annually to all students statewide in grades 3-8 (reading and math), grade 10 (reading), grade 11 (math), and in science grades 5, 8 and once in high school. The MCAs and MTAS are designed to measure district and student progress on teaching and learning the Minnesota Academic Standards, which are required for graduation. Students who meet or exceed the standards are considered to be proficient in the subject areas.

2021-22 Math - Percentage of Students Proficient							
Grade	3	4	5	6	7	8	11
District 196	65.0%	66.1%	54.4%	44.7%	45.6%	46.5%	59.5%
Statewide	59.8%	57.1%	43.7%	39.9%	38.1%	40.7%	44.6%
Difference	5.2%	9.0%	10.7%	4.8%	7.5%	5.8%	14.9%

2021-22 Reading - Percentage of Students Proficient							
Grade	3	4	5	6	7	8	10
District 196	53.50%	55.90%	64.80%	59.50%	51.70%	54.60%	59.10%
Statewide	48.10%	49.60%	59.40%	54.40%	45.50%	46.40%	55.20%
Difference	5.40%	6.30%	5.40%	5.10%	6.20%	8.20%	3.90%

2021-22 Science - Percentage of Students Proficient			
Grade	5	8	HS
District 196	55.50%	41.10%	56.20%
Statewide	50.00%	29.20%	45.60%
Difference	5.50%	11.90%	10.60%

District 196 high school students scored well above state and national composite scores on the American College Test (ACT) entrance exam during the 2021-22 school year. The ACT average composite score for the 2021-22 school year was 21.5. The district average was 0.5 points higher than the Minnesota average of 21.0, which was the highest in the nation among states where more than 60% of all students took the test. The national average for the 2021-22 school year was 19.8.

ACT Average Composite Scores			
Year	District 196	Minnesota	National
2022	21.5	21.0	19.8
2021	22.9	21.6	20.3
2020	22.7	21.3	20.6
2019	23	21.4	20.7
2018	23.1	21.3	20.8
2017	23.1	21.5	21
2016	23	22.1	20.8
2015	24.4	22.7	21
2014	24.1	22.9	21
2013	24.0	23	20.9

4-Year High School Graduation Rates									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
District 196	92.20%	91.90%	89.80%	91.80%	89.90%	90.50%	91.20%	88.80%	88.50%
Minnesota	80.00%	81.20%	81.90%	82.20%	82.70%	83.20%	83.70%	83.80%	83.30%

School Board & District Administration

The School Board is the governing body of the district, responsible for developing policy to ensure the proper care, management and control of district affairs, and supporting the mission of *educating our students to reach their full potential*. The board approves staff hiring, sets the annual local school levy, approves expenditures and educational programs (curriculum), and otherwise ensures that proper facilities and equipment are available to support teaching and learning in the district. The seven School Board members are elected to at-large positions in odd-numbered years and serve four-year terms. The board typically holds regular meetings on the second and fourth Monday of each month, as well as workshops, committee meetings and public hearings, as needed. The public is invited to attend board meetings and may address items on the agenda and during special communication portions of the meeting. The Superintendent is appointed by and responsible to the School Board, and is the sole official representative and spokesperson of the district.



Jackie Magnuson
Chairperson



Cory Johnson
Vice Chairperson



Sachin Isaacs
Clerk



Art Coulson
Treasurer



Sakawdin Mohamed
Director



Joel Albright
Director



Bianca Virnig
Director



Mary Kregar
Superintendent

The superintendent's administrative cabinet provides leadership to facilitate the successful operations of district programs, activities and services within the parameters of School Board policy.



Michael Bolsoni
Director of Secondary
Education



Khia Bruse
Director of
Community Education



Jill Coyle
General Counsel



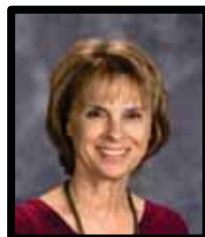
Janet Fimmen
Director of Special
Education



Virgil Jones
Director of Equity and
Inclusion



Tom Pederstuen
Director of Human
Resources



Sally Soliday
Director of Elementary
Education



Mark Stotts
Director of Finance
and Operations



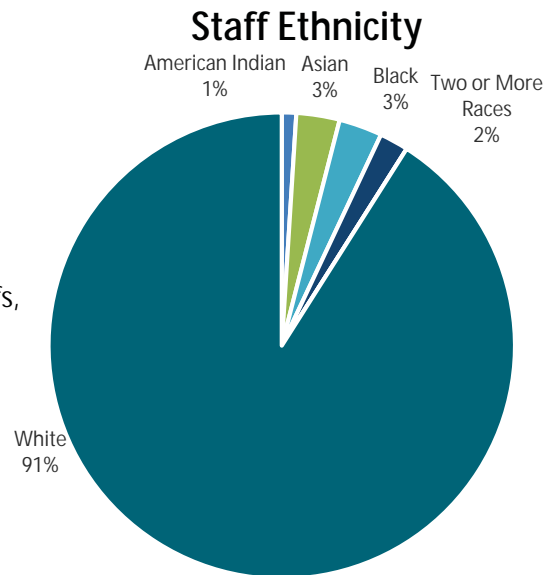
Tony Taschner
Director of
Communications



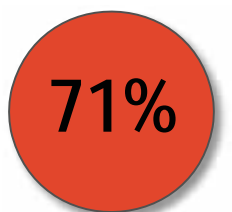
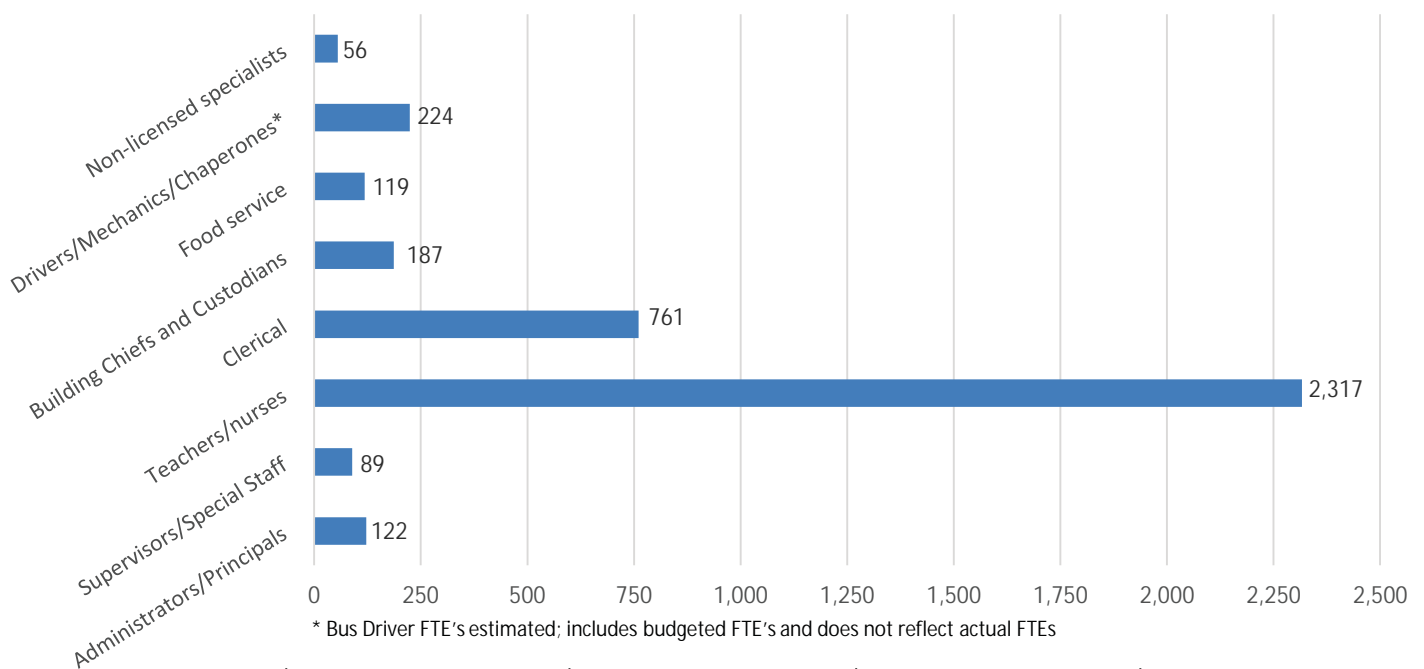
Steve Troen
Director of Teaching
and Learning

District Employees

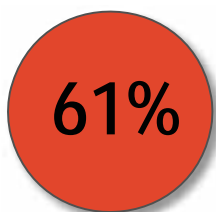
The district employs approximately 4,000 staff filling over 3,800 full-time equivalent (FTE) positions, a majority of which are teachers and classified staff who provide instructional support in the classroom. The pie chart to the right shows the percentage of FTE staff employed by the district, by category. Almost all district employees are organized under one of the ten collective bargaining agreements (CBAs) in effect between the groups and the district. The ten CBAs currently in effect are: teachers, principals, secretarial and clerical, building chiefs, custodial, cultural family advocates, food service, bus drivers, cultural liaisons, and vehicle technicians. The remaining employees, primarily district office directors, coordinators and administrators, work under special staff contracts, which are not collectively bargained.



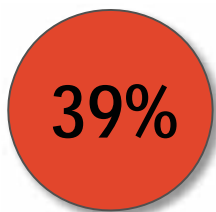
2022-23 Final Budget Full-Time Equivalent (FTE) Employees



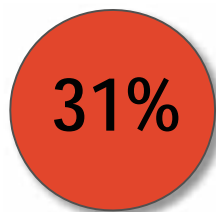
Regular Employees
Employed by District
196 for at least **3**
years



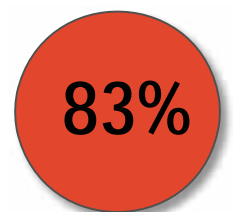
Regular Employees
Employed by District
196 for at least **5**
years



Regular Employees
Employed by District
196 for at least **10**
years



Regular Employees
Employed by District
196 for at least **15**
years



Licensed Teachers
have earned an
advanced degree
(Masters or higher)

** Staffing demographics, ethnicity and tenure data provided by the District 196 Human Resources Department

District Strategies & Goals

The district's beliefs and strategies were developed by a 60-member task force of parents, staff, School Board members and leaders from local business, civic and faith communities. Task force members first attended informational meetings to establish a shared base of knowledge about the district, then facilitator-led planning meetings to develop the belief statements and strategies and goals that were approved by the School Board.

BELIEF STATEMENTS

We believe...

- 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 or career ready
- An informed and engaged community guides effective decision-making

EDUCATIONAL EQUITY

Implement a systemic process that increases achievement for all students by addressing equitable access to opportunities in our schools and programs

- Increase cultural proficiency across the district
- Increase access and participation for all students in co-curricular activities and learning opportunities
- Ensure access and increase participation in programs that prepare students for college
- Develop a systemic process to recruit and retain diverse and culturally proficient staff to reflect the diversity of the student population
- Distribute resources for schools based on multiple factors including student needs (E-12)

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

- Coordinate and align educational experiences between early childhood services (birth to kindergarten) and elementary schools (kindergarten to grade 3)
- Offer a continuum of high-quality, culturally responsive, early learning services to meet all students' needs
- Investigate and develop strategies for outreach, community engagement and collaboration

TEACHING & LEARNING

Deliver a high-quality instructional program that anticipates and meets the needs of all learners

- Identify and implement essential learning in all content areas for early childhood through grade 12 (E-12) which will be clearly aligned, viable, relevant, rigorous, and understood by staff, students, and parents
- Identify and implement effective and engaging instructional strategies that are connected to a rigorous curriculum to maximize learning for all students
- Support learning for all students and guide instruction by designing and implementing a balanced assessment program which is both summative and formative
- Develop a systematic process of intervention and enrichment in all schools within a District 196 Response to Intervention framework, ensuring every student receives the time and support needed to master or exceed essential learning
- Continue to ensure high-quality teachers through differentiated professional development, effective evaluation and support that promotes collaboration, continuous learning, research-based instructional practices and growth in student achievement

PARTNERSHIPS

Develop and implement sustainable strategies to increase collaboration between the district and community partners

- Establish a structure that will support new and existing partnerships
- Increase partnerships by enhancing relationships among schools and between schools and the community
- Distribute resources for schools based on multiple factors including student needs (E-12)

Our Budget

The preliminary budget adopted by the School Board each June is the official authorization for expenditures for the upcoming school year, which begins July 1. This budget plan guides staff in how funds are spent toward instructional programs for students. The budget is developed by the superintendent and administration with input from the district's citizen-led Budget Advisory Council and in accordance with School Board-approved budget and staffing guidelines. The School Board Audit and Finance Committee reviews the proposed budget. If necessary, revisions are incorporated into the proposed budget for School Board review. The School Board is required by state law to adopt the preliminary budget by July 1 each year.

2022-23 Final Budget Expenses by Fund

Fund	Budgeted Expenses	% of Budget
General Fund	473,081,407	81.3%
Internal Service Funds	65,164,999	11.2%
Debt Service Fund	16,930,000	2.9%
Food Service Fund	12,507,485	2.1%
Community Service Fund	10,036,009	1.7%
Expendable Trust Fund	4,500,000	0.8%
Building Construction Fund	30,000	0.0%
Total	582,249,900	100.00%

School district budgeting is a continuous five-step process

Each step outlined below requires school board approval and is open for public inspection and comment. Since the process spans multiple school and calendar years, the district can be in multiple phases of the process at any given time.

- 1) **Property Tax Levy** – The process begins with submission of estimated property tax levy information to the Minnesota Department of Education (MDE) by mid-July. MDE calculates the maximum levy amount based on current legislation. This levy is certified by the School Board prior to the end of the calendar year.
- 2) **Preliminary Budget** – This process includes the completion of long-range enrollment projections, updating the five-year budget forecast, development of staffing guidelines and determination of revenue and expenditure assumptions. Preliminary budgets must be approved by the School Board prior to July 1.
- 3) **Final Budget** – Each fall, the finance department prepares the final budget which incorporates actual October 1 enrollment and changes in school finance law. The School Board approves the final budget in December or January.
- 4) **Budget Adjustments** – In the spring, the School Board may approve budget adjustments to account primarily for grant dollars the district may have received during the year. These adjustments allow for accurate funding for programs and provide the most accurate basis for developing the preliminary budget for the following year.
- 5) **Annual Financial Audit and Comprehensive Annual Financial Report** – The final step in the budgeting process is closing the books and preparing the financial statements for the year. During this period, the district undergoes an independent audit as required by state law. The School Board typically reviews the audited comprehensive annual financial report in October or November.

General Fund

2022-23 budgeted amount: \$473,081,407 (81.3%)

General Account

2022-23 budgeted amount: \$318,849,318

This is the district's main operating budget. This account pays for instructional programs, daily operations of schools, general functions of the district and long-term facility maintenance expenditures. More in-depth information on this account is provided in the following pages of this publication.

Special Education Account

2022-23 budgeted amount: \$93,308,499

This account is used to record all financial activities associated with providing special education services to students with special needs.

Quality Compensation Account

2022-23 budgeted amount: \$7,888,912

The Quality Compensation for Teachers (Q Comp) Program was approved by the Minnesota Legislature in 2005. This program is designed to advance the teaching profession by providing structured professional development and evaluation, and an alternative pay schedule that compensates teachers based on performance, not just seniority. The district was first approved to participate in this program in 2007-08. The district uses this account to track revenues and expenditures associated with providing additional compensation to licensed teachers and nurses.

Pupil Transportation Account

2022-23 budgeted amount: \$25,608,921

This account is used to record and report all pupil transportation activities including transportation of students with special needs and students who attend non-public schools.

Capital Expenditure Account

2022-23 budgeted amount: \$27,397,357

This account is used to record all financial activities related to major building maintenance projects, capital equipment and technology equipment purchases, instructional facilities lease payments, curriculum and media resource materials.

Student Activities Account

2022-23 budgeted amount: \$28,400

The student activity account is used to track all activity for school extra-curricular student activities. The 2019-20 fiscal year is the first fiscal year in which MDE required student activity accounts to operate under school board control.

Food Service Fund

2022-23 budgeted amount: \$12,507,485 (2.1%)

This fund is used to record financial activities of the district's food service program. Food service includes activities for the purpose of preparation and service of milk, meals and snacks in connection with school and community service activities.

Community Service Fund

2022-23 budgeted amount: \$10,036,009 (1.7%)

This fund is comprised of five components, each with its own fund balance. The five components are community service, community education, early childhood family education, school readiness, and adult basic education. The Community Service department serves community stakeholders prior to entering regular schools in kindergarten and after exiting the in the twelfth grade.

Building Construction Fund

2022-23 budgeted amount: \$30,000 (~0.0%)

When voters approve a building construction or facilities renovation bond, the district sells bonds in order to pay for the work. This fund receives the money from the sale of the bonds and pays for the land purchases, construction of new schools, renovations of existing schools and other costs directly associated with the voter-approved bond.

Debt Service Funds

2022-23 budgeted amount: \$16,930,000 (2.9%)

When the district sells bonds to finance voter-approved construction of new facilities or major renovation of existing facilities and funding for other post employment benefits, the district also receives authority to levy a direct general tax upon the property of the district for the repayment of principal and interest on the bonds as due.

Expendable Trust Fund

2022-23 budgeted amount: \$4,500,000 (0.8%)

This fund is used to record revenues and expenditures for trust agreements where the School Board has accepted the responsibility to serve as trustee, including the irrevocable OPEB trust. The property in the trust agreement typically comes to the district by gift.

Internal Service Funds

2022-23 budgeted amount: \$65,164,999

Internal service funds are used to account for the financing of goods or services provided by one department to another within the school district. The district maintains three internal service funds to report severance, self-insured health plan and self-insured dental plan.

General Fund

The majority of general fund expenditures are for student instruction and support services. The general fund is the district's main operating budget and the fund for which the School Board has the most discretion.

The 2022-23 general fund budget was developed to support the district mission to *educate our students to reach their full potential*.

2022-23 General Fund Expenditures

Total = \$473,081,407

Student Instruction: \$332,997,169 (70.4%)

Includes costs associated with the teaching of students, the interaction between teachers and students in the classroom and co-curricular activities at the kindergarten, elementary and secondary levels. It also includes services for alternative education, special education, English Learner and other compensatory instructional programs.

Student Support Services: \$74,942,068 (15.8%)

Includes all costs associated with operating a school, including student transportation, school office, assessment and testing, guidance, counseling, nursing services and instructional administration. Instructional administration includes the directors of elementary and secondary education, and teaching and learning. It also includes the costs of their immediate offices, including those individuals in direct support of the administrator.

Sites and Buildings: \$45,684,415 (9.9%)

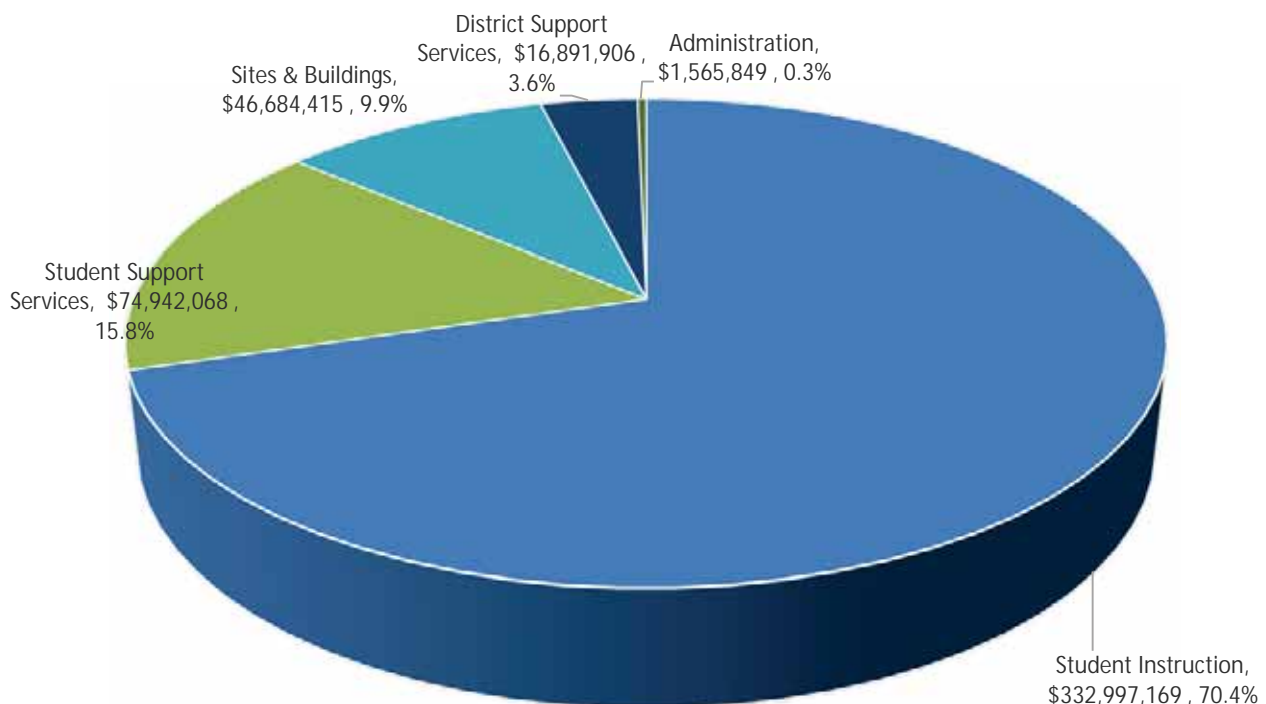
Includes all costs for the acquisition, operation, maintenance, repair and remodeling of all facilities and grounds of the school district. It also includes salary and benefits of the district's building chiefs, custodial staff, groundskeepers, maintenance specialists, and utilities are included as well.

District Support Services: \$16,891,906 (3.6%)

Includes expenses for services provided centrally by the district, such as human resources, business services, communication, purchasing, mail processing, technology support and legal services, and insurance costs.

Administration: \$1,565,849 (0.3%)

Includes the costs for general district and site administration. General district administration includes the School Board and the Superintendent, in support of school and other district administrators



General Fund Expenditures by Program

Student Instruction \$332,997,169 70.4%	Elementary Instruction	\$ 82,826,133
	Middle and High School Instruction	\$ 118,335,755
	Cocurricular and Extra Curricular Activities	\$ 9,321,478
	Gifted & Talented Program	\$ 2,032,226
	English Language Learners	\$ 9,706,900
	Title Programs	\$ 3,439,055
	Career and Technical Programs	\$ 6,045,209
	Special Education	\$ 93,920,257
	Library/Media Center	\$ 4,109,307
	Instruction-Related Technology	\$ 3,260,849
Student Support Services \$74,942,068 15.8%	Elementary School Administration	\$ 9,535,328
	Middle School Administration	\$ 4,977,792
	High School Administration	\$ 3,324,978
	Instructional Administration	\$ 8,009,354
	Curriculum Development	\$ 4,527,841
	Guidance and Counseling Services	\$ 5,326,208
	Health Services	\$ 4,060,651
	Other Student Support (Attendance & Social Work Services)	\$ 4,966,076
	Staff Development	\$ 4,460,498
	Student Transportation	\$ 25,753,342
Sites & Buildings \$46,684,415 9.9%	Capital Expenditures	\$ 8,556,105
	Long-Term Facilities Maintenance	\$ 12,000,000
	Operations and Maintenance	\$ 24,560,735
	Property and Other Insurance	\$ 1,567,575
District Support Services \$16,891,906 3.6%	Business Services – Finance	\$ 1,606,877
	Business Services - Purchasing and Receiving	\$ 2,277,772
	Human Resources	\$ 4,427,090
	Graphics & Mail Processing	\$ 407,675
	Census/Student Information	\$ 294,102
	Communication	\$ 1,056,863
	Legal Services	\$ 602,292
	Technology Support	\$ 6,219,235
	Retirement of non-bonded Debt	\$ -
Administration \$1,565,849	Office of Superintendent	\$ 985,325
	School Board	\$ 580,524
Total General Fund		\$ 473,081,407

General Fund by Category

The categories of general fund expenditure are salaries, benefits, purchased services, supplies and materials, capital and other expenditures. As shown in the graph below, 83.4% of the general fund budget pays for employees (salaries and benefits), and the majority of employees are teachers and instructional staff who work with students in the classroom.

2022-23 General Fund Expenditures

Total = \$473,081,407

Salaries: \$282,215,182 (59.6%)

Includes salaries for district administrators, principals, teachers, secretarial and clerical employees, building chiefs, custodians, transportation, food service and other staff.

Benefits: \$107,667,162 (22.8%)

Includes the district's contribution for employee retirement (FICA/Medicare, TRA and PERA), health, dental and life insurance premiums, and tax-shelter annuities for eligible employees.

Purchased Services: \$29,096,447 (6.1%)

Includes utilities, legal services, contracted work and other services that must be purchased from outside sources.

Supplies and Materials: \$27,630,698 (5.8%)

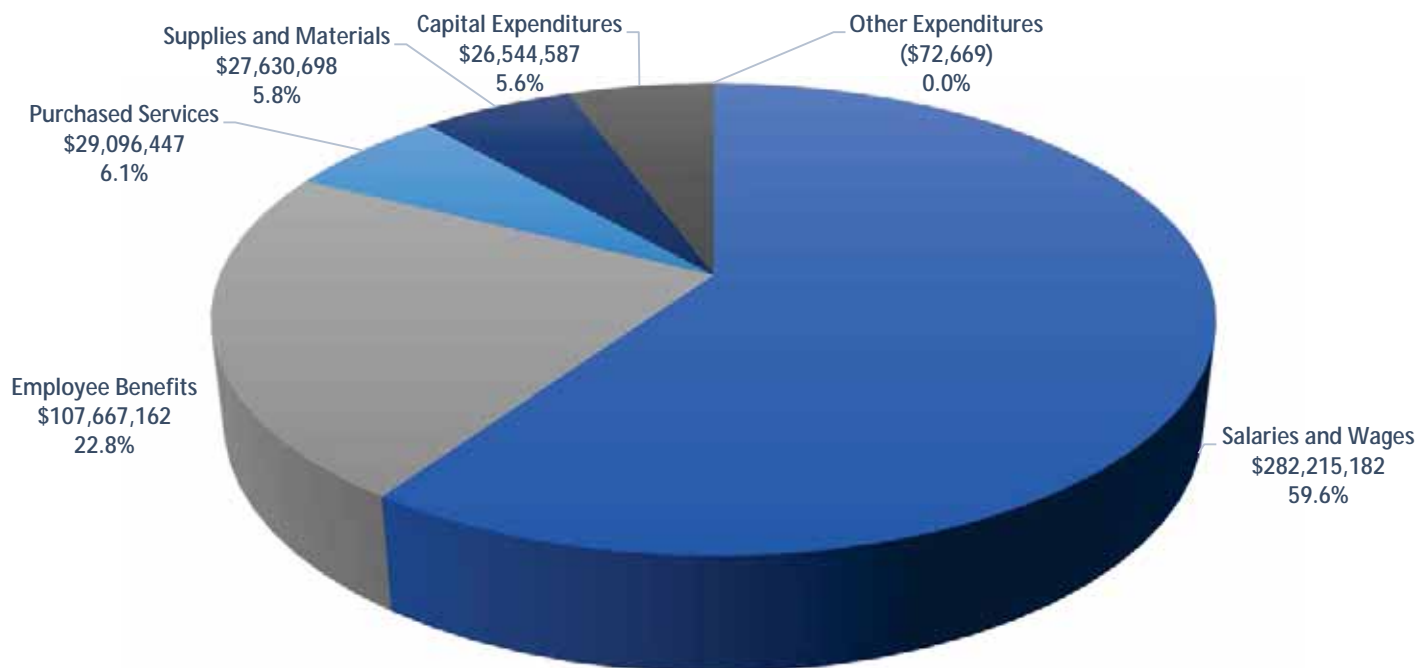
Includes general supplies such as copier paper, instructional supplies for classrooms, textbooks and workbooks, standardized tests and media resources.

Capital Expenditures: \$26,554,587 (5.6%)

Includes building repairs and site improvements, technology equipment such as computers for classrooms, printers, copiers, fax machines and school buses.

Other: \$72,669 (0.0%)

Includes miscellaneous expenditures that are not categorized elsewhere such as membership dues for professional organizations, taxes, special assessments, debt services, permanent transfers to other funds, non-bonded debt service payments and indirect chargebacks



General Fund History

The general fund is the district's main operating fund. The graph below shows that more than 85% of the district's general fund resources are used for student instruction and student support services. This percentage is consistent with the district mission to *educate our students to reach their full potential*. Some of the instructional programs added in recent years to help close the achievement gap include integration programs, elementary magnet schools, striving readers, Advancement Via Individual Determination (AVID) and Response to Intervention. Actual expenditures for district support services and administration for the past four school years remain relatively stable. This spending is consistent with the district's goal to focus resources on classroom instruction for students.

General Fund Five-Year Overview

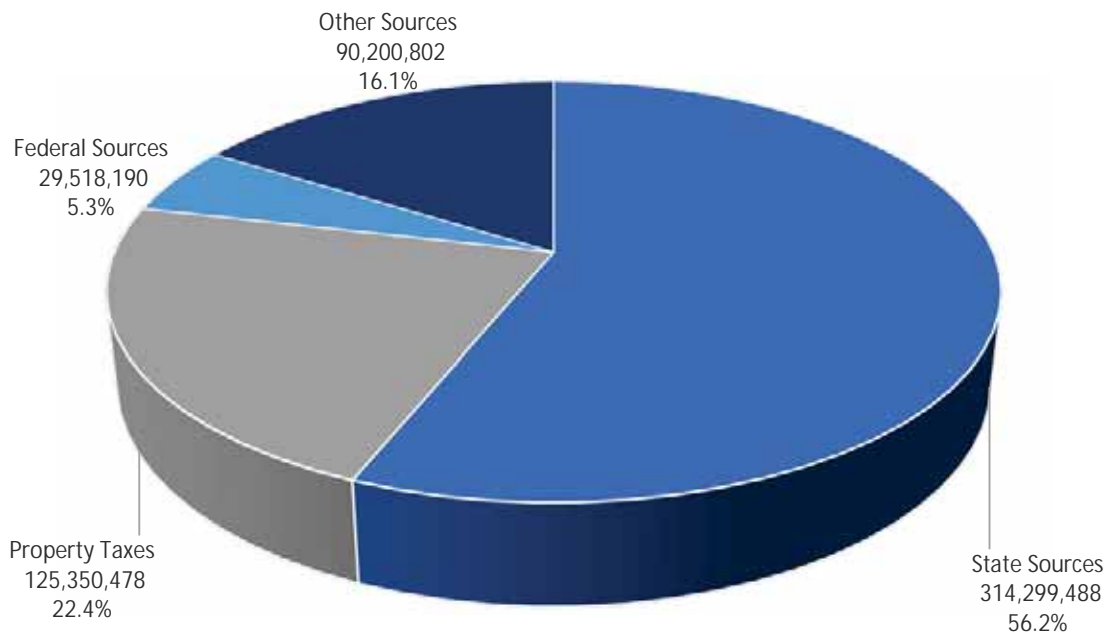


Fiscal Year	Admin	% of General Fund	District Support Service	% of General Fund	Sites and Buildings	% of General Fund	Student Instruction	% of General Fund	Student Support Services	% of General Fund	Total
2018-19	1,368,882	0.37%	12,316,635	3.32%	34,018,669	9.18%	263,529,317	71.10%	59,404,356	16.03%	370,637,859
2019-20	650,152	0.19%	13,092,865	3.87%	25,325,436	7.49%	243,270,016	71.94%	55,808,644	16.50%	338,147,113
2020-21	683,088	0.17%	18,614,147	4.67%	38,718,384	9.71%	276,577,150	0.69%	64,112,504	16.08%	398,705,273
2021-22	842,615	0.20%	14,413,966	3.37%	39,912,460	9.33%	301,860,279	70.53%	70,964,941	16.58%	427,994,261
2022-23 Final Budget	1,565,849	0.33%	16,891,906	3.57%	46,684,415	9.87%	332,997,169	70.39%	74,942,068	15.84%	473,081,407

Revenue Sources

The district receives revenue on a per-pupil basis from state aids and credits, property taxes, federal aids and other sources. State aids and property taxes make up more than 80% of total district revenues, while federal aids and other sources account for the remaining 20% of revenues.

2022-23 Final Budget Revenue – All Funds \$559,368,958



State Aids and Credits: \$314,299,488 (56.2%)

These funds include per-pupil basic general education aid, special education regular and excess cost aid, Basic Skills aid, including compensatory education aid, English Learners aid and Literacy Incentive aid; operating capital state aid for equipment and facilities maintenance, and aid for gifted and talented education. The Minnesota Legislature determines the level of funding provided by the state.

Federal Aids: \$29,518,190 (5.3%)

These funds include federal grants for Title programs such as Title I, which focuses on improving the achievement of educationally disadvantaged students, and aids to support special education services for students with special needs. Federal Aids for the 2021-22 school year also includes various programs targeted toward Coronavirus relief efforts.

Property Taxes: \$125,350,478 (22.4%)

These funds are local taxes the district collects from property owners. The Minnesota Legislature determines the maximum amount the district can levy each year. The district also has authority to seek additional property taxes (up to a maximum amount per pupil established by the Legislature) to support special programs or basic operations through a voter-approved levy referendum. In November 2019, district voters approved a single-ballot question to revoke the district's current levy and replace it with a new 10-year levy for \$1,567 per pupil, an increase of \$627 per pupil. As the percentage of state aid has decreased, the percentage of revenues from local property taxes had increased from 18.49% in 2007-08 to 22.4% projected for 2022-23.

Other/Bond Proceeds (COP): \$90,200,802 (16.1%)

These revenues include miscellaneous School Board-approved fees for co-curricular activities, student parking and admission to athletic and fine arts performances. It also includes interest income from the district's short-term investments, gifts to the district and permanent transfers from other funds. These funds also include the district's debt service for renovation and construction of turf fields at the four comprehensive high schools.

Property Taxes

School district property tax levies are limited by state law. The Minnesota Department of Education computes the levy limitation for each school district based on current legislation and formulas. The school district certifies the levy to the county auditor, and the county distributes tax statements to individual property owners, collects tax revenues and submits payments to the school district.

Property taxes are determined by the taxable market value of the property (determined by the county assessor), class rate percentages set in law for each category of property (such as residential homestead, residential non-homestead, apartments, etc.) and state-paid property tax aids and credits. These state-paid property tax aids and credits reduce the actual amount of tax paid by property owners.

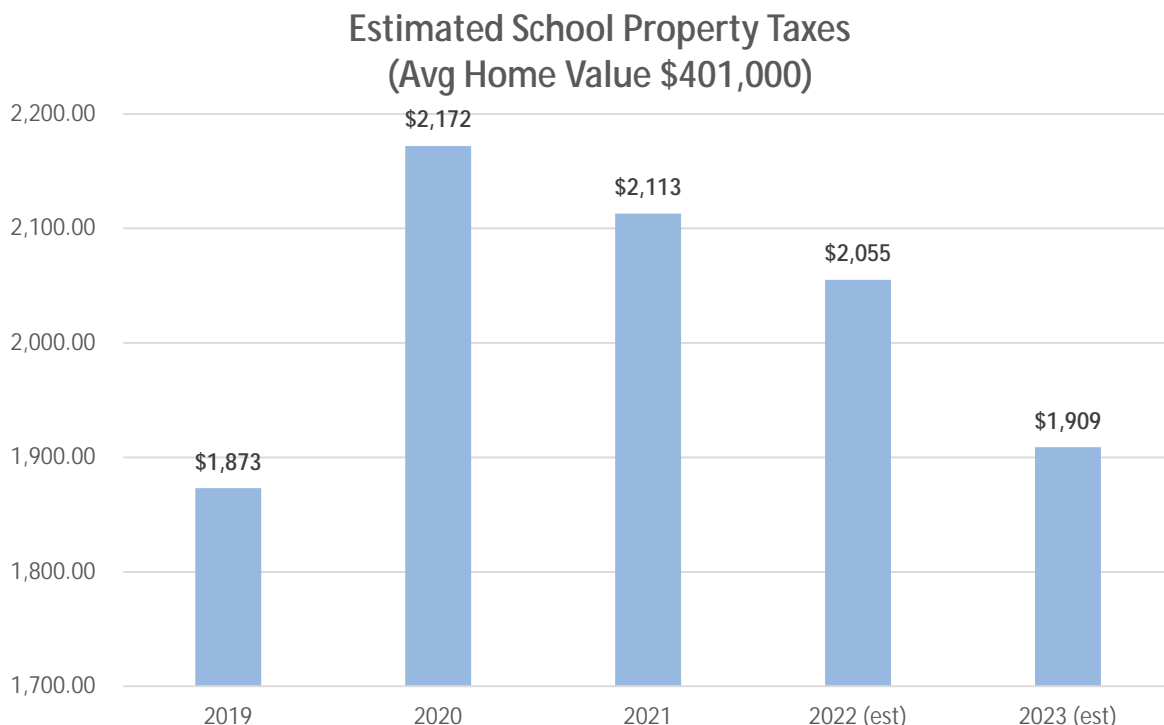
The two types of property tax levies are:

- **Voter-approved levies** – These include building bond and operating levy referendum questions approved by voters.
- **Levies resulting from School Board decisions** – Levy limitations are calculated by the Minnesota Department of Education based on current legislation and formulas. The School Board can approve levy amounts up to but not exceeding the limits established by the state. Examples include the safe schools levy, alternative facilities levy, health and safety levy, etc.

For 2022-23, the voter-approved levies for the district's general fund total \$59.1 million before state aids and credits; levies based on School Board decisions total \$46.0 million before state aids and credits.

The chart below shows the average home value within the district and the corresponding school tax from 2019 to 2023 (est). Home values within the district have been increasing the last three years, consistent with statewide property value trends.

School Taxes Payable on Average Value Home



Budget FAQs and Contact Information

What is the district’s average spending per student for instruction and how is it calculated?

While there is no universally agreed upon definition of what should be included in “instructional” spending, a reasonable approach is to divide the total general fund (operating) budget by the average daily membership in the district, which is close to, but not the same as, the total number of students in the district.

\$473,081,407	General Fund Expense Budget
/ 28,602	Divided by Est. ADM
<hr/>	
\$16,540	Avg. spend per student

What is an ending fund balance?

An ending fund balance is money remaining at the end of the school year. There are three main factors that impact the ending fund balance positively and negatively:

1. Schools and departments underspend their budgets.

According to district practice, budgeted funds that are underspent by a school are carried over to that school’s budget for next year, while budgeted funds that are underspent by a department are not carried over to that department’s budget for next year.

2. Aid payments from the state may be less than anticipated based on economic conditions. The majority of district revenues come from the state (62.9% in 2021-22). If the state experiences a revenue shortfall during the year, funding to school districts may be prorated, which results in a loss of revenues to the districts.

3. Budget assumptions may have changed. Two of the biggest assumptions used to build the school district’s budget are the amount of state funding the district will receive and total student enrollment, as districts are funded based on the number of students enrolled. The district’s preliminary budget must be developed by the administration and approved by the School Board before July 1 each year. Official enrollment for the year is not determined until October 1 each year, and in funding years (every other year) the state does not determine education funding levels until the legislative session concludes in the spring.

Why does the district need a fund balance reserve and what is it used for?

The fund balance is similar to a savings account, a rainy day reserve that can be used to cover unforeseen costs that could not be planned for when the budget was developed. Examples include proration or delay of state aid to the district, a major equipment failure or significant increase in energy or fuel prices. School Board policy requires the district to maintain a minimum fund balance equivalent to at least 5% of general fund expenditures for the year.

Does the district consider budget suggestions?

Yes. The district invites residents and employees to submit suggestions on ways to reduce costs and increase revenues in the district’s budget. Budget reduction suggestion forms are available at all district schools and offices, at regularly scheduled School Board meetings and at www.district196.org/services/finance-and-operations. Suggestions should be addressed to the Director of Finance and Operations, District Office, 3455 153rd Street West, Rosemount, MN 55068. All submitted suggestions are reviewed by members of the district’s citizen-led Budget Advisory Council.

More Information

For questions about the school district budget, contact:

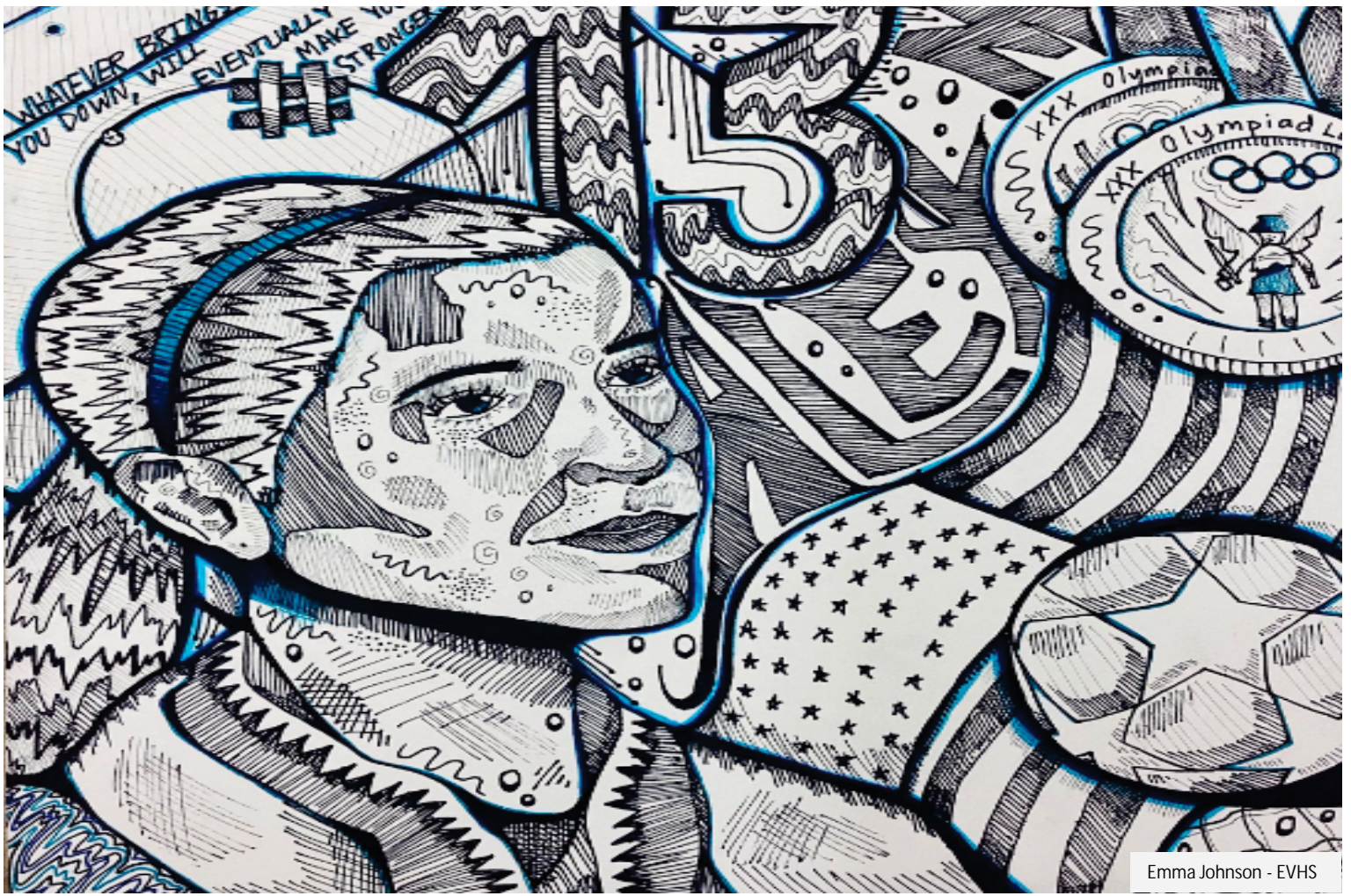
Mark Stotts - Director of Finance and Operations
Mark.Stotts@district196.org or 651-423-7713

Christopher Onyango-Robshaw - Coordinator of Finance
Christopher.Onyango-Robshaw@district196.org or 651-423-7748

Historical budget and finance information can be found at www.district196.org/services/finance-and-operations. The page includes information on the entire budget process and timelines, an introduction to school finance, and printable budgets for the last nine years.

FINANCIAL SECTION





Emma Johnson - EVHS



Shyann Skjefte - RHS

Summary of Funds - All Funds

Fund	Fund Balance 7/1/2022	Revenues	Expenditures	Projected Fund Balance 6/30/2023
General Fund				
Operating	94,834,887	342,454,672	318,877,718	118,411,841
Transportation	2,610,590	22,107,722	25,608,921	(890,609)
Capital Expenditure	4,878,323	12,501,513	15,397,357	1,982,479
LTFM	2,761,334	11,926,526	12,000,000	2,687,860
Special Education	(10,436,301)	55,318,793	93,308,499	(48,426,007)
Quality Compensation	(554,035)	7,532,305	7,888,912	(910,642)
Total General Fund	94,094,798	451,841,531	473,081,407	72,854,922
Special Revenue Funds				
Food Service	8,272,065	13,290,800	12,507,485	9,055,380
Community Service	3,209,950	9,668,827	10,036,009	2,842,768
Total Special Revenue Funds	11,482,015	22,959,627	22,543,494	11,898,148
Building Construction Fund				
Turf Fields Projects	306	100	-	406
Series 2016A Bond	298,292	3,500	30,000	271,792
Total Building Construction Fund	298,599	3,600	30,000	272,199
Debt Service Funds				
Regular, excludes refunding	2,280,281	17,809,700	16,930,000	3,159,981
OPEB Bonds	2,263,632	-	-	2,263,632
Total Debt Service Funds	4,543,913	17,809,700	16,930,000	5,423,613
Internal Service Funds				
GASB #16	(3,163,597)	1,670,000	699,999	(2,193,596)
Self-Insured Dental	329,593	477,000	455,000	351,593
Self-Insured Health	19,549,604	63,007,500	64,010,000	18,547,104
Total Internal Service Funds	16,715,600	65,154,500	65,164,999	16,705,101
Custodial & Fiduciary Funds				
OPEB Irrevocable Trust	54,513,180	1,600,000	4,500,000	51,613,180
Total Trust	54,513,180	1,600,000	4,500,000	51,613,180
Total All Funds	181,648,104	559,368,958	582,249,900	158,767,162

The table above includes a budgeted transfer from the general fund to the community service fund of \$164,746.

Funds Overview – The table above is a summary of all of the district's governmental funds, internal services funds and fiduciary funds. The governmental funds included are the general fund, special revenue funds that include food service and community service, building construction fund, and the debt service funds that include regular and other post-employment benefits (OPEB) bonds.

This summary provides an overview of the financial information for all of the district funds. Detailed analysis of the individual funds follows this page.

General Fund - All Sub-Accounts

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
State Sources	292,415,625	297,108,483	300,353,128	307,135,479	309,915,652
Property Taxes	76,087,495	96,675,912	102,779,443	105,625,990	105,829,432
Federal Sources	11,229,528	24,595,310	23,418,512	26,360,942	23,682,027
Other Sources	10,872,089.20	6,581,692.65	9,895,750	5,986,132	12,414,420
Total revenue	390,604,737	424,961,397	436,446,832	445,108,543	451,841,531
Expenditures					
Salaries and wages	238,237,719	249,928,256	268,137,410	279,182,730	282,215,182
Employee benefits	89,318,224	89,646,403	96,975,090	104,833,269	107,667,162
Purchased services	28,517,541	25,240,777	28,657,138	24,388,380	29,096,447
Supplies and materials	15,524,442	19,545,121	18,297,416	22,733,474	27,630,698
Capital expenditures	11,102,803	13,994,820	15,298,729	24,358,245	26,544,587
Other expenditures	948,734	900,132	554,380	9,766	(237,415)
Debt service	-	-	-	-	-
Total expenditures	383,649,462	399,255,509	427,920,164	455,505,864	472,916,661
Revenue over expenditures	6,955,276	25,705,887	8,526,668	(10,397,321)	(21,075,130)
Other financing sources (uses)					
Capital lease	-	585,000	18,115	-	-
Certificates of participation	-	-	-	-	-
Other	881,265	238,127	783,650	-	-
Transfers in	-	-	-	-	-
Transfers (out)	(399,229)	(34,763)	(92,212)	(94,000)	(164,746)
Total other financing sources(uses)	482,036	788,364	709,553	(94,000)	(164,746)
Net change in fund balances	7,437,312	26,494,251	9,236,221	(10,491,321)	(21,239,876)
Fund balances					
Beginning of year	50,927,014	58,364,326	84,858,577	94,094,798	94,094,798
End of year	58,364,326	84,858,577	94,094,798	83,603,477	72,854,922

Fund Overview – The general fund is the district's primary operating fund and accounts for the revenues and expenditures associated with providing a public education to children. The above schedule shows a summary of the general fund activity with revenues reported by the source and expenditures reported by object. The 2022-23 final general fund revenue budget, including other financing sources, is \$451.8 million. This is \$6.7 million more than the preliminary budget estimate. The primary factors for this increase are:

- 1) An increase of over \$6.5 million in revenue from other sources
- 2) Nearly \$2.8 million increase in state aids as a result of aid calculations using actual enrollment as opposed to enrollment estimates used in the preliminary budget process.

For the 2022-23 school year, state aids represent 68.6% of the general fund revenue budget, and 23.4% of the general fund revenue will come from property tax. Federal aids and other revenues such as gifts, donations, fees, etc. make up the remaining 8.0 percent of the general fund revenue budget.

The 2022-23 final general fund expenditure budget, including other financing uses, is \$473.1 million. This is \$17.5 million more than the preliminary budget estimate. The primary reasons for the increase are:

- 1) An net increase of \$5.8 million in the budgets for salaries and employee benefits, with new employment contracts taking effect for the employee groups with new contracts
- 2) An increase of \$4.9 million in the budgets for supplies and materials;
- 3) An increase of \$4.7 million in the budgets for purchased services, and
- 4) An increase of \$2.1 million in the capital expenditures budgets.

For the 2022-23 school year, the budgets for salary and employee benefits represent 82.4% of the general fund budgets, 6.1% of the budget goes to purchase services, and the remaining 11.5% of the budget is planned for supplies and materials, capital expenditures and other expenditures not included in the above categories.

General Fund - General Operating Account

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
State Sources	219,450,650	218,776,241	203,486,289	227,960,336	228,019,761
Property Taxes	62,590,907	82,644,040	86,261,445	87,198,350	87,711,053
Federal Sources	4,495,356	18,599,952	15,701,332	17,696,849	15,420,472
Other Sources	9,586,060	5,141,992	7,954,855	5,186,132	11,303,386
Total revenue	296,122,972	325,162,226	313,403,920	338,041,667	342,454,672
Expenditures					
Salaries and wages	169,902,049	180,099,308	193,640,951	200,055,303	201,796,622
Employee benefits	61,070,912	61,912,475	68,006,261	72,341,352	73,849,158
Purchased services	14,641,582	13,786,049	16,977,459	17,143,825	21,826,836
Supplies and materials	10,808,672	13,550,921	11,502,540	12,584,756	17,837,135
Capital expenditures	547,550	3,652,650	763,791	2,801,131	3,684,636
Other expenditures	924,492	847,545	439,034	(128,234)	(446,161)
Debt service	-	-	-	-	-
Total expenditures	257,895,257	273,848,948	291,330,036	304,798,133	318,548,226
Revenues over Expenditures	38,227,715	51,313,279	22,073,884	33,243,534	23,906,446
Other financing sources (uses)					
Capital lease	-	-	-	-	-
Certificates of participation	-	-	-	-	-
Other	656,159	191,868	783,650	-	-
Transfers in	-	-	-	-	-
Transfers (out)	(399,229)	(34,763)	(92,212)	(94,000)	(164,746)
Total other financing sources(uses)	256,930	157,105	691,438	(94,000)	(164,746)
Net change in Fund Balance	38,484,645	51,470,384	22,765,323	33,149,534	23,741,700

Revenue – The projected final 2022-23 general operating account revenue total of \$342.4 million is an increase of nearly \$4.4 from preliminary budget estimate. There are many factors that have contributed to the net increase. However, the primary reasons include:

- 1) An increase of more than \$6.2 million in revenue from other sources
- 2) A decrease of \$2.2 million in federal revenue due to the expiration of COVID-19 pandemic grants

Expenditure – The projected final 2022-23 general operating account expenditure budget, including other financing uses, totals \$318.7 million. This is \$13.8 million more than the district's preliminary budget estimate. The main reasons for the increase are:

- 1) An increase of \$3.2 million in salary and benefits due to standard annual increases and new contract estimates
- 2) An increase of \$4.7 million in purchases services and an increase of \$5.3 million in supplies and materials

The net result of the changes described above is that the budgeted revenues in the 2022-23 general operating account exceed budgeted expenditures by \$23.7 million.

General Fund - Special Education Account

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
State Sources	39,699,213	43,895,066	61,989,324	45,029,421	45,946,204
Property Taxes	-	-	-	-	-
Federal Sources	6,734,172	5,995,357	7,335,020	8,664,093	8,261,555
Other Sources	1,142,551	1,338,846	1,724,105	800,000	1,111,034
Total revenue	47,575,936	51,229,269	71,048,448	54,493,514	55,318,793
Expenditures					
Salaries and wages	52,015,340	53,404,643	57,388,484	62,545,839	63,510,768
Employee benefits	21,149,686	20,773,872	22,278,924	24,538,826	25,768,969
Purchased services	1,271,437	883,145	1,582,450	1,620,397	1,577,971
Supplies and materials	834,230	936,984	792,397	1,802,215	1,459,440
Capital expenditures	422,308	430,573	1,369,208	1,152,737	952,351
Other expenditures	11,928	7,336	15,392	39,000	39,000
Total expenditures	75,704,928	76,436,554	83,426,855	91,699,014	93,308,499
Revenues over Expenditures	(28,128,992)	(25,207,284)	(12,378,406)	(37,205,500)	(37,989,706)
Other financing sources (uses)					
Capital lease	-	-	-	-	-
Certificates of participation	-	-	-	-	-
Other	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers (out)	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-
Net change in Fund Balance	(28,128,992)	(25,207,284)	(12,378,406)	(37,205,500)	(37,989,706)

Revenue – The projected final 2022-23 special education account revenues totaled \$55.3 million. This is slightly more than the preliminary estimate. This increase is chiefly due to an increase of \$0.9 million in budgeted revenue from state sources.

Expenditure – The updated expenditure budget estimate for the special education account is \$93.3 million, which is approximately \$1.7 million more than the preliminary budget. The primary reasons for the decrease include:

- 1) A net decrease of \$2.2 million in staff salaries and benefits
- 2) Slight decreases in the other expense areas for final budget

The net result of the changes describe above is that budgeted expenditures in the special education account exceed budgeted revenues by \$37.9, which is \$0.7 million more in deficit spending than originally projected in the preliminary budget.

General Fund - Quality Compensation Account

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
State Sources	4,788,978	4,857,555	4,904,766	4,939,870	4,999,877
Property Taxes	2,713,056	2,740,138	2,782,900	2,532,428	2,532,428
Federal Sources	-	-	-	-	-
Other Sources	-	-	-	-	-
Total revenue	7,502,034	7,597,693	7,687,666	7,472,298	7,532,305
Expenditures					
Salaries and wages	5,748,106	6,146,910	6,366,921	6,375,222	6,354,283
Employee benefits	1,254,210	1,353,648	1,443,417	1,476,301	1,474,848
Purchased services	39,375	56,209	62,906	49,550	54,771
Supplies and materials	18,755	21,474	26,239	4,710	4,710
Capital expenditures	-	-	-	-	-
Other expenditures	350	-	-	300	300
Total expenditures	7,060,796	7,578,241	7,899,483	7,906,083	7,888,912
Revenues over expenditures	441,238	19,453	(211,817)	(433,785)	(356,607)
Other financing sources (uses)					
Capital lease	-	-	-	-	-
Certificates of participation	-	-	-	-	-
Other	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers (out)	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-
Net change in Fund Balance	441,238	19,453	(211,817)	(433,785)	(356,607)

Fiscal year 2022-23 is the 16th year that the district will be participating in Minnesota's Quality Compensation (Q Comp) program. The approved Q Comp funding will be used to support the following initiatives:

- 1) Additional compensation to those teachers who have elected to participate in the program and have successfully completed all requirements;
- 2) Stipends for site team members – members will review participating teachers' individual growth plans to check alignment with school and district goals, plan professional development in the building and conduct Q Comp orientation;
- 3) Q Comp program implementation and administration costs and professional development activities for participants.

Revenue – The final Q Comp revenue estimate is \$7.53 million. This is comparable to the preliminary estimate to the reflected Minnesota Department of Education updated Q Comp aid calculation.

Expenditure – The preliminary Q Comp expenditure budget estimate was \$7.90 million; the final budget estimate is \$7.88 million. The decrease in the expenditure budget is mainly due to adjustments made to reflect updated information for actual number of participants, salaries and actual health insurance costs.

The net result of the changes described above is that the final budgeted expenditures is less than budgeted revenues by \$356K. This is nearly \$75,000 less in deficit spending than the preliminary budget.

General Fund - Pupil Transportation Account

	2019-20	2020-21	2021-22	2022-23	2022-23
	Actual	Actual	Actual	Prelim Budget	Final Budget
Revenues					
State Sources	19,517,989	20,645,871	20,994,032	21,886,387	22,107,722
Property Taxes	-	-	-	-	-
Federal Sources	-	-	382,160	-	-
Other Sources	96,666	104,462	147,216	-	-
Total revenue	19,614,655	20,750,333	21,523,408	21,886,387	22,107,722
Expenditures					
Salaries and wages	8,894,630	8,720,794	10,469,557	9,935,792	10,273,436
Employee benefits	5,122,612	4,850,309	5,120,664	6,357,614	6,445,358
Purchased services	3,321,269	2,752,538	4,835,879	4,580,193	4,649,227
Supplies and materials	1,858,507	1,847,144	2,375,308	2,736,200	2,736,200
Capital expenditures	1,490,806	1,334,254	1,458,057	1,500,000	1,500,000
Other expenditures	6,311	557	6,742	4,700	4,700
Total expenditures	20,694,135	19,505,597	24,266,207	25,114,499	25,608,921
Revenue over expenditures	(1,079,480)	1,244,736	(2,742,799)	(3,228,112)	(3,501,199)
Other financing sources (uses)	56,303	18,469	46,259	-	-
Net change in Fund Balance	(1,023,177)	1,263,205	(2,696,540)	(3,228,112)	(3,501,199)

For the 2022-23 school year, the district set aside \$319.79 (4.66% of \$6,863) per adjusted pupil unit from the per pupil unit general education formula allowance for pupil transportation. The district also receives additional categorical funding for transporting students with disabilities and non-public students. The disabled transportation funding has been incorporated with special education funding formula since 1998-99 school year. To maintain funding integrity, the district continues to report disabled transportation aid in the pupil transportation account.

Revenue – The final pupil transportation revenue budget is \$0.2 million more than the preliminary estimate. The total revenue for the 2022-23 Transportation Budget is \$22.1 million.

Expenditures – The final expenditure budget for the pupil transportation account totaled \$25.6 million, an increase of nearly \$500,000 from the preliminary budget. This increase is mainly due to an increase in anticipated purchased services for the year as well as an increase in salaries and employee benefits.

Because of these adjustments, the final budget pupil transportation expenditures exceed final budgeted revenue by \$3.5 million.

General Fund - Capital Expenditures

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
State Sources	8,958,795	8,933,750	8,978,717	7,319,465	8,842,088
Property Taxes	10,783,532	11,291,733	13,735,098	15,895,212	15,585,951
Federal Sources	-	-	-	-	-
Other Sources	8,978	24,183	23,315	-	-
Total revenue	19,751,306	20,249,665	22,737,130	23,214,677	24,428,039
Expenditures					
Salaries and wages	1,677,595	1,556,601	271,497	270,574	280,073
Employee benefits	720,804	756,098	125,824	119,176	128,829
Purchased services	9,243,878	7,762,836	5,198,444	994,415	987,642
Supplies and materials	2,004,278	3,188,598	3,600,931	5,605,593	5,593,213
Capital expenditures	8,642,139	8,577,343	11,707,673	18,904,377	20,407,600
Other expenditures	5,267	9,931	1,000	-	-
Debt service	-	-	-	-	-
Total expenditures	22,293,959	21,851,407	20,905,371	25,894,135	27,397,357
Revenues over Expenditures	(2,542,654)	(1,601,742)	1,831,759	(2,679,458)	(2,969,318)
Other financing sources (uses)					
Capital lease	-	585,000	(18,115)	-	-
Certificates of participation	-	-	-	-	-
Other	206,637	-	-	-	-
Transfers in	-	-	-	-	-
Transfers (out)	-	-	-	-	-
Total other financing sources(uses)	206,637	585,000	(18,115)	-	-
Net change in Fund Balance	(2,336,017)	(1,016,742)	1,813,645	(2,679,458)	(2,969,318)

The School Board approved the preliminary 2022-23 capital expenditure in April 2022. Since that time, adjustments have been made to reflect updated estimates. The financial information above includes information pertaining to the districts operating capital budget and the Long-Term Facilities Maintenance (LTFM) budget.

Revenue – The final 2022-23 revenue budget for this fund is slightly higher than the preliminary estimate, due to changes in state sources for capital expenses.

Expenditure – The final 2022-23 expenditure for this fund has increased by \$1.4 million from the preliminary budget, primarily due to approved budget adjustments and the allocation of capital carryover dollars to the schools.

Special Revenue Funds – All Sub-Accounts

Community Education & Food Service Funds

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
State sources	3,959,871	3,507,924	3,997,286	4,329,805	4,341,436
Property taxes	1,754,512	1,784,271	1,798,147	1,961,479	1,756,746
Federal sources	5,665,215	10,924,893	18,518,809	5,830,915	5,836,163
Other Sources	8,365,790	2,453,624	4,859,086	10,833,488	10,860,536
Total revenue	19,745,387	18,670,712	29,173,328	22,955,687	22,794,881
Expenditures					
Salaries and wages	9,053,688	9,335,343	10,891,355	10,603,994	11,027,387
Employee benefits	2,728,548	2,985,628	3,451,114	3,622,998	3,908,721
Purchased services	1,405,979	672,692	812,420	(242,695)	(228,869)
Supplies and materials	5,553,935	4,946,960	8,265,629	7,102,883	7,108,527
Capital expenditures	213,502	271,687	432,667	35,500	27,000
Other expenditures	571,609	762,243	1,188,542	537,028	700,728
Total expenditures	19,527,260	18,974,554	25,041,728	21,659,708	22,543,494
Revenue over expenditures	218,127	(303,842)	4,131,600	1,295,979	251,387
Other financing sources (uses)					
Other	262,358	-	-	-	-
Transfers in	136,871	34,763	92,212	94,000	164,746
Total other financing sources (uses)	399,229	34,763	92,212	94,000	164,746
Net change in fund balances	617,355	(269,079)	4,223,812	1,389,979	416,133
Fund balances					
Beginning of year	6,909,928	7,527,283	7,258,204	11,482,015	11,482,015
End of year	7,527,283	7,258,204	11,482,015	12,871,994	11,898,148

Funds Overview

The food service special revenue fund is used to account for all financial activities of the district's food and nutrition program. The food service special revenue fund is self-sustaining. Receipts from sales to students and adults and reimbursements from federal and state governments cover all costs of the food and nutrition programs. Current meal prices within the district are as follows: Breakfast ranges from \$1.55-\$1.60 and lunch prices range from \$2.50-\$2.65. Meal prices are different at the elementary, middle and high school levels.

The community service fund is used to record all financial activities of the community service program. The community service fund is comprised of five components, each with its own fund balance. The five components are: 1) Community Education – general, 2) Community Education – early childhood screening and aids to non-public students, 3) Early Childhood Family Education, 4) School Readiness, and 5) Adult Basic Education.

Food Service Fund - Special Revenue Fund

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
State sources	690,117	-	534,666	795,000	795,000
Federal sources	5,606,436	10,054,372	18,255,391	5,475,000	5,475,000
Other Sources	5,069,988	116,208	885,276	7,080,800	7,020,800
Total revenue	11,366,541	10,170,580	19,675,333	13,350,800	13,290,800
Expenditures					
Salaries and wages	3,701,405	3,671,049	4,455,627	3,813,860	4,070,189
Employee benefits	1,058,757	1,071,509	1,242,996	1,333,885	1,463,224
Purchased services	507,823	569,466	642,982	-	-
Supplies and materials	5,308,526	4,734,648	7,973,643	6,783,500	6,773,332
Capital expenditures	202,042	270,478	410,101	-	-
Other expenditures	313,993	491,488	692,051	200,740	200,740
Total expenditures	11,092,547	10,808,638	15,417,401	12,131,985	12,507,485
Revenue over expenditures	273,994	(638,058)	4,257,933	1,218,815	783,315
Other financing sources (uses)					
Other	262,358	-	-	-	-
Net change in fund balances	536,352	(638,058)	4,257,933	1,218,815	783,315
Fund balances					
Beginning of year	4,115,839	4,652,191	4,014,133	8,272,066	8,272,066
End of year	4,652,191	4,014,133	8,272,066	9,490,881	9,055,380

Fund Overview – The food service special revenue fund is used to account for all financial activities of the district's food and nutrition program. The food service special revenue fund is self-sustaining. Receipts from sales to students and adults, and reimbursements from federal and state governments cover all costs of the food and nutrition programs. Current meal prices within the district are as follows: Breakfast ranges from \$1.55-\$1.60 and lunch prices range from \$2.50-\$2.65. Meal prices are different at the elementary, middle and high school levels.

Revenue – The final food service revenue projection is approximately the same as the preliminary budget estimate.

Expenditure – The revised food service expenditure budget is \$0.375 million more than the preliminary estimate. This increase is mainly due to updated salary and benefits with the new food service employee contract.

Because of these adjustments, food service fund expenditures are projected to exceed revenues by \$0.783 million.

Community Service Fund - Special Revenue Fund

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
State Sources	3,269,753	3,507,924	3,462,620	3,534,805	3,546,436
Property Taxes	1,754,512	1,784,271	1,798,147	1,961,479	1,756,746
Federal Sources	58,779	870,521	263,418	355,915	361,163
Other Sources	3,295,802	2,337,416	3,973,810	3,752,688	3,839,736
Total revenue	8,378,846	8,500,132	9,497,995	9,604,887	9,504,081
Expenditures					
Salaries and wages	5,352,283	5,664,294	6,435,728	6,790,134	6,957,198
Employee benefits	1,669,790	1,914,119	2,208,118	2,289,113	2,445,497
Purchased services	898,156	103,226	169,438	(242,695)	(228,869)
Supplies and materials	245,409	212,312	291,986	319,383	335,195
Capital expenditures	11,459	1,209	22,566	35,500	27,000
Other expenditures	257,615	270,756	496,491	336,288	499,988
Total expenditures	8,434,713	8,165,916	9,624,327	9,527,723	10,036,009
Revenue over expenditures	(55,867)	334,215	(126,333)	77,164	(531,928)
Other financing sources (uses)					
Transfers in	136,871	34,763	92,212	94,000	164,746
Net change in fund balances	81,004	368,979	(34,121)	171,164	(367,182)
Fund balances					
Beginning of year	2,794,089	2,875,093	3,244,068	3,209,950	3,209,950
End of year	2,875,093	3,244,068	3,209,950	3,381,114	2,842,768

Fund Overview – The community service fund is used to record all financial activities of the community service program. The community service fund is comprised of five components, each with its own fund balance. The five components are: 1) Community Education – general, 2) Community Education – early childhood screening and aids to non-public students, 3) Early Childhood Family Education, 4) School Readiness, and 5) Adult Basic Education.

Revenue – Several adjustments were made to the revenue budget that resulted in a slight decrease compared to the preliminary estimate.

Expenditure – The revised expenditure budget is \$508 thousand more than the preliminary budget. Many adjustments were made to expenditure items to reflect the district's latest estimates. As programming returns to near pre-pandemic levels, expenditures have been updated to reflect the increase in staffing and other expenditures.

Because of these budget adjustments, the updated 2022-23 expenditures for the community service revenue projections are expected to exceed expenditures by \$367 thousand, leaving an estimated community education fund balance of \$2,842,768 at the end of fiscal year 2023.

Building Construction Fund

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
Other Sources	227,879	251,928	4,052	1,000	3,600
Expenditures					
Salaries and wages	-	-	-	-	-
Employee benefits	-	-	-	-	-
Purchased services	201,501	343,042	296,776	-	-
Supplies and materials	211,199	62,018	10,296	-	-
Capital expenditures	5,704,535	10,218,473	18,735,614	3,000	30,000
Other expenditures	-	-	-	-	-
Debt Service	-	173,147	-	-	-
Total expenditures	6,117,235	10,796,680	19,042,686	3,000	30,000
Revenue over expenditures	(5,889,356)	(10,544,752)	(19,038,634)	(2,000)	(26,400)
Other financing sources (uses)					
Debt issuances	-	-	-	-	-
Capital lease	-	-	-	-	-
Certificates of participation	9,504,202	9,541,557	10,697,895	-	-
Other	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers (out)	-	-	-	-	-
Total other financing sources (uses)	9,504,202	9,541,557	10,697,895	-	-
Net change in fund balances	3,614,846	(1,003,195)	(8,340,739)	(2,000)	(26,400)
Fund balances					
Beginning of year	6,027,685	9,642,531	8,639,336	298,599	298,599
End of year	9,642,531	8,639,336	298,599	296,599	272,199

Fund Overview – During the 2021-22 school year, District 196 completed the last punch list items in the building improvement projects from a bond referendum and capital projects levy that was approved by voters in November 2015. The \$180 million single-question referendum provided funding for safety and security improvements districtwide, additional and upgraded spaces for learning to accommodate growing enrollment and increased access to technology for all students. The district has also added some building improvement projects with remaining fund balance from the bond referendum, as some projects were completed under budget.

In April 2020, the school board approved the financing and awarded bids for turf field construction at the district's four main high schools. The project scope includes two new turf fields, one stadium field and one practice field, at each high school. The total cost of construction for all four sites is \$17-\$19 million. The initial phase of construction included \$8.9 in debt issuance (certificates of participation). These projects were completed in their entirety during the 2021-22 school year.

Regular Debt Service Fund

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
State Sources	145,094	81,581	48,827	42,400	42,400
Property Taxes	17,813,185	17,935,108	17,760,197	17,844,306	17,764,300
Other Sources	105,070	7,091	15,439	3,000	3,000
Total revenue	18,063,350	18,023,780	17,824,464	17,889,706	17,809,700
Expenditures					
Principal	11,330,000	11,800,000	-	-	-
Interest	5,771,169	5,254,919	-	-	-
Fiscal charges and other	1,425	1,850	29,152,888	16,930,000	16,930,000
Total expenditures	17,102,594	17,056,769	29,152,888	16,930,000	16,930,000
Revenue over expenditures	960,756	967,011	(11,328,424)	959,706	879,700
Other financing sources (uses)					
Debt issuances	-	-	12,235,562	-	-
Debt refunding payments	-	-	-	-	-
Total other financing sources (uses)	-	-	12,235,562	-	-
Net change in fund balances	960,756	967,011	907,138	959,706	879,700
Fund balances					
Beginning of year	(554,623)	406,133	1,373,144	2,280,281	2,280,281
End of year	406,133	1,373,144	2,280,281	3,239,987	3,159,981

Fund Overview – The regular debt service fund is used to account for the accumulation of resources for, and payment of, general obligation of long-term debt principal, interest and related costs.

Revenue – Revenues for the regular debt service fund are directly tied to the district's bond principal and interest payment needs. Close to 100 percent of the projected revenue come from property tax levy, only a very small percentage comes from the state in the form of homestead and agricultural market value credits. The final budget has been slightly revised from the preliminary budget.

Expenditure – The updated expenditure budget for this fund is the same as the preliminary projection. The district is not proposing any changes to this expenditure budget.

The projected June 30, 2023 fund balance for this fund is \$3.16 million

OPEB Debt Service Fund

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
State Sources	-	-	-	-	-
Property Taxes	9,018	-	-	-	-
Other Sources	-	-	-	-	-
Total revenue	9,018	-	-	-	-
Expenditures					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal charges and other	-	-	-	-	-
Total expenditures	-	-	-	-	-
Net change in fund balances	9,018	-	-	-	-
Fund balances					
Beginning of year	2,254,614	2,263,632	2,263,632	2,263,632	2,263,632
End of year	2,263,632	2,263,632	2,263,632	2,263,632	2,263,632

Fund Overview – The OPEB debt service fund is used to account for the accumulation of resources for, and payment of, long-term debt principal, interest and other costs for OPEB-related debt activity. All debt obligations have been met. The final adjustment to this balance will take place within the levy process.

Revenue – Similar to the regular debt service fund, revenues for OPEB debt service fund are directly tied to the district's OPEB bond principal and interest payments. Close to 100 percent of the revenue for this fund comes from property taxes and a very small percentage comes from the state in the form of homestead and agricultural market value credit. The district is not anticipating any revenues for the OPEB debt service fund.

Expenditure – The updated expenditure budget for this fund is the same as the preliminary projection. The district is not proposing any changes to this expenditure budget.

The projected June 30, 2023 fund balance for this fund is \$2.26 million.

Internal Service Funds

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
Other					
GASB #16	1,578,585	1,140,455	1,131,832	1,670,000	1,670,000
Revocable OPEB	-	-	-	-	-
Self-Insured Dental Plan	475,007	459,431	476,076	477,000	477,000
Self-Insured Health Plan	55,676,134	58,333,734	60,101,635	61,007,500	63,007,500
Total revenue	57,729,725	59,933,620	61,709,543	63,154,500	65,154,500
Expenditures					
Salaries and wages					
GASB #16	2,367,729	(149,674)	568,479	1,099,989	699,999
Employee Benefits					
Revocable OPEB	-	-	-	-	-
Self-Insured Dental Plan	373,203	443,112	448,543	455,000	455,000
Self-Insured Health Plan	49,922,050	55,329,457	61,624,206	56,080,000	64,010,000
Total expenditures	52,662,983	55,622,895	62,641,228	57,634,989	65,164,999
Revenue over expenditures	5,066,742	4,310,725	(931,685)	5,519,511	(10,499)
Other financing sources (uses)					
Transfers in					
Self-Insured Health Plan	-	-	-	-	-
Net change in fund balances	5,066,742	4,310,725	(931,685)	5,519,511	(10,499)
Other financing sources (uses)					
Transfers (Revocable Trust)	-	-	-	-	-
Fund balances					
Beginning of year	8,269,819	13,336,561	17,647,286	16,715,600	16,715,600
End of year	13,336,561	17,647,286	16,715,600	22,235,110	16,705,101

Fund Overview – An internal service fund is used to account for the financing of goods or services by one department to another department within the district or to other governmental units on a cost-reimbursement basis. School districts are not required to use internal service funds. The most common use of an internal service fund by school district is for self-insurance programs.

The district maintains four internal service funds to report activities related to other post-employment benefits, severance, self-insured health and self-insured dental. For the 2018-19 school year, the district transitioned from a Revocable OPEB Trust to an Irrevocable OPEB Trust, which is classified differently and not included in the district's internal service funds.

The schedule above shows the actual and projected fund balances for the district's four internal service funds.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Fund balance					
GASB #16	(5,017,081)	(3,726,951)	(3,163,598)	(2,593,587)	(2,193,596)
Self-Insured Dental Plan	285,741	302,060	329,593	351,593	351,593
Self-Insured Health Plan	18,067,899	21,072,175	19,549,604	24,477,104	18,547,104
Total Fund Balance	13,336,561	17,647,286	16,715,600	22,235,110	16,705,101

Custodial - Fiduciary Funds

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Prelim Budget	2022-23 Final Budget
Revenues					
Flex Trust	1,813,004	(125)	-	-	-
Irrevocable OPEB	6,546,997	9,663,992	(6,059,314)	1,600,000	1,600,000
Total Revenues	8,360,001	9,663,867	(6,059,314)	1,600,000	1,600,000
Expenditures					
Flex Trust	1,823,060	619,214	-	-	-
Irrevocable OPEB	3,643,391	3,701,408	2,778,866	4,500,000	4,500,000
Total expenditures	5,466,451	4,320,622	2,778,866	4,500,000	4,500,000
Net change in fund balances	2,893,550	5,343,245	(8,838,180)	(2,900,000)	(2,900,000)
Other financing sources (uses)					
Transfers	-	-	-	-	-
Fund balances					
Flex Trust - Beginning	629,394	619,338	0	0	0
Flex Trust - Ending	619,338	0	0	0	0
OPEB Irrevocable - Beginning	54,485,170	57,388,776	63,351,360	54,513,180	54,513,180
OPEB Irrevocable - Ending	57,388,776	63,351,360	54,513,180	51,613,180	51,613,180
End of year	58,008,114	63,351,360	54,513,180	51,613,180	51,613,180

Fund Overview – Custodial funds are used to account for assets held in trust by the district for the benefit of individuals or other entities. The district maintains three trust funds: 1) an employee benefit trust fund used to report resources received and held by the district as the trustee for employees participating in the district's flexible benefit plan and 3) the OPEB Irrevocable Fund for the school year.

The employee benefits trust fund is used to report activities related to the district's employee flexible benefit plan. This flexible benefit plan is an Internal Revenue Code §125 Cafeteria Plan and is self-supporting. The district does not prepare a budget for this fund. The Irrevocable OPEB fund is used to report activities related to the district's Other Post Employment Benefits (OPEB).



INFORMATIONAL SECTION





Kenna Foreman - EVHS



Raegan Bates - EVHS

Final Budget Calendar

Completion Date	Person(s) Responsible	Activities
Friday, September 9, 2022	Mgr. of Financial Systems	Notification to budget administrators of final budget timelines
Wednesday, September 28, 2022 (End of Day)	Coordinator of Finance	Notification to schools of carryovers/deficits, information posted on the Budget Hub
Monday, October 3-Tuesday, October 4, 2022	Principals Student Information Supr. Director of Elem. Education Director of Sec. Education	Verify schools' actual October 1 enrollment
Wednesday, October 5-Monday, October 10, 2022	Coordinator of Finance Mgr. of Financial Systems	Update schools' instructional and staffing allocations in MyBudgetFile to reflect actual October 1 enrollment
Monday, October 10, 2022 (End of Day)	Coordinator of Finance Mgr. of Financial Systems	MyBudgetFile open and available for final budget revisions
Tuesday, October 11-Wednesday, October 19, 2022	Elementary Principals Middle School Principals High School Principals Program Admin./Coordinators	MyBudgetFile Work Sessions - District Office (See schedule on Budget Hub)
Monday, October 24, 2022 (End of Day)	Elementary Principals District-level Administrators Middle School Principals High School Principals	Complete and submit final budget for superintendent's and/or directors' review and approval
Monday, October 24-Friday, October 28, 2022	Superintendent's Cabinet	Review and approve budgets submitted by direct reports; inform finance when ready for processing
Monday, November 14, 2022	Director of Fin. & Operations Coordinator of Finance Mgr. of Fin. Sys./Reporting & Compliance Superintendent Superintendent's Cabinet	Prepare draft summary of final budget for review with superintendent and superintendent's Cabinet
Monday, December 12, 2022	Director of Fin. & Operations Coordinator of Finance	First presentation of the proposed final budget to the School Board
Monday, January 9, 2023	Director of Fin. & Operations Coordinator of Finance	Final presentation and approval of the proposed final budget to the School Board

Enrollment By Year

as of October 1,	Early Childhood	Kindergarten	Elementary	Secondary	Center-Based Special Education	Total	Annual Increase (Decrease)
2008	445	1,879	11,484	13,035	840	27,683	-0.68%
2009	440	1,818	11,555	12,792	842	27,447	-0.85%
2010	406	1,891	11,531	12,786	840	27,454	0.03%
2011	427	1,902	11,608	12,649	817	27,403	-0.19%
2012	469	1,873	11,622	12,433	771	27,168	-0.86%
2013	475	1,782	11,781	12,430	734	27,202	0.13%
2014	509	1,920	11,910	12,302	771	27,412	0.77%
2015	505	1,910	12,065	12,498	813	27,791	1.38%
2016	486	1,944	12,331	12,579	842	28,182	1.41%
2017	521	2,004	10,225	14,943	951	28,644	1.64%
2018	515	2,002	10,254	15,116	984	28,875	0.81%
2019	554	2,055	10,335	15,251	1029	29,224	1.21%
2020	472	1,764	10,157	15,545	1070	29,008	-0.74%
2021	446	1,978	9,990	15,587	1085	29,086	0.27%
2022	480	1,802	10,063	15,488	1214	29,047	-0.13%

Enrollment By Site – Last Ten Years

		Enrollment on October 1									
School		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Elementary Schools	Cedar Park	705	708	697	731	707	683	682	686	657	701
	Deerwood	564	605	643	625	660	635	625	584	537	517
	Diamond Path	750	755	805	832	757	739	743	703	649	659
	East Lake					542	631	706	718	757	786
	Echo Park	641	683	665	641	669	713	733	705	706	705
	Glacier Hills	685	721	758	759	749	758	729	682	655	651
	Greenleaf	910	927	949	961	900	872	832	764	750	761
	Highland	717	650	676	695	705	693	697	681	677	680
	Northview	400	387	381	396	409	421	450	420	385	365
	196Online									273	61
	Oak Ridge	622	616	550	537	514	512	511	506	517	524
	Parkview	737	848	890	943	803	795	786	761	700	669
	Pinewood	604	577	609	615	593	587	585	551	515	490
	Red Pine	934	873	823	797	769	720	717	668	650	698
	Rosemount	641	670	704	745	681	707	738	731	770	754
	Shannon Park	817	824	812	800	647	636	608	555	508	497
	Southview	634	626	636	640	626	639	630	602	584	591
	Thomas Lake	374	406	427	473	475	509	540	519	547	553
	Westview	419	398	385	395	421	401	413	411	426	475
	Woodland	525	525	545	587	602	605	665	674	705	728
	Total		11,679	11,799	11,955	12,172	12,229	12,256	12,390	11,921	11,968
Middle Schools	Black Hawk	798	847	868	865	868	853	787	825	833	847
	Dakota Hills	1151	1102	1041	1100	1100	1195	1243	1209	1122	1122
	Falcon Ridge	1089	1032	1038	1064	1097	1063	1058	1021	934	925
	196Online									123	75
	Rosemount	1163	1199	1220	1275	1300	1288	1307	1246	1220	1178
	Scott Highlands	910	936	951	1010	1037	1108	1150	1203	1158	1131
	Valley	884	839	922	982	1016	1080	1076	1063	1047	1040
	Total	5,995	5,955	6,040	6,296	6,418	6,587	6,621	6,567	6,437	6,318
High Schools	Apple Valley	1633	1665	1594	1572	1602	1560	1620	1732	1778	1816
	Eagan	2023	2031	2001	1945	2014	1962	1954	2061	2038	2100
	Eastview	2069	2089	2175	2152	2121	2154	2187	2220	2218	2224
	Rosemount	2036	2026	2078	2124	2239	2342	2369	2463	2446	2343
	196Online									134	108
	SES	378	388	434	416	395	351	342	340	358	365
	ALC	116	136	134	100	99	123	120	131	128	168
	Total	8,255	8,335	8,416	8,309	8,470	8,492	8,592	8,947	9,100	9,124
Other Programs	ABE	64	43	62	77	55	41	38	31	50	46
	CBSE	734	771	813	842	951	984	1029	1070	1085	1214
	ECSE	475	509	505	486	521	515	554	472	446	480
	Total	1,273	1,323	1,380	1,405	1,527	1,540	1,621	1,573	1,581	1,740
Grand Total		27,202	27,412	27,791	28,182	28,644	28,875	29,224	29,008	29,086	29,047

Enrollment By Grade – October 1, 2022

	School	K	1	2	3	4	5	6	7	8	9	10	11	12	Totals
Elementary Schools	Cedar Park	122	118	122	120	108	111	-	-	-	-	-	-	-	701
	Deerwood	70	83	81	87	97	99	-	-	-	-	-	-	-	517
	Diamond Path	116	105	105	118	113	102	-	-	-	-	-	-	-	659
	East Lake	120	153	122	132	129	130	-	-	-	-	-	-	-	786
	Echo Park	104	114	117	121	138	111	-	-	-	-	-	-	-	705
	Glacier Hills	96	115	107	113	105	115	-	-	-	-	-	-	-	651
	Greenleaf	129	128	132	119	132	121	-	-	-	-	-	-	-	761
	Highland	100	116	104	117	108	135	-	-	-	-	-	-	-	680
	Northview	49	65	51	66	56	78	-	-	-	-	-	-	-	365
	196Online	0	9	10	16	12	14								61
	Oak Ridge	82	87	80	102	92	81	-	-	-	-	-	-	-	524
	Parkview	94	98	122	120	102	133	-	-	-	-	-	-	-	669
	Pinewood	68	79	84	90	81	88	-	-	-	-	-	-	-	490
	Red Pine	110	113	102	122	120	131	-	-	-	-	-	-	-	698
	Rosemount	120	141	120	124	128	121	-	-	-	-	-	-	-	754
	Shannon Park	68	78	81	90	98	82	-	-	-	-	-	-	-	497
	Southview	84	111	90	101	102	103	-	-	-	-	-	-	-	591
	Thomas Lake	95	80	102	91	112	73	-	-	-	-	-	-	-	553
	Westview	72	89	64	74	79	97	-	-	-	-	-	-	-	475
	Woodland	103	135	110	126	135	119	-	-	-	-	-	-	-	728
	Total	1,802	2,017	1,906	2,049	2,047	2,044	-	-	-	-	-	-	-	11,865
Middle Schools	Black Hawk	-	-	-	-	-	-	263	299	285	-	-	-	-	847
	Dakota Hills	-	-	-	-	-	-	374	375	373	-	-	-	-	1,122
	Falcon Ridge	-	-	-	-	-	-	334	268	323	-	-	-	-	925
	196Online	-	-	-	-	-	-	17	23	35	-	-	-	-	75
	Rosemount	-	-	-	-	-	-	354	415	409	-	-	-	-	1,178
	Scott Highlands	-	-	-	-	-	-	378	387	366	-	-	-	-	1,131
	Valley	-	-	-	-	-	-	341	354	345	-	-	-	-	1,040
	Total	-	-	-	-	-	-	2,061	2,121	2,136	-	-	-	-	6,318
High Schools	Apple Valley	-	-	-	-	-	-	-	-	-	522	500	410	384	1,816
	Eagan	-	-	-	-	-	-	-	-	-	539	576	498	487	2,100
	Eastview	-	-	-	-	-	-	-	-	-	600	596	513	515	2,224
	Rosemount	-	-	-	-	-	-	-	-	-	571	660	566	546	2,343
	196Online										15	26	23	44	108
	SES	-	-	-	-	-	-	-	-	-	-	-	201	164	365
	ALC	-	-	-	-	-	-	-	-	-	-	22	40	106	168
	Total	-	-	-	-	-	-	-	-	-	2,247	2,380	2,251	2,246	9,124
Other Programs	ABE	-	-	-	-	-	-	-	-	-	-	-	1	45	46
	CBSE	88	97	92	76	92	81	83	85	102	67	74	65	212	1,214
	ECSE	480	-	-	-	-	-	-	-	-	-	-	-	-	480
	Total	568	97	92	76	92	81	83	85	102	67	74	66	257	1,740
Grand Total		2,370	2,114	1,998	2,125	2,139	2,125	2,144	2,206	2,238	2,314	2,454	2,317	2,503	29,047

Average Daily Membership by Year

Year Ended 30-Jun	Early Childhood	Kindergarten	Elementary 1st-6th	Secondary 7th-12th	Total ADMs	Total Pupil Units	Annual P.U. Change
2009	232.44	1,851.28	11,842.79	13,405.61	27,332.12	31,781.05	-0.88%
2010	235.58	1,495.18	11,927.94	13,304.89	26,963.59	31,686.88	-0.30%
2011	222.54	1,798.59	11,839.43	13,238.22	27,098.78	31,510.72	-0.56%
2012	159.30	1,850.24	11,948.37	13,012.52	26,970.43	31,406.83	-0.33%
2013	240.34	1,845.80	11,926.58	12,780.09	26,792.81	31,079.22	-1.04%
2014	243.55	1,757.83	12,116.23	12,800.68	26,918.29	31,261.97	0.59%
2015	263.27	1,987.77	12,235.89	12,718.96	27,205.89	29,748.93	-4.84%
2016	261.75	1,969.63	12,423.99	12,871.35	27,526.72	30,100.98	1.18%
2017	268.58	2,005.02	12,728.04	12,901.75	27,903.39	30,494.42	1.31%
2018	268.90	2,119.59	12,840.32	13,086.72	28,315.53	30,932.08	1.44%
2019	264.00	2,123.00	12,997.00	13,394.00	28,778.00	31,078.05	0.47%
2020	283.48	2,181.71	12,956.84	13,575.21	28,997.24	31,712.29	2.04%
2021	230.84	1,884.85	12,760.12	13,833.42	28,709.23	31,475.92	-0.75%
2022	252.67	2,113.53	12,617.13	13,891.55	28,874.88	31,653.01	0.56%

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 Kindergarten- Handicapped	Kindergarten Part-Time	Kindergarten Day	Elementary 1-3	Elementary 4-6	Secondary
Fiscal 2008 through 2014	Various	0.612	0.612	1.115	1.060	1.300
Fiscal 2015 through 2017	Various	0.550	1.000	1.000	1.000	1.200
Fiscal 2018- 2022	Various	0.550	1.000	1.000	1.000	1.200

Total Employee FTE By Classification

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Administrators/Principals	108.430	108.680	109.470	114.590	107.740	110.308	114.227	121.971
Supervisors/Special Staff	58.870	65.420	69.030	73.420	87.840	85.800	89.480	89.433
Teachers/Nurses	2,015.860	2,061.980	2,094.980	2,098.200	2,086.670	2,258.061	2,283.944	2,316.897
Clerical	641.790	647.180	682.980	673.680	655.960	687.345	724.510	761.006
Building Chiefs and Custodians	180.500	181.500	182.500	185.500	180.170	187.500	181.834	187.000
Food service	101.060	100.860	112.260	114.280	113.600	95.836	113.563	118.563
Drivers/Mechanics/Chaperones*	192.750	183.750	192.000	208.500	213.750	224.000	224.000	224.000
Non-licensed specialists	47.110	48.390	51.950	54.540	51.050	50.180	52.868	55.555
Total	3,346.370	3,397.760	3,495.170	3,522.720	3,496.780	3,699.030	3,784.426	3,874.425

*FTE estimates provided by the Transportation Department

**FTE's above are budgeted estimates. Does not reflect actual FTE's and includes budgeted FTE's not planned to be hired.

Site Staffing Allocations

	October 3, 2022 Enrollment (Non- Sped)	October 3, 2022 Enrollment (CBSE)	Admin/Principal/AP	Assistant Administrator	Counselors & Mental Health	Classroom Teachers	Specialists & Band & Magnet Support	Gifted and Talented	Technology Assistant	Nurse	12-Month Secretary	10-Month Secretary	10-Month Clerk	Campus Security	Totals
Elementary Schools															
Cedar Park	701	28	1.000	0.950	0.500	30.433	5.950	0.550	-	0.938	1.000	0.985	4.212	-	46.518
Deerwood	517	25	1.000	0.800	0.500	22.210	4.324	0.300	-	0.938	1.000	0.900	3.450	-	35.422
Diamond Path	659	18	1.000	0.900	0.500	28.334	5.481	0.550	-	0.938	1.000	0.914	3.959	-	43.576
East Lake	786	38	1.000	1.000	0.500	34.119	6.474	0.550	-	0.938	1.000	1.113	4.722	-	51.416
Echo Park	705	22	1.000	1.000	0.500	30.224	5.956	0.550	-	0.938	1.000	0.982	4.236	-	46.386
Glacier Hills	651	11	1.000	0.950	0.500	27.846	5.995	0.550	-	0.938	1.000	0.900	3.911	-	43.590
Greenleaf	761	24	1.000	1.000	0.500	32.883	6.037	0.550	-	0.938	1.000	1.060	4.572	-	49.540
Highland	680	37	1.000	0.950	0.500	29.402	5.605	0.550	-	0.938	1.000	0.968	4.085	-	44.998
Northview	365	27	1.000	0.800	0.500	15.841	3.960	0.300	-	0.938	1.000	0.900	3.450	-	28.689
196Online	61	0	1.000	0.211	1.000	2.494	3.820	0.250	-	0.938	1.000	0.900	3.450	-	15.063
Oak Ridge	524	27	1.000	0.800	0.500	22.655	4.608	0.300	-	0.938	1.000	0.900	3.450	-	36.151
Parkview	669	25	1.000	0.950	0.500	28.710	5.522	0.550	-	0.938	1.000	0.937	4.019	-	44.126
Pinewood	490	24	1.000	0.800	0.500	21.171	3.975	0.300	-	0.938	1.000	0.900	3.450	-	34.034
Red Pine	698	31	1.000	0.900	0.500	30.055	5.650	0.550	-	0.938	1.000	0.985	4.194	-	45.772
Rsm. Elem.	754	21	1.000	1.000	0.500	32.502	5.996	0.550	-	0.938	1.000	1.047	4.530	-	49.063
Shannon Park	497	28	1.000	0.800	0.500	21.438	4.123	0.300	-	0.938	1.000	0.900	3.450	-	34.449
Southview	591	34	1.000	0.850	0.500	25.662	4.833	0.300	-	0.938	1.000	0.900	3.551	-	39.534
Thomas Lake	553	26	1.000	0.850	0.500	23.996	4.436	0.300	-	0.938	1.000	0.900	3.450	-	37.370
Westview	475	34	1.000	0.800	0.500	20.720	3.980	0.300	-	0.938	1.000	0.900	3.450	-	33.588
Woodland	728	25	1.000	1.000	0.500	31.280	5.900	0.550	-	-	0.000	1.017	4.374	-	45.621
Totals	11,865	505	20.000	17.311	10.500	511.975	102.625	8.700	0.000	17.822	19.000	19.008	77.965	0.000	804.906
Middle Schools															
Black Hawk	847	48	2.000	0.567	3.000	34.203	2.880	0.900	0.450	1.000	2.000	0.650	3.238	-	50.888
Dakota Hills	1122	36	2.000	0.588	3.000	44.873	4.900	0.900	0.450	1.000	2.000	0.701	4.290	-	64.702
Falcon Ridge	925	44	2.000	0.573	3.000	37.220	3.470	0.900	0.450	1.000	2.000	0.650	3.537	-	54.800
Rosemount	1178	27	2.000	0.593	3.000	46.942	3.400	0.900	0.450	1.000	2.000	0.736	4.504	-	65.525
Scott Highlands	1131	54	2.000	0.589	3.000	45.512	3.430	0.900	0.450	1.000	2.000	0.707	4.324	-	63.912
Valley Middle	1040	36	2.000	0.582	3.000	42.635	2.000	0.900	0.450	1.000	2.000	0.650	3.976	-	59.193
196Online (1)	75	0	1.000	0.000	1.000	2.962	0.220	0.000	0.000	0.000	0.000	0.000	0.000	-	5.182
Totals	6,318	245	13	3.492	19.000	254.347	20.300	5.400	2.700	6.000	12.000	4.094	23.869	0.000	364.202
High Schools															
Apple Valley	1816	58	4.000	0.495	5.581	75.069	4.901	-	0.450	1.000	4.000	2.361	4.344	2.000	104.202
Eagan	2100	49	4.000	0.566	6.219	86.514	5.176	-	0.450	1.000	4.000	2.731	5.024	2.000	117.679
Eastview	2224	49	4.000	0.653	6.498	91.576	5.327	-	0.450	1.000	4.000	2.892	5.320	2.000	123.716
Rosemount	2343	58	4.000	0.737	6.765	96.580	5.444	-	0.450	1.000	4.000	3.047	5.605	2.000	129.628
SES	365	0	1.000	0.200	1.320	14.898	0.450	-	0.225	0.813	1.000	1.350	0.000	1.000	22.256
ALC	168	0	1.000	0.200	1.000	7.636	0.450	-	0.225	0.250	1.000	0.900	0.675	1.000	14.336
196Online (1)	108	0	1.000	0.000	1.000	4.408	0.000	-	-	-	1.000	0.000	0.000	0.000	7.408
Totals	9124	214	19.000	2.851	28.383	376.681	21.748	0.000	2.250	5.063	19.000	13.280	20.968	10.000	519.225

(1) 196Online allocations for support staff and administrators is on a district-wide basis and is not separated by level. The figures above For 196Online are meant to show instructional allocations based on standard staffing formulas. Actual FTE's for 196Online may differ for 22-23 based on federal grants and other funding sources used for this program.

Fund Balances - Governmental Funds

	Fiscal Year				
	2018	2019	2020	2021	2022
General Fund					
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Nonspendable	1,050,944	1,421,379	1,282,831	647,657	3,932,377
Restricted	9,318,698	10,840,842	10,079,210	13,093,480	16,883,660
Assigned	8,399,254	1,311,999	1,271,880	7,128,748	13,744,165
Unassigned	25,699,224	37,352,793	45,730,406	63,988,692	59,534,594
Total General Fund	44,468,120	50,927,013	58,364,327	84,858,576	94,094,796
Other Governmental Funds					
Reserved	-	-	-	-	-
Unreserved, reported in	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital Projects – Building Construction Fund	-	-	-	-	-
Debt Service Fund	-	-	-	-	-
Nonspendable	208,298	244,503	497,327	473,170	445,313
Restricted	43,679,934	14,947,727	19,203,920	19,061,145	15,879,212
Unassigned, reported in					-
Capital Projects – Building Construction	-	-	(34,817)	-	-
Fund					
Debt Service Fund	-	(554,624)	-	-	-
Total all other governmental funds	43,888,232	14,637,606	19,666,430	19,534,315	16,324,525

Changes in Fund Balances - Governmental Funds

	Fiscal Year					
	2017	2018	2019	2020	2021	2022
Revenues						
Local sources						
Taxes	85,651,484	89,682,487	91,158,991	95,664,211	116,395,290	122,337,786
Investment earnings	1,525,963	1,720,017	2,390,487	1,595,266	106,618	236,959
Other	21,655,777	21,241,570	21,450,041	17,975,172	9,187,718	14,530,742
State sources	264,144,986	275,878,205	285,746,486	296,520,589	300,697,987	304,368,150
Federal sources	14,628,580	15,834,368	16,232,102	16,894,745	35,520,203	41,968,413
Total revenues	387,606,790	404,356,647	416,978,107	428,649,983	461,907,816	483,442,050
Expenditures						
Current						
Administration	14,931,628	15,599,003	16,342,073	16,978,484	17,240,096	18,093,029
District support services	9,807,545	10,694,868	12,008,717	13,024,402	12,338,544	13,836,251
Elementary and secondary instruction	169,848,898	173,672,800	177,357,744	179,118,369	189,442,516	203,653,924
Vocational education instruction	5,013,173	5,137,316	5,396,017	5,104,823	5,052,494	5,500,400
Special education instruction	68,020,953	71,133,191	72,650,167	76,516,745	77,148,300	83,456,701
Instructional support services	20,664,400	21,616,857	22,489,640	23,078,098	21,506,153	23,679,065
Pupil support services	24,615,829	25,550,001	26,181,738	27,564,639	29,228,298	35,089,618
Sites and buildings	25,390,808	23,681,891	25,398,051	30,069,134	30,408,462	28,103,226
Fiscal and other fixed cost programs	613,851	582,782	1,182,069	671,312	1,237,889	1,209,218
Food service	11,992,184	11,258,394	12,113,867	10,890,508	10,538,159	15,007,297
Community service	8,822,111	8,751,046	8,933,712	8,606,173	8,164,705	9,601,763
Capital outlay	33,546,532	68,021,071	40,050,087	15,362,092	22,311,175	29,943,391
Debt service						
Principal	14,394,446	14,079,855	14,694,828	13,251,596	14,703,513	16,063,955
Interest and fiscal charges	7,911,158	7,595,387	6,992,089	6,333,341	6,005,061	5,809,628
Total expenditures	415,573,516	457,374,462	441,790,799	426,569,716	445,325,365	489,047,466
Revenues over (under) expenditures		(27,966,726)	(53,017,815)	(24,812,692)	2,080,267	16,582,451
Other financing sources (uses)						
Transfers in	20,122	-	135,509	399,229	34,763	92,212
Transfers out	(20,122)	-	(135,509)	(399,299)	(34,763)	(92,212)
Refunding debt issued	-	-	-	-	-	11,235,000
Debt issued	-	-	-	8,960,000	9,005,000	9,775,000
Premium on debt issued	-	-	-	544,202	536,557	1,923,457
Discount on debt issued	-	-	-	-	-	-
Bond refunding payments	-	-	-	-	-	(12,110,000)
Capital leases and other loans	-	1,043,209	-	-	-	18,115
Insurance Recovery	-	311,212	56,303	25,413	46,259	7,623
Judgements for the School District	-	-	369	-	-	-
Sale of capital assets	80,287	23,971	19,383	856,256	191,868	782,650
Total other financing sources (uses)		80,287	1,378,392	76,055	10,385,801	9,779,684
Net change in fund balances	(27,886,439)	(51,639,423)	(24,736,637)	12,466,068	26,362,135	6,026,429
Fund balances						
Beginning of year	169,827,188	141,940,749	90,301,326	65,564,689	78,030,757	104,392,892
End of year	141,940,749	90,301,326	65,564,689	78,030,757	104,392,892	110,419,321



GLOSSARY





Glossary of Terms

A

Accounting Procedure: The policy and systematic arrangement of methods and operations for recording accounting information to provide internal control and produce accurate and complete records and reports.

Accounting System: The total set of records and procedures which are used to record, classify and report information on the financial status and operations of an entity.

Accrual Basis of Accounting: The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether cash disbursements are made at that time or not).

Adjusted Marginal Cost Pupil Units: The current pupil units or sum of 77 percent of the adjusted pupil units computed using current year data, plus 23 percent of the adjusted pupil units computed using prior year data, whichever is greater.

Adjusted Net Tax Capacity (ANTC): The net tax capacity of a school district as adjusted by the sales ratio (Net Tax Capacity divided by the sales ratio). The purpose of the adjustment is to neutralize the effect of different assessment practices among the taxing jurisdiction of the state.

Adjusted Pupil Units: The sum of pupil units served plus pupil units whom the district pays tuition under an agreement with another district, minus pupil units for whom the district receives tuition under an agreement with another district.

Apportionment: (1) The act of apportioning; (2) An item of receipts resulting from the act of apportioning, such as state apportionment (see *allotment*).

Assessed Valuation: A valuation set upon real estate or other property by a government as a basis for levying taxes.

Assessment: (1) The process of making the official valuation of property for the purpose of taxation, and (2) The valuation placed upon property as a result of this process. **Note:** *Assessment* is sometimes used to denote the amount of taxes levied but such usage is not recommended since it fails to distinguish between the valuing process and the tax levying process. The term is also used erroneously as a synonym for *special assessment*.

Assets: Economic resources that are owned or controlled by an entity.

Audit: The result of an independent accountant's review of the statements and footnotes to ensure compliance with generally accepted accounting principles and to render an opinion on the fairness of the financial statements.

Audit Report: A report issued by an independent certified public accountant that expresses an opinion about whether the financial statements fairly present an organization's financial position, operating results and cash flows in accordance with generally accepted accounting principles.

Average Daily Attendance (ADA): The aggregate attendance of students in a school during a reporting period (normally a school year) divided by the number of days that school is in session during this period.

Average Daily Membership (ADM): The aggregate membership of students in a school during a reporting period (normally a school year) divided by the number of days that school is in session during this period.

B

Balance Sheet: A formal statement of assets, liabilities and equity as of a specific date.

Bond: A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date in the future (the maturity date), together with periodic interest at a specified rate.

Bond Discount: The difference between the face value and the sales price when bonds are sold below their face value.

Bond Maturity Date: The date at which a bond principal or face amount becomes payable.

Bond Premium: The difference between the face value and the sales price when bonds are sold above their face value.

Bond Rating: Ratings for bonds to be issued that primarily reflect the ability of the issuer to repay the bonds. Better bond ratings result in lower interest rates for the bonds issued.

Bond Referendum: Funding for a proposed public building or major remodeling project submitted for local voter approval.

Budget: A plan of financial operation expressing the estimates of proposed expenditures for a fiscal year and the proposed means of financing them (revenue estimates).

Budgeting: Pertains to budget planning, formulation, administration, analysis and evaluation.

Budget Calendar: Schedule of key dates, which the School Board and administrators follow in preparation, adoption and administration of the budget.

C

Capital Lease: A leasing transaction that is recorded as a purchase by the lessee; ownership is transferred to the lessee at the conclusion of the leasing agreement.

Capital Outlay: An expenditure that is generally greater than \$5,000 and results in ownership, control or possession of assets intended for continued use over relatively long periods of time.

Cash Basis: Gross income is recognized when cash is received.

Cash Basis Accounting: A system of accounting in which transactions are recorded and in which revenues and expenses are recognized only when cash is received or paid.

Chart of Accounts: A list of all accounts generally used in an individual accounting system. In addition to account title, the chart includes an account number that has been assigned to each account. Accounts in the chart are arranged with accounts of a similar nature, for example, assets and liabilities.

Compensatory Revenue: A portion of general education revenue based on the number of students in a school district that qualify for free or reduced-price school meals.

Contracted Services: Service rendered by personnel who are not on the payroll of the school district, including all related expenses covered by the contract.

Credit: An entry on the right side of the account.

D

Debt: Money owed by one party (the debtor) to a second party (creditor), generally subject to contractual terms regarding the amount and timing of repayments of principal and interest.

Debt Service: Expenditures for the retirement of principal and payment of interest on debt.

Debt Limit: The maximum amount of bonded debt for which a governmental unit (school district) may legally obligate itself.

Debit: An entry on the left side of an account.

Delinquent Taxes: Taxes remaining unpaid on and after the date on which they become delinquent by statute.

Double Entry Accounting: A system of recording transactions in a way that maintains the equality of the accounting equation. Every entry made to the debit side of an account or accounts will have a corresponding amount or amounts made to the credit side.

E

Elementary School: A school classified as elementary by state and local practice and composed of any span of grades not above grade eight. Preschool or kindergarten is included under this heading only if it is an integral part of an elementary school or a regularly established school system.

Employee Benefits: Compensation, in addition to regular salary, provided to an employee. This may include such benefits as health insurance, life insurance, annual leave, sick leave, retirement and Social Security.

Enrollment: The total number of students registered in a given school unit at a given time, generally in the fall. (October 1 in Minnesota)

Entry: The record of a financial transaction in its appropriate book of accounts. Also, the act of recording a transaction in the books of accounts.

Equalization: The process of (1) reducing the tax rate or tax base disparities among different taxing jurisdictions, or (2) reducing net tax disparities among different properties within the same class in a given taxing jurisdiction.

Expenditures: Charges incurred, whether paid or unpaid, which are presumed to benefit the current fiscal year. For elementary/secondary schools, these include all charges for current outlays plus capital outlays and interest on school debt.

Expenditures Per Pupil: Charges incurred for a particular period of time divided by a student unit of measure, such as enrollment, average daily attendance, or average daily membership.

Expenses: Costs incurred in the normal course of operations.

F

Fiscal Year: The twelve-month period of time to which the annual budget applies. All Minnesota school districts, by law, must observe a fiscal year that runs July 1 through June 30.

Free School Meals: In order to qualify for free school meals, a household must submit an application. The federal government, comparing the household's size to its income, sets guidelines.

Full-Time Equivalency (FTE): The result of a computation that divides the amount of time for a less than full-time activity by the amount of time normally required in a corresponding full-time activity.

Fund: A sum of money or other resources segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations, and constituting an independent fiscal and accounting entity.

Fund Balance (equity): Mathematical excess of assets over liabilities.

Federal Sources: Revenues received from federal government appropriations.

Fiduciary Funds: Account for assets held in a trustee capacity or as an agent for individuals, organizations or other governmental units and/or funds.

Formula Allowance: Minnesota's basic general education formula allowance provided school districts with a majority of their revenue.

G

General Fund: Typically the largest fund in the budget. It is comprised of money not in other funds. Most of this fund is not earmarked for specific purposes.

Generally Accepted Accounting Principles (GAAP): Standard framework of guidelines for financial accounting used in any given jurisdiction; generally known as accounting standards or standard accounting practice. These include the standards, conventions and rules that accountants follow in recording and summarizing financial transactions and in the preparation of financial statements.

General Obligation Bonds (GO Bonds): Bonds that the state stands behind with its taxing powers.

Grant: A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments (school districts) from state and federal governments and are usually made for specified purposes.

H

High School: A secondary school offering the final years of high school work necessary for graduation, usually including grades 9-12.

I

Interest: The payment (cost) for the use of money.

Internal Service Funds: Funds internal to the operation of a unit that provide a variety of services to that unit, such as a printing activity. The funds must recover the full costs of services provided through billing back.

J

Noentries

K

Kindergarten: This category of students includes transitional kindergarten, kindergarten and pre-first-grade students, and is traditionally found in elementary schools.

Kindergarten Handicapped (or disabled): This is a special category within kindergarten that provides for increased weighting of these kindergarten students that provides more revenue to a district.

L

Lease: A contract that specifies the terms under which the owner of an asset (the lessor) agrees to transfer the right to use the asset to another party (the lessee).

Lessee: The party that is granted the right to use property under the terms of a lease.

Lessor: The owner of property that is rented (leased) to another party.

Levy: A tax imposed on property, which a school board may levy, and is limited by statute.

Liabilities: Obligations measurable in monetary terms that represent amounts owed to creditors, governments, employees and other parties.

Local Education Agency (LEA): See *school district*.

Long-Term Liabilities: Debts or other obligations that will not be paid within one year.

M

Mandates: Requirements imposed by one level of government on another.

Marginal Cost Pupil Unit: Used to indicate pupil count. It is a calculation whereby 77 percent of the current year pupil count is added to 23 percent of the prior year pupil count.

Market Value: The value assigned to property by an assessor. The market value is intended to reflect the sales value of the property.

Middle School: A secondary school following elementary school and preceding high school, usually including grades 6-8.

Minnesota Automated Reporting Student System (MARSS): A system of pupil accounting that maintains essential data elements for each public school student attending school in Minnesota and reported by school districts to the state.

Minnesota Department of Education (MDE): The formal agency within the executive branch of government in Minnesota that oversees the operations of education, K-12 education in particular.

Modified Accrual Basis of Accounting: The basis of accounting under which expenditures, other than accrued interest on general long-term debt, are recorded at the time liabilities are incurred and revenues are recorded when received in cash, except for material and/or available revenues, which should be accrued to reflect property taxes levied and revenue earned.

N

Net Tax Capacity (NTC): This value is derived by multiplying the estimated market value of each parcel by the appropriate class (use) rate for that parcel.

Net Tax Liability: The amount of tax computed by subtracting tax credits from the gross tax liability.

Non-Resident Student: A student whose legal residence is outside the geographical area served by the district.

O

Operating Lease: A simple rental agreement where the lessor, at the conclusion of the leasing agreement, retains ownership.

P

Principal (face value or maturity value): The amount that will be paid on a bond at its maturity date.

Public Employees Retirement Association (PERA): This group administers pension plans that cover local, county and school district non-teaching employees.

Pupil Units: A count of resident students in average daily membership. See *weighted pupil units*.

Q

No entries

R

Review and Comment: A process by which the commissioner of Minnesota Department of Education reviews and comments on the feasibility and practicality of proposed school district building projects.

Refunding Bonds: Bonds issued to pay off bonds already outstanding.

Reserve: An amount set aside for some specified purpose.

Resident Student: A student whose legal residence is within the geographic area served by the district.

Revenues: Money received by a unit from external sources net of refunds and other correcting transactions, other than from the issuance of debt, liquidation of investments, and as agency and probate trust transactions.

S

School Board: Elected or appointed body that has been created according to state law and vested with responsibilities for educational activities in the school district.

School District: A unit for administration of a public-school system often comprising several cities within a state.

Social Security (FICA) Taxes: Federal Insurance Contributions Act taxes imposed on employees and employers; used mainly to provide retirement benefits.

Staff Automated Reporting System (STAR): The system by which staff data elements are recorded and transmitted to the Minnesota Department of Education.

Stated Rate of Interest: The rate of interest printed on the bond.

Statute: A written law passed by a legislative body.

T

Tax Base: The value of commercial, industrial, residential, agricultural and other properties in a school district, city, municipality and county.

Tax Capacity: The value of property that school districts and other units' tax.

Tax Credit: A state-allowed reduction on local property taxes.

Teachers Retirement Association (TRA): A statewide public pension fund for public school teachers throughout Minnesota, except for teachers in the first class cities, and some teachers in community colleges, state universities and technical colleges.

Transfer: The movement of money between funds; transfer must be consistent with legislative intent.

Trial Balance: A listing of all account balances; provides a means of testing whether total debits equal total credits for all accounts.

Trust Fund: A fund consisting of resources received and held by the district as trustee to be expended or invested in accordance with the conditions of the trust.

U

Uniform Financial Accounting and Reporting Standards (UFARS): Minnesota’s legally prescribed set of accounting standards for all school districts.

Useful Life: The term used to describe the life over which an asset is expected to be useful to the company; cost is assigned to the periods benefited from using the asset.

V

No entries

W

Weighted Pupil Units: A varied weighting of pupils by grade. For example, a student in grades 1-6 may be counted as a 1.06 pupil unit, whereas a student in grades 7-12 may be counted as a 1.3 pupil unit. This methodology was sunset in 2014. Students in grades 1-6 may be counted as a 1.0 pupil unit and students in grades 7-12 may be counted as a 1.2 pupil unit.

X

No entries

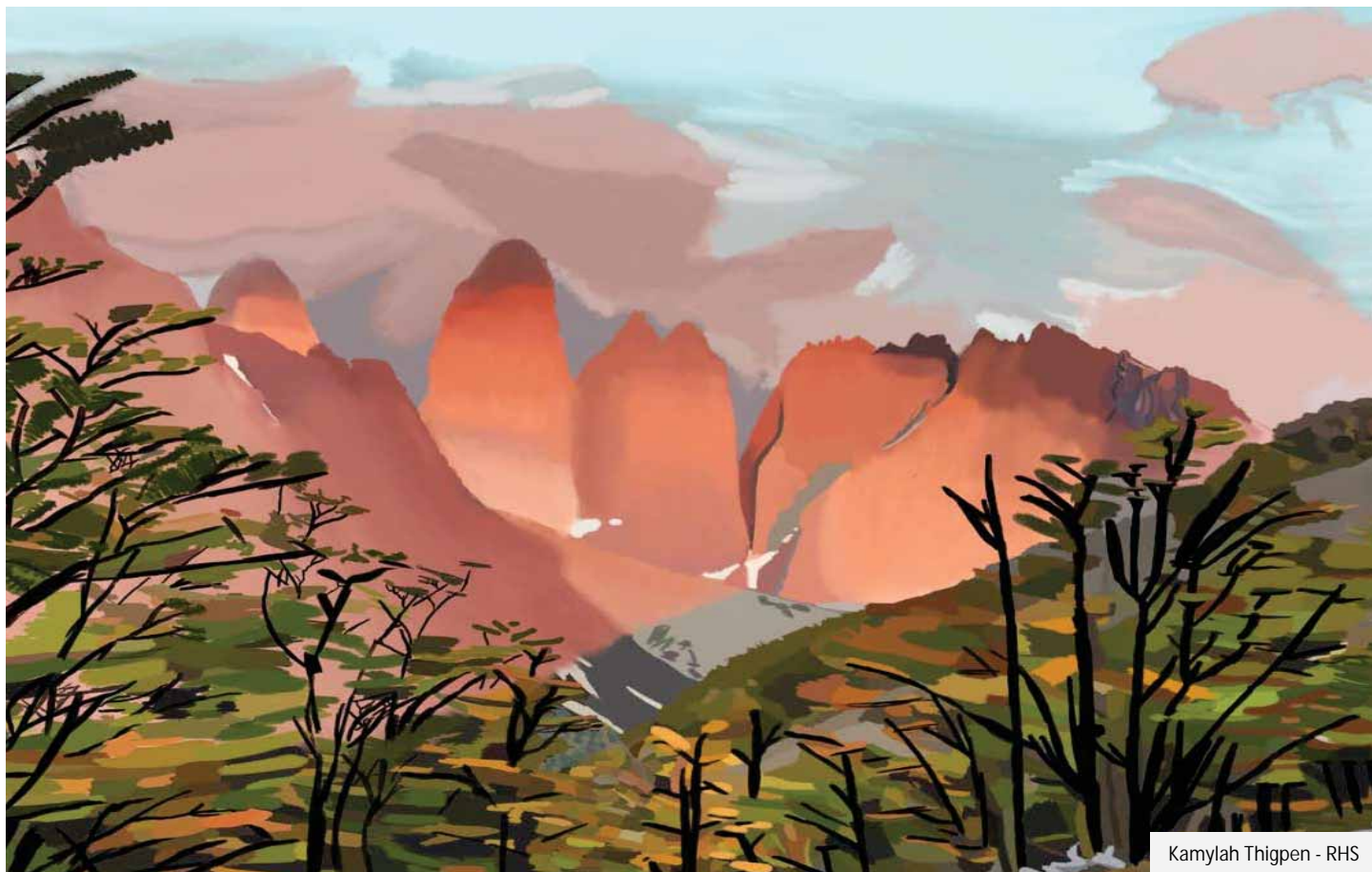
Y

No entries

Z

No entries





Kamylah Thigpen - RHS



Aevyn Nguyen - EVHS



Yunny Huang - EVHS



DISTRICT 196
One District. Infinite Possibilities.

Rosemount
Apple Valley
Eagan
Public Schools