

DRAFT 6.12.23



DISTRICT196®
One District. Infinite Possibilities.



Charlie N – Black Hawk



Daniella K – Scott Highlands

2023-24 Preliminary Budget

Fiscal Year Ending June 30, 2024

INDEPENDENT SCHOOL DISTRICT 196

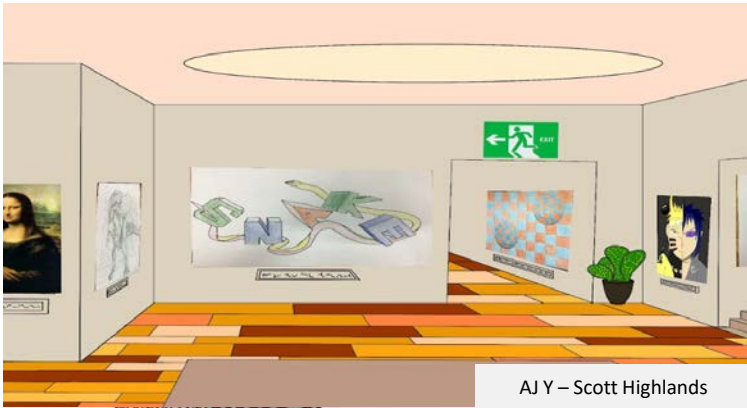
Rosemount-Apple Valley-Eagan Public Schools
Dakota County • Rosemount, Minnesota 55068

www.district196.org



Ara J – Scott Highlands

*Educating
our students
to reach their
full potential*



AJ Y – Scott Highlands



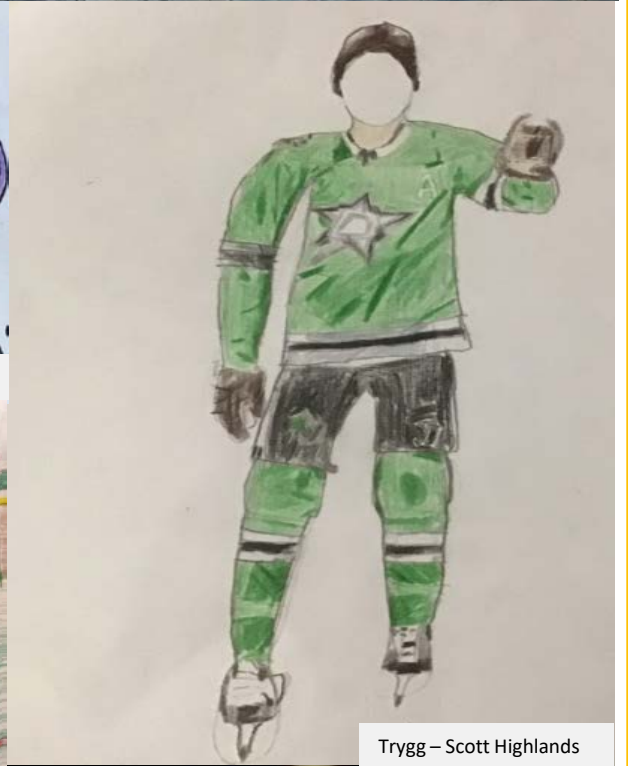
Genevieve D – Black Hawk



Chloe J – Black Hawk



Edward - Northview



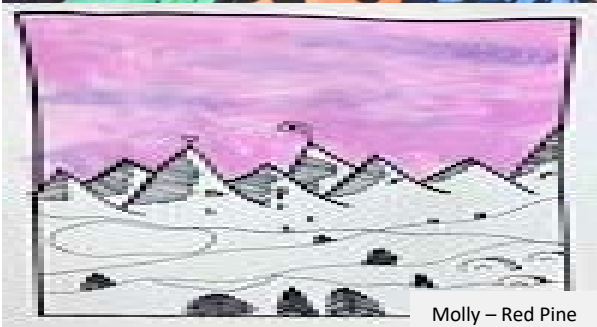
Trygg – Scott Highlands



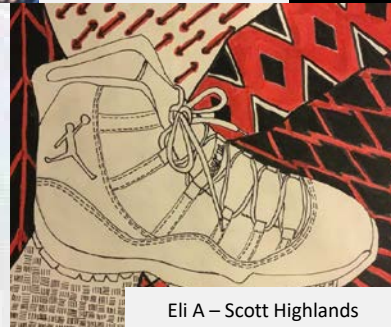
Qwin W – Black Hawk



Zander G – Black Hawk



Molly – Red Pine



Eli A – Scott Highlands



Logan W – Black Hawk

Table of Contents

	Page
Table of Contents	3
Letter of Transmittal	6
District Map	9
Meritorious Budget Award for 2022-23	10
 EXECUTIVE SUMMARY	
The District	13
District Students	14
The School Board & Superintendent; District Administration	15
District Staff	16
District Strategies and Goals	17
The Budget	
The Budget Process and Timelines	18
District Budget – Summary of All Funds and District Debt Schedule	19
All Funds - Revenue Summary	20
All Funds - Expenditure Summary	21
General Fund - Revenues by Source	22
General Fund - Expenditures by Object	23
General Fund - Expenditures by Program	24
Property Taxes	25
District Debt Schedule and Other Post-Employment Benefits (OPEB)	26
Achievements and Initiatives	27
Frequently Asked Questions (FAQs) and Contact Information	28
 ORGANIZATIONAL SECTION	
Note 1 - District Overview	31
Note 2 - Governance	33
Note 3 - District Mission and Strategic Plan	36
Note 4 - Significant Budget and Financial Items	37
Note 5 - School Funding	43
Note 6 - Budget Development Process	56
Note 7 - Budget Allocations	60
Appendix A – Budget Policies, Administrative Regulations and Procedures	69
 FINANCIAL SECTION	
Level One - Summary of All Funds	79
Level Two - Summary of All Operating Funds	
General Fund – All Sub-Accounts	80
Special Revenue Funds	
Special Revenue Funds - All Sub-Accounts Combined	85
Special Revenue Funds - Food Service Fund	86
Special Revenue Funds - Community Service Fund	88

Table of Contents (continued)

Level Three - Summary of Individual Funds	Page
Capital Projects - Building Construction Fund	90
Debt Service Funds	
Debt Service Funds - All Sub-Accounts Combined	91
Debt Service Funds - Regular Debt Service	92
Debt Service Funds - Other Post-Employment Benefits (OPEB) Debt Service	93
Proprietary Funds	
Proprietary Funds - Internal Service Funds	94
Fiduciary Funds	
Fiduciary Funds - Trust Fund	96
 Level Four - Summary by Schools	
Cedar Park Elementary Science, Technology, Engineering and Math (STEM) School	99
Deerwood Elementary School	100
Diamond Path Elementary School of International Studies	101
East Lake Elementary School	102
Echo Park Elementary School of Leadership, Engineering and Technology	103
Glacier Hills Elementary School of Arts and Science	104
Greenleaf Elementary School	105
Highland Elementary School	106
Northview Elementary School	107
Oak Ridge Elementary School of Leadership, Environmental and Health Studies	108
Parkview Elementary School	109
Pinewood Elementary School	110
Red Pine Elementary School	111
Rosemount Elementary School	112
Shannon Park Elementary School	113
Southview Elementary School	114
Thomas Lake Elementary School	115
Westview Elementary School	116
Woodland Elementary School	117
Black Hawk Middle School	118
Dakota Hills Middle School	119
Falcon Ridge Middle School	120
Rosemount Middle School	121
Scott Highlands Middle School	122
Valley Middle School of STEM	123
Apple Valley High School	124
Eagan High School	125
Eastview High School	126
Rosemount High School	127
School of Environmental Studies	128
Area Learning Center	129
196Online Program	130
School Pictures	131

Table of Contents (continued)

	<u>Page</u>
INFORMATIONAL SECTION	
Student	
Enrollment by Grade by Year and Enrollment Methodology	137
Enrollment by School by Year	138
Enrollment by School by Grade: 2023-24 Projection	139
Students Average Daily Membership (ADM)	140
Department and Operating Indicators	
Assessment and Student Achievement	141
Food and Nutrition Services Data	142
Employees by Full-Time Equivalent (FTE)	143
School Facilities	144
Demographic and Economic Data	145
Property Taxes	
Taxable Market Value of Properties	146
Property Tax Capacity and Estimated Market Value of Property	147
Property Tax Information/Valuation Data	148
Tax Revenues	149
Tax Rates	150
Outstanding Debt	
Long-Term Debt - Minimum Future Payments Summary	151
Long-Term Debt Obligations	152
Legal Debt Margin Information	153
Long-Term Debt - Minimum Future Payments – General Obligation Bonds	154
Long-Term Debt - Minimum Future Payments – Capital Leases	156
Long-Term Debt - Minimum Future Payments – Certificates of Participation	158
Financial Statistics	
Fund Balances of Governmental Funds	160
Changes in Fund Balances of Governmental Funds, Actual	161
Glossary of Terms and Acronyms	162
Appendix B – 2023-24 Capital Budget Book	171

Special Thank You

District 196 would like to extend a special thank you to the incredible student artists and schools who provided the artwork showcased throughout the 2023-24 preliminary budget book. Our students' talent and creativity is exceptional and the district is honored to display their work to the community through this presentation.



June 26, 2023

To the School Board, Citizens, Employees, and Stakeholders at-large of Independent School District 196:

INTRODUCTION

Pursuant to the Minnesota Statute 123B.77, the finance department is pleased to submit the district's 2023-24 Preliminary Budget.

This budget has been developed with considerable input from the School Board, the district's Budget Advisory Council, members of the superintendent's cabinet and the district's administrative leaders. It was prepared in accordance with the budget planning guidelines reviewed by the district's Budget Advisory Council and School Board in January, February, and March 2023. It was also reviewed by the School Board at its regular meeting on June 12, 2023. This budget seeks to support the district's mission of *"Educating our students to reach their full potential"* by maximizing the use of available resources and minimizing taxpayer burden.

The budget book has been designed to give readers a better understanding of the financial structure and budgeting process of the district. The book has been organized using a pyramid approach so readers may progress from an overview to greater levels of detail. The pyramid approach begins with a summary of all fund categories and then presents individual funds. Readers are able to work their way down the pyramid and budget details become more specific as readers move from the beginning to the end of the document.

REPORT FORMAT

This budget book format is based on the requirements of the Association of School Business Officials International's (ASBO'S) Meritorious Budget Award (MBA) program. The MBA program sets standards for the presentation and issuance of school budgets internationally. It is also used for selection of the most comprehensive budget documents to receive the MBA. The district received the ASBO Meritorious Budget Award for the last seven fiscal years.

This budget document is presented in four sections:

The **Executive Summary** section is an executive summary of the remaining three sections described below.

The **Organizational** section provides an explanation of the district's legal autonomy, governance structure, mission and goals. In addition, the organizational section discusses the policies, assumptions and procedures used in developing the budget.

The **Financial** section is organized into four levels, using a pyramid approach to provide further detail in each level. The four levels are as follows:

- Level One – Summary of All Funds
- Level Two – Summary of General Fund
- Level Three – Summary of Individual Funds
- Level Four – Summary of Individual Schools/Sites

The **Informational** section provides selected financial, demographic and economic data on a multi-year comparative basis as well as a glossary to assist the reader with school finance terms and acronyms used in this document.

REPORTING ENTITY AND ITS SERVICES

The school district was incorporated in 1950 and serves nine suburban communities within Dakota County, located on the southeastern edge of the Minneapolis/St. Paul metropolitan area. The district provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12 and enrichment opportunities for community members outside the K-12 system.

FINANCIAL AND BUDGETARY CONTROL

The district's administration is responsible for establishing and maintaining internal controls designed to ensure district assets are protected from misuse or loss.

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

The district's budget process is based on development of a budget projection model that attempts to project available resources and expenditures over a multi-year period. The budget projection is used by the School Board and the administration to determine budget parameters, including staffing guidelines. This budget has been prepared in accordance with the budget parameters and personnel staffing guidelines approved by the School Board on February 13, 2023.

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 fiscal year-end.

DISTRICT MISSION AND STRATEGIC PLAN

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

Belief Statements:

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

Strategies and Goals:

- **Teaching and Learning**
 - Deliver a high-quality instructional program that anticipates and meets the needs of all learners.
- **Educational Equity**
 - Implement a systemic process that increases achievement for all students by addressing equitable access to opportunities in our schools and programs.
- **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.
- **Partnerships**
 - Develop and implement sustainable strategies to increase collaboration between the district and community partners.

FISCAL SUMMARY

The following is a summary listing of the budget for each of the fund groups contained in the 2023-24 Preliminary Budget:

	Projected Fund Balance 7/1/2023	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balance 6/30/2024
General Fund	74,313,437	469,734,195	480,923,925	(135,061)	63,123,707
Special Revenue Funds	8,475,964	29,911,030	26,999,410	135,061	11,387,584
Building Construction Fund	272,199	275,300,000	36,000,000	-	239,572,199
Debt Service Funds	5,804,524	17,505,094	16,670,900	-	6,638,718
Internal Service Funds	16,705,101	67,522,000	66,164,999	-	18,062,102
Fiduciary Funds	53,013,179	1,600,000	3,500,000	-	51,113,179
	158,584,403	861,572,319	630,259,234	-	389,897,488

FINANCIAL PROSPECTS FOR FUTURE YEARS

With the exception of the voter-approved excess operating levy and building bond referendum, the district is dependent on the State of Minnesota for the majority of its general operating revenue. Funding for operations from the state come in the form of the general education funding formula, special education aid and other categorical funds.

State general education aid is distributed on a per pupil unit basis, with the formula estimated at \$7,138 for the 2023 – 2024 school year. Increases to the basic general education formula allowance have averaged less than 2.5% over the past 10 fiscal years. At the time of this budget development, the 2023 legislative session was in progress and the actual appropriations were not known.

Like other school districts across the state, District 196 continues to grapple with the effects of inadequate funding for special education services. The district budget anticipates a variance of \$42 million between special education revenues and expenditures for the upcoming fiscal year. The 2023 legislature proposes to address this gap in proposed legislation. .

In response to the COVID-19 pandemic, the federal government continues to provide additional funding to school districts. These funds have come from the three acts; Coronavirus Aid, Relief, and Economic Security Act (CARES); Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA); and American Rescue Plan Act (ARP). The school district utilized these funds to address the additional costs due to changes in learning delivery models and to provide adequate supplies and equipment to minimize the risk of transmission of the coronavirus. The financial strain created by the negative economic impact of the Covid-19 pandemic, while unclear, continues to be assessed as COVID funding expires.

The district is committed to engaging staff and community members in budget discussions and in consideration of other options for increasing revenues and containing expenditure growth.

ACKNOWLEDGEMENTS

This budget document requires many hours of preparation, deliberation and review on the part of 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 preparation of this important budget document.

Respectfully,



Mark D. Stotts
Director of Finance and Operations



Christopher Onyango-Robshaw
Coordinator of Finance



Danny DuChene
Manager of Financial Systems,
Reporting & Compliance





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This Meritorious Budget Award is presented to

INDEPENDENT SCHOOL DISTRICT 196

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2022-2023.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, reading 'William A. Sutter'.

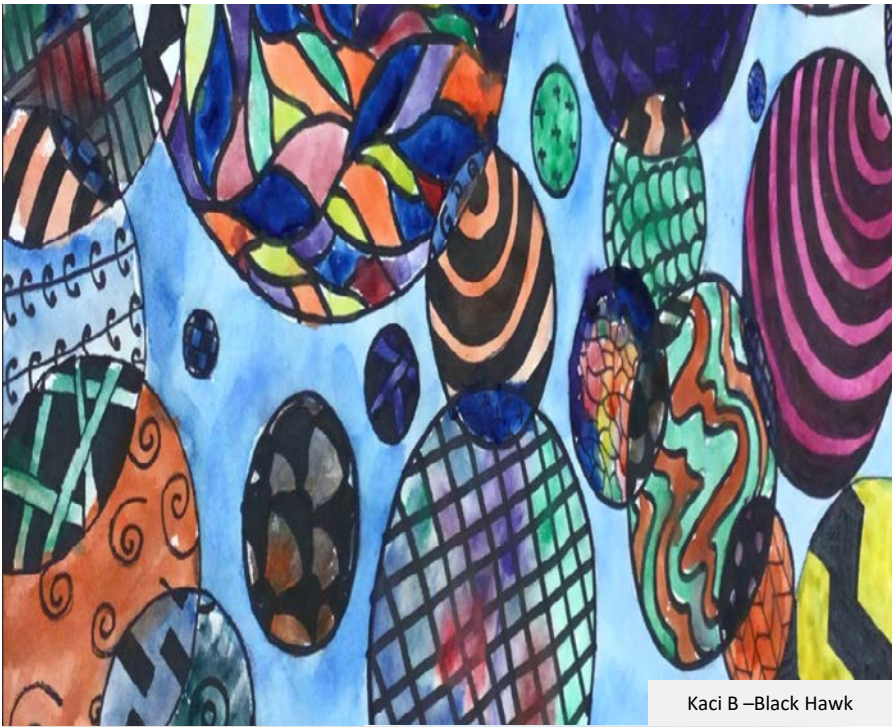
William A. Sutter
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director

Executive Summary





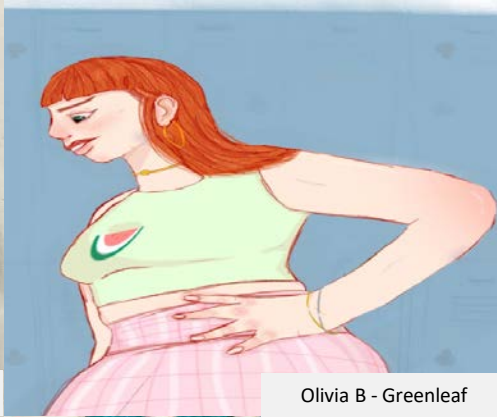
Kaci B –Black Hawk



Everett V –Black Hawk



Amelia S – Scott Highlands



Olivia B - Greenleaf



Max K – Scott Highlands



Eliana R – Scott Highlands



Ari E – Black Hawk



Oromiya A – Black Hawk



Karyn S –Black Hawk

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 163,000.

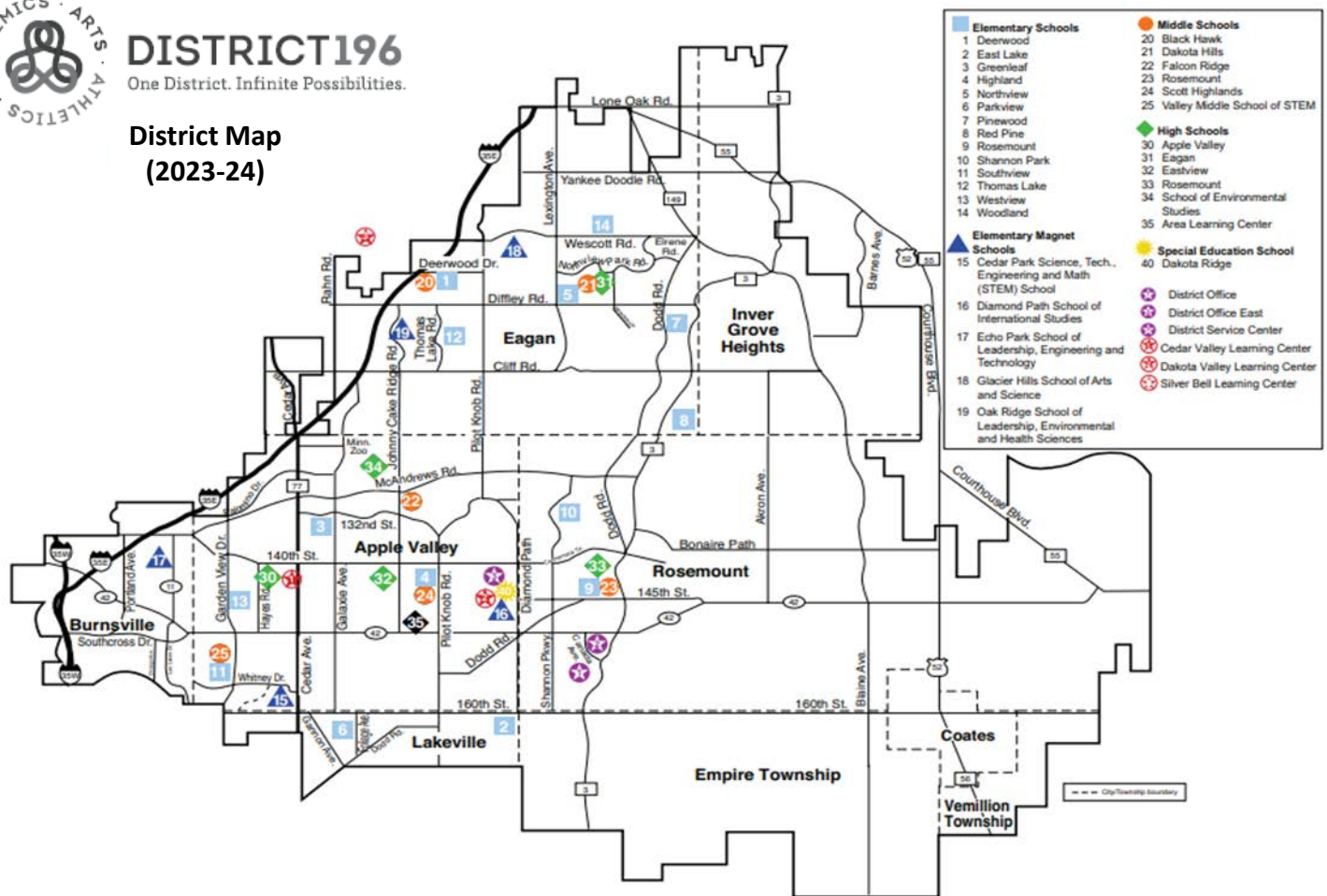
District 196 operates its programs in 38 facilities, including 19 elementary schools, six middle schools, four comprehensive high schools, an optional high school for grades 11-12, an alternative high school, a school for students with special needs and three learning centers. The district also has three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



DISTRICT 196

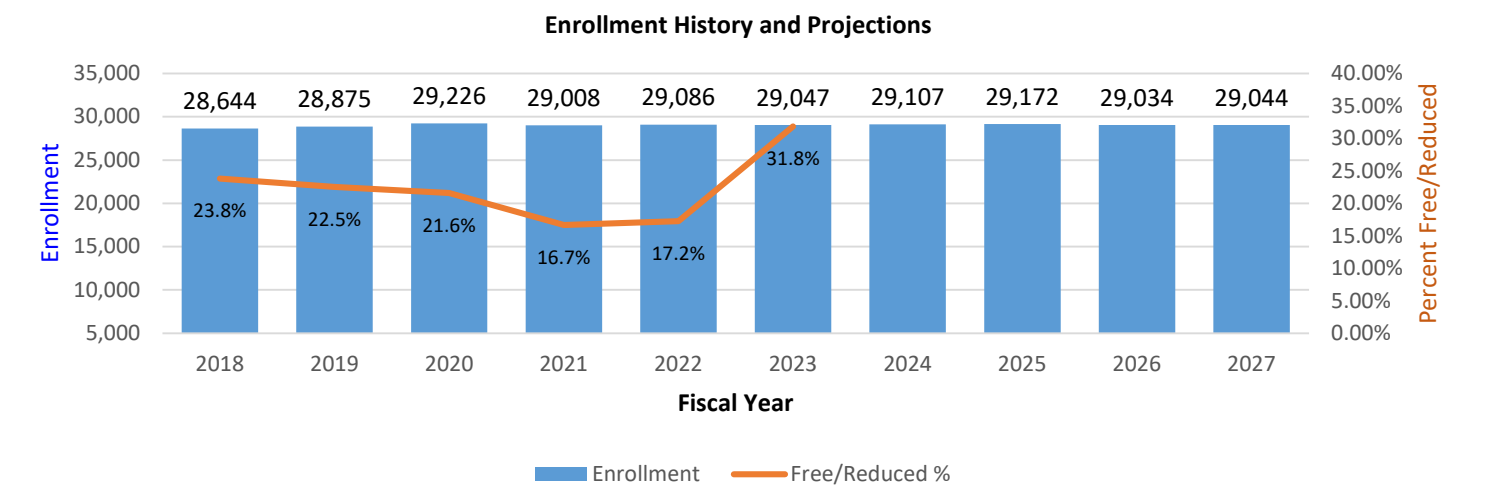
One District. Infinite Possibilities.

District Map (2023-24)



District Students

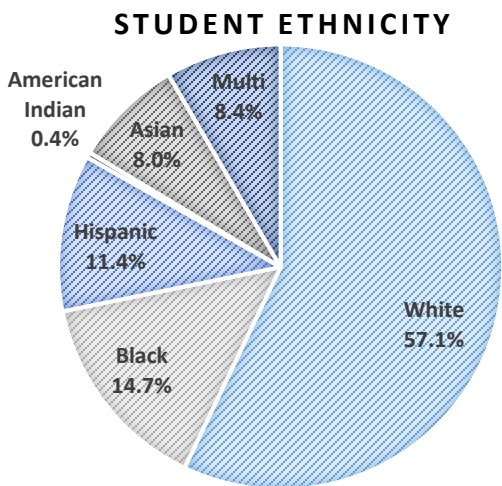
With an enrollment of 29,047 students in 2022-23, District 196 is the fourth largest public school district in the state of Minnesota. The district’s enrollment has remained relatively flat for the past two years, with changes of less than one percent year to year. The district projects modest enrollment changes of less than one percent annually for the next couple years. The graph below shows the district’s actual October 1 enrollment for the years ended June 30, 2018 through 2023, as well as projected October 1 enrollment for the years ended June 30, 2024 through 2027. Free/reduced lunch percentages shown below are also based on October 1 enrollment information of the respective school year.



The table to the right and the pie chart below show the ethnicity of District 196 students as of October 1 of the past eight fiscal years. The percentages of White, Black, Hispanic, and Asian students have remained relatively consistent over the last few years. The decrease in American Indian students is attributed to the changes in reporting outlined below the table. Over 8.4 percent of students identified with multiple ethnic backgrounds in 2022-23. Student demographics have remained relatively unchanged over the past few years.

Percent of Students By Ethnicity (1)							
Year	White	Black	Hispanic	American Indian	Asian	Multi	Total %
2016	68.0%	13.0%	8.0%	1.0%	10.0%	N/A	100.0%
2017	71.0%	11.0%	9.0%	1.0%	8.0%	N/A	100.0%
2018	70.0%	11.0%	9.0%	1.0%	9.0%	N/A	100.0%
2019	63.0%	12.0%	9.8%	0.3%	8.4%	6.5%	100.0%
2020	62.0%	12.2%	10.2%	0.3%	8.5%	6.8%	100.0%
2021	60.0%	13.4%	10.5%	0.4%	8.4%	7.3%	100.0%
2022	58.6%	14.2%	10.9%	.4%	8.2%	7.7%	100.0%
2023	57.1%	14.7%	11.4%	.4%	8.0%	8.4%	100.0%

(1) Beginning in the 2018-19 school year, the Minnesota Department of Education altered the way in which students identify ethnicity, adding in the “multi” and “Pacific Islander” categories to align with federal demographic reporting standards. As a result, the data in the table above and pie chart below is presented to reflect these changes.



The district’s growing student population has a variety of educational needs, including English Learner (EL) and special education services. With over 100 languages represented throughout the district, EL programs ensure students new to the English language have equal access to a high-quality education. Many of these students come from households where English is not the primary language. In 2013, 1,122 (4.2 percent) of the district’s students qualified for EL programming. In 2022-23, the number eligible for EL services doubled to approximately 2,164 (7.45 percent). Providing high quality and effective special education services remains a focal point for the district. In 2022-23, approximately 4,608 students qualified to receive special education services as part of an individualized education plan (IEP), compared to 4,168 who qualified for special education services in 2013.

The School Board & Superintendent

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 the availability of proper facilities and equipment to support delivering the district's services.

The seven School Board members are elected at large 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 special meetings and public hearings, as needed. The public is invited to attend board meetings and may address the board during the open forum and special communication portions of the meeting, as well as items on the agenda. The superintendent is appointed by and is responsible to the School Board, and is the sole official representative of the district.



Cory Johnson
Chairperson



Sachin Isaacs
Vice Chairperson



Sakawdin Mohamed
Clerk



Jackie Magnuson
Treasurer



Joel Albright
Director



Art Coulson
Director



Bianca Virnig
Director



Mary Kreger
Superintendent

District Administration

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



Shelly Monson
Director of Human Resources



Jeremy Sorenson
Director of Elementary Education



Mark Stotts
Director of Finance and Operations



Tony Taschner
Director of Communications

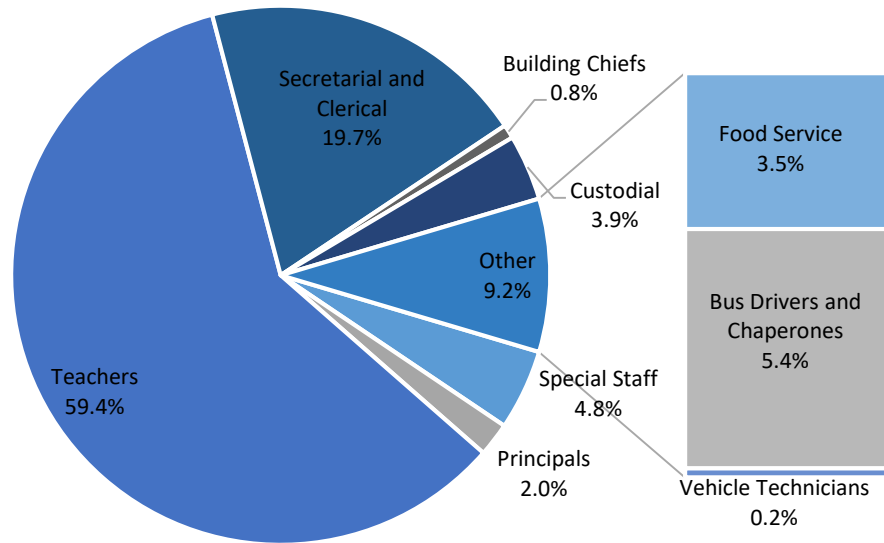


Steve Troen
Director of Teaching and Learning

District Staff

The district employs approximately 4,000 staff filling over 3,900 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.

FTE by Employment Category



The table below shows the history of FTEs by employee group. Over the past 5 years, staffing has increased along with the general increase in student enrollment. The total number of staffing FTEs projected for the 2023-24 school year is based on projected October 1, 2023 student enrollment and School Board approved staffing guidelines and ratios, which include additions based on the operating levy passed by voters in November 2019. The table below does not include coaching assignments and other ancillary assignments with staffing costs reflected in the financial tables. The FTE increase from 2022-23 to 2023-24 includes additional staffing stemming from increases in the staffing allocation guidelines, new staff planned as a result of federal grants, and all allocated staffing positions, some of which may not be hired for next year.

Employee Group	Contract Group	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Prelim
District Administrators	Special Staff	38.20	41.87	44.50	39.75	48.65	48.60	49.65
Principals/Assistant Principals	Principals	45.34	45.36	45.86	45.86	45.50	48.00	46.00
Special Staff	Special Staff	69.53	73.92	75.25	65.25	78.48	83.10	84.18
Other Non-Licensed Staff	Special Staff	51.45	54.04	50.71	50.18	52.87	55.04	57.57
Assistant Administrators	Principals	23.93	25.36	24.77	27.00	27.57	32.24	34.04
Deans	Teachers	2.00	2.00	3.00	3.51	3.51	2.71	2.71
Teachers/Counselors	Teachers	2,062.07	2,066.75	2,070.69	2,226.09	2,251.41	2,247.00	2,312.20
Nurses	Teachers	32.91	31.45	33.39	31.45	32.53	37.25	36.00
Secretarial/Clerical	Secretarial and Clerical	682.98	673.68	709.11	682.15	724.51	759.02	779.96
Building Chiefs	Building Chiefs	33.00	33.00	35.00	33.00	32.00	33.00	33.00
Custodians	Custodial	149.50	152.50	153.83	154.50	149.83	155.00	156.10
Food Service	Food Service	112.26	114.28	103.07	95.84	113.56	107.69	140.20
Bus Drivers and Chaperones	Bus Drivers and Chaperones	183.00	200.50	223.57	215.00	215.00	215.00	215.00
Vehicle Technicians	Vehicle Technicians	9.00	8.00	9.00	9.00	9.00	9.00	8.00
		3,495.17	3,522.72	3,581.75	3,678.58	3,784.43	3,832.66	3,954.62

The final staffing FTEs for the 2023-24 school year will be recalculated this fall, using actual October 1, 2023 student enrollment. School staffing information and parameters can be found on page 60 in Note 7 – Budget Allocations within the Organizational Section.

District Strategies and 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)

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

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

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)

The Budget Process and Timeline

The district's budget cycle is a continuous five stage cycle, beginning with the property tax levy and ending with the annual year-end financial audit and report. Each of these stages requires School Board approval and is open for public inspection and comments. Below are general descriptions of each stage in the process.

- 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 for each school district based on current legislation, voter-approved amounts, and formulas. This property tax levy information is reviewed, updated and certified by the School Board prior to the end of the calendar year. The collection of the property tax levy occurs during the calendar year and is intended to be used during the upcoming school year. For example, a tax levy for a coming year that is certified in December is collected in May and October of the following year and would be used for that coming school year.
- 2. Preliminary Budget** – Following the levy certification, the district initiates the second stage in the process and begins development of the preliminary budget for the next school year. 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 to be included in the budget. The process also includes development of the capital expenditure budget for the next school year. Per state law, the School Board must approve a budget by the beginning of the fiscal year (July 1) in which it will be used. This provides the district with spending authority as the initial estimates are revised and actual enrollment is determined.
- 3. Final Budget** – The third stage in the budgeting cycle happens each fall. The Finance Department updates the preliminary budget estimates and staffing allocations, and develops the final budget. The revisions are based on any changes in laws affecting education finance and are based on actual enrollment on October 1 of the current school year.
- 4. Budget Adjustments** – The fourth stage in the cycle is the spring budget adjustments based on revised information. Spring adjustments are primarily focused on federal and grant programs. Because of federal program requirements, the district makes these adjustments to ensure the revised budget is closely aligned with anticipated revenues and expenditures for the year. This adjustment allows for accurate funding for programs and provides the most accurate basis for developing the preliminary budget for the next fiscal year.
- 5. Annual Financial Audit and Comprehensive Annual Financial Report** – The fifth and last stage in the cycle is closing the books and preparing the financial reports. This occurs during late summer each year. During this period, the district undergoes an independent audit as required by state law. The independent auditors render an opinion on the district's financial reports and accounting practices. The School Board typically reviews the audited comprehensive annual financial report in late October.

An example for a complete school year (July 1 – June 30) can be found on page 56 in Note 6 – Budget Development Process within the Organization Section of this budget document.

The District Budget – Summary of All Funds

The following tables show the budgeted revenues, expenditures, other financing sources (uses) by fund, and the projected fund balances at the end of fiscal year 2023-24 for each of the district's funds. Also included is a high level overview of the district's long term debt schedule.

	Projected Fund Balance 7/1/2023	Revenues	Expenditures	Other Financing Sources (Uses)	Projected Fund Balance 6/30/2024
General Fund	74,313,437	469,734,195	480,923,925	(135,061)	63,123,707
Special Revenue Funds					
Food Service	5,533,196	19,747,500	16,541,238	-	8,739,458
Community Service	2,942,768	10,163,530	10,458,172	135,061	2,648,126
Total Special Revenue Funds	8,475,964	29,911,030	26,999,410	135,061	11,387,584
Building Construction Fund					
Series 2020/2021A Turf Fields	406	-	-	-	406
Series 2016A Bonds	271,792	275,300,000	36,000,000	-	239,571,792
Total Debt Service Funds	272,199	275,300,000	36,000,000	-	239,572,199
Debt Service Funds					
Regular	3,540,892	17,505,094	16,670,900	-	4,375,086
OPEB Bonds	2,263,632	-	-	-	2,263,632
Total Debt Service Funds	5,804,524	17,505,094	16,670,900	-	6,638,718
Internal Service Funds					
GASB #16	(2,193,596)	2,000,000	699,999	-	(893,595)
Self-Insured Dental	351,593	477,000	460,000	-	368,593
Self-Insured Health	18,547,104	65,045,000	65,005,000	-	18,587,104
Total Internal Service Funds	16,705,101	67,522,000	66,164,999	-	18,062,102
Fiduciary Funds					
OPEB Irrevocable Trust	53,013,179	1,600,000	3,500,000	-	51,113,179
Total Fiduciary Funds	53,013,179	1,600,000	3,500,000	-	51,113,179
Total All Funds	158,584,403	861,572,319	630,259,234	-	389,897,488

With the exception of the GASB 16 – Severance account, the district projects a positive fund balance across all funds presented. This is in keeping with the School Board and administration's exceptional stewardship of public funds, while improving the learning outcomes of students. Direct impact of learning outcomes are the purview of the general fund, which is projected to decrease slightly from fiscal year 2023 projected fund balance. The other funds support and functioning of the general fund, including the proprietary funds which offer auxiliary services to students and families; and the building construction fund supporting the learning environment.

All Funds – Revenue Summary

Revenues: Below is a summary of district revenues by fund:

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
General Fund	391,486,002	425,199,524	437,230,482	455,496,476	469,734,195	463,650,141	474,900,445	486,438,722
Food Service Fund	11,628,899	10,170,580	19,675,333	13,290,800	19,747,500	19,550,600	19,744,237	19,940,479
Community Service Fund	8,515,716	8,534,895	9,590,206	9,768,827	10,163,530	9,795,534	9,951,995	10,111,619
Building Construction Fund	9,732,081	9,793,485	10,701,947	3,600	275,300,000	300,137	303,138	110,306,170
Regular Debt Service Fund	18,063,350	18,023,780	30,060,026	18,190,611	17,505,094	18,181,935	18,725,510	19,285,387
OPEB Debt Service Fund	9,018	-	-	-	-	-	-	-
Internal Service Fund	57,729,725	59,933,620	61,709,543	65,154,500	67,522,000	65,443,301	66,097,734	66,758,712
OPEB Irrevocable Trust	6,546,997	9,663,992	(6,059,314)	3,000,000	1,600,000	3,037,594	3,067,970	3,098,650
Agency Fund	-	-	-	-	-	-	-	-
Trust Fund	1,813,004	(125)	-	-	-	-	-	-
Total	505,524,794	541,319,750	562,908,223	564,904,814	861,572,319	579,959,242	592,791,030	715,939,739

Note: Revenue figures above include other financing sources of revenue in the Community Services Fund of \$135,061

The 2023-24 revenues for District 196 total \$861.572 million, which is an approximately \$296.67 million increase from the 2022-23 final budget. The main reasons for the overall increase include:

General Fund

- 1) Per budget development guidelines, the estimated increase in funding formula of 4.0% in the general education funding formula, coupled with a slight increase in enrollment, and an increase in the referendum revenue due to the inflationary adjustment included therein.

Food Service

- 1) During the 2023 legislative session, a law providing universal breakfast and lunch to all students was enacted. The district anticipates this will increase the number of reimbursable meals served during the year, thus generating additional revenue to the district.

Building Construction Fund

- 1) District 196 votes approved a new building bond referendum on May 9, 2023 valued at \$493 million. The district projects \$275 million in building bond revenues during the 2023-24 fiscal year.

2023-24 Preliminary Budget DISTRICT REVENUES BY FUND

Fund	Total Revenue	% of Revenue
General Fund	\$ 469,734,195	54.5%
Trust Fund	\$ -	0.0%
Community Service Fund	\$ 10,163,530	1.2%
Internal Service Fund	\$ 67,522,000	7.8%
Food Service Fund	\$ 19,747,500	2.3%
Building Construction Fund	\$ 275,300,000	32.0%
Agency Fund	\$ -	0.0%
Regular Debt Service Fund	\$ 17,505,094	2.0%
OPEB Irrevocable Trust	\$ 1,600,000	0.2%
OPEB Debt Service Fund	\$ -	0.0%
Totals	\$ 861,572,319	100.0%

All Funds – Expenditure Summary

Expenditures: Below is a summary of district expenditures by fund:

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
General Fund	384,048,305	398,705,273	427,994,261	475,277,837	480,923,925	493,520,515	504,105,687	514,955,213
Food Service Fund	11,092,547	10,808,638	15,417,401	16,029,669	16,541,238	15,180,854	15,531,166	15,891,170
Community Service Fund	8,434,713	8,165,916	9,624,327	10,036,009	10,458,172	10,674,968	10,903,278	11,137,763
Building Construction Fund	6,290,382	10,623,533	19,042,686	30,000	36,000,000	37,000,000	38,000,000	39,000,000
Regular Debt Service Fund	17,102,594	17,056,769	29,152,888	16,930,000	16,670,900	16,898,144	16,915,042	16,931,957
OPEB Debt Service Fund	-	-	-	-	-	-	-	-
Internal Service Fund	52,662,983	55,622,895	62,641,228	65,164,999	66,164,999	65,935,061	67,241,835	68,574,696
OPEB Irrevocable Trust	3,643,391	3,701,408	2,778,866	4,500,000	3,500,000	3,628,885	3,665,174	3,701,826
Agency Fund	-	-	-	-	-	-	-	-
Trust Fund	1,823,060	619,214	-	-	-	-	-	-
Total	485,097,975	505,303,646	566,651,657	587,968,514	630,259,234	642,838,426	656,362,182	670,192,624

Note: Expenditures above include transfers out of the general fund into other funds

The 2023-24 expenditures for District 196 total \$630.259 million, which is an approximately \$42.290 million increase from the 2022-23 final budget. The main reasons for the overall decrease include:

General Fund

- 1) The districts largest two employment groups, teachers and clerical, begin new contracts on July 1, 2023. The preliminary budget includes estimates for these contract settlements as well as increases for other contracts already settled for the 2023-24 school year.

Food Service

- 1) During the spring 2023 session, the Minnesota Legislature passed a law providing breakfast and lunch to all public school students free of charge. The district anticipates this change will result in an increase of meals provided during the school year, which naturally will result increase food, supplies and staffing expenditures.

Building Construction and Regular Debt Service

- 1) District 196 votes approved a new building bond referendum on May 9, 2023 valued at \$493 million. While the entire scope of construction projects will occur over many years, the district projects an initial \$36 million in construction expenditures during the 2023-24 fiscal year.

2023-24 Preliminary Budget DISTRICT EXPENDITURES BY FUND

Fund	Total Expenses	% of Revenue
General Fund	\$ 480,923,925	76.3%
Internal Service Fund	\$ 66,164,999	10.5%
Regular Debt Service Fund	\$ 16,670,900	2.6%
Food Service Fund	\$ 16,541,238	2.6%
Community Service Fund	\$ 10,458,172	1.7%
Building Construction Fund	\$ 36,000,000	5.7%
OPEB Irrevocable Trust	\$ 3,500,000	0.6%
Trust Fund	\$ -	0.0%
OPEB Debt Service Fund	\$ -	0.0%
Agency Fund	\$ -	0.0%
Totals	\$ 630,259,234	100.0%

General Fund – Revenue by Source

The general fund is the main operating fund of the district and the majority of the district's financial activity flows through this fund. Below is a summary of the sources of revenues the district receives to support educational activities.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
State sources	292,415,625	297,108,483	300,353,128	309,915,652	328,704,297	331,144,088	338,857,708	346,755,691
Property taxes	76,087,495	96,675,912	102,779,443	105,829,432	115,068,553	113,762,462	117,175,336	120,690,596
Federal sources	11,229,528	24,595,310	23,418,512	23,682,027	17,881,306	8,246,349	8,262,842	8,279,367
Other sources	11,753,354	6,819,820	10,679,017	16,069,365	8,080,039	10,497,242	10,604,559	10,713,068
Total revenue	391,486,002	425,199,524	437,230,099	455,496,476	469,734,195	463,650,141	474,900,445	486,438,722

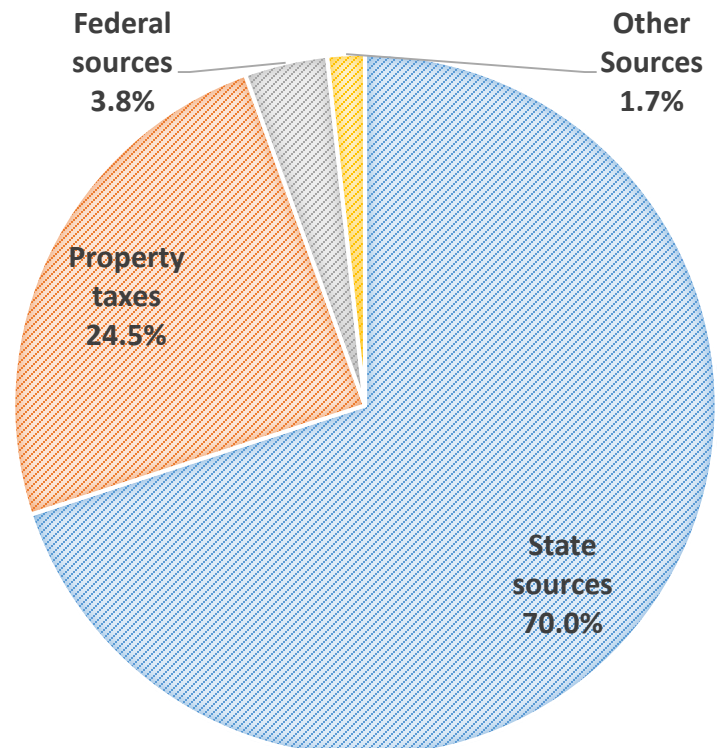
State Sources: The majority of the district's general fund revenue comes from state sources. These include the per pupil basic general education formula aid; special education regular and excess cost aid; basic skills aid, including compensatory education aid, English Learner aid and literacy incentive 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. For the 2023-24 school year, state aids is estimated at 70.0 percent of the district's general fund revenues.

Local Property Taxes: These 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 tax revenues (up to a maximum amount per pupil established by the Legislature) to support special programs or basic operations through a voter-approved operating levy referendum. In November 2019, district voters approved a single ballot question to revoke the district's levy for \$940 per pupil and replace it with a new 10-year levy for \$1,567 per pupil, an increase of \$627 per pupil, which started with 2020-21 school year.

Federal Sources: These include federal grants for programs such as Title I, special education, COVID-19 relief and Adult Basic Education. These programs focus on improving the achievement of educationally disadvantaged students, including special education services for students with special needs.

Other Sources: 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. The district tends to budget conservatively in this area for the preliminary budget and revise the estimates in fall to align with actual performance.

GENERAL FUND REVENUE BY SOURCE (%)

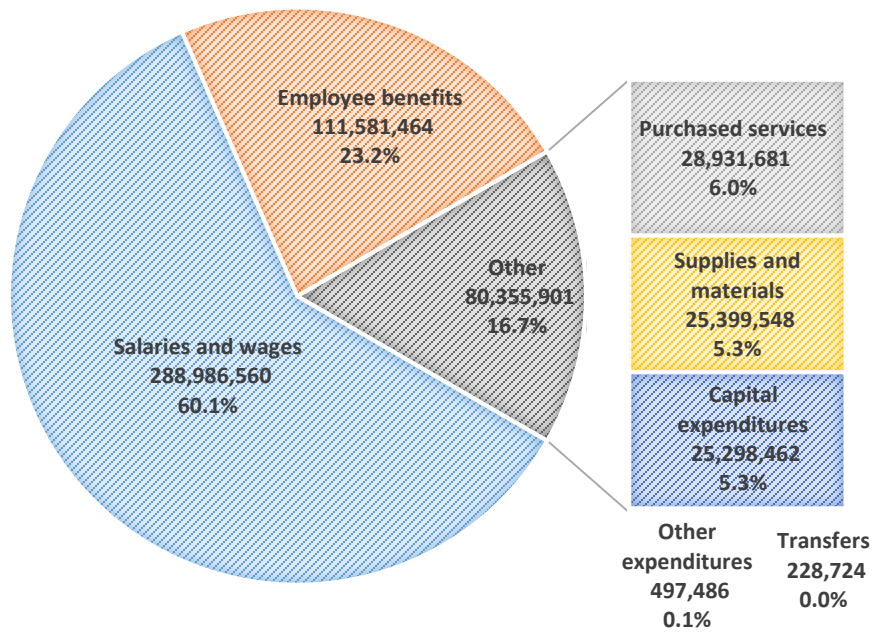


General Fund – Expenditures by Object

The general fund expenditure budget includes eight categories of expenditures. These include salaries, employee benefits, purchased services, supplies and materials, capital, other, debt service, and transfer expenditures. Salaries, wages and benefits account for 83.3 percent of the general fund expenditures, as shown in the pie chart below.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	238,237,719	249,928,256	268,137,410	282,215,182	289,080,223	296,559,689	302,247,456	308,048,912
Employee benefits	89,318,224	89,646,403	96,975,090	107,667,162	111,581,464	112,996,417	116,192,767	119,495,670
Purchased services	28,517,541	25,240,777	28,657,138	29,096,447	28,931,681	30,709,457	31,445,661	32,200,110
Supplies and materials	15,524,442	19,545,121	18,297,416	27,630,698	25,399,548	27,498,067	28,130,522	28,778,904
Capital expenditures	11,102,803	13,409,820	15,280,615	26,544,587	25,298,462	25,669,514	26,001,240	26,342,896
Other expenditures	948,348	900,132	554,380	1,959,015	497,486	(50,996)	(53,092)	(55,236)
Debt service	-	-	-	-	-	-	-	-
Transfers	399,229	34,763	92,212	164,746	135,061	138,366	141,133	143,956
Total expenditures	384,048,305	398,705,273	427,994,261	475,277,837	480,923,925	493,520,515	504,105,687	514,955,213

GENERAL FUND EXPENDITURES BY OBJECT



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

Employee Benefits: Includes the district's contributions for employee retirement (Social Security, Medicare and state pension plans TRA and PERA); health, dental and life insurance premiums; tax-shelter annuities for eligible employees, and workers' compensation.

Purchased Services: Includes utilities, legal services, contracted services, leases and other services provided by outside sources.

Supplies and Materials: Includes general supplies such as non-capital devices, instructional supplies for classrooms, textbooks and workbooks, standardized tests, media resources and non-instructional supplies.

Capital Expenditures: Includes building and site repairs and other improvements, replacement of technology equipment such as printers and copiers, and school buses.

Other Expenditures: Includes miscellaneous expenditures that are not categorized elsewhere, such as membership dues for professional organizations, taxes and special assessments.

Debt Service: Includes the principal, interest and other fiscal charges associated with outstanding debt.

The graphic below indicates more than 83 percent of the district's general fund resources are planned for student instruction and student support services for the 2023-24 school year. The district has added several new programs, such as integration programs, elementary magnet schools, striving readers, Advancement via Individual Determination (AVID) and response to intervention in the past few years to help close the achievement gap. Actual expenditures for district support services and administration for the past four fiscal years remained relatively stable. This is consistent with the district's goal to focus resources on classroom instruction.

GENERAL FUND EXPENDITURES BY PROGRAM

\$20,040,596

4.2%

District Support Services: Includes expenses for services provided centrally by the district, such as human resources, business services, communications, purchasing, mail processing, technology support and legal services. These expenses are reported in UFARS program dimension series 100-199 (District Support Services).

\$13,808,726

2.9%

Administration: Includes the costs for general district administration, which includes the School Board, superintendent, instructional administration and school administration. These expenses are reported in UFARS program dimension series 010-099 (Administration).

\$46,238,970

9.6%

Sites and Buildings: Includes the costs of acquisition, operation, maintenance and repair of all district facilities and grounds. It also includes salaries and benefits of building chiefs, custodial staff, groundskeepers and maintenance specialists, and utilities costs. These expenses are reported in UFARS program dimension series 800-899 (Sites and Buildings).

\$72,208,570

15.0%

Student Support Services: Includes student transportation, school office, assessment, guidance, counseling, nursing services and instructional administration, which includes the directors of elementary and secondary education, teaching and learning, and the costs of support staff for these departments. These expenses are reported in UFARS program dimension series 700-799 (Pupil Support Services).

\$328,627,063

68.3%

Student Instruction: Includes all costs associated with the teaching of students, the interaction between teachers and students in the classroom, and co-curricular activities at the elementary and secondary levels. It also includes services for alternative education, special education, bilingual and other compensatory instructional programs. These expenses are reported in UFARS program dimension series 200-599 (Elementary and Secondary Regular Instruction, Vocational Education Instruction, Special Education Instruction and Community Education and Services).

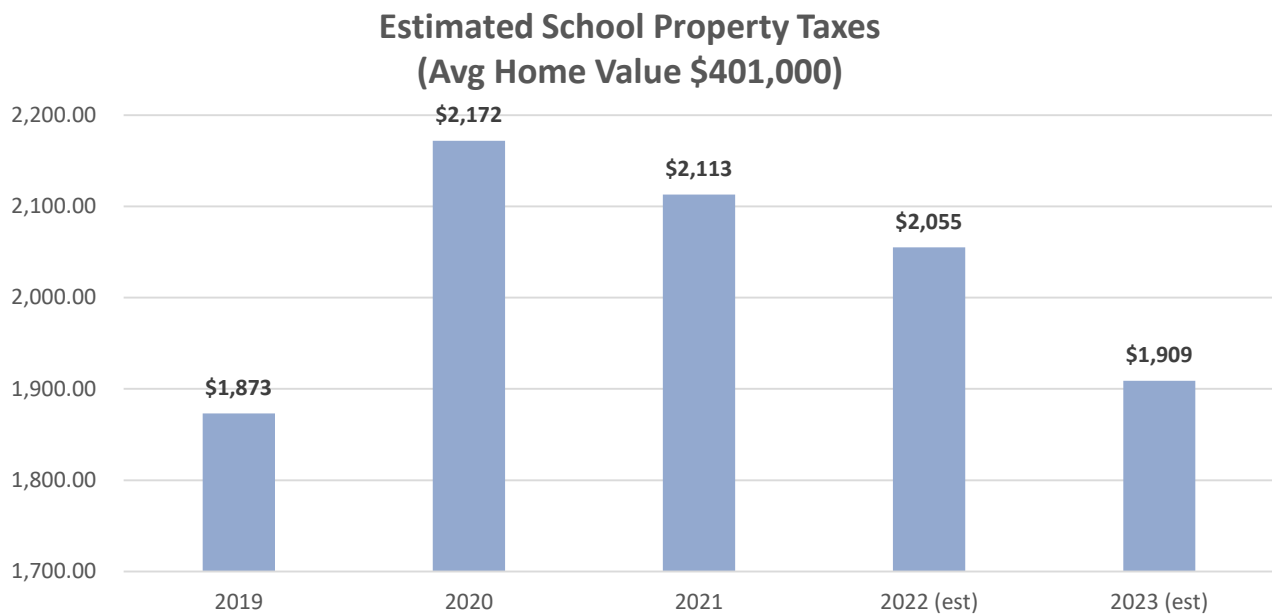
Property Taxes

School district property tax levies are limited by state law. The Minnesota Department of Education (MDE) computes the levy limitation for each school district based on current legislation and formulas. The school district then certifies the levy to the county auditor, the county sends out tax statements to individual property owners, collects the taxes and makes 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 taxes paid by property owners. The two types of property tax levies are:

1. Voter-approved levies – These include building bond and operating levy referendum elections.
2. Levies resulting from School Board decisions – Levy limitations are calculated by the MDE based on current legislation and formulas.

The graph below shows changes in school property taxes from 2019-2023 using an average district home value of \$401,000. Home values and the corresponding tax levy have increased over the last 5 years, with a more rapid increase evident since the beginning of the COVID-19 pandemic.



The table below shows the property tax revenues levied by the district over the last five years. District voters approved a new ten-year operating levy referendum in 2019, replacing the 2013 operating levy. The 2019 referendum provided an additional \$19 million per year beginning in fiscal year 2021, and included an annual inflationary increase as determined by the Minnesota Department of Education.

Fiscal Year	Property Tax Levies (1)					Total
	General Purposes	Community Service	Capital Projects & Improvements	Debt Service Regular	OPEB	
2020	68,088,520	1,690,863	7,688,932	17,834,818	-	95,303,134
2021	88,239,829	1,720,574	8,192,925	17,927,252	-	116,080,580
2022	93,203,711	1,727,003	8,755,833	17,781,981	-	121,468,528
2023	95,679,646	1,767,014	9,498,594	17,824,058	-	124,769,312
2024	104,293,741	1,810,093	9,955,479	17,462,652	-	133,521,965

(1) The amounts presented represent the amounts levied for the indicated year. The actual receipts vary dependent on the year tax collections.

Debt Schedule

The district strives to utilize debt sparingly. The bonded debt is primarily accessed for major construction and renovation of school buildings. The last such issuance facilitated the construction of a new elementary building, upgrades to learning spaces and secure entrances for existing buildings, and acquisition of land for future development of school buildings. Capital leases are utilized for major equipment and vehicle purchases, where the cost of the purchases are spread to match the anticipated revenue stream. Certificates of Participation (COP) are debt instruments with an underlying lease agreement. Repayment of bonded debt is funded through property tax debt service levies, while the capital lease and COP are financed operating capital levies. The table below provides a summary of the district's current outstanding long-term debt.

Issue	Type	Issue Date	Interest Rate (%)	Issue Amount	Final Maturity	Principal Outstanding 6/30/23	Principal Due in One Year
2012C Refunding (1)	Bond	6/7/2012	3.00-4.50	24,210,000	2/1/2025	-	-
2013A Refunding (1)	Bond	6/15/2013	2.00-3.00	12,100,000	2/1/2025	-	-
2016A School Building Bonds	Bond	2/16/2016	1.00-5.00	112,150,000	2/1/2030	77,805,000	9,320,000
2022A Refunding	Bond	2/3/2022	5.00	11,235,000	2/1/2025	7,455,000	3,635,000
2012LA ATP Building	Lease	6/29/2012	4.54	5,028,875	6/1/2027	1,560,947	373,206
2014LB School Addition (PV)	Lease	11/25/2014	2.91	4,200,000	2/1/2030	2,211,629	286,743
2017LB Sped Bus Lease Purchase	Lease	7/25/2017	2.56	903,052	7/25/2021	-	-
2017LA Instrument Lease	Lease	7/1/2017	2.94	140,157	7/1/2021	-	-
2020LA Maintenance Vehicles and Equipment	Lease	8/1/2020	0.0218	585,000	8/1/2024	236,437	116,946
2010A Certificates	COP	10/1/2010	2.00-3.50	2,705,000	4/1/2026	640,000	205,000
2013B Certificates	COP	12/1/2013	2.00-4.00	13,710,000	2/1/2029	6,200,000	950,000
2020A Certificates	COP	5/7/2021	2.00-4.00	8,960,000	2/1/2029	6,560,000	840,000
2021A Certificates	COP	4/1/2021	2.00-4.00	9,005,000	4/1/2031	7,400,000	835,000
2022B Certificates of Participation	COP	3/10/2022	3.00-5.00	9,775,000	4/1/2037	9,335,000	490,000

(1) Obligations for the 2012C and 2013A Refunding Bonds were met and reissued as part of the 2022A Refunding Bonds.

Other Post-Employment Benefits (OPEB)

GASB Accounting Summary	
1. Estimated GASB Funded Status as of June 30, 2023	
a. Total OPEB Liability (TOL)	\$ 58,666,961
b. Fiduciary Net Position (FNP)	<u>54,565,918</u>
c. Net OPEB Liability (NOL), a. - b.	4,101,043
d. FNP as a % of TOL, b. / a.	93%
e. Valuation Salary	259,199,852
f. NOL as % of Payroll, c. / e.	2%
2. Estimated Annual Costs for the Year Beginning 07/01/2022	
a. Pay-as-you-go Cost (PAYGO)	\$ 4,292,116
b. OPEB Expense Under GASB 75	3,833,879
3. Actuarially Determined Contribution (ADC) *	To be determined
4. Discount Rate	4.60%

* GASB has not defined an ADC, rather this needs to be defined/developed by the employer.

Presented above is a summary of the actuarial report from the comprehensive study conducted in fiscal year 2023. The report indicates the current district assets are adequate to fund the actuarially determined Other Post Employment Benefit (OPEB) obligations of the district's retirees. The district intends to draw from the fund to cover the annual OPEB costs, thus utilizing the fund as intended.

Achievement and Initiatives

Achievement

District 196 students have a tradition of outstanding achievement both in and out of the classroom. District students win a large number of state and national awards in a variety of curricular and co-curricular competitions and earn scholarships to colleges and universities throughout the country, as well as appointments to United States military academies. In addition, district students consistently score well above average on state and national assessments. As shown in Table 1, District 196 students graduate at a higher rate than the state average. To comply with U.S. Department of Education reporting requirements, calculations for high school graduation rates have changed. The district rates shown for fiscal year 2018 and later are percentages of students graduating from high school within four years after they enrolled in grade nine. Students who took an additional year to meet graduation requirements are not included in this calculation and are reported separately. District 196 students score well above state and national composite scores on the American College Test (ACT) entrance exam, as shown in Table 2. The ACT average composite score for the district was 21.5, 0.5 points higher than the Minnesota average of 21.0 and 1.7 points higher than the national average in 2022. Further data and information related to achievement can be found in the Informational Section of this report, on page 141.

Table 1: Four-Year Graduation Rates (%)

Fiscal Year	District 196	State of MN
2022	88.6	83.6
2021	88.5	83.3
2020	88.8	83.8
2019	91.2	83.7
2018	90.5	83.2

Table 2: American College Test (ACT) Scores

Fiscal Year	District 196	State	National
2022	21.5	21.0	19.8
2021	22.9	21.6	20.3
2020	22.7	21.3	20.6
2019	23.0	21.4	20.7
2018	23.1	21.3	20.8

Ongoing Initiatives

District begins implementing new three-year operational plan in 2023

On June 26, 2023, the School Board approved a strategic roadmap for District 196 covering mission, core values, vision and strategic priorities that guided development of the District Operational Plan for 2023-26. The strategic roadmap and operational plan were developed by the Superintendent's Cabinet, with input from district students, parents/guardians, staff, residents and other District 196 stakeholders throughout the process.

The new district mission is *"Educating, developing and inspiring our students for lifelong success,"* and the district's core values are *"student-centered, empathy, wellness, integrity, achievement, collaboration, community and lifelong learning."*

The district vision is to provide experiences that students, families and employees desire by:

- Developing the whole child and honoring diverse student needs and cultures;
- Engaging students with opportunities in academics, the arts and athletics (Triple-A philosophy), and
- Living the mission and core values to prepare students for lifelong success.

The strategic priorities that will be the focus of the district's continuous improvement work over the next three-plus years include the following:

- **Social-emotional wellbeing** – Increasing capacities, skills, structures and experiences in social-emotional wellbeing.
- **Curriculum and instruction** – Strengthening and aligning curriculum and instructional practices across all classrooms to improve student outcomes and staff efficacy.
- **Equity** – Supporting equity as a core competency through practices, structures, beliefs, resources and staffing.
- **Resources for safe and dynamic learning** – Providing staffing, facilities, technology and equipment needed to support a safe and dynamic learning environment for all students.

Related to the strategic priority on resources, the district conducted a comprehensive study of equipment and facilities needs that culminated on May 9, 2023, when District 196 voters approved a two-question bond referendum to provide safety and security improvements at all district schools, space for growth, and a more consistent experience for students across the district. The improvements will be constructed over a period of four to six years.

Frequently Asked Questions (FAQs) and Contact Information

1) 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.

General Fund Budget	\$	480,923,925
Projected Enrollment	/	28,778
Spending per Student	\$	16,711

2) 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:

a. 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.

b. Aid payments from the state may be less than anticipated based on economic conditions:

The majority of district revenues come from the state. 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 district.

c. 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 funding levels until the legislative session concludes in the spring.

3) 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. School Board policy requires the district to maintain a minimum fund balance equivalent to at least 5 percent of general fund expenditures for the year.

4) 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/District/Departments/Finance. Suggestions should be addressed to:

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.

Budget Contact Information

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

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

Danny DuChene
Manager of Financial Systems, Reporting and Compliance
Daniel.DuChene@district196.org
651-423-7780

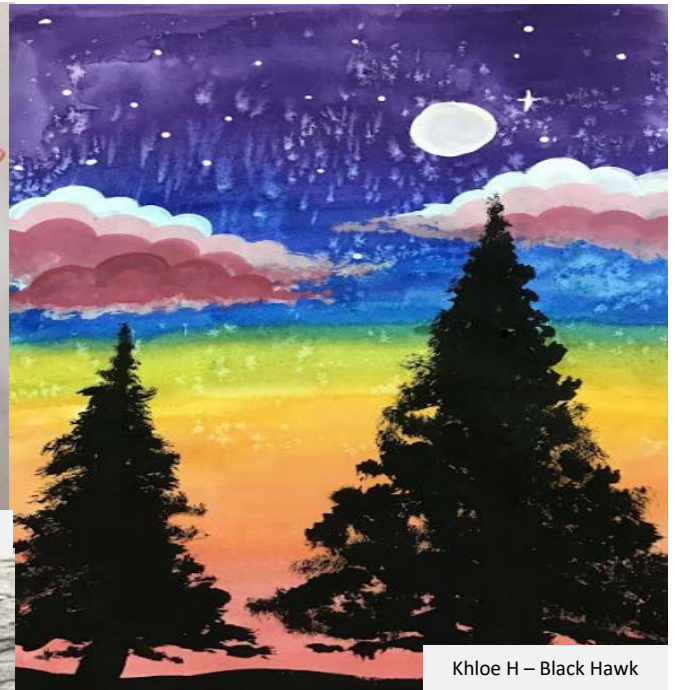
Historical budget and finance information can be found at <https://www.district196.org/services/finance-and-operations>
The website includes information on the entire budget process and timelines, an introduction to school finance, and printable budgets for the last nine years.

Organizational Section





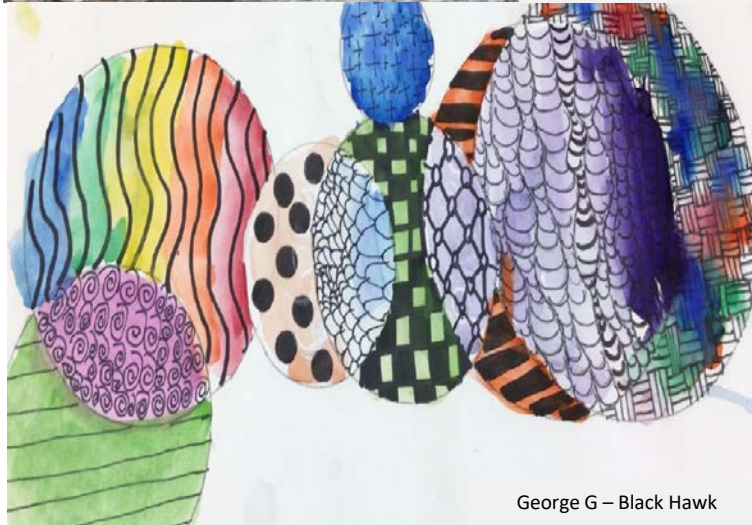
Emma M – Black Hawk



Khloe H – Black Hawk



Payton D – Black Hawk



George G – Black Hawk



Johnny – Red Pine



Money M – Black Hawk



Anna C – Scott Highlands

NOTE 1 – DISTRICT OVERVIEW

A. Legal Autonomy

Under the provisions of the Constitution of the State of Minnesota, Article XIII, Section 1 states the "...legislature shall make such provisions by taxation or otherwise as will secure a thorough and efficient system of public schools throughout the state." As such, the state provides financial assistance to school districts under statutes enacted by the Legislature, with the primary purpose to provide a basic educational opportunity available to all students regardless of local fiscal capacity of the district in which they live.

Independent School District 196 was formed and operates pursuant to applicable Minnesota laws and statutes. The district was incorporated in 1950 and serves all or parts of nine communities within Dakota County, Rosemount, Apple Valley, Eagan, Burnsville, Coates, Inver Grove Heights and Lakeville, located on the southeastern edge of the Minneapolis/St. Paul metropolitan area. The district encompasses all or part of the cities of Empire and Vermillion townships. The district is governed by a seven-member School Board elected by voters of the district to serve four-year terms.

The district is a fiscally independent entity and has the exclusive responsibility and accountability for the decisions it makes. It has statutory authority to adopt its own budget, levy taxes and issue bonded debt without the approval of another government. It has the right to buy, sell, lease or mortgage property in its own name. As such, the district is considered a primary government and there are no other governments or agencies whose budgets should be combined and presented in this budget.

Co-curricular student activities are determined primarily by student participants under the guidance of an adult and are generally conducted outside of school hours. In accordance with Minnesota Statutes, the School Board has elected not to control or be otherwise financially accountable with respect to the underlying co-curricular activities. Accordingly, the co-curricular student activity accounts are not included as part of these budget documents.

B. Programs and Services

The district provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12, as well as young adults ages 18-21 with special needs. These services include regular and enriched academic education, special education and career/vocational education. Food service and transportation are provided as supporting programs. The district's community education program includes early childhood family education, adult basic education programs, and a variety of classes for lifelong learning experiences for children through senior adults.

C. Student Enrollment and Demographics

District 196 is the state's fourth largest school district, serving approximately 29,047 students in the 2022-23 school year. District 196 covers 110 square miles and has population of approximately 160,000.

The district has an increasingly diverse population of students with a variety of needs. For the 2022-23 school year, 57.1 percent of students were White, 14.7 percent Black, 11.4 percent Hispanic, .4 percent American Indian, 8.0 percent Asian, and 8.4 percent identified with multiple ethnicities or as Pacific Islander.

In the 2022-23 school year, 31.8 percent of district students qualified for free or reduced-price school meals and 7.45 percent of students qualified for English Learner services. In 2022-23, 15.9 percent of students qualified to receive special education services.

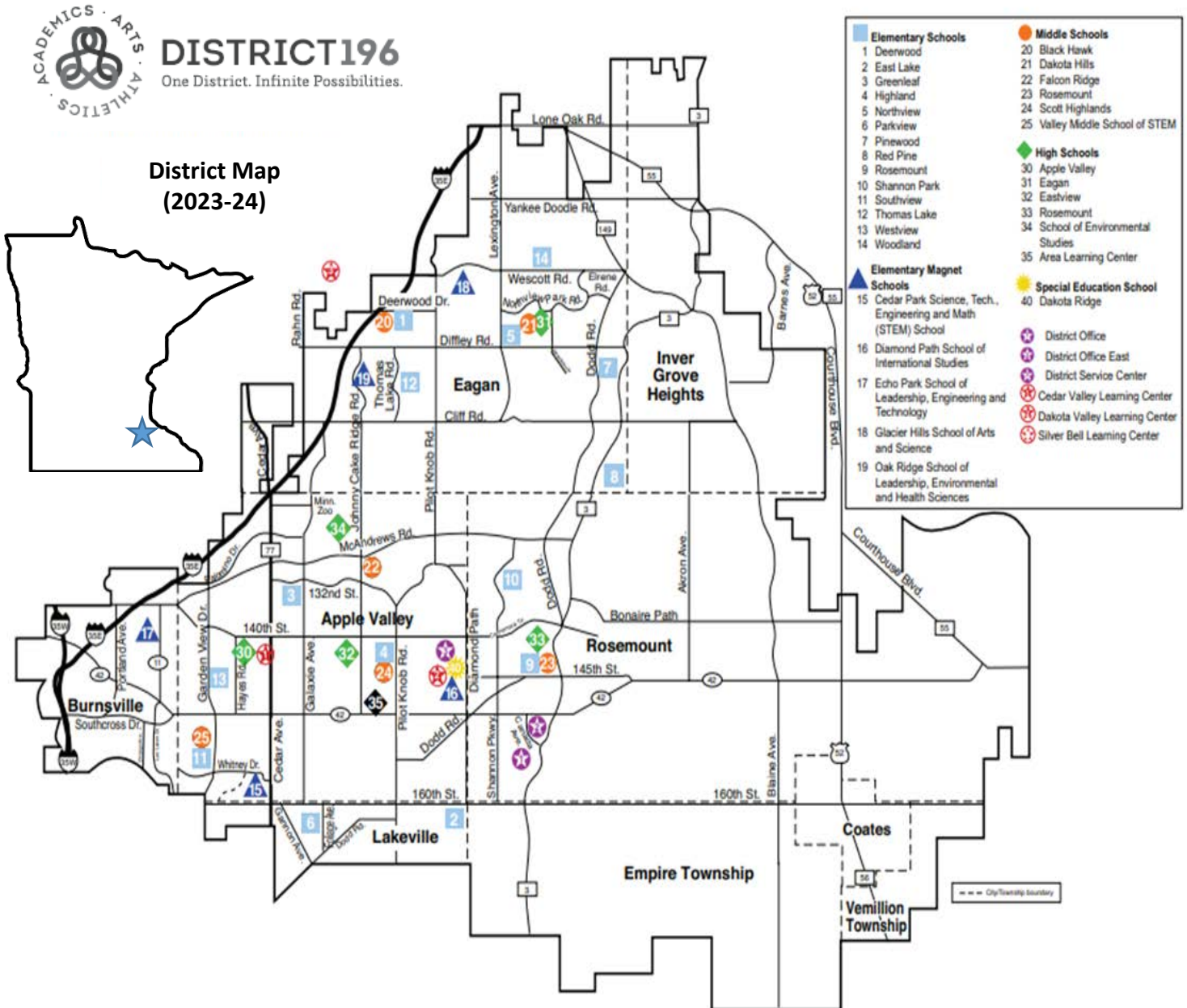
NOTE 1 – DISTRICT OVERVIEW (CONTINUED)

D. District Schools and Facilities

District 196 operates its programs in 38 facilities, including 19 elementary schools (grades kindergarten through 5), six middle schools (grades 6-8), four comprehensive high schools (grades 9-12), 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.

The average age of the district's facilities is approximately 36 years old. The district utilizes funding through the state of Minnesota's Long Term Facilities Maintenance Program (LTFM) to keep up with routine repairs, maintenance and other facility improvements.

E. District Map



NOTE 2 - GOVERNANCE

A. School Board and Superintendent’s Cabinet

School Board & Superintendent

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

Superintendent's Cabinet

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
Shelly Monson	Director of Human Resources
Jeremy Sorenson	Director of Elementary Education
Mark Stotts	Director of Finance and Operations
Tony Taschner	Director of Communications
Steve Troen	Director of Teaching and Learning

Organizational Section



NOTE 2 – GOVERNANCE (CONTINUED)**A. Schools and Principals****Elementary Schools**

School	Abbreviation	Principal
Cedar Park Elementary STEM School	CP	John Garcia
Deerwood Elementary School	DW	TBD
Diamond Path Elementary School of International Studies	DP	Rob Nelson
East Lake Elementary School	EL	Miles Haugen
Echo Park Elementary School of Leadership	EP	Logan Schultz
Glacier Hills Elementary School of Arts and Science	GH	Adriana Henderson
Greenleaf Elementary School	GL	Drew Goeldner
Highland Elementary School	HL	Chad Ryburn
Northview Elementary School	NV	Melissa Griffin
Oak Ridge Elementary School of Leadership	OR	Cathy Kindem
Parkview Elementary School	PV	Nicole Garcia
Pinewood Elementary School	PW	Leah Hack
Red Pine Elementary School	RP	Tony Washington
Rosemount Elementary School	RE	Thomas Idstrom
Shannon Park Elementary School	SP	Erik Davis
Southview Elementary School	SV	Christine Evans
Thomas Lake Elementary School	TL	Rachel Hughes
Westview Elementary School	WV	Tami Staloch-Schultz
Woodland Elementary School	WL	Lisa Carlson

Middle Schools

School	Abbreviation	Principal
Black Hawk Middle School	BHMS	Anne Kusch
Dakota Hills Middle School	DHMS	Trevor Johnson
Falcon Ridge Middle School	FRMS	Becky Melville
Rosemount Middle School	RMS	Eric Hansen
Scott Highlands Middle School	SHMS	Dan Wilharber
Valley Middle School of STEM	VMS	Stacey Buchwald

High Schools

School	Abbreviation	Principal
Area Learning Center	ALC	Dave Schmitz
Apple Valley High School	AVHS	Drew Mons
Eagan High School	EHS	Paulette Reikowski
Eastview High School	EVHS	Bruce Miller
Rosemount High School	RHS	Pete Roback
School of Environmental Studies	SES	Lauren Trainer
196Online High School	196O	Lynn Hernandez

NOTE 3 – DISTRICT MISSION AND STRATEGIC PLAN

The district's beliefs and strategies were developed by a 60-member task force of parents, staff, School Board members and leaders from the 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.

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

Belief Statements:

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

Strategies and Goals:

- **Teaching and Learning**
 - Deliver a high-quality instructional program that anticipates and meets the needs of all learners
 - Goal Budget Information- General Fund:
 - Student Instruction: \$328,627,063 budgeted in the 2023-24 preliminary budget
 - Student Support Services: \$72,208,570 budgeted in the 2023-24 preliminary budget
- **Educational Equity**
 - Implement a systemic process that increases achievement for all students by addressing equitable access to opportunities in our schools and programs
 - Goal Budget Information – our journey toward equity traverses various budget areas. The ones specifically called out herein are more readily identifiable as geared toward meeting student needs by providing accommodations and better access; Special education - \$98,307,059; Achievement & Integration - \$5,266,739; Mental/Emotional support - \$9,901,820; Gifted & Talented [GT] - \$2,125,984, among other less identifiable initiatives.
- **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
 - Goal Budget Information- Community Service Fund
 - Early Childhood Programs: \$3,911,541 budgeted in the 2023-24 preliminary budget
- **Partnerships**
 - Develop and implement sustainable strategies to increase collaboration between the district and community partners

NOTE 4 – SIGNIFICANT BUDGET AND FINANCIAL ITEMS

A. Budget Policies

The School Board has adopted several policies, administrative regulations (AR) and procedures (P) related to the budget process. Below is a summary of these policies. See appendix, on page 69 through 76, for the full text of each policy, administrative regulation and procedure.

- **Policy 702 – Budget**
 - The district shall adopt annual budgets for each fund (general [including all accounts within the general fund], food service, community education, debt service, building construction, trust and agency, and internal service), in accordance with state law;
 - The district budget, once approved by the board, is the district's plan showing expected revenue and expenditures for the coming fiscal year and is the district's legal authorization for spending funds, and
 - The budget reflects and supports state and federal requirements, district initiatives and board policies.
- **Administrative Regulation 702.2AR – Budget Planning and Development**
 - This regulation mandates the due dates for preliminary and final budgets to be presented to the School Board and the requirement for board approval of budget assumptions to be used to develop the budgets.
- **Administrative Regulation 702.2.3AR – Budget Advisory Council (BAC)**
 - The Budget Advisory Council ensures active community participation in and enhances community understanding of the district's budget planning process, and
 - Provides input to the board and administration on budget plans that support district goals, policies and initiatives.
- **District Procedure 702.2.3P – Application to Serve on Budget Advisory Council (BAC)**
 - Applicants must complete this form to be considered for membership on the committee.
- **Administrative Regulation 702.4AR – Capital Expenditure Budget**
 - This regulation establishes the requirements for the district's capital expenditure budget, including the process of developing a list of current needs and proposal of final selections to be presented to the board for approval.
- **Policy 712 – Fund Balance**
 - Policy 712 requires the maintenance of reasonable fund balances to mitigate financial risk from unforeseen circumstances and provide adequate cash flow.

NOTE 4 – SIGNIFICANT BUDGET AND FINANCIAL ITEMS (CONTINUED)

B. Financial Presentation

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

Revenue Recognition – Revenue is recognized when it becomes measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the district generally considers revenues to be available if they are collected within 60 days after year-end. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. State revenue is recognized in the year to which it applies according to Minnesota Statutes (which include state aid funding formulas for specific fiscal years) and accounting principles generally accepted in the United States. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Recording of Expenditures – Expenditures are generally recorded when a liability is incurred, except for principal and interest on long-term debt, compensated absences, severance and other post-employment benefits (OPEB), which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as capital outlay expenditures in the governmental funds. In the general fund, capital outlay expenditures are included within the applicable functional areas.

Proprietary and fiduciary funds use the accrual basis of accounting and are reported using the economic resources measurement focus.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenue of the district’s internal service funds are charges to other district funds for services. Operating expenses for the internal service fund include the cost of providing the services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

C. Description of Funds

The existence of the various district funds has been established by the Minnesota Department of Education. 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 Account
 - Transportation Account
 - Capital Expenditure Account
 - Quality Compensation (Q Comp) Account
 - Special Education Account

Note: As a result of GASB #84 and at the direction of the Minnesota Department of Education, Student Activity Accounts (SAA) will be reported as part of the General Fund beginning with the 2019-20 fiscal year.
- **Capital Projects / 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** – The food service special revenue fund is primarily used to account for the district’s child nutrition program.

NOTE 4 – SIGNIFICANT BUDGET AND FINANCIAL ITEMS (CONTINUED)

- **Community Service Special Revenue Fund** – The community service special revenue fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, adult or early childhood programs, or other similar services.

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 Benefits
 - Self-Insured Health Benefits

Fiduciary Funds

- **OPEB Irrevocable Trust (Other Post-Employment Benefits)**

D. Classification of Revenues and Expenditures

Uniform Financial Accounting and Reporting Standards (UFARS) as developed by the Minnesota Department of Education (MDE), mandates that each financial transaction be identified with a specific accounting code for administrative and reporting purposes. As defined by Minnesota Statute 123B.77, each school district must adopt the uniform financial and reporting standards as provided by MDE.

UFARS requires the revenue and expenditure account code structure to be multi-dimensional. Each dimension identifies one aspect of a revenue or expenditure account. No single dimension could provide enough information for local and state reporting of financial information, however, once combined, the account code contains a lot of information about a particular transaction. Below is a list of the six dimensions of a UFARS account code in sequential order:

The same dimensions are used in both revenue and expenditure accounts with the exception of the object dimension, which is used for expenditures, while the source dimension is used with revenues.

Description of Dimensions

FUND	TYPE	ORG/SITE	PROGRAM	FINANCE	OBJECT/SOURCE	COURSE
XX	X	XXX	XXX	XXX	XXX	XXX

- **Fund Dimension (FD)** – A fund is a fiscal entity with a set of accounts that record financial resources, liabilities and equities. Each fund is segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.
- **Type** – the account type delineates whether the account is an asset, liability, equity, revenue, or expenditure account.

NOTE 4 – SIGNIFICANT BUDGET AND FINANCIAL ITEMS (CONTINUED)

- **Organization / Site Dimension (ORG)** – Allows for the identification of expenditures and revenues by a site or building.
- **Program Dimension (PRG)** – Used to separate sets of instructional and support service activities associated with public schools. The codes in this dimension are divided into ten categories: administration, district support services, elementary and secondary regular instruction, vocational instruction, special education instruction, community education and services, instructional support services, pupil support services, sites and buildings, fiscal and other fixed costs programs, and other.
- **Finance Dimension (FIN)** – Establishes the revenue and expenditure relationship for financial accounting and reporting to a specific purpose, grant, or other source. The series in this dimension are district-wide, state, federal, child nutrition, transportation, special education, state placement, levy supported programs and secondary vocational.
- **Object Dimension (OBJ)** – Identifies the generic service or commodity obtained as the result of the expenditure, this is the most detailed level of expenditure reporting. The codes in this dimension are divided into eight series: salaries, benefits, purchased services, supplies and materials, capital expenditures, debt service, other expenditures and other financing uses.
- **Source Dimension (SRC)** – Identifies the origin of revenues. The codes in this dimension are divided into five series: local sources, state sources, federal sources, sales and other conversions, and other financing sources.
- **Course Dimension (CRS)** – For state reporting purposes, used to report revenues and expenditures for projects that overlap school district fiscal years.
- **UFARS Codes are separated into categories/series based on their number. Below are the category/series description for each dimension of a UFARS code.**

Fund

Series Name	Series Range
General Fund	01
Food Service	02
Community Service	04
Building Construction	06
Debt Service	07
Post Employment Benefits Debt Service	47
Trust	08
Post Employment Benefits Irrevocable Trust	45
Internal Service	20
Post Employment Benefits Revocable Trust	25
General Fixed Assets Group	98
General Long Term Debt Group	99

Program

Series Name	Series Range
Administration	000-099
District Support Services	100-199
Elementary and Secondary Regular Instruction	200-299
Vocational Education Instruction	300-399
Special Education Instruction	400-499
Community Education Instruction	500-599
Instructional Support Services	600-699
Pupil Support Service	700-799
Sites and Buildings	800-899
Fiscal and Other Fixed-Cost Programs	900-999

NOTE 4 – SIGNIFICANT BUDGET AND FINANCIAL ITEMS (CONTINUED)**Object**

Series Name	Series Range
Salaries and Wages	100-199
Employee Benefits	200-299
Purchased Services	300-399
Supplies and Materials	400-499
Capital Expenditures	500-599
Debt Service	700-799
Other Expenditures	800-899
Other Financing Uses	900-999

Source

Series Name	Series Range
Local Revenues	001-099
States Revenues	200-399
Federal Revenues received pass through the State	400-499
Federal Revenues received direct from Federal Government	500-599
Local Sales, Insurance Recovery and Judgments	601-629
Sales of Bonds and Loans	631-640
Incoming Transfers from Other Funds	649-699

The UFARS reporting structure does not control or constrain local operations or account codes. For example, the district has several internal codes that crosswalk to the appropriate UFARS code when transmitting reporting data to the MDE. Below is an example of a district code and the applicable UFARS code.

TYPE	FUND	TYPE	ORG/SITE	PROGRAM	FINANCE	OBJ/SRC	COURSE
Internal Code	01	E	225	051	201	115	000
UFARS Code	01	E	025	050	000	110	000

The table below shows how crosswalks allow the district to break out revenues and expenses in much further detail than is required by UFARS for reporting. See the appendix for a list of district dimensions and the applicable UFARS crosswalk.

Dimension	District Description	UFARS Description
FD	General Fund	General Fund
TYPE	Expenditure	Expenditure
ORG	Dakota Hills Middle School	Dakota Hill Middle School
PRG	School Administration - Middle School	School Administration
FIN	Staffing Allocation	District-Wide
OBJ	Assistant Administrator / Principal	Administrator / Supervisor
CRS	Non-Federal Projects Ending in the Current Year	Non-Federal Project Endings in the Current Year

NOTE 4 – SIGNIFICANT BUDGET AND FINANCIAL ITEMS (CONTINUED)

F. Financial Philosophy, Practices and Fund Balance Management

Financial Philosophy – The basic principles that drive the development of the district’s financial policies and regulations are:

- Maintain a clear definition of accountability and spending authority.
- Maintain a long-term financial approach for responding to both current and future issues. An example of this approach is multi-year outlooks for budget planning.
- Maintain appropriate level of fund balances for:
 - time-limited projects or services
 - enhance funding for School Board approved initiatives
 - unplanned events or unforeseen expenditures

Financial Practices – The district operates under a decentralized or site-based environment. The budget planning process is more collaborative and school principals and budget administrators have flexibilities in determining how to manage their allocations from the district to comply with district policies and regulations.

Each year, school principals are given three major allocations to operate their schools. The three major allocations are capital expenditure, instructional/operating and staffing. All three allocations are determined by the schools’ enrollment, School Board approved funding guidelines, and federal and state mandates. Detailed information regarding these three allocations can be found in Note 7 – Budget Allocation. In general, with the exception of federal and state funds, school principals have the ability to determine how to budget for these allocations to meet their students’ needs. School principals are allowed to “carryover” their unspent instructional allocations to the following school year. Financial performance of the school is based on the bottom-line; this eliminates the need for line item budget transfers or budget adjustments within the school’s budget.

To comply with federal and state financial reporting requirements, the district adjusts the budgets for federal and state categorical grants each spring. The purpose of these adjustments is to account for grant dollars the district may have received during the year and align actual spending with the appropriate expenditure categories. These adjustments also allow for accurate funding for programs and provide the most accurate basis for developing the preliminary budget for the next fiscal year.

Fund Balances – Prudent fiscal management requires the maintenance of reasonable fund balances to mitigate financial risk from unforeseen circumstances and expenditures, and provides cash flow liquidity for general operations. The School Board formally adopted a fund balance policy requiring a minimum general fund balance of 5 percent of the annual projected operating expenditures. District administration monitors and maintains fund balance levels through the use of multi-year financial planning tools. When financial projections indicate future fund balance levels below minimum established levels, budget adjustments are implemented to programs and departments to ensure that established fund balance targets are maintained.

Governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

- **Nonspendable** – Consists of amounts that are not in spendable form, such as prepaid items, inventory and other long-term assets.
- **Restricted** – Consists of amounts related to externally imposed constraints established by creditors, grantors or contributors, or constraints imposed by state statutory provisions.
- **Committed** – Consists of internally imposed constraints that are established by resolution of the School Board. Those committed amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – Consists of internally imposed constraints. These constraints consist of amounts intended to be used by the district for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned amounts represent intended uses established by the governing body itself or by an official to which the governing body delegates the authority. Pursuant to School Board resolution, the district’s superintendent or other designee is authorized to establish assignments of fund balance.
- **Unassigned** – The residual classification for the general fund that includes all spendable amounts not contained in other fund balance classification. It also reflects negative residual amounts in other funds.

NOTE 5 – SCHOOL FUNDING

A. Introduction

The Minnesota school finance system is the method by which funds are provided to operate public elementary and secondary schools. The bulk of state support for elementary and secondary education is distributed to school districts through the general education revenue program, which provides money for the current operating expenditures of the districts. The remaining portion of the state's appropriation to local districts is provided through special purpose or categorical aids, such as special education aid and local property tax relief aids. Historical, legal and descriptive information in the following pages provide the context for understanding the school finance system.

B. Historical and Legal Background

Public education in the United States is the legal responsibility of state government. In Minnesota, as in most states, the state constitution charges the legislature with responsibility for public schools:

"The stability of a republican form of government depending mainly upon the intelligence of the people, it is the duty of the legislature to establish a general and uniform system of public schools. The legislature shall make such provisions by taxation or otherwise as will secure a thorough and efficient system of public schools throughout the state." (Constitution of the State of Minnesota, Article XIII, Section 1)

"Minnesota delegates responsibility for the actual operation of schools to local school districts whose powers and duties are prescribed by state statute. Historically, the property taxes levied by the school boards governing these school districts have been the primary source of revenue for running schools. Sometime after 1900, property taxes were supplemented by limited amounts of state appropriations for aid to school districts. By 1970-71, the Minnesota state foundation aid program provided all districts a flat grant per pupil unit (a pupil unit is a weighted enrollment measure) and provided some districts an additional "equalized" amount which varied inversely with a district's property valuation. Under this system, state aid funded about 43 percent of the cost of running schools, and school expenditures per pupil varied widely from district to district. Local property taxes rose rapidly in all districts in the late 1960s and the tax rate for schools also varied widely among districts."

The 1971 Legislature addressed these disparities by substantially increasing the amount of equalized state foundation aid per pupil unit and imposing a uniform statewide limit on the property tax rate for schools. The 1973 Legislature eliminated flat grants and established a system whereby the amount of foundation aid program revenue available per pupil unit to low-spending districts would be increased to the state average over a six-year period. From 1973 to 1983, the Legislature adjusted the foundation aid formula several times, making it more responsive to differences among districts and altering the relationship between local tax effort and state aid, without changing the formula's basic structure.

The 1983 Legislature enacted a new foundation aid program that became effective in the 1984-85 school year. The new program replaced several components of the previous foundation aid formula (i.e., discretionary, replacement, grandfather, and low-fund balance aids and levies) with five tiers of optional aids and levies. The main characteristics of the new five-tier program were equal access to revenues, recognition of some specific cost differences and more discretion on the part of school boards in choosing the necessary level of revenue." (Minnesota School Finance, A Guide for Legislator House Research Department)

C. Current Program Design

The 1987 Legislature replaced the foundation aid program with a modified funding formula called the general education revenue program effective for the 1988-89 school year. General education formula components have remained relatively stable since 1989. In general, each component reflects school district funding needs in different areas and is based on pupil counts and the extent of need for each school district. General education revenue is the primary source of general operating funds for Minnesota's public schools.

NOTE 5 – SCHOOL FUNDING (CONTINUED)

NOTE: As of the development of the 2023-24 preliminary budget book, funding information for Minnesota schools is still pending approval by the Minnesota Legislature. Information in the subsequent pages will be updated as final details become available.

D. General Education Revenue

Schools receive the bulk of their general operating funds from the state through the general education revenue program. For FY 2005 and later, basic general education revenue is provided entirely through state aid payments, but there are equalized levies for operating capital, equity revenue and transition revenue. Components of general education revenue are as follows:

1. **Basic Formula Allowance** – Basic education revenue for each district equals the product of the formula allowance multiplied by the adjusted marginal cost pupil units for the school year. Adjusted marginal cost pupil units are a statutorily defined count of pupils in daily attendance. The basic formula allowance for the 2022-23 school year is \$6,863 per adjusted pupil unit (APU).

School Year	Formula Allowance	
	Amount	Percent Change
2018-19	6,312	2.0
2019-20	6,438	2.0
2020-21	6,567	2.0
2021-22	6,728	2.45
2022-23	6,863	2.0
2023-24*	7,138	4.0

* Estimated increase pending Minnesota State Legislature approval

2. **Extended Time Revenue** – Beginning in FY 2004, school districts were prohibited from counting a student as more than 1.0 in average daily membership (ADM). Prior to this, a student could be counted in excess of 1.0 if the student was participating in a learning year program. A learning year program may include extended day, extended week, summer school programming, or an independent study program. The 1987 Legislature eliminated funding for summer school when it replaced the foundation aid program with the general education revenue program. During the 1990s, many school districts started using the learning year program as a method to fund summer school programs. As a result, the growth in learning year pupils was quite significant. The 2003 Legislature adopted a provision that limits a student's annual average daily membership to 1.0.

The extended time revenue program allows a school district to count a student who participates in extended programming for up to an additional 0.2 students in ADM for the time the student spends in extended day, extended week, summer school or other additional programming authorized by the learning year program. This additional ADM counts only for purposes of generating extended time revenue.

3. **Basic Skills Revenue** – Basic skills revenue consists of compensatory revenue and English Learner (EL) revenue.

Compensatory Revenue - The vast majority of basic skills revenue is generated by the compensatory revenue formula. Compensatory revenue is site-based revenue that is calculated on the characteristics of each school site, and the revenue must be distributed to, and spent on, qualifying programs at each site. Compensatory revenue must be used to meet the educational needs of pupils whose progress toward meeting state or local content or performance standards is below the level that is appropriate for learners of their age.

Compensatory revenue must be reserved in a separate account and each district must produce an annual report describing how compensatory revenue has been spent at each site within the district.

The formula that generates compensatory revenue is a concentration formula based on each school's count of students that are eligible for free or reduced-price school meals.

NOTE 5 – SCHOOL FUNDING (CONTINUED)

The compensatory revenue increases as the number of compensatory pupil units increases, which is driven by the number of students qualifying for free or reduced-price school meals, as well as the percentage of such students at the school. A higher percentage concentration of qualifying students leads to a higher count of compensatory pupil units.

Districts receive EL revenue to provide instruction to students participating in English language development. Programs may include bilingual programs or English-as-a-second-language (ESL) programs. Bilingual education programs provide curriculum instruction to students in their native language. Students in ESL programs are taught to read, write, listen, and speak in English. The state has provided funding for EL programs since 1980. In 1997, the EL formula was significantly expanded by adding a pupil concentration formula to the cost-based formula. Districts may receive state aid for eligible EL students for up to seven years.

There are two parts to the EL portion of basic skills revenue: the first part or basic formula is a set amount per eligible EL pupil unit and the second part of the EL formula is a concentration formula. A school district with at least one student eligible for EL services has a statutorily assigned minimum EL pupil count of 20.

4. **Gifted and Talented Revenue** – Beginning in FY 2006, each school district received \$4 per pupil unit for gifted and talented programming. This amount was increased to \$9 per pupil unit for FY 2007 and further increased to \$12 per pupil unit for FY 2008 through FY 2014. For FY 2015 and later, the formula allowance is \$13 per pupil unit to reflect the new, lower adjusted pupil unit count. The revenue must be used to identify gifted and talented students, to provide programming for gifted and talented students, or to provide staff development to prepare teachers to teach gifted and talented students.
5. **Sparsity Revenue** – Secondary sparsity revenue provides additional revenue to geographically large districts that have relatively few secondary pupils. The formula measures sparsity and isolation of the district and provides additional revenue to the district using an assumption about how many pupil units are necessary to run an acceptable secondary program. The formula assumes that a district with 400 secondary pupils in average daily attendance can provide an acceptable secondary program. Therefore, a district with one high school, no matter how few pupils per square mile it has, will not receive any sparsity aid if the district has a secondary average daily membership (SADM) in excess of 400. In addition, the requirement of large geographic size ensures funding for districts that have few pupils due to geographic isolation and not due to a school board's reluctance to provide cooperative programming with a neighboring school district.

Elementary Sparsity Revenue – A school district qualifies for elementary sparsity revenue if it has an elementary school that is located 19 or more miles from the next nearest elementary school and has fewer than 20 pupils per elementary grade. As with secondary sparsity revenue, the more elementary pupils in average daily membership (EADM) attending the school, the lower the elementary sparsity revenue per pupil.

6. **Operating Capital Revenue** – Operating capital revenue replaced two former capital formulas known as equipment revenue and facilities revenue and moved the revenue stream to each district's general fund. Operating capital revenue must be reserved and used for equipment and facility needs. A school board may spend other general fund money for operating capital expenses, but general fund money provided by the operating capital revenue component must be reserved and spent only for eligible equipment and facility needs.

Operating capital revenue is computed by adding a fixed dollar amount for all districts to a variable amount per pupil unit times the age of the district's school facilities. The age index is called the maintenance cost index (MCI). Operating revenue is an equalized formula. The equalizing factor fell to a low of \$10,700 in fiscal year 2012, and was increased to \$15,740 for fiscal year 2017, \$20,548 for fiscal year 2018, \$24,241 for fiscal year 2019, \$23,902 for fiscal year 2020, \$23,885 in fiscal year 2021.

For FY 2023, the district's operating capital revenue is estimated to be \$226.11 per adjusted pupil unit times the district's maintenance cost index. Districts with older buildings receive more revenue because of the maintenance cost index. Districts with newer buildings receive less revenue.

NOTE 5 – SCHOOL FUNDING (CONTINUED)

7. **Equity Revenue** – The equity revenue formula consists of three parts: basic equity revenue, low referendum revenue and a supplemental formula that was added in FY 2007. Equity revenue was added as a component to the general education revenue formula beginning with FY 2000. The state is divided into a seven-county metro region and a greater Minnesota region, and equity revenue is calculated separately for districts within each region. School districts located in cities of the first class (Minneapolis, St. Paul and Duluth) are excluded from receiving basic equity revenue. For FY 2002 and later, a school district's equity revenue is based only on the sum of its basic formula allowance and referendum revenue per pupil unit.

The first step in calculating equity revenue is to determine the 5th and 95th percentiles of the portion of general education revenue equal to the basic formula allowances and referendum revenue for the metro and greater Minnesota regions.

The second step in calculating equity revenue is to divide districts into two classes, those with a referendum and those without.

Equity revenue for a district with a referendum equals \$14 plus the product of \$80 and the district's equity index, all times the district's adjusted pupil units (APU). For districts in the seven county metropolitan area, the revenue amount resulting from both the regular and low-referendum equity calculations is multiplied by 1.25. Equity revenue for a district without a referendum equals \$14 times the district's APU.

Supplemental Equity Revenue – All school districts receive supplemental equity revenue equal to an additional \$50 per pupil unit.

Low Referendum Revenue – School districts with referendum amounts below ten percent of the state average referendum amount are eligible for the supplemental low-referendum equity portion of equity revenue. Qualifying districts receive an amount per pupil equal to the difference between their referendum amount and ten percent of the statewide average referendum revenue, with a \$100,000 limit.

Equity Aid and Levy – A district's equity revenue is equalized on referendum market value using an equalizing factor of \$510,000.

8. **Small Schools Revenue** – Small schools revenue is allocated to school districts (excluding charter schools) based on their enrollment. Districts with more than 960 adjusted pupil units do not qualify for the revenue. The formula for the revenue is \$544 times the district's adjusted pupil units, multiplied by a factor that allocates more revenue per pupil to smaller school districts on a sliding scale. The definition of a district for small schools revenue purposes includes a high school that is eligible for sparsity aid in a district with at least two high schools.

Beginning in FY 2013, a school district (but not a charter school) that serves fewer than 1,000 pupil units is eligible for small schools revenue. For FY 2013 and 2014, small schools revenue equaled \$5,224 times 0.1, times the district's adjusted marginal cost pupil units, times the ratio of the 1,000 less the district's AMCPUs to 1,000. For FY 2015 and later, the maximum threshold changes to 960 pupil units to conform to the new lower pupil units, and small schools revenue equals \$544 times the district's adjusted pupil units, times the ratio of 960 less the district's adjusted pupil units to 960.

9. **Transition Revenue** – Transition revenue guarantees school districts that changes to various funding formulas will not result in the districts receiving less revenue in the current fiscal year than it received in the prior fiscal year. It is a 'hold harmless' provision. Transition revenue was originally a revenue guarantee for 2003-04 revenue, fixed at the 2004-05 amount per pupil. Since then it has been expanded to include additional components. Beginning in FY 2015 the following components have been added:
- Achievement and integration revenue transition;
 - Pension adjustment transition;
 - Special education transition, and
 - Special education excess cost aid transition.

NOTE 5 – SCHOOL FUNDING (CONTINUED)

Transition revenue is a fixed amount that is undesignated and may be used for any general fund purpose. Transition revenue is a mix of aid and levy, levied against referendum market value, using \$510,000 as the equalizing factor.

10. Pension Adjustment Revenue – Some of the changes in the school district employer-paid retirement contributions have been linked to other changes in school funding. For years prior to FY 2015, a school district's general education revenue was reduced by two decreases in employer contribution rate and increased by two increases in the employer contribution rate. The calculation for the reduction was as follows:

- *General Education Retirement Reduction =*
- *1984 PERA Adjustment (1) +*
- *FY 1997 TRA Adjustment (2) -*
- *FY 1999 PERA Adjustment (3) -*
- *FY 2007 TRA Adjustment (4)*

- (1) The 1984 PERA (Public Employees Retirement Association) adjustment equaled the amount of the 1984 PERA rate reduction times the school district's 1984 PERA payroll.
- (2) The fiscal year 1997 TRA (Teachers Retirement Association) reduction equaled 2.34 percent times the district's 1997 TRA payroll. (Prior to 1997, the reduction was .84 percent of TRA payroll. This reduction was added to the 2 percent reduction made in 1997, then reduced to the net amount of 2.34 percent after compensating for the PERA revenue increase under (3)).
- (3) The fiscal year 1999 PERA increase equaled .70 percent times the district's 1999 PERA payroll.
- (4) The fiscal year 2007 increase equaled .50 percent times each district's 2007 TRA payroll.

The reduction is a fixed total dollar amount (not a per pupil amount) and does not change each year unless the district's teacher payroll is significantly lower than in the previous fiscal year, in which case the Commissioner of Education recalculates a lower reduction based on the new payroll data. The adjustment will be statutorily eliminated as of June 30, 2020. For FY 2015 and later, a district's pension adjustment revenue equals the difference between its per pupil pension adjustment for FY 2014 and the statewide average adjustment for that year.

11. Options Adjustment – A school district's general education revenue is adjusted by the options adjustment based on enrollment changes made under student movement programs. A district's general education revenue is reduced for referendum aid attributable to resident pupils who are open enrolled, certain aid payments for resident pupils who attend the Minnesota Academies for the Deaf or Blind and certain charter school transportation payments. A district's general education revenue is increased by an amount equal to the referendum aid attributable to nonresident students served by the school district, plus an aid amount equal to the transportation portion of each charter school pupil whom the district transports.

12. Local Optional Revenue – The 2013 Legislature created a new component of general education revenue called location equity revenue. Effective FY 2016 and later, this revenue source has been renamed as local optional revenue and is equal to \$424 per pupil for every school district. Local optional revenue is offset from each district's approved amount of referendum revenue, so for most qualifying districts, local optional revenue provides no direct additional revenue. Instead, local optional revenue provides space under the referendum allowance cap and provides enhanced equalization revenue for some districts.

Beginning in fiscal year 2021, the first tier of referendum authority (\$300 per pupil unit—which may be approved by board action) is added to local optional revenue and reduced from the district's total referendum authority. The local optional revenue will then consist of two tiers, the first tier of \$300 per pupil, is equalized at \$880,000 per pupil (the same equalizing factor that existed when this tier was included in operating referendum revenue). The second tier, \$424 per pupil, remains equalized at \$510,000 per pupil. For fiscal year 2021 and later, there will no longer be any connection between local optional revenue and referendum revenue.

13. Declining Enrollment – Districts that experience declining enrollment from year to year are eligible for declining enrollment revenue. Previously, declining enrollment revenue was captured as part of "marginal cost pupil unit" calculations in many funding formulas. Due to pupil weighting simplification effective for FY 2015, a separate declining enrollment category was established.

Declining enrollment revenue acknowledges that lost per pupil funding due to fewer students does not always align neatly with the district's ability to cut its personnel and other operating costs. The declining enrollment formula is 28 percent of the current year formula allowance times the difference between the adjusted pupil units for the current year and the adjusted pupil units for the previous year.

NOTE 5 – SCHOOL FUNDING (CONTINUED)

E. Alternative Teacher Compensation Revenue (Q-Comp) – Alternative teacher compensation, also called Q Comp revenue, was created to encourage districts to adopt alternative pay structures for teachers. Q Comp revenue of \$260 per prior year unweighted pupils is available to school districts, intermediate school districts and charter schools that develop and implement an alternative teacher pay system by October 1 of that school year. In order to qualify for the revenue, the district must, one full school year prior to the year of implementation, notify the Commission of Education of the district's intent to implement an alternative pay system.

The \$260 per pupil of revenue is a mix of aid and levy, with 65 percent, or \$169, of the per pupil amount coming in the form of state aid and the remaining \$91 per pupil in the form of equalized levy revenue. The levy revenue is equalized using an equalizing factor of \$6,100 of adjusted net tax capacity per pupil.

F. Aid and Levy Calculations – School districts receive general education revenue from both state aid payments and local property taxes while charter schools receive their general education revenue entirely in state aid. The mix of aid and levy is designed to equalize local tax burdens. A school finance program that provides the same amount of total revenue per pupil unit to each district and requires the same tax rate of local effort is said to be fully equalized. Under an equalized system, the higher a district's property wealth per pupil unit, the lower the amount of general education aid the district receives from the state and the higher the amount of revenue provided through the local district's property tax.

1. **Student Achievement Levy** – Beginning in FY 2015, a general education levy called the student achievement levy was reinstated. It was intended to raise \$20 million. This levy was based on adjusted net tax capacity and was set at a rate of 0.30 percent for FY2017. Districts may choose to levy all or part of this levy. If a district chose to levy less than the maximum in this category, its share of total general education revenue not subject to an aid/levy split was reduced proportionately. This aid ended in fiscal year 2018.
2. **Operating Capital Levy and Aid** – Beginning in FY 2005 (taxes payable in 2004), a district's operating capital is provided through an equalized aid and levy. The revenue is computed based on the sum of \$79 per pupil unit and the product of \$109 and the district's average building age index.
3. **Equity Levy and Aid** – A district's equity revenue was equalized on referendum market value using an equalizing factor of \$510,000 (the same equalizing factor used for calculating the first tier of referendum revenue). This revenue is calculated and spread on referendum market value, so the levy is not spread on agricultural lands or seasonal recreational property. Prior to FY 2005, a district's equity revenue was provided entirely in state aid.
4. **Transition Levy and Aid** – Prior to FY 2005, a district's equity revenue was provided entirely in state aid. Beginning with FY 2005, a district's transition revenue was equalized on referendum market value using an equalizing factor of \$476,000. For FY 2015 and later, the equalizing factor is changed to \$510,000 to adjust for the lower pupil weights.
5. **Referendum Revenue** – The referendum revenue program, often referred to as the excess operating levy, is a mechanism that allows a school district to obtain voter approval to increase its revenue beyond the limits set in statute. Because of the exceptional growth in the referendum levy in the late 1980s and early 1990s, the legislature has made several changes to the program, including equalizing a portion of the revenue, capping the total amount of per pupil revenue a district may have, limiting the length of time that new referendums may run and requiring referendums approved after November 1, 1992 to be spread on referendum market value instead of tax capacity.

The 2001 Legislature greatly reduced the referendum levy beginning in FY 2003. Each district's referendum revenue was reduced by \$415 per pupil unit. (A district with less than \$415 per pupil in referendum authority lost the full amount of its authority.) At the same time the referendum was reduced, the basic formula allowance for all districts was increased by \$415 per pupil unit. As a result, referendum revenue was reduced by approximately \$200 million. Since that time, referendum revenue has increased substantially as a result of subsequent elections. The 2013 Legislature made a number of significant changes to referendum revenue beginning in FY 2015. These changes include:

NOTE 5 – SCHOOL FUNDING (CONTINUED)

- a. Changing the allowance from an amount per resident marginal cost pupil unit to an amount per adjusted pupil unit (the FY 2015 conversion will keep the total dollar amount of authority the same);
- b. Allowing a district to implement the first \$300 per pupil of referendum authority by board action;
- c. Creating a new category of revenue called location equity revenue and allowing a board to choose to convert referendum authority to location equity revenue;
- d. Dividing the equalization aid into three tiers and increasing the equalization of the first tier, and
- e. Modifying the referendum revenue cap and eliminating the grandfather cap.

Referendum Revenue Cap – A school district eligible for sparsity revenue is not subject to a cap on referendum revenue. For other districts, for years prior to FY 2015, a district's maximum total referendum allowance was limited to 26 percent of the formula allowance adjusted for inflation (\$1,597 for FY 2014). For those districts with authority from 1994 that were above the cap, their capped authority increased by 26 percent of the formula allowance or 17.7 percent less \$215 (instead of the \$415 subtraction that applies to other school districts, whichever is greater). For FY 2015 thru FY 2021, the referendum revenue cap was \$1,845 adjusted for inflation. In FY 2022, the amount increased to \$1,829.

Referendum Revenue Equalization – For fiscal year 2021 and later, each district's referendum revenue consists of two equalized tiers. The first tier of equalization aid is the amount up to \$460 per adjusted pupil. This amount carries an equalizing factor of \$576,000 per pupil. The second tier is calculated using an equalizing factor of \$290,000.

Referendum Tax Base Replacement Aid – Referendum tax base replacement aid was implemented by the 2001 Legislature as a mechanism designed to compensate school districts for the loss of agricultural land and cabin tax base. Tax base replacement aid is a frozen dollar amount based on FY 2003 characteristics. Any referendum equalization aid earned by the school district was first offset by referendum tax base replacement aid. The remaining equalization aid, if any, was the amount used when computing the referendum aid accompanying charter schools and open enrollment pupils. Referendum tax base replacement aid was eliminated for FY 2015 and later.

Election Requirements – A district's general levy can be increased with the approval of the voters at a referendum called by the school board on its own initiative or on petition of 15 percent of the school district residents. The election must be held during the November General Election only, unless the election is held by mail ballot or upon approval of the Commissioner of Education if the district is in statutory operating debt. If the election is conducted by mail ballot, it must be in accordance with state election law and each taxpayer must receive notice by first-class mail of the election and of the proposed tax increase at least 20 days before the referendum. A similar election may also be held to reduce or revoke the increase.

Beginning in FY 2015, the first \$300 per pupil of authority may be approved by board action and does not need to be voter approved.

Referendum Market Value – Unlike most other school district levies, referendum levies are spread on referendum market value instead of net tax capacity. Referendum market value is the market value of all property within the school district with two exceptions. First, all seasonal recreational property (cabins) and farmland are excluded from referendum market value. Second, any property with a class rate of less than 1 percent is taxed at its market value times its class rate.

G. Permanent School Fund Income – The Permanent School Fund (PSF) of Minnesota consists of the proceeds of the lands granted to the state by the federal government for the use of schools, proceeds from swamp lands granted to the state, and cash and investments credited to the fund. While much of the initial land granted to the state has been sold, the state Department of Natural Resources is responsible for managing about 2.5 million acres of school trust land. The net proceeds from the land management activities (timber sales, minerals activities, lease revenue, etc.) annually are added to the principal of the fund.

The state holds the land and accumulated revenues from the land in trust for the benefit of public schools in Minnesota. The State Board of Investment is responsible for investing the principal of the fund, subject to direction from the Constitution and the legislature. The interest and dividends arising from the fund are required by the Constitution to be distributed to the state's school districts according to the method described in statute.

NOTE 5 – SCHOOL FUNDING (CONTINUED)

Prior to FY 2010, the earnings from the PSF were simply offset against each district's general education aid. Beginning in 2010, the offset was eliminated and school districts began receiving income from the PSF as additional state aid. The aid payments are distributed to schools through a formula that provides two semi-annual payments of aid to schools based on each school's count of pupils. For FY 2010 and FY 2011 and for the September payment in FY 2012, the payments were based on resident pupils.

Beginning with the March 2012 payment, the PSF payments to schools are based on pupils served, and payments go to both traditional school districts and charter schools.

H. Capital Finance – School districts must finance both ongoing capital needs, such as equipment purchases, repairs and maintenance, as well as major building construction projects. Major building projects are usually financed at the local level, often with the assistance of state-paid debt service equalization aid. Districts borrow money through the sale of bonds and levy an annual tax to repay the money over a period of years. Smaller remodeling projects, equipment purchases and other ongoing capital needs are normally financed by capital revenue programs.

Beginning with the 1996-97 school year, two of the largest capital funding formulas – the equipment formula and the facilities formula – were moved from the capital fund to a reserved account in the general fund. The purpose of this change was to allow districts greater discretion in the use of operating money for capital needs. The new formulas, named operating capital revenue, are a component of the general education revenue program. School districts may now use general fund operating revenue for capital programs, but operating capital revenue must be used for specified capital purposes and may not be used for general operating purposes.

The financing methods available to districts to obtain funds for ongoing capital needs and major construction projects are explained below.

Review and Comment on Construction Projects – When a new school building is constructed or when an existing facility is substantially remodeled, a district incurs a substantial financial obligation that must be met immediately. School districts issue bonds to obtain the funds necessary to pay the contractors. The district then pays back the bonds over a period of years with money raised from the debt service levy and any debt service aid received from the state.

Because of the importance and cost of major construction projects, the Minnesota Department of Education provides a review and comment on each major project.

Any project that requires an expenditure of more than \$2,000,000, except for certain deferred maintenance projects, must be submitted by the district to the commissioner for review and comment, unless the school district has an outstanding capital loan, in which case the project must be submitted for review and comment for any expenditure in excess of \$500,000.

The commissioner may give the project a positive, unfavorable or negative review and comment. If the project receives a positive review and comment, the district may hold a referendum to authorize the sale of bonds and upon approval of a simple majority of the voters, the project may proceed. If the commissioner submits an unfavorable review and comment, the local school board must reconsider the project. If the local school board decides to continue with the project, the referendum to authorize the sale of bonds must receive the approval of at least 60 percent of the voters. If the commissioner submits a negative review and comment, the school board cannot proceed with the project.

I. Debt Service Revenue – Minnesota's local school districts have generally financed the construction of new school buildings through the sale of bonds. The bonds are repaid with revenue raised from the local district's property tax receipts. The total amount of building bonds issued by the district determines the yearly debt service that the district must pay and the amount of bonds issued is directly related to the district's building needs. The tax rate that the district levies in order to make its debt service payments depends both on the amount of debt and the size of the district's property tax base. The larger the debt, and the smaller the property tax base, the greater the district's tax rate for debt service needs.

J. Debt Service Equalization Aid – The debt service equalization aid program provides state aid to local school districts to help repay the bonds issued to finance construction. The amount of a school district's debt service that the state will pay depends on two factors, the district's total amount of annual debt service and the district's taxable property tax base (net tax capacity) per pupil.

NOTE 5 – SCHOOL FUNDING (CONTINUED)

Debt service equalization aid is available for a school district's qualifying debt service. Debt service amounts that qualify for debt equalization are general debt service amounts for land acquisition, construction costs and capital energy loans. Net debt is the sum of these amounts reduced by any excess balance that the district has in its debt redemption account. All debt incurred prior to July 1, 1992, will be included in the district's net debt.

However, debt incurred after July 1, 1992, must be for facilities that:

- Receive a positive review and comment from the Commissioner of Education;
- Are comparable in size and quality to facilities in other districts, and
- Have been reviewed by all neighboring school districts.

The debt service revenue is divided into tiers. For FY 2013 and later, the first tier applies to the portion of a school district's debt that is less than 15.74 percent of the district's adjusted net tax capacity. The first tier must be provided entirely through the local levy. The second tier applies to the portion of debt revenue between 15.74 percent and 26.24 percent of adjusted net tax capacity. This tier is equalized at a relatively low level. For FY 2017, a district qualifies for state aid only if its per pupil tax base is less than \$4,400. The remaining debt revenue makes up the third tier, which is equalized at a high rate of \$8,000 per pupil.

K. Capital Project Referendum – A school district may conduct an election to approve funds for certain capital projects. (This program was formerly called the Down Payment Levy.) When approved by a voter referendum, school districts may levy for no more than 10 years the amount authorized for a down payment on future construction costs or for specific capital projects. Proceeds of the levy must be placed in a special account and used only for the approved purposes.

L. Maximum Effort School Aid Law – Some districts find it difficult or impossible to finance construction projects through conventional bond sales because the district property tax base is too small. These districts can qualify for state assistance under the Maximum Effort School Aid Law. Under this program, the state borrows money via bond sales and lends it to qualifying school districts on favorable terms.

Two types of loans are available: capital loans (for new construction projects) and debt service loans (to reduce the amount which districts must levy for debt service on completed projects). Qualifying districts can obtain either or both types of loans. A district is eligible for a capital loan only if its net debt tax rate, after any state-paid debt service equalization aid, is more than 32 percent of adjusted net tax capacity.

Capital loans and debt service loans are initially funded by the sale of state bonds. In addition to the bond proceeds, supplemental appropriations by the legislature are necessary to make principal and interest payments because repayments of loans by districts are occurring at a slower rate than that required to meet the state's obligations.

M. Cooperative Facilities Grant Program – The cooperative facilities grant program provides state grants to groups of local school districts that desire to build or remodel a facility. Prior to July 1, 2007, the program focused only on secondary facilities. A district must meet the same criteria as required by the consolidation program in order to qualify for a grant; for nonconsolidated districts, a minimum of two school districts must agree to apply for the grant. Grant amounts are currently limited to the lesser of 75 percent of the project cost, \$20 million for a new facility or \$10 million for a remodeling project.

A consolidated school district or a group of districts that wants a cooperative facility grant must apply to the Minnesota Department of Education for project approval. If the state makes state general obligation bond proceeds available, the district or districts must hold a referendum to approve the sale of bonds for the local portion of the project costs within 180 days of receiving a state grant. The referendum must be approved by a majority of those voting on the bond issue. In some years, the legislature has awarded a \$100,000 planning grant to potential grant recipients and has also named specific grantees in law when the bond proceeds are made available.

N. Bonds for Certain Capital Facilities – A district may issue general obligation bonds without voter approval for certain capital projects. The bonds must be repaid within fifteen years of issuance with the district's annual operating capital revenue.

O. Long-Term Facilities Maintenance Revenue (LTFMR) – The 2015 Legislature created a new program to support facilities maintenance needs for school districts, charter schools, and cooperatives, including intermediate school districts. Beginning with the 2016-17 school year, Long-Term Facilities Maintenance Revenue, a per pupil, formula-driven revenue source, will replace health and safety revenue, alternative facilities revenue, and deferred maintenance revenue.

NOTE 5 – SCHOOL FUNDING (CONTINUED)

LTFMR is provided through a per pupil allowance. The per pupil allowance for school districts is \$380 for FY 2019 and later. To determine the initial revenue, the school district allowance is multiplied by the lesser of one, or the ratio of the average building age to 35, and the pupil units for that year.

A school district may add to its per pupil amount the costs for health and safety for indoor air quality projects, asbestos abatement projects, or fire alarm and suppression where the cost of any of these projects at any site exceeds \$100,000. If this amount is less than the amount the district would have received under the former alternative facilities and health and safety formulas, the district is grandfathered in at the high level of revenue. Districts may add to their revenue amount the proportional share of any qualifying costs allocated from any grandfathered cooperatives to which the district belongs.

P. Health and Safety Revenue – For FY 2016 and earlier, a district with a building problem related to health or safety concerns may submit an application to the Commissioner of Education for authorization to receive health and safety revenue.

Health and safety revenue may be used for the following purposes:

- Remove or encapsulate asbestos;
- Dispose of polychlorinated biphenyls (PCBs);
- Remove and dispose of fuel oils;
- Eliminate a fire hazard;
- Remove a life safety hazard, and
- Correct certain air quality problems

The 2003 Legislature narrowed the scope of projects that qualify for health and safety revenue (particularly indoor air quality projects). The Legislature also required any project in excess of \$500,000 to be handled through the Alternative Facilities Program. Beginning in FY 2017, health and safety revenue is replaced by long-term facilities maintenance revenue.

Q. Alternative Facilities Program – For FY 2016 and earlier, certain school districts may choose to participate in the Alternative Facilities Program instead of the health and safety revenue program. A district qualifies to participate in the Alternative Facilities Program if the district has:

1. More than 66 students per grade;
2. Either:
 - a. More than 1,850,000 square feet of space and an average age of building space that is 15 years or older, or
 - b. More than 1,500,000 square feet of space and an average age of building space that is 35 years or older;
3. Insufficient funds from projected health and safety revenue and capital facilities revenue to meet the district's need for deferred maintenance repairs, to make accessibility improvements, or to make fire, safety or health repairs, and
4. A 10-year facility plan approved by the commissioner.

Four districts have been granted program eligibility through special laws that have been enacted.

In addition to the eligibility factors listed above, the 2003 Legislature required any health and safety project with a cost exceeding \$500,000 to be funded through alternative facilities bonds.

An eligible school district may issue general obligation bonds without voter approval to finance the approved facilities plans. The district may then levy to repay the bonds. This levy qualifies for debt service equalization aid. Alternatively, an eligible district may make an annual levy for the costs incurred under the 10-year facility plan. The 1997 and 1998 Legislatures provided ongoing state aid payments to reduce these levy amounts for districts that qualified at that time.

For FY 2017 and later, alternative facilities revenue is incorporated in the long-term facilities maintenance program.

R. Deferred Maintenance Revenue – Beginning in FY 2008, a school district that is not eligible for alternative facilities revenue under Minnesota Statutes, section 123B.59, subdivision 1, paragraph (a), is eligible for deferred maintenance revenue. Deferred maintenance revenue must be maintained in a reserve account and used only for deferred maintenance purposes. For FY 2017 and later, deferred maintenance revenue is replaced by long-term facilities maintenance revenue.

NOTE 5 – SCHOOL FUNDING (CONTINUED)

S. Disabled Access and Fire Safety Levy – A district that has insufficient money in its capital expenditure fund to either remove architectural access barriers from a building or to make fire safety modifications required by the fire inspector, may submit an application to the commissioner for approval of levy authority of up to \$300,000 spread over an eight-year period. For disabled access projects, the commissioner shall develop criteria to determine the cost effectiveness of removing barriers in consultation with the Minnesota State Council on Disabilities. The commissioner shall approve or deny an application within 60 days of receiving it. The state has also provided state bond proceeds to help small school districts remove barriers: \$1 million was approved in 1993, \$4 million was approved in 1994, \$2 million was approved in 1996 and \$1 million was approved in 1998.

T. Building Lease Levy – The leased facilities levy authority allows districts to levy to pay rent on leased facilities. The levy authority has been modified many times in the last two decades. The allowable purposes of the levy were narrowed and then expanded. Currently, upon the commissioner's approval, districts may levy for leased facilities when the leased facility would be economically advantageous. The lease levy must not exceed the lesser of the lease costs or \$212 per pupil unit, except that a school district that is a member of an intermediate school district may levy an additional \$65 per pupil unit for space in intermediate facilities. The facilities must be used for instructional purposes.

U. Telecommunications/Internet Access Aid – School districts, charter schools and nonpublic schools are eligible for state aid to pay for a portion of their telecommunications and internet access costs. Beginning in FY 2006, the telecommunications/internet access aid program grants school districts and charter schools aid equal to 90 percent of the schools' unreimbursed telecommunications costs exceeding \$15 per pupil unit, unless the district is a member of a telecommunications cluster, in which case the aid equals 90 percent of the unreimbursed cost.

School districts are required to provide telecommunications and internet access to nonpublic schools (excluding a homeschool) located within the district's boundaries through a reimbursement equal to 90 percent of the nonpublic school's unreimbursed costs exceeding \$10 per pupil unit. The school district receives additional telecommunications/internet access aid from the state for this purpose.

In order to qualify for the aid, school districts and charter schools must submit their actual telecommunications and Internet access costs to the Commissioner of Education and file applications for federal Internet funds (commonly referred to as e-rate funds).

V. Literacy Incentive Aid – Schools are eligible for additional aid based on how well students in the third grade read (proficiency aid), and how much progress is being made between the third and fourth grades in reading skills (growth aid). Proficiency aid is calculated by multiplying \$530 times the average percentage of students in a school that meet or exceed proficiency over the current year and previous two years on the third grade reading portion of the Minnesota Comprehensive Assessment (MCAs), multiplied by the number of students enrolled in the third grade at the school in the previous year. Similarly, growth aid is calculated by multiplying \$530 times the percentage of students that make medium or high growth on the fourth grade reading MCAs multiplied by the previous year's further grade student count.

W. Special Education Mandate – Local school districts are required by state law to provide appropriate and necessary special education to children with disabilities from birth to 21 years of age. Children with disabilities are defined in statute to include children who have a hearing impairment, visual disability, speech or language impairment, physical disability, mental disability, emotional/behavior disorder, specific learning disability, deaf/blind disability, or other health impairment. The definition of a child with disability also includes every child under age five who needs special instruction and services, as determined by state standards, because the child has a substantial delay or an identifiable and known physical or mental condition. The mandate for services does not include pupils with short-term or temporary physical or emotional disabilities.

Special Education Funding Formulas – School districts receive state aid and some federal aid to pay for special education services. If these funds are insufficient to pay for the costs of the programs, districts must use other general fund revenue to make up the difference.

NOTE 5 – SCHOOL FUNDING (CONTINUED)

Special Education Revenue for FY 2021 and later: Minnesota’s special education formula is a multi-step hybrid formula. The formula combines a cost reimbursement formula with a modified “census style” of funding, provides a floor of funding based on fiscal year 2016 funding amounts, and authorizes serving school districts and charter schools to bill a portion of their unfunded special education costs attributable to nonresident students back to the student’s resident school district. The partial costs are based on the salaries paid to special education teachers and other essential personnel. The census amounts are set in statute and provide differing levels of reimbursement based on the district’s characteristics and the students’ category of disability.

For fiscal year 2021 and later, a district’s initial special education revenue is the sum of its special education-related pupil transportation services, and the least of:

1. 50 percent of the district’s nonfederal expenditures for the previous year, including fringe benefits;
 2. 62 percent of the district’s special education expenditures under the old special education formulas, which excluded fringe benefits; or
 3. 56 percent of the sum of:
 - a) the district’s average daily membership times the sum of:
 - i. \$460;
 - ii. \$405 times the district’s percent eligible for free and reduced-price meals; and
 - iii. .008 times the district’s average daily membership;
 - b) \$13,300 times the count of students with autism spectrum disorder, developmental delay, or severely multiply impaired;
 - c) \$19,100 times the count of students who are deaf/hard of hearing or have an emotional behavioral disorder; and
 - d) \$25,200 times the count of students who are developmentally cognitive mild-moderate, developmentally cognitive severe-profound, physically impaired, visually impaired, or deaf/blind.
1. **Excess Cost Aid** – For FY 2016 and later, a district’s special education excess cost aid equals the greater of:
 - a. 56 percent of the difference between the district’s unreimbursed special education expenditures and 7 percent of the district’s general revenue, or
 - b. 62 percent of the difference between the district’s unreimbursed special education revenue under the former formula and 2.6 percent of the general revenue.
 2. **Tuition Adjustments**—State and federal special education revenue amounts are insufficient to cover School district special education costs. Under Minnesota’s special education formulas, charter schools and school districts charge back to the student’s resident school district a portion of the unreimbursed special education costs. This amount is called the “tuition adjustment.” For fiscal year 2020, 85 percent of the unreimbursed costs were billed back to the resident school district. For fiscal year 2021 and later, 80 percent of the unreimbursed special education costs are billed back to the resident district. For charter schools only, for fiscal year 2020, the state paid 5 percent of the unreimbursed costs, and for fiscal years 2021 and later, the state will pay 10 percent of the charter school’s unreimbursed costs.
 3. **Cross Subsidy Aid.** A school district’s special education cross subsidy is the difference between the amount the district spends on qualifying special education services and the sum of the state and federal special education revenue and the general education revenue generated by special education students served primarily outside of the regular classroom for that year. For fiscal year 2020, a school district’s special education cross subsidy aid equaled 2.6 percent of its cross subsidy for the previous year. This amount increases to 6.43 of its cross subsidy for fiscal year 2021 and later.

Source: “Minnesota School Finance, A Guide for Legislators” House Research Department.

Further detail and information can be found at: <http://www.house.leg.state.mn.us/hrd/pubs/mnschfin.pdf>

NOTE 5 – SCHOOL FUNDING (CONTINUED)

4. **Special Education Aid.** A district's special education aid is the sum of its initial aid, excess cost aid, and tuition adjustments all constrained by the special education limits. This amount is then increased by the amount of the district's cross subsidy aid.
5. **Special Education Aid Limits.** A district's initial special education aid, excess cost aid, and tuition adjustments are subject to several caps and floors. First, for fiscal year 2020, the special education aid cannot exceed the greater of: (1) 56 percent of the district's nonfederal special education expenditures plus 100 percent of its special education transportation costs plus its current year tuition adjustment; or (2) the sum of its 2016 special education revenue adjusted for changes in enrollment and adjusted by 4.6 percent per year since 2016, plus \$220 times its average daily membership. Further, the district's special education aid cannot be less than the lesser of: (1) 90 percent of its nonfederal special education expenditures, plus 100 percent of its special education transportation costs, plus its current year tuition adjustment; or (2) its 2016 special education revenue adjusted for changes in enrollment and adjusted by 4.6 percent per year since 2016. In subsequent fiscal years, the maximum and minimum caps are narrowed. This has the effect of pulling school districts more consistently toward 56 percent of each district's nonfederal special education expenditures (plus the special education transportation costs).
6. **Home-based Travel Aid** – The state pays 50 percent of the expenditures on necessary travel of essential personnel to provide home-based services to children with a disability who are under 5 years old.
7. **Aid for Children with Disabilities (Special Pupil Aid)** – Some disabled children don't have a resident district because their parents' rights have been terminated, or their custodial parent or guardian lives outside Minnesota or is an inmate or resident of a state correctional facility. In these cases, the state pays to the serving school district 100 percent of the costs of instruction and services, less the general education basic revenue allowance and any other aid earned on their behalf.
8. **Court-placed Special Education Revenue** – When a school district serves a child from another state who was placed by a court in Minnesota and, when the school district responsible for providing services for that student is unable to collect tuition from the resident state or school district, the school district may request reimbursement from the state of Minnesota for the unreimbursed special education costs.
9. **Out-of-State Tuition for Special Education Students** – When a court places a Minnesota child in a care and treatment facility in another state and, when the resident school district receives a bill for services from the out-of-state provider, the Minnesota district may seek reimbursement for the unfunded services.

Source: "Minnesota School Finance, A Guide for Legislators" House Research Department.

Further detail and information can be found at: <http://www.house.leg.state.mn.us/hrd/pubs/mnschfin.pdf>

NOTE 6 – BUDGET DEVELOPMENT PROCESS

A. Budget Timeline

The school district budget cycle is a continuous five-step process that is mandated by state law. 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 budget process begins with submission of estimated property tax levy information to the Minnesota Department of Education (MDE) by mid-July. The MDE sets the maximum amount each district may levy based on current legislation. The School Board certifies the levy before the end of the calendar year.
2. **Preliminary Budget** – State Statute requires the school boards to approve a preliminary budget before the start of the school year on July 1. This process includes completion of enrollment projections and five-year budget forecast, development of staffing guidelines and determination of revenue and expenditure assumptions. The preliminary budget is completed in two parts:
 - a. *Capital Budget Development* – schools and departments develop a plan for long term facilities and equipment needs, construction projects, and technology initiatives. The capital budget is completed first because the majority of the work is completed over the summer months. This process occurs in February/March of the previous year and is not updated during the final budget.
 - b. *Staffing and Operating Budget Development* – schools and departments develop the operating budgets, including staffing and supplies, based on allocations approved by the school board. This process occurs in March and April.
3. **Final Budget** – Each fall, the Finance Department prepares a final budget that includes actual October 1 enrollment and any changes in law that affect education finance. The School Board approves the final budget in December or January.
4. **Budget Adjustments** – Each spring, the School Board approves 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 next fiscal year.
5. **Annual Financial Report and Audit** – The final step in the budgeting process is closing the books and preparing financial statements for the year. During this step the district undergoes an independent audit as required by state law. The School Board typically reviews the audited financial report in October or November.

Item / Activity	Fiscal Year 2022-23												Fiscal Year 2023-24											
	2022						2023						2024											
	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
Data uploaded to MDE to update tax levy certification reports																								
School Board sets preliminary levy limits																								
Proposed Tax Statements emailed to residents by county																								
Truth in taxation meeting held by the School Board																								
School Board finalizes the levy certification																								
Establish preliminary enrollments by school																								
Preparation of preliminary five-year budget forecast																								
Completion of long-range enrollment projections																								
Budget Advisory Council discusses five-year budget forecasts and assumptions																								
School Board -																								
Discusses preliminary five-year budget forecast and assumptions																								
Discusses capital expenditure budget																								
Identifies "most likely" scenario for preliminary budget																								
Reviews staffing guidelines and allocations																								
Capital budget allocations and plans submitted by principals and directors																								
Staffing and building allocations distributed to principals and administrators																								
Principals and district-level administrators complete and submit budgets																								
Directors review, approve and submit budgets to Finance Department																								
Director of finance and operations and superintendent review preliminary budgets																								
Prepare draft copy of preliminary budget document																								
Preliminary Budget Governance Review and Approval																								
Budget in place and being expended and monitored																								
Schools notified of budget carryovers/deficits and final budget timelines																								
Schools' October 1 enrollments verified and allocations finalized																								
Budget Development by principals and departments; review by cabinet																								
Prepare draft copy of final budget document																								
Final budget governance review and approval																								

A detailed budget planning calendar for the 2023-24 school year can be found on page 59 in this section.

NOTE 6 – BUDGET DEVELOPMENT PROCESS (CONTINUED)

B. Budget Assumptions and Projections

Budget and future projections are developed based on assumptions and parameters which were discussed with the district’s Budget Advisory Council and ultimately approved by the School Board. Below is a summary of the assumptions and parameters.

Enrollment: The district uses several methods to project student enrollments. These projection methods are reviewed by the district enrollment committee and a combination of the projection methods described below is agreed upon and presented to the School Board for approval.

1. **Cohort Survival (grade progression)**: Based on the ratio between the number of students at one grade level versus the number in the previous grade level the prior year.
2. **Live births-to-actual**: Live births information obtained from the Minnesota Department of Health is used to project the number of eligible kindergarten students who will reside in the district at age five.
3. **Eligible-to-actual enrolled**: The actual number of eligible kindergarten students is determined by the number of preschoolers within the kindergarten age group in each elementary school attendance area.
4. **Census based**: The district is divided into 130 census/sub areas. Student Information staff work with various utility companies within the district boundary to track the number of household units, school-aged children and actual number of students per household enrolled in the district’s schools, other private or public schools, or being educated at home. To project student enrollment, students who are enrolled in the district as of October 1 of each school year are advanced to the next grade. In addition, the district also maintains child per housing unit (CPU) by dwelling types and uses this data to project the number of additional school-aged children who might attend from new housing developments within each attendance area. CPU ratios are calculated based on actual October 1 information per dwelling type (i.e. single family homes, townhomes and apartments). The number of new students to be added to the preliminary enrollment projection totals is determined by applying the appropriate CPU ratios to the respective new housing units. These numbers are then added to the preliminary enrollment projection totals.

Below is a summary of enrollment projections approved by the school board in November 2022:

	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>
Projected Enrollment	29,107	29,172	29,035	29,044	29,047

Expenditures:

The following key expenditure assumptions and parameters are used in the preparation of the five-year financial forecast:

- Fund balance reserve goal is not less than 5 percent of total projected expenditures
- Staffing contracts/increases as approved by the board included in the plan
- Medical costs increased to actuals for settled contracts, 5 percent increase for contracts settled in Summer 2019
- General inflation increases of 2 percent for all future years and the following other independent increases:

○ Contracted services increased by 5 percent

○ Snow removal increased by 3 percent

○ Electricity and natural gas increased by 5 percent

○ Property and liability insurance increased by 3 percent

○ Contracted transportation increased by 3 percent

○ Transportation fuel costs increased by 4 percent

○ District contribution to TRA and PERA remain at current level as stated in state statutes

NOTE 6 – BUDGET DEVELOPMENT PROCESS (CONTINUED)

The district maintains a five-year financial forecast system. This system is used for financial planning and is updated several times throughout the year to reflect legislative changes, student enrollment, staffing adjustments, new programs, inflationary adjustments and salary and employee benefits per approved contracts.

Listed below are some of the key revenue and expenditure assumptions used in the district's most recent five-year general fund financial projection.

Revenues:

- Continued enrollment growth, but at a reduced pace given the residual impact of the COVID-19 pandemic
- Basic Gen ed formula increase at 4% for 2023-24 fiscal year
- Ref authority – 2019, with an inflationary increase equal to the CPI.

Expenditures:

- Maintain a minimum fund balance of no less than 5 percent of total expenditures
- Instructional staffing ratios adjusted according to 2022-23 staffing parameters approved by the School Board
- General inflationary adjustment at 2 percent, unless otherwise noted for a specific budget year
- Salary and employee benefits based on budget planning parameter or contracts approved by the School Board
- Electricity, property and liability insurance, health insurance and workers' compensation premiums are based on industry trends and/or district experience

Five-Year Projection Summary:

The following table is a summary of the district's most recent five-year financial projections for the general fund. It was developed using enrollment projections developed in November 2022 and the revenue and expenditure assumptions listed above.

	2022-23	2023-24	2024-25	2025-26	2026-27
	Final Budget	Prelim Budget	Projection	Projection	Projection
Revenues	451,841,531	469,734,195	463,650,141	474,900,445	486,438,722
Expenditures	473,081,407	480,923,925	493,520,515	504,105,687	514,955,213
Revenues over expenditures	(21,239,876)	(11,189,730)	(29,870,374)	(29,205,242)	(28,516,491)

NOTE 6 – BUDGET DEVELOPMENT PROCESS (CONTINUED)Budget Calendar

Below is a detailed budget calendar for the 2023-24 Preliminary Budget

Activity	Person Responsible	Delivery Date
Completion of long range enrollment projections and 2023-24 enrollment projections by school	Director of Finance & Operations Coordinator of Finance Student Information Supervisor School Board	December 2022
Preparation of preliminary five-year general fund budget forecast	Director of Finance & Operations Coordinator of Finance Manager of Financial Systems, Reporting & Compliance	November 2022 through January 2023
School Board review 2023-24 staffing guidelines (Other Action Item)	Superintendent Director of Human Resources School Board	January 2023
School Board review 2023-24 capital budget expenditure overview	School Board	February 13, 2023
Preliminary staffing allocations to Director of Elementary Education and Director of Secondary Education	Coordinator of Finance Manager of Financial Systems, Reporting & Compliance	February 15, 2023
Capital, preliminary staffing, and preliminary operating allocations sent to principals	Coordinator of Finance Manager of Financial Systems, Reporting & Compliance	February 17, 2023
MyBudgetFile® budget centers open for budget preparation - all budget centers including capital and preliminary	Coordinator of Finance Manager of Financial Systems, Reporting & Compliance	March 3, 2023
2023-24 Capital Budgets Completed in MBF and due to Directors for review	Principals	March 10, 2023
Directors review and finalize MyBudgetFile requests for Capital Budget	Directors of Elementary/Secondary Education	March 17, 2023
PRELIMINARY BUDGET CONTINUES		
Principals and district-level administrators complete and submit budgets for directors' review and submission	Elementary Principals District-level Administrators Middle School Principals High School Principals	April 3, 2023
Directors review budgets with superintendent, then submit budgets to finance when ready for processing	Superintendent Directors	April 12, 2023
Director of Finance & Operations review preliminary budgets analysis with Superintendent/Cabinet	Superintendent Director of Finance & Operations	April 24, 2023
Prepare draft copy of preliminary budget	Director of Finance & Operations Coordinator of Finance Manager of Financial Systems, Reporting & Compliance	May 2023
Cabinet review proposed preliminary budget	Cabinet	June 1, 2023
School Board Audit/Finance committee meet to review proposed preliminary budget	School Board Audit and Finance Committee	June 12, 2023
First reading of proposed preliminary budget (new business)	School Board	June 12, 2023
Second reading and approval of preliminary budget (old business)	School Board	June 26, 2023
Preliminary budget in place and being expended and monitored	Coordinator of Finance, Principals District-Level Administrators	July 1, 2023

NOTE 7 – BUDGET ALLOCATIONS

The district operates in a decentralized or site-based environment. Annually, schools receive three different allocations from the district to support their operations: staffing, instructional and capital expenditure. 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 by the School Board.

A. Staffing Allocation

- Staffing allocations to the schools are based on the staffing guidelines and ratios developed by the administration and reviewed by the School Board. The 2023-24 staffing allocations to the schools are based on the guidelines and ratios approved by the School Board on February 13, 2023 and enrollment projections completed in November 2022. School principals and department managers are responsible for staffing their building or department according to their allocations.
 - Staffing for 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-, second- and third-grade class sizes. The allocations to each elementary school are based on enrollment projections presented to the School Board in November 2022.
- Staffing allocations for districtwide departments such as facilities and grounds, business services and human resources are based on guidelines and ratios reviewed by the School Board on February 13, 2023. Administrators are responsible for staffing their departments according to these allocations.
- Salary budgets are initially calculated by the Finance Department using the contract salaries for all employee groups that have an approved contract and verified by school principals and other administrators. These employee groups include bus drivers, custodians, secretarial and clerical employees and teachers. For building chiefs, food service workers, nonunion employees, and vehicle technicians, salaries and related expenditures are estimated based on budget guidelines as determined by the School Board on February 13, 2023.
- 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 the 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 contribution, increase in the maximum district contribution is based on budget guidelines as determined by the School Board on February 13, 2023.

B. Instruction Allocations for Schools – The district maintains eight different allocations to the schools for instructional purposes. All district schools receive allocations for instruction, staff development, professional growth plan, team leaders, co-curricular staffing, compensatory education, and basic skills. In addition, middle schools and high schools also receive co-curricular supplies allocations.

- **Instructional allocations** – Based on School Board-approved budget-planning parameters, adopted at the February 13, 2023 School Board meeting.
- **Staff development** – This per pupil allocation is earmarked for staff development activities.
- **Professional Growth Plan (PGP)** – This allocation is used to supplement the per pupil staff development activities at the building. Funding authority for this allocation is based on a letter of understanding between the School Board and Dakota County United Educators (teacher's union).
- **Co-curricular staffing and supplies** – Middle schools and high schools receive co-curricular staffing and supplies allocations to support their co-curricular programs. Co-curricular staffing and supplies allocations for 2023-24 are based on board approved guidelines.
- **Co-curricular Substitute Teachers** – This allocation is given to the high schools to pay for substitute teachers who are hired to fill in for the teachers involved in state tournaments. Co-curricular substitute teacher allocations are specifically for high schools.

NOTE 7 – BUDGET ALLOCATIONS (CONTINUED)

The following is a table showing the per pupil instructional allocations to the schools:

	2023-24 Per-pupil Allocations			
	Instructional Supplies	Staff Development	Co-curricular Supplies	Co-curricular Staffing
Alternative Learning Center	\$396.18	\$8.00	-	-
High schools	\$193.26	\$8.00	\$161.74	\$86.90
Co-curricular Fixed Costs				\$926,683.00
Middle schools	\$123.33	\$8.00	\$34.40	\$23.10
Co-curricular Fixed Costs				\$140,941.00
Elementary Schools - Title I schools	\$134.29	\$8.00		1,257 /Stipend
Elementary Schools - Non-Title I schools	\$138.68	\$8.00		1,257 /Stipend
Special Education				
Early Childhood Special Ed.	\$38.44	\$8.00		
Other Elementary Schools	\$59.42	\$8.00		
Other middle & High Schools	\$64.47	\$8.00		

In addition to information listed above, the School of Environmental Studies receives co-curricular staffing allocations to support stipend payments for yearbook, Students Against Drunk Driving and Student Council.

- **Team Leaders** – This allocation provides stipends to department coordinators/team leaders in schools. The table below shows the formula used to calculate team leader allocations to the schools:

	Fixed Allocation per building	Amount per Licensed Staff
Alternative Learning Center	-	100.00
School of Environmental Studies	2,000.00	220.00
High schools	5,500.00	225.00
Middle schools	4,000.00	175.00
Elementary Schools	10,524.00	109.00

- **Compensatory Education Allocations** – Compensatory education revenues for the 2023-24 school year are based on estimates prepared by the Minnesota Department of Education in February 2023. These estimates are based on the district's actual enrollment and actual free and reduced-price school meal counts on October 1, 2022.
- **Basic Skills** – Per pupil unit allocations for grades K-8 remain at \$40.50 per pupil for non-Title I elementary and middle schools and \$20.25 for Title I elementary schools.

C. District Office Non-salary Budget Allocations

Non-salary budgets are determined by each administrator based on parameters established by the School Board, then reviewed and approved by the superintendent or the director of finance and operations. For 2023-24, the inflationary adjustment is 2 percent except for budget items, such as heating fuel and electricity, which are based on recent trends and industry directions.

D. Operating Capital Allocations for Schools

Annually, the district sets aside an amount to be allocated to the schools for capital expenditure needs that have been determined as the school's responsibility. Other capital expenditure needs that have been determined as responsibilities of the district are funded centrally.

Operating capital allocations to the schools are determined by the following factors:

- **Regular and special education student enrollment counts** are based on the district enrollment projections reviewed by the School Board in November 2022 and weighted as follows:
 - Kindergarten and grades 1-3 at 1.0
 - Grades 4-6 at 1.1
 - Grades 7-12 at 1.5
- **Building facilities' age and square footage** information compiled by the Minnesota Department of Education, and
- **Amount approved by the School Board for distribution to the schools with a guaranteed minimum of \$6,500 per school.**

NOTE 7 – BUDGET ALLOCATIONS (CONTINUED)

Staffing allocations for the district's 19 elementary schools are shown below

School	Enrollment				Teachers (Licensed Staff)			
	SpEd	K-2	3-5	Total	Grades K-2	Grades 3-5	Specialists	Band
Cedar Park	29	352	362	743	16.885	13.973	5.270	0.500
Deerwood	24	230	271	525	10.993	10.552	3.723	0.480
Diamond Path	22	319	346	687	15.219	13.349	4.872	0.400
East Lake	40	417	392	849	19.962	15.269	6.021	0.630
Echo Park	20	327	390	737	15.595	14.994	5.227	0.520
Glacier Hills	11	317	336	664	15.049	12.861	4.709	1.020
Greenleaf	27	376	392	795	17.920	15.162	5.638	0.470
Highland	35	324	336	695	15.586	13.059	4.929	0.520
Northview	26	176	178	380	8.433	7.055	3.600	0.360
Oak Ridge	25	250	281	556	11.934	10.949	3.943	0.420
Parkview	24	283	352	659	13.544	13.592	4.674	0.600
Pinewood	29	220	260	509	10.748	10.027	3.610	0.330
Red Pine	31	329	355	715	15.840	13.707	5.071	0.480
Rosemount	22	393	382	797	18.720	14.705	5.652	0.500
Shannon Park	31	218	275	524	10.560	10.705	3.716	0.400
Southview	40	298	301	639	14.419	11.756	4.532	0.400
Thomas Lake	28	249	313	590	12.075	12.061	4.184	0.330
Westview	41	244	226	511	11.896	8.899	3.624	0.370
Woodland	25	364	379	768	17.374	14.621	5.447	0.560
Totals	530	5,686	6,127	12,343	272.752	237.296	88.442	9.290

Staffing allocations are based on the staffing allocation guidelines approved by the School Board on February 14, 2022. The following shows some of the key staffing ratios:

- **Classroom teachers:** grades K-2, 1.0 FTE to 21.25 students, by building; grades 3-5, 1 to 26.25 students, by building
- **Specialists:** grades K-5, enrollment plus students in center-based special education program (CBSE) divided by 141, a guaranteed minimum of 3.6 FTEs per building and actual participation is known
- **Mental health specialists:** .500 FTE per building, no proration factor of enrollment
- **Instrumental music specialists:** 1.000 FTE per 177 Student (actual participation), current FTE is from FY2022-23, with final FTE allocation updated once actual fall 2023 enrollment is available
- **Nurses:** 0.938 FTE per building, no proration factor of enrollment
- **Principal:** 1.0 FTE per building, no proration factor of enrollment
- **Assistant administrator:** Tiered FTE based on general education enrollment with .800 FTE minimum for all schools and schools over 700 general education students receiving 1.0 FTE
- **12-month secretary:** 1.0 FTE per building, no proration factor of enrollment
- **10-month secretary:** 1.0 FTE per 740 students (Total enrollment), with a minimum of 0.900 FTE per school
- **10-month clerk:** 1.000 FTE per 166 K-5 students (K-2 and 3-5 enrollments), with a minimum of 3.450 FTEs per school

NOTE 7 – BUDGET ALLOCATIONS (CONTINUED)

School	Mental	Nurse	Principal	Assistant	Clerical		Clerks	Total
	Health			Administrator	12-Month	10-Month	10-Month	
CP	0.500	0.938	1.000	1.000	1.000	1.003	4.290	46.359
DW	0.500	0.938	1.000	0.800	1.000	0.900	3.450	34.336
DP	0.500	0.938	1.000	0.950	1.000	0.928	3.995	43.151
EP	0.500	0.938	1.000	1.000	1.000	1.147	4.860	52.327
EP	0.500	0.938	1.000	1.000	1.000	0.995	4.308	46.077
GH	0.500	0.938	1.000	0.950	1.000	0.900	3.923	42.850
GL	0.500	0.938	1.000	1.000	1.000	1.074	4.614	49.316
HL	0.500	0.938	1.000	0.950	1.000	0.939	3.965	43.386
NV	0.500	0.938	1.000	0.800	1.000	0.900	3.450	28.036
OR	0.500	0.938	1.000	0.800	1.000	0.900	3.450	35.834
PV	0.500	0.938	1.000	0.900	1.000	0.900	3.815	41.463
PW	0.500	0.938	1.000	0.800	1.000	0.900	3.450	33.303
RP	0.500	0.938	1.000	0.950	1.000	0.966	4.109	44.561
RE	0.500	0.938	1.000	1.000	1.000	1.076	4.656	49.747
SP	0.500	0.938	1.000	0.800	1.000	0.900	3.450	33.969
SV	0.500	0.938	1.000	0.850	1.000	0.900	3.599	39.894
TL	0.500	0.938	1.000	0.850	1.000	0.900	3.450	37.288
WV	0.500	0.938	1.000	0.800	1.000	0.900	3.450	33.377
WL	0.500	0.938	1.000	1.000	1.000	1.037	4.464	47.941
Totals	9.500	17.813	19.000	17.200	19.000	18.165	74.748	783.206

NOTE 7 – BUDGET ALLOCATIONS (CONTINUED)

Staffing allocations for the district's six (6) middle schools are shown below:

SCHOOL	BHMS	DHMS	FRMS	RMS	SHMS	VMS	Total
General Ed Projected Enrollment	855	1,158	963	1,156	1,173	1,065	6,370
CBSE Projected Enrollment	43	33	44	30	41	38	229
FTE Allocations							
Classroom Teacher Allocations	34.440	46.247	38.721	46.120	46.965	43.654	256.147
Counselor/Mental Health Support	3.000	3.000	3.000	3.000	3.000	3.000	18.000
Secondary Technology Assistant	0.450	0.450	0.450	0.450	0.450	0.450	2.700
Specialist Allocations							
Library/Media	0.900	0.900	0.900	0.900	0.900	0.900	5.400
Gifted & Talented	0.900	0.900	0.900	0.900	0.900	0.900	5.400
Band (165:1 approximately)	1.980	3.000	2.570	2.500	3.530	2.100	15.680
Total - Specialists	3.780	4.800	4.370	4.300	5.330	3.900	26.480
Administrative Allocations							
Principal	1.000	1.000	1.000	1.000	1.000	1.000	6.000
Assistant Principal	1.000	1.000	1.000	1.000	1.000	1.000	6.000
Assistant Administrator (Note 4)	0.567	0.591	0.576	0.591	0.592	0.584	3.501
Secretarial Allocations							
12-month Secretaries	2.000	2.000	2.000	2.000	2.000	2.000	12.000
10-month Secretaries	0.650	0.724	0.650	0.723	0.733	0.666	4.146
10-month Clerks	3.269	4.427	3.682	4.420	4.485	4.072	24.355
Nurse	1.000	1.000	1.000	1.000	1.000	1.000	6.000
Total FTEs	51.156	65.239	56.449	64.604	66.555	61.326	365.329

Staffing allocations are based on the staffing allocation guidelines approved by the School Board on February 14, 2022. The following shows some of the key staffing ratios:

- **Classroom teachers:** 1.0 FTE per 25.325 students (general education enrollment + 40% of CBSE enrollment per site)
- **Librarians/media specialists:** 0.9 FTE per school, no proration factor of enrollment
- **Counselors:** Minimum 2.0 FTEs per site and 1.0 FTE per 500 students for enrollment in excess of 1,200 + 1.0 FTE for mental health support
- **Technology assistant:** 0.45 FTE per school, no proration factor of enrollment
- **Gifted and talented teachers:** 0.9 FTE per school, no proration factor of enrollment
- **Band teachers:** 1.0 FTE per 165 students (actual participation), current FTE is from FY2022-23 Final Budget, updated to actual once school begins and actual participation is known during final budget process
- **Principal:** 1.0 FTE per school, no proration factor of enrollment
- **Assistant principal:** 1.0 FTE per school, no proration factor of enrollment
- **Assistant administrator:** .00007875 FTE/per student + .500 FTE
- **12-month secretary:** 2.0 FTE per school, no proration factor of enrollment
- **10-month secretary:** 1.000 FTE per 1,600 students (total enrollment), with a minimum of 0.650 FTE per school
- **10-month clerk:** 1.000 FTE per 262 students (total enrollment)
- **Nurse:** 1.000 FTE per school, no proration factor of enrollment

NOTE 7 – BUDGET ALLOCATIONS (CONTINUED)

Staffing allocations for the district's six (6) high schools are shown below:

	AVHS	EHS	EVHS	RHS	SES	ALC	196Online	Total
General Ed Projected Enrollment	1,825	2,112	2,236	2,377	381	171	109	9,211
CBSE Projected Enrollment	63	60	74	55	-	-	-	252
FTE Allocations								
Classroom Teacher Allocations	75.518	87.184	92.473	97.918	15.551	7.773	4.449	380.866
Counselors/Deans/Mental Health	5.601	6.246	6.525	6.842	1.356	1.000	0.500	28.070
Secondary Technology Assistant	0.450	0.450	0.450	0.450	0.225	0.225	-	2.250
WED Teacher	2.000	2.000	2.000	2.000	-	-	-	8.000
Specialist Allocations								
Developmental Psychology	1.200	1.200	1.200	1.200	-	-	-	4.800
Library/Media	1.800	1.800	1.800	1.800	0.450	0.450	-	8.100
6th & 7th period requests	1.825	2.112	2.236	2.377	0.381	-	-	8.931
Adjustment to 6th & 7th period - SES	0.089	0.080	0.107	0.105	(0.381)	-	-	-
Administrative Allocations								
Principal/ALC Coordinator	1.000	1.000	1.000	1.000	1.000	1.000	-	6.000
Assistant Principal	3.000	3.000	3.000	3.000	-	-	-	12.000
Assistant Administrator	0.495	0.574	0.662	0.761	0.200	0.200	-	2.892
Secretarial/Clerical Allocations								
12-month Secretaries	4.000	4.000	4.000	4.000	1.000	1.000	-	18.000
10-month Secretaries	2.373	2.746	2.907	3.091	1.350	0.900	-	13.367
10-month Clerks	4.366	5.052	5.349	5.686	-	0.675	-	21.128
Building Security Clerk	2.000	2.000	2.000	2.000	1.000	1.000	-	10.000
Nurse	1.000	1.000	1.000	1.000	0.813	0.250	-	5.063
Total FTE	106.717	120.444	126.709	133.230	22.945	14.473	4.949	529.467

Staffing allocations are based on the staffing allocation guidelines approved by the School Board on February 14, 2022. The following shows some of the key staffing ratios:

- **Classroom teachers:** 1.0 FTE per 24.50 (22.00 for ALC) students (total general education enrollment + 40% CBSE enrollment per site)
- **Developmental psychology teachers:** 1.200 FTE (0.000 FTE for SES and ALC) per school, no proration factor of enrollment
- **Librarians/media specialists:** 1.800 FTE (0.450 FTE for SES, 0.000 FTE for ALC) per school, no proration factor of enrollment
- **Counselors/deans:** 1.0 FTE per 445 students (total enrollment) + 1.5 FTE for mental health support (.50 FTE for ALC, SES)
- **Technology assistant:** 0.450 FTE (0.250 FTE for SES, 0.000 FTE for ALC) per school, no proration factor of enrollment
- **Teacher allowance for 6th and 7th student class requests:** 1.000 FTE (0.000 FTE for ALC) per 1000 students (total enrollment), Adjustment to account for SES enrollments, always nets to zero
- **Work experience disadvantaged:** 2.000 FTE (0.000 FTE for SES and ALC) per school, no proration factor of enrollment
- **Principal:** 1.000 FTE (0.500 FTE for ALC) per school, no proration factor of enrollment
- **Assistant principal:** 3.000 FTE (0.000 FTE for SES and ALC) per school, no proration factor of enrollment
- **Assistant administrator:** .495 FTE per HS (excluding ALC, SES) + .50 FTE per 708 students over 2,000 enrollment
- **12-month secretary:** 4.000 FTE (1.000 FTE for SES and ALC) per school, no proration factor of enrollment
- **10-month secretary:** 1.000 FTE per 769 students (total enrollment), except SES (1.350 FTE) and ALC (0.900 FTE) which are fixed, not prorated
- **10-month clerk:** 1.000 FTE per 418 students (total enrollment), except SES (0.000 FTE) and ALC (0.675 FTE) which are fixed, not prorated
- **Building security specialists:** 2.000 FTE (1.000 FTE for SES, 1.000 FTE for ALC) per school, no proration factor of enrollment
- **Nurse:** 1.000 FTE (0.813 FTE for SES, 0.250 FTE for ALC) per school, no proration factor of enrollment

NOTE 7 – BUDGET ALLOCATIONS (CONTINUED)

The building operating budget allocations for all schools are shown below:

	School	Total Reg. Educ.	ECSE 3&4 YR.	CBSE	Total Enrollment	Instructional	Staff Develop	PGP	Team Leaders
High Schools	AVHS	1,825	-	63	1,888	356,762	14,600	5,829	34,340
	EHS	2,112	-	60	2,172	412,033	16,896	6,746	37,859
	EVHS	2,236	-	74	2,310	436,900	17,888	7,142	39,269
	RHS	2,377	-	55	2,432	462,925	19,016	7,592	40,991
	SES	381	-	-	381	73,632	3,048	1,217	7,537
	ALC	171	-	-	171	67,747	1,368	546	1,390
	ONLH	109	-	-	109	21,065	872	348	-
Middle Schools	BHMS	855	-	43	898	108,219	6,840	2,731	15,514
	DHMS	1,158	-	33	1,191	144,944	9,264	3,699	17,870
	FRMS	963	-	44	1,007	121,603	7,704	3,076	16,532
	RMS	1,156	-	30	1,186	144,504	9,248	3,692	17,640
	SHMS	1,173	-	41	1,214	147,309	9,384	3,747	18,413
	VMS	1,065	-	38	1,103	133,796	8,520	3,402	17,354
	CP	714	5	29	748	97,798	5,712	2,281	17,853
Elementary Schools	DW	501	48	24	573	72,750	4,008	1,600	16,616
	DP	665	-	22	687	93,529	5,320	2,124	17,464
	EL	809	-	40	849	114,569	6,472	2,584	18,675
	EP	717	12	20	749	97,936	5,736	2,290	18,080
	GH	653	-	11	664	91,212	5,224	2,086	17,284
	GL	768	12	27	807	105,200	6,144	2,453	18,431
	HL	660	14	35	709	94,147	5,280	2,108	18,069
	NV	354	55	26	435	52,752	2,832	1,131	15,661
	OR	531	-	25	556	72,793	4,248	1,696	16,470
	PV	635	16	24	675	87,315	5,080	2,028	17,717
	PW	480	45	29	554	70,019	3,840	1,533	16,218
	RP	684	12	31	727	97,160	5,472	2,185	17,821
	RE	775	-	22	797	108,784	6,200	2,475	18,194
	SP	493	46	31	570	71,980	3,944	1,575	16,315
	SV	599	8	40	647	83,124	4,792	1,913	17,440
	TL	562	-	28	590	79,602	4,496	1,795	16,704
	WV	470	25	41	536	66,514	3,760	1,501	16,371
	WL	743	-	25	768	104,525	5,944	2,373	17,964
	DR	-	-	98	98	6,258	784	-	N/A
	Sp. Ed.	-	-	-	-	-	-	12,500	N/A
Totals		27,394	298	1,109	28,801	4,299,406	219,936	99,998	594,056

NOTE 7 – BUDGET ALLOCATIONS (CONTINUED)

The building operating budget allocations for all schools are shown below:

	School	Co-curricular				Comp. Ed. Allocation	Basic Skills	Total Allocations
		Staffing	Supplies	Transportation	Sub Tchr			
High Schools	AVHS	1,094,921	313,129	38,886	-	1,403,562	-	3,262,028
	EHS	1,119,948	359,710	41,867	-	282,104	-	2,277,164
	EVHS	1,132,896	383,809	42,798	-	450,017	-	2,510,720
	RHS	1,144,541	405,482	43,432	-	249,086	-	2,373,066
	SES	9,751	N/A	1,245	N/A	30,024	-	126,454
	ALC	N/A	-	-	-	227,033	-	298,084
	ONLH	N/A	-	-	-	39,005	-	61,290
Middle Schools	BHMS	160,691	29,412	12,446	-	433,361	43,057	812,272
	DHMS	167,690	39,835	14,365	-	88,469	24,334	510,470
	FRMS	163,186	33,127	12,845	-	300,321	46,688	705,083
	RMS	167,644	39,766	15,556	-	121,866	36,568	556,485
	SHMS	168,037	40,351	13,684	-	220,750	48,637	670,313
	VMS	165,542	36,636	12,877	-	643,652	48,637	1,070,417
Elementary Schools	CP	1,461	-	-	-	468,716	14,459	608,280
	DW	4,382	-	-	-	126,926	20,291	246,574
	DP	2,921	-	-	-	139,787	26,933	288,080
	EL	2,921	-	-	-	41,536	32,765	219,523
	EP	1,461	-	-	-	850,366	14,519	990,388
	GH	2,921	-	-	-	158,214	26,447	303,389
	GL	2,921	-	-	-	506,689	15,552	657,391
	HL	4,382	-	-	-	131,269	26,730	281,986
	NV	2,921	-	-	-	58,445	14,337	148,080
	OR	1,461	-	-	-	452,734	10,753	560,156
	PV	2,921	-	-	-	320,013	12,859	447,935
	PW	2,921	-	-	-	73,156	19,440	187,129
	RP	5,843	-	-	-	74,553	27,702	230,737
	RE	1,461	-	-	-	151,214	31,388	319,717
	SP	2,921	-	-	-	31,204	19,967	147,906
	SV	5,843	-	-	-	298,802	12,130	424,045
	TL	-	-	-	-	71,222	22,761	196,580
	WV	2,921	-	-	-	335,728	9,518	436,314
	WL	2,921	-	-	-	46,579	30,092	210,399
	DR	5,562	-	-	-	176,515	-	189,119
	Sp. Ed.	-	-	-	-	-	-	12,500
Totals		5,555,913	1,681,257	250,000	-	9,002,918	636,564	22,340,076

NOTE 7 – BUDGET ALLOCATIONS (CONTINUED)

The operating capital allocations for all schools are shown below:

School	Enrollment					WADM (1)	Allocation	Age Factor Addition	Total Allocation
	K	1-3	4-6	7-12	Total				
CP	122	355	237	-	714	767.5	22,302	6,137	28,439
DP	116	311	238	-	665	711.7	20,683	5,691	26,374
DW	70	242	189	-	501	544.8	15,832	-	15,832
EL	120	422	267	-	809	877.3	25,494	-	25,494
EP	104	344	269	-	717	764.7	22,223	6,115	28,338
GH	96	330	227	-	653	686.9	19,962	-	19,962
GL	129	381	258	-	768	821.7	23,878	6,571	30,449
HL	100	330	230	-	660	719.3	20,902	5,752	26,654
NV	49	179	126	-	354	393.6	11,438	3,147	14,585
OR	82	251	198	-	531	576.6	16,756	-	16,756
PV	94	313	228	-	635	682.8	19,842	5,460	25,302
PW	68	237	175	-	480	526.9	15,311	-	15,311
RE	120	394	261	-	775	823.6	23,934	6,586	30,520
RP	110	326	248	-	684	740.5	21,519	-	21,519
SP	68	232	193	-	493	544.4	15,820	-	15,820
SV	84	305	210	-	599	661.2	19,213	5,287	24,500
TL	95	258	209	-	562	611.7	17,774	4,891	22,665
WL	103	373	267	-	743	795.4	23,114	-	23,114
WV	72	238	160	-	470	527.8	15,338	4,220	19,558
AVHS	-	-	-	1,825	1,825	2,832.0	82,297	22,646	104,943
EHS	-	-	-	2,112	2,112	3,258.0	94,676	-	94,676
EVHS	-	-	-	2,236	2,236	3,465.0	100,692	-	100,692
RHS	-	-	-	2,377	2,377	3,648.0	106,010	29,171	135,181
SES	-	-	-	381	381	571.5	16,608	-	16,608
BHMS	-	-	278	577	855	1,231.8	35,795	-	35,795
DHMS	-	-	387	771	1,158	1,628.1	47,312	-	47,312
FRMS	-	-	346	617	963	1,366.5	39,710	-	39,710
RMS	-	-	367	789	1,156	1,626.2	47,258	13,004	60,262
SHMS	-	-	391	782	1,173	1,659.8	48,234	13,272	61,506
VMS	-	-	353	712	1,065	1,506.9	43,789	12,050	55,839
ALC	-	-	-	171	171	256.5	7,454	-	7,454
DR	-	-	-	-	-	140.2	6,500.0	-	6,500
ONLINE	-	-	-	109	109	163.5	6,500	-	6,500
Totals	1,802	5,821	6,312	13,459	27,394	36,132	1,054,170	150,000	1,204,170

(1) WADM – Weight Average Daily Membership

APPENDIX A – Budget Policies, Administrative Regulations and Procedures

The following is a summary of the budget policies, administrative regulations (AR) and procedures (P) related to the budget process. Full text of these policies, administrative regulations and procedures can be found on the pages immediately following this page.

Policy 702 – Budget

- The district shall adopt annual budgets for each fund (general [including all accounts within the general fund], food service, community education, debt service, building construction, trust and agency, and internal service), in accordance with state law;
- The district budget, once approved by the board, is the district's plan showing expected revenue and expenditures for the coming fiscal year and is the district's legal authorization for spending funds, and
- The budget reflects and supports state and federal requirements, district initiatives and board policies.

Administrative Regulation 702.2AR – Budget Planning and Development

- This regulation mandates the due dates for preliminary and final budgets to be presented to the School Board and the requirement of board approval of budget assumptions to be used to develop the budgets.

Administrative Regulation 702.2.3AR – Budget Advisory Council (BAC)

- The Budget Advisory Council ensures active community participation in and enhances community understanding of the district's budget planning process, and
- Provides input to the board and administration on budget plans that support district goals, policies and initiatives.

District Procedure 702.2.3P – Application to Serve on Budget Advisory Council (BAC)

- Applicants must complete this form to be considered for membership on the committee.

Administrative Regulation 702.4AR – Capital Expenditure Budget

- This regulation establishes the requirements for the district's capital expenditure budget, including the process of developing a list of current needs and proposal of final selections to be presented to the board for approval.

Policy 712 – Fund Balance

- Policy 712 requires the maintenance of reasonable fund balances to mitigate financial risk from unforeseen circumstances and provide cash flow.

Full text of each policy, administrative regulations and procedure can be found on the district's website:

<http://www.district196.org>

Policy 702, Budget

Adopted: June 1993

Last Revised: May 2012

1. Purpose

- 1.1 The district shall adopt annual budgets for each fund (general [including all accounts within the general fund], food services, community education, debt service, building construction, trust and agency, and internal service), in accordance with state law.
- 1.2 The district budget, once approved by the board, is the district's plan showing expected revenue and expenditures for the coming fiscal year and is the district's legal authorization for spending funds.
- 1.3 The budget reflects and supports state and federal requirements, district initiatives and board policies.

2. Planning the Budget

- 2.1 The superintendent has the overall responsibility for preparation of the annual budget.
- 2.2 The superintendent shall develop budget regulations and procedures which support the district's shared decision-making process.
- 2.3 Budget planning will relate to the goals and objectives of the district. It should include an assessment of existing programs and services, an examination of alternatives and input from a board-appointed Budget Advisory Council.
- 2.4 The budget provides resources adequate to support the learning programs provided to all district students -- preschool, k-12 and adult.
- 2.5 Any amendments to the final budget must be approved by the School Board.

3. Requirements of the Budget Document - The budget document must include:

- 3.1 Itemized statements of estimated revenues by fund and by source.
- 3.2 Itemized statements of estimated expenditures by fund and by object.
- 3.3 A summary of the board-approved assumptions used to build the budget.
- 3.4 A review of major new initiatives or changes in district policies or programs which affect the budget.
- 3.5 Comparative information with the budget from the previous year.
- 3.6 *A Budget Guide For Our Community* will be included in the final budget.

4. Capital Expenditure Account Budget

- 4.1 The capital expenditure account budget details the district's expenditure plans for facilities, equipment, major maintenance, special assessments, lease and rental costs, energy projects and other revenue and expenses authorized by the state as capital expenditures.
- 4.2 The budget development process includes forecasting revenues, seeking expenditure requests from schools and departments, developing spending guidelines (which are reviewed and approved by the School Board) and creation of a detailed budget based on the guidelines. The budget is approved by the School Board, and is incorporated into the district's preliminary and final budget.

5. Building Construction Fund Budgets - Budgets for building construction funds are developed by project, not annually as are other district budgets.

References:

Financial Accounting Instruction (FAI) 10.3, Budget Adoption

Minnesota Rules 3545.0900, Funds Defined

UFARS Manual

Minnesota Statute 123B.77, Accounting, budgeting, and reporting requirement

Administrative Regulation 702.2AR, Budget Planning and Development

Adopted: June 1993

Last Revised: May 2012

1. Budget planning and development shall be carried out by the superintendent and designees in the following manner:
 - 1.1. Budget planning begins with a review of budget parameters, and development of a preliminary budget forecast based on projected enrollment and revenue and expenditure assumptions for the coming year.
 - 1.2. The preliminary budget forecast is reviewed with the School Board then used as the basis for the development of budget guidelines (assumptions about staffing, program changes, allocations to schools and departments, etc.). The guidelines are reviewed and approved by the School Board in February or March.
 - 1.3. The administration prepares a detailed preliminary budget based on the approved guidelines and brings that to the School Board for approval no later than the last board meeting in June.
 - 1.4. The administration prepares the final budget and presents it to the School Board for approval no later than January 31 in the year for which the budget is effective.
2. The process and deadlines noted above may be adjusted as needed after consultation between the superintendent and the School Board.

References:

- Minnesota Statute 123B.77, Requirement for Accounting, Budgeting and Reporting Requirement
- Financial Accounting Instructions (FAI) 10.3, Budget Adoption

Administrative Regulation 702.2.3AR, Budget Advisory Council (BAC)

Adopted: December 2000

Last Revised: March 2019

1. Purpose – The purpose of the Budget Advisory Council (BAC) shall be to:
 - 1.1. Ensure active community participation in and enhance community understanding of the district's budget planning process, and
 - 1.2. Provide input to the board and administration on budget plans that support district goals, policies and initiatives.
2. Role
 - 2.1. The BAC shall promote the district's budget reduction suggestion program, review submitted suggestions and, as appropriate, provide input regarding budget changes to the school board.
 - 2.2. The BAC shall provide the board and administration with input on:
 - 2.2.1. spending priorities and effective utilization of the district's limited financial resources;
 - 2.2.2. cost effectiveness of programs and services;
 - 2.2.3. ways to decrease expenditures and increase revenue, and
 - 2.2.4. short-term and long-term financial planning.
 - 2.3. The BAC shall review long-range financial projections.
 - 2.4. The BAC shall study and provide input on specific financial issues or areas of the budget, as identified by the BAC, the School Board or the administration.
3. Membership
 - 3.1. The BAC will be composed of 12 people who are stakeholders in the school district (a district resident, the parent or guardian of a district student, or a district employee).
 - 3.1.1. At least seven members must be parents/guardians or other community residents.
 - 3.1.2. A district employee who is a district resident may not also count as a parent/guardian or community resident.
 - 3.1.3. One member must represent district principals.
 - 3.1.4. One member must represent district licensed staff.
 - 3.1.5. One member must represent district non-licensed staff.
 - 3.1.6. At least one member must have a school-aged child or children.
 - 3.1.7. All members should generally have, but are not required to have, some expertise, understanding and/or background in financial matters and budgeting (e.g., accounting, banking, economics, etc.).
 - 3.2. The district's Director of Finance and Operations and the three members of the Board Audit and Finance Committee shall serve as ex-officio members of the BAC.
 - 3.3. Terms of office shall begin on July 1 and end on June 30. Terms of office shall last for three years, and shall be staggered with one-third of the positions up each year.
 - 3.4. Selection of Members
 - 3.4.1. Openings on the BAC will be advertised in district publications and area newspapers. Applications will be accepted until April 30 for terms beginning the following July 1. Applicant recruitment may take place after April 30 until as late as June 1 for openings for which there are no applicants meeting the guidelines in section 3.1 above.
 - 3.4.2. After April 30, the Board Audit and Finance Committee, and the district's Director of Finance and Operations, will receive and review all BAC applications, meet to review and prioritize candidates based on the membership criteria described above, and make recommendations for BAC membership to the School Board.
 - 3.4.3. The School Board will be asked to approve new members.
 - 3.5. Filling Unexpired Terms
 - 3.5.1. If less than one year of the term remains, the position will remain open until the next regular membership selection period (see section 3.3 above).
 - 3.5.2. If more than one year of the term remains, the Board Audit and Finance Committee and the Director of Finance and Operations will review the most recent round of applications and make a recommendation for membership to the School Board for final approval. If no applicant is available to complete that term among the applications, the Board Audit and Finance Committee and the Director of Finance and Operations will request applications from people representing the appropriate group(s) and then proceed as described above.

Administrative Regulation 702.2.3AR, Budget Advisory Council (BAC) (Continued)

- 3.6. Officers – At its first meeting each year, the BAC will elect officers, including a chairperson and a vice-chairperson, or co-chairpersons from the committee.
 - 3.6.1. The chairperson or co-chairperson shall preside at all meetings.
 - 3.6.2. The vice chairperson, if the BAC chooses to elect one, shall perform the duties of the chairperson in the absence of the chairperson.
 - 3.6.3. The Director of Finance and Operations shall ensure that minutes are taken at each meeting and maintain a copy in district records.
- 3.7. Expectations and Roles of Members
 - 3.7.1. Members must attend at least 75 percent of BAC meetings each year.
 - 3.7.2. A member who has not shown suitable commitment (as defined in sections 3.7.1 above) or who isn't able to fulfill their commitment may resign or may be asked to resign by the BAC. A member with three consecutive absences who has not contacted the district or the BAC chairperson or co-chairperson about the absences will be considered to have resigned from the BAC and will be so notified by the BAC chairperson or co-chairperson. The vacant position will then be filled in accordance with section 3.5 above.
4. Meetings
 - 4.1. The BAC will hold at least four meetings each year, as determined by the council.
 - 4.2. BAC meetings will be publicized in district publications and area newspapers.
 - 4.3. BAC meetings will be open to the public. The BAC chairperson or co-chairperson may, at his or her discretion, permit members of the public to address the council.

References:

- None

Administrative Regulation 702.4AR, Capital Expenditure Account Budget

Adopted: June 1993

Last Revised: May 2012

1. Budget Report – The capital expenditure account budget report includes a summary of the estimated revenues and expenditures in the account for the next year, and a list and description of purchases the district plans to make using the resources of the account.
2. Budget Development Process
 - 2.1. The administration will develop parameters which assign budgetary responsibility to school or districtwide budgets for various categories of capital expenditures.
 - 2.2. In the fall, the administration will develop a list of needs and requests for capital expenditures for the following fiscal year, with input from administrators in all schools and administrative departments.
 - 2.3. By January 1, the administration will prepare a forecast of capital expenditure revenue for the following fiscal year.
 - 2.4. Budget Guidelines
 - 2.4.1. The administration will develop proposed capital expenditure budget guidelines for the following fiscal year, which will be reviewed by the School Board no later than March 1.
 - 2.4.2. The budget guidelines will include estimated revenues, allocations to schools, and estimated expenditures in broad categories of the budget (e.g., major maintenance, leasing costs, energy projects, curriculum revision).
 - 2.5. After the School Board approves the budget guidelines, the administration will inform each school and administrative department of its allocation. Each school and administrative department will then prepare a detailed capital spending plan for the funds allocated.
 - 2.6. The administration will compile the spending plans from each school and administrative department and prepare a detailed budget document to be approved by the School Board no later than May 1.
 - 2.7. The approved budget will be used as the basis for purchasing, and will be incorporated into the district's preliminary budget for the following fiscal year.
3. Revisions – Revisions to the capital expenditure budget may be made as part of the process of developing the district's preliminary budget in the spring or the final budget in the fall.

References:

- None

Policy 712, Fund Balance

Adopted: June 2011

Last Revised: June 2011

1. Purpose – Prudent fiscal management requires the maintenance of reasonable fund balances to mitigate financial risk from unforeseen circumstances and provide cash flow liquidity for general operations. Fund balance classifications described in this policy allow for more useful fund balance reporting and for compliance with the reporting guidelines specified in Statement No. 54 of the Governmental Accounting Standards Board (GASB).
2. General Statement of Policy – The intent of this policy is to comply with GASB Statement No. 54. Should a conflict occur between this policy and the provisions of GASB Statement No. 54, the GASB statement shall prevail.
3. Classification of Fund Balances – The school district shall classify fund balances in its various funds in one or more of the following five classifications: nonspendable, restricted, committed, assigned and unassigned.
4. Definitions – In accordance with GASB Statement No. 54, definitions are as follows.
 - 4.1. “Fund balance” means the arithmetic difference between the assets and liabilities reported in a school district fund.
 - 4.2. “Nonspendable” fund balance amounts are comprised of funds that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. They include items that are inherently unspendable, such as, but not limited to, inventories, prepaid items, long-term receivables, nonfinancial assets held for resale, or the permanent principal of endowment funds.
 - 4.3. “Restricted” fund balance amounts are comprised of funds that have legally enforceable constraints placed on their use that either are externally imposed by resource providers or creditors (such as through debt covenants), grantors, contributors, voters, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.
 - 4.4. “Unrestricted” fund balance is the amount of fund balance remaining after determining both nonspendable and restricted net resources. This amount can be determined by adding the committed, assigned and unassigned fund balances.
 - 4.5. “Committed” fund balance amounts are comprised of unrestricted funds used for specific purposes pursuant to constraints imposed by formal action of the School Board and that remain binding unless removed by the board by subsequent formal action. The formal action to commit a fund balance must occur prior to fiscal year end; however, the specific amounts actually committed can be determined in the subsequent fiscal year. A committed fund balance cannot be a negative number.
 - 4.6. “Assigned” fund balance amounts are comprised of unrestricted funds constrained by the school district’s intent that they be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. In funds other than the general fund, the assigned fund balance represents the remaining amount that is not restricted or committed. The assigned fund balance category will cover the portion of a fund balance that reflects the school district’s intended use of those resources. The action to assign a fund balance may be taken after the end of the fiscal year. An assigned fund balance cannot be a negative number.
 - 4.7. “Unassigned” fund balance amounts are the residual amounts in the general fund not reported in any other classification. Unassigned amounts in the general fund are technically available for expenditure for any purpose. The general fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted and committed fund balances exceed the total net resources of that fund.
 - 4.8. “Enabling legislation” means legislation authorizing a school district to assess, levy, charge or otherwise mandate payment of resources from external providers and includes a legally enforceable requirement that those resources be used only for the specific purposes listed in the legislation.
5. Minimum Fund Balance – District 196 will plan annual revenue and expenditure budgets that provide an operating funds balance of no less than five percent of annual operating fund expenditures.
6. Order of Resource Use – If resources from more than one fund balance classification could be spent, the district will strive to spend resources from fund balance classifications in the following order (first to last): restricted, committed, assigned and unassigned.

Policy 712, Fund Balance (Continued)

7. Committing Fund Balance – A majority vote of the School Board is required to commit a fund balance to a specific purpose and subsequently to remove or change any constraint so adopted by the board.
8. Assigning Fund Balance
 - 8.1. The School Board, by majority vote, may assign fund balances to be used for specific purposes when appropriate. The School Board also delegates the power to assign fund balances to the superintendent or designee. Assignments so made shall be reported to the board on a monthly basis, either separately or as part of ongoing reporting by the assigning party if other than the School Board.
 - 8.2. An appropriation of an existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues satisfies the criteria to be classified as an assignment of fund balance.
9. Stabilization Arrangements – When the superintendent becomes aware of conditions that may cause the operating funds balance to fall below 5 percent of annual operating expenditures within a given year, he or she will alert the School Board to the situation and recommend appropriate short-term actions to maintain the desired balance.
10. Review – The School Board will conduct an annual review of the sufficiency of the minimum unassigned general fund balance level.

References:

- Statement No. 54 of the Governmental Accounting Standards Board

Financial Section

Fund Level Summary





Alice – Red Pine



Brady C – Scott Highlands



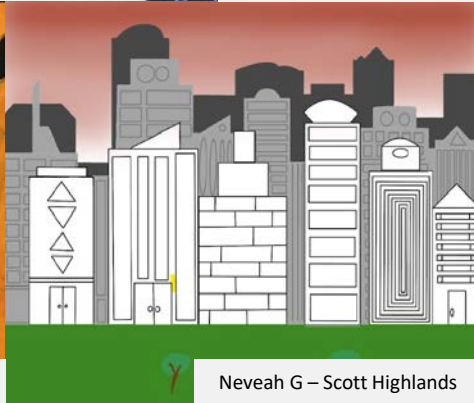
Evan S – Black Hawk



Desmond E – Black Hawk



Yusra – Black Hawk



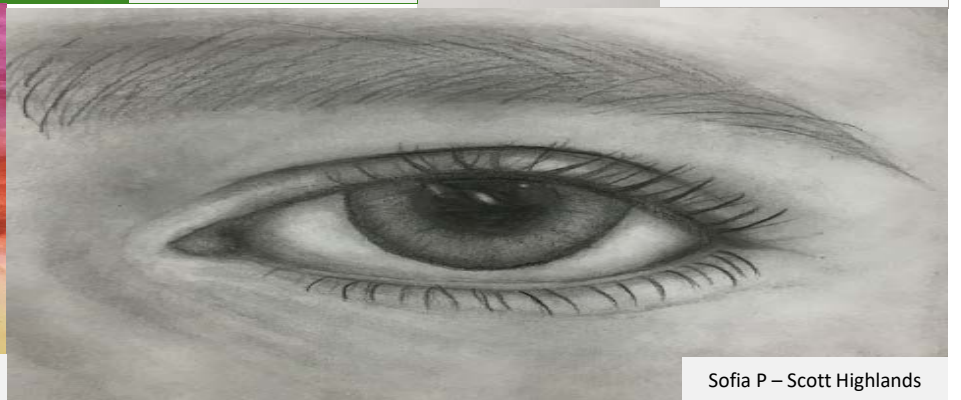
Neveah G – Scott Highlands



Brooke B – Scott Highlands



Tallan C – Black Hawk



Sofia P – Scott Highlands

Summary of Funds – All Funds

Funds Overview – Below is a summary of all the governmental funds, internal service funds and fiduciary funds of the district. The governmental funds included are the general fund, special revenue funds which include food service and community service, building construction fund, and the debt service funds which 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.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenue								
State Sources	296,520,590	300,697,988	304,399,241	314,299,488	343,330,690	345,680,282	353,536,148	361,577,792
Property taxes	95,664,211	116,395,291	122,337,787	125,489,389	134,273,609	133,706,405	137,717,597	141,849,125
Federal sources	16,894,742	35,520,203	41,937,321	29,518,190	23,665,856	13,217,048	13,243,483	13,269,969
Other sources	85,660,151	78,891,822	70,417,932	95,433,001	85,167,103	87,217,140	88,152,670	89,098,897
Total revenue	494,739,694	531,505,303	539,092,281	564,740,068	586,437,258	579,820,876	592,649,897	605,795,783
Expenditures								
Salaries and Wages	249,659,136	259,113,924	279,597,244	294,647,554	302,153,043	309,193,179	315,108,450	321,141,903
Employee benefits	145,928,527	152,067,681	165,180,303	180,430,883	184,930,188	185,931,531	190,593,971	195,394,474
Purchased services	30,162,281	26,294,839	29,843,082	29,047,578	29,135,054	30,916,908	31,652,968	32,407,272
Supplies and Materials	21,289,576	24,554,100	26,573,341	36,657,163	33,172,913	34,855,523	35,691,822	36,550,085
Capital expenditures	17,020,839	23,899,981	34,448,896	26,801,587	62,885,962	64,271,141	65,618,435	66,975,816
Other expenditures	3,362,646	2,281,589	1,763,691	3,289,003	1,176,113	633,635	640,361	647,163
Debt service	17,275,741	17,056,769	17,042,888	16,930,000	16,670,900	16,898,144	16,915,042	16,931,957
Total expenditures	484,698,746	505,268,882	554,449,445	587,803,768	630,124,173	642,700,061	656,221,049	670,048,669
Revenue over expenditures	10,040,948	26,236,421	(15,357,164)	(23,063,700)	(43,686,915)	(62,879,185)	(63,571,151)	(64,252,886)
Other financing sources (uses)								
Capital lease	-	-	-	-	-	-	-	-
Bond Refunding	-	-	(12,110,000)	-	-	-	-	-
Proceeds from sale of bonds	-	-	12,235,562	-	275,000,000	-	-	110,000,000
Certificates of participation	9,504,202	9,541,557	10,697,895	-	-	-	-	-
Other	25,413	46,259	7,623	-	-	-	-	-
Sale of capital assets	856,256	191,868	782,650	-	-	-	-	-
Transfers in	399,229	34,763	92,212	164,746	135,061	138,366	141,133	143,956
Transfers (out)	(399,229)	(34,763)	(92,212)	(164,746)	(135,061)	(138,366)	(141,133)	(143,956)
Total other financing sources (uses)	10,385,871	9,779,684	11,613,730	-	275,000,000	0	0	110,000,000
Net change in fund balances	20,426,819	36,016,105	(3,743,434)	(23,063,700)	231,313,085	(62,879,184)	(63,571,151)	45,747,114
Fund balances (deficits)								
Beginning of year	128,948,608	149,375,427	185,391,532	181,648,101	158,584,404	389,897,488	327,018,304	263,447,153
End of year	149,375,427	185,391,532	181,648,101	158,584,404	389,897,488	327,018,304	263,447,153	309,194,268

Revenue Sources

State Sources: The majority of the district's general fund revenue comes from state sources. These include the per pupil basic general education formula aid; special education regular and excess cost aid; basic skills aid, including compensatory education aid, and capital aid along with other aid programs

Local Property Taxes: These 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 tax revenues (up to a maximum amount per pupil established by the Legislature) to support special programs or basic operations through a voter-approved operating levy referendum.

Federal Sources: These include federal grants for programs such as Title I, special education, COVID-19 relief and Adult Basic Education. These programs focus on improving the achievement of educationally disadvantaged students, including special education services for students with special needs.

Other Sources: 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.

Expense Categories

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

Employee Benefits: Includes the district's contributions for employee retirement (Social Security, Medicare and state pension plans TRA and PERA); health, dental and life insurance premiums; tax-shelter annuities for eligible employees, and workers' compensation.

Purchased Services: Includes utilities, legal services, contracted services, leases and other services provided by outside sources.

Supplies and Materials: Includes general supplies such as non-capital devices, instructional supplies for classrooms, textbooks and workbooks, standardized tests, media resources and non-instructional supplies.

Capital Expenditures: Includes building and site repairs and other improvements, replacement of technology equipment such as printers and copiers, and school buses.

Other Expenditures: Includes miscellaneous expenditures that are not categorized elsewhere, such as membership dues for professional organizations, taxes and special assessments.

Debt Service: Includes the principal, interest and other fiscal charges associated with outstanding debt.

General Fund – All Sub-Accounts

Fund Overview – The general fund is the primary operating fund of the district and accounts for the revenues and expenditures associated with providing a public education to children. Below is a summary of the actual, budgeted, and projected general fund activity with revenues for the 2019-20 through the 2026-27 school years reported by the source and expenditures reported by object.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
State Sources	292,415,625	297,108,483	300,353,128	309,915,652	328,704,297	331,144,088	338,857,708	346,755,691
Property Taxes	76,087,495	96,675,912	102,779,443	105,829,432	115,068,553	113,762,462	117,175,336	120,690,596
Federal Sources	11,229,528	24,595,310	23,418,512	23,682,027	17,881,306	8,246,349	8,262,842	8,279,367
Other Sources	10,872,089	6,581,692	9,895,750	16,069,365	8,080,039	10,497,242	10,604,559	10,713,068
Total revenue	390,604,737	424,961,396	436,446,832	455,496,476	469,734,195	463,650,141	474,900,445	486,438,722
Expenditures								
Salaries and wages	238,237,719	249,928,256	268,137,410	282,215,182	289,080,223	296,559,689	302,247,456	308,048,912
Employee benefits	89,318,224	89,646,403	96,975,090	107,667,162	111,581,464	112,996,417	116,192,767	119,495,670
Purchased services	28,517,541	25,240,777	28,657,138	29,096,447	28,931,681	30,709,457	31,445,661	32,200,110
Supplies and materials	15,524,442	19,545,121	18,297,416	27,630,698	25,399,548	27,498,067	28,130,522	28,778,904
Capital expenditures	11,102,803	13,994,820	15,298,729	26,544,587	25,298,462	25,669,514	26,001,240	26,342,896
Other expenditures	948,734	900,132	554,380	1,959,015	497,486	(50,996)	(53,092)	(55,236)
Debt service	-	-	-	-	-	-	-	-
Total expenditures	383,649,462	399,255,509	427,920,164	475,113,091	480,788,864	493,382,149	503,964,554	514,811,257
Revenue over expenditures	6,955,276	25,705,885	8,526,668	(19,616,615)	(11,054,669)	(29,732,008)	(29,064,109)	(28,372,535)
Other financing sources (uses)								
Capital lease	-	585,000	18,115	-	-	-	-	-
Certificates of participation	-	-	-	-	-	-	-	-
Other	881,265	238,128	783,650	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	(399,229)	(34,763)	(92,212)	(164,746)	(135,061)	(138,366)	(141,133)	(143,956)
Total other financing sources(uses)	482,036	788,363	709,553	(164,746)	(135,061)	(138,366)	(141,133)	(143,956)
Net change in fund balances	7,437,312	26,494,251	9,236,219	(19,781,361)	(11,189,730)	(29,870,374)	(29,205,242)	(28,516,491)
Fund balances								
Beginning of year	50,927,014	58,364,326	84,858,577	94,094,798	74,313,437	63,123,707	33,253,333	4,048,091
End of year	58,364,326	84,858,577	94,094,798	74,313,437	63,123,707	33,253,333	4,048,091	(24,468,400)

As stated on page 37 in Note 4 of the Organizational Section– Financial Philosophy, Practices and Fund Balance Management, the School Board adopted a fund balance policy requiring a minimum general fund balance of five percent of the annual projected operating expenditures. The resources represented by this fund balance are critical to the district's ability to maintain adequate cash flow throughout the year, to retain its programs and to cushion against the impact of unexpected costs or funding shortfalls.

Historical and projected performance for the current school year illustrates the district's commitment to maintaining an adequate fund balance. These results are due to schools' careful management of their allocations and conservative budgeting practices. Based on the latest general fund budget to actual performance analyses, the district expects that it will close the 2023-24 school year with a \$61.665 million fund balance, or 12.82 percent of projected operating expenditures.

The district's projected fund balance includes \$5.30 million in restricted accounts related to capital expenditures, \$3.932 million in non-spendable amounts, and \$9.083 million in site carryover. District sites are allowed to carryover unspent allocations and other revenue they generate for programmatic uses such as anticipated large purchases in upcoming years. The unassigned fund balance is available for investment in revenue generating activity, facilitate targeted investments in intervention programs, and is available to provide security and cushion in uncertain times, such as the pandemic and other budgetary constraints outside the district's control.

The decrease in fund balance is a result of a flat projected enrollment for the 2023-24 school year, which impacts state aids and an increase in expenditures for the preliminary budget, primarily in salaries and benefits.

General Fund – All Sub-Accounts (continued)

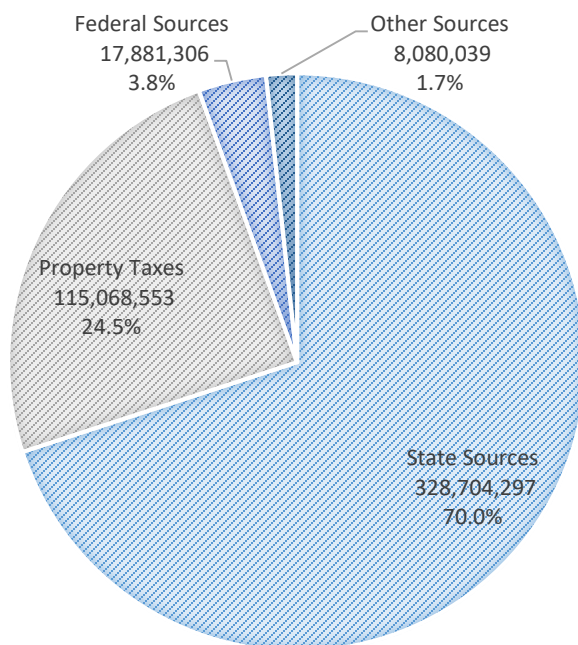
Revenues – Below is a summary of the general fund revenues by source:

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
State Sources	292,415,625	297,108,483	300,353,128	309,915,652	328,704,297	331,144,088	338,857,708	346,755,691
Property Taxes	76,087,495	96,675,912	102,779,443	105,829,432	115,068,553	113,762,462	117,175,336	120,690,596
Federal Sources	11,229,528	24,595,310	23,418,512	23,682,027	17,881,306	8,246,349	8,262,842	8,279,367
Other Sources	11,753,354	7,404,818	10,697,514	16,069,365	8,080,039	10,497,242	10,604,559	10,713,068
Total Revenues	391,486,002	425,784,522	437,248,596	455,496,476	469,734,195	463,650,141	474,900,445	486,438,722

The 2023-24 general fund revenue budget totals \$469.734 million. This is \$14.250 million more than the final budget for the current fiscal year. The primary reasons for this increase are:

- 1) A projected net increase of approximately \$9.239 million in property tax revenue is due to the voter-approved inflationary increase in the operating levy.
- 2) A projected \$18.788 million increase in state aid. The general education aid increase is due to the projected increase in enrollment for the coming school year and an increase of 4.0% in the general education formula.
- 3) The district is projecting a decrease of nearly \$13.790 million in federal sources and other revenue sources due to expiring grant programs.

GENERAL FUND REVENUES BY SOURCE



The pie chart shows the 2023-24 projected general fund revenues. State sources account for the largest share of general fund revenues, at approximately 70.0 percent. State sources include per pupil basic general education aid, special education regular and excess cost aid, basic skills aid, 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. State sources are set by the Minnesota Legislature, with most aids determined by per pupil allowances and actual allocations based on district pupil counts.

Property taxes, at 24.5 percent, make up the second largest share of the revenue budget. As with state sources, tax levy limits are established by the Minnesota Legislature.

The district also has the ability, through a levy referendum election, to seek additional property taxes (up to a per pupil maximum amount established by the legislature) to support special programs and initiatives. Federal sources and other sources, at 3.8 and 1.7 percent, respectively, make up the remaining share of general fund revenues. Other sources include gifts, donations and miscellaneous income that do not fit into one of the other three revenue sources. Federal sources include revenues for Title programs, special education, and COVID-19 relief grants. Most of the federal revenues received by the district are passed through the state of Minnesota and not received directly from the federal government.

General Fund – All Sub-Accounts (continued)

Expenditures – Below is a summary of the general fund expenditures by object:

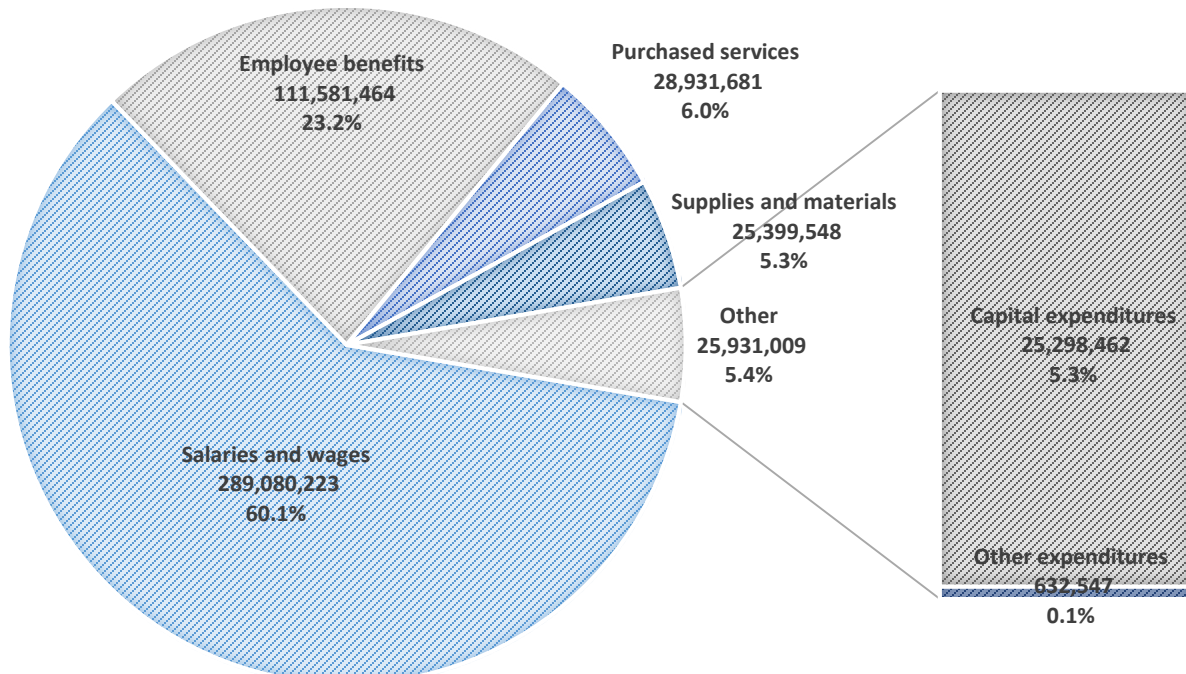
	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	238,237,719	249,928,256	268,137,410	282,215,182	289,080,223	296,559,689	302,247,456	308,048,912
Employee benefits	89,318,224	89,646,403	96,975,090	107,667,162	111,581,464	112,996,417	116,192,767	119,495,670
Purchased services	28,517,541	25,240,777	28,657,138	29,096,447	28,931,681	30,709,457	31,445,661	32,200,110
Supplies and materials	15,524,442	19,545,121	18,297,416	27,630,698	25,399,548	27,498,067	28,130,522	28,778,904
Capital expenditures	11,102,803	13,994,820	15,298,729	26,544,587	25,298,462	25,669,514	26,001,240	26,342,896
Other expenditures	1,347,963	934,895	646,591	2,123,761	632,547	87,370	88,041	88,720
Debt service	-	-	-	-	-	-	-	-
Total expenditures	384,048,691	399,290,273	428,012,375	475,277,837	480,923,925	493,520,515	504,105,687	514,955,213

The 2023-24 general fund expenditure budget totaled \$480.923 million. This is a nearly \$5.646 million more than the estimate for the final budget of the current fiscal year. The two main reasons for this increase are:

- 1) An increase of \$10.779 million in the budget for wages and employee benefits based on approved contracts or budget planning guidelines reviewed by the School Board on February 13, 2023. These guidelines included changes to staffing ratios and allocations to schools and departments and estimates for new contracts upcoming with larger employee groups.
- 2) A decrease of nearly \$5.103 million total within the purchased services, supplies and materials, and capital expenditures categories.

Expenditures – Object categories of general fund expenditures are salaries and wages, employee benefits, purchased services, supplies and materials, capital, other expenditures and debt service. Salaries and benefits account for the largest portion of general fund expenditures. For the 2023-24 school year, 83.3 percent of the expenditure budget is budgeted for staff salaries and benefits. Purchased services include utilities, specialized consulting and other contracted work provided by outside sources which account for approximately 6.0 percent of the budget. Supplies and materials account for 5.3 percent of the budget. Capital expenditures, such as technology equipment, furniture and fixtures, site and building improvements including Long Term Facilities Maintenance (LTFM) projects total \$25.3 million, or 5.3 percent of the total budget.

GENERAL FUND EXPENDITURES BY OBJECT



General Fund – Long-Term Facilities Maintenance

Below is a summary of the general fund Long-term Facilities Maintenance account:

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
State sources	3,782,055	3,925,334	4,129,863	4,178,953	4,178,953	4,204,216	4,246,258	4,288,720
Property taxes	6,111,191	7,747,097	7,877,166	7,747,573	9,803,396	9,038,749	9,309,912	9,589,209
Federal sources	-	-	-	-	-	-	-	-
Other Sources	8,978	18,179	15,510	-	-	5,222	5,274	5,327
Total revenue	9,902,224	11,690,610	12,022,539	11,926,526	13,982,349	13,248,186	13,561,443	13,883,256
Expenditures								
Salaries and wages	264,935	277,368	237,884	280,073	286,784	271,904	277,342	282,889
Employee benefits	115,128	121,678	106,643	128,829	133,978	126,340	130,184	134,162
Purchased services	7,634,173	7,152,495	4,676,863	648,478	768,446	684,845	701,966	719,516
Supplies and materials	792,403	687,269	867,670	162,620	160,793	128,648	131,864	135,161
Capital expenditures	3,926,569	2,862,527	5,223,141	10,780,000	13,800,000	12,847,273	12,847,273	12,847,273
Other expenditures	1,030	500	1,000	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Total expenditures	12,734,237	11,101,837	11,113,200	12,000,000	15,150,001	14,059,010	14,088,630	14,119,000
Revenue over expenditures	(2,832,013)	588,773	909,339	(73,474)	(1,167,652)	(810,824)	(527,187)	(235,745)
Net change in fund balances	(2,832,013)	588,773	909,339	(73,474)	(1,167,652)	(810,824)	(527,187)	(235,745)

Beginning with the 2016-17 school year, the alternative facility projects program was replaced with the long-term facilities maintenance program (LTFM). The LTFM program, which is part of the capital projects plan for the district, is reported as a restricted portion of the general fund. Each Minnesota school district is required to submit a ten-year LTFM plan annually to the Minnesota Department of Education, outlining various projects the district plans to address in the coming decade. The LTFM plan is developed during the capital budget process each school year and approved by the school board in April. Many of these projects occur over the summer, when fewer students and staff utilize district buildings for learning. Some of the common LTFM projects include building renovations and upgrades, roof repairs, carpeting and flooring replacements, and hardscape rehabilitations, health & safety among other projects. A typical outline of a tentative replacement schedule for some of these common projects is included below along with the most recent LTFM 10-year plan (condensed down to the years applicable for this budget) submitted to the Minnesota Department of Education.

Roofing Projects

- Roofs are inspected each year from years 18-23 and replaced as needed
- Replaced with a built-up roof system with a 30 year life expectancy
- Roof leaks and damage are repaired on a priority basis each year

Classroom & Hallway Carpeting

- Replaced at minimum every 15 years
- Other repairs and replacement conducted as needed

Hardscape (Parking Lots)

- Crack-filled and seal coated every 5-7 years to maintain the asphalt.
- Every parking lot is inspected each spring and prioritized for repairs and/or replacement

LTFM Category	2022-23	2023-24	2024-25	2025-26	2026-27
Physical Hazards	200,000	200,000	200,000	200,000	200,000
Other Hazardous Materials	75,000	100,000	80,000	80,000	85,000
Environmental Health and Safety Management	290,000	300,000	300,000	300,000	300,000
Asbestos Removal and Encapsulation	80,000	100,000	75,000	75,000	75,000
Fire Safety	300,000	300,000	300,000	300,000	300,000
Accessibility	40,000	75,000	75,000	75,000	75,000
Building Envelope	1,000,000	1,600,000	1,100,000	1,100,000	1,100,000
Building Hardware and Equipment	1,200,000	1,800,000	1,200,000	1,200,000	1,200,000
Electrical	340,000	600,000	300,000	300,000	325,000
Interior Surfaces	1,500,000	2,000,000	1,500,000	1,500,000	1,500,000
Mechanical Systems	2,100,000	2,500,000	2,100,000	2,100,000	2,100,000
Plumbing	250,000	400,000	250,000	250,000	250,000
Professional Services and Salary	425,000	600,000	500,000	500,000	500,000
Roof Systems	2,400,000	2,275,000	2,000,000	2,000,000	2,000,000
Site Projects	1,800,000	2,300,000	2,000,000	2,000,000	2,000,000
Totals	12,000,000	15,150,000	11,980,000	11,980,000	12,010,000

General Fund – Operating Capital

Below is a summary of the general fund operating capital account:

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
State sources	5,176,740	5,008,416	4,848,854	4,663,135	4,602,506	4,607,109	4,722,286	4,840,343
Property taxes	4,672,341	3,544,636	5,857,932	7,838,378	7,907,948	8,109,358	8,352,639	8,603,218
Federal sources	-	-	-	-	-	-	-	-
Other Sources	206,637	6,003	7,805	-	-	2,628	2,654	2,681
Total revenue	10,055,719	8,559,055	10,714,591	12,501,513	12,510,454	12,719,094	13,077,579	13,446,242
Expenditures								
Salaries and wages	1,412,660	1,279,233	33,614	-	-	-	-	-
Employee benefits	605,676	634,421	19,181	-	-	-	-	-
Purchased services	1,609,705	610,341	521,582	339,164	377,252	342,555	351,119	359,897
Supplies and materials	1,211,875	2,501,329	2,733,261	5,430,593	5,352,319	5,097,326	5,224,759	5,355,378
Capital expenditures	4,715,569	5,714,816	6,484,533	9,627,600	8,101,653	9,091,715	9,333,350	9,582,233
Other expenditures	4,237	9,431	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Total expenditures	9,559,722	10,749,570	9,792,171	15,397,357	13,831,224	14,531,597	14,909,228	15,297,509
Revenue over expenditures	495,997	(2,190,515)	922,421	(2,895,844)	(1,320,770)	(1,812,502)	(1,831,649)	(1,851,267)
Other financing sources (uses)								
Other								
Capital lease	-	(585,000)	(18,115)	-	-	-	-	-
Total other financing sources (uses)	-	(585,000)	(18,115)	-	-	-	-	-
Net change in fund balances	495,997	(2,775,515)	904,306	(2,895,844)	(1,320,770)	(1,812,502)	(1,831,649)	(1,851,267)

The District 196 operating capital budget serves the district as the funding source for capital projects for the schools and departments. The operating capital budget is reported as a restricted portion of the general fund, similar to the LTFM program and is broken out into two key parts: district requests and school allocations, outlined below. Typical expenditures in the operating capital include vehicles, major equipment, technology resources, copier leases, and curriculum materials. This budget is completed during the capital budget process and is approved by the school board in April for the following school year.

District Requests: Schools and departments submit project requests to be covered from the district operating capital budget. These requests are typically larger purchases such as equipment or building enhancements not covered in the LTFM or Building Constructions funds. After setting a limit for total district capital requests, the District cabinet members review individual requests and make selections based on certain factors.

School Allocations: Each school received a capital budget allocation based on the schools projected enrollment and age of the building. Schools may use this allocation for capital expenditures not covered in the LTFM, Building Construction or District operating capital budgets. Many schools use the allocation for minor building enhancements, capital copier leases, and technology resources and devices. Please see page 68 in the Organizational Section for the 2023-24 capital school allocations.

<u>Summary of Requested Expenditures</u>	<u>Recommended Amounts</u>	<u>Category Description</u>
Administrative & Instructional Technology	\$945,000	Firewall/filtering maintenance, Qualtrics research software, core software licensing fees and emergency needs;
Band Instruments - Districtwide	\$154,000	New band instruments for band programs throughout the district
Curriculum Materials & Media Resources	\$4,934,734	Textbooks within multiple disciplines, formative assessment tools, online teaching and learning resources, and media resources
District Support Departments	\$626,780	Various projects identified by district departments, including central receiving, district print shop, facilities and grounds, technology, and transportation;
Contingency for Unplanned Expenses	\$50,000	Budgeted contingency for unexpected expenses or emergency needs
Building & Equipment Leases	\$5,571,806	Expenses funded through the lease levy and equipment lease purchases, including the ice arena and turf projects lease levies
Major Maintenance/Special Projects	\$500,000	Various equipment needs throughout the district, including mowers, card reader and video security enhancements, facility enhancements, custodial equipment, and other items;
School Building Allocation	\$1,048,902	Allocation to be split between schools and budgeted for each site, which includes \$4,000 for the Band for All program for equipment, technology needs, and building improvements not included in the district request process.
Subtotal - Expenditures	\$ 13,831,24	

Special Revenue Funds – All Sub-Accounts Combined

Fund Overview – The special revenue funds consists of two separate funds. They are: 1) food service special revenue fund, and 2) the community service fund. Detailed financial information for these two special revenue funds can be found in the pages immediately following this summary page.

The following schedule shows the combined actual, budgeted and projected activities of the food service and community service special revenue funds for 2019-20 through 2026-27 school years, with revenues reported by the source and expenditures reported by object.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
State sources	3,959,871	3,507,924	3,997,286	4,341,436	14,543,993	14,478,203	14,620,332	14,763,877
Property taxes	1,754,512	1,784,271	1,798,147	1,756,746	1,802,362	1,832,941	1,887,929	1,944,567
Federal sources	5,665,215	10,924,893	18,518,809	5,836,163	5,784,550	4,970,700	4,980,641	4,990,602
Other Sources	8,365,790	2,453,624	4,859,086	10,960,536	7,645,064	7,925,925	8,066,198	8,209,097
Total revenue	19,745,387	18,670,712	29,173,328	22,894,881	29,775,969	29,207,768	29,555,099	29,908,143
Expenditures								
Salaries and wages	9,053,688	9,335,343	10,891,355	11,732,373	12,372,821	11,977,281	12,201,503	12,430,203
Employee benefits	2,728,548	2,985,628	3,451,114	3,908,721	4,488,724	4,131,550	4,257,857	4,389,241
Purchased services	1,405,979	672,692	812,420	(128,869)	123,373	128,535	128,391	128,246
Supplies and materials	5,553,935	4,946,960	8,265,629	9,026,465	7,773,365	7,357,455	7,561,300	7,771,181
Capital expenditures	213,502	271,687	432,667	227,000	1,587,500	1,601,627	1,617,195	1,632,920
Other expenditures	571,609	762,243	1,188,542	1,299,988	653,627	659,374	668,197	677,142
Total expenditures	19,527,260	18,974,554	25,041,728	26,065,678	26,999,410	25,855,822	26,434,443	27,028,933
Revenue over expenditures	218,127	(303,842)	4,131,600	(3,170,797)	2,776,559	3,351,946	3,120,656	2,879,210
Other financing sources (uses)								
Other	262,358	-	-	-	-	-	-	-
Transfers in	136,871	34,763	92,212	164,746	135,061	138,366	141,133	143,956
Total other financing sources (uses)	399,229	34,763	92,212	164,746	135,061	138,366	141,133	143,956
Net change in fund balances	617,355	(269,079)	4,223,812	(3,006,051)	2,911,620	3,490,312	3,261,789	3,023,166
Fund balances								
Beginning of year	6,909,928	7,527,283	7,258,204	11,482,016	8,475,964	11,387,584	14,877,896	18,139,686
End of year	7,527,283	7,258,204	11,482,016	8,475,964	11,387,584	14,877,896	18,139,686	21,162,852

The district's two special revenue funds (food service and community service) are used to report revenues and expenditures specifically specified in Minnesota Statutes. Both funds have a long history of self-sustainment. The budget for the coming fiscal year anticipates a return to more normal operations with both funds projecting increased activity during the 2024 fiscal year and beyond.

Special Revenue Funds – Food Service Fund

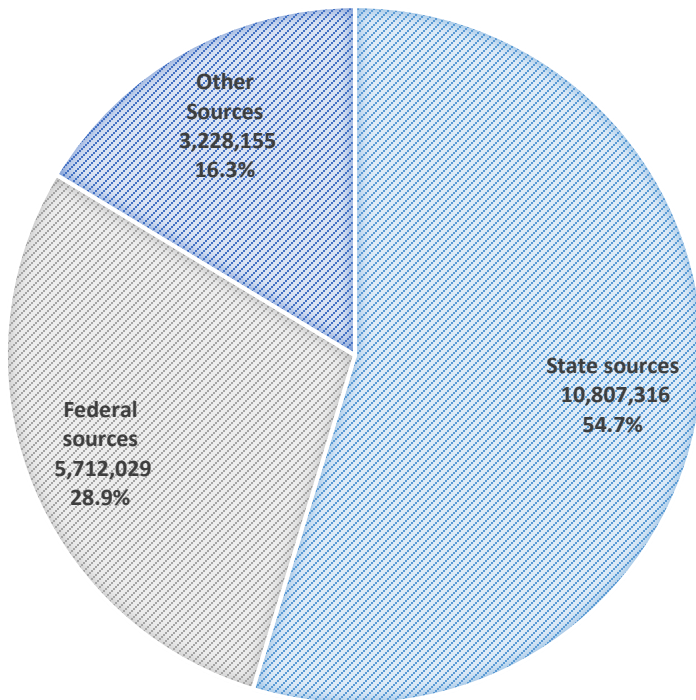
Fund Overview – The food service special revenue fund is used to account for the district's child nutrition program, which strives to provide high-quality, nutritious breakfasts and lunches for students. The food service special revenue fund is self-sustaining. All costs of the food and nutrition programs are covered by receipts from sales to students and adults and reimbursements from federal and state governments. Below is a summary of the food service special revenue fund activity, with revenues reported by the source and expenditures reported by object dimension.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
State sources	690,117	-	534,666	795,000	10,807,316	10,863,121	10,971,752	11,081,469
Federal sources	5,606,436	10,054,372	18,255,391	5,475,000	5,712,029	4,902,338	4,912,143	4,921,967
Other Sources	5,069,988	116,208	885,276	7,020,800	3,228,155	3,785,141	3,860,342	3,937,043
Total revenue	11,366,541	10,170,580	19,675,333	13,290,800	19,747,500	19,550,600	19,744,237	19,940,479
Expenditures								
Salaries and wages	3,701,405	3,671,049	4,455,627	4,775,175	5,156,387	4,661,028	4,748,408	4,837,532
Employee benefits	1,058,757	1,071,509	1,242,996	1,463,224	1,903,315	1,595,127	1,642,088	1,690,868
Purchased services	507,823	569,466	642,982	100,000	250,000	130,966	130,966	130,966
Supplies and materials	5,308,526	4,734,648	7,973,643	8,691,270	7,426,436	7,005,186	7,203,790	7,408,352
Capital expenditures	202,042	270,478	410,101	200,000	1,560,000	1,575,080	1,590,311	1,605,694
Other expenditures	313,993	491,488	692,051	800,000	245,100	213,467	215,602	217,758
Total expenditures	11,092,547	10,808,638	15,417,401	16,029,669	16,541,238	15,180,854	15,531,166	15,891,170
Revenue over expenditures	273,994	(638,058)	4,257,933	(2,738,869)	3,206,262	4,369,746	4,213,072	4,049,310
Other financing sources (uses)								
Other	262,358	-	-	-	-	-	-	-
Net change in fund balances	536,352	(638,058)	4,257,933	(2,738,869)	3,206,262	4,369,746	4,213,072	4,049,310
Fund balances								
Beginning of year	4,115,839	4,652,191	4,014,133	8,272,066	5,533,196	8,739,458	13,109,203	17,322,275
End of year	4,652,191	4,014,133	8,272,066	5,533,196	8,739,458	13,109,203	17,322,275	21,371,585

The food service fund balance is available for investment in revenue-generating activity, which help offset costs within the program. The fund balance is also used to cover the cost of major equipment replacement and cafeteria area upgrades. Without this fund balance, funding for such expenditures would be required from the general fund.

Special Revenue Funds – Food Service Fund (continued)

FOOD SERVICE FUND REVENUES BY SOURCE



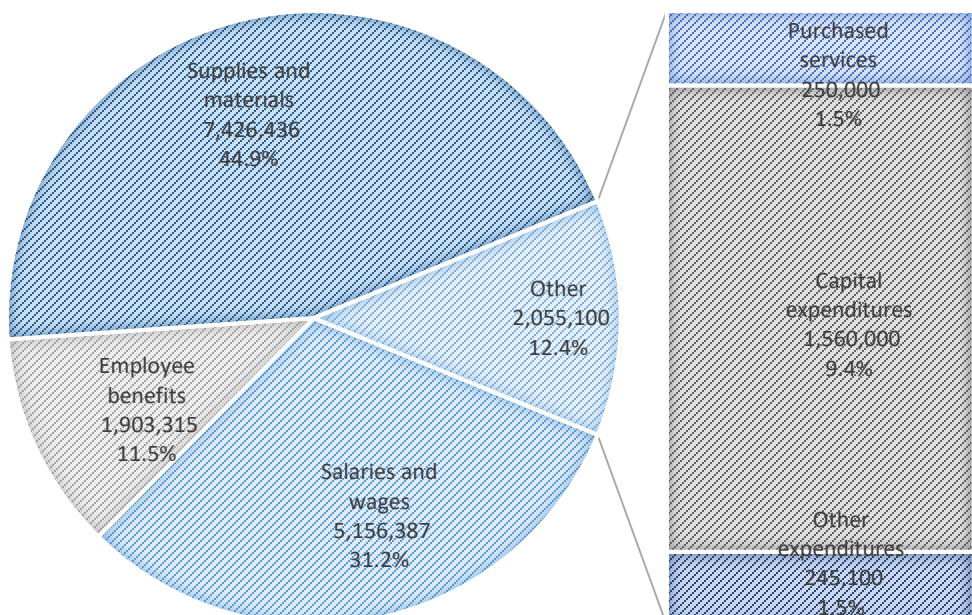
Revenues – At 54.7 percent of the budget, state revenues represent the largest share of revenues in the food service special revenue fund. Federal sources, at 28.9 percent, represent the second largest share of revenue budget. The district receives reimbursement from the federal government for meals served to students who qualify for meal assistance. At 16.3 percent, other sources make up the remaining food service revenues. Similar to the federal reimbursements, the state of Minnesota also reimburses the district for each meal served to students who qualify for meal assistance. In the spring of 2023, the Minnesota Legislature passed free breakfast/lunch meals for all students, effective with the 2023-24 school year. This law will drastically change the proportion of food service revenue received from the state. The table below shows district prices for lunch and breakfast for the 2022-23 school year. The 2023-24 food service fund revenue budget is \$19.747 million, which is a significant increase from the 2022-23 final budget. The projected increase is due to the district planning to provide more meals with free breakfast and lunch available to all students.

2022-23 Paid Meal Prices

	Breakfast	Lunch
Elementary Schools	1.55	2.50
Middle Schools	1.60	2.55
High Schools	1.60	2.65
Adults	2.25	4.95
Milk (all)	0.40	0.40

Expenditures – At approximately 44.9 percent, supplies and materials represent the largest single share of food service expenditures; of which food and milk are the largest costs drivers. The Healthy Hunger-Free Kids Act of 2010 requires more fresh fruit and vegetables, whole grain items and low-fat dairy be served on all menus. This requirement, established by the United States Department of Agriculture (USDA), puts additional pressure on the food service special revenue fund's ability to maintain a healthy fund balance and remain a self-supporting fund. Salaries and benefits combined account for approximately 42.7 percent of the food service fund expenditures. The 2023-24 food service expenditure budget is \$16.54 million, a \$0.50 million increase from the 2022-23 final budget. The projected increase is due to the district planning to provide more meals with free breakfast and lunch available to all students.

FOOD SERVICE FUND EXPENDITURES BY OBJECT



Special Revenue Funds – Community Service Fund

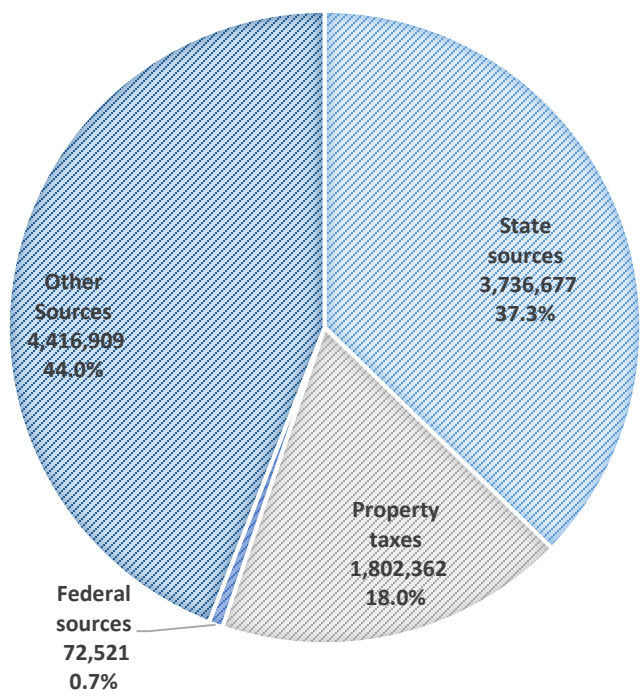
Fund Overview – The community service special revenue fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, adult and early childhood programs, or other similar services. The community service special revenue fund is required to be self-sustaining, in which all fees, aid and tax receipts and other reimbursements are expected to cover the operating costs associated with this fund. Below is a summary of the community service special revenue fund activity, with revenues reported by the source and expenditures reported by object.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
State sources	3,269,753	3,507,924	3,462,620	3,546,436	3,736,677	3,615,082	3,648,580	3,682,408
Property taxes	1,754,512	1,784,271	1,798,147	1,756,746	1,802,362	1,832,941	1,887,929	1,944,567
Federal sources	58,779	870,521	263,418	361,163	72,521	68,361	68,498	68,635
Other Sources	3,295,802	2,337,416	3,973,810	3,939,736	4,416,909	4,140,783	4,205,855	4,272,053
Total revenue	8,378,846	8,500,132	9,497,995	9,604,081	10,028,469	9,657,168	9,810,862	9,967,663
Expenditures								
Salaries and wages	5,352,283	5,664,294	6,435,728	6,957,198	7,216,434	7,316,253	7,453,095	7,592,671
Employee benefits	1,669,790	1,914,119	2,208,118	2,445,497	2,585,409	2,536,423	2,615,769	2,698,373
Purchased services	898,156	103,226	169,438	(228,869)	(126,627)	(2,431)	(2,575)	(2,720)
Supplies and materials	245,409	212,312	291,986	335,195	346,929	352,269	357,509	362,829
Capital expenditures	11,459	1,209	22,566	27,000	27,500	26,547	26,884	27,226
Other expenditures	257,615	270,756	496,491	499,988	408,527	445,907	452,595	459,384
Total expenditures	8,434,713	8,165,916	9,624,327	10,036,009	10,458,172	10,674,968	10,903,278	11,137,763
Revenue over expenditures	(55,867)	334,215	(126,333)	(431,928)	(429,703)	(1,017,800)	(1,092,415)	(1,170,100)
Other financing sources (uses)								
Transfers in	136,871	34,763	92,212	164,746	135,061	138,366	141,133	143,956
Net change in fund balances	81,004	368,979	(34,121)	(267,182)	(294,642)	(879,434)	(951,282)	(1,026,144)
Fund balances								
Beginning of year	2,794,089	2,875,093	3,244,071	3,209,950	2,942,768	2,648,126	1,768,693	817,411
End of year	2,875,093	3,244,071	3,209,950	2,942,768	2,648,126	1,768,693	817,411	(208,733)

The community service fund balance is comprised of restricted accounts. Each area within the community education fund has specific revenue sources, each with a specific statutory requirement on the use of funds. The fund balance is thus available to provide for the programing needs per the funding source restrictions, such as early childhood learning and adult basic education.

Special Revenue Funds – Community Service Fund (continued)

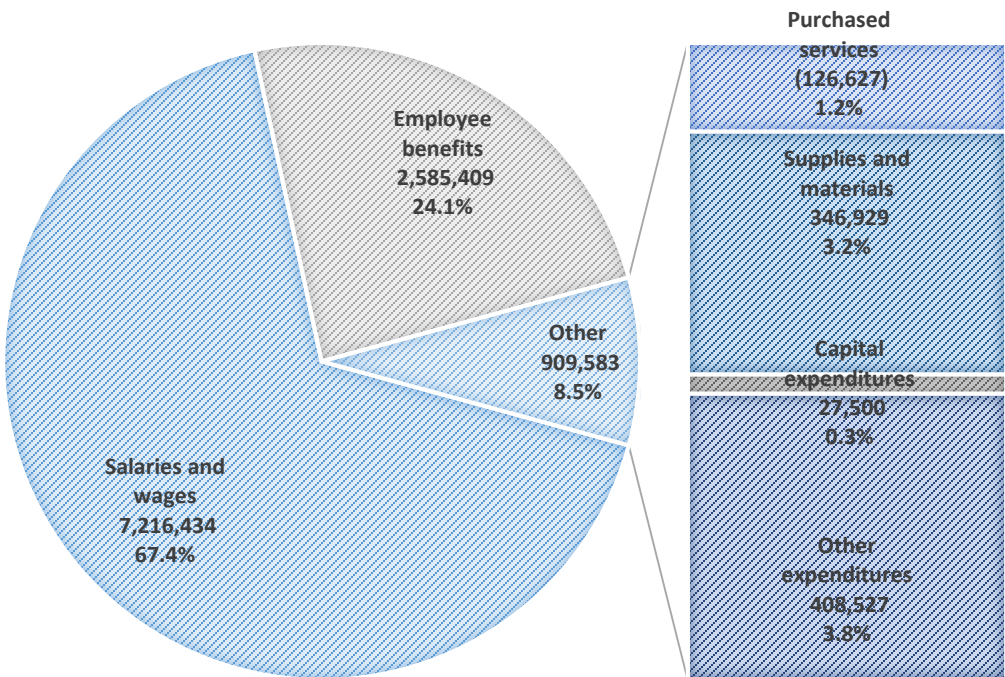
COMMUNITY SERVICE FUND REVENUES BY SOURCE



Revenues – The 2023-24 community service fund revenue budget is \$10.028 million; an increase of \$0.40 million compared to the current year’s final budget. The three major sources of funding of the community service fund are state aids, property tax levy revenue and federal aids. Similar to the food service special revenue fund, other revenues, at 44.0 percent, represent the largest share of revenues in the community service special revenue fund. Most of these revenues come from program registration fees, facility rental payments and fees charged to participants in community education enrichment programs such as swimming lessons, summer band program and special interest classes. At 37.3 percent, state sources represent the second largest share of revenues. Some examples of state aids reported in this special revenue fund are early childhood family education aid, school readiness state aid, adult basic education aid and pre-school screening state aid. For the 2023-24 school year, property tax revenue is projected to be \$1.802 million, or 18.0 percent of the revenue budget. The 2023-24 projections for state aids and property tax levy revenue show a slight increase from the 2022-23 final budget.

COMMUNITY SERVICE FUND EXPENDITURES BY OBJECT

Expenditures – The 2023-24 community service fund expenditure budget totals \$10.458 million, a net increase of nearly \$422,000, from the 2022-23 final budget. Salaries and benefits represent 91.5 percent of the expenses, the largest portion of the budget. Purchased services, including contracted work provided by outside sources, account for approximately 1.2 percent of the budget. The budgets for supplies and materials account for 3.2 percent of the budget. Capital and other expenditures, such as technology equipment, furniture and fixtures, site and building improvements, memberships and license fees totaled 4.1 percent of the total budget.



Capital Projects – Building Construction Fund

Fund Overview – The capital projects building construction fund is used to account for financial resources used for the acquisition or construction of major capital facilities authorized by bond issue and state-approved projects supported by property tax levy and state aid. The Long-Term Facilities Maintenance (LTFM) program, authorized in 2016, replaced previous deferred maintenance funding and restricted the use of this revenue stream in the building construction fund for projects costing in excess of \$2 million per building. Since most of the district's deferred maintenance projects are well below this threshold, the LTFM revenue and expenditures are included in the general fund.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
Other Sources	227,879	251,928	4,052	3,600	300,000	300,137	303,138	306,170
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	30,000	36,000,000	37,000,000	38,000,000	39,000,000
Other expenditures	-	-	-	-	-	-	-	-
Debt Service	173,147	-	-	-	-	-	-	-
Total expenditures	6,290,382	10,623,533	19,042,686	30,000	36,000,000	37,000,000	38,000,000	39,000,000
Revenue over expenditures	(6,062,503)	(10,371,605)	(19,038,634)	(26,400)	(35,700,000)	(36,699,863)	(37,696,862)	(38,693,830)
Other financing sources (uses)								
Debt issuances	-	-	-	-	275,000,000	-	-	110,000,000
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	-	275,000,000	-	-	110,000,000
Net change in fund balances	3,441,699	(830,048)	(8,340,739)	(26,400)	239,300,000	(36,699,863)	(37,696,862)	71,306,170
Fund balances								
Beginning of year	6,027,686	9,469,385	8,639,337	298,598	272,199	239,572,199	202,872,336	165,175,474
End of year	9,469,385	8,639,337	298,598	272,199	239,572,199	202,872,336	165,175,474	236,481,644

Note: Turf Field project was approved after completion of the final budget for 2019-20. The other sourcing including in this column reflects the projected ending fund balance for this project

On November 3, 2015, district residents approved a referendum question for \$180 million in capital improvements and technology funding. The approved referendum provided the district with \$130 million in bonding authority to make safety and security improvements at all schools, provide a new elementary school, and upgrade technology infrastructure districtwide. The 2019-20 school year marked the fourth year of the projects funded by this question. The funds from this referendum were depleted during the 2022-23 fiscal year.

The 2021-22 building construction fund expenditure budget includes expenditures for the completion of new turf fields at Eastview High School and Apple Valley High School. These projects were primarily completed during the summer of 2021. Turf fields were installed at Eagan High School and Rosemount High School during the summer of 2020. The projected fund balance represents the residual funds available at June 30, anticipated to be spent during the ensuing summer to finalize building projects prior to the beginning of the school year.

On May 9, 2023, district voters approved two building bond referendums valued at \$493 million. Construction will begin during the 2023-24 school year and last for many years. Significant projects include a new elementary school, a replacement middle school for Rosemount middle school, and activity centers at the four comprehensive high schools. The district anticipates multiple bond issuances to complete these projects, beginning with \$275.0 million in bond proceeds in the 2023-24 fiscal year.

Debt Service Funds – All Sub-Accounts Combined

Fund Overview – The district maintains two separate debt service funds. They are: 1) regular debt service, and 2) other post-employment (OPEB) debt service fund. In Spring 2008, the Minnesota Legislature enacted Minnesota Statutes Section 471.6175 which authorized a Minnesota political subdivision that has created an actuarial liability to pay other post-employment benefits (OPEB) to employees to establish a trust to pay those benefits and to finance those other post-employment benefits in advance. The district's OPEB debt service fund was established in January 2009 to account for other post-employment benefits debt service payments.

School districts are required to certify their debt service needs to the Minnesota Department of Education (MDE) annually in September, and they are allowed to request an additional five percent of the total request to cover potential tax delinquencies. This is the main reason school districts must have a fund balance in their debt service funds. The MDE reviews school districts' debt service fund balances annually and, as needed, make adjustments to reduce the districts' fund balances. This adjustment allows the debt service fund balances to remain relatively stable.

The following schedule shows the actual, budgeted and projected activities of the regular debt service and OPEB debt service funds for the 2019-20 through 2026-27 school years, with revenues reported by the source and expenditures reported by object.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
State Sources	145,094	81,581	48,827	42,400	82,400	57,991	58,107	58,224
Property Taxes	17,822,204	17,935,108	17,760,197	17,903,211	17,402,694	18,111,002	18,654,332	19,213,962
Other	105,070	7,091	15,439	245,000	20,000	12,941	13,071	13,201
Total revenue	18,072,368	18,023,780	17,824,464	18,190,611	17,505,094	18,181,935	18,725,510	19,285,387
Expenditures								
Principal	11,330,000	11,800,000	12,205,000	12,205,000	12,955,000	12,467,455	12,479,922	12,492,402
Interest	5,771,169	5,254,919	4,713,969	4,715,000	3,645,900	4,362,648	4,367,011	4,371,378
Fiscal charges and other	1,425	1,850	123,919	10,000	70,000	68,041	68,109	68,177
Total expenditures	17,102,594	17,056,769	17,042,888	16,930,000	16,670,900	16,898,144	16,915,042	16,931,957
Revenue over expenditures	969,774	967,011	781,576	1,260,611	834,194	1,283,791	1,810,468	2,353,430
Other financing sources (uses)								
Debt issuances	-	-	12,235,562	-	-	-	-	-
Debt refunding payments	-	-	(12,110,000)	-	-	-	-	-
Total other financing sources (uses)	-	-	125,562	-	-	-	-	-
Net change in fund balances	969,774	967,011	907,138	1,260,611	834,194	1,283,791	1,810,468	2,353,430
Fund balances								
Beginning of year	1,699,990	2,669,764	3,636,775	4,543,913	5,804,524	6,638,718	7,922,509	9,732,977
End of year	2,669,764	3,636,775	4,543,913	5,804,524	6,638,718	7,922,509	9,732,977	12,086,407

The district strives to utilize debt sparingly. The bonded debt is primarily accessed for major construction and renovation of school buildings. The last such issuance facilitated the construction of a new elementary building, upgrades to learning spaces and secure entrances for existing buildings, and acquisition of land for future development of school buildings.

Funding for debt service is aligned with each outstanding debt issue's financing schedule. The resources of the debt service funds are dedicated to the payment of outstanding debt obligations of the district. Revenues and expenditures for the district's debt service funds are directly tied to the district's bond principal and interest payments. Almost all debt service revenue comes from property tax levy.

During the levy certification process, the district is required to levy for an additional amount in excess of the projected principal and interest payments not to exceed five percent. The fund balance in the debt service fund is a product of this requirement and is available to help the district maintain its obligation to lenders by minimizing the risk of default resulting from fluctuations in the collection of property taxes.

Debt Service Funds – Regular Debt Service Fund

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

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
State Sources	145,094	81,581	48,827	42,400	82,400	57,991	58,107	58,224
Property Taxes	17,813,185	17,935,108	17,760,197	17,903,211	17,402,694	18,111,002	18,654,332	19,213,962
Other Sources	105,070	7,091	15,439	245,000	20,000	12,941	13,071	13,201
Total revenue	18,063,350	18,023,780	17,824,464	18,190,611	17,505,094	18,181,935	18,725,510	19,285,387
Expenditures								
Principal	11,330,000	11,800,000	12,205,000	12,205,000	12,955,000	12,467,455	12,479,922	12,492,402
Interest	5,771,169	5,254,919	4,713,969	4,715,000	3,645,900	4,362,648	4,367,011	4,371,378
Fiscal charges and other	1,425	1,850	123,919	10,000	70,000	68,041	68,109	68,177
Total expenditures	17,102,594	17,056,769	17,042,888	16,930,000	16,670,900	16,898,144	16,915,042	16,931,957
Revenue over expenditures	960,756	967,011	781,576	1,260,611	834,194	1,283,791	1,810,468	2,353,430
Other financing sources (uses)								
Debt issuances	-	-	12,235,562	-	-	-	-	-
Debt refunding payments	-	-	(12,110,000)	-	-	-	-	-
Total other financing sources (uses)	-	-	125,562	-	-	-	-	-
Net change in fund balances	960,756	967,011	907,138	1,260,611	834,194	1,283,791	1,810,468	2,353,430
Fund balances								
Beginning of year	(554,624)	406,132	1,373,143	2,280,281	3,540,892	4,375,086	5,658,877	7,469,345
End of year	406,132	1,373,143	2,280,281	3,540,892	4,375,086	5,658,877	7,469,345	9,822,775

Revenues for the regular debt service fund are directly tied to the district's bond principal and interest payment needs. The projected revenue for the 2023-24 school year is \$17.50 million. Close to 100 percent of the projected revenue come from property tax levy, while only a very small percentage comes from the state in the form of homestead and agricultural market value credits.

Regular debt service fund expenditure projection for the 2023-24 school year is \$16.67 million for the use in satisfying the year's bond principal and interest payments. The district's current debt limits are 3.74% of the calculated legal debt limit. The table below shows a list of the district's current outstanding debt; additional information regarding debt issues and future minimum payments can be found in the Informational Section of this document, beginning on page 135. As shown, the current debt obligations mature more than five years from the current budget cycle.

Issue	Type	Issue Date	Interest Rate (%)	Issue Amount	Final Maturity	Principal Outstanding	Due in One Year
2012C Refunding (1)	Bond	06/07/12	3.00-4.50	24,210,000	02/01/25	-	-
2013A Refunding (1)	Bond	06/15/13	2.00-3.00	12,100,000	02/01/25	-	-
2016A School Building Bonds	Bond	02/16/16	1.00-5.00	112,150,000	02/01/30	77,805,000	9,320,000
2022A Refunding	Bond	02/03/22	5.00	11,235,000	02/01/25	7,455,000	3,635,000

(1) Obligations for the 2012C and 2013A Refunding Bonds were met and reissued as part of the 2022A Refunding Bonds. The information in the table includes the original maturity date, but no current debt obligations exist for these issues.

Debt Service Funds – Other Post-Employment Benefits (OPEB) Debt Service

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.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
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	2,263,632	2,263,632	2,263,632
End of year	<u>2,263,632</u>	<u>2,263,632</u>	<u>2,263,632</u>	<u>2,263,632</u>	<u>2,263,632</u>	<u>2,263,632</u>	<u>2,263,632</u>	<u>2,263,632</u>

The 2018-19 school year was the last year of payments for the OPEB bond obligations. The district has a practice of organizing its debt service schedules to avoid significant fluctuations in its debt service levy, which in turn minimizes the change in property tax levies on district residents.

Proprietary Funds – Internal Service Funds

Fund Overview – The 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.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
Other								
GASB #16	1,578,585	1,140,455	1,131,832	1,670,000	2,000,000	1,616,617	1,632,783	1,649,111
Self-Insured Dental Plan	475,007	459,431	476,076	477,000	477,000	481,459	486,274	491,136
Self-Insured Health Plan	55,676,134	58,333,734	60,101,635	63,007,500	65,045,000	63,345,225	63,978,678	64,618,464
Total revenue	57,729,725	59,933,620	61,709,543	65,154,500	67,522,000	65,443,301	66,097,734	66,758,712
Expenditures								
Salaries and wages								
GASB #16	2,367,729	(149,674)	568,479	699,999	699,999	656,209	659,490	662,788
Employee Benefits								
Self-Insured Dental Plan	373,203	443,112	448,543	455,000	460,000	463,605	472,877	482,334
Self-Insured Health Plan	49,922,050	55,329,457	61,624,206	64,010,000	65,005,000	64,815,247	66,109,468	67,429,574
Total expenditures	52,662,983	55,622,895	62,641,228	65,164,999	66,164,999	65,935,061	67,241,835	68,574,696
Revenue over expenditures	5,066,742	4,310,725	(931,685)	(10,499)	1,357,001	(491,759)	(1,144,101)	(1,815,985)
Other financing sources (uses)								
Transfers in								
Self-Insured Health Plan	-	-	-	-	-	-	-	-
Net change in fund balances	5,066,742	4,310,725	(931,685)	(10,499)	1,357,001	(491,759)	(1,144,101)	(1,815,985)
Fund balances								
Beginning of year	8,269,819	13,336,561	17,647,286	16,715,601	16,705,101	18,062,103	17,570,344	16,426,243
End of year	13,336,561	17,647,286	16,715,601	16,705,101	18,062,103	17,570,344	16,426,243	14,610,258

The district maintains three internal service funds to report activities related to severance, and self-insured health and dental plans. Below is the projected ending fund balance for each of the three internal service funds; explanation and analysis of each fund can be found on the following page.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Fund balance								
GASB #16	(5,017,080)	(3,726,950)	(3,163,597)	(2,193,596)	(893,595)	66,813	1,040,106	2,026,429
Self-Insured Dental Plan	285,741	302,060	329,593	351,593	368,593	386,447	399,844	408,646
Self-Insured Health Plan	18,067,899	21,072,175	19,549,604	18,547,104	18,587,104	17,117,083	14,986,293	12,175,183
Total Fund Balance	13,336,561	17,647,286	16,715,601	16,705,102	18,062,103	17,570,343	16,426,242	14,610,258

Proprietary Funds – Internal Service Funds (continued)

GASB #16 (Severance/Retirement Benefits) – The district uses this internal service fund to pre-fund severance or retirement pay for eligible retirees. Eligibility for these benefits is based on years of service and/or minimum age requirements. The amount of the severance or retirement benefit is calculated by converting a portion of unused accumulated sick leave, by computing a benefit based solely on years of service, or a combination of both. No retiree can receive severance benefits that exceed one year's salary.

The 2023-24 revenue estimate includes projected interest income of \$70,000 from short-term investments and \$0.700 million in estimated severance payments (unused sick leave and vacation days) to be paid from the general account of the general fund. The district is required to report severance payments paid from the general account of the general fund as revenue and expenditure in this internal service account.

Self-Insured Dental Plan - The district uses this internal service fund to record all activities related to its self-insured dental plan. The plan was established in September 2011 (the start of the district's dental plan year) and the district uses a third-party administrator to handle claims and benefits. This self-insured dental plan provides coverage for the superintendent, cabinet-level directors, principals, non-union administrators, special staff, non-licensed specialists, assistant administrators and vehicle technicians. The 2023-24 projected revenue is \$477,000 and the projected expenditure is \$460,000.

Self-Insured Health Plan - The district moved from a fully insured health plan with an outside party to a self-insured health plan in summer 2012. The district uses a third party to handle claims and benefits of the plan. The district assumes all costs up to 115 percent of expected claims as established by a third-party administrator. In addition, the district has stop-loss coverage of \$300,000; any claims from a single individual exceeding this amount are covered by the third-party administrator.

Projected revenues for the 2023-24 school year total \$65.045 million. This represents the district's contributions, employees' share of the premium costs, COBRA payments, payments from eligible retirees and employees who are on leave but have elected to stay on the district's health plan.

Projected expenditures for the 2023-24 school year are estimated to be \$65.005 million, which is based on prior claims, plan membership, inflation and other cost increases.

Fiduciary Funds – Trust Funds

Fund Overview – Trust funds are used to account for assets held in trust by the district for the benefit of individuals or other entities. The district maintains 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.

The district maintains an irrevocable trust to meet its Other Post Employment Benefit (OPEB) obligations. Each bargaining agreement includes language on employee eligibility including age and/or length of service requirements, and the district's cost obligation toward benefit payments from the employee's retirement to their eligibility for Medicare. The table below represents the financial activity of the trust including projections in the coming years.

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Revenues								
OPEB Irrevocable Trust	6,546,997	9,663,992	(6,059,314)	3,000,000	1,600,000	3,037,594	3,067,970	3,098,650
Flex Trust	1,813,004	(125)	-	-	-	-	-	-
Total revenues	8,360,001	9,663,867	(6,059,314)	3,000,000	1,600,000	3,037,594	3,067,970	3,098,650
Expenditures								
OPEB Irrevocable Trust	3,643,391	3,701,408	2,778,866	4,500,000	3,500,000	3,628,885	3,665,174	3,701,826
Flex Trust	1,823,060	619,214	-	-	-	-	-	-
Total expenditures	5,466,451	4,320,622	2,778,866	4,500,000	3,500,000	3,628,885	3,665,174	3,701,826
Net change in fund balances	2,893,550	5,343,245	(8,838,180)	(1,500,000)	(1,900,000)	(591,291)	(597,204)	(603,176)
Fund balances								
Beginning of year	55,114,564	58,008,114	63,351,359	54,513,179	53,013,179	51,113,179	50,521,888	49,924,684
End of year	58,008,114	63,351,359	54,513,179	53,013,179	51,113,179	50,521,888	49,924,684	49,321,509

The fund balance represents the amounts available to meet the district's OPEB obligation as reported in the actuarial report. A summary of the 2023 study is presented below.

GASB Accounting Summary	
1. Estimated GASB Funded Status as of June 30, 2023	
a. Total OPEB Liability (TOL)	\$ 58,666,961
b. Fiduciary Net Position (FNP)	54,565,918
c. Net OPEB Liability (NOL), a. - b.	4,101,043
d. FNP as a % of TOL, b. / a.	93%
e. Valuation Salary	259,199,852
f. NOL as % of Payroll, c. / e.	2%
2. Estimated Annual Costs for the Year Beginning 07/01/2022	
a. Pay-as-you-go Cost (PAYGO)	\$ 4,292,116
b. OPEB Expense Under GASB 75	3,833,879
3. Actuarially Determined Contribution (ADC) *	To be determined
4. Discount Rate	4.60%

* GASB has not defined an ADC, rather this needs to be defined/developed by the employer.

Financial Section School Information





NOTES

Enrollment and F/R lunch status trends are included in each building summary. The key for these trends include:



Enrollment Increase – Change + 10 or More Students
F/R Lunch % Increase – Change + 1.0% or More



Enrollment Decrease – Change - 10 or More Students
F/R Lunch % Decrease – Change - 1.0% or More



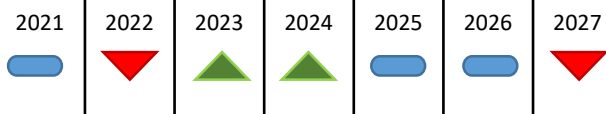
Enrollment Flat Trend– Change +/- Less Than 10 students
F/R Lunch % Flat Trend – Change +/- Less Than 1.0%

Cedar Park Elementary Science, Technology, Engineering and Math (STEM) School
7500 Whitney Drive, Apple Valley, MN 55124

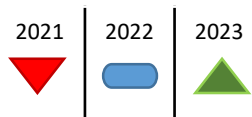
Principal: John Garcia
Phone: 952-431-8360

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



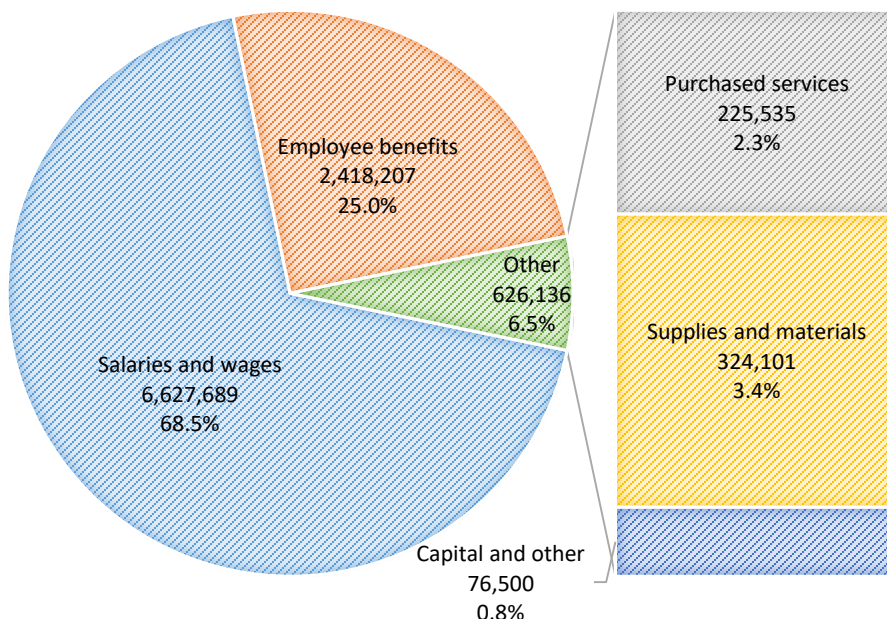
Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
K	129	128	111	122	122	122	122	122
1	112	127	118	118	109	108	108	109
2	107	119	117	122	121	110	110	109
3	101	109	112	120	125	121	112	112
4	108	97	108	108	124	126	124	112
5	125	106	91	111	113	127	131	128
Total	682	686	657	701	714	714	707	692
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	32.2%	25.7%	26.4%	43.6%	31.9%	34.0%	36.5%	34.1%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Actual	Actual	Final Budget	Prelim Budget	Projection	Projection	Projection
Expenditures								
Salaries and wages	5,377,698	5,205,134	5,779,793	6,238,197	6,627,689	6,679,121	6,809,418	6,942,320
Employee benefits	2,007,130	1,873,523	2,139,280	2,265,298	2,418,207	2,473,056	2,544,067	2,617,438
Purchased services	210,403	163,631	241,997	265,405	225,535	281,588	288,400	295,381
Supplies and materials	207,265	102,726	188,316	380,637	324,101	426,351	436,497	446,924
Capital expenditures	27,905	39,422	59,417	137,405	76,500	147,358	149,808	152,316
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,830,401	7,384,436	8,408,804	9,286,942	9,672,032	10,007,474	10,228,190	10,454,379
Total students	682	686	657	701	714	714	707	692
Spending per student	11,482	10,764	12,799	13,248	13,546	14,016	14,467	15,107

2023-24 EXPENSES BY OBJECT (%) – CEDAR PARK ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **68.5%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.0%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.3%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.4%**

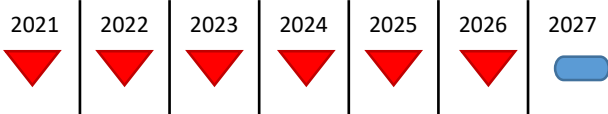
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.8%**

Deerwood Elementary School
1480 Deerwood Drive, Eagan, MN 55122

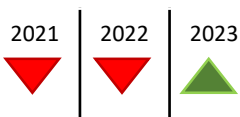
Principal: TBD
Phone: 651-683-6801

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



Enrollment History and Projections

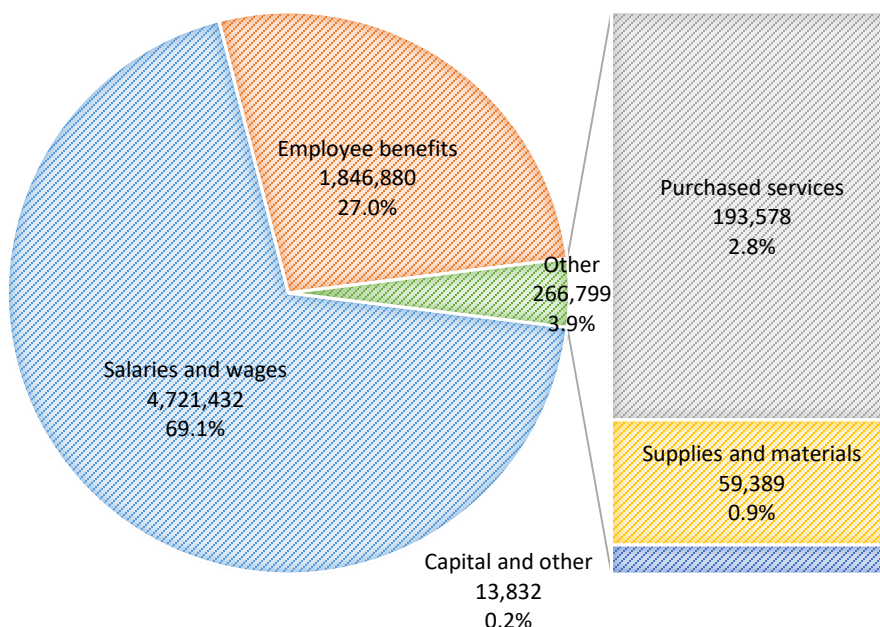
	2020	2021	2022	2023	2024	2025	2026	2027
K	95	73	75	70	70	70	70	70
1	105	95	87	83	76	77	77	77
2	105	103	89	81	84	78	77	77
3	98	102	96	87	82	85	78	79
4	114	95	100	97	89	84	86	79
5	108	116	90	99	100	92	86	90
Total	625	584	537	517	501	486	474	472

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	17.1%	11.3%	10.3%	27.2%	16.3%	17.9%	20.5%	18.2%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Actual	Actual	Final Budget	Prelim Budget	Projection	Projection	Projection
Expenditures								
Salaries and wages	4,452,830	4,612,948	4,538,625	4,366,390	4,721,432	4,695,552	4,788,650	4,883,610
Employee benefits	1,648,544	1,768,131	1,772,921	1,658,991	1,846,880	1,841,591	1,895,565	1,951,354
Purchased services	189,086	232,703	121,359	117,633	193,578	188,748	193,395	198,159
Supplies and materials	63,613	47,980	89,692	74,323	59,389	89,452	91,668	93,940
Capital expenditures	12,154	5,065	12,172	17,560	13,832	11,388	11,481	11,577
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	6,366,226	6,666,826	6,534,769	6,234,897	6,835,111	6,826,731	6,980,760	7,138,640
Total students	625	584	537	517	501	486	474	472
Spending per student	10,186	11,416	12,169	12,060	13,643	14,047	14,727	15,124

2023-24 EXPENSES BY OBJECT (%) – DEERWOOD ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **69.1%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **27.0%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.8%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **.9%**

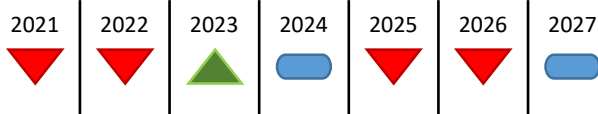
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.2%**

Diamond Path Elementary School of International Studies
14455 Diamond Path West, Apple Valley, MN 55124

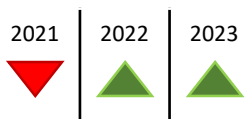
Principal: Rob Nelson
Phone: 952-423-7695

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



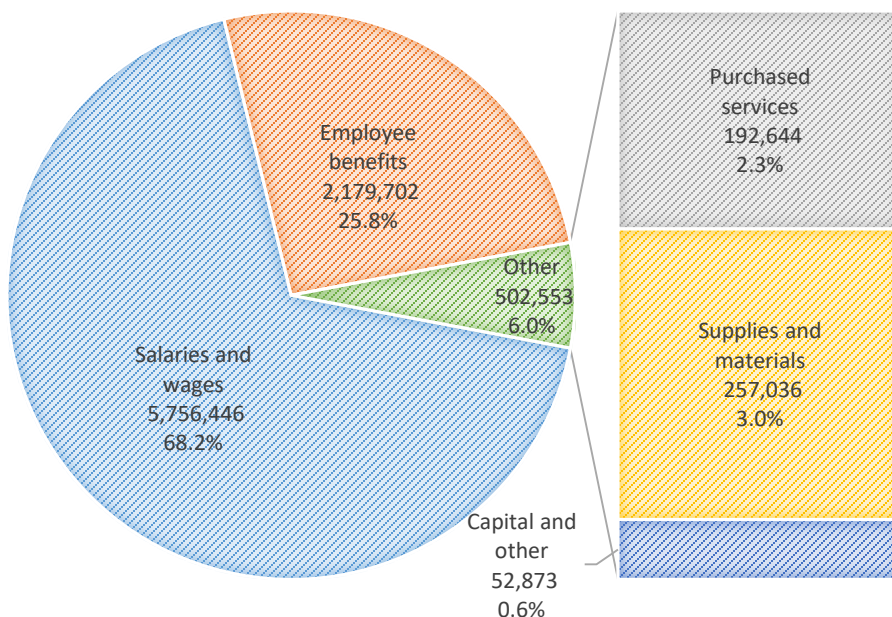
Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
K	122	92	102	116	116	116	116	116
1	123	115	101	105	96	96	96	97
2	114	120	115	105	107	97	98	97
3	132	110	108	118	108	109	99	100
4	132	138	94	113	120	108	110	100
5	120	128	129	102	118	125	112	114
Total	743	703	649	659	665	651	631	624
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	13.5%	10.9%	12.3%	25.6%	16.3%	18.0%	19.9%	18.1%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	4,883,526	5,150,145	5,138,275	5,331,225	5,756,446	5,625,647	5,737,877	5,852,351
Employee benefits	1,818,411	1,786,066	1,866,642	1,954,651	2,179,702	2,095,650	2,156,727	2,219,842
Purchased services	185,965	263,037	134,853	233,388	192,644	208,348	213,494	218,770
Supplies and materials	223,344	76,720	75,201	343,065	257,036	303,705	312,185	320,905
Capital expenditures	28,348	50,913	32,578	31,344	52,873	44,731	44,979	45,229
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,139,594	7,326,880	7,247,549	7,893,673	8,438,701	8,278,081	8,465,262	8,657,096
Total students	743	703	649	659	665	651	631	624
Spending per student	9,609	10,422	11,167	11,978	12,690	12,716	13,416	13,874

2023-24 EXPENSES BY OBJECT (%) – DIAMOND PATH ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **68.2%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.8%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.3%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.0%**

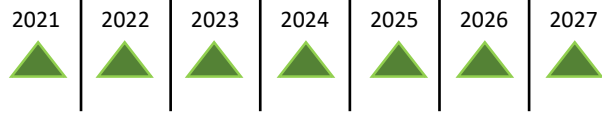
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.6%**

East Lake Elementary School
4715 162nd Street West, Lakeville, MN 55044

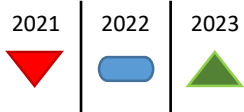
Principal: Miles Haugen
Phone: 952-423-7896

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



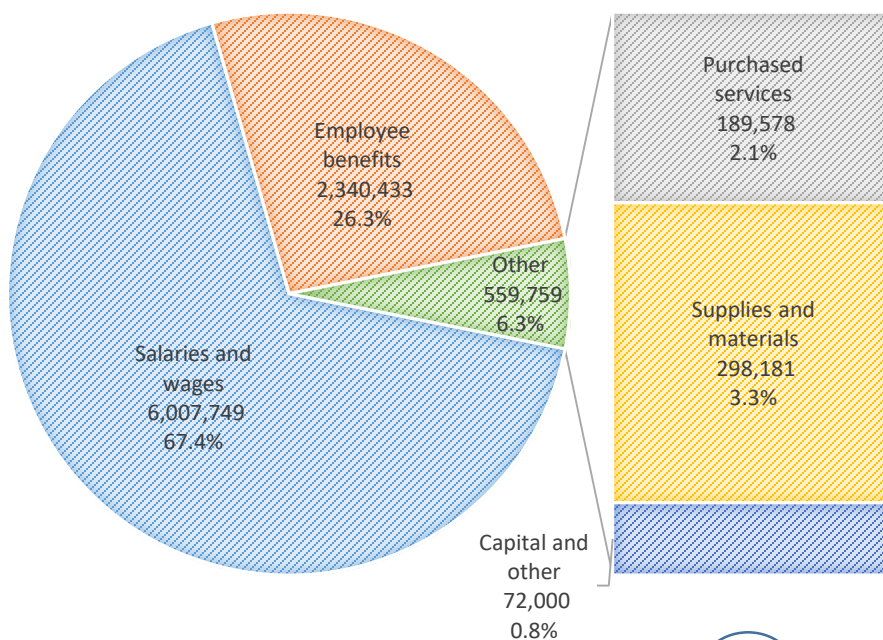
Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
K	126	117	142	120	120	120	120	120
1	121	117	116	153	141	140	140	141
2	132	124	121	122	156	142	142	142
3	118	129	126	132	125	157	145	145
4	99	129	127	129	134	126	160	146
5	110	102	125	130	133	139	132	165
Total	706	718	757	786	809	824	839	859
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	8.8%	7.2%	7.0%	12.6%	8.9%	9.5%	10.4%	9.6%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	4,397,569	4,858,356	5,540,239	5,751,007	6,007,749	6,005,502	6,125,530	6,247,959
Employee benefits	1,544,171	1,750,667	1,970,180	2,129,015	2,340,433	2,282,414	2,349,896	2,419,659
Purchased services	104,238	106,073	153,822	157,549	189,578	205,988	211,034	216,205
Supplies and materials	154,252	100,014	108,889	471,553	298,181	403,238	414,192	425,452
Capital expenditures	48,921	11,368	60,082	68,146	72,000	84,524	85,296	86,077
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	6,249,151	6,826,479	7,833,211	8,577,270	8,907,941	8,981,666	9,185,948	9,395,351
Total students	706	718	757	786	809	824	839	859
Spending per student	N/A	9,507.63	10,347.70	10,912.56	11,011.05	10,900	10,949	10,938

2023-24 EXPENSES BY OBJECT (%) – EAST LAKE ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **67.4%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **26.3%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.1%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.3%**

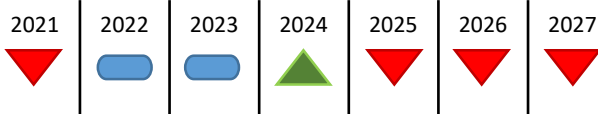
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.8%**

Echo Park Elementary School of Leadership, Engineering & Technology
14100 County Road 11, Burnsville, MN 55337

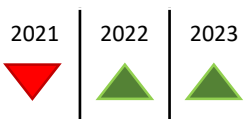
Principal: Logan Schultz
Phone: 952-431-8390

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



Enrollment History and Projections

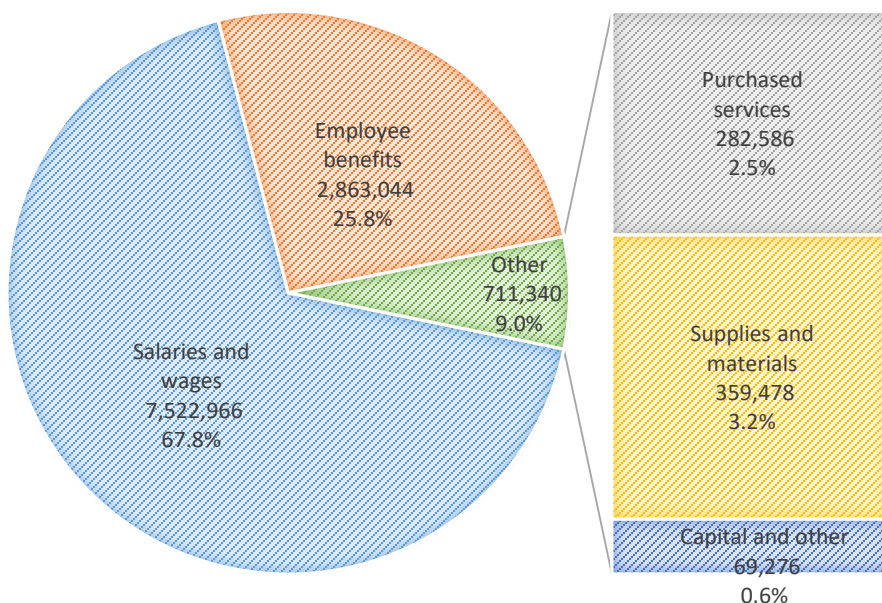
	2020	2021	2022	2023	2024	2025	2026	2027
K	118	113	116	104	104	104	104	104
1	144	118	115	114	106	104	104	105
2	122	133	123	117	117	106	107	106
3	105	125	130	121	121	118	107	108
4	120	105	117	138	127	120	119	109
5	124	111	105	111	142	128	125	123
Total	733	705	706	705	717	680	666	655

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	40.9%	31.1%	35.9%	50.0%	39.0%	41.7%	43.6%	41.4%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	6,287,365	6,379,236	6,894,972	7,104,862	7,522,966	7,574,953	7,719,604	7,867,148
Employee benefits	2,248,876	2,261,733	2,462,426	2,698,127	2,863,044	2,873,354	2,956,495	3,042,408
Purchased services	241,731	207,532	268,797	297,983	282,586	308,577	316,200	324,014
Supplies and materials	347,538	97,221	122,937	489,830	359,478	436,905	448,809	461,043
Capital expenditures	198,728	16,121	39,365	63,839	69,276	57,870	58,519	59,181
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	9,324,237	8,961,843	9,788,496	10,654,641	11,097,350	11,251,659	11,499,628	11,753,795
Total students	733	705	706	705	717	680	666	655
Spending per student	12,721	12,712	13,865	15,113	15,477	16,547	17,267	17,945

2023-24 EXPENSES BY OBJECT (%) – ECHO PARK ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **67.8%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.8%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.5%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.2%**

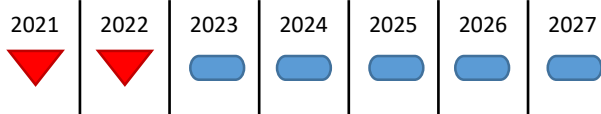
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.6%**

Glacier Hills Elementary School of Arts and Science
3825 Glacier Drive, Eagan, MN 55123

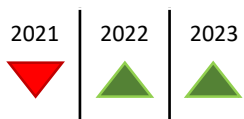
Principal: Adriana Henderson
Phone: 651-683-8570

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



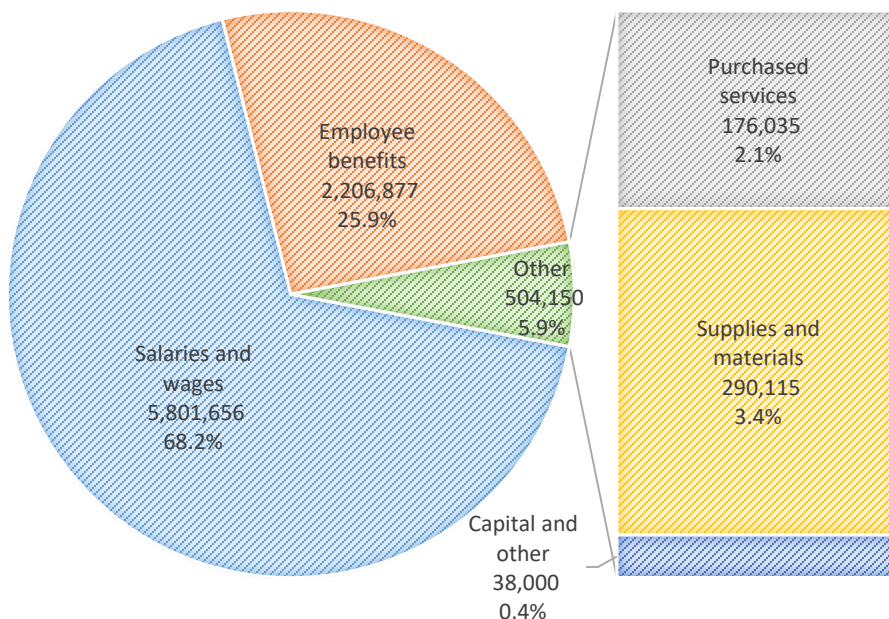
Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
K	103	94	110	96	96	96	96	96
1	118	108	110	115	105	105	105	106
2	114	114	110	107	116	106	106	106
3	127	113	103	113	109	118	109	109
4	123	129	114	105	117	110	121	110
5	144	124	108	115	110	119	114	124
Total	729	682	655	651	653	654	651	651
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	16.8%	13.1%	17.2%	27.5%	19.2%	21.3%	22.7%	21.1%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	5,294,083	5,417,078	5,372,161	5,544,728	5,801,656	5,838,240	5,953,659	6,071,386
Employee benefits	1,878,284	1,959,396	1,990,371	2,082,797	2,206,877	2,216,635	2,281,007	2,347,530
Purchased services	432,248	107,169	165,803	181,790	176,035	183,765	188,289	192,926
Supplies and materials	189,010	152,632	93,039	307,121	290,115	327,187	336,065	345,185
Capital expenditures	212,443	27,369	18,105	11,555	38,000	40,496	40,893	41,296
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	8,006,069	7,663,644	7,639,480	8,127,991	8,512,683	8,606,324	8,799,913	8,998,322
Total students	729	682	655	651	653	654	651	651
Spending per student	10,982	11,237	11,663	12,485	13,036	13,160	13,518	13,822

2023-24 EXPENSES BY OBJECT (%) – GLACIER HILLS ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **68.2%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.9%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.1%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.4%**

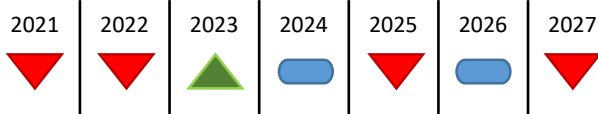
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.4%**

Greenleaf Elementary School
13333 Galaxie Avenue, Apple Valley, MN 55124

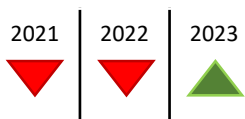
Principal: Drew Goeldner
Phone: 952-431-8270

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



Enrollment History and Projections

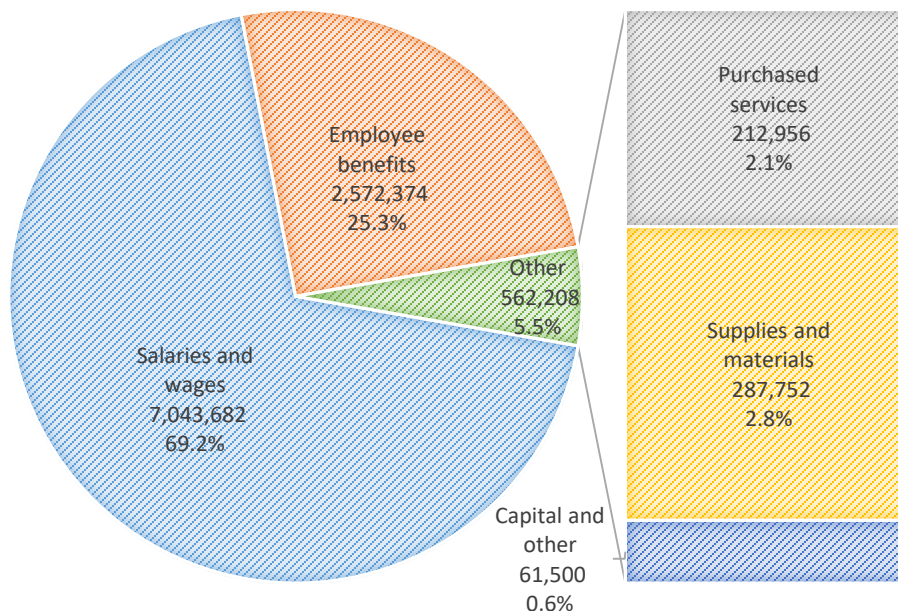
	2020	2021	2022	2023	2024	2025	2026	2027
K	126	121	116	129	129	129	129	129
1	125	121	128	128	117	117	117	118
2	128	127	113	132	130	118	119	118
3	147	127	132	119	134	131	120	120
4	136	141	123	132	122	136	134	122
5	170	127	138	121	136	125	141	138
Total	832	764	750	761	768	756	760	745

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	30.5%	25.3%	23.4%	43.3%	30.7%	32.5%	35.5%	32.9%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	6,419,657	6,212,789	6,351,792	6,652,228	7,043,682	7,122,779	7,260,134	7,400,236
Employee benefits	2,302,446	2,146,678	2,206,053	2,431,523	2,572,374	2,578,518	2,652,120	2,728,174
Purchased services	303,421	115,142	199,441	227,068	212,956	244,160	250,199	256,389
Supplies and materials	271,179	145,305	159,617	429,524	287,752	428,526	438,624	449,001
Capital expenditures	78,140	58,050	111,589	33,636	61,500	71,174	71,688	72,210
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	9,374,842	8,677,964	9,028,491	9,773,979	10,178,264	10,445,157	10,672,765	10,906,010
Total students	832	764	750	761	768	756	760	745
Spending per student	11,268	11,359	12,038	12,844	13,253	13,816	14,043	14,639

2023-24 EXPENSES BY OBJECT (%) – GREENLEAF ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **69.2%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.3%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.1%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **2.8%**

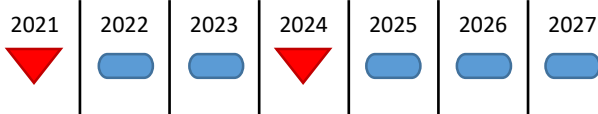
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.6%**

Highland Elementary School
14007 Pilot Knob Road, Apple Valley, MN 55124

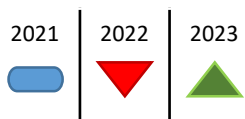
Principal: Chad Ryburn
Phone: 952-423-7595

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
K	121	91	112	100	100	100	100	100
1	106	120	96	116	107	106	106	107
2	125	106	114	104	117	107	107	107
3	116	124	103	117	106	119	110	109
4	120	122	130	108	119	107	122	112
5	109	118	122	135	111	123	111	124
Total	697	681	677	680	660	662	656	659

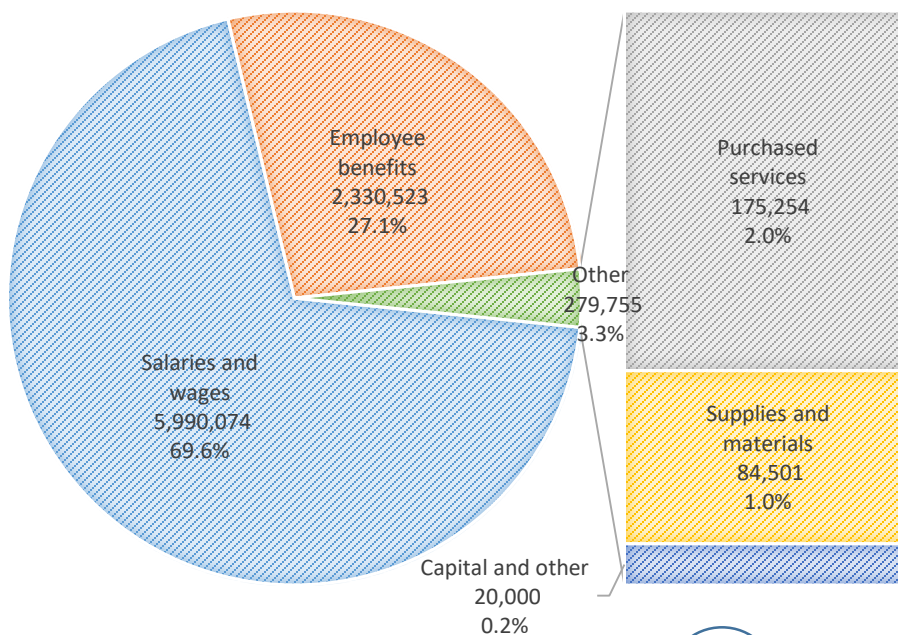
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	10.6%	10.4%	8.8%	24.1%	14.4%	15.7%	18.1%	16.1%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)

F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	5,398,752	5,781,051	5,646,415	5,860,420	5,990,074	6,041,409	6,162,237	6,285,482
Employee benefits	1,960,272	2,129,733	2,081,106	2,250,017	2,330,523	2,328,556	2,397,172	2,468,095
Purchased services	216,364	74,166	418,277	168,519	175,254	179,226	183,640	188,166
Supplies and materials	82,463	82,547	92,687	166,048	84,501	136,879	140,041	143,282
Capital expenditures	36,365	60,239	95,181	7,423	20,000	47,273	48,154	49,062
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,694,216	8,127,735	8,333,667	8,452,427	8,600,352	8,733,342	8,931,245	9,134,087
Total students	697	681	677	680	660	662	656	659
Spending per student	11,039	11,935	12,310	12,430	13,031	13,192	13,615	13,861

2023-24 EXPENSES BY OBJECT (%) – HIGHLAND ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **69.6%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **27.1%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.0%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **1.0%**

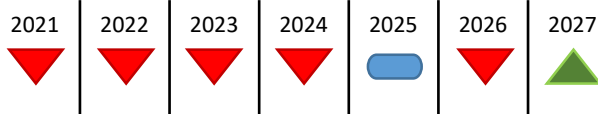
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.2%**

Northview Elementary School
965 Diffley Road, Eagan, MN 55123

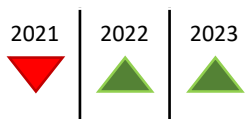
Principal: Melissa Griffin
Phone: 651-683-6820

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



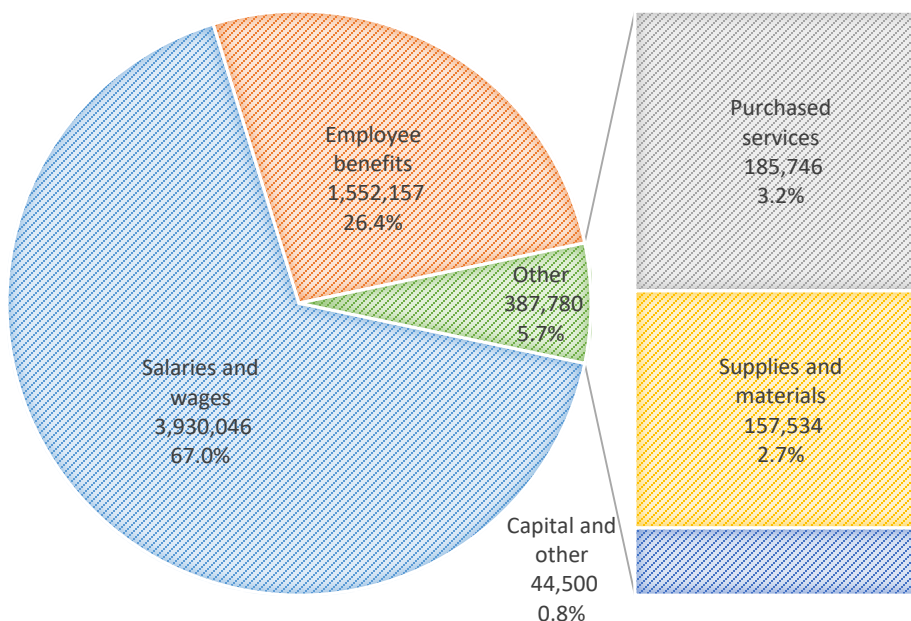
Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
K	81	53	67	49	49	49	49	49
1	60	73	51	65	61	61	61	60
2	82	58	66	51	66	61	60	61
3	73	81	55	66	52	68	61	61
4	83	73	77	56	67	54	68	63
5	71	82	69	78	59	70	54	70
Total	450	420	385	365	354	363	353	364
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	14.5%	13.2%	16.3%	21.7%	17.1%	18.4%	19.0%	18.2%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	4,127,161	3,888,806	3,817,829	3,905,519	3,930,046	4,046,036	4,126,459	4,208,490
Employee benefits	1,574,320	1,534,720	1,486,785	1,519,168	1,552,157	1,603,950	1,651,375	1,700,405
Purchased services	201,733	119,522	122,469	179,379	185,746	176,124	180,465	184,915
Supplies and materials	136,275	65,529	88,548	237,162	157,534	219,402	225,335	231,431
Capital expenditures	47,141	17,530	37,870	21,773	44,500	44,679	45,303	45,939
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	6,086,632	5,626,107	5,553,501	5,863,001	5,869,983	6,090,191	6,228,937	6,371,180
Total students	450	420	385	365	354	363	353	364
Spending per student	13,526	13,395	14,425	16,063	16,582	16,777	17,646	17,503

2023-24 EXPENSES BY OBJECT (%) – NORTHVIEW ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **67.0%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **26.4%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **3.2%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **2.7%**

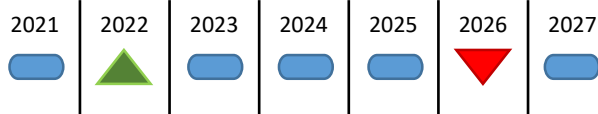
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.8%**

Oak Ridge Elementary School of Leadership, Environmental & Health Studies
4350 Johnny Cake Ridge Road, Eagan, MN 55122

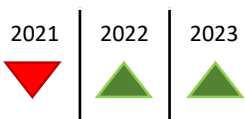
Principal: Cathy Kindem
Phone: 651-683-6970

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



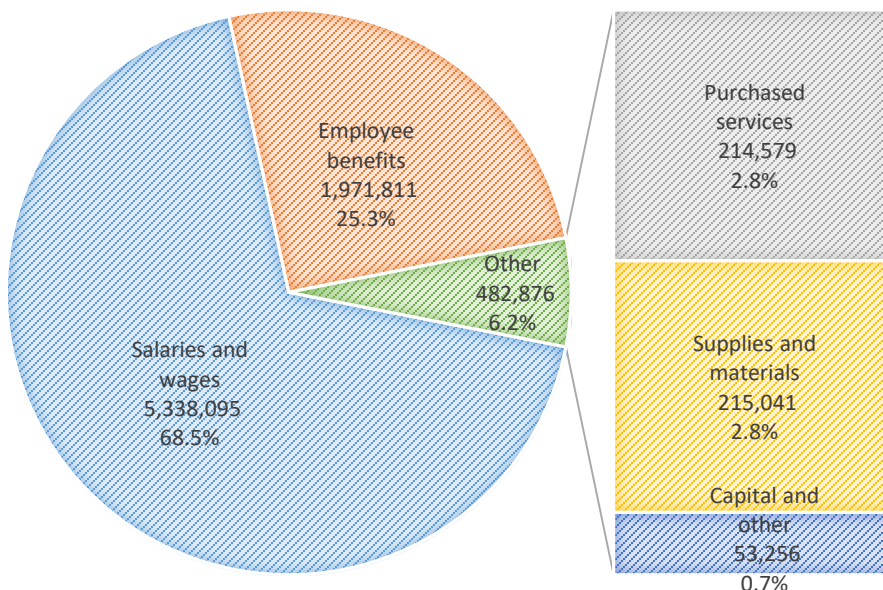
Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
K	97	86	93	82	82	82	82	82
1	94	97	78	87	80	81	81	80
2	87	97	99	80	88	82	82	82
3	83	79	95	102	83	90	82	83
4	72	79	77	92	103	83	91	84
5	78	68	75	81	95	108	85	93
Total	511	506	517	524	531	526	503	504
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	41.5%	30.3%	31.4%	49.4%	37.1%	39.3%	41.9%	39.4%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	4,782,550	5,056,979	5,090,421	5,274,771	5,338,095	5,537,167	5,641,456	5,747,831
Employee benefits	1,736,675	1,805,654	1,851,107	1,859,899	1,971,811	2,029,180	2,085,969	2,144,628
Purchased services	300,728	164,332	246,151	221,187	214,579	219,791	225,193	230,730
Supplies and materials	246,354	61,591	72,701	268,348	215,041	239,114	245,782	252,638
Capital expenditures	226,729	111,510	275,956	34,548	53,256	51,324	51,827	52,338
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,293,035	7,200,066	7,536,336	7,658,753	7,792,782	8,076,576	8,250,226	8,428,164
Total students	511	506	517	524	531	526	503	504
Spending per student	14,272	14,229	14,577	14,616	14,676	15,355	16,402	16,723

2023-24 EXPENSES BY OBJECT (%) – OAK RIDGE ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **68.5%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.3%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.8%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **2.8%**

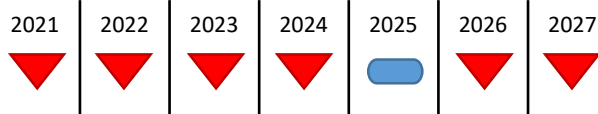
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.7%**

Parkview Elementary School
6795 Gerdine Path, Rosemount, MN 55068

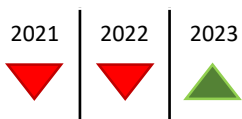
Principal: Nicole Garcia
Phone: 952-431-8350

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



Enrollment History and Projections

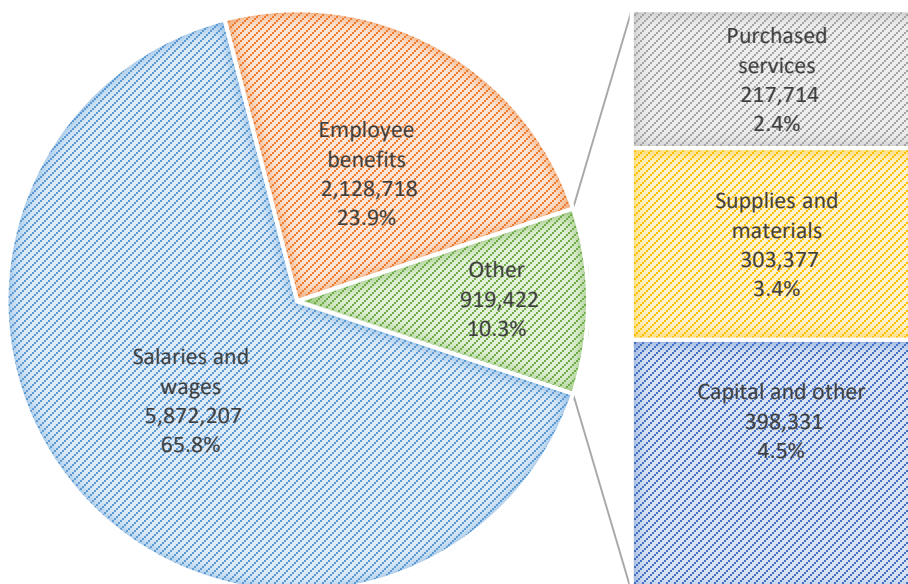
	2020	2021	2022	2023	2024	2025	2026	2027
K	133	121	92	94	94	94	94	94
1	114	126	124	98	89	91	91	90
2	141	106	128	122	100	91	91	92
3	126	136	97	120	124	101	92	93
4	147	127	131	102	123	127	103	94
5	125	145	128	133	105	127	131	105
Total	786	761	700	669	635	631	602	568

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	21.3%	19.2%	17.0%	38.2%	24.8%	26.7%	29.9%	27.1%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	5,687,705	5,697,645	6,051,500	5,806,212	5,872,207	6,213,401	6,335,218	6,459,471
Employee benefits	2,155,870	2,026,515	2,149,787	2,059,195	2,128,718	2,228,709	2,292,476	2,358,349
Purchased services	477,833	331,256	227,537	209,923	217,714	218,657	224,061	229,601
Supplies and materials	201,782	104,092	184,005	297,784	303,377	317,439	326,052	334,905
Capital expenditures	679,052	588,038	749,473	453,116	398,331	489,153	502,850	516,951
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	9,202,243	8,747,546	9,362,302	8,826,230	8,920,347	9,467,358	9,680,656	9,899,276
Total students	786	761	700	669	635	631	602	568
Spending per student	11,708	11,495	13,375	13,193	14,048	15,004	16,081	17,428

2023-24 EXPENSES BY OBJECT (%) – PARKVIEW ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **65.8%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **23.9%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.4%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.4%**

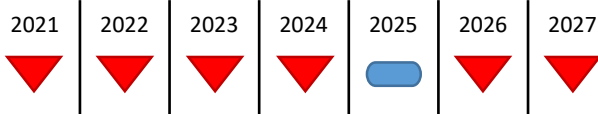
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **4.5%**

Pinewood Elementary School
4300 Dodd Road, Eagan, MN 55123

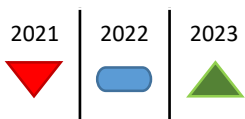
Principal: Leah Hack
Phone: 651-683-6980

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



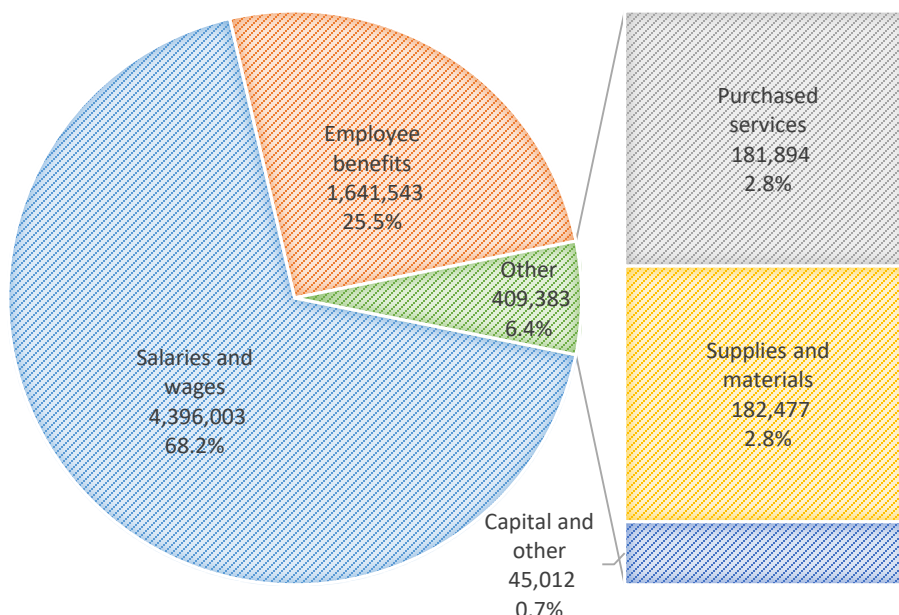
Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
K	103	81	80	68	68	68	68	68
1	88	95	80	79	72	73	73	72
2	98	83	93	84	80	74	74	74
3	103	90	79	90	85	82	75	75
4	106	95	90	81	91	88	82	76
5	87	107	93	88	84	95	89	85
Total	585	551	515	490	480	480	461	450
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	14.7%	11.9%	11.8%	20.6%	14.8%	15.7%	17.0%	15.9%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	3,985,671	4,062,421	4,248,928	4,215,823	4,396,003	4,498,600	4,588,146	4,679,483
Employee benefits	1,375,647	1,402,594	1,501,338	1,586,781	1,641,543	1,686,898	1,735,810	1,786,354
Purchased services	147,411	218,283	324,761	188,993	181,894	188,171	192,801	197,546
Supplies and materials	158,300	66,438	99,049	196,593	182,477	210,351	216,180	222,171
Capital expenditures	130,669	1,913	150,398	19,895	45,012	57,098	57,751	58,418
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	5,797,697	5,751,649	6,324,474	6,208,085	6,446,929	6,641,119	6,790,689	6,943,972
Total students	585	551	515	490	480	480	461	450
Spending per student	9,911	10,439	12,281	12,670	13,431	13,836	14,730	15,431

2023-24 EXPENSES BY OBJECT (%) – PINWOOD ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **68.2%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.5%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.8%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **2.8%**

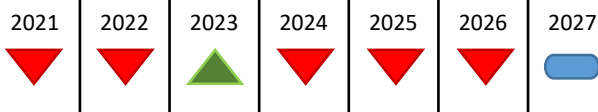
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.7%**

Red Pine Elementary School
530 Red Pine Lane, Eagan, MN 55123

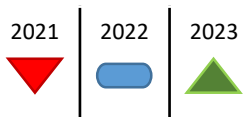
Principal: Tony Washington
Phone: 651-423-7870

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



Enrollment History and Projections

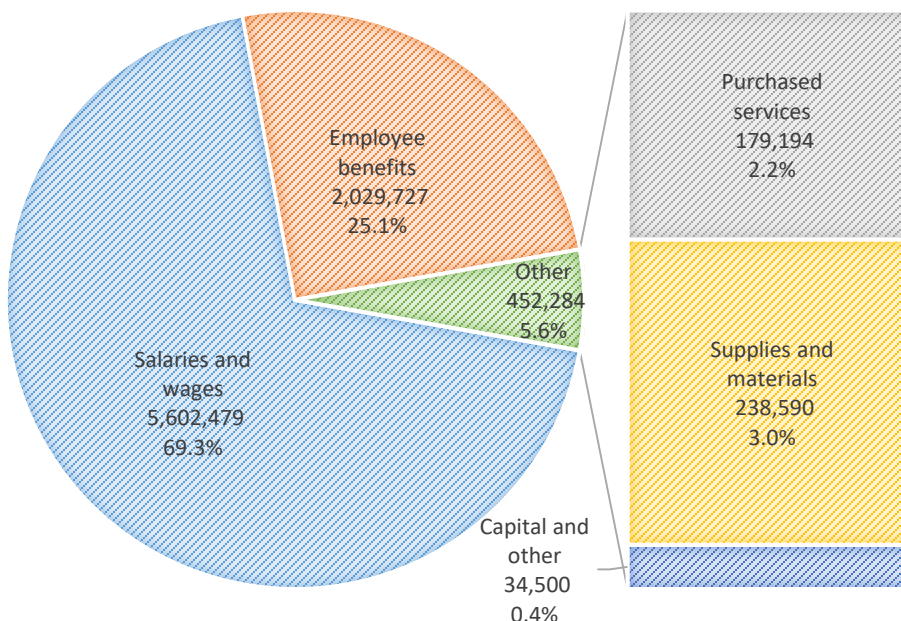
	2020	2021	2022	2023	2024	2025	2026	2027
K	115	83	101	110	110	110	110	110
1	111	118	90	113	105	104	104	104
2	122	107	115	102	114	105	106	106
3	109	120	104	122	107	116	106	108
4	133	110	120	120	124	106	119	109
5	127	130	120	131	124	129	108	121
Total	717	668	650	698	684	670	653	658

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	9.8%	7.4%	6.8%	18.0%	10.7%	11.8%	13.5%	12.0%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	4,963,554	5,308,267	5,170,120	5,644,553	5,602,479	5,859,535	5,976,426	6,095,655
Employee benefits	1,782,675	1,913,102	1,852,578	2,024,597	2,029,727	2,077,243	2,137,365	2,199,488
Purchased services	213,116	129,225	109,415	205,701	179,194	215,885	221,220	226,689
Supplies and materials	167,770	124,435	106,386	275,241	238,590	264,131	271,374	278,818
Capital expenditures	69,210	-	15,240	65,932	34,500	56,547	57,298	58,064
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,196,326	7,475,028	7,253,739	8,216,024	8,084,490	8,473,341	8,663,684	8,858,713
Total students	717	668	650	698	684	670	653	658
Spending per student	10,037	11,190	11,160	11,771	11,819	12,647	13,268	13,463

2023-24 EXPENSES BY OBJECT (%) – RED PINE ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **69.3%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.1%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.2%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.0%**

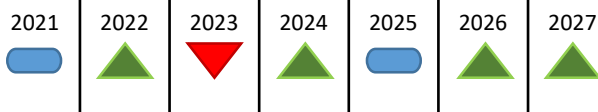
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.4%**

Rosemount Elementary School
3155 144th Street West, Rosemount, MN 55068

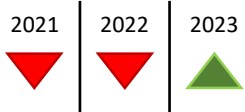
Principal: Thomas Idstrom
Phone: 651-423-7690

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



Enrollment History and Projections

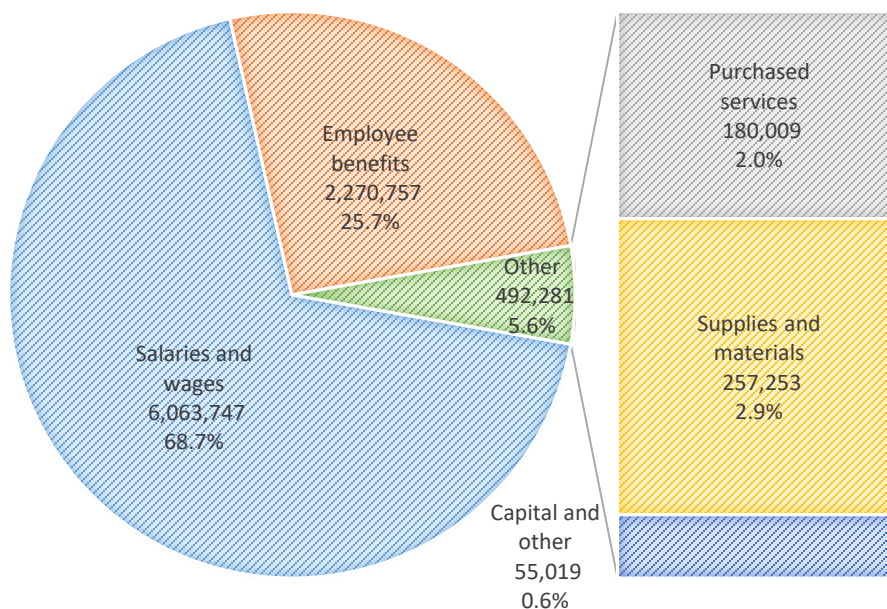
	2020	2021	2022	2023	2024	2025	2026	2027
K	104	112	144	120	120	120	120	120
1	128	108	116	141	129	129	129	129
2	130	122	123	120	144	131	131	132
3	126	127	128	124	121	145	134	134
4	135	129	129	128	128	124	148	135
5	115	133	130	121	133	131	128	151
Total	738	731	770	754	775	780	790	801

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	18.5%	16.3%	15.1%	24.8%	18.7%	19.6%	21.1%	19.8%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	5,046,334	5,218,586	5,466,994	5,805,984	6,063,747	6,058,384	6,178,882	6,301,789
Employee benefits	2,005,535	1,948,708	1,992,840	2,107,052	2,270,757	2,225,183	2,289,813	2,356,594
Purchased services	504,590	122,739	110,108	207,285	180,009	200,490	205,429	210,491
Supplies and materials	160,040	62,780	129,176	340,588	257,253	307,072	315,535	324,234
Capital expenditures	265,657	34,452	52,546	55,342	55,019	62,048	63,193	64,366
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,982,157	7,387,265	7,751,664	8,516,251	8,826,785	8,853,177	9,052,851	9,257,473
Total students	738	731	770	754	775	780	790	801
Spending per student	10,816	10,106	10,067	11,295	11,389	11,350	11,459	11,557

2023-24 EXPENSES BY OBJECT (%) – ROSEMOUNT ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **68.7%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.7%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.0%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **2.9%**

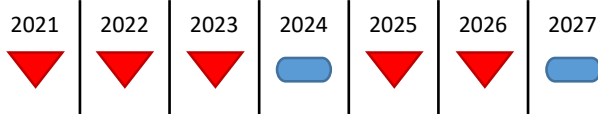
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.6%**

Shannon Park Elementary School
13501 Shannon Parkway, Rosemount, MN 55068

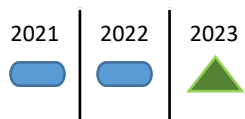
Principal: Erik Davis
Phone: 651-423-7670

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



Enrollment History and Projections

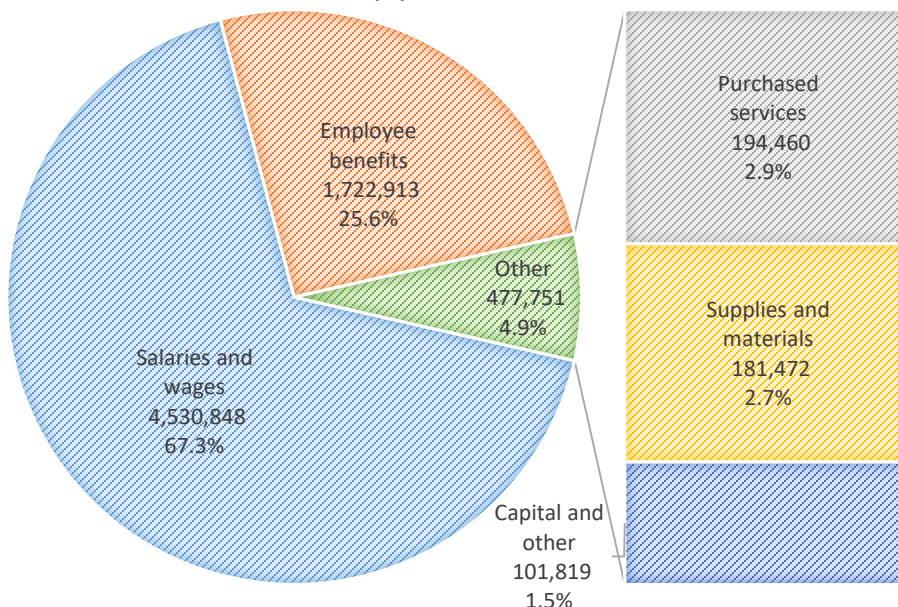
	2020	2021	2022	2023	2024	2025	2026	2027
K	85	72	76	68	68	68	68	68
1	96	88	76	78	71	72	72	71
2	95	98	82	81	79	73	72	73
3	103	90	93	90	82	81	74	74
4	100	105	84	98	91	84	81	75
5	129	102	97	82	102	95	87	84
Total	608	555	508	497	493	473	454	445

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	5.7%	6.1%	6.2%	13.7%	8.7%	9.5%	10.6%	9.6%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	4,551,833	4,636,742	4,577,315	4,383,892	4,530,848	4,617,074	4,709,375	4,803,522
Employee benefits	1,565,390	1,641,819	1,677,860	1,608,881	1,722,913	1,731,269	1,780,938	1,832,251
Purchased services	170,688	231,031	255,238	203,742	194,460	198,485	203,374	208,385
Supplies and materials	126,464	61,044	73,079	220,396	181,472	194,751	200,208	205,819
Capital expenditures	65,205	180,361	12,895	30,727	101,819	119,168	121,017	122,904
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	6,479,581	6,750,998	6,596,386	6,447,638	6,731,512	6,860,747	7,014,911	7,172,881
Total students	608	555	508	497	493	473	454	445
Spending per student	10,657	12,164	12,985	12,973	13,654	14,505	15,451	16,119

2023-24 EXPENSES BY OBJECT (%) – SHANNON PARK ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **67.3%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.6%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.9%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **2.7%**

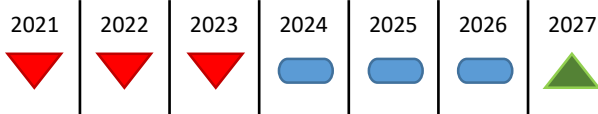
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **1.5%**

Southview Elementary School
1025 Whitney Drive, Apple Valley, MN 55124

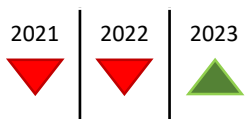
Principal: Christine Evans
Phone: 952-431-8370

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
K	101	86	109	84	84	84	84	84
1	109	97	86	111	102	102	102	102
2	104	107	87	90	112	103	104	104
3	109	101	102	101	91	114	105	106
4	97	113	96	102	102	94	117	107
5	110	98	104	103	108	107	96	119
Total	630	602	584	591	599	604	608	622

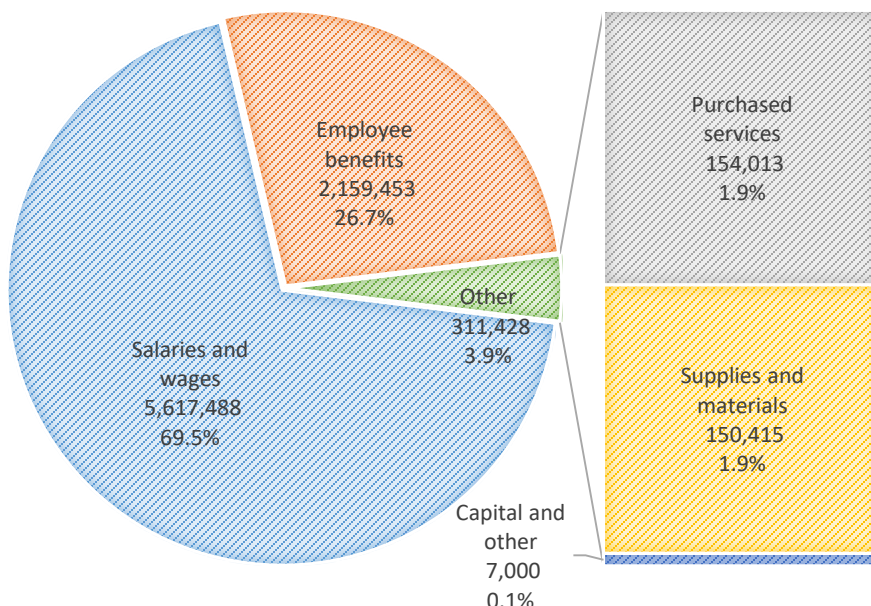
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	28.3%	22.2%	19.6%	38.9%	26.9%	28.5%	31.4%	28.9%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)

F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	4,974,522	5,349,972	5,345,245	5,436,432	5,617,488	5,592,500	5,700,855	5,811,377
Employee benefits	1,827,121	1,957,742	1,984,438	2,108,853	2,159,453	2,176,641	2,240,803	2,307,138
Purchased services	172,880	110,163	285,767	151,988	154,013	155,827	159,661	163,590
Supplies and materials	110,440	102,107	77,897	167,806	150,415	154,191	158,071	162,048
Capital expenditures	(51,628)	219,924	111,232	26,503	7,000	8,085	8,328	8,577
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,033,335	7,739,908	7,804,578	7,891,582	8,088,369	8,087,244	8,267,717	8,452,731
Total students	630	602	584	591	599	604	608	622
Spending per student	11,164	12,857	13,364	13,353	13,503	13,389	13,598	13,590

2023-24 EXPENSES BY OBJECT (%) – SOUTHVIEW ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **69.5%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **26.7%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **1.9%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **1.9%**

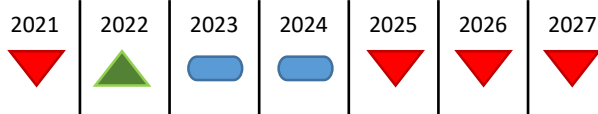
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.1%**

Thomas Lake Elementary School
4350 Thomas Lake Road, Eagan, MN 55122

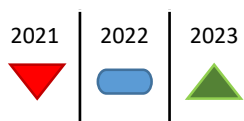
Principal: Rachel Hughes
Phone: 651-683-6890

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



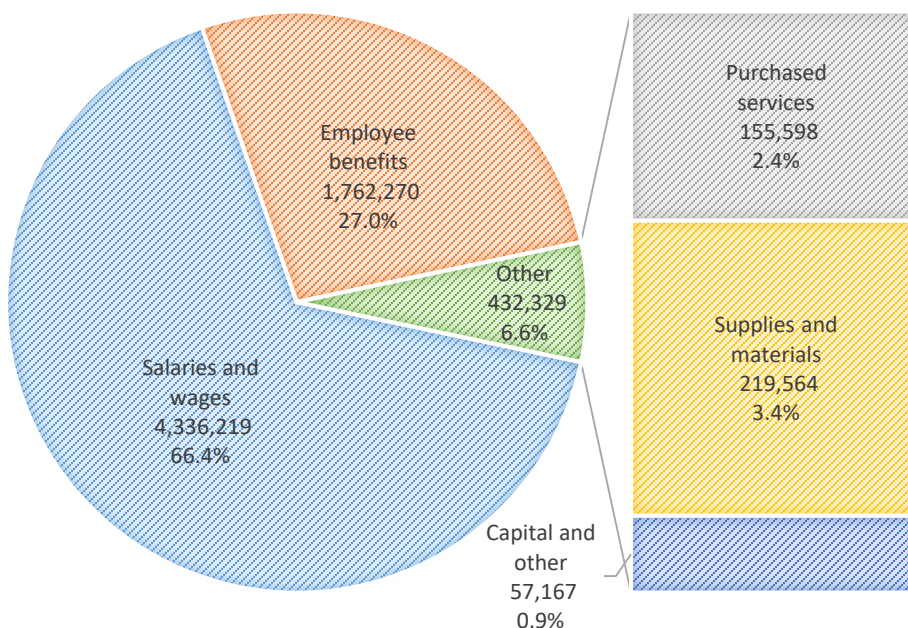
Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
K	100	88	92	95	95	95	95	95
1	114	92	98	80	73	74	74	73
2	70	111	95	102	81	75	74	74
3	83	71	112	91	104	83	75	77
4	83	79	69	112	93	105	83	76
5	90	78	81	73	116	96	109	87
Total	540	519	547	553	562	528	510	482
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	13.8%	9.3%	9.7%	19.8%	12.9%	14.1%	15.6%	14.2%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	3,572,563	3,722,122	4,076,983	4,251,711	4,336,219	4,384,784	4,472,207	4,561,379
Employee benefits	1,437,001	1,465,977	1,557,919	1,728,459	1,762,270	1,767,116	1,819,688	1,874,039
Purchased services	223,131	220,223	130,672	146,240	155,598	152,558	156,310	160,156
Supplies and materials	184,658	82,983	105,431	326,787	219,564	300,205	308,368	316,755
Capital expenditures	(12,656)	13,198	117,419	58,219	57,167	70,752	72,158	73,600
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	5,404,697	5,504,502	5,988,424	6,511,416	6,530,818	6,675,414	6,828,731	6,985,928
Total students	540	519	547	553	562	528	510	482
Spending per student	10,009	10,606	10,948	11,775	11,621	12,643	13,390	14,494

2023-24 EXPENSES BY OBJECT (%) – THOMAS LAKE ELEMENTARY



Salaries & Wages- Hourly and annual pay for all employees **66.4%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRIA contributions, life insurance, and work comp. **27.0%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.4%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.4%**

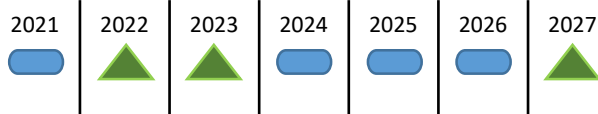
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.9%**

Westview Elementary School
225 Garden View Drive, Apple Valley, MN 55124

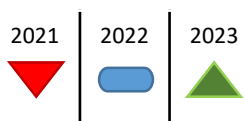
Principal: Tami Staloch-Schultz
Phone: 952-431-8380

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



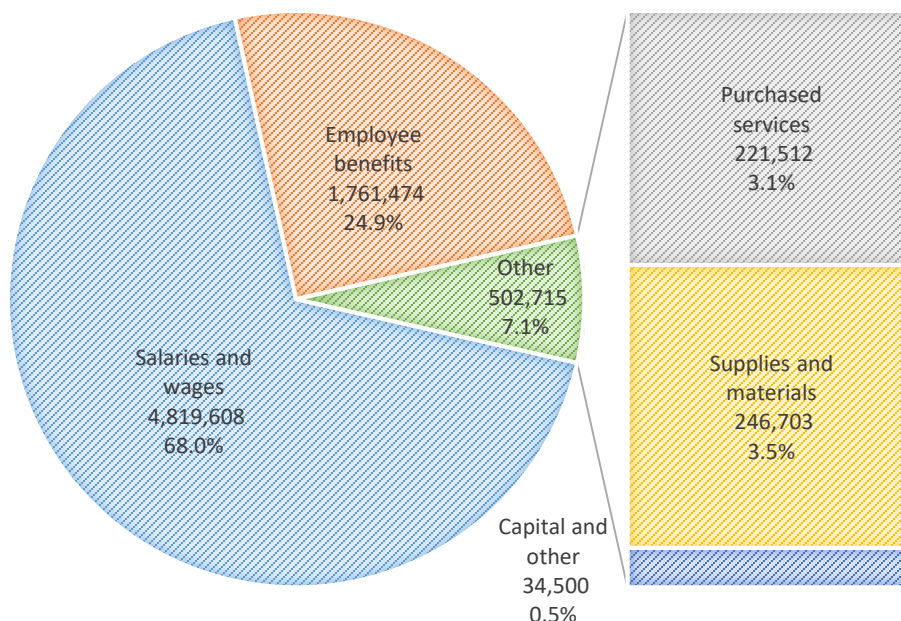
Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
K	79	52	80	72	72	72	72	72
1	82	80	55	89	82	83	83	82
2	82	78	71	64	90	83	82	82
3	52	86	81	74	66	92	84	86
4	56	51	88	79	77	67	93	85
5	62	64	51	97	83	77	67	97
Total	413	411	426	475	470	474	481	504
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	30.5%	26.3%	26.1%	40.6%	31.0%	32.5%	34.7%	32.7%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	3,935,890	3,967,803	4,026,785	4,510,381	4,819,608	4,875,324	4,969,751	5,066,066
Employee benefits	1,502,322	1,524,997	1,495,300	1,603,632	1,761,474	1,771,978	1,823,363	1,876,469
Purchased services	159,745	286,559	252,231	195,274	221,512	209,093	214,226	219,487
Supplies and materials	166,143	63,071	117,347	325,463	246,703	291,303	299,072	307,057
Capital expenditures	9,912	101,211	69,505	60,964	34,500	48,863	49,274	49,690
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	5,774,012	5,943,640	5,961,169	6,695,714	7,083,797	7,196,561	7,355,686	7,518,769
Total students	413	411	426	475	470	474	481	504
Spending per student	13,981	14,461	13,993	14,096	15,072	15,183	15,292	14,918

2023-24 EXPENSES BY OBJECT (%) – WESTVIEW ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **68.0%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **24.9%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **3.1%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.5%**

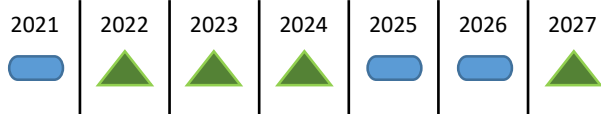
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.5%**

Woodland Elementary School
945 Westcott Road, Eagan, MN 55123

Principal: Lisa Carlson
Phone: 651-683-6990

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



Enrollment History and Projections

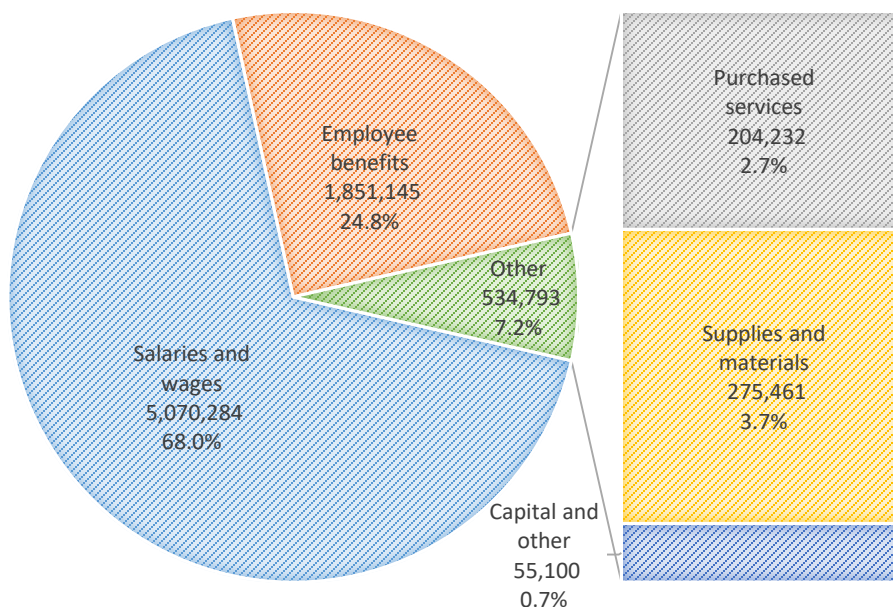
	2020	2021	2022	2023	2024	2025	2026	2027
K	117	101	132	103	103	103	103	103
1	111	116	102	135	124	124	124	124
2	112	121	117	110	137	125	125	125
3	120	112	125	126	112	140	128	130
4	104	119	112	135	128	114	141	129
5	101	105	117	119	139	132	118	146
Total	665	674	705	728	743	738	739	757
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	9.1%	8.7%	6.7%	13.3%	9.6%	9.9%	10.9%	10.1%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)

F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	4,426,751	4,499,525	4,973,865	5,131,847	5,070,284	5,409,832	5,518,013	5,628,357
Employee benefits	1,622,600	1,635,963	1,788,907	1,887,412	1,851,145	1,974,475	2,032,128	2,091,709
Purchased services	168,994	153,259	165,998	210,100	204,232	216,031	221,294	226,686
Supplies and materials	162,961	89,432	121,239	367,386	275,461	308,886	317,000	325,336
Capital expenditures	21,993	171,629	21,438	90,309	55,100	71,979	73,272	74,597
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	6,403,298	6,549,809	7,071,448	7,687,054	7,456,222	7,981,203	8,161,707	8,346,686
Total students	665	674	705	728	743	738	739	757
Spending per student	9,629	9,718	10,030	10,559	10,035	10,815	11,044	11,026

2023-24 EXPENSES BY OBJECT (%) – WOODLAND ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **68.0%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **24.8%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.7%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.7%**

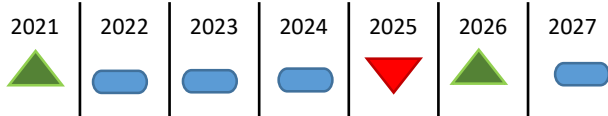
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.7%**

Black Hawk Middle School
1540 Deerwood Drive, Eagan, MN 55122

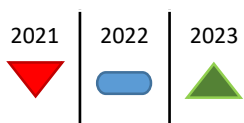
Principal: Anne Kusch
Phone: 651-683-8521

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year



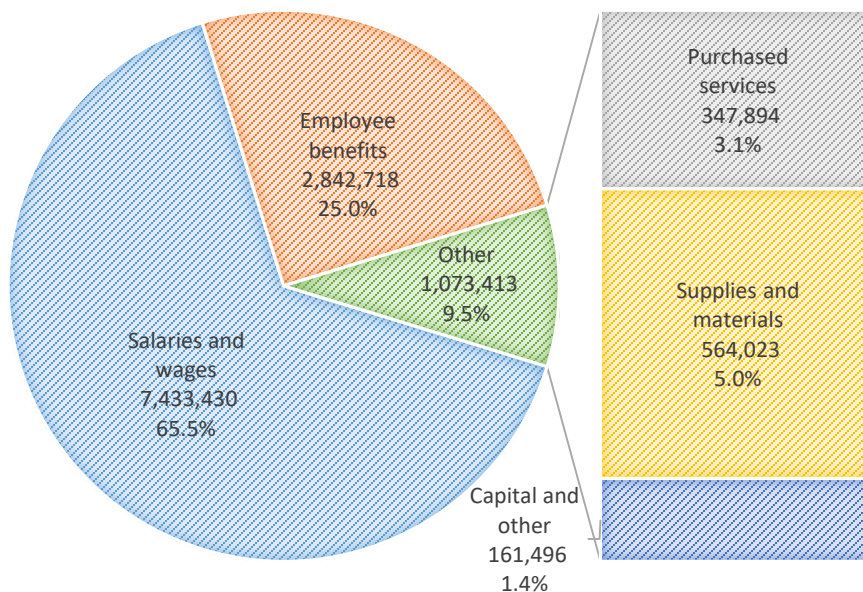
Enrollment History and Projections

	2020	2021	2022	2023	2024	2025	2026	2027
6	250	296	291	263	278	284	286	273
7	263	256	287	299	270	279	290	293
8	274	273	255	285	307	274	282	293
Total	787	825	833	847	855	837	858	859
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	26.8%	20.1%	20.9%	39.1%	26.7%	28.9%	31.6%	29.1%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	5,851,473	5,949,679	6,424,513	7,401,661	7,433,430	7,545,501	7,695,878	7,849,262
Employee benefits	2,231,867	2,285,862	2,359,315	2,787,814	2,842,718	2,947,040	3,034,283	3,124,488
Purchased services	417,676	278,043	385,803	425,129	347,894	396,126	405,966	416,052
Supplies and materials	349,308	190,614	157,947	1,049,952	564,023	778,900	800,690	823,095
Capital expenditures	1,673	25,325	39,309	46,693	161,496	165,636	167,595	169,587
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	8,851,997	8,729,524	9,366,887	11,711,249	11,349,561	11,833,203	12,104,412	12,382,483
Total students	787	825	833	847	855	837	858	859
Spending per student	11,248	10,581	11,245	13,827	13,274	14,138	14,108	14,415

2023-24 EXPENSES BY OBJECT (%) – BLACK HAWK MIDDLE SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **65.5%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.0%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **3.1%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **5.0%**

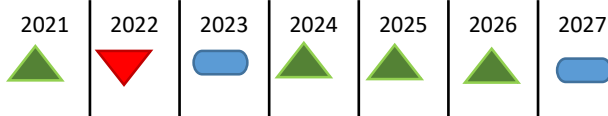
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **1.4%**

Dakota Hills Middle School
4183 Braddock Trail, Eagan, MN 55123

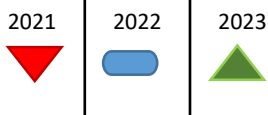
Principal: Trevor Johnson
Phone: 651-683-6800

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year

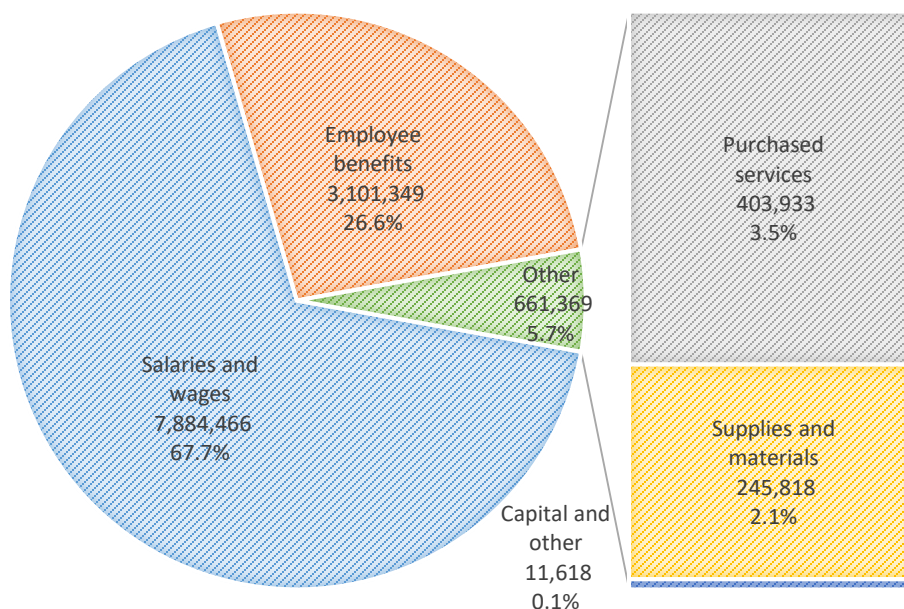


	2020	2021	2022	2023	2024	2025	2026	2027
6	389	373	369	374	387	403	406	387
7	438	400	363	375	386	396	410	413
8	416	436	390	373	385	389	400	415
Total	1243	1209	1122	1122	1158	1188	1216	1215
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	12.7%	10.4%	10.2%	15.5%	12.0%	12.6%	13.4%	12.7%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	7,039,557	7,471,155	7,647,596	8,022,501	7,884,466	8,197,858	8,360,921	8,527,245
Employee benefits	2,665,513	2,803,437	2,835,344	3,032,050	3,101,349	3,157,169	3,250,376	3,346,719
Purchased services	717,929	421,684	483,529	716,977	403,933	540,477	553,927	567,714
Supplies and materials	370,330	183,343	253,133	411,807	245,818	352,365	361,174	370,204
Capital expenditures	383,223	80,421	181,466	245,006	11,618	26,822	27,463	28,123
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	11,176,552	10,960,039	11,401,068	12,428,341	11,647,184	12,274,692	12,553,861	12,840,004
Total students	1,243	1,209	1,122	1,122	1,158	1,188	1,216	1,215
Spending per student	8,992	9,065	10,161	11,077	10,058	10,332	10,324	10,568

2023-24 EXPENSES BY OBJECT (%) – DAKOTA HILLS MIDDLE SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **67.7%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **26.6%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **3.5%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **2.1%**

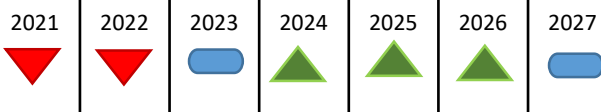
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.1%**

Falcon Ridge Middle School
12900 Johnny Cake Ridge Road, Apple Valley, MN 55124

Principal: Becky Melville
Phone: 952-431-8760

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year

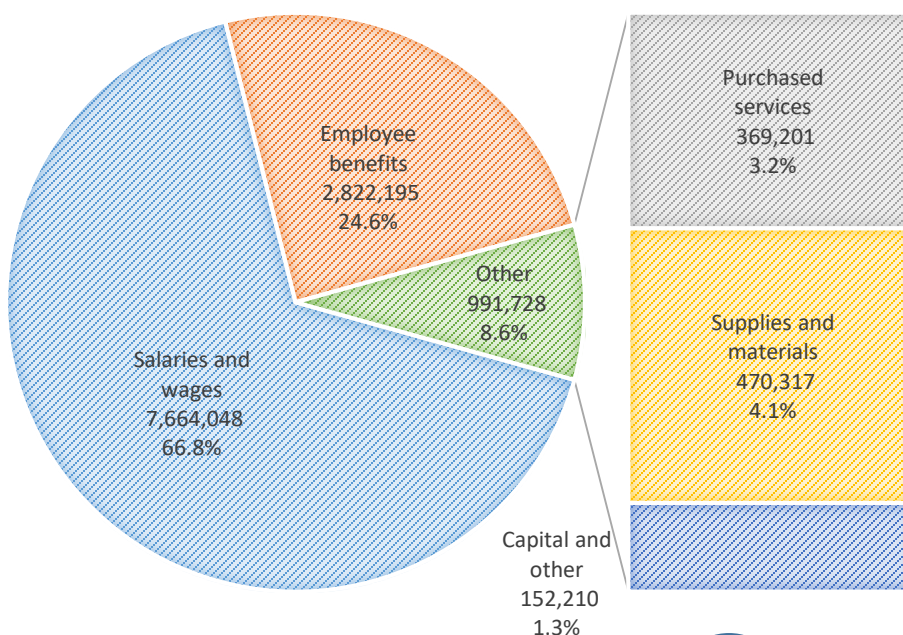


	2020	2021	2022	2023	2024	2025	2026	2027
6	335	331	271	334	346	360	363	346
7	342	333	335	268	343	354	367	370
8	381	357	328	323	274	348	358	371
Total	1058	1021	934	925	963	1062	1088	1087
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	25.3%	18.6%	20.1%	31.3%	23.3%	24.9%	26.5%	24.9%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	6,998,048	7,425,111	7,458,107	7,660,527	7,664,048	7,939,050	8,096,020	8,256,130
Employee benefits	2,416,772	2,715,192	2,661,151	2,780,989	2,822,195	2,928,037	3,012,989	3,100,786
Purchased services	1,007,022	641,683	370,930	391,637	369,201	365,359	374,430	383,727
Supplies and materials	390,924	199,772	171,747	608,677	470,317	539,529	554,463	569,814
Capital expenditures	220,011	106,062	112,617	71,580	152,210	155,668	157,854	160,082
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	11,032,776	11,087,821	10,774,552	11,513,410	11,477,971	11,927,642	12,195,756	12,470,540
Total students	1,058	1,021	934	925	963	1,062	1,088	1,087
Spending per student	10,428	10,860	11,536	12,447	11,919	11,231	11,209	11,472

2023-24 EXPENSES BY OBJECT (%) – FALCON RIDGE MIDDLE SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **66.8%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **24.6%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **3.2%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **4.1%**

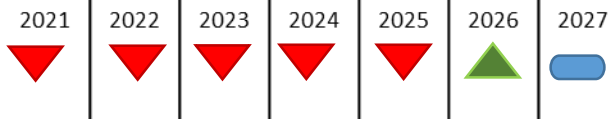
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **1.3%**

Rosemount Middle School
3135 143rd Street West, Rosemount, MN 55068

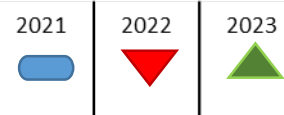
Principal: Eric Hansen
Phone: 651-423-7570

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year

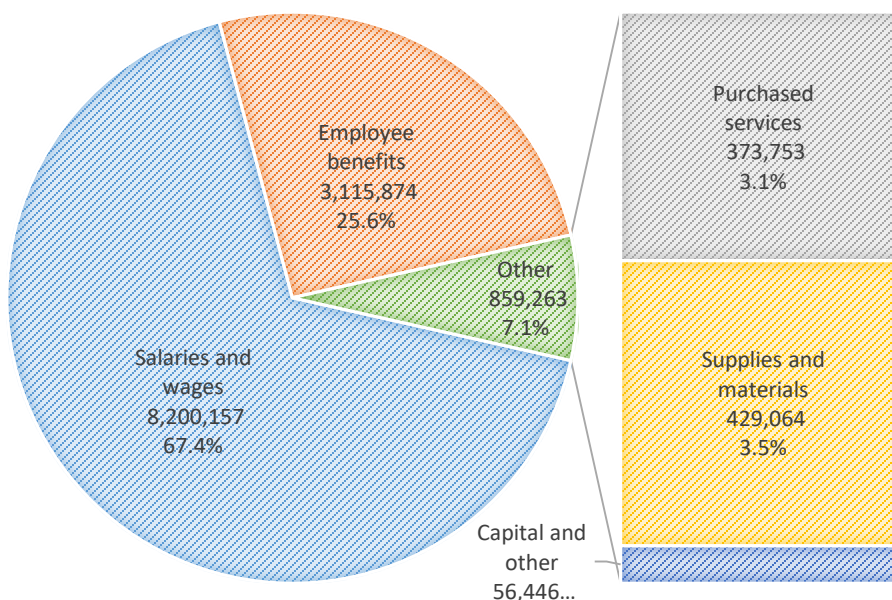


	2020	2021	2022	2023	2024	2025	2026	2027
6	417	400	407	354	367	381	384	367
7	423	418	397	415	365	375	390	389
8	467	428	416	409	424	368	379	393
Total	1307	1246	1220	1178	1156	1124	1153	1149
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	10.2%	9.3%	8.4%	17.9%	11.9%	12.7%	14.2%	12.9%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	7,331,741	7,523,514	7,974,251	7,936,333	8,200,157	8,336,633	8,502,728	8,672,143
Employee benefits	2,491,719	2,536,172	2,703,790	2,879,604	3,115,874	3,073,659	3,162,805	3,254,927
Purchased services	516,753	941,257	887,992	881,689	373,753	684,253	701,298	718,768
Supplies and materials	331,517	301,693	224,718	759,088	429,064	607,000	623,498	640,448
Capital expenditures	44,567	172,126	61,044	513,597	56,446	144,733	146,898	149,117
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	10,716,297	11,474,762	11,851,796	12,970,311	12,175,294	12,846,278	13,137,226	13,435,405
Total students	1,307	1,246	1,220	1,178	1,156	1,124	1,153	1,149
Spending per student	8,199	9,209	9,715	11,010	10,532	11,429	11,394	11,693

2023-24 EXPENSES BY OBJECT (%) – ROSEMOUNT MIDDLE SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **67.4%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.6%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **3.1%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.5%**

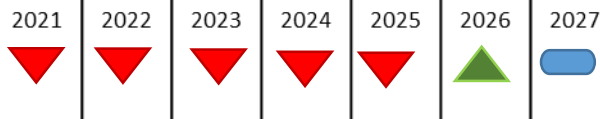
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.5%**

Scott Highlands Middle School
14011 Pilot Knob Road, Apple Valley, MN 55124

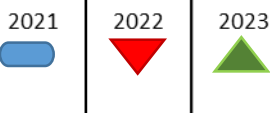
Principal: Dan Wilharber
Phone: 952-423-7581

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year

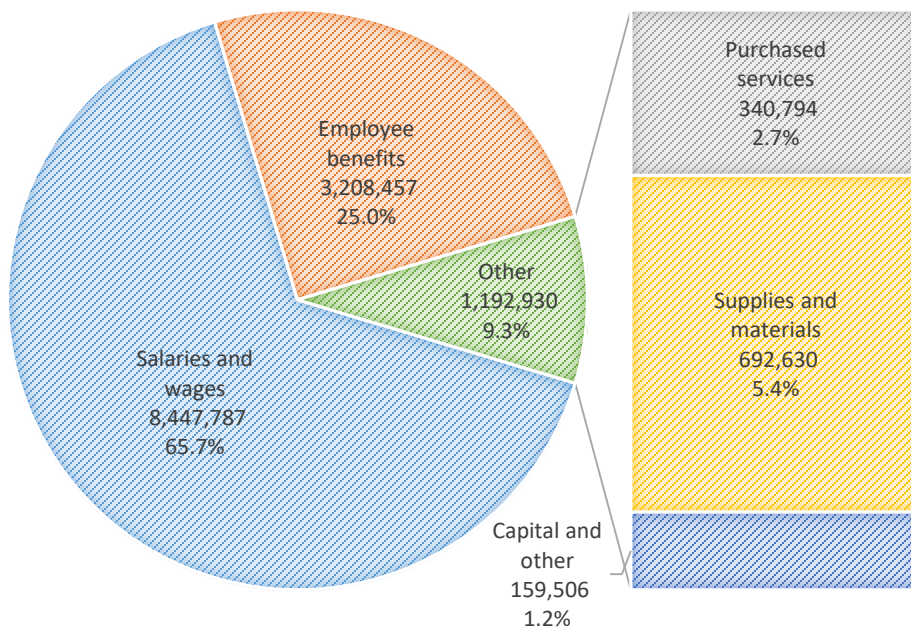


	2020	2021	2022	2023	2024	2025	2026	2027
6	417	400	407	354	367	381	384	367
7	423	418	397	415	365	375	390	389
8	467	428	416	409	424	368	379	393
Total	1307	1246	1220	1178	1156	1124	1153	1149
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	10.2%	9.3%	8.4%	17.9%	11.9%	12.7%	14.2%	12.9%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	7,113,175	7,426,694	7,919,584	8,423,742	8,447,787	8,713,458	8,885,938	9,061,867
Employee benefits	2,662,981	2,761,355	2,955,774	3,066,660	3,208,457	3,258,365	3,353,387	3,451,614
Purchased services	489,505	216,374	623,891	348,551	340,794	345,281	353,852	362,636
Supplies and materials	440,867	155,555	213,571	743,484	692,630	730,912	751,420	772,507
Capital expenditures	175,850	195,349	25,189	139,617	159,506	178,086	180,250	182,459
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	10,882,378	10,755,328	11,738,008	12,722,054	12,849,174	13,226,102	13,524,846	13,831,084
Total students	1,150	1,203	1,158	1,131	1,173	1,200	1,230	1,230
Spending per student	9,463	8,940	10,136	11,249	10,954	11,022	10,996	11,245

2023-24 EXPENSES BY OBJECT (%) – SCOTT HIGHLANDS MIDDLE SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **65.7%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.0%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.7%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **5.4%**

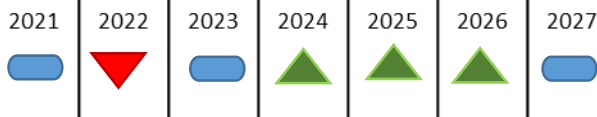
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **1.2%**

Valley Middle School of STEM
900 Garden View Drive, Apple Valley, MN 55124

Principal: Stacey Buchwald
Phone: 952-431-8300

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year

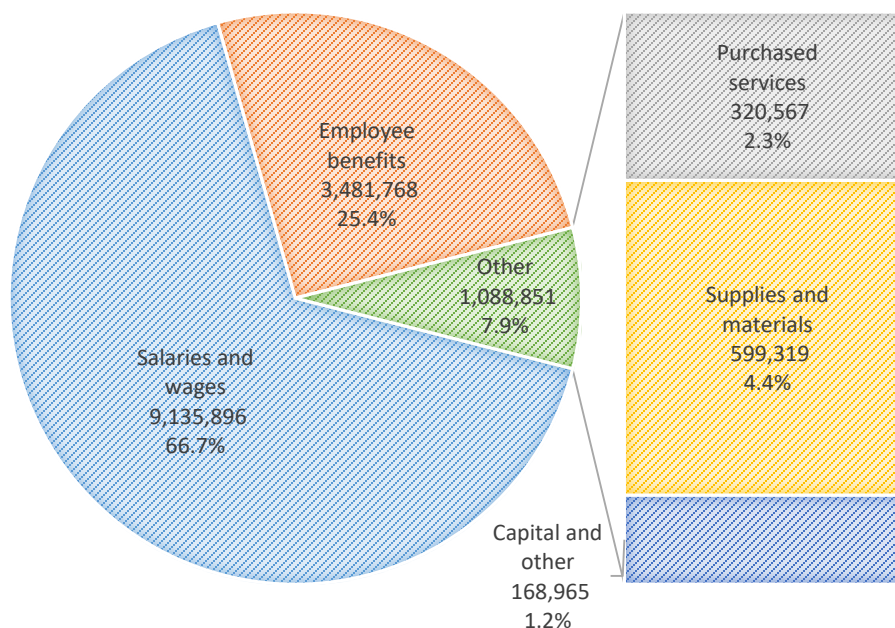


	2020	2021	2022	2023	2024	2025	2026	2027
6	351	338	344	341	353	367	370	353
7	374	353	342	354	350	361	374	377
8	351	372	361	345	362	355	365	379
Total	1076	1063	1047	1040	1065	1083	1109	1109
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	34.0%	26.5%	27.5%	43.5%	32.5%	34.5%	36.8%	34.6%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	7,811,254	7,801,812	8,099,394	8,580,435	9,135,896	9,271,085	9,453,085	9,638,724
Employee benefits	2,854,538	2,874,245	2,890,924	3,122,672	3,481,768	3,473,481	3,573,422	3,676,711
Purchased services	400,017	344,572	349,190	365,244	320,567	359,863	368,797	377,954
Supplies and materials	468,259	237,812	204,231	758,452	599,319	679,003	698,129	717,799
Capital expenditures	1,079,057	433,161	602,781	81,632	168,965	202,773	205,060	207,387
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	12,613,125	11,691,602	12,146,522	12,908,435	13,706,515	13,986,206	14,298,492	14,618,574
Total students	1,076	1,063	1,047	1,040	1,065	1,083	1,109	1,109
Spending per student	11,722	10,999	11,601	12,412	12,870	12,914	12,893	13,182

2023-24 EXPENSES BY OBJECT (%) – VALLEY MIDDLE SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **66.7%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **25.4%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.3%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **4.4%**

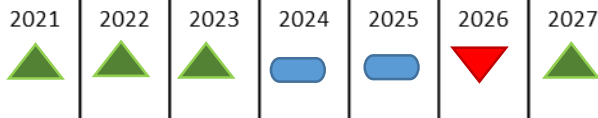
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **1.2%**

Apple Valley High School
14450 Hayes Road, Apple Valley, MN 55124

Principal: Drew Mons
Phone: 952-431-8200

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year

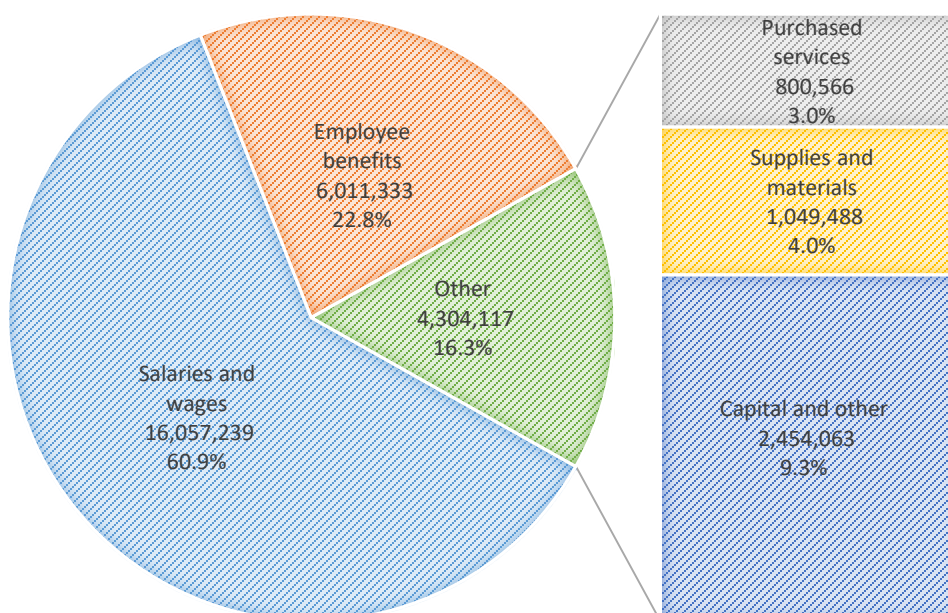


	2020	2021	2022	2023	2024	2025	2026	2027
9	460	490	512	522	524	523	518	533
10	445	467	484	500	473	475	473	469
11	390	399	410	410	441	417	419	418
12	325	376	372	384	387	416	393	395
Total	1620	1732	1778	1816	1825	1831	1803	1815
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	30.4%	23.7%	27.8%	48.4%	33.3%	36.5%	39.4%	36.4%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	12,795,425	13,772,426	14,516,771	15,570,843	16,057,239	16,540,597	16,869,201	17,204,377
Employee benefits	4,456,746	4,943,634	5,191,393	5,593,086	6,011,333	6,073,496	6,250,369	6,433,157
Purchased services	934,901	714,165	983,801	836,343	800,566	869,705	891,382	913,600
Supplies and materials	609,150	440,741	482,168	2,148,366	1,049,488	1,751,678	1,797,651	1,844,839
Capital expenditures	423,419	757,551	5,443,788	266,781	2,454,063	2,514,052	2,518,674	2,523,423
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	19,219,641	20,628,517	26,617,921	24,415,419	26,372,689	27,749,528	28,327,276	28,919,396
Total students	1,620	1,732	1,778	1,816	1,825	1,831	1,803	1,815
Spending per student	11,864	11,910	14,971	13,445	14,451	15,155	15,711	15,934

2023-24 EXPENSES BY OBJECT (%) – APPLE VALLEY HIGH SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **60.9%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **22.8%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **3.0%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **4.0%**

Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **9.3%**

Eagan High School
4185 Braddock Trail, Eagan, MN 55123

Principal: Polly Reikowski
Phone: 651-683-6900

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year

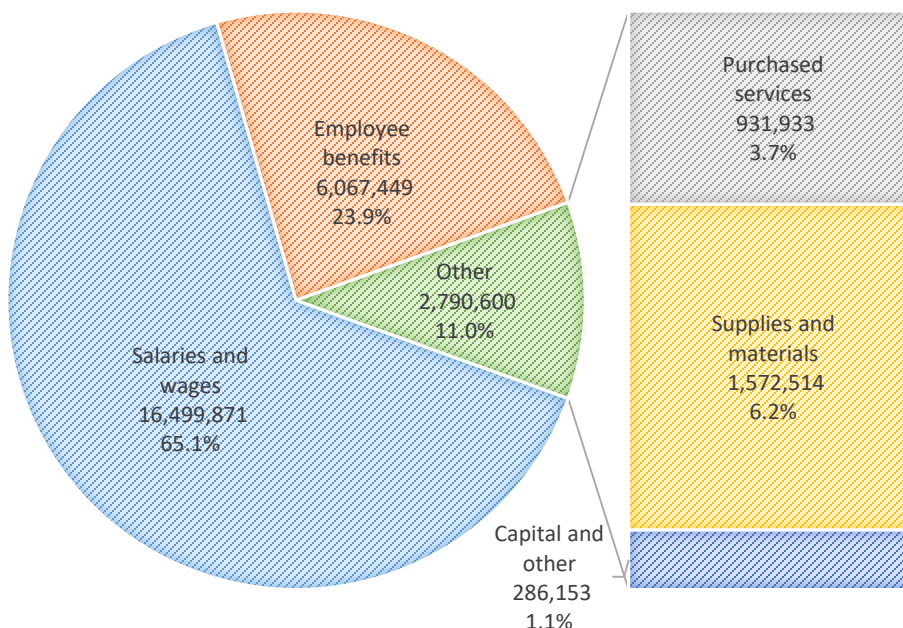


	2020	2021	2022	2023	2024	2025	2026	2027
9	544	560	578	539	541	540	535	551
10	480	564	543	576	545	547	546	541
11	517	441	507	498	536	507	509	507
12	413	496	410	487	490	527	499	501
Total	1954	2061	2038	2100	2112	2121	2089	2100
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	11.2%	9.5%	10.7%	20.3%	13.5%	14.8%	16.2%	14.8%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	13,711,949	14,693,371	15,620,155	15,406,137	16,499,871	16,063,897	16,383,859	16,710,220
Employee benefits	4,571,414	4,982,550	5,361,599	5,605,849	6,067,449	5,806,957	5,974,250	6,147,091
Purchased services	1,166,785	1,795,070	1,142,561	1,067,362	931,933	1,011,563	1,036,627	1,062,316
Supplies and materials	978,541	534,717	701,458	2,084,391	1,572,514	1,791,387	1,840,000	1,889,945
Capital expenditures	2,007,485	3,491,076	417,770	294,254	286,153	367,717	371,463	375,320
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	22,436,175	25,496,785	23,243,543	24,457,993	25,357,920	25,041,521	25,606,199	26,184,892
Total students	1,954	2,061	2,038	2,100	2,112	2,121	2,089	2,100
Spending per student	11,482	12,371	11,405	11,647	12,007	11,806	12,258	12,469

2023-24 EXPENSES BY OBJECT (%) – EAGAN HIGH SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **65.1%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **23.9%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **3.7%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **6.2%**

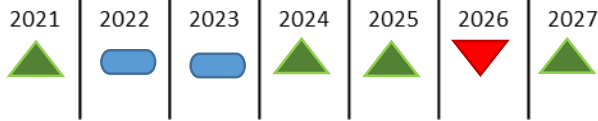
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **1.1%**

Eastview High School
6200 140th Street West, Apple Valley, MN 55124

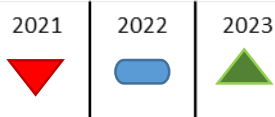
Principal: Bruce Miller
Phone: 952-431-8900

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year

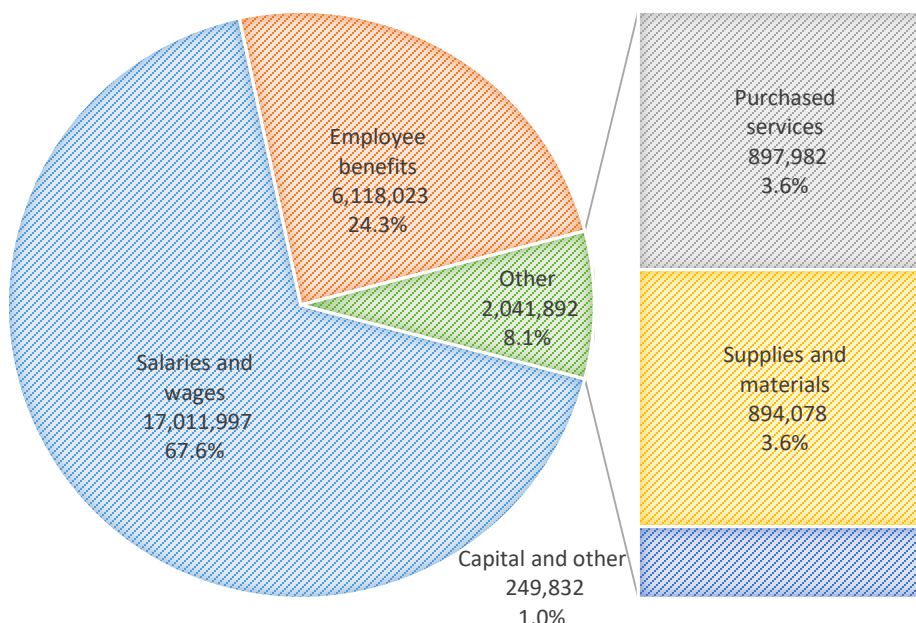


	2020	2021	2022	2023	2024	2025	2026	2027
9	617	579	571	600	602	601	595	613
10	617	620	569	596	564	566	565	560
11	484	568	551	513	552	522	524	523
12	469	453	527	515	518	558	528	529
Total	2187	2220	2218	2224	2236	2247	2212	2225
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	13.6%	11.7%	12.2%	24.8%	16.2%	17.8%	19.6%	17.9%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	14,347,066	14,530,124	15,643,245	16,019,738	17,011,997	16,698,927	17,031,164	17,370,045
Employee benefits	4,996,167	4,857,362	5,435,393	5,668,260	6,118,023	5,954,979	6,127,641	6,306,037
Purchased services	1,633,434	1,279,225	709,397	1,258,054	897,982	1,189,853	1,219,439	1,249,764
Supplies and materials	748,740	398,630	636,448	1,078,871	894,078	1,144,962	1,175,601	1,207,085
Capital expenditures	1,395,491	2,832,020	4,426,816	293,742	249,832	370,241	376,364	382,645
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	23,120,898	23,897,362	26,851,299	24,318,665	25,171,912	25,358,962	25,930,207	26,515,577
Total students	2,187	2,220	2,218	2,224	2,236	2,247	2,212	2,225
Spending per student	10,572	10,765	12,106	10,935	11,258	11,286	11,723	11,917

2023-24 EXPENSES BY OBJECT (%) – EASTVIEW HIGH SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **67.6%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **24.3%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **3.6%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.6%**

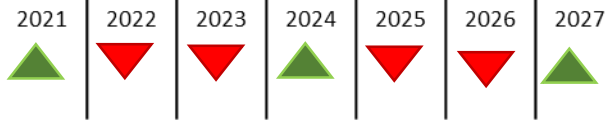
Capital and Other Expenditures- Equipment, dues and memberships, and licensing fees **1.0%**

Rosemount High School
3335 142nd Street West, Rosemount, MN 55068

Principal: Pete Roback
Phone: 651-423-7501

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year

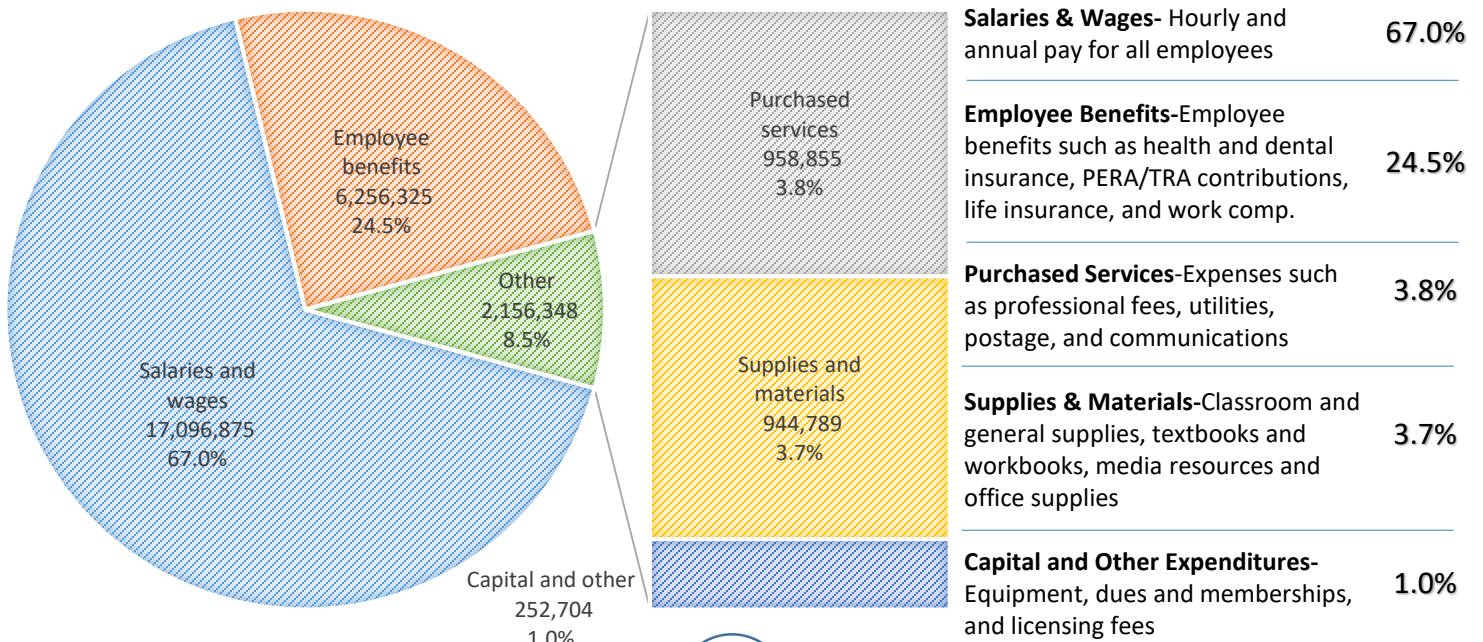


	2020	2021	2022	2023	2024	2025	2026	2027
9	646	654	677	571	573	572	567	583
10	644	647	654	660	645	627	625	620
11	603	585	569	566	609	576	578	577
12	476	577	546	546	550	591	559	561
Total	2369	2463	2446	2343	2377	2366	2329	2341
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	11.2%	9.7%	8.4%	18.0%	12.0%	12.8%	14.3%	13.0%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	15,020,002	16,476,302	17,875,069	16,931,106	17,096,875	17,412,978	17,758,688	18,111,312
Employee benefits	5,238,909	5,596,237	6,200,507	6,092,975	6,256,325	6,355,086	6,538,833	6,728,685
Purchased services	1,539,825	1,852,961	1,370,231	1,214,656	958,855	1,166,152	1,194,849	1,224,263
Supplies and materials	793,287	574,031	634,019	1,320,606	944,789	1,208,550	1,241,170	1,274,678
Capital expenditures	2,228,033	4,817,309	840,489	242,712	252,704	288,111	292,940	297,888
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	24,820,057	29,316,839	26,920,313	25,802,055	25,509,548	26,430,876	27,026,480	27,636,827
Total students	2,369	2,463	2,446	2,343	2,377	2,366	2,329	2,341
Spending per student	10,477	11,903	11,006	11,012	10,732	11,171	11,604	11,806

2023-24 EXPENSES BY OBJECT (%) – ROSEMOUNT HIGH SCHOOL



School of Environmental Studies

12155 Johnny Cake Ridge Road, Apple Valley, MN 55124

Principal: Lauren Trainer

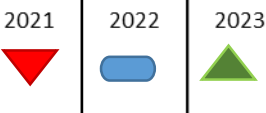
Phone: 952-431-8750

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year

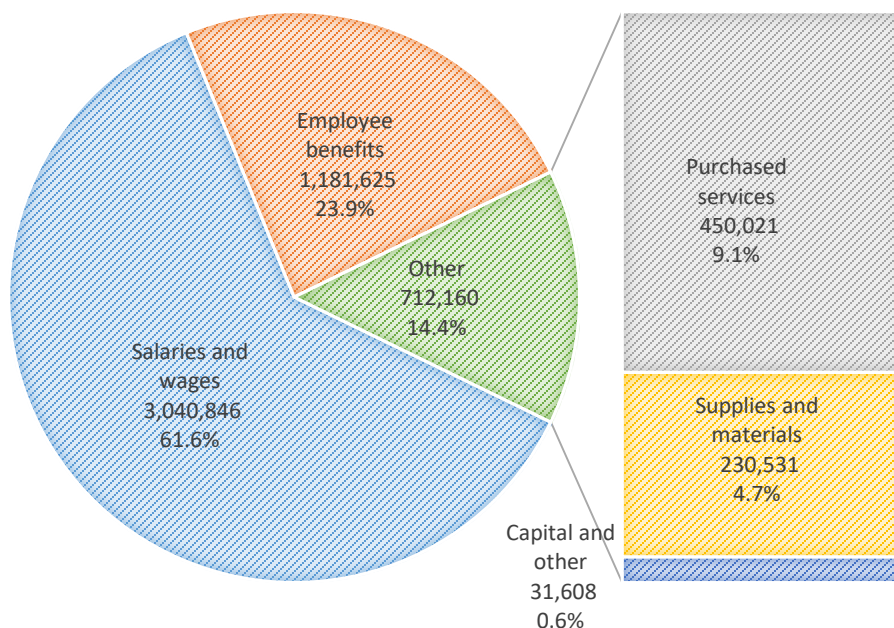


	2020	2021	2022	2023	2024	2025	2026	2027
9	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0
11	187	176	187	201	216	205	205	205
12	155	164	171	164	165	178	168	169
Total	342	340	358	365	381	383	373	374
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	11.5%	10.2%	10.2%	16.1%	12.1%	12.8%	13.7%	12.9%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	2,407,416	2,668,796	2,620,211	2,945,673	3,040,846	2,998,438	3,058,294	3,119,348
Employee benefits	871,134	978,895	907,447	1,119,446	1,181,625	1,135,354	1,167,774	1,201,279
Purchased services	416,849	95,849	418,102	311,086	450,021	410,473	420,562	430,904
Supplies and materials	99,186	42,929	105,631	200,662	230,531	233,833	240,043	246,425
Capital expenditures	67,360	2,008	51,831	41,446	31,608	50,935	51,347	51,768
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	3,861,945	3,788,476	4,103,221	4,618,313	4,934,631	4,829,034	4,938,021	5,049,724
Total students	342	340	358	365	381	383	373	374
Spending per student	11,292	11,143	11,462	12,653	12,952	12,608	13,239	13,502

2023-24 EXPENSES BY OBJECT (%) – SCHOOL OF ENVIRONMENTAL STUDIES



Salaries & Wages- Hourly and annual pay for all employees **61.6%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **23.9%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **9.1%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **4.7%**

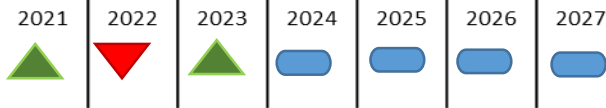
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.6%**

Area Learning Center
5840 149th Street West, Apple Valley, MN 55124

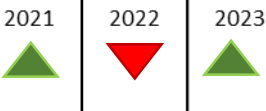
Principal: David Schmitz
Phone: 952-431-8720

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage

Enrollment Trends Compared to Previous Year



Free/Reduced Lunch % Actuals Compared to Previous Year

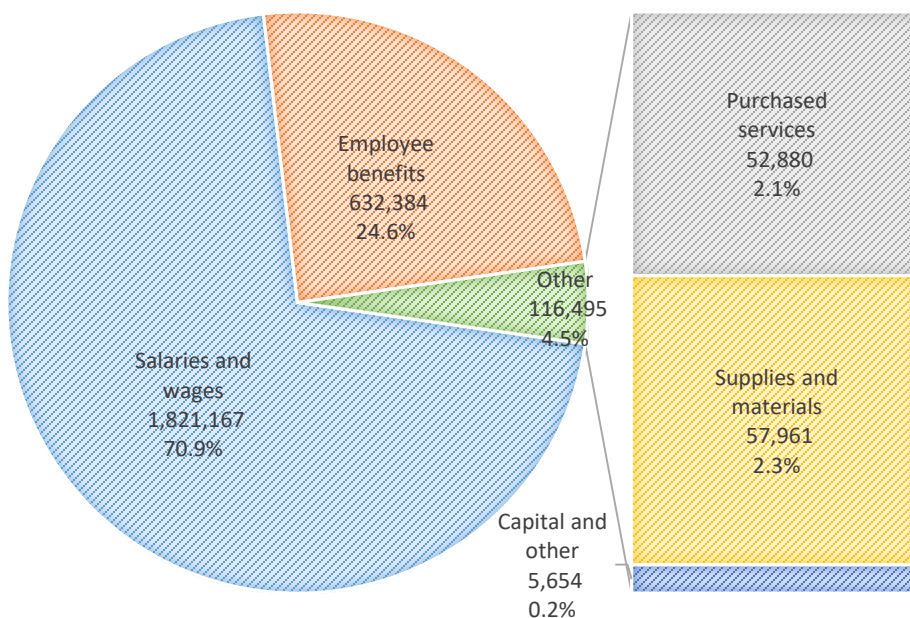


	2020	2021	2022	2023	2024	2025	2026	2027
9	2	0	2	0	0	0	0	0
10	18	9	6	22	21	21	21	21
11	29	35	20	40	43	41	41	41
12	71	87	100	106	107	115	109	109
Total	120	131	128	168	171	177	171	171
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	36.1%	37.4%	32.4%	66.2%	45.3%	47.9%	53.1%	48.8%

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	987,493	1,039,857	1,256,988	1,597,992	1,821,167	1,678,819	1,712,216	1,746,281
Employee benefits	381,345	419,527	465,554	575,841	632,384	605,305	622,976	641,236
Purchased services	236,332	182,318	103,589	137,218	52,880	128,288	131,394	134,576
Supplies and materials	17,886	24,949	9,427	110,651	57,961	89,292	91,062	92,876
Capital expenditures	558	10,477	29,806	33,249	5,654	5,824	5,998	6,178
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	1,623,614	1,677,128	1,865,363	2,454,951	2,570,046	2,507,527	2,563,645	2,621,147
Total students	120	131	128	168	171	177	171	171
Spending per student	13,530	12,803	14,573	14,613	15,030	14,167	14,992	15,328

2023-24 EXPENSES BY OBJECT (%) – AREA LEARNING CENTER



Salaries & Wages- Hourly and annual pay for all employees **70.9%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **24.6%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.1%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **2.3%**

Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.2%**

196Online Digital Program
3455 153rd Street West, Rosemount, MN 55068

K-12 Administrator: Lynn Hernandez
Phone: 651-423-7700

District 196 developed and implemented a full-time distance learning option in 2020-21, as required by executive order of the Minnesota governor. Approximately one-third of District 196 students enrolled in the full-time distance learning program in 2020-21, and some expressed interest in continuing with online learning the following year for a variety of reasons related to their child's education and/or uncertainty about the pandemic. As a result, the district started a new online school program in 2021-22 called 196Online, which was announced in spring 2021 and will continue in the 2023-24 school year, but as a high school only program.

The table at the right shows the history of the school's enrollment by year, grade and includes projected enrollment for the next three fiscal years. The total free or reduced-price school meal counts are summarized at the bottom of the enrollment schedule. Below is the schools general trends year over year for enrollment and free/reduced lunch percentage. Due to the newness of the program, trend analysis is not available.

Enrollment History and Projections

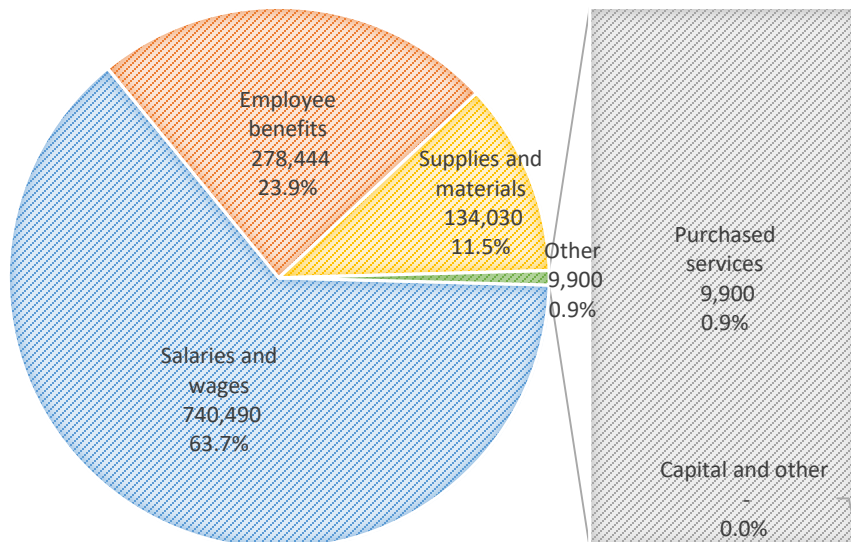
	2020	2021	2022	2023	2024	2025	2026	2027
K	0	0	28	0	0	0	0	0
1	0	0	53	9	0	0	0	0
2	0	0	43	10	0	0	0	0
3	0	0	53	16	0	0	0	0
4	0	0	53	12	0	0	0	0
5	0	0	43	14	0	0	0	0
6	0	0	43	17	0	0	0	0
7	0	0	47	23	0	0	0	0
8	0	0	33	35	0	0	0	0
9	0	0	27	15	15	15	15	15
10	0	0	21	26	25	25	25	24
11	0	0	50	23	25	23	24	23
12	0	0	36	44	44	48	45	45
Total	0	0	530	244	109	111	109	107

			Actual	Actual	Proj	Proj	Proj	Proj
F/R	0.0%	0.0%	19.9%	40.8%	N/A	N/A	N/A	N/A

Fiscal Year Labeled Above (Ex: 2018 = 2017-18 School year enrollment on October 1)
 F/R = Free/Reduced Lunch Status Percentage

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Final Budget	2023-24 Prelim Budget	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenditures								
Salaries and wages	-	-	2,540,886	1,521,384	740,490	1,204,632	1,205,557	1,206,499
Employee benefits	-	-	896,613	488,785	278,444	425,154	425,758	426,382
Purchased services	-	-	110,108	17,000	9,900	10,202	10,332	10,465
Supplies and materials	-	-	182,604	108,692	134,030	145,157	146,423	147,721
Capital expenditures	-	-	-	-	-	-	-	-
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	-	-	3,730,211	2,135,861	1,162,864	1,785,145	1,788,070	1,791,068
Total students	-	-	530	244	109	111	109	107
Spending per student	-	-	7,038	8,754	10,668	16,082	16,404	16,739

2023-24 EXPENSES BY OBJECT (%) – 196ONLINE PROGRAM



Salaries & Wages- Hourly and annual pay for all employees **63.7%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **23.9%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **0.9%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **11.5%**

Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.0%**

District 196 Schools

Elementary Schools



Cedar Park



Deerwood



Diamond Path



East Lake



Echo Park



Glacier Hills



Greenleaf



Highland



Northview

District 196 Schools

Elementary Schools (continued)



Oak Ridge



Parkview



Pinewood



Red Pine



Rosemount



Shannon Park



Southview



Thomas Lake



Westview

District 196 Schools

Elementary Schools



Woodland

Community Education



Cedar Valley Learning Center



Dakota Valley Learning Center

Middle Schools



Black Hawk



Dakota Hills



Falcon Ridge



Rosemount



Scott Highlands



Valley

District 196 Schools

High Schools



Apple Valley



Eagan



Eastview



Rosemount



School of Environmental Studies



Silver Bell Learning Center

Special Education Instructional Buildings



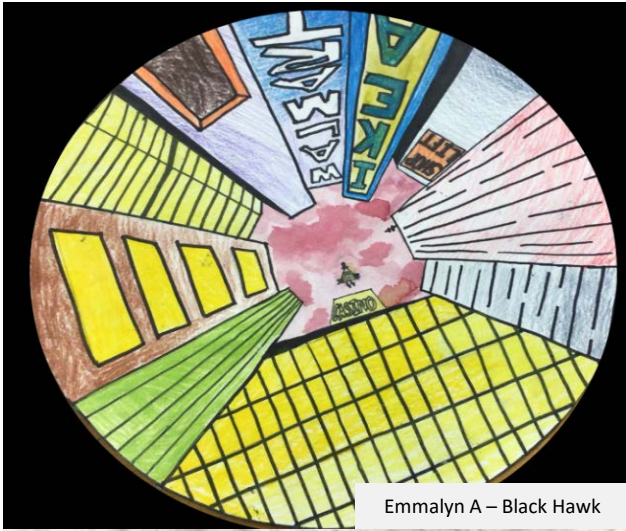
Dakota Ridge School



Transitions Plus

Informational Section





Emmalyn A – Black Hawk



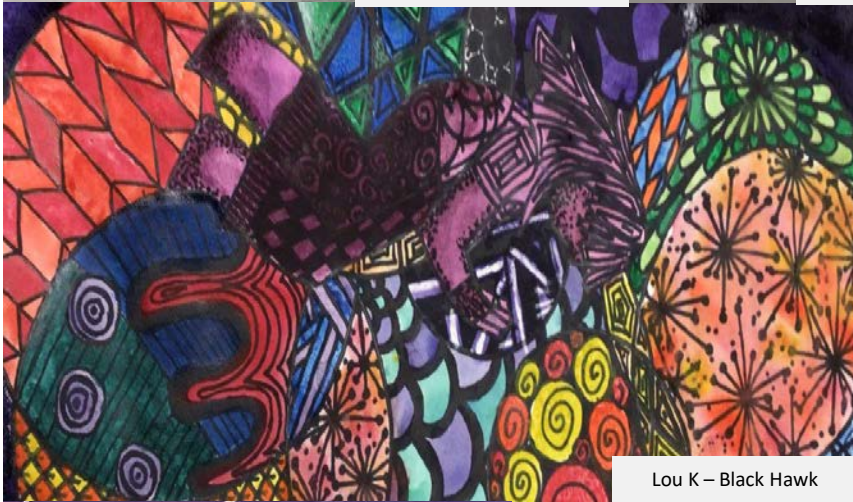
Wes A – Scott Highlands



Jax R – Scott Highlands



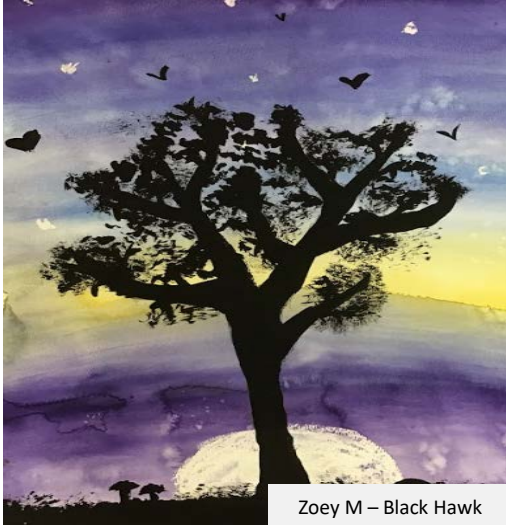
Hailey B – Black Hawk



Lou K – Black Hawk



Emmit – Red Pine



Zoey M – Black Hawk



Garrett – Red Pine



Pierce – Scott Highlands

Enrollment by grade by year:

Grade	Actual 2019-20	Actual 2020-21	Actual 2021-22	Actual 2022-23	Projection 2023-24*	Projection 2024-25*	Projection 2025-26*	Projection 2026-27*
K	2,002	1,764	1,978	1,802	1,802	1,802	1,802	1,802
1	2,065	2,011	1,880	2,017	1,849	1,851	1,851	1,851
2	2,099	2,034	2,021	1,906	2,043	1,871	1,871	1,871
3	2,057	2,032	2,034	2,049	1,939	2,072	1,897	1,911
4	2,089	2,036	2,039	2,047	2,084	1,970	2,108	1,930
5	2,126	2,044	2,016	2,044	2,117	2,151	2,031	2,174
6	2,130	2,136	2,122	2,061	2,130	2,210	2,227	2,125
7	2,261	2,160	2,148	2,121	2,109	2,173	2,254	2,268
8	2,237	2,271	2,167	2,136	2,158	2,138	2,200	2,283
9	2,264	2,283	2,367	2,247	2,267	2,263	2,242	2,307
10	2,205	2,307	2,277	2,380	2,289	2,277	2,271	2,251
11	2,224	2,204	2,294	2,251	2,433	2,302	2,311	2,305
12	2,101	2,153	2,162	2,246	2,416	2,588	2,456	2,464
CBSE (1)	817	1,070	1,085	1,214	950	979	991	979
ECSE (2)	510	472	446	480	475	475	475	475
ABE	39	31	50	46	46	50	47	48
Totals	29,226	29,008	29,086	29,047	29,107	29,172	29,034	29,044

* Enrollment Projection

Enrollment Projection Methodology

The district uses several methods to project student enrollments. These projection methods are reviewed by the district enrollment committee and a combination of the projection methods described below is agreed upon and presented to the School Board for approval.

- 1. Cohort Survival (grade progression):** Based on the ratio between the number of students at one grade level versus the number in the previous grade level the prior year.
- 2. Live births-to-actual:** Live births information obtained from the Minnesota Department of Health is used to project the number of eligible kindergarten students who will reside in the district at age five.
- 3. Eligible-to-actual enrolled:** The actual number of eligible kindergarten students is determined by the number of preschoolers within the kindergarten age group in each elementary school attendance area.
- 4. Census-based:** The district is divided into 130 census/sub areas. Student Information staff work with various utility companies within the district boundary to track the number of household units, school-aged children and actual number of students per household enrolled in the district's schools, other private or public schools, or being educated at home. To project student enrollment, students who are enrolled in the district as of October 1 of each school year are advanced to the next grade. In addition, the district also maintains child per housing unit (CPU) by dwelling type and uses this data to project the number of additional school-aged children who might attend from new housing developments within each attendance area. CPU ratios are calculated based on actual October 1 information per dwelling types (i.e. single family homes, townhomes and apartments). The number of new students to be added to the preliminary enrollment projection totals is determined by applying the appropriate CPU ratios to the respective new housing units. These numbers are added to the preliminary enrollment projection totals.

Note: Enrollments as of October 1.

(1) Center Based Special Education (CBSE)

(2) Early Childhood Special Education (ECSE)

All School Years 2021-22 through 2024-25 are projections

Enrollment by school by year:

School	Actual 2019-20	Actual 2020-21	Actual 2021-22	Actual 2022-23	Projection 2023-24	Projection 2024-25	Projection 2025-26	Projection 2026-27
Cedar Park Elementary STEM School (CP)	693	686	657	701	714	714	707	692
Deerwood Elementary (DW)	655	584	537	517	501	486	474	472
Diamond Path Elementary (DP)	746	703	649	659	665	651	631	624
East Lake Elementary (EL)	673	718	757	786	809	824	839	859
Echo Park Elementary (EP)	755	705	706	705	717	680	666	655
Glacier Hills Elementary (GH)	742	682	655	651	653	654	651	651
Greenleaf Elementary (GL)	842	764	750	761	768	756	760	745
Highland Elementary (HL)	695	681	677	680	660	662	656	659
Northview Elementary (NV)	440	420	385	365	354	363	353	364
196Online Digital Academy (1)	-	-	273	61	-	-	-	-
Oak Ridge Elementary (OR)	544	506	517	524	531	526	503	504
Parkview Elementary (PV)	774	761	700	669	635	631	602	568
Pinewood Elementary (PW)	573	551	515	490	480	480	461	450
Red Pine Elementary (RP)	701	668	650	698	684	670	653	658
Rosemount Elementary (RE)	739	731	770	754	775	780	790	801
Shannon Park Elementary (SP)	603	555	508	497	493	473	454	445
Southview Elementary (SV)	666	602	584	591	599	604	608	622
Thomas Lake Elementary (TL)	545	519	547	553	562	528	510	482
Westview Elementary (WV)	411	411	426	475	470	474	481	504
Woodland Elementary (WL)	620	674	705	728	743	738	739	757
Elementary (K-5) Totals	12,417	11,921	11,968	11,865	11,813	11,694	11,538	11,512
Black Hawk Middle (BHMS)	830	825	833	847	855	837	858	859
Dakota Hills Middle (DHMS)	1,237	1,209	1,122	1,122	1,158	1,188	1,216	1,215
Falcon Ridge Middle (FRMS)	1,013	1,021	934	925	963	1,062	1,088	1,087
196Online Digital Academy (1)	-	-	123	75	-	-	-	-
Rosemount Middle (RMS)	1,270	1,246	1,220	1,178	1,156	1,124	1,153	1,149
Scott Highlands Middle (SHMS)	1,161	1,203	1,158	1,131	1,173	1,200	1,230	1,230
Valley Middle School of STEM (VMS)	1,091	1,063	1,047	1,040	1,065	1,083	1,109	1,109
Middle School (6-8) Totals	6,602	6,567	6,437	6,318	6,370	6,494	6,654	6,649
Apple Valley High (AVHS)	1,587	1,732	1,778	1,816	1,825	1,831	1,803	1,815
Eagan High (EHS)	1,990	2,061	2,038	2,100	2,112	2,121	2,089	2,100
Eastview High (EVHS)	2,191	2,220	2,218	2,224	2,236	2,247	2,212	2,225
196Online Digital Academy (1)	-	-	134	108	109	111	109	107
Rosemount High (RHS)	2,377	2,463	2,446	2,343	2,377	2,366	2,329	2,341
School of Environmental Studies (SES)	361	340	358	365	381	383	373	374
Area Learning Center (ALC)	121	131	128	168	171	177	171	171
High School (9-12) Totals	8,627	8,947	9,100	9,124	9,211	9,236	9,086	9,133
Adult Basic Education (ABE)	39	31	50	46	46	50	47	48
Center-Based Special Education (CBSE)	817	814	850	964	950	979	990	979
Dakota Ridge (DR)	94	113	109	111	112	114	115	118
Early Childhood Special Education (ECSE)	510	472	446	480	475	475	475	475
Transition Plus (TP)	120	143	126	139	130	130	130	130
Other Enrollment Totals	1,580	1,573	1,581	1,740	1,713	1,748	1,757	1,750
Grand Totals	29,226	29,008	29,086	29,047	29,107	29,172	29,035	29,044

Note: Enrollment Actuals include official enrollment as of October 1 of the fiscal year. Enrollment projections include official enrollment projections approved by the school board in November prior to the budget year

(1) The District 196 Online Program began in the 2021-22 school year and operated as the digital option for K-Grade 12 students through the 2022-23 school year. Beginning with the 2023-24 school year, 196Online will be an option for students in Grades 9-12 only.

Enrollment by school by grade: 2023-24 Projection

School	K(1)	1	2	3	4	5	6	7	8	9	10	11	12	SE	Total
CP	122	109	121	125	124	113	-	-	-	-	-	-	-	-	714
DW	70	76	84	82	89	100	-	-	-	-	-	-	-	-	501
DP	116	96	107	108	120	118	-	-	-	-	-	-	-	-	665
EL	120	141	156	125	134	133	-	-	-	-	-	-	-	-	809
EP	104	106	117	121	127	142	-	-	-	-	-	-	-	-	717
GH	96	105	116	109	117	110	-	-	-	-	-	-	-	-	653
GL	129	117	130	134	122	136	-	-	-	-	-	-	-	-	768
HL	100	107	117	106	119	111	-	-	-	-	-	-	-	-	660
NV	49	61	66	52	67	59	-	-	-	-	-	-	-	-	354
OR	82	80	88	83	103	95	-	-	-	-	-	-	-	-	531
PV	94	89	100	124	123	105	-	-	-	-	-	-	-	-	635
PW	68	72	80	85	91	84	-	-	-	-	-	-	-	-	480
RP	110	105	114	107	124	124	-	-	-	-	-	-	-	-	684
RE	120	129	144	121	128	133	-	-	-	-	-	-	-	-	775
SP	68	71	79	82	91	102	-	-	-	-	-	-	-	-	493
SV	84	102	112	91	102	108	-	-	-	-	-	-	-	-	599
TL	95	73	81	104	93	116	-	-	-	-	-	-	-	-	562
WV	72	82	90	66	77	83	-	-	-	-	-	-	-	-	470
WL	103	124	137	112	128	139	-	-	-	-	-	-	-	-	743
BHMS	-	-	-	-	-	-	278	270	307	-	-	-	-	-	855
DHMS	-	-	-	-	-	-	387	386	385	-	-	-	-	-	1,158
FRMS	-	-	-	-	-	-	346	343	274	-	-	-	-	-	963
RMS	-	-	-	-	-	-	367	365	424	-	-	-	-	-	1,156
SHMS	-	-	-	-	-	-	391	387	395	-	-	-	-	-	1,173
VMS	-	-	-	-	-	-	353	350	362	-	-	-	-	-	1,065
AVHS	-	-	-	-	-	-	-	-	-	524	473	441	387	-	1,825
EHS	-	-	-	-	-	-	-	-	-	541	545	536	490	-	2,112
EVHS	-	-	-	-	-	-	-	-	-	602	564	552	518	-	2,236
RHS	-	-	-	-	-	-	-	-	-	573	645	609	550	-	2,377
SES	-	-	-	-	-	-	-	-	-	-	-	216	165	-	381
ABE	-	-	-	-	-	-	-	-	-	-	-	1	45	-	46
ALC	-	-	-	-	-	-	-	-	-	-	21	43	107	-	171
CBSE	-	-	-	-	-	-	-	-	-	-	-	-	-	950	950
ECSE	-	-	-	-	-	-	-	-	-	-	-	-	-	475	475
DR	-	4	4	2	5	6	8	8	11	12	16	11	25	-	112
1960	-	-	-	-	-	-	-	-	-	15	25	25	44	-	109
Trans +														130	130
Totals	1,802	1,849	2,043	1,939	2,084	2,117	2,130	2,109	2,158	2,267	2,289	2,409	2,331	1,555	29,107

Student Average Daily Membership (ADM) (1):

Year Ended June 30,	Early Childhood & Kindergarten	Elementary	Secondary	Total	Total Pupil Units	Total Lunches Served	Free Lunch Number Served	Reduced Lunch Number Served
2012	2,092.37	11,948.37	13,012.52	27,053.26	31,406.83	2,633,781	625,915	168,576
2013	2,086.14	11,926.58	12,780.09	26,792.81	31,079.22	2,398,031	606,438	170,748
2014	2,001.38	12,116.23	12,800.68	26,918.29	31,261.97	2,385,935	643,503	165,163
2015	2,251.04	12,235.89	12,718.96	27,205.89	29,748.93	2,528,744	676,947	195,960
2016	2,221.88	12,421.88	12,869.63	27,513.39	30,087.31	2,561,285	694,018	207,102
2017	2,281.91	12,728.02	12,901.49	27,911.42	30,347.56	2,585,768	667,303	227,423
2018	2,396.69	12,831.89	12,949.34	28,177.92	30,766.98	2,598,724	671,874	227,855
2019	2,425.69	12,859.96	13,132.63	28,418.28	31,045.11	2,603,191	622,877	238,377
2020	2,487.24	12,953.75	13,428.55	28,869.54	31,555.25	1,924,112	438,784	171,961
2021	2,114.67	12,754.60	13,674.79	28,544.06	31,279.02	1,538,375	1,538,375	-
2022	2,363.38	12,597.24	13,718.14	28,678.76	31,422.20	3,034,816	2,954,034	-

(1) ADM is weighted as follows in computing pupil units:

	Kindergarten	Elementary Grades 1-3	Elementary Grades 4-6	Secondary
Fiscal 2008-2014	0.612	1.115	1.060	1.300
Fiscal 2015 & Later	0.550	1.000	1.000	1.200

Source: Minnesota Department of Education

Assessment and Student Achievement:

	2017	2018	2019	2020 (A)	2021	2022
State Accountability Tests (1)						
Reading						
Grade 3	65	64	61	N/A	54	53
Grade 4	62	66	60	N/A	52	56
Grade 5	72	70	73	N/A	63	65
Grade 6	69	69	66	N/A	60	60
Grade 7	64	63	62	N/A	56	52
Grade 8	68	66	63	N/A	57	55
Grade 10	73	73	73	N/A	73	59
Math						
Grade 3	75	73	71	N/A	65	65
Grade 4	73	74	70	N/A	56	66
Grade 5	64	62	62	N/A	47	54
Grade 6	65	64	59	N/A	42	44
Grade 7	62	61	59	N/A	43	45
Grade 8	66	66	65	N/A	42	46
Grade 11	68	64	62	N/A	60	44
Science						
Grade 5	68	66	66	N/A	54	56
Grade 8	61	59	56	N/A	38	41
High School	74	70	74	N/A	59	56
Measures of Academic Progress (MAP) (2)						
Reading						
Grades 2-5	N/A	N/A	N/A	N/A	N/A	N/A
Grades 6-7	55.3	56.4	54.5	49.6	57.9	40.6
Math						
Grades 2-5	54.6	51.2	48.3	51.7	N/A	N/A
Grades 6-7	60.4	60.8	58.8	56.4	42.5	40.7
American College Testing (ACT)	23.1	23.1	23.0	N/A	22.9	21.5
Graduation and Dropout Data						
District graduation rates	90	91	91	89	89	88.6
State graduation rates	83	83	84	84	83	83.6
District dropout rates	4.12	2.1	1.9	1.8	2.3	2.7
State dropout rates	8.56	4.6	4.4	3.7	4	4.5

(A) Due to the COVID-19 Pandemic, some 2019-20 data unavailable

(1) Percentage of students scoring at or above proficiency.

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

Source: State graduation and dropout rates obtained from the Minnesota Department of Education

Food and Nutrition Services Data:

Year Ended June 30,	Average Daily Attendance (1)	Total Lunches Served	Average Daily Lunches Served	School Days	Participation as a % of Average Daily Attendance	Free Lunch		Reduced Lunch	
						Number Served	Percent of Total	Number Served	Percent of Total
2013	23,602	2,398,031	14,106	170	59.8	606,438	25.3	170,748	7.1
2014	24,571	2,385,935	14,460	165	58.9	643,503	27.0	165,163	6.9
2015	24,853	2,528,744	14,963	169	60.2	676,947	26.8	195,960	7.7
2016	25,198	2,561,285	15,156	169	60.1	694,018	27.1	207,102	8.1
2017	26,416	2,585,768	15,300	169	57.9	667,303	25.8	227,423	8.8
2018	25,296	2,598,724	15,750	165	62.3	671,874	25.9	227,855	8.8
2019	25,988	2,603,191	15,777	165	60.7	622,877	23.9	238,377	9.2
2020	28,870	1,924,112	16,587	116	57.5	438,784	22.8	171,961	8.9
2021	27,117	1,538,375	8,097	190	29.9	1,538,375	100.0	-	-
2022	23,415	3,034,816	17,342	175	74.1	2,954,034	97.3	-	-

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

Employees by Full-Time Equivalent (FTE)

Employee Group	Contract Group	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Prelim
District Administrators	Special Staff	38.20	41.87	44.50	39.75	48.65	48.60	49.65
Principals/Assistant Principals	Principals	45.34	45.36	45.86	45.86	45.50	48.00	46.00
Special Staff	Special Staff	69.53	73.92	75.25	65.25	78.48	83.10	84.18
Other Non-Licensed Staff	Special Staff	51.45	54.04	50.71	50.18	52.87	55.04	57.57
Assistant Administrators	Principals	23.93	25.36	24.77	27.00	27.57	32.24	34.04
Deans	Teachers	2.00	2.00	3.00	3.51	3.51	2.71	2.71
Teachers	Teachers	2,062.07	2,066.75	2,070.69	2,226.09	2,251.41	2,247.00	2,312.20
Nurses	Teachers	32.91	31.45	33.39	31.45	32.53	37.25	36.00
Secretarial/Clerical	Secretarial and Clerical	682.98	673.68	709.11	682.15	724.51	759.02	779.96
Building Chiefs	Building Chiefs	33.00	33.00	35.00	33.00	32.00	33.00	33.00
Custodians	Custodial	149.50	152.50	153.83	154.50	149.83	155.00	156.10
Food Service	Food Service	112.26	114.28	103.07	95.84	113.56	107.69	140.20
Bus Drivers and Chaperones	Bus Drivers and Chaperones	183.00	200.50	223.57	215.00	215.00	215.00	215.00
Vehicle Technicians	Vehicle Technicians	9.00	8.00	9.00	9.00	9.00	9.00	8.00
		3,495.17	3,522.72	3,581.75	3,678.58	3,784.43	3,832.66	3,954.62

Employment Contracts/Benefit Provisions

Employment Group	Effective period		Board Signature Date
	Start Date	End Date	
Teachers	July 1, 2021	June 30, 2023	November 8, 2021
Secretarial and Clerical	July 1, 2021	June 30, 2023	March 14, 2022
Custodial	July 1, 2021	June 30, 2023	December 13, 2021
Bus Drivers	July 1, 2021	June 30, 2023	May 12, 2022
Food Service	July 1, 2022	June 30, 2024	October 10, 2022
Administration/Special Staff	July 1, 2022	June 30, 2024	November 9, 2020
Principals	July 1, 2022	June 30, 2024	May 9, 2022
Building Engineers	July 1, 2022	June 30, 2024	August 8, 2022
Vehicle Technicians	July 1, 2022	June 30, 2024	September 26, 2022
Cultural Family Advocates	July 1, 2022	June 30, 2024	October 10, 2022

School Facilities:

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

N/A – Not Available

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

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

(3) Joint sites

- (a) with Black Hawk Middle School
- (b) with Scott Highlands Middle School
- (c) with Rosemount High School

(d) with Valley Middle School

(e) with Eagan High School

(f) with District Service Center/Facilities/Dakota Ridge/Dakota Valley Learning Center

Source: Building square footage totals are based on Minnesota Department of Education Building Age Report

Demographics and Economic Data:

Calendar Year	District Population (1)	Dakota County (2)					School Enrollment (3)
		Population	Personal Income (Thousands)	Per capita Personal Income	Median Age	Unemployment Rate (%)	
2012	147,703	405,088	20,192,381	49,847	36.7	4.9	27,168
2013	148,392	408,509	20,706,256	50,687	37.4	4.7	27,202
2014	149,616	412,529	21,524,339	51,220	37.5	3.7	27,412
2015	149,406	414,686	22,272,614	53,710	37.3	3.7	27,790
2016	153,051	417,486	22,951,451	54,975	N/A	3.4	28,182
2017	153,174	421,751	24,308,945	57,638	N/A	3.1	28,257
2018	157,475	428,484	25,802,276	60,651	N/A	2.5	28,875
2019	159,390	429,021	26,562,417	61,914	38.3	2.9	29,226
2020	159,390	431,807	27,958,762	64,748	38.0	5.9	29,008
2021	163,960	442,038	N/A	N/A	N/A	3.4	29,086

N/A - Not Available

(1) District population is based upon an annual school district census and U.S. census.

(2) Comprehensive Annual Financial Report for Dakota County, Minnesota.

(3) Actual number of students enrolled in the district on October 1 of each school year.

Taxable Market Value of Properties:

Payable Year	Taxable Market Value of Properties			Total Direct School Tax Rate
	Residential Property	Commercial Property	Total Assessed Value	
2015	11,307,112,722	2,407,942,077	13,715,054,799	23.27%
2016	12,022,285,312	2,472,680,178	14,494,965,490	24.32%
2017	12,520,363,410	2,612,101,889	15,132,465,299	23.34%
2018	13,377,627,905	2,903,178,636	16,280,806,541	21.35%
2019	14,599,757,395	1,687,545,724	16,287,303,119	20.61%
2020	15,677,654,749	3,335,329,956	19,012,984,705	21.35%
2021	16,476,695,793	3,612,308,500	20,089,004,293	20.05%
2022	17,490,859,564	3,755,044,100	21,245,903,664	19.97%
2023	20,676,498,416	4,125,495,700	24,801,994,116	17.90%
2024 (1)	21,646,889,594	4,637,162,600	26,284,052,194	17.36% (2)

(1) - Payable 2024 data is preliminary at the time of this report.

(2) - Payable 2024 Direct school tax rate is forecast from property tax rates table data.

Source: Dakota County Department of Property Tax and Public Records

Property Tax Capacity and Estimated Market Value of Property:

Tax Collection Year	Tax capacity (1)						Referendum Market Value
	Real and Personal Property	Fiscal Disparities Contribution	Tax Increment	Amount	Fiscal Disparities Distribution	Total Tax Capacity	
2014	145,202,900	(14,651,943)	(2,002,926)	128,548,031	17,217,872	145,765,903	13,089,930,995
2015	158,041,081	(14,673,865)	(2,150,890)	141,216,326	17,375,325	158,591,651	14,246,590,466
2016	166,440,791	(14,921,393)	(1,904,735)	149,614,663	17,855,260	167,469,923	14,984,685,831
2017	173,554,906	(15,383,669)	(2,471,521)	155,699,716	19,309,802	175,009,518	15,593,078,470
2018	186,318,358	(15,403,001)	(3,128,406)	167,786,951	20,713,134	188,500,085	16,705,743,318
2019	201,428,701	(15,818,379)	(3,731,389)	181,878,933	22,023,827	203,902,760	18,061,396,485
2020	215,880,510	(16,477,982)	(4,312,949)	195,089,579	23,476,576	218,566,155	19,320,498,352
2021	228,617,628	(17,313,550)	(4,486,386)	206,817,692	24,920,887	231,738,579	20,353,002,736
2022	240,575,365	(18,504,314)	(4,884,451)	217,186,600	27,109,969	244,296,569	21,456,033,389
2023	279,459,418	(92,562,057)	(5,304,095)	181,593,266	26,974,003	208,567,269	24,848,181,413
2024 ⁽²⁾	307,267,024	(24,581,362)	(5,756,799)	276,928,863	28,139,093	305,067,957	27,268,038,625

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

(2) Payable 2024 is forecasted based on the previous 5 year trend.

Source: Dakota County Department of Property Tax and Public Records

Property Tax Information/Valuation Data:

Year	Property Tax Information/Valuation Data						
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Average Home Value	322,398	310,703	289,071	267,363	298,665	257,764	246,104
Average School District Property Tax Per Home	1,728	1,717	1,381	1,320	1,374	1,285	1,161
District Property Tax Per 100K Home Value After Credits	536	553	478	494	460	499	472
ANTC Per APU	7,290	6,900	6,471	6,026	5,810	5,677	5,119
RMV Per RPU	630,786	592,392	544,048	513,025	498,912	483,701	448,960

Source:
MN Department of Education - Property Tax Information

Tax Revenues:

Fiscal Year	Property Tax Levies (1)					Total
	General Purposes	Community Service	Capital Projects & Improvements	Debt Service Regular	OPEB	
2015	53,977,589	1,676,223	3,417,249	16,629,687	2,540,643	78,241,390
2016	60,057,803	1,669,208	2,133,173	4,632,635	10,038,067	78,530,885
2017	59,078,182	1,673,732	7,378,857	7,376,577	10,077,109	85,584,457
2018	63,440,402	1,672,058	7,045,226	6,783,114	10,004,262	88,945,062
2019	65,636,366	1,675,810	7,005,751	7,015,089	9,635,611	90,968,627
2020	68,088,520	1,690,863	7,688,932	17,834,818	-	95,303,134
2021	88,239,829	1,720,574	8,192,925	17,927,252	-	116,080,580
2022	93,203,711	1,727,003	8,755,833	17,781,981	-	121,468,528
2023	95,679,646	1,767,014	9,498,594	17,824,058	-	124,769,312
2024	104,293,741	1,810,093	9,955,479	17,462,652	-	133,521,965

(1) The amounts presented represent the amounts levied for the indicated year. The actual receipts vary dependent on the year tax collections.

Tax Rates:

Property Tax Rates (1) Last Ten Fiscal Years

Tax Collection Year	Rate	Community			
		General Fund	Service Special Revenue Fund	Debt Service Fund	Total
2015	Tax Capacity Rate	12.859	1.032	9.380	23.271
2015	Market Value Rate	0.255	-	-	0.255
2016	Tax Capacity Rate	12.843	1.004	10.470	24.317
2016	Market Value Rate	0.270	-	-	0.270
2017	Tax Capacity Rate	13.000	0.915	9.421	23.336
2017	Market Value Rate	0.274	-	-	0.274
2018	Tax Capacity Rate	11.728	0.880	8.744	21.352
2018	Market Value Rate	0.267	-	-	0.267
2019	Tax Capacity Rate	12.511	0.860	7.242	20.613
2019	Market Value Rate	0.261	-	-	0.261
2020	Tax Capacity Rate	10.907	0.784	8.169	21.352
2020	Market Value Rate	0.344	-	-	0.267
2021	Tax Capacity Rate	11.619	0.746	7.681	20.046
2021	Market Value Rate	0.327	-	-	0.017
2022	Tax Capacity Rate	11.955	0.723	7.293	19.971
2022	Market Value Rate	0.313	-	-	0.313
2023	Tax Capacity Rate	11.164	0.633	6.107	17.904
2023	Market Value Rate	0.298	-	-	0.298
2024 (2)	Tax Capacity Rate	10.884	0.587	5.886	17.357
2024	Market Value Rate	0.311	-	-	0.311

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

(2) Data forecasted based on historical trends

Source: Dakota County Department of Property Tax and Public Records

Long-Term Debt – Minimum Future Payments Summary:

Year Ending June 30,	General Obligation Bonds		Capital Leases		Certificates of Participation	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	12,645,000	4,275,029	755,317	131,293	3,185,000	1,123,777
2024	12,955,000	3,645,900	776,894	109,716	3,320,000	987,944
2025	13,595,000	2,998,150	798,937	87,673	3,445,000	868,188
2026	10,695,000	2,318,400	699,836	64,680	3,565,000	742,313
2027	11,250,000	1,783,650	720,677	43,839	3,475,000	609,363
2028	11,820,000	1,221,150	322,378	26,992	3,605,000	476,425
2029	12,290,000	748,350	331,904	17,465	3,725,000	355,325
2030	12,655,000	379,650	341,283	7,545	2,665,000	247,235
2031					1,685,000	181,030
2032					720,000	139,500
2033-37					3,930,000	360,900
	<u>97,905,000</u>	<u>17,370,279</u>	<u>4,747,226</u>	<u>489,204</u>	<u>33,320,000</u>	<u>6,091,998</u>

Long-Term Debt Obligations:

Issue	Type	Issue Date	Interest Rate (%)	Issue Amount	Final Maturity	Principal Outstanding 6/30/23	Principal Due in One Year
2012C Refunding (1)	Bond	6/7/2012	3.00-4.50	24,210,000	2/1/2025	-	-
2013A Refunding (1)	Bond	6/15/2013	2.00-3.00	12,100,000	2/1/2025	-	-
2016A School Building Bonds	Bond	2/16/2016	1.00-5.00	112,150,000	2/1/2030	77,805,000	9,320,000
2022A Refunding	Bond	2/3/2022	5.00	11,235,000	2/1/2025	7,455,000	3,635,000
2012LA ATP Building	Lease	6/29/2012	4.54	5,028,875	6/1/2027	1,560,947	373,206
2014LB School Addition (PV)	Lease	11/25/2014	2.91	4,200,000	2/1/2030	2,211,629	286,743
2017LB Sped Bus Lease Purchase	Lease	7/25/2017	2.56	903,052	7/25/2021	-	-
2017LA Instrument Lease	Lease	7/1/2017	2.94	140,157	7/1/2021	-	-
2020LA Maintenance Vehicles and Equipment	Lease	8/1/2020	0.0218	585,000	8/1/2024	236,437	116,946
2010A Certificates	COP	10/1/2010	2.00-3.50	2,705,000	4/1/2026	640,000	205,000
2013B Certificates	COP	12/1/2013	2.00-4.00	13,710,000	2/1/2029	6,200,000	950,000
2020A Certificates	COP	5/7/2021	2.00-4.00	8,960,000	2/1/2029	6,560,000	840,000
2021A Certificates	COP	4/1/2021	2.00-4.00	9,005,000	4/1/2031	7,400,000	835,000
2022B Certificates of Participation	COP	3/10/2022	3.00-5.00	9,775,000	4/1/2037	9,335,000	490,000

(1) Obligations for the 2012C and 2013A Refunding Bonds were met and reissued as part of the 2022A Refunding Bonds. The information in the table includes the original maturity date, but no current debt obligations exist for these issues.

Legal Debt Margin Information:

	2018	2019	as of June 30, 2020	2021	2022
Estimated market value (MV)	16,705,743,318	18,061,396,485	19,320,498,352	20,353,002,736	21,847,589,915
Debt limit (15% of MV)	2,505,861,498	2,709,209,473	2,898,074,753	3,052,950,410	3,277,138,487
Debt applicable to limit					
General Obligation Bonds	146,585,000	132,415,009	138,207,404	124,628,164	127,013,084
Less cash in reserves for repayment	(3,592,701)	(1,699,991)	(2,669,765)	(3,636,775)	(4,543,912)
Total debt applicable to limit	142,992,299	130,715,018	135,537,639	120,991,389	122,469,172
Legal Debt Margin	2,362,869,199	2,578,494,455	2,762,537,114	2,931,959,021	3,145,581,491
Net debt as a % of debt limit	5.71%	4.82%	4.68%	3.96%	3.74%

Long-Term Debt – Minimum Future Payments – General Obligations Bonds:

Year Ending June 30,	2012C Refunding		2013A Refunding	
	Principal	Interest	Principal	Interest
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
	-	-	-	-

Long-Term Debt – Minimum Future Payments – General Obligation Bonds (continued):

Year Ending June 30,	2016A School Building		2022A Refunding		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	8,865,000	3,716,400	3,780,000	558,629	12,645,000	4,275,029
2024	9,320,000	3,273,150	3,635,000	372,750	12,955,000	3,645,900
2025	9,775,000	2,807,150	3,820,000	191,000	13,595,000	2,998,150
2026	10,695,000	2,318,400	-	-	10,695,000	2,318,400
2027	11,250,000	1,783,650	-	-	11,250,000	1,783,650
2028	11,820,000	1,221,150	-	-	11,820,000	1,221,150
2029	12,290,000	748,350	-	-	12,290,000	748,350
2030	12,655,000	379,650	-	-	12,655,000	379,650
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
	<u>86,670,000</u>	<u>16,247,900</u>	<u>11,235,000</u>	<u>1,122,379</u>	<u>97,905,000</u>	<u>17,370,279</u>

Long-Term Debt – Minimum Future Payments – Capital Leases:

Year Ending June 30,	Major Equipment		ALC/TP Building		Elementary Addition (PV)	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	114,454	7,640	362,397	52,750	278,466	70,904
2024	116,946	5,148	373,206	41,941	286,743	62,627
2025	119,492	2,602	384,337	30,810	295,109	54,261
2026	-	-	395,800	19,347	304,036	45,333
2027	-	-	407,604	7,542	313,073	36,297
2028	-	-	-	-	322,378	26,992
2029	-	-	-	-	331,904	17,465
2030	-	-	-	-	341,283	7,545
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
	<u>350,891</u>	<u>15,390</u>	<u>1,923,344</u>	<u>152,390</u>	<u>2,472,991</u>	<u>321,425</u>

Long-Term Debt – Minimum Future Payments – Capital Leases (continued):

Year Ending June 30,	SpEd Bus		Instrument Lease		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	-	-	-	-	755,317	131,293
2024	-	-	-	-	776,894	109,716
2025	-	-	-	-	798,937	87,673
2026	-	-	-	-	699,836	64,680
2027	-	-	-	-	720,677	43,839
2028	-	-	-	-	322,378	26,992
2029	-	-	-	-	331,904	17,465
2030	-	-	-	-	341,283	7,545
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,747,226</u>	<u>489,204</u>

Long-Term Debt – Minimum Future Payments – Certificates of Participation:

Year Ending June 30,	2010A Certificates of Participation		2013B Certificates of Participation		2020A Certificates of Participation	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	200,000	28,894	925,000	252,425	805,000	234,600
2024	205,000	22,144	950,000	224,675	840,000	202,400
2025	215,000	15,225	980,000	194,988	870,000	168,800
2026	220,000	7,700	1,010,000	163,138	905,000	134,000
2027	-	-	1,045,000	127,788	945,000	97,800
2028	-	-	1,085,000	88,600	980,000	60,000
2029	-	-	1,130,000	45,200	1,000,000	40,400
2030	-	-	-	-	1,020,000	20,400
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2023-37	-	-	-	-	-	-
	<u>840,000</u>	<u>73,963</u>	<u>7,125,000</u>	<u>1,096,813</u>	<u>7,365,000</u>	<u>958,400</u>

Long-Term Debt – Minimum Future Payments – Certificates of Participation (continued):

Year Ending June 30,	2021A Certificates of Participation		2022B Certificates of Participation		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	815,000	196,325	440,000	411,533	3,185,000	1,123,777
2024	835,000	171,875	490,000	366,850	3,320,000	987,944
2025	865,000	146,825	515,000	342,350	3,445,000	868,188
2026	890,000	120,875	540,000	316,600	3,565,000	742,313
2027	915,000	94,175	570,000	289,600	3,475,000	609,363
2028	945,000	66,725	595,000	261,100	3,605,000	476,425
2029	970,000	38,375	625,000	231,350	3,725,000	355,325
2030	985,000	26,735	660,000	200,100	2,665,000	247,235
2031	995,000	13,930	690,000	167,100	1,685,000	181,030
2032			720,000	139,500	720,000	139,500
2023-37			3,930,000	360,900	3,930,000	360,900
	<u>8,215,000</u>	<u>875,840</u>	<u>9,775,000</u>	<u>3,086,983</u>	<u>33,320,000</u>	<u>6,091,998</u>

Fund Balances of Governmental Funds:

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

Change in Fund Balances of Governmental Funds (Actuals):

	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	17,975,164	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	428,649,975	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	179,117,976	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	426,569,323	445,325,365	489,047,466
Revenues over (under) expenditures	(27,966,726)	(53,017,815)	(24,812,692)	2,080,652	16,582,451	(5,605,416)
Other financing sources (uses)						
Transfers in	20,122	-	135,509	399,229	34,763	92,212
Transfers out	(20,122)	-	(135,509)	(399,229)	(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	-	-	-	-	-	-
Insurance Recovery	-	311,212	56,303	25,413	46,259	7,623
Bond refunding payments	-	-	-	-	-	(12,110,000)
Capital leases and other loans	-	1,043,209	-	-	-	18,115
Judgements for the School District	-	-	369	-	-	-
Sale of capital assets/real property	80,287	23,971	19,383	855,871	191,868	782,650
Total other financing sources (uses)	80,287	1,378,392	76,055	10,385,486	9,779,684	11,631,845
Net change in fund balances	(27,886,439)	(51,639,423)	(24,736,637)	12,466,138	26,362,135	6,026,429
Fund balances						
Beginning of year	169,596,426	141,709,987	90,070,564	65,564,619	78,030,757	104,392,892
Prior Period Restatement			230,692			
End of year	141,709,987	90,070,564	65,564,619	78,030,757	104,392,892	110,419,321

Glossary of Terms and Acronyms

A

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).

ACT: The American College Testing program commonly taken for application and enrollment in many post-secondary education institutions.

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 (APU): 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

BAC: Acronym for the Budget Advisory Council which is group of district stakeholders and community members which contribute to the financial direction of the district.

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 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 Planning 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.

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.

CPU: Child per housing unit

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.

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.

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

No entries

K

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

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.

LTFMR: Long-Term Facilities Maintenance Revenue

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 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.

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

O

Operating Lease: A simple rental agreement where ownership is retained by the lessor at the conclusion of the leasing agreement.

P

Professional Growth Plan (PGP): Staff development program in which building teachers directly assist in implementing staff training

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 weighted count of pupils in average daily membership used in the calculation of state aid and local tax levies.

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.

Resident Pupil Units (RPU): A weighted count of resident pupils in ADM used in the calculation of state aid and local tax levies.

RMV: Residential Market Value

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 which 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.
- Statute:** A written law passed by a legislative body.
- STEM:** Acronym for Science, Technology, Engineering and Mathematics

T

- Tax Base:** The value of commercial, industrial, residential, agricultural and other properties in a school district, city, municipality and county.
- Tax Capacity:** The taxable value of property. Tax capacity of a property is determined by the type of property, taxable market value of the property and state-determined class rates for different types or property.
- 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.
- 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.

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.

X

No entries

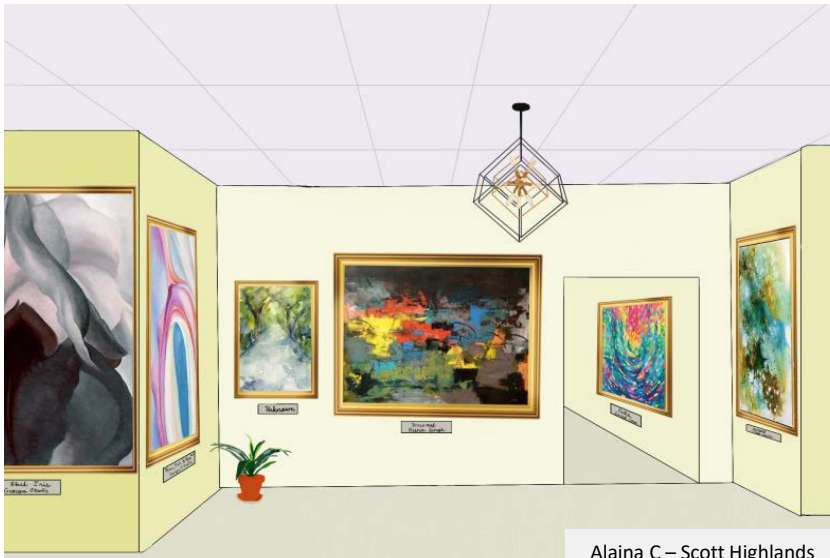
Y

No entries

Z

No entries





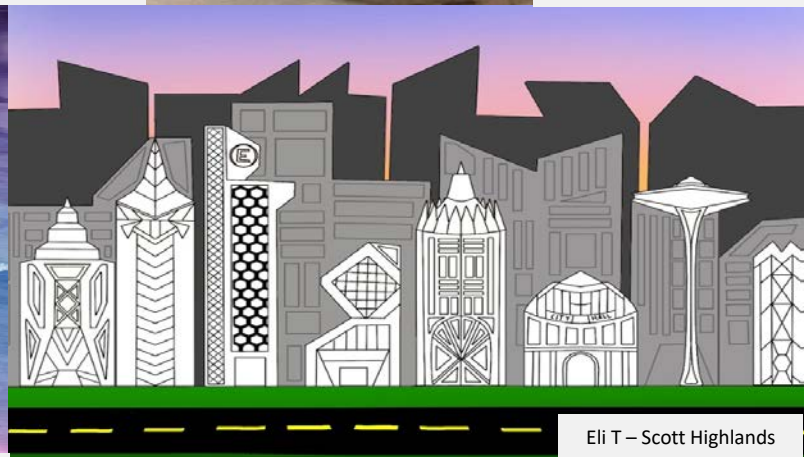
Alaina C – Scott Highlands



Jackson – Scott Highlands



Joelle T – Black Hawk



Eli T – Scott Highlands



Ellie G – Black Hawk



Rachel – Red Pine



Sadhna P – Scott Highlands



Lucia M – Black Hawk



Artem S – Black Hawk



Adrian Q – Black Hawk



Jameson L - Greenleaf



Assil B – Black Hawk



DISTRICT 196
One District. Infinite Possibilities.

Rosemount
Apple Valley
Eagan
Public Schools