



Nazarina T. - PW 1st Grade

2024-25 Preliminary Budget

Fiscal Year Ending June 30, 2025

INDEPENDENT SCHOOL DISTRICT 196

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

district196.org



Brennan L.- RP Kindergarten

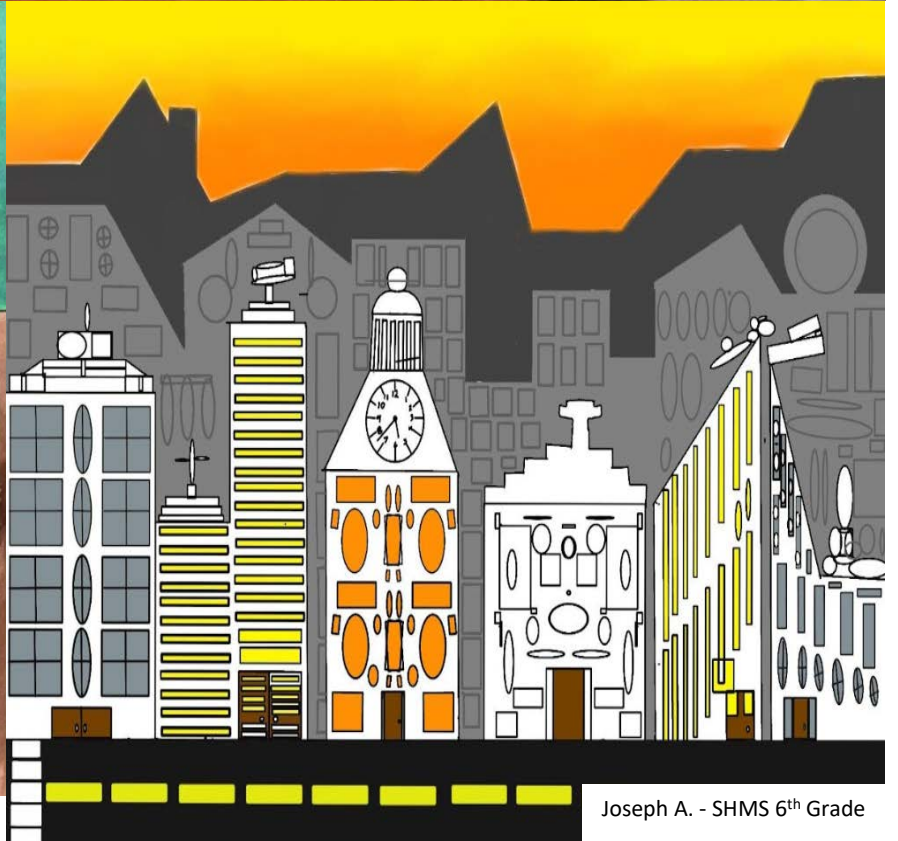
*Educating,
developing, and
inspiring our
students for
lifelong success.*



Delilah L. - SHMS 8th Grade



Mara H. - RP 2nd Grade



Joseph A. - SHMS 6th Grade

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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 2024-25 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 24, 2024

To the School Board, citizens, employees, and patrons 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 2024-25 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 2024. It was also reviewed by the School Board at its regular meeting on June 10, 2024. This budget seeks to support the district's mission of *"Educating, developing and inspiring our students for lifelong success"* 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 January 8, 2024.

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 ROADMAP

Mission - Our Core Purpose with Distinction

Educating, developing, and inspiring our students for lifelong success.

Vision - What We Intend to Create

District 196 provides the experiences that our students, families and employees desire by:

- Developing the whole student and honoring diverse needs and cultures;
- Engaging students with opportunities in academics, arts and athletics, and
- Living our mission and core values to prepare students, families and employees for lifelong success.

Core Values - Drivers of Our Words and Actions

- Student-Centered – All decisions are centered on what is best for students.
- Empathy – Seeking awareness and understanding of the perspectives and experiences of others.
- Wellness – Support the emotional, social and physical well-being of the whole person.
- Integrity – Act with respect, honesty and responsibility.
- Achievement – Provide learning with high expectations, rigor and resiliency for all.
- Collaboration – Learn and engage together for a shared purpose.
- Community – Foster an environment of inclusivity, engagement and belonging.
- Lifelong Learning – Inspire a love of learning for all ages.

Strategic Priorities - Focus of Our Continuous Improvement

- Wellbeing: Increasing capacities, skills, structures, and experiences in social-emotional well-being.
- Achievement: 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: Providing staffing, facilities, technology and equipment needed to support a safe, sustainable and dynamic learning environment for all students.

FISCAL SUMMARY

The following is a summary listing of the budget for each of the fund groups contained in the 2024-25 Preliminary Budget:

	Projected Fund Balance 7/1/2024	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balance 6/30/2025
General Fund	88,411,876	493,755,353	506,834,885	(179,244)	75,332,344
Food Service Fund	11,622,072	20,142,447	20,233,544	-	11,530,975
Community Service Fund	3,900,035	10,771,542	10,712,670	179,244	3,958,907
Building Construction Fund	297,685,984	3,500,000	100,384,623	-	200,801,361
Debt Service Funds	7,368,577	35,452,916	34,776,219	-	8,045,274
Internal Service Funds	14,465,874	79,242,000	77,044,999	-	16,662,875
Fiduciary Funds	55,157,861	2,500,000	3,500,000	-	54,157,861
	478,612,279	645,364,258	753,486,940	-	370,489,597

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 \$7,281 for the 2024-25 school year. Increases to the basic general education formula allowance have averaged less than 2.5% over the past seven fiscal years.

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 \$36 million between special education revenues and expenditures for the upcoming fiscal year.

In response to the Covid-19 pandemic, the federal government provided additional funding to school districts. These funds stemmed 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. The district projects to exhaust all federal Covid funds by the close of the 2023-24 fiscal year.

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,



Christopher Onyango-Robshaw
Director of Finance and Operations



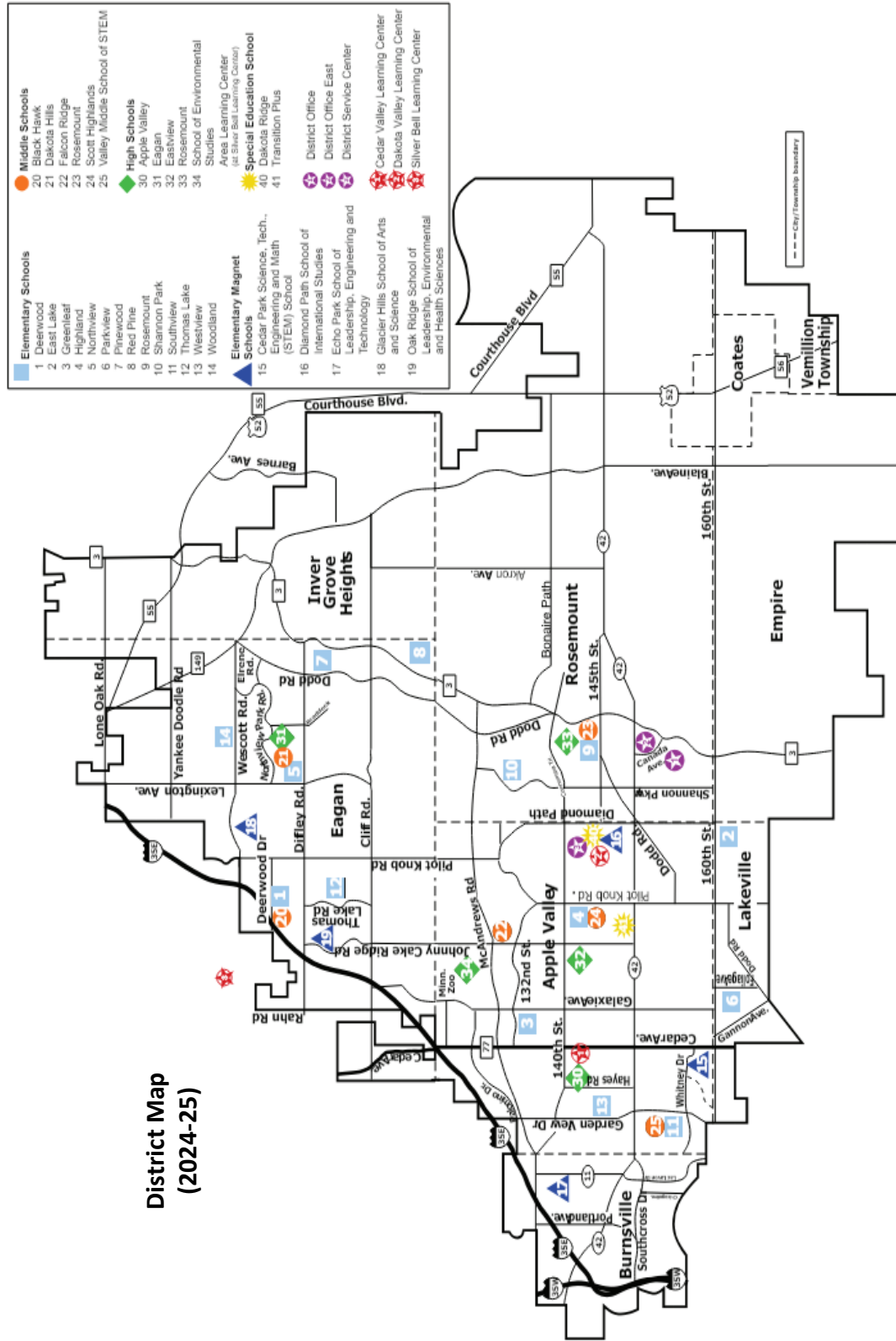
Danny DuChene
Coordinator of Finance



Kim Woods
Manager of Financial Systems,
Reporting & Compliance



District Map
(2024-25)





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

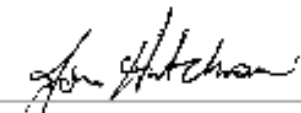
This Meritorious Budget Award is presented to:

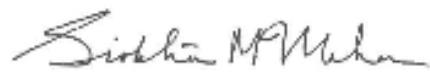
INDEPENDENT SCHOOL DISTRICT 196

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2023–2024.

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




John W. Hutchison
President


Slobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director

Executive Summary





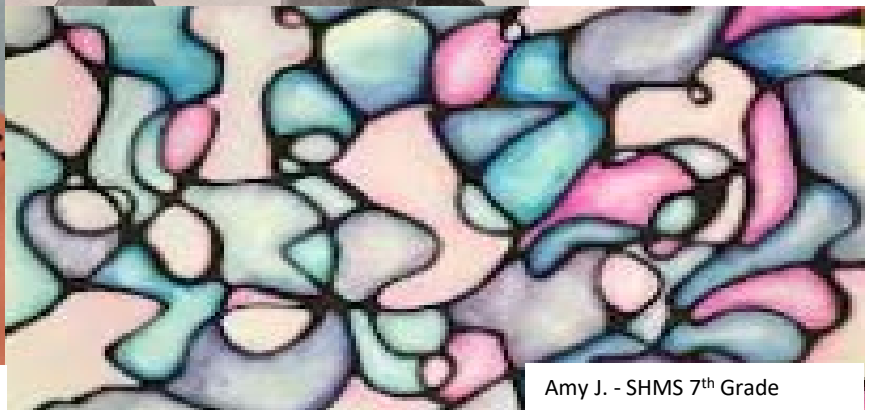
Makayla E. - BHMS 8th Grade



Emmett W. - GL 1st Grade



Svea G. - SHMS 7th Grade



Amy J. - SHMS 7th Grade

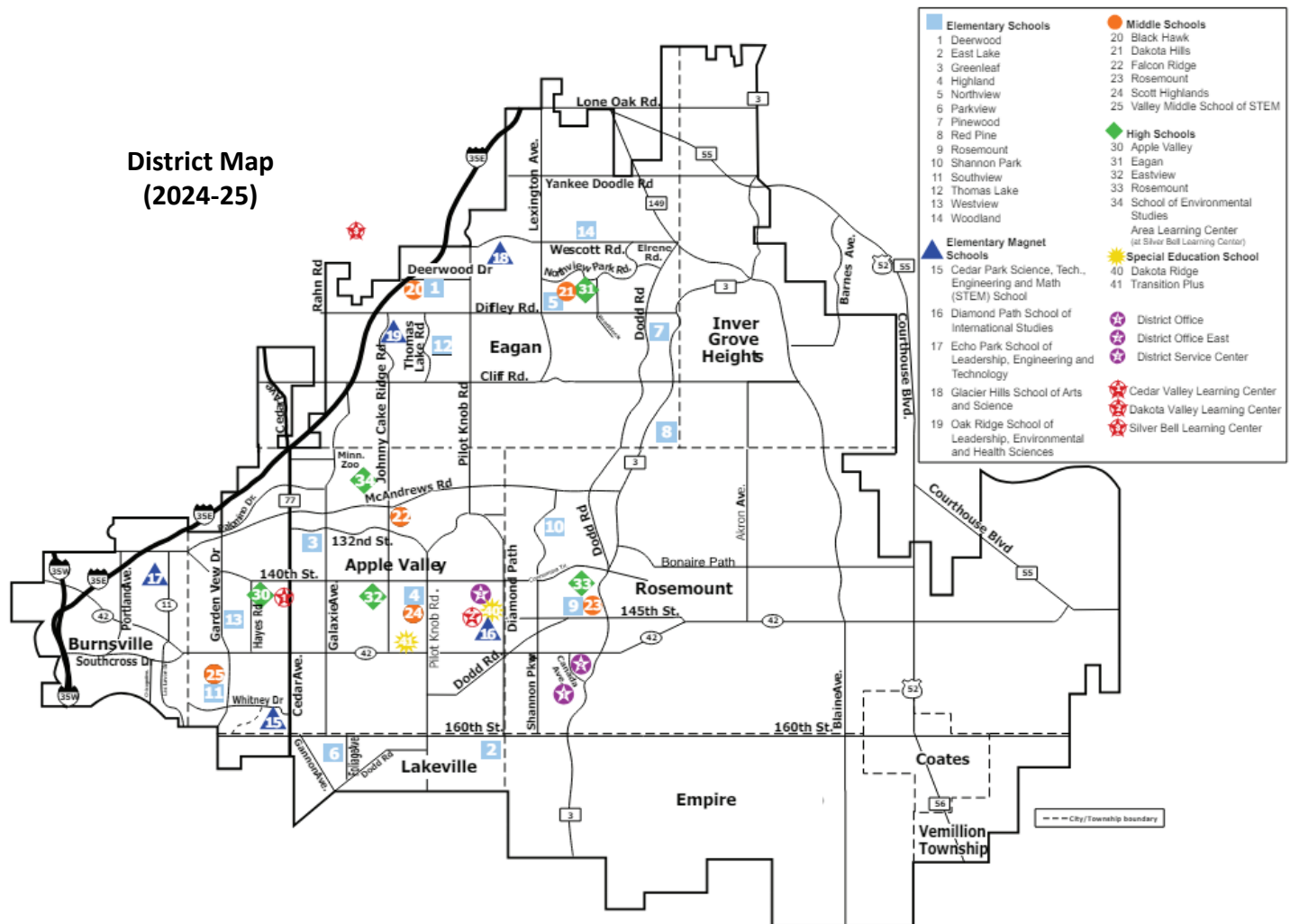
The District

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 18-22. 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, Empire, Inver Grove Heights and Lakeville, and Vermillion Township. Total district population is approximately 160,000.

District 196 operates 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.

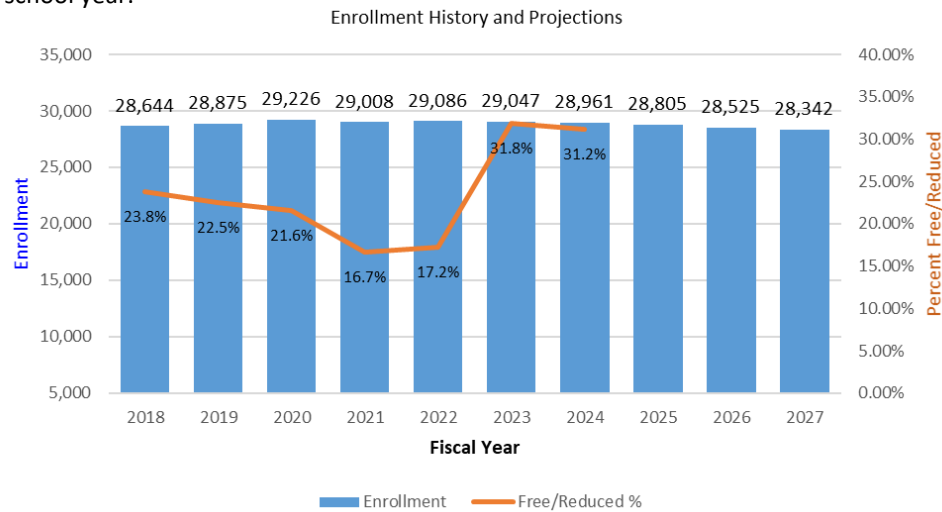


**District Map
(2024-25)**



District Students

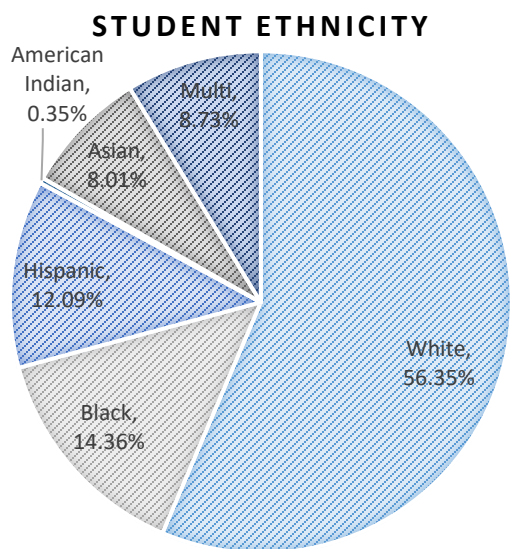
With an enrollment of 28,961 students in 2023-24, District 196 is the third largest public school district in the state of Minnesota. The district’s enrollment has remained relatively flat for the past two years, with changes of less than one percent year to year. The district projects modest enrollment 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 2024, as well as projected October 1 enrollment for the years ended June 30, 2025 through 2028. 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 8.7 percent of students identified with multiple ethnic backgrounds in 2023-24. 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 %
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%	0.4%	8.2%	7.7%	100.0%
2023	57.10%	14.70%	11.40%	0.39%	8.00%	8.40%	100.0%
2024	56.35%	14.36%	12.09%	0.35%	8.01%	8.73%	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 2014-15, 1,553 (5.9 percent) of the district’s students qualified for EL programming. In 2023-24, the number eligible for EL services was approximately 2,590 (8.9 percent). Providing high quality and effective special education services remains a focal point for the district. In 2023-24, approximately 5,075 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, developing, and inspiring our students for lifelong success*. 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 holds regular meetings on Mondays at least once 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



Anna Williams
Clerk



Sakawdin Mohamed
Treasurer



Art Coulson
Director



Leah Gardner
Director



Jackie Magnuson
Director



Michael Bolsoni
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.



Khia Bruse
Director of Community Education



Jill Coyle
General Counsel



Janet Fimmen
Director of Special Education



Eric Hansen
Director of Secondary Education



Rachel Hughes
Director of Instruction & Achievement



Virgil Jones
Director of Equity and Inclusion



Shelly Monson
Director of Human Resources



Christopher Onyango-Robshaw
Director of Finance & Operations



Jeremy Sorenson
Director of Elementary Education



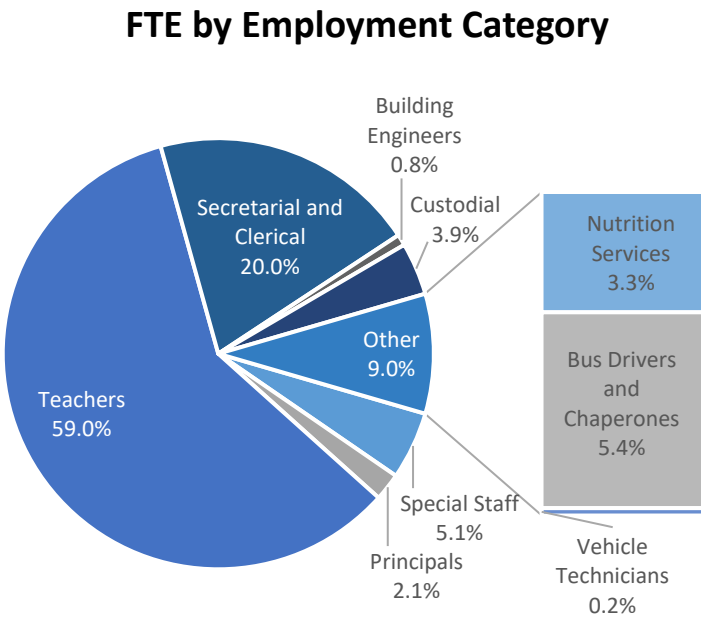
Mark Stotts
Director on Special Assignment



Tony Taschner
Director of Communications

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 engineers, custodial, cultural family advocates, nutrition services, bus drivers, and vehicle technicians. The remaining employees, primarily district office directors, coordinators and administrators, work under special staff contracts, which are not collectively bargained.



The table below shows the history of FTEs by employee group. Over the past five years, staffing has increased along with the general increase in student enrollment. The total number of staffing FTEs projected for the 2024-25 school year is based on projected October 1, 2024 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. As the district projects enrollment to remain relatively flat and stable over the coming years, the district is planning for budgeted FTEs to follow a similar trend as shown below.

Employee Group	Contract Group	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget	2024-25 Prelim Budget
District Administrators	Special Staff	41.87	44.50	39.75	48.65	48.60	50.77	55.05
Principals/Assistant Principals	Principals	45.36	45.86	45.86	45.50	48.00	45.00	46.55
Special Staff	Special Staff	73.92	75.25	65.25	78.48	83.10	85.63	82.55
Other Non-Licensed Staff	Special Staff	54.04	50.71	50.18	52.87	55.04	62.98	63.86
Assistant Administrators	Principals	25.36	24.77	27.00	27.57	32.24	36.40	35.07
Deans	Teachers	2.00	3.00	3.51	3.51	2.71	3.51	3.51
Teachers	Teachers	2,066.75	2,070.69	2,226.09	2,251.41	2,247.00	2,315.12	2,294.70
Nurses	Teachers	31.45	33.39	31.45	32.53	37.25	36.00	36.05
Secretarial/Clerical	Secretarial and Clerical	673.68	709.11	682.15	724.51	759.02	784.10	792.53
Building Engineers	Building Engineers	33.00	35.00	33.00	32.00	33.00	33.00	33.00
Custodians	Custodial	152.50	153.83	154.50	149.83	155.00	157.50	155.93
Nutrition Services	Nutrition Services	114.28	103.07	95.84	113.56	107.69	135.17	132.13
Bus Drivers and Chaperones	Bus Drivers and Chaperones	200.50	223.57	215.00	215.00	215.00	215.00	215.00
Vehicle Technicians	Vehicle Technicians	8.00	9.00	9.00	9.00	9.00	7.00	8.00
		3,522.72	3,581.75	3,678.58	3,784.43	3,832.66	3,967.18	3,953.92

The final staffing FTEs for the 2024-25 school year will be recalculated this fall, using actual October 1, 2024 student enrollment. School staffing information and parameters can be found on page 60 in Budget Allocations within the Organizational Section.

District Strategic Roadmap

Strategic Roadmap focuses work in priority areas

In June 2023, the School Board adopted a Strategic Roadmap for District 196 that was developed over two years using the bottom-up, “classroom to boardroom” process of Teamworks, International. The roadmap is grounded in a new mission, vision, core values and strategic priorities focused on wellbeing, achievement, equity, and resources. At the core of the roadmap are the desired daily experiences of students, parents and guardians, and staff in District 196, developed from responses to an online survey and focus group discussions with these stakeholder groups in November 2021. The work to support the desired daily experiences and strategic priorities is outlined in a three-year operational plan that was developed by leadership near the end of the process, and is updated annually based on measures of progress that are part of the plan.



MISSION

OUR CORE PURPOSE WITH DISTINCTION

Educating, developing, and inspiring our students for lifelong success.



VISION

WHAT WE INTEND TO CREATE

District 196 provides the experiences that our students, families and employees desire by:

- Developing the whole student and honoring diverse needs and cultures;
- Engaging students with opportunities in academics, arts and athletics, and
- Living our mission and core values to prepare students, families and employees for lifelong success.



CORE VALUES

DRIVERS OF OUR WORDS AND ACTIONS

- Student-Centered** • All decisions are centered on what is best for students.
- Empathy** • Seeking awareness and understanding of the perspectives and experiences of others.
- Wellness** • Support the emotional, social and physical wellbeing of the whole person.
- Integrity** • Act with respect, honesty and responsibility.
- Achievement** • Provide learning with high expectations, rigor and resiliency for all.
- Collaboration** • Learn and engage together for a shared purpose.
- Community** • Foster an environment of inclusivity, engagement and belonging.
- Lifelong Learning** • Inspire a love of learning for all ages.



STRATEGIC PRIORITIES

FOCUS OF OUR CONTINUOUS IMPROVEMENT

- Wellbeing** • Increasing capacities, skills, structures and experiences in social-emotional wellbeing.
- Achievement** • 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** • Providing staffing, facilities, technology and equipment needed to support a safe, sustainable and dynamic learning environment for all students.

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 Budget Development Process within the Organizational 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 2024-25 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 7/1/2024	Revenues	Expenditures	Other Financing Sources (Uses)	Projected Fund Balance 6/30/2025
General Fund	88,411,876	493,755,353	506,834,885	(179,244)	75,332,344
Special Revenue Funds					
Food Service	11,622,072	20,142,447	20,233,544	-	11,530,975
Community Service	3,900,035	10,771,542	10,712,670	179,244	3,958,907
Total Special Revenue Funds	15,522,107	30,913,989	30,946,214	179,244	15,489,882
Building Construction Fund					
Series 2020/2021A Turf Fields	-	-	-	-	-
Series 2016A Bonds	297,685,984	3,500,000	100,384,623	-	200,801,361
Total Debt Service Funds	297,685,984	3,500,000	100,384,623	-	200,801,361
Debt Service Funds					
Regular	7,368,577	35,452,916	34,776,219	-	8,045,274
OPEB Bonds	-	-	-	-	-
Total Debt Service Funds	7,368,577	35,452,916	34,776,219	-	8,045,274
Internal Service Funds					
GASB #16	(549,866)	2,000,000	699,999	-	750,135
Self-Insured Dental	347,722	477,000	460,000	-	364,722
Self-Insured Health	14,668,018	76,765,000	75,885,000	-	15,548,018
Total Internal Service Funds	14,465,874	79,242,000	77,044,999	-	16,662,875
Fiduciary Funds					
OPEB Irrevocable Trust	55,157,861	2,500,000	3,500,000	-	54,157,861
Total Fiduciary Funds	55,157,861	2,500,000	3,500,000	-	54,157,861
Total All Funds	478,612,280	645,364,258	753,486,940	-	370,489,597

Note: The \$179,244 planned transfer from the general fund to community service fund is included in the revenues and expenditure columns for those lines.

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 2024 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:

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
General Fund	425,199,524	437,230,482	459,044,671	496,585,702	493,755,353	502,922,202	515,070,618	527,528,410
Food Service Fund	10,170,580	19,675,333	16,509,358	21,949,158	20,142,447	19,768,012	20,006,743	20,249,935
Community Service Fund	8,534,895	9,590,206	10,672,256	10,419,854	10,771,542	10,688,499	10,890,510	11,096,897
Building Construction Fund	9,793,485	10,701,947	43,403	316,000,000	3,500,000	253,000,010	3,500,010	2,601,010
Regular Debt Service Fund	18,023,780	30,060,026	18,153,290	18,263,253	35,452,916	36,429,478	28,147,441	28,987,641
OPEB Debt Service Fund	-	-	-	-	-	-	-	-
Internal Service Fund	59,933,620	61,709,543	65,822,357	71,022,000	79,242,000	82,943,867	87,001,383	91,260,702
OPEB Irrevocable Trust	9,663,992	(6,059,314)	3,357,938	3,350,000	2,500,000	3,113,169	3,157,727	3,203,000
Agency Fund	-	-	-	-	-	-	-	-
Trust Fund	(125)	-	-	-	-	-	-	-
Total	541,319,750	562,908,223	573,603,273	937,589,967	645,364,258	908,865,235	667,774,432	684,927,595

Note: Revenue figures above include other financing sources of revenue in the Community Services Fund of \$179,244

The 2024-25 revenues for District 196 total \$645.364 million, which is an approximately \$292.23 million decrease from the 2023-24 final budget. The main reasons for the overall decrease include:

Internal Service Funds

- The district approved significant premium increases for the health insurance fund for the 23-24 school year. As a result, the internal service funds will experience a significant increase in revenues in the coming years.

Building Construction Fund

- District 196 voters approved a new building bond referendum on May 9, 2023 valued at \$493 million. The district received approx. \$316 million in building bond revenues during the 2023-24 fiscal year as part of the first round of bond sales.
- The second round of bond sales is scheduled for the 2025-26 fiscal year and estimated to provide another \$253 million in building bond revenues.

2024-25 Preliminary Budget DISTRICT REVENUES BY FUND

Fund	Total Revenue	% of Revenue
General Fund	\$ 493,755,353	76.5%
Community Service Fund	\$ 10,771,542	1.7%
Internal Service Fund	\$ 79,242,000	12.3%
Food Service Fund	\$ 20,142,447	3.1%
Building Construction Fund	\$ 3,500,000	0.5%
Regular Debt Service Fund	\$ 35,452,916	5.5%
OPEB Irrevocable Trust	\$ 2,500,000	0.4%
Totals	\$ 645,364,258	100.0%

All Funds – Expenditure Summary

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
General Fund	398,705,273	427,994,261	461,488,179	499,825,116	506,834,885	517,117,815	533,607,305	550,985,657
Food Service Fund	10,808,638	15,417,401	16,916,135	18,192,374	20,233,544	19,979,472	20,252,044	20,535,583
Community Service Fund	8,165,916	9,624,327	10,023,962	10,378,063	10,712,670	11,021,324	11,407,660	11,814,336
Building Construction Fund	10,623,533	19,042,686	403,748	18,252,269	100,384,623	150,378,389	150,391,545	100,405,319
Regular Debt Service Fund	17,056,769	29,152,888	16,920,979	16,670,900	34,776,219	34,950,459	27,439,694	27,391,181
Internal Service Fund	55,622,895	62,641,228	70,029,084	69,064,999	77,044,999	80,545,791	84,543,052	88,739,636
OPEB Irrevocable Trust	3,701,408	2,778,866	2,563,256	3,500,000	3,500,000	3,506,527	3,857,180	4,242,898
Trust Fund	619,214	-	-	-	-	-	-	-
Total	505,303,646	566,651,657	578,345,344	635,883,721	753,486,940	817,499,778	831,498,480	804,114,610

Note: Expenditure figures above include anticipated transfer of \$179,244 from the general fund to the community service fund

The 2024-25 expenditures for District 196 total \$753.487 million, which is an approximately \$117.6 million increase from the 2023-24 final budget. The main reasons for the overall increase include:

General Fund

The districts largest two employment groups, teachers and clerical, begin new contracts on July 1, 2024. The preliminary budget includes funds for these contract settlements as well as increases for other contracts settled for the 2024-25 school year.

Food Service

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

District 196 voters 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 over \$100 million in construction expenditures during the 2024-25 fiscal year. This represents the largest expenditure increase for FY25 and is approximately \$82 million greater than FY24.

2024-25 Preliminary Budget DISTRICT EXPENDITURES BY FUND

Fund	Total Expenses	% of Revenue
General Fund	\$ 506,834,885	67.3%
Internal Service Fund	\$ 77,044,999	10.2%
Regular Debt Service Fund	\$ 34,776,219	4.6%
Food Service Fund	\$ 20,233,544	2.7%
Community Service Fund	\$ 10,712,670	1.4%
Building Construction Fund	\$ 100,384,623	13.3%
OPEB Irrevocable Trust	\$ 3,500,000	0.5%
Totals	\$ 753,486,940	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.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
State sources	297,108,483	300,353,128	314,703,869	345,836,363	354,665,865	357,278,681	365,582,871	374,084,412
Property taxes	96,675,912	102,779,443	106,195,718	115,068,553	120,407,512	121,270,173	124,908,279	128,655,527
Federal sources	24,595,310	23,418,512	21,457,129	18,332,772	10,378,125	9,805,456	9,825,067	9,844,717
Other	6,819,820	10,679,400	16,687,955	17,348,014	8,303,851	14,567,891	14,754,401	14,943,754
Total revenue	425,199,524	437,230,482	459,044,671	496,585,702	493,755,353	502,922,202	515,070,618	527,528,410

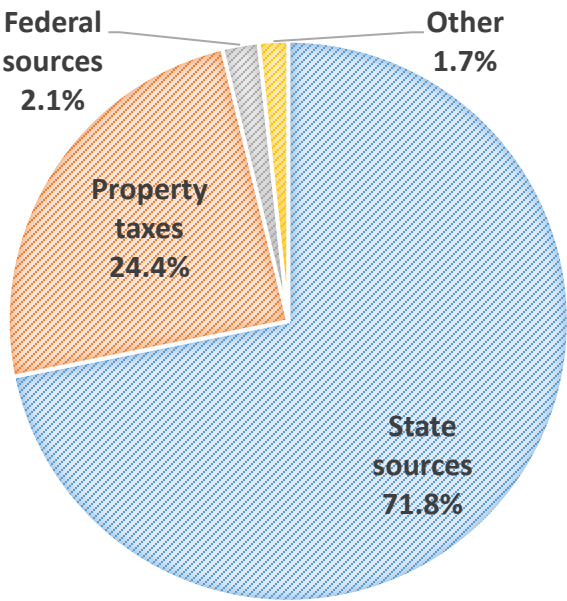
State Sources: The majority of the district’s general fund revenue comes from state sources. These include the per pupil basic general education formula aid; special education regular and excess cost aid; basic skills aid, including compensatory education aid, English Learner aid and literacy incentive 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 2024-25 school year, state aids is estimated at 71.8 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, 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 (%)

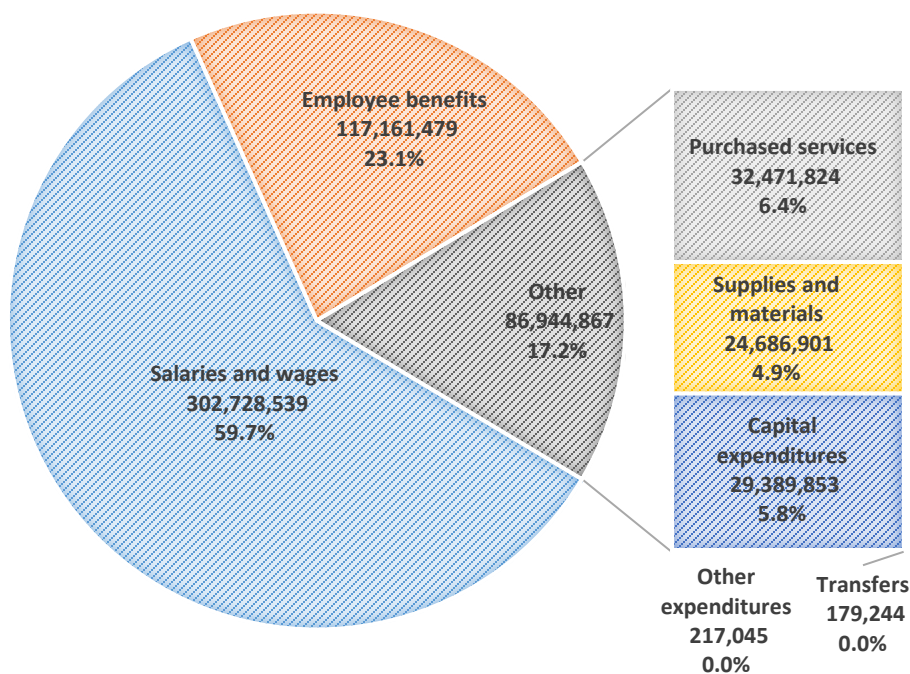


General Fund – Expenditures by Object

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 82.8 percent of the general fund expenditures, as shown in the pie chart below.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	249,928,256	268,137,410	275,976,436	290,942,334	302,728,539	303,455,935	312,255,307	321,314,575
Employee benefits	89,646,403	96,975,090	100,812,832	113,828,935	117,161,479	118,449,737	125,731,080	133,639,346
Purchased services	25,240,777	28,657,138	38,936,181	33,378,356	32,471,824	34,630,287	34,803,439	34,977,456
Supplies and materials	19,545,121	18,297,416	23,271,512	27,259,948	24,686,901	24,338,056	24,459,747	24,582,047
Capital expenditures	13,409,820	15,280,615	19,850,957	30,973,165	29,389,853	33,165,700	33,264,241	33,363,275
Other expenditures	900,132	554,380	2,429,086	3,282,882	217,045	3,324,467	3,341,089	3,357,795
Debt service	-	-	-	-	-	-	-	-
Transfers	34,763	92,212	211,175	159,496	179,244	184,222	185,143	186,068
Total expenditures	398,705,273	427,994,261	461,488,179	499,825,116	506,834,885	517,117,815	533,607,305	550,985,657

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 2024-25 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

\$21,213,788

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).

\$14,597,794

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).

\$45,594,884

9.0%

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).

\$83,156,379

16.4%

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).

\$342,272,040

67.5%

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).

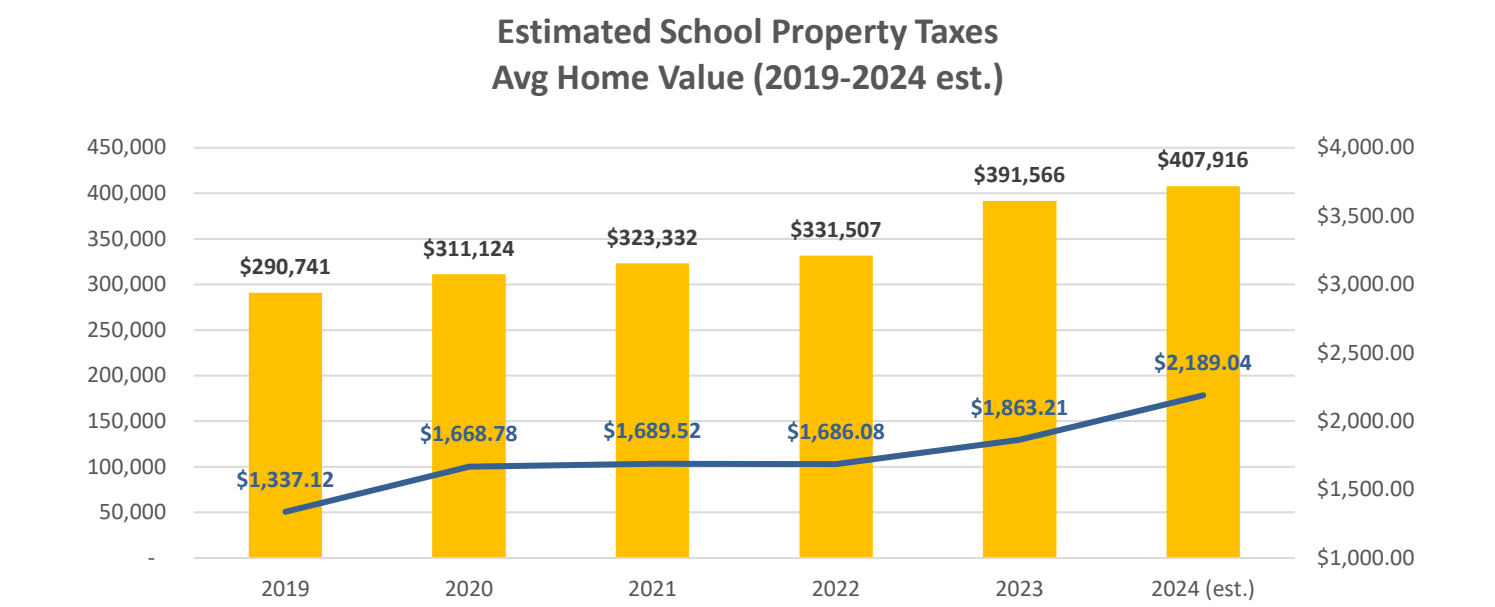
Property Taxes

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 2019-2024 using an the average home value in District 196. 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.

Property Tax Levies (1)						
Fiscal Year	General Purposes	Community Service	Capital Projects & Improvements	Debt Service		Total
				Regular	OPEB	
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
2025	108,278,926	1,809,585	11,638,494	35,207,265	-	156,934,270

(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 will facilitate the construction of a new elementary building, a new middle school, major renovations and upgrades to learning spaces and secure entrances for existing 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 6/30/24	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	68,485,000	9,775,000
2022A Refunding	Bond	2/3/2022	5.00	11,235,000	2/1/2025	3,820,000	3,820,000
2023A School Building Bonds	Bond	9/14/2023	3.94	300,000,000	2/1/2044	300,000,000	-
2012LA ATP Building	Lease	6/29/2012	4.54	5,028,875	6/1/2027	1,187,741	384,337
2014LB School Addition (PV)	Lease	11/25/2014	2.91	4,200,000	2/1/2030	1,924,873	295,110
2020LA Maintenance Vehicles and Equipment	Lease	8/1/2020	0.0218	585,000	8/1/2024	119,492	119,492
2010A Certificates	COP	10/1/2010	2.00-3.50	2,705,000	4/1/2026	435,000	215,000
2013B Certificates	COP	12/1/2013	2.00-4.00	13,710,000	2/1/2029	5,250,000	980,000
2020A Certificates	COP	5/7/2021	2.00-4.00	8,960,000	2/1/2029	5,720,000	870,000
2021A Certificates	COP	4/1/2021	2.00-4.00	9,005,000	4/1/2031	6,565,000	865,000
2022B Certificates of Participation	COP	3/10/2022	3.00-5.00	9,775,000	4/1/2037	8,845,000	515,000

(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.

Achievements

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 21.3, 0.5 points higher than the Minnesota average of 20.8 and .8 points higher than the national average in 2023.

Table 1: Four-Year Graduation Rates (%)

Fiscal Year	District 196	State of MN
2023	88.7	83.3
2022	88.5	83.6
2021	88.5	83.3
2020	88.8	83.8
2019	91.2	83.7

Table 2: American College Test (ACT) Scores

Fiscal Year	District 196	State	National
2023	21.3	20.8	20.5
2022	21.5	21	19.8
2021	22.9	21.6	20.3
2020	22.7	21.3	20.6
2019	23	21.4	20.7

The Minnesota Comprehensive Assessments (MCAs) and Minnesota Test of Academic Skills (MTAS) are given annually to all students statewide in grades 3-8 (reading and math), grade 10 (reading), grade 11 (math), and in science grades 5, 8 and once in high school. The MCAs and MTAS are designed to measure district and student progress on teaching and learning the Minnesota Academic Standards, which are required for graduation. Students who meet or exceed the standards are considered to be proficient in the subject areas.

2022-23 Math - Percentage of Students Proficient

Grade	3	4	5	6	7	8	11
District 196	64.5%	65.8%	56.3%	45.8%	47.3%	48.3%	49.6%
Statewide	59.1%	57.1%	44.4%	39.6%	39.7%	40.3%	36.0%
Difference	5.4%	8.7%	11.9%	6.2%	7.6%	8.0%	13.6%

2022-23 Reading - Percentage of Students Proficient

Grade	3	4	5	6	7	8	10
District 196	54.2%	54.5%	64.7%	57.8%	52.8%	52.4%	62.9%
Statewide	47.4%	48.4%	58.7%	53.4%	45.2%	44.8%	51.7%
Difference	6.8%	6.1%	6.0%	4.4%	7.6%	7.6%	11.2%

2022-23 Science - Percentage of Students Proficient

Grade	5	8	HS
District 196	54.80%	38.60%	54.70%
Statewide	48.40%	27.60%	41.80%
Difference	6.40%	11.00%	12.90%

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	\$	506,834,885
Projected Enrollment	/	28,839
Spending per Student	\$	17,575

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 [district196.org/District/Departments/Finance](https://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

Christopher Onyango-Robshaw
Director of Finance and Operations
Christopher.Onyango-Robshaw@district196.org
651-423-7748

Danny DuChene
Coordinator of Finance
Daniel.DuChene@district196.org
651-423-7780

Kim Woods
Manager of Financial Systems, Reporting and Compliance
Kim.Woods@district196.org
651-423-7649

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





Gabby P. - GL 3rd Grade



Sophia W. - BHMS 8th Grade



Kendall G. - GL 5th Grade



Kellan S. - SHMS 6th Grade

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 part of the cities of Rosemount, Apple Valley, Eagan, Burnsville, Coates, Empire, Inver Grove Heights and Lakeville, 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 third largest school district, serving approximately 28,961 students in the 2023-24 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 2023-24 school year, 56.4 percent of students were White, 14.4 percent Black, 12.1 percent Hispanic, .4 percent American Indian, 8.0 percent Asian, and 8.7 percent identified with multiple ethnicities or as Pacific Islander.

In the 2023-24 school year, 31.1 percent of district students qualified for Educational Benefits and 8.9 percent of students qualified for English Learner services. In 2034-24, 17.4 percent of students qualified to receive special education services.

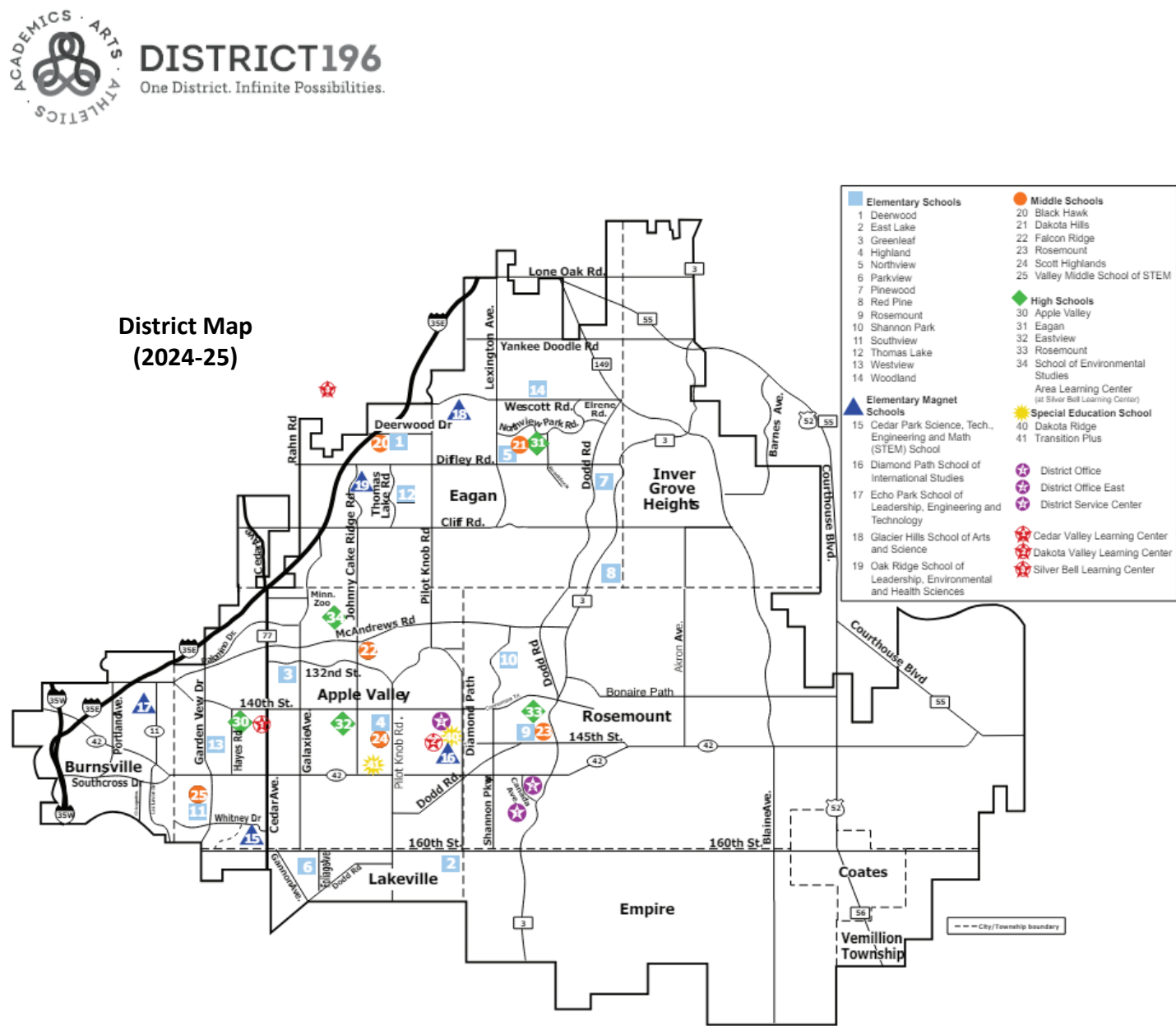
DISTRICT OVERVIEW (CONTINUED)

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



GOVERNANCE

A. School Board and Superintendent’s Cabinet

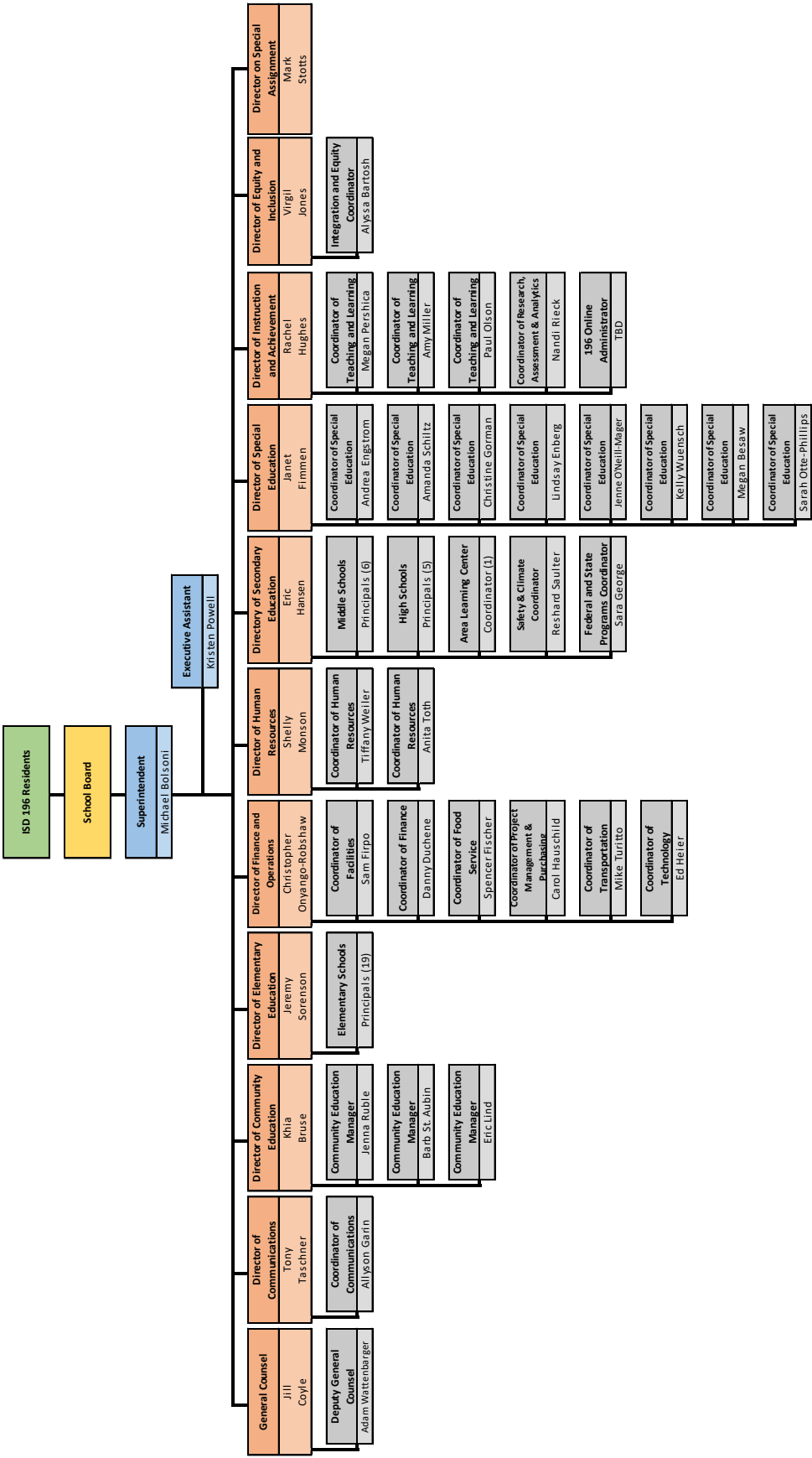
School Board & Superintendent

Cory Johnson	Chairperson
Sachin Isaacs	Vice Chairperson
Sakawdin Mohamed	Treasurer
Anna Williams	Clerk
Art Coulson	Director
Leah Gardner	Director
Jackie Magnuson	Director
Michael Bolsoni	Superintendent

Superintendent's Cabinet

Khia Bruse	Director of Community Education
Jill Coyle	General Counsel
Janet Fimmen	Director of Special Education
Eric Hansen	Director of Secondary Education
Rachel Hughes	Director of Instruction and Achievement
Virgil Jones	Director of Equity and Inclusion
Shelly Monson	Director of Human Resources
Christopher Onyango-Robshaw	Director of Finance and Operations
Jeremy Sorenson	Director of Elementary Education
Mark Stotts	Director on Special Assignment
Tony Taschner	Director of Communications

GOVERNANCE (CONTINUED)



Key

- District 196 Residents (TaxPayers)
- School Board Members
- Superintendent's Office
- District Cabinet Members
- Principals and Coordinators

GOVERNANCE (CONTINUED)**A. Schools and Principals****Elementary Schools**

School	Abbreviation	Principal
Cedar Park Elementary STEM School	CP	John Garcia
Deerwood Elementary School	DW	Tyra Raasch
Diamond Path Elementary School of International Studies	DP	Rob Nelson
East Lake Elementary School	EL	Emily Wyse Moore
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	TBD
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	TBD
Scott Highlands Middle School	SHMS	Dan Wilharber
Valley Middle School of STEM	VMS	Stacey Buchwald

High Schools

School	Abbreviation	Principal
Area Learning Center	ALC	TBD
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	TBD

DISTRICT MISSION AND STRATEGIC PLAN

Strategic Roadmap focuses work in priority areas

In June 2023, the School Board adopted a Strategic Roadmap for District 196 that was developed over two years using the bottom-up, “classroom to boardroom” process of Teamworks, International. The roadmap is grounded in a new mission, vision, core values and strategic priorities focused on wellbeing, achievement, equity, and resources. At the core of the roadmap are the desired daily experiences of students, parents and guardians, and staff in District 196, developed from responses to an online survey and focus group discussions with these stakeholder groups in November 2021. The work to support the desired daily experiences and strategic priorities is outlined in a three-year operational plan that was developed by leadership near the end of the process, and is updated annually based on measures of progress that are part of the plan.

Mission - Our Core Purpose with Distinction

Educating, developing, and inspiring our students for lifelong success.

Vision - What We Intend to Create

District 196 provides the experiences that our students, families and employees desire by:

- Developing the whole student and honoring diverse needs and cultures;
- Engaging students with opportunities in academics, arts and athletics, and
- Living our mission and core values to prepare students, families and employees for lifelong success.

Core Values - Drivers of Our Words and Actions

- Student-Centered – All decisions are centered on what is best for students.
- Empathy – Seeking awareness and understanding of the perspectives and experiences of others.
- Wellness – Support the emotional, social and physical well-being of the whole person.
- Integrity – Act with respect, honesty and responsibility.
- Achievement – Provide learning with high expectations, rigor and resiliency for all.
- Collaboration – Learn and engage together for a shared purpose.
- Community – Foster an environment of inclusivity, engagement and belonging.
- Lifelong Learning – Inspire a love of learning for all ages.

Strategic Priorities - Focus of Our Continuous Improvement

- Wellbeing: Increasing capacities, skills, structures, and experiences in social-emotional well-being.
 - Mental/Emotional Support - \$10,722,951
- Achievement: Strengthening and aligning curriculum and instructional practices across all classrooms to improve student outcomes and staff efficacy.
 - Please refer to page 27 for district achievements
- Equity: Supporting equity as a core competency through practices, structures, beliefs, resources and staffing.
 - Achievement & Integration - \$5,393,730
 - Special Education - \$107,550,323
 - Gifted & Talented - \$2,240,918
- Resources: Providing staffing, facilities, technology and equipment needed to support a safe, sustainable and dynamic learning environment for all students.

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**
 - o 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;
 - o 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
 - o The budget reflects and supports state and federal requirements, district initiatives and board policies.
- **Administrative Regulation 702.2AR – Budget Planning and Development**
 - o 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)**
 - o The Budget Advisory Council ensures active community participation in and enhances community understanding of the district's budget planning process, and
 - o 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)**
 - o Applicants must complete this form to be considered for membership on the committee.
- **Administrative Regulation 702.4AR – Capital Expenditure Budget**
 - o 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**
 - o Policy 712 requires the maintenance of reasonable fund balances to mitigate financial risk from unforeseen circumstances and provide adequate cash flow.

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:
 - o Operating Account
 - o Transportation Account
 - o Capital Expenditure Account
 - o Quality Compensation (Q Comp) Account
 - o 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.

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:
 - o Severance Benefits
 - o Self-Insured Dental Benefits
 - o 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.

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

SIGNIFICANT BUDGET AND FINANCIAL ITEMS (CONTINUED)

Object

Series Name	Series Range
Salaries and Wages	100-199
Employee Benefits	210-299
Purchased Services	301-399
Supplies and Materials	401-499
Capital Expenditures	510-599
Debt Service	710-799
Other Expenditures	810-899
Other Financing Uses	910-999

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 Hills Middle School
PRG	School Administration - Middle School	School Administration
FIN	Staffing Allocation	District-Wide
OBJ	Assistant Administrator	Administrator / Supervisor
CRS	Non-Federal Projects Ending in the Current Year	Non-Federal Project Endings in the Current Year

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:
 - o time-limited projects or services
 - o enhance funding for School Board approved initiatives
 - o 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 two major allocations to operate their schools. The two major allocations are, instructional and operating and FTE staffing. All 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 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.

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.

SCHOOL FUNDING (CONTINUED)

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 2024-25 school year is \$7,281 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
2024-25	7,281	2.0

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.

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 2025, the district's operating capital revenue is estimated to be \$229.29 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.

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.

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.

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:

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.

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.

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.

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.

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.

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>

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>

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 2023-24												Fiscal Year 2024-25											
	Calendar Year 2023						Calendar Year 2024						Calendar Year 2025											
	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 2024-25 school year can be found on page 59 in this section.

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 2023:

	2024-25	2025-26	2026-27	2027-28	2028-29
Projected Enrollment	28,805	28,525	28,342	28,184	28,006

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, 12 percent increase for contracts settled in Summer 2024
- General inflation increases of 2 percent for all future years and the following other independent increases:

o Contracted services increased by 5 percent

o Snow removal increased by 3 percent

o Electricity and natural gas increased by 5 percent

o Property and liability insurance increased by 3 percent

o Contracted transportation increased by 3 percent

o Transportation fuel costs increased by 4 percent

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

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:

- Projected stable enrollment with minor expected decline
- Basic Gen ed formula increase at 2% for 2024-25 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 2024-25 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 2023 and the revenue and expenditure assumptions listed above.

	2023-24	2024-25	2025-26	2026-27	2027-28
	Final Budget	Prelim Budget	Projection	Projection	Projection
Revenues	496,585,702	493,755,353	502,922,202	515,070,618	527,528,410
Expenditures	499,825,116	506,834,885	517,117,815	533,607,305	550,985,657
Revenues over expenditures	(3,239,414)	(13,079,532)	(14,195,613)	(18,536,687)	(23,457,247)

BUDGET DEVELOPMENT PROCESS (CONTINUED)Budget Calendar

Below is a detailed budget calendar for the 2024-25 Preliminary Budget

Activity	Responsibility	Delivery Date
Completion of long range enrollment projections and 2024-25 enrollment projections by school	Director of Finance & Operations Coordinator of Finance Student Information Supervisor School Board	November 2023
Preparation of preliminary five-year general fund budget forecast	Director of Finance & Operations Coordinator of Finance Manager of Financial Systems	November 2023 through February 2024
School Board review 2024-25 staffing guidelines (Other Action Item)	Superintendent Director of Human Resources School Board	January 2024
Preliminary staffing allocations to Director of Elementary Education and Director of Secondary Education	Coordinator of Finance Manager of Financial Systems	February 13, 2024
Preliminary staffing, operating budget allocations sent to principals	Coordinator of Finance Manager of Financial Systems	February 23, 2024
MyBudgetFile® budget centers open for budget preparation - all budget centers including capital and preliminary	Coordinator of Finance Manager of Financial Systems	March 8, 2024
School board review 2024-25 capital budget expenditure overview-1st Reading	School Board	March 11, 2024
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, 2024
School board review 2024-25 capital budget expenditure overview-2nd Reading (Action Item)	School Board	April 8, 2024
Directors review budgets with superintendent, then submit budgets to finance when ready for processing	Superintendent Directors	April 12, 2024
Director of Finance & Operations review preliminary budgets analysis with Superintendent/Cabinet	Superintendent Director of Finance & Operations	April 22, 2024
Prepare draft copy of preliminary budget	Director of Finance & Operations Coordinator of Finance Manager of Financial Systems	May 2024
Cabinet review proposed preliminary budget	Cabinet	June 3, 2024
School Board Audit/Finance committee meet to review proposed preliminary budget	School Board Audit and Finance Committee	June 10, 2024
First reading of proposed preliminary budget (new business)	School Board	June 10, 2024
Second reading and approval of preliminary budget (Action Item)	School Board	June 24, 2024
Preliminary budget in place and being expended and monitored	Coordinator of Finance, Principals District-Level Administrators	July 1, 2024

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 2024-25 staffing allocations to the schools are based on the guidelines and ratios approved by the School Board on January 8, 2024 and enrollment projections completed in November 2023. 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 2023.
- 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 January 8, 2024. 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 engineers, nutrition services workers, nonunion employees, and vehicle technicians, salaries and related expenditures are estimated based on budget guidelines as determined by the School Board in January 8, 2024.
- 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 January 8, 2024.

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 January 8, 2024 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 2024-25 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.

BUDGET ALLOCATIONS (CONTINUED)

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

	2024-25 Per-pupil Allocations			
	Instructional Supplies	Staff Development	Co-curricular Supplies	Co-curricular Staffing
Alternative Learning Center	\$404.10	\$8.00	-	-
High schools	\$197.13	\$8.00	\$164.97	\$89.10
Co-curricular Fixed Costs				\$992,190.00
Middle schools	\$125.80	\$8.00	\$35.09	\$23.70
Co-curricular Fixed Costs				\$144,516.00
Elementary Schools - Title I schools	\$136.98	\$8.00		1,587 /Stipend
Elementary Schools - Non-Title I schools	\$141.45	\$8.00		1,587 /Stipend
Special Education				
Early Childhood Special Ed.	\$39.21	\$8.00		
Other Elementary Schools	\$60.61	\$8.00		
Other middle & High Schools	\$65.76	\$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.

- o **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

- o **Compensatory Education Allocations** – Compensatory education revenues for the 2024-25 school year are based on estimates prepared by the Minnesota Department of Education as of January 8, 2024. These estimates are based on the district's actual enrollment and actual free and reduced-price school meal counts on October 1, 2023.
- o **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 2024-25, 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

Beginning with the 2024-25 budget cycle, the district transitioned to a centralized operating capital budget process. The new process removed the operating capital allocations to the schools. In the new process, schools and departments may submit projects ideas or needs based on some pre-determined categories and submissions are reviewed together. This allows the district to analyze needs in certain areas (wall enclosures/demolition as an example) at all sites/buildings at once. This allows the district to increase equity across buildings and maximize on bidding similar work at multiple sites at the same time. All approved projects are posted for schools/departments to view.

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	Literacy
Cedar Park	35	327	357	719	15.821	13.783	5.099	1.000
Deerwood	42	209	247	498	10.193	9.760	3.600	1.000
Diamond Path	21	300	331	652	14.362	12.731	4.624	1.000
East Lake	35	386	420	841	18.485	16.274	5.965	1.000
Echo Park	23	320	351	694	15.285	13.539	4.922	1.000
Glacier Hills	9	312	354	675	14.795	13.531	4.787	1.000
Greenleaf	24	363	364	751	17.252	14.095	5.326	1.000
Highland	41	265	352	658	12.904	13.684	4.667	1.000
Northview	22	171	190	383	8.254	7.406	3.600	1.000
Oak Ridge	22	260	258	540	12.405	10.027	3.830	1.000
Parkview	28	308	359	695	14.701	13.935	4.929	1.000
Pinewood	37	194	261	492	9.638	10.095	3.600	1.000
Red Pine	18	317	366	701	15.087	14.080	4.972	1.000
Rosemount	22	346	390	758	16.452	15.055	5.376	1.000
Shannon Park	34	235	244	513	11.511	9.448	3.638	1.000
Southview	41	232	283	556	11.294	11.101	3.943	1.000
Thomas Lake	36	281	279	596	13.675	10.811	4.227	1.000
Westview	34	208	230	472	10.127	9.006	3.600	1.000
Woodland	27	313	369	709	14.974	14.270	5.028	1.000
Totals	551	5,347	6,005	11,903	257.215	232.631	85.733	19.000

Staffing allocations are based on the staffing allocation guidelines approved by the School Board on January 8, 2024. 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
- **Nurses:** 1.0 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 3.45 FTEs per school

BUDGET ALLOCATIONS (CONTINUED)

School	Mental Health	Nurse	Principal	Assistant Administrator	Clerical		Clerks	Total
					12-Month	10-Month	10-Month	
CP	0.500	1.000	1.000	0.950	1.000	0.971	4.109	45.233
DW	0.500	1.000	1.000	0.800	1.000	0.900	3.450	33.203
DP	0.500	1.000	1.000	0.900	1.000	0.900	3.791	41.808
EP	0.500	1.000	1.000	1.000	1.000	1.136	4.842	52.202
EP	0.500	1.000	1.000	0.950	1.000	0.937	4.031	44.164
GH	0.500	1.000	1.000	0.950	1.000	0.912	4.001	43.476
GL	0.500	1.000	1.000	1.000	1.000	1.014	4.368	47.555
HL	0.500	1.000	1.000	0.900	1.000	0.900	3.707	41.262
NV	0.500	1.000	1.000	0.800	1.000	0.900	3.450	28.910
OR	0.500	1.000	1.000	0.800	1.000	0.900	3.450	35.912
PV	0.500	1.000	1.000	0.950	1.000	0.939	4.007	43.961
PW	0.500	1.000	1.000	0.800	1.000	0.900	3.450	32.983
RP	0.500	1.000	1.000	0.950	1.000	0.947	4.103	44.639
RE	0.500	1.000	1.000	1.000	1.000	1.024	4.422	47.829
SP	0.500	1.000	1.000	0.800	1.000	0.900	3.450	34.247
SV	0.500	1.000	1.000	0.800	1.000	0.900	3.450	35.988
TL	0.500	1.000	1.000	0.850	1.000	0.900	3.450	38.413
WV	0.500	1.000	1.000	0.800	1.000	0.900	3.450	32.383
WL	0.500	1.000	1.000	0.950	1.000	0.958	4.097	44.777
Totals	9.500	19.000	19.000	16.950	19.000	17.837	73.078	768.944

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	869	1,131	1,014	1,124	1,191	1,036	6,365
CBSE Projected Enrollment	38	38	41	28	41	43	229
FTE Allocations							
Classroom Teacher Allocations	34.914	45.260	40.687	44.825	47.676	42.587	255.949
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
Literacy Interventionist	1.000	1.000	1.000	1.000	1.000	1.000	6.000
Band (165:1 approximately)	2.160	3.300	2.840	2.480	4.000	2.500	17.280
Total - Specialists	4.960	6.100	5.640	5.280	6.800	5.300	34.080
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	0.568	0.589	0.580	0.589	0.594	0.582	3.502
Secretarial Allocations							
12-month Secretaries	2.000	2.000	2.000	2.000	2.000	2.000	12.000
10-month Secretaries	0.650	0.707	0.650	0.703	0.744	0.650	4.104
10-month Clerks	3.322	4.324	3.877	4.297	4.554	3.961	24.335
Nurse	1.000	1.000	1.000	1.000	1.000	1.000	6.000
Total FTEs	52.864	65.430	59.884	64.144	68.818	61.530	372.670

Staffing allocations are based on the staffing allocation guidelines approved by the School Board on January 8, 2024. 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

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	1,829	2,117	2,216	2,303	389	199	112	9,165
CBSE Projected Enrollment	72	72	72	61	0	-	-	277
FTE Allocations								
Classroom Teacher Allocations	75.829	87.584	91.624	94.996	15.878	9.045	4.571	379.527
Counselors/Deans/Mental Health	5.610	6.257	6.480	6.675	1.374	1.000	0.500	27.896
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	0.000	0.000	0.000	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	1.829	2.117	2.216	2.303	0.389	0.000	-	8.854
Adjustment to 6th & 7th period - SES	0.088	0.086	0.105	0.110	(0.389)	-	-	-
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	0.578	0.648	0.709	0.200	0.200	-	2.829
Secretarial/Clerical Allocations								
12-month Secretaries	4.000	4.000	4.000	4.000	1.000	1.000	-	18.000
10-month Secretaries	2.378	2.753	2.881	2.995	1.350	0.900	-	13.257
10-month Clerks	4.375	5.064	5.301	5.509	0.000	0.675	-	20.925
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	0.300	0.100	5.213
Total FTE	107.055	120.889	125.705	129.747	23.290	15.795	5.171	527.651

Staffing allocations are based on the staffing allocation guidelines approved by the School Board on January 8, 2024. The following shows some of the key staffing ratios:

- **Classroom teachers:** 1.0 FTE per 24.50 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 and 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 (0.225 FTE for SES and 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, 0.3 FTE for ALC) per school, no proration factor of enrollment

BUDGET ALLOCATIONS (CONTINUED)

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

		Total	ECSE		Total			Capital	Staff		Team
School		Reg. Educ.	3&4 YR.	CBSE	Enrollment	Instructional	Media	Replacement	Develop	PGP	Leaders
High Schools	AVHS	1,829	-	72	1,901	365,286	6,123	49,790	14,632	5,953	34,551
	EHS	2,117	-	72	2,189	422,059	7,088	59,069	16,936	6,891	38,156
	EVHS	2,216	-	72	2,288	441,575	7,419	58,634	17,728	7,213	39,275
	RHS	2,303	-	61	2,364	458,001	7,710	63,312	18,424	7,496	40,545
	SES	389	-	-	389	76,684	1,302	11,182	3,112	1,266	7,802
	ALC	199	-	-	199	80,416	666	6,500	1,592	648	1,554
Middle Schools	ONLH	112	-	-	112	22,079	375	-	896	365	-
	BHMS	869	-	38	907	111,819	2,909	24,477	6,952	2,829	15,695
	DHMS	1,131	-	38	1,169	144,779	3,787	30,543	9,048	3,681	17,807
	FRMS	1,014	-	41	1,055	130,257	3,395	26,629	8,112	3,301	17,292
	RMS	1,124	-	28	1,152	143,240	3,763	28,816	8,992	3,659	17,206
	SHMS	1,191	-	41	1,232	152,524	3,987	31,131	9,528	3,877	19,152
Elementary Schools	VMS	1,036	-	43	1,079	133,156	3,468	28,267	8,288	3,372	17,629
	CP	684	8	35	727	96,129	2,290	22,155	5,472	2,226	18,023
	DW	456	48	42	546	68,929	1,527	17,059	3,648	1,484	16,552
	DP	631	-	21	652	90,528	2,113	20,708	5,048	2,054	17,581
	EL	806	-	35	841	116,130	2,698	25,167	6,448	2,624	19,020
	EP	671	22	23	716	94,170	2,246	21,266	5,368	2,184	18,153
	GH	666	-	9	675	91,774	2,230	21,245	5,328	2,168	17,640
	GL	727	16	24	767	101,666	2,434	23,247	5,816	2,366	18,494
	HL	617	16	41	674	90,387	2,066	20,510	4,936	2,008	17,892
	NV	361	55	22	438	54,553	1,209	13,454	2,888	1,175	15,884
	OR	518	-	22	540	72,289	1,734	17,129	4,144	1,686	16,734
	PV	667	17	28	712	93,729	2,233	21,057	5,336	2,171	17,937
	PW	455	40	37	532	68,171	1,523	15,731	3,640	1,481	16,291
	RP	683	15	18	716	98,289	2,287	21,549	5,464	2,223	17,930
	RE	736	-	22	758	105,441	2,464	23,471	5,888	2,396	18,322
	SP	479	46	34	559	71,619	1,604	16,459	3,832	1,559	16,506
	SV	515	16	41	572	73,657	1,724	18,215	4,120	1,676	17,238
	TL	560	-	36	596	81,394	1,875	18,780	4,480	1,823	17,060
	WV	438	39	34	511	63,587	1,466	15,787	3,504	1,426	16,420
	WL	682	-	27	709	98,105	2,283	22,161	5,456	2,220	17,907
	DR	-	-	107	107	6,485	-	6,500	856	-	N/A
	Sp. Ed.	-	-	-	-	-	-	-	-	-	12,500
Totals		26,882	338	1,164	28,384	4,318,906	90,000	800,000	215,912	100,000	598,246

BUDGET ALLOCATIONS (CONTINUED)

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

		Co-curricular				Comp. Ed.	Basic	Total
School	Staffing	Supplies	Transportation	Sub Tchr	Allocation	Skills	Allocations	
High Schools	AVHS	1,165,311	320,537	39,071	-	1,500,954	-	3,502,207
	EHS	1,191,239	368,543	42,059	-	318,724	-	2,470,764
	EVHS	1,201,753	388,009	42,910	-	511,817	-	2,716,333
	RHS	1,209,327	402,032	43,370	-	266,370	-	2,516,587
	SES	10,802	N/A	1,278	-	65,882	-	179,310
	ALC	N/A	-	-	-	281,837	-	373,212
	ONLH	N/A	-	-	-	56,322	-	80,037
Middle Schools	BHMS	165,111	30,493	12,416	-	433,361	43,057	879,896
	DHMS	171,321	39,687	14,206	-	88,469	24,334	560,827
	FRMS	168,548	35,581	12,938	-	300,321	46,688	774,672
	RMS	171,155	39,441	15,370	-	121,866	36,568	620,849
	SHMS	172,743	41,792	13,673	-	220,750	48,637	777,695
	VMS	169,069	36,353	12,709	-	643,652	48,637	1,155,866
Elementary Schools	CP	1,587	-	-	-	468,716	14,459	630,891
	DW	4,760	-	-	-	126,926	20,291	271,407
	DP	3,173	-	-	-	139,787	26,933	325,266
	EL	3,173	-	-	-	41,536	32,765	273,695
	EP	1,587	-	-	-	850,366	14,519	1,051,894
	GH	3,173	-	-	-	158,214	26,447	350,769
	GL	3,173	-	-	-	506,689	15,552	669,981
	HL	4,760	-	-	-	131,269	26,730	310,857
	NV	3,173	-	-	-	58,445	14,337	171,937
	OR	1,587	-	-	-	452,734	10,753	607,803
	PV	3,173	-	-	-	320,013	12,859	501,361
	PW	3,173	-	-	-	73,156	19,440	202,392
	RP	6,346	-	-	-	74,553	27,702	265,490
	RE	1,587	-	-	-	151,214	31,388	357,307
	SP	3,173	-	-	-	31,204	19,967	169,055
	SV	6,346	-	-	-	298,802	12,130	452,941
	TL	-	-	-	-	71,222	22,761	229,397
	WV	3,173	-	-	-	335,728	9,518	473,257
	WL	3,173	-	-	-	46,579	30,092	224,245
DR	9,534				176,515	-	212,138	
Sp. Ed.	-	-	-	-	-	-	12,500	
Totals		5,866,203	1,702,468	250,000	-	9,323,993	636,564	24,372,837

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: 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

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. Process and deadlines

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: May 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 15 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

District Procedure 702.2.3P, Application to Serve on the Budget Advisory Council

INDEPENDENT SCHOOL DISTRICT 196
Rosemount-Apple Valley-Eagan, Minnesota
Educating our students to reach their full potential

Series Number 702.2.3P Adopted December 2000 Revised March 2021

Title Application to Serve on the Budget Advisory Council

Name (please print) _____
first last

Address _____ MN _____
city zip

Phone (____) _____ Email _____

Occupation _____

What is your connection to the school district? (Please check all that apply.)

- | | |
|---|--------------------------|
| Parent/guardian of school-aged children | ☐ |
| District 196 resident | ☐ |
| District employee: licensed staff | ☐ |
| non-licensed staff | ☐ |
| principal | ☐ |

What expertise can you bring to the Budget Advisory Council? _____

What is your experience and/or education related to financial management? _____

Why are you interested in serving on the Budget Advisory Council? _____

signature date

THANK YOU FOR YOUR INTEREST! Please submit this completed application to:
Director of Finance and Operations, Independent School District 196, 3455 153rd St. West,
Rosemount, MN 55068 or email it to: **stephanie.rudie@district196.org**

Procedures/702.2.1P/3-22-21

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





Lilly H. - RP 5th Grade



Helane S. - BHMS 8th Grade



Vincent H. - SHMS 7th Grade



Trevor J. - BHMS 7th Grade



Yousuf O. - GL 4th Grade



Level One Summary Data for All Funds

Summary Data – All Funds

Funds Overview

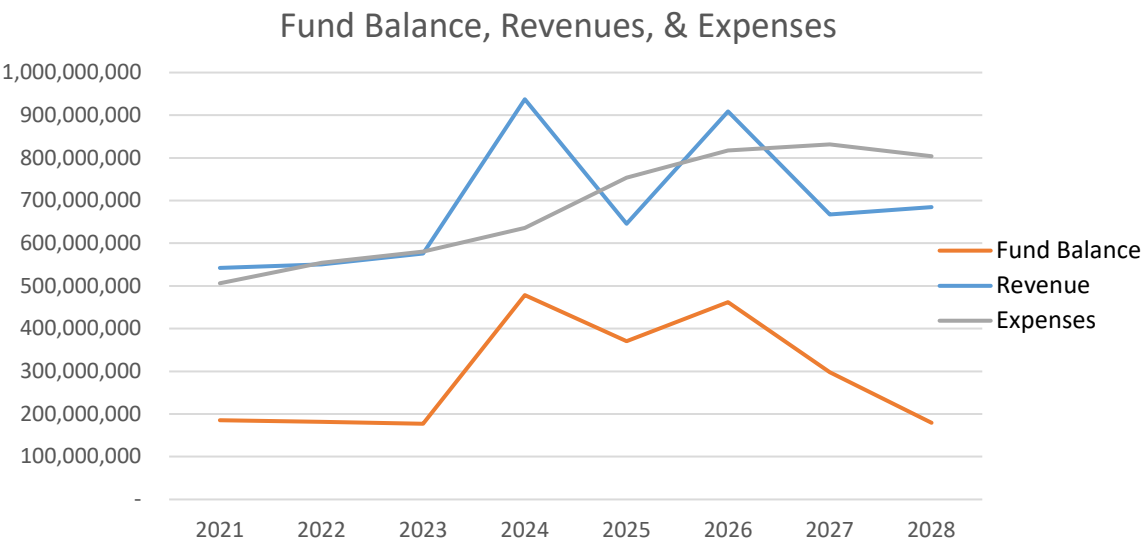
The district’s funds include the governmental funds, internal service funds and fiduciary funds. The governmental funds include the general fund, food service fund, community service fund, building construction fund, and the debt service fund. The district’s food service fund and community service fund are also categorized as the special revenue funds. The debt service fund includes regular debt service and the other post-employment benefits (OPEB) bonds. Detailed information about each fund category and individual funds can be found on the subsequent pages in the financial section.

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 community service programs, 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.

Expenditure 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 construction, 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.



Summary Data – All Funds

Below is a financial summary of all the governmental funds, internal service funds and fiduciary funds of the district.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenue								
State Sources	300,697,988	304,399,241	319,028,625	360,515,198	369,699,062	368,843,457	377,371,195	386,100,740
Property taxes	116,395,291	122,337,787	125,761,505	134,273,609	157,285,917	159,250,970	154,657,751	159,297,483
Federal sources	35,520,203	41,937,321	30,949,226	26,839,477	19,016,604	18,587,756	18,624,932	18,662,181
Other sources	78,891,822	70,417,932	96,775,541	104,027,187	99,183,431	113,998,831	116,935,412	120,681,122
Total revenue	531,505,303	539,092,281	572,514,896	625,655,471	645,185,014	660,681,014	667,589,289	684,741,527
Expenditures								
Salaries and Wages	259,113,924	279,597,244	287,192,335	304,223,422	316,144,559	316,885,296	326,029,853	335,443,591
Employee benefits	152,067,681	165,180,303	177,467,541	190,301,194	201,654,002	206,714,907	218,602,357	231,373,416
Purchased services	26,294,839	29,843,082	39,701,758	33,415,219	33,068,933	34,835,276	35,009,453	35,184,501
Supplies and Materials	24,554,100	26,573,341	32,203,844	36,025,473	35,420,110	34,430,200	34,602,352	34,775,365
Capital expenditures	24,484,981	34,467,011	23,472,509	50,942,956	130,923,894	185,103,913	185,212,145	135,320,919
Other expenditures	2,281,589	1,763,691	3,523,218	4,145,061	1,319,979	4,395,505	4,417,483	4,439,571
Debt service	17,056,769	17,042,888	16,920,979	16,670,900	34,776,219	34,950,459	27,439,694	27,391,181
Total expenditures	505,853,882	554,467,560	580,482,184	635,724,225	753,307,696	817,315,557	831,313,337	803,928,542
Revenue over expenditures	25,651,421	(15,375,279)	(7,967,287)	(10,068,754)	(108,122,682)	(156,634,543)	(163,724,049)	(119,187,015)
Other financing sources (uses)								
Capital lease	585,000	18,115	2,348,015.22	-	-	-	-	-
Bond Refunding	-	(12,110,000)	-	-	-	-	-	-
Proceeds from sale of bonds	-	12,235,562	-	311,775,000	-	248,000,000	-	-
Certificates of participation	9,541,557	10,697,895	-	-	-	-	-	-
Other	46,259	7,623	98,736	-	-	-	-	-
Sale of capital assets	191,868	782,650	778,465	-	-	-	-	-
Transfers in	34,763	92,212	211,175	159,496	179,244	184,222	185,143	186,068
Transfers (out)	(34,763)	(92,212)	(211,175)	(159,496)	(179,244)	(184,222)	(185,143)	(186,068)
Total other financing sources (uses)	10,364,684	11,631,845	3,225,216	311,775,000	-	248,000,000	-	-
Net change in fund balances	36,016,105	(3,743,434)	(4,742,071)	301,706,246	(108,122,682)	91,365,457	(163,724,049)	(119,187,015)
Fund balances (deficits)								
Beginning of year	149,375,431	185,391,536	181,648,105	176,906,037	478,612,286	370,489,604	461,855,061	298,131,013
End of year	185,391,536	181,648,105	176,906,037	478,612,286	370,489,604	461,855,061	298,131,013	178,943,997



Karina G. - BHMS 8th Grade



Calvin J. - GL 2nd Grade



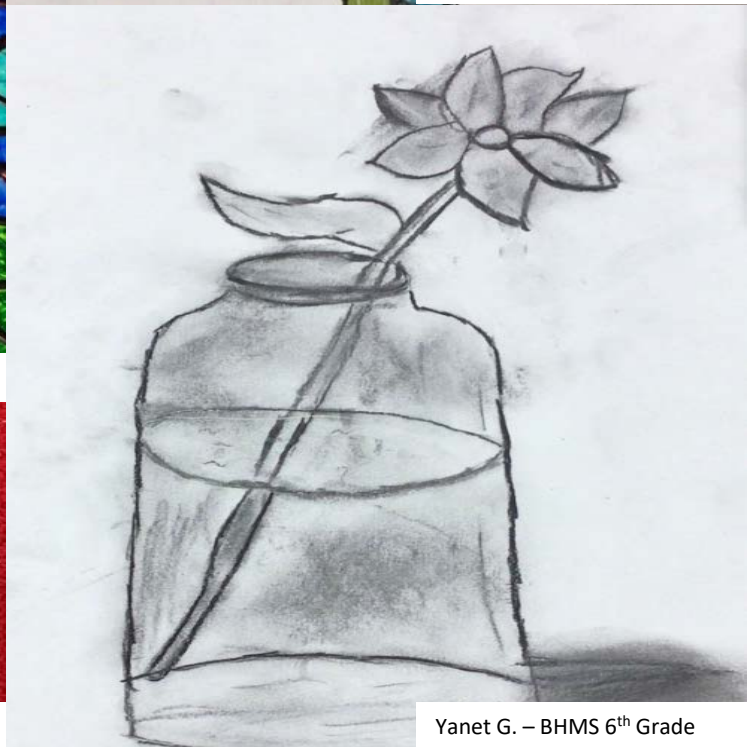
Avery B. - SHMS 7th Grade



Julianna Z. - BHMS 6th Grade



Micaiah P. - GL 4th Grade



Yanet G. - BHMS 6th Grade



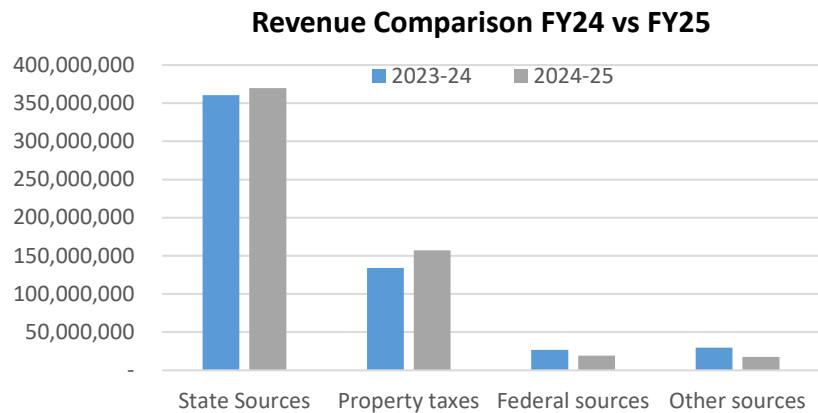
Level Two Summary Data for Governmental Funds

Summary Data – Governmental Funds

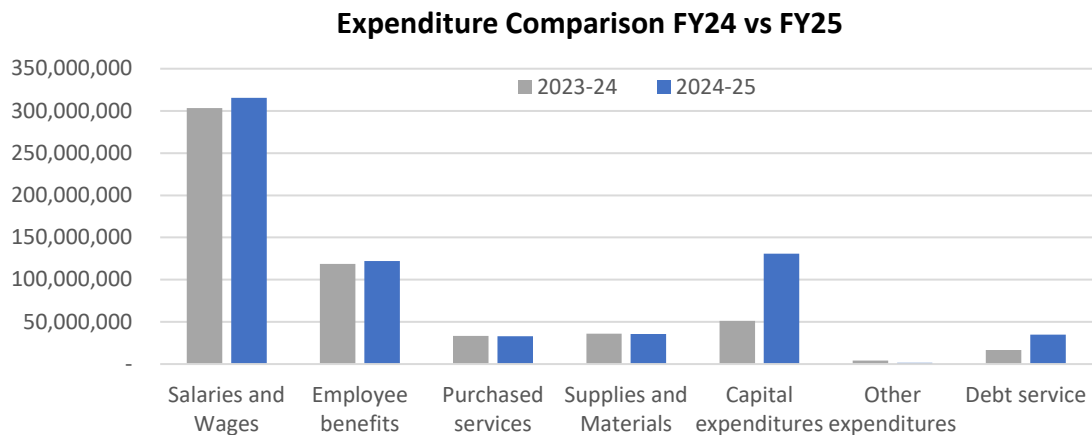
Funds Overview

Below is a summary of all the governmental funds of the district. The governmental funds include the general fund, food service fund, community service fund, building construction fund, and the debt service fund. The district’s food service fund and community service fund are also categorized as the special revenue funds. The debt service fund includes regular debt service and the other post-employment benefits (OPEB) bonds.

Major Shifts from Current Year

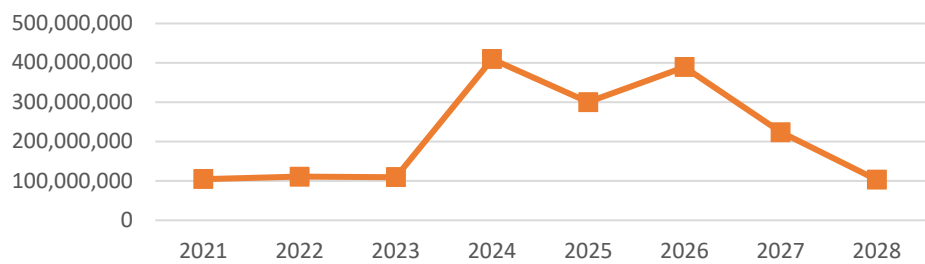


Analysis: The district does not anticipate any major unexpected revenue variances for the 2024-25 fiscal year. Federal COVID grants were exhausted during the 2023-24 fiscal year, reducing the anticipated federal sources. Property tax revenue is planned to increase in 2024-25 based on the May 2023 building bond referendum.



Analysis: The district does not anticipate any major unexpected expenditure variances for the 2024-25 fiscal year. Salaries, wages, and employee benefits continue to rise at relatively expected rate. As construction begins for the building bond projects, capital expenditures will experience a significant increase over the next few years. Other expenditure categories are aligned with the current budget year

Fund Balance Trends and Analysis



Analysis: The major fluctuations in projected fund balances for the governmental funds through 2027-28 are caused primarily by the building construction fund. Fiscal years 2025-2028 will be the primary construction years for the building bond referendum. Additionally, the district is planning for a second round of building bond sales during the 2025-26 fiscal year. These factors are impacting the overall governmental fund balances significantly. The other funds within the governmental funds are anticipated to retain expected fund balance levels.

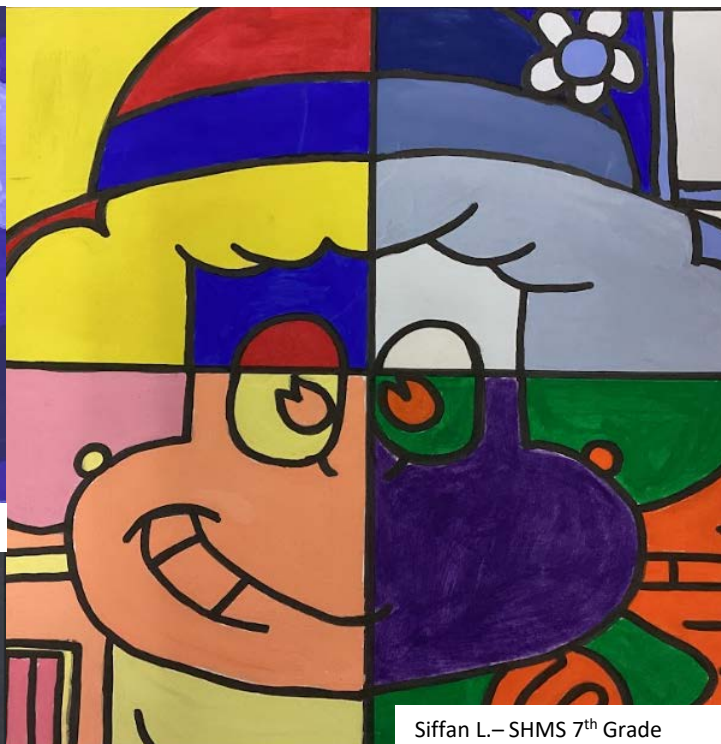
Summary Data – Governmental Funds

Below is a financial summary of all the governmental funds of the district.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenue								
State Sources	300,697,988	304,399,241	319,028,625	360,515,198	369,699,062	368,843,457	377,371,195	386,100,740
Property taxes	116,395,291	122,337,787	125,761,505	134,273,609	157,285,917	159,250,970	154,657,751	159,297,483
Federal sources	35,520,203	41,937,321	30,949,226	26,839,477	19,016,604	18,587,756	18,624,932	18,662,181
Other sources	<u>9,294,335</u>	<u>14,774,326</u>	<u>28,472,447</u>	<u>29,655,187</u>	<u>17,441,431</u>	<u>27,941,795</u>	<u>26,776,302</u>	<u>26,217,420</u>
Total revenue	<u>461,907,816</u>	<u>483,448,675</u>	<u>504,211,803</u>	<u>551,283,471</u>	<u>563,443,014</u>	<u>574,623,978</u>	<u>577,430,179</u>	<u>590,277,824</u>
Expenditures								
Salaries and Wages	259,263,599	279,028,766	287,482,727	303,523,423	315,444,560	316,498,642	325,635,467	335,041,317
Employee benefits	92,632,031	100,426,204	104,664,502	118,541,194	121,894,002	123,139,589	130,687,310	138,884,408
Purchased services	26,256,511	29,766,334	39,644,219	33,335,219	33,008,933	34,769,101	34,942,947	35,117,662
Supplies and Materials	24,554,100	26,573,341	32,203,844	36,025,473	35,420,110	34,430,200	34,602,352	34,775,365
Capital expenditures	24,484,981	34,467,011	23,472,509	50,942,956	130,923,894	185,103,913	185,212,145	135,320,919
Other expenditures	1,662,375	1,742,921	3,501,062	4,120,061	1,294,979	4,371,333	4,393,190	4,415,156
Debt service	<u>17,056,769</u>	<u>17,042,888</u>	<u>16,920,979</u>	<u>16,670,900</u>	<u>34,776,219</u>	<u>34,950,459</u>	<u>27,439,694</u>	<u>27,391,181</u>
Total expenditures	<u>445,910,365</u>	<u>489,047,465</u>	<u>507,889,843</u>	<u>563,159,226</u>	<u>672,762,697</u>	<u>733,263,238</u>	<u>742,913,105</u>	<u>710,946,008</u>
Revenue over expenditures	15,997,450	(5,598,790)	(3,678,041)	(11,875,755)	(109,319,683)	(158,639,260)	(165,482,926)	(120,668,183)
Other financing sources (uses)								
Capital lease	585,000	18,115	2,348,015	-	-	-	-	-
Bond Refunding	-	(12,110,000)	-	-	-	-	-	-
Proceeds from sale of bonds	-	12,235,562	-	311,775,000	-	248,000,000	-	-
Certificates of participation	9,541,557	10,697,895	-	-	-	-	-	-
Other	238,128	783,650	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	34,763	92,212	2,474,808	159,496	179,244	184,222	185,143	186,068
Transfers (out)	<u>(34,763)</u>	<u>(92,212)</u>	<u>(2,474,808)</u>	<u>(159,496)</u>	<u>(179,244)</u>	<u>(184,222)</u>	<u>(185,143)</u>	<u>(186,068)</u>
Total other financing sources (uses)	10,364,685	11,625,222	2,348,015	311,775,000	-	248,000,000	-	-
Net change in fund balances	26,362,135	6,026,431	(1,330,025)	299,899,245	(109,319,683)	89,360,740	(165,482,926)	(120,668,183)
Fund balances (deficits)								
Beginning of year	<u>78,030,756</u>	<u>104,392,891</u>	<u>110,419,326</u>	<u>109,089,303</u>	<u>408,988,552</u>	<u>299,668,869</u>	<u>389,029,609</u>	<u>223,546,682</u>
End of year	<u>104,392,891</u>	<u>110,419,326</u>	<u>109,089,303</u>	<u>408,988,552</u>	<u>299,668,869</u>	<u>389,029,609</u>	<u>223,546,682</u>	<u>102,878,499</u>



Ella R. -RP 5th Grade



Siffan L.- SHMS 7th Grade



Artem S. - BHMS 7th Grade



Charlie N. - BHMS 8th Grade



Avery B. - GL 5th Grade



Tiana V. - SHMS 8th Grade



Level Three Summary Data for Individual Funds

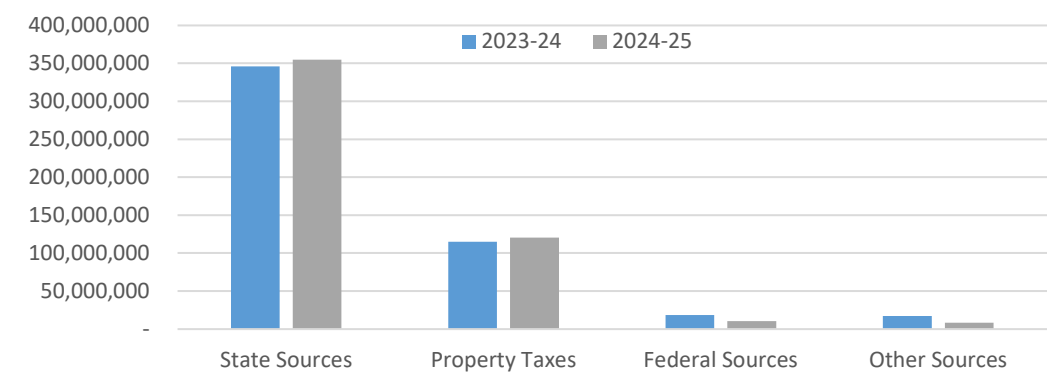
General Fund – All Sub Accounts

Funds Overview

Below is a summary of all the general fund of the district. The general fund has five sub accounts the district reports: the general operating account, special education account, quality compensation account, transportation account, and the capital expenditure account, which includes the operating capital and long-term facilities maintenance accounts. The following pages include detailed information specific to the general fund.

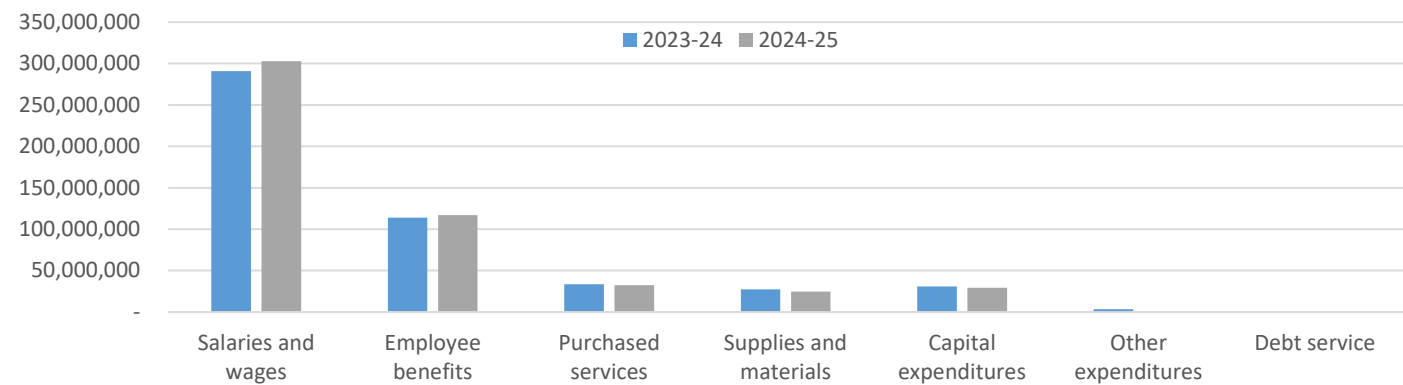
Major Shifts from Current Year

Revenue Comparison FY24 vs FY25



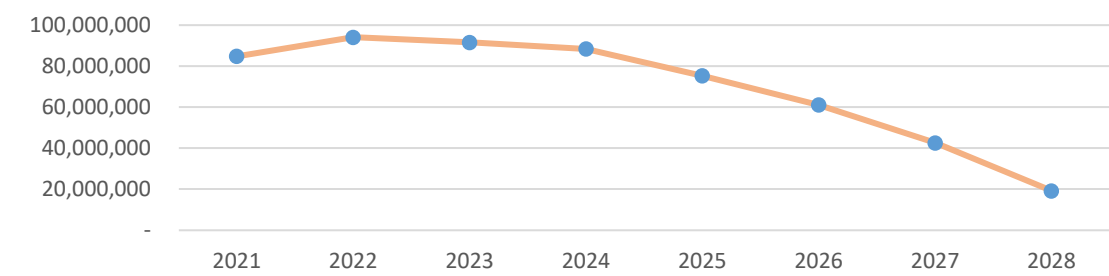
Analysis: The district does not anticipate any major unexpected revenue variances for the 2024-25 fiscal year within the general fund. The formula amounts for state aids increased by 2% for the 2024-25 school year. Federal COVID grants were exhausted during the 2023-24 fiscal year, reducing the anticipated federal sources.

Expenditure Comparison FY24 vs FY25



Analysis: The district does not anticipate any major unexpected expenditure variances for the 2024-25 fiscal year within the general fund. Salaries, wages, and employee benefits continue to rise at relatively expected rate. The other expenditure categories are aligned with the current budget year

Fund Balance Trends and Analysis



Analysis: The general fund has experienced a stable fund balance since the 2020-21 fiscal year. Over the next four fiscal years, the fund balance of the general fund is projected to decrease significantly, due to the rate of rising expenditures, such as salaries and benefits, outpacing the rate in which revenue sources increase. The district will need to address the fund balance projections, especially as federal covid funding expires and the district determines the next steps with positions originally hired through federal funding.

General Fund – All Sub-Accounts

Below is a financial summary of all the general fund of the district.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
State Sources	297,108,483	300,353,128	314,703,869	345,836,363	354,665,865	357,278,681	365,582,871	374,084,412
Property Taxes	96,675,912	102,779,443	106,195,718	115,068,553	120,407,512	121,270,173	124,908,279	128,655,527
Federal Sources	24,595,310	23,418,512	21,457,129	18,332,772	10,378,125	9,805,456	9,825,067	9,844,717
Other Sources	6,581,692	9,895,750	16,687,955	17,348,014	8,303,851	14,567,891	14,754,401	14,943,754
Total revenue	424,961,396	436,446,832	459,044,671	496,585,702	493,755,353	502,922,202	515,070,618	527,528,410
Expenditures								
Salaries and wages	249,928,256	268,137,410	274,256,452	290,942,334	302,728,539	303,455,935	312,255,307	321,314,575
Employee benefits	89,646,403	96,975,090	100,812,832	113,828,935	117,161,479	118,449,737	125,731,080	133,639,346
Purchased services	25,240,777	28,657,138	38,936,181	33,378,356	32,471,824	34,199,698	34,370,698	34,542,551
Supplies and materials	19,545,121	18,297,416	23,271,512	27,259,948	24,686,901	24,338,056	24,459,747	24,582,047
Capital expenditures	13,994,820	15,298,729	23,918,956	30,973,165	29,389,853	33,165,700	33,264,241	33,363,275
Other expenditures	900,132	554,380	2,429,086	3,282,882	217,045	3,324,467	3,341,089	3,357,795
Debt service	-	-	-	-	-	-	-	-
Total expenditures	399,255,509	427,920,164	463,625,019	499,665,620	506,655,641	516,933,593	533,422,162	550,799,589
Revenue over expenditures	25,705,886	8,526,667	(4,580,348)	(3,079,918)	(12,900,288)	(14,011,391)	(18,351,544)	(23,271,179)
Other financing sources (uses)								
Capital lease	585,000	18,115	2,348,015	-	-	-	-	-
Certificates of participation	-	-	-	-	-	-	-	-
Other	238,128	783,650	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	(34,763)	(92,212)	(211,175)	(159,496)	(179,244)	(184,222)	(185,143)	(186,068)
Total other financing sources(uses)	788,365	709,551	2,136,840	(159,496)	(179,244)	(184,222)	(185,143)	(186,068)
Net change in fund balances	26,494,251	9,236,221	(2,443,510)	(3,239,414)	(13,079,532)	(14,195,613)	(18,536,687)	(23,457,247)
Fund balances								
Beginning of year	58,364,326	84,858,577	94,094,798	91,651,293	88,411,879	75,332,347	61,136,734	42,600,047
End of year	84,858,577	94,094,798	91,651,293	88,411,879	75,332,347	61,136,734	42,600,047	19,142,800

As stated on page 42 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 2024-25 school year with a \$75.332 million fund balance, or 14.86 percent of projected operating expenditures.

The district's projected fund balance includes restricted accounts related to capital expenditures, non-spendable amounts, and 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 2024-25 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)

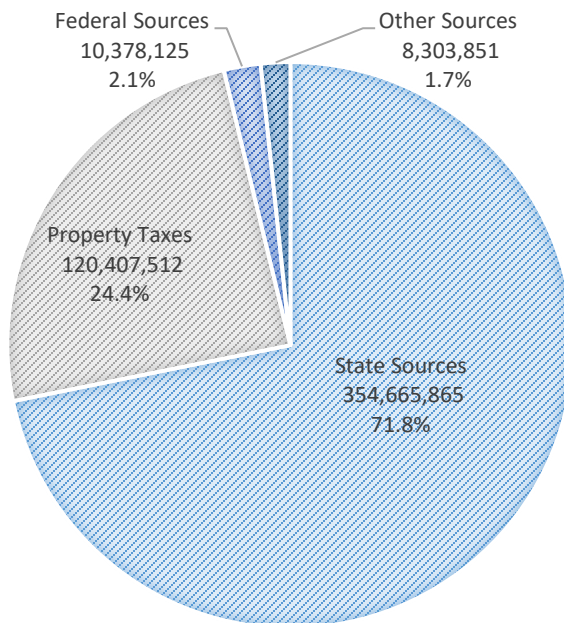
Revenues – Below is a summary of the general fund revenues by source:

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
State Sources	297,108,483	300,353,128	314,703,869	345,836,363	354,665,865	357,278,681	365,582,871	374,084,412
Property Taxes	96,675,912	102,779,443	106,195,718	115,068,553	120,407,512	121,270,173	124,908,279	128,655,527
Federal Sources	24,595,310	23,418,512	21,457,129	18,332,772	10,378,125	9,805,456	9,825,067	9,844,717
Other Sources	6,819,820	10,697,512	19,035,970	17,348,014	8,303,851	14,567,891	14,754,401	14,943,754
Total Revenues	425,199,524	437,248,594	461,392,686	496,585,702	493,755,353	502,922,202	515,070,618	527,528,410

The 2024-25 general fund revenue budget totals \$493.755 million. This is \$2.83 million less than the final budget for the current fiscal year. The primary reasons for this decrease are:

- 1) A projected net increase of approximately \$5.338 million in property tax revenue is due to the voter-approved inflationary increase in the operating levy.
- 2) A projected \$8.829 million increase in state aid. The general education aid increase is primarily due to the projected flat trend in enrollment for the coming school year and an increase of 2.0% in the general education formula.
- 3) The district is projecting a decrease of nearly \$16.998 million in federal sources and other revenue sources due to expiring grant programs.

GENERAL FUND REVENUES BY SOURCE



The pie chart shows the 2024-25 projected general fund revenues. State sources account for the largest share of general fund revenues, at approximately 71.8 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 24.4 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 2.1 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 Minnesota Department of Education 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:

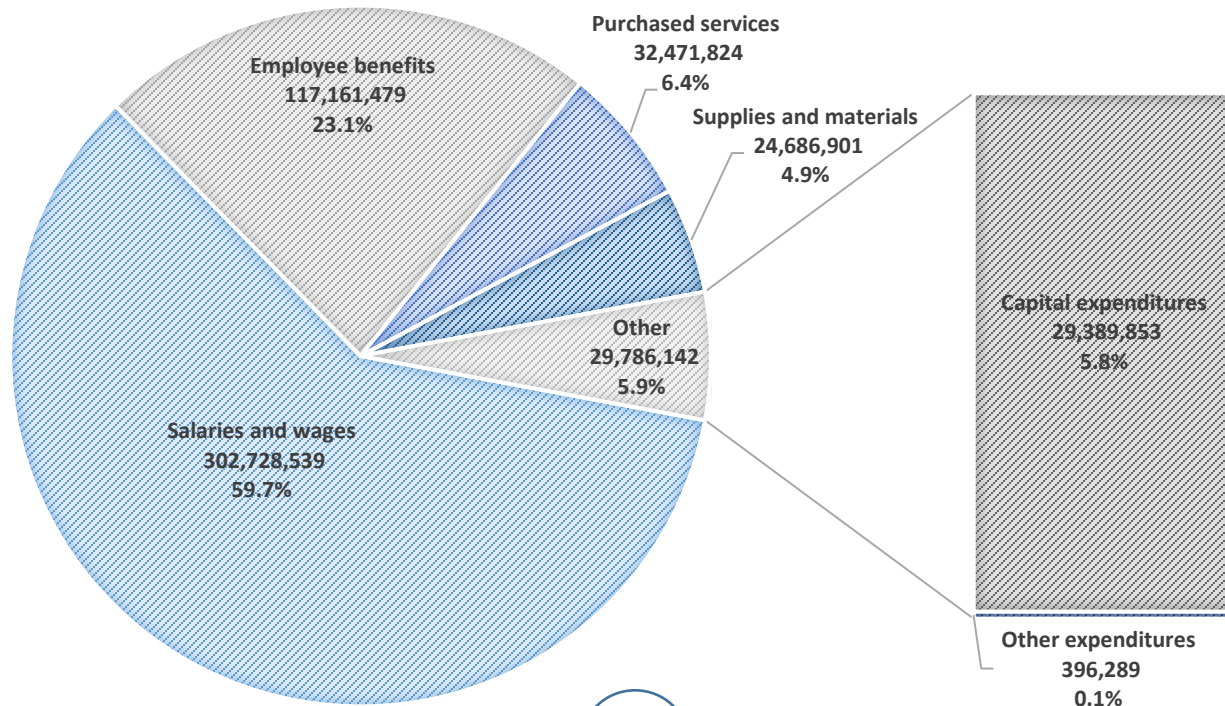
	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	249,928,256	268,137,410	274,256,452	290,942,334	302,728,539	303,455,935	312,255,307	321,314,575
Employee benefits	89,646,403	96,975,090	100,812,832	113,828,935	117,161,479	118,449,737	125,731,080	133,639,346
Purchased services	25,240,777	28,657,138	38,936,181	33,378,356	32,471,824	34,199,698	34,370,698	34,542,551
Supplies and materials	19,545,121	18,297,416	23,271,512	27,259,948	24,686,901	24,338,056	24,459,747	24,582,047
Capital expenditures	13,409,820	15,280,615	21,570,940	30,973,165	29,389,853	33,165,700	33,264,241	33,363,275
Other expenditures	934,895	646,591	2,640,262	3,442,378	396,289	3,508,689	3,526,232	3,543,863
Debt service	-	-	-	-	-	-	-	-
Total expenditures	398,705,273	427,994,261	461,488,179	499,825,116	506,834,885	517,117,815	533,607,305	550,985,657

The 2024-25 general fund expenditure budget totaled \$506.834 million. This is a nearly \$7.009 million more than the estimate for the 2023-24 final budget. The two main reasons for this increase are:

- 1) An increase of \$15.118 million in the budget for wages and employee benefits based on approved contracts or budget planning guidelines reviewed by the School Board in January 2024. 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 \$8.128 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 2024-25 school year, 82.8 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 6.4 percent of the budget. Supplies and materials account for 4.9 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 5.9 percent of the total budget.

GENERAL FUND EXPENDITURES BY OBJECT



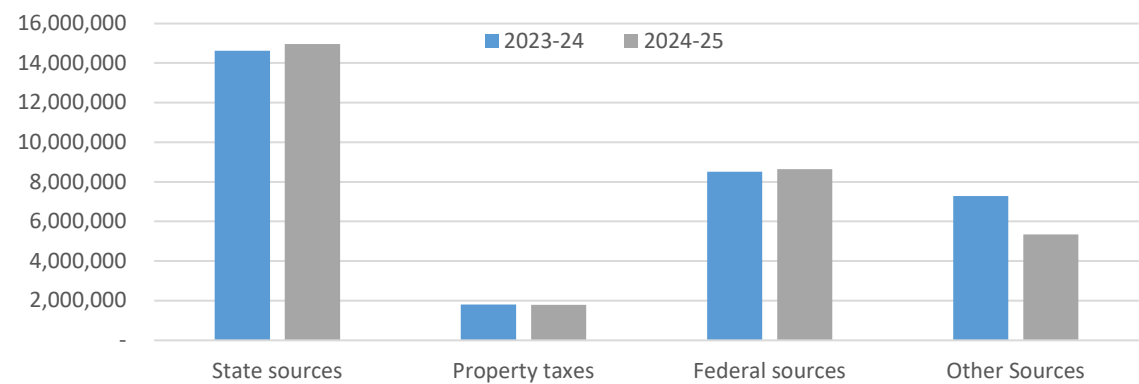
Special Revenue Funds – All Funds Combined

Funds Overview

Below is a summary of all the special revenue funds of the district. The special revenue funds include the food service fund and the community service fund. Each of these funds is a self-sustaining fund, meaning these funds receive revenue for specific purposes and for expenses meant solely for each fund. The following pages include detailed information specific to both special revenue funds.

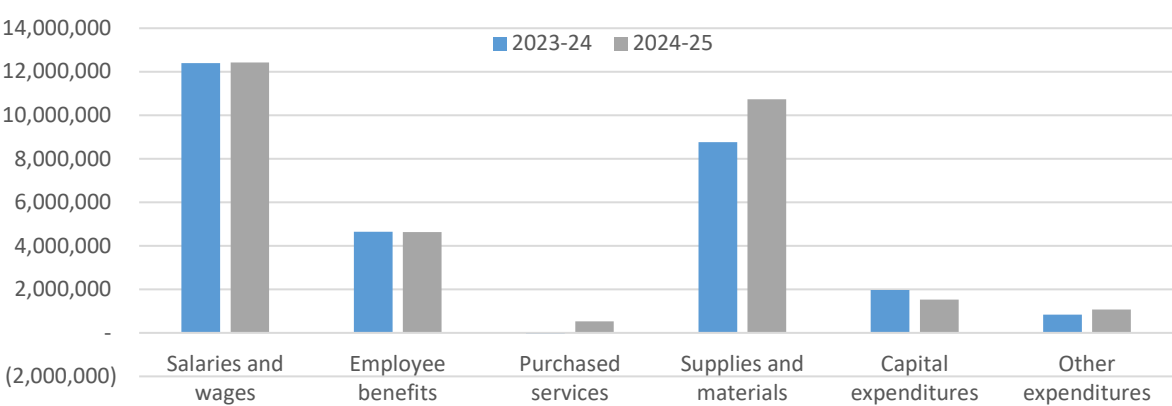
Major Shifts from Current Year

Revenue Comparison FY24 vs FY25



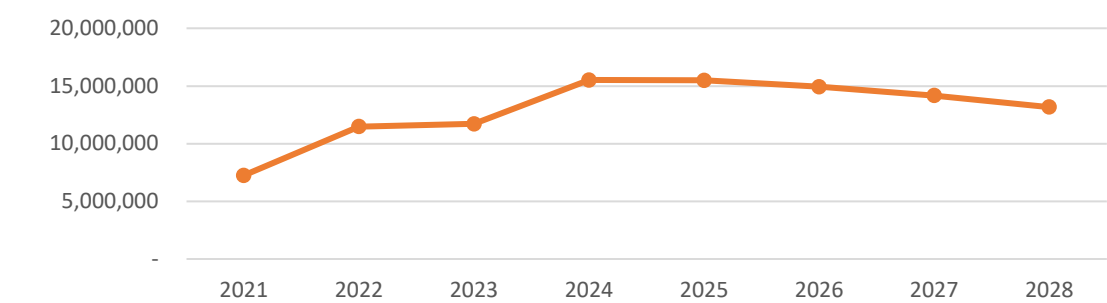
Analysis: The district does not anticipate any major unexpected revenue variances for the 2024-25 fiscal year within the special revenue funds. The 2023-24 school year was the first year of free meals for all students. The district is still analyzing the impact of this program on food service revenues over the coming years.

Expenditure Comparison FY24 vs FY25



Analysis: The district does not anticipate any major unexpected expenditure variances for the 2024-25 fiscal year within the special revenue funds. Salaries, wages, and employee benefits continue to rise at relatively expected rates. Supplies and materials will continue to increase faster than other categories, especially in the food service fund where the district is serving more meals now due to the free meals for all students program.

Fund Balance Trends and Analysis



Analysis: The special revenue funds anticipate experiencing a slight decline in projected total fund balances through 2027-28. This is an expected trend due to expenditure increases and a deliberate spend down plan specifically in the food service fund.

Special Revenue Funds – All Funds Combined

Below is a financial summary of all the combined special revenue funds of the district.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
State sources	3,507,924	3,997,286	4,272,409	14,613,276	14,960,797	11,501,214	11,724,635	11,952,511
Property taxes	1,784,271	1,798,147	1,848,515	1,802,362	1,797,889	1,854,129	1,909,753	1,967,046
Federal sources	10,924,893	18,518,809	9,492,097	8,506,705	8,638,479	8,782,300	8,799,865	8,817,464
Other Sources	2,453,624	4,859,086	11,357,417	7,287,173	5,337,580	8,134,646	8,277,857	8,423,742
Total revenue	18,670,712	29,173,328	26,970,438	32,209,516	30,734,745	30,272,289	30,712,110	31,160,763
Expenditures								
Salaries and wages	9,335,343	10,891,355	11,506,291	12,392,073	12,432,335	12,754,405	13,083,208	13,420,882
Employee benefits	2,985,628	3,451,114	3,851,670	4,649,006	4,631,586	4,599,766	4,861,636	5,145,603
Purchased services	672,692	812,420	631,699	(43,137)	537,109	569,402	572,249	575,111
Supplies and materials	4,946,960	8,265,629	8,931,695	8,765,525	10,733,209	10,092,144	10,142,605	10,193,318
Capital expenditures	271,687	432,667	946,766	1,969,791	1,534,041	1,938,213	1,947,904	1,957,644
Other expenditures	762,243	1,188,542	1,071,976	837,179	1,077,934	1,046,866	1,052,101	1,057,361
Total expenditures	18,974,554	25,041,728	26,940,097	28,570,437	30,946,214	31,000,797	31,659,704	32,349,919
Revenue over expenditures	(303,842)	4,131,600	30,342	3,639,079	(211,469)	(728,508)	(947,594)	(1,189,155)
Other financing sources (uses)								
Other	-	-	-	-	-	-	-	-
Transfers in	34,763	92,212	211,175	159,496	179,244	184,222	185,143	186,068
Total other financing sources (uses)	34,763	92,212	211,175	159,496	179,244	184,222	185,143	186,068
Net change in fund balances	(269,079)	4,223,812	241,517	3,798,575	(32,225)	(544,286)	(762,451)	(1,003,087)
Fund balances								
Beginning of year	7,527,280	7,258,201	11,482,013	11,723,529	15,522,104	15,489,879	14,945,592	14,183,142
End of year	7,258,201	11,482,013	11,723,529	15,522,104	15,489,879	14,945,592	14,183,142	13,180,054

Special Revenue Funds – Food Service Fund

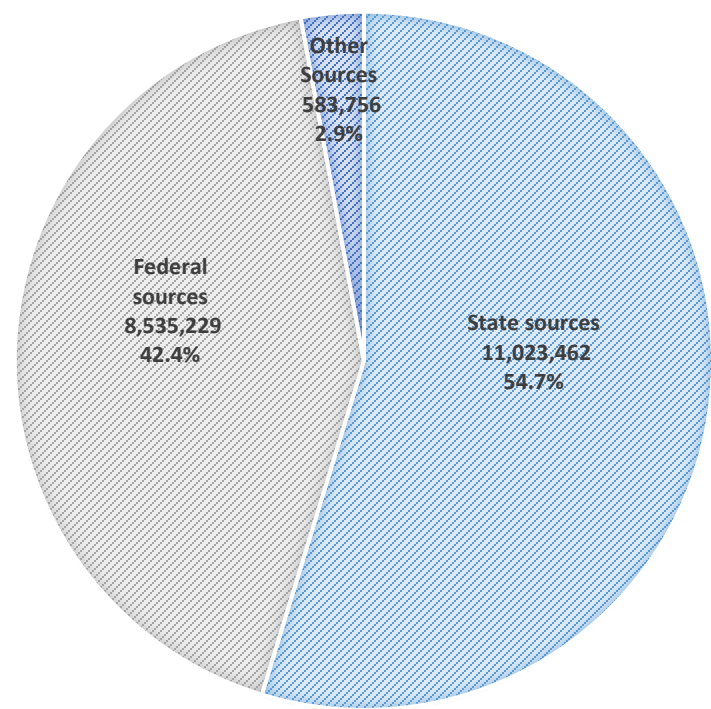
Fund Overview – The food service special revenue fund is used to account for the district's child nutrition program, which strives to provide high-quality, nutritious breakfasts and lunches for students. The food service special revenue fund is self-sustaining. All costs of the food and nutrition programs 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.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
State sources	-	534,666	765,738	10,807,316	11,023,462	7,682,815	7,836,472	7,993,201
Federal sources	10,054,372	18,255,391	9,082,837	8,413,687	8,535,229	8,694,606	8,711,995	8,729,419
Other Sources	116,208	885,276	6,660,783	2,728,155	583,756	3,390,591	3,458,276	3,527,315
Total revenue	10,170,580	19,675,333	16,509,358	21,949,158	20,142,447	19,768,012	20,006,743	20,249,935
Expenditures								
Salaries and wages	3,671,049	4,455,627	4,459,236	5,100,699	4,924,389	5,012,674	5,120,125	5,229,941
Employee benefits	1,071,509	1,242,996	1,373,420	1,942,856	1,971,327	1,853,302	1,952,855	2,060,683
Purchased services	569,466	642,982	917,645	250,000	816,000	854,174	858,445	862,737
Supplies and materials	4,734,648	7,973,643	8,618,191	8,418,819	10,327,778	9,713,677	9,762,245	9,811,056
Capital expenditures	270,478	410,101	905,903	1,945,000	1,523,600	1,914,341	1,923,913	1,933,533
Other expenditures	491,488	692,051	641,741	535,000	670,450	631,305	634,461	637,633
Total expenditures	10,808,638	15,417,401	16,916,135	18,192,374	20,233,544	19,979,472	20,252,044	20,535,583
Revenue over expenditures	(638,058)	4,257,933	(406,777)	3,756,784	(91,097)	(211,461)	(245,301)	(285,648)
Other financing sources (uses)								
Other	-	-	-	-	-	-	-	-
Net change in fund balances	(638,058)	4,257,933	(406,777)	3,756,784	(91,097)	(211,461)	(245,301)	(285,648)
Fund balances								
Beginning of year	4,652,190	4,014,132	8,272,065	7,865,287	11,622,071	11,530,974	11,319,513	11,074,212
End of year	<u>4,014,132</u>	<u>8,272,065</u>	<u>7,865,287</u>	<u>11,622,071</u>	<u>11,530,974</u>	<u>11,319,513</u>	<u>11,074,212</u>	<u>10,788,563</u>

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

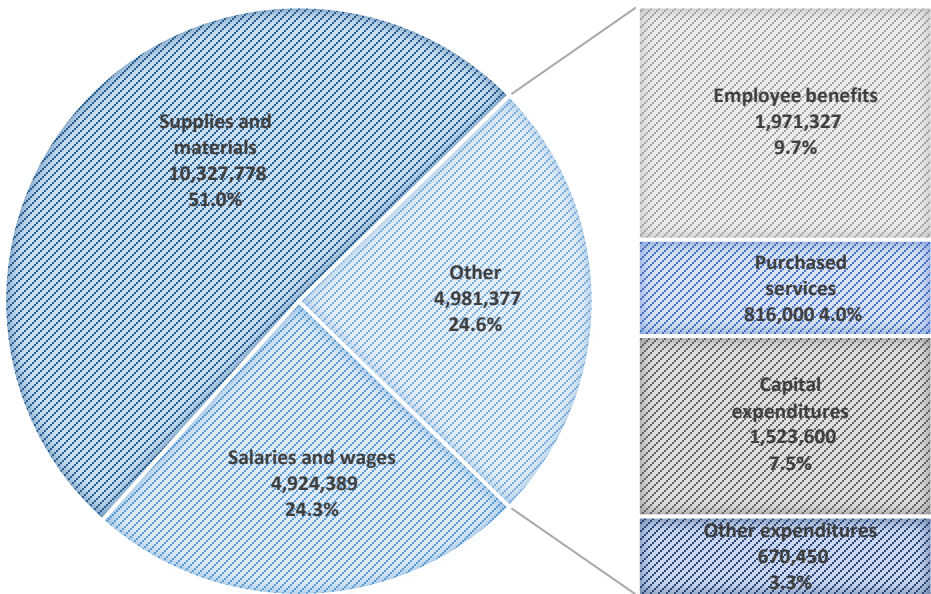


Revenues – At 54.7 percent of the budget, state revenues represent the largest share of revenues in the food service special revenue fund. Federal sources, at 42.4 percent, represent the second largest share of revenue budget. The district receives reimbursement from the federal government for meals served to students who qualify for meal assistance. At 2.9 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 drastically changed the proportion of food service revenue received from the state. The table below shows district prices for lunch and breakfast for the 2023-24 school year. The 2024-25 food service fund revenue budget is \$20.142 million, which is a slight decrease from the 2023-24 final budget. The projected decrease is due to the district budgeting more conservatively to see the impacts of the meals for all program.

2023-24 Paid Meal Prices		
	Breakfast	Lunch
Students-Extra Meal	2.00	4.00
Adults	2.25	4.95
Milk (all)	0.40	0.40

Expenditures – At approximately 51.0 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 48.9 percent of the food service fund expenditures. The 2024-25 food service expenditure budget is \$20.233 million, a \$2.041 million increase from the 2023-24 final budget. The projected increase is due to the district budgeting mor accurately 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

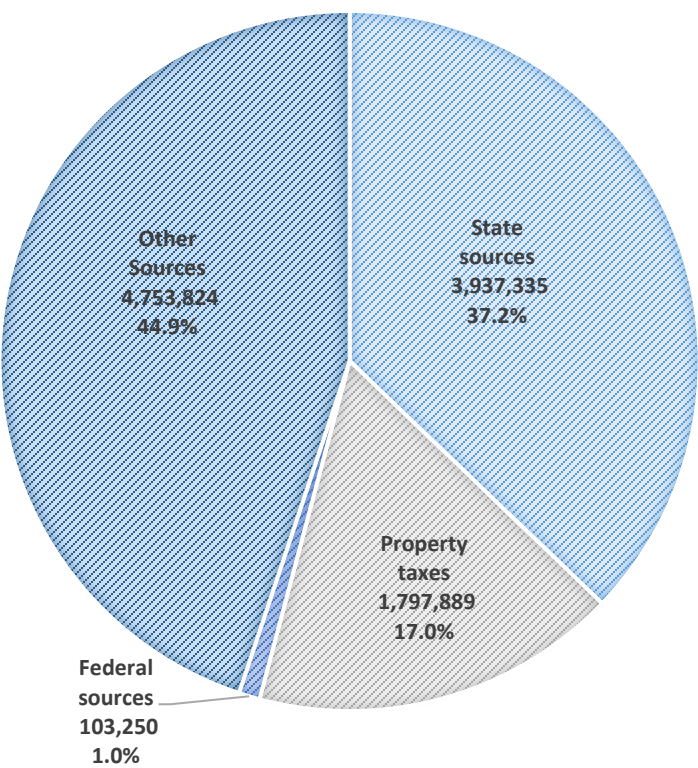
Fund Overview – The community service special revenue fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, adult and early childhood programs, or other similar services. The community service special revenue fund is required to be 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.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
State sources	3,507,924	3,462,620	3,506,671	3,805,960	3,937,335	3,818,399	3,888,163	3,959,310
Property taxes	1,784,271	1,798,147	1,848,515	1,802,362	1,797,889	1,854,129	1,909,753	1,967,046
Federal sources	870,521	263,418	409,259	93,018	103,250	87,694	87,870	88,046
Other Sources	2,337,416	3,973,810	4,696,634	4,559,018	4,753,824	4,744,055	4,819,581	4,896,427
Total revenue	8,500,132	9,497,995	10,461,081	10,260,358	10,592,298	10,504,277	10,705,367	10,910,828
Expenditures								
Salaries and wages	5,664,294	6,435,728	7,047,055	7,291,374	7,507,946	7,741,731	7,963,084	8,190,941
Employee benefits	1,914,119	2,208,118	2,478,250	2,706,150	2,660,259	2,746,464	2,908,781	3,084,921
Purchased services	103,226	169,438	(285,946)	(293,137)	(278,891)	(284,772)	(286,196)	(287,627)
Supplies and materials	212,312	291,986	313,504	346,706	405,431	378,467	380,360	382,262
Capital expenditures	1,209	22,566	40,863	24,791	10,441	23,872	23,991	24,111
Other expenditures	270,756	496,491	430,235	302,179	407,484	415,562	417,640	419,728
Total expenditures	8,165,916	9,624,327	10,023,962	10,378,063	10,712,670	11,021,324	11,407,660	11,814,336
Revenue over expenditures	334,215	(126,333)	437,119	(117,705)	(120,372)	(517,047)	(702,292)	(903,507)
Other financing sources (uses)								
Transfers in	34,763	92,212	211,175	159,496	179,244	184,222	185,143	186,068
Net change in fund balances	368,979	(34,121)	648,294	41,791	58,872	(332,825)	(517,150)	(717,439)
Fund balances								
Beginning of year	2,875,090	3,244,071	3,209,950	3,858,244	3,900,035	3,958,907	3,626,082	3,108,932
End of year	3,244,071	3,209,950	3,858,244	3,900,035	3,958,907	3,626,082	3,108,932	2,391,493

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)

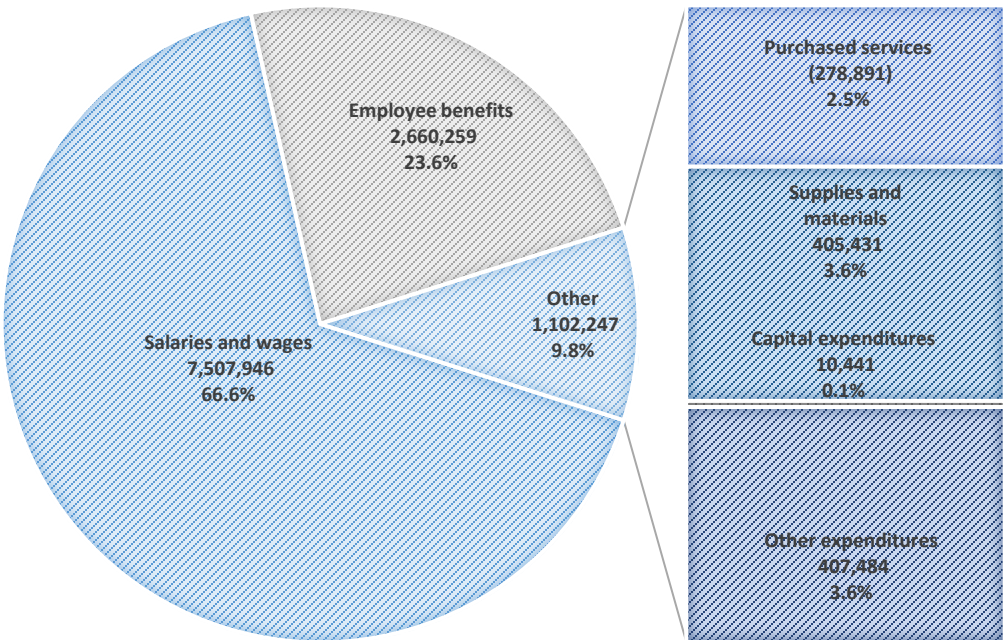
COMMUNITY SERVICE FUND REVENUES BY SOURCE



Revenues – The 2024-25 community service fund revenue budget is \$10.592 million; an increase of \$0.331 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. Other revenues, at 44.9 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 37.2 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 2024-25 school year, property tax revenue is projected to be \$1.797 million, or 17.0 percent of the revenue budget. The 2024-25 projections for state aids and property tax levy revenue show a slight increase from the 2023-24 final budget.

COMMUNITY SERVICE FUND EXPENDITURES BY OBJECT

Expenditures – The 2024-25 community service fund expenditure budget totals \$10.712 million, a net increase of nearly \$334,607, from the 2023-24 final budget. Salaries and benefits represent 90.2 percent of the expenses, the largest portion of the budget. Purchased services, including contracted work provided by outside sources, account for approximately 2.5 percent of the budget. The budgets for supplies and materials account for 3.6 percent of the budget. Capital and other expenditures, such as technology equipment, furniture and fixtures, site and building improvements, memberships and license fees totaled 3.7 percent of the total budget.

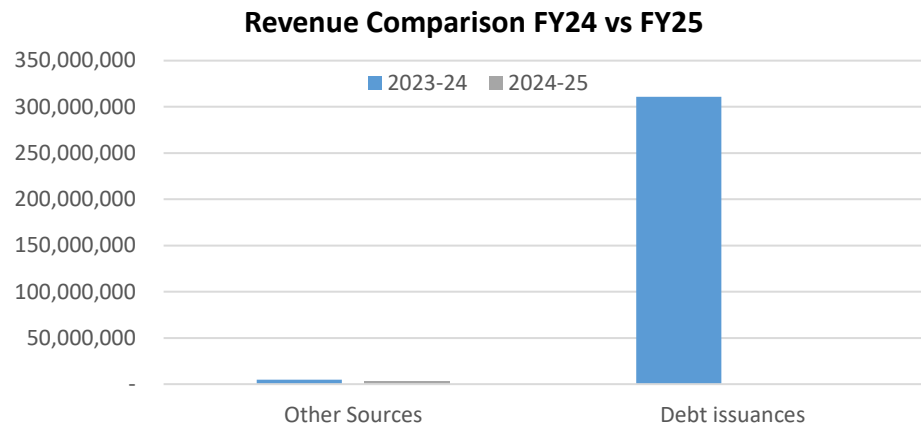


Building Construction Fund

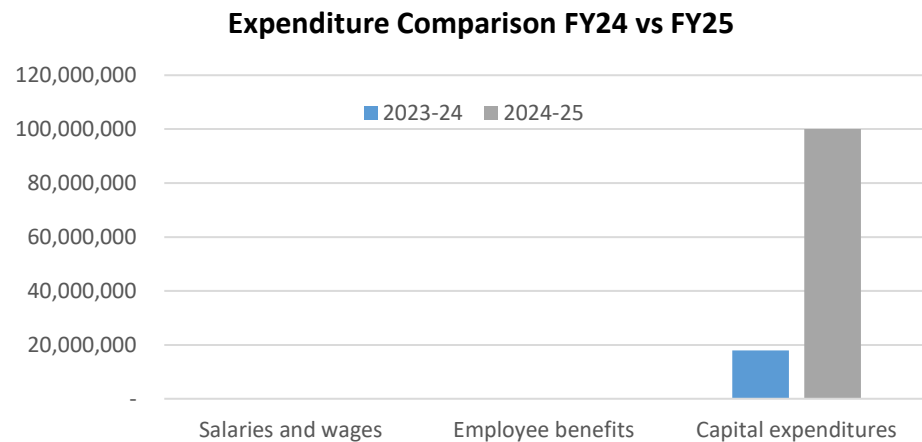
Funds Overview

Below is a summary of the building construction fund of the district. The following pages include detailed information specific to the building construction fund.

Major Shifts from Current Year

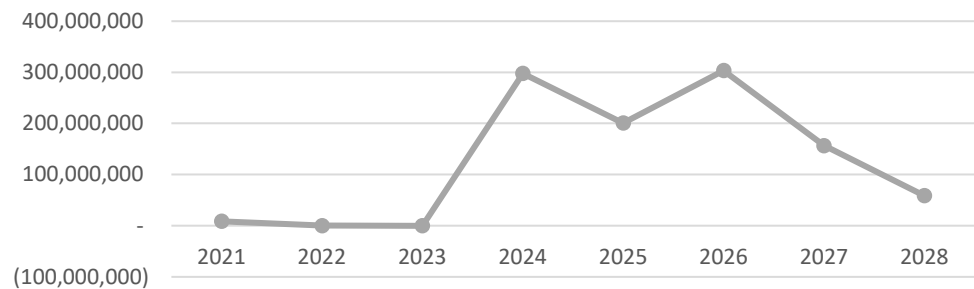


Analysis: The revenue budget in the building construction fund includes two components: debt issuances and interest revenue. The variance above is expected as the first round of debt issuances for the building bond construction projects occurred in 2024-25. The next round will not occur until the 2025-26 fiscal year.



Analysis: The 2023-24 fiscal year primarily focused on planning for the building construction projects, and smaller projects within the bond referendum. Construction expenses will increase significantly In 2024-25 as the district plans to break ground on Elementary #20 in the summer of 2024.

Fund Balance Trends and Analysis



Analysis: The building construction fund projects an expected fund balance through fiscal year 2028. Construction expenses will increase significantly beginning in the 2024-25 school year, reducing fund balance. The additional bond sales planned for the 2025-26 fiscal year will provide the remaining funding for the bond 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.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
Other Sources	251,928	4,052	43,403	5,000,000	3,500,000	5,000,010	3,500,010	2,601,010
Expenditures								
Salaries and wages	-	-	-	189,016	283,686	288,303	296,952	305,860
Employee benefits	-	-	-	63,253	100,937	90,086	94,594	99,459
Purchased services	343,042	296,776	76,340	-	-	-	-	-
Supplies and materials	62,018	10,296	638	-	-	-	-	-
Capital expenditures	10,218,473	18,735,614	326,771	18,000,000	100,000,000	150,000,000	150,000,000	100,000,000
Other expenditures	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Total expenditures	10,623,533	19,042,686	403,749	18,252,269	100,384,623	150,378,389	150,391,546	100,405,319
Revenue over expenditures	(10,371,605)	(19,038,634)	(360,346)	(13,252,269)	(96,884,623)	(145,378,379)	(146,891,536)	(97,804,309)
Other financing sources (uses)								
Debt issuances	-	-	-	311,000,000	-	248,000,000	-	-
Capital lease	-	-	-	-	-	-	-	-
Certificates of participation	9,541,557	10,697,895	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	9,541,557	10,697,895	-	311,000,000	-	248,000,000	-	-
Net change in fund balances	(830,048)	(8,340,739)	(360,346)	297,747,731	(96,884,623)	102,621,621	(146,891,536)	(97,804,309)
Fund balances								
Beginning of year	9,469,385	8,639,337	298,598	(61,748)	297,685,983	200,801,361	303,422,982	156,531,446
End of year	8,639,337	298,598	(61,748)	297,685,983	200,801,361	303,422,982	156,531,446	58,727,137

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 \$311 million in bond proceeds in the 2023-24 fiscal year. Please refer to page 151 to a more detailed listing of the projects included in this bond referendum.

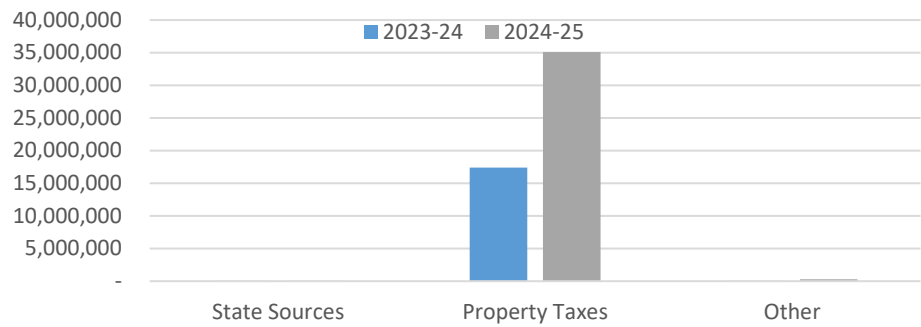
Debt Service Funds – All Sub-Accounts Combined

Funds Overview

Below is a summary of the debt service fund of the district. The following pages include detailed information specific to the debt service funds.

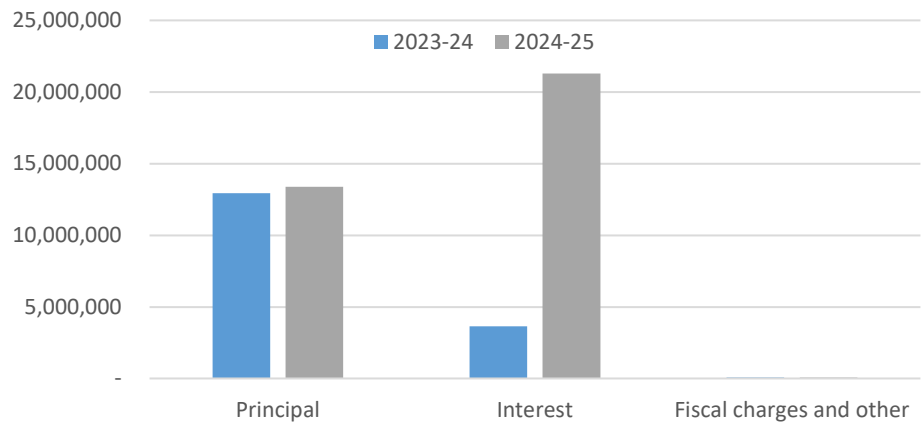
Major Shifts from Current Year

Revenue Comparison FY24 vs FY25



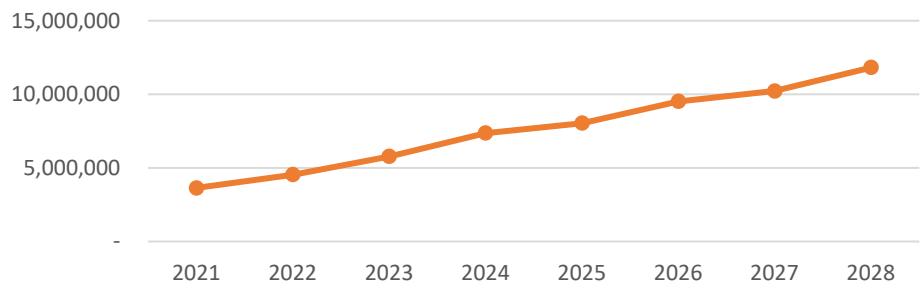
Analysis: The revenue budget in the debt service fund includes two components: debt issuances and interest revenue. The variance in revenue from the 2023-24 final budget and the 2024-25 preliminary budget is the accumulation of resources through property taxes to begin paying obligations (interest primarily in 2024-25) for the 2023A building bond debt, along with other debt obligations.

Expenditure Comparison FY24 vs FY25



Analysis: Similar to the revenue comparison noted above, the district’s first obligations for the 2023A building bonds occur in the 2024-25 fiscal year (\$18M in interest), causing the significant increase from 2023-24. The district will begin making principal payments on these obligations in the 2025-26 fiscal year. All other debt obligations are aligned with the debt schedule of the district.

Fund Balance Trends and Analysis



Analysis: The district anticipates a slightly increasing fund balance in the debt service fund through the 2027-28 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. This account was closed and transferred into the regular debt service fund balance in the 2022-23 fiscal year.

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 2020-21 through 2027-28 school years, with revenues reported by the source and expenditures reported by object.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
State Sources	81,581	48,827	52,347	65,559	72,400	63,562	63,689	63,817
Property Taxes	17,935,108	17,760,197	17,717,272	17,402,694	35,080,516	36,126,667	27,839,719	28,674,910
Other	7,091	15,439	383,672	20,000	300,000	239,248	244,033	248,914
Total revenue	18,023,780	17,824,464	18,153,290	17,488,253	35,452,916	36,429,478	28,147,441	28,987,641
Expenditures								
Principal	11,800,000	12,205,000	12,645,000	12,955,000	13,395,000	19,320,000	12,775,000	13,365,000
Interest	5,254,919	4,713,969	4,275,504	3,645,900	21,311,219	15,583,400	14,617,400	13,978,650
Fiscal charges and other	1,850	123,919	475	70,000	70,000	47,059	47,294	47,531
Total expenditures	17,056,769	17,042,888	16,920,979	16,670,900	34,776,219	34,950,459	27,439,694	27,391,181
Revenue over expenditures	967,011	781,576	1,232,311	817,353	676,697	1,479,019	707,747	1,596,460
Other financing sources (uses)								
Transfers (in)	-	-	2,263,633	-	-	-	-	-
Transfers (out)	-	-	(2,263,633)	-	-	-	-	-
Debt issuances	-	12,235,562	-	775,000	-	-	-	-
Debt refunding payments	-	(12,110,000)	-	-	-	-	-	-
Total other financing sources (uses)	-	125,562	-	775,000	-	-	-	-
Net change in fund balances	967,011	907,138	1,232,311	1,592,353	676,697	1,479,019	707,747	1,596,460
Fund balances								
Beginning of year	2,669,765	3,636,776	4,543,914	5,776,225	7,368,578	8,045,275	9,524,294	10,232,041
End of year	3,636,776	4,543,914	5,776,225	7,368,578	8,045,275	9,524,294	10,232,041	11,828,501

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.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
State Sources	81,581	48,827	52,347	65,559	72,400	63,562	63,689	63,817
Property Taxes	17,935,108	17,760,197	17,717,272	17,402,694	35,080,516	36,126,667	27,839,719	28,674,910
Other Sources	7,091	15,439	383,672	20,000	300,000	239,248	244,033	248,914
Total revenue	18,023,780	17,824,464	18,153,290	17,488,253	35,452,916	36,429,478	28,147,441	28,987,641
Expenditures								
Principal	11,800,000	12,205,000	12,645,000	12,955,000	13,395,000	19,320,000	12,775,000	13,365,000
Interest	5,254,919	4,713,969	4,275,504	3,645,900	21,311,219	15,583,400	14,617,400	13,978,650
Fiscal charges and other	1,850	123,919	475	70,000	70,000	47,059	47,294	47,531
Total expenditures	17,056,769	17,042,888	16,920,979	16,670,900	34,776,219	34,950,459	27,439,694	27,391,181
Revenue over expenditures	967,011	781,576	1,232,311	817,353	676,697	1,479,019	707,747	1,596,460
Other financing sources (uses)								
Transfers (in)	-	-	2,263,633	-	-	-	-	-
Debt issuances	-	12,235,562	-	775,000	-	-	-	-
Debt refunding payments	-	(12,110,000)	-	-	-	-	-	-
Total other financing sources (uses)	-	125,562	2,263,633	775,000	-	-	-	-
Net change in fund balances	967,011	907,138	3,495,944	1,592,353	676,697	1,479,019	707,747	1,596,460
Fund balances								
Beginning of year	406,132	1,373,143	2,280,281	5,776,225	7,368,578	8,045,275	9,524,294	10,232,041
End of year	1,373,143	2,280,281	5,776,225	7,368,578	8,045,275	9,524,294	10,232,041	11,828,501

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 2024-25 school year is \$35.452 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 2024-25 school year is \$34.776 million for the use in satisfying the year's bond principal and interest payments. The district's current debt limits are 1.98% 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 153. 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	68,485,000	9,775,000
2022A Refunding	Bond	02/03/22	5.00	11,235,000	02/01/25	3,820,000	3,820,000
2023A School Building Bonds	Bond	09/14/23	3.94	300,000,000	02/01/44	300,000,000	-

(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. This account was closed and transferred into the regular debt service fund balance in the 2022-23 fiscal year.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
State Sources	-	-	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total revenue	-	-	-	-	-	-	-	-
Expenditures								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Fiscal charges and other	-	-	-	-	-	-	-	-
Transfers (out)	-	-	2,263,633	-	-	-	-	-
Total expenditures	-	-	2,263,633	-	-	-	-	-
Net change in fund balances	-	-	(2,263,633)	-	-	-	-	-
Fund balances								
Beginning of year	2,263,633	2,263,633	2,263,633	-	-	-	-	-
End of year	2,263,633	2,263,633	-	-	-	-	-	-

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

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 2024-25 revenue estimate includes projected interest income of \$2.000 million 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 2024-25 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 2024-25 school year total \$76.765 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 2024-25 school year are estimated to be \$75.885 million, which is based on prior claims, plan membership, inflation and other cost increases.

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.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
Other								
GASB #16	1,140,455	1,131,832	1,023,338	2,000,000	2,000,000	1,694,844	1,715,520	1,736,477
Self-Insured Dental Plan	459,431	476,076	489,337	477,000	477,000	485,962	490,861	495,810
Self-Insured Health Plan	58,333,734	60,101,635	64,309,682	68,545,000	76,765,000	80,763,060	84,795,001	89,028,415
Total revenue	59,933,620	61,709,543	65,822,357	71,022,000	79,242,000	82,943,867	87,001,383	91,260,702
Expenditures								
Salaries and wages								
GASB #16	(149,674)	568,479	(290,393)	699,999	699,999	386,653	394,386	402,274
Employee Benefits								
Self-Insured Dental Plan	443,112	448,543	488,208	460,000	460,000	478,791	488,367	498,134
Self-Insured Health Plan	55,329,457	61,624,206	69,831,269	67,905,000	75,885,000	79,680,347	83,660,299	87,839,228
Total expenditures	55,622,895	62,641,228	70,029,084	69,064,999	77,044,999	80,545,791	84,543,052	88,739,636
Revenue over expenditures	4,310,725	(931,685)	(4,206,727)	1,957,001	2,197,001	2,398,075	2,458,331	2,521,066
Other financing sources (uses)								
Transfers in								
Self-Insured Health Plan	-	-	-	-	-	-	-	-
Net change in fund balances	4,310,725	(931,685)	(4,206,727)	1,957,001	2,197,001	2,398,075	2,458,331	2,521,066
Fund balances								
Beginning of year	13,336,561	17,647,286	16,715,601	12,508,873	14,465,874	16,662,875	19,060,951	21,519,281
End of year	17,647,286	16,715,601	12,508,873	14,465,874	16,662,875	19,060,951	21,519,281	24,040,348

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 previous page.

Fund balances for all three internal service funds project to increase over the next four years.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Fund balance								
GASB #16	(3,726,951)	(3,163,597)	(1,849,867)	(549,866)	750,135	2,058,326	3,379,460	4,713,663
Self-Insured Dental Plan	302,060	329,593	330,721	347,721	364,721	371,893	374,387	372,064
Self-Insured Health Plan	21,072,175	19,549,603	14,028,017	14,668,017	15,548,017	16,630,730	17,765,433	18,954,620
Total Fund Balance	17,647,285	16,715,600	12,508,873	14,465,874	16,662,875	19,060,950	21,519,280	24,040,347

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. This plan was transferred into the general fund during the 2020-21 fiscal year.

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.

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
OPEB Irrevocable Trust	9,663,992	(6,059,314)	3,357,938	3,350,000	2,500,000	3,113,169	3,157,727	3,203,000
Flex Trust	(125)	-	-	-	-	-	-	-
Total revenues	9,663,867	(6,059,314)	3,357,938	3,350,000	2,500,000	3,113,169	3,157,727	3,203,000
Expenditures								
OPEB Irrevocable Trust	3,701,408	2,778,866	2,563,256	3,500,000	3,500,000	3,506,527	3,857,180	4,242,898
Flex Trust	619,214	-	-	-	-	-	-	-
Total expenditures	4,320,622	2,778,866	2,563,256	3,500,000	3,500,000	3,506,527	3,857,180	4,242,898
Net change in fund balances	5,343,245	(8,838,180)	794,682	(150,000)	(1,000,000)	(393,358)	(699,453)	(1,039,898)
Fund balances								
Beginning of year	58,008,114	63,351,359	54,513,178	55,307,860	55,157,860	54,157,860	53,764,502	53,065,049
End of year	63,351,359	54,513,178	55,307,860	55,157,860	54,157,860	53,764,502	53,065,049	52,025,151

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. The district will receive a new actuarial report in the fall of 2024.

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



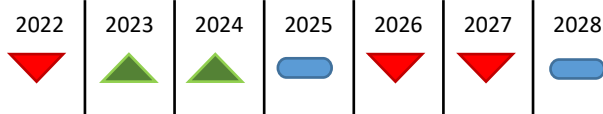
Enrollment Flat Trend– Change +/- Less Than 10 students
F/R Lunch % Flat Trend – Change +/- Less Than 1.0%

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

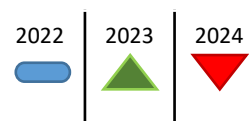
Principal: John Garcia
Phone: 952-431-8360

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

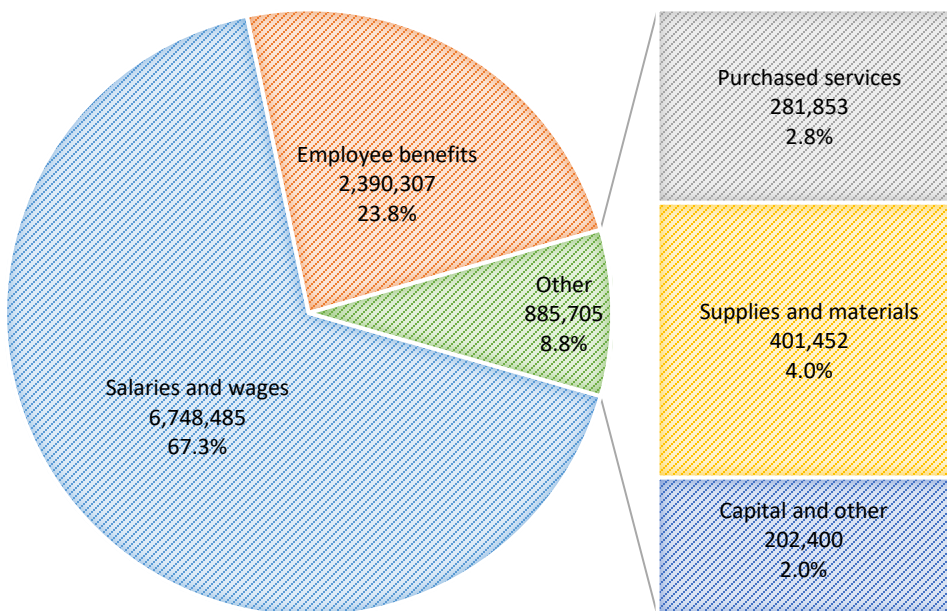
	2021	2022	2023	2024	2025	2026	2027	2028
K	128	111	122	104	102	102	102	102
1	127	118	118	118	106	104	104	104
2	119	117	122	111	119	107	105	105
3	109	112	120	120	114	122	110	108
4	97	108	108	122	121	115	123	111
5	106	91	111	117	122	121	115	123
Total	686	657	701	692	684	671	659	653

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	25.7%	26.4%	43.6%	40.4%	36.8%	40.3%	39.2%	38.7%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	5,205,134	5,779,793	6,090,019	6,480,339	6,748,485	6,733,881	6,933,916	7,139,923
Employee benefits	1,873,523	2,139,280	2,284,911	2,427,691	2,390,307	2,560,398	2,713,693	2,880,024
Purchased services	163,631	241,997	335,191	325,278	281,853	323,735	325,354	326,981
Supplies and materials	102,726	188,316	150,718	523,893	401,452	455,118	457,394	459,681
Capital expenditures	39,422	59,417	72,027	159,812	202,400	249,947	250,447	250,949
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,384,436	8,408,804	8,932,867	9,917,013	10,024,497	10,323,079	10,680,805	11,057,558
Total students	686	657	701	692	684	671	659	653
Spending per student	10,764	12,799	12,743	14,331	14,656	15,385	16,208	16,933

2024-25 EXPENSES BY OBJECT (%) – CEDAR 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. **23.8%**

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 **4.0%**

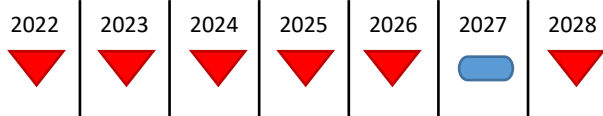
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **2.0%**

Deerwood Elementary School
1480 Deerwood Drive, Eagan, MN 55122

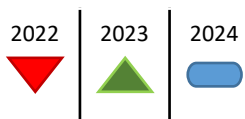
Principal: Tyra Raasch
Phone: 651-683-6801

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

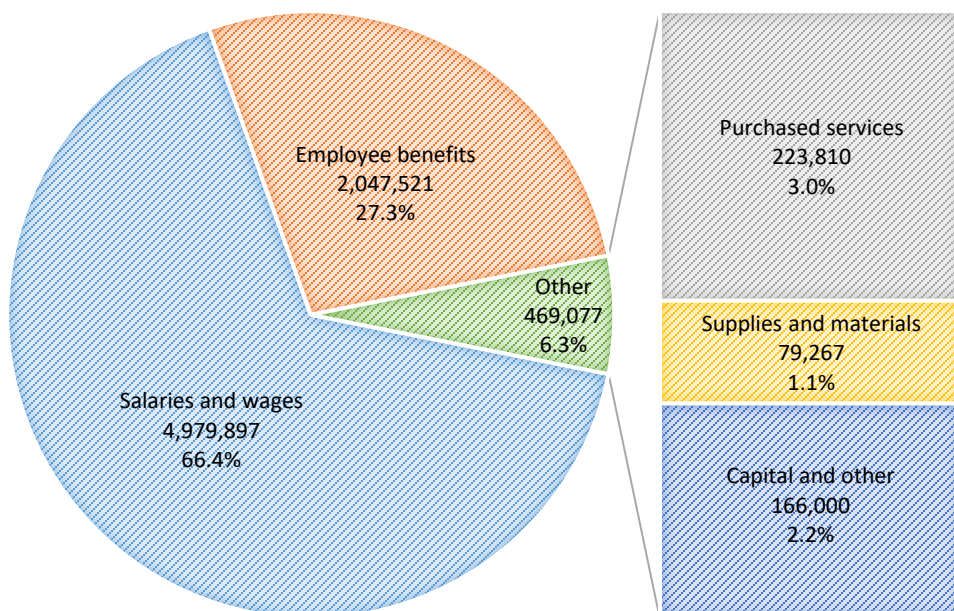
	2021	2022	2023	2024	2025	2026	2027	2028
K	73	75	70	67	66	66	66	66
1	95	87	83	75	69	67	68	67
2	103	89	81	81	74	69	68	68
3	102	96	87	80	83	77	71	69
4	95	100	97	83	81	84	78	71
5	116	90	99	97	83	81	84	78
Total	584	537	517	483	456	444	435	419

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	11.3%	10.3%	27.2%	27.9%	21.8%	25.7%	25.1%	24.2%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	4,612,948	4,538,625	4,460,786	4,818,323	4,979,897	5,033,714	5,184,103	5,338,998
Employee benefits	1,768,131	1,772,921	1,675,342	1,908,709	2,047,521	2,099,157	2,232,304	2,377,055
Purchased services	232,703	121,359	252,743	230,229	223,810	229,988	231,138	232,294
Supplies and materials	47,980	89,692	104,577	109,992	79,267	109,129	109,674	110,223
Capital expenditures	5,065	12,172	2,805	30,647	166,000	172,957	172,962	172,967
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	6,666,826	6,534,769	6,496,253	7,097,900	7,496,495	7,644,945	7,930,183	8,231,537
Total students	584	537	517	483	456	444	435	419
Spending per student	11,416	12,169	12,565	14,695	16,440	17,218	18,230	19,646

2024-25 EXPENSES BY OBJECT (%) – DEERWOOD ELEMENTARY SCHOOL



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

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **27.3%**

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 **1.1%**

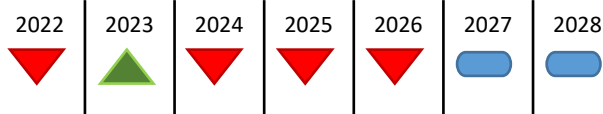
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **2.2%**

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

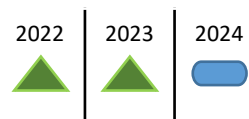
Principal: Rob Nelson
Phone: 952-423-7695

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



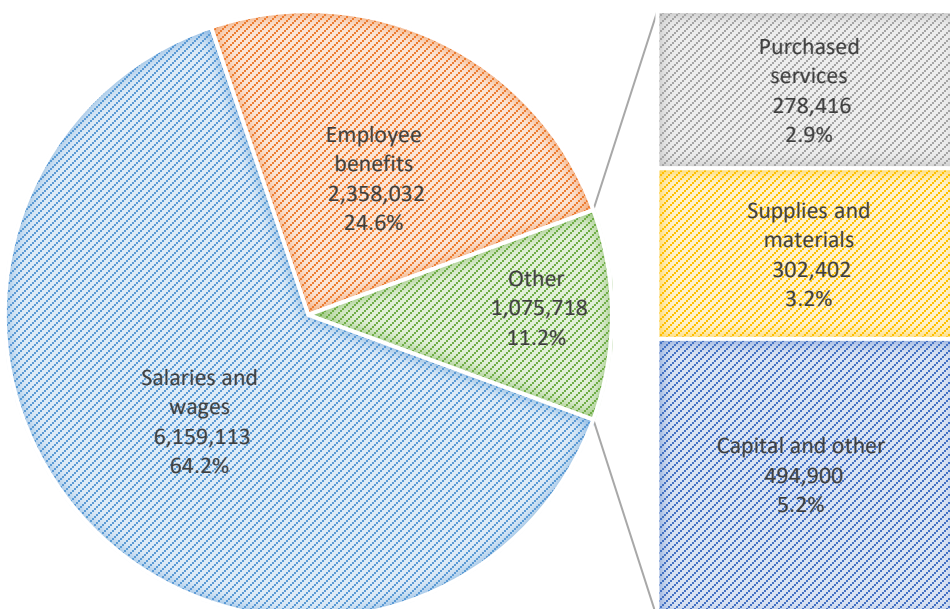
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
K	92	102	116	98	96	96	96	96
1	115	101	105	103	100	99	98	99
2	120	115	105	106	104	101	99	99
3	110	108	118	100	108	106	104	101
4	138	94	113	121	102	109	108	105
5	128	129	102	120	121	101	109	107
Total	703	649	659	648	631	612	614	607
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	10.9%	12.3%	25.6%	26.3%	21.4%	24.4%	24.0%	23.3%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	5,150,145	5,138,275	5,396,796	5,758,206	6,159,113	6,181,245	6,364,846	6,553,924
Employee benefits	1,786,066	1,866,642	1,934,345	2,212,871	2,358,032	2,424,884	2,573,234	2,734,321
Purchased services	263,037	134,853	323,202	226,623	278,416	249,360	250,607	251,860
Supplies and materials	76,720	75,201	121,365	345,669	302,402	333,516	335,184	336,860
Capital expenditures	50,913	32,578	190,710	84,417	494,900	502,738	502,924	503,111
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,326,880	7,247,549	7,966,417	8,627,786	9,592,863	9,691,743	10,026,795	10,380,075
Total students	703	649	659	648	631	612	614	607
Spending per student	10,422	11,167	12,089	13,314	15,203	15,836	16,330	17,101

2024-25 EXPENSES BY OBJECT (%) – DIAMOND PATH ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **64.2%**

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 **2.9%**

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

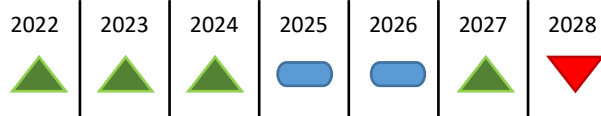
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **5.2%**

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

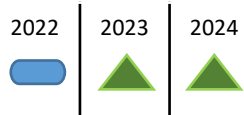
Principal: Emily Wyse Moore
Phone: 952-423-7896

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



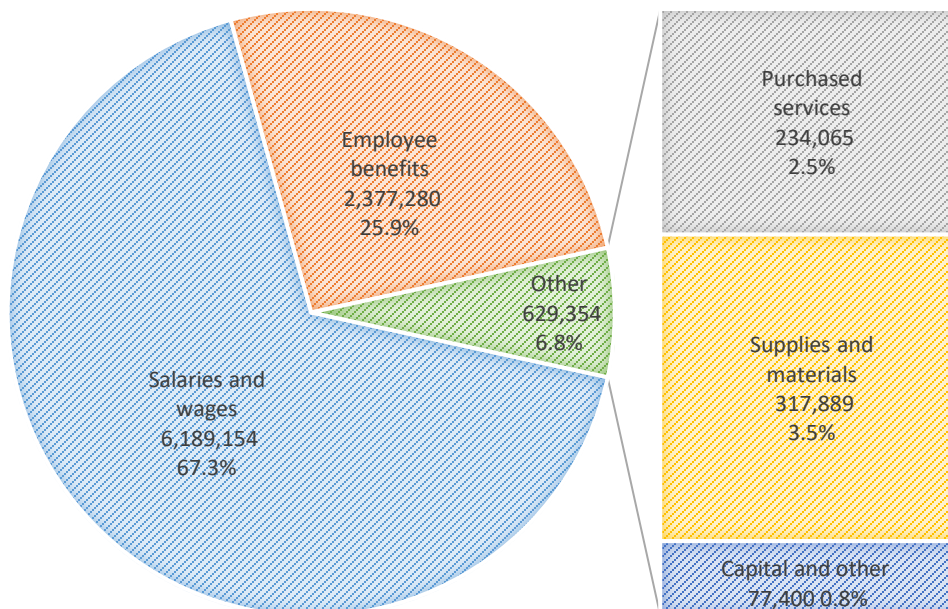
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
K	117	142	120	133	130	130	130	130
1	117	116	153	118	136	134	133	133
2	124	121	122	151	120	137	135	135
3	129	126	132	123	154	122	141	138
4	129	127	129	142	124	156	123	142
5	102	125	130	136	142	124	156	123
Total	718	757	786	803	806	803	818	801
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	7.2%	7.0%	12.6%	15.3%	11.7%	13.2%	13.4%	12.8%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	4,858,356	5,540,239	5,652,218	5,855,273	6,189,154	6,057,988	6,237,668	6,422,707
Employee benefits	1,750,667	1,970,180	2,090,659	2,260,362	2,377,280	2,413,806	2,562,612	2,724,228
Purchased services	106,073	153,822	294,377	255,225	234,065	256,681	257,964	259,254
Supplies and materials	100,014	108,889	145,455	467,000	317,889	372,675	374,539	376,412
Capital expenditures	11,368	60,082	62,257	128,818	77,400	99,911	100,123	100,336
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	6,826,479	7,833,211	8,244,966	8,966,678	9,195,788	9,201,062	9,532,906	9,882,936
Total students	718	757	786	803	806	803	818	801
Spending per student	9,507.63	10,347.70	10,489.78	11,166.47	11,409.17	11,458	11,654	12,338

2024-25 EXPENSES BY OBJECT (%) – EAST LAKE 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. **25.9%**

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 **3.5%**

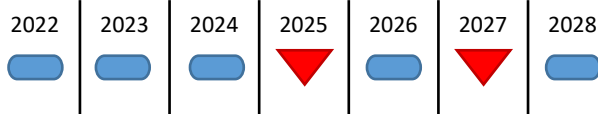
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **0.8%**

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

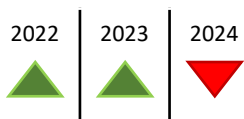
Principal: Logan Schultz
Phone: 952-431-8390

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



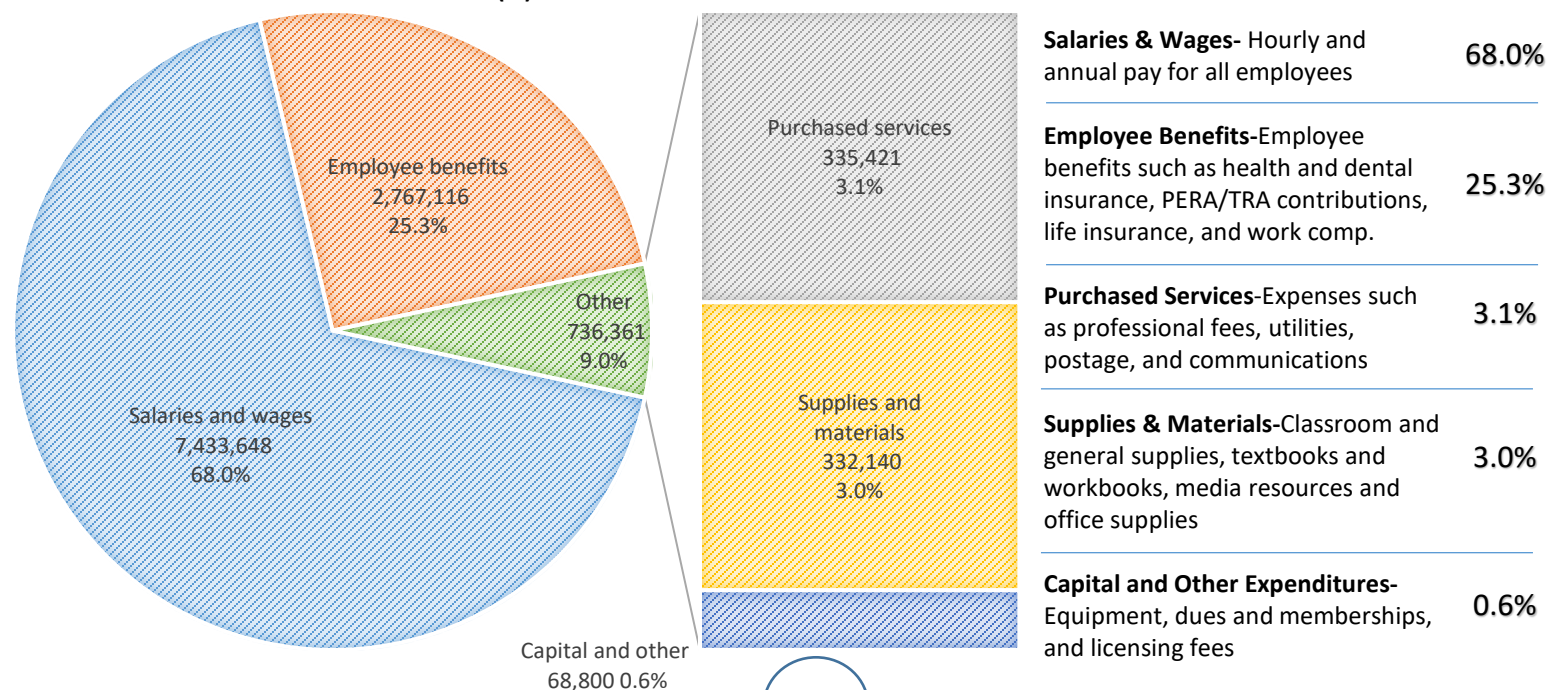
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
K	113	116	104	107	105	105	105	105
1	118	115	114	105	110	108	108	107
2	133	123	117	110	105	110	108	108
3	125	130	121	121	113	108	113	111
4	105	117	138	116	122	114	109	114
5	111	105	111	139	116	122	113	109
Total	705	706	705	698	671	667	656	654
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	31.1%	35.9%	50.0%	45.5%	43.8%	46.5%	45.3%	45.2%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	6,379,236	6,894,972	6,980,138	7,471,179	7,433,648	7,482,879	7,704,710	7,933,153
Employee benefits	2,261,733	2,462,426	2,522,626	2,754,189	2,767,116	2,879,789	3,055,179	3,245,576
Purchased services	207,532	268,797	466,238	380,448	335,421	376,064	377,944	379,834
Supplies and materials	97,221	122,937	132,094	491,275	332,140	425,854	427,984	430,124
Capital expenditures	16,121	39,365	26,725	128,052	68,800	108,774	109,038	109,304
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	8,961,843	9,788,496	10,127,821	11,225,143	10,937,125	11,273,360	11,674,855	12,097,992
Total students	705	706	705	698	671	667	656	654
Spending per student	12,712	13,865	14,366	16,082	16,300	16,902	17,797	18,498

2024-25 EXPENSES BY OBJECT (%) – ECHO PARK ELEMENTARY SCHOOL

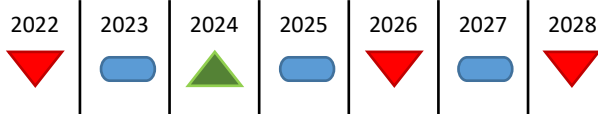


Glacier Hills Elementary School of Arts and Science
3825 Glacier Drive, Eagan, MN 55123

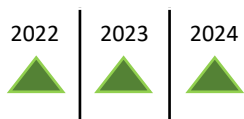
Principal: Adriana Henderson
Phone: 651-683-8570

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



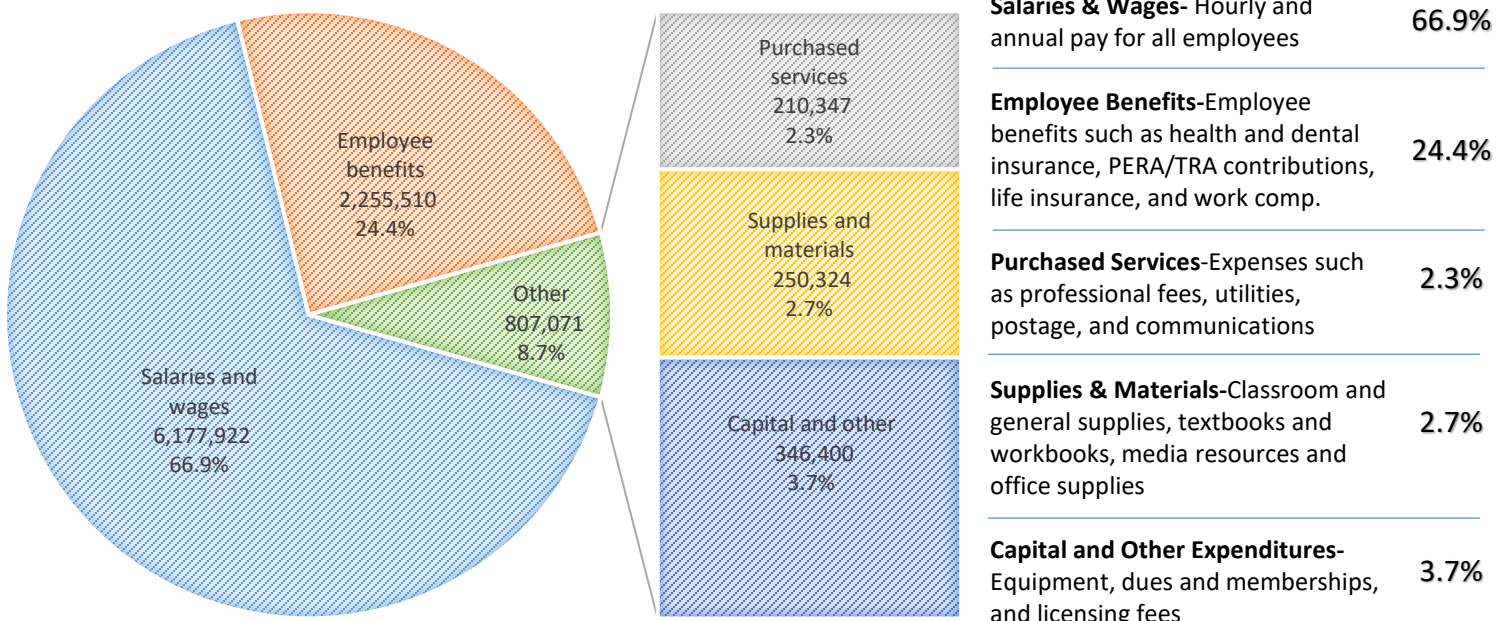
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
K	94	110	96	102	100	100	100	100
1	108	110	115	107	104	103	102	103
2	114	110	107	115	108	105	103	103
3	113	103	113	111	118	110	108	106
4	129	114	105	124	112	119	111	109
5	124	108	115	115	124	112	119	111
Total	682	655	651	674	666	649	643	632
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	13.1%	17.2%	27.5%	29.0%	24.6%	27.0%	26.9%	26.1%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	5,417,078	5,372,161	5,615,461	5,852,361	6,177,922	6,263,463	6,449,566	6,641,225
Employee benefits	1,959,396	1,990,371	2,042,096	2,184,624	2,255,510	2,390,379	2,533,759	2,689,349
Purchased services	107,169	165,803	384,262	221,310	210,347	235,271	236,448	237,630
Supplies and materials	152,632	93,039	123,620	394,003	250,324	320,072	321,672	323,281
Capital expenditures	27,369	18,105	166,291	53,151	346,400	295,920	296,073	296,227
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,663,644	7,639,480	8,331,730	8,705,449	9,240,503	9,505,105	9,837,518	10,187,711
Total students	682	655	651	674	666	649	643	632
Spending per student	11,237	11,663	12,798	12,916	13,875	14,646	15,299	16,120

2024-25 EXPENSES BY OBJECT (%) – GLACIER HILLS ELEMENTARY SCHOOL

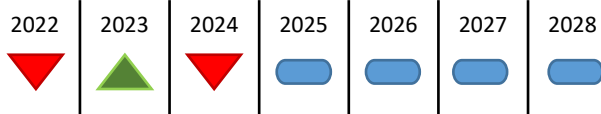


Greenleaf Elementary School
13333 Galaxie Avenue, Apple Valley, MN 55124

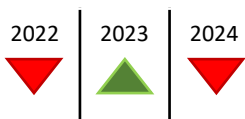
Principal: Drew Goeldner
Phone: 952-431-8270

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

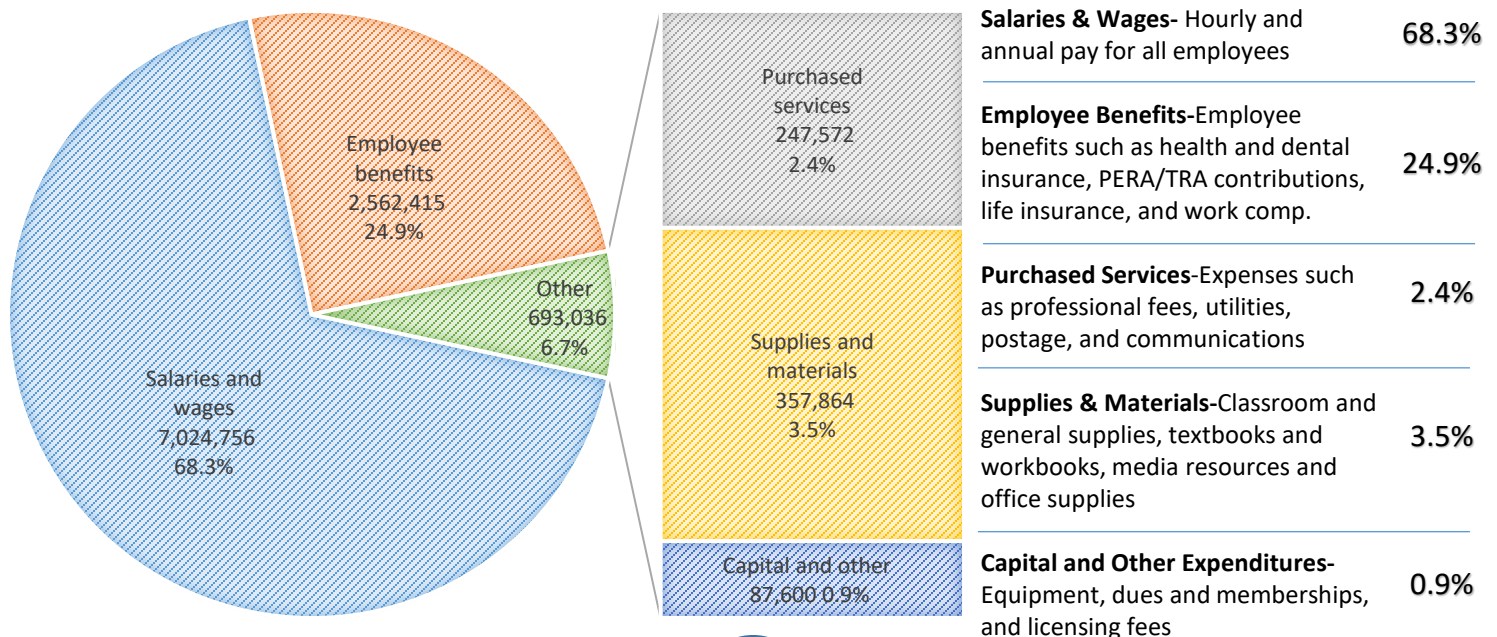
	2021	2022	2023	2024	2025	2026	2027	2028
K	121	116	129	120	117	117	117	117
1	121	128	128	122	123	120	121	121
2	127	113	132	117	123	124	121	121
3	127	132	119	126	120	127	127	124
4	141	123	132	117	127	121	127	128
5	127	138	121	127	117	127	121	127
Total	764	750	761	729	727	736	734	738

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	25.3%	23.4%	43.3%	40.0%	35.6%	39.6%	38.4%	37.9%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	6,212,789	6,351,792	6,444,764	7,209,670	7,024,756	7,305,307	7,522,084	7,745,328
Employee benefits	2,146,678	2,206,053	2,406,746	2,592,428	2,562,415	2,716,546	2,877,582	3,052,252
Purchased services	115,142	199,441	291,784	255,590	247,572	254,852	256,127	257,407
Supplies and materials	145,305	159,617	184,772	387,415	357,864	377,114	379,000	380,895
Capital expenditures	58,050	111,589	347,681	62,188	87,600	95,296	95,467	95,639
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	8,677,964	9,028,491	9,675,746	10,507,291	10,280,207	10,749,116	11,130,260	11,531,522
Total students	764	750	761	729	727	736	734	738
Spending per student	11,359	12,038	12,715	14,413	14,141	14,605	15,164	15,625

2024-25 EXPENSES BY OBJECT (%) – GREENLEAF ELEMENTARY SCHOOL

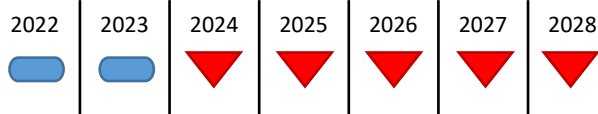


Highland Elementary School
14007 Pilot Knob Road, Apple Valley, MN 55124

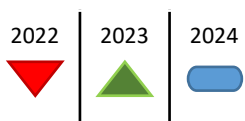
Principal: Chad Ryburn
Phone: 952-423-7595

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



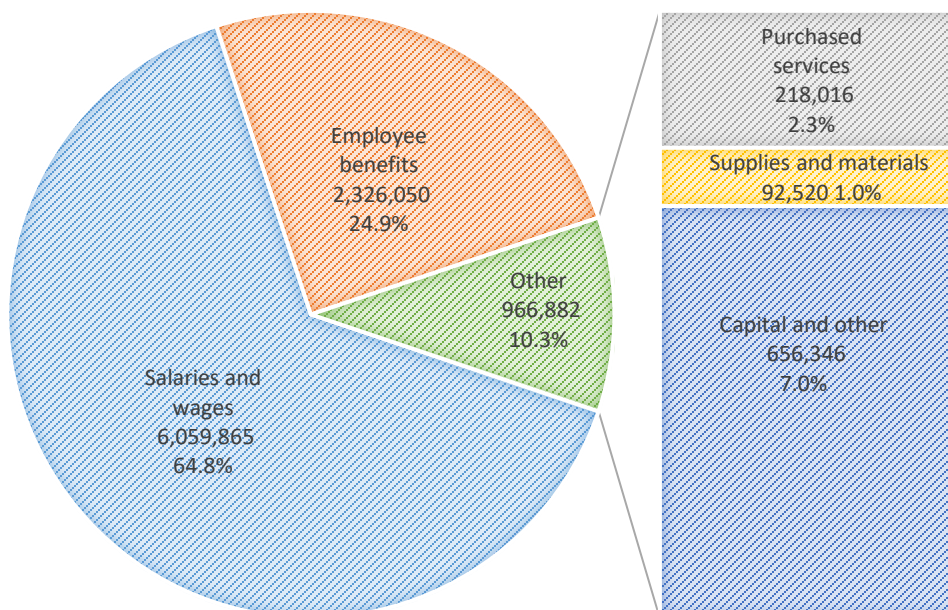
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
K	91	112	100	80	78	78	78	78
1	120	96	116	104	82	80	81	81
2	106	114	104	115	105	83	81	81
3	124	103	117	110	118	107	84	83
4	122	130	108	123	111	119	108	85
5	118	122	135	109	123	111	119	108
Total	681	677	680	641	617	578	551	516
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	10.4%	8.8%	24.1%	25.0%	19.3%	22.8%	22.4%	21.5%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	5,781,051	5,646,415	5,865,580	5,914,788	6,059,865	6,194,918	6,379,484	6,569,573
Employee benefits	2,129,733	2,081,106	2,156,814	2,280,385	2,326,050	2,437,857	2,587,512	2,750,031
Purchased services	74,166	418,277	286,096	211,178	218,016	225,963	227,093	228,228
Supplies and materials	82,547	92,687	76,733	115,351	92,520	111,209	111,765	112,324
Capital expenditures	60,239	95,181	81,112	19,842	656,346	676,378	676,410	676,442
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	8,127,735	8,333,667	8,466,335	8,541,544	9,352,797	9,646,324	9,982,263	10,336,597
Total students	681	677	680	641	617	578	551	516
Spending per student	11,935	12,310	12,450	13,325	15,159	16,689	18,117	20,032

2024-25 EXPENSES BY OBJECT (%) – HIGHLAND ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **64.8%**

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 **2.3%**

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

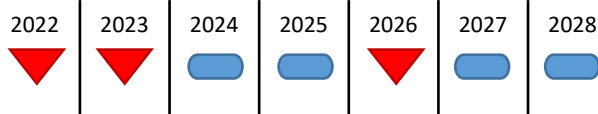
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **7.0%**

Northview Elementary School
965 Diffley Road, Eagan, MN 55123

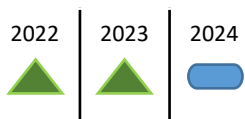
Principal: Melissa Griffin
Phone: 651-683-6820

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

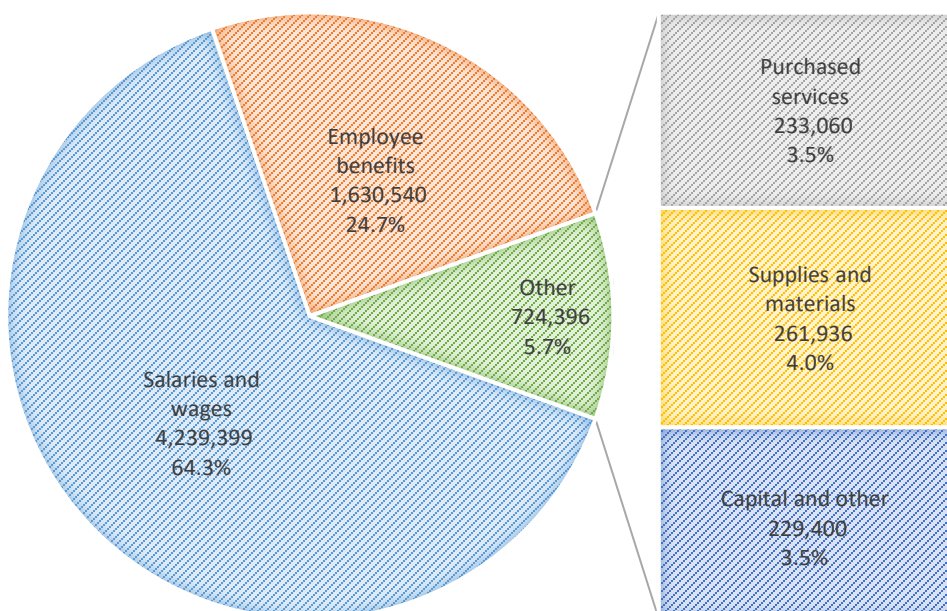
	2021	2022	2023	2024	2025	2026	2027	2028
K	53	67	49	55	54	54	54	54
1	73	51	65	60	57	55	55	55
2	58	66	51	61	60	57	56	56
3	81	55	66	52	62	62	58	57
4	73	77	56	75	52	63	62	59
5	82	69	78	61	76	52	63	62
Total	420	385	365	364	361	343	348	343

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	13.2%	16.3%	21.7%	22.3%	20.1%	21.4%	21.3%	20.9%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	3,888,806	3,817,829	3,928,431	3,908,934	4,239,399	4,246,943	4,373,128	4,503,080
Employee benefits	1,534,720	1,486,785	1,612,514	1,546,431	1,630,540	1,759,403	1,869,295	1,988,719
Purchased services	119,522	122,469	286,073	262,778	233,060	255,179	256,454	257,737
Supplies and materials	65,529	88,548	105,151	274,637	261,936	250,311	251,563	252,820
Capital expenditures	17,530	37,870	17,644	52,843	229,400	254,080	254,256	254,432
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	5,626,107	5,553,501	5,949,813	6,045,623	6,594,335	6,765,917	7,004,696	7,256,788
Total students	420	385	365	364	361	343	348	343
Spending per student	13,395	14,425	16,301	16,609	18,267	19,726	20,128	21,157

2024-25 EXPENSES BY OBJECT (%) – NORTHVIEW ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **64.3%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **24.7%**

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 **4.0%**

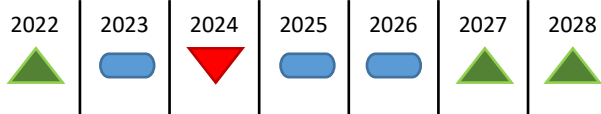
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **3.5%**

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

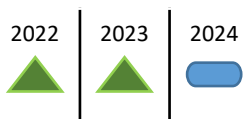
Principal: Cathy Kindem
Phone: 651-683-6970

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



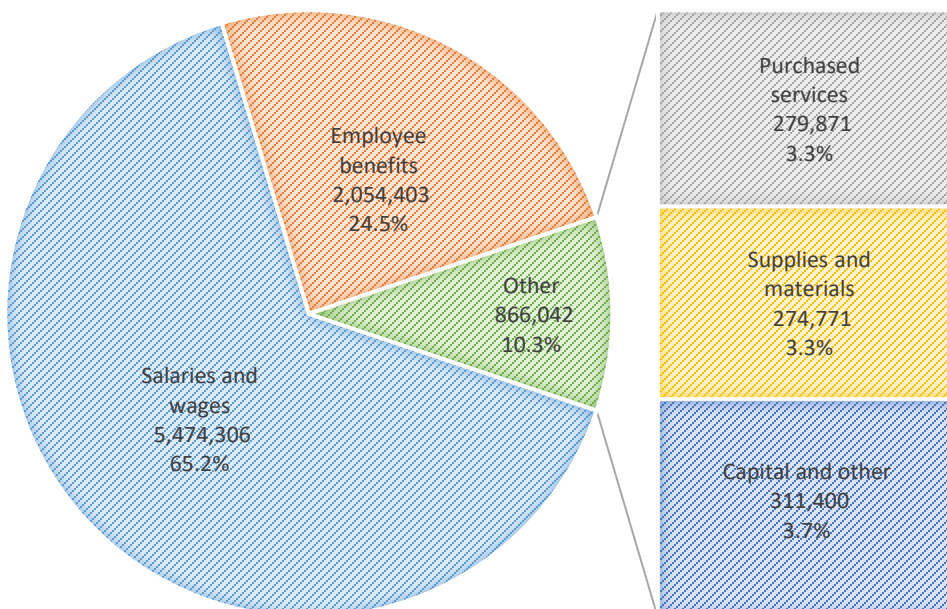
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
K	86	93	82	91	89	89	89	89
1	97	78	87	77	93	91	91	92
2	97	99	80	80	78	94	92	92
3	79	95	102	77	81	79	96	94
4	79	77	92	99	78	83	80	97
5	68	75	81	87	99	78	83	80
Total	506	517	524	511	518	514	531	544
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	30.3%	31.4%	49.4%	49.7%	43.5%	47.5%	46.9%	46.0%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	5,056,979	5,090,421	5,290,624	5,382,998	5,474,306	5,565,607	5,730,917	5,901,160
Employee benefits	1,805,654	1,851,107	1,865,961	2,005,628	2,054,403	2,116,783	2,244,534	2,383,164
Purchased services	164,332	246,151	377,098	290,071	279,871	297,545	299,033	300,528
Supplies and materials	61,591	72,701	149,759	285,336	274,771	287,264	288,700	290,143
Capital expenditures	111,510	275,956	167,944	72,647	311,400	295,156	295,392	295,629
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,200,066	7,536,336	7,851,386	8,036,680	8,394,751	8,562,354	8,858,575	9,170,625
Total students	506	517	524	511	518	514	531	544
Spending per student	14,229	14,577	14,984	15,727	16,206	16,658	16,683	16,858

2024-25 EXPENSES BY OBJECT (%) – OAK RIDGE ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **65.2%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **24.5%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **3.3%**

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

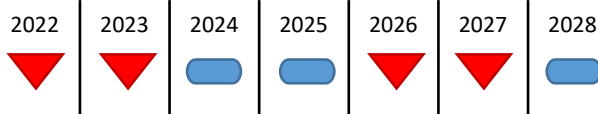
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **3.7%**

Parkview Elementary School
6795 Gerdine Path, Rosemount, MN 55068

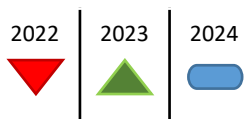
Principal: Nicole Garcia
Phone: 952-431-8350

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

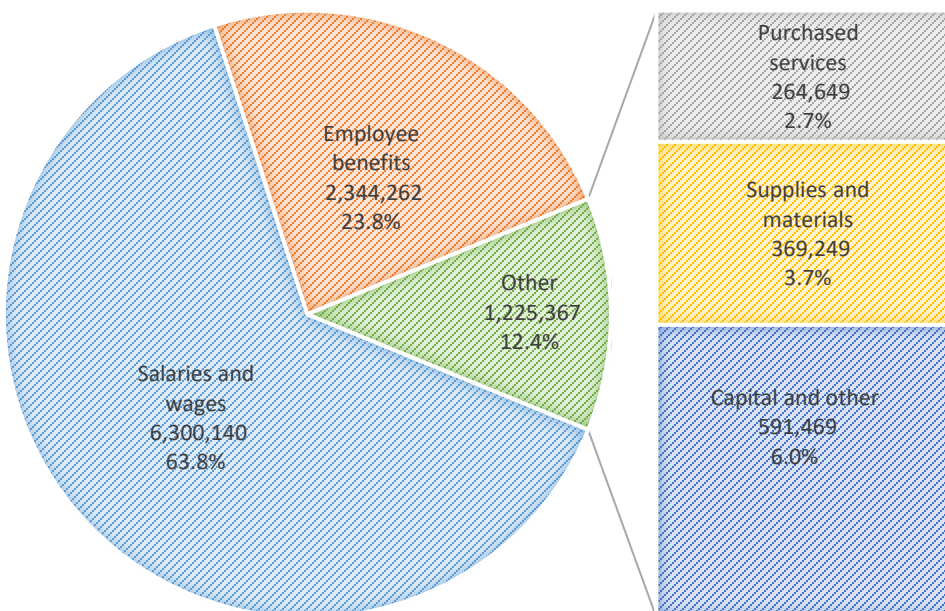
	2021	2022	2023	2024	2025	2026	2027	2028
K	121	92	94	102	101	100	100	100
1	126	124	98	102	104	102	103	102
2	106	128	122	101	103	105	103	103
3	136	97	120	129	103	106	108	105
4	127	131	102	126	130	104	106	109
5	145	128	133	113	126	130	104	107
Total	761	700	669	673	667	647	624	626

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	19.2%	17.0%	38.2%	37.2%	30.8%	35.4%	34.4%	33.5%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	5,697,645	6,051,500	5,958,656	6,119,651	6,300,140	6,419,558	6,610,590	6,807,327
Employee benefits	2,026,515	2,149,787	2,111,592	2,233,279	2,344,262	2,435,978	2,583,118	2,742,798
Purchased services	331,256	227,537	334,994	277,909	264,649	284,748	286,172	287,603
Supplies and materials	104,092	184,005	147,914	444,005	369,249	399,129	401,125	403,131
Capital expenditures	588,038	749,473	468,583	414,570	591,469	606,277	608,223	610,178
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	8,747,546	9,362,302	9,021,739	9,489,414	9,869,769	10,145,691	10,489,228	10,851,037
Total students	761	700	669	673	667	647	624	626
Spending per student	11,495	13,375	13,485	14,100	14,797	15,681	16,810	17,334

2024-25 EXPENSES BY OBJECT (%) – PARKVIEW ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **63.8%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **23.8%**

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%**

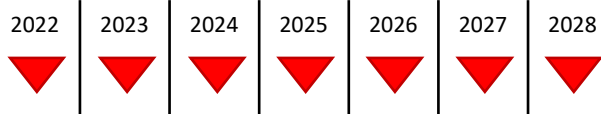
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **6.0%**

Pinewood Elementary School
4300 Dodd Road, Eagan, MN 55123

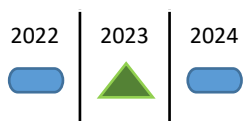
Principal: Leah Hack
Phone: 651-683-6980

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



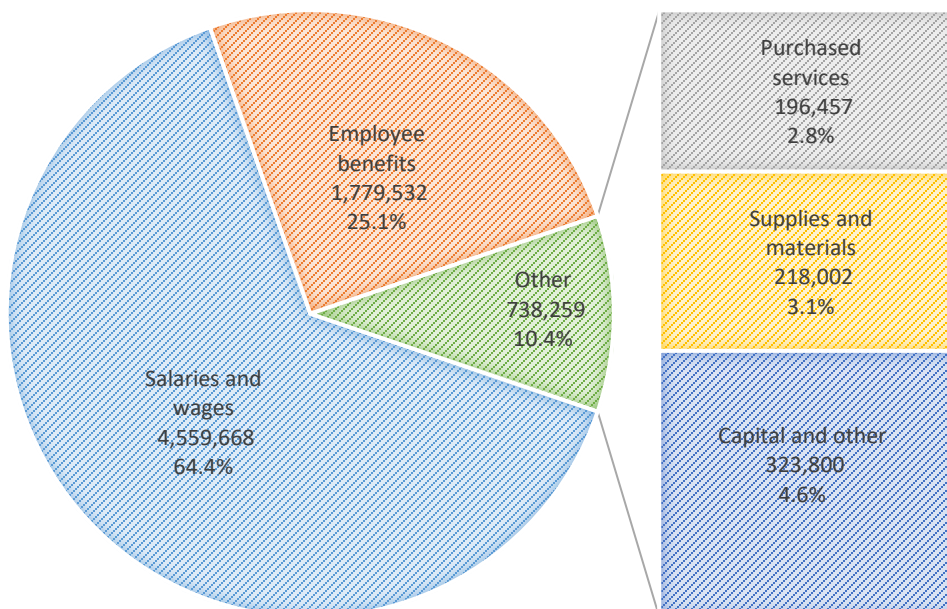
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
K	81	80	68	61	59	60	60	60
1	95	80	79	72	62	61	61	61
2	83	93	84	78	73	63	62	62
3	90	79	90	88	80	74	64	63
4	95	90	81	92	89	81	76	65
5	107	93	88	81	92	89	80	75
Total	551	515	490	472	455	428	403	386
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	11.9%	11.8%	20.6%	20.3%	17.6%	19.5%	19.1%	18.7%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	4,062,421	4,248,928	4,144,194	4,474,150	4,559,668	4,693,961	4,833,456	4,977,113
Employee benefits	1,402,594	1,501,338	1,584,313	1,702,343	1,779,532	1,870,927	1,985,364	2,109,634
Purchased services	218,283	324,761	261,909	216,000	196,457	216,416	217,498	218,585
Supplies and materials	66,438	99,049	95,575	225,624	218,002	218,325	219,416	220,513
Capital expenditures	1,913	150,398	13,631	54,458	323,800	338,615	339,208	339,804
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	5,751,649	6,324,474	6,099,622	6,672,575	7,077,459	7,338,243	7,594,941	7,865,649
Total students	551	515	490	472	455	428	403	386
Spending per student	10,439	12,281	12,448	14,137	15,555	17,145	18,846	20,377

2024-25 EXPENSES BY OBJECT (%) – PINEWOOD ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **64.4%**

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 **2.8%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.1%**

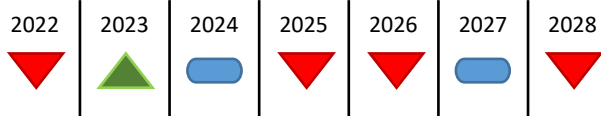
Capital and Other Expenditures- Equipment, dues and memberships, and licensing fees **4.6%**

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

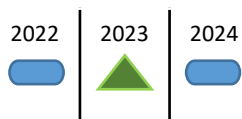
Principal: Tony Washington
Phone: 651-423-7870

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



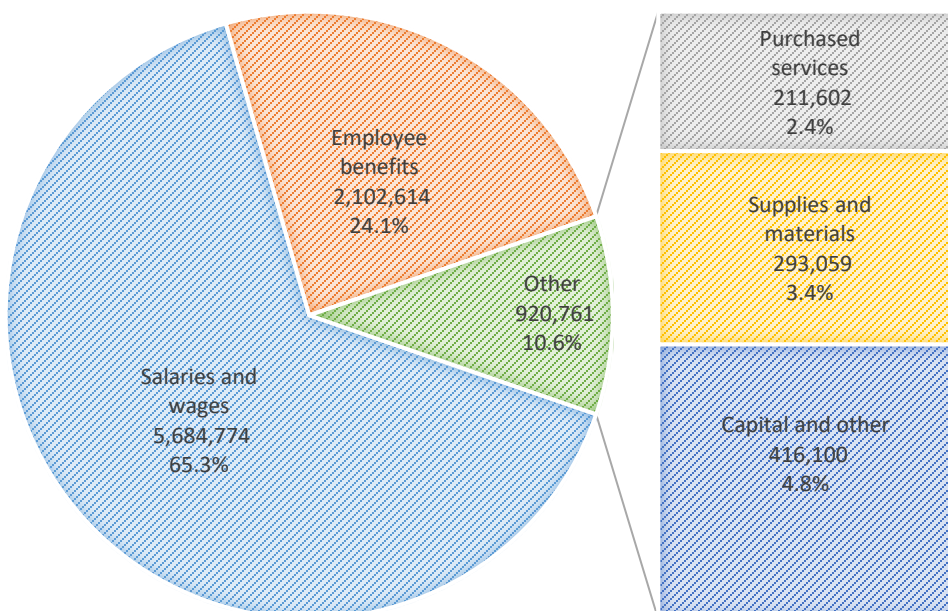
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
K	83	101	110	99	97	97	97	97
1	118	90	113	118	101	99	99	99
2	107	115	102	119	119	102	100	100
3	120	104	122	108	122	122	105	102
4	110	120	120	135	109	123	123	106
5	130	120	131	128	135	109	123	123
Total	668	650	698	707	683	652	647	627
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	7.4%	6.8%	18.0%	18.5%	14.4%	17.0%	16.6%	16.0%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	5,308,267	5,170,120	5,810,801	5,633,974	5,684,774	5,733,350	5,903,794	6,079,325
Employee benefits	1,913,102	1,852,578	2,117,034	2,068,809	2,102,614	2,198,293	2,329,574	2,471,999
Purchased services	129,225	109,415	290,661	222,127	211,602	225,228	226,354	227,486
Supplies and materials	124,435	106,386	103,757	324,763	293,059	306,891	308,425	309,967
Capital expenditures	-	15,240	324,372	99,987	416,100	557,888	558,065	558,243
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,475,028	7,253,739	8,646,626	8,349,660	8,708,149	9,021,650	9,326,212	9,647,020
Total students	668	650	698	707	683	652	647	627
Spending per student	11,190	11,160	12,388	11,810	12,750	13,837	14,415	15,386

2024-25 EXPENSES BY OBJECT (%) – RED PINE ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **65.3%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **24.1%**

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%**

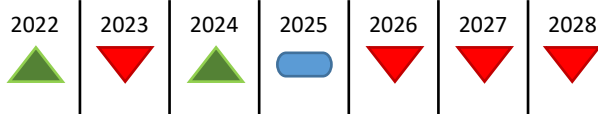
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **4.8%**

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

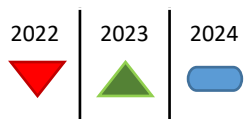
Principal: Thomas Idstrom
Phone: 651-423-7690

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

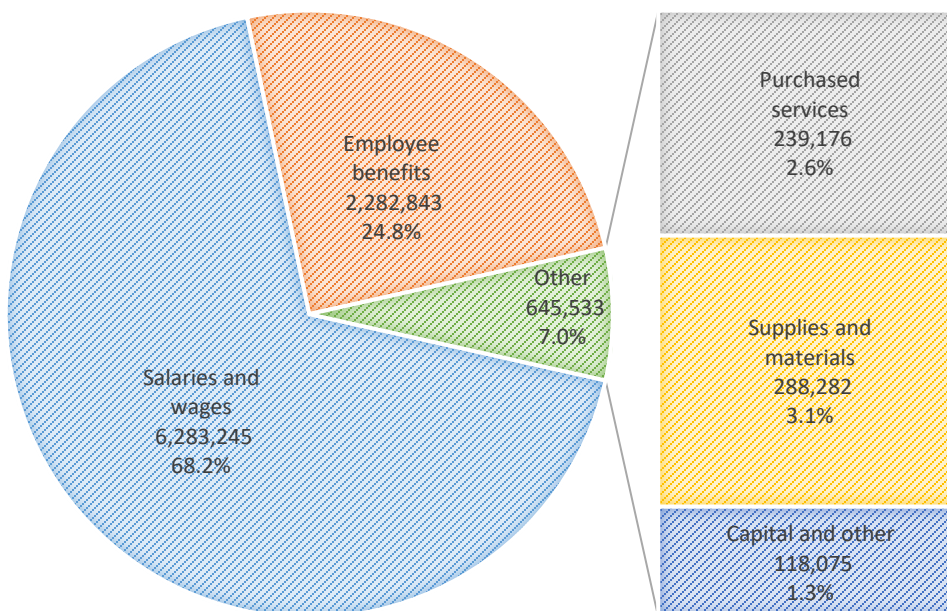
	2021	2022	2023	2024	2025	2026	2027	2028
K	112	144	120	110	108	108	108	108
1	108	116	141	124	113	110	110	110
2	122	123	120	138	125	114	111	111
3	127	128	124	122	141	128	116	114
4	129	129	128	126	123	143	130	117
5	133	130	121	125	126	123	142	130
Total	731	770	754	745	736	726	717	690

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	16.3%	15.1%	24.8%	25.5%	21.8%	24.0%	23.8%	23.2%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	5,218,586	5,466,994	5,783,192	6,039,866	6,283,245	6,248,987	6,434,723	6,626,002
Employee benefits	1,948,708	1,992,840	2,132,624	2,238,309	2,282,843	2,368,317	2,510,540	2,664,857
Purchased services	122,739	110,108	353,919	230,119	239,176	238,651	239,844	241,043
Supplies and materials	62,780	129,176	115,607	405,071	288,282	339,370	341,067	342,772
Capital expenditures	34,452	52,546	19,482	97,192	118,075	136,207	136,463	136,720
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,387,265	7,751,664	8,404,824	9,010,557	9,211,621	9,331,532	9,662,637	10,011,396
Total students	731	770	754	745	736	726	717	690
Spending per student	10,106	10,067	11,147	12,095	12,516	12,853	13,476	14,509

2024-25 EXPENSES BY OBJECT (%) – ROSEMOUNT 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. **24.8%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.6%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.1%**

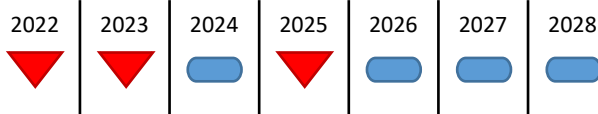
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **1.3%**

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

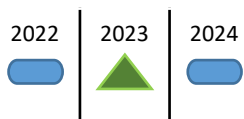
Principal: Erik Davis
Phone: 651-423-7670

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

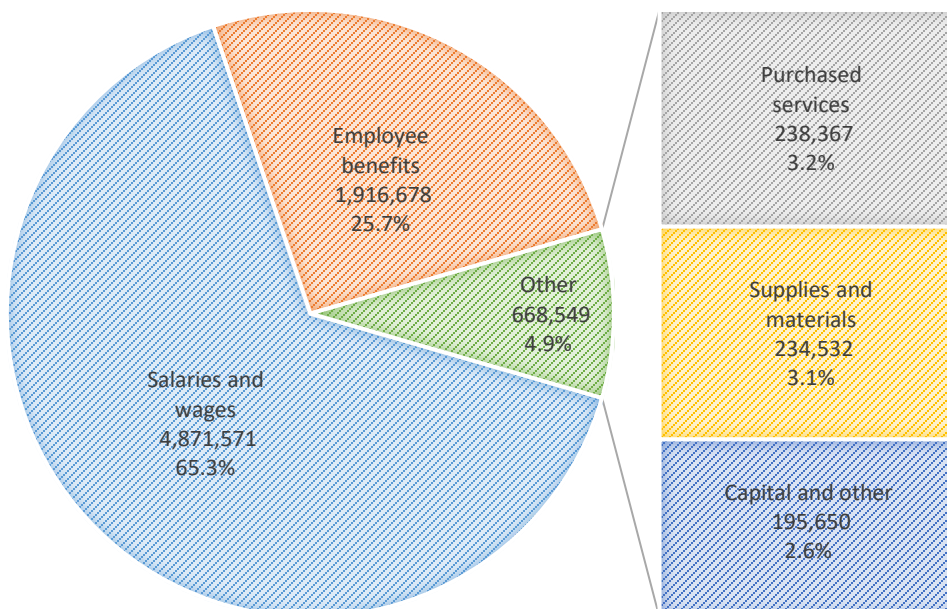
	2021	2022	2023	2024	2025	2026	2027	2028
K	72	76	68	80	78	78	78	78
1	88	76	78	74	82	80	80	80
2	98	82	81	76	75	83	81	81
3	90	93	90	81	78	77	84	83
4	105	84	98	85	82	78	78	86
5	102	97	82	98	84	82	78	77
Total	555	508	497	494	479	478	479	485

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	6.1%	6.2%	13.7%	14.1%	11.3%	13.0%	12.8%	12.4%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	4,636,742	4,577,315	4,420,057	4,581,969	4,871,571	4,876,084	5,020,943	5,170,123
Employee benefits	1,641,819	1,677,860	1,648,100	1,777,402	1,916,678	1,961,005	2,080,901	2,211,111
Purchased services	231,031	255,238	316,338	274,386	238,367	264,544	265,867	267,196
Supplies and materials	61,044	73,079	112,657	267,851	234,532	239,785	240,984	242,189
Capital expenditures	180,361	12,895	78,281	81,700	195,650	220,968	221,423	221,880
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	6,750,998	6,596,386	6,575,433	6,983,308	7,456,798	7,562,386	7,830,117	8,112,500
Total students	555	508	497	494	479	478	479	485
Spending per student	12,164	12,985	13,230	14,136	15,567	15,821	16,347	16,727

2024-25 EXPENSES BY OBJECT (%) – SHANNON PARK ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **65.3%**

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 **3.2%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **3.1%**

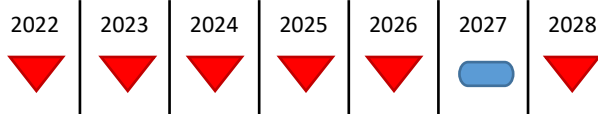
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **2.6%**

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

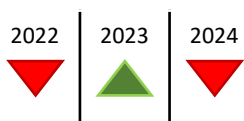
Principal: Christine Evans
Phone: 952-431-8370

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

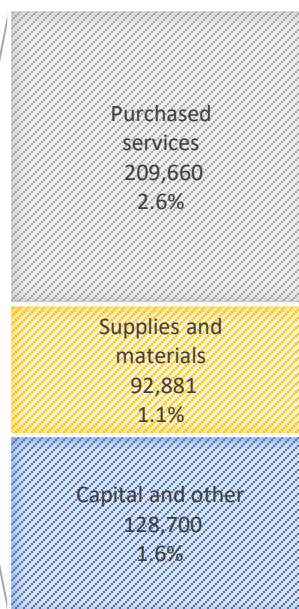
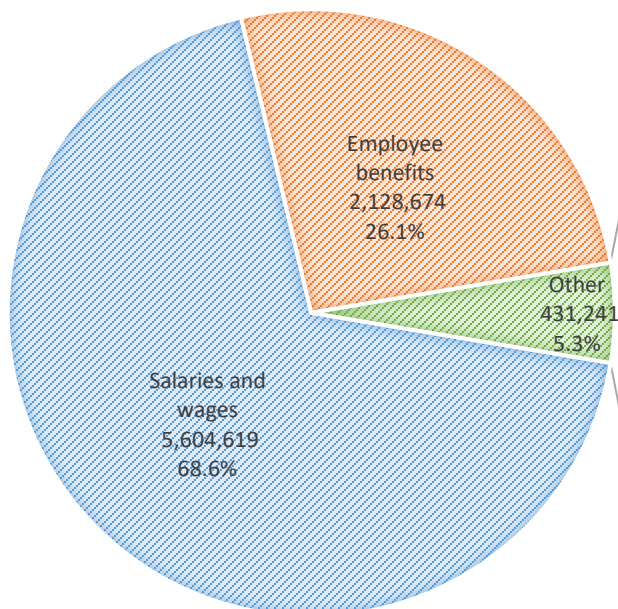
	2021	2022	2023	2024	2025	2026	2027	2028
K	86	109	84	75	73	74	73	73
1	97	86	111	81	77	75	75	75
2	107	87	90	106	82	77	76	76
3	101	102	101	81	108	84	79	78
4	113	96	102	93	82	109	84	80
5	98	104	103	97	93	82	109	84
Total	602	584	591	533	515	501	496	466

	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	22.2%	19.6%	38.9%	35.6%	31.4%	35.3%	34.1%	33.6%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	5,349,972	5,345,245	5,351,166	5,516,549	5,604,619	5,659,569	5,828,767	6,003,035
Employee benefits	1,957,742	1,984,438	2,085,989	2,147,003	2,128,674	2,247,783	2,387,977	2,540,279
Purchased services	110,163	285,767	268,864	181,338	209,660	196,478	197,460	198,447
Supplies and materials	102,107	77,897	149,937	172,914	92,881	143,509	144,226	144,947
Capital expenditures	219,924	111,232	128,900	34,650	128,700	133,500	133,943	134,387
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	7,739,908	7,804,578	7,984,856	8,052,454	8,164,534	8,380,838	8,692,373	9,021,096
Total students	602	584	591	533	515	501	496	466
Spending per student	12,857	13,364	13,511	15,108	15,853	16,728	17,525	19,359

2024-25 EXPENSES BY OBJECT (%) – SOUTHVIEW ELEMENTARY SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **68.6%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **26.1%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **2.6%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **1.1%**

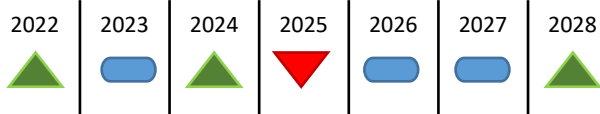
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **1.6%**

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

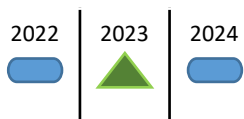
Principal: TBD
Phone: 651-683-6890

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



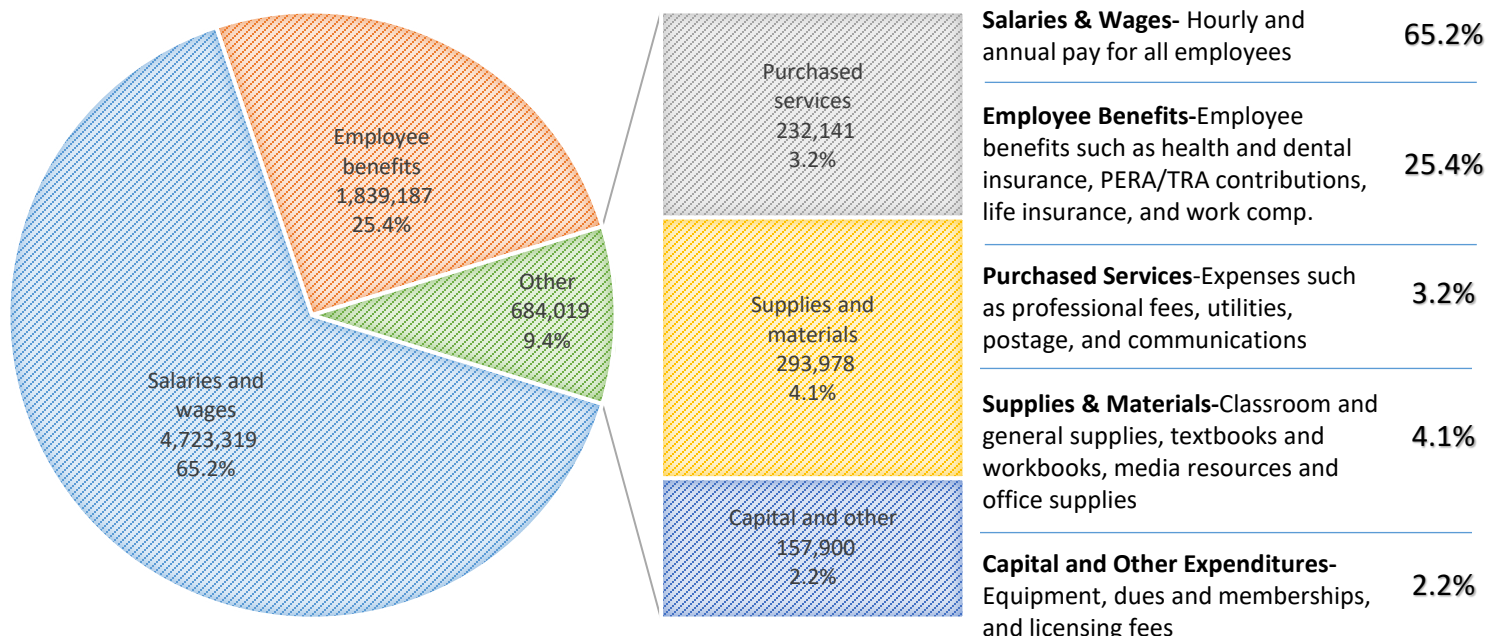
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
K	88	92	95	93	91	91	91	91
1	92	98	80	94	95	93	93	93
2	111	95	102	82	95	96	94	94
3	71	112	91	101	84	97	98	96
4	79	69	112	93	102	85	98	99
5	78	81	73	109	93	102	85	98
Total	519	547	553	572	560	564	559	571
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	9.3%	9.7%	19.8%	20.0%	16.5%	18.7%	18.4%	17.9%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	3,722,122	4,076,983	4,314,913	4,471,512	4,723,319	4,743,430	4,884,419	5,029,617
Employee benefits	1,465,977	1,557,919	1,719,351	1,748,213	1,839,187	1,906,738	2,026,109	2,155,809
Purchased services	220,223	130,672	335,608	230,078	232,141	231,835	232,994	234,159
Supplies and materials	82,983	105,431	116,220	342,328	293,978	314,601	316,174	317,755
Capital expenditures	13,198	117,419	108,801	101,318	157,900	157,786	158,041	158,297
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	5,504,502	5,988,424	6,594,893	6,893,449	7,246,525	7,354,389	7,617,737	7,895,638
Total students	519	547	553	572	560	564	559	571
Spending per student	10,606	10,948	11,926	12,051	12,940	13,040	13,627	13,828

2024-25 EXPENSES BY OBJECT (%) – THOMAS LAKE ELEMENTARY

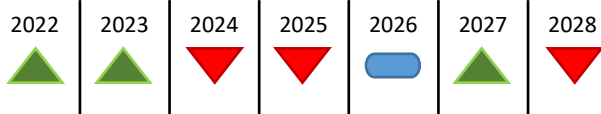


Westview Elementary School
225 Garden View Drive, Apple Valley, MN 55124

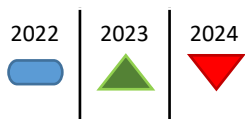
Principal: Tami Staloch-Schultz
Phone: 952-431-8380

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



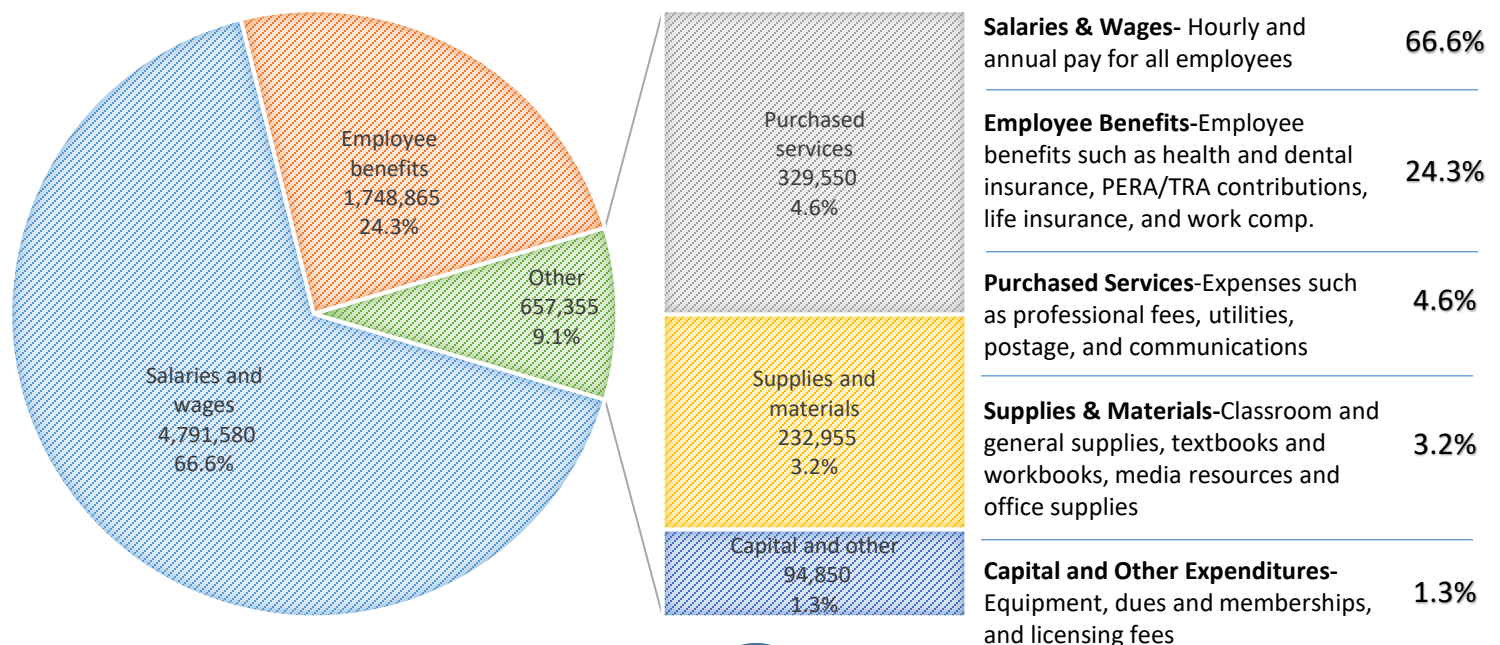
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
K	52	80	72	68	67	66	67	67
1	80	55	89	70	70	69	68	68
2	78	71	64	88	71	70	69	69
3	86	81	74	62	90	72	72	70
4	51	88	79	79	62	91	73	72
5	64	51	97	89	78	62	91	73
Total	411	426	475	456	438	430	440	419
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	26.3%	26.1%	40.6%	39.5%	35.4%	38.5%	37.8%	37.2%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	3,967,803	4,026,785	4,523,314	4,804,694	4,791,580	4,942,437	5,088,909	5,239,748
Employee benefits	1,524,997	1,495,300	1,564,028	1,768,136	1,748,865	1,826,084	1,934,521	2,052,138
Purchased services	286,559	252,231	346,818	311,728	329,550	311,273	312,829	314,393
Supplies and materials	63,071	117,347	140,137	368,281	232,955	319,520	321,118	322,723
Capital expenditures	101,211	69,505	308,911	91,046	94,850	91,805	91,947	92,089
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	5,943,640	5,961,169	6,883,207	7,343,885	7,197,800	7,491,119	7,749,324	8,021,092
Total students	411	426	475	456	438	430	440	419
Spending per student	14,461	13,993	14,491	16,105	16,433	17,421	17,612	19,143

2024-25 EXPENSES BY OBJECT (%) – WESTVIEW ELEMENTARY SCHOOL

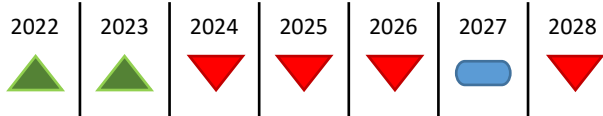


Woodland Elementary School
945 Westcott Road, Eagan, MN 55123

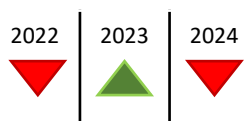
Principal: Lisa Carlson
Phone: 651-683-6990

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



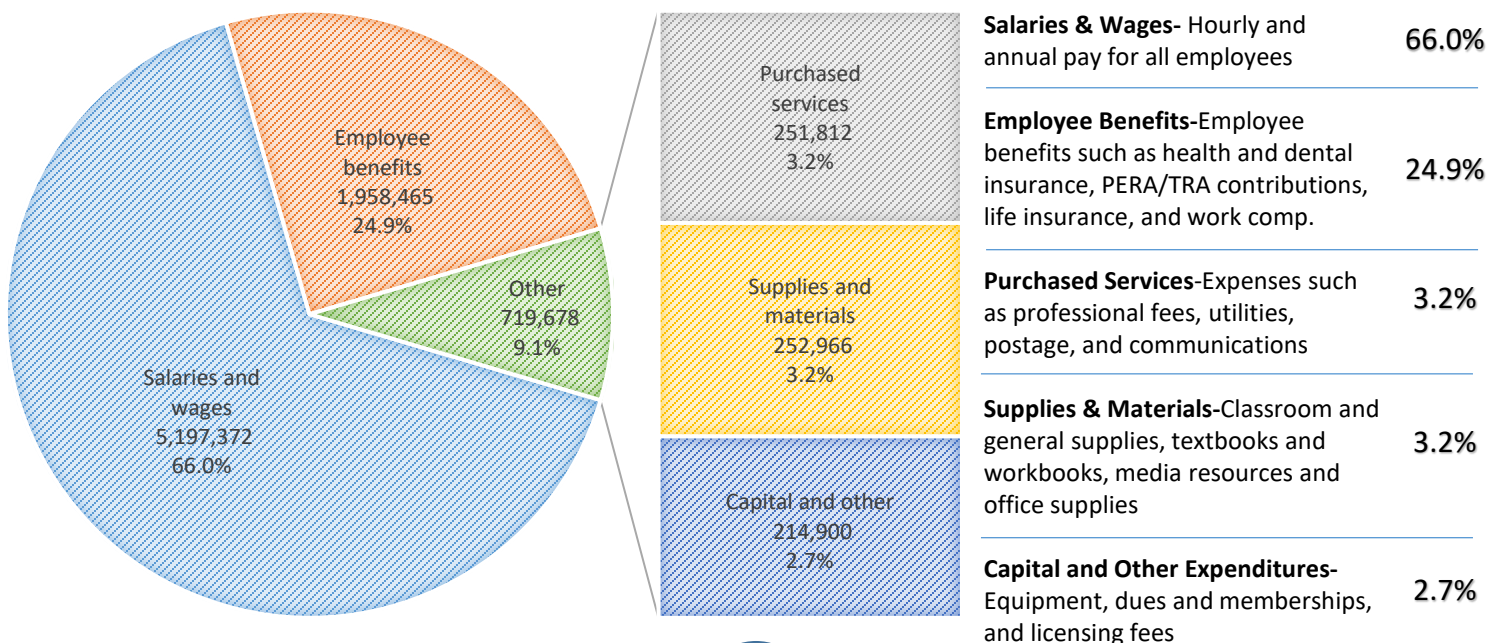
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
K	101	132	103	107	105	105	105	105
1	116	102	135	97	110	107	107	107
2	121	117	110	129	98	110	108	108
3	112	125	126	112	132	100	113	111
4	119	112	135	125	113	133	101	114
5	105	117	119	132	124	113	133	101
Total	674	705	728	702	682	668	667	646
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	8.7%	6.7%	13.3%	11.5%	10.5%	11.8%	11.3%	11.2%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	4,499,525	4,973,865	5,181,506	5,005,612	5,197,372	5,280,624	5,437,603	5,599,269
Employee benefits	1,635,963	1,788,907	1,972,940	1,874,040	1,958,465	2,069,639	2,195,847	2,332,862
Purchased services	153,259	165,998	370,878	318,359	251,812	314,245	315,816	317,395
Supplies and materials	89,432	121,239	137,711	411,132	252,966	350,867	352,621	354,385
Capital expenditures	171,629	21,438	5,971	154,529	214,900	285,119	285,369	285,621
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	6,549,809	7,071,448	7,669,006	7,763,672	7,875,515	8,300,493	8,587,257	8,889,532
Total students	674	705	728	702	682	668	667	646
Spending per student	9,718	10,030	10,534	11,059	11,548	12,426	12,874	13,761

2024-25 EXPENSES BY OBJECT (%) – WOODLAND ELEMENTARY SCHOOL

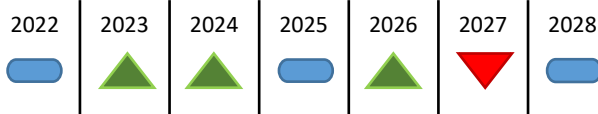


Black Hawk Middle School
1540 Deerwood Drive, Eagan, MN 55122

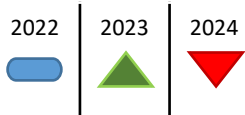
Principal: Anne Kusch
Phone: 651-683-8521

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



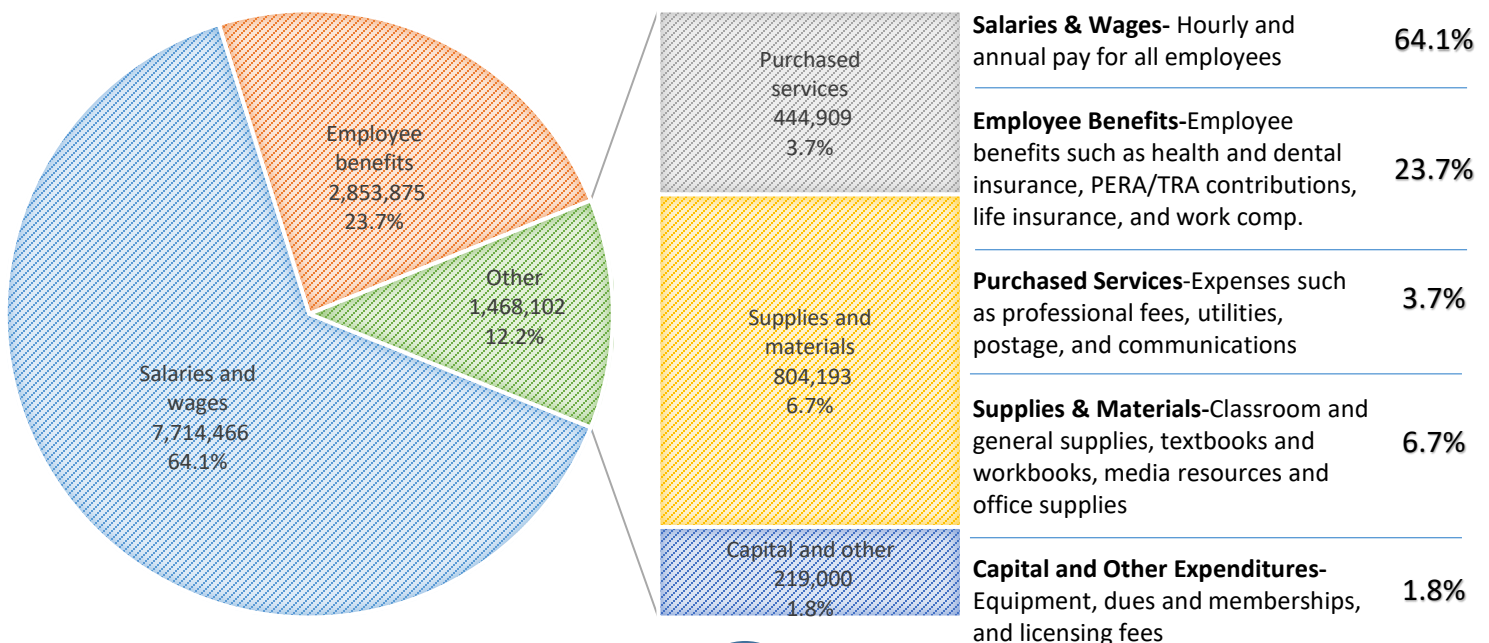
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
6	296	291	263	293	302	300	281	298
7	256	287	299	270	295	304	301	282
8	273	255	285	298	272	297	306	303
Total	825	833	847	861	869	901	888	883
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	20.1%	20.9%	39.1%	36.3%	32.1%	35.9%	34.8%	34.2%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	5,949,679	6,424,513	6,921,652	7,736,660	7,714,466	7,924,169	8,154,535	8,391,711
Employee benefits	2,285,862	2,359,315	2,597,363	2,907,534	2,853,875	3,018,116	3,201,586	3,400,758
Purchased services	278,043	385,803	555,233	643,763	444,909	619,146	622,242	625,353
Supplies and materials	190,614	157,947	217,744	1,063,432	804,193	929,358	934,004	938,674
Capital expenditures	25,325	39,309	496,692	183,014	219,000	291,173	291,727	292,284
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	8,729,524	9,366,887	10,788,684	12,534,403	12,036,443	12,781,961	13,204,094	13,648,781
Total students	825	833	847	861	869	901	888	883
Spending per student	10,581	11,245	12,738	14,558	13,851	14,186	14,869	15,457

2024-25 EXPENSES BY OBJECT (%) – BLACK HAWK MIDDLE SCHOOL

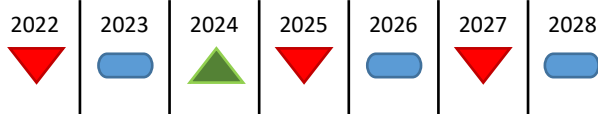


Dakota Hills Middle School
4183 Braddock Trail, Eagan, MN 55123

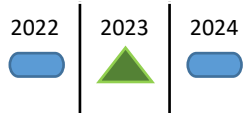
Principal: Trevor Johnson
Phone: 651-683-6800

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



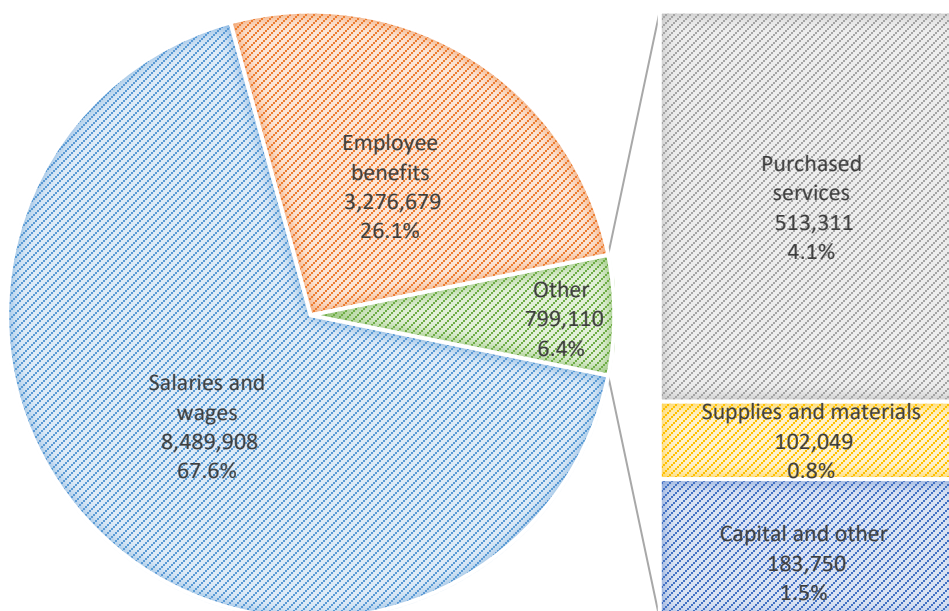
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
6	373	369	374	370	381	379	355	377
7	400	363	375	375	372	383	381	357
8	436	390	373	401	378	374	386	384
Total	1209	1122	1122	1146	1131	1136	1122	1118
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	10.4%	10.2%	15.5%	15.9%	13.9%	15.1%	15.0%	14.7%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	7,471,155	7,647,596	7,694,590	8,092,741	8,489,908	8,824,677	9,082,930	9,348,863
Employee benefits	2,803,437	2,835,344	2,935,707	3,069,877	3,276,679	3,371,155	3,578,275	3,803,201
Purchased services	421,684	483,529	818,841	913,098	513,311	730,017	733,667	737,335
Supplies and materials	183,343	253,133	253,424	561,277	102,049	374,853	376,727	378,611
Capital expenditures	80,421	181,466	51,130	230,589	183,750	207,760	207,940	208,120
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	10,960,039	11,401,068	11,753,691	12,867,582	12,565,697	13,508,463	13,979,540	14,476,131
Total students	1,209	1,122	1,122	1,146	1,131	1,136	1,122	1,118
Spending per student	9,065	10,161	10,476	11,228	11,110	11,891	12,459	12,948

2024-25 EXPENSES BY OBJECT (%) – DAKOTA HILLS MIDDLE 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. **26.1%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **4.1%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **.8%**

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

Falcon Ridge Middle School

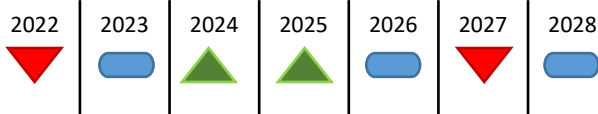
12900 Johnny Cake Ridge Road, Apple Valley, MN 55124

Principal: Becky Melville

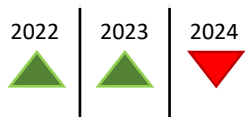
Phone: 952-431-8760

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



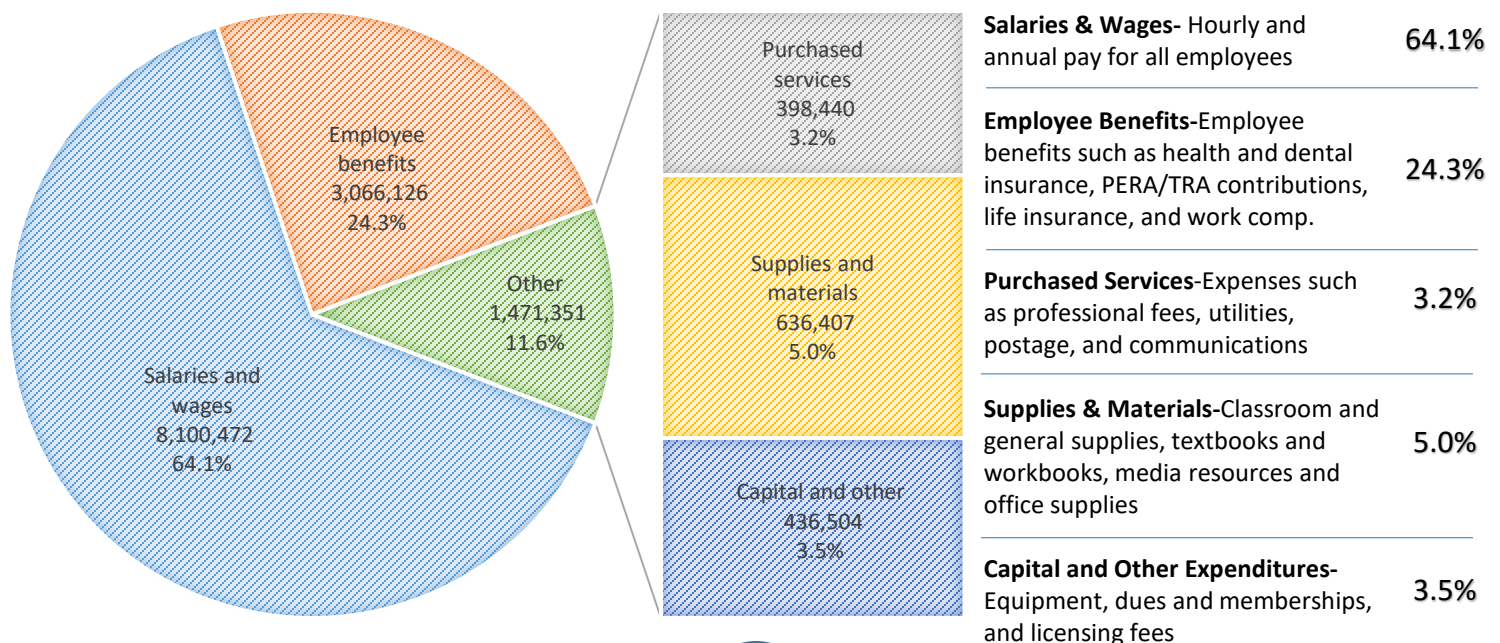
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
6	331	271	334	331	341	339	317	337
7	333	335	268	338	333	343	341	319
8	357	328	323	285	340	335	345	343
Total	1021	934	925	954	1014	1017	1003	999
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	18.6%	20.1%	31.3%	29.8%	27.1%	29.4%	28.8%	28.4%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	7,425,111	7,458,107	7,622,903	7,440,750	8,100,472	8,261,416	8,503,754	8,753,288
Employee benefits	2,715,192	2,661,151	2,712,144	2,807,260	3,066,126	3,111,230	3,301,737	3,508,575
Purchased services	641,683	370,930	742,192	440,337	398,440	430,556	432,709	434,873
Supplies and materials	199,772	171,747	178,936	766,039	636,407	663,904	667,224	670,560
Capital expenditures	106,062	112,617	521,897	195,941	436,504	588,635	589,335	590,039
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	11,087,821	10,774,552	11,778,072	11,650,327	12,637,949	13,055,742	13,494,759	13,957,335
Total students	1,021	934	925	954	1,014	1,017	1,003	999
Spending per student	10,860	11,536	12,733	12,212	12,463	12,838	13,454	13,971

2024-25 EXPENSES BY OBJECT (%) – FALCON RIDGE MIDDLE SCHOOL

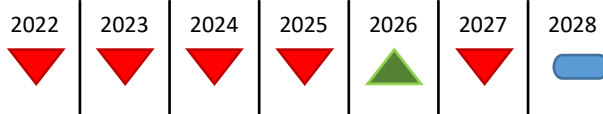


Rosemount Middle School
3135 143rd Street West, Rosemount, MN 55068

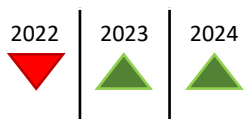
Principal: TBD
Phone: 651-423-7570

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



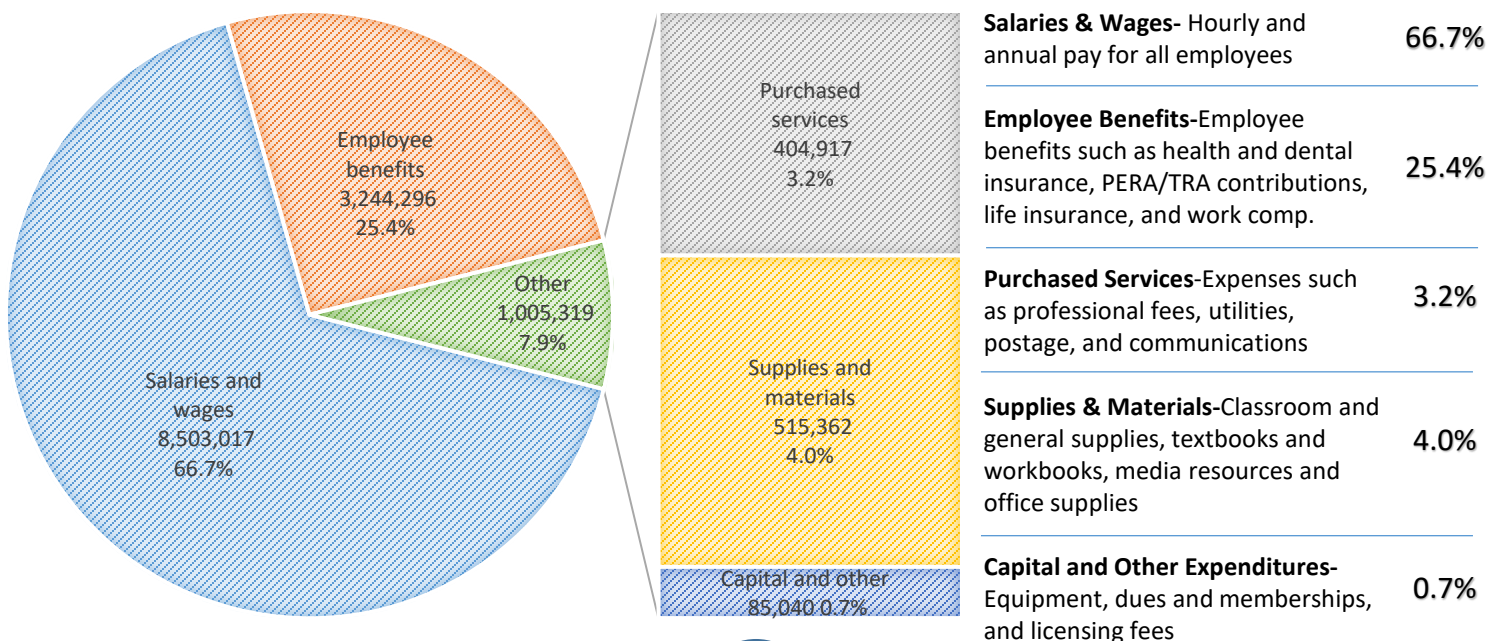
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
6	400	407	354	374	386	383	359	381
7	418	397	415	360	376	388	385	360
8	428	416	409	424	362	379	390	387
Total	1246	1220	1178	1158	1124	1150	1134	1128
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	9.3%	8.4%	17.9%	19.5%	15.2%	17.5%	17.4%	16.7%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	7,523,514	7,974,251	7,899,470	8,067,630	8,503,017	8,710,823	8,965,620	9,227,978
Employee benefits	2,536,172	2,703,790	2,836,969	3,011,552	3,244,296	3,289,147	3,485,660	3,698,891
Purchased services	941,257	887,992	762,345	809,068	404,917	706,604	710,137	713,688
Supplies and materials	301,693	224,718	255,931	849,951	515,362	728,020	731,660	735,319
Capital expenditures	172,126	61,044	278,611	523,509	85,040	147,700	148,364	149,031
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	11,474,762	11,851,796	12,033,325	13,261,710	12,752,632	13,582,294	14,041,441	14,524,907
Total students	1,246	1,220	1,178	1,158	1,124	1,150	1,134	1,128
Spending per student	9,209	9,715	10,215	11,452	11,346	11,811	12,382	12,877

2024-25 EXPENSES BY OBJECT (%) – ROSEMOUNT 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 **3.2%**

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

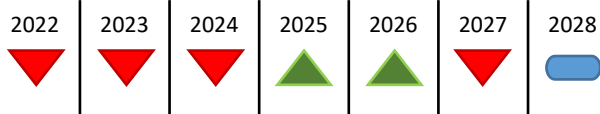
Capital and Other Expenditures- Equipment, dues and memberships, and licensing fees **0.7%**

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

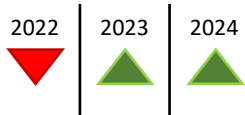
Principal: Dan Wilharber
Phone: 952-423-7581

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



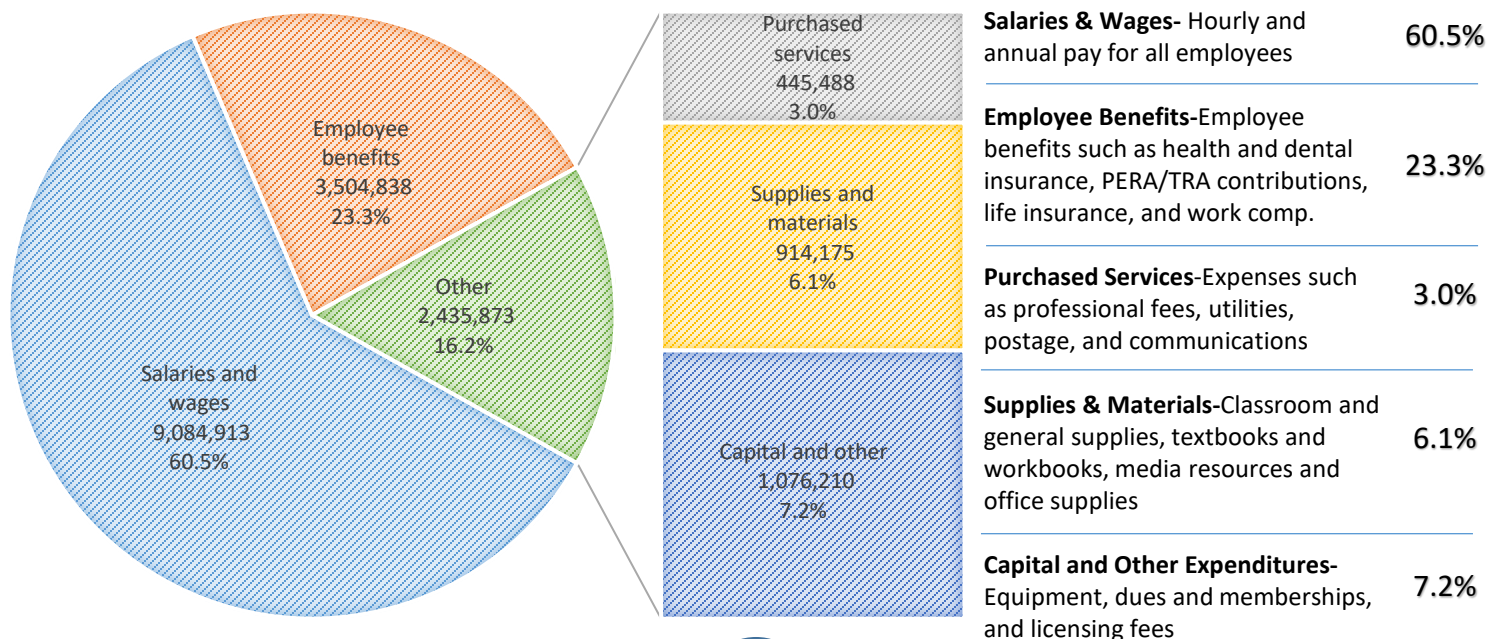
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
6	398	397	378	394	406	403	378	402
7	400	377	387	386	396	408	405	380
8	405	384	366	386	389	399	411	408
Total	1203	1158	1131	1166	1191	1210	1194	1190
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	12.2%	10.6%	24.3%	26.2%	20.4%	23.6%	23.4%	22.4%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	7,426,694	7,919,584	8,141,296	8,853,525	9,084,913	9,406,222	9,676,066	9,953,856
Employee benefits	2,761,355	2,955,774	2,979,533	3,345,449	3,504,838	3,511,013	3,725,576	3,958,537
Purchased services	216,374	623,891	559,575	484,464	445,488	503,104	505,619	508,148
Supplies and materials	155,555	213,571	258,902	937,850	914,175	947,184	951,920	956,680
Capital expenditures	195,349	25,189	244,530	253,110	1,076,210	938,980	939,716	940,455
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	10,755,328	11,738,008	12,183,837	13,874,398	15,025,624	15,306,503	15,798,898	16,317,675
Total students	1,203	1,158	1,131	1,166	1,191	1,210	1,194	1,190
Spending per student	8,940	10,136	10,773	11,899	12,616	12,650	13,232	13,712

2024-25 EXPENSES BY OBJECT (%) – SCOTT HIGHLANDS MIDDLE SCHOOL

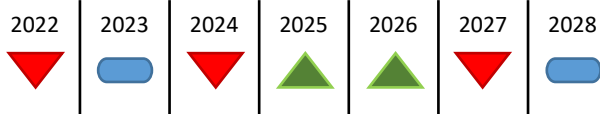


Valley Middle School of STEM
900 Garden View Drive, Apple Valley, MN 55124

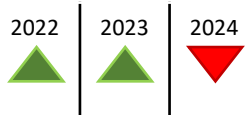
Principal: Stacey Buchwald
Phone: 952-431-8300

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



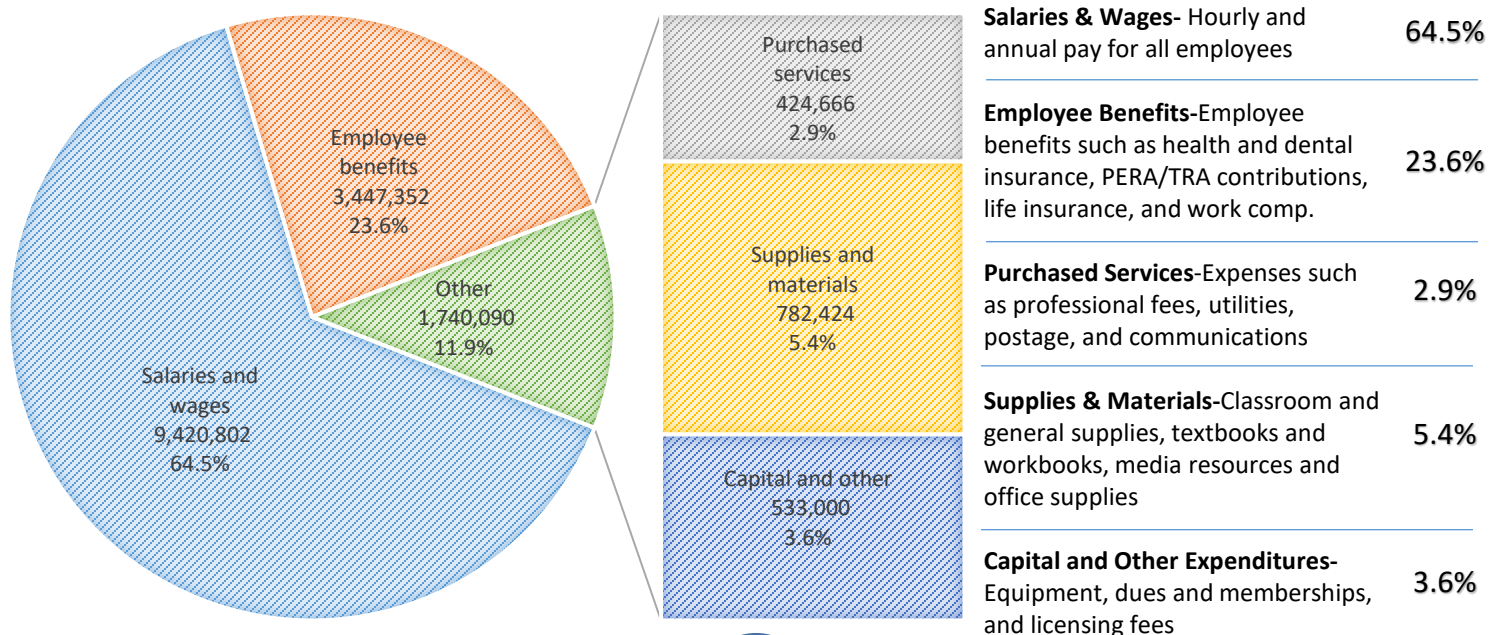
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
6	338	344	341	344	355	352	330	350
7	353	342	354	333	346	356	354	332
8	372	361	345	341	335	348	359	356
Total	1063	1047	1040	1018	1036	1056	1043	1038
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	26.5%	27.5%	43.5%	41.2%	37.4%	40.7%	39.8%	39.3%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	7,801,812	8,099,394	8,690,813	8,794,824	9,420,802	9,520,893	9,799,935	10,087,257
Employee benefits	2,874,245	2,890,924	3,103,360	3,278,854	3,447,352	3,520,271	3,733,054	3,963,986
Purchased services	344,572	349,190	672,764	440,222	424,666	441,776	443,985	446,205
Supplies and materials	237,812	204,231	275,616	774,705	782,424	758,213	762,004	765,814
Capital expenditures	433,161	602,781	107,856	220,045	533,000	474,496	475,163	475,833
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	11,691,602	12,146,522	12,850,409	13,508,650	14,608,244	14,715,649	15,214,140	15,739,095
Total students	1,063	1,047	1,040	1,018	1,036	1,056	1,043	1,038
Spending per student	10,999	11,601	12,356	13,270	14,101	13,935	14,587	15,163

2024-25 EXPENSES BY OBJECT (%) – VALLEY MIDDLE SCHOOL

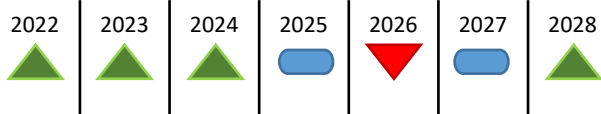


Apple Valley High School
14450 Hayes Road, Apple Valley, MN 55124

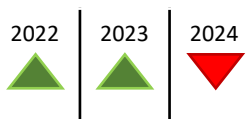
Principal: Drew Mons
Phone: 952-431-8200

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



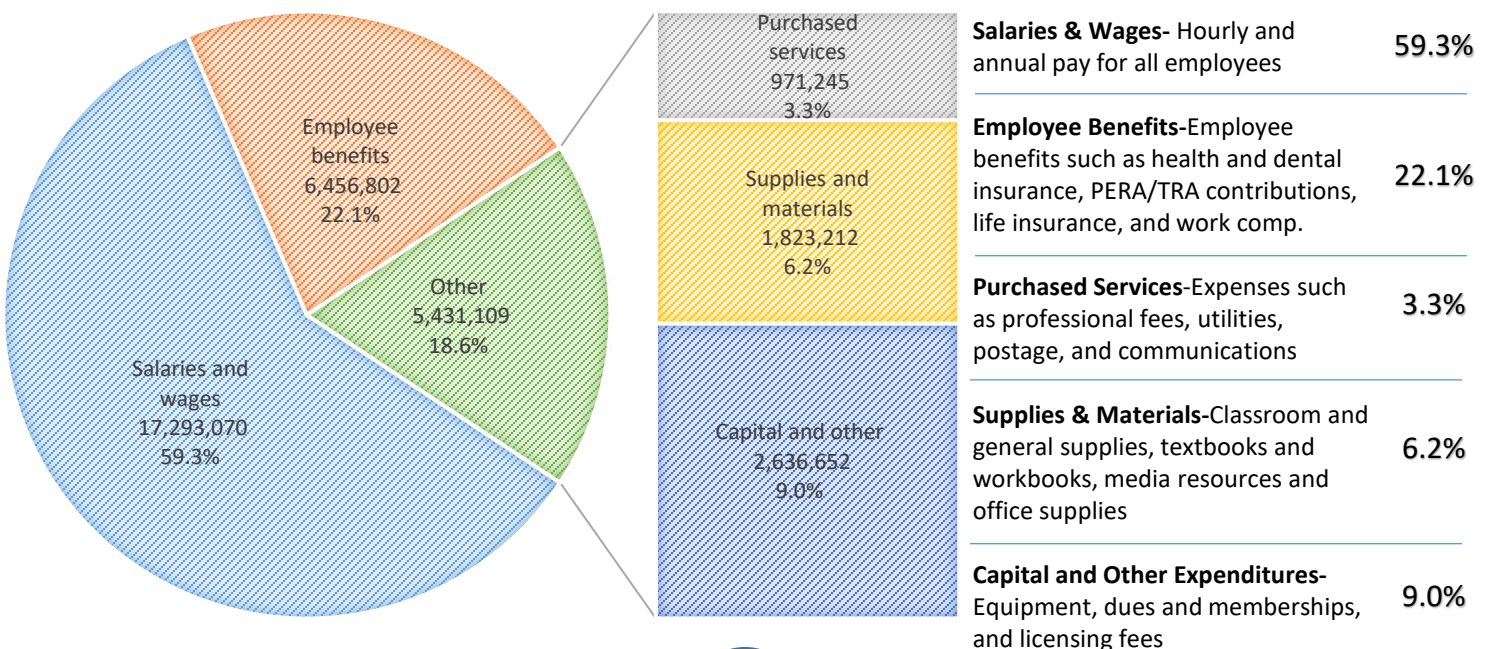
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
9	490	512	522	503	505	490	502	518
10	467	484	500	529	525	527	512	525
11	399	410	410	434	417	414	415	403
12	376	372	384	365	382	367	364	365
Total	1732	1778	1816	1831	1829	1798	1793	1811
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	23.7%	27.8%	48.4%	45.0%	40.4%	44.6%	43.3%	42.8%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	13,772,426	14,516,771	14,937,358	16,805,722	17,293,070	17,746,744	18,250,780	18,769,616
Employee benefits	4,943,634	5,191,393	5,301,644	6,123,288	6,456,802	6,523,307	6,917,893	7,346,142
Purchased services	714,165	983,801	1,770,853	1,018,211	971,245	1,041,801	1,047,010	1,052,245
Supplies and materials	440,741	482,168	647,781	2,781,457	1,823,212	2,135,587	2,146,265	2,156,997
Capital expenditures	757,551	5,443,788	585,265	2,626,778	2,636,652	2,670,780	2,672,234	2,673,696
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	20,628,517	26,617,921	23,242,901	29,355,456	29,180,981	30,118,218	31,034,182	31,998,696
Total students	1,732	1,778	1,816	1,831	1,829	1,798	1,793	1,811
Spending per student	11,910	14,971	12,799	16,032	15,955	16,751	17,309	17,669

2024-25 EXPENSES BY OBJECT (%) – APPLE VALLEY HIGH SCHOOL

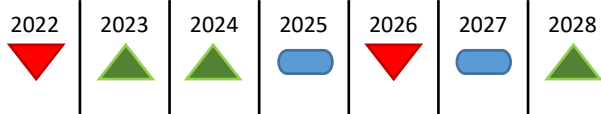


Eagan High School
4185 Braddock Trail, Eagan, MN 55123

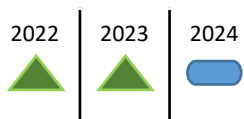
Principal: Polly Reikowski
Phone: 651-683-6900

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



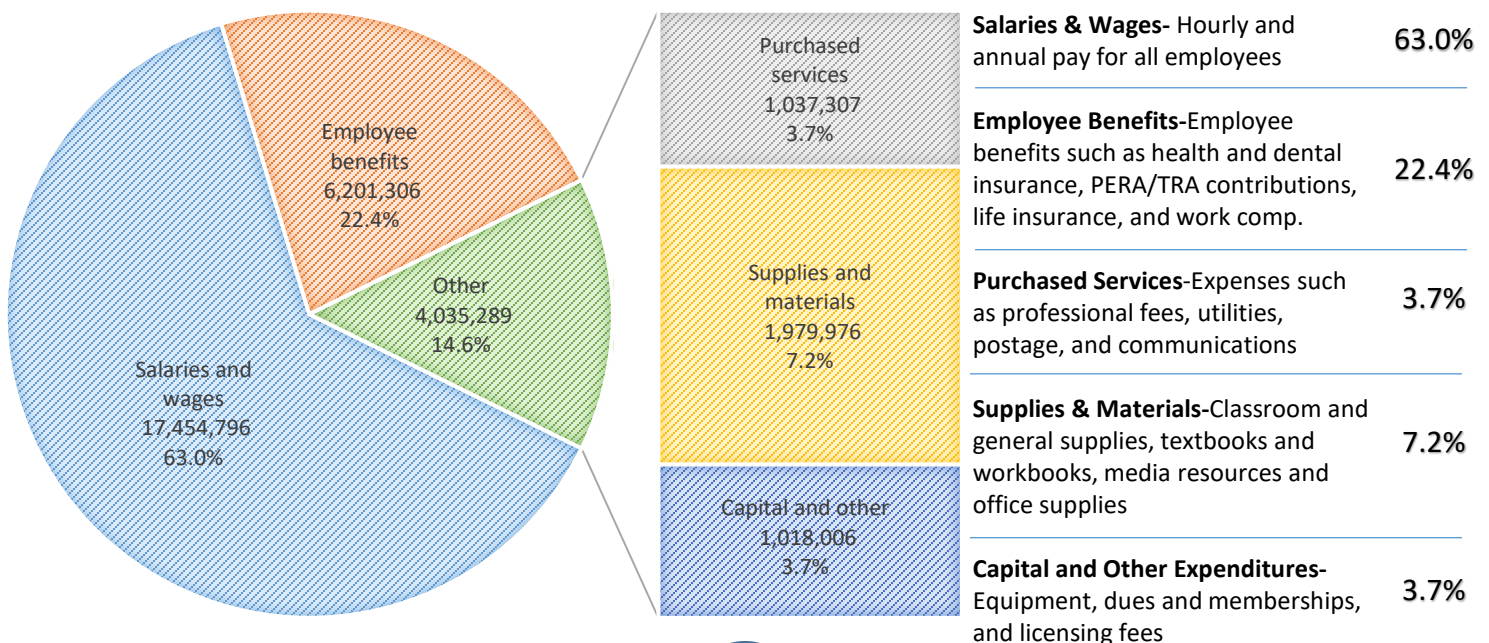
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
9	560	578	539	567	569	552	566	584
10	564	543	576	548	544	546	530	544
11	441	507	498	532	511	507	509	494
12	496	410	487	471	493	473	470	472
Total	2061	2038	2100	2118	2117	2078	2075	2094
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	9.5%	10.7%	20.3%	20.7%	17.2%	19.4%	19.1%	18.6%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	14,693,371	15,620,155	16,093,711	16,375,126	17,454,796	17,361,121	17,852,082	18,357,426
Employee benefits	4,982,550	5,361,599	5,640,455	5,899,071	6,201,306	6,194,363	6,560,098	6,956,734
Purchased services	1,795,070	1,142,561	1,676,590	1,119,192	1,037,307	1,110,945	1,116,499	1,122,082
Supplies and materials	534,717	701,458	839,005	2,391,619	1,979,976	2,115,486	2,126,064	2,136,694
Capital expenditures	3,491,076	417,770	221,359	500,973	1,018,006	869,989	871,480	872,979
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	25,496,785	23,243,543	24,471,120	26,285,981	27,691,391	27,651,903	28,526,223	29,445,915
Total students	2,061	2,038	2,100	2,118	2,117	2,078	2,075	2,094
Spending per student	12,371	11,405	11,653	12,411	13,080	13,307	13,748	14,062

2024-25 EXPENSES BY OBJECT (%) – EAGAN HIGH SCHOOL

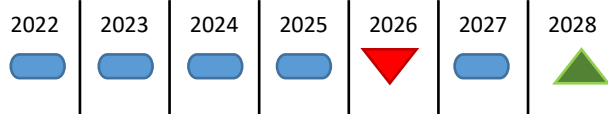


Eastview High School
6200 140th Street West, Apple Valley, MN 55124

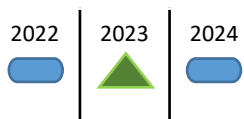
Principal: Bruce Miller
Phone: 952-431-8900

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



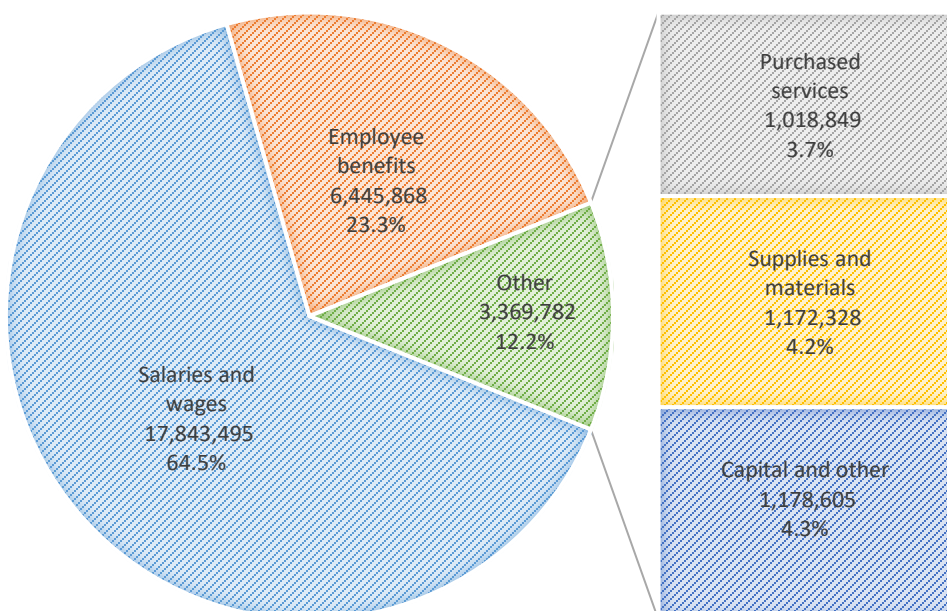
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
9	579	571	600	568	570	553	567	585
10	620	569	596	607	603	605	587	602
11	568	551	513	553	531	527	529	514
12	453	527	515	489	512	491	488	490
Total	2220	2218	2224	2217	2216	2176	2171	2191
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	11.7%	12.2%	24.8%	25.6%	20.9%	23.8%	23.4%	22.7%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	14,530,124	15,643,245	16,226,810	16,768,662	17,843,495	17,834,711	18,341,918	18,864,034
Employee benefits	4,857,362	5,435,393	5,664,452	6,021,104	6,445,868	6,365,480	6,741,779	7,149,871
Purchased services	1,279,225	709,397	2,022,178	1,260,462	1,018,849	1,220,790	1,226,894	1,233,029
Supplies and materials	398,630	636,448	861,336	1,359,025	1,172,328	1,339,930	1,346,630	1,353,363
Capital expenditures	2,832,020	4,426,816	567,942	242,933	1,178,605	1,018,578	1,020,801	1,023,036
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	23,897,362	26,851,299	25,342,718	25,652,186	27,659,145	27,779,489	28,678,022	29,623,333
Total students	2,220	2,218	2,224	2,217	2,216	2,176	2,171	2,191
Spending per student	10,765	12,106	11,395	11,571	12,482	12,766	13,210	13,520

2023-25 EXPENSES BY OBJECT (%) – EASTVIEW HIGH SCHOOL



Salaries & Wages- Hourly and annual pay for all employees **64.5%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **23.3%**

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 **4.2%**

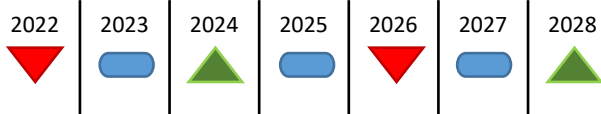
Capital and Other Expenditures- Equipment, dues and memberships, and licensing fees **4.3%**

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

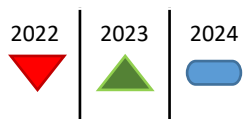
Principal: Pete Roback
Phone: 651-423-7501

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



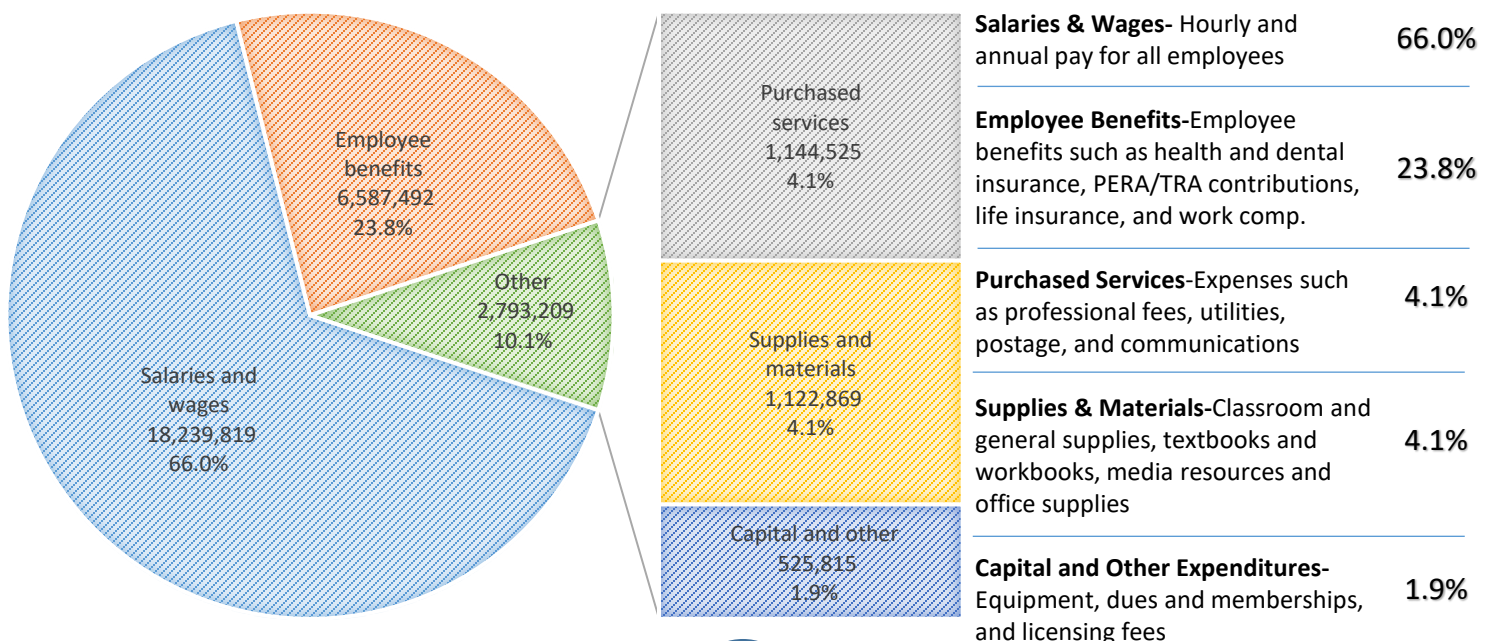
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
9	654	677	571	570	572	555	569	587
10	647	654	660	571	567	569	552	566
11	585	569	566	601	577	573	575	558
12	577	546	546	561	587	564	560	562
Total	2463	2446	2343	2303	2303	2261	2256	2273
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	9.7%	8.4%	18.0%	17.4%	14.6%	16.7%	16.2%	15.8%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	16,476,302	17,875,069	17,570,009	17,110,644	18,239,819	18,261,857	18,780,673	19,314,729
Employee benefits	5,596,237	6,200,507	6,060,154	6,165,011	6,587,492	6,581,524	6,970,935	7,393,281
Purchased services	1,852,961	1,370,231	1,739,358	1,128,710	1,144,525	1,254,856	1,261,130	1,267,436
Supplies and materials	574,031	634,019	918,128	1,147,844	1,122,869	1,312,091	1,318,652	1,325,245
Capital expenditures	4,817,309	840,489	245,499	374,637	525,815	616,727	618,621	620,525
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	29,316,839	26,920,313	26,533,148	25,926,846	27,620,520	28,027,055	28,950,011	29,921,216
Total students	2,463	2,446	2,343	2,303	2,303	2,261	2,256	2,273
Spending per student	11,903	11,006	11,324	11,258	11,993	12,396	12,832	13,164

2024-25 EXPENSES BY OBJECT (%) – ROSEMOUNT HIGH SCHOOL



School of Environmental Studies

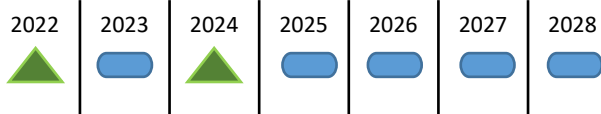
12155 Johnny Cake Ridge Road, Apple Valley, MN 55124

Principal: Lauren Trainer

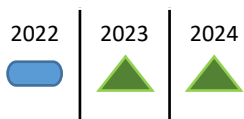
Phone: 952-431-8750

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



Enrollment History and Projections

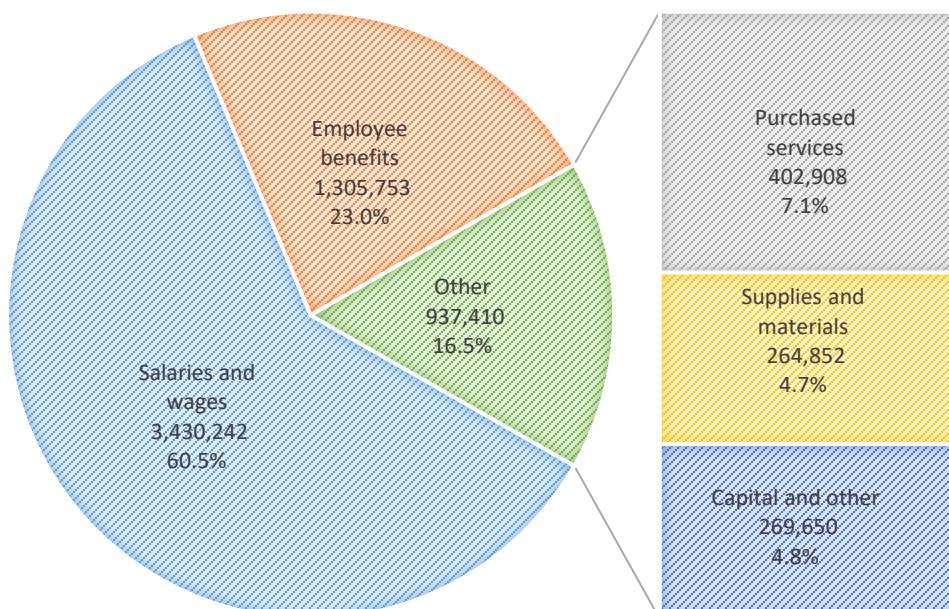
	2021	2022	2023	2024	2025	2026	2027	2028
9	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0
11	176	187	201	217	208	207	208	202
12	164	171	164	173	181	174	173	173
Total	340	358	365	390	389	381	381	375
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	10.2%	10.2%	16.1%	22.3%	16.2%	18.2%	18.9%	17.7%

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

F/R = Free/Reduced Lunch Status Percentage

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	2,668,796	2,620,211	2,924,453	3,040,968	3,430,242	3,209,176	3,303,968	3,401,583
Employee benefits	978,895	907,447	1,073,550	1,174,492	1,305,753	1,264,675	1,342,421	1,426,855
Purchased services	95,849	418,102	422,026	287,485	402,908	363,310	365,126	366,952
Supplies and materials	42,929	105,631	100,677	281,175	264,852	271,872	273,232	274,598
Capital expenditures	2,008	51,831	150,756	54,433	269,650	262,865	263,165	263,467
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	3,788,476	4,103,221	4,671,462	4,838,553	5,673,405	5,371,898	5,547,912	5,733,455
Total students	340	358	365	390	389	381	381	375
Spending per student	11,143	11,462	12,799	12,407	14,585	14,099	14,561	15,289

2024-25 EXPENSES BY OBJECT (%) – SCHOOL OF ENVIRONMENTAL STUDIES



Salaries & Wages- Hourly and annual pay for all employees **60.5%**

Employee Benefits-Employee benefits such as health and dental insurance, PERA/TRA contributions, life insurance, and work comp. **23.0%**

Purchased Services-Expenses such as professional fees, utilities, postage, and communications **7.1%**

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

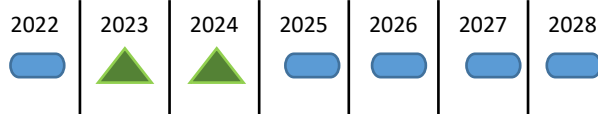
Capital and Other Expenditures-Equipment, dues and memberships, and licensing fees **4.8%**

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

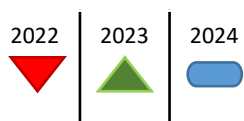
Principal: TBD
Phone: 952-431-8720

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



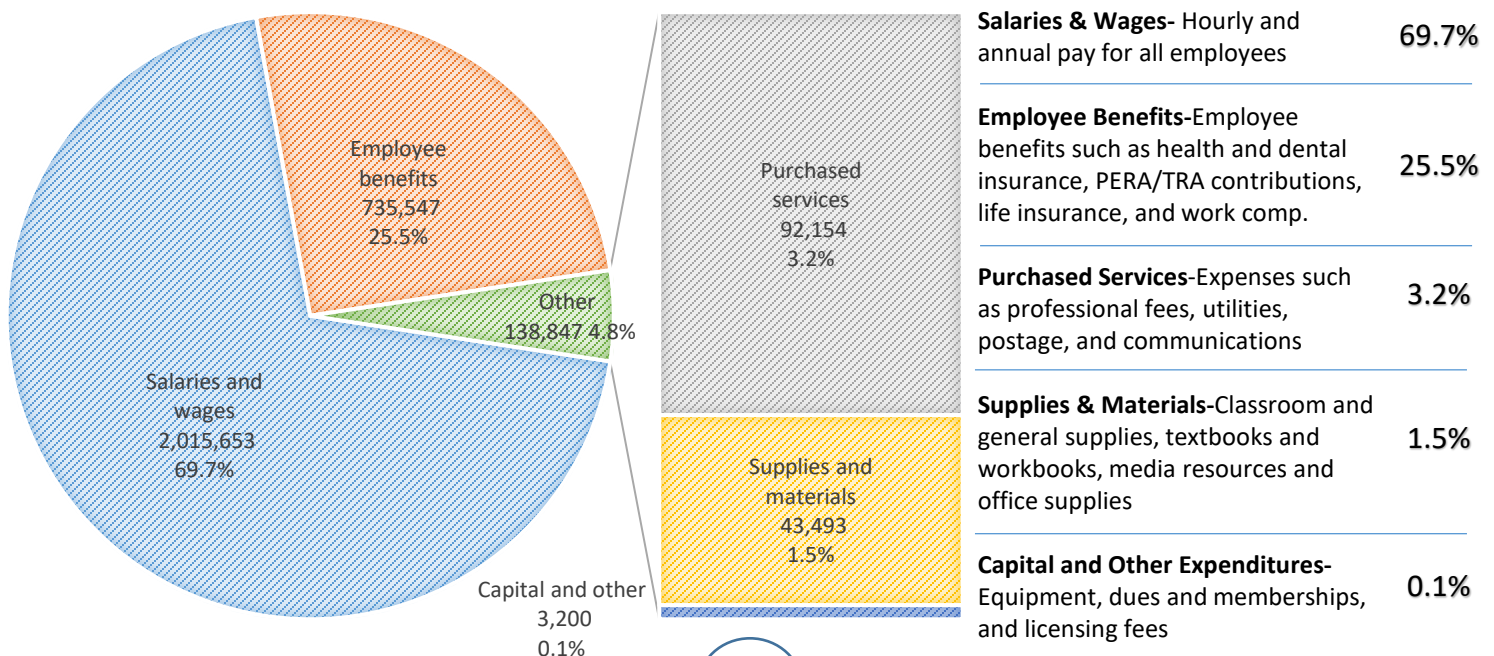
Enrollment History and Projections

	2021	2022	2023	2024	2025	2026	2027	2028
9	0	2	0	3	3	3	3	3
10	9	6	22	6	6	6	6	6
11	35	20	40	40	38	38	38	37
12	87	100	106	145	152	146	145	145
Total	131	128	168	194	199	193	192	191
	Actual	Actual	Actual	Actual	Proj	Proj	Proj	Proj
F/R	37.4%	32.4%	66.2%	66.4%	55.0%	62.5%	61.3%	59.6%

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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	1,039,857	1,256,988	1,439,400	1,954,407	2,015,653	2,385,437	2,456,954	2,530,615
Employee benefits	419,527	465,554	508,055	735,298	735,547	887,505	944,301	1,006,048
Purchased services	182,318	103,589	243,301	107,377	92,154	110,143	110,693	111,247
Supplies and materials	24,949	9,427	95,707	111,777	43,493	72,051	72,411	72,773
Capital expenditures	10,477	29,806	12,989	39,492	3,200	8,882	8,911	8,939
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	1,677,128	1,865,363	2,299,451	2,948,351	2,890,047	3,464,018	3,593,270	3,729,623
Total students	131	128	168	194	199	193	192	191
Spending per student	12,803	14,573	13,687	15,198	14,523	17,948	18,715	19,527

2024-25 EXPENSES BY OBJECT (%) – AREA LEARNING CENTER



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

K-12 Administrator: TBD
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 2024-25 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

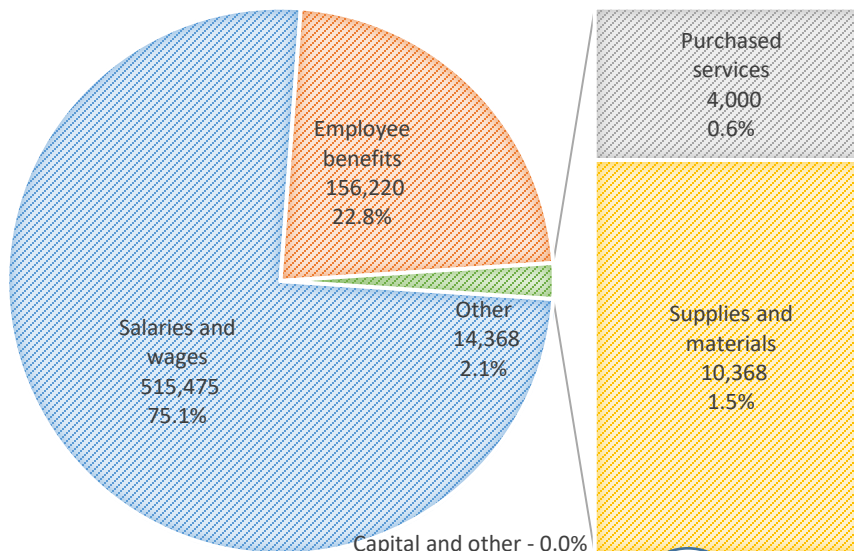
	2021	2022	2023	2024	2025	2026	2027	2028
K	0	28	0	0	0	0	0	0
1	0	53	9	0	0	0	0	0
2	0	43	10	0	0	0	0	0
3	0	53	16	0	0	0	0	0
4	0	53	12	0	0	0	0	0
5	0	43	14	0	0	0	0	0
6	0	43	17	0	0	0	0	0
7	0	47	23	0	0	0	0	0
8	0	33	35	0	0	0	0	0
9	0	27	15	18	18	17	18	18
10	0	21	26	22	22	22	21	22
11	0	50	23	33	32	32	32	30
12	0	36	44	38	40	38	38	38
Total	0	530	244	111	112	109	109	108

			Actual	Actual	Proj	Proj	Proj	Proj
F/R	0.0%	60.8%	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

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Expenditures								
Salaries and wages	-	2,540,886	1,568,386	727,097	515,475	553,770	569,566	585,828
Employee benefits	-	896,613	511,544	243,771	156,220	168,218	176,628	185,690
Purchased services	-	110,108	686	8,900	4,000	4,861	4,885	4,910
Supplies and materials	-	182,604	12,407	142,358	10,368	41,335	41,541	41,749
Capital expenditures	-	-	-	-	-	-	-	-
Other expenditures	-	-	-	-	-	-	-	-
Total expenditures	-	3,730,211	2,093,023	1,122,126	686,063	768,183	792,621	818,176
Total students	-	530	244	111	112	109	109	108
Spending per student	-	-	8,578	10,109	6,126	7,048	7,272	7,576

2024-25 EXPENSES BY OBJECT (%) – 196ONLINE PROGRAM



Salaries & Wages- Hourly and annual pay for all employees **75.1%**

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 **0.6%**

Supplies & Materials-Classroom and general supplies, textbooks and workbooks, media resources and office supplies **1.5%**

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



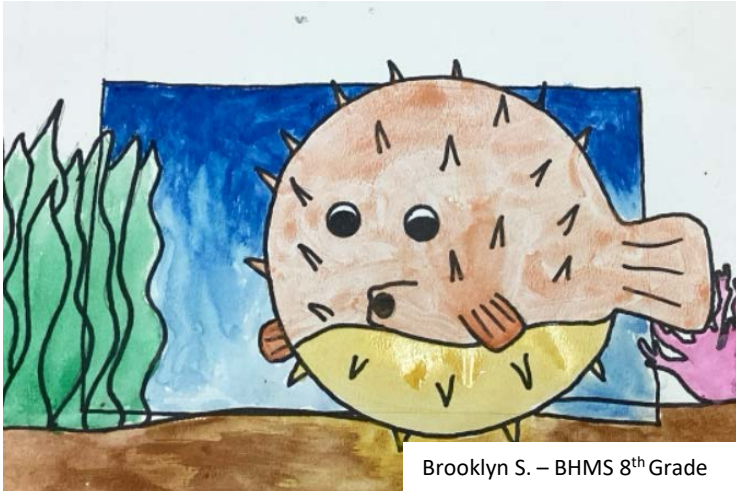
Dakota Ridge School



Transitions Plus



Capital Projects Summary



Brooklyn S. – BHMS 8th Grade



Jax R. – SHMS 8th Grade



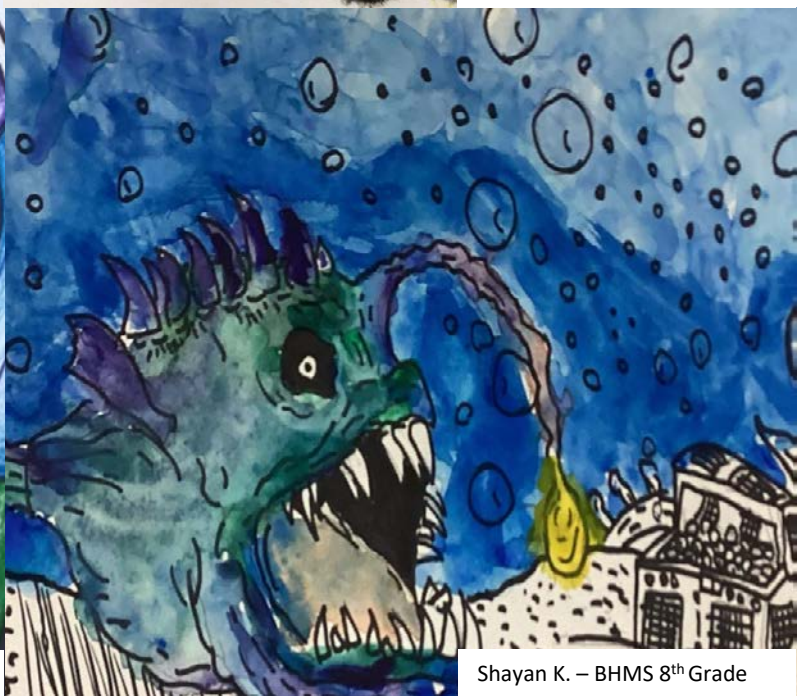
Cooper P. – SHMS 7th Grade



Arianna P. – BHMS 6th Grade



Lou K. – BHMS 7th Grade



Shayan K. – BHMS 8th Grade

Capital Projects Summary

District 196 utilizes three main capital projects funds to help complete the district's capital project plan. The three capital project funds are as follows:

- Long-term Facilities Maintenance Fund
- Operating Capital Fund
- Building Construction Fund – Voter Approved Bond Referendum

Additional information regarding each of the capital projects can be found on the subsequent pages of the budget book.

Capital Projects Funds Summary

Long-term Facilities Maintenance Fund

- Included in the General Fund
- Annual/on-going funding
- Restricted fund balance
- Funding based primarily on per-pupil amount.
- Funding mix of state aids and property taxes

Operating Capital Fund

- Included in the General Fund
- Annual/on-going funding
- Restricted fund balance
- Funding based primarily on per-pupil amount
- Funding mix of state aids and property taxes

Building Construction Fund

- Individual Fund
- Voter approved over \$500 million building bond referendum in May 2023
- Restricted fund balance
- Funding primarily sales of building bonds
- Debt service levy for repayments

Capital Projects - Long-Term Facilities Maintenance (LTFM)

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

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 budget is reported as a restricted portion of the general fund, meaning that the revenue in this program must be used for the purposes intended by statute (M.S. 123B.595). Any fund balance remaining at the end of the fiscal year is reported in a restricted area of the general fund and those funds must be used for operating capital expenditures in future years. The district receives \$380.00 per adjusted pupil unit for LTFM funding. The district receives the revenue in a combination of state aids and property tax levies.

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. In general, LTFM funding must be used to update or replace existing building components and may not be used for non-existent or new 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 in the Summer of 2023.

LTFM Category	2023-24	2024-25	2025-26	2026-27	2027-28
Physical Hazards	200,000	200,000	200,000	200,000	200,000
Other Hazardous Materials	100,000	80,000	80,000	85,000	85,000
Environmental Health and Safety Management	300,000	300,000	300,000	300,000	300,000
Asbestos Removal and Encapsulation	100,000	75,000	75,000	75,000	75,000
Fire Safety	300,000	300,000	300,000	300,000	300,000
Accessibility	75,000	1,846,523	1,846,523	1,846,523	960,762
Building Envelope	1,600,000	1,686,390	1,686,390	1,686,390	1,393,195
Building Hardware and Equipment	1,800,000	1,200,000	1,200,000	1,200,000	1,200,000
Electrical	600,000	2,095,241	2,095,241	2,120,241	1,222,620
Interior Surfaces	2,000,000	3,115,829	3,115,829	3,095,829	2,297,914
Mechanical Systems	2,500,000	9,450,677	9,450,677	9,450,677	5,775,338
Plumbing	400,000	1,244,437	1,244,437	1,244,437	747,218
Professional Services and Salary	1,469,531	2,509,583	731,875	731,875	655,260
Roof Systems	2,275,000	2,055,011	2,055,011	2,055,011	2,027,505
Site Projects	2,300,000	2,000,000	2,000,000	2,000,000	2,000,000
Totals	16,019,531	28,158,691	26,380,983	26,390,983	19,239,812

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

Capital Projects - Long-Term Facilities Maintenance (LTFM)

Below is a financial summary of LTFM fund. A complete listing of the planned LTFM projects for the 2024-25 fiscal year can be found in the [2024-25 Capital Expenditure Budget](#)

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
State sources	3,925,334	4,129,863	4,158,811	4,227,480	4,461,414	4,325,394	4,368,648	4,412,334
Property taxes	7,747,097	7,877,166	7,747,573	9,803,396	8,376,894	9,362,849	9,643,735	9,933,047
Federal sources	-	-	-	-	-	-	-	-
Other Sources	18,179	15,510	6,111	-	-	2,057	2,078	2,099
Total revenue	11,690,610	12,022,539	11,912,494	14,030,876	12,838,308	13,690,300	14,014,460	14,347,480
Expenditures								
Salaries and wages	277,368	237,884	280,143	335,607	291,752	551,631	568,180	585,225
Employee benefits	121,678	106,643	127,689	161,937	141,612	165,918	176,321	187,630
Purchased services	7,152,495	4,676,863	5,310,394	768,446	484,000	862,677	866,991	871,326
Supplies and materials	687,269	867,670	1,057,539	160,793	45,000	96,739	97,223	97,709
Capital expenditures	2,862,527	5,223,141	4,650,112	13,800,000	11,037,635	11,861,060	11,861,060	11,861,060
Other expenditures	500	1,000	1,335	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Total expenditures	11,101,837	11,113,200	11,427,213	15,226,783	12,000,000	13,538,025	13,569,774	13,602,950
Revenue over expenditures	588,773	909,339	485,282	(1,195,907)	838,309	152,275	444,687	744,530
Other financing sources (uses)								
Other	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	588,773	909,339	485,282	(1,195,907)	838,309	152,275	444,687	744,530

Note: Part of the district's plan for the 2023 building bond referendum approved by voters included LTFM bonds for projects to be completed simultaneously with new construction. The LTFM portion of the building construction fund is reported in the LTFM plan submitted to MDE on the previous page, but not included in the budget financials above. The LTFM bonds and corresponding expenses are reporting in the building construction fund financials.

Capital Projects - Operating Capital

The District 196 operating capital budget serves the district as the funding source for capital projects for the schools and departments. Typical expenditures in the operating capital include vehicles, major equipment, technology resources and capital software licenses, 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. Beginning with the 2024-25 school year, the district transitioned to a centralized capital budget process, eliminating the school and utilizing operating capital funds through a districtwide review process.

The operating capital budget is reported as a restricted portion of the general fund, similar to the LTFM program, meaning that the revenue in this program must be used for the purposes intended by statute (M.S. 126C.10, Subdivision 13). Any fund balance remaining at the end of the fiscal year is reported in a restricted area of the general fund and those funds must be used for operating capital expenditures in future years. The district receives \$229.29 per adjusted pupil unit and \$31.00 for year round pupil units for operating capital funding. The district receives the revenue in a combination of state aids, property tax levies and lease levies.

The summary below identifies the broad categories and amounts included in the 2024-25 operating capital budget.

<u>Summary of Requested Expenditures</u>	<u>Recommended Amounts</u>	<u>Category Description</u>
Administrative & Instructional Technology	\$1,173,968	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	\$3,231,090	Textbooks within multiple disciplines, formative assessment tools, online teaching and learning resources, and media resources
Contingency for Unplanned Expenses	\$250,000	Budgeted contingency for unexpected expenses or emergency needs
Building & Equipment Leases	\$5,604,502	Expenses funded through the lease levy and equipment lease purchases, including the ice arena and turf projects lease levies
Building/Site Renovations & Improvements	\$466,750	Projects identified for building/site renovations or improvements including minor construction, irrigation systems, outdoor learning structures, and asphalt concrete work not eligible for LTFM
District Equipment	\$2,664,504	Various equipment needs throughout the district, including mowers, card reader and video security enhancements, facility enhancements, custodial equipment, and other items;
Subtotal - Expenditures	\$ 13,548,815	

Capital Projects - Operating Capital

Below is a financial summary of operating capital fund. A complete listing of the planned operating capital projects for the 2024-25 fiscal year can be found in the [2024-25 Capital Expenditure Budget](#)

	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Final Budget	2024-25 Prelim Budget	2025-26 Projection	2026-27 Projection	2027-28 Projection
Revenues								
State sources	5,008,416	4,848,854	4,731,756	4,631,897	4,098,266	4,599,489	4,714,476	4,832,338
Property taxes	3,544,636	5,857,932	8,147,639	7,907,948	8,362,226	8,379,140	8,630,514	8,889,429
Federal sources	-	-	-	-	-	-	-	-
Other Sources	6,003	7,805	7,005	-	-	2,358	2,382	2,406
Total revenue	8,559,055	10,714,591	12,886,400	12,539,845	12,460,492	12,980,987	13,347,372	13,724,173
Expenditures								
Salaries and wages	1,279,233	33,614	-	-	-	-	-	-
Employee benefits	634,421	19,181	-	-	-	-	-	-
Purchased services	610,341	521,582	276,958	377,252	377,252	345,540	347,267	349,004
Supplies and materials	2,501,329	2,733,261	2,375,874	3,985,819	916,400	1,054,553	1,059,826	1,065,125
Capital expenditures	5,714,816	6,484,533	9,652,771	11,223,688	12,255,163	13,432,217	13,493,746	13,555,584
Other expenditures	9,431	-	10,832	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Total expenditures	10,749,570	9,792,171	12,316,435	15,586,759	13,548,815	14,832,309	14,900,840	14,969,713
Revenue over expenditures	(2,190,515)	922,421	569,965	(3,046,914)	(1,088,323)	(1,851,323)	(1,553,468)	(1,245,540)
Other financing sources (uses)								
Other								
Capital lease	(585,000)	(18,115)	(627,245)	-	-	-	-	-
Total other financing sources (uses)	(585,000)	(18,115)	(627,245)	-	-	-	-	-
Net change in fund balances	(2,775,515)	904,306	(57,281)	(3,046,914)	(1,088,323)	(1,851,323)	(1,553,468)	(1,245,540)

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. The financial table for the building construction fund can be found on page 97 in the financial section of this budget book.

On May 9, 2023, district voters approved two building bond referendums valued at \$493 million. In addition, the district issued over \$55 million in LTFM bonds as part of this process. Construction and project implementations will begin during the 2023-24 school year and last for many years. While the exact timing of the projects is evolving as the planning and bidding processes begin, the tables below provides an overview of the initial schedules for each of the main project categories and the budgets for the projects. It should be noted that the district is in the middle of planning and bidding out many of these projects, resulting in adjusted project budgets.

Project Name	Estimated Start Date	Estimated Completion Date
New Elementary School #20	Summer 2023	Summer 2025
New Rosemount Middle School	Summer 2023	Summer 2027
Dakota Ridge/Transitions Plus Renovations	Summer 2023	Summer 2025
Security Technology (Districtwide)	Summer 2023	Summer 2026
Dynamic Learning Spaces Furniture	Summer 2023	Summer 2026
Rosemount High School Addition, Renovation, & Activity Center	Winter 2024	Summer 2027
Eagan High School Activity Center & Performance Upgrades	Summer 2025	Summer 2027
Eastview High School Activity Center & Performance Upgrades	Spring 2024	Summer 2026
Apple Valley High School Activity Center & Performance Upgrades	Spring 2024	Summer 2026
Secondary Science Additions & Renovations	Winter 2024	Summer 2027
Middle School Performance Upgrades	Winter 2024	Summer 2027
Safety & Supervision (Restrooms, Loading Docks, Site Safety)	Winter 2024	Summer 2027
Existing Rosemount Middle School Conversion	Summer 2025	Spring 2027

Project Description	Current Budget
New Elementary School #20	\$ 51,352,639
New Middle School	\$ 144,325,465
Rosemount High School additions and renovations	\$ 154,010,046
Dakota Ridge School Addition	\$ 9,257,648
Scott Highlands Middle School	\$ 13,026,047
Blackhawk Middle School	\$ 1,012,500
Dakota Hills Middle School	7,042,934
Falcon Ridge Middle School	3,800,100
Valley Middle School	1,213,357
Apple Valley High School	37,604,636
Eagan High School	38,360,440
Eastview High School	34,954,740
ALC Inclusive Bathrooms	337,500
SES Inclusive Bathrooms	337,500
Northview Elementary Loading Dock	1,382,039
Rosemount Elementary Loading Dock	814,876
Southview Elementary Drive Widening	108,913
Thomas Lake Elementary School Bus Loop	2,387,621
Security Question 1 & 2	18,788,888
Rosemount Middle School - Repurpose	2,000,000
CVLC Entry Renovations	356,764
DVLC Entry Renovations	110,524
Transition Plus Restroom Renovations	218,700
SES Secure Entry	268,851
Land Purchases	14,400,000
Districtwide Furniture	10,000,000
Total	\$547,472,728

Informational Section





Teela W. - RP 5th Grade



Bindhu K. - BHMS 6th Grade



Owen M. - GL 4th Grade



Olivia J. - SHMS 8th Grade



Anna C. - SHMS 8th Grade

Enrollment by grade by year:

Grade	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	Projection 2024-25*	Projection 2025-26*	Projection 2026-27*	Projection 2027-28*	Projection 2028-29*
K	1,764	1,978	1,802	1,752	1,716	1,716	1,716	1,716	1,717
1	2,011	1,880	2,017	1,821	1,798	1,761	1,765	1,765	1,765
2	2,034	2,021	1,906	1,964	1,841	1,814	1,779	1,779	1,779
3	2,032	2,034	2,049	1,904	2,012	1,884	1,855	1,818	1,818
4	2,036	2,039	2,047	2,076	1,928	2,040	1,908	1,880	1,841
5	2,044	2,016	2,044	2,080	2,079	1,930	2,037	1,906	1,878
6	2,136	2,122	2,061	2,106	2,178	2,162	2,027	2,152	2,016
7	2,160	2,148	2,121	2,062	2,126	2,190	2,173	2,036	2,163
8	2,271	2,167	2,136	2,135	2,089	2,141	2,205	2,189	2,051
9	2,283	2,367	2,247	2,229	2,252	2,182	2,240	2,311	2,293
10	2,307	2,277	2,380	2,283	2,277	2,291	2,223	2,280	2,349
11	2,204	2,294	2,251	2,410	2,329	2,309	2,319	2,251	2,309
12	2,153	2,162	2,246	2,242	2,510	2,402	2,387	2,395	2,329
CBSE (1)	1,070	1,085	1,214	1,264	1,040	1,074	1,081	1,079	1,072
ECSE (2)	472	446	480	581	575	575	575	575	575
ABE	31	50	46	52	55	54	52	52	51
Totals	29,008	29,086	29,047	28,961	28,805	28,525	28,342	28,184	28,006

* 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 2024-25 through 2028-29 are projections

Enrollment by school by year:

School	Actual 2019-20	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	Projection 2024-25	Projection 2025-26	Projection 2026-27	Projection 2027-28	Projection 2028-29
Cedar Park Elementary STEM School (CP)	693	686	657	701	692	684	671	659	653	638
Deerwood Elementary (DW)	655	584	537	517	483	456	444	435	419	411
Diamond Path Elementary (DP)	746	703	649	659	648	631	612	614	607	602
East Lake Elementary (EL)	673	718	757	786	803	806	803	818	801	816
Echo Park Elementary (EP)	755	705	706	705	698	671	667	656	654	657
Glacier Hills Elementary (GH)	742	682	655	651	674	666	649	643	632	626
Greenleaf Elementary (GL)	842	764	750	761	729	727	736	734	738	737
Highland Elementary (HL)	695	681	677	680	641	617	578	551	516	491
Northview Elementary (NV)	440	420	385	365	364	361	343	348	343	338
196Online Digital Academy (1)	-	-	273	61	-	-	-	-	-	-
Oak Ridge Elementary (OR)	544	506	517	524	511	518	514	531	544	559
Parkview Elementary (PV)	774	761	700	669	673	667	647	624	626	626
Pinewood Elementary (PW)	573	551	515	490	472	455	428	403	386	375
Red Pine Elementary (RP)	701	668	650	698	707	683	652	647	627	608
Rosemount Elementary (RE)	739	731	770	754	745	736	726	717	690	675
Shannon Park Elementary (SP)	603	555	508	497	494	479	478	479	485	491
Southview Elementary (SV)	666	602	584	591	533	515	501	496	466	460
Thomas Lake Elementary (TL)	545	519	547	553	572	560	564	559	571	571
Westview Elementary (WV)	411	411	426	475	456	438	430	440	419	417
Woodland Elementary (WL)	620	674	705	728	702	682	668	667	646	657
Elementary (K-5) Totals	12,417	11,921	11,968	11,865	11,597	11,352	11,111	11,021	10,823	10,755
Black Hawk Middle (BHMS)	830	825	833	847	861	869	901	888	883	863
Dakota Hills Middle (DHMS)	1,237	1,209	1,122	1,122	1,146	1,131	1,136	1,122	1,118	1,091
Falcon Ridge Middle (FRMS)	1,013	1,021	934	925	954	1,014	1,017	1,003	999	976
196Online Digital Academy (1)	-	-	123	75	-	-	-	-	-	-
Rosemount Middle (RMS)	1,270	1,246	1,220	1,178	1,158	1,124	1,150	1,134	1,128	1,103
Scott Highlands Middle (SHMS)	1,161	1,203	1,158	1,131	1,166	1,191	1,210	1,194	1,190	1,162
Valley Middle School of STEM (VMS)	1,091	1,063	1,047	1,040	1,018	1,036	1,056	1,043	1,038	1,014
Middle School (6-8) Totals	6,602	6,567	6,437	6,318	6,303	6,365	6,470	6,384	6,356	6,209
Apple Valley High (AVHS)	1,587	1,732	1,778	1,816	1,831	1,829	1,798	1,793	1,811	1,823
Eagan High (EHS)	1,990	2,061	2,038	2,100	2,118	2,117	2,078	2,075	2,094	2,104
Eastview High (EVHS)	2,191	2,220	2,218	2,224	2,217	2,216	2,176	2,171	2,191	2,203
196Online Digital Academy (1)	-	-	134	108	111	112	109	109	108	108
Rosemount High (RHS)	2,377	2,463	2,446	2,343	2,303	2,303	2,261	2,256	2,273	2,284
School of Environmental Studies (SES)	361	340	358	365	390	389	381	381	375	375
Area Learning Center (ALC)	121	131	128	168	194	199	193	192	191	188
High School (9-12) Totals	8,627	8,947	9,100	9,124	9,164	9,165	8,996	8,977	9,043	9,085
Adult Basic Education (ABE)	39	31	50	46	52	55	54	52	52	51
Center-Based Special Education (CBSE)	817	814	850	964	1,023	1,040	1,074	1,081	1,079	1,072
Dakota Ridge (DR)	94	113	109	111	109	118	110	117	121	124
Early Childhood Special Education (ECSE)	510	472	446	480	581	575	575	575	575	575
Transition Plus (TP)	120	143	126	139	132	135	135	135	135	135
Other Enrollment Totals	1,580	1,573	1,581	1,740	1,897	1,923	1,948	1,960	1,962	1,957
Grand Totals	29,226	29,008	29,086	29,047	28,961	28,805	28,525	28,342	28,184	28,006

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 is an option for students in Grades 9-12 only.

Enrollment by school by grade: 2024-25 Projection

School	K(1)	1	2	3	4	5	6	7	8	9	10	11	12	SE	Total
CP	102	106	119	114	121	122	-	-	-	-	-	-	-	-	684
DW	66	69	74	83	81	83	-	-	-	-	-	-	-	-	456
DP	96	100	104	108	102	121	-	-	-	-	-	-	-	-	631
EL	130	136	120	154	124	142	-	-	-	-	-	-	-	-	806
EP	105	110	105	113	122	116	-	-	-	-	-	-	-	-	671
GH	100	104	108	118	112	124	-	-	-	-	-	-	-	-	666
GL	117	123	123	120	127	117	-	-	-	-	-	-	-	-	727
HL	78	82	105	118	111	123	-	-	-	-	-	-	-	-	617
NV	54	57	60	62	52	76	-	-	-	-	-	-	-	-	361
OR	89	93	78	81	78	99	-	-	-	-	-	-	-	-	518
PV	101	104	103	103	130	126	-	-	-	-	-	-	-	-	667
PW	59	62	73	80	89	92	-	-	-	-	-	-	-	-	455
RP	97	101	119	122	109	135	-	-	-	-	-	-	-	-	683
RE	108	113	125	141	123	126	-	-	-	-	-	-	-	-	736
SP	78	82	75	78	82	84	-	-	-	-	-	-	-	-	479
SV	73	77	82	108	82	93	-	-	-	-	-	-	-	-	515
TL	91	95	95	84	102	93	-	-	-	-	-	-	-	-	560
WV	67	70	71	90	62	78	-	-	-	-	-	-	-	-	438
WL	105	110	98	132	113	124	-	-	-	-	-	-	-	-	682
BHMS	-	-	-	-	-	-	302	295	272	-	-	-	-	-	869
DHMS	-	-	-	-	-	-	381	372	378	-	-	-	-	-	1,131
FRMS	-	-	-	-	-	-	341	333	340	-	-	-	-	-	1,014
RMS	-	-	-	-	-	-	386	376	362	-	-	-	-	-	1,124
SHMS	-	-	-	-	-	-	406	396	389	-	-	-	-	-	1,191
VMS	-	-	-	-	-	-	355	346	335	-	-	-	-	-	1,036
AVHS	-	-	-	-	-	-	-	-	-	505	525	417	382	-	1,829
EHS	-	-	-	-	-	-	-	-	-	569	544	511	493	-	2,117
EVHS	-	-	-	-	-	-	-	-	-	570	603	531	512	-	2,216
RHS	-	-	-	-	-	-	-	-	-	572	567	577	587	-	2,303
SES	-	-	-	-	-	-	-	-	-	-	-	208	181	-	389
ABE	-	-	-	-	-	-	-	-	-	-	-	1	54	-	55
ALC	-	-	-	-	-	-	-	-	-	3	6	38	152	-	199
CBSE	-	-	-	-	-	-	-	-	-	-	-	-	-	1,040	1,040
ECSE	-	-	-	-	-	-	-	-	-	-	-	-	-	575	575
DR	-	4	4	3	6	5	7	8	13	15	10	15	28	-	118
196O	-	-	-	-	-	-	-	-	-	18	22	32	40	-	112
Trans +														135	135
Totals	1,716	1,798	1,841	2,012	1,928	2,079	2,178	2,126	2,089	2,252	2,277	2,298	2,429	1,750	28,805

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	-
2023	2,212.18	12,668.34	13,875.03	28,755.55	31,530.82	2,896,231	821,255	206,988

(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:

	2018	2019	2020	2021	2022	2023
State Accountability Tests (1)						
Reading						
Grade 3	64	61	N/A	54	53	55
Grade 4	66	60	N/A	52	56	55
Grade 5	70	73	N/A	63	65	66
Grade 6	69	66	N/A	60	60	58
Grade 7	63	62	N/A	56	52	53
Grade 8	66	63	N/A	57	55	53
Grade 10	73	73	N/A	73	59	63
Math						
Grade 3	73	71	N/A	65	65	65
Grade 4	74	70	N/A	56	66	67
Grade 5	62	62	N/A	47	54	57
Grade 6	64	59	N/A	42	44	46
Grade 7	61	59	N/A	43	45	48
Grade 8	66	65	N/A	42	46	49
Grade 11	64	62	N/A	60	44	50
Science						
Grade 5	66	66	N/A	54	56	55
Grade 8	59	56	N/A	38	41	38
High School	70	74	N/A	59	56	55
Measures of Academic Progress (MAP) (2)						
Reading						
Grades 2-5	N/A	N/A	N/A	N/A	N/A	56.8
Grades 6-7	56.4	54.5	49.6	57.9	40.6	53.4
Math						
Grades 2-5	51.2	48.3	51.7	N/A	N/A	58.6
Grades 6-7	60.8	58.8	56.4	42.5	40.7	63.7
American College Testing (ACT)	23.1	23.0	N/A	22.9	21.5	21.3
Graduation and Dropout Data (3)						
District graduation rates	91	91	89	89	88.6	88.7
State graduation rates	83	84	84	83	83.6	83.3
District dropout rates	2.1	1.9	1.8	2.3	2.7	2.6
State dropout rates	4.6	4.4	3.7	4	4.5	N/A

(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	-	-
2023	27,318	2,896,231	16,937	171	62.0	821,255	28.4	206,988	7.1

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

Employees by Full-Time Equivalent (FTE)

Employee Group	Contract Group	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget	2024-25 Prelim Budget
District Administrators	Special Staff	41.87	44.50	39.75	48.65	48.60	50.77	55.05
Principals/Assistant Principals	Principals	45.36	45.86	45.86	45.50	48.00	45.00	46.55
Special Staff	Special Staff	73.92	75.25	65.25	78.48	83.10	85.63	82.55
Other Non-Licensed Staff	Special Staff	54.04	50.71	50.18	52.87	55.04	62.98	63.86
Assistant Administrators	Principals	25.36	24.77	27.00	27.57	32.24	36.40	35.07
Deans	Teachers	2.00	3.00	3.51	3.51	2.71	3.51	3.51
Teachers	Teachers	2,066.75	2,070.69	2,226.09	2,251.41	2,247.00	2,315.12	2,294.70
Nurses	Teachers	31.45	33.39	31.45	32.53	37.25	36.00	36.05
Secretarial/Clerical	Secretarial and Clerical	673.68	709.11	682.15	724.51	759.02	784.10	792.53
Building Engineers	Building Engineers	33.00	35.00	33.00	32.00	33.00	33.00	33.00
Custodians	Custodial	152.50	153.83	154.50	149.83	155.00	157.50	155.93
Nutrition Services	Nutrition Services	114.28	103.07	95.84	113.56	107.69	135.17	132.13
Bus Drivers and Chaperones	Bus Drivers and Chaperones	200.50	223.57	215.00	215.00	215.00	215.00	215.00
Vehicle Technicians	Vehicle Technicians	8.00	9.00	9.00	9.00	9.00	7.00	8.00
		3,522.72	3,581.75	3,678.58	3,784.43	3,832.66	3,967.18	3,953.92

Employment Contracts/Benefit Provisions

Employment Group	Effective period		Board Signature Date
	Start Date	End Date	
Teachers	July 1, 2023	June 30, 2025	February 26, 2024
Secretarial and Clerical	July 1, 2023	June 30, 2025	March 11, 2024
Custodial	July 1, 2023	June 30, 2025	April 8, 2024
Bus Drivers	July 1, 2023	June 30, 2025	December 11, 2023
Nutrition Services	July 1, 2022	June 30, 2024	October 10, 2022
Administration/Special Staff	July 1, 2024	June 30, 2026	May 6, 2024
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, 2023	June 30, 2025	April 8, 2024

School Facilities:

Facility	Constructed	Acres	Classrooms (1)	Square Footage	Capacity	Enrollment (2)
Elementary schools						
Cedar Park	1977	16.64	29	79,178	595	701
Deerwood	1987	(3a)	35	80,741	595	517
Diamond Path	1970	40.00	39	83,780	725	659
East Lake	2017	22.40	38	84,600	750	786
Echo Park	1979	16.29	45	94,876	790	705
Glacier Hills	1993	15.01	39	85,167	680	651
Greenleaf	1975	30.40	50	88,130	835	761
Highland	1986	(3b)	43	85,497	725	680
Northview	1960	39.50	37	67,743	705	365
Oak Ridge	1991	9.95	45	86,896	680	524
Parkview	1970	13.00	39	95,430	680	669
Pinewood	1990	17.31	44	85,328	815	490
Red Pine	1995	13.09	47	88,784	815	698
Rosemount	1960	(3c)	38	76,251	660	754
Shannon Park	1990	13.50	47	83,936	770	497
Southview	1967	(3d)	46	75,391	790	591
Thomas Lake	1979	15.00	34	69,912	595	553
Westview	1964	18.00	41	71,678	725	475
Woodland	1988	18.43	37	83,724	680	728
Middle schools						
Black Hawk	1994	38.81	71	198,534	1,200	847
Dakota Hills	1989	(3e)	64	223,560	1,300	1,122
Falcon Ridge	1996	32.46	73	197,534	1,200	925
Rosemount	1918	(3c)	61	173,796	1,055	1,178
Scott Highlands	1979	40.00	60	165,735	1,030	1,131
Valley	1972	32.74	60	192,198	1,165	1,040
High schools						
Apple Valley	1976	80.00	83	370,234	1,990	1,816
Eagan	1990	94.00	87	382,970	2,040	2,100
Eastview	1997	54.00	97	338,242	2,015	2,224
Rosemount	1963	120.13	91	414,998	2,015	2,343
School of Environmental Studies	1995	12.25	53	71,171	400	365
Transition Plus	2006	N/A	18	27,659	310	353
Dakota Ridge	1997	(3f)	26	50,338	160	111
Cedar Valley Learning Center	1993	1.59	6	13,730	309	18
Dakota Valley Learning Center	2014	(3f)	22	54,000	529	261
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
2022	163,960	443,692	N/A	N/A	N/A	3.4	29,047

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.

Overview of Calculating Property Taxes (3)

Tax Rates

The property taxes levied against each parcel of property are computed by the county auditor, who adds the total dollars of property tax levied by each local unit of government and determines what rate of taxation needs to be applied to the tax capacity of the taxing jurisdictions in order to raise that dollar amount. The rate of taxation is called the tax rate. A net tax capacity tax rate is expressed as a percentage of taxable value. A 50 percent tax rate, therefore, raises \$50 for each \$100 of taxable value (tax capacity). A similar tax rate is calculated for tax levies spread on referendum market value.

Tax Statement

The property taxpayer receives a statement listing the total tax rate levied by each taxing jurisdiction (school district, county, and city or township) and the total dollar amount of taxes owed. A preliminary version of this statement, called the Notice of Proposed Property Taxes, is sent out in November each year. The final version is sent out the following spring.

Payment of Property Taxes

The taxpayer makes two payments to the county treasurer for the total taxes owed for all jurisdictions, and the county treasurer then forwards the remitted amounts to the appropriate taxing jurisdiction (city, county, or school district).

Dakota County leads the administration for property taxes for Independent School District 196. More information regarding Dakota County property taxes can be found here: [Dakota County Home & Property](#)

Taxable Market Value of Properties:

Payable Year	Taxable Market Value of Properties			
	Residential Property	Commercial Property	Total Assessed Value	Total Direct School Tax Rate
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	21,629,443,511	4,626,261,900	26,255,705,411	23.62%
2025	21,733,203,981	2,843,513,998	24,576,717,979	25.68% (2)

(1) - Payable 2025 data is preliminary at the time of this report.
(2) - Payable 2025 Direct school tax rate is forecast from property tax rates table data.
(3) – Source: Minnesota School Finance: A Guide for Legislatures (September 2023)
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	
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	(18,297,115)	(5,304,095)	255,858,208	26,974,003	282,832,211	24,848,181,413
2024	298,450,144	(19,245,645)	(5,898,580)	273,305,919	28,479,925	301,785,844	26,277,844,354
2025 ⁽²⁾	325,993,155	(26,079,452)	(6,457,093)	293,456,609	29,751,157	323,207,766	28,562,759,936

(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 2025 is forecasted based on the previous five year trend.

Source: Dakota County Department of Property Tax and Public Records

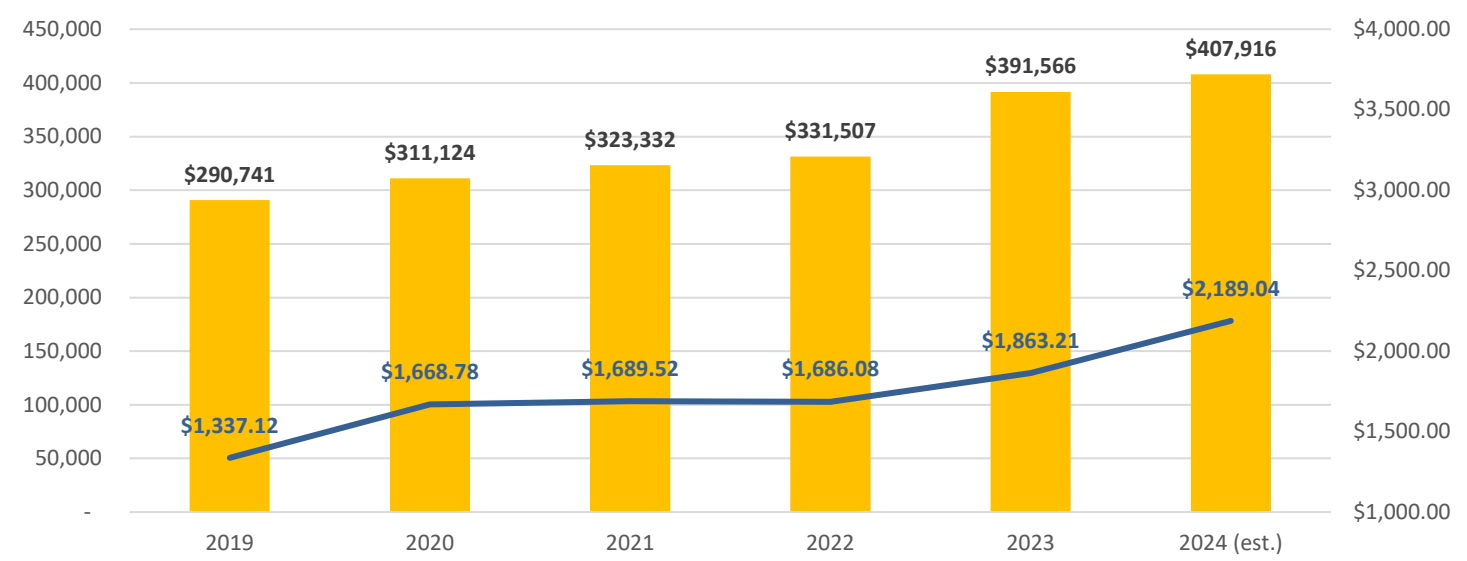
Property Tax Information/Valuation Data:

Year	Property Tax Information/Valuation Data						
	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
Average Home Value	337,643	322,398	310,703	289,071	267,363	298,665	257,764
Average School District Property Tax Per Home	1,754	1,728	1,717	1,381	1,320	1,374	1,285
District Property Tax Per 100K Home Value After Credits	519	536	553	478	494	460	499
ANTC Per APU	7,726	7,290	6,900	6,471	6,026	5,810	5,677
RMV Per RPU	658,751	630,786	592,392	544,048	513,025	498,912	483,701

Source:
MN Department of Education - Property Tax Information

The graph below shows changes in school property taxes from 2019-202. 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 total tax base has increased each of the last five years (page 146), which has resulted in reduced school district tax rates, from 21.35% in 2020 to an estimated 17.36% in 2024.

Estimated School Property Taxes
Avg Home Value (2019-2024 est.)



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
2025	108,278,926	1,809,585	11,638,494	35,207,265	-	156,934,270

Tax Levies and Collections:

Levy Year Collectible December 31,	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	\$ 75,161,647	\$ 74,066,346	98.54%	\$ 1,033,024	\$ 75,099,370	99.92%
2010	\$ 77,716,489	\$ 76,858,532	98.90 %	\$ 857,957	\$ 77,716,489	100.00 %
2011	\$ 76,514,703	\$ 75,577,446	98.78 %	\$ 937,257	\$ 76,514,703	100.00 %
2012	\$ 75,939,060	\$ 75,216,046	99.05	\$ 723,014	\$ 75,939,060	100.00
2013	73,876,495	73,303,172	99.22	573,323	73,876,495	100.00
2014	78,338,055	77,887,178	99.42	450,877	78,338,055	100.00
2015	78,627,184	78,236,512	99.50	390,672	78,627,184	100.00
2016	85,688,567	85,298,846	99.55	389,721	85,688,567	100.00
2017	89,051,368	88,689,493	99.59	361,875	89,051,368	100.00
2018	90,961,693	90,579,847	99.58	381,846	90,961,693	100.00
2019	95,260,090	94,911,727	99.63	348,363	95,260,090	100.00
2020	116,080,843	115,337,462	99.36	743,381	115,337,462	99.36
2021	108,037,417	56,238,652	52.05	51,798,765	56,238,652	52.05
2022	117,725,665	57,394,231	48.75	60,331,434	57,394,231	48.75
2023	121,030,245	61,002,952	50.40	N/A	61,002,952	50.40

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

Source: Dakota County Department of Property Tax and Public Records

Tax Rates:

Property Tax Rates (1) Last Ten Fiscal Years

Tax		Community			
Collection		Service Special		Debt	
Year	Rate	General Fund	Revenue Fund	Service Fund	Total
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	Tax Capacity Rate	11.071	0.614	11.939	23.624
2024	Market Value Rate	0.301	-	-	0.301
2025 (2)	Tax Capacity Rate	11.126	0.578	13.975	25.679
2025	Market Value Rate	0.291	-	-	0.291

(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 Obligations:

Issue	Type	Issue Date	Interest Rate (%)	Issue Amount	Final Maturity	Principal Outstanding 6/30/24	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	68,485,000	9,775,000
2022A Refunding	Bond	2/3/2022	5.00	11,235,000	2/1/2025	3,820,000	3,820,000
2023A School Building Bonds	Bond	9/14/2023	3.94	300,000,000	2/1/2044	300,000,000	-
2012LA ATP Building	Lease	6/29/2012	4.54	5,028,875	6/1/2027	1,187,741	384,337
2014LB School Addition (PV)	Lease	11/25/2014	2.91	4,200,000	2/1/2030	1,924,873	295,110
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	119,492	119,492
2010A Certificates	COP	10/1/2010	2.00-3.50	2,705,000	4/1/2026	435,000	215,000
2013B Certificates	COP	12/1/2013	2.00-4.00	13,710,000	2/1/2029	5,250,000	980,000
2020A Certificates	COP	5/7/2021	2.00-4.00	8,960,000	2/1/2029	5,720,000	870,000
2021A Certificates	COP	4/1/2021	2.00-4.00	9,005,000	4/1/2031	6,565,000	865,000
2022B Certificates of Participation	COP	3/10/2022	3.00-5.00	9,775,000	4/1/2037	8,845,000	515,000

(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.

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
2024	12,955,000	3,645,900	776,896	109,714	3,320,000	987,944
2025	13,595,000	21,311,219	798,939	87,671	3,445,000	868,188
2026	19,320,000	15,583,400	699,838	64,679	3,565,000	742,313
2027	12,775,000	14,617,400	720,679	43,837	3,475,000	609,363
2028	13,365,000	13,978,650	322,380	26,990	3,605,000	476,425
2029	14,425,000	13,428,600	331,906	17,463	3,725,000	355,325
2030	16,360,000	12,953,150	341,217	7,544	2,665,000	247,235
2031	15,250,000	12,388,250			1,685,000	181,030
2032	18,000,000	11,625,750			720,000	139,500
2033	19,250,000	10,725,750			740,000	117,900
2034-38	95,250,000	39,488,250			3,190,000	243,000
	<u>250,545,000</u>	<u>169,746,319</u>	<u>3,991,854</u>	<u>357,899</u>	<u>30,135,000</u>	<u>4,968,221</u>

Legal Debt Margin Information:

	as of June 30,				
	2019	2020	2021	2022	2023
Estimated market value (MV)	18,061,396,485	19,320,498,352	20,353,002,736	21,847,589,915	24,848,181,413
Debt limit (15% of MV)	2,709,209,473	2,898,074,753	3,052,950,410	3,277,138,487	3,727,227,212
Debt applicable to limit					
General Obligation Bonds	132,415,009	138,207,404	124,628,164	127,013,084	79,483,775
Less cash in reserves for repayment	(1,699,991)	(2,669,765)	(3,636,775)	(4,543,912)	(5,776,225)
Total debt applicable to limit	130,715,018	135,537,639	120,991,389	122,469,172	73,707,550
Legal Debt Margin	2,578,494,455	2,762,537,114	2,931,959,021	3,145,581,491	3,653,519,662
Net debt as a % of debt limit	4.82%	4.68%	3.96%	3.74%	1.98%

Long-Term Debt – Minimum Future Payments – General Obligations Bonds:

Year Ending June 30,	2016A School Building		2022A Refunding	
	Principal	Interest	Principal	Interest
2024	9,320,000	3,273,150	3,635,000	372,750
2025	9,775,000	2,807,150	3,820,000	191,000
2026	10,695,000	2,318,400	-	-
2027	11,250,000	1,783,650	-	-
2028	11,820,000	1,221,150	-	-
2029	12,290,000	748,350	-	-
2030	12,655,000	379,650	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
	<u>77,805,000</u>	<u>12,531,500</u>	<u>7,455,000</u>	<u>563,750</u>

Long-Term Debt – Minimum Future Payments – General Obligation Bonds (continued):

Year Ending June 30,	2023A School Building		Total	
	Principal	Interest	Principal	Interest
2024	-	-	12,955,000	3,645,900
2025	-	18,313,069	13,595,000	21,311,219
2026	8,625,000	13,265,000	19,320,000	15,583,400
2027	1,525,000	12,833,750	12,775,000	14,617,400
2028	1,545,000	12,757,500	13,365,000	13,978,650
2029	2,135,000	12,680,250	14,425,000	13,428,600
2030	3,705,000	12,573,500	16,360,000	12,953,150
2031	15,250,000	12,388,250	15,250,000	12,388,250
2032	18,000,000	11,625,750	18,000,000	11,625,750
2033	19,250,000	10,725,750	19,250,000	10,725,750
2034	20,465,000	9,763,250	20,465,000	9,763,250
	<u>90,500,000</u>	<u>126,926,069</u>	<u>175,760,000</u>	<u>140,021,319</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
2024	116,946	5,148	373,206	41,941	286,744	62,625
2025	119,492	2,602	384,337	30,810	295,110	54,259
2026			395,800	19,347	304,038	45,332
2027			407,604	7,542	313,075	36,295
2028					322,380	26,990
2029					331,906	17,463
2030					341,217	7,544
2031						
2032						
2033						
2034						
	236,438	7,750	1,560,947	99,640	2,194,469	250,509

Long-Term Debt – Minimum Future Payments – Capital Leases (continued):

Year Ending June 30,	Major Equipment		ALC/TP Building		Elementary Addition (PV)	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	116,946	5,148	373,206	41,941	286,744	62,625
2025	119,492	2,602	384,337	30,810	295,110	54,259
2026			395,800	19,347	304,038	45,332
2027			407,604	7,542	313,075	36,295
2028					322,380	26,990
2029					331,906	17,463
2030					341,217	7,544
2031						
2032						
2033						
2034						
	236,438	7,750	1,560,947	99,640	2,194,469	250,509

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
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						
2033						
2034-38						
	<u>640,000</u>	<u>45,069</u>	<u>6,200,000</u>	<u>844,388</u>	<u>6,560,000</u>	<u>723,800</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
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
2033			740,000	117,900	740,000	117,900
2034-38			3,190,000	243,000	3,190,000	243,000
	<u>7,400,000</u>	<u>679,515</u>	<u>9,335,000</u>	<u>2,675,450</u>	<u>30,135,000</u>	<u>4,968,221</u>

Fund Balances of Governmental Funds:

	Fiscal Year					
	2018	2019	2020	2021	2022	2023
General Fund:						
Nondisposable	\$ 1,050,944	\$ 1,421,379	\$ 1,282,831	\$ 647,657	\$ 3,932,377	\$ 1,814,179
Restricted	9,318,698	10,840,842	10,072,358	13,093,480	16,883,660	13,538,337
Assigned	8,399,254	1,311,999	1,271,880	7,128,748	13,744,165	19,458,897
Unassigned	<u>25,699,811</u>	<u>37,352,793</u>	<u>45,737,258</u>	<u>63,988,692</u>	<u>59,534,594</u>	<u>56,839,847</u>
Total General Fund	<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>	<u>\$ 91,651,260</u>
All Other Governmental Funds:						
Reserved						
Unreserved, Reported in:						
Special Revenue Funds						
Capital Projects – Building Construction Fund						
Debt Service Fund						
Nondisposable	\$ 208,298	\$ 244,503	\$ 497,327	\$ 473,170	\$ 445,313	\$ 407,486
Restricted	45,393,559	14,947,727	16,169,103	19,061,145	15,879,212	17,094,771
Unassigned, Reported in:						
Capital Projects – Building Construction Fund	-	-	-	-	-	-
Debt Service Funds	-	(554,624)	-	-	-	(64,246)
Total All Other Governmental Funds	<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>	<u>\$ 17,438,011</u>

Change in Fund Balances of Governmental Funds (Actuals):

	Fiscal Year					
	2018	2019	2020	2021	2022	2023
Revenues:						
Local Sources:						
Taxes	\$ 89,682,487	\$ 91,158,991	\$ 95,664,211	\$ 116,395,290	\$ 122,337,786	\$ 125,761,506
Investment Earnings	1,720,017	2,390,487	1,595,266	106,618	236,959	5,469,200
Other	21,241,570	21,450,041	17,975,172	9,187,718	14,530,742	22,126,052
State Sources	275,878,205	285,746,486	296,520,589	300,697,987	304,368,150	319,028,625
Federal Sources	15,834,368	16,232,102	16,894,745	35,520,203	41,968,413	30,949,226
Total Revenues	404,356,647	416,978,107	428,649,983	461,907,816	483,442,050	503,334,609
Expenditures:						
Current:						
Administration	15,599,003	16,342,073	16,978,484	17,240,096	18,093,029	19,634,436
District Support Services	10,694,868	12,008,717	13,024,402	12,338,544	13,836,251	14,074,008
Elementary and secondary Instruction	173,672,800	177,357,744	179,118,369	189,442,516	203,653,924	213,682,467
Vocational Education Instruction	5,137,316	5,396,017	5,104,823	5,052,494	5,500,400	5,695,353
Special Education Instruction	71,133,191	72,650,167	76,516,745	77,148,300	83,456,701	89,884,377
Instructional Support Services	21,616,857	22,489,640	23,078,098	21,506,153	23,679,065	27,604,925
Pupil Support Services	25,550,001	26,181,738	27,564,639	29,228,298	35,089,618	22,505,571
Sites and Buildings	23,681,891	25,398,051	30,069,134	30,408,462	28,103,226	30,975,242
Fiscal and Other Fixed Cost Programs	582,782	1,182,069	671,312	1,237,889	1,209,218	1,518,389
Food Service	11,258,394	12,113,867	10,890,508	10,538,159	15,007,297	16,916,134
Community Service	8,751,046	8,933,712	8,606,173	8,164,705	9,601,763	10,023,961
Capital Outlay	68,021,071	40,050,087	15,362,092	22,311,175	29,943,391	14,761,228
Debt Service:						
Principal	14,079,855	14,694,828	13,251,596	14,703,513	16,063,955	19,060,338
Interest and Fiscal Charges	7,595,387	6,992,089	6,333,341	6,005,061	5,809,628	5,543,215
Total Expenditures	457,374,462	441,790,799	426,569,716	445,325,365	489,047,466	491,879,644
Excess of Revenues Over (Under) Expenditures	(53,017,815)	(24,812,692)	2,080,267	16,582,451	(5,605,416)	11,454,965
Other Financing Sources (Uses):						
Transfers in	-	135,509	399,229	34,763	92,212	211,175
Transfers out	-	(135,509)	(399,229)	(34,763)	(92,212)	(211,175)
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	-
Bond Refunding Payments	-	-	-	-	(12,110,000)	-
Capital Leases and Other Loans	1,043,209	-	-	-	18,115	-
Insurance Recovery	311,212	56,303	25,413	46,259	7,623	98,736
Judgments for the School District	-	369	-	-	-	-
Sale of Capital Assets	23,971	19,383	856,256	191,868	782,650	778,465
Total Other Financing Sources (Uses)	1,378,392	76,055	10,385,871	9,779,684	11,631,845	877,201
Net Change in Fund Balances	\$ (51,639,423)	\$ (24,736,637)	\$ 12,466,138	\$ 26,362,135	\$ 6,026,429	\$ 12,332,166

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.

Allotment: A portion of an appropriation or special fund set aside to cover expenditures and encumbrances for a certain period or purpose

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

Educational Benefits Application: Application every family is asked to complete each school year to verify whether household meets State/Federal eligibility guidelines for free/reduced meals. Starting July 1, 2023 all students may receive state-funded free meals, however this application can verify critical district funding and identify families eligible to receive free/reduced prices on athletic, activity, academic testing and Community Education fees.

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: Beginning July 1, 2023 all students are eligible for free school meals via a state-funded program. The cost of meals served to students who do not qualify for free or reduced-price meals is reimbursed by the state of Minnesota.

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

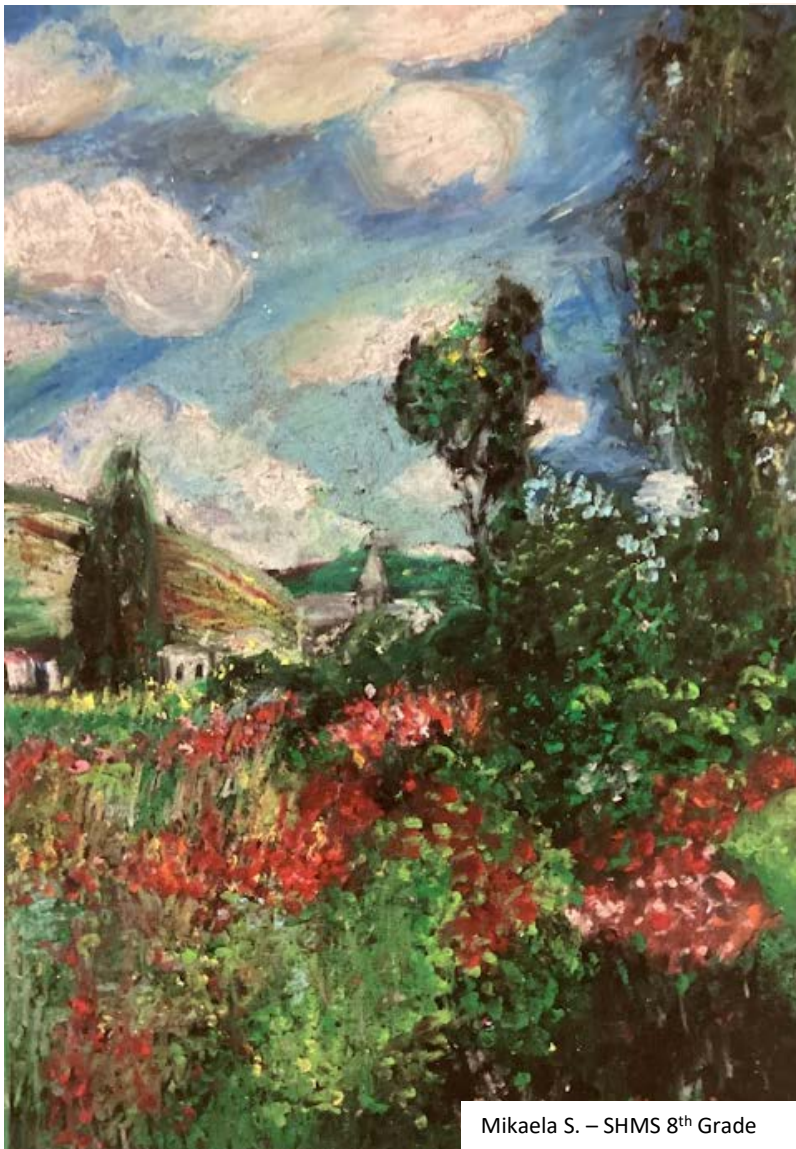
Y

No entries

Z

No entries





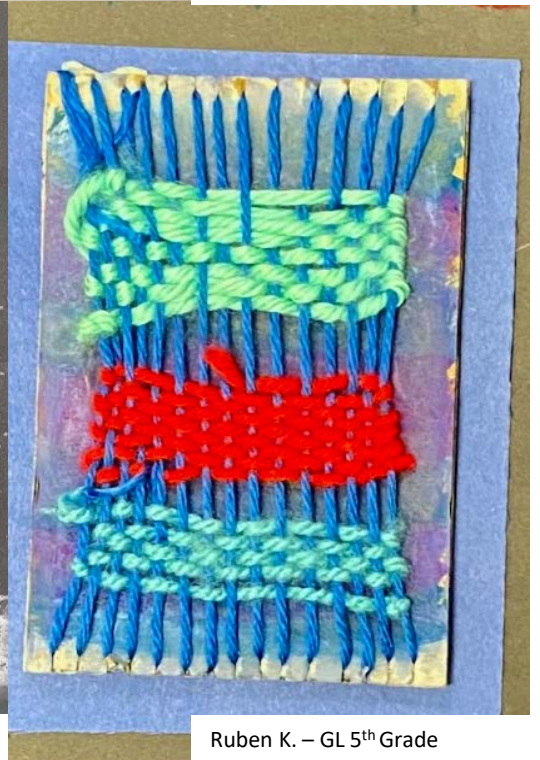
Mikaela S. – SHMS 8th Grade



Leilaa F. – BHMS 6th Grade



Savannah G. – RP 4th Grade



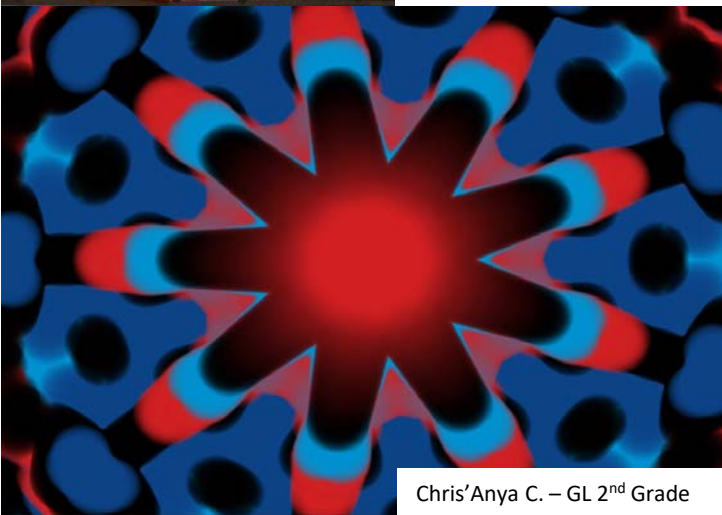
Ruben K. – GL 5th Grade



Bennett V...- SHMS 8th Grade



Celia B. – PW 3rd Grade



Chris'Anya C. – GL 2nd Grade



Nischa N. – BHMS 8th Grade



Seraya P. – SHMS 7th Grade



Etsubdink B. – BHMS 7th Grade



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