

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year ending June 30th, 2024



DISTRICT 196

One District. Infinite Possibilities.

Rosemount-Apple Valley-Eagan Public Schools
Rosemount, Minnesota

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

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**INDEPENDENT SCHOOL DISTRICT NO. 196
October 31, 2024
ROSEMOUNT, MINNESOTA

YEAR ENDED JUNE 30, 2024**

**PREPARED BY THE
FINANCE DEPARTMENT**

**CHRISTOPHER P. ONYANGO-ROBSHAW
DIRECTOR OF FINANCE AND OPERATIONS**

**DANIEL DUCHENE
COORDINATOR OF FINANCE**

**ADAM LLOYD
CONTROLLER**



Introductory Section

Letter of Transmittal	1
Organization Chart	9
School Board and Administration	10
District Map.....	11
Certificate of Excellence in Financial Reporting.....	12

Financial Section

Independent Auditor's Report	13
------------------------------------	----

Management's Discussion and Analysis	17
--	----

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position.....	37
Statement of Activities.....	38

Governmental Funds

Balance Sheet	39
Reconciliation of the Balance Sheet to the Statement of Net Position	40
Statement of Revenues, Expenditures, and Changes in Fund Balances	41
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	42

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual	43
---	----

Food Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual	44
---	----

Community Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual	45
---	----

Proprietary Fund - Internal Service Fund

Statement of Net Position.....	46
Statement of Changes in Net Position	47
Statement of Cash Flows.....	48

Fiduciary Fund

Statement of Net Position.....	49
Statement of Changes in Net Position	50

Notes to Financial Statements	51
-------------------------------------	----

Required Supplementary Information

Schedule of Changes in the District's Net OPEB Liability and Related Ratios	96
Schedule of District OPEB Contributions	97
Notes to the Schedule of Changes in the District's Net OPEB Liability and Related Ratios and Schedule of District OPEB Contributions	98
Schedule of Employer's Share of Net Pension Liability.....	100
Schedule of Employer's Contributions.....	101
Notes to the Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions	102

Supplementary Information

General Fund	
Schedule of Changes in UFARS Fund Balances.....	109
Balance Sheet.....	110
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	111
Schedule of Revenues, Expenditures and Changes in Fund Balances by Account	114
General Fund – Operating Account	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	117
General Fund - Pupil Transportation Account	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	120
General Fund – Capital Expenditure Account	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	121
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	122
General Fund	
Schedule of Special Education Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	123
Food Service	
Comparative Balance Sheet	124
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	125
Community Service Fund	
Balance Sheet.....	126
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	127
Capital Projects Fund – Building Construction Fund	
Balance Sheet.....	128
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	129
Debt Service Fund	
Balance Sheet.....	130
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	131
Internal Service Funds	
Combining Statement of Net Position	132
Schedule of Revenues, Expenditures and Change in Net Position	133
Combining Statement of Cash Flows	134
Other Supplementary Information	
Uniform Financial Accounting and Reporting Standards Compliance Table	135
Statistical Section (Unaudited).....	137
Net Position By Component.....	138
Changes in Net Position	139
Fund Balances, Governmental Funds.....	141
Changes in Fund Balances, Governmental Funds	143
General Governmental Tax Revenues By Source and Levy Type.....	145
Tax Capacity and Estimated Market Value of Property.....	146
Property Tax Rates - Direct and Overlapping Governments.....	148
Property Tax Rates - Principal Property Taxpayers.....	150
Property Tax Levies and Collections	151
Ratios and Outstanding Debt By Type	152
Ratios of General Bonded Debt Outstanding.....	153
Direct and Overlapping Debt	154
Legal Debt Margin Information.....	155

Demographic and Economic Statistics 157

Principal Employers..... 158

Employees By Classification 159

Operating Indicators - Standardize Testing and Graduation Rates..... 160

Capital Assets Statistics By Program and Classification 162

Expenditures Per Student (Average Daily Membership) 163

Food Service School Lunch Program Data 164

School Facilities 165

Building Permits Issued by Major Cities..... 166

Students - Average Daily Membership 167



Introductory Section

June 30, 2024

Rosemount-Apple Valley-Eagan ISD 196





October 31, 2024

To: Citizens of the School District
Board of Education
Employees of the School District

INTRODUCTION

We are submitting the Annual Comprehensive Financial Report (ACFR) of Independent School District No. 196, Rosemount – Apple Valley – Eagan (the District) for the fiscal year ended June 30, 2024. This report fairly presents the District's financial position and results of operations and cash flows in accordance with accounting principles generally accepted in the United States of America. The District's administration accepts total responsibility for the accuracy, completeness, and fairness in presentation.

The District's financial statements have been audited by Eide Bailly LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance the financial statements of the District for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report.

In addition to the independent audit of the District's financial statements, the District is required to undergo an annual Single Audit in conformity with the provisions of the Federal Single Audit Act Amendments of 1996 and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The District is also required to undergo an annual Minnesota State legal compliance audit under Minnesota Statutes § 6.65. The standards governing Single Audit engagements require the independent auditor to report on not only the fair presentation of the financial statements, but also the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District's separately issued "Federal Awards Reports in Accordance with Uniform Guidance."

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

REPORT FORMAT

The ACFR is presented in three sections:

- **Introductory Section** – The introductory section contains this transmittal letter, an organizational chart, a list of School Board members and the Superintendent’s Cabinet members, a map of the District, and a copy of the Association of School Business Officials (ASBO) International Certificate of Excellence in Financial Reporting for the District’s 2022-2023 ACFR.
- **Financial Section** – The financial section begins with the independent auditors’ report. This section includes the MD&A; basic financial statements; required supplementary information; and combining and individual fund statements and schedules presented as supplementary information.
- **Statistical Section** – The statistical section, which is not audited, includes selected financial, demographic, and economic data, generally presented on a multi-year comparative basis.

REPORTING ENTITY AND ITS SERVICES

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

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

Programs and Services

The District provides a full range of public education services appropriate to grade levels ranging from pre-Kindergarten through Grade 12 and a Transitions Plus program serving young adults with disabilities, ages 18-22. These include regular and enriched academic education, special education for exceptional children, and career/vocational education. Food service and transportation are provided as supporting programs. The District’s community education program includes early childhood family education and adult basic education programs, and a myriad of classes for lifelong learning experiences for children and adults.

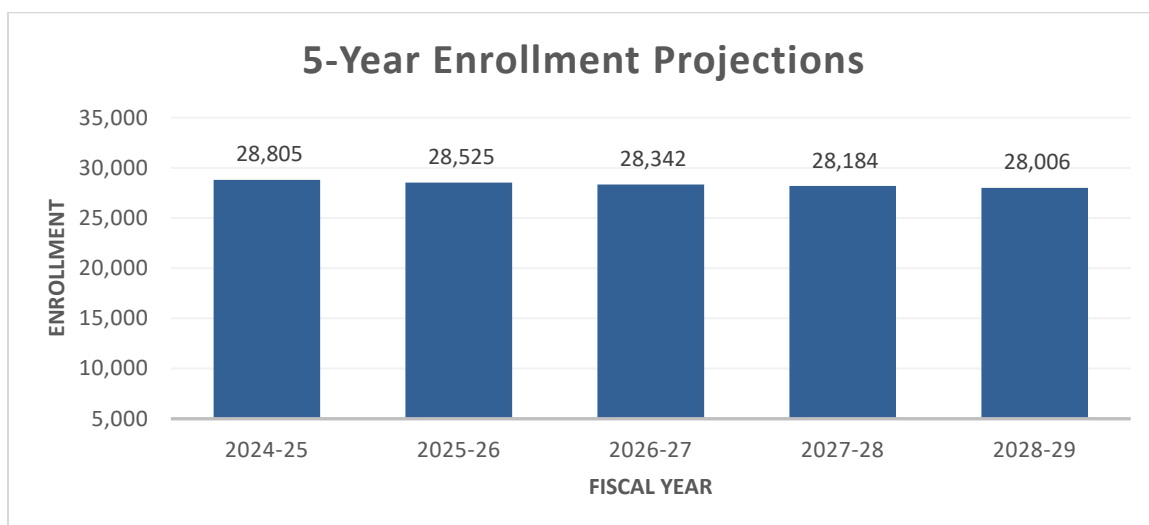
Student Enrollment

The District had an average daily membership of 28,515 in 2023-2024 from a population of 165,608 people residing in a 108.6 square mile area. In terms of the number of students, the District is Minnesota’s third largest school district.

The District has an increasingly diverse population of students with a variety of needs. For the 2023-2024 school year, 56% of students were Caucasian, 14% of the District’s student population were African American, students of Asian descent comprised 8%, Hispanic students totaled 12%, 2% were American Indian, while other races accounted for 8%.

In 2023-2024, 31.1% of District 196 students qualified to receive free or reduced-price meals; this compared to a fall 2023 Minnesota average of 42.4%.

The table below displays the most recent enrollment projections for the District's October 1 enrollment count. The school board approved these projections in November 2023.



District Schools and Facilities

During the 2023-2024 school year, the District operated 38 buildings, including one Early Childhood Learning Center, four comprehensive (Grades 9–12) high schools, one optional (Grades 11–12) high school, six middle schools (Grades 6–8), 19 elementary schools (kindergarten through Grade 5), one area learning center, one school (kindergarten through Grade 12) for students with special needs, and two learning centers dedicated to adult basic education and early childhood education students. The District also has three facilities for support staff.

The average age of the District's facilities is 38 years; the District qualifies for Long Term Facilities Maintenance funding and has been able to keep up with routine repairs, maintenance, and other major improvements.

LOCAL ECONOMIC CONDITION AND OUTLOOK

According to the Minnesota Department of Management and Budget, economic data has shown improvement due to the economy's resilience throughout the year. The forecasted GDP growth for 2024 was projected at 2.7%, in the released October report, which is up from the 2.4% growth forecast in the February outlook report. Generally, growth is expected to decrease slightly moving into 2025 with a forecasted GDP growth of 2.1%.

According to the October economic update, unemployment across the U.S. in September was at 4.1%, up from last year's rate of 3.8%. The unemployment rate is similar to the pre-pandemic level of 3.5% reported in February 2020. This unemployment rate does not take into consideration those who are not in the labor force or who are in the labor force but are not looking for payroll employment.

The state's February 2024 budget forecast indicated an increase in anticipated revenue collections. The \$205 million (-0.4%) decrease in revenues for fiscal year 2024, would result in a budgetary balance of \$3.72 billion.

The state of Minnesota assumes major responsibility for funding public education. Following the passage of the 2019 operating referendum, approximately 24% of our General Fund revenues are generated locally from property taxes, 70% from state aids, close to 5% from federal aids, and miscellaneous income made up the remaining 1%. The increase in the federal portion of the receipts is a result of the three rounds of emergency funds appropriated to combat the effects of the COVID-19 pandemic.

Reliance on the state for the majority of its operating revenues places the District in the position of being dependent on state-wide economic conditions that drive state tax collections. The 2017 Legislature has provided some increase to the basic general education formula allowance and other categorical funding for the 2023-2024 school year. This funding level was again increased by the 2023 legislature for the coming biennium. Across the state, school boards and administrators continue to adjust instructional and related services delivery in an effort to maintain adequate programming buffeted by funding imbalances. The 2% formula allowance increase has not kept pace with general inflations and rising cost of providing quality education to all our students. This increase was raised to 4% in fiscal year 2023-24, but is anticipated to return to a lower percentage. The District will continue to respond to this challenge by curtailing expenditures when possible and is committed to engage staff and community members in future budget discussions and to consider other options for increasing revenues and containing growth.

DISTRICT MISSION AND STRATEGIC PLAN

In spring 2023, the District convened a task force to develop a strategic roadmap for education that will guide our district into the future. District staff, board members, students, and community members met together to acknowledge stakeholder interests and priorities. The group discussed district enrollment and demographics, school finance, equity, teaching and learning, community and partnerships, educational trends, and innovation. These planning meetings, led by a third-party facilitator, were followed by planning meetings where the task force members developed a revised mission statement for the District, a District vision, core values and strategic priorities for the future. The School Board approved the plan in June 2023. A brief summary of the plan is listed below.

Mission Statement: *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*

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

STUDENT ASSESSMENT AND TESTING

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

Minnesota Comprehensive Assessments (MCAs)

According to the results of the Standards-Based Accountability Assessments released by the Minnesota Department of Education in July 2024, the percentage of the District's students who scored proficient on the state reading, math, and science tests exceeded the state-wide averages for all grades tested in the spring of 2024.

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

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

Compared to 2023 results, the percentage of district students who scored proficient on the MCAs or MTAS reading, math, and science tests increased slightly on average for all levels tested.

American College Test (ACT)

In 2023-2024, the District's high school students continued to score higher than the state and national average composite scores on the ACT college-entrance exam.

The ACT average composite score for the District's students in 2024 was 21.4 points out of a possible score of 36. The District average increased from the year before and is 1.9 points higher than the national average of 19.5 points and 0.7 points higher than the state average of 20.7 points, which was highest among the 17 states where more than 90% of all students took the test.

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

Advanced Placement (AP)

In August 2024, 818 of the District's high school students were recognized as AP Scholars by the College Board for earning a score of 3 or higher (on a scale of 1-to-5) on at least three or more exams. An AP exam score of 3 or higher earns credit at many of the nation's colleges and universities.

National Merit Scholars

In 2023-2024, 11 of the District's high school seniors were named National Merit Scholarship semifinalists (top 1% of seniors nation-wide), another 22 students were named commended students (top 5%).

ACHIEVEMENTS AND AWARDS

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

In 2023-2024, A total of 43 District 196 students qualified for this year's National Speech and Debate Tournament; 9 from Eastview, 15 from Eagan, 15 from Apple Valley and four from Rosemount High School.

FINANCIAL AND BUDGETARY CONTROL

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

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

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

- **Fund Balance Policy** – Requires the District to maintain an operating fund balance of 5% of the expenditure budget.
- **Budget Policy** – Establishes a guideline for allocation of district resources.
- **Personnel Staffing Guidelines** – Personnel costs represent over 85% of General Fund expenditures. These guidelines, which set the staffing allocation for every allocated position in the District, are updated each February by the administration and the School Board.

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

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

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

CERTIFICATE OF EXCELLENCE

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

The District received the Certificate of Excellence in Financial Reporting from ASBO International for excellence in the preparation and issuance of the District's ACFR for the year ended June 30, 2023. It is the 21st consecutive year the District has received the award, which was earned by fewer than 10% of all school districts in the state.

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

MERITORIOUS BUDGET AWARD

The District has received the ASBO Meritorious Budget Award each year since 2015-16. The receipt of this award for the 2024-25 budget is pending as of the audit conclusion.

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

FINANCIAL PROSPECTS FOR FUTURE YEARS

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

The state's budget outlook has improved steadily since 2012 and the Minnesota Department of Management and Budget's February 2024 forecast calls for the continual improvement over the next several years. This positive outlook incorporates the infusion of federal aid in response to the COVID19 pandemic.

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

School Year	Formula Allowance	Percentage Change
2019-20	\$6,438	2.00%
2020-21	\$6,567	2.00%
2021-22	\$6,728	2.45%
2022-23	\$6,863	2.00%
2023-24	\$7,138	4.00%

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

MAJOR INITIATIVES

Facility Improvements

On May 9, 2023, district voters approved two new building bond referendum questions for \$493 million in capital improvements. Referendum question 1 provided the District with \$374 million in bonding authority to make safety and security improvements at all schools, a new elementary school, a new Rosemount Middle School and repurposing the current school, additions to Scott Highlands Middle School and Dakota Ridge School, finish renovation of Rosemount High School with an addition, renovation of Transition Plus, science lab and performance space improvements at secondary schools

The referendum questions also include \$119 million to provide an activity center addition at each of the district's four comprehensive high schools.

Operating Referendum

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

ACKNOWLEDGMENTS

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

Sincerely,



Adam Lloyd, CPA
Controller



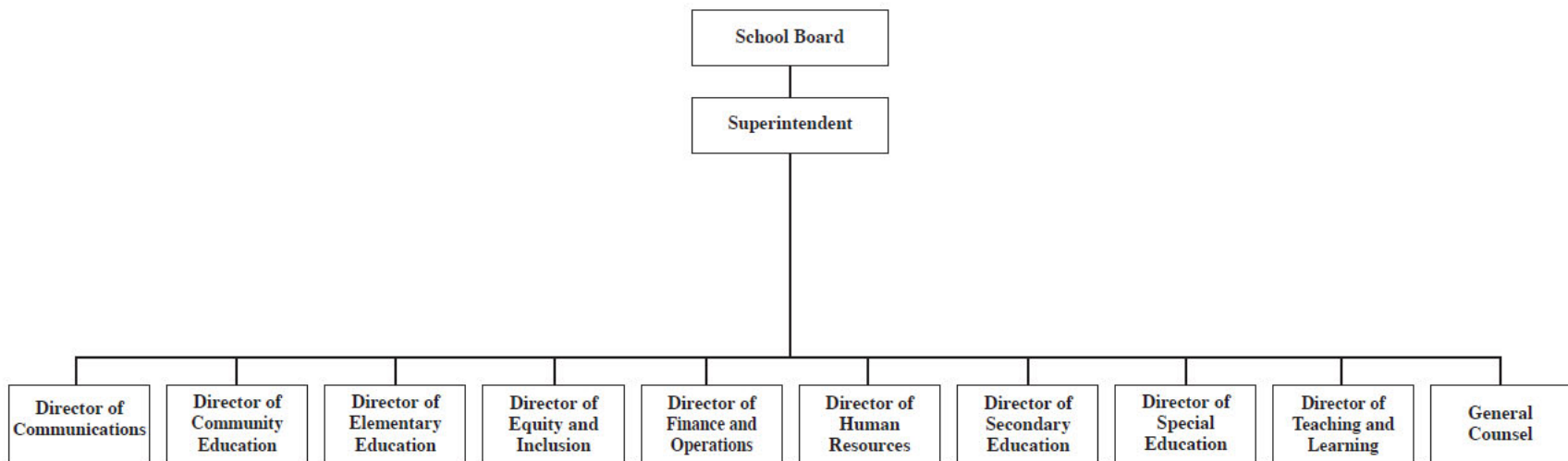
Danny Duchene
Coordinator of Finance



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

Series Number 301.4.5AR Adopted October 1989 Revised May 2021

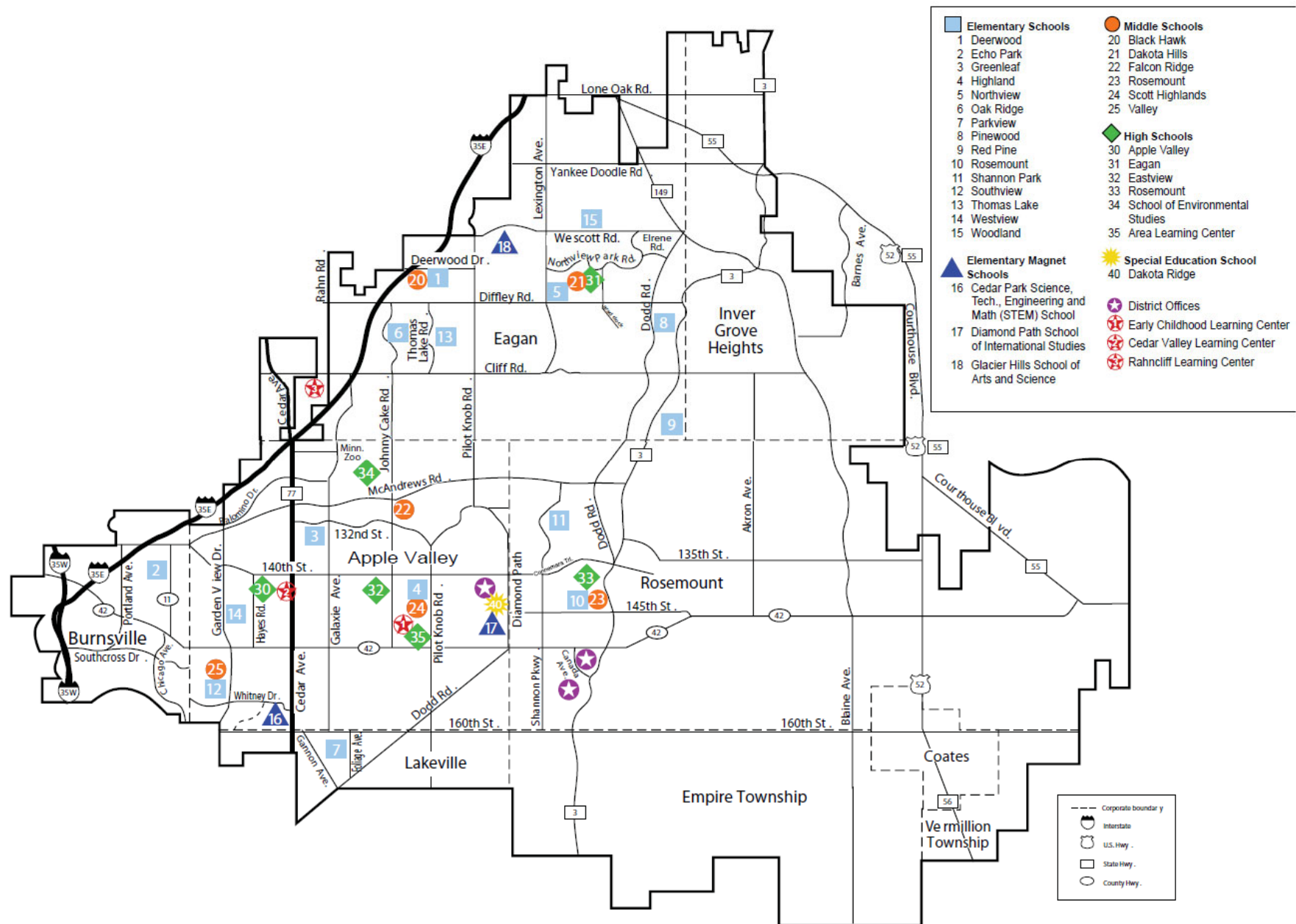
Title Organization Chart



<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
School Board		
Cory Johnson	Chairperson	2028
Sachin Isaacs	Vice Chairperson	2028
Anna Williams	Clerk	2028
Sakawdin Mohamed	Treasurer	2026
Art Coulson	Director	2026
Leah Gardner	Director	2025
Jackie Magnuson	Director	2028

Superintendent's Cabinet

Mary Kreger	Superintendent (through June 30, 2024)
Michael Bolsoni	Superintendent (as of July 1, 2024)
Khia Bruse	Director of Community Education
Jill Coyle	General Counsel
Janet Fimmen	Director of Special Education
Jeremy Sorenson	Director of Elementary Education
Michael Bolsoni	Director of Secondary Education
Shelly Monson	Director of Human Resources
Christopher Onyango-Robshaw	Director of Finance and Operations
Tony Taschner	Director of Communications
Steven Troen	Director of Teaching and Learning
Virgil Jones	Director of Equity and Inclusion





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Independent School District 196

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023.**

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



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director



Financial Section

June 30, 2024

Rosemount-Apple Valley-Eagan ISD 196





Independent Auditor's Report

The School Board of
Rosemount-Apple Valley-Eagan ISD 196
Rosemount, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Rosemount-Apple Valley-Eagan ISD 196 ("the District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Rosemount-Apple Valley-Eagan ISD 196, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund, food service fund, and community service fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the District's net OPEB liability and related ratios; schedule of District OPEB contributions; schedule of employer's share of net pension liability; and schedule of employer's contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The general fund schedule of changes in UFARS fund balances, combining and individual fund schedules, and the Uniform Financial Accounting and Reporting Standards Compliance Table are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the general fund schedule of changes in UFARS fund balances, combining and individual fund schedules, and the Uniform Financial Accounting and Reporting Standards Compliance Table are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Summarized Comparative Information

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's 2023 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated November 13, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended **June 30, 2023**, is consistent, in all material respects, with the audited financial statements from which it has been derived

The combining and individual fund financial statements for the year ended **June 30, 2023**, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2023 financial statements. The information was subjected to the audit procedures applied in the audit of the 2023 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2023.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with Legal Compliance Audit Guide prepared by the Office of the State Auditor pursuant to Minn. Stat. §6.65, we have also issued a report dated October 31, 2024, on our consideration of the District's compliance with aspects of the provisions of the Minnesota Legal Compliance Audit Guide for School Districts. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not directed primarily toward obtaining knowledge of noncompliance. That report is an integral part of procedures performed in accordance with Office of the State Auditor's Minnesota Legal Compliance Audit Guide for School Districts in considering the District's compliance with certain regulatory requirements pursuant to Minn. Stat. §6.65.



Mankato, Minnesota
October 31, 2024



Management's Discussion and Analysis
June 30, 2024

Rosemount-Apple Valley-Eagan ISD 196



This section of Rosemount-Apple Valley-Eagan ISD 196's Annual Comprehensive Financial Report (ACFR) presents the management's discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2024. Please read it in conjunction with the district's financial statements, which immediately follow this letter. The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Government Accounting Standard Board's (GASB) Statement No. 34 - Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments.

FINANCIAL HIGHLIGHTS

For the year ended June 30, 2024, the District showed an increase in total net position of \$58.3 million. Many factors contributed to this change. A few key financial highlights from the District's basic financial statements for the 2023-2024 fiscal year are listed below:

- The assets and deferred outflows of resources of the District exceed its liabilities and deferred inflows of resources at the close of the 2023-2024 fiscal year by \$69.4 million. This amount includes a net investment in capital assets of \$202.7 million, \$337.8 million net position restricted for specific uses, and a negative unrestricted net position of \$471.1 million.
- The District's total net position increased by \$58.3 million in the current year. Restricted net position increased by \$308.9 million. The unrestricted portion of the District's net position decreased \$276.0 million. A more detailed analysis of these changes can be found later in this document.
- As of June 30, 2024, the District's governmental funds reported combined ending fund balances of \$436.0 million, a net increase of \$326.9 million in comparison with the prior year. Approximately 15.7% of the total fund balance amount, or \$68.6 million, is unassigned.
- At the close of the 2023-2024 fiscal year, unassigned fund balance for the General Fund was \$68.6 million, or 13.84%, of total General Fund expenditures.
- The District's long-term liabilities increased by \$290.1 million, or 59.06%, during the current fiscal year. This was largely due to a \$300.0 million bond issuance for Building Projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The *government-wide financial statements*, including the *Statement of Net Position* and the *Statement of Activities*, provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
- *Governmental funds statements* tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- *Proprietary funds statements* offer short- and long-term financial information about the activities the District operates like businesses.
- *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a trustee or custodian for the benefit of others to whom the resources belong.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

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

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

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

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

Fund Financial Statements

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

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

The District has three kinds of funds:

- *Governmental Funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements to explain the relationship (or differences) between them.
- *Proprietary Fund* – The District maintains one type of proprietary fund. The Internal Service Funds are used as an accounting device to accumulate and allocate costs internally among the District's various functions. The District uses its Internal Service Funds to account for its dental and health self-insurance programs as well as contributions and benefit payments for the District's severance benefits. These services have been included within the governmental activities in the government-wide financial statements.
- *Fiduciary Funds* – The District is the trustee, or *fiduciary*, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the government-wide financial and governmental fund statements because the District cannot use these assets to finance its operations.

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

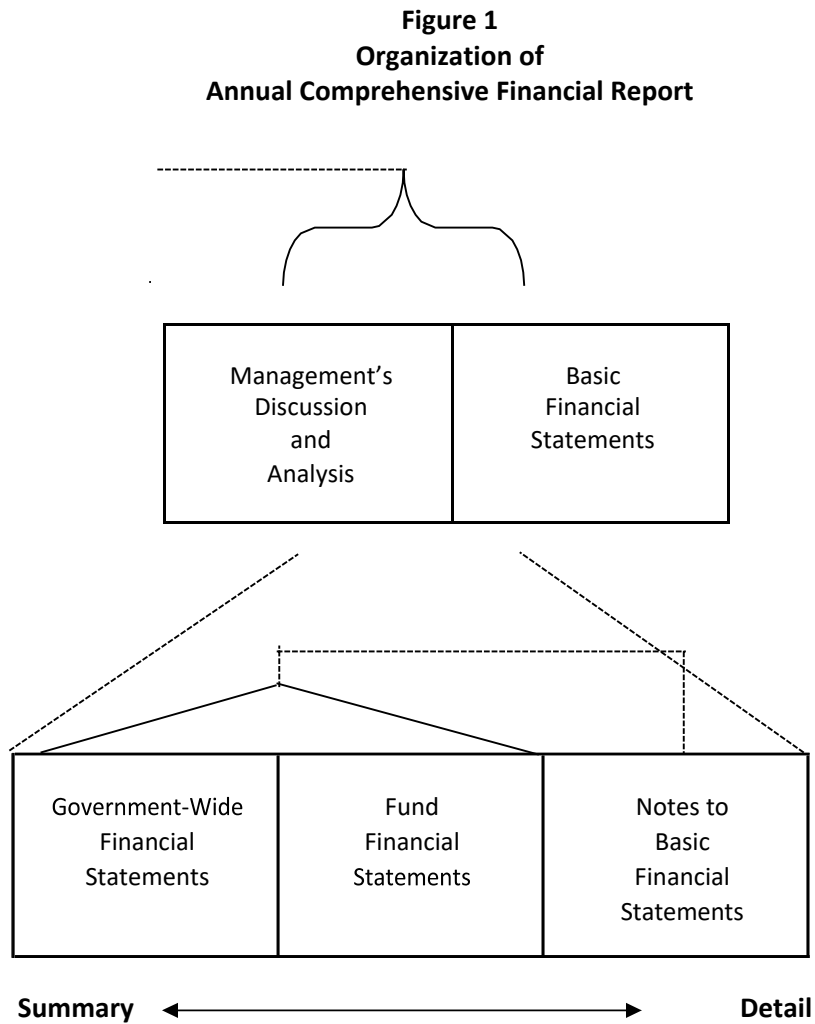


Figure 2, at the top of the next page, summarizes the major features of the District's financial statements, including portions of the District's activities covered and the types of information they contain. The remainder of this overview section of the MD&A highlights the structure and contents of each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

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

Figure 2 Major Features of the Government-Wide and Fund Financial Statements				
	Government-Wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as building maintenance, food service, and community education	Activities of the District that operate similar to private businesses: internal service funds	Instances in which the District administers resources on behalf of someone else, such as the OPEB Trust
Required financial statements	– Statement of Net Position – Statement of Activities	– Balance Sheet – Statement of Revenue, Expenditures, and Changes in Fund Balances	– Statement of Net Position – Statement of Revenue, Expenses, and Changes in Fund Net Position – Statement of Cash Flows	– Statement of Fiduciary Net Position – Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/deferred outflow of resources/ liability/deferred inflow of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources; both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources; both financial and capital, short-term and long-term	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources; both short-term and long-term. Funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

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

The District's *combined* net position was \$69.4 million on June 30, 2024 (see Table A-1).

The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2024 increasing the District's net position to a total of \$69.4 million. The District had \$337.8 million of net position that was available to meet its ongoing obligations but restricted for specific uses.

Table A-1
Statement of Net Position
June 30, 2024 and 2023

	2024	2023
Assets		
Current assets	\$ 696,013,824	\$ 341,548,592
Capital assets	<u>333,074,360</u>	<u>314,081,221</u>
Total assets	<u>1,029,088,184</u>	<u>655,629,813</u>
Deferred Outflows of Resources	<u>89,429,235</u>	<u>125,515,110</u>
Liabilities		
Other liabilities	85,222,429	77,303,931
Long-term liabilities	<u>781,343,773</u>	<u>491,216,830</u>
Total liabilities	<u>866,566,202</u>	<u>568,520,761</u>
Deferred Inflows of Resources	<u>182,547,328</u>	<u>201,482,463</u>
Net Position		
Net investment in capital assets	202,708,540	177,348,809
Restricted for specific purposes	337,802,321	28,859,465
Unrestricted	<u>(471,106,972)</u>	<u>(195,066,575)</u>
Total net position	<u><u>\$ 69,403,889</u></u>	<u><u>\$ 11,141,699</u></u>

Changes in Net Position

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

Table A-2
Statement of Activities
Years Ended June 30, 2024 and 2023

	2024	2023
Revenues		
Program revenues		
Charges for service	\$ 15,184,322	\$ 18,958,505
Operating grants and contributions	140,878,845	112,809,872
Capital grants and contributions	-	2,348,015
General		
Property taxes	132,645,241	126,029,409
Unrestricted State and Federal Aid	257,853,813	240,214,097
Investment Earnings	20,271,557	5,029,492
Other	3,873,188	1,438,358
Total revenues	<u>570,706,966</u>	<u>506,827,748</u>
Expenses		
Administration	13,886,755	19,573,660
District support services	26,679,478	21,022,552
Regular instruction	202,652,658	143,952,163
Vocational instruction	6,068,702	5,756,826
Special education instruction	96,693,929	90,374,982
Community education and services	11,179,805	10,025,895
Instructional support services	20,070,485	25,472,028
Pupil support services	42,764,400	40,192,776
Sites and buildings	57,276,144	46,796,101
Fiscal and other fixed-cost programs	1,760,694	3,660,082
Food Service	20,567,263	16,916,134
Interest and fiscal charges on long-term liabilities	<u>12,844,463</u>	<u>4,206,727</u>
Total expenses	<u>512,444,776</u>	<u>427,949,926</u>
Change in Net Position (Deficit)	58,262,190	78,877,822
Net Position (Deficit) - Beginning	<u>11,141,699</u>	<u>(67,736,123)</u>
Net Position - Ending	<u>\$ 69,403,889</u>	<u>\$ 11,141,699</u>

The District's total revenues in governmental funds were \$570.71 million for the year ended June 30, 2024, an increase of \$63.88 million (12.60%) from 2022-2023 actual revenues of \$506.83 million.

For 2023-2024, property taxes and general grants and aids accounted for 68.44% of total revenue for the year. About 24.69% of the District's revenue came from operating and capital grants. Fees and charges for services accounted for 2.66% of the total revenue, while the remaining 4.21% came from other general revenue, including investment income.

For 2023-2024, the cost of all governmental programs and services was \$512.44 million. This was an increase of \$84.49 million (19.74%) from the 2022-2023 total cost of \$427.95 million.

As in past years, the bulk of the District's resources (71%) were directed to providing instructional services to our students enrolled in regular education, special education, and vocational education programs (including instructional and pupil support). The administrative activities of the District accounted for 3% of total costs for the year. Total revenues exceeded expenses, increasing the District's net position by \$58.26 million.

Figure 3
Sources of District's Revenues for Fiscal Year 2024

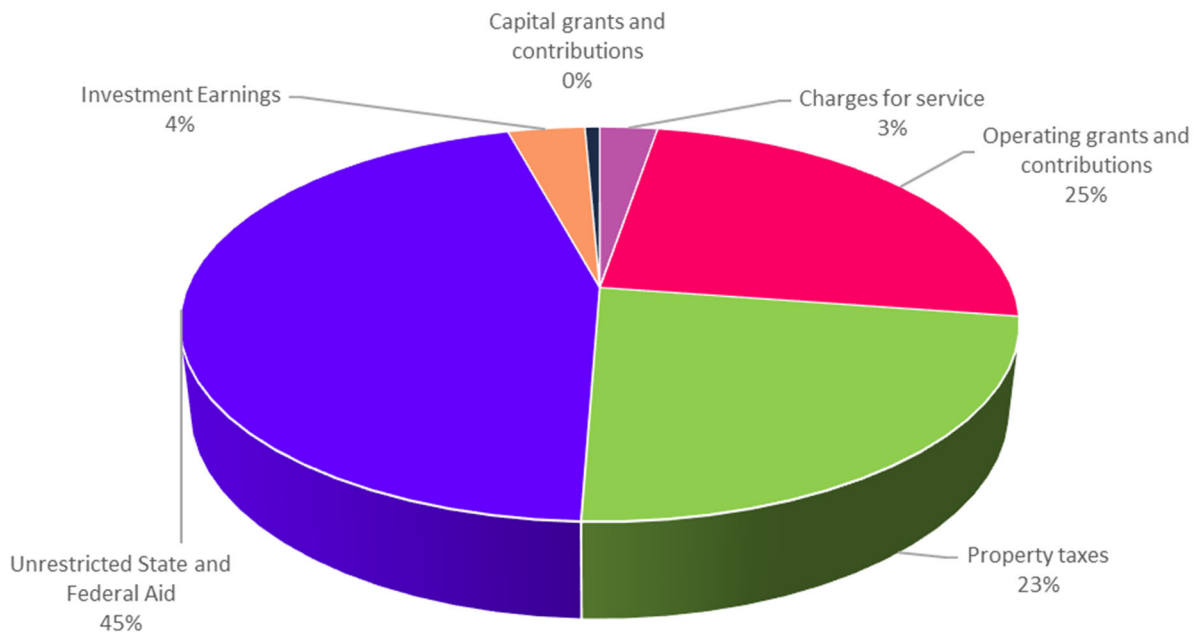
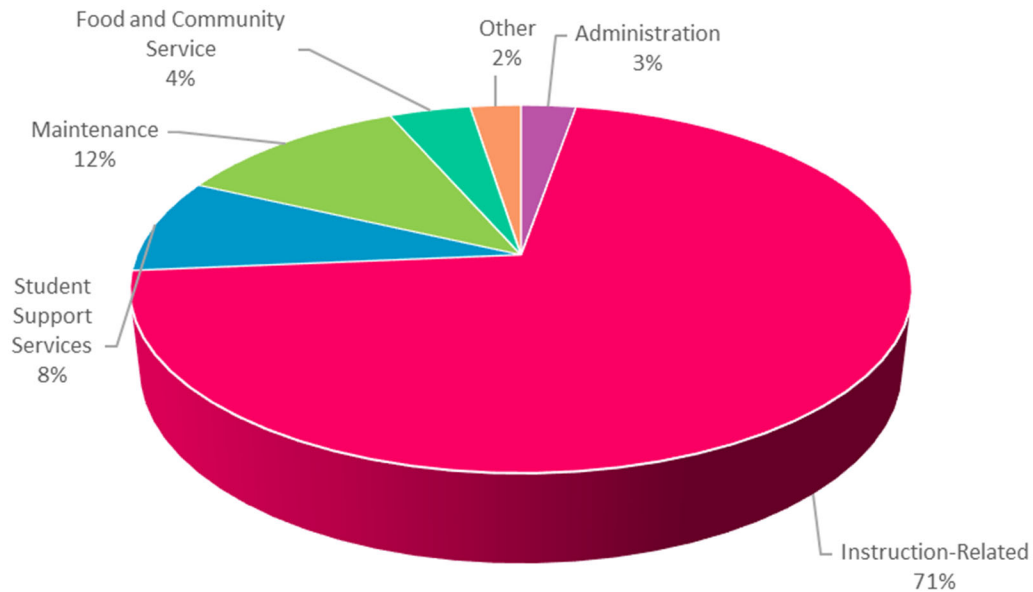


Figure 4
District Expenditures for Fiscal Year 2024



The cost of all *governmental* activities for 2023-2024 was \$512.44 million. Of this amount, \$156.06 million was supported by “charges for services, operating grants, or capital grants” received by the schools.

- A majority of the District’s costs were paid for by state taxpayers based on the statewide education aid formula, and property taxes paid by district taxpayers.
- The federal and state governments, and other local sources, subsidized certain programs with grants and contributions totaling \$179.64 million, or 36.00%, of the total costs for 2023-2024. In addition, state and local sources subsidized general district operations with grants and contributions of \$249.66 million, or 50.03%, of the total costs for 2023-2024.
- About 3.04%, or \$15.15 million, of costs were paid by the users of the District’s programs.
- Finally, \$21.69 million of the district revenue came from investment earnings and other general revenue.

Rosemount-Apple Valley-Eagan ISD 196
Management's Discussion and Analysis
June 30, 2024

Table A-3
Program Expenses and Net Cost of Services

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2024	2023		2024	2023	
Administration	\$ 13,886,755	\$ 19,573,660	-29.05%	\$ 13,885,560	\$ 19,572,160	-29.05%
District Support Services	26,679,478	21,022,552	26.91%	26,352,305	20,626,884	27.76%
Regular Instruction	202,652,658	143,952,163	40.78%	182,249,372	124,624,033	46.24%
Vocational Instruction	6,068,702	5,756,826	5.42%	4,477,366	4,447,950	0.66%
Special Education Instruction	96,693,929	90,374,982	6.99%	26,925,938	33,169,761	-18.82%
Community Education and Services	11,179,805	10,025,895	11.51%	19,960,973	25,325,705	-21.18%
Instructional Support Services	20,070,485	25,472,028	-21.21%	4,625,883	15,426,112	-70.01%
Pupil Support Services	42,764,400	40,192,776	6.40%	52,526,928	39,897,190	31.66%
Sites and Buildings	57,276,144	46,796,101	22.40%	1,760,694	3,660,082	-51.89%
Fiscal and Other Fixed-/Cost Programs	1,760,694	3,660,082	-51.89%	9,042,901	1,462,799	518.19%
Food Service	20,567,263	16,916,134	21.58%	1,729,226	1,414,131	22.28%
Interest and Fiscal Charges on Long-Term Liabilities	12,844,463	4,206,727	205.33%	12,844,463	4,206,727	205.33%
Total expenses	<u>\$ 512,444,776</u>	<u>\$ 427,949,926</u>		<u>\$ 356,381,609</u>	<u>\$ 293,833,534</u>	

Financial Analysis of the District's Funds

The financial performance of the District as a whole is also reflected in its governmental funds. As of June 30, 2024, the District's governmental funds reported total fund balances of \$436.03 million, an increase of \$326.94 million, or 300%, from last year's ending total fund balances of \$109.09 million. This net increase is chiefly due to the following factors:

Building Bonds totaling \$300 million were issued as part of the District's Capital Project Referendum that was passed in May of 2023.

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

Table A-4
Fund Balance - All Governmental Funds

	2024	2023	Change
General Fund	\$ 111,592,049	\$ 91,651,293	\$ 19,940,756
Food Service Fund	10,171,773	7,865,287	2,306,486
Community Service Fund	4,179,150	3,858,245	320,905
Capital Projects Fund	301,930,869	(61,746)	301,992,615
Debt Service Fund	8,151,553	5,776,225	2,375,328
	<u>\$ 436,025,394</u>	<u>\$ 109,089,304</u>	<u>\$ 326,936,090</u>

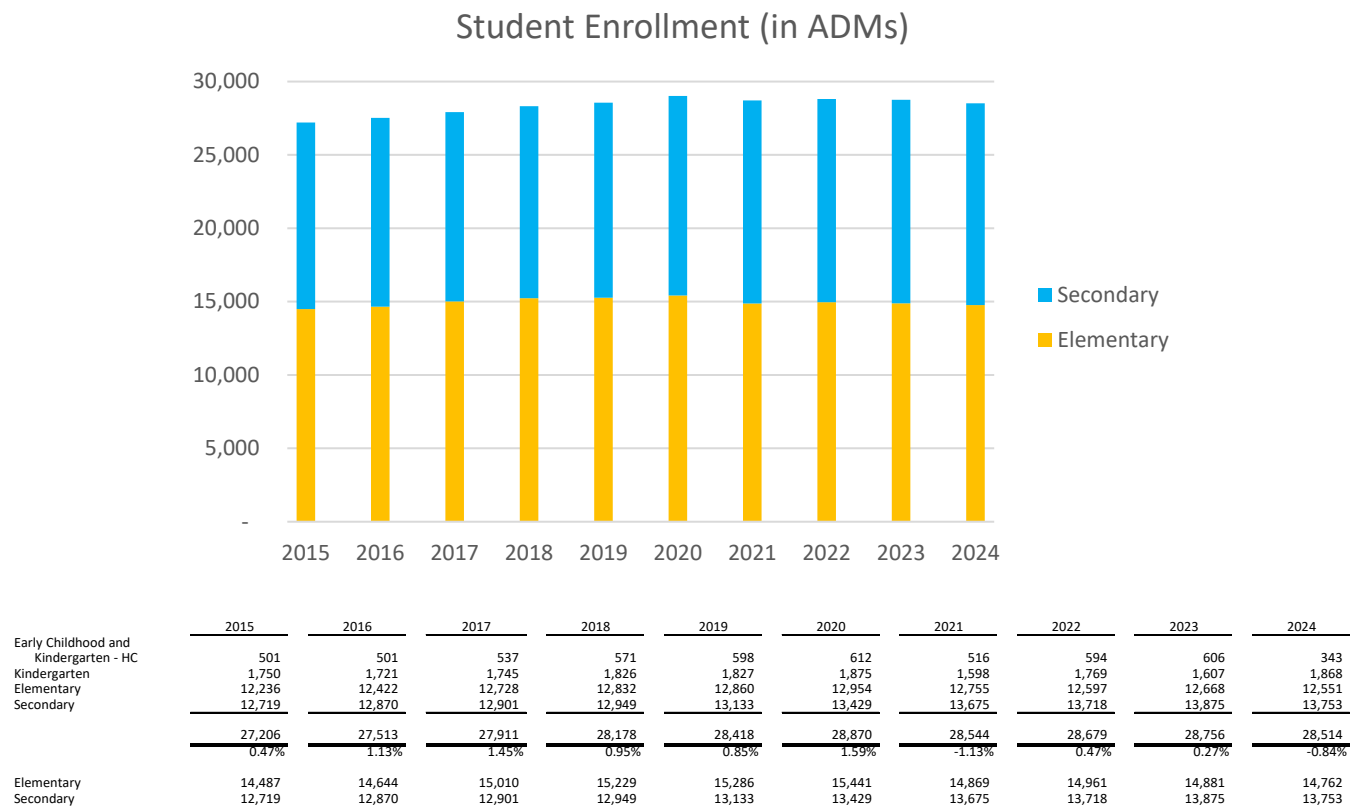
GENERAL FUND

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

Funding for Minnesota school districts is largely driven by enrollment. Over the last five years, the District's enrollment has largely remained flat, with the exception of 2020 which decreased slightly due to the pandemic and 2023 due to a reduction of elementary school students. Based on the results of an updated enrollment projection reviewed by the School Board in February 2023, enrollment was projected to decrease slightly over the next few years.

The graph below (Figure 5) shows the District's actual average daily membership (ADM) over the last 10 years. ADM for 2015–2024 decreased from the previous year at the kindergarten through elementary levels, but increased at the secondary level. Preliminary enrollment data for the 2024-2025 fiscal year shows a decrease of 124 ADMs over the 2023-2024 total of 28,515.

Figure 5
Average Daily Membership (ADM)



The following schedule presents a summary of General Fund Revenues.

Table A-5
General Fund Revenues

	Year Ended June 30,		Amount of	Percent
	2024	2023	Increase (Decrease)	Increase (Decrease)
Local Property Taxes	\$ 115,365,814	\$ 106,195,718	\$ 9,170,096	8.6%
Other Local Sources	21,162,006	15,482,630	5,679,376	36.7%
State Sources	351,667,492	314,703,870	36,963,622	11.7%
Federal Sources	17,638,833	21,457,130	(3,818,297)	-17.8%
Miscellaneous	<u>270,817</u>	<u>328,127</u>	<u>(57,310)</u>	-17.5%
Total general fund revenues	<u>\$ 506,104,962</u>	<u>\$ 458,167,475</u>	<u>\$ 47,937,487</u>	10.5%

During 2023-2024 the District's total General Fund revenues increased \$47.94 million, or 10.5%, from the previous year. The increase was due to the following factors:

- An increase of \$9.17 million in property taxes due to the voter approved increase in the operating levy.
- State aids for 2023-2024 were \$36.96 million more than the previous year. This increase was mainly due to the increases in the per pupil formula amount in state aid.
- Federal aids for 2023-2024 were \$3.82 million less than the previous year. This decrease was mainly due to the reduced expenditures in areas funded by federal funds. The district still received an elevated amount of federal funding as part of efforts to mitigate the effects of the COVID19 pandemic on local education agencies. This funding has largely ended at the end of 2023-2024.

The following schedule presents a summary of General Fund Expenditures.

Table A-6
General Fund Expenditures

	Year Ended June 30,		Amount of	Percent
	2024	2023	Increase (Decrease)	Increase (Decrease)
Salaries and Benefits	\$ 402,021,864	\$ 376,789,387	\$ 25,232,477	6.7%
Purchased Services	41,476,377	39,094,616	2,381,761	6.1%
Supplies and Materials	14,736,382	23,271,449	(8,535,067)	-36.7%
Capital Expenditures	23,581,240	14,357,478	9,223,762	64.2%
Other Expenditures	13,531,624	10,112,089	3,419,535	33.8%
 Total general fund expenditures	 <u>\$ 495,347,487</u>	 <u>\$ 463,625,019</u>	 <u>\$ 31,722,468</u>	 6.8%

Total General Fund expenditures increased \$31.72 million or 6.8% from the previous year. The changes in the major expenditure categories include:

Overall salaries increased by \$15.89 million which was primarily due to wage increases based on salary settlements and additional staff hired to meet students' educational needs.

Employee benefits increased \$9.34 million or 4.0% over the previous year due to additional costs of benefits associated with wage settlements.

Purchased Services consist of expenditures for fees for service including transportation contracts, postage, utilities, property insurance, maintenance repairs, leases, travel, telephone, and tuition. The District's increase of \$2.38 million or 6.1% in purchased services was mostly due to increased transportation costs for Special Education and Integration.

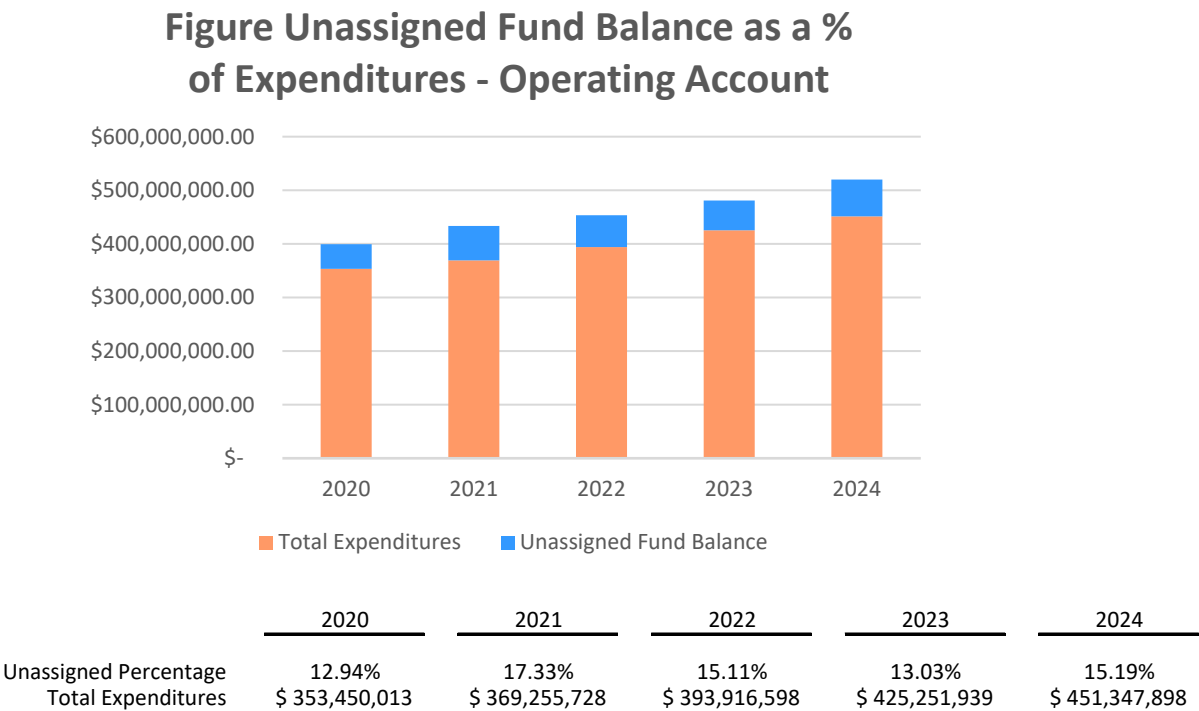
Supplies and Materials decreased by \$8.54 million, or 36.7%, from the previous year. This was primarily due to Instructional Technology Device purchases being moved to capital expenditures in 2023-24, as well as a decrease in Health Services supplies purchases because of the end of COVID-19 funding.

Capital expenditures increased \$9.22 million, or 64.2% from the previous year.

Debt service and other expenditures increased \$3.42 million, or 33.8% from the previous year per the debt redemption schedule.

In summary, 2023-2024 General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$19.94 million. After deducting statutory restrictions and internal assignments, the unassigned fund balance increased to \$68.56 million.

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



The graph, as shown in Figure 6 above, is the single best measure of the District’s overall financial health. The unassigned fund balance of \$68.56 million in the Operating Account of the General Fund at June 30, 2024 represents 13.84% of annual Operating Account expenditures, or almost eight weeks of operations, assuming level spending throughout the year.

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

General Fund Budgetary Highlights

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

- 1) Implementing budgets for specially funded projects, which include both federal and state grants, adjusting staffing and various instructional allocations to the schools based on actual enrollment and unspent funds carried over from fiscal year 2023-2024.
- 2) Increase in appropriations for significant unbudgeted costs.

The final budget amounts, as shown in Table 7 below, include all of these adjustments and represent the District's revised estimates for 2023-2024:

Table A-7
General Fund Budget

	<u>Preliminary Budget</u>	<u>Final Budget</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Revenue and Other Financing Sources	\$ 469,159,747	\$ 496,585,702	\$ 27,425,955	5.85%
Expenditures and Other Financing Uses	<u>467,157,655</u>	<u>499,825,116</u>	<u>32,667,461</u>	6.99%
Net Change in Fund Balance	<u>\$ 2,002,092</u>	<u>\$ (3,239,414)</u>	<u>\$ (5,241,506)</u>	-261.80%

While the District's final budget for the General Fund anticipated that expenditures and other financing uses would exceed revenues and other financing sources by \$3.24 million (net loss), the actual results for the year show a net gain of \$19.94 million.

- Actual revenues and other financing sources were about \$18.85 million, or 3.80%, more than expected. The major factors that had contributed to this variance are as follows:
 - o State aids received during the year were more than budget by \$5.83 million, in part from Special education aid, which was \$3.89 million higher than anticipated. Special education aid factors in actual expenditures and prorated state appropriation, which provides a good challenge when budgeting.
 - o Other local and county sources were \$3.98 million higher than expected.

- Actual expenditures and other financing uses were \$4.35 million, or 0.87% less than budget. There are many factors, both positive and negative, that have contributed to the variance.
 - Actual employee benefits were \$3.98 million less than budget. This was mainly due to changes in employee health elections, as well as lower than anticipated salary expenditures.
 - In 2023-2024, actual salaries were \$1.21 million more than budget.
 - The District spent \$3.26 million less than budgeted in the areas of purchased services and supplies and materials, and capital related expenditures.

Food Service Fund

The Food Service Special Revenue Fund revenues for 2023-2024 totaled \$22.72 million and expenditures were \$20.57 million, resulting in an increase in fund balance of \$2.31 million. The June 30, 2024 Food Service Special Revenue Fund balance was at \$10.17 million.

The 2023-2024 actual revenues were \$0.77 million, or 3.52%, more than the budgeted amount. Participation in the District's meal program has increased due to the state's funding to provide meals to all students. This increase in meals provided led to an increase in expected revenues.

The actual 2023-2024 Food Service Special Revenue Fund expenditures were \$2.37 million, or 13.05%, more than the budgeted amount. The variance was caused by the increase in state aid, leading to an increased demand for meals, as well as increasing food costs due to inflation.

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

Community Service Fund

In 2023-2024, the total revenues and other financing sources for the Community Service Special Revenue Fund were \$11.40 million and the total expenditures were \$11.25 million, resulting in an increase to fund balance of \$0.32 million. The Community Service Special Revenue Fund balance as of June 30, 2024 is \$4.18 million. Of this amount, \$0.86 million is restricted for community education programs, \$1.22 million is restricted for the Early Childhood Family Education Program, \$1.58 million is restricted for the School Readiness Program, \$0.49 million is restricted for the Adult Basic Education Program, and \$.03 million is restricted for community service programs.

Capital Projects - Building Construction Fund

The Capital Projects – Building Construction Fund revenues and other financing sources exceeded expenditures by \$301.99 million for the year ended June 30, 2024, resulting in an ending fund balance of \$301.93 million.

Debt Service Fund

Revenues and expenditures for the District's Debt Service Fund are directly tied to the District's bond principal and interest payment needs. For 2023-2024, approximately 95.40% of the District's debt service revenues came from property taxes. The remaining balance came from the state in the form of agricultural market value property tax credits and interest income from short-term investments.

In 2023-2024, the District's total Debt Service Fund revenues exceeded expenditures by \$1.60 million.

The June 30, 2024 Debt Service Fund balance totaled \$8.15 million.

INTERNAL SERVICE FUNDS

The District maintains three internal service funds at year-end. The Severance Benefits Internal Service Fund is used to fund severance or retirement pay for eligible retirees. For 2023-2024, the revenues for this fund include interest income from short-term investments and contributions paid from the District's governmental funds. The severance payable liabilities for the District on June 30, 2024 totaled \$11.11 million, and the net position of the fund was a deficit of \$0.22 million.

The Self-Insured Dental Benefits Internal Service Fund was established to report all activities related to the District's self-insured dental benefits plan. This plan covers all non-bargained staff, as well as principals, building chiefs, and vehicle technicians. The total contributions (both district and employee) for 2023-2024 totaled \$0.48 million, and claims paid or accrued totaled \$0.47 million, resulting in net position increasing \$0.01 million to \$0.35 million at year-end.

The Self-Insured Health Benefits Internal Service Fund was established to report all activities related to the District's self-insured health benefits plan, which covers all district employees. The total contributions (both district and employee) to the plan for 2023-2024 totaled \$69.18 million, and claims paid or accrued totaled \$72.94 million, resulting in net position decreasing \$3.43 million to \$10.60 million at year-end.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At year-end, the District has net capital assets of \$333.07 million representing a broad range of capital assets as well as leased assets, subscription IT assets, school buildings; athletic facilities; computer, audio-visual, and other equipment for instructional programs (see Table 8). Total depreciation/amortization expense for the year was \$20.60 million.

During 2023-2024, the District invested a total of \$9.15 million in furniture and equipment and \$21.19 million in buildings and construction in progress. The majority of the capital investment can be attributed to major maintenance and building improvement projects funded by proceeds from the Series 2016A General Obligation Building Construction Bond, which were used to fund several projects across the district.

Table A-8
Capital Assets

	2024	2023
Land	\$ 11,966,353	\$ 11,966,353
Construction in Progress	19,320,956	10,097,323
Buildings	514,188,125	509,302,876
Improvements	20,949,724	18,721,700
Equipment	72,268,168	61,263,369
Right-to-Use Lease Assets	1,553,517	561,267
Right-to-Use Subscription IT Assets	16,544,761	9,082,830
Accumulated Depreciation/Amortization	<u>(323,717,244)</u>	<u>(306,914,497)</u>
Total capital assets	<u>\$ 333,074,360</u>	<u>\$ 314,081,221</u>

Long-Term Liabilities

At year-end, the District had \$417.15 million in bonds, refunding bonds, and certificates of participation outstanding, including unamortized premiums and discounts. This is an increase of \$293.48 million from the previous year, as shown in Table A-9.

- Outstanding bonds and certificates of participation show an increase of \$283.73 million, due primarily to the District issuing \$300 million of G.O. Facilities Maintenance and School Building Bonds, Series 2023A.
- Premiums and discounts on bonds show a net increase of \$9.75 million, due to amortization and issuance of the 2023A bonds.
- During 2023-2024, the District also retired \$0.78 million of existing financed purchases principal.
- The District's liabilities for various long-term employee benefits, including pensions, severance, and compensated absences, decreased \$9.88 million during 2023-2024, mainly due to the decrease in the District's proportionate share of two statewide pension plan liabilities.

Table A-9
Long-Term Liabilities

	2024	2023	Percentage Change
General Obligation Bonds Payable	\$ 372,305,000	\$ 85,260,000	336.67%
Unamortized Bond Premium	18,027,908	8,273,592	117.90%
Certificates of Participation	26,815,000	30,135,000	-11.02%
Financed Purchases Payable	3,232,106	4,009,000	-19.38%
Lease Liabilities	978,777	285,892	242.36%
Subscription Liabilities	8,839,263	6,707,873	31.77%
Arbitrage Rebate Liability	4,338,099	-	100.00%
Net Pension Liability	326,905,273	336,027,081	-2.71%
Net OPEB Liability	5,123,878	4,986,071	2.76%
Severance Benefits Payable	11,109,339	12,737,246	-12.78%
Compensated Absences Payable	3,669,130	2,795,075	31.27%
Total long-term liabilities	<u>\$ 781,343,773</u>	<u>\$ 491,216,830</u>	
Long-Term Liabilities			
Due Within One Year	\$ 28,627,237	\$ 25,732,047	
Due in More Than Year	<u>752,716,536</u>	<u>465,484,783</u>	
	<u>\$ 781,343,773</u>	<u>\$ 491,216,830</u>	

Bond Ratings

The District's general obligation bonds carry a rating of Aa2, affirmed in August 2023 during the preparation for the sale of the 2023 Building Bonds.

Limitation on Debt

The state limits the amount of general obligation debt the District can issue up to 15% of actual market value of all taxable property within the District's boundaries. The estimated market value of all taxable property is \$26.28 billion for calendar year 2024 and the District's debt limit is \$788.33 million.

The District's outstanding debt is significantly below this limit. The District's outstanding debt as of June 30, 2024 is \$372.31 million. The amount that is applicable to the debt limit calculation is \$364.15 million (total outstanding debt less Debt Service Fund balance).

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

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

In May of 2023, district voters approved a multi-question building bond referendum to build new buildings, make site improvements and building additions throughout the district, and add athletic facilities at each of the District's four comprehensive high schools. As of June 30, 2024, the District has begun the execution of these projects.

Since 2011–2012 school year, the state has provided annual increases to the per pupil unit funding for basic general education aid. The basic general education formula allowance for the 2023-2024 school year was \$7,138, representing a 4.00% increase from the 2022-2023 fiscal year.

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

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

Basic Financial Statements
June 30, 2024

Rosemount-Apple Valley-Eagan ISD 196



Rosemount-Apple Valley-Eagan ISD 196

Statement of Net Position

June 30, 2024

Assets	
Cash and cash equivalents	\$ 558,065,311
Receivables	
Current property taxes	83,128,002
Delinquent property taxes	449,945
Accounts	883,369
Due from other governmental units	50,297,921
Leases	1,203,110
Prepaid items	265,756
Inventories	1,481,426
Cash held with fiscal agent	238,984
	<u>696,013,824</u>
Capital assets	
Capital assets not being depreciated	
Land	11,966,353
Construction in progress	19,320,956
Capital assets, net of accumulated depreciation/amortization	
Buildings and improvements	261,969,016
Land improvements	8,236,710
Furniture and equipment	20,198,366
Right-to-use lease assets	828,120
Right-to-use subscription IT assets	10,554,839
	<u>333,074,360</u>
Total capital assets	<u>1,029,088,184</u>
Deferred Outflows of Resources	
Other postemployment benefits	4,567,040
Pension plans	84,862,195
	<u>89,429,235</u>
Total deferred outflows of resources	<u>89,429,235</u>
Liabilities	
Accounts payable	10,317,114
Due to other governmental units	669,949
Salaries payable	50,171,105
Accrued interest payable	1,594,607
Construction contracts payable	4,313,431
Unearned revenue	13,251,483
Claims incurred but not reported	4,904,740
Long-term liabilities	
Due within one year - other than pensions and OPEB	28,627,237
Due in more than one year - other than pensions and OPEB	420,687,385
Due in more than one year - net other postemployment benefits	5,123,878
Due in more than one year - net pension liability	326,905,273
	<u>866,566,202</u>
Total liabilities	<u>866,566,202</u>
Deferred Inflows of Resources	
Property taxes levied for subsequent year	152,948,916
Lease related	1,126,226
Other postemployment benefits	6,983,917
Pension plans	21,488,269
	<u>182,547,328</u>
Total deferred inflows of resources	<u>182,547,328</u>
Net Position	
Net investment in capital assets	202,708,540
Restricted for specific purposes	337,802,321
Unrestricted	(471,106,972)
	<u>\$ 69,403,889</u>
Total net position	<u>\$ 69,403,889</u>

Rosemount-Apple Valley-Eagan ISD 196

Statement of Activities Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Administration	\$ 13,886,755	\$ 1,195	\$ -	\$ -
District support services	26,679,478	256,701	70,472	-
Regular instruction	202,652,658	4,981,625	15,421,661	-
Vocational instruction	6,068,702	1,033	1,590,303	-
Special education instruction	96,693,929	1,606,224	68,161,767	-
Instructional support services	20,070,485	23,644	85,868	-
Pupil support services	42,764,400	853,713	37,284,804	-
Sites and buildings	57,276,144	506,520	4,242,696	-
Fiscal and other fixed-cost programs	1,760,694	-	-	-
Food service	20,567,263	1,413,553	10,110,809	-
Community education and services	11,179,805	5,540,114	3,910,465	-
Interest and fiscal charges on debt	12,844,463	-	-	-
Total governmental activities	<u>\$ 512,444,776</u>	<u>\$ 15,184,322</u>	<u>\$ 140,878,845</u>	<u>\$ -</u>
General Revenues				
Property taxes, levied for general purposes				112,274,530
Property taxes, levied for community education and services				1,886,783
Property taxes, levied for debt service				17,364,477
Aids and payments from state sources				249,658,289
Aids and payments from federal sources				8,195,524
County apportionment				1,119,451
Unrestricted investment earnings				20,271,557
Gain on disposal of property and equipment				640,186
Miscellaneous revenues				3,233,002
Total general revenues				<u>414,643,799</u>
Change in Net Position				58,262,190
Net Position - Beginning				<u>11,141,699</u>
Net Position - Ending				<u>\$ 69,403,889</u>

Rosemount-Apple Valley-Eagan ISD 196
Governmental Funds
Balance Sheet
June 30, 2024

	Major					Total Governmental	
	General	Food Service	Community Service	Debt Service	Building Construction	Funds	
						2024	2023
Assets							
Cash and investments	\$ 172,945,669	\$ 6,558,015	\$ 6,508,256	\$ 24,469,209	\$ 308,483,764	\$ 518,964,913	\$ 175,125,805
Cash held with fiscal agent	188	-	-	-	238,796	238,984	220
Receivables							
Current property taxes	63,479,691	-	957,972	18,690,339	-	83,128,002	72,516,438
Delinquent property taxes	375,504	-	6,764	67,677	-	449,945	819,092
Accounts and interest	679,773	-	203,596	-	-	883,369	614,121
Due from other governmental units	44,909,082	4,616,827	572,742	199,270	-	50,297,921	42,408,566
Leases	1,203,110	-	-	-	-	1,203,110	1,254,811
Due from other funds	-	-	-	-	-	-	2,563,308
Prepaid items	264,756	-	1,000	-	-	265,756	925,455
Inventories	912,121	569,305	-	-	-	1,481,426	1,293,710
Total assets	\$ 284,769,894	\$ 11,744,147	\$ 8,250,330	\$ 43,426,495	\$ 308,722,560	\$ 656,913,426	\$ 297,521,526
Liabilities							
Accounts payable	\$ 3,924,845	\$ 382,927	\$ 104,794	\$ -	\$ 5,069,976	\$ 9,482,542	\$ 6,887,373
Due to other governmental units	663,400	-	5,406	-	1,143	669,949	495,798
Salaries and benefits payable	48,432,073	567,749	1,169,575	-	1,708	50,171,105	45,442,814
Due to other funds	-	-	-	-	-	-	51
Construction contracts payable	2,594,567	-	-	-	1,718,864	4,313,431	2,061,055
Unearned revenue	129,164	621,698	975,056	-	-	1,725,918	1,725,985
Total liabilities	55,744,049	1,572,374	2,254,831	-	6,791,691	66,362,945	56,613,076
Deferred Inflows of Resources							
Unavailable revenue-property taxes	375,504	-	6,764	67,677	-	449,945	819,092
Property taxes levied for subsequent year	115,932,066	-	1,809,585	35,207,265	-	152,948,916	129,791,772
Lease related	1,126,226	-	-	-	-	1,126,226	1,208,282
Total deferred inflows of resources	117,433,796	-	1,816,349	35,274,942	-	154,525,087	131,819,146
Fund Balance							
Nonspendable	1,176,877	569,305	1,000	-	-	1,747,182	2,219,165
Restricted	15,459,447	9,602,468	4,178,150	8,151,553	301,930,869	339,322,487	30,633,108
Assigned	26,396,719	-	-	-	-	26,396,719	19,458,897
Unassigned	68,559,006	-	-	-	-	68,559,006	56,778,134
Total fund balance	111,592,049	10,171,773	4,179,150	8,151,553	301,930,869	436,025,394	109,089,304
Total liabilities, deferred inflows of resources, and fund balance	\$ 284,769,894	\$ 11,744,147	\$ 8,250,330	\$ 43,426,495	\$ 308,722,560	\$ 656,913,426	\$ 297,521,526

Rosemount-Apple Valley-Eagan ISD 196

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2024

Total Fund Balances - Governmental Funds	\$ 436,025,394
Amounts reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources, and, therefore, are not reported as assets in the governmental funds.	333,074,360
Accrued interest payable for long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(1,594,607)
Delinquent property taxes are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	449,945
Internal service funds are used by the District to charge the costs of severance benefits, and the self-insured medical and dental insurance pools. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position.	10,726,182
Deferred outflows and inflows of resources related to pension and OPEB plans are applicable to future periods and, therefore, are not reported in the funds.	60,957,049
Long-term liabilities, including bonds payable, bond premiums, certificates of participation, financed purchases payable, leases, subscription liabilities, compensated absences, arbitrage rebate liability, severance benefits payable, other post-employment benefits, and pension liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(770,234,434)</u>
Total Net Position - Governmental Activities	<u>\$ 69,403,889</u>

Rosemount-Apple Valley-Eagan ISD 196
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2024

			Major			Fund Previously Reported as	Total Governmental	
	General	Food Service	Community Service	Debt Service	Building Construction	Nonmajor Building Construction	Funds	
							2024	2023
Revenues								
Local property tax levies	\$ 115,365,814	\$ -	\$ 1,886,783	\$ 17,364,477	\$ -	\$ -	\$ 134,617,074	\$ 125,761,506
Other local and county sources	12,591,172	18,034	4,597,273	-	-	-	17,206,479	14,725,209
Investment earnings	8,450,073	376,577	328,515	771,192	11,050,290	-	20,976,647	5,469,200
Rental income	120,761	-	619,824	-	-	-	740,585	700,173
State sources	351,667,492	10,801,772	3,809,747	65,559	-	-	366,344,570	319,028,625
Federal sources	17,638,833	10,110,809	159,818	-	-	-	27,909,460	30,949,226
Sales and other conversion of assets	270,817	1,413,553	2,714	-	-	-	1,687,084	6,700,670
Total revenues	506,104,962	22,720,745	11,404,674	18,201,228	11,050,290	-	569,481,899	503,334,609
Expenditures								
Current								
Administration	15,201,514	-	-	-	-	-	15,201,514	19,634,436
District support services	15,910,407	-	-	-	-	-	15,910,407	14,074,008
Regular instruction	221,696,371	-	-	-	-	-	221,696,371	213,682,467
Vocational instruction	6,046,736	-	-	-	-	-	6,046,736	5,695,353
Special education instruction	96,379,273	-	-	-	-	-	96,379,273	89,884,344
Community education and service	13,790	-	11,180,490	-	-	-	11,194,280	9,983,098
Instructional support services	28,957,113	-	-	-	-	-	28,957,113	27,604,925
Pupil support services	42,643,826	-	-	-	-	-	42,643,826	38,515,802
Sites and buildings	32,090,758	-	-	-	-	-	32,090,758	30,975,242
Food service	-	19,091,283	-	-	-	-	19,091,283	16,010,231
Fiscal and other fixed cost programs	1,760,694	-	-	-	670,058	-	2,430,752	1,518,389
Debt service								
Principal	9,696,890	40,217	6,238	12,955,000	-	-	22,698,345	19,069,303
Interest	1,368,875	-	478	3,645,900	-	-	5,015,253	5,543,326
Capital outlay	23,581,240	1,435,763	60,297	-	19,561,118	-	44,638,418	15,698,918
Total expenditures	495,347,487	20,567,263	11,247,503	16,600,900	20,231,176	-	563,994,329	507,889,842
Excess (Deficiency) of Revenues over (under) Expenditures	10,757,475	2,153,482	157,171	1,600,328	(9,180,886)	-	5,487,570	(4,555,233)
Other Financing Sources (Uses)								
Transfer in	-	-	146,105	-	-	-	146,105	211,175
Transfer out	(146,105)	-	-	-	-	-	(146,105)	(211,175)
Sale of property	640,186	-	-	-	-	-	640,186	778,465
Insurance recovery	145,839	-	-	-	-	-	145,839	98,736
Bond proceeds	-	-	-	775,000	299,225,000	-	300,000,000	-
Bond premium	-	-	-	-	11,948,501	-	11,948,501	-
Subscription based IT arrangements	7,566,149	153,004	-	-	-	-	7,719,153	2,277,418
Leases	977,212	-	17,629	-	-	-	994,841	70,597
Total other financing sources (uses)	9,183,281	153,004	163,734	775,000	311,173,501	-	321,448,520	3,225,216
Net Change in Fund Balance	19,940,756	2,306,486	320,905	2,375,328	301,992,615	-	326,936,090	(1,330,017)
Fund Balance (Deficit), Beginning of Year, as previously reported	91,651,293	7,865,287	3,858,245	5,776,225	-	(61,746)	109,089,304	110,419,321
Adjustments (Note 16)	-	-	-	-	(61,746)	61,746	-	-
Fund Balance (Deficit), Beginning of Year, as restated	91,651,293	7,865,287	3,858,245	5,776,225	(61,746)	-	109,089,304	110,419,321
Fund Balance, End of Year	\$ 111,592,049	\$ 10,171,773	\$ 4,179,150	\$ 8,151,553	\$ 301,930,869	\$ -	\$ 436,025,394	\$ 109,089,304

Rosemount-Apple Valley-Eagan ISD 196

Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures, and

Changes in Fund Balances to the Statement of Activities

Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ 326,936,090
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Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities the cost of capital assets is allocated over their estimated useful lives as depreciation/amortization expense.

Capital outlay	41,295,300
Depreciation/amortization expense	(20,595,329)

The net effect of the disposal of capital assets is to decrease net position.	(1,706,832)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(369,147)
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In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.	(874,055)
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In the statement of activities, OPEB liabilities are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.	(2,399,730)
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In the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense. In the governmental funds, however, the contributions are reported as an expense.	17,308,079
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(299,549,495)
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Internal service funds are used by the District to charge the costs of the self-insured dental insurance pool. The net revenue of the internal service fund is reported in the governmental activities.	<u>(1,782,691)</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 58,262,190</u></u>
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Rosemount-Apple Valley-Eagan ISD 196

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Local property tax levies	\$ 115,068,553	\$ 115,068,553	\$ 115,365,814	\$ 297,261
Other local and county sources	7,429,851	8,518,875	12,591,172	4,072,297
Investment earnings	-	8,000,000	8,450,073	450,073
Rental income	-	-	120,761	120,761
State sources	328,704,297	345,836,363	351,667,492	5,831,129
Federal sources	17,881,306	18,332,772	17,638,833	(693,939)
Sales and other conversion of assets	65,740	119,139	270,817	151,678
Total revenues	469,149,747	495,875,702	506,104,962	10,229,260
Expenditures				
Current				
Administration	13,549,832	14,700,702	15,201,514	(500,812)
District support services	14,545,247	16,272,695	15,910,407	362,288
Regular instruction	216,384,551	235,547,834	221,696,371	13,851,463
Vocational instruction	5,960,302	5,867,207	6,046,736	(179,529)
Special education instruction	94,557,867	98,792,465	96,379,273	2,413,192
Community education and service	-	-	13,790	(13,790)
Instructional support services	29,482,702	29,311,084	28,957,113	353,971
Pupil support services	38,956,328	39,834,716	42,643,826	(2,809,110)
Sites and buildings	26,594,091	26,583,040	32,090,758	(5,507,718)
Fiscal and other fixed cost programs	1,802,712	1,782,712	1,760,694	22,018
Debt Service				
Principal	4,508,822	7,428,831	9,696,890	(2,268,059)
Interest	1,102,589	1,102,589	1,368,875	(266,286)
Capital outlay	19,577,551	22,441,745	23,581,240	(1,139,495)
Total expenditures	467,022,594	499,665,620	495,347,487	4,318,133
Excess (Deficiency) of Revenues over (under) Expenditures	2,127,153	(3,789,918)	10,757,475	5,911,127
Other Financing Sources (Uses)				
Transfer out	(135,061)	(159,496)	(146,105)	13,391
Sale of property	10,000	610,000	640,186	30,186
Insurance recovery	-	100,000	145,839	45,839
Subscription based IT arrangements	-	-	7,566,149	7,566,149
Leases	-	-	977,212	977,212
Total Other Financing Sources (Uses)	(125,061)	550,504	9,183,281	8,632,777
Net Change in Fund Balance	\$ 2,002,092	\$ (3,239,414)	19,940,756	\$ 14,543,904
Fund Balance, Beginning of Year			91,651,293	
Fund Balance, End of Year			\$ 111,592,049	

Rosemount-Apple Valley-Eagan ISD 196

Food Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Other local and county sources	\$ -	\$ -	\$ 18,034	\$ 18,034
Investment earnings	9,000	9,000	376,577	367,577
State sources	10,807,316	10,807,316	10,801,772	(5,544)
Federal sources	3,697,142	8,413,687	10,110,809	1,697,122
Sales and other conversion of assets	563,310	2,719,155	1,413,553	(1,305,602)
Total revenues	15,076,768	21,949,158	22,720,745	771,587
Expenditures				
Current				
Pupil Support Services				
Salaries and wages	4,928,639	5,100,699	5,215,419	(114,720)
Employee benefits	1,826,414	1,942,856	1,594,021	348,835
Purchased services	250,000	250,000	710,092	(460,092)
Supplies and materials	7,426,436	8,418,819	11,103,122	(2,684,303)
Other expenditures	-	535,000	468,629	66,371
Capital outlay	1,560,000	1,945,000	1,435,763	509,237
Debt Service				
Principal	-	-	40,217	(40,217)
Total expenditures	15,991,489	18,192,374	20,567,263	(2,374,889)
Excess (Deficiency) of Revenues over (under) Expenditures	(914,721)	3,756,784	2,153,482	(1,603,302)
Other Financing Sources				
SBITA proceeds	-	-	153,004	153,004
Net Change in Fund Balance	\$ (914,721)	\$ 3,756,784	2,306,486	\$ (1,450,298)
Fund Balance, Beginning of Year			7,865,287	
Fund Balance, End of Year			\$ 10,171,773	

Rosemount-Apple Valley-Eagan ISD 196

Community Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Local property tax levies	\$ 1,802,362	\$ 1,802,362	\$ 1,886,783	\$ 84,421
Other local and county sources	3,902,135	4,043,994	4,597,273	553,279
Investment earnings	-	-	328,515	328,515
Rental income	514,032	514,032	619,824	105,792
State sources	3,736,677	3,805,960	3,809,747	3,787
Federal sources	72,521	93,018	159,818	66,800
Sales and other conversion of assets	742	992	2,714	1,722
Total revenues	10,028,469	10,260,358	11,404,674	1,144,316
Expenditures				
Current				
Community education and services				
Salaries and wages	6,979,326	7,291,374	7,706,423	(415,049)
Employee benefits	2,583,173	2,704,172	2,745,315	(41,143)
Purchased services	(127,436)	(292,431)	106,300	(398,731)
Supplies and materials	328,194	347,978	343,300	4,678
Other expenditures	408,049	302,179	279,152	23,027
Capital outlay	24,200	19,700	60,297	(40,597)
Debt Service				
Principal	3,300	5,091	6,238	(1,147)
Interest and fiscal charges	-	-	478	(478)
Total expenditures	10,198,806	10,378,063	11,247,503	(869,440)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(170,337)	(117,705)	157,171	274,876
Other Financing Sources				
Transfer in	135,061	159,496	146,105	(13,391)
Lease proceeds	-	-	17,629	17,629
Total other financing sources	135,061	159,496	163,734	4,238
Net Change in Fund Balance	\$ (35,276)	\$ 41,791	320,905	\$ 279,114
Fund Balance, Beginning of Year			3,858,245	
Fund Balance, End of Year			\$ 4,179,150	

Rosemount-Apple Valley-Eagan ISD 196

Proprietary Fund

Internal Service Fund

Statement of Net Position

June 30, 2024

	Governmental Activities - Internal Service Funds
Assets	
Cash and cash equivalents	<u>\$ 39,100,398</u>
Liabilities	
Current	
Accounts payable	834,572
Claims incurred but not reported	4,904,740
Severance benefits payable	1,361,076
Unearned revenue	<u>11,525,565</u>
	<u>18,625,953</u>
Long-term	
Severance benefits payable	<u>9,748,263</u>
Total liabilities	<u>28,374,216</u>
Net Position	
Unrestricted	<u><u>\$ 10,726,182</u></u>

Rosemount-Apple Valley-Eagan ISD 196

Proprietary Fund

Internal Service Fund

Statement of Changes in Net Position

Year Ended June 30, 2024

	Governmental Activities - Internal Service Funds
Operating Revenues	
Contributions from Governmental Funds	\$ 70,591,772
Deductions	
Self-Insured Benefits	<u>72,716,392</u>
Operating Loss	(2,124,620)
Nonoperating Revenue	
Investment income	<u>341,929</u>
Change in Net Position	(1,782,691)
Net Position, Beginning of Year	<u>12,508,873</u>
Net Position, End of Year	<u><u>\$ 10,726,182</u></u>

Rosemount-Apple Valley-Eagan ISD 196

Proprietary Fund

Internal Service Fund

Statement of Cash Flows

Year Ended June 30, 2024

	Governmental Activities - Internal Service Funds
Operating Activities	
Receipts from contributions	\$ 70,591,772
Payments for severance, OPEB, and self-insured claims	(75,860,421)
Net cash used for operating activities	(5,268,649)
Investing Activity	
Investment income	341,929
Net Change in Cash and Cash Equivalents	(4,926,720)
Cash and Cash Equivalents, July 1	44,027,118
Cash and Cash Equivalents, June 30	\$ 39,100,398
Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
Operating Activities	
Operating loss	\$ (2,124,620)
Changes in assets and liabilities	
Accounts payable	(998,155)
Claims incurred but not reported	(1,312,819)
Severance benefits payable	(1,627,907)
Unearned revenue	794,852
Net cash used for operating activities	\$ (5,268,649)

Rosemount-Apple Valley-Eagan ISD 196

Fiduciary Fund

Statement of Net Position

June 30, 2024

	OPEB Trust Fund
Assets	
Investments	<u>\$ 60,158,573</u>
Net Position	
Restricted	<u><u>\$ 60,158,573</u></u>

Rosemount-Apple Valley-Eagan ISD 196

Fiduciary Fund

Statement of Changes in Net Position

Year Ended June 30, 2024

	<u>OPEB Trust Fund</u>
Additions	
Earnings on investments	\$ 4,850,712
OPEB contribution	<u>4,206,800</u>
Total additions	<u>9,057,512</u>
Deductions	
Benefits paid to plan members	<u>4,206,801</u>
Net Change in Net Position	4,850,711
Net Position, Beginning of Year	<u>55,307,862</u>
Net Position, End of Year	<u><u>\$ 60,158,573</u></u>



Notes to the Basic Financial Statements
June 30, 2024

Rosemount-Apple Valley-Eagan ISD 196



Note 1 - Summary of Significant Accounting Policies**A. Organization**

Independent School District No. 196 ("the District") was formed and operates pursuant to applicable Minnesota laws and statutes. The District is governed by a School Board elected by voters of the District. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

The accompanying financial statements include all funds, departments, agencies, boards, commissions, and other organizations that comprise the District, along with any component units.

Component units are legally separate entities for which the District (primary government) is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for a component unit include whether or not the primary government appoints the voting majority of the potential component unit's governing body, is able to impose its will on the potential component unit, is in a relationship of financial burden or benefit with the potential component unit or is fiscally depended upon by the potential component unit.

Based on these criteria, there are no organizations considered to be component units of the District.

C. Government-Wide Financial Statement Presentation

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary fund. The fiduciary fund is reported in the Statement of Fiduciary Net Position at the fund financial statement level. Generally, the effect of interfund activity has been removed from the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other internally directed revenues are reported as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are generally recognized as revenues in the fiscal year for which they are levied, except for amounts advance recognized in accordance with a statutory “tax shift” described later in these notes. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

The District applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available. For capital assets that can be specifically identified with, or allocated to functional areas, depreciation expense is included as a direct expense in the functional areas that utilize the related capital assets. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Fund Financial Statement Presentation

Major individual governmental funds are reported as separate columns in the fund financial statements. Aggregated information for the remaining nonmajor governmental funds is reported in a single column in the fund financial statements.

The fiduciary fund is presented in the fiduciary fund financial statement. The District has one type of fiduciary fund, pension (or other benefit) trust. Since, by definition, fiduciary fund assets are being held for the benefit of a third party and cannot be used for activities or obligations of the District, this fund is excluded from the government-wide statements.

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

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. Federal revenue is recorded in the year in which the related expenditure is made. 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, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, severance, postemployment benefits, and pensions, are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the District the right to use leased assets, are reported as expenditures in the governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

The fiduciary fund financial statement is reported using the economic resources measurement focus and the accrual basis of accounting as described earlier in these notes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's internal service fund is receipts from participants. Operating expenses for the internal service fund includes payments for insurance claims and administration. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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:

Major Governmental Funds

General Fund - The general fund is used to account for all financial resources except those required to be accounted for in another fund. It includes the general operations and pupil transportation activities of the District, as well as the capital related activities such as maintenance of facilities, equipment purchases, and health and safety projects. The District's Student Activity Funds are under board control and are reported in the general fund.

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

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

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and payment of, general obligation bond principal, interest, and related costs.

Building Construction Fund - The Building Construction Fund is used to account for financial resources used for the acquisition or construction of major capital facilities.

Proprietary Fund

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

Fiduciary Funds

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

E. Other Significant Accounting Policies**Budgeting**

The School Board adopted annual budgets for the General Fund (including separate budgets for the Operating, Pupil Transportation, and Capital Expenditure Accounts), Food Service Special Revenue, Community Service Special Revenue, Capital Projects - Building Construction, and Debt Service Funds. The budget for each fund is prepared on the same basis of accounting as the fund financial statements. Legal budgetary control is at the fund level. All appropriations lapse at year-end.

Cash and Investments

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

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

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

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

The District categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

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

Receivables

Accounts receivable represent amounts receivable from individuals, firms, and corporations for goods and services furnished by the District. Amounts are shown net of any allowance for uncollectibles. No allowances for uncollectibles have been recorded. The only receivables not expected to be fully collected within one year are property taxes receivable.

Lease receivables are recorded by the District as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate the District charges the lessee.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Inventories

Inventories are recorded using the consumption method of accounting and consist of purchased food, supplies, and surplus commodities received from the federal government. Food and supply purchases are recorded at invoice cost, computed on a first-in, first-out method. Surplus commodities are stated at standardized costs, as determined by the U.S. Department of Agriculture.

Property Taxes

The majority of district revenue is determined annually by statutory funding formulas. The total revenue allowed by these formulas is allocated between property taxes and state aids by the Legislature based on education funding priorities.

Generally, property taxes are recognized as revenue by the District in the fiscal year that begins midway through the calendar year in which the tax levy is collectible. To help balance the state budget, the Minnesota Legislature utilizes a tool referred to as the "tax shift," which periodically changes the District's recognition of property tax revenue. The tax shift advance recognizes cash collected for the subsequent year's levy as current year revenue, allowing the state to reduce the amount of aid paid to the District. The remaining portion of the taxes collectible in 2024 is recorded as deferred inflows of resources (property taxes levied for subsequent year).

Property tax levies are certified to the County Auditor in December of each year for collection from taxpayers in May and October of the following calendar year. In Minnesota, counties act as collection agents for all property taxes. The county spreads all levies over taxable property. Such taxes become a lien on property on the following January 1. The county general remits taxes to the District at periodic intervals as they are collected. A portion of the property taxes levied is paid by the State of Minnesota through various tax credits, which are included in revenue from state sources in the financial statements.

Current property taxes receivable is the uncollected portion of the taxes levied in 2023 and collectible in 2024. This levy is offset with a deferred inflow of resources for property taxes levied for a subsequent year. Delinquent taxes receivable includes the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred inflow of resources for delinquent taxes not received within 60 days after year-end in the fund financial statements.

Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historic cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would have been paid to acquire an asset with equivalent service potential on the date of the donation. The District maintains a threshold level of \$5,000 or more for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 3 to 50 years. Land and construction in progress are not depreciated.

The District does not possess any material amounts of infrastructure capital assets. Items such as sidewalks and other land improvements are considered to be part of the cost of buildings or other improvable property.

Right to use leased assets are recognized at the lease commencement date and represent the District's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to please the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful live of the underlying asset using the straight-line method. The amortization period varies from 2 to 5 years.

Right to use subscription IT assets are recognized at the subscription commencement date and represent the District's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the shorter of the subscription term or useful live of the underlying asset using the straight-line method. The amortization period varies from 2 to 9 years.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments is discounted based on a borrowing rate determined by the District.

Subscription liabilities represent the District's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments is discounted based on a borrowing rate determined by the District.

The District is required to perform a periodic arbitrage rebate and yield restricting compliance computation for the proceeds of certain debt issuances. If the computation results in an arbitrage rebate liability, it is presented in the government-wide statement of net position and the effect of the change in liability is shown as an increase or decrease to interest expense.

Compensated Absences

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

Severance Benefits

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

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

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

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measure the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and the Teachers Retirement Association (TRA) and additions to/deductions from PERA's and TRA's fiduciary net position have been determined on the same basis as they are reported by PERA and TRA.

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis and Minneapolis School District. The direct aid is a result of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. A second direct aid source is from the State of Minnesota for the merger of the Duluth Teacher's Retirement Fund Association (DTRFA) in 2015. Additional information can be found in Note 10.

For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Risk Management

General Insurance - The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation for which it carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in the District's insurance coverage in fiscal year 2024.

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

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

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

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

The District has two items that qualify for reporting in this category on the government-wide statement of net position. Deferred outflows of resources related to other postemployment benefits consists of various estimate differences and contributions made to the plan subsequent to the measurement date that will be recognized as expenditures in future years. Deferred outflows of resources related to pension plans consists of various estimate differences and contributions made to the plan subsequent to the measurement date that will be recognized as expenses in future years.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

The District has four types of items that qualify for reporting in this category. The first item, unavailable revenue from property taxes, arises under a modified accrual basis of accounting and is reported only in the Governmental Funds Balance Sheet. Delinquent property taxes not collected within 60 days of year-end are deferred and recognized as an inflow of resources in the governmental funds in the period the amounts become available. The second item is property taxes levied for subsequent years, which represent property taxes received or reported as a receivable before the period for which the taxes are levied, and is reported as a deferred inflow of resources in both the government-wide statement of net position and the governmental funds balance sheet. Property taxes levied for subsequent years are deferred and recognized as an inflow of resources in the government-wide financial statements in the year for which they are levied and in the governmental fund financial statements during the year for which they are levied, if available. The third item is deferred inflows related to pension and OPEB activity as a result of various estimate differences that will be recognized as expenses in future years, reported in the government-wide statement of net position. The final item is deferred inflows related to leases where the District is the lessor and is reported in the general fund and statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) on the straight-line basis over the term of the lease.

Unearned Revenue

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

Net Position

Net position represents the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources in the District's government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any long-term debt attributable to the acquisition, construction, or improvement of those assets. Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." The District's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

- 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, non-financial assets held for resale, or the permanent principal of endowment funds.

- 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.
- 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 school 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 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. A committed fund balance cannot be a negative number. As of June 30, 2024, the District does not have any committed fund balance.
- 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 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. The school board, by majority vote, may assign fund balances to be used for specific purposes when appropriate. The board also delegates the power to assign fund balances to the following: the Superintendent and the Assistant Superintendent. Assignments so made shall be reported to the school board on a monthly basis, either separately or as part of ongoing reporting by the assigning party if other than the school board. An assigned fund balance cannot be a negative number.
- 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.

If resources from more than one fund balance classification could be spent, the school district will strive to spend resources from fund balance classifications in the following order (first to last): restricted, committed, assigned, and unassigned. The school district will strive to maintain a minimum unassigned General Fund balance of at least 5% of the district's General Fund operating budget.

Comparative Data

The basic financial statements include certain prior year summarized comparative information in total but not at the level of detail required for a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Adoption of New Accounting Standard

As of June 30, 2024, the District adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. The implementation of this standard requires additional presentation and disclosure requirements for accounting changes and error corrections. The financial statements have been updated to conform to the presentation requirements related to the change in reporting entity in the financial statements for the year ended June 30, 2024. The additional disclosures required by this standard are included in Note 16.

Note 2 - Stewardship, Compliance, and Accountability**Expenditures in Excess of Appropriations**

Budget control for the fund is established by its total appropriations. The Food Service and Community Service Funds had expenditures exceeding appropriations in the amount of \$2,374,889 and \$869,440, respectively, for the year ended June 30, 2024. These over expenditures were funded by greater than expected revenues and existing fund balance.

Note 3 - Deposits and Investments**Deposits**

In accordance with applicable Minnesota Statutes, the District maintains deposits at depository banks authorized by the District's School Board. All such depositories are members of the Federal Reserve System.

The following is considered the most significant risk associated with deposits:

Custodial Credit Risk - In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may be lost.

Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

At June 30, 2024, all deposits were insured or collateralized by securities held by the District's agent in the District's name.

Investments

The following are considered the most significant risks associated with investments:

Credit Risk - Investments - Minnesota Statutes authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, bankers' acceptances, certain repurchase agreements and commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record.

Custodial Credit Risk - Investments - For an investment, custodial risk is the risk that, in the event of failure of the counterparty, the School District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The School District's investment policy requires that brokers provide insurance to cover balances held in each investment account. As of June 30, 2024, the investment balances were fully covered by insurance for each brokerage firm. The investments in the Minnesota School District Liquid Asset Fund and MNTrust are not subject to the credit risk classifications as noted in paragraph 9 of GASB Statement No. 40.

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

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

Fair Value Measurements - The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District's investment policies do not limit the maturities of investments; however, when purchasing investments, the District considers such things as interest rates and cash flow needs. The credit ratings and maturities of the District's investments measured at amortized cost at June 30, 2024, are as follows:

	Credit Rating	Amortized Cost	Maturity Duration in Years			No Maturities
			< 1	1 - 5	6 -10	
MSDLAF+ Liquid Class	AAAm	\$ 69,265,082	\$ -	\$ -	\$ -	\$ 69,265,082
MSDLAF+ Max Class	A-1	66,360,063	-	-	-	66,360,063
MSDLAF TERM	AAAf	27,985,000	27,985,000	-	-	-
MNTrust Investment Pool	AAAm	46,176,540	-	-	-	46,176,540
Total Investments at Amortized Cost		<u>\$ 209,786,685</u>	<u>\$ 27,985,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 181,801,685</u>

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

The credit ratings and maturities of the District's investments measured at fair value at June 30, 2024, are as follows:

	Rating	Fair Value	Maturity Duration in Years			No Maturities
			< 1	1 - 5	6 -10	
U.S. Treasury Notes	AA+/Aaa	\$ 206,374,194	\$ 132,587,716	\$ 73,786,478	\$ -	\$ -
RBC		22,616,078	22,616,078	-	-	-
Commercial Paper	A1/P1	21,645,365	21,645,365	-	-	-
Corporate Bonds	A1/P1	23,693,580	23,693,580	-	-	-
Corporate Bonds	A1+/P1	7,873,096	7,873,096	-	-	-
Total Investments at Fair Value		<u>\$ 282,202,313</u>	<u>\$ 208,415,835</u>	<u>\$ 73,786,478</u>	<u>\$ -</u>	<u>\$ -</u>

Investments Held in Other Postemployment Benefit Trust

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

The credit ratings and maturities of the OPEB trust investments measured at fair value and amortized cost at June 30, 2024, are as follows:

	Credit Rating	Fair Value	Maturity Duration in Years				No Maturities
			< 1	1 - 5	6 -10	>10	
U.S. Treasuries with Maturities at							
Purchase of Greater Than 1 Year	N/A	\$ 8,431,649	\$ 128,497	\$ 2,446,566	\$ 3,834,061	1,927,163	\$ 95,362
Federal Home Loan Mortgage Corp.	N/A	3,790,223	-	-	238,788	3,551,435	-
Federal National Mortgage Assoc.	N/A	4,827,510	-	-	405,070	4,422,440	-
Mortgage Backed Securities	AAA	1,299,922	-	490,653	427,840	381,429	-
Corporate Bonds	AAA/AA+	245,720	245,720	-	-	-	-
Corporate Bonds	AA3/AA-	1,163,752	-	400,579	301,503	461,670	-
Corporate Bonds	AA2/A-	279,693	-	-	279,693	-	-
Corporate Bonds	A3/A-	836,644	-	290,427	274,197	272,020	-
Corporate Bonds	A2/A+	407,916	-	-	407,916	-	-
Corporate Bonds	A2/A	395,985	-	-	249,710	146,275	-
Corporate Bonds	A2/A-	278,193	-	278,193	-	-	-
Corporate Bonds	A1/A+	245,600	-	245,600	-	-	-
Corporate Bonds	A1/A-	1,509,757	195,626	712,332	-	601,799	-
Corporate Bonds	BAA2/A	378,339	378,339	-	-	-	-
Corporate Bonds	BAA1/BBB+	880,978	-	189,226	-	691,752	-
Corporate Bonds	BAA1/BBB	673,300	-	-	673,300	-	-
Corporate Bonds	BAA2/BBB	1,892,648	296,367	-	1,372,262	224,019	-
Equities	N/A	26,951,928	-	-	-	-	26,951,928
Real Estate Investment Trusts	N/A	295,115	-	-	-	-	295,115
Real Asset Funds	N/A	2,611,017	-	-	-	-	2,611,017
Total		<u>\$ 57,395,889</u>	<u>\$ 1,244,549</u>	<u>\$ 5,053,576</u>	<u>\$ 8,464,340</u>	<u>\$ 12,680,002</u>	<u>\$ 29,953,422</u>
		Amortized Cost					
Money Markets	N/A	<u>\$ 2,762,686</u>					

Fair Value Measurements

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

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

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

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

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

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

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

	Level 1	Level 2	Level 3	Total
U.S. Treasury Notes	\$ 206,374,194	\$ -	\$ -	\$ 206,374,194
Corporate Bonds	31,566,676	-	-	31,566,676
Equities	21,645,365	-	-	21,645,365
RBC	22,616,078	-	-	22,616,078
Total	<u>\$ 282,202,313</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 282,202,313</u>
Investments Measured at Amortized Cost				<u>209,786,685</u>
				<u>\$ 491,988,998</u>

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

	Level 1	Level 2	Level 3	Total
U.S. Treasuries with Maturities at Purchase of Greater Than 1 Year	\$ 8,431,649	\$ -	\$ -	\$ 8,431,649
Federal Home Loan Mortgage Corp.	-	3,790,223	-	3,790,223
Federal National Mortgage Association	-	4,827,510	-	4,827,510
Mortgage Backed Securities	1,299,922	-	-	1,299,922
Corporate Bonds	9,188,525	-	-	9,188,525
Equities	26,951,928	-	-	26,951,928
Real Estate Investment Trusts (REITs)	-	295,115	-	295,115
Real Asset Funds	-	2,611,017	-	2,611,017
Total	<u>\$ 45,872,024</u>	<u>\$ 11,523,865</u>	<u>\$ -</u>	<u>\$ 57,395,889</u>
Investments Measured at Amortized Cost				<u>2,762,686</u>
				<u>\$ 60,158,575</u>

Deposits and investments are included on the basic financial statements as follows:

Cash and Cash Equivalents - Statement of Net Position	\$ 558,065,311
Cash with Fiscal Agent	238,984
Cash and Cash Equivalents - Fiduciary Fund	<u>60,158,573</u>
	<u>\$ 618,462,868</u>

Note 4 - Due from Other Governmental Units

Amounts receivable from other governments as of June 30, 2024, include:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Major Funds				
General	\$ 10,819,033	\$ 33,090,021	\$ 1,000,028	\$ 44,909,082
Food service	1,942,837	2,673,990	-	4,616,827
Community service	104,260	454,664	13,818	572,742
Debt service	-	6,556	192,714	199,270
	<u>\$ 12,866,130</u>	<u>\$ 36,225,231</u>	<u>\$ 1,206,560</u>	<u>\$ 50,297,921</u>

Note 5 - Capital Assets

Capital asset activity for the year ended June 30, 2024 is as follows:

	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>
Capital Assets Not Being Depreciated				
Land	\$ 11,966,353	\$ -	\$ -	\$ 11,966,353
Construction in progress	10,097,323	21,188,238	11,964,605	19,320,956
Total capital assets, not being depreciated	<u>22,063,676</u>	<u>21,188,238</u>	<u>11,964,605</u>	<u>31,287,309</u>
Capital Assets Being Depreciated/Amortized				
Buildings and improvements	509,302,876	9,736,580	4,851,331	514,188,125
Furniture and equipment	61,263,369	11,379,115	374,316	72,268,168
Land improvements	18,721,700	2,228,024	-	20,949,724
Right-to-use leased equipment	561,267	1,008,795	16,545	1,553,517
Right-to-use subscription IT assets	9,082,830	7,719,153	257,222	16,544,761
Total capital assets being depreciated/amortized	<u>598,932,042</u>	<u>32,071,667</u>	<u>5,499,414</u>	<u>625,504,295</u>
Less Accumulated Depreciation/Amortization for				
Buildings and improvements	242,609,826	12,924,785	3,315,502	252,219,109
Furniture and equipment	49,437,564	2,960,547	328,309	52,069,802
Land improvements	12,224,502	488,512	-	12,713,014
Right-to-use leased equipment	399,457	345,007	19,067	725,397
Right-to-use subscription IT assets	2,243,148	3,876,478	129,704	5,989,922
Total accumulated depreciation/amortization	<u>306,914,497</u>	<u>20,595,329</u>	<u>3,792,582</u>	<u>323,717,244</u>
Net capital assets, depreciated/amortized	<u>292,017,545</u>	<u>11,476,338</u>	<u>1,706,832</u>	<u>301,787,051</u>
Total capital assets, net	<u>\$ 314,081,221</u>	<u>\$ 32,664,576</u>	<u>\$ 13,671,437</u>	<u>\$ 333,074,360</u>

Depreciation/amortization expense for the year ended June 30, 2024 was charged to the following functions/programs:

Administration	\$ 6,227
District support services	32,114
Regular instruction	4,616,231
Vocational education instruction	313
Special education instruction	24,694
Community service	170
Pupil support services	1,909,672
Sites and buildings	<u>14,005,908</u>
Total depreciation/amortization expense	<u>\$ 20,595,329</u>

Note 6 - Leases

Lease Receivables

The District has accrued a receivable for leases of certain real property under long-term, noncancelable lease agreements. The remaining receivable for these leases was \$1,203,110 for the year ended June 30, 2024. Deferred inflows related to these leases were \$1,126,226 as of June 30, 2024. Interest revenue recognized on these leases was \$29,782 for the year ended June 30, 2024. Principal receipts of \$57,486 were recognized during the fiscal year. The interest rate on the leases was 2.40%. Final receipt is expected in fiscal year 2039.

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

Years Ending June 30,	Long-Term Lease Receivable	
	Principal	Interest
2025	\$ 62,406	\$ 28,390
2026	67,298	26,878
2027	72,328	25,248
2028	67,976	23,535
2029	59,141	22,110
2030 - 2034	363,821	87,138
2035 - 2039	<u>510,140</u>	<u>37,316</u>
	<u>\$ 1,203,110</u>	<u>\$ 250,615</u>

Leases Payable

The District has entered into various lease agreements for office technology equipment, vehicles, and fiber optic cables. The District is required to make principal and interest payments through 2029. Lease payments are made from the general and community service funds. The lease liability was valued using discount rates of 2.40%-2.50%, based on the District's incremental borrowing rate. Payments of principal and interest for the leases are made from the General, Food Service, and Community Service Funds.

The future principal and interest lease payments as of June 30, 2024, were as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 276,173	\$ 21,028
2026	232,366	14,724
2027	217,315	9,196
2028	218,011	3,737
2029	34,912	392
	<u>\$ 978,777</u>	<u>\$ 49,077</u>

Note 7 - Subscription-Based Information Technology Arrangements (SBITAs)

The District entered into various SBITA contracts for the use of various educational and administrative software and online subscriptions. The District is required to make principal and interest payments through 2028. The subscription liability was valued using a discount rate of 2.5% based on the District's incremental borrowing rate at the inception of the subscriptions. Payments of principal and interest for the SBITAs are made from the General Fund and Food Service Fund.

Remaining principal and interest payments on subscriptions are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 3,023,829	\$ 217,414
2026	2,653,324	143,279
2027	2,235,440	78,405
2028	926,670	24,502
	<u>\$ 8,839,263</u>	<u>\$ 463,600</u>

Note 8 - Long-Term Liabilities

Changes in long-term liabilities during the year ended June 30, 2024 are as follows:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year
Bonds Payable	\$ 85,260,000	\$ 300,000,000	\$ 12,955,000	\$ 372,305,000	\$ 13,595,000
Unamortized Bond Premium	8,273,592	11,948,501	2,194,185	18,027,908	2,458,090
Certificates of Participation	30,135,000	-	3,320,000	26,815,000	3,445,000
Financed Purchases Payable	4,009,000	-	776,894	3,232,106	798,939
Leases	285,892	1,008,795	315,910	978,777	276,173
Subscription Liabilities	6,707,873	7,719,153	5,587,763	8,839,263	3,023,829
Arbitrage rebate liability	-	4,338,099	-	4,338,099	-
Severance Benefits Payable	12,737,246	1,657,009	3,284,916	11,109,339	1,361,076
Compensated Absences	2,795,075	3,904,523	3,030,468	3,669,130	3,669,130
	<u>\$ 150,203,678</u>	<u>\$ 330,576,080</u>	<u>\$ 31,465,136</u>	<u>\$ 449,314,622</u>	<u>\$ 28,627,237</u>

Bonds Payable

Following is a summary of bonds payable as of June 30, 2024:

Bond Description	Final Maturity	Interest Rate	Original Principal	Outstanding Balance
General Obligation School Building Bonds, Series 2016A	2030	1.00-5.00%	\$ 112,150,000	\$ 68,485,000
General Obligation Refunding Bonds, Series 2022A	2025	5.00%	11,235,000	3,820,000
General Obligation Facilities Maintenance and School Building Bonds, Series 2023A	2044	4.00-5.00%	300,000,000	<u>300,000,000</u>
				<u>\$ 372,305,000</u>

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

Certificates of Participation

Following is a summary of certificates of participation as of June 30, 2024:

<u>Certification of Participation Description</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Principal</u>	<u>Outstanding Balance</u>
Certificates of Participation, Series 2010A	2026	2.00 - 3.38%	\$ 2,705,000	\$ 435,000
Certificates of Participation, Series 2013B	2029	2.00 - 4.00%	13,710,000	5,250,000
Certificates of Participation, Series 2020A	2030	2.00 - 4.00%	8,960,000	5,720,000
Certificates of Participation, Series 2021A	2031	1.20 - 3.00%	9,005,000	6,565,000
Certificates of Participation, Series 2022B	2037	3.00 - 5.00%	9,775,000	8,845,000
				<u>\$ 26,815,000</u>

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

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

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

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

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

Rosemount-Apple Valley-Eagan ISD 196

Notes to Financial Statements

June 30, 2024

Financed Purchases Payable

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

Following is a summary of direct borrowing payable as of June 30, 2024:

Direct Borrowing Description	Final Maturity	Original Principal	Outstanding Balance
ALC, Transition Plus, Pathways Building	2027	\$ 5,028,875	\$ 1,187,741
Parkview Additions	2030	4,200,000	1,924,873
Equipment and Vehicles	2025	585,000	119,492
			<u>\$ 3,232,106</u>

Remaining principal and interest payments on long-term debt are as follows:

Years Ending June 30,	Bonds Payable		Certificates of Participation	
	Principal	Interest	Principal	Interest
2025	\$ 13,595,000	\$ 21,311,219	\$ 3,445,000	\$ 868,188
2026	19,320,000	15,583,400	3,565,000	742,313
2027	12,775,000	14,617,400	3,475,000	609,363
2028	13,365,000	13,978,650	3,605,000	476,425
2029	14,425,000	13,428,600	3,725,000	355,325
2030-2034	89,325,000	57,456,150	6,570,000	781,365
2035-2039	95,535,000	35,113,600	2,430,000	147,300
2040-2044	113,965,000	13,921,000	-	-
	<u>\$ 372,305,000</u>	<u>\$ 185,410,019</u>	<u>\$ 26,815,000</u>	<u>\$ 3,980,279</u>

Years Ending June 30,	Financed Purchases Payable		Total	
	Principal	Interest	Principal	Interest
2025	\$ 798,939	\$ 87,671	\$ 17,838,939	\$ 22,267,078
2026	699,838	64,679	23,584,838	16,390,392
2027	720,679	43,837	16,970,679	15,270,600
2028	322,380	26,990	17,292,380	14,482,065
2029	331,906	17,463	18,481,906	13,801,388
2030-2034	358,364	7,543	96,253,364	58,245,058
2035-2038	-	-	97,965,000	35,260,900
2040-2044	-	-	113,965,000	13,921,000
	<u>\$ 3,232,106</u>	<u>\$ 248,183</u>	<u>\$ 402,352,106</u>	<u>\$ 189,638,481</u>

Leases

The District leases equipment and computers for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2029. See Note 6 for further information.

Subscription Liabilities

The District has contracts for the use of software and online subscriptions that expire at various dates through 2029. See Note 7 for further information.

Arbitrage Rebate Liability

The District has performed an arbitrage rebate and yield restriction compliance computation for the proceeds of the General Obligation Facilities Maintenance and School Building Bonds, Series 2023A, resulting in an arbitrage rebate liability as of June 30, 2024. Payment for the accrued liability will be due during fiscal year 2029 from the debt service fund.

Severance Benefits and Compensated Absences

Severance and compensated absences consists of vested vacation and sick leave as discussed in Note 1. These expenditures are paid out of the general fund and internal service funds.

Note 9 - Self-Insurance

The District is self-insured with respect to health and dental insurance costs. Terms of the plan include a stop-loss provision, which limits the District's liability. The following is the activity for the year ended June 30, 2024:

Claims Incurred But Not Reported at Beginning of Year	\$ 6,217,559
Claims incurred	73,418,089
Claims paid	<u>(74,730,908)</u>
Claims Incurred But Not Reported at End of Year	<u>\$ 4,904,740</u>

Note 10 - Other Post-Employment Benefits**A. Plan Description**

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

Plan membership as of the July 1, 2023 valuation date is as follows:

Inactive employees or beneficiaries currently receiving benefit payments	202
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>3,706</u>
	<u><u>3,908</u></u>

B. Benefits Provided

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

Retirees of the District who have reached age 55 and 3 years of service for superintendent, directors/cabinet, principals, administrators, assistant administrators, and teachers or 5 years of service for all other employees have the option under state law to continue their medical insurance coverage through the District from the time of retirement until the employee reaches the age of eligibility for Medicare. All retirees must have reached age 55, with superintendent and directors/cabinet, principals, administrators, assistant administrators, and teachers requiring 3 years of service and all other employees requiring 5 years of service. Retirees have access to medical insurance with monthly blended premiums of \$759 for single and \$1,690 for employee +1 coverage. Retiring superintendent, directors/cabinet, and principals have access to dental insurance with monthly blended premium of \$48 for single and \$128 for family coverage until Medicare eligibility. Retiring superintendent, directors/cabinet, principals, administrators and assistant administrators have access to life insurance with a blended premium per thousand per month of \$0.059 to age 70.

Certain contract groups are eligible for subsidized benefits as follows:

Superintendent and Directors/Cabinet –For retirees reaching age 55 with 10 years of service, the District will provide full medical and dental premium coverage until Medicare eligibility for the retiree and his/her spouse.

Principal – For retirees reaching age 55 with 15 years of service and 5 years as a principal, the District will provide medical insurance contribution same as actives plus \$50 per month until Medicare eligibility, dental insurance contribution same as actives until Medicare eligibility, and full cost of term life insurance up to the salary amount at termination through age 65. Board contribution as of the July 1, 2022 valuation is up to \$1,768 per month towards employee + 1 premium for medical insurance and the full family premium for dental insurance.

Administrators and Assistant Administrators – For retirees reaching age 55 with 15 years of service, the District will provide up to \$1,904 per month toward medical and dental insurance premiums until Medicare eligibility.

Teachers– For retirees reaching age 55 with 15 years of service or 30 years of service with no age requirement, the District will make a lump-sum contribution to the employee's health care savings plan equal to 25 days of pay multiplied by their daily rate of pay at retirement, plus an additional \$12,000, less any matching contributions made by the District to the retiree's 403(b) plan over the course of that individual's employment, to the extent that such 403(b) contributions exceed any severance (as described earlier in these notes) earned by the individual.

C. Funding Policy

The District has assets designated for OPEB. These assets are in a qualified irrevocable trust which is included as a fiduciary fund in these financial statements. The District's investment policy is to follow state statutes as listed in Note 3. The District is assumed to make no future contributions to the trust. Benefit payments equal to the annual direct subsidy plus implicit subsidy are assumed to be made from the trust. Contribution requirements are also established through contractual agreements with employee groups. The eligibility for, amount of, duration of, and District's contribution to the cost of the benefits provided varies by contract and date of retirement.

D. Net OPEB Liability

The District's net OPEB liability of \$5,123,878 was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2022.

E. Actuarial Assumptions

The total OPEB liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 percent
Salary increases	Service graded table
Discount Rate	4.90 percent
Investment Rate of Return	5.60 percent, net of OPEB plan investment expenses
Healthcare Cost Trend Rates	6.00 percent, grading to 5.00 percent over 4 years then to 4.00 percent over the next 48 years
Retiree Plan Participation	
Pre-65 subsidy available	
Teachers	45%
All others	100%
Pre-65 subsidy not available	45%
Percent of Married Retirees Electing Spouse Coverage	
Spouse subsidy available	100%
Spouse subsidy not available	
Males	25%
Females	15%

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2021 Generational Improvement Scale.

The actuarial assumptions used in the July 1, 2022 valuation were based on inputs from a variety of published sources of historical and projected future financial data.

The following changes in actuarial assumptions and plan provisions occurred in 2024:

Plan Provisions

- There were no changes in plan provisions.

Assumptions

- The discount rate was changed from 4.60% to 4.70%.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocations	Long-Term Expected Real Rate of Return
Fixed Income	40%	2.00%
Domestic Equity	20%	8.00%
International Equity	20%	8.00%
Real Estate	10%	8.00%
Other	10%	8.00%
	100%	

F. Discount Rate

The discount rate used to measure the total OPEB liability was 4.90%. The projection of cash flows used to determine the discount rate assumed that the District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

G. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2023	\$ 60,089,447	\$ 55,103,376	\$ 4,986,071
Changes from the Prior Year			
Service Cost	3,879,351	-	3,879,351
Interest Cost	2,908,809	-	2,908,809
Assumption Changes	(593,888)	-	(593,888)
Employer Contributions	-	1,206,800	(1,206,800)
Projected Investment Return	-	4,849,665	(4,849,665)
Benefit Payments	(4,206,800)	(4,206,800)	-
Total Net Changes	1,987,472	1,849,665	137,807
Balances at June 30, 2024	\$ 62,076,919	\$ 56,953,041	\$ 5,123,878

The measurement date of the net OPEB liability was June 30, 2024; the date of the actuarial valuation on which the total OPEB liability is based was July 1, 2022.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of changes in the District's net OPEB liability and related ratios, presented as required supplementary information following the notes to the financial statements, presents multiple year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits will be displayed.

H. Sensitivity of the Net OPEB Liability to Changes in Discount Rate and the Healthcare Cost Trend Rates

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

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
Discount Rate	3.90%	4.90%	5.90%
Net OPEB Liability	\$ 8,763,965	\$ 5,123,878	\$ 1,659,656

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate one percentage point lower and one percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease in Healthcare Trend Rate</u>	<u>Selected Healthcare Trend Rate</u>	<u>1% Increase in Healthcare Trend Rate</u>
Medical Trend Rate	5.00%, decreasing to 4.00% over 4 years then to 3.00% over the next 48 years	6.00%, decreasing to 5.00% over 4 years then to 4.00% over the next 48 years	7.00%, decreasing to 6.00% over 4 years then to 5.00% over the next 48 years
Net OPEB Liability	\$ 522,790	\$ 5,123,878	\$ 10,488,347

I. OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the District recognized OPEB expense of \$3,606,530. At June 30, 2024, the District reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability Gains	\$ -	\$ 5,623,691
Assumption Changes	3,486,498	1,360,226
Investment Losses	<u>1,080,542</u>	<u>-</u>
	<u>\$ 4,567,040</u>	<u>\$ 6,983,917</u>

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years Ended June 30,</u>	<u>OPEB Expense Amount</u>
2025	\$ (125,349)
2026	1,164,692
2027	(756,702)
2028	(911,716)
2029	(558,944)
Thereafter	(1,228,858)

J. OPEB Plan Fiduciary Plan

Detailed information about the OPEB plan's fiduciary net position is available in a separately issued OPEB financial report.

Note 11 - Defined Benefit Pension Plans

Substantially all employees of the District are required by state law to belong to defined benefit, multi-employer, cost-sharing pension plans administered by the Public Employees' Retirement Association (PERA) or the Teachers' Retirement Association (TRA), both of which are administered on a state-wide basis.

For the year ended June 30, 2024, the District reported its proportionate share of deferred outflows of resources, net pension liabilities, deferred inflows of resources, and pension expense for each of the plans as follows:

	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources	Pension Expense (Income)
PERA	\$ 14,626,245	\$ 44,030,526	\$ 14,064,639	\$ 829,013
TRA	70,235,950	282,874,747	7,423,630	42,663,761
Total all plans	<u>\$ 84,862,195</u>	<u>\$ 326,905,273</u>	<u>\$ 21,488,269</u>	<u>\$ 43,492,774</u>

Disclosures relating to these plans are as follows:

Public Employees Retirement Association (PERA)**A. Plan Descriptions**

The District participates in the General Employees Retirement Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with *Minnesota Statutes*, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

The General Employees Retirement Plan covers certain full time and part-time employees of the District. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

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

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. In 2023, legislation repealed the statute delaying increases for members retiring before full retirement age.

C. Contribution Rate

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2024 and the District was required to contribute 7.50 percent for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2023, were \$5,044,264. The District's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

At June 30, 2024, the District reported a liability of \$44,030,526 for its proportionate share of the General Employees Fund's net pension liability. The District's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the District totaled \$1,213,760.

The net pension liability was measured as of **June 30, 2023**, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on the District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2022, through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.7874 percent at the end of the measurement period and 0.8041 percent for the beginning of the period.

District's proportionate share of net pension liability	\$ 44,030,526
State of Minnesota's proportionate share of the net pension liability associated with the district	<u>1,213,760</u>
Total	<u><u>\$ 45,244,286</u></u>

For the year ended June 30, 2024, the District recognized pension expense of \$829,013 for its proportionate share of the General Employees Plan's pension expense. In addition, the District recognized \$5,454 as grant revenue for its proportionate share of the State of Minnesota's pension expense for the annual \$16 million contribution.

At June 30, 2024 the District reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 1,453,343	\$ 283,905
Changes in Actuarial Assumptions	6,695,903	12,068,393
Net Collective Difference Between Projected and Actual Investment Earnings	-	303,673
Change in Proportion	1,432,735	1,408,668
Contributions paid to PERA Subsequent to the Measurement Date	<u>5,044,264</u>	<u>-</u>
Total	<u><u>\$ 14,626,245</u></u>	<u><u>\$ 14,064,639</u></u>

The \$5,044,264 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ended June 30,</u>	<u>Pension Expense Amount</u>
2025	\$ 1,234,209
2026	(5,578,660)
2027	816,964
2028	(955,171)

E. Long-Term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocations	Long-Term Expected Real Rate of Return
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Private Markets	25.0%	5.90%
Fixed Income	25.0%	0.75%
Total	100.0%	

F. Actuarial Methods and Assumptions

The total pension liability in the June 30, 2023, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 7.0 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 7.0 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent for the General Employees Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 29 years of service and 6.0 percent per year thereafter.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. The table is adjusted slightly to fit PERA's experience. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2022:

Changes in Actuarial Assumptions:

- The investment return assumption and single discount rate were changed from 6.5 percent to 7.00 percent.

Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

G. Discount Rate

The discount rate used to measure the total pension liability in 2023 was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Pension Liability Sensitivity

The following presents the District's proportionate share of the net pension liability for the plan it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Sensitivity Analysis
Net Pension Liability (Asset) at Different Discount Rates

	General Employees Fund	
1% Lower	5.50%	\$ 77,893,537
Current Discount Rate	6.50%	\$ 44,030,526
1% Higher	7.50%	\$ 16,176,913

I. Pension Plan Fiduciary Net Position

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

Teachers Retirement Association (TRA)**A. Plan Descriptions**

The Teachers Retirement Association (TRA) is an administrator of a multiple employer, cost-sharing, defined benefit retirement fund. TRA administers a Basic Plan (without Social Security coverage) and a Coordinated Plan (with Social Security coverage) in accordance with Minnesota Statutes, Chapters 354 and 356. TRA is a separate statutory entity and administered by a Board of Trustees. The Board consists of four active members, one retired member, and three statutory officials.

Educators employed in Minnesota's public elementary and secondary school, charter schools, and certain other TRA-covered educational institutions maintained by the state are required to be TRA members (except those employed by St. Paul schools or Minnesota State Colleges and Universities). Educators first hired by Minnesota State may elect either TRA coverage or coverage through the Defined Contribution Retirement Plan (DCR) administered by Minnesota State

B. Benefits Provided

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

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

Tier I Benefits

<u>Tier 1</u>	<u>Step Rate Formula</u>	<u>Percentage</u>
Basic	First ten years of service	2.2% per year
	All years after	2.7% per year
Coordinated	First ten years if service years are up to July 1, 2006	1.2% per year
	First ten years if service years are July 1, 2006 or after	1.4% per year
	All other years of service if service years are up to July 1, 2006	1.7% per year
	All other years of service if service years are July 1, 2006 or after	1.9% per year

With these provisions:

- a.) Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
- b.) 3 percent per year early retirement reduction factor for all years under normal retirement age.
- c.) Unreduced benefits for early retirement under a Rule-of-90 (age plus allowable service equals 90 or more).

or

Tier II Benefits

For years of service prior to July 1, 2006, a level formula of 1.7% per year for coordinated members and 2.7% per year for basic members is applied. For years of service July 1, 2006 and after, a level formula of 1.9% per year for coordinated members and 2.7% per year for Basic members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established under Minnesota Statute. Smaller reductions, more favorable to the member, will be applied to individuals who reach age 62 and have 30 years or more of service credit.

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

Six different types of annuities are available to members upon retirement. The No Refund Plan is a lifetime annuity that ceases upon the death of the retiree – no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans that have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is eligible for a refund of their employee contributions plus interest.

The benefit provisions stated apply to active plan participants. Vested, terminated employees who are entitled to benefits but not yet receiving them are bound by the plan provisions in effect at the time they last terminated their public service.

C. Contribution Rate

Per Minnesota Statutes, Chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year ending June 30, 2022, June 30, 2023, and June 30, 2024, were:

	June 30, 2022		June 30, 2023		June 30, 2024	
	Employee	Employer	Employee	Employer	Employee	Employer
Basic	11.00%	12.34%	11.00%	12.55%	11.25%	12.75%
Coordinated	7.50%	8.34%	7.50%	8.55%	7.75%	8.75%

The following is a reconciliation of employer contributions in TRA's fiscal year 2022 ACFR "Statement of Changes in Fiduciary Net Position" to the employer contributions used in Schedule of Employer and Non-Employer Pension Allocations.

	<i>in thousands</i>
Employer Contributions Reported in TRA's Comprehensive Annual Financial Report, Statement of Changes in Fiduciary Net Position	\$ 508,764
Employer Contributions Not Related to Future Contribution Efforts	(87)
TRA's Contributions Not Included in Allocation	<u>(643)</u>
Total Employer Contributions	508,034
Total Non-Employer Contributions	<u>35,587</u>
Total Contributions Reported in <i>Schedule of Employer and Non-Employer Allocations</i>	<u><u>\$ 543,621</u></u>

Amounts reported in the allocation schedules may not precisely agree with financial statement amounts or actuarial valuations due to the number of decimal places used in the allocations. TRA has rounded percentage amounts to the nearest ten thousandths.

D. Actuarial Assumptions

The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Key Methods and Assumptions Used in Valuation of Total Pension Liability	
Actuarial Information	
Valuation Date	July 1, 2023
Measurement Date	June 30, 2023
Experience Study	June 28, 2019 (demographic and economic assumptions)
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment rate of return	7.00%
Price inflation	2.50%
Wage growth rate	2.85% before July 1, 2028, and 3.25% after June 30, 2028
Projected salary increase	2.85% to 8.85% before July 1, 2028, and 3.25% to 9.25% after June 30, 2028
Cost of living adjustment	1.0% for January 2019 through January 2023, then increasing by 0.1% each year up to 1.5% annually
Mortality Assumptions	
Pre-retirement	RP-2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP-2015 scale.
Post-retirement	RP-2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP-2015 scale.
Post-disability	RP-2014 disabled retiree mortality table, without adjustment.

The assumptions prescribed are based on the experience student dated June 28, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocations	Long-Term Expected Real Rate of Return
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	25.0%	5.90%
	100.0%	

The TRA actuary has determined the average of the expected remaining service lives of all members for fiscal year 2023 is six years. The *Difference between Expected and Actual Experience*, *Changes of Assumptions*, and *Changes in Proportion* use the amortization period of six years in the schedule presented. The amortization period for *Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments* is five years as required by GASB 68.

Changes in actuarial assumptions since the 2022 valuation

The 2023 Tax Finance and Policy Bill, effective July 1, 2025:

- The employer contribution rate will increase from 8.75% to 9.5% on July 1, 2025.
- The employee contribution rate will increase from 7.75% to 8% on July 1, 2025.
- The pension adjustment rate for school districts and the base budgets for Minnesota State, Perpich Center for Arts Education, and Minnesota Academies will increase to reflect the 0.75% employer contribution rate increase.

The 2024 Omnibus Pensions and Retirement Bill:

- The Normal Retirement Age (NRA) for active and eligible deferred Tier II members will be 65 effective July 1, 2024.
- TRA's amortization date will remain the same at 2048.

E. Discount Rate

The discount rate used to measure the total pension liability was 7%. There was no change in the discount rate since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2023 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

F. Net Pension Liability

On June 30, 2024, the District reported a liability of \$282,874,747 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to TRA in relation to total system contributions including direct aid from the State of Minnesota, City of Minneapolis and Minneapolis School District. District proportionate share was 3.4262 percent at the end of the measurement period and 3.4011 percent for the beginning of the year.

The pension liability amount reflected a reduction due to direct aid provided to TRA. The amount recognized by the District as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of net pension liability	<u>\$ 282,874,747</u>
State's proportionate share of the net pension liability associated with the district	<u>\$ 19,814,975</u>

For the year ended June 30, 2024, the District recognized pension expense of \$42,663,761. It also recognized \$2,790,104 as an increase to pension expense for the support provided by direct aid.

On June 30, 2024, the District had deferred resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 2,679,071	\$ 4,061,240
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	908,338	-
Changes of Assumptions	31,607,363	-
Changes in Proportion	15,081,164	3,362,390
District's Contributions to TRA Subsequent to the Measurement Date	<u>19,960,014</u>	<u>-</u>
Total	<u>\$ 70,235,950</u>	<u>\$ 7,423,630</u>

The \$19,960,014 reported as deferred outflows of resources related to pensions resulting from District contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows and inflows of resources related to TRA pensions will be recognized in pension expense as follows:

<u>Years Ended June 30,</u>	<u>Pension Expense Amount</u>
2025	\$ 7,796,635
2026	1,351,317
2027	35,020,391
2028	(1,139,181)
2029	(176,856)

G. Pension Liability Sensitivity

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent as well what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

Sensitivity of Net Pension Liability (NPL) to Changes in the Discount Rate		
1% decrease (6.00%)	Current (7.00%)	1% increase (8.00%)
\$ 451,164,414	\$ 282,874,747	\$ 145,109,163

The District's proportion of the net pension liability was based on the employer contributions to TRA in relation to TRA's total employer contributions including direct aid contributions from the State of Minnesota, City of Minneapolis and Minneapolis School District.

H. Pension Plan Fiduciary Net Position

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

Note 12 - Interfund Transfers

The District had the following interfund transfers:

<u>Transfer In</u>	<u>Amount</u>	<u>Transfer Out</u>	<u>Amount</u>
Community Service	<u>\$ 146,105</u>	General Fund	<u>\$ 146,105</u>

The District transferred \$146,105 to the Community Service Fund to fund a shortfall in preschool screening.

Note 13 - Fund Balance and Net Position

Certain portions of fund balance are restricted based on state requirements to track special program funding, to provide for funding on certain long-term liabilities, or as required by other outside parties.

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

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

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

Restricted for Literacy Incentive Aid – Represents the amount of school funding dedicated to aiding schools to increase testing results in third and fourth grade.

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

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

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

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

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

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

Restricted for Student Support Personnel – Represents state aids available for increasing FTEs of licensed school counselors, psychologists, social workers, and nurses.

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

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

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

Certain portions of fund balances are restricted based on state requirements to track special program funding, to provide for funding on certain long-term liabilities, or as required by other outside parties.

The following is a summary of fund balances as of June 30, 2024:

	General	Food Service	Community Service	Building Construction	Debt Service	Totals
Nonspendable						
Inventories	\$ 912,121	\$ 569,305	\$ -	\$ -	\$ -	\$ 1,481,426
Prepaid items	264,756	-	1,000	-	-	265,756
Total nonspendable	1,176,877	569,305	1,000	-	-	1,747,182
Restricted						
Student activities	342,237	-	-	-	-	342,237
Capital projects levy	3,169,400	-	-	-	-	3,169,400
Literacy incentive aid	1,431,784	-	-	-	-	1,431,784
Operating capital	5,505,080	-	-	-	-	5,505,080
Community education	-	-	860,097	-	-	860,097
Early childhood and family education	-	-	1,222,168	-	-	1,222,168
School readiness	-	-	1,575,156	-	-	1,575,156
Adult basic education	-	-	493,787	-	-	493,787
Food service	-	9,602,468	-	-	-	9,602,468
Community service	-	-	26,942	-	-	26,942
Capital projects	-	-	-	280,329,324	-	280,329,324
Debt service	-	-	-	-	8,151,553	8,151,553
Long-term facilities maintenance	2,003,060	-	-	21,601,545	-	23,604,605
Student support personnel	364,523	-	-	-	-	364,523
Medical assistance	2,643,363	-	-	-	-	2,643,363
Total restricted	15,459,447	9,602,468	4,178,150	301,930,869	8,151,553	339,322,487
Assigned						
Site operating budget carryover	8,628,839	-	-	-	-	8,628,839
Subsequent year budget deficit	13,372,975	-	-	-	-	13,372,975
Site miscellaneous budget carryover	4,394,905	-	-	-	-	4,394,905
Total assigned	26,396,719	-	-	-	-	26,396,719
Unassigned	68,559,006	-	-	-	-	68,559,006
Total fund balance	\$ 111,592,049	\$ 10,171,773	\$ 4,179,150	\$ 301,930,869	\$ 8,151,553	\$ 436,025,394

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

Capital Assets, Net of Accumulated Depreciation/Amortization	\$ 333,074,360
Unexpended bond proceeds	308,483,764
Bonds Payable at June 30	(372,305,000)
Certificates of Participation at June 30	(26,815,000)
Financed Purchase Payable at June 30	(3,232,106)
Leases at June 30	(978,777)
Subscription Liabilities at June 30	(8,839,263)
Bond Premium at June 30	(18,027,908)
Arbitrage Rebate Liability at June 30	(4,338,099)
Capital Related Payables	(4,313,431)
	<u>\$ 202,708,540</u>
Net Investment in Capital Assets	

Note 14 - Flexible Benefit Plan

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

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

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

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

Note 15 - Commitments and Contingencies**Federal and State Revenue**

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

Construction Commitments

The District has active construction projects as of June 30, 2024. The projects include AVHS window rehabilitation, District hardscape projects, District carpeting projects, HL/SHMS ceiling renovations, AVHS roof rehab, Elementary #20 construction, and Dakota Ridge addition with construction costs of \$19,320,956 reported as construction in progress with remaining commitments of \$82,144,416 as of June 30, 2024. Projects are expected to be completed through Fall of 2025.

Litigation and Potential Exposure

In the ordinary course of its operations, the District is party to legal proceedings as a plaintiff or defendant. The financial impact of remaining actions is not determinable at June 30, 2024, but, in the opinion of management and legal counsel, the ultimate disposition of any or all of these proceedings will not have a material effect on the District's financial position.

Note 16 - Change within the Reporting Entity

During the year ended June 30, 2024, there was a change within the financial reporting entity which resulted in the Building Construction fund being reported as a major fund instead of a nonmajor fund which resulted in adjustments to and restatements of beginning fund balance as follows:

	July 1, 2023, As Previously Reported	Change to or Within the Financial Reporting Entity	July 1, 2023, As Restated
Governmental Funds			
Major Funds:			
General	\$ 91,651,293	\$ -	\$ 91,651,293
Food Service	7,865,287	-	7,865,287
Community Service	3,858,245	-	3,858,245
Debt Service	5,776,225		5,776,225
Building Construction	-	(61,746)	(61,746)
Nonmajor	(61,746)	61,746	-
Total Governmental Funds	<u>\$ 109,089,304</u>	<u>\$ -</u>	<u>\$ 109,089,304</u>

Required Supplementary Information
June 30, 2024

Rosemount-Apple Valley-Eagan ISD 196

Rosemount-Apple Valley-Eagan ISD 196
Schedule of Changes in the District's Net OPEB Liability and Related Ratios
June 30, 2024

Schedule of Changes in the District's Net OPEB Liability and Related Ratios, Last 10 Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018
Service Cost	\$ 3,879,351	\$ 3,878,225	\$ 3,588,552	\$ 3,150,709	\$ 3,167,572	\$ 3,075,313	\$ 2,665,745
Interest	2,908,809	3,046,738	3,131,848	2,929,263	2,810,239	2,847,687	2,777,088
Assumption Changes	(593,888)	2,020,290	1,917,624	(1,376,215)	-	1,583,799	-
Plan Changes	-	(420,502)	-	(183,686)	-	(179,505)	-
Differences Between Expected and Actual Experience	-	(5,437,880)	-	(2,119,363)	-	(5,324)	-
Benefit Payments	(4,206,800)	(2,564,399)	(2,778,866)	(3,701,408)	(3,643,391)	(4,783,071)	(4,405,513)
Net Change in Total OPEB Liability	1,987,472	522,472	5,859,158	(1,300,700)	2,334,420	2,538,899	1,037,320
Total OPEB Liability - Beginning	60,089,447	59,566,975	53,707,817	55,008,517	52,674,097	50,135,198	49,097,878
Total OPEB Liability - Ending (a)	<u>\$ 62,076,919</u>	<u>\$ 60,089,447</u>	<u>\$ 59,566,975</u>	<u>\$ 53,707,817</u>	<u>\$ 55,008,517</u>	<u>\$ 52,674,097</u>	<u>\$ 50,135,198</u>
Plan Fiduciary Net Position							
Contributions-Employer	\$ 1,206,800	\$ -	\$ -	\$ -	\$ 3,643,391	\$ 2,283,071	\$ 58,362,417
Projected Investment Return	4,849,665	3,052,738	(6,059,314)	9,663,992	2,903,606	3,028,266	-
Differences Between Expected and Actual Experience	-	101,857	-	-	-	-	-
Benefit Payments	(4,206,800)	(2,564,399)	(2,778,866)	(3,701,408)	(3,643,391)	(4,783,071)	(4,405,513)
Net Change in Plan Fiduciary Net Position	1,849,665	590,196	(8,838,180)	5,962,584	2,903,606	528,266	53,956,904
Total Fiduciary Net Position - Beginning	55,103,376	54,513,180	63,351,360	57,388,776	54,485,170	53,956,904	-
Total Fiduciary Net Position - Ending (b)	<u>\$ 56,953,041</u>	<u>\$ 55,103,376</u>	<u>\$ 54,513,180</u>	<u>\$ 63,351,360</u>	<u>\$ 57,388,776</u>	<u>\$ 54,485,170</u>	<u>\$ 53,956,904</u>
District's Net OPEB Liability - Ending (a) - (b)	<u>\$ 5,123,878</u>	<u>\$ 4,986,071</u>	<u>\$ 5,053,795</u>	<u>\$ (9,643,543)</u>	<u>\$ (2,380,259)</u>	<u>\$ (1,811,073)</u>	<u>\$ (3,821,706)</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	91.75%	91.70%	91.52%	117.96%	104.33%	103.44%	107.62%
Covered Payroll	\$ 266,975,848	\$ 259,199,852	\$ 242,463,437	\$ 235,401,395	\$ 221,133,728	\$ 214,673,522	\$ 207,060,884
District's Net OPEB Liability as a Percentage of Covered Payroll	1.92%	1.92%	2.08%	-4.10%	-1.08%	-0.84%	-1.85%

*GASB Statements No. 74/75 require ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Rosemount-Apple Valley-Eagan ISD 196
Schedule of District OPEB Contributions
June 30, 2024

**Schedule of District OPEB Contributions
Last 10 Fiscal Years***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially Determined Contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in Relation to The Actuarially Determined Contribution	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contribution Deficiency (Excess)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Covered Payroll	\$ 266,975,848	\$ 259,199,852	\$ 242,463,437	\$ 235,401,395	\$ 221,133,728	\$ 214,673,522	\$ 207,060,884
Contributions as A Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*GASB Statements No. 74/75 require ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Rosemount-Apple Valley-Eagan ISD 196
Notes to the Schedule of Changes in the District's Net OPEB Liability and Related Ratios
and Schedule of District OPEB Contributions
June 30, 2024

<u>Valuation Date</u>	July 1, 2022
<u>Inflation</u>	2.50 percent
<u>Investment Rate of Return</u>	5.60 percent, net of investment expenses
<u>Discount Rate</u>	4.90 percent
<u>Healthcare Cost Trend Rates</u>	6.00% in 2024 grading to 5.00% over 4 years and then to 4.00% over the next 48 years.
<u>Mortality</u>	Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2021 Generational Improvement Scale.
<u>Actuarial Cost Method</u>	Entry Age, level percentage of pay.

Amortization Method Average of expected remaining service on a closed basis for differences between expected and actual experience and assumption changes. Closed five-year period for differences between expected and actual asset returns.

2024 Changes

Changes in Actuarial Assumptions

- The discount rate was changed from 4.70% to 4.90%.

Changes in Plan Provisions

- None

2023 Changes

Changes in Actuarial Assumptions

- The health care trend rates, mortality tables, salary increase rates for non-teachers, withdrawal rates, and retirement rates were updated.
- The discount rate was changed from 4.90% to 4.70%.

Changes in Plan Provisions

- The employer contributions to the Tax-Deferred Matching Plan increased for Teachers. This benefit is not included in the GASB 75 liability, but it is used to offset the Teachers' health care savings plan lump sum under GASB 75.

2022 Changes

Changes in Actuarial Assumptions

- The expected long-term investment return was changed from 6.00% to 5.90%.
- The discount rate was changed from 2.80% to 4.00%.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2021 Changes

Changes in Actuarial Assumptions

- The health care trend rates were changed to better anticipate short term and long-term medical increases.
- The mortality tables were updated to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2019 Generational Improvement Scale.
- The salary increase rates were changed from a flat 3.00% per year for all employees to rates which vary by service and contract group.
- The expected long-term investment return was changed from 4.00% to 6.00%.
- The discount rate was changed from 2.60% to 2.80%.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2020 Changes

Changes in Actuarial Assumptions

- The expected long-term investment return was changed from 4.30% to 4.00%.
- The discount rate was changed from 3.30% to 2.60%.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2019 Changes

Changes in Actuarial Assumptions

- The health care trend rates were changed to better anticipate short term and long-term medical increases.
- The mortality tables were updated to the RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale.
- The expected long-term investment return was changed from 5.20% to 4.30%.
- The discount rate was changed from 3.80% to 3.30%.

Changes in Plan Provisions

- The new superintendent does not have a subsidized post-employment benefit.

2018 Changes

Changes in Actuarial Assumptions

- The expected long-term investment return was changed from 4.90% to 5.20%.
- The discount rate was changed from 3.10% to 3.80%.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

Rosemount-Apple Valley-Eagan ISD 196
Schedule of Employer's Share of Net Pension Liability
June 30, 2024

**Schedule of Employer's Share of Net Pension Liability
Last 10 Fiscal Years**

Pension Plan	Measurement Date	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated With District (b)	Total (d) (a+b)	Employer's Covered Payroll (e)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/e)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
PERA	6/30/2014	0.8558%	\$ 40,201,196	N/A	\$ 40,201,196	\$ 45,801,731	87.8%	78.8%
PERA	6/30/2015	0.7836%	40,610,219	N/A	40,610,219	46,021,245	88.2%	78.2%
PERA	6/30/2016	0.7610%	61,789,425	\$ 806,952	62,596,377	47,231,887	130.8%	68.9%
PERA	6/30/2017	0.7588%	48,441,291	609,138	49,050,429	48,849,901	99.2%	75.9%
PERA	6/30/2018	0.7609%	42,211,612	1,384,512	43,596,124	51,294,453	82.3%	79.5%
PERA	6/30/2019	0.7483%	41,371,831	1,285,874	42,657,705	52,812,080	78.3%	80.2%
PERA	6/30/2020	0.7648%	45,853,255	1,413,980	47,267,235	54,420,467	84.3%	79.1%
PERA	6/30/2021	0.7370%	31,473,202	961,118	32,434,320	52,020,160	60.5%	87.0%
PERA	6/30/2022	0.8041%	63,684,985	1,866,887	65,551,872	60,313,733	105.6%	76.7%
PERA	6/30/2023	0.7874%	44,030,526	1,213,760	45,244,286	59,007,394	74.6%	83.1%
TRA	6/30/2014	3.3358%	\$ 153,711,262	\$ 10,813,476	\$ 164,524,738	\$ 152,270,353	100.9%	81.5%
TRA	6/30/2015	3.1326%	193,782,291	23,768,953	217,551,244	159,010,347	121.9%	76.8%
TRA	6/30/2016	3.1503%	751,421,716	75,422,961	826,844,677	164,204,853	457.6%	44.9%
TRA	6/30/2017	3.1521%	629,216,339	60,824,265	690,040,604	169,205,267	371.9%	51.6%
TRA	6/30/2018	3.1910%	200,421,836	18,830,184	219,252,020	178,260,773	112.4%	78.1%
TRA	6/30/2019	3.3239%	211,866,085	18,749,509	230,615,594	188,698,314	112.3%	78.1%
TRA	6/30/2020	3.2245%	238,230,381	19,964,267	258,194,648	187,364,672	127.1%	75.5%
TRA	6/30/2021	3.2864%	143,822,690	12,129,930	155,952,620	196,644,649	73.1%	86.6%
TRA	6/30/2022	3.4011%	272,342,096	20,196,458	292,538,554	210,261,583	129.5%	76.2%
TRA	6/30/2023	3.4262%	282,874,747	19,814,975	302,689,722	217,844,234	129.9%	76.4%

Rosemount-Apple Valley-Eagan ISD 196
Schedule of Employer's Contributions
June 30, 2024

**Schedule of Employer's Contributions
Last 10 Fiscal Years**

Pension Plan	Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
PERA	6/30/2015	\$ 3,394,067	\$ 3,394,067	\$ -	\$ 46,021,245	7.5%
PERA	6/30/2016	3,542,392	3,542,392	-	47,231,887	7.5%
PERA	6/30/2017	3,663,743	3,663,743	-	48,849,901	7.5%
PERA	6/30/2018	3,847,084	3,847,084	-	51,294,453	7.5%
PERA	6/30/2019	3,960,906	3,960,906	-	52,812,080	7.5%
PERA	6/30/2020	4,081,535	4,081,535	-	54,420,467	7.5%
PERA	6/30/2021	3,901,512	3,901,512	-	52,020,160	7.5%
PERA	6/30/2022	4,523,530	4,523,530	-	60,313,733	7.5%
PERA	6/30/2023	4,425,555	4,425,555	-	59,007,394	7.5%
PERA	6/30/2024	5,044,264	5,044,264	-	67,256,853	7.5%
TRA	6/30/2015	\$ 11,925,776	\$ 11,925,776	\$ -	\$ 159,010,347	7.5%
TRA	6/30/2016	12,315,364	12,315,364	-	164,204,853	7.5%
TRA	6/30/2017	12,690,395	12,690,395	-	169,205,267	7.5%
TRA	6/30/2018	13,369,558	13,369,558	-	178,260,773	7.5%
TRA	6/30/2019	14,548,640	14,548,640	-	188,698,314	7.7%
TRA	6/30/2020	14,839,282	14,839,282	-	187,364,672	7.9%
TRA	6/30/2021	15,987,210	15,987,210	-	196,644,649	8.1%
TRA	6/30/2022	17,535,816	17,535,816	-	210,261,583	8.3%
TRA	6/30/2023	18,625,682	18,625,682	-	217,844,234	8.6%
TRA	6/30/2024	19,960,014	19,960,014	-	228,114,446	8.8%

Notes to the Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions**PERA****2023 Changes**

Changes in Actuarial Assumptions

- The investment return assumption and single discount rate were changed from 6.5 percent to 7.00 percent.

Changes in Plan Provisions

- An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 Changes

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2021 Changes

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.

- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes**Changes in Actuarial Assumptions**

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

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

2018 Changes**Changes in Actuarial Assumptions**

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions

- The combined service annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and non-vested deferred members. The revised CSA load are now 0.00 percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for non-vested deferred member liability.
- The assumed postretirement benefit increase rate was changed for 1.00 percent per year for all years to 1.00 percent per year through 2044 and 2.50 percent per year thereafter.

Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increase the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

TRA**2022 Changes**

Changes in Actuarial Assumptions

- The employer contribution rate will increase from 8.75% to 9.5% on July 1, 2025.
- The employee contribution rate will increase from 7.75% to 8% on July 1, 2025.
- The pension adjustment rate for school districts and the base budgets for Minnesota State, Perpich Center for Arts Education, and Minnesota Academies will increase to reflect the 0.75% employer contribution rate increase.
- The Normal Retirement Age (NRA) for active and eligible deferred Tier II members will be 65 effective July 1, 2024.
- TRA's amortization date will remain the same at 2048.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2021 Changes

Changes in Actuarial Assumptions

- The investment return assumption was changed from 7.50 percent to 7.00 percent.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2020 Changes

Changes in Actuarial Assumptions

- Assumed termination rates were changed to more closely reflect actual experience.
- The pre-retirement mortality assumption was changed to the RP-2014
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years, (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019 Changes

Changes in Actuarial Assumptions

- The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% in January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.

- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years, (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2018 Changes**Changes in Actuarial Assumptions**

- The discount rate was decreased to 4.66% from 8.0%.
- The cost of living adjustment (COLA) was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending July 1, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero% beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers was reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next six years (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2017 Changes**Changes in Actuarial Assumptions**

- The discount rate was decreased to 5.12% from 4.66%.
- The cost of living adjustment (COLA) was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2045.
- The COLA was not assumed to increase to 2.5% but remain at 2.0% for all future years.

- Adjustments were made to the combined service annuity loads. The active load was reduced from 1.4% to 0.0%, the vested inactive load increased from 4.0% to 7.0% and the non-vested inactive load increased from 4.0% to 9.0%.
- The investment return assumption was changed from 8.0% to 7.5%.
- The price inflation assumption was lowered from 2.75% to 2.5%.
- The payroll growth assumption was lowered from 2.5% to 3.0%.
- The general wage growth assumption was lowered from 3.5% to 2.85% for ten years followed by 3.25% thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2016 Changes**Changes in Actuarial Assumptions**

- The discount rate was decreased to 4.66% from 8.0%.
- The COLA was not assumed to increase for funding or the GASB calculation. It remained at 2% for all future years.
- The price inflation assumption was lowered from 3% to 2.75%.
- The general wage growth and payroll growth assumptions were lowered from 3.75% to 3.5%.
- Minor changes as some durations for the merit scale of the salary increase assumption.
- The pre-retirement mortality assumption was changed to the RP 2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP 2015 scale.
- The post-retirement mortality assumption was changed to the RP 2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP 2015 scale.
- The post-disability mortality assumption was changed to the RP 2014 disabled retiree mortality table, without adjustment.
- Augmentation in the early retirement reduction factors is phased out o Separate retirement assumptions for members hired before or after July 1, 1989, were created to better reflect each group's behavior in light of different requirements for retirement eligibility.
- Assumed termination rates were changed to be based solely on years of service in order to better fit the observed experience.
- A minor adjustment and simplification of the assumption regarding the election of optional form of annuity payment at retirement were made.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes of benefit terms

- The DTRFA was merged into TRA on June 30, 2015.

Changes in Actuarial Assumptions

- The annual COLA for the June 30, 2015, valuation assumed 2%. The prior year valuation used 2% with an increase to 2.5% commencing in 2034. The discount rate used to measure the total pension liability was 8.0%. This is a decrease from the discount rate at the prior measurement date of 8.25%. Details, if necessary, can be obtained from the TRA Comprehensive Annual Financial Report.

PERA's Comprehensive Annual Financial Report may be obtained on the PERA's website at www.mnpera.org for notes to the Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions.

Additional financial and actuarial information can be found in TRA's GASB 67-68 report. Both reports can be obtained at <https://minnesotatra.org>.



Supplementary Information

June 30, 2024

Rosemount-Apple Valley-Eagan ISD 196



Rosemount-Apple Valley-Eagan ISD 196

General Fund

Schedule of Changes in UFARS Fund Balances

Year Ended June 30, 2024

	Fund Balance (Deficit) Beginning of Year	Net Change in Fund Balance	Fund Balance End of Year
Nonspendable	\$ 1,814,179	\$ (637,302)	\$ 1,176,877
Restricted for Student Activities	327,272	14,965	342,237
Restricted for Capital Projects Levy	1,820,113	1,349,287	3,169,400
Restricted for Literacy Incentive Aid	-	1,431,784	1,431,784
Restricted for Operating Capital	5,564,329	(59,249)	5,505,080
Restricted for Safe Schools Levy	(733,542)	733,542	-
Restricted for Long Term Facilities Maintenance	3,223,671	(1,220,611)	2,003,060
Restricted for Student Support Personnel	-	364,523	364,523
Restricted for Medical Assistance	2,602,952	40,411	2,643,363
Assigned for Site Operating Budget Carryover	8,216,693	412,146	8,628,839
Assigned for Subsequent Year Budget Deficit	8,701,308	4,671,667	13,372,975
Assigned for Site Miscellaneous Budget Carryover	2,540,896	1,854,009	4,394,905
Unassigned	<u>57,573,422</u>	<u>10,985,584</u>	<u>68,559,006</u>
	<u>\$ 91,651,293</u>	<u>\$ 19,940,756</u>	<u>\$ 111,592,049</u>

Rosemount-Apple Valley-Eagan ISD 196

General Fund

Balance Sheet

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024	2023
Assets		
Cash and cash equivalents	\$ 172,945,669	\$ 148,876,090
Cash held with fiscal agent	188	188
Receivables		
Current property taxes	63,479,691	62,026,424
Delinquent property taxes	375,504	682,828
Accounts	679,773	517,488
Due from other governmental units	44,909,082	39,619,581
Leases	1,203,110	1,254,811
Due from other funds	-	2,473,352
Prepaid items	264,756	923,305
Inventories	912,121	890,874
Total assets	\$ 284,769,894	\$ 257,264,941
Liabilities		
Accounts payable	\$ 3,924,845	\$ 6,403,348
Due to other governmental units	663,400	489,082
Salaries and benefits payable	48,432,073	44,081,124
Construction contracts payable	2,594,567	2,061,055
Unearned revenue	129,164	167,919
Total liabilities	55,744,049	53,202,528
Deferred Inflows of Resources		
Unavailable revenue-property taxes	375,504	682,828
Property taxes levied for subsequent year	115,932,066	110,520,010
Lease related	1,126,226	1,208,282
Total deferred inflows of resources	117,433,796	112,411,120
Fund Balance		
Nonspendable		
Prepaid items	264,756	923,305
Inventories	912,121	890,874
Restricted		
Student activities	342,237	327,272
Capital projects levy	3,169,400	1,820,113
Literacy incentive aid	1,431,784	-
Operating capital	5,505,080	5,564,329
Long-Term facility maintenance	2,003,060	3,223,671
Student support personnel	364,523	-
Medical assistance	2,643,363	2,602,952
Assigned		
Site operating budget carryover	8,628,839	8,216,693
Subsequent year budget deficit	13,372,975	8,701,308
Site miscellaneous budget carryover	4,394,905	2,540,896
Unassigned	68,559,006	56,839,880
Total fund balance	111,592,049	91,651,293
Total liabilities, deferred inflows of resources, and fund balance	\$ 284,769,894	\$ 257,264,941

Rosemount-Apple Valley-Eagan ISD 196

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024			Variance With Final Budget	2023
	Original Budget	Final Budget	Actual		Actual
Revenues					
Local Sources					
Property taxes	\$ 115,068,553	\$ 115,068,553	\$ 115,365,814	\$ 297,261	\$ 106,195,718
Investment earnings	-	8,000,000	8,450,073	450,073	4,602,414
Other	7,495,591	8,638,014	12,982,750	4,344,736	11,208,343
State Sources	328,704,297	345,836,363	351,667,492	5,831,129	314,703,870
Federal Sources	17,881,306	18,332,772	17,638,833	(693,939)	21,457,130
Total Revenues	469,149,747	495,875,702	506,104,962	10,229,260	458,167,475
District and School Administration					
Salaries and wages	9,269,044	9,494,736	10,440,658	(945,922)	13,599,693
Employee benefits	3,609,535	3,679,484	4,026,578	(347,094)	5,481,325
Purchased services	371,420	642,830	421,738	221,092	221,451
Supplies and materials	184,451	703,168	186,054	517,114	207,715
Capital expenditures	79,350	154,354	66,178	88,176	51,263
Lease Principal	-	-	12,014	(12,014)	12,297
Lease Interest	-	-	1,304	(1,304)	-
Other expenditures	115,382	180,484	126,486	53,998	124,252
	13,629,182	14,855,056	15,281,010	(425,954)	19,697,996
District Support Services					
Salaries and wages	7,344,274	7,536,643	7,395,365	141,278	7,109,307
Employee benefits	3,665,050	3,980,036	4,702,107	(722,071)	3,785,472
Purchased services	2,105,966	3,853,246	3,727,251	125,995	3,139,987
Supplies and materials	1,618,607	1,090,350	535,977	554,373	811,432
Capital expenditures	478,810	584,610	5,592,405	(5,007,795)	1,785,462
Lease Principal	62,493	1,792,703	1,486,378	306,325	1,521,103
Lease Interest	2,550	2,550	82,226	(79,676)	4,880
Other expenditures	(188,650)	(187,580)	(450,293)	262,713	(772,190)
	15,089,100	18,652,558	23,071,416	(4,418,858)	17,385,453
Regular Instruction					
Salaries and wages	150,588,412	153,679,176	149,503,965	4,175,211	143,439,541
Employee benefits	51,401,352	54,796,685	51,136,735	3,659,950	48,282,035
Purchased services	6,389,627	9,695,159	11,622,029	(1,926,870)	11,281,417
Supplies and materials	7,602,758	14,268,688	6,489,159	7,779,529	7,358,323
Capital expenditures	1,414,107	3,409,758	3,022,785	386,973	1,625,044
Lease Principal	379,704	1,283,003	3,571,797	(2,288,794)	606,727
Lease Interest	-	-	164,610	(164,610)	9,517
Other expenditures	402,402	3,108,126	2,944,483	163,643	3,321,151
	218,178,362	240,240,595	228,455,563	11,785,032	215,923,755

Rosemount-Apple Valley-Eagan ISD 196

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024			Variance With Final Budget	2023
	Original Budget	Final Budget	Actual		Actual
Vocational Instruction					
Salaries and wages	4,081,876	3,983,718	4,161,926	(178,208)	3,917,216
Employee benefits	1,400,892	1,377,808	1,476,141	(98,333)	1,323,127
Purchased services	256,718	249,602	246,085	3,517	272,168
Supplies and materials	211,262	246,525	160,368	86,157	169,478
Capital expenditures	4,250	4,250	72,661	(68,411)	64,442
Other expenditures	9,554	9,554	2,216	7,338	13,364
	<u>5,964,552</u>	<u>5,871,457</u>	<u>6,119,397</u>	<u>(247,940)</u>	<u>5,759,795</u>
Exceptional Instruction					
Salaries and wages	64,575,747	67,512,869	67,584,145	(71,276)	62,545,780
Employee benefits	26,491,541	27,524,403	26,184,252	1,340,151	24,029,620
Purchased services	2,090,060	1,977,970	1,766,055	211,915	2,212,457
Supplies and materials	1,361,519	1,738,223	834,746	903,477	1,052,770
Capital expenditures	1,183,012	1,153,012	787,030	365,982	426,293
Lease Principal	-	90,000	318,218	(228,218)	56,864
Lease Interest	-	-	5,999	(5,999)	190
Other expenditures	39,000	39,000	10,075	28,925	43,717
	<u>95,740,879</u>	<u>100,035,477</u>	<u>97,490,520</u>	<u>2,544,957</u>	<u>90,367,691</u>
Community Education and Service					
Employee benefits	-	-	13,790	(13,790)	-
Instructional Support Services					
Salaries and wages	15,598,468	16,347,500	19,522,381	(3,174,881)	14,755,243
Employee benefits	6,340,146	6,573,039	7,314,588	(741,549)	4,879,648
Purchased services	1,434,858	1,817,917	1,000,569	817,348	821,676
Supplies and materials	6,015,232	4,462,530	1,051,450	3,411,080	7,096,412
Capital expenditures	8,958	8,958	2,769,092	(2,760,134)	7,239
Lease Principal	-	196,500	181,227	15,273	236,073
Lease Interest	-	-	14,381	(14,381)	-
Other expenditures	93,998	110,098	68,125	41,973	51,946
	<u>29,491,660</u>	<u>29,516,542</u>	<u>31,921,813</u>	<u>(2,405,271)</u>	<u>27,848,237</u>
Pupil Support Services					
Salaries and wages	19,798,049	20,914,623	22,048,061	(1,133,438)	20,017,878
Employee benefits	10,491,082	10,692,665	10,521,576	171,089	8,532,936
Purchased services	5,889,813	5,278,457	7,408,172	(2,129,715)	5,990,177
Supplies and materials	2,770,684	2,930,771	2,657,518	273,253	3,970,098
Capital expenditures	1,603,000	1,603,000	16,645	1,586,355	1,316,675
Lease Principal	34,781	34,781	92,376	(57,595)	102,512
Lease Interest	2,860	2,860	6,743	(3,883)	2,205
Other expenditures	6,700	18,200	8,499	9,701	4,713
	<u>40,596,969</u>	<u>41,475,357</u>	<u>42,759,590</u>	<u>(1,284,233)</u>	<u>39,937,194</u>

Rosemount-Apple Valley-Eagan ISD 196

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Site Building and Equipment					
Salaries and wages	10,992,269	11,194,278	11,227,713	(33,435)	10,591,837
Employee benefits	5,703,666	5,483,606	4,761,883	721,723	4,498,729
Purchased services	8,080,463	8,080,463	13,523,784	(5,443,321)	13,637,368
Supplies and materials	1,812,693	1,819,693	2,821,110	(1,001,417)	2,605,221
Capital expenditures	14,806,064	15,523,803	11,254,444	4,269,359	9,081,060
Lease Principal	4,031,844	4,031,844	4,034,880	(3,036)	3,879,762
Lease Interest	1,097,179	1,097,179	1,093,612	3,567	1,250,919
Other expenditures	5,000	5,000	(243,732)	248,732	(357,913)
	<u>46,529,178</u>	<u>47,235,866</u>	<u>48,473,694</u>	<u>(1,237,828)</u>	<u>45,186,983</u>
Fiscal and Other Fixed Costs					
Purchased services	<u>1,802,712</u>	<u>1,782,712</u>	<u>1,760,694</u>	<u>22,018</u>	<u>1,517,915</u>
Total expenditures	<u>467,022,594</u>	<u>499,665,620</u>	<u>495,347,487</u>	<u>4,318,133</u>	<u>463,625,019</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,127,153	(3,789,918)	10,757,475	5,911,127	(5,457,544)
Other Financing Sources (Uses)					
Transfer out	(135,061)	(159,496)	(146,105)	13,391	(211,175)
Sale of property	10,000	610,000	640,186	30,186	778,465
Insurance recovery	-	100,000	145,839	45,839	98,736
Subscription based IT arrangements	-	-	7,719,153	7,719,153	2,277,418
Leases	-	-	824,208	824,208	70,597
Total Other Financing Sources	<u>(125,061)</u>	<u>550,504</u>	<u>9,183,281</u>	<u>8,632,777</u>	<u>3,014,041</u>
Net Change in Fund Balance	<u>\$ 2,002,092</u>	<u>\$ (3,239,414)</u>	19,940,756	<u>\$ 14,543,904</u>	(2,443,503)
Fund Balance, Beginning of Year			91,651,293		94,094,796
Fund Balance, End of Year			<u>\$ 111,592,049</u>		<u>\$ 91,651,293</u>

Rosemount-Apple Valley-Eagan ISD 196

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances by Account Year Ended June 30, 2024

	Operating	Pupil Transportation	Capital Expenditures	Total
Revenues				
Local Sources				
Property taxes	\$ 107,080,614	\$ -	\$ 8,285,200	\$ 115,365,814
Investment earnings	8,450,073	-	-	8,450,073
Other	12,710,059	272,691	-	12,982,750
State Sources	321,009,383	26,087,823	4,570,286	351,667,492
Federal Sources	17,638,833	-	-	17,638,833
Total Revenues	466,888,962	26,360,514	12,855,486	506,104,962
District and School Administration				
Salaries and wages	10,440,658	-	-	10,440,658
Employee benefits	4,026,578	-	-	4,026,578
Purchased services	421,738	-	-	421,738
Supplies and materials	162,019	-	24,035	186,054
Capital expenditures	17,448	-	48,730	66,178
Lease Principal	12,014	-	-	12,014
Lease Interest	1,304	-	-	1,304
Other expenditures	126,486	-	-	126,486
	15,208,245	-	72,765	15,281,010
District Support Services				
Salaries and wages	7,395,365	-	-	7,395,365
Employee benefits	4,702,107	-	-	4,702,107
Purchased services	3,727,251	-	-	3,727,251
Supplies and materials	535,184	-	793	535,977
Capital expenditures	5,256,369	-	336,036	5,592,405
Lease Principal	842,539	-	643,839	1,486,378
Lease Interest	78,400	-	3,826	82,226
Other expenditures	(450,293)	-	-	(450,293)
	22,086,922	-	984,494	23,071,416
Regular Instruction				
Salaries and wages	149,503,965	-	-	149,503,965
Employee benefits	51,136,735	-	-	51,136,735
Purchased services	11,622,029	-	-	11,622,029
Supplies and materials	4,441,098	-	2,048,061	6,489,159
Capital expenditures	314,005	-	2,708,780	3,022,785
Lease Principal	2,555,493	-	1,016,304	3,571,797
Lease Interest	164,610	-	-	164,610
Other expenditures	2,944,483	-	-	2,944,483
	222,682,418	-	5,773,145	228,455,563

Rosemount-Apple Valley-Eagan ISD 196

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances by Account Year Ended June 30, 2024

	Operating	Pupil Transportation	Capital Expenditures	Total
Vocational Instruction				
Salaries and wages	4,161,926	-	-	4,161,926
Employee benefits	1,476,141	-	-	1,476,141
Purchased services	246,085	-	-	246,085
Supplies and materials	120,519	-	39,849	160,368
Capital expenditures	42,011	-	30,650	72,661
Other expenditures	2,216	-	-	2,216
	<u>6,048,898</u>	<u>-</u>	<u>70,499</u>	<u>6,119,397</u>
Exceptional Instruction				
Salaries and wages	67,584,145	-	-	67,584,145
Employee benefits	26,184,252	-	-	26,184,252
Purchased services	1,766,055	-	-	1,766,055
Supplies and materials	834,746	-	-	834,746
Capital expenditures	787,030	-	-	787,030
Lease Principal	318,218	-	-	318,218
Lease Interest	5,999	-	-	5,999
Other expenditures	10,075	-	-	10,075
	<u>97,490,520</u>	<u>-</u>	<u>-</u>	<u>97,490,520</u>
Exceptional Instruction				
Employee benefits	<u>13,790</u>	<u>-</u>	<u>-</u>	<u>13,790</u>
Instructional Support Services				
Salaries and wages	19,522,381	-	-	19,522,381
Employee benefits	7,314,588	-	-	7,314,588
Purchased services	1,000,569	-	-	1,000,569
Supplies and materials	885,551	-	165,899	1,051,450
Capital expenditures	2,744,948	-	24,144	2,769,092
Lease Principal	45,656	-	135,571	181,227
Lease Interest	14,381	-	-	14,381
Other expenditures	68,125	-	-	68,125
	<u>31,596,199</u>	<u>-</u>	<u>325,614</u>	<u>31,921,813</u>
Pupil Support Services				
Salaries and wages	10,588,452	11,459,609	-	22,048,061
Employee benefits	4,005,421	6,516,155	-	10,521,576
Purchased services	865,416	6,542,756	-	7,408,172
Supplies and materials	52,982	2,604,536	-	2,657,518
Capital expenditures	1,133	15,512	-	16,645
Lease Principal	-	57,003	35,373	92,376
Lease Interest	5,204	-	1,539	6,743
Other expenditures	1,661	6,838	-	8,499
	<u>15,520,269</u>	<u>27,202,409</u>	<u>36,912</u>	<u>42,759,590</u>

Rosemount-Apple Valley-Eagan ISD 196

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances by Account Year Ended June 30, 2024

	Operating	Pupil Transportation	Capital Expenditures	Total
Site Building and Equipment				
Salaries and wages	11,227,713	-	-	11,227,713
Employee benefits	4,761,883	-	-	4,761,883
Purchased services	13,221,125	-	302,659	13,523,784
Supplies and materials	2,821,110	-	-	2,821,110
Capital expenditures	7,160,608	-	4,093,836	11,254,444
Lease Principal	752	-	4,034,128	4,034,880
Lease Interest	78	-	1,093,534	1,093,612
Other expenditures	(253,326)	-	9,594	(243,732)
	<u>38,939,943</u>	<u>-</u>	<u>9,533,751</u>	<u>48,473,694</u>
Fiscal and Other Fixed Costs				
Purchased services	<u>1,760,694</u>	<u>-</u>	<u>-</u>	<u>1,760,694</u>
Total expenditures	<u>451,347,898</u>	<u>27,202,409</u>	<u>16,797,180</u>	<u>495,347,487</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,541,064	(841,895)	(3,941,694)	10,757,475
Other Financing Sources (Uses)				
Transfer out	(146,105)	-	-	(146,105)
Sale of property	640,186	-	-	640,186
Insurance recovery	-	145,839	-	145,839
Subscription based IT arrangements	7,719,153	-	-	7,719,153
Leases	(2,547,033)	-	3,371,241	824,208
Total other financing sources (uses)	<u>5,666,201</u>	<u>145,839</u>	<u>3,371,241</u>	<u>9,183,281</u>
Net Change in Fund Balance	21,207,265	(696,056)	(570,453)	19,940,756
Fund Balance (Deficit), Beginning of Year	<u>85,774,694</u>	<u>(1,322,099)</u>	<u>7,198,698</u>	<u>91,651,293</u>
Fund Balance (Deficit), End of Year	<u>\$ 106,981,959</u>	<u>\$ (2,018,155)</u>	<u>\$ 6,628,245</u>	<u>\$ 111,592,049</u>

Rosemount-Apple Valley-Eagan ISD 196

General Fund - Operating Account

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance With Final Budget	Actual
Revenues				
Local Sources				
Property taxes	\$ 107,160,605	\$ 107,080,614	\$ (79,991)	\$ 98,048,079
Investment earnings	8,000,000	8,450,073	450,073	4,602,409
Other	8,393,014	12,710,059	4,317,045	11,065,288
State Sources	319,716,888	321,009,383	1,292,495	287,470,511
Federal Sources	18,332,772	17,638,833	(693,939)	21,457,130
Total Revenues	461,603,279	466,888,962	5,285,683	422,643,417
District and School Administration				
Salaries and wages	9,494,736	10,440,658	(945,922)	13,599,693
Employee benefits	3,679,484	4,026,578	(347,094)	5,481,325
Purchased services	642,830	421,738	221,092	221,451
Supplies and materials	624,212	162,019	462,193	155,483
Capital expenditures	88,700	17,448	71,252	6,102
Lease Principal	-	12,014	(12,014)	12,297
Lease Interest	-	1,304	(1,304)	-
Other expenditures	180,484	126,486	53,998	124,252
	14,710,446	15,208,245	(497,799)	19,600,603
District Support Services				
Salaries and wages	7,536,643	7,395,365	141,278	7,109,307
Employee benefits	3,980,036	4,702,107	(722,071)	3,785,472
Purchased services	3,853,246	3,727,251	125,995	3,139,987
Supplies and materials	1,050,350	535,184	515,166	791,381
Capital expenditures	27,810	5,256,369	(5,228,559)	1,606,969
Lease Principal	798,410	842,539	(44,129)	777,543
Lease Interest	-	78,400	(78,400)	304
Other expenditures	(187,580)	(450,293)	262,713	(772,190)
	17,058,915	22,086,922	(5,028,007)	16,438,773
Regular Instruction				
Salaries and wages	153,679,176	149,503,965	4,175,211	143,439,541
Employee benefits	54,796,685	51,136,735	3,659,950	48,282,035
Purchased services	9,695,159	11,622,029	(1,926,870)	11,281,417
Supplies and materials	10,721,087	4,441,098	6,279,989	5,395,143
Capital expenditures	516,753	314,005	202,748	378,165
Lease Principal	1,048,003	2,555,493	(1,507,490)	350,114
Lease Interest	-	164,610	(164,610)	9,517
Other expenditures	3,108,126	2,944,483	163,643	3,321,151
	233,564,989	222,682,418	10,882,571	212,457,083

Rosemount-Apple Valley-Eagan ISD 196

General Fund - Operating Account

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance With Final Budget	Actual
Vocational Instruction				
Salaries and wages	3,983,718	4,161,926	(178,208)	3,917,216
Employee benefits	1,377,808	1,476,141	(98,333)	1,323,127
Purchased services	249,602	246,085	3,517	272,168
Supplies and materials	161,525	120,519	41,006	142,853
Capital expenditures	4,250	42,011	(37,761)	2,376
Other expenditures	9,554	2,216	7,338	13,364
	<u>5,786,457</u>	<u>6,048,898</u>	<u>(262,441)</u>	<u>5,671,104</u>
Exceptional Instruction				
Salaries and wages	67,512,869	67,584,145	(71,276)	62,545,780
Employee benefits	27,524,403	26,184,252	1,340,151	24,029,620
Purchased services	1,977,970	1,766,055	211,915	2,212,457
Supplies and materials	1,738,223	834,746	903,477	1,052,770
Capital expenditures	1,153,012	787,030	365,982	426,293
Lease Principal	90,000	318,218	(228,218)	56,864
Lease Interest	-	5,999	(5,999)	190
Other expenditures	39,000	10,075	28,925	43,717
	<u>100,035,477</u>	<u>97,490,520</u>	<u>2,544,957</u>	<u>90,367,691</u>
Community education and service				
Employee benefits	-	13,790	(13,790)	-
Instructional Support Services				
Salaries and wages	16,347,500	19,522,381	(3,174,881)	14,755,243
Employee benefits	6,573,039	7,314,588	(741,549)	4,879,648
Purchased services	1,817,917	1,000,569	817,348	821,676
Supplies and materials	4,275,813	885,551	3,390,262	6,880,452
Capital expenditures	2,500	2,744,948	(2,742,448)	6,310
Lease Principal	196,500	45,656	150,844	46,235
Lease Interest	-	14,381	(14,381)	-
Other expenditures	110,098	68,125	41,973	51,946
	<u>29,323,367</u>	<u>31,596,199</u>	<u>(2,272,832)</u>	<u>27,441,510</u>
Pupil Support Services				
Salaries and wages	10,318,673	10,588,452	(269,779)	9,382,647
Employee benefits	3,885,057	4,005,421	(120,364)	3,300,670
Purchased services	525,529	865,416	(339,887)	268,224
Supplies and materials	97,526	52,982	44,544	789,587
Capital expenditures	3,000	1,133	1,867	2,348
Lease Interest	-	5,204	(5,204)	-
Other expenditures	14,000	1,661	12,339	2,742
	<u>14,843,785</u>	<u>15,520,269</u>	<u>(676,484)</u>	<u>13,746,218</u>

Rosemount-Apple Valley-Eagan ISD 196

General Fund - Operating Account

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance With Final Budget	Actual
Site Building and Equipment				
Salaries and wages	11,194,278	11,227,713	(33,435)	10,591,837
Employee benefits	5,483,606	4,761,883	721,723	4,498,729
Purchased services	7,703,211	13,221,125	(5,517,914)	13,360,410
Supplies and materials	1,819,693	2,821,110	(1,001,417)	2,605,221
Capital expenditures	14,417,039	7,160,608	7,256,431	7,322,760
Lease Principal	-	752	(752)	830
Lease Interest	-	78	(78)	-
Other expenditures	5,000	(253,326)	258,326	(368,745)
	<u>40,622,827</u>	<u>38,939,943</u>	<u>1,682,884</u>	<u>38,011,042</u>
Fiscal and Other Fixed Costs				
Purchased services	<u>1,782,712</u>	<u>1,760,694</u>	<u>22,018</u>	<u>1,517,915</u>
Total expenditures	<u>457,728,975</u>	<u>451,347,898</u>	<u>6,381,077</u>	<u>425,251,939</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,874,304	15,541,064	(1,095,394)	(2,608,522)
Other Financing Sources (Uses)				
Transfer out	(159,496)	(146,105)	13,391	(211,175)
Sale of property	610,000	640,186	30,186	778,465
Insurance recovery	100,000	-	(100,000)	-
Subscription based IT arrangements	-	7,719,153	7,719,153	2,277,418
Leases	-	(2,547,033)	(2,547,033)	(672,591)
Total other financing sources (uses)	<u>550,504</u>	<u>5,666,201</u>	<u>5,115,697</u>	<u>2,172,117</u>
Net Change in Fund Balance	<u>\$ 3,323,800</u>	21,207,265	<u>\$ (6,211,091)</u>	(436,405)
Fund Balance, Beginning of Year		<u>85,774,694</u>		<u>86,211,099</u>
Fund Balance, End of Year		<u>\$ 106,981,959</u>		<u>\$ 85,774,694</u>

Rosemount-Apple Valley-Eagan ISD 196

General Fund - Pupil Transportation Account

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local Sources				
Other	\$ 245,000	\$ 272,691	\$ 27,691	\$ 136,073
State Sources	26,119,475	26,087,823	(31,652)	22,501,603
Total Revenues	26,364,475	26,360,514	(3,961)	22,637,676
Expenditures				
Current				
Pupil Support Services				
Salaries and wages	10,595,950	11,459,609	(863,659)	10,635,231
Employee benefits	6,807,608	6,516,155	291,453	5,232,266
Purchased services	4,752,928	6,542,756	(1,789,828)	5,721,953
Supplies and materials	2,785,700	2,604,536	181,164	3,082,686
Capital expenditures	1,600,000	15,512	1,584,488	1,314,327
Lease principal	500	57,003	(56,503)	68,208
Other expenditures	4,200	6,838	(2,638)	1,971
Total expenditures	26,546,886	27,202,409	(655,523)	26,056,642
Excess (Deficiency) of Revenues Over (Under) Expenditures	(182,411)	(841,895)	651,562	(3,418,966)
Other Financing Sources				
Insurance recovery	100,000	145,839	45,839	98,736
Leases	-	-	-	115,943
Total other financing sources	100,000	145,839	45,839	214,679
Net Change in Fund Balance	\$ (82,411)	(696,056)	\$ 697,401	(3,204,287)
Fund Balance, Beginning of Year		(1,322,099)		1,882,188
Fund Balance (Deficit), End of Year		\$ (2,018,155)		\$ (1,322,099)

Rosemount-Apple Valley-Eagan ISD 196

General Fund - Capital Expenditure Account

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2022)

	2024			2023
	Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local Sources				
Property taxes	\$ 7,907,948	\$ 8,285,200	\$ 377,252	\$ 8,147,639
Investment earnings	-	-	-	5
Other	-	-	-	6,982
State Sources	4,631,897	4,570,286	(61,611)	4,731,756
Total Revenues	12,539,845	12,855,486	315,641	12,886,382
Expenditures				
District and School Administration				
Supplies and materials	78,956	24,035	54,921	52,232
Capital expenditures	65,654	48,730	16,924	45,161
	144,610	72,765	71,845	97,393
District Support Services				
Supplies and materials	40,000	793	39,207	20,051
Capital expenditures	556,800	336,036	220,764	178,493
Lease Principal	994,293	643,839	350,454	743,560
Lease Interest	2,550	3,826	(1,276)	4,576
	1,593,643	984,494	609,149	946,680
Regular Instruction				
Supplies and materials	3,547,601	2,048,061	1,499,540	1,963,180
Capital expenditures	2,893,005	2,708,780	184,225	1,246,879
Lease Principal	235,000	1,016,304	(781,304)	256,613
	6,675,606	5,773,145	902,461	3,466,672
Vocational Instruction				
Supplies and materials	85,000	39,849	45,151	26,625
Capital expenditures	-	30,650	(30,650)	62,066
	85,000	70,499	14,501	88,691

Rosemount-Apple Valley-Eagan ISD 196

General Fund - Capital Expenditure Account

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024		2023
	Final Budget	Actual	Variance with Final Budget
			Actual
Instructional Support Services			
Supplies and materials	186,717	165,899	20,818
Capital expenditures	6,458	24,144	(17,686)
Lease Principal	196,500	135,571	60,929
	<u>389,675</u>	<u>325,614</u>	<u>64,061</u>
Pupil support services			
Supplies and materials	47,545	-	47,545
Lease Principal	34,781	35,373	(592)
Lease Interest	2,860	1,539	1,321
	<u>85,186</u>	<u>36,912</u>	<u>48,274</u>
Site, building and equipment			
Purchased services	377,252	302,659	74,593
Capital expenditures	1,106,764	4,093,836	(2,987,072)
Lease Principal	4,031,844	4,034,128	(2,284)
Lease Interest	1,097,179	1,093,534	3,645
Other expenditures	-	9,594	(9,594)
	<u>6,613,039</u>	<u>9,533,751</u>	<u>(2,920,712)</u>
Total expenditures	<u>15,586,759</u>	<u>16,797,180</u>	<u>(1,210,421)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,046,914)	(3,941,694)	1,526,062
Other Financing Sources			
Leases	-	3,371,241	3,371,241
Net Change in Fund Balance	<u>\$ (3,046,914)</u>	<u>(570,453)</u>	<u>\$ 4,897,303</u>
Fund Balance, Beginning of Year		<u>7,198,698</u>	<u>6,001,509</u>
Fund Balance (Deficit), End of Year		<u>\$ 6,628,245</u>	<u>\$ 7,198,698</u>

Rosemount-Apple Valley-Eagan ISD 196

General Fund

Schedule of Special Education Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Other local and county sources	\$ 1,500,000	\$ 1,606,972	\$ 106,972	\$ 1,763,429
State sources	57,109,413	61,194,478	4,085,065	47,516,215
Federal sources	7,104,322	7,082,767	(21,555)	8,080,687
Total revenues	65,713,735	69,884,217	4,170,482	57,360,331
Expenditures				
Current				
Special Education Instruction				
Salaries and wages	67,117,379	66,328,845	(1,821,297)	61,149,033
Employee benefits	27,439,548	25,954,612	503,677	23,782,423
Purchased services	1,901,723	1,699,271	324,462	2,149,755
Supplies and materials	1,548,874	828,893	508,473	978,770
Other expenditures	39,000	10,075	28,925	43,748
Debt Service				
Principal	-	3,960	(3,960)	3,944
Interest	-	267	(267)	190
Capital outlay	1,243,827	1,067,779	116,048	480,702
Total expenditures	99,290,351	95,893,702	(343,939)	88,588,565
Net Change in Fund Balance	\$ (33,576,616)	(26,009,485)	\$ 3,826,543	(31,228,234)
Fund Balance, Beginning of Year		(41,624,093)		(10,092,312)
Fund Balance, End of Year		\$ (67,633,578)		\$ (41,320,546)

Rosemount-Apple Valley-Eagan ISD 196

Food Service

Comparative Balance Sheet

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024	2023
Assets		
Cash and cash equivalents	\$ 6,558,015	\$ 6,442,901
Receivables		
Due from other governmental units	4,616,827	2,256,974
Due from other funds	-	28,425
Inventories	569,305	402,836
	<u>569,305</u>	<u>402,836</u>
Total assets	<u>\$ 11,744,147</u>	<u>\$ 9,131,136</u>
Liabilities		
Accounts payable	\$ 382,927	\$ 321,750
Salaries and benefits payable	567,749	337,452
Unearned revenue	621,698	606,647
	<u>621,698</u>	<u>606,647</u>
Total liabilities	<u>1,572,374</u>	<u>1,265,849</u>
Fund Balance		
Nonspendable	569,305	402,836
Restricted	9,602,468	7,462,451
	<u>9,602,468</u>	<u>7,462,451</u>
Total fund balance	<u>10,171,773</u>	<u>7,865,287</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 11,744,147</u>	<u>\$ 9,131,136</u>

Rosemount-Apple Valley-Eagan ISD 196

Food Service

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Other local and county sources	\$ 9,000	\$ 394,611	\$ 385,611	\$ 290,285
State sources	10,807,316	10,801,772	(5,544)	765,737
Federal source	8,413,687	10,110,809	1,697,122	9,082,837
Food sales	2,719,155	1,413,553	(1,305,602)	6,370,498
Total revenues	21,949,158	22,720,745	771,587	16,509,357
Expenditures				
Current				
Pupil Support Services				
Salaries and wages	5,100,699	5,215,419	(114,720)	4,459,235
Employee benefits	1,942,856	1,594,021	348,835	1,373,425
Purchased services	250,000	710,092	(460,092)	917,644
Supplies and materials	8,418,819	11,103,122	(2,684,303)	8,618,186
Other expenditures	535,000	468,629	66,371	641,741
Capital outlay	1,945,000	1,435,763	509,237	904,052
Debt Service				
Principal	-	40,217	(40,217)	1,851
Total expenditures	18,192,374	20,567,263	(2,374,889)	16,916,134
Excess (Deficiency) of Revenues over (under) Expenditures	3,756,784	2,153,482	(1,603,302)	(406,777)
Other Financing Sources				
SBITA proceeds	-	153,004	153,004	-
Net Change in Fund Balance	\$ 3,756,784	2,306,486	\$ (1,450,298)	(406,777)
Fund Balance, Beginning of Year		7,865,287		8,272,064
Fund Balance, End of Year		\$ 10,171,773		\$ 7,865,287

Rosemount-Apple Valley-Eagan ISD 196

Community Service Fund

Balance Sheet

Years Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2022)

	2024	2023
Assets		
Cash and cash equivalents	\$ 6,508,256	\$ 6,101,306
Receivables		
Current property taxes	957,972	982,998
Delinquent property taxes	6,764	12,166
Accounts	203,596	96,633
Due from other governmental units	572,742	507,076
Due from other funds	-	61,531
Prepaid items	1,000	2,150
Total assets	\$ 8,250,330	\$ 7,763,860
Liabilities		
Accounts payable	\$ 104,794	\$ 100,580
Due to other governmental units	5,406	6,716
Salaries payable	1,169,575	1,024,238
Unearned revenue	975,056	951,419
Total liabilities	2,254,831	2,082,953
Deferred Inflows of Resources		
Unavailable revenue-property taxes	6,764	12,166
Property taxes levied for subsequent year	1,809,585	1,810,496
Total deferred inflows of resources	1,816,349	1,822,662
Fund Balance		
Nonspendable		
Prepaid items	1,000	2,150
Restricted		
Community education	860,097	418,628
Early childhood and family education	1,222,168	1,223,162
School readiness	1,575,156	1,691,343
Adult basic education	493,787	488,707
Other purposes	26,942	34,255
Total fund balance	4,179,150	3,858,245
Total liabilities, deferred inflows of resources, and fund balance	\$ 8,250,330	\$ 7,763,860

Rosemount-Apple Valley-Eagan ISD 196

Community Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance With Final Budget	Actual
Revenues				
Local property taxes				
Property tax levy	\$ 1,802,362	\$ 1,886,783	\$ 84,421	\$ 1,848,516
Other local and county sources	4,558,026	5,545,612	987,586	4,694,589
State sources	3,805,960	3,809,747	3,787	3,506,671
Federal source	93,018	159,818	66,800	409,259
Sales and other conversions of assets	992	2,714	1,722	2,045
Total revenues	10,260,358	11,404,674	1,144,316	10,461,080
Expenditures				
Current				
Community education and services				
Salaries and wages	7,291,374	7,706,423	(415,049)	7,124,014
Employee benefits	2,704,172	2,745,315	(41,143)	2,401,193
Purchased services	(292,431)	106,300	(398,731)	(285,839)
Supplies and materials	347,978	343,300	4,678	313,495
Other expenditures	302,179	279,152	23,027	430,235
Capital outlay	19,700	60,297	(40,597)	33,638
Debt Service				
Principal	5,091	6,238	(1,147)	7,114
Interest and fiscal charges	-	478	(478)	111
Total expenditures	10,378,063	11,247,503	(869,440)	10,023,961
Excess (Deficiency) of Revenues Over (Under) Expenditures	(117,705)	157,171	274,876	437,119
Other Financing Sources				
Transfer in	159,496	146,105	(13,391)	211,175
Capital lease proceeds	-	17,629	17,629	-
Total other financing sources	159,496	163,734	4,238	211,175
Net Change in Fund Balance	\$ 41,791	320,905	\$ 279,114	648,294
Fund Balance, Beginning of Year		3,858,245		3,209,951
Fund Balance, End of Year		<u>\$ 4,179,150</u>		<u>\$ 3,858,245</u>

Rosemount-Apple Valley-Eagan ISD 196

Building Construction Fund

Balance Sheet

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024	2023
Assets		
Cash and cash equivalents	\$ 308,483,764	\$ -
Cash held with fiscal agent	238,796	-
Total assets	\$ 308,722,560	\$ -
Liabilities		
Accounts payable	\$ 5,069,976	\$ 61,695
Due to other governmental units	1,143	-
Salaries payable	1,708	-
Due to other funds	-	51
Construction contracts payable	1,718,864	-
Total liabilities	6,791,691	61,746
Fund Balance		
Restricted		
Capital Projects	301,930,869	-
Unassigned	-	(61,746)
Total fund balance (deficit)	301,930,869	(61,746)
Total liabilities and fund balance (deficit)	\$ 308,722,560	\$ -

Rosemount-Apple Valley-Eagan ISD 196

Building Construction Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance With Final Budget	Actual
Revenues				
Investment earnings	\$ 5,000,000	\$ 11,050,290	\$ 6,050,290	\$ 43,406
Expenditures				
Current				
Fiscal and other fixed cost programs	-	670,058	(670,058)	-
Capital outlay	18,252,269	19,561,118	(1,308,849)	403,750
Total expenditures	18,252,269	20,231,176	(1,978,907)	403,750
Deficiency of Revenues under Expenditures	(13,252,269)	(9,180,886)	4,071,383	(360,344)
Other Financing Sources				
Bond proceeds	311,000,000	299,225,000	(11,775,000)	-
Bond premium	-	11,948,501	11,948,501	-
Total other financing sources	311,000,000	311,173,501	173,501	-
Net Change in Fund Balance (Deficit)	\$ 297,747,731	301,992,615	\$ 4,244,884	(360,344)
Fund Balance (Deficit), Beginning of Year		(61,746)		298,598
Fund Balance (Deficit), End of Year		\$ 301,930,869		\$ (61,746)

Rosemount-Apple Valley-Eagan ISD 196

Debt Service Fund

Balance Sheet

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	<u>2024</u>	<u>2023</u>
Assets		
Cash and cash equivalents	\$ 24,469,209	\$ 13,705,540
Receivables		
Current property taxes	18,690,339	9,507,016
Delinquent property taxes	67,677	124,098
Due from other governmental units	<u>199,270</u>	<u>24,935</u>
Total assets	<u>\$ 43,426,495</u>	<u>\$ 23,361,589</u>
Deferred Inflows of Resources		
Unavailable revenue-property taxes	\$ 67,677	\$ 124,098
Property taxes levied for subsequent year	<u>35,207,265</u>	<u>17,461,266</u>
Total deferred inflows of resources	<u>35,274,942</u>	<u>17,585,364</u>
Fund Balance		
Restricted	<u>8,151,553</u>	<u>5,776,224</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 43,426,495</u>	<u>\$ 23,361,588</u>

Rosemount-Apple Valley-Eagan ISD 196

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

		2024		2023
	Final Budget	Debt Service	Variance With Final Budget	Actual
Revenues				
Local property tax levies	\$ 17,402,694	\$ 17,364,477	\$ (38,217)	\$ 17,717,272
Investment earnings	20,000	771,192	751,192	383,672
State sources	65,559	65,559	-	52,347
Total revenues	17,488,253	18,201,228	712,975	18,153,291
Expenditures				
Current				
Fiscal and other fixed cost programs	70,000	-	70,000	474
Debt Service				
Principal	12,955,000	12,955,000	-	12,645,000
Interest	3,645,900	3,645,900	-	4,275,504
Total expenditures	16,670,900	16,600,900	70,000	16,920,978
Excess of Revenues over Expenditures	817,353	1,600,328	782,975	1,232,313
Other Financing Sources				
Bond proceeds	775,000	775,000	-	-
Net change in fund balance	\$ 1,592,353	2,375,328	\$ 642,975	\$ 1,232,313
Fund balance, beginning of year		5,776,225		4,543,912
Fund balance, end of year		\$ 8,151,553		\$ 5,776,225

Rosemount-Apple Valley-Eagan ISD 196

Internal Service Funds

Combining Statement of Net Position

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	Severance Benefits	Self-Insured Dental Benefits	Self-Insured Health Benefits	Totals	
				2024	2023
Assets					
Cash and cash equivalents	\$ 10,887,379	\$ 376,937	\$ 27,836,082	\$ 39,100,398	\$ 44,027,118
Liabilities					
Current					
Accounts payable	-	23,463	811,109	834,572	1,832,727
Claims incurred but not reported	-	6,899	4,897,841	4,904,740	6,217,559
Severance benefits payable	1,361,076	-	-	1,361,076	1,686,005
Unearned revenue	-	-	11,525,565	11,525,565	10,730,713
Total current liabilities	1,361,076	30,362	17,234,515	18,625,953	20,467,004
Long-Term Liabilities					
Severance benefits payable	9,748,263	-	-	9,748,263	11,051,241
Total liabilities	11,109,339	30,362	17,234,515	28,374,216	31,518,245
Net Position (Deficit)					
Unrestricted	\$ (221,960)	\$ 346,575	\$ 10,601,567	\$ 10,726,182	\$ 12,508,873

Rosemount-Apple Valley-Eagan ISD 196

Internal Service Funds

Schedule of Revenues, Expenditures and Change in Net Position

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	Severance Benefits	Self-Insured Dental Benefits	Self-Insured Health Benefits	Totals	
				2024	2023
Operating Revenues					
Contributions	\$ 926,210	\$ 481,070	\$ 69,184,492	\$ 70,591,772	\$ 64,999,504
Deductions					
Severance benefits	(701,697)	-	-	(701,697)	(290,393)
Self-insured benefits	-	476,538	72,941,551	73,418,089	70,319,476
Total operating expenses	(701,697)	476,538	72,941,551	72,716,392	70,029,083
Operating Income (Loss)	1,627,907	4,532	(3,757,059)	(2,124,620)	(5,029,579)
Nonoperating Revenue					
Investment income	-	11,320	330,609	341,929	822,853
Change in Net Position	1,627,907	15,852	(3,426,450)	(1,782,691)	(4,206,726)
Net Position (Deficit), Beginning of Year	(1,849,867)	330,723	14,028,017	12,508,873	16,715,600
Net Position (Deficit), End of Year	\$ (221,960)	\$ 346,575	\$ 10,601,567	\$ 10,726,182	\$ 12,508,874

Rosemount-Apple Valley-Eagan ISD 196

Internal Service Funds

Combining Statement of Cash Flows

Year Ended June 30, 2024

(With Summarized Financial Information for Year Ended June 30, 2023)

	Severance Benefits	Self-Insured Dental Benefits	Self-Insured Health Benefits	2024	2023
Operating Activities					
Receipts from contributions	\$ 926,210	\$ 481,070	\$ 69,184,492	\$ 70,591,772	\$ 64,999,504
Payments for severance, OPEB, and self-insured claims	(926,210)	(477,842)	(74,456,369)	(75,860,421)	(66,330,190)
Net cash used for operating activities	-	3,228	(5,271,877)	(5,268,649)	(1,330,686)
Investing Activity					
Investment income	-	11,320	330,609	341,929	822,853
Net Change in Cash and Cash Equivalents	-	14,548	(4,941,268)	(4,926,720)	(507,833)
Cash and Cash Equivalents, July 1	10,887,379	362,389	32,777,350	44,027,118	44,534,951
Cash and Cash Equivalents, June 30	\$ 10,887,379	\$ 376,937	\$ 27,836,082	\$ 39,100,398	\$ 44,027,118
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities					
Operating Activities					
Operating loss	\$ 1,627,907	\$ 4,532	\$ (3,757,059)	\$ (2,124,620)	(5,029,580)
Changes in assets and liabilities					
Accounts payable	-	1,695	(999,850)	(998,155)	7,591,017
Claims payable - medical	-	(2,999)	(1,309,820)	(1,312,819)	(3,789,596)
Severance benefits payable	(1,627,907)	-	-	(1,627,907)	(1,017,490)
Unearned revenue	-	-	794,852	794,852	914,963
Net cash used for operating activities	\$ -	\$ 3,228	\$ (5,271,877)	\$ (5,268,649)	\$ (1,330,686)

Other Supplementary Information
June 30, 2024

Rosemount-Apple Valley-Eagan ISD 196

Rosemount-Apple Valley-Eagan ISD 196
Uniform Financial Accounting and Reporting Standards Compliance Table
Year Ended June 30, 2024

	Audit	UFARS	Audit - UFARS		Audit	UFARS	Audit - UFARS
01 GENERAL FUND				06 BUILDING CONSTRUCTION			
Total Revenue	\$506,104,962	<u>\$506,104,962</u>	<u>\$0</u>	Total Revenue	\$11,050,290	<u>\$11,050,290</u>	<u>\$0</u>
Total Expenditures	\$495,347,487	<u>\$495,347,487</u>	<u>\$0</u>	Total Expenditures	\$20,231,176	<u>\$20,231,176</u>	<u>\$0</u>
Non Spendable:				Non Spendable:			
4.60 Non Spendable Fund Balance	\$1,176,877	<u>\$1,176,877</u>	<u>\$0</u>	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
Restricted / Reserved:				Restricted / Reserved:			
4.01 Student Activities	\$342,237	<u>\$342,237</u>	<u>\$0</u>	4.07 Capital Projects Levy	\$0	<u>\$0</u>	<u>\$0</u>
4.02 Scholarships	\$0	<u>\$0</u>	<u>\$0</u>	4.13 Funded by COP/FP	\$0	<u>\$0</u>	<u>\$0</u>
4.03 Staff Development	\$0	<u>\$0</u>	<u>\$0</u>	4.67 LTFM	\$21,601,545	<u>\$21,601,545</u>	<u>\$0</u>
4.07 Capital Projects Levy	\$3,169,400	<u>\$3,169,400</u>	<u>\$0</u>	Restricted:			
4.08 Cooperative Revenue	\$0	<u>\$0</u>	<u>\$0</u>	4.64 Restricted Fund Balance	\$280,329,324	<u>\$280,329,323</u>	<u>\$1</u>
4.12 Literacy Incentive Aid	\$1,431,784	<u>\$1,431,784</u>	<u>\$0</u>	Unassigned:			
4.14 Operating Debt	\$0	<u>\$0</u>	<u>\$0</u>	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.16 Levy Reduction	\$0	<u>\$0</u>	<u>\$0</u>				
4.17 Taconite Building Maint	\$0	<u>\$0</u>	<u>\$0</u>	07 DEBT SERVICE			
4.20 American Indian Education Aid	\$0	<u>\$0</u>	<u>\$0</u>	Total Revenue	\$18,201,228	<u>\$18,201,230</u>	<u>(\$2)</u>
4.24 Operating Capital	\$5,505,080	<u>\$5,505,080</u>	<u>\$0</u>	Total Expenditures	\$16,600,900	<u>\$16,600,900</u>	<u>\$0</u>
4.26 \$25 Taconite	\$0	<u>\$0</u>	<u>\$0</u>	Non Spendable:			
4.27 Disabled Accessibility	\$0	<u>\$0</u>	<u>\$0</u>	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.28 Learning & Development	\$0	<u>\$0</u>	<u>\$0</u>	Restricted / Reserved:			
4.34 Area Learning Center	\$0	<u>\$0</u>	<u>\$0</u>	4.25 Bond Refundings	\$0	<u>\$0</u>	<u>\$0</u>
4.35 Contracted Alt. Programs	\$0	<u>\$0</u>	<u>\$0</u>	4.33 Maximum Effort Loan Aid	\$0	<u>\$0</u>	<u>\$0</u>
4.36 State Approved Alt. Program	\$0	<u>\$0</u>	<u>\$0</u>	4.51 QZAB Payments	\$0	<u>\$0</u>	<u>\$0</u>
4.38 Gifted & Talented	\$0	<u>\$0</u>	<u>\$0</u>	4.67 LTFM	\$0	<u>\$0</u>	<u>\$0</u>
4.39 English Learner	\$0	<u>\$0</u>	<u>\$0</u>	Restricted:			
4.40 Teacher Development and	\$0	<u>\$0</u>	<u>\$0</u>	4.64 Restricted Fund Balance	\$8,151,553	<u>\$8,151,554</u>	<u>(\$1)</u>
Evaluation				Unassigned:			
4.41 Basic Skills Programs	\$0	<u>\$0</u>	<u>\$0</u>	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.43 School Library Aid	\$0	<u>\$0</u>	<u>\$0</u>				
4.48 Achievement and Integration	\$0	<u>\$0</u>	<u>\$0</u>	08 TRUST			
4.49 Safe Schools Levy	\$0	<u>\$0</u>	<u>\$0</u>	Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
4.51 QZAB Payments	\$0	<u>\$0</u>	<u>\$0</u>	Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	<u>\$0</u>	Restricted / Reserved:			
4.53 Unfunded Sev & Retirement Levy	\$0	<u>\$0</u>	<u>\$0</u>	4.01 Student Activities	\$0	<u>\$0</u>	<u>\$0</u>
4.59 Basic Skills Extended Time	\$0	<u>\$0</u>	<u>\$0</u>	4.02 Scholarships	\$0	<u>\$0</u>	<u>\$0</u>
4.67 LTFM	\$2,003,060	<u>\$2,003,060</u>	<u>\$0</u>	4.22 Unassigned Fund Balance (Net	\$0	<u>\$0</u>	<u>\$0</u>
4.71 Student Support Personnel Aid	\$364,523	<u>\$364,523</u>	<u>\$0</u>	Assets)			
4.72 Medical Assistance	\$2,643,363	<u>\$2,643,363</u>	<u>\$0</u>	18 CUSTODIAL			
Restricted:				Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>	Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.75 Title VII Impact Aid	\$0	<u>\$0</u>	<u>\$0</u>	Restricted / Reserved:			
4.76 Payments in Lieu of Taxes	\$0	<u>\$0</u>	<u>\$0</u>	4.01 Student Activities	\$0	<u>\$0</u>	<u>\$0</u>
Committed:				4.02 Scholarships	\$0	<u>\$0</u>	<u>\$0</u>
4.18 Committed for Separation	\$0	<u>\$0</u>	<u>\$0</u>	4.48 Achievement and Integration	\$0	<u>\$0</u>	<u>\$0</u>
4.61 Committed Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>	4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
Assigned:							
4.62 Assigned Fund Balance	\$26,396,719	<u>\$26,396,719</u>	<u>\$0</u>	20 INTERNAL SERVICE			
Unassigned:				Total Revenue	\$70,933,701	<u>\$70,933,702</u>	<u>(\$1)</u>
4.22 Unassigned Fund Balance	\$68,559,006	<u>\$68,559,005</u>	<u>\$1</u>	Total Expenditures	\$72,716,392	<u>\$72,716,392</u>	<u>\$0</u>
				4.22 Unassigned Fund Balance (Net	\$10,726,182	<u>\$10,726,182</u>	<u>\$0</u>
				Assets)			

Rosemount-Apple Valley-Eagan ISD 196
Uniform Financial Accounting and Reporting Standards Compliance Table
Year Ended June 30, 2024

04 COMMUNITY SERVICE

Total Revenue	\$11,404,674	<u>\$11,404,673</u>	<u>\$1</u>
Total Expenditures	\$11,247,503	<u>\$11,247,502</u>	<u>\$1</u>
Non Spendable:			
4.60 Non Spendable Fund Balance	\$1,000	<u>\$1,000</u>	<u>\$0</u>
Restricted / Reserved:			
4.26 \$25 Taconite	\$0	<u>\$0</u>	<u>\$0</u>
4.31 Community Education	\$860,097	<u>\$860,097</u>	<u>\$0</u>
4.32 E.C.F.E	\$1,222,168	<u>\$1,222,168</u>	<u>\$0</u>
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	<u>\$0</u>
4.44 School Readiness	\$1,575,156	<u>\$1,575,156</u>	<u>\$0</u>
4.47 Adult Basic Education	\$493,787	<u>\$493,787</u>	<u>\$0</u>
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	<u>\$0</u>
Restricted:			
4.64 Restricted Fund Balance	\$26,942	<u>\$26,941</u>	<u>\$1</u>
Unassigned:			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>

47 OPEB DEBT SERVICE

Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
Non Spendable:			
4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
Restricted:			
4.25 Bond Refundings	\$0	<u>\$0</u>	<u>\$0</u>
4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
Unassigned:			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>

Statistical Section (Unaudited)

June 30, 2024

Rosemount-Apple Valley-Eagan ISD 196



Statistical Section (Unaudited)

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

Financial Trends - These schedules contain trend information to help the reader understand and assess how the government's financial position has changed over time.

Revenue Capacity - These schedules contain information to assist the reader in understanding and assessing the factors affecting the government's ability to generate its own-source revenues.

Debt Capacity - These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information - These schedules offer demographic and economic information to (1) assist the reader in understanding the socioeconomic environment within which a government operates and (2) provide information that facilitates comparisons of financial statement information over time and among governments.

Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

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



Rosemount-Apple Valley-Eagan ISD 196
Net Position By Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net investment in capital assets	\$ 158,918,349	\$ 154,681,937	\$ 149,036,967	\$ 112,909,002	\$ 116,725,381	\$ 136,635,071	\$ 153,112,125	\$ 165,633,642	\$ 177,348,809	\$ 202,708,540
Restricted for:										
Capital Asset Acquisition	3,017,560	2,551,987	7,056,555	19,609,902	7,507,409	2,404,496	-	628,995	-	301,930,869
Debt Service	2,521,510	4,332,306	2,320,162	1,028,372	-	373,926	1,470,300	2,596,229	5,776,225	8,151,553
Other Postemployment Benefits	-	10,112	9,646,093	3,821,706	1,811,073	2,178,119	9,643,543	-	-	-
Other Purposes	3,223,691	3,083,262	7,378,316	14,634,189	17,760,294	17,614,349	20,360,402	27,931,708	23,083,240	27,719,899
Unrestricted	<u>(191,421,788)</u>	<u>(186,199,312)</u>	<u>(286,586,292)</u>	<u>(384,314,650)</u>	<u>(279,452,776)</u>	<u>(292,504,778)</u>	<u>(296,148,378)</u>	<u>(264,526,697)</u>	<u>(195,066,575)</u>	<u>(471,106,972)</u>
Total Governmental Activities Net Position	<u>\$ (23,740,678)</u>	<u>\$ (21,539,708)</u>	<u>\$ (111,148,199)</u>	<u>\$ (232,311,479)</u>	<u>\$ (135,648,619)</u>	<u>\$ (133,298,817)</u>	<u>\$ (111,562,008)</u>	<u>\$ (67,736,123)</u>	<u>\$ 11,141,699</u>	<u>\$ 69,403,889</u>

Note

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

Rosemount-Apple Valley-Eagan ISD 196

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

(Unaudited)

	Fiscal Year			
	2015	2016	2017	2018
Expenses				
Governmental Activities				
Administration	\$ 12,801,745	\$ 15,493,748	\$ 19,813,397	\$ 19,849,495
District Support Services	9,142,598	9,058,209	9,785,816	11,304,721
Regular Instruction	160,761,078	166,000,943	238,876,726	237,331,260
Vocational Instruction	4,089,165	5,237,887	7,252,774	6,971,224
Special Education Instruction	61,805,761	65,647,768	90,835,750	92,821,199
Instructional Support Services	18,302,791	19,753,852	27,432,668	27,761,713
Pupil Support Services	22,639,915	23,523,058	27,520,644	28,187,078
Sites and Buildings	24,878,718	27,849,964	30,156,308	44,032,340
Fiscal and Other Fixed Cost Programs	651,864	650,603	613,851	582,782
Food Service	11,787,045	12,302,155	12,468,780	11,440,841
Community Service	7,954,502	8,211,003	10,479,888	10,362,136
Unallocated Depreciation	10,322,952	10,580,519	10,454,449	10,559,793
Interest and Fiscal Charges on Debt	4,033,890	4,760,111	6,031,917	4,880,487
Total Expenses	<u>\$ 349,172,024</u>	<u>\$ 369,069,820</u>	<u>\$ 491,722,968</u>	<u>\$ 506,085,069</u>
Program Revenues				
Governmental Activities				
Charges for services				
Administration	\$ -	\$ -	\$ 4,392	\$ 435,369
District Support Services	141,218	203,086	111,607	191,466
Elementary and Secondary Regular Instruction	5,966,969	6,205,284	3,440,568	3,866,135
Vocational Education Instruction	17,997	3,343	-	-
Special Education Instruction	978,884	961,972	1,044,883	796,072
Instructional Support Services	24,389	143,290	-	16,158
Pupil Support Services	1,249,628	231,078	148,992	267,920
Sites and Buildings	245,482	118,028	-	1,798
Food Service	6,376,625	6,390,305	6,663,041	6,479,339
Community Service	3,373,200	3,325,681	3,768,615	3,646,054
Operating grants and contributions	54,043,906	58,170,271	64,488,748	85,003,445
Capital grants and contributions	62,540	8,105	334,716	4,963,687
Total Program Revenues	<u>72,480,838</u>	<u>75,760,443</u>	<u>80,005,562</u>	<u>105,667,443</u>
Net Revenue (Expense)	(276,691,186)	(293,309,377)	(411,717,406)	(400,417,626)
General Revenues				
Taxes				
Property Taxes, Levied for General Purposes	51,982,775	53,871,623	66,731,765	71,069,187
Property Taxes, Levied for Community Service	1,678,863	1,662,796	1,671,770	1,670,006
Property Taxes, Levied for Facility Improvements	6,220,053	8,535,237	-	-
Property Taxes, Levied for Debt Service	19,185,246	14,584,470	17,426,213	16,767,998
General Grants and Aids	208,882,436	215,880,510	229,657,806	208,324,498
Other General Revenues	383,544	563,633	258,267	465,747
Investment Earnings (Loss)	864,399	412,078	6,363,094	5,159,316
Total General Revenues	<u>289,197,316</u>	<u>295,510,347</u>	<u>322,108,915</u>	<u>303,456,752</u>
Change in Net Position	<u>\$ 12,506,130</u>	<u>\$ 2,200,970</u>	<u>\$ (89,608,491)</u>	<u>\$ (96,960,874)</u>

Rosemount-Apple Valley-Eagan ISD 196

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

(Unaudited)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 12,051,588	\$ 18,233,295	\$ 17,679,393	\$ 17,291,218	\$ 19,573,660	\$ 13,886,755
11,702,181	13,429,650	16,663,789	15,910,214	21,022,552	26,679,478
121,251,866	211,444,602	216,373,592	203,445,557	143,952,163	202,652,658
3,561,099	5,654,203	5,430,687	5,300,791	5,756,826	6,068,702
73,220,623	75,487,437	76,596,038	85,358,191	90,374,982	96,693,929
16,663,894	24,595,643	22,568,796	22,736,483	25,472,028	20,070,485
24,625,849	29,794,651	31,273,851	34,797,537	40,192,776	42,764,400
34,429,780	34,726,544	30,109,325	27,841,384	46,796,101	57,276,144
1,182,069	671,312	1,237,889	1,209,218	3,660,082	1,760,694
12,227,206	10,922,877	10,711,362	15,389,003	16,916,134	20,567,263
7,301,923	9,011,068	8,367,921	9,251,885	10,025,895	11,179,805
10,310,511	-	-	-	-	-
5,145,850	4,540,835	4,131,775	(669,166)	4,206,727	12,844,463
<u>\$ 333,674,439</u>	<u>\$ 438,512,117</u>	<u>\$ 441,144,418</u>	<u>\$ 437,862,315</u>	<u>\$ 427,949,926</u>	<u>\$ 512,444,776</u>
\$ 429,722	\$ 2,950	\$ 25	\$ 4,008	\$ 1,500	\$ 1,195
258,441	248,479	10,911	14,533	308,184	256,701
3,810,261	3,688,825	2,220,978	3,998,689	4,850,052	4,981,625
940	-	-	-	778	1,033
1,082,057	1,135,866	1,333,551	1,717,605	1,763,318	1,606,224
17,965	13,440	7,812	26,148	33,180	23,644
242,342	552,186	139,857	230,626	551,288	853,713
-	-	-	1,798	392,085	506,520
7,049,877	4,968,821	95,744	844,796	6,370,498	1,413,553
3,663,168	3,117,331	2,250,459	3,850,067	4,687,622	5,540,114
101,343,381	98,694,661	120,151,777	123,974,808	112,809,872	140,878,845
5,300,870	5,176,740	5,014,416	4,856,655	2,348,015	-
<u>123,199,024</u>	<u>117,599,299</u>	<u>131,225,530</u>	<u>139,519,733</u>	<u>134,116,392</u>	<u>156,063,167</u>
(210,475,415)	(320,912,818)	(309,918,888)	(298,342,582)	(293,833,534)	(356,381,609)
72,968,496	76,031,346	96,748,853	102,820,209	105,469,474	112,274,530
1,675,955	1,753,218	1,785,616	1,798,860	1,848,516	1,886,783
-	-	-	-	-	-
16,632,558	17,809,052	17,948,640	17,767,242	17,717,272	17,364,477
212,253,653	213,963,522	214,852,352	218,742,166	240,214,097	257,853,813
3,014,218	841,500	142,331	240,810	2,432,505	4,992,639
362,703	1,892,813	137,477	799,180	5,029,492	20,271,557
<u>306,907,583</u>	<u>312,291,451</u>	<u>331,615,269</u>	<u>342,168,467</u>	<u>372,711,356</u>	<u>414,643,799</u>
<u>\$ 96,432,168</u>	<u>\$ (8,621,367)</u>	<u>\$ 21,696,381</u>	<u>\$ 43,825,885</u>	<u>\$ 78,877,822</u>	<u>\$ 58,262,190</u>

Rosemount-Apple Valley-Eagan ISD 196

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

(Unaudited)

	Fiscal Year			
	2015	2016	2017	2018
General Fund				
Nonspendable	\$ 924,736	\$ 967,324	\$ 1,061,586	\$ 1,050,944
Restricted	3,296,572	2,454,724	5,838,313	9,318,698
Assigned	6,636,835	10,790,390	7,472,160	8,399,254
Unassigned	21,074,506	16,839,773	22,263,362	25,699,811
Total General Fund	<u>\$ 31,932,649</u>	<u>\$ 31,052,211</u>	<u>\$ 36,635,421</u>	<u>\$ 44,468,707</u>
All Other Governmental Funds				
Nonspendable	\$ 132,289	\$ 136,641	\$ 163,619	\$ 208,298
Restricted	19,888,229	138,407,574	104,910,947	45,393,559
Unassigned	(279,012)	-	-	-
Total All Other Governmental Funds	<u>\$ 19,741,506</u>	<u>\$ 138,544,215</u>	<u>\$ 105,074,566</u>	<u>\$ 45,601,857</u>

Rosemount-Apple Valley-Eagan ISD 196

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

(Unaudited)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 1,421,379	\$ 1,282,831	\$ 647,657	\$ 3,932,377	\$ 1,814,179	\$ 1,176,877
10,840,842	10,072,358	13,093,480	16,883,660	13,538,337	15,459,447
1,311,999	1,271,880	7,128,748	13,744,165	19,458,897	26,396,719
37,352,793	45,737,258	63,988,692	59,534,594	56,839,880	68,559,006
<u>\$ 50,927,013</u>	<u>\$ 58,364,327</u>	<u>\$ 84,858,577</u>	<u>\$ 94,094,796</u>	<u>\$ 91,651,293</u>	<u>\$ 111,592,049</u>
\$ 244,503	\$ 497,327	\$ 473,170	\$ 445,313	\$ 404,986	\$ 570,305
14,947,727	19,169,103	19,061,145	15,879,212	17,094,771	323,863,040
(554,624)	-	-	-	(61,746)	-
<u>\$ 14,637,606</u>	<u>\$ 19,666,430</u>	<u>\$ 19,534,315</u>	<u>\$ 16,324,525</u>	<u>\$ 17,438,011</u>	<u>\$ 324,433,345</u>

Rosemount-Apple Valley-Eagan ISD 196
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year			
	2015	2016	2017	2018
Revenues				
Local Sources				
Property Taxes	\$ 79,262,313	\$ 78,828,084	\$ 85,651,484	\$ 89,682,487
Investment Earnings	197,264	990,686	1,525,963	1,720,017
Other	21,183,365	20,303,840	21,655,777	21,241,570
State Sources	247,270,824	258,200,427	264,144,986	275,878,205
Federal Sources	12,820,914	13,700,319	14,628,580	15,834,368
Total revenues	360,734,680	372,023,356	387,606,790	404,356,647
Expenditures				
Current				
Administration	13,188,527	14,846,637	14,931,628	15,599,003
District Support Services	8,802,535	9,360,367	9,807,545	10,694,868
Elementary and Secondary				
Regular Instruction	160,442,599	165,181,027	169,848,898	173,672,800
Vocational Education Instruction	4,161,539	5,198,949	5,013,173	5,137,316
Special Education Instruction	62,011,436	65,226,216	68,020,953	71,133,191
Instructional Support Services	18,361,748	19,695,766	20,664,400	21,616,857
Pupil Support Services	22,991,342	23,694,661	24,615,829	25,550,001
Sites and Buildings	21,468,077	21,979,790	25,390,808	23,681,891
Fiscal and Other Fixed Cost Programs	651,864	650,603	613,851	582,782
Food Service	11,509,963	11,757,651	11,992,184	11,258,394
Community Service	7,739,627	8,044,250	8,822,111	8,751,046
Capital outlay	19,028,484	11,640,890	33,546,532	68,021,071
Debt service				
Principal	17,880,544	13,326,884	14,394,446	14,079,855
Interest and Fiscal charges	4,586,660	4,384,850	7,911,158	7,595,387
Total expenditures	372,824,945	374,988,541	415,573,516	457,374,462
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,090,265)	(2,965,185)	(27,966,726)	(53,017,815)
Other Financing Sources (Uses)				
Transfers in	6,225,838	8,554,099	20,122	-
Transfers out	(6,225,838)	(8,554,099)	(20,122)	-
Refunding Debt Issued	-	-	-	-
Debt Issued	-	112,150,000	-	-
Premium on Debt Issued	-	20,355,238	-	-
Bond Refunding Payments	(2,325,000)	(12,125,000)	-	-
Long-Term Leases and Other Loans	4,200,000	480,000	-	1,043,209
Subscription based IT arrangements	-	-	-	-
Insurance Recovery	-	-	-	311,212
Judgements for the School District	-	-	-	-
Sale of Property	10,180	27,218	80,287	23,971
Total Other Financing Sources (Uses)	1,885,180	120,887,456	80,287	1,378,392
Net Change in Fund Balances	\$ (10,205,085)	\$ 117,922,271	\$ (27,886,439)	\$ (51,639,423)
Debt Service as a Percentage of Noncapital Expenditures	6.4%	4.9%	5.8%	5.6%

Rosemount-Apple Valley-Eagan ISD 196

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

(Unaudited)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 91,158,991	\$ 95,664,211	\$ 116,395,290	\$ 122,337,786	\$ 125,761,506	\$ 134,617,074
2,390,487	1,595,266	106,618	236,959	5,469,200	20,976,647
21,450,041	17,975,172	9,187,718	14,530,742	22,126,052	19,634,148
285,746,486	296,520,589	300,697,987	304,368,150	319,028,625	366,344,570
16,232,102	16,894,745	35,520,203	41,968,413	30,949,226	27,909,460
416,978,107	428,649,983	461,907,816	483,442,050	503,334,609	569,481,899
16,342,073	16,978,484	17,240,096	18,093,029	19,634,436	15,201,514
12,008,717	13,024,402	12,338,544	13,836,251	14,074,008	15,910,407
177,357,744	179,118,369	189,442,516	203,653,924	213,682,467	221,696,371
5,396,017	5,104,823	5,052,494	5,500,400	5,695,353	6,046,736
72,650,167	76,516,745	77,148,300	83,456,701	89,884,344	96,379,273
22,489,640	23,078,098	21,506,153	23,679,065	27,604,925	28,957,113
26,181,738	27,564,639	29,228,298	35,089,618	38,515,802	42,643,826
25,398,051	30,069,134	30,408,462	28,103,226	30,975,242	32,090,758
1,182,069	671,312	1,237,889	1,209,218	1,518,389	2,430,752
12,113,867	10,890,508	10,538,159	15,007,297	16,010,231	19,091,283
8,933,712	8,606,173	8,164,705	9,601,763	9,983,098	11,194,280
40,050,087	15,362,092	22,311,175	29,943,391	15,698,918	44,638,418
14,694,828	13,251,596	14,703,513	16,063,955	19,069,303	22,698,345
6,992,089	6,333,341	6,005,061	5,809,628	5,543,326	5,015,253
441,790,799	426,569,716	445,325,365	489,047,466	507,889,842	563,994,329
(24,812,692)	2,080,267	16,582,451	(5,605,416)	(4,555,233)	5,487,570
135,509	399,229	34,763	92,212	211,175	146,105
(135,509)	(399,229)	(34,763)	(92,212)	(211,175)	(146,105)
-	-	-	11,235,000	-	-
-	8,960,000	9,005,000	9,775,000	-	300,000,000
-	544,202	536,557	1,923,457	-	11,948,501
-	-	-	(12,110,000)	-	-
-	-	-	18,115	70,597	994,841
-	-	-	-	2,277,418	7,719,153
56,303	25,413	46,259	7,623	98,736	145,839
369	-	-	-	-	-
19,383	856,256	191,868	782,650	778,465	640,186
76,055	10,385,871	9,779,684	11,631,845	3,225,216	321,448,520
\$ (24,736,637)	\$ 12,466,138	\$ 26,362,135	\$ 6,026,429	\$ (1,330,017)	\$ 326,936,090
5.4%	4.8%	4.9%	4.8%	5.0%	5.3%



Rosemount-Apple Valley-Eagan ISD 196
General Governmental Tax Revenues By Source and Levy Type
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

Fiscal Year	Property Tax				
	General Purposes	Community Service	Capital Projects - Facility Improvement	Debt Service	Total
2024	\$ 115,365,814	\$ 1,886,783	\$ -	\$ 17,364,477	\$ 134,617,074
2023	106,195,718	1,848,516	-	17,717,272	125,761,506
2022	102,820,209	1,798,860	-	17,767,242	122,386,311
2021	96,748,853	1,785,616	-	17,948,640	116,483,109
2020	76,033,997	1,752,848	-	17,806,771	95,593,616
2019	72,968,496	1,675,955	-	212,253,653	286,898,104
2018	71,069,187	1,670,006	-	16,767,998	89,507,191
2017	66,731,765	1,671,770	-	17,426,213	85,829,748
2016	53,871,623	1,662,796	8,535,237	14,584,470	78,654,126
2015	51,982,775	1,678,863	6,220,053	19,185,246	79,066,937

Per ACFR Statement of Activities

Rosemount-Apple Valley-Eagan ISD 196
Tax Capacity and Estimated Market Value of Property
Last Ten Fiscal Years
(Unaudited)

Tax Collection Calendar Year	Tax Capacity (1)			Tax Rate Determining Value Subtotal	
	Real and Personal Property	Fiscal Disparities Contributions	Tax Increment	Amount	Percent Increase (Decrease)
2024	\$ 298,450,144	\$ (19,245,645)	\$ (5,898,580)	\$ 273,305,919	6.8%
2023	279,459,418	(18,297,115)	(5,304,095)	255,858,208	17.8%
2022	240,575,365	(18,504,314)	(4,884,451)	217,186,600	5.0%
2021	228,617,628	(17,313,550)	(4,486,386)	206,817,692	6.0%
2020	215,880,510	(16,477,982)	(4,312,949)	195,089,579	7.3%
2019	201,428,701	(15,818,379)	(3,731,389)	181,878,933	8.4%
2018	186,318,358	(15,403,001)	(3,128,406)	167,786,951	7.8%
2017	173,554,906	(15,383,669)	(2,471,521)	155,699,716	4.1%
2016	166,440,791	(14,921,393)	(1,904,735)	149,614,663	5.9%
2015	158,041,081	(14,673,865)	(2,150,890)	141,216,326	9.9%

Rosemount-Apple Valley-Eagan ISD 196
Tax Capacity and Estimated Market Value of Property
Last Ten Fiscal Years
(Unaudited)

Tax Capacity (1)		Referendum Market Value	
Fiscal Disparities Distribution	Total Tax Capacity	Amount	Percent Increase (Decrease)
\$ 28,479,925	\$ 301,785,844	\$ 26,277,844,354	5.8%
26,974,003	282,832,211	24,848,181,413	15.8%
27,109,969	244,296,569	21,456,033,389	5.4%
24,920,887	231,738,579	20,353,002,736	5.3%
23,476,576	218,566,155	19,320,498,352	7.0%
22,023,827	203,902,760	18,061,396,485	8.1%
20,713,134	188,500,085	16,705,743,318	7.1%
19,309,802	175,009,518	15,593,078,470	4.1%
17,855,260	167,469,923	14,984,685,831	5.2%
17,375,325	158,591,651	14,246,590,466	8.8%

Rosemount-Apple Valley-Eagan ISD 196
Property Tax Rates -
Direct and Overlapping Governments
Last Ten Fiscal Years
(Unaudited)

		Independent School District No. 196				Mill Levy Rates*					
		Community				Overlapping Rates, Municipalities, and Townships					
		General	Service Special	Debt	Total	Apple	Burnsville	Coates	Eagan	Farmington	Inver Grove
		Fund	Revenue Fund	Service Fund		Valley					Heights
Levy	Year										
Tax Capacity Rate	2024	16.503	0.671	6.450	23.624	36.789	42.503	11.370	33.585	45.069	50.132
Market Value Rate	2024	0.315	-	-	0.315	0.014	-	-	-	-	-
Tax Capacity Rate	2023	11.164	0.633	6.107	17.904	38.182	42.374	12.739	33.566	42.933	48.814
Market Value Rate	2023	0.312	-	-	0.312	0.016	-	-	-	-	-
Tax Capacity Rate	2022	11.955	0.723	7.293	19.971	38.192	43.054	14.258	36.119	50.623	51.925
Market Value Rate	2022	0.329	-	-	0.329	0.016	-	-	-	-	-
Tax Capacity Rate	2021	11.619	0.746	7.681	20.046	39.782	42.853	13.838	36.333	49.251	50.590
Market Value Rate	2021	0.343	-	-	0.343	0.016	-	-	-	-	-
Tax Capacity Rate	2020	11.758	0.860	7.242	19.860	39.603	43.148	17.196	35.262	50.971	51.037
Market Value Rate	2020	0.344	-	-	0.344	0.017	-	-	0.012	-	-
Tax Capacity Rate	2019	12.511	0.860	7.242	20.613	42.475	43.595	15.688	35.227	54.372	53.537
Market Value Rate	2019	0.261	-	-	0.261	0.018	-	-	0.012	-	-
Tax Capacity Rate	2018	11.728	0.880	8.744	21.352	44.473	43.552	17.399	36.378	57.161	51.112
Market Value Rate	2018	0.267	-	-	0.267	0.020	-	-	0.013	-	-
Tax Capacity Rate	2017	13.000	0.915	9.421	23.336	44.721	46.557	17.490	37.385	58.760	51.644
Market Value Rate	2017	0.274	-	-	0.274	0.020	-	-	0.015	-	-
Tax Capacity Rate	2016	12.843	1.004	10.470	24.317	45.274	46.525	17.482	37.097	59.239	49.266
Market Value Rate	2016	0.270	-	-	0.270	0.020	-	-	0.015	-	-
Tax Capacity Rate	2015	12.859	1.032	9.380	23.271	47.891	44.790	20.081	36.525	61.455	48.131
Market Value Rate	2015	0.255	-	-	0.255	0.021	-	-	0.016	-	-

- (1) Overlapping rates are those of local and county governments that apply to property owners within the District. Not all overlapping rates apply to all the District's property owners (e.g., the rates for special districts apply only to the proportion of the District's property owners whose property is located within the geographic boundaries of the special district).
- (2) The miscellaneous other levy includes the Metropolitan Council, Mosquito Abatement, Transit District, Dakota County CDA, and Light Rail. These miscellaneous levies are slightly between municipalities.

Source

Dakota County Department of Property and Public Records

Rosemount-Apple Valley-Eagan ISD 196
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
(Unaudited)

Mill Levy Rates*						Totals by School District		
Overlapping Rates, Municipalities, and Townships						Apple Valley Resident	Eagan Resident	Rosemount Resident
Lakeville	Rosemount	Empire Township	Vermillion Township	Dakota County	Miscellaneous Other (2)			
30.213	33.360	25.491	13.991	18.323	2.994	81.730	78.526	78.301
-	-	-	-	-	-	0.329	0.315	0.315
29.676	32.345	24.073	14.204	18.816	2.914	74.907	73.200	71.979
-	-	-	-	-	-	0.326	0.312	0.312
32.846	36.949	27.623	16.031	21.630	3.381	83.164	81.101	81.931
-	-	-	-	-	-	0.345	0.329	0.329
34.351	36.954	27.250	14.070	22.716	3.432	84.386	82.527	83.148
-	-	-	-	-	-	0.359	0.343	0.343
34.615	38.580	29.131	14.728	24.133	4.030	87.805	83.285	86.603
-	-	-	-	-	-	0.360	0.356	0.344
35.607	39.355	25.386	15.723	25.386	-	60.216	55.840	59.968
-	-	-	-	-	-	25.664	25.659	25.647
36.419	40.961	29.892	16.282	26.580	4.458	94.865	88.768	93.351
-	-	-	-	-	-	0.285	0.280	0.267
37.510	41.832	29.642	16.279	28.004	4.458	100.271	93.183	97.630
-	-	-	-	-	-	0.293	0.288	0.274
38.669	43.149	29.445	16.724	28.570	5.063	102.671	95.047	101.099
-	-	-	-	-	-	0.290	0.285	0.270
38.948	45.152	29.823	17.214	29.633	4.567	102.745	93.996	102.623
-	-	-	-	-	-	0.275	0.270	0.255

Rosemount-Apple Valley-Eagan ISD 196

Property Tax Rates -

Principal Property Taxpayers

Current Year and Nine Years Ago

(Unaudited)

Taxpayer	2024			2015		
	Assessed Valuation	Rank	Percent of Total Assessed Valuation	Assessed Valuation	Rank	Percent of Total Assessed Valuation
West Publishing Company	\$ 84,031,400	1	0.3%	\$ 73,544,700	2	0.5%
Flint Hills Resources Pine Bend LLC	79,075,500	2	0.3%	65,993,700	3	0.5%
RRE Woods Holdings LLC	70,076,900	3	0.3%	-	N/A	N/A
Kingston Green Limited Partnership	67,462,300	4	0.3%	37,834,700	7	0.3%
Neon Burnsville	66,918,600	5	0.3%	-	N/A	N/A
Northern States Power Co/Xcel Energy	64,646,600	6	0.2%	-	N/A	N/A
Continental 313 Fund LLC	62,585,000	7	0.2%	-	N/A	N/A
RRE Nicollet Ridge Holdings LLC	60,912,400	8	0.2%	-	N/A	N/A
Nighthawks Properties LLC	52,675,700	9	0.2%	39,167,300	6	0.3%
Eagan Promenada Inc.	50,387,300	10	0.2%	-	N/A	N/A
Dakota Electric Association	-	N/A	N/A	43,950,800	5	0.3%
Promenade Village Townhomes	-	N/A	N/A	34,073,100	8	0.2%
Burnsville Center SPE LLC	-	N/A	N/A	107,500,000	1	0.8%
Xcel Energy	-	N/A	N/A	63,864,000	4	0.4%
Hearthstone Townhome and Apartments	-	N/A	N/A	29,141,400	9	0.2%
Aimco Woods of Burnsville, LLC	-	N/A	N/A	28,872,400	10	0.2%
Total paid by principal property taxpayers	658,771,700		2.5%	523,942,100		3.7%
All others	25,619,072,654		97.5%	13,722,648,366		96.3%
Total	\$ 26,277,844,354		100.0%	\$ 14,246,590,466		100.0%

Source

Dakota County Department of Property Tax and Public Records

Rosemount-Apple Valley-Eagan ISD 196
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Levy Year Collectible December 31,	Taxes Levied for the 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
2024	\$ 129,791,772	\$ 73,806,268	56.87%	N/A	\$ 73,806,268	56.87%
2023	121,030,245	61,002,952	50.40%	73,806,268	134,809,220	111.38%
2022	117,725,665	57,394,231	48.75%	60,021,212	117,415,443	99.74%
2021	108,037,417	56,238,652	52.05%	51,479,007	107,717,659	99.70%
2020	116,080,843	115,337,462	99.36%	672,727	116,010,189	99.94%
2019	95,260,090	94,911,727	99.63%	314,713	95,226,440	99.96%
2018	90,961,693	90,579,847	99.58%	366,428	90,946,275	99.98%
2017	89,051,368	88,689,493	99.59%	292,485	88,981,978	99.92%
2016	85,688,567	85,298,846	99.55%	389,721	85,688,567	100.00%
2015	78,627,184	78,236,512	99.50%	390,672	78,627,184	100.00%

Rosemount-Apple Valley-Eagan ISD 196

Ratios and Outstanding Debt By Type

Last Ten Fiscal Years

(Unaudited)

Year	Governmental Activities						Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Refunding Bonds	Long-Term Leases	Subscription Liabilities	Financed Purchases	Certificates of Participation			
2024	\$ 384,507,670	\$ 4,153,521	\$ 978,777	\$ 8,839,263	\$ 3,232,106	\$ 28,486,717	\$ 430,198,054	N/A	\$ 2,430
2023	83,570,205	8,122,041	285,892	6,707,873	4,009,000	31,976,346	134,671,357	N/A	728
2022	94,102,419	12,235,562	325,334	6,805,412	4,763,307	35,075,627	153,307,661	N/A	892
2021	107,589,699	17,038,465	563,075	-	5,711,406	27,305,728	158,208,373	N/A	989
2020	117,208,645	20,998,759	-	-	6,149,919	19,614,507	163,971,830	0.01	1,029
2019	126,537,591	24,776,622	-	-	7,046,515	11,140,000	169,500,728	0.01	1,076
2018	139,238,317	26,310,000	-	-	8,286,343	12,125,000	185,959,660	0.01	1,203
2017	128,940,000	29,530,000	-	-	8,477,989	13,085,000	180,032,989	0.01	1,175
2016	138,270,000	32,660,000	-	-	9,467,435	14,030,000	194,427,435	0.01	1,270
2015	46,180,000	35,595,000	-	-	10,519,317	14,955,000	107,249,317	0.01	717

Rosemount-Apple Valley-Eagan ISD 196
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Year	General Obligation Bonds and Capital Notes	Less Amounts Available in Debt Service Fund	Total	Percentage of Market Value of Property	Per Capita (2)
2024	\$ 388,661,191	\$ 8,151,553	\$ 380,509,638	1.45%	\$ 485
2023	91,692,246	5,776,225	85,916,021	0.35%	485
2022	106,337,981	4,543,912	101,794,069	0.47%	621
2021	124,628,164	3,636,775	120,991,389	0.59%	759
2020	138,207,404	2,669,765	135,537,639	0.70%	850
2019	151,314,213	1,699,991	149,614,222	0.83%	950
2018	165,548,317	3,592,701	161,955,616	0.97%	925
2017	158,470,000	5,338,811	153,131,189	0.98%	1,000
2016	170,930,000	7,362,951	163,567,049	1.09%	1,069
2015	81,775,000	16,385,721	65,389,279	0.46%	437

Note

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

- (1) See the Schedule of Tax Capacity and Estimated Market Value of Property for information on the market value of the District's property.
- (2) See the Schedule of Demographic and Economic Statistics for the District's population data.

Rosemount-Apple Valley-Eagan ISD 196

Direct and Overlapping Debt

June 30, 2024

(Unaudited)

Taxing Entity	2023-2024 Taxable Net Tax Capacity	General Obligation Bonded Debt (1)	Percent Overlapping to ISD No. 196	Total Direct and Overlapping Debt
Direct Debt ISD No. 196	\$ 273,305,919	\$ 372,305,000	100.00%	\$ 372,305,000
Overlapping Debt				
Dakota County	753,201,059	-	0.00%	-
Cities				
Apple Valley	81,682,603	15,905,000	99.19%	15,775,597
Burnsville	104,195,731	45,060,000	23.63%	10,648,669
Eagan	135,202,173	37,140,000	64.18%	23,836,229
Farmington	31,083,139	8,515,000	0.02%	2,010
Inver Grove Heights	59,230,303	27,230,000	24.43%	6,651,989
Lakeville	132,639,414	94,225,000	17.10%	16,115,019
Rosemount	45,199,140	5,040,000	93.33%	4,703,787
Town of Empire	5,489,559	1,985,000	14.01%	278,180
Others				
Metropolitan Council	6,556,943,000	238,225,000	4.17%	9,929,673
Subtotal overlapping debt		473,325,000		87,941,153
Total Direct and Overlapping Debt		\$ 845,630,000		\$ 460,246,153

Rosemount-Apple Valley-Eagan ISD 196

Legal Debt Margin Information

Last Ten Fiscal Years

(Unaudited)

	Fiscal Year			
	2015	2016	2017	2018
Debt Limit	\$ 2,136,988,570	\$ 2,247,702,875	\$ 2,338,961,771	\$ 2,505,861,498
Total Net Debt Applicable to Limit	<u>65,389,279</u>	<u>163,567,049</u>	<u>153,131,189</u>	<u>142,992,299</u>
Legal Debt Margin	<u>\$ 2,071,599,291</u>	<u>\$ 2,084,135,826</u>	<u>\$ 2,185,830,582</u>	<u>\$ 2,362,869,199</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	3.06%	7.28%	6.55%	5.71%

Rosemount-Apple Valley-Eagan ISD 196
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 2,709,209,473	\$ 2,898,074,753	\$ 3,052,950,410	\$ 3,277,138,487	\$ 3,727,227,212	\$ 3,941,676,653
149,614,222	135,537,639	120,991,389	131,556,996	73,707,550	380,509,638
<u>\$ 2,559,595,251</u>	<u>\$ 2,762,537,114</u>	<u>\$ 2,931,959,021</u>	<u>\$ 3,145,581,491</u>	<u>\$ 3,653,519,662</u>	<u>\$ 3,561,167,015</u>
5.52%	4.68%	3.96%	4.01%	1.98%	9.65%

Legal Debt Margin Calculation for 2024

Estimated Market Value - 2023	\$ 26,277,844,354
Debt Limit (15% of Market Value)	\$ 3,941,676,653
Debt Applicable to Limit	
General Obligation Bonds	\$ 388,661,191
Less Amount Set Aside for Repayment of General Obligation Debt	<u>(8,151,553)</u>
Total Net Debt Applicable to Limit	<u>380,509,638</u>
Legal Debt Margin	<u>\$ 3,561,167,015</u>

Rosemount-Apple Valley-Eagan ISD 196
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Year	ISD No. 196 Population (1)	Dakota County				Median Age (2)	School Enrollment (1)	Unemployment Rate (2)
		Population (2)	Personal Income (Thousands) (2)	Per Capita Personal Income (2)	Education Level in Years of Formal Schooling (3)			
2023	165,608	447,440	N/A	N/A	95.0%	N/A	28,961	2.7%
2022	163,960	443,692	N/A	N/A	96.0%	N/A	29,047	2.0%
2021	163,960	442,038	30,026,160	67,927	95.0%	39.0	29,086	3.4%
2020	159,390	431,807	27,958,762	64,748	N/A	38.0	28,709	5.9%
2019	159,390	429,021	26,562,417	61,914	96.0%	38.3	29,019	2.9%
2018	157,475	425,423	25,802,276	60,651	95.2%	38.2	29,196	2.5%
2017	154,620	421,751	24,308,945	57,638	94.0%	38.0	28,644	2.5%
2016	153,174	417,486	22,951,451	54,975	94.0%	37.6	28,182	3.4%
2015	153,051	414,686	22,272,614	53,710	95.0%	37.3	27,790	3.3%
2014	149,616	412,529	21,524,339	52,177	94.0%	36.8	27,204	3.8%

N/A - Not Available

Data Sources

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

Rosemount-Apple Valley-Eagan ISD 196
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

Employer	2023 (1)			2014		
	Employees (1)	Rank	Percentage of Total County Employment	Employees (2)	Rank	Percentage of Total County Employment
ISD No. 196	5,981	1	3.91%	3,500	3	2.29%
Thomson West	5,225	2	3.41%	7,000	1	4.57%
Blue Cross Blue Shield	3,000	3	1.96%	3,550	2	2.32%
Burnsville Center	3,000	3	1.96%	3,000	4	1.96%
ISD No. 194	1,270	10	0.83%	-	11	0.00%
U.S. Postal Service	2,704	5	1.77%	1,481	9	0.97%
Dakota County	1,974	6	1.29%	1,806	6	1.18%
UTC Aerospace	1,468	8	0.96%	1,500	7	0.98%
CHS Inc.	1,480	7	0.97%	-	11	0.00%
ISD No. 191	1,300	9	0.85%	1,374	10	0.90%
Fairview Ridges Hospital	N/A	N/A	N/A	1,500	7	0.98%
Prime Therapeutics	N/A	N/A	N/A	2,700	5	1.76%
All Others	125,649		82.10%	125,640		82.09%
Total District Population	153,051			153,051		

(1) Calendar Year

Source

2022 Dakota County ACFR

Rosemount-Apple Valley-Eagan ISD 196

Employees By Classification

Last Ten Fiscal Years

(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administrators/Principals (1)	135	117	117	136	140	138	136	134	138	141
Supervisors/Special Staff	71	69	68	81	85	82	84	84	86	88
Teachers/Nurses	2769	2812	2815	2624	2356	2378	2479	2436	2443	2450
Clerical	982	1096	1087	930	939	863	885	945	924	971
Building Chiefs and Custodians	199	201	203	206	215	185	185	194	182	190
Food Service	194	196	202	193	199	172	184	169	171	179
Truck Drivers/Mechanics/Bus Driv	257	245	256	253	312	292	290	279	277	278
Nonlicensed Specialists	56	56	53	62	62	48	37	38	40	48
Total	4,663	4,792	4,801	4,485	4,308	4,158	4,280	4,279	4,261	4,345

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

Note

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

Rosemount-Apple Valley-Eagan ISD 196
Operating Indicators -
Standardize Testing and Graduation Rates
Last Ten Fiscal Years
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Standardized tests										
MCA Reading (1)										
Grade 3	63%	59%	65%	64%	61%	N/A	54%	53%	55%	53%
Grade 4	65	65	62	66	60	N/A	52	56	55	54
Grade 5	72	73	72	70	73	N/A	63	65	66	64
Grade 6	71	66	69	69	66	N/A	60	60	58	62
Grade 7	63	65	64	63	62	N/A	56	52	53	52
Grade 8	67	66	69	66	63	N/A	57	55	53	54
Grade 10	71	74	73	73	73	N/A	73	59	63	63
MCA Math (1)										
Grade 3	76	74	75	73	71	N/A	65	65	65	68
Grade 4	77	73	73	74	70	N/A	56	66	67	66
Grade 5	69	65	64	62	62	N/A	47	54	57	56
Grade 6	66	66	65	64	59	N/A	42	44	46	50
Grade 7	64	63	62	61	59	N/A	43	45	48	47
Grade 8	64	66	66	66	65	N/A	42	46	49	49
Grade 11	63	64	68	64	62	N/A	60	44	50	51
MCA Science (1)										
Grade 5	67	70	68	67	66	N/A	54	56	55	52
Grade 8	57	63	61	59	55	N/A	38	41	38	42
High school	69	73	74	70	74	N/A	59	56	55	62
MAP (Measures of Academic Progress) (2)										
Reading										
Grade 2-5	72.8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	56.8	N/A
Grade 6-7	63.2	56.6	55.3	56.4	54.5	49.6	57.9	40.6	53.4	48.7
Math										
Grade 2-5	71.9	55	54.6	51.2	48.3	51.7	N/A	N/A	58.6	N/A
Grade 6-7	63.2	58.4	60.4	60.8	58.8	56.4	42.5	40.7	63.7	53
ACT										
Average composite score	24.4	23.00	23.10	23.10	23.00	22.70	22.90	21.50	21.3	21.4
National Merit Scholars										
Commended	41	32	47	47	26	56	49	41	33	22
Finalists and semifinalists	15	15	15	7	16	12	17	13	12	11

Rosemount-Apple Valley-Eagan ISD 196
Operating Indicators
Standardize Testing and Graduation Rates
Last Ten Fiscal Years
(Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024
Attendance percentages										
Kindergarten	95.70	95.80	95.90	96.00	95.70	95.80	97.00	92.80	98.90	94.00
1st grade	95.70	95.80	95.90	96.00	96.00	95.80	96.90	93.00	98.70	94.00
2nd grade	95.80	96.10	95.80	96.20	96.00	96.10	97.10	93.30	98.80	94.40
3rd grade	96.00	96.00	96.10	96.10	96.10	95.90	97.20	93.30	98.80	94.40
4th grade	96.00	96.00	95.70	96.10	95.90	96.00	96.90	93.50	98.80	94.50
5th grade	95.90	95.90	95.80	95.80	96.00	95.90	96.80	93.20	98.90	94.30
6th grade	95.90	95.70	95.40	95.20	95.50	96.00	94.60	92.70	98.90	94.40
7th grade	95.40	95.40	95.30	94.90	95.50	95.60	94.10	92.90	98.80	93.70
8th grade	95.30	95.20	95.00	94.80	95.40	95.30	93.20	92.50	98.70	93.30
9th grade	99.00	95.70	95.20	95.20	96.30	97.00	96.20	93.00	98.90	93.70
10th grade	98.70	95.00	94.20	93.80	95.30	96.10	95.90	92.20	98.60	92.50
11th grade	98.40	93.20	93.10	92.30	95.10	95.30	94.60	91.10	98.40	91.00
12th grade	95.60	90.20	89.40	89.40	92.00	93.30	92.40	88.50	98.40	87.60
All grades	95.80%	94.60%	94.40%	94.30%	95.00%	95.30%	95.00%	92.00%	92.00%	93.22%
Graduation data (3)										
District graduation rates	90%	92%	90%	91%	91%	89%	89%	89%	N/A	89%
State graduation rate	82%	82%	83%	83%	84%	84%	83%	84%	N/A	83%

N/A - Not Available

- (1) Percent of students scoring at or above proficiency on the Minnesota Comprehensive Assessments (MCA).
- (2) Percent of students who met or exceeded their mean growth projection.
- (3) To comply with U.S. Department of Education reporting requirements, calculations for high school graduation rates have changed. The state graduation rates shown for fiscal 2008 and thereafter, and the District rates shown for fiscal year 2012, are percentages of students graduating from high school within four years after they enrolled in Grade 9. Students who took an additional year to meet graduation requirements are not included in this calculation.

Source

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

Rosemount-Apple Valley-Eagan ISD 196
Capital Assets Statistics By Program and Classification
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program										
Administration	\$ 249,608	\$ 249,608	\$ 249,608	\$ 249,608	\$ 249,608	\$ 249,608	\$ 249,608	\$ 249,608	\$ 320,843	\$ 734,500
District Support Services	1,081,139	1,209,990	1,313,895	1,417,800	1,497,800	1,434,713	1,431,913	1,431,913	7,495,394	8,767,916
Elementary and Secondary										
Regular Instruction	9,310,499	9,498,719	10,298,063	10,356,373	10,413,270	10,541,161	10,628,195	18,085,409	12,920,822	28,245,996
Vocational Education	166,854	153,059	156,601	164,106	164,106	164,106	153,841	153,841	148,239	148,239
Special Education	358,609	387,351	392,500	392,500	392,500	385,920	385,920	385,920	574,536	1,436,656
Community Education	36,225	36,225	36,225	36,225	36,225	36,225	36,225	33,625	40,291	78,420
Instructional Support	154,527	159,917	159,917	159,917	159,917	159,917	159,917	159,917	1,134,074	1,134,074
Transportation	15,355,534	15,966,253	16,873,062	18,213,195	18,517,122	20,733,236	20,996,459	21,388,599	21,955,488	22,099,112
Food Service	2,392,865	2,486,240	2,662,531	2,746,826	2,982,509	3,161,792	3,185,003	3,211,607	4,062,182	5,448,282
Sites and Buildings	5,049,084	6,418,617	6,666,365	6,993,094	10,600,927	11,966,353	11,966,353	557,098,917	11,966,353	11,966,353
Sites and Buildings – Unallocated	410,215,923	412,984,267	442,192,955	486,431,295	509,995,795	520,991,650	532,833,261	11,966,353	560,377,497	576,732,010
Total program	<u>\$ 444,370,867</u>	<u>\$ 449,550,246</u>	<u>\$ 481,001,722</u>	<u>\$ 527,160,939</u>	<u>\$ 555,009,779</u>	<u>\$ 569,824,681</u>	<u>\$ 582,024,095</u>	<u>\$ 614,165,709</u>	<u>\$ 620,995,719</u>	<u>\$ 656,791,558</u>
Classification										
Land	\$ 8,870,712	\$ 8,870,712	\$ 8,870,712	\$ 8,870,712	\$ 11,966,353	\$ 11,966,353	\$ 11,966,353	\$ 11,966,353	\$ 11,966,353	\$ 11,966,353
Land Improvements	12,948,913	12,976,413	12,976,413	12,976,413	14,812,196	15,808,864	16,545,781	17,590,399	18,721,699	20,949,724
Building	336,821,378	357,940,976	362,591,261	374,845,921	376,147,361	437,802,664	463,331,698	498,256,495	509,302,876	514,188,125
Equipment	30,760,757	32,852,222	36,720,661	37,117,841	38,409,410	37,086,444	37,084,708	36,233,516	36,299,878	46,555,792
Eligible Pupil Transportation Vehicle	15,330,093	14,480,477	15,334,693	17,925,049	18,517,122	18,587,679	19,110,481	20,726,576	20,918,636	21,062,260
Food Service Equipment	2,357,122	2,450,498	2,626,789	2,711,084	2,982,509	3,601,327	3,624,538	3,651,142	4,044,857	4,650,070
Property and Equipment under Leases	17,227,800	17,336,653	14,315,371	15,358,580	13,745,317	13,745,317	14,327,063	578,987	561,267	1,553,517
Property and Equipment under Subscription IT Agreements	-	-	-	-	-	-	-	6,805,412	9,082,831	16,544,761
Total classification	424,316,775	446,907,951	453,435,900	469,805,600	476,580,268	538,598,648	565,990,622	595,808,880	610,898,397	637,470,602
Construction in Progress	<u>20,054,092</u>	<u>2,642,295</u>	<u>27,565,822</u>	<u>57,355,339</u>	<u>78,429,511</u>	<u>31,226,033</u>	<u>16,033,473</u>	<u>18,356,829</u>	<u>10,097,322</u>	<u>19,320,956</u>
Total classification and construction in progress	<u>\$ 444,370,867</u>	<u>\$ 449,550,246</u>	<u>\$ 481,001,722</u>	<u>\$ 527,160,939</u>	<u>\$ 555,009,779</u>	<u>\$ 569,824,681</u>	<u>\$ 582,024,095</u>	<u>\$ 614,165,709</u>	<u>\$ 620,995,719</u>	<u>\$ 656,791,558</u>

Source

The District's Finance Department

Rosemount-Apple Valley-Eagan ISD 196
Expenditures Per Student (Average Daily Membership)
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administration	\$ 485	\$ 539	\$ 537	\$ 553	\$ 575	\$ 589	\$ 604	\$ 634	\$ 685	\$ 533
District Support Services	324	340	353	379	423	464	2,564	502	549	558
Elementary and Secondary Regular Instruction	5,897	6,001	6,110	6,177	6,241	6,250	6,621	7,136	7,509	7,775
Vocational Education Instruction	153	189	180	182	190	180	178	192	200	212
Special Education Instruction	2,279	2,370	2,447	2,516	2,556	2,663	805	2,956	3,143	3,380
Instructional Support Services	675	716	743	767	791	806	753	824	969	1,016
Pupil Support Services	845	861	886	905	921	1,010	1,081	1,278	1,385	1,496
Sites and Buildings	789	799	913	839	894	1,301	1,313	1,349	1,550	1,125
Fiscal and Other Fixed Cost Programs	24	24	22	21	42	37	45	45	60	85
Food Service	423	427	431	400	426	384	379	537	588	670
Community Service	284	292	317	310	314	292	286	335	349	393
Capital Outlay	699	423	1,207	263	1,409	218	372	664	14	1,565
Debt Service	826	643	802	767	763	592	597	1,016	588	972
Total Expenditures	<u>\$ 13,703</u>	<u>\$ 13,624</u>	<u>\$ 14,948</u>	<u>\$ 14,079</u>	<u>\$ 15,545</u>	<u>\$ 14,786</u>	<u>\$ 15,598</u>	<u>\$ 17,468</u>	<u>\$ 17,589</u>	<u>\$ 19,780</u>
Average Daily Membership	<u>27,206</u>	<u>27,513</u>	<u>27,911</u>	<u>28,178</u>	<u>28,418</u>	<u>28,870</u>	<u>28,544</u>	<u>28,679</u>	<u>28,756</u>	<u>28,514</u>

Rosemount-Apple Valley-Eagan ISD 196
Food Service School Lunch Program Data
Last Ten Fiscal Years
(Unaudited)

Year Ended June 30,	Average Daily Attendance (1)	Total Lunches Served	Days	Average Daily Participation	Participation as a Percentage of Average Daily Attendance	Free Lunch		Reduced Lunch	
						Number Served	Percent of Total	Number Served	Percent of Total
2024	27,089	3,408,394	171	19,932	73.6	925,777	27.2	200,882	5.9
2023	27,245	2,896,231	171	16,937	62.2	821,255	28.4	206,988	7.1
2022	23,415	3,034,816	175	17,342	74.1	2,954,034	97.3	-	-
2021	27,117	1,538,375	102	15,082	55.6	1,538,375	100.0	-	-
2020	28,870	1,924,112	116	16,587	57.5	438,784	22.8	171,961	8.9
2019	28,418	2,603,191	165	15,777	55.5	622,877	23.9	238,377	9.2
2018	25,296	2,598,724	165	15,750	62.3	671,874	25.9	227,855	8.8
2017	26,416	2,585,768	169	15,300	57.9	667,303	25.8	227,423	8.8
2016	25,198	2,561,285	169	15,156	60.1	694,018	27.1	207,102	8.1
2015	24,853	2,528,744	169	14,963	60.2	676,947	26.8	195,960	7.7

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

Source

ISD No. 196 Summary Food Service Statistics Reports

Rosemount-Apple Valley-Eagan ISD 196
School Facilities
As of June 30, 2024
(Unaudited)

Facility	Use	Constructed	Acres	Classrooms (1)	Square Footage	Capacity	Enrollment (2)
Elementary Schools							
Cedar Park	School	1977	16.64	29	79,178	595	701
Deerwood	School	1987	(3a)	35	80,741	595	517
Diamond Path	School	1970	40.00	39	83,780	725	659
East Lake	School	2017	22.40	38	84,600	750	786
Echo Park	School	1979	16.29	45	94,876	790	705
Glacier Hills	School	1993	15.01	39	85,167	680	651
Greenleaf	School	1975	30.40	50	88,130	835	761
Highland	School	1986	(3b)	43	85,497	725	680
Northview	School	1960	39.50	37	67,743	705	365
Oak Ridge	School	1991	9.95	45	86,896	680	524
Parkview	School	1970	13.00	39	95,430	680	669
Pinewood	School	1990	17.31	44	85,328	815	490
Red Pine	School	1995	13.09	47	88,784	815	698
Rosemount	School	1960	(3c)	38	76,251	660	754
Shannon Park	School	1990	13.50	47	83,936	770	497
Southview	School	1967	(3d)	46	75,391	790	591
Thomas Lake	School	1979	15.00	34	69,912	595	553
Westview	School	1964	18.00	41	71,678	725	475
Woodland	School	1988	18.43	37	83,724	680	728
Middle Schools							
Black Hawk	School	1994	38.81	71	198,534	1,200	847
Dakota Hills	School	1989	(3e)	64	223,560	1,300	1,122
Falcon Ridge	School	1996	32.46	73	197,534	1,200	925
Rosemount	School	1918	(3c)	61	173,796	1,055	1,178
Scott Highlands	School	1979	40.00	60	165,735	1,030	1,131
Valley	School	1972	32.74	60	192,198	1,165	1,040
High Schools							
Apple Valley	School	1976	80.00	83	370,234	1,990	1,816
Eagan	School	1990	94.00	87	382,970	2,040	2,100
Eastview	School	1997	54.00	97	338,242	2,015	2,224
Rosemount	School	1963	120.13	91	414,998	2,015	2,343
School of Environmental Studies	School	1995	12.25	53	71,171	400	365
Area Learning Center and Transition Plus							
Dakota Ridge	School	2006	N/A	18	27,659	310	353
Cedar Valley Learning Center	School	1997	(3f)	26	50,338	160	111
Dakota Valley Learning Center	School	1993	1.59	6	13,730	309	18
Silver Bell Learning Center	Special/Early Child/ Adult Education	2014	(3f)	22	54,000	529	261
	Special/Early Child/ Adult Education	2017	7.25	13	48,332	N/A	–
District Office							
District Service Center	Office	2006	2.10	N/A	25,900	368	–
Facilities	Office	1972	40.00	N/A	23,937	N/A	–
District Office East	Office/Maintenance/Warehouse	1972	(3f)	N/A	28,964	N/A	–
	Office	1984	9.50	N/A	18,677	N/A	–

N/A – Not Available

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

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

(3) Joint sites

(a) with Black Hawk Middle School (d) with Valley Middle School

(b) with Scott Highlands Middle School (e) with Eagan High School

(c) with Rosemount High School (f) with District Service Center/Facilities/Dakota Ridge/Dakota Valley Learning Center

Rosemount-Apple Valley-Eagan ISD 196

Building Permits Issued by Major Cities

Lat Ten Fiscal Years

(Unaudited)

Calendar Year	Total Permits		New Residential Permits (1)	
	Number	Value	Number	Value
City of Rosemount				
2023	5,582	\$ 304,000,000	1,127	\$ 232,413,338
2022	4,925	155,000,000	228	59,930,418
2021	6,921	146,000,000	340	80,900,970
2020	4,426	105,548,812	389	67,676,504
2019	3,997	90,278,793	274	65,796,011
2018	3,503	87,287,106	256	57,601,704
2017	3,136	74,717,882	135	37,709,343
2016	3,033	82,205,630	136	38,723,900
2015	2,677	63,330,428	173	39,739,000
2014	2,879	75,168,593	180	45,310,000
City of Apple Valley				
2023	8,964	125,231,221	17	7,332,200
2022	16,003	191,634,488	46	9,731,000
2021	9,353	117,619,214	63	14,402,000
2020	6,006	44,873,377	5	1,368,000
2019	6,534	81,344,499	29	9,899,000
2018	5,698	141,378,881	125	33,552,000
2017	6,932	202,481,522	177	42,973,000
2016	6,573	92,352,609	140	42,385,000
2015	5,755	90,870,178	120	34,525,000
2014	5,430	90,423,600	71	22,147,000
City of Eagan				
2023	2,840	89,771,200	13	4,562,119
2022	2,853	165,895,634	53	13,421,372
2021	3,687	150,278,988	33	11,379,098
2020	3,351	212,030,440	15	6,025,197
2019	2,555	245,770,779	35	14,486,797
2018	2,641	139,726,902	40	14,790,119
2017	3,145	428,078,165	72	26,208,327
2016	2,426	152,547,456	84	29,123,360
2015	2,470	101,187,211	49	17,047,341
2014	5,044	158,991,311	177	57,043,757

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

Note

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

Source

City of Rosemount, City of Apple Valley, and City of Eagan.

Rosemount-Apple Valley-Eagan ISD 196
Students - Average Daily Membership
Last Ten Fiscal Years
(Unaudited)

Year Ended June 30,	ADM (for Students Served or Tuition Paid)						Total Pupil Units	
	Early Childhood and Kindergarten – Handicapped	Kindergarten	Elementary	Secondary	Total		Number	Percent Increase (Decrease)
					Number	Percent Increase (Decrease)		
2024	343.01	1,867.68	12,551.23	13,752.51	28,514.43	0.8	31,264.92	0.8
2023	605.64	1,606.54	12,668.34	13,875.03	28,755.55	(0.3)	31,530.82	(0.3)
2022	594.42	1,768.96	12,597.24	13,718.14	28,678.76	(0.5)	31,422.20	(0.5)
2021	516.21	1,598.46	12,754.60	13,674.79	28,544.06	1.1	31,279.02	0.6
2020	611.78	1,875.46	12,953.75	13,428.55	28,869.54	(1.6)	31,452.21	(1.3)
2019	598.22	1,827.47	12,859.96	13,132.63	28,418.28	(0.9)	31,045.11	(0.9)
2018	570.62	1,826.07	12,831.89	12,949.34	28,177.92	(1.0)	30,766.98	(1.4)
2017	536.81	1,745.10	12,728.02	12,901.49	27,911.42	(1.4)	30,347.56	(0.9)
2016	500.75	1,721.13	12,421.88	12,869.63	27,513.39	(1.1)	30,087.31	(1.1)
2015	501.42	1,749.62	12,235.89	12,718.96	27,205.89	1.1	29,748.93	(4.8)

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

Note 2 – ADM is weighted as follows in computing pupil units.

Note 3 – Beginning in the 23-24 fiscal year, handicap kindergarten ADMs were transitioned to be reported as kindergarten ADMs.