

ANNUAL COMPREHENSIVE
Financial Report

For the Fiscal Year Ended June 30, 2025

Farmington Area Public Schools
Independent School District No. 192
20655 Flagstaff Avenue
Farmington, MN 55024

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

OF THE

INDEPENDENT SCHOOL DISTRICT
NO. 192
FARMINGTON, MINNESOTA

For the Year Ended

June 30, 2025

Prepared by

THE BUSINESS DEPARTMENT

Jane Houska, *Director of Finance*

Jason Berg, *Superintendent*

INDEPENDENT SCHOOL DISTRICT NO. 192
20655 Flagstaff Avenue
Farmington, Minnesota 55024

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Introductory Section

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Independent School District No. 192
Board of Education and Administration
June 30, 2025

Board of Education	Position	Term Expires
Kyle Christensen	Chair	January 1, 2029
Jessica Storlie	Vice Chair	January 1, 2027
Melissa Gorman	Clerk	January 1, 2027
Rebecca DeWilde	Treasurer	January 1, 2027
Hannag Johnson	Trustee	January 1, 2029
Kelsey Jezierski	Trustee	January 1, 2029

Administration	
Jason Berg	Superintendent
Jane Houska	Director of Finance

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Farmington Independent School District 192

Excellence, Integrity, Innovation

Business Office
20655 Flagstaff Ave ~ Farmington, MN 55024

Phone: (651) 463-5043
Fax: (651) 463-5071

December 19, 2025

To the School Board and citizens of Independent School District No. 192:

INTRODUCTION

We are submitting the Annual Comprehensive Financial Report (ACFR) of Farmington Area Public Schools, Independent School District No. 192 (the District) for the fiscal year ended June 30, 2025.

The Farmington Area Public Schools are an outer ring suburb of the Twin Cities, covering approximately 82 square miles. The enrollment projections for 2024-25 through 2026-27 is declining due to the decline in birth rates, which is consistent with the decline in birth rates in the state of Minnesota. The age of the eleven school facilities range from 1913 to the most recent construction of a new high school in 2009. Seven of the eleven buildings were built after 1988.

Generally accepted accounting principles require budgetary reporting at the legal level of control, which is the level beyond which a budgetary head has no authority to further modify the budget. In many cases, budgetary heads do have the authority to modify budgets by moving amounts around or moving budgeted amounts from one program to another. The Farmington Area Public Schools uses bottom-line budgeting. The total General Fund expenses for the 2024-25 school year were $102,515,795, which was .03% over what was projected.

This report presents the District's financial position and results of operations and cash flows in accordance with national and state standards. The District is responsible for its contents and has made every effort to ensure the accuracy and completeness of this presentation. An independent firm of certified public accountants audits this report.

REPORT FORMAT

This Annual Comprehensive Financial Report is presented in three sections: introductory, financial, and statistical. The introductory section includes this letter of transmittal, an organizational chart and a list of School Board members and administrative personnel. The financial section includes the independent auditor's report, Management's Discussion & Analysis (MD&A), basic financial statements and the combining and individual fund statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year comparative basis.

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 MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A of the District can be found immediately following the report of the independent auditors.

FEDERAL SINGLE AUDIT AND STATE COMPLIANCE AUDIT

The District is required to conduct an annual single audit in conformity with the provisions of the Uniform Guidance. The District is also required to undergo an annual Minnesota State legal compliance audit under Minnesota Statutes 6.65. Independent auditor reports and a Schedule of Expenditures of Federal Awards are included in a separately issued document. This report contains no significant findings or questioned costs.

REPORTING ENTITY AND ITS SERVICES

The legal name of the District is Independent School District No. 192 and is often referred to as Farmington Area Public Schools. 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 provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12. These include regular and enriched academic education, special education for exceptional children and vocational education. Food service and transportation are provided as supporting programs. The District's community education program includes early childhood and extended day programs, along with a variety of classes for lifelong learning experiences for children.

The District serves all or parts of the communities of Farmington, Lakeville and Empire and the townships Castles Rock, and Eureka in Dakota County. The District enrolled 6,359 students in 2024-2025 from a population of 39,145 citizens residing within the District.

The District is organized as a political subdivision of the State of Minnesota and is governed by an elected six member School Board. The School Board has the power and duty to set budgets, certify tax levies, issue debt, and perform other tasks necessary to the operations of the District. The District is subject to the general oversight of the Minnesota Department of Education. This oversight generally includes an approval process that reviews compliance to standards enacted by legislative mandate. During 2023-2024, the District operated one high school, two middle schools, five elementary schools, an Instruction Services Center, and the District Service Center. The instructional program is organized on the basis of K-5, 6-8, and grades 9-12.

LOCAL ECONOMIC CONDITION AND OUTLOOK

The District is dependent on the state of Minnesota for its revenue authority with exceptions for the voter approved operating and bond referenda. Recent experience demonstrates that legislated revenue increases have not been sufficient to meet instructional program needs and increased costs due to inflation. The State General Education Basic revenue formula provides approximately 60% of General Fund revenue. Since 2009, the Basic per pupil revenue formula has increased by an average of only 1.7% per year.

As the economy struggles with the fall out of a global pandemic, the enrollment in the District is declining due to a decline in birth rates.

STRATEGIC PLANNING AND MISSION STATEMENT

In December 2006, the District conducted a comprehensive strategic planning process. The plan is revisited every two years by a group of administrators, teachers, staff, parents, and community members to measure progress and refine action steps and continue the implementation process. The current District Framework was finalized in 2022. The District's refined belief statements, mission statement and strategies are summarized as follows:

District Belief statements

We Believe That:

- Each person has the capacity and desire to learn.
- Each person has inherent, immeasurable worth.
- All people develop best through personalization.
- Each person deserves respect.
- The well-being of future generations depends on us.
- We are stewards of Earth's natural resources.
- Communities thrive when all individuals are engaged.
- Each person is responsible to serve one's community.
- Mutual communication is vital to relationships.
- Each person is obligated to do one's best.
- Curiosity ignites learning.
- Human diversity enriches both the individual and community.
- Integrity is crucial to trust.

Mission Statement

The mission of Farmington Area Public Schools, a student-centered culture that radiates a dream of an entirely new educational world, is to ensure each student continuously achieves one's highest aspirations while demonstrating responsibility to communities through a system distinguished by:

- Passion for continuous growth
- Humanitarian purpose
- Personal reflection which gives meaning to learning
- Individual empathetic agency
- Radical trust in self and others

Guiding Principles

- Does it advance our strategic plan?
- Does it honor agency?
- Does it leverage the strengths of the learner?
- Does it cultivate the learner?
- Does it ignite the application of learning?
- Does it ensure equity?
- Does it protect the well-being of the learner?

STRATEGIC PLANNING AND MISSION STATEMENT (CONTINUED)

Objectives

- All learners possess the capacity and resiliency to create opportunities and master challenges.
- All learners continuously achieve their academic and personal goals.
- Each learner leads beneficial change locally and globally.

Strategies

Strategy #1:

- We will cultivate a holistic education system that unifies community members, parents, staff, and students.
    - Purpose Statements:
        - We design and nurture educational spaces that are beneficial for each and every learner.
        - We will build trusting relationships by validating each person's cultural identities and personal narratives.
        - We will leverage learners' strengths to cultivate and honor multiple pathways to success.
        - We will prioritize professional learning and growth in cultural responsiveness, so our diverse learners, staff and families feel safe and supported.
        - We will create a system that draws, supports, and retains the most qualified staff that reflects the increasing diversity of our community.

Strategy #2:

- Our system's dynamics will be distinguished by adopted guiding principles.
    - Purpose Statements:
        - Equity for all learners I ensured by addressing barriers, creating a culture of advocacy and prioritizing accessibility.
        - The wellbeing of the learner is protected by honoring their voices and creating a safe and respectful environment.
        - Learners have opportunities to honor their agency and build trust.
        - There will be regular opportunities for learners to engage in authentic and purposeful experiences that ignite the application of learning.

Strategy #3:

- We will ensure the individual agency is conducive to student driven learning.
    - Purpose Statements:
        - Educators partner with learners to make intentional learning choices and support them at each stage of the learning process including setting goals, initiating action toward goals, reflection, and revision.
        - In a competency-based system, learners focus on demonstrating skills, articulating what they are learning, and why they are learning it.
        - Discussions and collaborations at all levels reflects on progress and growth.
        - Learners take risks to have enhanced experiences where the results may be different from expectations and are necessary for growth.
        - Learners collaborate and communicate across communities to engage in rich, real-world learning experiences motivated by their passions and interests.

STRATEGIC PLANNING AND MISSION STATEMENT (CONTINUED)

Strategies (Continued)

Strategy #4:

- We will exude a presence that exhibits our uniqueness and indispensability.
    - Purpose Statements:
        - We foster meaningful and trustworthy relationships, creating personal connections among students, families, staff, and the greater community.
        - We acknowledge each individual's differences, hardships, and advantages by ensuring they are an integral element of a united learning community.
        - We innovate to honor all voices, inspire curiosity, and encourage risk.

Strategy #5:

- We will give knowledge meaning.
    - Purpose Statements:
        - Learning experiences are tailored to each learner's applicable strengths, needs, and/or talents.
        - Opportunities are provided for collaborative learning experiences through projects, mentoring, and exposure to diverse thinking.
        - Educators are supported and encouraged to explore new learning methodologies that will help learners excel in the classroom and community.
        - Our community will create and encourage a collaborative approach to competency-based learning experience with meaningful evidence and relevant skills.

STUDENT ASSESSMENT AND TESTING

Student academic growth and achievement in Farmington Area Public Schools is measured by various assessments, including federally mandated state assessments, NWEA-MAP tests, ACT and numerous classroom assessments. The MN READ Act required a shift for our elementary school students from taking the NWEA-MAP assessment to FastBridge screening for the 2024-25 school year. Results from these assessments are used to monitor individual student progress as well as building and district curriculum.

State Standardized Tests – The MCAs, ACT, FastBridge, and ESSA

All students in Minnesota public schools are required to take either the Minnesota Comprehensive Assessments (MCA) or the equivalent Minnesota Test of Academic Skills (MTAS) in Reading (grades 3-8 and 10), Math (grades 3-8 and 11) and Science (grades 3, 5 and once in high school). The MCAs are criterion referenced tests that measure student achievement with respect to the state standards in each grade for that subject. We also offer the ACT to 11th graders to fulfill our mandate to offer a national test to high school students during the school day. The READ Act required that we use a state approved literacy tool for KG-Gr3 students for the 2024-25 school year and we used FastBridge to meet that requirement.

Staff in each school have high expectations in the classroom, which are reflected in the annual school goals. Schools examine and analyze many forms of student achievement data and write goals specifically based on student progress.

STUDENT ASSESSMENT AND TESTING (CONTINUED)

State Standardized Tests – The MCAs, ACT, FastBridge, and ESSA (Continued)

Trends:

Farmington Public schools standardized test results continue to trend in similar directions as Minnesota test results. Our participation rates saw a slight uptick reversing declining participation over the last few years. Our district's MCA proficiency rates were very similar in 2024-25 to our 2023-24 results. The proficiency percentage of our 2024-25 learners increased slightly by .1% in math and dropped .5% in reading when measured against our 2023-24 rates. For purposes of comparison, proficiency rates for the state of Minnesota dropped by .3% in both math and reading over the same period. A few bright spots for the district include an 11.8% jump in MCA Reading for 10th grade and a 5.6% jump for 6th grade in MCA Math. District MCA/MTAS student participation rates stayed the same in math and increased by 3% in reading when comparing 2024 and 2025 testing cycles. Overall non-participation rates remained low at our elementary schools (3-4% on average). Secondary non-participation rates were much higher with Gr7-8 at over 20% and high school at over 60%. The participation levels need to be factored into the validity of our overall MCA/MTAS proficiency calculations, particularly at the higher-grade levels.

2024-25 was the first full year that our K-5 students participated in FastBridge screening instead of NWEA MAP testing. We'll use this data as a benchmark for 2025-26 to verify we are improving on our early Reading-English (KG-1), early Math (KG-1), Reading (Gr2-5), and Math (Gr2-5) results. Results were mixed in our initial year showing slight fall to spring drops in the percentage of students meeting the LOW-RISK threshold from 47% to 43% for early Reading and from 67% to 63% for early Math. Fall to spring changes were less significant in 2024-25 for Reading and Math where students meeting LOW RISK and better thresholds dropped from 58% to 56% in Reading but improved from 60% to 62% in Math.

ACT results dropped slightly within the district along with state and national declines. Our district average composite score (including best scores for students taking the test multiple times) dropped slightly from 19.5 for the graduating class of 2024 to 19.4 for the graduating class of 2025. Overall, our ACT top score average composite score of 19.4 equaled the national average and trailed the state average by 1.3 points (same as the previous cycle).

District Administered Standardized Tests – NWEA MAP Growth

Farmington Public Schools used NWEA MAP Growth in 2024-25 for grades 6 through 8 to measure student growth from season to season and year to year. Middle school students meeting fall-to-spring reading growth for the 2024-25 school year dropped 4.4% from 2023-24 reversing the slight increase from the previous cycle. Students meeting fall-to-spring math growth for the 2024-25 school year trailed 2023-24 growth by 0.9% reversing the up-tick from the previous cycle. 2024-25 was the last year we used NWEA MAP Growth assessment with grade 6-8 learners switching to FastBridge for the 2025-26 school year.

MANAGEMENT SYSTEMS AND CONTROLS

The District is committed to developing, maintaining, and improving effective management systems and controls. The District makes conscientious efforts to employ highly qualified employees through active

recruitment and interview processes. Continuing professional education opportunities are provided to employees and supervisors are encouraged to provide imbedded professional development activities as a means to ensure that an environment of continuous improvement is fostered. Operations are annually evaluated to assure they function effectively and provide appropriate levels of supervision and segregation of duties. The District has documented its processing, recording, and reconciling activities as it relates to financial activities with an internal control questionnaire. The documentation denotes responsibility levels, reporting requirements and timeliness of reconciliation activities.

Budget and Financial Management

The District's budget and financial management practices include the following:

Budget Timeline – Provides a timeline for the major processes related to the preparation, approval, execution, and review of the District's fiscal year financial budget. The budget process includes the following activities:

Budget Planning – The District utilizes a five-year financial planning model. The model includes an enrollment projection component. Funding and expenditure assumptions are built into the model which provides a detailed analysis of revenue and expenditure trends and fund equity. The model is updated and or revised as projections become actual audited numbers and assumptions become known facts.

Budget Preparation – The budget preparation cycle occurs during the 12 months prior to the District's upcoming fiscal year, which begins on the following July 1. Major processes during the budget preparation cycle include enrollment projections and the development of revenue and expenditure assumptions. Enrollment and other data are submitted to the State to generate both the local Property Tax levy as well as state and federal aid entitlement amounts for the upcoming year. Allocations of district resources to the various expenditure categories are based upon budget parameters and district priorities as included in the District's Strategic Plan. Recommendations and actions taken by the administration and the School Board during the budget cycle are included in the completed budget document. A preliminary financial and operation budget document is then submitted to the School Board for review and subsequent approval prior to July 1.

Budget Approval – The School Board is required by Minnesota Statutes to adopt a preliminary budget prior to July 1. During the 12-month period that the budget is in place, the administration is directed to update the budget to reflect changes that have taken place after the original approval of the budget occurred. The adopted budget is typically revised to reflect enrollment changes, grant awards, employee contract settlements and changes in estimates and projections that may have occurred since the budget was originally approved. The School Board receives periodic budget updates during the fiscal year.

Budget Review – During the fiscal year and at year-end, the actual financial results are compared to the budgeted amounts. Significant variations are investigated to determine if subsequent financial projections should be adjusted. In addition, as several state aid formulas are not finalized until state-wide data is available, the District's administration is constantly reviewing historical and current data and trends to further refine its projection model for future budget cycles.

Budget and Financial Management(continued)

Finance Committee – The District has established a finance committee that consists of administration, School Board, staff, parents, and community members. This committee reviews district financial data and provides input for budget considerations to the administration.

FINANCIAL REPORTING

This is the seventeenth year the District has prepared an Annual Comprehensive Financial Report. The District was awarded a Certificate of Excellence in Financial Reporting from the Association of School Business Officials International for their 2024 Annual Comprehensive Financial Report.

The District did implement GASB Statement No. 74 and No. 75. GASB Statement No. 68 is an all-encompassing and sweeping change to financial reporting requirements for governments. Public school districts are required to report liabilities for future pensions that are provided through pension plans administered as trusts or equivalent arrangements. GASB Implementation Guide 2021-1 *Amending Capitalization Requirements* was implemented in 2023-24 and new this year was implementation of GASB 101.

ACCOMPLISHMENTS

Our district continues to be a national leader in work around creating a student-centered learning environment. Over the past six years the district has hosted staff from over 150 school districts and other educational organizations.

We continue to grow as a community, have a strong financial position and strive to meet the needs of every student where they are at in their educational path.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efforts of the District's Finance Office staff in providing complete and accurate data for this report. We would also like to express our appreciation to the School Board for their interest and support in planning and conducting the financial operation of the District in a responsible manner.

Respectfully submitted,



Jane A. Houska
Director of Finance

Independent School District No. 192
ASBO Certificate of Excellence

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

The Certificate of Excellence in Financial Reporting is presented to

Independent School District #192

for its Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024.

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

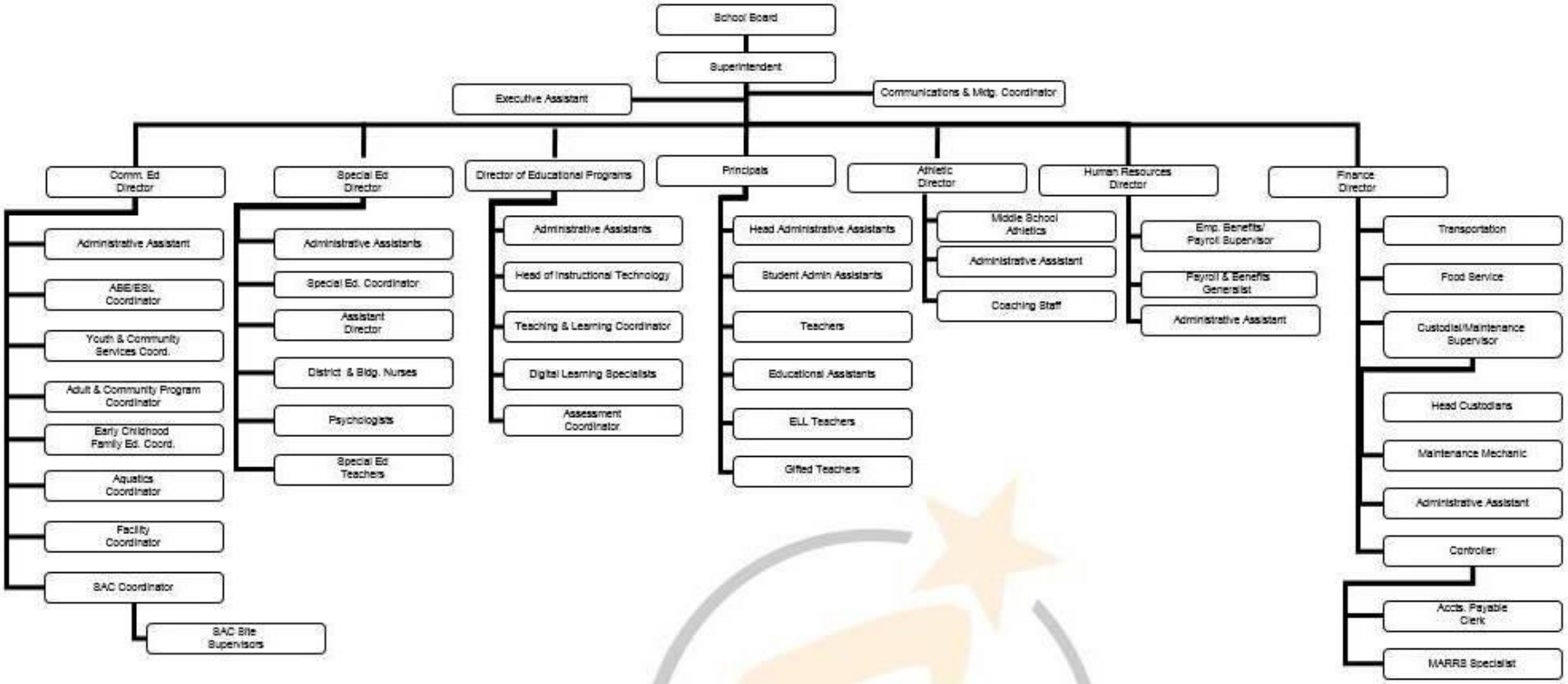
CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Ryan S. Stechschulte

Ryan S. Stechschulte
President

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

Independent School District No. 192
Organizational Chart



FARMINGTON
AREA PUBLIC SCHOOLS

Financial Section

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Independent Auditor's Report

To the School Board
Independent School District No. 192
Farmington, Minnesota

Report on the Audit of the Financial Statements

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of ISD No. 192, Farmington Area Public Schools, Minnesota, as of and for the year ended June 30, 2025, and the related notes to the basic 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 present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 192, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General 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. 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 Independent School District No. 192 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
The management of Independent School District No. 192 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 which 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, which follows this report letter, and Required Supplementary Information 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 GASB, 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 auditing standards generally accepted in the United States of America, 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 accompanying supplementary information identified in the Table of Contents is presented for purposes of additional analysis and is 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 auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information
Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2025, 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 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.

Bergankdv, Ltd.

December 19, 2025

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Independent School District No. 192
Management's Discussion and Analysis

This section of the District's annual financial report presents a discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2025. Please read it in conjunction with the financial statements that immediately follow this section.

The MD&A is an element of required supplementary information specified in the GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999. Certain comparative information between the current year (2024-2025) and the prior year (2023-2024) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

- The District's net position increased $13.4 million from current year activity ending the year at $40.1 million.

- The School Board approved the sale of $6 million of General Obligation (G.O). Taxable Other Post-Employment Benefits (OPEB) Bonds in March of 2009, which was half of the amount needed to fund the $12 million liability at the time. As of June 30, 2025, the District currently has a net OPEB liability of $14,264,725.

- The General Fund net change in fund balance decrease by $2,324,565, with an end of year balance of $24.9 million.

- The Special Revenue Funds, which include Food Service and Community Service Funds, ended the year with fund balances of $2,948,678 and $1,606,501 respectively.

- The Capital Projects Fund reflects the complete spend down of the 2015 Facilities Bonds, related expenditures for building remodeling and renovation projects of $35,231.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts: Independent Auditor's Report, required supplementary information, including the MD&A, the basic financial statements, and supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are government-wide financial statements that 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 government-wide statements.

- The 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.

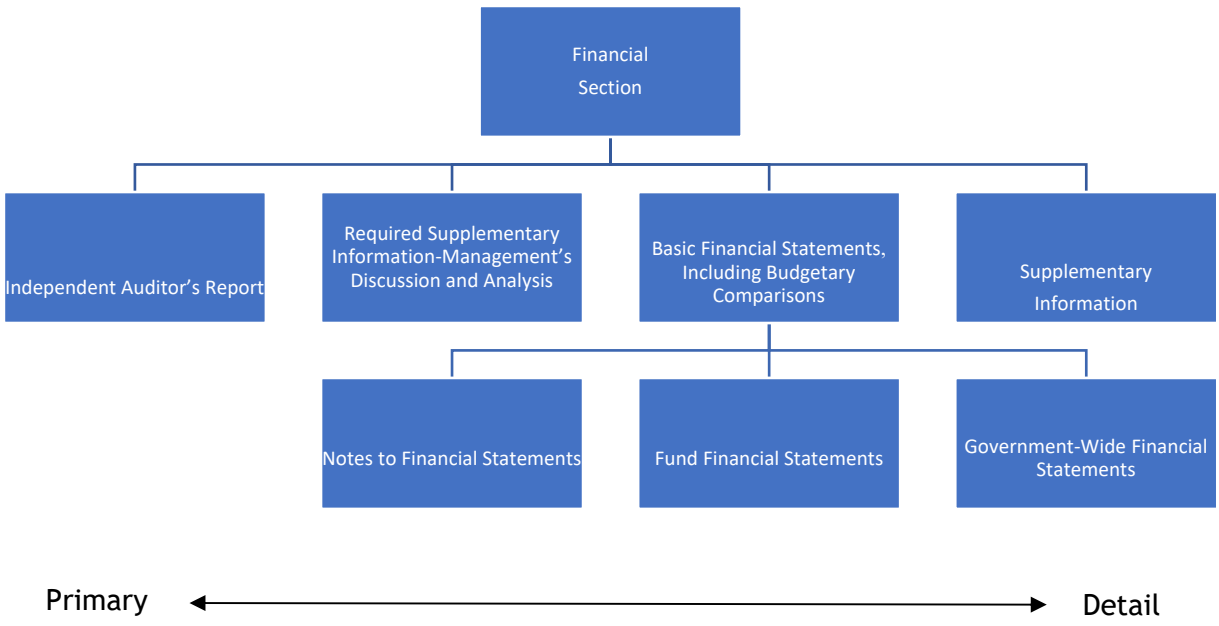
OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

- Proprietary fund statements provide information about the District's self-insured medical and dental internal service funds.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1
Organization of the District's
Annual Financial Report



OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Major Features of the Government-Wide and Fund Financial Statements

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and 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 A-2
Major Features of the Government-Wide and Fund Financial Statements

	District Wide Statements	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required Financial Statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances	• 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
Type of Asset/Liability Information	All assets and liabilities, 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 and liabilities, 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 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 assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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 plus deferred outflows of resources and liabilities plus 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 declining, respectively.

- To assess the District's overall health, one needs to consider additional non-financial 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 divided into two categories:

- Governmental Activities: Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.

- Business-Type Activities: The District charges fees to help it cover the costs of certain services it provides. For the fiscal year 2021-22, none of the District's financial activities were included in this category.

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 establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

FUND FINANCIAL STATEMENTS (CONTINUED)

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 be readily 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 you 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, reconciliations are provided between the governmental funds and the government-wide statements, which do present a long-term focus.

- Fiduciary Funds: The District is the trustee, or fiduciary, for assets that belong to others such as the Custodial Fund. In fiscal year 2009, the District established the Post-Employment Benefits Irrevocable Trust Fund. This Fund was funded by the bond proceeds issued to fund the District's OPEB obligation. Payments due to employees will be paid out of the General Fund and are reimbursed by this Trust Fund. The District cannot use these funds to finance operations.

- Proprietary Funds: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The District uses internal service funds to report activities that provide supplies and services for its other programs and activities. The District currently has two internal service funds: the Self-Insured Dental Fund and Self-Insured Medical Fund.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The District's total net position as of June 30, 2025, was $40,106,529 which is summarized in Figure A-3 below.

Figure A-3
Net Position – Governmental

	2024-25	2023-24	Percentage Change
Current and other assets	$ 85,509,022	$ 85,331,190	0.21%
Capital assets	154,102,870	159,897,633	-3.62%
Total assets	$ 239,611,892	$ 245,228,823	-2.29%
Deferred outflows related to pensions	$ 12,435,886	$ 14,177,462	-12.28%
Other deferred outflows	1,152,143	1,177,580	-2.16%
Total deferred outflows of resources	$ 13,588,029	$ 15,355,042	-11.51%
Long-term liabilities	$ 129,889,409	$ 162,007,715	-19.83%
Other liabilities	30,639,531	31,268,403	-2.01%
Total liabilities	$ 160,528,940	$ 193,276,118	-16.94%
Deferred inflows related to property taxes levied for subsequent year's expenditures	$ 31,439,104	$ 31,752,430	-0.99%
Pensions	17,569,141	4,915,909	257.39%
Other deferred inflows	3,556,208	3,893,002	-8.65%
Total deferred inflows of resources	$ 52,564,453	$ 40,561,341	29.59%
Net Position			
Net investment in capital assets	$ 67,975,061	$ 57,167,659	18.90%
Restricted	15,889,129	15,981,592	-0.58%
Unrestricted	(43,757,661)	(46,390,199)	-5.67%
Total net position	$ 40,106,529	$ 26,759,052	49.88%

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Net Position (Continued)

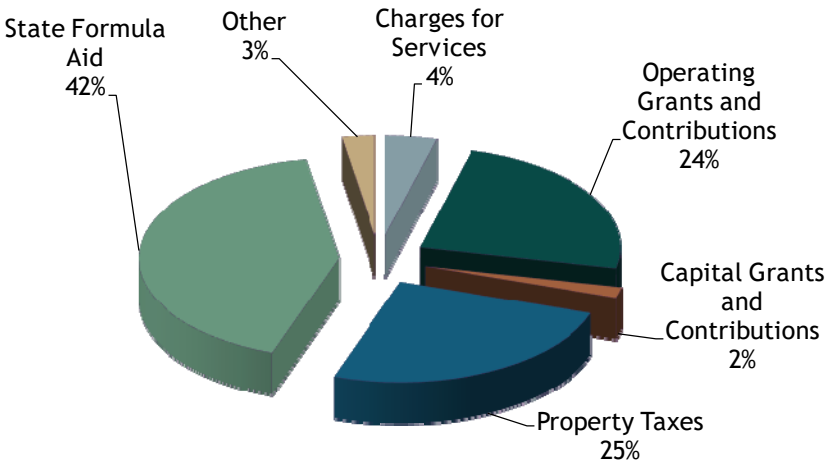
The change in net position for 2024-2025 was $13,360,123. The change is based on total revenues of $130,233,778 and total expenses of $116,873,655. Figure A-4 below shows the breakdown into the various revenue and expense categories. Comparisons are made to the prior year in an effort to quantify and explain changes that took place in the current fiscal year.

Figure A-4
Change in Net Position

	2024-25	2023-24	Percentage Change
Revenues			
Program revenues			
Charges for services	$ 5,398,792	$ 5,732,881	-5.83%
Operating grants and contributions	31,516,279	29,415,915	7.14%
Capital grants and contributions	2,253,832	2,443,436	-7.76%
General revenues			
Property taxes	32,930,565	32,403,188	1.63%
State formula aid	54,671,041	56,743,899	-3.65%
Other	3,463,269	4,042,947	-14.34%
Total revenues	130,233,778	130,782,266	-0.42%
Expenses			
District and school administration	3,223,719	3,167,580	1.77%
District support services	3,759,520	3,485,457	7.86%
Regular instruction	42,673,215	38,660,936	10.38%
Vocational instruction	1,383,833	1,288,527	7.40%
Special education instruction	22,239,828	18,769,831	18.49%
Instructional support services	5,802,300	4,779,512	21.40%
Pupil support services	9,910,453	9,058,164	9.41%
Sites, buildings, and equipment	7,610,065	7,542,623	0.89%
Fiscal and other fixed cost programs	619,245	489,131	26.60%
Food service	4,057,010	3,767,375	7.69%
Community education and services	5,138,092	5,102,358	0.70%
Unallocated depreciation	8,459,059	8,506,056	-0.55%
Interest and fiscal charges on long-term debt	1,997,316	2,209,431	-9.60%
Total expenses	116,873,655	106,826,981	9.40%
Excess of revenues over expenses	13,360,123	23,955,285	44.23%
Net position - beginning	26,746,406	2,803,767	
Net position - ending	$ 40,106,529	$ 26,759,052	-49.88%

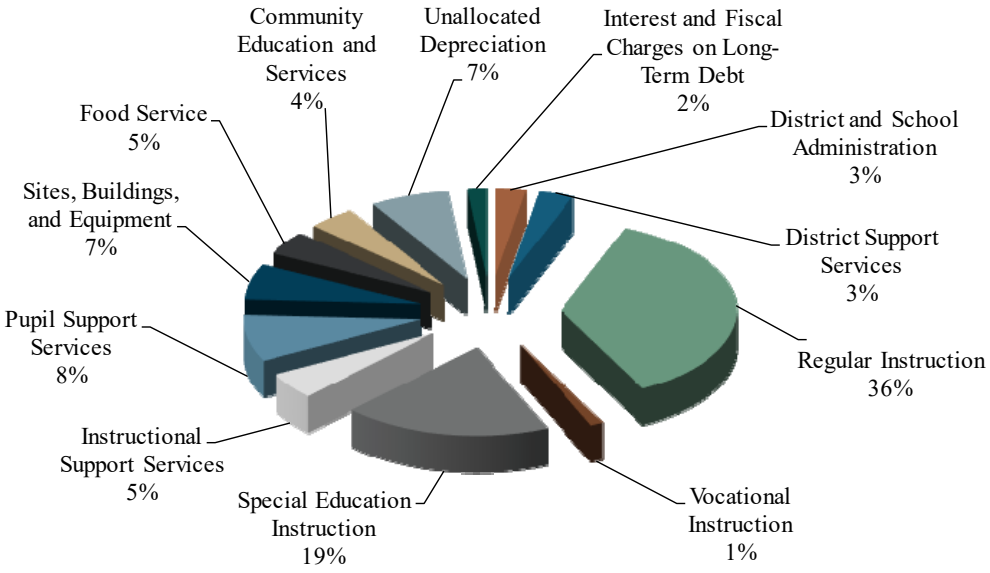
FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Figure A-5
Sources of Revenue
Fiscal Year 2024-2025



As you can see Figure A-5, state aid, operating grants and contributions, and property taxes accounted for most of the District's revenue, with state aid representing 42%, operating grants and contributions 24%, and property taxes 25%. The remainder comes from fees charged for services and other sources.

Figure A-6
Expenses
Fiscal Year 2024-2025



FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

The major category of District's expenses is related to instructing students. Figure A-6 indicates the breakdown of the total expenses on a percentage basis. The direct instruction categories of expense, which include regular instruction, vocational instruction, and special education instruction, represent approximately 56% of the total expenses. The expenses for sites, buildings, and equipment amount to 7% and interest and fiscal charges on long-term debt amount to 2% which reflect costs for a building program designed to meet increasing learner needs each year. The indirect categories of instructional and pupil support (which includes student transportation) amount to about 13% and administration and District support services combined represented 6% of the total expenses for the year. Other major categories of expense included food service, community service, and unallocated depreciation.

GOVERNMENTAL ACTIVITIES

The District continues to invest in instructional improvements, while making reductions in those areas that do not directly affect the instructional setting.

The positive net position balance of the District is the result of debt service scheduled payments coming to an end that will continue to be positive as years progress and larger principal payments are made. The payments for the principal will come from future tax levies.

Figure A-7 represents the total cost of the District's functions and programs. The table also shows each function and program's net cost which represents the total cost less fees and intergovernmental aid provided for specific programs. The net cost shows the financial burden placed on the state and local taxpayers by each of these functions and programs.

Figure A-7
Net Cost of Governmental Activities

	Total Cost of Services 2024-2025	Net Cost of Services 2024-2025	Total Cost of Services 2023-2024	Net Cost of Services 2023-2024
Administration	$ 3,223,719	$ 3,223,719	$ 3,167,580	$ 3,167,580
District support services	3,759,520	3,649,870	3,485,457	3,270,731
Elementary and secondary regular instruction	42,673,215	33,839,359	38,660,936	29,849,155
Vocational education instruction	1,383,833	1,383,833	1,288,527	1,230,110
Special education instruction	22,239,828	3,895,914	18,769,831	2,090,008
Instructional support services	5,802,300	5,292,516	4,779,512	4,779,512
Pupil support services	9,910,453	9,900,441	9,058,164	9,020,941
Sites and buildings	7,610,065	5,252,265	7,542,623	4,964,307
Fiscal and other fixed cost programs	619,245	619,245	489,131	489,131
Food service	4,057,010	(129,250)	3,767,375	(593,902)
Community education and services	5,138,092	320,465	5,096,678	264,335
Interest and fiscal charges on long-term debt/depreciation	10,456,375	10,456,375	10,715,487	10,715,487
Total	$ 116,873,655	$ 77,704,752	$ 106,821,301	$ 69,247,395

GOVERNMENTAL ACTIVITIES (CONTINUED)

The cost of all governmental activities this year was $116,873,655.

- The users of the District's programs through fees and other charges financed $5,398,792, or 4.6%, of the cost.
- The federal and state governments subsidized specific programs with grants and contributions totaling $33,770,111, or 28.9%, of the cost.
- State and local taxpayers, however, financed the majority of the costs. State aid and local property taxes as determined by the State Legislature through the state-wide funding formulas, amounted to $54,671,041 and $32,930,565, respectively, for a total of $87,601,606, or 75%, of the District's total costs.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported combined fund balances of $35,652,028.

The General Fund operations of the District showed a consistent unassigned fund balance of $11,012,670. The District's operating capital showed a decrease of $555,325 due to planned technology purchases.

The Debt Service Fund operations showed a fund balance increase of $435,485.

The Capital Project Fund showed a decrease in fund balance of $35,231 resulting our final payout of the 2015 bond dollars.

GENERAL FUND BUDGETARY HIGHLIGHTS

Revenue – Actual General Fund revenue was $1,895,230 more than the projected budget. Of this total, revenue from Special Education and investment interest was more than projected. The original budget was amended during the year for known changes in funding estimates.

Expenditures – Actual General Fund expenditures were $34,902 over budget. Although the variance is comprised of numerous items, the overall variance is negligible.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of 2025, the District had invested $316,104,162 in a broad range of capital assets, including school buildings, athletic facilities, computer and audio-visual equipment and administrative offices (See Figure A-8 on the following page). Depreciation and amortization expense for the year was $9,035,548 with total accumulated depreciation and amortization amounting to $162,001,292 (more detailed information for capital assets can be found in Note 3 to the financial statements).

Figure A-8
Capital Assets

	Governmental Activities		Percentage
	2024-2025	2023-2024	Change
Land	$ 14,109,141	$ 14,109,141	0.00%
Construction in progress	609,450	1,593,677	-61.76%
Buildings	252,844,432	251,652,845	0.47%
Improvements other than buildings	25,671,291	24,420,769	5.12%
Equipment and furnishing	22,411,126	20,628,223	8.64%
Leased equipment	458,722	-	100.00%
Less accumulated depreciation/amortization	(162,001,292)	(152,690,512)	6.10%
Total	$ 154,102,870	$ 159,714,143	-3.51%

LONG-TERM DEBT

At year-end, the District had $129,889,408 in G.O. bonds and other long-term liabilities outstanding, a decrease of 19.83% from last year, due largely from our Net Pension Liability as shown in Figure A-9 (more information about the District's long-term liabilities is presented in Note 4 to the financial statements.)

Figure A-9
Outstanding Long-Term Liabilities

	Total School District		Percentage
	2024-2025	2023-2024	Change
G.O. Bonds	$ 84,840,674	$ 100,397,438	-15.50%
Finance purchase from direct borrowing	-	-	-100.00%
Lease liability	98,885	193,898	-49.00%
Compensated absences	814,710	794,681	2.52%
Net other post employment benefits (OPEB) obligation / liability	14,264,725	14,934,314	-4.48%
Capital lease	-	-	0.00%
Net pension liability	47,778,949	65,020,034	-26.52%
Amount due within one year	(17,908,535)	(19,332,650)	-7.37%
Total	$ 129,889,408	$ 162,007,715	-19.83%

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time, these financial statements were prepared and audited, the District would like to note existing circumstances that could affect its financial health in the future:

- The District sold $6 million of G.O. Taxable OPEB bonds in March 2009. This amount was half of the amount required to fully fund the actuarial liability.

- The Legislature has added 2.74 percent per pupil to the formula for fiscal 2025 but did not fund added additional mandates. Recent experience demonstrates the legislated revenue increases have not been sufficient to meet instructional program needs, due to increased costs from inflation and required mandates. Additionally, at the State and Federal level, they continue to underfund our Special Education needs.

- The district continues to see residential growth within its boundaries. With several developments opening in the next fiscal year.

- The District is currently in the process of selling some land. If the sale goes ahead, the additional cash flow would be used to fund deferred maintenance projects.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers and 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 Director of Finance (phone number 651-463-5043) at the District Service Center for Farmington Area Public Schools located at 20655 Flagstaff Ave, Farmington, Minnesota 55024.

BASIC FINANCIAL STATEMENTS

Independent School District No. 192
Statement of Net Position
June 30, 2025

	Governmental Activities
Assets	
Cash and investments	$ 54,896,520
Current property taxes receivable	18,188,870
Delinquent property taxes receivable	539,427
Accounts receivable	239,387
Interest Receivable	235,026
Due from Department of Education	8,493,272
Due from Federal Government through Department of Education	1,783,764
Inventory	138,966
Prepaid items	993,790
Capital assets, not being depreciated	
Land	14,109,141
Construction in progress	609,450
Capital assets, net of accumulated depreciation/amortization	
Buildings	124,057,301
Improvements other than buildings	10,327,421
Machinery and equipment	4,907,811
Leased assets, net of accumulated amortization	
Leased equipment	91,746
Total assets	239,611,892
Deferred Outflows of Resources	
Deferred outflows of resources related to pensions	12,435,886
Deferred outflows of resources related to OPEB	1,152,143
Total deferred outflows of resources	13,588,029
Total assets and deferred outflows of resources	$ 253,199,921
Liabilities	
Accounts payable	$ 2,277,708
Salaries and benefits payable	7,284,751
Interest payable	1,342,931
Due to other Minnesota school districts	957,708
Due to other governmental units	172,732
Unearned revenue	695,166
Bond principal net of premium	
Payable within one year	16,606,764
Payable after one year	68,233,910
Lease liability	
Payable within one year	98,885
Compensated absences payable	
Payable within one year	122,207
Payable after one year	692,503
Net OPEB liability	
Payable within one year	1,080,679
Payable after one year	13,184,046
Net pension liability	47,778,949
Total liabilities	160,528,939
Deferred Inflows of Resources	
Property taxes levied for subsequent year's expenditures	31,439,104
Deferred inflows of resources related to pensions	17,569,141
Deferred inflows of resources related to OPEB	2,367,958
Deferral on refunding	1,188,250
Total deferred inflows of resources	52,564,453
Net Position	
Net investment in capital assets	67,975,061
Restricted for	
Debt service	5,173,052
Other purposes	10,716,077
Unrestricted	(43,757,661)
Total net position	40,106,529
Total liabilities, deferred inflows of resources, and fund balances	$ 253,199,921

See notes to basic financial statements.

Independent School District No. 192
Statement of Activities
Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenues and Changes in Net Position: Governmental Activities
Governmental activities					
Administration	$ 3,223,719	$ -	$ -	$ -	$ (3,223,719)
District support services	3,759,520	108,449	1,201	-	(3,649,870)
Elementary and secondary regular instruction	42,673,215	678,814	8,155,042	-	(33,839,359)
Vocational education instruction	1,383,833	-	-	-	(1,383,833)
Special education instruction	22,239,828	473,318	17,870,596	-	(3,895,914)
Instructional support services	5,802,300	-	509,784	-	(5,292,516)
Pupil support services	9,910,453	-	10,012	-	(9,900,441)
Sites and buildings	7,610,065	103,968	-	2,253,832	(5,252,265)
Fiscal and other fixed cost programs	619,245	-	-	-	(619,245)
Food service	4,057,010	271,820	3,914,440	-	129,250
Community education and services	5,138,092	3,762,423	1,055,204	-	(320,465)
Unallocated depreciation (excludes direct depreciation expense of various programs)	8,459,059	-	-	-	(8,459,059)
Interest and fiscal charges on long-term debt	1,997,316	-	-	-	(1,997,316)
Total governmental activities	$ 116,873,655	$ 5,398,792	$ 31,516,279	$ 2,253,832	(77,704,752)
General revenues					
Taxes					
Property taxes, levied for general purposes					15,912,692
Property taxes, levied for community service					413,645
Property taxes, levied for debt service					16,604,228
State aid-formula grants					54,671,041
Other general revenues					1,120,987
Investment income					2,342,282
Total general revenues					91,064,875
Change in net position					13,360,123
Net position - beginning					26,746,406
Net position - ending					$ 40,106,529

See notes to basic financial statements.

Independent School District No. 192
Balance Sheet - Governmental Funds
June 30, 2025

	General	Debt Service	Other Nonmajor Funds	Total Governmental Funds
Assets				
Cash and investments	$ 28,681,311	$ 13,648,305	$ 5,258,578	$ 47,588,194
Current property taxes receivable	7,941,347	9,994,008	253,515	18,188,870
Delinquent property taxes receivable	233,415	290,947	15,065	539,427
Accounts receivable	152,284	-	87,103	239,387
Interest Receivable	-	167,337	67,689	235,026
Due from Department of Education	8,199,821	168,182	125,269	8,493,272
Due from Federal Government through Department of Education	1,764,634	-	19,130	1,783,764
Due from Other Funds	3,737	-	-	3,737
Inventory	47,969	-	90,997	138,966
Prepaid items	953,767	-	40,023	993,790
Total assets	$ 47,978,285	$ 24,268,779	$ 5,957,369	$ 78,204,433
Liabilities				
Accounts payable	$ 1,461,560	$ -	$ 134,100	$ 1,595,660
Salaries and benefits payable	7,023,264	-	261,487	7,284,751
Due to other Minnesota school districts	872,428	-	85,280	957,708
Due to other governmental units	170,871	-	700	171,571
Due to Other Funds	3,737	-	-	3,737
Unearned revenue	606,851	214,659	278,364	1,099,874
Total liabilities	10,138,711	214,659	759,931	11,113,301
Deferred Inflows of Resources				
Property taxes levied for subsequent year's expenditures	12,962,283	18,019,721	457,100	31,439,104
Fund Balances				
Nonspendable	1,001,736	-	131,020	1,132,756
Restricted	6,151,411	6,034,399	4,609,318	16,795,128
Assigned	6,711,474	-	-	6,711,474
Unassigned	11,012,670	-	-	11,012,670
Total fund balances	24,877,291	6,034,399	4,740,338	35,652,028
Total liabilities, deferred inflows of resources, and fund balances	$ 47,978,285	$ 24,268,779	$ 5,957,369	$ 78,204,433

See notes to basic financial statements.

Independent School District No. 192
Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Position
June 30, 2025

Total fund balances - governmental funds	$ 35,652,028
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in government funds:	
Cost of capital assets	315,645,440
Less accumulated depreciation	(161,634,316)
Lease assets	458,722
Less accumulated amortization	(366,976)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:	
Bond principal payable	(82,410,000)
Unamortized bond premium and discount	(2,430,674)
Deferred charge on refunding	(1,188,250)
Lease liability	(98,885)
Compensated absences payable	(814,710)
Net OPEB liability	(14,264,725)
Net pension liability	(47,778,949)
Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions that are not recognized in the governmental funds:	
Deferred outflows of resources related to pensions	12,435,886
Deferred inflows of resources related to pensions	(17,569,141)
Deferred outflows of resources related to OPEB	1,152,143
Deferred inflows of resources related to OPEB	(2,367,958)
Delinquent property taxes receivables will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are unavailable in the funds.	404,708
The self insured medical and dental internal service funds are used by management to charge the costs of the self-insured plans. The assets and liabilities of the internal service funds are included included in governmental activities in the Statement of Net Position and interfund activity is removed.	6,625,117
Governmental funds do not report a liability for accrued interest on bonds until due and payable.	(1,342,931)
Total net position - governmental activities	$ 40,106,529

See notes to basic financial statements.

Independent School District No. 192
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2025

	General	Debt Service	Other Nonmajor Funds	Total Governmental Funds
Revenues				
Local property taxes	$ 15,902,199	$ 16,624,794	$ 415,073	$ 32,942,066
Other local and county revenues	4,147,219	717,270	4,098,852	8,963,341
Revenue from state sources	78,313,769	1,681,820	3,328,865	83,324,454
Revenue from federal sources	1,820,709	-	1,616,926	3,437,635
Sales and other conversion of assets	-	-	271,820	271,820
Total revenues	100,183,896	19,023,884	9,731,536	128,939,316
Expenditures				
Current				
Administration	3,361,554	-	-	3,361,554
District support services	3,505,519	-	-	3,505,519
Elementary and secondary regular instruction	43,817,481	-	-	43,817,481
Vocational education instruction	1,424,514	-	-	1,424,514
Special education instruction	22,913,178	-	-	22,913,178
Instructional support services	5,932,836	-	-	5,932,836
Pupil support services	10,043,903	-	-	10,043,903
Sites and buildings	8,808,352	-	35,231	8,843,583
Fiscal and other fixed cost programs	619,245	-	-	619,245
Food service	-	-	3,968,008	3,968,008
Community education and services	-	-	5,303,093	5,303,093
Capital outlay				
Administration	2,048	-	-	2,048
District support services	1,379,913	-	-	1,379,913
Elementary and secondary regular instruction	134,231	-	-	134,231
Instructional support services	4,073	-	-	4,073
Pupil support services	14,678	-	-	14,678
Sites and buildings	408,847	-	-	408,847
Food service	-	-	90,760	90,760
Community education and services	-	-	67,092	67,092
Debt service				
Principal	97,228	14,705,000	-	14,802,228
Interest and fiscal charges	48,195	3,883,399	200	3,931,794
Total expenditures	102,515,795	18,588,399	9,464,384	130,568,578
Excess of revenues over (under) expenditures	(2,331,899)	435,485	267,152	(1,629,262)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	7,334	-	-	7,334
Net change in fund balances	(2,324,565)	435,485	267,152	(1,621,928)
Fund Balances				
Beginning of year	27,201,856	5,598,914	4,473,186	37,273,956
End of year	$ 24,877,291	$ 6,034,399	$ 4,740,338	$ 35,652,028

See notes to basic financial statements.

Independent School District No. 192
Reconciliation of the Statement of Revenues, Expenditures,
and changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2025

Net change in fund balances - total governmental funds	$ (1,621,928)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense:	
Capital outlays	3,240,785
Depreciation/amortization expense	(9,035,548)
Compensated absences are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities.	(20,029)
Principal payments on long-term debt are recognized as expenditures in the governmental funds but have no effect on net position in the Statement of Activities.	14,800,013
Governmental funds recognize OPEB contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to OPEB on a full accrual perspective.	(4,673)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	1,084,929
Governmental funds report the effects of bond premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.	
Net premium on new debt issuance and related amortization	851,764
The self-insured medical and dental internal service funds are used by management to charge the costs of the self insured plans. The increase in net position is reported within the governmental activities in the Statement of Activities.	1,230,034
Governmental funds recognize pension contributions as expenditures at the time of payment in the funds whereas the Statement of Activities factors in differences between actual and expected contributions and earnings on plan investments as well as changes in proportion.	2,846,277
Delinquent property taxes receivable will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are unavailable in the funds.	(11,501)
Change in net position - governmental activities	$ 13,360,123

See notes to basic financial statements.

Independent School District No. 192
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual - General Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local property taxes	$ 15,788,193	$ 15,839,984	$ 15,902,199	$ 62,215
Other local and county revenues	2,500,000	2,782,071	4,147,219	1,365,148
Revenue from state sources	77,035,147	77,968,912	78,313,769	344,857
Revenue from federal sources	1,759,744	1,697,699	1,820,709	123,010
Total revenues	97,083,084	98,288,666	100,183,896	1,895,230
Expenditures				
Current				
Administration	3,368,716	3,373,716	3,361,554	(12,162)
District support services	3,584,796	3,810,796	3,505,519	(305,277)
Elementary and secondary regular instruction	44,604,587	44,867,587	43,817,481	(1,050,106)
Vocational education instruction	1,420,485	1,420,485	1,424,514	4,029
Special education instruction	21,587,005	21,657,005	22,913,178	1,256,173
Instructional support services	5,061,065	5,387,065	5,932,836	545,771
Pupil support services	10,171,757	10,171,757	10,043,903	(127,854)
Sites and buildings	8,548,846	9,048,846	8,808,352	(240,494)
Fiscal and other fixed cost programs	771,326	771,326	619,245	(152,081)
Capital outlay				
Administration	5,600	5,600	2,048	(3,552)
District support services	270,233	1,570,233	1,379,913	(190,320)
Elementary and secondary regular instruction	148,525	148,525	134,231	(14,294)
Special education instruction	41,252	41,252	-	(41,252)
Instructional support services	4,800	4,800	4,073	(727)
Pupil support services	-	-	14,678	14,678
Sites and buildings	11,900	11,900	408,847	396,947
Debt service				
Principal	190,000	190,000	97,228	(92,772)
Interest and fiscal charges	-	-	48,195	48,195
Total expenditures	99,790,893	102,480,893	102,515,795	34,902
Excess of revenues over (under) expenditures	(2,707,809)	(4,192,227)	(2,331,899)	1,860,328
Other Financing Sources				
Proceeds from sale of capital assets	-	-	7,334	7,334
Net change in fund balance	$ (2,707,809)	$ (4,192,227)	(2,324,565)	$ 1,867,662
Fund Balance				
Beginning of year			27,201,856	
End of year			$ 24,877,291	

See notes to basic financial statements.

Independent School District No. 192
Statement of Net Position - Proprietary Funds
June 30, 2025

	Governmental Activities - Internal Service Funds
Assets	
Current assets	
Cash and cash equivalents	$ 7,308,326
Liabilities and Net Position	
Current Liabilities	
Accounts payable	$ 682,048
Due to other governmental units	1,161
Total liabilities	683,209
Net Position	
Unrestricted	6,625,117
Total liabilities and net position	$ 7,308,326

See notes to basic financial statements.

Independent School District No. 192
Statement of Revenues, Expenses, and Changes
in Fund Net Position - Proprietary Funds
Year Ended June 30, 2025

	Governmental Activities - Internal Service Funds
Operating Revenue	
District contribution	$ 10,775,011
Operating Expenses	
Employee claims paid	9,706,671
Operating income	1,068,340
Nonoperating Revenue	
Interest revenue	161,694
Change in net position	1,230,034
Net Position	
Beginning of year	5,395,083
End of year	$ 6,625,117

See notes to basic financial statements.

Independent School District No. 192
Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2025

	Governmental Activities - Internal Service Funds
Cash Flows - Operating Activities	
Receipts from district contributions	$ 10,775,011
Employee claims paid	(9,969,717)
Net cash flows - operating activities	805,294
Cash Flows - Investment Activities	
Interest received	161,694
Net change in cash and cash equivalents	966,988
Cash and Cash Equivalents	
Beginning of year	6,341,338
End of year	$ 7,308,326
Reconciliation of Operating Income to Net Cash Flows - Operating Activities	
Operating income	$ 1,068,340
Accounts payable	(263,046)
Net cash flows - operating activities	$ 805,294

See notes to basic financial statements.

Independent School District No. 192
Statement of Fiduciary Net Position
June 30, 2025

	Post Employment Benefits Irrevocable Trust Fund
Assets	
Current	
Brokered money market accounts	$ 3,007,620
Net Position	
Held in trust for OPEB	$ 3,007,620

Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2025

	Post Employment Benefits Irrevocable Trust Fund
Additions	
Interest revenue	$ 178,771
Less investment management fees	(250)
Total additions	178,521
Change in net position	178,521
Net Position	
Beginning of year	2,829,099
End of year	$ 3,007,620

See notes to basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District operates under a school board form of government for the purpose of providing educational services to individuals within the District areas. The governing body consists of a six member board elected by the voters of the District to serve four-year staggered terms.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant policies.

A. Reporting Entity

The basic financial statements present the District and its component units. The District includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the District are financially accountable and are included within the basic financial statements of the District because of the significance of their operational or financial relationships with the District.

The District is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the District.

As a result of applying the component unit definition criteria above, it has been determined the District has no component units.

The student activity accounts of the District are under board control and are not reported separately.

B. Basic Financial Statement Information

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The District applies restricted resources first when an expense is incurred for a purpose for which both restricted and unrestricted net position are available. Depreciation expense that can be specifically identified by function is included in the direct expenses of that function. Depreciation expense relating to assets that serve multiple functions is presented as unallocated depreciation in the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. The effect of interfund activity has been removed from these statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basic Financial Statement Information (Continued)

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Private Purpose Trust and Custodial Funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide statements.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and Post Employment Benefits Irrevocable Trust Fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner.

1. Revenue Recognition

Revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property tax revenue is generally considered as available if collected within 60 days after year-end. State revenue is recognized in the year to which it applies according to *Minnesota Statutes* and accounting principles generally accepted in the United States of America. *Minnesota Statutes* include state aid funding formulas for specific years. Federal revenue is recorded in the year in which the related expenditure is made. Other revenue is considered available if collected within 60 days.

2. Recording of Expenditures

Expenditures are generally recorded when a liability is incurred. The exceptions to this general rule are that interest and principal expenditures in the Debt Service Fund, compensated absences, and claims and judgments are recognized when payment is due.

The District applies restricted resources first when an expenditure is incurred for a purpose for which both restricted and unrestricted fund balances are available. Further, the District applies unrestricted funds in this order if various levels of fund balances exist: committed, assigned, and unassigned.

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 revenues of the Internal Service Fund is employee and District contributions. Operating expenses for proprietary funds include claims paid and administrative expense. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Description of Funds:

Major Funds:

General Fund – This fund is the basic operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and payment of, general obligation (G.O.) bond and state loan principal, interest, and related costs.

Nonmajor Funds:

Capital Projects – Building Construction Fund – This fund is used to account for financial resources used for the acquisition or construction of major capital facilities authorized by bond issue.

Food Service Special Revenue Fund – This fund is used to account for food service revenues and expenditures.

Community Service Special Revenue Fund – This fund is used to account for services provided to residents in the areas of community education, school readiness, early childhood, and family education, or other similar services.

Post Employment Benefits Debt Service Fund – This fund is used to record levy proceeds and the payment of the OPEB bond's principal and interest related costs.

Fiduciary Fund:

OPEB Trust Fund – This fund is used to account for the financial resources held by the District in a trustee capacity to be used by the District to pay OPEB benefits to employees.

Proprietary Funds:

Self-Insured Medical Internal Service Fund – This fund is used to account for self-insured employee medical costs and related stop loss insurance.

Self-Insured Dental Internal Service Fund – This fund is used to account for self-insured employee dental costs and related stop loss insurance.

D. Deposits and Investments

The District's total deposits and investments are comprised of two major components, each with its own set of legal and contractual provisions as described on the following pages.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Deposits and Investments (Continued)

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. Investments held by investment pools are measured at amortized cost.

1. District Governmental Funds

Cash and 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 individual funds based on the average of month-end cash and investment balances. The investments of the capital projects building construction funds are not pooled and earnings on these investments are allocated directly to that fund.

Cash and investments at June 30, 2025, were comprised of deposits and shares in the Minnesota School District Liquid Asset Fund (MSDLAF), certificates of deposit, government securities, and shares in the Minnesota Trust (MNTrust) Term Series.

Minnesota Statutes authorizes the District to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, repurchase and reverse repurchase agreements, and commercial paper of the highest quality with a maturity of no longer than 270 days.

In accordance with GASB Statement No. 79, the various MSDLAF and MNTrust securities are valued at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals from the MSDLAF. Investments in the MSDLAF MAX must be deposited for a minimum of 14 calendar days with the exception of direct investments of funds distributed by the State of Minnesota. Withdrawals prior to the 14-day restriction period may be subject to a penalty and there is a 24 hour hold on all requests for redemptions. MSDLAF+ Term investments have a maturity of 60 days to one year and early withdrawal may result in substantial early redemption penalties. Seven days' notice of redemption is required for withdrawals of investments in the MNTrust Term Series withdrawn prior to the maturity date of that series. A penalty could be assessed as necessary to recoup the Series for any charges, losses, and other costs attributable to the early redemption.

2. Other Post Employment Benefits Trust Fund

These funds represent investments administered by the District's OPEB fund investment managers. As of June 30, 2025, they were comprised of brokered money market accounts. The District's investment policy extends to the OPEB Trust Fund investments.

Minnesota Statutes authorize the OPEB Trust Fund to invest in obligations of the U.S. Treasury, agencies and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, corporate bonds, common stock and foreign stock of the highest quality, mutual funds, repurchase and reverse agreements, commercial paper of the highest quality with a maturity no longer than 270 days and in the State Board of Investments. Investments are stated at fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Property Tax Receivable

Current property taxes receivable are recorded for taxes certified the previous December and collectible in the current calendar year, which have not been received by the District. Delinquent property taxes receivable represents uncollected taxes for the past six years and is deferred and included in the deferred inflows of resources section of the fund financial statements because they are not available to finance the operations of the District in the current year.

F. Property Taxes Levied for Subsequent Year's Expenditures

Property taxes levied for subsequent year's expenditures consist principally of property taxes levied in the current year which will be collected and recognized as revenue in the District's following year to properly match those revenues with the budgeted expenditures for which they were levied. This amount is equal to the amount levied by the School Board in December 2024, less various components and their related adjustments as mandated by the state. These portions of that levy were recognized as revenue in fiscal year 2025. The remaining portion of the levy will be recognized when measurable and available.

G. Inventories

Inventories of commodities donated directly by the U.S. Department of Agriculture are recorded at market value. Other inventories are stated at cost as determined on a first-in, first-out (FIFO) basis. Inventories are recorded as expenditures when consumed rather than when purchased.

H. 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. Prepaid items are recorded as an expenditure at the time of consumption.

I. Property Taxes

The District levies its property tax during the month of December. December 28 is the last day the District can certify a tax levy to the County Auditor. Such taxes become a lien on January 1. The property tax is recorded as revenue when it becomes measurable and available. Dakota County is the collecting agency for the levy and remits the collections to the District three times a year. The Tax levy notice is mailed in March with the first half of the payment due on May 15 and the second half due on October 15. Delinquent collections for November and December are received the following January.

A portion of property taxes levied is paid by the State of Minnesota through various tax credits, which are included in revenue from state sources in the basic financial statements.

J. Capital Assets

Capital assets are recorded in the government-wide financial statements but are not reported in the fund financial statements.

Capital assets are defined by the District as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of five years. Such assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at its acquisition value at the date of donation.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets lives are not capitalized.

Capital assets are depreciated or amortized 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 purpose by the District, no salvage value is taken into consideration for depreciation and amortization purposes. Useful lives vary from 20 to 50 years for land improvements and buildings and 5 to 15 years for equipment.

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

K. Right-to-Use Lease Assets/Lease Liabilities

The District recorded right-to-use lease assets as a result of implementing GASB Statement No. 87, Leases. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the lease liability plus any payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease.

Key estimates and judgments related to leases include (1) the discount rate, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District determines its estimated borrowing rate based on the applicable State and Local Government Securities rate. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a re-measurement of the leases and will remeasure the right-to-use lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability.

L. Deferred Outflows/Inflows 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 represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has two items that qualify for reporting in this category. Deferred outflows of resources related to pensions are reported in the government-wide Statement of Net Position. Deferred outflows of resources related to pensions and OPEB is recorded for various estimate differences that will be amortized and recognized over future years.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the Statement of Financial Position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets 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 five types of items which 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. Deferred inflows of resources related to pensions is recorded on the government-wide statements for various estimate differences that will be amortized and recognized over future years. The fourth, a deferred charge on refunding, results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt is recorded on the government-wide. The fifth, Deferred inflows of resources related to OPEB, is recorded for various estimate differences that will be amortized and recognized over future years.

M. 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 Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expenditure/expense in the period the bond is issued.

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.

N. Compensated Absences

The liability for compensated absences reported in the Statement of Net Position consists of leave that has not been used that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

Vacation and Sick Pay

Eligible District employees earn vacation based upon years of service according to the various contracts. Vacation must be used by August 31 of the following year in which it was earned. An employee who is unable to use their vacation may, with the agreement of their immediate supervisor and human resources, negotiate an extension of the time for unused vacation.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Compensated Absences (Continued)

Vacation and Sick Pay (Continued)
Substantially all District employees are entitled to sick leave at various rates. Employees are not compensated for unused sick leave upon termination of employment, unless taken in conjunction with severance pay as described in Note 1.O.

O. Post Employment Severance Benefits

Post employment severance benefits consist of lump sum early retirement incentive payments.

Convertible Sick Leave
Certain bargaining unit members are eligible to be compensated for unused accumulated sick leave upon termination, subject to certain conditions. The amount of the retirement payment is calculated by converting a portion of accrued sick leave. An accrual is made in the governmental fund incurring the liability at the time of termination. The amount of yearly retirement incentive payment that is based on convertible sick leave is recorded as a liability in the Statement of Net Position as it is earned and when it becomes probable that it will vest at some point in the future.

P. 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 Teachers Retirement Association (TRA) and additions to/deductions from PERA's and TRA's fiduciary net position have been determined on the same basis as they are reported by PERA and TRA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

Q. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring 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 and additions to/deductions from the District's fiduciary net position have been determined on the same basis as they are reported by the District. For this purpose, the District 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Fund Equity

In the fund financial statements, governmental funds report various levels of spending constraints.

- Nonspendable Fund Balances – These are amounts that cannot be spent because they are either not in spendable form as they 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 Balances – These 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 Balances – These 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 year-end; however, the specific amounts actually committed can be determined in the subsequent year.

- Assigned Fund Balances – These amounts are comprised of unrestricted funds constrained by the District's intent that they will 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 District's intended use of those resources. The action to assign fund balance may be taken after the end of the year. The School board, by majority vote, may assign balances to be used for specific purposes. The board also delegated the power to assign fund balances to the Superintendent or designee.

- Unassigned Fund Balances – Residual amount in the General Fund not reported in any other classification, available for expenditure of any purpose. Also, negative unassigned fund balance may be reported in other governmental funds if expenditures exceeded the restricted, committed, or assigned amounts available to those purposes.

- Minimum Fund Balance – The District will strive to maintain a minimum unassigned General Fund balance of 8-12% of the annual budget.

S. Net Position

Net position represents the difference between assets and deferred outflows of resources; and liabilities and deferred inflows of resources in the government-wide financial statements. Net investments in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net Position is reported as restricted in the government-wide financial statement when there are limitations on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Use of Estimates

The preparation of basic 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 expenditures/expense during the reporting period. Actual results could differ from those estimates.

U. Budgetary Information

The District follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. Prior to July 1, the School Superintendent submits to the School Board, a proposed operating budget for the year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. The Superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the School Board.
3. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
4. Budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. Budgets are as originally adopted or as amended by the School Board. Budgeted expenditure appropriations lapse at year-end.

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Deposits

In accordance with applicable *Minnesota Statutes*, the District maintains deposits at depository banks authorized by the School Board.

Custodial Credit Risk – Deposits: This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a deposit policy that requires the District's deposits be collateralized as required by *Minnesota Statutes* for an amount exceeding federal deposit coverage. *Minnesota Statutes* require all deposits be protected by federal depository insurance, corporate surety bonds, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by Federal Deposit Insurance Corporation (FDIC) insurance or corporate surety bonds. As of June 30, 2025, the District had a bank balance of $10,197,165.

Checking - pooled	$ 7,191,833
Checking - non-pooled	170,883
Certificates of deposits - pooled	248,911
Total deposits	$ 7,611,627

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments

As of June 30, 2025, the District had the following investments:

Type of Investments	Rating	Fair Value	Investment Maturities year	Investment Maturities 1-2 years
Pooled Investments				
Certificates of deposit	NR	$ 2,160,100	$ 2,160,100	$ -
US Treasury securities	AA+	2,026,360	504,939	1,521,421
LTD	NR	1,486,902	1,486,902	-
MSDLAF	NR	395,096	395,096	-
MSDLAF MAX	NR	2	2	-
IS	NR	19,216,433	19,216,433	-
Term series	NR	22,000,000	-	22,000,000
Total pooled investments		47,284,893	23,763,472	23,521,421
Non-pooled Investments - OPEB				
Money Market	NR	3,007,620	3,007,620	-
Total investments		$ 50,292,513	$ 26,771,092	$ 23,521,421

At June 30, 2025, the District has a formal deposit and investment policy in place to address the following risks:

Credit Risk: This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. *Minnesota Statutes* §§ 118A.04 and 118A.05 limit investments to the top two rating issued by nationally recognized statistical rating organizations. The District's investment policy limits investments to those specified in the above statutes. As of June 30, 2025, the District's investments in MSDLAF and MSDLAF+ Max were rated AAAm by Standard & Poor's (S&P). The District's investments in certificates of deposit are not rated.

Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of an investment in a single issuer. The District's investment policy states the District will diversify its investment to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities. None of the District's investments were exposed to concentration of credit risk at June 30, 2025.

Interest Rate Risk: This is the risk that market value of securities will fall due to the changes in market interest rates. The District's policy states investment maturities should be scheduled to coincide with projected District cash flow needs, taking into account large routine or scheduled expenditures, as well as anticipated receipt dates of anticipated revenues. The policy also indicates investments shall be managed to attain a market rate of return through various economic and budgetary cycles, while preserving and protecting the capital in the investment portfolio and taking into account constraints on risk and cash flow requirements.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Custodial Credit Risk – Investments: This is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy on custodial credit risk states securities will be held in third party safekeeping by an institution designated as custodial agent. The custodial agent shall issue a safe keeping receipt to the District listing pertinent information related to the securities held.

The District has the following recurring fair value measurements as of June 30, 2025:

Type of Investments	Total	Level 1	Level 2
Money market	$ 3,007,620	$ 3,007,620	$ -
Certificates of deposit	2,160,100	-	2,160,100
US Treasury securities	2,026,360	-	2,026,360
Total	$ 7,194,080	$ 3,007,620	$ 4,186,460
Investments at amortized cost	$ 43,098,433		
Total investments	$ 50,292,513		

C. Deposits and Investments

Summary of cash, deposits, and investments as of June 30, 2025:

District Governmental Funds	
Deposits (Note 3.A.)	$ 7,611,627
Investments (Note 3.B.)	47,284,893
OPEB Trust Fund	
Investments (Note 3.B.)	3,007,620
Total deposits and investments	$ 57,904,140

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

C. Deposits and Investments (Continued)

Cash, deposits, and investments are presented in the June 30, 2025, basic financial statements as follows:

Statement of Net Position	
Cash and investments	$ 54,896,520
Statement of Fiduciary Net Position	
Post employment benefits trust fund	
Cash and investments	3,007,620
Total deposits and investments	$ 57,904,140

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	$ 14,109,141	$ -	$ -	$ 14,109,141
Construction in progress	1,593,677	771,776	1,756,003	609,450
Total capital assets not being depreciated	15,702,818	771,776	1,756,003	14,718,591
Other capital assets				
Buildings	251,652,845	1,191,587	-	252,844,432
Improvements other than buildings	24,420,769	1,250,522	-	25,671,291
Machinery and equipment	20,628,223	1,782,903	-	22,411,126
Leased equipment	458,722	-	-	458,722
Total capital assets being depreciated and ammortized	297,160,559	4,225,012	-	301,385,571
Less accumulated depreciation for				
Buildings	121,291,175	7,495,956	-	128,787,131
Improvements other Than buildings	14,381,136	962,734	-	15,343,870
Machinery and equipment	17,018,201	485,114	-	17,503,315
Less accumulated amortization for				
Leased equipment	275,232	91,744	-	366,976
Total accumulated depreciation and ammortization	152,965,744	9,035,548	-	162,001,292
Total capital assets being depreciated or ammortized, net	144,194,815	(4,810,536)	-	139,384,279
Governmental activities, capital assets net	$ 159,897,633	$ (4,038,760)	$ 1,756,003	$ 154,102,870

NOTE 3 – CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense of $9,035,548 for the year ended June 30, 2025, was charged to the following governmental functions:

District Support Services	$ 1,952
Elementary and Secondary Regular Instruction	17,762
Special Education Instruction	269
Instructional Support Services	93,651
Pupil Support Services	3,843
Sites and Buildings	458,938
Community Service	74
Unallocated	8,459,059
Total depreciation and amortization expense	$ 9,035,548

NOTE 4 – LONG-TERM DEBT

A. Components of Long-Term Liabilities

	Issue Date	Interest Rates	Original Issue	Maturity Date	Principal Outstanding	Due Within One Year
Long-term liabilities						
G.O. Bonds, including Refunding bonds						
2013A Alternative Facilities Bonds	03/06/13	2.00%-2.75%	$ 2,260,000	02/01/28	$ 550,000	$ 180,000
2016A Building Bonds	02/03/16	2.00%-3.00%	43,730,000	02/01/31	43,730,000	-
2019A LTFM Bonds	06/13/19	3.00%-5.00%	9,220,000	02/01/27	7,000,000	585,000
2023A Refunding Bonds	03/09/23	5.00%	41,350,000	02/01/27	22,915,000	11,015,000
2024A Refunding	03/14/24	5.00%	12,035,000	02/02/27	8,215,000	3,975,000
Plus Unamortized Premium					2,430,674	851,764
Total G.O. bonds					84,840,674	16,606,764
Lease liability					98,885	98,885
Compensated absences					814,710	122,207
Total all long-term liabilities					$ 85,754,269	$ 16,827,856

The long-term bond liabilities listed above were issued to finance acquisition and construction of capital facilities or to refinance (refund) previous bond issues. The lease liability was issued to finance instructional equipment.

NOTE 4 – LONG-TERM DEBT (CONTINUED)

B. Changes in Long-Term Liabilities

	Beginning Balance	Additions	Retirements	Ending Balance
Long-term liabilities				
G.O. Bonds	$ 97,115,000	$ -	$ 14,705,000	$ 82,410,000
Unamortized bond premiums	3,282,438	-	851,764	2,430,674
Lease liability	193,898	-	95,013	98,885
Compensated absences	794,681	20,029	-	814,710
Total long-term liabilities	$ 101,386,017	$ 20,029	$ 15,651,777	$ 85,754,269

The General Fund typically liquidates the liability related to compensated absences. The change in the balance of compensated absences is presented as a net change. The Debt Service Funds typically liquidates the liability related to G.O. bonds and the Post-Employment Benefits. The General Fund typically liquidates the liability related to the lease.

NOTE 4 – LONG-TERM DEBT (CONTINUED)

C. Minimum Debt Payments for Bonds and Leases

Minimum annual principal and interest payments required to retire bond liabilities:

Year Ended June 30	G.O. Bonds Principal	G.O. Bonds Interest	Total
2026	$ 15,755,000	$ 3,222,244	$ 18,977,244
2027	16,980,000	2,226,994	19,206,994
2028	11,370,000	1,594,388	12,964,388
2029	11,540,000	1,149,150	12,689,150
2030	11,895,000	802,950	12,697,950
2031-2034	14,870,000	605,100	15,475,100
Total	$ 82,410,000	$ 9,600,825	$ 92,010,825
Plus Net Bond Premium	$ 2,430,674	$ -	$ 2,430,674
Total	$ 84,840,674	$ 9,600,825	$ 94,441,499

Year Ended June 30	Lease Liability Principal	Lease Liability Interest	Total
2026	$ 98,885	$ 2,155	$ 101,040
Total	$ 98,885	$ 2,155	$ 101,040

D. Lease Liability

The District entered into lease agreements for equipment. The lease agreements include annual principal and interest payments that are shown above. The discount rate for the lease liabilities is 4.0%.

NOTE 5 – FUND BALANCES/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.

Fund Equity

Fund equity balances are classified as follows to reflect the limitations and restrictions of the respective funds.

NOTE 5 – FUND BALANCES/NET POSITION (CONTINUED)

A. Fund Balance

	General Fund	Debt Service	Other Nonmajor Funds	Total
Nonspendable for				
Inventory	$ 47,969	$ -	$ 90,997	$ 138,966
Prepaid items	953,767	-	40,023	993,790
	1,001,736	-	131,020	1,132,756
Restricted for				
Student Activities	153,735	-	-	153,735
Safe School Revenue	404,302	-	-	404,302
Staff Development	328,801	-	-	328,801
Literacy Incentive Aid	180,919	-	-	180,919
American Indian Ed Aid	7,090	-	-	7,090
Medical Assistance	1,352,184	-	-	1,352,184
Operating Capital	3,178,206	-	-	3,178,206
Student Support	5,887	-	-	5,887
READ Act	111,416	-	-	111,416
Basic Skills	428,871	-	-	428,871
Community Education	-	-	1,116,937	1,116,937
Early Childhood and Family Education	-	-	252,084	252,084
School Readiness	-	-	107,002	107,002
Adult basic education	-	-	16,837	16,837
Food Service	-	-	2,850,167	2,850,167
Community Service	-	-	81,132	81,132
Debt Service	-	6,034,399	185,159	6,219,558
Total	6,151,411	6,034,399	4,609,318	16,795,128
Assigned for				
Maintain class size	3,900,000	-	-	3,900,000
B&G	294,934	-	-	294,934
Self Insurance	500,000			500,000
Com Ed	200,000	-	-	200,000
Donations	277,952	-	-	277,952
Vikings - Flag football	2,903	-	-	2,903
iHealth	6,877	-	-	6,877
Technology	872,238	-	-	872,238
iPads	306,570	-	-	306,570
LTFM bond payments	100,000	-	-	100,000
Land	250,000	-	-	250,000
Total	6,711,474	-	-	6,711,474
Unassigned for				
General purposes	11,012,670	-	-	11,012,670
Total fund balance	$ 24,877,291	$ 6,034,399	$ 4,740,338	$ 35,652,028

NOTE 5 – FUND BALANCES/NET POSITION (CONTINUED)

A. Fund Balance (Continued)

Nonspendable for Inventory – This balance represents the portion of fund balance that is not available as amounts have already been spent on inventory.

Nonspendable for Prepaid Items – This balance represents the portion of fund balance that is not available as the amounts have already been spent by the District on items for the next year.

Restricted for Student Activities – This balance represents available resources to be used for the extracurricular activity funds raised by the students.

Restricted for Safe Schools Revenue – The unspent resources available from the revenue must be reserved in this account for future use.

Restricted for Staff Development – This balance represents unspent staff development revenues set aside from general education revenue that were restricted for staff development related to Finance Code 316. Expenditures for staff development must equal at least 2% of the basic general education revenue, unless stipulations are met *(Minnesota Statutes* § 122A.61, subdivision 1).

Restricted/Reserved for Literacy Incentive Aid – This balance represents the resources available to support implementation of evidence-based reading instruction.

Restricted/Reserved for American Indian Education Aid – This balance represents resources remaining in the American Indian Education Funds.

Restricted for Medical Assistance – This balance represents available resources to be used for medical assistance expenditures (*Minnesota Statutes* § 125A.21, subd. 3).

Restricted for Operating Capital – This balance represents available resources in the General Fund to be used to purchase equipment and facilities.

Restricted/Reserved for Student Support Personnel Aid – This balance represents available resources to be used for student support personnel that are in addition to current staff levels.

Restricted/Reserved for Teacher Compensation for READ Act Training – This balance represents resources available for teacher compensation for Read Act training.

Restricted for Basic Skills Programs – This balance represents resources available for the basic skills uses listed in *Minnesota Statutes* § 126C.15, subd. 1.

Restricted for School Readiness – This balance represents the resources available to provide for services for school readiness programs. Related to Finance Code 344, School Readiness *Minnesota Statutes* § 124D.16.

Restricted for Food Service – This balance represents the accumulation of the activity to provide the food service program.

Restricted for Community Service – This balance represents the positive fund balance of the Community Service Fund.

Restricted for Debt Service – This balance represents the resources available for the payment of G.O. bond principal, interest, and related costs.

NOTE 5 – FUND BALANCES/NET POSITION (CONTINUED)

A. Fund Balance (Continued)

Restricted for Capital Projects – This balance represents accumulated resources for capital projects.

Restricted for Community Education – This balance represents the resources available to provide programming such as: nonvocational, recreational and leisure time activities, programs for adults with disabilities, noncredit summer programs, adult basic education programs, youth development and youth service programming, early childhood and family education, and extended day programs. While the state mandates tracking this restriction regardless of whether it has a negative balance, accounting principles generally accepted in the United States of America do not permit a negative restricted presentation.

Restricted for Early Childhood and Family Education – This balance represents the resources available to provide for services for early childhood and family education programming. While the state mandates tracking this restriction regardless of whether it has a negative balance, accounting principles generally accepted in the United States of America do not permit a negative restricted presentation.

B. Net Position

Net Investment in Capital Assets – This amount represents the net book value of the District's capital assets less the balance of outstanding debt used to acquire them.

Restricted for Debt Service – This amount represents resources restricted for future debt service in accordance with bond covenants and other agreements.

Restricted for Other Purpose – This amount represents total positive General Fund restricted fund balances, plus the fund balances in the Community Service and Food Service Funds.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE

The District participates in various pension plans. Total pension expense for the year ended June 30, 2025, was $3,913,271. The components of pension expense are noted in the following plan summaries.

The General Fund typically liquidates the Liability related to the pensions.

Teachers' Retirement Association

A. Plan Description

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 schools, charter schools, and certain other TRA-covered educational institutions maintained by the state are required to be TRA members (except those teachers 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. A teacher employed by Minnesota State and electing the DCR plan is not a member of TRA except for purposes of social security coverage.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

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 consecutive 60 months of formula service, age and years of formula service credit at termination of service. TRA members belong to either the Basic or Coordinated Plan.

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

Tier I Benefits

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

With these provisions:

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

Or

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% for Basic members applies. An early retirement reduction is applied to members retiring prior to age 65. Members who reach age 62 with 30 years of service have a lower (more favorable to the member) reduction rate applied.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

B. Benefits Provided (Continued)

Tier II Benefits
Members first employed after June 30, 1989, receive only the Tier II calculation with a normal retirement age that is their retirement age for full Social Security retirement benefits, but not to exceed age 66. After July 1, 2024, the age will change to not to exceed 65. An early retirement reduction is applied to members retiring before age 66 but will be age 65 after July 1, 2024. Members who reach age 62 with 30 years of service have a lower (more favorable to the member) early retirement reduction rate applied.

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

The benefit provisions 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 the fiscal year 2025 for coordinated were 7.75% for the employee and 8.75% for the employer. Basic rates were 11.25% for the employee and 12.75% for the employer. The District's contributions to TRA for the plan's fiscal year ended June 30, 2025, were $4,268,730. The District's contributions were equal to the required contributions for each year as set by state statute.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

D. Actuarial Assumptions

The total pension liability in the July 1, 2024, 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	
Experience study	August 2, 2023 (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	PubT-2010(A) Employee Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.
Post-retirement	PubT-2010(A) Rertiree Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.
Beneficiaries	PubT-2010(A) Contingent Survivor Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.
Disabled retirees	PubNS-2010 Disabled Retiree Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.

* The assumptions prescribed are based on the experience study dated August 2, 2023. For GASB 67 purposes, the long-term rate of return assumptions is selected by TRA management in consultation with the actuary.

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.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

D. Actuarial Assumptions (Continued)
The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic stocks	33.5 %	5.10 %
International stocks	16.5	5.30
Private markets	25.0	5.90
Fixed income	25.0	0.75
Total	100.0 %	

Changes in actuarial assumptions since the previous valuation:

- Mortality tables were updated for active employees, retirees, disabled retirees, and contingent beneficiaries to recently published tables derived from public plan data known as the Pub-2010 family.
- Retirement rates were increased for some of the Tier II early retirement ages and some of the unreduced retirement rates were modified for both tiers to better align with actual experience.
- Probability that new female retirees elect either the Straight Life Annuity or 100% Joint and Survivor Annuity were refined to reflect the actual experience.
- Termination rates were reduced in the first 10 years of employment and slightly increased in years 16 to 25 to better match the observed experience.
- Disability rates were decreased beyond age 45 by 15% to reflect the continued lower than expected observations.

E. Discount Rate
The discount rate used to measure the total pension liability was 7.0%. 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 2024 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. 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.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

F. Net Pension Liability

On June 30, 2025, the District reported a liability of $42,615,754 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, 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 0.6707% at the end of the measurement period and 0.6923% 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	$ 42,615,754
State's proportionate share of the net pension liability associated with the District	2,787,246
Total	$ 45,403,000

For the year ended June 30, 2024, the District recognized pension expense of $3,568,677. Included in this amount, the District recognized $153,216 as pension expense for the support provided by direct aid.

During the plan year ended June 30, 2024, the State of Minnesota contributed $176 million to the Fund. The State of Minnesota is not included as a non-employer contributing entity in the plan pension allocation schedules for the $176 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The District recognized $1,181,477 for the year ended June 30, 2025 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Fund.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

F. Net Pension Liability (Continued)

As of June 30, 2025, the District reported 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 experience	$ 2,048,242	$ 573,441
Net difference between projected and actual earnings on plan investment	-	6,007,543
Changes of assumptions	4,534,550	5,082,044
Changes in proportion	121,108	2,149,036
Contributions to TRA subsequent to the measurement date	4,268,730	-
Total	$ 10,972,630	$ 13,812,064

The $4,268,730 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, 2026.

Other amounts reported as deferred outflows of resources and (deferred inflows of resources) will be recognized in pension expense as follows:

Year Ended June 30,	Pension Expense Amount
2026	$ (3,112,480)
2027	3,649,263
2028	(3,656,714)
2029	(3,018,456)
2030	(969,777)
Total	$ (7,108,164)

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Teachers' Retirement Association (Continued)

G. Pension Liability Sensitivity

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.0%) and 1% higher (8.0%) than the current rate.

Sensitivity of NPL to Changes in the Discount Rate

1% Decrease in Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
$ 75,053,550	$ 42,615,754	$ 15,923,558

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 the plan's fiduciary net position is available in a separately-issued TRA financial report. That can be obtained at www.minnesotatra.org, or 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.

Public Employees' Retirement Association

A. Plan Description

The District participates in the following cost-sharing multiple-employer defined benefit pension plan administered by PERA. PERA's defined benefit pension plan is established and administered in accordance with *Minnesota Statutes* Chapters 353, 353D, 353E, 353G, and 356. *Minnesota Statutes* Chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than $425 in a month, unless the employee meets exclusion criteria.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Public Employees' Retirement Association (Continued)

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. When a member is "vested", they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

General Employees Plan Benefits

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any 5 successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2% of the highest average salary for each of the first 10 years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of the highest average salary for all years of service. For members hired prior to July 1, 1989, a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25% for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1.0% and a maximum of 1.5%. The 2024 annual increase was 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

C. Contributions

Minnesota Statutes Chapter 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

General Plan members were required to contribute 6.5% of their annual covered salary in fiscal year 2025 and the District was required to contribute 7.5% for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2025, were $914,980. The District's contributions were equal to the required contributions as set by state statute.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Public Employees' Retirement Association (Continued)

D. Pension Costs

General Employees Fund Pension Costs

At June 30, 2025, the District reported a liability of $5,163,195 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 $3,579.

The net pension liability was measured as of June 30, 2024, 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, 2023, through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.1397% at the end of the measurement period and 0.1406% for the beginning of the period.

School's proportionate share of net pension liability	$ 5,163,195
State of Minnesota's proportionate share of the net pension liability associated with the School	133,510
Total	$ 5,296,705

For the year ended June 30, 2025, the District recognized pension expense of $344,594 for its proportionate share of the General Employees Plan's pension expense. Included in this amount, the District recognized an additional $3,579 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of $16 million to the General Employees Fund.

During the plan year ended June 30, 2024, the State of Minnesota contributed $170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedule for the $170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The District recognized $237,565 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the General Employees Fund.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Public Employees' Retirement Association (Continued)

D. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

At June 30, 2025, the District reported its proportionate share of deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the sources on the following page.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 488,340	$ -
Changes in actuarial assumptions	26,840	1,963,771
Net difference between projected and actual investments earnings	-	1,433,193
Change in proportion	33,096	360,113
Contributions paid to PERA subsequent to the measurement date	914,980	-
Total	$ 1,463,256	$ 3,757,077

The $914,980 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, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Pension Expense Amount
2026	$ (1,771,110)
2027	(395,104)
2028	(646,862)
2029	(395,725)
Total	$ (3,208,801)

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Public Employees' Retirement Association (Continued)

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	Final Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.5 %	5.10 %
International stocks	16.5	5.30
Fixed income	25.0	0.75
Private markets	25.0	5.90
Total	100.0 %	

F. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the 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%. The 7.0% 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 considered reasonable by the actuary. An investment return of 7.0% is within that range.

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

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service.

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.

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

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Public Employees' Retirement Association (Continued)

F. Actuarial Methods and Assumptions (Continued)
The following changes in actuarial assumptions and plan provisions occurred in 2024:

Changes in Actuarial Assumptions
- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: Increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions
- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

G. Discount Rates
The discount rate used to measure the total pension liability in 2024 was 7.0%. 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 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 table presents the District's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
District's proportionate share of the PERA net pension liability	$ 11,277,243	$ 5,163,195	$ 133,828

I. Pension Plan Fiduciary Net Position
Detailed information about the General Employees Fund's fiduciary net position is available in a separately-issued PERA financial report that includes the basic financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

NOTE 7 – RISK MANAGEMENT

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 injuries to employees for which the District 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 during the year ending June 30, 2025.

All funds of the District participate in the Dental Self-Insurance program. Based on the requirements of GASB Statement No. 10, a liability is reported if information prior to the issuance of the basic financial statements indicates it is probable a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. The District self-insures for dental coverage up to certain limits. A stop-loss policy was purchased that limits the District's loss to $1,000 per incident. The total claims liability reported in the fund at June 30, 2025, was $12,198 and included amounts for known claims and for estimated incurred but not reported claims. These estimates are determined based on the probability a loss has occurred, and the amount of the loss can be reasonably estimated.

Changes in the fund's claims liability amounts for the past three years are as listed:

Year	Beginning Balance	Claims Expense and Estimates	Claims Payments	Ending Balance
2023	$ 11,835	$ 561,646	$ 563,255	$ 10,226
2024	10,226	555,841	556,276	9,791
2025	9,791	560,698	558,291	12,198

Beginning in 2014, the District has provided a health care self-insurance program. Under this program, the fund provides up to a maximum of $ 125,000 for each health claim. All funds of the District participate in this program and make payments to the Health Insurance Internal Service Fund. Based on the requirements of GASB Statement No. 10, a liability is reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. A stop-loss policy was purchased that limits the District's loss to 125% of premiums. The total claims liability reported in the fund at June 30, 2025 was $669,850 which is comprised of the liability for known claims as well as an estimate for claims incurred but not yet reported.

Changes in the fund's claims liability amounts since inception of the fund are as follows:

Year	Beginning Balance	Claims Expense and Estimates	Claims Payments	Ending Balance
2023	$ 665,572	$ 8,100,986	$ 8,081,251	$ 685,307
2024	685,307	8,892,446	8,641,291	936,462
2025	936,462	9,145,973	9,412,585	669,850

NOTE 8 – POST EMPLOYMENT HEALTH CARE PLAN

A. Plan Description

The District's defined benefit OPEB plan provides a single-employer defined benefit health care plan to eligible retirees. The plan offers medical coverage. Medical coverage is administered by PreferredOne. It is the District's policy to periodically review its medical coverage and to obtain requests for proposals in order to provide the most favorable benefits and premiums for District employees and retirees.

B. Benefits Provided

Under the terms of collectively bargained employment contracts, the District is required to pay the health and dental insurance premiums for Plan C for retired employees until they reach the age 65 up to a maximum of ten years. For employees meeting a certain length of service experience requirements, the amounts to be paid is equal to the same insurance premium benefit as a full-time employee in the retiring employee's respective bargaining unit. The General Fund, Food Service Fund, and Community Service Fund typically liquidate the Liability related to OPEB.

C. Members

As of July 1, 2024, the following were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	115
Active employees	798
Total	913

D. Contributions

Retirees and their spouses contribute to the health care plan at the same rate as District employees. This results in the retirees receiving an implicit rate subsidy. Contribution requirements are established by the District, based on the contract terms with PreferredOne. The required contributions are based on projected pay-as-you-go financing requirements. For fiscal year 2025, the District contributed $963,495 to the plan.

NOTE 8 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

E. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation measured as of June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability

Investment rate of return	4.70%
Salary increases	Service graded table
Inflation	2.50%
Healthcare cost trend increases	6.50% in 2024 grading to 5.00% over 6 years and then to 4.00% over the next 48 years.
Mortality Assumption	Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2021 Generational Improvement Scale.

The actuarial assumptions used in the June 30, 2025, valuation were based on the results of an actuarial experience study for the period July 1, 2024 through June 30, 2025.

Changes in actuarial assumptions for the fiscal year ending June 30, 2025:

- The discount rate was changed from 4.10% to 4.70%.
- The health care trend rates were updated

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 pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term 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 table on the following page.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	95.0 %	4.0 %
Cash	5.0	3.0
Total	100.0 %	4.0 %

NOTE 8 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

E. Actuarial Assumptions (Continued)

The details of the investments and the investment policy are described in Note 2. of the District's basic financial statements. For the year ended June 30, 2025, the annual money-weighed rate of return on investments, net of investment expense, was 4.0%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

F. Discount Rate

The discount rate used to measure the total OPEB liability was 4.70%. The projection of cash flows used to determine the discount rate assumed that employee 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 future benefit payments of 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.

NOTE 8 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

G. Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2024	$ 17,763,413	$ 2,829,099	$ 14,934,314
Changes for the year			
Service cost	512,969	-	512,969
Interest	729,778	-	729,778
Assumption changes	474,469	-	474,469
Plan changes	-	-	-
Employer Contributions	-	963,495	(963,495)
Projected investment return	-	113,164	(113,164)
Differences between expected and actual economic experience	(1,244,789)	65,607	(1,310,396)
Benefit Payment	(963,495)	(963,495)	-
Administrative expense	-	(250)	250
Other changes	-	-	-
Net changes	(491,068)	178,521	(669,589)
Balances at June 30, 2025	$ 17,272,345	$ 3,007,620	$ 14,264,725

Plan fiduciary net position as a percentage of the total OPEB liability 17.41%

H. OPEB Liability Sensitivity

The following presents the District's net OPEB liability calculated using the discount rate of 4.70% as well as the liability measured using 1% lower and 1% higher than the current discount rate.

	1% Decrease in Discount Rate (3.70%)	Current Discount Rate (4.70%)	1% Increase in Discount Rate (5.70%)
Net OPEB liability (asset)	$ 15,528,866	$ 14,264,725	$ 13,079,011

NOTE 8 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

H. OPEB Liability Sensitivity (Continued)

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower and 1% higher than the current healthcare cost trend rates.

	1% Decrease in Trend Rate (5.25% Decreasing to 4.00%)	Current Trend Rate (6.25% Decreasing to 5.00%)	1% Increase in Trend Rate (7.25% Decreasing to 6.00%)
Net OPEB liability (asset)	$ 12,541,877	$ 14,264,725	$ 16,249,867

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

For the year ended June 30, 2025, the District recognized OPEB expense of $968,168. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability gains/losses	$ 375,305	$ 1,066,962
Investment gains/losses	10,381	-
Changes of assumptions	766,457	1,300,996
Total	$ 1,152,143	$ 2,367,958

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

Year Ended June 30,	Total
2026	$ (65,177)
2027	(180,480)
2028	(317,736)
2029	(394,904)
2030	(119,677)
Thereafter	(137,841)
Total	$ (1,215,815)

NOTE 9 – SUBSEQUENT EVENT

On November 24, 2025, the district approved the issuance of the 2025A general obligation bond in the amount of $40,325,000.

NOTE 10 – GASB STANDARDS ISSUED BUT NOT YET IMPLEMENTED

Summary of any GASB Statements if statement will impact client's financial statements. GASB Statement No. 103, *Financial Reporting Model Improvements*. The changes required by this Statement provide clarity, enhance the relevance of information, provide more useful information for decision-making, and provide for greater comparability amongst government entities. This Statement will be effective for the year ending June 30, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The disclosures required by this Statement provide users of the financial statements with essential information about certain types of capital assets. This Statement will be effective for the year ending June 30, 2026.

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REQUIRED SUPPLEMENTARY INFORMATION

Independent School District No. 192
Schedule of Changes in Net OPEB Liability
and Related Ratios

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Total OPEB Liability				
Service cost	$ 726,831	$ 665,222	$ 647,172	$ 767,241
Interest	482,025	493,708	586,482	560,192
Differences between expected and actual experience	-	-	198,289	-
Changes of assumptions	-	(797,123)	473,406	981,466
Changes in plans	-	-	(377,313)	-
Benefit payments	(751,247)	(708,461)	(746,305)	(908,147)
Other changes	-	-	-	-
Net change in total OPEB liability	457,609	(346,654)	781,731	1,400,752
Beginning of year	16,861,384	17,318,993	16,972,339	17,754,070
End of year	$ 17,318,993	$ 16,972,339	$ 17,754,070	$ 19,154,822
Plan Fiduciary Net Pension (FNP)				
Employer contributions	$ 751,247	$ 708,461	$ 746,305	$ 908,147
Net investment income	28,682	34,909	68,737	81,347
Differences between expected and actual experience	-	29,523	(12,892)	(37,261)
Benefit payments	(751,247)	(708,461)	(746,305)	(908,147)
Administrative expense	(250)	(250)	(250)	(250)
Net change in plan fiduciary net position	28,432	64,182	55,595	43,836
Beginning of year	2,656,859	2,685,291	2,749,473	2,805,068
End of year	$ 2,685,291	$ 2,749,473	$ 2,805,068	$ 2,848,904
Net OPEB liability	$ 14,633,702	$ 14,222,866	$ 14,949,002	$ 16,305,918
Plan FNP as a percentage of the total OPEB liability	15.50%	16.20%	15.80%	14.87%
Covered-employee payroll	$ 41,917,312	$ 43,174,831	$ 46,206,251	$ 47,592,439
Net OPEB liability as a percentage of covered-employee payroll	34.91%	32.94%	32.35%	34.26%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

See notes to required supplementary information.

June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
$ 845,827	$ 632,474	$ 581,270	$ 576,166	$ 512,969
466,692	420,602	675,314	699,363	729,778
839,760	-	56,984	-	(1,244,789)
(228,714)	(2,096,912)	88,378	(222,370)	474,469
-	-	-	-	-
(1,116,917)	(1,136,429)	(1,193,222)	(1,279,675)	(963,495)
-	-	-	-	-
806,648	(2,180,265)	208,724	(226,516)	(491,068)
19,154,822	19,961,470	17,781,205	17,989,929	17,763,413
$ 19,961,470	$ 17,781,205	$ 17,989,929	$ 17,763,413	$ 17,272,345
$ 1,116,917	$ 966,132	$ 1,192,972	$ 1,279,675	$ 963,495
68,374	116,053	107,605	108,973	113,164
(15,696)	(156,717)	(72,913)	(3,937)	65,607
(1,116,917)	(1,136,429)	(1,193,222)	(1,279,675)	(963,495)
(250)	(250)	(250)	(250)	(250)
52,428	(211,211)	34,192	104,786	178,521
2,848,904	2,901,332	2,690,121	2,724,313	2,829,099
$ 2,901,332	$ 2,690,121	$ 2,724,313	$ 2,829,099	$ 3,007,620
$ 17,060,138	$ 15,091,084	$ 15,265,616	$ 14,934,314	$ 14,264,725
14.53%	15.13%	15.14%	15.93%	17.41%
$ 49,646,775	$ 51,136,178	$ 51,058,464	$ 52,590,218	$ 57,504,953
34.36%	29.51%	29.90%	28.40%	24.81%

Independent School District No. 192
Schedule of Investment Returns

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Annual money-weighted rate of return, net of investment expense	1.10%	2.40%	2.00%	1.60%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
1.80%	-1.40%	1.30%	3.90%	6.30%

See notes to required supplementary information.

Independent School District No. 192
Schedule of District's and Non-Employer Proportionate Share
(if Applicable) of Net Pension Liability
General Employees Retirement Fund
Last Ten Years

For Plan's Fiscal Year Ended June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Proportionate Share of State of Minnesota's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability and District's Share of the State of Minnesota's Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.1530%	$ 7,929,254	$ -	$ 7,929,254	$ 9,202,187	86.2%	78.2%
2016	0.1483%	12,041,224	157,224	12,198,448	9,584,547	127.3%	68.9%
2017	0.1488%	9,499,294	119,427	9,618,721	9,954,400	96.6%	75.9%
2018	0.1481%	8,215,981	269,573	8,485,554	10,037,213	84.5%	79.5%
2019	0.1418%	7,839,804	243,656	8,083,460	10,579,533	76.4%	80.2%
2020	0.1483%	8,891,263	274,223	9,165,486	10,591,680	86.5%	79.1%
2021	0.1456%	6,217,772	189,819	6,407,591	11,136,280	57.5%	87.0%
2022	0.1487%	11,777,089	345,135	12,122,224	11,177,947	108.4%	76.7%
2023	0.1406%	7,862,195	216,620	8,078,815	11,820,320	68.3%	83.1%
2024	0.1397%	5,163,195	133,510	5,296,705	12,199,733	43.4%	89.1%

Schedule of District's and Non-Employer Proportionate Share
(if Applicable) of Net Pension Liability
TRA Retirement Fund
Last Ten Years

For Plan's Fiscal Year Ended June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Proportionate Share of State of Minnesota's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability and District's Share of the State of Minnesota's Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.6510%	$ 40,270,788	$ 4,939,925	$ 45,210,713	$ 33,247,107	121.1%	76.8%
2016	0.6392%	152,464,451	15,304,345	167,768,796	36,546,720	417.2%	44.9%
2017	0.6789%	135,520,755	13,099,880	148,620,635	37,841,587	358.1%	51.6%
2018	0.6849%	43,019,915	4,041,951	47,061,866	39,597,808	108.6%	78.1%
2019	0.6975%	44,458,796	3,934,331	48,393,127	41,193,826	107.9%	78.2%
2020	0.7089%	52,374,482	4,389,088	56,763,570	42,340,886	123.7%	75.5%
2021	0.7076%	30,966,692	2,611,768	33,578,460	43,376,918	71.4%	86.6%
2022	0.7017%	56,188,424	4,167,136	60,355,560	44,017,883	127.6%	76.2%
2023	0.6923%	57,157,839	4,003,855	61,161,694	44,432,011	128.6%	76.4%
2024	0.6707%	42,615,754	2,787,246	45,403,000	48,785,486	87.4%	82.1%

See notes to required supplementary information.

Independent School District No. 192
Schedule of District Contributions
General Employees Retirement Fund
Last Ten Years

Fiscal Year Ending June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 690,164	$ 690,164	$ -	$ 9,202,187	7.50%
2017	718,841	718,841	-	9,584,547	7.50%
2018	746,580	746,580	-	9,954,400	7.50%
2019	752,791	752,791	-	10,037,213	7.50%
2020	793,465	793,465	-	10,579,533	7.50%
2021	794,376	794,376	-	10,591,680	7.50%
2022	835,221	835,221	-	11,136,280	7.50%
2023	838,346	838,346	-	11,177,947	7.50%
2024	886,524	886,524	-	11,820,320	7.50%
2025	914,980	914,980	-	12,199,733	7.50%

Schedule of District Contributions
TRA Retirement Fund
Last Ten Years

Fiscal Year Ending June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 2,493,533	$ 2,493,533	$ -	$ 33,247,107	7.50%
2017	2,741,004	2,741,004	-	36,546,720	7.50%
2018	2,838,119	2,838,119	-	37,841,587	7.50%
2019	3,052,991	3,052,991	-	39,597,808	7.71%
2020	3,262,551	3,262,551	-	41,193,826	7.92%
2021	3,442,314	3,442,314	-	42,340,886	8.13%
2022	3,617,635	3,617,635	-	43,376,918	8.34%
2023	3,763,529	3,763,529	-	44,017,883	8.55%
2024	3,887,801	3,887,801	-	44,432,011	8.75%
2025	4,268,730	4,268,730	-	48,785,486	8.75%

See notes to required supplementary information.

TRA Retirement Fund

2024 Changes

Changes in Actuarial Assumptions

- Mortality tables were updated for active employees, retirees, disabled retirees, and contingent beneficiaries to recently published tables derived from public plan data known as the Pub-2010 family.
- Retirement rates were increased for some of the Tier II early retirement ages and some of the unreduced retirement rates were modified for both tiers to better align with actual experience.
- Probability that new female retirees elect either the Straight Life Annuity or 100% Joint and Survivor Annuity were refined to reflect the actual experience.
- Termination rates were reduced in the first 10 years of employment and slightly increased in years 16 to 25 to better match the observed experience.
- Disability rates were decreased beyond age 45 by 15% to reflect the continued lower than expected observations.

Changes of Benefit Terms

- The Normal Retirement Age (NRA) for active and eligible deferred Tier II members will be 65 effective July 1, 2024

2023 Changes

Changes in Actuarial Assumptions

- None

2022 Changes

Changes in Actuarial Assumptions

- None

2021 Changes

Changes in Actuarial Assumptions

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

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 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP 2015 scale.
- Assumed form of annuity election proportions were changed to more closely reflect actual experience for female retirees.

2019 Changes

Changes in Actuarial Assumptions

- None

2018 Changes

Changes in Actuarial Assumptions

- The discount rate was increased to 7.5% from 5.12%.

TRA Retirement Fund (Continued)

2018 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- 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 0.0% 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.

2017 Changes

Changes in Actuarial Assumptions

- The discount rate was increased 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.

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%.

TRA Retirement Fund (Continued)

2016 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- 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.
- 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.

2015 Changes

Changes of Benefit Terms

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

Changes in Actuarial Assumption

- 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%.

General Employees Fund

2024 Changes

Changes in Actuarial Assumptions

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: Increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 Changes

Changes in Actuarial Assumptions

- The investment return assumption and single discount rate were changed from 6.5% to 7.0%.

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 7.5% to 6.5% for financial reporting purposes.
- The mortality improvement scale was changed from scale MP-2019 to scale MP-2020.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.5% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.0%.

General Employees Fund (Continued)

2020 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- 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 changes 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 and Survivor option changed from 35% to 45%. The assumed number of married female new retires electing the 100% Joint and 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% thereafter. 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 million to $21 million per year. The State's special funding contribution was changed prospectively, requiring $16 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 1.0% per year through 2044 and 2.5% per year thereafter to 1.25% per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.0% to 3.0%, beginning July 1, 2018.

General Employees Fund (Continued)

2018 Changes (Continued)

Changes in Plan Provisions (Continued)

- Deferred augmentation was changed to 0.0%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.0% per year with a provision to increase to 2.5% upon attainment of 90% funding ratio to 50% of the Social Security Cost of Living Adjustment, not less than 1.0% and not more than 1.5%, 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. This 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 CSA loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15% for vested deferred member liability and 3% for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

Changes in Plan Provisions

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

2016 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, the inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2035 and 2.5% per year thereafter.

General Employees Fund (Continued)

2015 Changes (Continued)

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 increased 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.

Post-Employment Health Care Plan

2025 Changes
Changes in Actuarial Assumptions
- The discount rate was changed from 4.10% to 4.70%.
- The health care trend rates were updated

2024 Changes
Changes in Actuarial Assumptions
- The health care trend rates, mortality tables, salary increase rates for non-teachers, and withdrawal rates were updated.
- The discount rate was changed from 3.90% to 4.10%.

2023 Changes
Changes in Actuarial Assumptions
- The health care trend rates, mortality tables, salary increase rates for non-teachers, and withdrawal rates were updated.
- The discount rate was changed from 3.80% to 3.90%.

2022 Changes
Changes in Actuarial Assumptions
- The expected long-term investment return was changed from 2.40% to 4.00%.
- The discount rate was changed from 2.10% to 3.80%.

2021 Changes
Changes in Actuarial Assumptions
- The expected long-term investment return was changed from 2.90% to 2.40%.
- The discount rate was changed from 2.40% to 2.10%.

2020 Changes
Changes in Actuarial Assumptions
- The expected long-term investment return was changed from 2.50% to 2.90%.
- The discount rate was changed from 3.10% to 2.40%.

2019 Changes
Changes in Actuarial Assumptions
- The health care trend rates and mortality tables were updated.
- The expected long-term investment return was changed from 1.30% to 2.50%.
- The discount rate was changed from 3.40% to 3.10%.

2018 Changes
Changes in Actuarial Assumptions
- The discount rate was changed from 2.8% to 3.4%.

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SUPPLEMENTARY INFORMATION

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Independent School District No. 192
Combining Balance Sheet -
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue			Debt Service	
	Food Service	Community Service	Total	Post Employment Benefits Debt Service	Total Nonmajor Funds
Assets					
Cash and investments	$ 2,841,224	$ 2,232,286	$ 5,073,510	$ 185,068	$ 5,258,578
Current property taxes receivables	-	253,515	253,515	-	253,515
Delinquent property taxes receivable	-	9,587	9,587	5,478	15,065
Accounts receivable	77,767	9,336	87,103	-	87,103
Due from Department of Education	32,646	92,623	125,269	-	125,269
Due from Federal Government through Department of Education	19,130	-	19,130	-	19,130
Inventory	90,997	-	90,997	-	90,997
Prepaid items	7,514	32,509	40,023	-	40,023
Total assets	$ 3,104,855	$ 2,661,968	$ 5,766,823	$ 190,546	$ 5,957,369
Liabilities					
Accounts payable	$ 80,459	$ 53,641	$ 134,100	$ -	$ 134,100
Salaries and benefits payable	-	261,487	261,487	-	261,487
Due to other Minnesota Districts	-	85,280	85,280	-	85,280
Due to other governmental units	-	700	700	-	700
Unearned revenue	75,718	197,259	272,977	5,387	278,364
Total liabilities	156,177	598,367	754,544	5,387	759,931
Deferred Inflows of Resources					
Property taxes levied for subsequent year's expenditures	-	457,100	457,100	-	457,100
Fund Balances					
Nonspendable	98,511	32,509	131,020	-	131,020
Restricted	2,850,167	1,573,992	4,424,159	185,159	4,609,318
Total fund balances	2,948,678	1,606,501	4,555,179	185,159	4,740,338
Total liabilities, deferred inflows of resources, and fund balances	$ 3,104,855	$ 2,661,968	$ 5,766,823	$ 190,546	$ 5,957,369

Independent School District No. 192
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended June 30, 2025

	Special Revenue Funds			Debt Service
	Food Service	Community Service	Total	Post Employment Benefits Debt Service
Revenues				
Local property taxes	$ -	$ 415,073	$ 415,073	$ -
Other local and county revenues	174,428	3,924,424	4,098,852	-
Revenue from state sources	2,305,335	1,023,530	3,328,865	-
Revenue from federal sources	1,609,105	7,821	1,616,926	-
Sales and other conversion of assets	271,820	-	271,820	-
Total revenues	4,360,688	5,370,848	9,731,536	-
Expenditures				
Current				
Sites And Buildings	-	-	-	-
Food service	3,968,008	-	3,968,008	-
Community education and services	-	5,303,093	5,303,093	-
Capital outlay				
Food service	90,760	-	90,760	-
Community education and services	-	67,092	67,092	-
Debt service				
Interest and fiscal charges	-	-	-	200
Total expenditures	4,058,768	5,370,185	9,428,953	200
Net change in fund balances	301,920	663	302,583	(200)
Fund Balances				
Beginning of year	2,646,758	1,605,838	4,252,596	185,359
End of year	$ 2,948,678	$ 1,606,501	$ 4,555,179	$ 185,159

Capital Projects	Total Nonmajor Funds
$ -	$ 415,073
-	4,098,852
-	3,328,865
-	1,616,926
-	271,820
-	9,731,536
35,231	35,231
-	3,968,008
-	5,303,093
-	90,760
-	67,092
-	200
35,231	9,464,384
(35,231)	267,152
35,231	4,473,186
$ -	$ 4,740,338

Independent School District No. 192
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual - General Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local property taxes	$ 15,788,193	$ 15,839,984	$ 15,902,199	$ 62,215
Other local and county revenues	2,500,000	2,782,071	4,147,219	1,365,148
Revenue from state sources	77,035,147	77,968,912	78,313,769	344,857
Revenue from federal sources	1,759,744	1,697,699	1,820,709	123,010
Total revenues	97,083,084	98,288,666	100,183,896	1,895,230
Expenditures				
Current				
Administration	3,368,716	3,373,716	3,361,554	(12,162)
District support services	3,584,796	3,810,796	3,505,519	(305,277)
Elementary and secondary regular instruction	44,604,587	44,867,587	43,817,481	(1,050,106)
Vocational education instruction	1,420,485	1,420,485	1,424,514	4,029
Special education instruction	21,587,005	21,657,005	22,913,178	1,256,173
Instructional support services	5,061,065	5,387,065	5,932,836	545,771
Pupil support services	10,171,757	10,171,757	10,043,903	(127,854)
Sites and buildings	8,548,846	9,048,846	8,808,352	(240,494)
Fiscal and other fixed cost programs	771,326	771,326	619,245	(152,081)
Capital outlay				
Administration	5,600	5,600	2,048	(3,552)
District support services	270,233	1,570,233	1,379,913	(190,320)
Elementary and secondary regular instruction	148,525	148,525	134,231	(14,294)
Special education instruction	41,252	41,252	-	(41,252)
Instructional support services	4,800	4,800	4,073	(727)
Pupil support services	-	-	14,678	14,678
Sites and buildings	11,900	11,900	408,847	396,947
Debt service				
Principal	190,000	190,000	97,228	(92,772)
Interest and fiscal charges	-	-	48,195	48,195
Total expenditures	99,790,893	102,480,893	102,515,795	34,902
Excess of revenues over (under) expenditures	(2,707,809)	(4,192,227)	(2,331,899)	1,860,328
Other Financing Sources				
Proceeds from sale of capital assets	-	-	7,334	7,334
Net change in fund balance	$ (2,707,809)	$ (4,192,227)	(2,324,565)	$ 1,867,662
Fund Balance				
Beginning of year			27,201,856	
End of year			$ 24,877,291	

Independent School District No. 192
Schedule of Revenues, Expenditures, and
Changes in Fund Balance -
Budget and Actual - Food Service Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Other local and county revenues	$ -	$ -	$ 174,428	$ 174,428
Revenue from state sources	2,082,975	2,082,975	2,305,335	222,360
Revenue from federal sources	1,870,051	1,870,051	1,609,105	(260,946)
Sales and other conversion of assets	386,325	386,325	271,820	(114,505)
Total revenues	4,339,351	4,339,351	4,360,688	21,337
Expenditures				
Current				
Food service	4,064,622	4,064,622	3,968,008	(96,614)
Capital outlay				
Food service	-	-	90,760	90,760
Total expenditures	4,064,622	4,064,622	4,058,768	(5,854)
Excess of revenues over (under) expenditures	$ 274,729	$ 274,729	301,920	$ 27,191
Fund Balance				
Beginning of year			2,646,758	
End of year			$ 2,948,678	

Independent School District No. 192
Schedule of Revenues, Expenditures, and
Changes in Fund Balance -
Budget and Actual - Community Service Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local property taxes	$ 696,243	$ 696,243	$ 415,073	$ (281,170)
Other local and county revenues	3,854,726	3,854,726	3,924,424	69,698
Revenue from state sources	849,839	849,839	1,023,530	173,691
Revenue from federal sources	7,677	7,677	7,821	144
Total revenues	5,408,485	5,408,485	5,370,848	(37,637)
Expenditures				
Current				
Community education and services	5,389,689	5,389,689	5,303,093	(86,596)
Capital outlay				
Community education and services	17,767	17,767	67,092	49,325
Total expenditures	5,407,456	5,407,456	5,370,185	(37,271)
Excess of revenues over (under) expenditures	$ 1,029	$ 1,029	663	$ (366)
Fund Balance				
Beginning of year			1,605,838	
End of year			$ 1,606,501	

Independent School District No. 192
Scheudule of Revenues, Expenditures, and
Changes in Fund Balance -
Budget and Actual - Debt Service Fund
Year Ended June 30, 2025

	Budgeted Amounts		
	Original and Final	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues			
Local property taxes	$ 17,023,362	$ 16,624,794	$ (398,568)
Other local and county revenues	-	717,270	717,270
Revenue from state sources	703,984	1,681,820	977,836
Total revenues	17,727,346	19,023,884	1,296,538
Expenditures			
Debt service			
Principal	14,705,000	14,705,000	-
Interest and fiscal charges	3,886,016	3,883,399	(2,617)
Total expenditures	18,591,016	18,588,399	(2,617)
Net change in fund balance	$ (863,670)	435,485	$ 1,299,155
Fund Balance			
Beginning of year		5,598,914	
End of year		$ 6,034,399	

Independent School District No. 192
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Post Employment Benefits Debt Service Fund
Year Ended June 30, 2025

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Over (Under)
Expenditures			
Debt service			
Interest and fiscal charges	$ -	$ 200	$ 200
Total expenditures	-	200	200
Excess of revenues over (under) expenditures	$ -	(200)	$ (200)
Fund Balance			
Beginning of year		185,359	
End of year		$ 185,159	

Independent School District No. 192
Schedule of Revenue, Expenditures, and
Changes in Fund Balance -
Budget and Actual - Capital Projects Fund
Year Ended June 30, 2025

	Budgeted Amounts		
	Original and Final	Actual Amounts	Variance with Final Budget - Over (Under)
Expenditures			
Current			
Sites and buildings	$ -	$ 35,231	$ 35,231
Excess of revenues over (under) expenditures	$ -	(35,231)	$ (35,231)
Fund Balance			
Beginning of year		35,231	
End of year		$ -	

Independent School District No. 192
Combining Statement of
Net Position - Internal Service Funds
June 30, 2025

	Internal Service Funds		
	Self-Insured Medical Internal Service Fund	Self-Insured Dental Internal Service Fund	Total
Assets			
Cash and cash equivalents	$ 6,438,066	$ 870,260	$ 7,308,326
Liabilities			
Accounts payable	669,850	12,198	682,048
Due to other governmental units	1,161	-	1,161
Total liabilities	671,011	12,198	683,209
Net Position			
Unrestricted	5,767,055	858,062	6,625,117
Total liabilities and net position	$ 6,438,066	$ 870,260	$ 7,308,326

Independent School District No. 192
Combining Statement of Revenues, Expenses, and Changes
in Fund Net Position - Internal Service Funds
Year Ended June 30, 2025

	Internal Service Funds		
	Self-Insured Medical Internal Service Fund	Self-Insured Dental Internal Service Fund	Total
Operating Revenues			
Contribution	$ 10,200,429	$ 574,582	$ 10,775,011
Operating Expenses			
Employee claims paid	9,145,973	560,698	9,706,671
Operating income	1,054,456	13,884	1,068,340
Nonoperating Revenues			
Interest revenue	142,856	18,838	161,694
Change in net position	1,197,312	32,722	1,230,034
Net Position			
Beginning of year	4,569,743	825,340	5,395,083
End of year	$ 5,767,055	$ 858,062	$ 6,625,117

Independent School District No. 192
Combining Statement of Cash Flows -
Internal Service Funds
Year Ended June 30, 2025

	Internal Service Funds		
	Self-Insured Medical Internal Service Fund	Self-Insured Dental Internal Service Fund	Total
Cash Flows - Operating Activities			
Receipts from district contributions	$ 10,200,429	$ 574,582	$ 10,775,011
Employee claims paid	(9,411,426)	(558,291)	(9,969,717)
Net cash flows - operating activities	789,003	16,291	805,294
Cash Flows - Investment Activities			
Interest received	142,856	18,838	161,694
Net Cash Flows - Investment Activities	142,856	18,838	161,694
Net change in cash and cash equivalents	931,859	35,129	966,988
Cash and Cash Equivalents			
Beginning of year	5,506,207	835,131	6,341,338
End of year	$ 6,438,066	$ 870,260	$ 7,308,326
Reconciliation of Operating Income (Loss) to Net Cash Flows - Operating Activities			
Operating income (loss)	$ 1,054,456	$ 13,884	$ 1,068,340
Adjustments to reconcile operating Income (loss) to net cash Flows - operating activities			
Accounts payable	(266,614)	2,407	(264,207)
Due to other governmental units	1,161	-	1,161
Net adjustments	(265,453)	2,407	(263,046)
Net cash flows - operating activities	$ 789,003	$ 16,291	$ 805,294

Independent School District No. 192
Uniform Financial Accounting and Reporting Standards
Compliance Table
Year Ended June 30, 2025

		Audit	UFARS	Audit-UFARS
01 GENERAL FUND				
Total revenue		$ 100,183,896	$ 100,183,894	$ 2
Total expenditures		102,515,795	102,515,791	4
Nonspendable:				
460	Nonspendable fund balance	1,001,736	1,001,736	-
Restricted/reserved:				
401	Student Activities	153,735	153,735	-
402	Scholarships	-	-	-
403	Staff Development	328,801	328,801	-
407	Capital Projects Levy	-	-	-
408	Cooperative Programs	-	-	-
412	Literacy Incentive Aid	180,919	180,919	-
414	Operating Debt	-	-	-
416	Levy Reduction	-	-	-
420	American Indian Ed Aid	7,090	7,090	-
424	Operating Capital	3,178,206	3,178,206	-
426	$25 Taconite	-	-	-
427	Disabled Accessibility	-	-	-
428	Learning and Development	-	-	-
434	Area Learning Center	-	-	-
435	Contracted Alternative Programs	-	-	-
436	State Approved Alternative Learning Program	-	-	-
4.37	Quality Compensation - Alternative Teacher Professional Pay System	-	-	-
438	Gifted and Talented	-	-	-
440	Teacher Development and Evaluation			
441	Basic Skills Programs	428,871	428,871	-
445	Career Technical Programs	-	-	-
448	Achievement of Integration Revenue	-	-	-
449	Safe School Crime	404,302	404,302	-
451	QZAB payments	-	-	-
452	OPEB Liabilities not Held in Trust	-	-	-
453	Unfunded Severance and Retirement Levy	-	-	-
4.56	Literacy Aid	-	-	-
4.57	Teacher Compensation for Read Act Training	111,416	111,416	-
459	Basic Skills Extended Time	-	-	-
467	Long-term Facilities Maintenance	-	-	-
4.71	Student Support Personnel Aid	5,887	5,887	-
Restricted:				
472	Medical Assistance	1,352,184	1,352,184	-
464	Restricted fund balance	-	-	-
475	Title VII - Impact Aid	-	-	-
476	Payments in Lieu of Taxes	-	-	-
Committed:				
418	Committed for separation	-	-	-
461	Committed for separation	-	-	-
Assigned:				
462	Assigned fund balance	6,711,474	6,711,474	-
Unassigned:				
422	Unassigned fund balance	11,012,670	11,012,668	2
02 FOOD SERVICES FUND				
Total revenue		$ 4,360,688	$ 4,360,689	$ (1)
Total expenditures		4,058,768	4,058,768	-
Nonspendable:				
460	Nonspendable fund balance	98,511	98,510	1
Restricted/reserved:				
452	OPEB Liabilities not Held in Trust	-	-	-
Restricted:				
464	Restricted fund balance	2,850,167	2,850,168	(1)
Unassigned:				
463	Unassigned fund balance	-	-	-
04 COMMUNITY SERVICE FUND				
Total revenue		$ 5,370,848	$ 5,370,849	$ (1)
Total expenditures		5,370,185	5,370,185	-
Nonspendable:				
460	Nonspendable fund balance	32,509	32,509	-
Restricted/reserved:				
426	$25 Taconite	-	-	-
431	Community Education	1,116,937	1,116,937	-
432	ECFE	252,084	252,084	-
444	School Readiness	107,002	107,002	-
447	Adult Basic Education	16,837	16,837	-
452	OPEB Liabilities not Held in Trust	-	-	-
Restricted:				
464	Restricted fund balance	81,132	81,134	(2)
Unassigned:				
463	Unassigned fund balance	-	-	-

		Audit	UFARS	Audit-UFARS
06 BUILDING CONSTRUCTION FUND				
Total revenue		$ -	$ -	$ -
Total expenditures		35,231	35,232	(1)
Nonspendable:				
460	Nonspendable fund balance	-	-	-
Restricted/reserved:				
407	Capital Projects Levy	-	-	-
413	Building Projects Funded by COP	-	-	-
467	Long-term Facilities Maintenance	-	-	-
Restricted:				
464	Restricted fund balance	-	-	-
Unassigned:				
463	Unassigned fund balance	-	-	-
07 DEBT SERVICE FUND				
Total revenue		$ 19,023,884	$ 19,023,884	$ -
Total expenditures		18,588,399	18,588,399	-
Nonspendable:				
460	Nonspendable fund balance	-	-	-
Restricted/reserved:				
425	Bond refundings	-	-	-
433	Maximum effort loan aid	-	-	-
451	QZAB payments	-	-	-
467	LTFM	-	-	-
Restricted:				
464	Restricted fund balance	6,034,399	6,034,399	-
Unassigned:				
463	Unassigned fund balance	-	-	-
08 TRUST FUND				
Total revenue		$ -	$ -	$ -
Total expenditures		-	-	-
Unassigned:				
401	Student Activities	-	-	-
402	Scholarships	-	-	-
422	Net position	-	-	-
18 CUSTODIAL FUND				
Total revenue		$ 5,300	$ 5,300	$ -
Total expenditures		5,300	5,300	-
Restricted/Reserved				
401	Student Activities	-	-	-
402	Scholarships	-	-	-
448	Achievement and Integration	-	-	-
464	Restricted	-	-	-
20 INTERNAL SERVICE FUND				
Total revenue		$ 10,936,705	$ 10,936,705	$ -
Total expenditures		9,706,671	9,706,671	-
Unassigned:				
422	Net position	6,625,117	6,625,117	-
25 OPEB REVOCABLE TRUST				
Total revenue		$ -	$ -	$ -
Total expenditures		-	-	-
Unassigned:				
422	Net position	-	-	-
45 OPEB IRREVOCABLE TRUST				
Total revenue		$ 178,771	$ 178,772	$ (1)
Total expenditures		250	250	-
Unassigned:				
422	Net position	3,007,620	3,007,620	-
47 OPEB DEBT SERVICE				
Total revenue		$ -	$ -	$ -
Total expenditures		200	200	-
Nonspendable:				
460	Nonspendable fund balance			
Restricted:		-	-	-
425	Bond refundings			
464	Restricted fund balance	185,159	185,159	-
Unassigned:				
463	Unassigned fund balance	-	-	-

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Statistical Section

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III. Statistical Section (Unaudited)

This part of the Independent School District No. 192's annual comprehensive financial report presents detailed information as a context for understanding what the information in the basic financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents **Page**

Financial Trends
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. 120

Revenue Capacity
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax. 128

Debt Capacity
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. 138

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. 144

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. 149

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

Independent School District No. 192
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)
(unaudited)

	Fiscal Year			
	2016	2017	2018	2019
Governmental Activities				
Net investment in capital assets	$ (12,801,800)	$ (8,069,026)	$ 425,114	$ 8,165,318
Restricted	3,795,807	4,358,909	4,868,518	5,126,117
Unrestricted	(58,647,696)	(78,929,855)	(95,371,519)	(73,037,547)
Total governmental activities net position	$ (67,653,689)	$ (82,639,972)	$ (90,077,887)	$ (59,746,112)

Table 1

Fiscal Year						
2020	2021	2022	2023	2024	2025
$ 16,918,117	$ 23,470,541	$ 34,093,361	$ 46,026,189	$ 57,167,659	$ 67,975,061
4,938,228	6,402,986	8,933,427	11,223,118	15,981,592	15,889,129
(75,525,762)	(73,641,923)	(70,643,850)	(54,866,617)	(46,402,845)	(43,757,661)
$ (53,669,417)	$ (43,768,396)	$ (27,617,062)	$ 2,382,690	$ 26,746,406	$ 40,106,529

Independent School District No. 192
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)
(unaudited)

	Fiscal Year			
	2016	2017	2018	2019
Expenses				
Governmental activities				
Administration	$ 2,958,510	$ 3,817,460	$ 3,797,396	$ 2,282,813
District support services	7,655,043	4,116,111	3,340,002	3,030,690
Elementary and secondary regular instruction	33,572,184	48,716,860	49,600,564	24,283,952
Vocational education instruction	865,574	1,353,886	1,429,015	698,178
Special education instruction	12,223,981	16,443,427	17,315,543	10,086,755
Instructional support services	3,775,815	4,569,688	4,710,788	3,005,139
Pupil support services	6,033,961	6,991,027	7,554,557	6,692,043
Sites and buildings	5,570,230	7,148,603	6,034,967	6,432,662
Fiscal and other fixed cost programs	226,217	223,268	239,650	272,153
Food service	3,131,432	3,095,761	3,356,498	3,282,084
Community education and services	4,634,178	5,417,532	5,708,637	4,790,371
Depreciation not included in other functions	5,689,030	6,064,152	6,693,814	7,291,316
Interest and fiscal charges on long-term debt	5,243,100	4,678,177	5,112,703	5,252,869
Total governmental activities expenses	91,579,255	112,635,952	114,894,134	77,401,025
Program Revenues				
Governmental activities				
Charges for services				
Administration	-	-	-	-
District support services	37,691	174,517	254,187	133,790
Elementary and secondary regular instruction	686,549	746,927	733,267	727,073
Vocational education instruction	-	-	-	-
Special education instruction	-	7,219	11,754	197,476
Instructional support services	-	-	-	-
Pupil support services	-	-	-	-
Sites and buildings	147,836	147,461	142,288	166,647
Fiscal and other fixed cost programs	-	-	-	-
Food service	2,148,910	2,069,202	2,107,185	2,108,984
Community education and services	3,533,478	3,516,502	3,490,150	3,797,738
Depreciation not included in other functions	-	-	-	-
Interest and fiscal charges on long-term debt	-	-	-	-
Operating grants and contributions	13,982,338	15,009,901	15,091,950	15,852,573
Capital grants and contributions	1,221,191	1,788,466	2,301,979	2,638,231
Total governmental activities program revenues	21,757,993	23,460,195	24,132,760	25,622,512
Net expense	(69,821,262)	(89,175,757)	(90,761,374)	(51,778,513)
General Revenues				
Governmental activities				
Taxes				
Property taxes, levied for general purposes	6,085,082	8,143,426	8,862,586	9,206,685
Property taxes, levied for community service	501,239	573,217	664,062	749,594
Property taxes, levied for debt service	13,001,115	15,147,240	15,119,738	15,092,514
General grants and aids	54,541,170	56,658,190	56,760,080	55,237,723
Gain on sale of capital assets	-	-	-	-
Other general revenues	603,999	1,013,822	1,422,961	910,368
Investment earnings	86,806	340,087	494,032	907,834
Special item	-	-	-	5,570
Total governmental activities	74,819,411	81,875,982	83,323,459	82,110,288
Change in net position	$ 4,998,149	$ (7,299,775)	$ (7,437,915)	$ 30,331,775

Table 2

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 3,320,897	$ 3,508,185	$ 3,212,056	$ 2,923,626	$ 3,167,580	$ 3,223,719
3,500,480	3,367,370	3,237,640	3,359,344	3,485,457	3,759,520
42,706,404	43,531,993	38,688,145	32,272,777	38,660,936	42,673,215
1,169,614	1,262,305	1,304,078	1,074,616	1,288,527	1,383,833
16,839,789	17,317,401	16,735,557	15,302,424	18,769,831	22,239,828
4,223,607	4,752,815	4,081,194	3,741,301	4,779,512	5,802,300
8,329,587	7,774,320	8,432,271	8,281,346	9,058,164	9,910,453
6,979,393	7,022,658	8,822,365	8,291,067	7,542,623	7,610,065
263,177	336,241	379,424	439,877	489,131	619,245
2,606,119	2,145,086	3,599,477	3,393,198	3,767,375	4,057,010
5,150,692	4,631,554	4,672,695	4,853,069	5,096,678	5,138,092
7,472,086	7,708,909	8,105,546	8,264,859	8,506,056	8,459,059
4,442,603	3,837,286	3,622,445	3,222,116	2,209,431	1,997,316
107,004,448	107,196,123	104,892,893	95,419,620	106,821,301	116,873,655
-	-	-	-	-	-
137,037	1,160,935	261,510	122,630	214,726	108,449
486,202	423,644	818,441	684,228	696,592	678,814
-	-	-	-	-	-
195,708	290,390	206,787	309,597	433,825	473,318
-	-	-	-	-	-
-	-	-	-	-	-
161,223	137,612	197,820	165,469	134,880	103,968
-	-	-	-	-	-
1,610,254	197,680	287,015	1,619,888	369,006	271,820
3,118,375	2,286,816	3,667,475	3,697,005	3,883,852	3,762,423
-	-	-	-	-	-
-	-	-	-	-	-
17,353,360	20,780,363	24,317,080	24,931,454	29,397,589	31,516,279
2,509,390	2,958,606	2,952,108	2,482,292	2,443,436	2,253,832
25,571,549	28,236,046	32,708,236	34,012,563	37,573,906	39,168,903
(81,432,899)	(78,960,077)	(72,184,657)	(61,407,057)	(69,247,395)	(77,704,752)
10,042,819	11,383,203	11,654,328	12,169,730	14,489,861	15,912,692
793,238	631,668	654,899	659,935	582,470	413,645
15,798,477	16,885,308	17,900,538	18,463,198	17,330,857	16,604,228
58,542,662	58,782,787	57,078,286	57,703,556	56,743,899	54,671,041
1,555	12,836	17,684	186	-	-
1,001,156	852,053	1,049,631	1,083,092	1,448,781	1,120,987
783,190	313,243	(19,375)	1,327,112	2,594,166	2,342,282
-	-	-	-	-	-
86,963,097	88,861,098	88,335,991	91,406,809	93,190,034	91,064,875
$ 5,530,198	$ 9,901,021	$ 16,151,334	$ 29,999,752	$ 23,942,639	$ 13,360,123

Independent School District No. 192
Fund Balances of Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)
(unaudited)

	Fiscal Year			
	2016	2017	2018	2019
General Fund				
Nonspendable	$ 635,193	$ 744,270	$ 686,020	$ 825,479
Restricted	337,954	478,437	743,427	1,382,176
Committed	-	-	-	-
Assigned	1,600,250	3,609,331	5,425,725	6,190,923
Unassigned	2,854,896	5,356,285	6,219,857	7,141,709
Total general fund	$ 5,428,293	$ 10,188,323	$ 13,075,029	$ 15,540,287
All Other Governmental Funds				
Nonspendable	$ 107,168	$ 117,749	$ 124,406	$ 105,690
Restricted	44,554,547	29,319,309	20,054,760	26,878,742
Unassigned, reported in Special revenue funds	-	-	(92,703)	(131,884)
Total all other governmental funds	$ 44,661,715	$ 29,437,058	$ 20,086,463	$ 26,852,548
Unassigned - operating account as a percentage of total General Fund expenditures	4.0%	7.5%	8.2%	9.0%

Table 3

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 798,664	$ 820,655	$ 873,910	$ 884,062	$ 1,002,189	$ 1,001,736
2,271,054	3,576,964	3,730,699	4,266,310	7,137,328	6,151,411
-	-	-	-	-	-
6,354,882	9,140,206	7,947,867	8,013,647	8,049,666	6,711,474
7,861,246	7,983,201	7,980,584	9,482,332	11,012,673	11,012,670
$ 17,285,846	$ 21,521,026	$ 20,533,060	$ 22,646,351	$ 27,201,856	$ 24,877,291
$ 154,156	$ 109,306	$ 114,150	$ 148,141	$ 120,340	$ 131,020
17,422,849	13,134,111	9,701,632	8,534,603	9,951,760	10,643,717
(138,830)	(205,203)	-	-	-	-
$ 17,438,175	$ 13,038,214	$ 9,815,782	$ 8,682,744	$ 10,072,100	$ 10,774,737
9.6%	9.5%	8.9%	10.5%	11.8%	10.7%

Independent School District No. 192
Changes in Fund Balances of Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)
(unaudited)

	Fiscal Year			
	2016	2017	2018	2019
Revenues				
Local sources				
Taxes	$ 19,760,259	$ 23,872,061	$ 24,531,942	$ 25,064,312
Investment earnings	51,795	130,339	6,515,297	6,832,092
Other	7,211,671	7,913,479	2,108,886	2,109,144
State sources	67,133,709	68,836,128	71,502,100	74,205,860
Federal sources	2,590,661	2,665,713	2,686,517	2,566,048
Total revenues	96,748,095	103,417,720	107,344,742	110,777,456
Expenditures				
Current				
Administration	2,881,456	3,014,364	3,057,692	3,050,987
District support services	2,821,314	2,790,420	2,943,915	2,883,246
Elementary and secondary regular instruction	33,102,929	34,449,272	35,975,764	37,859,808
Vocational education instruction	884,011	966,774	1,050,905	1,103,808
Special education instruction	12,086,043	12,315,722	13,254,089	14,405,762
Instructional support services	3,678,163	3,554,687	3,821,769	3,846,494
Pupil support services	6,003,798	6,350,383	6,937,898	7,479,573
Sites and buildings	6,959,701	7,020,755	7,320,516	7,634,719
Fiscal and other fixed cost programs	226,217	223,268	239,653	272,153
Food service	3,042,965	3,037,950	3,237,249	3,302,254
Community service	4,571,286	4,780,764	5,181,735	5,345,270
Capital outlay	10,779,865	16,140,491	10,176,905	3,087,031
Debt service				
Principal	68,610,000	23,105,000	12,987,303	14,115,738
Interest and fiscal charges	8,361,414	8,049,807	7,633,625	7,246,463
Total expenditures	164,009,162	125,799,657	113,819,018	111,633,306
Excess of revenues over (under) expenditures	(67,261,067)	(22,381,937)	(6,474,276)	(855,850)
Other financing sources (uses)				
Bonds issued	72,370,000	10,665,000	-	9,220,000
Premium on bonds issued	7,620,929	1,251,580	-	861,623
Capital lease/certificates of participation	3,574,508	-	-	-
Proceeds from sale of assets	-	730	10,387	5,570
Lease issuance	-	-	-	-
Payment to refunded bond escrow agent Debt retirement from escrow account	-	-	-	-
Total other financing sources (uses)	83,565,437	11,917,310	10,387	10,087,193
Net change in fund balances	$ 16,304,370	$ (10,464,627)	$ (6,463,889)	$ 9,231,343
Debt services as a percentage of noncapital expenditures	49.24%	28.08%	20.07%	19.87%

Table 4

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 26,636,206	$ 28,896,803	$ 30,033,675	$ 31,474,440	$ 32,310,756	$ 32,942,066
6,191,693	4,468,188	6,186,619	7,615,581	9,367,392	8,963,341
1,611,480	1,261,687	311,071	1,619,888	369,006	271,820
75,415,465	76,380,122	75,715,793	76,474,623	83,903,693	83,324,454
2,640,226	5,944,727	8,928,523	8,002,528	4,036,219	3,437,635
112,495,070	116,951,527	121,175,681	125,187,060	129,987,066	128,939,316
3,154,498	3,299,619	3,359,446	3,379,088	3,293,299	3,361,554
3,326,760	3,340,055	3,344,076	3,260,371	3,306,932	3,505,519
39,309,609	39,990,526	40,308,830	40,895,072	41,960,178	43,817,481
1,075,642	1,151,171	1,359,793	1,374,994	1,410,867	1,424,514
15,745,990	16,198,251	17,528,798	18,597,722	20,103,168	22,913,178
3,935,603	4,418,381	4,135,489	4,250,048	4,982,956	5,932,836
8,129,445	7,410,707	8,555,270	8,707,261	9,228,156	10,043,903
7,110,805	6,725,233	8,767,337	7,714,902	7,903,553	8,843,583
263,177	336,241	379,424	439,877	489,131	619,245
2,622,766	2,106,977	3,573,312	3,353,990	3,765,439	3,968,008
5,026,040	4,594,921	4,894,648	5,006,381	5,226,860	5,303,093
12,421,891	4,831,968	5,920,532	3,188,257	805,830	2,101,642
15,079,110	16,149,110	17,814,920	18,590,406	17,046,366	14,802,228
6,905,075	6,575,984	5,920,610	5,741,779	4,897,441	3,931,794
124,106,411	117,129,144	125,862,485	124,500,148	124,420,176	130,568,578
(11,611,341)	(177,617)	(4,686,804)	686,912	5,566,890	(1,629,262)
5,715,000	-	-	41,350,000	12,035,000	-
448,035	-	-	2,557,795	502,330	-
3,336,440	-	-	-	-	-
1,555	12,836	17,684	186	257,979	7,334
-	-	458,722	-	-	-
			(43,614,640)	(12,417,338)	-
(6,105,000)	-	-	-	-	-
3,396,030	12,836	476,406	293,341	377,971	7,334
$ (8,215,311)	$ (164,781)	$ (4,210,398)	$ 980,253	$ 5,944,861	$ (1,621,928)
19.81%	20.31%	19.91%	20.15%	17.89%	14.71%

Independent School District No. 192
General Governmental Tax Revenues by Source and Levy Type
Last Ten Years
(Modified Accrual Basis of Accounting)
(unaudited)

Table 5

Year Ended June 30,	Property Tax			
	General Purposes	Other Nonmajor	Debt Service	Total
2016	$ 6,133,285	$ 943,769	$ 12,683,205	$ 19,760,259
2017	8,146,799	1,330,982	14,394,280	23,872,061
2018	8,816,612	1,565,378	14,149,952	24,531,942
2019	9,207,652	1,742,792	14,113,868	25,064,312
2020	10,039,393	1,570,026	15,026,787	26,636,206
2021	11,379,811	1,410,219	16,106,773	28,896,803
2022	11,600,271	1,493,425	16,939,979	30,033,675
2023	12,218,659	1,511,641	17,744,140	31,474,440
2024	14,450,031	582,712	17,278,013	32,310,756
2025	15,902,199	415,073	16,624,794	32,942,066

Independent School District No. 192
Governmental Activities Tax Revenues by Source and Levy Type
Last Ten Years
(Accrual Basis of Accounting)
(unaudited)

Table 6

Year Ended June 30,	Property Tax			Total
	General Purposes	Community Service	Debt Service	
2016	6,085,082	501,239	13,001,115	19,587,436
2017	8,143,426	573,217	15,147,240	23,863,883
2018	8,862,586	664,062	15,119,738	24,646,386
2019	9,206,685	749,594	15,092,514	25,048,793
2020	10,042,819	793,238	15,798,477	26,634,534
2021	11,383,203	631,668	16,885,308	28,900,179
2022	11,654,328	654,899	17,900,538	30,209,765
2023	12,169,730	659,935	18,463,198	31,292,863
2024	14,489,861	582,470	17,330,857	32,403,188
2025	$15,912,692	$413,645	$16,604,228	32,930,565

Information is not available for previous fiscal years.

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Independent School District No. 192
Principal Property Tax Payers
Last Ten Years

Table 7

Taxpayer	2025 Net Tax Capacity	2025 Rank	2025 Percentage Total City Tax Valuation	2016 Net Tax Capacity	2016 Rank	2016 Percentage Total City Tax Valuation
Northern Natural Gas Company	$ 1,334,766	1	4.61%	$ 813,000	1	3.04%
Fulford Group LLC	563,594	2	1.95%	145,255	6	0.54%
Northern States Power Co	468,714	3	1.62%	505,390	2	-
Lakeville 222nd 207 LLC	441,564	4	1.53%			0.00%
Wyatts Way LLC	344,526	5	1.19%			
Minnesota Pipline Co	245,882	6	0.85%	265,924	3	0.99%
DR Horton Inc-MN	241,897	7	0.84%			-
MN Energy Resources Corp	217,572	8	0.75%	160,562	4	-
Gulbbrandson Real Estate LLLP	184,058	9	0.64%			-
Amerco Real Estate Company	169,750	10	0.59%			-
Dakota Electric Assn	-	-	-	155,838	5	0.58%
Country View LTD PTNSHP	-	-	0.00%	134,133	7	0.50%
Great River Energy	-	-	-	122,352	8	-
Uniprop Manufactured Housing	-	-	0.00%	87,374	9	-
Dakota Storage LLC	-	-	-	81,608	10	0.31%
Total for ten largest principal taxpayers	$ 4,212,323			$ 2,471,436		

Source: Current property valuations and net tax capacity values have been furnished by Dakota County.

Independent School District No. 192
Direct and Overlapping
Last Ten Years
Last Ten Fiscal Years
(unaudited)

	Fiscal Year			
	2015-16	2016-17	2017-18	2018-19
Governmental Unit				
ISD No. 192 (Farmington)	57.584%	54.269%	52.825%	51.401%
Overlapping Governments				
Dakota County	28.570%	28.004%	26.580%	25.386%
City of Farmington	59.239%	58.760%	57.161%	54.372%
City of Lakeville	38.669%	37.510%	36.419%	35.607%
ISD No. 192 Market Value Referendum Rate	0.191%	0.185%	0.185%	0.190%

Source: Dakota County

Table 8

Fiscal Year					
2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
53.150%	50.805%	49.481%	38.497%	36.439%	37.634%
24.133%	22.716%	21.630%	18.816%	18.323%	19.948%
50.971%	49.251%	50.623%	42.933%	45.069%	47.908%
34.615%	34.351%	32.846%	29.676%	30.213%	32.731%
0.189%	0.184%	0.182%	0.187%	0.194%	0.160%

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Independent School District No. 192
Property Tax Levies and Collections
Last Ten Years
Last Ten Fiscal Years

Table 9

For Taxes Collectible	Total Tax Levy for 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
2015	$ 19,469,129	$ 8,566,000	44.00%	$ 10,741,938	$ 19,307,938	99.17%
2016	23,773,482	10,755,992	45.24%	12,830,141	23,586,133	99.21%
2017	24,371,918	10,487,046	43.03%	13,727,775	24,214,821	99.36%
2018	25,287,109	11,012,620	43.55%	13,901,862	24,914,482	98.53%
2019	26,587,320	11,928,042	44.86%	14,508,219	26,436,261	99.43%
2020	28,755,982	12,556,781	43.67%	15,991,259	28,548,040	99.28%
2021	29,993,594	13,552,794	45.19%	16,270,545	29,823,339	99.43%
2022	30,906,971	13,874,166	44.89%	16,938,524	30,812,690	99.69%
2023	32,012,919	14,355,698	44.84%	17,471,468	31,827,166	99.42%
2024	32,532,795	14,877,346	45.73%	17,416,185	32,293,531	99.26%
2025	32,246,878	14,606,616	45.30%	N/A	14,606,616	N/A

Note 1: Delinquent taxes receivable are written off after seven years. The amount of collections has been adjusted to reflect the write-off of delinquent taxes receivable.

Note 2: A portion of the total tax levy is paid through various property tax credits which are paid through state aids.

Note 3: Property taxes are remitted to the District based on a calendar year, the amount stated represents collections through the District's year end of June 30.

Source: State of Minnesota School Tax Report and Dakota County Certification Report.

Independent School District No. 192
Tax Capacities and Estimated Actual Value of Taxable Property
Last Ten Years
(unaudited)

For Taxes Collectible	Residential Property	Commercial Industrial Property	Other Property	Less Tax Increment Property
2016	$ 22,449,983	$ 5,272,498	$ 1,522,356	$ 119,160
2017	23,783,035	5,462,965	1,629,262	197,793
2018	25,677,167	5,391,450	1,680,089	119,002
2019	28,292,433	5,752,085	1,724,491	377,619
2020	30,405,648	5,925,261	1,559,414	390,469
2021	32,731,554	6,248,060	1,645,414	403,563
2022	34,952,102	6,546,983	1,483,097	403,318
2023	43,480,068	7,779,248	1,560,157	477,424
2024	46,377,179	8,714,221	1,552,286	601,758
2025	46,841,760	9,519,681	1,354,445	412,922

Source: Dakota County

Table 10

Less Net Fiscal Disparities	Net Taxable Tax Capacity	Total Direct Tax Rate	Estimated Taxable Market Value	Taxable Tax Capacity as a Percentage of Estimated Market Value
$ 1,516,132	$ 27,609,545	0.56932	$ 2,652,339,678	1.04%
1,743,705	28,933,764	0.54269	2,795,558,853	1.03%
1,807,620	30,822,084	0.52825	2,982,321,475	1.03%
1,928,640	33,462,750	0.51401	3,250,838,925	1.03%
1,976,668	35,523,186	0.53105	3,446,815,150	1.03%
1,820,280	38,401,185	0.50805	3,686,206,800	1.04%
2,133,840	40,445,024	0.49481	3,907,328,976	1.04%
2,274,704	50,067,345	0.38497	4,762,482,823	1.05%
3,709,137	52,332,791	0.36439	5,072,675,264	1.03%
3,987,410	53,315,554	0.36439	5,222,355,075	1.02%

Independent School District No.192
Ratios of Outstanding Debt by Type
Last Ten Years
Last Ten Fiscal Years

Table 11

Year	G.O. Bonds	Lease Liability	Finance Purchase from Direct Borrowing	Total Primary Government	Estimated Population	Net Bonded Debt Per Capita	Percentage of Outstanding Debt to Personal Income
2016	$ 225,851,900	$ -	$ -	$ 225,851,900	35,943	$ 6,284	12.08%
2017	212,543,310	-	-	212,543,310	36,096	5,888	10.83%
2018	198,361,229	-	-	198,361,229	36,125	5,491	9.55%
2019	193,582,515	-	-	193,582,515	36,206	5,347	9.09%
2020	176,389,648	-	2,502,330	178,891,978	38,382	4,661	7.52%
2021	159,210,832	-	1,668,220	160,879,052	37,595	4,279	6.46%
2022	140,502,080	372,912	834,110	141,709,102	37,595	3,769	5.48%
2023	119,864,275	285,192	-	120,149,467	38,144	3,150	4.34%
2024	100,397,438	193,898	-	100,591,336	41,707	2,412	3.22%
2025	84,840,674	98,885	-	84,939,559	39,145	2,170	N/A

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

Independent School District No. 192
Ratios of General Bonded Debt Outstanding
Last Ten Years
Last Ten Fiscal Years

Table 12

Year	G.O. Bonds	Less Amounts Available in Debt Service Fund	Net Bonded Debt	Tax Capacity	Percentage of Estimated Actual Taxable Value of Property	Estimated Population	Net Bonded Debt Per Capita
2016	$ 225,851,900	$ 5,058,044	$ 220,793,856	$ 31,974,229	690.54%	35,943	$ 6,143
2017	212,543,310	4,894,446	207,648,864	33,552,354	618.88%	36,096	5,753
2018	198,361,229	4,975,216	193,386,013	35,663,908	542.25%	36,125	5,353
2019	193,582,515	4,502,263	189,080,252	38,555,985	490.40%	36,206	5,222
2020	176,389,648	3,569,104	172,820,544	41,065,314	420.84%	38,382	4,503
2021	159,210,832	4,160,810	155,050,022	44,274,123	350.20%	37,595	4,124
2022	140,502,080	4,274,198	136,227,882	46,725,414	291.55%	37,595	3,624
2023	119,864,275	5,134,563	114,729,712	56,595,870	202.72%	38,144	3,008
2024	97,115,000	5,598,915	91,516,085	60,018,342	152.48%	41,707	2,194
2025	84,840,674	6,034,399	78,806,275	61,646,595	127.84%	39,145	2,013

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

Independent School District No. 192
Ratio of Annual Debt Service Expenditures for
Last Ten Years
to Total General Fund Expenditures
Last Ten Years
(unaudited)

Table 13

Year	Total Principal	Interest and Other Charges	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures
2016	$ 68,610,000	$ 8,361,414	$ 76,971,414	$ 71,929,450	107.0%
2017	23,105,000	8,049,807	31,154,807	70,974,849	43.9%
2018	12,050,000	7,616,578	19,666,578	76,019,242	25.9%
2019	13,170,000	7,100,361	20,270,361	79,433,409	25.5%
2020	20,350,000	800,075	21,150,075	83,356,885	25.4%
2021	16,149,110	6,575,984	22,725,094	84,201,645	27.0%
2022	17,729,110	5,014,656	22,743,766	89,453,797	25.4%
2023	19,930,000	4,402,185	24,332,185	90,017,732	27.0%
2024	17,335,000	4,413,308	21,748,308	93,573,776	23.2%
2025	14,705,000	3,883,599	18,588,599	102,515,791	18.1%

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

Independent School District No. 192
Direct and Overlapping Governmental Activities Debt
Last Ten Years
Last Ten Fiscal Years

Table 14

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
City of Farmington	$ 12,285,000	99.9750%	$ 12,281,929
City of Lakeville	148,710,000	9.7946%	14,565,550
Metropolitan Council	235,750,000	85.9100%	202,532,825
Town of Empire	1,200,000	84.5920%	1,015,104
Subtotal, overlapping debt	397,945,000		230,395,407
Independent School District No. 192 - Direct Debt	82,410,000	100.00%	82,410,000
Total direct and overlapping debt			$ 312,805,407

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of th District. This process recognizes that, when considering the government's ability of issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government. Debt outstanding for Dakota County, Metropolitan Council, town of empire and the cities of Farmington and Lakeville is as of August 2016.

Dakota County has no outstanding debt

Independent School District No. 192
Legal Debt Margin Information
Last Ten Years
Last Ten Fiscal Years

	Fiscal Year			
	2017	2018	2018	2019
Debt limit	$ 435,863,771	$ 462,330,681	$ (75,525,762)	$ 502,550,114
Total net debt Applicable to limit	197,032,721	185,175,000	185,175,000	181,225,000
Legal debt margin	$ 238,831,050	$ 277,155,681	$ (260,700,762)	$ 321,325,114
Total net debt applicable to the to the limit as a percentage of debt limit	45.21%	40.05%	-245.18%	36.06%

Note: Under State Finance Law, the District's outstanding G.O. debt should not exceed 15% of total market property value. By law, the G.O. debt subject to the limitation may be offset by amounts set aside for repaying G.O. Bonds.

Table 15

Fiscal Year						
2020	2021	2022	2023	2024	2025
$ 538,158,452	$ 574,989,246	$ 610,885,413	$ 714,378,116	$ 760,906,899	$ 814,306,235
166,590,000	151,275,000	134,380,000	114,450,000	97,115,000	82,410,000
$ 371,568,452	$ 423,714,246	$ 476,505,413	$ 599,928,116	$ 663,791,899	$ 731,896,235
30.96%	26.31%	22.00%	16.02%	12.76%	10.12%

Legal debt margin calculation for year 2023

Market value	$ 5,428,708,236
Debt limit (15% of market value)	814,306,235
Debt applicable to limit	
G.O. Bonds	82,410,000
Total net debt applicable to limit	82,410,000
Legal debt margin	$ 731,896,235

Independent School District No. 192
Demographic and Economic Statistics - Employment
Last Ten Fiscal Years
(unaudited)

Table 16

Year	Average Employment Dakota County	Average Unemployment Dakota County	Average Unemployment State of Minnesota
2016	237,777	3.60%	3.70%
2017	228,936	2.80%	2.90%
2018	235,627	2.00%	2.80%
2019	231,535	2.50%	2.50%
2020	232,186	4.00%	4.60%
2021	235,921	2.40%	2.50%
2022	234,312	1.60%	2.10%
2023	237,647	2.50%	3.20%
2024	239,442	2.50%	3.40%
2025	239,334	4.10%	4.20%

Sources: U.S. Census and Minnesota Department of Employment and Economic Development

Independent School District No. 192
Principal Employers - City of Farmington
Last Ten Years

Table 17

Employer	2025 Employees	2025 Rank	2025 Percentage of Total City Employment	2016 Employees	2016 Rank	2016 Percentage of Total City Employment
Farmington Public Schools	880	1	30.66%	900	1	33.21%
Federal Aviation Administration	368	2	12.82%	600	2	22.14%
Installed Building Solutions	309	3	10.77%			0.00%
Marschall Line Inc	230	4	8.01%	175	4	6.46%
Dakota Electric Association	202	5	7.04%	200	3	7.38%
Trinity Care Center and Trinity Terrace	200	5	6.97%	175	5	6.46%
City of Farmington	194	7	6.76%	96	10	3.54%
Valmont Industries	182	8	6.34%	110	9	4.06%
R & L Carriers	160	9	5.57%	163	6	6.01%
Kemps LLC	145	10	5.05%	132	8	4.87%
JIT Powder Coating	-	-	-			0.00%
River Valley Home Care	-	-	-	159	7	3.48%
Total	2,870			2,710		

Source: City of Farmington Community Development Department.
Minnesota Department of Employment and Economic Development

Independent School District No. 192
Demographic and Economic Statistics - Income
Last Ten Fiscal Years

Table 18

Year	Population	Personal Income	Per Capita Personal Income
2016	35,943	$ 1,870,401,834	$ 52,038
2017	36,096	1,962,142,464	54,359
2018	36,125	2,077,729,375	57,515
2019	36,206	2,130,143,804	58,834
2020	38,382	2,379,875,910	62,005
2021	37,595	2,491,796,600	66,280
2022	37,595	2,588,039,800	68,840
2023	38,144	2,767,614,208	72,557
2024	41,707	3,125,647,701	74,943
2025	39,145	N/A	N/A

N/A : Data not available

Data Sources: Minnesota Department of Employment and Economic Development
Minnesota Department of Education

Independent School District No. 192
Food Service Information
Meals Served 2025

Table 19

Meals	Number of Meals Served
Elementary full paid lunch	210,587
Secondary full paid lunch	271,995
Reduced price lunch	40,974
Free lunch	149,890
Adult lunch	3,935
Total lunches served	677,381
Elementary full paid breakfast	79,174
Secondary full paid breakfast	44,793
Reduced price breakfast	13,285
Free breakfast	57,229
Adult breakfast	91
Total breakfasts served	194,572

Data Source: Independent School District No. 192 District Office

For the 2023-24 school year and forward, all first complete meals for students are paid for by the State of Minnesota. Therefore, "full paid" account for those students who do not qualify for Educational Benefits, but received a complete meal paid for by the State of Minnesota.

Independent School District No. 192
School Facilities
Last Ten Years

Table 20

Facility	Year Constructed	Years of Addition	Grades Housed	Square Footage
Akin Road Elementary	1988	2017	K-5	95,275
Farmington Elementary	1954	1965,1997, 2017	K-5	95,433
North Trail Elementary	1997		K-5	104,580
Meadowview Elementary	2002	2003, 2016	K-5	143,550
Riverview Elementary	1999		K-5	161,000
Dodge Middle School	1993	1997, 2006	G6-8	217,000
Boeckman Middle School	1973	1996, 2004	G6-8	266,000
Farmington High School (new facility)	2010		G9-12	470,000
Tiger Legacy and Learning Center	1913	1929, 1961		95,320
District Services Center	1972			8,000

Data Source: Independent School District No. 192 District Office

Independent School District No. 192
Student Enrollment
Last Ten Years
(Modified Accrual Basis of Accounting)
(unaudited)

Table 21

Year Ended June 30,	Average Daily Membership (ADM) (including Enrollment Option) Handicapped and Prekindergarten	Kindergarten	Elementary	Secondary	Total	Total Pupil Units
2016	125.37	450.06	3,469.68	3,094.73	7,139.84	7,758.79
2017	122.97	469.65	3,398.24	3,172.86	7,163.72	7,798.29
2018	150.97	437.25	3,388.03	3,250.28	7,226.53	7,876.59
2019	165.56	460.28	3,309.09	3,360.34	7,295.27	7,967.35
2020	180.24	420.87	3,263.26	3,425.45	7,289.82	7,974.90
2021	192.51	406.79	3,083.44	3,402.43	7,085.17	7,765.68
2022	155.70	366.12	3,036.05	3,308.23	6,866.10	7,527.76
2023	173.70	372.04	2,946.82	3,293.75	6,786.31	7,445.06
2024	85.82	387.05	2,887.52	3,228.30	6,588.69	7,234.36
2025	78.68	345.06	2,780.50	3,154.57	6,358.81	6,989.71

Note 1: Beginning in 2004, ADM is limited to 1.0 ADM per student.

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

	Pre-kindergarten	Handicapped Kindergarten	Kindergarten	Elementary 3-Jan	Elementary 6-Apr	Secondary
2010 through 2014	1.250	1.000	0.612	1.115	1.060	1.300
2015 through 2020	1.000	1.000	1.000	1.000	1.000	1.200

Source: State Department of Education Student Count Reports

Independent School District No. 192
General Fund - Operating Account Expenditures by Program
Last Ten Years
(Modified Accrual Basis of Accounting)
(unaudited)

Year Ended June 30,	Administration	District Support Services	Elementary and Secondary Regular Instruction	Vocational Education Instruction	Special Education Instruction
2016	2,881,456	2,821,314	33,102,929	884,011	12,086,043
	4.0%	3.9%	46.0%	1.2%	16.8%
2017	3,014,364	2,790,420	34,449,272	966,774	12,315,722
	4.2%	3.9%	48.5%	1.4%	17.4%
2018	3,057,692	2,943,915	35,975,764	1,050,905	13,254,089
	4.0%	3.9%	47.3%	1.4%	17.4%
2019	3,050,987	2,883,246	37,859,808	1,103,808	14,405,762
	3.8%	3.6%	47.7%	1.4%	18.1%
2020	3,154,498	3,326,760	39,309,609	1,075,642	15,745,990
	3.6%	3.8%	45.3%	1.2%	18.2%
2021	3,299,619	3,340,055	39,990,526	1,151,171	16,198,251
	3.9%	4.0%	47.5%	1.4%	19.2%
2022	3,359,446	3,344,076	40,308,830	1,359,793	17,528,798
	3.8%	3.7%	45.1%	1.5%	19.6%
2023	3,379,088	3,260,371	40,895,072	1,374,994	18,597,722
	3.8%	3.6%	45.4%	1.5%	20.7%
2024	3,293,299	3,306,932	41,960,178	1,410,867	20,103,168
	3.5%	3.5%	44.8%	1.5%	21.5%
2025	3,361,554	3,505,519	43,817,481	1,424,514	22,913,178
	3.3%	3.4%	42.7%	1.4%	22.4%

Table 22

Instructional Support Services	Pupil Support Services	Sites and Buildings	Fiscal and Other Fixed Cost Programs	Debt Service	Food Service
3,678,163	6,003,798	5,187,913	226,217	-	-
5.1%	8.3%	7.2%	0.3%	0.0%	0.0%
3,554,687	6,350,383	5,576,882	223,268	-	-
5.0%	8.9%	7.9%	0.3%	0.0%	0.0%
3,821,769	6,937,898	6,849,376	239,653	954,250	-
5.0%	9.1%	9.0%	0.3%	1.3%	0.0%
3,846,494	7,479,573	6,975,597	272,153	954,250	36,039
4.8%	9.4%	8.8%	0.3%	1.2%	0.0%
3,935,603	8,129,445	6,169,035	263,177	834,110	-
4.5%	9.4%	7.1%	0.3%	1.0%	0.0%
4,418,381	7,410,707	6,599,189	336,241	834,110	-
5.2%	8.8%	7.8%	0.4%	1.0%	0.0%
4,135,489	8,555,270	8,323,099	379,424	991,762	-
4.6%	9.6%	9.3%	0.4%	1.1%	0.0%
4,250,048	8,707,261	7,698,031	439,877	1,013,689	-
4.7%	9.7%	8.6%	0.5%	1.1%	0.0%
4,982,956	9,228,156	7,776,746	489,131	195,498	-
5.3%	9.9%	8.3%	0.5%	0.2%	0.0%
5,932,836	10,043,903	8,808,352	619,245	145,423	-
5.8%	9.8%	8.6%	0.6%	0.1%	0.0%

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Independent School District No. 192
General Fund - Operating Account Expenditures by Program
Last Ten Years
(Modified Accrual Basis of Accounting)
(unaudited)

Table 22 (Continued)

Year Ended June 30,	Community Education	Capital Outlay	Total	Percent Increase (Decrease) from Prior Year
2016	-	5,057,606	71,931,466	8.63%
	0.0%	7.0%	100.0%	
2017	-	1,733,077	70,976,866	-1.33%
	0.0%	2.4%	100.0%	
2018	-	933,933	76,021,262	7.11%
	0.0%	1.2%	100.0%	
2019	-	565,691	79,435,427	4.49%
	0.0%	0.7%	100.0%	
2020	-	4,749,459	86,695,348	9.14%
	0.0%	5.5%	100.0%	
2021	-	623,397	84,203,668	-2.87%
	0.0%	0.7%	100.0%	
2022	-	1,167,814	89,455,823	6.24%
	0.0%	1.3%	100.0%	
2023	-	401,579	90,019,755	0.63%
	0.0%	0.4%	100.0%	
2024	62,775	764,069	93,575,799	3.95%
	0.1%	0.8%	100.0%	
2025	-	1,943,790	102,517,820	9.56%
	0.0%	1.9%	100.0%	

Independent School District No. 192
Revenue and Expenditures - Governmental Funds
Last Ten Years
(unaudited)

	Fiscal Year			
	2016	2017	2018	2019
Revenues				
General Fund				
Operating Account	$ 70,272,466	$ 75,734,149	$ 78,895,563	$ 81,893,096
Special Revenue Funds				
Food Service Fund	3,356,767	3,305,150	3,296,858	3,288,152
Community Service Fund	4,853,691	4,992,301	5,052,018	5,484,415
Other nonmajor	441,421	762,420	908,874	997,304
Capital Projects Fund	3,155	284,836	311,946	288,362
Debt Service Fund - G.O. Bonds	17,820,595	18,338,864	18,879,483	18,826,127
Total revenues	$ 96,748,095	$ 103,417,720	$ 107,344,742	$ 110,777,456
Expenditures				
Current				
Operating Account	$ 71,929,450	$ 70,974,849	$ 76,019,244	$ 79,433,408
Special Revenue Funds				
Food Service Fund	3,066,599	3,038,739	3,311,297	3,501,533
Community Service Fund	4,629,918	4,866,071	5,233,069	5,357,429
Other nonmajor	473,278	735,765	867,965	968,930
Capital Projects Fund	7,701,856	15,765,191	9,588,730	3,070,575
Debt Service Fund - G.O. Bonds	76,208,061	30,419,042	18,798,713	19,301,431
Total expenditures	$ 164,009,162	$ 125,799,657	$ 113,819,018	$ 111,633,306

Table 23

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 84,554,395	$ 88,423,991	$ 87,989,429	$ 92,130,837	$ 97,871,301	$ 100,183,896
2,824,984	1,944,185	4,572,666	3,652,154	4,475,006	4,360,688
4,680,514	4,048,284	5,748,530	5,482,917	5,527,566	5,370,848
779,739	780,652	845,640	847,259	1,772	-
280,822	57,489	5,896	36,304	18,753	-
19,374,616	21,696,926	22,013,520	23,037,589	22,092,668	19,023,884
$ 112,495,070	$ 116,951,527	$ 121,175,681	$ 125,187,060	$ 129,987,066	$ 128,939,316
$ 86,693,328	$ 84,201,647	$ 89,453,801	$ 90,017,732	$ 93,573,775	$ 102,515,795
2,622,766	2,120,045	3,580,038	3,463,182	3,803,436	4,058,768
5,034,655	4,598,178	4,894,786	5,007,279	5,167,849	5,370,185
784,265	785,289	843,636	848,117	-	200
8,605,587	4,318,765	5,190,092	2,693,459	126,807	35,231
20,365,810	21,105,220	21,900,132	22,470,379	21,748,309	18,588,399
$ 124,106,411	$ 117,129,144	$ 125,862,485	$ 124,500,148	$ 124,420,176	$ 130,568,578

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Independent School District No. 192
Expenditures Per Student
Last Four Years
(with Comparative Amounts for the Year Ended June 30, 2024)
(unaudited)

Table 24

	State Average	ISD No. 192			
	2024	2021	2022	2023	2024
Expenditures Per Student (ADM) (1)					
General Fund - Operating Account					
District and school administration	$ 848	$ 539	$ 553	$ 552	$ 585
District support services	596	483	507	513	512
Elementary and secondary regular instruction	6,524	5,349	5,487	5,650	5,967
Vocational education instruction	224	161	196	200	212
Special education instruction	3,187	2,272	2,524	2,712	3,026
Student Activities and Athletics	447	257	313	311	355
Instructional support services	842	532	503	523	649
Pupil support services	1,713	1,042	1,235	1,276	459
Sites and buildings, food service, and fiscal and other fixed Cost programs	1,179	740	839	897	929 933
Total general fund - operating account	15,560	11,376	12,158	12,634	13,628
Food service special revenue fund	801	357	518	507	575
Total pk - 12 operating expenditures	16,361	11,734	12,676	13,141	14,203
General fund - capital expenditure account	1,090	441	664	501	464
Community service special revenue fund	765	648	708	733	781
Capital projects fund	1,657	608	750	394	19
Debt service fund	1,652	2,973	3,167	3,289	3,285
Total expenditures per student	$ 21,525	$ 16,403	$ 17,965	$ 18,059	$ 18,751
ADM Served	860,781	7,100	6,916	6,831	6,620

(1) Note: ADM is a Measure of Student Attendance.

Source: Minnesota Department of Education School District Profiles

Independent School District No. 192
(General Fund) Cost Per Pupil on Weighted Average Daily Membership
Last Ten Years
(Modified Accrual Basis of Accounting)
(unaudited)

	Fiscal Year			
	2016	2017	2018	2019
District and school administration	$ 2,883,950	$ 3,018,672	$ 3,069,552	$ 3,057,850
District support services	7,608,508	4,017,005	3,292,442	3,108,593
Elementary and secondary regular instruction	33,184,413	34,658,925	36,243,033	38,033,218
Vocational education instruction	884,011	966,774	1,050,905	1,103,808
Special education instruction	12,100,803	12,330,895	13,300,567	14,413,719
Instructional support services	3,696,104	3,555,074	3,822,709	3,852,531
Pupil support services	6,003,798	6,350,383	6,937,898	7,479,573
Sites, buildings and equipment	5,341,646	5,853,853	7,108,235	7,121,674
Food Service, debt service, fiscal and other fixed cost programs	226,217	223,268	1,193,903	1,262,442
Total	$ 71,929,450	$ 70,974,849	$ 76,019,244	$ 79,433,408
Weighted ADM/PUN	7,759	7,798	7,877	7,967
District and school administration	$ 372	$ 387	$ 390	$ 384
District support services	981	515	418	390
Elementary and secondary regular instruction	4,277	4,445	4,601	4,774
Vocational education instruction	114	124	133	139
Special education instruction	1,560	1,581	1,689	1,809
Instructional support services	476	456	485	484
Pupil support services	774	814	881	939
Sites, buildings and equipment	688	751	902	894
Food Service, fiscal and other fixed cost programs	29	29	152	158
Total	$ 9,270	$ 9,102	$ 9,651	$ 9,970

Note: Includes all Governmental Funds

Table 25

Fiscal Year						
2020	2021	2022	2023	2024	2025
$ 3,163,856	$ 3,305,880	$ 3,364,876	$ 3,396,993	$ 3,303,317	$ 3,363,602
6,795,421	3,393,477	3,387,073	3,374,223	3,616,217	4,885,432
39,454,780	40,108,867	40,398,204	40,958,478	42,125,794	43,951,712
1,075,642	1,151,171	1,359,793	1,374,994	1,410,867	1,424,514
15,751,492	16,198,815	17,529,148	18,602,690	20,103,868	22,913,178
3,939,278	4,439,226	4,594,301	4,250,520	4,995,848	5,936,909
8,129,445	7,581,695	8,555,270	8,707,261	9,310,395	10,058,581
7,286,127	6,852,165	8,893,950	7,899,007	7,960,065	9,217,199
1,097,287	1,170,351	1,371,186	1,453,566	747,404	764,668
$ 86,693,328	$ 84,201,647	$ 89,453,801	$ 90,017,732	$ 93,573,775	$ 102,515,795
7,975	7,766	7,528	7,445	7,234	6,990
$ 397	$ 426	$ 447	$ 456	$ 457	$ 481
852	437	450	453	500	699
4,947	5,165	5,366	5,501	5,823	6,288
135	148	181	185	195	204
1,975	2,086	2,329	2,499	2,779	3,278
494	572	610	571	691	849
1,019	976	1,136	1,170	1,287	1,439
914	882	1,181	1,061	1,100	1,319
138	151	182	195	103	109
$ 10,871	$ 10,843	$ 11,883	$ 12,091	$ 12,935	$ 14,667

Independent School District No. 192
Employees by Program Expense
Last Ten Fiscal Years

Table 26

	Fiscal Year									
	2017	2018	2018	2019	2020	2021	2022	2023	2024	2025
District and school administration	36	29	29	28	30	30	38	33	34	34
District support services	30	27	27	28	30	30	25	24	25	24
Elementary and secondary regular instruction	359	393	393	393	346	346	321	320	296	303
Vocational education instruction	12	16	16	13	10	10	10	13	12	8
Special education instruction	206	228	228	245	216	216	208	243	255	266
Community education and services	120	139	139	130	85	85	98	83	67	97
Instructional support services	33	31	31	38	25	25	28	28	24	40
Pupil support services	50	70	70	64	32	32	58	63	58	61
Sites, buildings and equipment	52	53	53	53	36	36	52	43	52	47
Food service	1	1	1	1	1	1	1	-	-	-
Total	899	987	987	993	811	811	839	850	823	880

Data Source: Independent School District No. 192 District Office

Note: Includes all governmental funds.