

2021-22 Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2022

Prepared by the District 191 Business Office
200 W. Burnsville Pkwy.
Burnsville, MN 55337
952-707-2010

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT OF
BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
YEAR ENDED JUNE 30, 2022**

**PREPARED BY THE
BUSINESS OFFICE**

**STACEY SOVINE
DIRECTOR OF ADMINISTRATIVE SERVICES**

**TYLER DEHNE
DIRECTOR OF FINANCE**

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
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INTRODUCTORY SECTION

To: Citizens of Burnsville Eagan Savage Schools
Board of Education
Staff of Burnsville Eagan Savage Schools

Date: October 27, 2022

INTRODUCTION

The annual comprehensive financial report (ACFR) of Independent School District No. 191, Burnsville, Minnesota (the District) for the fiscal year ended June 30, 2022 is hereby presented for your information and review. The ACFR is intended to fully disclose the financial position of the District and the results of operations for the fiscal year. Every effort has been made to ensure the reliability and integrity of the data contained herein. Although that data was received from many sources, the accuracy and thoroughness of this report rests solely with the District. This report belongs to the citizens of the Burnsville – Eagan – Savage community, for it describes, in financial terms, the position and operating results of the District. Questions and comments are solicited and welcome.

REPORT FORMAT

This ACFR is presented in three main sections: introductory, financial, and statistical. In addition to information contained in this letter, the introductory section includes the District's organizational chart, a list of the District's principal officials, and the Association of School Business Officials Certificate of Excellence in Financial Reporting Award. The financial section includes the independent auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements, notes to basic financial statements, and detailed combining and individual statements and schedules. The statistical section includes selected financial and general information presented on a multi-year comparative basis. Where possible, historical data is presented for a 10-year period.

Accounting principles generally accepted in the United States of America require management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in a separate Management's Discussion and Analysis (MD&A) section of the report. 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.

DISTRICT ORGANIZATION

The District was incorporated in 1955 and serves parts of five suburban communities in the Minneapolis/St. Paul area. The District is guided by its mission:

Each Student. Future Ready. Community Strong.

The District enrolled 7,714 students from a population of over 68,261 citizens residing in a 37 square mile area. During fiscal year 2021-22, the District operated 13 buildings: one high school, one alternative high school, two middle school schools, eight elementary schools, and one districtwide building. District buildings were built between 1950 and 1996 with the latest additions in 2016. The District also operated a Virtual Academy for elementary and secondary to receive instruction through a virtual environment. The District is organized by grade level with elementary schools serving students in pre-kindergarten through Grade 5, middle schools serving Grades 6-8, and the high schools serving Grades 9-12.

The District provides general, special education and vocational instruction for Prek-12, a transitional program for students beyond grade 12, and one of the most extensive Community Education programs in the state serving newborns up through senior citizens.

REPORTING ENTITY

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

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

FINANCIAL STATEMENTS

The financial statements contained in this report disclose the financial position of the District as of June 30, 2022 and the financial operations for the fiscal year then ended. The District's financial records and reports are maintained and prepared on a modified or full accrual basis of accounting in accordance with the Uniform Financial Accounting and Reporting System for Minnesota School Districts as well as the standards of the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. These records are audited annually by an independent certified public accountant as required by Minnesota law. The accounting firm of CliftonLarsonAllen LLP performed the audit for the 2021-22 fiscal year. Their report is included in the financial section of this report. The auditor has given an unmodified opinion on the District's financial statements. An unmodified opinion means that, in the judgment of the auditor, the financial statements present fairly, in all material respects, the financial position of the District and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

FEDERAL SINGLE AUDIT AND STATE COMPLIANCE AUDIT

The independent audit of the financial statements of the District is part of a broader, federally mandated Single Audit designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited district's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The District is also required to undergo an annual Minnesota State Legal Compliance Audit under Minnesota Statute §6.65. These reports are available in a separate document.

ACCOUNTING AND BUDGETING

A major function of the District's accounting system is to provide adequate internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefits likely to be derived, and that the evaluation of the cost and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the District's internal accounting controls adequately safeguard assets and provide reasonable assurance for proper recording of financial transactions.

Regarding the legal level of budgetary control, budgetary control is maintained on the fund level and is approved through an annual budget adopted by the School Board for all funds as required by state statutes and School Board policy. The adopted budget, approved by the board by June 30 of the previous year, serves as the authorizing document for all expenditures, although the School Board approves all checks issued on a monthly basis. The superintendent and executive director of business services are authorized to make financial commitments within budgetary guidelines for contracts not requiring sealed bids. Additional expenditure controls are maintained by the business office in accordance with state statutes, i.e., the District cannot incur a negative unassigned balance in the General Fund in excess of 2.5% of the preceding year's expenditures. The budget is published annually to inform residents of the District's financial position and operating plan for the fiscal year. The School Board receives Board reports on monthly revenues and expenses. Program managers may receive budget reports via email which indicate the approved budget on a line-item basis; the month-to-date and year-to-date revenues, expenditures, and encumbrances assigned to those line items; the budget remaining; and the percent earned or expended to date. The district utilizes the method of bottom-line budgeting and monthly monitoring of revenues and expenditures by the School Board as well as ongoing monitoring by program managers helps to ensure budget integrity and provides an opportunity to detect material budget variances before the end of the fiscal year.

The budget is adopted by the School Board in the spring of each year for the following fiscal year beginning July 1. In the winter, the budget is revised based upon enrollment changes, effects of negotiated employee contracts, or other new information impacting revenues or expenditures. The revised budget is presented to the School Board for approval. To accurately track and report financial activities with a focus on site-based accounting, approximately 14,000 active accounts have been defined in the District's chart of accounts.

SIGNIFICANT EVENTS

The District's finances are largely dependent on student enrollment. Since 2002-2003 the District has experienced a decline in the number of students enrolled in the District's schools. This is a natural occurrence in a fully developed community and is often the result of smaller kindergarten cohorts replacing a larger graduating class. For fiscal year 2021-22, grades K-12 has a range in class size from a low of 493 to a high of 728 students. There was a decline of 117 students for fiscal year 2021-22. This decline is less than previous fiscal years.

Declining enrollment and the lack of a funding increase from the state have placed the District in the position of a need to reduce expenditures to balance the budget in recent years. Most of the District's operating revenue is directly related to the number of students enrolled in its schools. While revenues decline in direct proportion to the change in enrollment, expenditures decline at a much slower rate because the enrollment change is spread over all 14 schools and 13 grades. As student numbers decline, the number of teachers providing direct services to students can be reduced accordingly and some cost reduction occurs. Other costs, such as facility operations, are not proportionally related to enrollment and cannot be adjusted as readily. The closure of two elementary schools and one middle school is a direct result of the declining enrollment experienced over years. Although costs directly tied to ongoing enrollment shift to other buildings and are not reductions, the costs considered necessary for an additional building to function are reductions.

As needed, the district has taken strong expenditure curtailment measures during the years ended 2006, 2007, 2008, 2012, 2019, 2020, and 2022 in an effort to ensure a favorable financial result. During the 2021-2022 school year; our Integrated Action Plan for the planned budget included 4 main factors: 1) maintain Board approved class sizes by right sizing licensed staffing per pupil enrollment 2) supplement program needs using Federal ESSER funds to meet post pandemic student social and learning gaps; 3) supplant general budget allocations using Federal ESSER funds to build sustainable programming efforts beyond FY24; and 4) a planned spend down of general fund balance of only \$149,981. This planning provided a good start toward balancing the budget. The experience of functioning through a post pandemic period saw an increase in expenditures for substitutes for both staff absences and coverage for vacant positions. Wages to attract casual and seasonal employees also experienced an increase with a challenging labor market. As a result, our 2021-2022 expenditures were approximately \$2.5 million dollars less than budgeted while revenues were \$434,930 more than budgeted. The result was an improvement to the total general fund balance of \$3,000,020.

FINANCIAL PROSPECTS FOR FUTURE YEARS

The District, like many districts within Minnesota experienced a significant drop in fall enrollment from Fall 2019 to Fall 2020. The steep decline in enrollment did not continue between the Fall of 2020 to the Fall of 2021 as the number of students declined less than 120 students. So far, the Fall 2022 numbers appear to be flat compared to the Fall 2021 numbers, which has not been experienced in over a decade. The unexpected flattening in enrollment decline will have lingering effect to levies and state aid formulas for a minimum of two years. It is still too early to determine whether this change in enrollment will become the norm or is an anomaly to recent years. Enrollment projections should remain conservative, but may not need to be as severe as in previous years. The State Legislature has increased the general education formula some this past biennium which is appreciated; Unfortunately, the declining enrollment, near flat funding, and inflationary expenditure increases have created budget gaps and are at risk of continuing going forward. The District has taken significant measures with the Integrated Action Plan described above.

The District has a long history of maintaining positive fund balances and matching revenues with expenditures. In preparing the 2022-2023 budget, the district anticipated some of the increased general fund balance from the 2020-2021 school year to be used in balancing the budget for the 2022-2023 school year. Additionally, federal funds have been incorporated into the general fund budget planning for fiscal years ending June 30, 2023 and 2024. In the interim, a line item review of budgets, a needs assessment and mapping of our assets are all a part of our preparation of a long-range budget plan to manage the transition out of the pandemic and away from the federal funds we know will no longer be available beyond June 30, 2024.

Continued financial uncertainty is likely to be the major challenge of the next decade. While enrollment, staffing, and expenses can be projected, it is impossible to predict with any certainty the configuration or adequacy of funding formulas to be enacted in the future by the Legislature. Nonetheless, the District is committed to maintaining programs and services and to operating within its financial limitations. As the District approaches the 2022-2023 revised budget and the 2023-2024 adopted budget, enrollment projection adjustments and curriculum-based decisions will be at the forefront of the discussion. How best to utilize the federal grant reimbursement for programming which helps our students to recover from the lost learning time is paramount. Closing the achievement gap and increasing student achievement for all students served remains the District's priority. The District will continue to develop a long-range plan to adjust expenditures for a balanced budget in the upcoming years where current federal grants will no longer be available to assist with programming.

ECONOMIC FACTORS

The District is located in Dakota and Scott Counties, both of which are located in the seven-county metro area of Minneapolis/St. Paul. The cities that comprise the District are suburban communities. Residents are typically employed in professional vocations within the metropolitan area. The economic downturn of the past years has had some effect on the community as evidenced by greater mobility and increased participation in the free and reduced-price lunch program. The impact of the pandemic is ever fluctuating and remains to be seen; however, the resulting federal resources that have been made available will be utilized as required.

The taxable market value of property within the District is generally expected to improve. While the District is essentially fully developed residentially, commercial development and redevelopment is clearly evident throughout the community. Overall market improvement is evident in the increased 2021 total market value for ninth year in a row.

The state of Minnesota assumes major responsibility for funding public education. In the District, approximately 20% of our revenues are generated locally from the property tax and 50% of the property tax is the result of voter approved, local initiatives. This includes the referendum that was approved in November 2019.

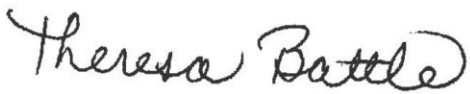
Reliance on the state for the majority of its operating revenues places the District in the position of being dependent on state-wide economic conditions that drive state tax collections. The State Legislature has provided some increases to the basic formula and categorical funding for the 2019-2021 biennium. Even with the increase on the formulas for 2021-2023; this increase does not keep pace with inflation. The District has responded to this financial challenge by requesting and receiving community support for referendum renewal, curtailing expenditures when possible, revamping the budget process and by judiciously drawing on fund reserves to maintain programs and services.

CERTIFICATE OF EXCELLENCE

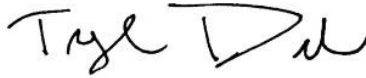
This report will be submitted to the Association of School Business Officials International for consideration for the Certificate of Excellence in Financial Reporting. The District received this award for the past 34 fiscal years and expects to continue to earn the recognition that accompanies the standards of accuracy and thoroughness acknowledged by the Certificate of Excellence program.

ACKNOWLEDGMENTS

The time, effort, and attention that go into the timely preparation of an ACFR require the commitment and cooperation of many people. Special appreciation must be extended to the entire Finance Department staff for their dedication and to the School Board for their encouragement and leadership.



Dr. Theresa Battle
Superintendent



Tyler Dehne
Director of Finance

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
SCHOOL BOARD AND ADMINISTRATION
JUNE 30, 2022**

SCHOOL BOARD

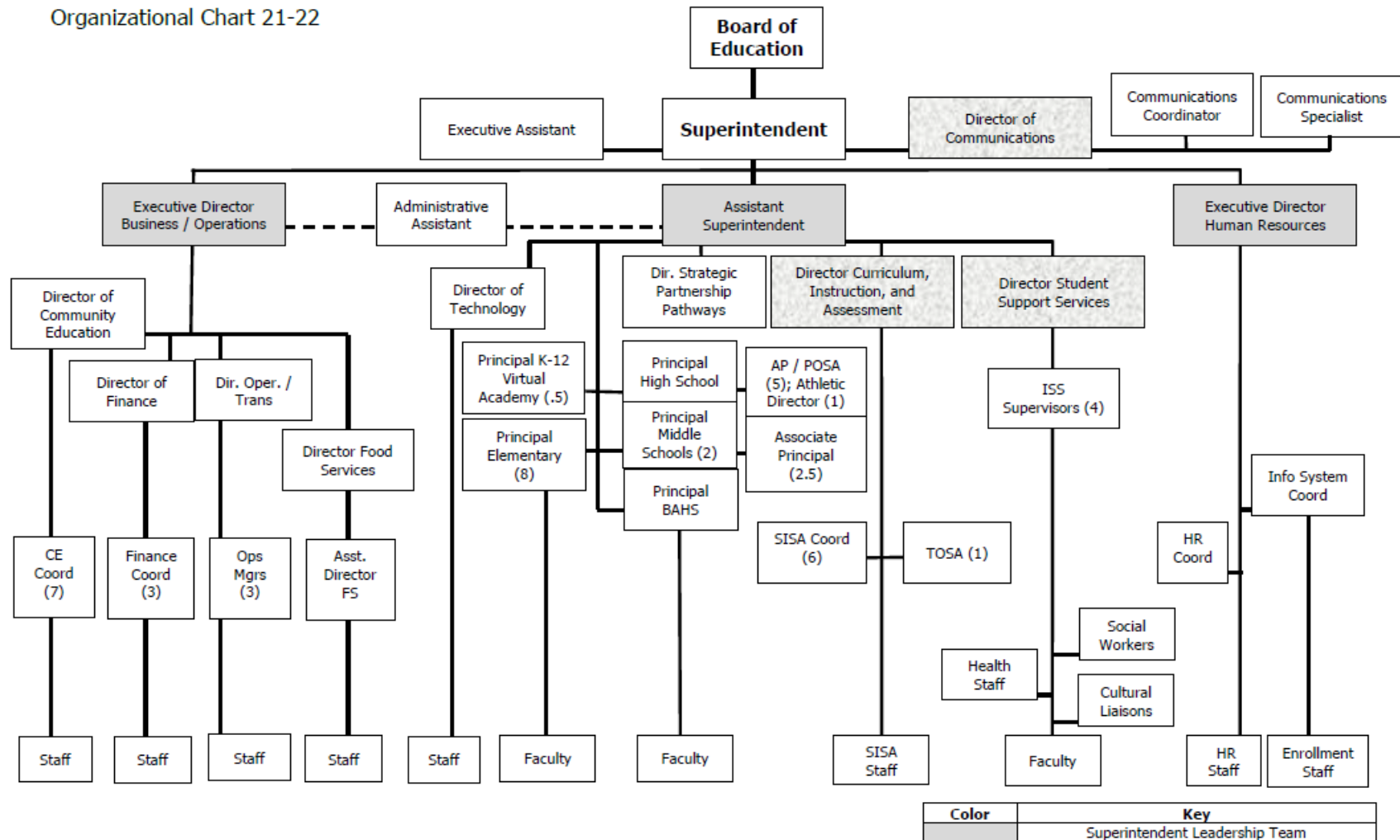
<u>NAME</u>	<u>TERM ON BOARD EXPIRES</u>	<u>BOARD POSITION</u>
Lesley Chester	December 2022	Chairperson
Scott Hume	December 2022	Vice Chairperson
Anna Werb	December 2024	Treasurer
Abigail Alt	December 2022	Clerk
Toni Conner	December 2024	Director
Sue Said	December 2022	Director
Eric Miller	December 2024	Director

ADMINISTRATION

Dr. Theresa Battle	Superintendent
Dr. Chris Bellmont	Assistant Superintendent
Stacey Sovine	Director of Administrative Services
Tyler Dehne	Director of Finance

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
ORGANIZATIONAL CHART
JUNE 30, 2022**

Organizational Chart 21-22



BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING
JUNE 30, 2022



The Certificate of Excellence in Financial Reporting
is presented to

ISD 191 Burnsville-Eagan-Savage

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.

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

A handwritten signature in black ink, appearing to read 'Will A. Sutter'.

William A. Sutter
President

A handwritten signature in black ink, appearing to read 'David J. Lewis'.

David J. Lewis
Executive Director

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of Education
Independent School District No. 191
Burnsville, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 191 (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 191 as of June 30, 2022, and the respective changes in financial position, the respective budgetary comparisons for the General, Food Service, and Community Service funds and, where applicable, cash flows thereof 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Independent School District No. 191 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Independent School District No. 191'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.

Auditors' 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 auditors' 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 Independent School District No. 191's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Independent School District No. 191'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.

Report on Summarized Comparative Information

We have previously audited the District's 2021 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information in our report dated October 28, 2021. In our opinion, the summarized comparative information presented herein as of and for the year end June 30, 2021 is consistent, in all material respects, with the audited financial statements for which it has been derived.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Independent School District No. 191's basic financial statements. The combining and individual fund financial statements and uniform financial accounting and reporting standards compliance table are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and uniform financial accounting and reporting standards compliance table 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 report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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 October 27, 2022, on our consideration of the Independent School District No. 191'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 result of that testing, and not to provide an opinion on the effectiveness of Independent School District No. 191's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Independent School District No. 191's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Minneapolis, Minnesota
October 27, 2022

REQUIRED SUPPLEMENTARY INFORMATION

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

This section of Independent School District No. 191's annual comprehensive financial report presents its discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2022. Please read it in conjunction with the District's financial statements, which immediately follow this letter.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Government Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued in June 1999.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2021-22 fiscal year include the following:

- Government-wide net position, increased by \$11,919,832 or (17.21%) better than June 30, 2021, resulting in total net position of (\$57,355,727). The increase in net position was primarily due to the fund level increase in fund balance, as well as a significant increase in net position from the net effect of the government-wide conversion entries related to pensions in relation to improvement in the funding of PERA and TRA.
- Government-wide revenues totaled \$160,391,234 and expenses were \$148,471,402.
- The total fund balance of the General Fund, as presented in the governmental funds, increased by \$3,000,020 from the prior year.
- The unassigned fund balance in the General Fund increased by \$5,590,132 from \$13,187,447 to \$18,777,579.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS

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

The basic financial statements include several statements that present different views of the District:

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

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

Government-Wide Statements

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

The two government-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets 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 deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
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MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Fund Financial Statements

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

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

The District has two kinds of funds:

- *Governmental Funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information following the governmental funds statements to explain the relationship (or differences) between them.
- *Proprietary Funds* – The District uses internal service funds to report activities that provide supplies and services for the District's other programs and activities. The District currently has four internal service funds for self-insured health and dental benefits and its severance and postemployment benefits liabilities.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The District's combined net position was (\$57,355,727) on June 30, 2022. This was an improvement of 17.21% from the prior year (see Table A-1).

**Table A-1
The District's Net Position**

	Governmental Activities as of June 30,		Percentage Change
	2022	2021	
Current and Other Assets	\$ 127,205,617	\$ 126,589,769	0.49 %
Capital Assets	127,622,031	135,786,832	(6.01)
Total Assets	254,827,648	262,376,601	(2.88)
Deferred Outflows of Resources	31,964,457	39,179,348	(18.42)
Current Liabilities	25,082,579	24,611,821	1.91
Net Pension Liability	52,043,161	91,450,133	(43.09)
Other Postemployment Benefits Liability	9,289,131	9,959,504	(6.73)
Other Long-Term Liabilities	122,122,473	131,055,117	(6.82)
Total Liabilities	208,537,344	257,076,575	(18.88)
Deferred Inflows of Resources	135,610,488	113,754,933	19.21
Net Position:			
Net Investment in Capital Assets	15,754,751	18,451,265	(14.61)
Restricted	15,559,970	12,222,610	27.30
Unrestricted	(88,670,448)	(99,949,434)	(11.28)
Total Net Position	<u>\$ (57,355,727)</u>	<u>\$ (69,275,559)</u>	(17.21)

The District's financial position is the product of many factors. For example, the determination of the District's net investments in capital assets involves many assumptions and estimates, such as current and accumulated depreciation and amortization amounts. A conservative versus liberal approach to depreciation and amortization estimates, as well as capitalization policies, will produce a significant difference in calculated amounts.

The District's overall financial position increased from fiscal year 2021, as total net position increased \$11,919,832. The District is able to report positive balances in two of three categories of net position. The District's restricted net position represents resources that are subject to external restrictions on how they may be used. This portion of the District's net position increased by \$3,337,360 in the current year.

Another portion of the District's net position is its investment in capital assets (land, buildings, equipment, etc.) less any related debt used to acquire those assets that is still outstanding. This element of net position decreased by \$2,696,514 in the current fiscal year, as the completion of some construction projects and payments on related debt exceeded depreciation and amortization of the capital assets. The remaining unrestricted net position is that which may be used to meet the District's ongoing obligations. This portion of net position increased \$11,278,986 in the current fiscal year.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Changes in Net Position

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

**Table A-2
Change in Net Position**

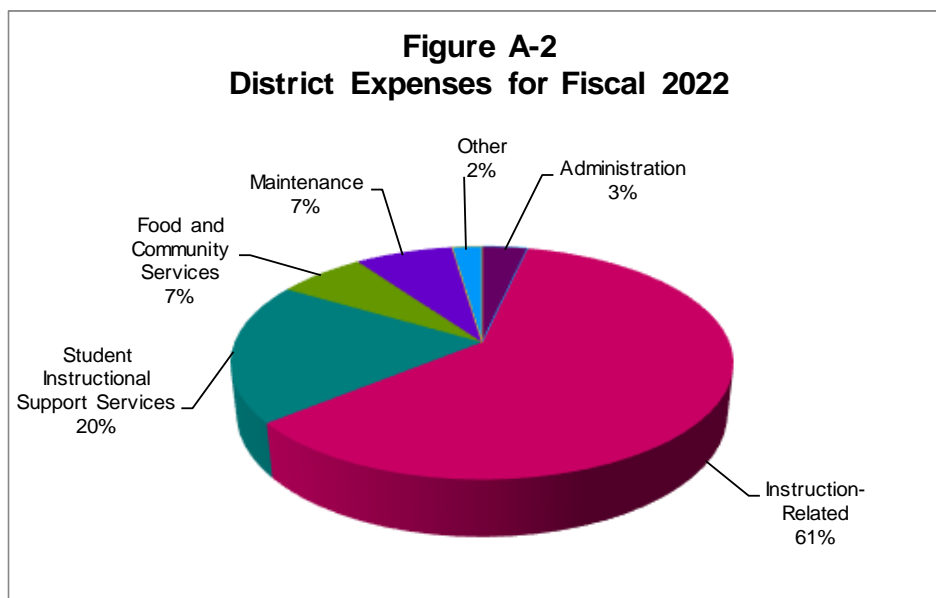
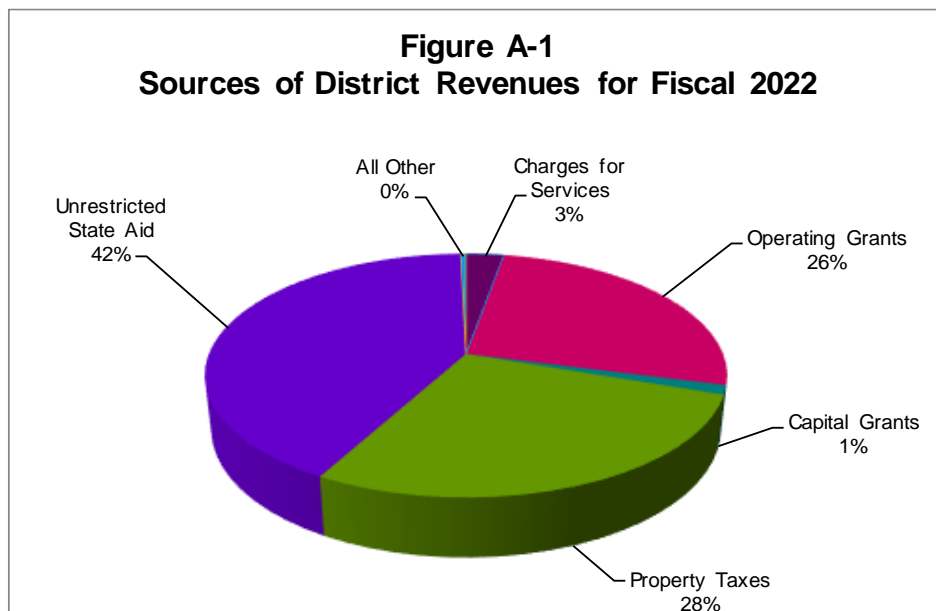
	Governmental Activities for the Fiscal Year Ended June 30,		Percentage Change
	2022	2021	
Revenues			
<u>Program Revenues</u>			
Charges for Services	\$ 4,445,935	\$ 3,353,756	32.57 %
Operating Grants and Contributions	42,182,191	37,491,428	12.51
Capital Grants and Contributions	1,948,280	1,085,774	79.44
<u>General Revenues</u>			
Property Taxes	44,382,476	44,670,141	(0.64)
Unrestricted State Aid	66,786,109	68,832,548	(2.97)
Investment Earnings	(892,610)	1,605,238	(155.61)
Other	1,538,853	1,357,592	13.35
Total Revenues	160,391,234	158,396,477	1.26
Expenses			
Administration	5,146,405	5,166,623	(0.39)
District Support Services	4,541,713	4,169,348	8.93
Regular Instruction	63,294,480	64,783,060	(2.30)
Vocational Education Instruction	2,107,317	2,236,379	(5.77)
Special Education Instruction	24,494,292	26,088,835	(6.11)
Instructional Support Services	13,021,759	15,008,017	(13.23)
Pupil Support Services	11,406,634	9,996,462	14.11
Sites and Buildings	11,129,335	9,705,716	14.67
Fiscal and Other Fixed Cost Programs	426,427	391,943	8.80
Food Service	4,955,498	4,397,704	12.68
Community Service	4,995,800	5,246,669	(4.78)
Interest and Fiscal Charges on Long-Term Liabilities	2,951,742	3,968,235	(25.62)
Total Expenses	148,471,402	151,158,991	(1.78)
Change in Net Position	11,919,832	7,237,486	
Beginning Net Position	(69,275,559)	(76,513,045)	
Ending Net Position	<u>\$ (57,355,727)</u>	<u>\$ (69,275,559)</u>	

Total revenues were \$160,391,234 while total expenses were \$148,471,402, increasing net position by \$11,919,832.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

The cost of all *governmental* activities this year was \$148,471,402.

- Some of the cost was paid by the users of the District's programs (Table A-2, Charges for Services, \$4,445,935). The majority of this category, approximately \$2.0 million, comes from food service meal sales and community education class tuition.
- The federal and state governments subsidized certain programs with grants and contributions (Table A-2, Operating and Capital Grants and Contributions, \$44,130,471).
- Most of the District's costs were paid for with local property taxes, unrestricted state aid, investment earnings, and other general revenues. Governmental activities were paid for with \$44,382,476 in property taxes, \$66,786,109 of unrestricted state aid, as well as investment earnings and other general revenues.



**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
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MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

All governmental funds include not only funds received for the general operation of the District but also include resources from the entrepreneurial-type funds of Food Service and Community Education. Funding for the general operation of the District is controlled by the state and the District does not have the latitude to allocate money received in Food Service or Community Education or for fiscal services to enhance general operation resources.

Table A-3, seen below, presents the cost of twelve major District activities such as, instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and others. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs).

**Table A-3
Program Expenses and Net Cost of Services**

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2022	2021		2022	2021	
Administration	\$ 5,146,405	\$ 5,166,623	(0.39)%	\$ 2,762,856	\$ 4,260,429	(35.15)%
District Support Services	4,541,713	4,169,348	8.93	4,534,973	4,161,898	8.96
Regular Instruction	63,294,480	64,783,060	(2.30)	49,186,765	55,189,178	(10.88)
Vocational Education Instruction	2,107,317	2,236,379	(5.77)	2,106,997	2,223,552	(5.24)
Special Education Instruction	24,494,292	26,088,835	(6.11)	6,211,859	6,029,714	3.02
Instructional Support Services	13,021,759	15,008,017	(13.23)	11,573,696	13,468,079	(14.07)
Pupil Support Services	11,406,634	9,996,462	14.11	10,754,812	9,245,388	16.33
Sites and Buildings	11,129,335	9,705,716	14.67	10,066,792	8,741,323	15.16
Fiscal and Other Fixed Cost Programs	426,427	391,943	8.80	426,427	391,943	8.80
Food Service	4,955,498	4,397,704	12.68	(1,118,079)	86,318	(1395.30)
Community Service	4,995,800	5,246,669	(4.78)	436,390	1,462,596	(70.16)
Interest and Fiscal Charges on Long-Term Liabilities	2,951,742	3,968,235	(25.62)	2,951,508	3,967,615	(25.61)
Total	<u>\$ 148,471,402</u>	<u>\$ 151,158,991</u>	(1.78)	<u>\$ 99,894,996</u>	<u>\$ 109,228,033</u>	(8.54)

The cost of all governmental activities this year was \$148,471,402, a decrease of \$2,687,589 from the prior year. After applying program specific revenue, the net cost of all governmental activities this year was \$99,894,996, or a decrease of \$9,333,037 from the prior year.

Financial Analysis of the District's Funds

The financial performance of the District as a whole is reflected in its governmental funds. All of the governmental funds had more revenue than expenditures in 2022, other than the capital projects fund thereby contributing to the increase in individual fund balance in most funds. At the end of the 2021-22 fiscal year, the District's governmental funds reported combined fund balances of \$44,020,764. This is a 14.35% increase in comparison to the prior year. The increase is largely due to General Fund increases primarily related to significant underspending; this underspend is a result from a number of unique factors within the 2021-2022 school year. Throughout FY22, the district struggled to fill open staff positions. This resulted in a significant variance between budget and actual expenditures in the areas of salaries and benefits costs. Additionally, an intense focus on the needs of our students during the pandemic resulted in a greater portion of the actual expenditures being reimbursable through federal pandemic relief funds allocated to the District in FY22.

Revenues and other financing sources (excluding transfers in) for the District's governmental funds were \$174,069,660, while total expenditures other financing uses (excluding transfers out) were \$168,543,943. As a result of this, the District completed the year with a net change in fund balances of \$5,525,717.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
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YEAR ENDED JUNE 30, 2022**

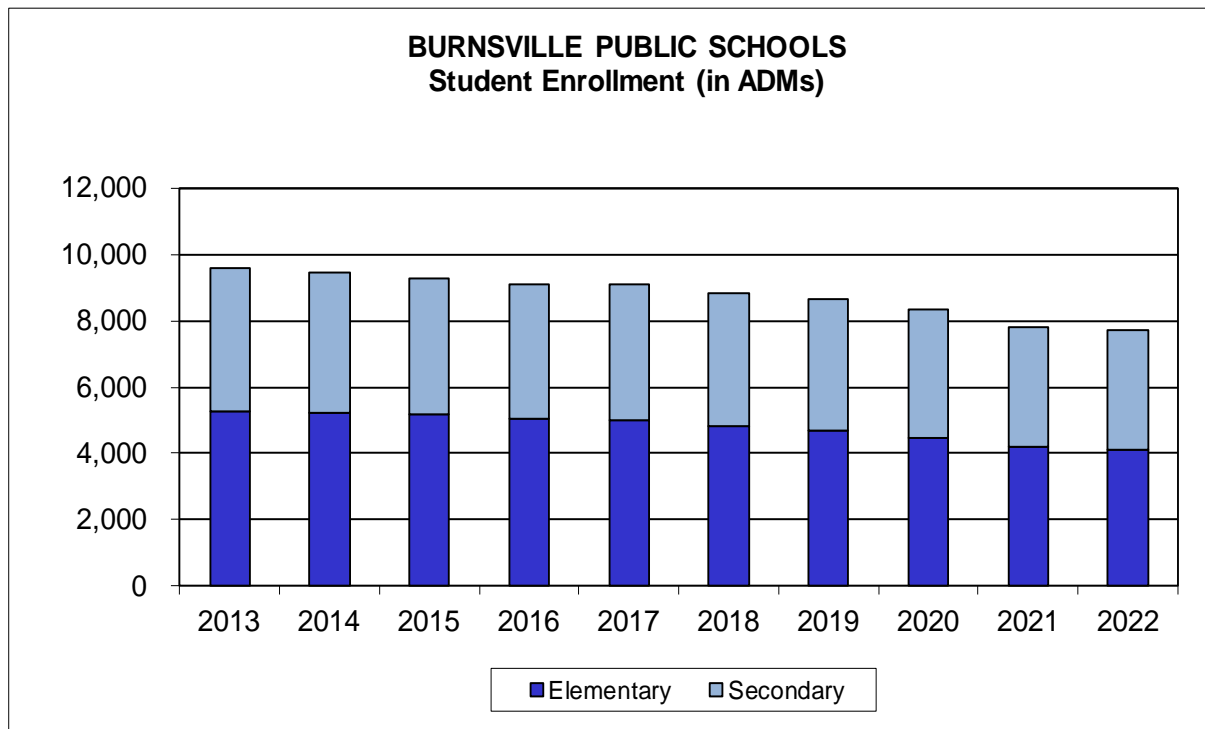
General Fund

The General Fund is used to account for all revenues and expenditures of the school district not accounted for elsewhere. The General Fund is used to account for: K-12 educational activities; district instructional and student support programs; expenditures for the superintendent; district administration; normal operations and maintenance; pupil transportation; capital expenditures; and legal school district expenditures not specifically designated to be accounted for in any other fund.

ENROLLMENT

Enrollment is a critical factor in determining revenue with approximately 68% of General Fund revenue being determined by enrollment. Like many Minnesota school districts, the District has been facing declining enrollment. During the last five years, the District has averaged a 3.26% decrease in students per year. From 2021 to 2022, the decrease was 1.40%. Enrollment per grade level continued to see a decrease. The following chart reflects that the number of students has decreased over the last 10 years.

**Table A-4
Student Enrollment
Average Daily Membership (ADM)**



**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

The following schedule presents a summary of General Fund Revenues.

**Table A-5
General Fund Revenues**

	Year Ended June 30,		Change	
	2022	2021	Increase (Decrease)	Percent Change
Local Sources:				
Property Taxes	\$ 30,955,773	\$ 31,896,090	\$ (940,317)	(2.9)%
Earnings on Investments	(33,326)	85,161	(118,487)	(139.1)
Other	3,115,759	2,621,829	493,930	18.8
State Sources	87,017,209	91,092,466	(4,075,257)	(4.5)
Federal Sources	14,965,232	8,950,841	6,014,391	67.2
Total General Fund Revenue	<u>\$ 136,020,647</u>	<u>\$ 134,646,387</u>	<u>\$ 1,374,260</u>	1.0

General Fund revenue increased by \$1,374,260, or 1.0%, from the previous year.

Property taxes decreased \$940,317 or 2.9% due to decreases in the underlying property tax levies.

Other local revenues increased \$493,930, or 18.8%. This was primarily due to increases in fundraising and donation revenues for student activities, as these activities were more limited in the prior year due to the COVID-19 Pandemic.

State Sources decreased by \$4,075,257. State decreased overall after consideration of the following factors. This is the net effect of decreased enrollment, the increase in general education formula, and the costs incurred based on the needs of students. The increase in the general education formula was offset by the decline in enrollment, resulting in a net decrease in general education formula aid of \$2,206,724. There was a decrease in state special education revenues in the amount of \$1,459,261 due to a decrease in eligible expenditures from FY20 to FY21. Decreases in other state aid categories were due to declining enrollment or costs incurred based on the needs of the students.

Federal Revenue is recorded in the year in which the related expenditure is made, with the exception of the new expanded summer program for which the first 25% of the appropriation was received and recorded as revenue in the prior fiscal year. Federal Sources increased by \$6,014,391, largely due to Federal Funding received in response to the COVID-19 pandemic.

General Fund Revenue is received in two major categories as follows:

1. State Education Finance Appropriations
 - A. General Education Aid – The largest share of the education finance appropriation, general education aid, is intended to provide the basic financial support for the education program and is enrollment driven.
 - B. Categorical Aids – Categorical revenue formulas are used to meet costs of that program (i.e. special education) or promote certain types of programs (i.e., career and technical aid, staff development, operating capital).

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
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2. Property Tax Levies

The largest share of the levy is from voter-approved levies: specifically, the excess operating referendum which is also enrollment driven.

The following schedule presents a summary of General Fund Expenditures.

**Table A-6
General Fund Expenditures**

	Year Ended June 30,		Change	
	2022	2021	Increase (Decrease)	Percent Change
Salaries	\$ 73,254,291	\$ 71,179,407	\$ 2,074,884	2.9 %
Employee Benefits	30,043,103	29,301,361	741,742	2.5
Purchased Services	19,648,553	14,700,502	4,948,051	33.7
Supplies and Materials	6,131,231	5,343,363	787,868	14.7
Capital Expenditures	3,656,490	3,865,715	(209,225)	(5.4)
Debt Service	96,876	265,098	(168,222)	(63.5)
Other Expenditures	678,032	795,088	(117,056)	(14.7)
Total General Fund Expenditures	<u>\$ 133,508,576</u>	<u>\$ 125,450,534</u>	<u>\$ 8,058,042</u>	6.4

Total General Fund expenditures increased \$8,058,042 or 6.4% from the previous year. The increase can be attributed mostly to personnel and employee salaries and benefits as well as increases in purchased services.

Salaries expense increased mainly as a result a result of the annual contractual pay increases averaging 2.28%.

Purchased Services consist of expenditures for fees for service, substitutes, utilities, property insurance, maintenance repairs, leases, telephone, tuition, and transportation. These expenditures increased mainly due to the increased need for substitutes and increased transportation costs while the District was operating in-person for the entire school year. Utility costs also increased substantially due to inflation.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

General Fund Budgetary Highlights

After initial approval of the budget, the District revised the budget based on changes in unbudgeted costs or revenue changes. While the District anticipated, in its final budget, that the net change in fund balance would be a decrease of \$149,981, total fund balance increased by \$3,000,020, resulting in a fund balance of \$32,521,900 at June 30, 2022.

Revenues were higher than budgeted by \$434,930 and expenditures were less than budgeted by \$2,527,122. The District was conservative with revenues given the decline in enrollment. Where possible, expenditures were curtailed in the District's effort to reduce costs. Staffing changes as a result of declining enrollment and unfilled positions led to expenditures being less than budgeted even while experiencing inflation and rising transportation and substitute costs.

Food Service Fund

The Food Service Fund revenue for 2021-22 totaled \$6,304,656 and expenditures were \$4,921,294. The June 30, 2022 fund balance is \$2,511,462, an increase of \$1,392,337 from fiscal year 2021. Actual revenues were \$345,799 higher than budget mainly due to more being received for free meals service as part of the Federal summer food service program than expected. Actual expenditures were \$144,978 lower than budget mainly due to incurring less supply, food, and milk costs than expected. These variances resulted in fund balance ending the year \$489,752 higher than budgeted.

Community Service Fund

The Community Service Fund revenue for 2021-22 totaled \$6,396,433 and expenditures were \$5,273,555. The June 30, 2022 fund balance is \$3,195,510, an increase of \$1,122,878 from fiscal year 2020-2021. The District's community education programming planned significant expenditure adjustments and focused their programming on child care during the continued effects of the COVID-19 pandemic. The fund utilized new grant funding to provide additional programming for adult and pre-kindergarten students.

Capital Projects-Building Construction Fund

The Capital Projects-Building Construction Fund revenue for 2021-22 totaled \$438 and expenditures were \$1,658,133. The June 30, 2022 fund balance is \$0, a decrease of \$1,657,695 from fiscal year 2021. The decrease in fund balance is due to bond proceeds from the 2015A School Building Bonds being spent down as the building projects are completed for Vision One91.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
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YEAR ENDED JUNE 30, 2022**

Debt Service Fund

The Debt Service Fund is used to record revenues and expenditures for a school district's outstanding bonded indebtedness, whether for building construction, operating capital, or for initial or refunding bonds. The Debt Service Fund revenue and other financing sources for 2021-22 totaled \$24,850,562, an increase of \$465,329 from fiscal year 2021 due to the issuance of the 2021A G.O. Alternative Facilities Refunding Bonds and proceeds from the sale of River Ridge. The expenditure budget is based on the payment schedule of bond principal and interest on the general obligation bonds, including refunding bonds issued from 2012 through 2017.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of 2022, the District had invested approximately \$305.3 million in a broad range of capital assets, including school buildings, athletic facilities, computer and audio-visual equipment, and administrative offices (see Table A-7). (More detailed information about capital assets can be found in Note 3 to the financial statements.) Total depreciation/amortization expense for the year was approximately \$9.3 million.

**Table A-7
The District's Capital Assets**

	2022	2021	Percent Change
Land	\$ 3,102,468	\$ 3,119,968	(0.6)%
Construction in Progress	-	75,552	(100.0)
Land Improvements	20,128,484	19,842,793	1.4
Buildings and Improvements	270,796,575	272,430,261	(0.6)
Equipment	11,114,505	10,575,603	5.1
Right-to-Use Assets	197,466	-	N/A
Less: Accumulated Depreciation/Amortization	(177,717,467)	(170,257,345)	4.4
Total Capital Assets Net of Depreciation/Amortization	<u>\$ 127,622,031</u>	<u>\$ 135,786,832</u>	(6.0)

Long-Term Liabilities

At year-end, the District had \$120,640,472 in general obligation bonds, lease liabilities, and obligations under financed purchases payable outstanding as shown in Note 4 to the financial statements. The District also had an estimated total of \$10,771,132 in postemployment severance and health benefits payable at June 30, 2022 and \$52,043,161 in net pension liability.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Total long-term liabilities at June 30, 2022 decreased 21.1% as compared to June 30, 2021.

**Table A-8
The District's Long-Term Liabilities**

	2022	2021	Percent Change
General Obligation Bonds	\$ 113,850,000	\$ 122,960,000	(7.4)%
Net Bond Premium and Discount	6,442,825	6,094,114	5.7
Lease Liability	187,187	-	N/A
Financed Purchases	160,460	234,534	(31.6)
Net Pension Liability	52,043,161	91,450,133	(43.1)
Severance Benefits Payable	682,675	974,069	(29.9)
Other Postemployment Benefits	9,289,131	9,959,504	(6.7)
Compensated Absences Payable	799,326	792,400	0.9
Total Long-Term Liabilities	<u>\$ 183,454,765</u>	<u>\$ 232,464,754</u>	(21.1)
Long-Term Liabilities:			
Due Within One Year	\$ 8,246,124	\$ 8,398,900	(1.8)%
Due in More Than One Year	175,208,641	224,065,854	(21.8)
Total	<u>\$ 183,454,765</u>	<u>\$ 232,464,754</u>	(21.1)

FACTORS BEARING ON THE DISTRICT'S FUTURE

With the exception of the voter-approved operating referendum, the District is dependent on the state of Minnesota for most of its revenue authority. Recent experience demonstrates that legislated revenue increases have not been sufficient to meet instructional program needs and increased costs due to inflation. There is concern if the state special education aid formula changes will be sufficient to end the growing cross subsidy of special education services.

The funding formula has been below the current annual rate of inflation for the last 20 years. Accordingly, the District continues to utilize sophisticated enrollment and financial planning tools, along with detailed and conservative budgeting and budget monitoring processes. The COVID-19 pandemic continues to impact our instructional models and their delivery. The greatest concern is the lost learning time our students have experienced. The financial impact of this has been met with the federal ESSER (I,II,III), CARES, Coronavirus Relief Funding and American Rescue Plan allocation which we will use to meet our student need and reduce the impact on fund balances. The District will continue to seek all available sources of funding, respond to enrollment decreases, balance revenue to expenditures, and maintain systems that ensure financial stability.

The District will strive to maintain its long-standing commitment to academic excellence and educational opportunity for students within a framework of financial fiduciary responsibility.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Independent School District No. 191, 200 W. Burnsville Parkway, Burnsville, Minnesota 55337. The telephone number for the District is (952) 707-2050. Financial and other district information is also available on the District's website at isd191.org.

BASIC FINANCIAL STATEMENTS

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF NET POSITION
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)

	Governmental Activities	
	2022	2021
ASSETS		
Cash and Investments	\$ 85,917,567	\$ 90,088,610
Receivables:		
Property Taxes	22,251,047	23,507,751
Other Governments	17,838,810	12,069,640
Other	185,998	359,163
Leases - Current	244,714	-
Prepaid Items	254,436	382,338
Inventories	253,940	182,267
Receivables - Leases Noncurrent	259,105	-
Capital Assets:		
Land and Construction in Progress	3,102,468	3,195,520
Other Capital Assets, Net of Depreciation/Amortization	124,519,563	132,591,312
Total Assets	<u>254,827,648</u>	<u>262,376,601</u>
DEFERRED OUTFLOWS OF RESOURCES		
Losses on Debt Refunding	235,543	271,321
Deferred Outflows - Pensions	30,778,839	37,815,270
Deferred Outflows - Other Postemployment Benefits	950,075	1,092,757
Total Deferred Outflows of Resources	<u>31,964,457</u>	<u>39,179,348</u>
LIABILITIES		
Salaries Payable	10,794,576	10,772,923
Accounts and Contracts Payable	10,811,314	11,366,937
Accrued Interest	1,824,193	1,839,586
Due to Other Governmental Units	1,375,169	260,773
Unearned Revenue	277,327	371,602
Long-Term Liabilities:		
Net Pension Liability	52,043,161	91,450,133
Other Postemployment Benefits Liability	9,289,131	9,959,504
Other Long-Term Liabilities Due Within One Year	8,246,124	8,398,900
Other Long-Term Liabilities Due in More Than One Year	113,876,349	122,656,217
Total Liabilities	<u>208,537,344</u>	<u>257,076,575</u>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes Levied for Subsequent Year	37,588,243	40,293,248
Gains on Debt Refunding	342,351	20,935
Leases Receivable	465,027	-
Deferred Inflows - Pensions	96,148,942	72,773,873
Deferred Inflows - Other Postemployment Benefits	1,065,925	666,877
Total Deferred Inflows of Resources	<u>135,610,488</u>	<u>113,754,933</u>
NET POSITION		
Net Investment in Capital Assets	15,754,751	18,451,265
Restricted for:		
General Fund Operating Capital Purposes	3,325,929	3,195,287
General Fund State-Mandated Reserves	6,515,959	5,825,495
Food Service	2,511,462	1,119,125
Community Service	3,206,620	2,082,703
Unrestricted	(88,670,448)	(99,949,434)
Total Net Position	<u>\$ (57,355,727)</u>	<u>\$ (69,275,559)</u>

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

	2022					2021
					Net (Expense) Revenue and Change in Net Position	Net (Expense) Revenue and Change in Net Position
			Program Revenues		Total	Total
Functions	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Governmental Activities
GOVERNMENTAL ACTIVITIES						
Administration	\$ 5,146,405	\$ 272,600	\$ 2,100,099	\$ 10,850	\$ (2,762,856)	\$ (4,260,429)
District Support Services	4,541,713	4,207	2,533	-	(4,534,973)	(4,161,898)
Regular Instruction	63,294,480	307,145	12,523,125	1,277,445	(49,186,765)	(55,189,178)
Vocational Education Instruction	2,107,317	-	320	-	(2,106,997)	(2,223,552)
Special Education Instruction	24,494,292	784,954	17,497,479	-	(6,211,859)	(6,029,714)
Instructional Support Services	13,021,759	17,383	1,430,680	-	(11,573,696)	(13,468,079)
Pupil Support Services	11,406,634	67,427	584,395	-	(10,754,812)	(9,245,388)
Sites and Buildings	11,129,335	336,262	66,296	659,985	(10,066,792)	(8,741,323)
Fiscal and Other Fixed Cost Programs	426,427	-	-	-	(426,427)	(391,943)
Food Service	4,955,498	47,741	6,025,836	-	1,118,079	(86,318)
Community Service	4,995,800	2,608,216	1,951,194	-	(436,390)	(1,462,596)
Interest and Fiscal Charges on Long-Term Liabilities	2,951,742	-	234	-	(2,951,508)	(3,967,615)
Total School District	<u>\$ 148,471,402</u>	<u>\$ 4,445,935</u>	<u>\$ 42,182,191</u>	<u>\$ 1,948,280</u>	(99,894,996)	(109,228,033)
GENERAL REVENUES						
Property Taxes Levied for:						
General Purposes					30,967,231	31,931,034
Community Service					1,636,161	1,807,827
Debt Service					11,779,084	10,931,280
State Aid Not Restricted to Specific Purposes					66,786,109	68,832,548
Earnings on Investments					(892,610)	1,605,238
Miscellaneous					1,538,853	1,357,254
Gain on Sale of Capital Assets					-	338
Total General Revenues					<u>111,814,828</u>	<u>116,465,519</u>
CHANGE IN NET POSITION					11,919,832	7,237,486
Net Position - Beginning					<u>(69,275,559)</u>	<u>(76,513,045)</u>
NET POSITION - ENDING					\$ (57,355,727)	\$ (69,275,559)

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)**

	Major Funds					Total Governmental Funds	
	General	Food Service	Community Service	Capital Projects	Debt Service	2022	2021
ASSETS							
Cash and Investments	\$ 39,763,328	\$ 2,397,696	\$ 4,074,258	\$ 120,723	\$ 10,631,236	\$ 56,987,241	\$ 58,119,571
Receivables:							
Current Property Taxes	15,529,083	-	847,350	-	5,515,330	21,891,763	23,049,930
Delinquent Property Taxes	248,865	-	13,565	-	96,854	359,284	457,821
Accounts and Interest Receivable	63,144	729	41,738	-	-	105,611	285,032
Due from Other Minnesota School Districts	93,304	-	112,074	-	-	205,378	29,631
Due from Minnesota Department of Education	10,205,611	4,856	209,684	-	16,597	10,436,748	7,951,886
Due from Federal through Minnesota Department of Education	6,272,284	319,362	79,761	-	-	6,671,407	4,046,840
Due from Other Governmental Units	525,277	-	-	-	-	525,277	41,283
Due from Other Funds	461,554	-	-	-	-	461,554	476,151
Leases Receivable	-	-	-	-	503,819	503,819	-
Inventory	-	253,940	-	-	-	253,940	182,267
Prepays	254,436	-	-	-	-	254,436	382,338
Total Assets	\$ 73,416,886	\$ 2,976,583	\$ 5,378,430	\$ 120,723	\$ 16,763,836	\$ 98,656,458	\$ 95,022,750
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE							
Liabilities:							
Salaries and Compensated Absences Payable	\$ 4,655,219	\$ 165,971	\$ 217,216	\$ -	\$ -	\$ 5,038,406	\$ 5,093,210
Payroll Deductions and Employer Contributions Payable	5,455,014	140,157	160,999	-	-	5,756,170	5,679,713
Accounts and Contracts Payable	3,649,198	63,437	82,177	120,723	-	3,915,535	4,615,811
Due to Other Governmental Units	1,375,095	24	50	-	-	1,375,169	260,773
Unearned Revenue	3,092	95,532	108,989	-	-	207,613	314,890
Total Liabilities	15,137,618	465,121	569,431	120,723	-	16,292,893	15,964,397
Deferred Inflows of Resources:							
Leases Receivable	-	-	-	-	465,027	465,027	-
Unavailable Revenue - Property Taxes Levied for Subsequent Year	25,556,300	-	1,602,379	-	10,429,564	37,588,243	40,293,248
Unavailable Revenue - Delinquent Property Taxes	201,068	-	11,110	-	77,353	289,531	270,058
Total Deferred Inflows of Resources	25,757,368	-	1,613,489	-	10,971,944	38,342,801	40,563,306
Fund Balance:							
Nonspendable:							
Inventory	-	253,940	-	-	-	253,940	182,267
Prepays	254,436	-	-	-	-	254,436	382,338
Restricted for:							
Student Activities	231,296	-	-	-	-	231,296	215,674
Capital Projects Levy	521,753	-	-	-	-	521,753	794,657
Operating Capital	3,325,929	-	-	-	-	3,325,929	3,195,287
Community Education	-	-	2,375,459	-	-	2,375,459	1,430,281
Early Childhood and Family Education	-	-	212,310	-	-	212,310	12,334
Area Learning Center	5,173,831	-	-	-	-	5,173,831	4,406,743
School Readiness	-	-	577,712	-	-	577,712	588,050
Adult Basic Education	-	-	29,077	-	-	29,077	-
Long Term Facilities Maintenance	212,365	-	-	-	-	212,365	114,943
Medical Assistance	376,714	-	-	-	-	376,714	204,234
Restricted for Other Purposes	-	2,257,522	952	-	5,791,892	8,050,366	6,849,479
Committed for:							
Program Carryover - Noncapital	725,527	-	-	-	-	725,527	915,450
Program Carryover - Facilities Rental	446,149	-	-	-	-	446,149	371,898
Pro Pay Program	665,341	-	-	-	-	665,341	562,142
Assigned for:							
Planned Budget Deficit for 2023	1,810,980	-	-	-	-	1,810,980	5,081,823
Unassigned	18,777,579	-	-	-	-	18,777,579	13,187,447
Total Fund Balance	32,521,900	2,511,462	3,195,510	-	5,791,892	44,020,764	38,495,047
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 73,416,886	\$ 2,976,583	\$ 5,378,430	\$ 120,723	\$ 16,763,836	\$ 98,656,458	\$ 95,022,750

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)**

	2022	2021
Total Fund Balance for Governmental Funds	\$ 44,020,764	\$ 38,495,047
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	3,102,468	3,119,968
Construction in Progress	-	75,552
Land Improvements, Net of Accumulated Depreciation	6,233,554	6,725,047
Buildings and Improvements, Net of Accumulated Depreciation	114,670,970	122,432,618
Equipment, Net of Accumulated Depreciation	3,428,232	3,433,647
Right-to-Uses Assets, Net of Accumulated Amortization	186,807	-
Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as unavailable revenue in the funds.	289,531	270,058
When a bond defeasance occurs the difference between the amount paid to the refunded bond escrow and the principal of the defeased debt is expensed in the governmental funds. These expenditures are capitalized on the statement of net position as deferred charges.	235,543	271,321
The District's OPEB liability and related deferred inflows and outflows are recorded only on the statement of net position. Balances at year-end are:		
Other Postemployment Benefits Liability	(9,289,131)	(9,959,504)
Deferred Inflows of Resources - Other Postemployment Benefits	(1,065,925)	(666,877)
Deferred Outflows of Resources - Other Postemployment Benefits	950,075	1,092,757
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(1,824,193)	(1,839,586)
The District's net pension liability and related deferred inflows and outflows are recorded only on the statement of net position. Balances at year-end are:		
Net Pension Liability	(52,043,161)	(91,450,133)
Deferred Inflows of Resources - Pensions	(96,148,942)	(72,773,873)
Deferred Outflows of Resources - Pensions	30,778,839	37,815,270
Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities - both current and long term - are reported in the statement of net position. Balances at year-end are:		
Bonds Payable	(113,850,000)	(122,960,000)
Unamortized Premiums	(6,442,825)	(6,094,114)
Unamortized Gains on Debt Refunding	(342,351)	(20,935)
Lease Liability	(187,187)	-
Financed Purchases Payable	(160,460)	(234,534)
Compensated Absences Payable	(799,326)	(792,400)
Internal service funds are used by management to charge the costs of health and dental insurance services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position at year-end is:	20,900,991	23,785,112
Total Net Position of Governmental Activities	\$ (57,355,727)	\$ (69,275,559)

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

	Major Funds					Total Governmental Funds	
	General	Food Service	Community Service	Capital Projects	Debt Service	2022	2021
REVENUES							
Local Sources:							
Property Taxes	\$ 30,955,773	\$ -	\$ 1,635,122	\$ -	\$ 11,772,108	\$ 44,363,003	\$ 44,624,245
Earnings and Investments	(33,326)	(1,195)	(3,429)	438	(15,689)	(53,201)	110,430
Other	3,115,759	83,907	2,971,983	-	256,163	6,427,812	5,144,941
State Sources	87,017,209	168,745	1,532,851	-	157,546	88,876,351	93,225,958
Federal Sources	14,965,232	6,053,199	259,906	-	-	21,278,337	13,536,886
Total Revenues	136,020,647	6,304,656	6,396,433	438	12,170,128	160,892,302	156,642,460
EXPENDITURES							
Current:							
Administration	5,429,133	-	-	-	-	5,429,133	5,002,830
District Support Services	4,491,751	-	-	-	-	4,491,751	4,090,450
Elementary and Secondary Regular Instruction	56,035,263	-	-	-	-	56,035,263	51,987,520
Vocational Education Instruction	2,216,393	-	-	-	-	2,216,393	2,088,358
Special Education Instruction	26,046,717	-	-	-	-	26,046,717	24,311,718
Instructional Support Services	12,953,823	-	-	-	-	12,953,823	13,513,379
Pupil Support Services	11,696,713	-	-	-	-	11,696,713	9,835,715
Sites and Buildings	10,458,990	-	-	209,530	-	10,668,520	10,097,808
Fiscal and Other Fixed Cost Programs	426,427	-	-	-	-	426,427	391,943
Food Service	-	4,913,797	-	-	-	4,913,797	4,345,690
Community Service	-	-	5,258,859	-	-	5,258,859	5,184,290
Capital Outlay	3,656,490	7,497	14,696	1,448,603	-	5,127,286	4,319,224
Debt Service:							
Principal	84,637	-	-	-	7,085,000	7,169,637	7,335,430
Interest and Fiscal Charges	12,239	-	-	-	4,392,385	4,404,624	4,703,396
Total Expenditures	133,508,576	4,921,294	5,273,555	1,658,133	11,477,385	156,838,943	147,207,751
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,512,071	1,383,362	1,122,878	(1,657,695)	692,743	4,053,359	9,434,709
OTHER FINANCING SOURCES (USES)							
Sale of Real Property	300,000	-	-	-	856,756	1,156,756	-
Sale of Equipment	-	8,975	-	-	-	8,975	338
Sale of Bonds	-	-	-	-	9,680,000	9,680,000	11,485,000
Bond Premium	-	-	-	-	2,143,678	2,143,678	1,477,046
Lease Proceeds	187,949	-	-	-	-	187,949	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	(11,705,000)	(11,705,000)	(12,785,000)
Total Other Financing Sources (Uses)	487,949	8,975	-	-	975,434	1,472,358	177,384
NET CHANGE IN FUND BALANCE	3,000,020	1,392,337	1,122,878	(1,657,695)	1,668,177	5,525,717	9,612,093
FUND BALANCES							
Beginning of Year	29,521,880	1,119,125	2,072,632	1,657,695	4,123,715	38,495,047	28,882,954
End of Year	<u>\$ 32,521,900</u>	<u>\$ 2,511,462</u>	<u>\$ 3,195,510</u>	<u>\$ -</u>	<u>\$ 5,791,892</u>	<u>\$ 44,020,764</u>	<u>\$ 38,495,047</u>

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

	2022	2021
Net Change in Fund Balance - Total Governmental Funds	\$ 5,525,717	\$ 9,612,093
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation or amortization expense. The amount by which depreciation and amortization exceeded capital outlays in the current period is:		
Capital Outlays	4,502,043	3,358,875
Gain (Loss) on Disposal of Capital Assets	(2,217,832)	-
Proceeds from the Disposal of Capital Assets	(1,165,731)	-
Depreciation/Amortization Expense	(9,292,798)	(9,341,093)
Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred or unavailable in the governmental funds.	19,473	45,896
Some capital asset additions are financed through financed purchase agreements. In governmental funds, a long-term financed purchase agreement is considered a source of financing, but in the statement of net position, the financed purchase obligation is reported as a liability. Repayment of long-term financed purchase principal is an expenditure in the governmental funds, but repayment reduces the financed purchase obligation in the statement of net position.		
Change in Accrued Interest - Financed Purchases	-	353
Principal Payments - Financed Purchases	74,074	245,430
Pension expenditures in the governmental funds are measured by current year employer contributions. Pension expenses on the statement of activities are measured by the change in the net pension liability and the related deferred inflows and outflows of resources.	8,995,472	(3,919,659)
In the statement of activities, certain operating expenses - compensated absences - are measured by amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (amounts actually paid).	(6,926)	2,582
Payments to the District's OPEB liability are recognized as expenditures at the fund level while the change in the OPEB obligation and the related deferred inflows and outflows of resources are recognized in the statement of net position.	128,643	(41,776)
The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of premiums when debt is first issued, whereas these amounts are amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:		
General Obligation and Certificates of Participation Issued	(9,680,000)	(11,485,000)
Bond Premium or Discount	(2,143,678)	(1,477,046)
Payment to Refunded Bond Escrow Agent	11,705,000	12,785,000
Repayment of Lease Liability	10,279	-
Repayment of Bond Principal	7,085,000	7,090,000
Change in Accrued Interest - General Obligation Bonds	15,393	40,889
Amortization of Bond Premium	1,452,480	716,297
Amortization of Deferred Charges on Refunding Bonds	(14,707)	(22,378)
Internal service funds are used by the District to charge the costs of employee health and dental benefits to individual funds. The net revenue of the internal service funds is reported with governmental activities.	(2,884,121)	(372,977)
Total	\$ 11,919,832	\$ 7,237,486

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Over (Under)
	Original	Final	Amounts	Final Budget
REVENUES				
Local Sources:				
Property Taxes	\$ 30,656,131	\$ 30,673,407	\$ 30,955,773	\$ 282,366
Earnings and Investments	152,000	100,000	(33,326)	(133,326)
Other	3,308,821	2,770,471	3,115,759	345,288
State Sources	84,784,394	87,610,045	87,017,209	(592,836)
Federal Sources	11,784,268	14,431,794	14,965,232	533,438
Total Revenues	130,685,614	135,585,717	136,020,647	434,930
EXPENDITURES				
Current:				
Administration	5,233,405	5,630,564	5,429,133	(201,431)
District Support Services	3,583,193	4,822,226	4,491,751	(330,475)
Elementary and Secondary Regular Instruction	59,006,495	57,921,770	56,035,263	(1,886,507)
Vocational Education Instruction	2,271,754	2,205,453	2,216,393	10,940
Special Education Instruction	25,299,559	25,666,222	26,046,717	380,495
Instructional Support Services	11,823,090	11,427,189	12,953,823	1,526,634
Pupil Support Services	12,224,067	11,628,926	11,696,713	67,787
Sites and Buildings	10,629,001	10,395,557	10,458,990	63,433
Fiscal and Other Fixed Cost Programs	450,000	455,000	426,427	(28,573)
Capital Outlay	5,161,186	5,797,104	3,656,490	(2,140,614)
Debt Service:				
Principal	74,074	74,074	84,637	10,563
Interest and Fiscal Charges	11,613	11,613	12,239	626
Total Expenditures	135,767,437	136,035,698	133,508,576	(2,527,122)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,081,823)	(449,981)	2,512,071	2,962,052
OTHER FINANCING SOURCES				
Sale of Real Property	-	300,000	300,000	-
Lease Proceeds	-	-	187,949	187,949
Total Other Financing Sources	-	300,000	487,949	187,949
NET CHANGE IN FUND BALANCE	<u>\$ (5,081,823)</u>	<u>\$ (149,981)</u>	3,000,020	<u>\$ 3,150,001</u>
FUND BALANCE				
Beginning of Year			29,521,880	
End of Year			<u>\$ 32,521,900</u>	

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Over (Under)
	Original	Final	Amounts	Final Budget
REVENUES				
Local Sources:				
Earnings and Investments	\$ 10,000	\$ 1,000	\$ (1,195)	\$ (2,195)
Other - Primarily Meal Sales	16,500	64,750	83,907	19,157
State Sources	4,447	160,000	168,745	8,745
Federal Sources	3,740,971	5,733,107	6,053,199	320,092
Total Revenues	<u>3,771,918</u>	<u>5,958,857</u>	<u>6,304,656</u>	<u>345,799</u>
EXPENDITURES				
Current:				
Food Service	3,859,852	5,046,272	4,913,797	(132,475)
Capital Outlay	20,000	20,000	7,497	(12,503)
Total Expenditures	<u>3,879,852</u>	<u>5,066,272</u>	<u>4,921,294</u>	<u>(144,978)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(107,934)	892,585	1,383,362	490,777
OTHER FINANCING SOURCES				
Sale of Equipment	<u>2,500</u>	<u>10,000</u>	<u>8,975</u>	<u>(1,025)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (102,934)</u>	<u>\$ 902,585</u>	<u>1,392,337</u>	<u>\$ 489,752</u>
FUND BALANCE				
Beginning of Year			1,119,125	
End of Year			<u>\$ 2,511,462</u>	

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY SERVICE FUND
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Over (Under)
	Original	Final	Amounts	Final Budget
REVENUES				
Local Sources:				
Property Taxes	\$ 1,640,765	\$ 1,640,765	\$ 1,635,122	\$ (5,643)
Earnings and Investments	5,000	5,000	(3,429)	(8,429)
Other - Primarily Tuition and Fees	2,630,877	2,931,875	2,971,983	40,108
State Sources	1,724,035	1,730,589	1,532,851	(197,738)
Federal Sources	66,697	291,122	259,906	(31,216)
Total Revenues	6,067,374	6,599,351	6,396,433	(202,918)
EXPENDITURES				
Current:				
Community Service	5,782,425	5,536,362	5,258,859	(277,503)
Capital Outlay	50,704	82,500	14,696	(67,804)
Total Expenditures	5,833,129	5,618,862	5,273,555	(345,307)
NET CHANGE IN FUND BALANCE	<u>\$ 234,245</u>	<u>\$ 980,489</u>	1,122,878	<u>\$ 142,389</u>
FUND BALANCE				
Beginning of Year			2,072,632	
End of Year			<u>\$ 3,195,510</u>	

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF NET POSITION
PROPRIETARY FUND
INTERNAL SERVICE FUND
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)**

	Governmental Activities - Internal Service Funds	
	2022	2021
ASSETS		
Current Assets:		
Cash and Investments	\$ 28,930,326	\$ 31,969,039
Accounts Receivable	70,693	25,014
Interest Receivable	9,694	49,117
Due from Other Funds	314,258	398,778
Total Current Assets	<u>29,324,971</u>	<u>32,441,948</u>
LIABILITIES		
Current Liabilities:		
Health and Dental Claims Payable	3,348,953	2,854,954
Due to Plan Participants	3,546,826	3,896,172
Severance Benefits Payable	164,167	195,574
Due to Other Funds	775,812	874,929
Unearned Revenues	69,714	56,712
Total Current Liabilities	<u>7,905,472</u>	<u>7,878,341</u>
Noncurrent Liabilities:		
Severance Benefits Payable	518,508	778,495
Total Liabilities	<u>8,423,980</u>	<u>8,656,836</u>
NET POSITION		
Unrestricted	<u>\$ 20,900,991</u>	<u>\$ 23,785,112</u>

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
PROPRIETARY FUND
INTERNAL SERVICE FUND
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

	Governmental Activities - Internal Service Funds	
	2022	2021
OPERATING REVENUES		
Charges for Services	\$ 21,953,862	\$ 21,448,411
Other	611,828	675,133
Total Operating Revenues	22,565,690	22,123,544
OPERATING EXPENSES		
Health Insurance Claim Payments	22,518,961	21,655,372
Dental Insurance Claim Payments	835,266	877,372
Severance Payments	460,363	537,408
OPEB Payments	795,812	921,177
Total Operating Expenses	24,610,402	23,991,329
OPERATING LOSS	(2,044,712)	(1,867,785)
NONOPERATING INCOME		
Earnings on Investments	(839,409)	1,494,808
CHANGE IN NET POSITION	(2,884,121)	(372,977)
Net Position - Beginning	23,785,112	24,158,089
NET POSITION - ENDING	\$ 20,900,991	\$ 23,785,112

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
INTERNAL SERVICE FUND
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

	Governmental Activities - Internal Service Funds	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Interfund Services Provided	\$ 22,617,533	\$ 22,712,065
Payments for Health and Dental Claims	(23,436,398)	(21,441,549)
Payments to Employee OPEB	(894,929)	(980,763)
Payments for Severance Benefits	(524,933)	(377,490)
Net Cash Used by Operating Activities	(2,238,727)	(87,737)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	(799,986)	1,571,208
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,038,713)	1,483,471
Cash and Cash Equivalents - Beginning	31,969,039	30,485,568
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 28,930,326</u>	<u>\$ 31,969,039</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (2,044,712)	\$ (1,867,785)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used by Operating Activities:		
Decrease in Accounts Receivable	(45,679)	(25,000)
(Increase) Decrease in Due from Other Funds	84,520	600,062
Increase in Claims Payable	493,999	862,762
Increase (Decrease) in Due to Plan Participants	(349,346)	251,464
Increase (Decrease) in Severance Benefits Payable	(291,394)	136,887
(Decrease) in Due to Other Funds	(99,117)	(59,586)
Increase in Unearned Revenues	13,002	13,459
Total Adjustments	(194,015)	1,780,048
Net Cash Used by Operating Activities	<u>\$ (2,238,727)</u>	<u>\$ (87,737)</u>
Total Cash and Investments per Statement of Net Position	<u>\$ 28,930,326</u>	<u>\$ 31,969,039</u>

See accompanying Notes to Basic Financial Statements.

NOTES TO BASIC FINANCIAL STATEMENTS

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The financial statements of Independent School District No. 191 have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. Financial Reporting Entity

Independent School District No. 191 (the District) is an instrumentality of the state of Minnesota established to function as an educational institution. The elected School Board (Board) is responsible for legislative and fiscal control of the District. A Superintendent is appointed by the Board and is responsible for administrative control of the District.

GAAP requires that the District's financial statements include all funds, departments, agencies, boards, commissions, and other organizations which are not legally separated from the District. In addition, the District's financial statements are to include all component units - entities for which the District is financially accountable.

Financial accountability includes such aspects as appointing a voting majority of the organization's governing body, significantly influencing the programs, projects, activities, or level of services performed or provided by the organization or receiving specific financial benefits from, or imposing specific financial burden on, the organization. There are no other entities for which the District is financially accountable.

C. Basic Financial Statement Presentation

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.

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basic Financial Statement Presentation (Continued)

The District applies restricted resources first when an expense is incurred for purpose for which both restricted and unrestricted net position is available. Depreciation and amortization expense that can be specifically identified by function is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the statement of activities. Generally, the effect of material interfund activity has been removed from the Government-wide financial statements.

Separate fund financial statements are provided for governmental and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Fiduciary funds are presented in the fiduciary fund financial statements by type: pension (or other employee benefit) trust, private purpose trust, and custodial. Since, by definition, fiduciary fund assets are being held for the benefit of a third party and cannot be used for activities or obligations of the District, these funds are excluded from the Government-wide statements.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's internal service funds are charges for services in the form of dental and health insurance premiums, severance contributions and other postemployment benefit contributions. Operating expenses for the internal service funds include the cost of services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. 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 fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are generally recognized as revenues in the fiscal year for which they are levied, except for amounts advance recognized in accordance with a statutory "tax shift" described later in these notes. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

Proprietary funds are reported using the economic resources method and the accrual basis of accounting. All assets and liabilities associated with their activity are included on their statement of net position. Revenues are recognized when earned and expenses are recognized when incurred. Regardless of the timing of related cash flows.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

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 GAAP. Minnesota Statutes include state aid funding formulas for specific fiscal years. Federal revenue is recorded in the year in which the related expenditure is incurred. Food service sales, community education tuition, and other miscellaneous revenue (except investment earnings) are recorded as revenues when received because they are generally not measurable until then. Investment earnings are recorded when earned because they are measurable and available. A six-month availability period is generally used for other fund revenue.

2. Recording of Expenditures

Expenditures are generally recorded when a liability is incurred. However, expenditures are recorded as prepaid for approved disbursements or liabilities incurred in advance of the year in which the item is to be used. Principal and interest on long-term debt issues are recognized on their due dates.

Description of Funds

The existence of the various District funds has been established by the state of Minnesota, Department of Education. The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. Descriptions of the funds included in this report are as follows:

Major Governmental Funds

General Fund

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. It includes the general operations and pupil transportation activities of the District, as well as the capital related activities such as maintenance of facilities equipment purchases, health and safety projects, and disabled accessibility projects.

Food Service Special Revenue Fund

The Food Service Fund is used to account for food service revenues and expenditures. Revenue is generated from state and federal grants and the sales of meals to students and teachers.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

Community Service Special Revenue Fund

The Community Service Fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, veterans, adult or early childhood programs, K-5 extended day programs or other similar services. Revenue is generated by program fees paid by participants.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital facilities.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and payment of, general long-term obligation bond principal, interest, and related costs. The regular debt service account is used for all general obligation bonds except for refunding bond issues, for which a separate refunding bond trust account is established.

Proprietary Funds

Internal Service Fund

Internal service funds account for the financing of goods or services provided by one department to other departments or agencies of the District, or to other governments, on a cost-reimbursement basis. The District's internal service funds are used to account for the District's liabilities for severance, other postemployment benefits (OPEB), and health and dental insurance offered by the District to its employees as a self-insured plan.

E. Budgeting

Budgets presented in this report for comparison to actual amounts are presented in accordance with GAAP. Each June, the School Board adopts an annual budget for the following fiscal year for the General, Food Service, Community Service, Capital Projects, and Debt Service Funds. The approved budget is published in summary form in the District's legal newspaper. Reported budget amounts represent the amended budget as adopted by the School Board. Legal budgetary control is at the fund level. Budgeted expenditure appropriations lapse at year-end.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgeting (Continued)

Procedurally, in establishing the budgetary data reflected in these financial statements, the Superintendent submits to the School Board prior to July 1, a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means to finance them. The budget is legally enacted by School Board action. Revisions to budgeted amounts must be approved by the School Board.

Total fund expenditures in excess of the budget require approval of the School Board. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at line item levels.

Budgeted amounts include mid-year budget amendments as follows:

	Original Budget	Amendments	Amended Budget
<u>Revenues</u>			
General Fund	\$ 130,685,614	\$ 4,900,103	\$ 135,585,717
Special Revenue Funds:			
Food Service Fund	3,771,918	2,186,939	5,958,857
Community Service Fund	6,067,374	531,977	6,599,351
Debt Service Fund	12,316,688	(97,122)	12,219,566
<u>Expenditures</u>			
General Fund	\$ 135,767,437	\$ 268,261	\$ 136,035,698
Special Revenue Funds:			
Food Service Fund	3,879,852	1,186,420	5,066,272
Community Service Fund	5,833,129	(214,267)	5,618,862
Capital Projects Fund	1,776,263	(118,318)	1,657,945
Debt Service Fund	11,359,615	120,385	11,480,000

Budget provisions for the Debt Service Fund are set by state law governing required debt service levels.

At the end of each fiscal year, if the General Fund has a net unassigned deficit fund balance, calculated in accordance with the uniform financial accounting and reporting standards for Minnesota school districts which excludes certain restricted balances specified in Minnesota Statutes, exceeding 2.5% of expenditures, a condition referred to as "statutory operating debt" exists. That debt requires retirement through the accumulation of subsequent operating surpluses in accordance with a "special operating plan" approved by the Commissioner of the Department of Education.

F. Cash and Investments

Cash balances from all funds are combined and invested to the extent available in various securities as authorized by Minnesota Statutes. Earnings from the pooled investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund. Highly liquid investments with maturities of three months or less are considered cash equivalents.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Cash and Investments (Continued)

Cash and investments held by trustee include balances held in segregated accounts that are established for specific purposes.

Investments are stated at their fair value as determined by quoted market prices, except for money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less which are recorded at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors.

Money market investments are short-term, highly liquid debt instruments including commercial paper, banker's acceptances, and U.S. Treasury and agency obligations. Investments in external investment pools are valued at net asset value.

G. Receivables

Represents amounts receivable from individuals, firms, and corporations for goods and services furnished by the District. No substantial losses are anticipated from present receivable balances, therefore, no allowance for uncollectible accounts is deemed necessary.

H. Inventories

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

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepayments. Prepaid items are reported using the consumption method and recorded as an expense or expenditure at the time of consumption.

J. Property Taxes

Property tax levies are established by the School Board in December each year and are certified to the County for collection the following calendar year. In Minnesota, counties act as collection agents for all property taxes and are responsible for spreading all levies over taxable property. Such taxes become a lien on January 1. Taxes are generally due on May 15 and October 15 and counties generally remit taxes to the Districts at periodic intervals as they are collected. A portion of property taxes levied is paid through state credits which are included in revenue from state sources in the financial statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Property Taxes (Continued)

Generally, tax revenue is recognized in the fiscal year ending June 30, following the calendar year in which the tax levy is collectible, while the current calendar year tax levy is recorded as a deferred inflow of resources (property taxes levied for subsequent year). The majority of District revenue in the General and Special Revenue Funds is determined annually by statutory funding formulas. The total revenue allowed by these formulas is then allocated between taxes and state aids by the Legislature based on education funding priorities. Changes in this allocation are periodically accompanied by a change in property tax revenue recognition referred to as the "tax shift."

In accordance with state law, the current tax shift consists of an amount equal to 31% of the District's 2000 Pay 2001 operating referendum levy (frozen at \$3,269,341) advance recognized as revenue in fiscal 2021 with no corresponding state aid adjustment. Certain other portions of the District's 2020 pay 2021 levy, normally revenue for the 2021-22 fiscal year, are also advance recognized as June 30, 2021, as required by state statute to match revenue with the same fiscal year as the related expenditures.

Taxes that remain unpaid are classified as delinquent taxes receivable. Revenue from these delinquent property taxes that is not collected within 60 days of year-end is deferred because it is not known to be available to finance the operations of the District in the current year. No allowance for uncollectible taxes has been provided as such amounts are not expected to be material. Current levies of local taxes, less the amount recognized as revenue in the current period, including portions assumed by the state which will be recognized as revenue in the next fiscal year beginning July 1, 2021, are included in the Property Taxes Levied for Subsequent Year account to indicate that, while they are current assets, they will not be recognized as revenue until the following year.

K. Capital Assets

Capital assets that are purchased or constructed by the District are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their acquisition value at the date of donation. The District defines capital assets as those with an initial, individual cost of \$5,000 or more, which benefit more than one fiscal year. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. See Note 1 N for a description of right-to-use assets related to leases.

Capital assets are recorded in the Government-wide financial statement, but are not reported in the Fund financial statements. 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 or 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 and construction in process.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets (Continued)

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

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. The first is related to the recording of defined pension benefits as further explained in Note 7. The second is the deferred losses on the refunding of certain bond issuances of the District. The third is related to the recording of the other postemployment benefits as further explained in Note 6.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has several types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. Another type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the District's year-end) under the modified accrual basis of accounting. The District also has four other items that qualify for reporting in this category. The first is related to the recording of defined pension benefits as further explained in Note 7. The second is the deferred gains on the refunding of certain bond issuances of the District. The third is related to the recording of other postemployment benefits, as further explained in Note 6. The fourth is related to future lease receivable amounts that are being amortized over the life of the contract.

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. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

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.

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Leases

The District determines if an arrangement is a lease at inception. Lessee leases are included in right-to-use assets and lease liabilities in the statements of net position. Lessor leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represent the District's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

The District has elected to recognize payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

Right-to-use assets represent the District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Right-to-use assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Right-to-use assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the District will exercise that option. The District has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use assets on the statements of net position.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Leases (Continued)

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the District has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

The District accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the District treats the components as a single lease unit.

O. Compensated Absences

Eligible employees accrue vacation and sick leave at varying rates as specified by contract, portions of which may be carried over to future years. Employees are reimbursed for any unused, accrued vacation upon termination. Unused sick leave enters into the calculation of severance benefits for some employees upon termination. Compensated absences are accrued in the governmental fund statements only to the extent they have been used or otherwise matured prior to year-end. Unused vacation is accrued as it is earned in the government-wide financial statements.

P. Severance Benefits

Under the terms of collectively bargained employment contracts, certain district employee groups, including teachers, may become eligible to receive lump sum severance benefits. Eligibility is based on years of service and/or minimum age requirements. Severance benefits are calculated by converting a portion of unused, accrued sick leave times a pay rate specified in the employee's collectively bargained contract. Severance benefits based on convertible sick leave are recorded as a liability in the Internal Service Fund as they are earned and it becomes probable they will vest at some point in the future.

In accordance with Minnesota Statutes, no employee can receive severance or retirement incentive benefits that exceed one year's salary.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net positions 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Fund Balance

In the fund financial statements, governmental funds report fund balances in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

Nonspendable – portions of fund balance related to prepaids, inventories, long-term receivables, and corpus on any permanent fund.

Restricted – funds are constrained from outside parties (statute, grantors, bond agreements, etc.).

Committed – funds are established and modified by a resolution approved by the Board of Education.

Assigned – consists of internally imposed constraints approved by a majority vote of the school board.

Unassigned – is the residual classification for the general fund and also reflects negative residual amounts in other funds.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District's policy to use restricted first, then unrestricted fund balance.

When an expenditure is incurred for purposes for which committed, assigned, and unassigned amounts are available, it is the District's policy to use committed first, then assigned, and finally unassigned amounts.

The District formally adopted a fund balance policy for the General Fund. The policy establishes a year-end minimum unassigned fund balance of 8% of the annual budget for fiscal year 2022.

S. 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; injuries to employees; and natural disasters. The District purchases insurance coverage for such risks from various providers.

There has been no significant reduction in insurance coverage from the previous year in any of the District's policies. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Net Position

Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows in the Government-wide, Proprietary Fund, and Fiduciary Fund financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization, 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 statements when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

U. Comparative Data

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

V. Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, Leases. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating lease and as inflows of resources or outflows of resources recognized on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The District adopted the requirements of the guidance effective July 1, 2021, and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard did not result in the restatement of fund balances or net position. The implementation of this standard resulted in the District reporting right-to-use assets and a lease liability as disclosed in Note 4 and Note 5. It also resulted in the reporting of a lease receivable and a related deferred inflow of resources.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2 DEPOSITS AND INVESTMENTS

A. Deposits

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and the balance sheet as "Cash and Investments." In accordance with Minnesota Statutes, the District maintains deposits at financial institutions which are authorized by the School District's Board.

Custodial Credit Risk – Custodial credit risk for deposits is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District does have a deposit policy that will minimize Custodial Credit Risk by obtaining collateral or bond for all uninsured amounts on deposit, and by obtaining necessary documentation to show compliance or bond for all uninsured amounts on deposit, and by obtaining necessary documentation to show compliance with state law and a perfected security interest under federal law. Minnesota Statutes require that all deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or corporate surety bonds. Authorized collateral include: U.S. government treasury bills, notes, or bonds; issues of a U.S. government agency; general obligations of a state or local government rated "A" or better; revenue obligations of a state or local government rated "AA" or better; irrevocable standby letter of credit issued by a Federal Home Loan Bank; and time deposits insured by a federal agency. Minnesota Statutes require securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or at an account at a trust departments of a commercial bank or other financial institution not owned or controlled by the depository.

The carrying value and bank balance of the District's deposits in banks at June 30, 2022 are both \$24,005,563 and were entirely covered by federal depository insurance or by surety bonds and collateral in accordance with Minnesota Statutes. At June 30, 2022, the District's petty cash fund totaled \$3,880.

B. Investments

The District may also invest idle funds as authorized by Minnesota Statutes as follows:

- Direct obligations or obligations guaranteed by the United States or its agencies
- Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, is rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less
- General obligations rated "A" or better; revenue obligations rated "AA" or better
- General obligations of the Minnesota Housing Finance Agency rate "A" or better
- Bankers acceptances of United States banks eligible for purchase by the Federal Reserve System

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

- Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less
- Guaranteed investment contracts guaranteed by United States commercial banks or domestic branches of foreign banks or United States insurance companies if similar debt obligations of the issuer or the collateral pledged by the issuer is in the top two rating categories
- Repurchase or reverse purchase agreement and securities lending agreements financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers
- Investments related to the OPEB Revocable Trust Fund may be invested in accordance with Minnesota statute 356A.06

At June 30, 2022, the District’s investment balances were as follows:

	Fair Value
Negotiable Certificates of Deposit With Maturity at Purchase of Greater Than One Year	\$ 1,946,344
Municipal Bonds	6,118,915
Vanguard Total Bond Market ETF	1,574,145
Vanguard Total Stock Market ETF	3,486,492
Total Investments at Fair Value	<u>\$ 13,125,896</u>
	Amortized Cost
Money Markets	\$ 22,939,581
MN Trust Term Series	5,000,000
MN Trust Limited Term Duration Series	10,028,541
MSDLAF+ Max Class	4,276,506
MSDLAF+ Liquid Class	6,537,600
Total Investments at Amortized Cost	<u>48,782,228</u>
Total District Investments	<u>\$ 61,908,124</u>

The MN trust Investment Shares, MN Trust Term Series, MN Trust Limited Term Duration Series, and MDLAF+ funds are external investment pools and the investments within these pools are valued at amortized cost. The pools do not have any credit risk policies. There are no unfunded commitments in relation to these external investment pools. The MN Trust Limited Term Duration Series has a 30-day advance notice required for withdrawals.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investment policies do not limit the maturities of investments; however, when purchasing investments the District considers such things as interest rates and cash flow needs.

The credit ratings and maturities of the District's investments are as follows:

Type	Total	Maturity Duration in Years			No Maturities	Rating
		Less Than 1	1 to 5	More Than 5		
MSDLAF+ Max Class	\$ 4,276,506	\$ -	\$ -	\$ -	\$ 4,276,506	AAAm
MN Trust Term Series	5,000,000	5,000,000	-	-	-	AAAm
MSDLAF+ Liquid Class	6,537,600	-	-	-	6,537,600	AAAm
MN Trust Limited Term Duration	10,028,541	10,028,541	-	-	-	NR
Municipal Bonds	6,118,915	1,647,237	4,471,678	-	-	AA to AAA
Negotiable CDs	1,946,344	490,429	1,455,915	-	-	NR
Money Market Funds	22,939,581	-	-	-	22,939,581	AAAm
Vanguard Total Bond Market ETF	1,574,145	-	-	-	1,574,145	NR
Vanguard Total Stock Market ETF	3,486,492	-	-	-	3,486,492	NR
Total	<u>\$ 61,908,124</u>	<u>\$ 17,166,207</u>	<u>\$ 5,927,593</u>	<u>\$ -</u>	<u>\$ 38,814,324</u>	

Custodial Credit Risk – For an investment, custodial risk is the risk that, in the event of failure of the counterparty, the School District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Although the District's investment policies do not directly address custodial credit risk, it typically limits its exposure by purchasing insured or registered investments, or by the control of who holds the securities.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer, excluding U.S. guaranteed investments, investment pools, and mutual funds. The Districts investment policies do not address concentration risk. At June 30, 2022, the District did not have any single investments comprising 5% or more of total investments.

The deposits and investments are presented in the financial statements as follows:

Cash and Investments - Statement of Net Position	\$ 85,917,567
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C. Fair Value Measurements

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

C. Fair Value Measurements (Continued)

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

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

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

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

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

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

Investment	Level 1	Level 2	Level 3	Total
Municipal Bonds	\$ -	\$ 6,118,915	\$ -	\$ 6,118,915
Negotiable Certificates of Deposit	-	1,946,344	-	1,946,344
Vanguard Total Bond Market ETF	-	1,574,145	-	1,574,145
Vanguard Total Stock Market ETF	-	3,486,492	-	3,486,492
Total	<u>\$ -</u>	<u>\$ 13,125,896</u>	<u>\$ -</u>	<u>13,125,896</u>
Investments Measured at Amortized Cost				48,782,228
Total				<u>\$ 61,908,124</u>

Debt and equity securities as well as governmental agencies securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on securities' relationship to benchmark quoted prices.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 LEASES RECEIVABLE

The District, acting as lessor, leases the premises at 2140 Diffley Road, Eagan, Minnesota under long-term, non-cancelable lease agreement. The lease expires at June 30, 2024. During the year ended June 30, 2022, the District recognized \$232,513 and \$23,651 in lease revenue and interest revenue, respectively, pursuant to the contract.

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

Year Ending June 30,	Lease Receivable	
	Principal	Interest
2023	\$ 244,714	\$ 14,834
2024	259,105	4,769
Total Minimum Lease Payments	<u>\$ 503,819</u>	<u>\$ 19,603</u>

NOTE 4 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 3,119,968	\$ -	\$ (17,500)	\$ 3,102,468
Construction in Progress	75,552	-	(75,552)	-
Total Capital Assets, Not Being Depreciated	3,195,520	-	(93,052)	3,102,468
Capital Assets, Being Depreciated:				
Land Improvements	19,842,793	285,691	-	20,128,484
Buildings and Improvements	272,430,261	3,557,813	(5,191,499)	270,796,575
Equipment	10,575,603	546,142	(7,240)	11,114,505
Right-to-Use Assets, Being Amortized:				
Equipment	9,517 *	187,949	-	197,466
Total Capital Assets, Being Depreciated/Amortized	302,858,174	4,577,595	(5,198,739)	302,237,030
Accumulated Depreciation for:				
Land Improvements	(13,117,746)	(777,184)	-	(13,894,930)
Buildings and Improvements	(149,997,643)	(7,953,398)	1,825,436	(156,125,605)
Equipment	(7,141,956)	(551,557)	7,240	(7,686,273)
Accumulated Amortization for:				
Equipment	- *	(10,659)	-	(10,659)
Total Accumulated Depreciation/Amortization	(170,257,345)	(9,292,798)	1,832,676	(177,717,467)
Total Capital Assets, Being Depreciated/Amortized, Net	132,600,829	(4,715,203)	(3,366,063)	124,519,563
Governmental Activities Capital Assets, Net	<u>\$ 135,796,349</u>	<u>\$ (4,715,203)</u>	<u>\$ (3,459,115)</u>	<u>\$ 127,622,031</u>

* The beginning balance of capital assets was revised to record right-to-use assets due to the implementation of GASB Statement No. 87.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 4 CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense for the year ended June 30, 2022 was charged to the following governmental functions:

Governmental Activities

Administration	\$ 16,576
District Support Services	122,176
Regular Instruction	8,894,145
Vocational Education Instruction	1,856
Special Education Instruction	21,349
Community Education	6,498
Instructional Support	90,037
Pupil Support	4,642
Food Service	65,903
Sites and Buildings	69,616
Total Depreciation/Amortization Expense, Governmental Activities	<u>\$ 9,292,798</u>

NOTE 5 LONG-TERM LIABILITIES

A. General Obligation Bonds Payable

The District currently has the following general obligation bonds and other longer liabilities outstanding:

Issue Date	Net Interest Rate	Series Number	Original Issue	Maturities	Principal Outstanding	
					Due Within One Year	Total
5/7/2015	2.00% - 4.00%	2015A	\$ 64,485,000	2017-2036	\$ 1,745,000	\$ 56,955,000
3/15/2016	2.00% - 3.00%	2016A	36,715,000	2018-2033	2,390,000	27,740,000
2/1/2017	0.6% - 2.80%	2016B	13,990,000	2017-2029	1,195,000	8,880,000
11/4/2020	2.00% - 4.00%	2020A	11,485,000	2022-2030	1,020,000	10,595,000
11/4/2021	5.00%	2021A	9,680,000	2023-2030	790,000	9,680,000
Total General Obligation Bonds					7,140,000	113,850,000
Bond Premiums					-	6,442,825
Lease Liability					64,526	187,187
Financed Purchases Payable					78,105	160,460
Severance Benefits Payable					164,167	682,675
Compensated Absences Payable					799,326	799,326
Total					<u>\$ 8,246,124</u>	<u>\$ 122,122,473</u>

The 2015A G.O. School Building Bonds were issued to finance the acquisition, maintenance, renovation and/or construction of capital facilities. The 2016A G.O. Alternative Facilities Refunding Bonds, 2020A G.O. Alternative Facilities Refunding Bonds, and 2021A G.O. Alternative Facilities Refunding Bonds were issued to refinance (refund) previous bond issues that had previously funded the acquisition, maintenance, renovation and/or construction of capital facilities. The 2016B G.O. OPEB Refunding Bonds were issued to refinance (refund) the 2009A G.O. OPEB Bonds which had been issued to finance OPEB benefits and the District's OPEB revocable trust.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

A. General Obligation Bonds Payable (Continued)

Assets of the Debt Service Fund, together with scheduled future ad valorem tax levies, are dedicated for the retirement of these bonds. The annual future debt service levies authorized are equal to 105% of the principal and interest due each year. These levies are subject to reduction if fund balance amounts exceed limitations imposed by Minnesota law.

On November 4, 2021 the District issued the Series 2021A General Obligation Alternative Facilities Refunding Bonds for the purpose of currently refunding the \$11,705,000 outstanding principal of the Series 2012A General Obligation Alternative Facilities Bonds as of a February 1, 2022 call date. The refunding resulted in net debt service cashflow savings of \$941,672 and a net present value benefit of \$942,005.

B. Financed Purchases

During the fiscal year ended June 30, 2009, the District entered into a financed purchase agreement to finance improvements to the athletic facilities at Burnsville High School. The financed purchase proceeds of \$875,000 carry an interest rate of 5.37% with a final maturity of 2024. The assets acquired through the financed purchase agreement are included in land improvements as of June 30, 2022. The financed purchase agreement will be repaid through the General Fund.

C. Lease Liability

The District leases equipment for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2025.

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class:

	Governmental Activities
Equipment	\$ 197,466
Less: Accumulated Amortization	(10,659)
Total	<u>\$ 186,807</u>

D. Compensated Absences

Compensated absences payable represents the outstanding liability at year-end for any unused, accrued vacation. Compensated absences are paid by the General Fund.

E. Severance Benefits Payable

Severance benefits payable consist of early retirement incentive pay (based on convertible sick leave) payable to employees upon retirement. Severance benefits are paid by the Severance Benefits Internal Service Fund.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

F. Minimum Debt Payments

Minimum annual principal and interest payments to maturity for general obligation bonds, financed purchases and lease liabilities are as follows:

Year Ending June 30,	General Obligation Bonds Payable		Financed Purchases Payable	
	Principal	Interest	Principal	Interest
2023	\$ 7,140,000	\$ 4,211,512	\$ 78,105	\$ 7,582
2024	7,550,000	3,802,240	82,355	3,332
2025	7,640,000	3,539,833	-	-
2026	7,935,000	3,247,945	-	-
2027	8,205,000	2,987,155	-	-
2028-2032	42,000,000	10,168,713	-	-
2033-2037	33,380,000	2,927,063	-	-
Total	<u>\$ 113,850,000</u>	<u>\$ 30,884,461</u>	<u>\$ 160,460</u>	<u>\$ 10,914</u>

Year Ending June 30,	Lease Liability	
	Principal	Interest
2023	\$ 64,526	\$ 6,292
2024	62,825	3,763
2025	59,836	1,203
Total	<u>\$ 187,187</u>	<u>\$ 11,258</u>

G. Changes in Long-Term Liabilities

	June 30, 2021	Additions	Retirements	June 30, 2022
Bonds Payable	\$ 122,960,000	\$ 9,680,000	\$ 18,790,000	\$ 113,850,000
Bond Premiums	6,094,114	2,143,678	1,794,967	6,442,825
Lease Liability	9,517 *	187,949	10,279	187,187
Financed Purchases Payable	234,534	-	74,074	160,460
Severance Benefits Payable	974,069	13,928	305,322	682,675
Compensated Absences Payable	792,400	799,326	792,400	799,326
Total	<u>\$ 131,064,634</u>	<u>\$ 12,824,881</u>	<u>\$ 21,767,042</u>	<u>\$ 122,122,473</u>

* The beginning balance of long-term liabilities was revised to record the District's lease liability due to the implementation of GASB Statement No. 87.

NOTE 6 FUND BALANCES AND NET POSITION

Certain portions of fund balance are restricted based on state requirements to track special program funding, to provide for funding on certain long-term liabilities, or as required by other outside parties. A description of deficit balance restrictions is included herein since the District has specific statutory authority to levy taxes for such deficits.

Restricted, Committed, and Assigned fund balances at June 30, 2022 are as follows:

- A. Restricted for Student Activities – Represents available resources available for the extracurricular activity funds raised by students in accordance with state statute.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 6 FUND BALANCES AND NET POSITION (CONTINUED)

- B. Restricted for Capital Projects Levy – This amount represents resources from the capital projects levy to be used for building construction and other projects under Minnesota Statutes.
- C. Restricted for Operating Capital – This balance represents amounts available for capital expenditure equipment purchases, facility projects and personnel costs directly related to acquisition, operation, and maintenance of computers, related equipment, and network and applications software. Revenue to finance these expenditures is derived primarily from state aid revenue.
- D. Restricted for Community Education – This amount represents available resources for community education classes. Revenues are derived from local tax levies and state aids and expenditures are for salaries, benefits, and supplies. The account is allowed to go into a deficit to the extent there is future revenues to eliminate the deficit.
- E. Restricted for Early Childhood and Family Education – This represents amounts restricted to provide service for early childhood family education programming under Minnesota Statute §124D.135. Includes aids, levies, fees, grants and all other revenues received by the school district for early childhood education programs. This restricted/reserved account is allowed to go into deficit.
- F. Restricted for Area Learning Center – This represents amounts restricted for students attending area-learning centers. Each district that sends students to an area learning center must reserve an amount equal to at least 90% of the district average General Education Revenue, minus .0485 times the formula allowance per pupil unit, times the number of pupils attending area learning centers. Refer to Minnesota Statute §123A.05, Subd. 2.
- G. Restricted for School Readiness – This amount represents available resources to provide services for learning readiness programs.
- H. Restricted for Adult Basic Education – This amount represents the balance of carryover monies for all activity involving Adult Basic Education. This would include all state aid and any grants or local funding used in support of Adult Basic Education.
- I. Restricted for Long-Term Facilities Maintenance – This amount represents resources to be used for LTFM projects in accordance with the 10-year plan.
- J. Restricted for Medical Assistance – This amount represents resources to be used for Medical Assistance expenditures in Finance Code 372 in accordance with Minnesota Statute § 125A.21, subd. 3).
- K. Restricted for Other Purposes – Represents amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
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NOTE 6 FUND BALANCES AND NET POSITION (CONTINUED)

- L. Committed for Program Carryover – Noncapital – Represents noncapital amounts allocated to the District's budget units which were unspent during the year.
- M. Committed for Program Carryover – Facilities Rental – Represents facilities rental amounts allocated to the District's budget units which were unspent during the year.
- N. Committed for Pro Pay Program – Represents amounts that are committed for professional development through the District's Q-Comp Program.
- O. Assigned for Planned Budget Deficit for 2023 – Represents fund balance assigned to cover the excess of budgeted expenditures and other financing uses over budgeted revenues and other financing uses in the fiscal year 2023 budget.

The District presents certain portions of net position as net investment in capital assets. This amount represents the net amounts invested in capital assets (original cost net of accumulated depreciation and amortization) less capital related debt including the outstanding balances of any long-term, capital related liabilities and the corresponding unamortized premiums, discounts, and gains or losses on refunding. Below is the calculation of the District's net investment in capital assets at June 30, 2022:

Capital Assets, Net of Accumulated Depreciation/Amortization	\$ 127,622,031
Capital-Related Long-Term Liabilities	(105,317,647)
Contracts Payable Related to Capital Assets	(120,723)
Unamortized Premiums on Capital-Related Debt	(6,442,825)
Deferred Inflows and Deferred Outflows on Refundings	(106,808)
Unspent Bond Proceeds	120,723
Net Investment in Capital Assets	<u><u>\$ 15,754,751</u></u>

NOTE 7 OTHER POSTEMPLOYMENT BENEFIT PLANS

The District engaged an actuary to determine the District's liability for postemployment healthcare benefits other than pensions.

A. Plan Description

The District provides postemployment insurance benefits to certain eligible employees through its Other Postemployment Benefits Plan, a single-employer defined benefit plan administered by the District. All postemployment benefits are based on contractual agreements with employee groups. Eligibility for these benefits is based on years of service and/or minimum age requirements. These contractual agreements do not include any specific contribution or funding requirements. The plan does not issue a publicly available financial report.

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NOTE 7 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

A. Plan Description (Continued)

Employees that meet certain age and/or length of service requirements are eligible for postretirement healthcare benefits. For teachers hired before July 1, 1989 and certain other employee groups, the District is contractually required to pay health insurance premiums for the period from retirement until eligibility for Medicare. The amount to be paid is equal to the single coverage insurance premium benefit available to full-time employees in the bargaining group.

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

The District plan has 1,133 plan participants. 1,085 of these participants are active, 40 are retirees receiving payments, and the remaining 8 are spouses receiving payments.

B. Funding Policy

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to pre-fund benefits as determined annually by the District. The District issued \$18,580,000 of general obligation OPEB bonds in 2009 and contributed the proceeds to a revocable trust account to be used for other postemployment benefit (OPEB) payments.

The District has established a separate internal service fund to account for these obligations and the assets accumulated to finance them.

The OPEB trust does not meet criteria for GASB 74 because it is a revocable trust.

C. Actuarial Methods and Assumptions

The District's OPEB liability was measured as of July 1, 2021, and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation as of July 1, 2021.

The total OPEB liability was determined by an actuarial valuation as of July 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

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NOTE 7 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

C. Actuarial Methods and Assumptions (Continued)

Inflation	2.00%
Discount Rate	2.10%
20-Year Municipal Bond Yield	2.10%
	6.50%
Health Care Trend Rates	Decreasing to 5.00% Over 6 Years

The salary scale used to value GASB 75 liabilities is similar to the table used to value pension liabilities for Minnesota school district employees. The rates for teachers, principals and the superintendent are based on the Teacher Retirement Association of Minnesota actuarial experience study for the period July 1, 2014 through June 30, 2018 and a study of economic assumptions dated November 2017. The rates for other employees are based on the Public Employees Retirement Association of Minnesota most recent four-year experience study for the General Employees Plan completed in 2019 and a review of the inflation assumption.

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2020 Generational Improvement Scale

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period of July 1, 2021 to June 30, 2022.

The discount rate used to measure the total OPEB liability was 2.10%. Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year Municipal Bond Yield.

Since the prior GASB Statement No. 75, *Other Postemployment Benefits* valuation, the following changes have been made:

Benefit Changes:

- None.

Assumption Changes:

- The healthcare trend rates, mortality tables, salary increase rates for non-teachers, termination rates, and percentage of future retirees not eligible for a subsidy who are assumed to continue on the District's medical plan post-employment were updated.
- The inflation rate changed from 2.50% to 2.00%.
- The discount rate changed from 2.40% to 2.10%.

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NOTE 7 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

D. Changes in the OPEB Liability

The following table shows the components of the changes in the District's OPEB Liability:

Measurement Date	July 1, 2021
Total OPEB Liability	
Service Cost	\$ 639,535
Interest	243,940
Plan Changes	-
Differences Between Expected and Actual Experience	(425,805)
Changes of Assumptions	(253,114)
Benefit Payments	(874,929)
Net Change in Total OPEB Liability	(670,373)
Total OPEB Liability - Beginning	9,959,504
Total OPEB Liability - Ending (a)	\$ 9,289,131

E. OPEB Liability Sensitivity

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

	1% Decrease (1.1%)	Discount Rate (2.1%)	1% Increase (3.1%)
Net OPEB Liability	\$ 9,727,346	\$ 9,289,131	\$ 8,855,817

The following presents the OPEB liability of the District, as well as what the District's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (6.5% decreasing to 4.00% over 5 years) or 1% point higher (7.5% decreasing to 6.00% over 5 years) than the current healthcare cost trend rates:

	Healthcare Cost		
	1% Decrease (5.5% Decreasing to 4.00% over 6 Years)	Current Trend Rates (6.5% Decreasing to 5.00% over 6 Years)	1% Increase (7.5% Decreasing to 6.00% over 6 Years)
Net OPEB Liability	\$ 8,577,509	\$ 9,289,131	\$ 10,115,514

F. OPEB Liability Costs

For the year ended June 30, 2022, the District recognized OPEB expense of \$647,166 in the OPEB revocable trust, and a decrease to OPEB expense of \$128,643 when booking the change in the liability and related deferred outflows of resources for the year ended June 30, 2022.

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NOTE 7 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

F. OPEB Liability Costs (Continued)

At June 30, 2022, the District reported OPEB deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Liability	\$ -	\$ 779,093
Change of Assumptions	174,263	286,832
Contributions Between Measurement Date and Reporting Date	775,812	-
Total	<u>\$ 950,075</u>	<u>\$ 1,065,925</u>

A total of \$775,812 of deferred outflows of resources resulting from District contributions subsequent to the measurement date which will be recognized as a reduction of the OPEB liability in the year ending June 30, 2023. Other expense amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Future Recognition
2023	\$ (236,309)
2024	(236,309)
2025	(236,302)
2026	(69,590)
2027	(113,152)
Total	<u>\$ (891,662)</u>

NOTE 8 DEFINED BENEFIT PENSION PLANS

Substantially all employees of the District are required by state law to belong to pension plans administered by Teachers' Retirement Association (TRA) or Public Employees' Retirement Association (PERA), all of which are administered on a statewide basis. Disclosures relating to these plans follow:

A. Plan Description

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

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NOTES TO BASIC FINANCIAL STATEMENTS
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NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

A. Plan Description (Continued)

1. General Employees Retirement Plan (General Employees Plan)

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

2. Teachers Retirement Fund (TRA)

The Teacher's 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 employed by St. Paul schools or Minnesota State Colleges and Universities).

B. Benefits Provided

PERA and TRA provide 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.

1. General Employees Plan Benefits

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

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 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.

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NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Benefits Provided (Continued)

1. General Employee Plan Benefits (Continued)

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. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

2. TRA Benefits

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

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

Tier 1 Benefits

Tier 1	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:

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

or

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NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Benefits Provided (Continued)

2. TRA Benefits (Continued)

Tier II Benefits

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

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

Six different types of annuities are available to members upon retirement. The No Refund 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. Contributions

1. General Employees Plan Contributions

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature. Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2022 and the District was required to contribute 7.50% for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2022 were \$1,507,841. The District's contributions were equal to the required contributions as set by state statute.

2. TRA Contributions

Per Minnesota Statutes, Chapter 354 rates for the fiscal year for coordinated were 7.5% for the employee and 8.34% for the employer. Basic rates were 11.00% for the employee and 12.34% for the employer. The District's contributions to TRA for the plan's fiscal year ended June 30, 2022 were \$4,794,266. The District's contributions were equal to the required contributions for each year as set by state statute.

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NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Pension Costs

1. General Employees Plan Pension Costs

At June 30, 2022, the District reported a liability of \$11,291,065 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 \$344,712, for a total net pension liability of \$11,635,777 associated with the District. The net pension liability was measured as of June 30, 2021, 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, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.2644% at the end of the measurement period and 0.2833% for the beginning of the period.

For the year ended June 30, 2022, the District recognized pension expense of \$(616,336) for its proportionate share of the General Employees Plan's pension expense. In addition, the District recognized an additional \$27,813 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.

At June 30, 2022, the District reported its proportionate share of General Employees Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 69,369	\$ 345,539
Changes in Actuarial Assumptions	6,894,090	249,765
Net Difference Between Projected and Actual		
Earnings on Plan Investments	-	9,778,537
Changes in Proportion and Differences		
Between District Contributions and		
Proportionate Share of Contributions	-	1,292,617
District Contributions Subsequent to the		
Measurement Date	1,507,841	-
Total	<u>\$ 8,471,300</u>	<u>\$ 11,666,458</u>

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NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

1. General Employees Plan Pension Costs (Continued)

A total of \$1,507,841 reported as deferred outflows of resources related to pensions resulting from District contributions to the General Employee Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to the General Employee Plan pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Pension Expense Amount</u>
2023	\$ (1,079,383)
2024	(581,164)
2025	(375,334)
2026	(2,667,118)
2027	-
Thereafter	-

2. TRA Pension Costs

At June 30, 2022, the District reported a liability of \$40,752,096 for its proportionate share of TRA's net pension liability. The net pension liability was measured as of June 30, 2021, 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. The District's proportionate share was 0.9312% at the end of the measurement period and 1.0079% at the beginning of the period.

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:

<u>Description</u>	<u>Amount</u>
District's Proportionate Share of the TRA Net Pension Liability	\$ 40,752,096
State's Proportionate Share of the Net Pension Liability Associated with the District	3,436,859
Total Net Pension Liability	<u>\$ 44,188,955</u>

For the year ended June 30, 2022, the District recognized pension expense of \$(2,150,889). It also recognized \$(329,250) as pension expense and grant revenue for the support provided by direct aid.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
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JUNE 30, 2022**

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

2. TRA Pension Costs (Continued)

At June 30, 2022, the District reported its proportionate share of the TRA's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 1,103,746	\$ 1,154,280
Changes in Actuarial Assumptions	14,934,106	36,767,027
Net Difference Between Projected and Actual		
Earnings on Plan Investments	-	34,170,398
Changes in Proportion and Differences		
Between District Contributions and		
Proportionate Share of Contributions	1,475,421	12,390,779
District Contributions Subsequent to the		
Measurement Date	4,794,266	-
Total	<u>\$ 22,307,539</u>	<u>\$ 84,482,484</u>

A total of \$4,794,266 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 ending June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to TRA will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense Amount
2023	\$ (29,839,207)
2024	(22,975,586)
2025	(6,949,147)
2026	(8,702,646)
2027	1,497,375
Thereafter	-

3. Pension Totals

The District reported the following totals for PERA and TRA net pension liabilities, deferred outflows of resources, deferred inflows and resources, and pension expense:

Pension Totals	GERF	TRA	Total
Net Pension Liability	\$ 11,291,065	\$ 40,752,096	\$ 52,043,161
Deferred Outflows of Resources	8,471,300	22,307,539	30,778,839
Deferred Inflows of Resources	11,666,458	84,482,484	96,148,942
Pension Expense	576,936	10,030,914	10,607,850

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NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Actuarial Assumptions

The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions:

Assumptions	GERF	TRA
Inflation	2.25% per Year	2.50% per Year
		2.85% before July 1, 2028 and
Salary Growth	3.00% per Year	3.25% to 9.25% after June 30, 2028
Investment Rate of Return	6.50%	7.00%

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 29 years of service and 6.0% per year thereafter. Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation.

The following changes for General Employees Fund occurred in 2021:

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 were no changes in plan provisions since the previous valuation.

TRA pre-retirement mortality rates were based on the RP-2014 white collar employee table, male rates set back 6 years and female rates set back 5 years. Generational projection uses the MP-2015 scale. Postretirement mortality rates were based on the RP-2014 white collar annuitant table, male rates set back 3 years and female rates set back 3 years, with further adjustments of the rates.

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NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Actuarial Assumptions (Continued)

Generational projection uses the MP-2015 scale. Post-disability mortality rates were based on the RP-2014 disabled retiree mortality table, without adjustment. TRA cost of living benefit increases 1.0% for January 2020 through January 2023, then increasing by 0.1% each year up to 1.5% annually.

The following changes in actuarial assumptions for TRA occurred in 2021:

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	35.50 %	5.10 %
International Equity	17.50	5.30
Fixed Income	20.00	0.75
Private Markets	25.00	5.90
Unallocated Cash	2.00	-
Totals	100.00 %	

F. Discount Rate

The discount rate used to measure the PERA General Employees Plan liability in 2021 was 6.50%. 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 positions of the General Employees Fund were 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
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NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

F. Discount Rate (Continued)

The discount rate used to measure the TRA pension liability was 7.00%. The discount rate used to measure the total pension liability at the prior measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contribution will be made at the fiscal year 2021 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

G. Pension Liability Sensitivity

The following 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 one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease	Current Discount Rate	1% Increase
<u>GERF Discount Rate</u>	5.50%	6.50%	7.50%
District's Proportionate Share of the GERF Net Pension Liability	\$ 23,028,008	\$ 11,291,065	\$ 1,660,186
<u>TRA Discount Rate</u>	6.00%	7.00%	8.00%
District's Proportionate Share of the TRA Net Pension Liability	\$ 82,321,218	\$ 40,752,096	\$ 6,662,103

H. Pension Plan Fiduciary Net Position

Detailed information about the General Employees Plan's fiduciary net position is available in a separately issued PERA financial report. That report may be obtained on the internet at www.mnpera.org.

Detailed information about TRA's fiduciary net position is available in a separately issued TRA financial report. That report can be obtained at www.MinnesotaTRA.org; by writing to TRA at 60 Empire Drive #400, St. Paul, Minnesota, 55103-2088; or by calling (651) 296-2409 or 1-800-657-3669.

NOTE 9 FLEXIBLE BENEFIT PLANS

The District has a flexible benefit plan classified as a "cafeteria plan" (the Plan) under §125 of the Internal Revenue Code. All employee groups of the District are eligible if and when the collective bargaining agreement or contract with their group allows eligibility. Eligible employees can elect to participate by contributing pre-tax dollars withheld from payroll checks to the Plan for health insurance, healthcare, and dependent care benefits. Payments are made from the Plan to participating employees upon submitting a request for reimbursement of eligible expenses actually incurred by the participant.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 FLEXIBLE BENEFIT PLANS (CONTINUED)

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

The dependent care and medical expense reimbursement portions of the Plan are administered by an independent contract administrator, with the activity reported by the District in an employee benefits trust fund. Health insurance premium reimbursements are administered by the District and are accounted for in the District's General Fund and special revenue funds.

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

NOTE 10 DENTAL SELF-INSURANCE PLAN

The District established an Internal Service Fund to account for and finance its uninsured risk of loss for employee dental insurance plans. Under these plans, the Internal Service Fund provides coverage to participating employees and their dependents for various dental costs as described in the plan. There have been no significant reductions in insurance coverage from the prior year.

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

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DENTAL SELF-INSURANCE PLAN (CONTINUED)

Changes in the balance of dental claim liabilities for the year were as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance At Fiscal Year End</u>
2022	\$ 51,132	\$ 835,266	\$ 834,825	\$ 51,573
2021	20,404	877,372	846,644	51,132
2020	18,031	759,594	757,221	20,404

NOTE 11 HEALTH SELF-INSURANCE PLAN

The District's health benefits plan is a partially self-insured plan and maintains an Internal Service Fund to account for and finance a program for health benefits. District management believes it is more economical to manage its risks internally and set aside assets for claim settlement. The Internal Service Fund currently services all claims and risk of loss to which the District is exposed for health expenses. There have been no significant reductions in insurance coverage from the prior year.

Participants in the program make premium payments to the fund based on the composite insurance premium. The excess amount received above current year claims is used to establish a reserve for future claims. The District had pre-funded the self-insurance fund with an initial transfer of \$2,600,000 at June 30, 2010. At June 30, 2022, there is a reserve of \$7,350,460 resulting from fund operations.

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

Claims paid through June 30, 2022 were in excess of premiums received by \$1,105,171. There is a possibility for loss if claims are in excess of the premiums collected up to the amounts covered by the District for single and family coverage. The District held \$13,496,695 in cash and investments at June 30, 2022, for payment of claims and carryover balances.

Changes in the balance of medical claim liabilities for the year were as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance At Fiscal Year End</u>
2022	\$ 2,652,208	\$ 22,518,961	\$ 22,252,227	\$ 2,918,942
2021	1,843,205	21,655,372	20,846,369	2,652,208
2020	1,951,459	20,293,814	20,402,068	1,843,205

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 12 COMMITMENTS AND CONTINGENCIES

A. Federal and State Revenues

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

B. Legal Claims

The District has the usual and customary types of legal claims pending at year-end, mostly of a minor nature and usually covered by insurance carried for that purpose. The District's management believes that the District will not incur any material liabilities relating to these claims, and none have been accrued at year-end.

NOTE 13 STEWARDSHIP AND ACCOUNTABILITY

Excess of Expenditures Over Budget

Expenditures exceeded budgeted amounts in the following funds at June 30, 2022.

	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
Capital Projects Fund	\$ 1,657,945	\$ 1,658,133	\$ 188

The overages were considered by District management to be the result of necessary expenditures critical to operations approved by the Board.

NOTE 14 INTERFUND BALANCES AND TRANSFERS

The District had the following interfund receivables, or payables for the year ended June 30, 2022 due to the interrelationship of the self-insurance funds, the OPEB Revocable Trust, and the General Fund, and the year-end timing of the related payments of premiums and reimbursements for the implicit rate subsidy.

	<u>Due from Other Fund</u>	<u>Due to Other Fund</u>
General Fund	\$ 461,554	\$ -
Internal Service Fund:		
Self Insurance Dental	5,875	-
Self-Insurance Health	308,383	-
OPEB Revocable Trust	-	775,812
Total	<u>\$ 775,812</u>	<u>\$ 775,812</u>

REQUIRED SUPPLEMENTARY INFORMATION

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS
JUNE 30, 2022**

Measurement Date	July 1, 2021	July 1, 2020	July 1, 2019	July 1, 2018	July 1, 2017
Total OPEB Liability					
Service Cost	\$ 639,535	\$ 669,075	\$ 588,655	\$ 606,199	\$ 588,543
Interest	243,940	300,786	338,166	338,690	334,217
Plan Changes	-	70,000	711,831	-	-
Differences Between Expected and Actual Experience	(425,805)	-	(848,509)	-	-
Changes of Assumptions	(253,114)	261,394	(151,810)	-	-
Benefit Payments	(874,929)	(745,184)	(1,174,779)	(714,584)	(901,552)
Net Change in Total OPEB Liability	(670,373)	556,071	(536,446)	230,305	21,208
Total OPEB Liability - Beginning	9,959,504	9,403,433	9,939,879	9,709,574	9,688,366
Total OPEB Liability - Ending (a)	\$ 9,289,131	\$ 9,959,504	\$ 9,403,433	\$ 9,939,879	\$ 9,709,574
Covered-Employee Payroll	\$ 70,214,895	\$ 74,070,254	\$ 71,912,868	\$ 75,383,452	\$ 73,187,817
District's Total OPEB Liability as a Percentage of Covered-Employee Payroll	13%	13%	13%	13%	13%

Note: The District implemented GASB Statement No. 75 in fiscal year 2018, and the above table will be expanded to 10 years of information as the information becomes available.

**Notes to Schedule:
Benefit Changes**

- For the fiscal year ending June 30, 2019: None.
- For the fiscal year ending June 30, 2020: Twenty-one Teachers received an Early Retirement Incentive of \$25,000 each (paid to an HRA) during June 2019. The change in liability also includes a corresponding increase in the implicit rate subsidy for these Teachers.
- For the fiscal year ending June 30, 2021: One Principal received an Early Retirement Incentive of \$70,000 (paid to an HRA). We have assumed this payment will be recognized during the fiscal year ending June 30, 2021.
- For the fiscal year ending June 30, 2022: None

Assumption Changes

- For the fiscal year ending June 30, 2019: None.
- For the fiscal year ending June 30, 2020:
 - The health care trend rates, mortality tables, and salary increase rates were updated.
 - The discount rate was changed from 3.40% to 3.10%.
- For the fiscal year ending June 30, 2021:
 - The discount rate was changed from 3.10% to 2.40%.
- For the fiscal year ending June 30, 2022:
 - The healthcare trend rates, mortality tables, and salary increase rates for non-teachers, termination rates, and percentage of future retirees not eligible for subsidy who are assumed to continue on the District's medical plan post-employment were updated.
 - The inflation rate changed from 2.50% to 2.00%.
 - The discount rate changed from 2.40% to 2.10%.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
TRA SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST EIGHT MEASUREMENT PERIODS ***

	Measurement Date							
	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
District's Proportion of the Net Pension Liability	0.9312%	1.0079%	1.0754%	1.0441%	1.0605%	1.0785%	1.1189%	1.1800%
District's Proportionate Share of the Net Pension Liability	\$ 40,752,096	\$ 74,465,003	\$ 68,546,222	\$ 65,576,988	\$ 211,695,037	\$ 257,247,983	\$ 69,215,031	\$ 54,373,550
State's Proportionate Share of the Net Pension Liability								
Associated with District	3,436,859	6,240,583	6,066,291	6,161,373	20,463,614	25,822,002	8,489,588	3,825,072
Total	<u>\$ 44,188,955</u>	<u>\$ 80,705,586</u>	<u>\$ 74,612,513</u>	<u>\$ 71,738,361</u>	<u>\$ 232,158,651</u>	<u>\$ 283,069,985</u>	<u>\$ 77,704,619</u>	<u>\$ 58,198,622</u>
District's Covered Payroll	\$ 56,610,246	\$ 58,151,692	\$ 60,324,630	\$ 57,861,520	\$ 57,279,773	\$ 56,085,280	\$ 56,788,600	\$ 53,863,414
District's Proportionate Share of the Net Pension Liability (Asset) as a								
Percentage of its Employee Payroll	71.99%	128.05%	113.63%	113.33%	369.58%	458.67%	121.88%	100.95%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.63%	75.48%	78.21%	78.07%	51.57%	44.88%	76.80%	81.50%

* Note: The District implemented GASB Statement No. 68 in fiscal year 2015, and the above table will be expanded to 10 years of information as the information becomes available.

See Notes to District's Pension Required Supplementary Information following the related required supplementary information tables.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
TRA SCHEDULE OF DISTRICT CONTRIBUTIONS
LAST NINE FISCAL YEARS ENDED JUNE 30***

	Fiscal Year Ended June 30,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily Required Contribution	\$ 4,794,266	\$ 4,602,413	\$ 4,605,614	\$ 4,651,029	\$ 4,339,614	\$ 4,295,983	\$ 4,206,396	\$ 4,259,145	\$ 3,770,439
Contributions in Relation to the Statutorily Required Contribution	(4,794,266)	(4,602,413)	(4,605,614)	(4,651,029)	(4,339,614)	(4,295,983)	(4,206,396)	(4,259,145)	(3,770,439)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 57,485,204	\$ 56,610,246	\$ 58,151,692	\$ 60,324,630	\$ 57,861,520	\$ 57,279,773	\$ 56,085,280	\$ 56,788,600	\$ 53,863,414
Contributions as a Percentage of Employee Payroll	8.34%	8.13%	7.92%	7.71%	7.50%	7.50%	7.50%	7.50%	7.00%

* Note: The District implemented GASB Statement No. 68 in fiscal year 2015, and the above table will be expanded to 10 years of information as the information becomes available.

See Notes to District's Pension Required Supplementary Information following the related required supplementary information tables.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
PERA SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST EIGHT MEASUREMENT PERIODS***

	Measurement Date							
	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
District's Proportion of the Net Pension Liability	0.2644%	0.2833%	0.2911%	0.3028%	0.3073%	0.2932%	0.3049%	0.3144%
District's Proportionate Share of the Net Pension Liability	\$ 11,291,065	\$ 16,985,130	\$ 16,094,267	\$ 16,798,103	\$ 19,617,829	\$ 23,806,386	\$ 15,801,500	\$ 14,768,937
State's Proportionate Share of the Net Pension Liability Associated with District	344,712	523,696	500,224	550,951	246,666	310,890	-	-
Total	<u>\$ 11,635,777</u>	<u>\$ 17,508,826</u>	<u>\$ 16,594,491</u>	<u>\$ 17,349,054</u>	<u>\$ 19,864,495</u>	<u>\$ 24,117,276</u>	<u>\$ 15,801,500</u>	<u>\$ 14,768,937</u>
District's Covered Payroll	\$ 19,104,933	\$ 20,203,947	\$ 20,176,920	\$ 20,481,240	\$ 19,893,240	\$ 18,288,267	\$ 17,923,892	16,502,952
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Employee Payroll	59.10%	84.07%	79.77%	82.02%	98.62%	130.17%	88.16%	89.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.00%	79.06%	80.23%	79.53%	75.90%	68.90%	78.20%	78.70%

* Note: The District implemented GASB Statement No. 68 in fiscal year 2015, and the above table will be expanded to 10 years of information as the information becomes available.

See Notes to District's Pension Required Supplementary Information following the related required supplementary information tables.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
PERA SCHEDULE OF DISTRICT CONTRIBUTIONS
LAST NINE FISCAL YEARS ENDED JUNE 30***

	Fiscal Year Ended June 30,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily Required Contribution	\$ 1,507,841	\$ 1,432,870	\$ 1,515,296	\$ 1,513,269	\$ 1,536,093	\$ 1,491,993	\$ 1,371,620	\$ 1,321,887	\$ 1,196,464
Contributions in Relation to the Statutorily Required Contribution	(1,507,841)	(1,432,870)	(1,515,296)	(1,513,269)	(1,536,093)	(1,491,993)	(1,371,620)	(1,321,887)	(1,196,464)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 20,104,547	\$ 19,104,933	\$ 20,203,947	\$ 20,176,920	\$ 20,481,240	\$ 19,893,240	\$ 18,288,267	\$ 17,923,892	\$ 16,502,952
Contributions as a Percentage of Employee Payroll	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.38%	7.25%

* Note: The District implemented GASB Statement No. 68 in fiscal year 2015, and the above table will be expanded to 10 years of information as the information becomes available.

See Notes to District's Pension Required Supplementary Information following the related required supplementary information tables.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO DISTRICT'S PENSION REQUIRED SUPPLEMENTARY INFORMATION**

CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS

The following changes were reflected in the valuation performed on behalf of the Public Employees Retirement Association for the year ended June 30:

General Employees Fund

2021

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.5% to 6.5%.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

Changes in Plan Provisions

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

2020

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO DISTRICT'S PENSION REQUIRED SUPPLEMENTARY INFORMATION**

CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

2019

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

2018

Changes in Actuarial Assumption

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed postretirement benefit increase was changed from 1.0% per year through 2044 and 2.50% 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 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50% beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017

Changes in Actuarial Assumption

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and nonvested deferred members. The revised CSA loads are now 0.0% for active member liability, 15.0% for vested deferred member liability and 3.0% for nonvested deferred member liability.
- The assumed postretirement 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO DISTRICT'S PENSION REQUIRED SUPPLEMENTARY INFORMATION**

CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

2017 (Continued)

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 in Actuarial Assumptions

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

Changes in Actuarial Plan Provisions

- There have been no changes since the prior valuation.

2015

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO DISTRICT'S PENSION REQUIRED SUPPLEMENTARY INFORMATION**

The following changes were reflected in the valuation performed on behalf of the Teachers Retirement Association for the year ended June 30:

2021

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2020

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 5 years and female rates set back 7 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.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019

Changes in Actuarial Assumptions

- There have been no changes since the prior valuation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2018

Changes in Actuarial Assumptions

- The investment return assumption was changed from 8.5% to 7.5%.
- The price inflation assumption was lowered from 3.0% to 2.5%.
- The payroll growth assumption was lowered from 3.5% to 3.0%.
- The wage inflation assumption (above price inflation) was reduced from 0.75% to 0.35% for the next 10 years, and 0.75% thereafter.
- The total salary increase assumption was adjusted by the wage inflation change.
- The amortization date for the funding of the Unfunded Actuarial Accrual Liability (UAAL) was reset to June 30, 2048 (30 years).
- The mechanism in the law that provided the TRA Board with some authority is set contribution rates was eliminated.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO DISTRICT'S PENSION REQUIRED SUPPLEMENTARY INFORMATION**

2018 (Continued)

Changes in Plan Provisions

- The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% in January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 5 years, (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 in Actuarial Assumptions

- The cost of living adjustment (COLA) was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2045.
- Adjustment 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 nonvested inactive load increased from 4.0% to 9.0%.
- The investment return assumption was changed from 8.0% to 7.5%.
- The COLA was not assumed to increase to 2.5%, but remain at 2.0% for all future years.
- The price inflation assumption was lowered from 2.75% to 2.5%.
- The payroll growth assumption was lowered from 3.5% to 3.0%.
- The general wage growth assumption was lowered from 3.5% to 2.85% for 10 years followed by 3.25% thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO DISTRICT'S PENSION REQUIRED SUPPLEMENTARY INFORMATION**

2016

Changes in Actuarial Assumptions

- The cost of living adjustment was not assumed to increase (it remained at 2.0% for all future years).
- The price inflation assumption was lowered from 3.0% to 2.75%.
- The general wage growth and payroll growth assumptions were lowered from 3.75% to 3.5%.
- Minor changes at 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 6 years, and female rates set back 5 years. Generational projection uses the MP-2015 scale.
- The postretirement mortality assumption was changed to the RP-2014 white collar annuitant table, male rates set back 3 years and female rates set back 3 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 adjustments.
- 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 forms of payment at retirement were made.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015

Changes in Actuarial Assumptions

- The cost of living adjustment was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2037.
- The investment return assumption was changed from 8.25% to 8.0%.

Changes in Plan Provisions

- The Duluth Teachers Retirement Fund Association was merged into TRA on June 30, 2015. This also resulted in a state-provided contribution stream of \$14.377 million until the System becomes fully funded.

2014

Changes in Actuarial Assumptions

- The cost of living adjustment was assumed to increase from 2.0% annually to 2.5% annually once the legally specified criteria was met. This was estimated to occur July 1, 2031.

Changes in Plan Provisions

- The increase in the postretirement benefit adjustment (COLA) will be made once the System is 90% funded (on a market value basis) in two consecutive years, rather than just one year.

SUPPLEMENTARY INFORMATION

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
GENERAL FUND
BALANCE SHEET
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)**

	2022	2021
ASSETS		
Cash and Investments	\$ 39,763,328	\$ 43,122,678
Receivables:		
Current Taxes	15,529,083	16,033,699
Delinquent Taxes	248,865	322,463
Accounts and Interest Receivable	63,144	174,090
Due from Other Minnesota School Districts	93,304	29,631
Due from Minnesota Department of Education	10,205,611	7,679,075
Due from Federal Through the Minnesota Department of Education	6,272,284	3,073,614
Due from Other Governmental Units	525,277	41,283
Due from Other Funds	461,554	476,151
Prepays	254,436	382,338
Total Assets	<u>\$ 73,416,886</u>	<u>\$ 71,335,022</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 4,655,219	\$ 4,799,539
Payroll Deductions and Employer Contributions Payable	5,455,014	5,423,475
Accounts and Contracts Payable	3,649,198	4,300,301
Due to Other Minnesota School Districts	1,312,268	216,024
Due to Other Governmental Units	62,827	44,424
Unearned Revenue	3,092	1,545
Total Liabilities	<u>15,137,618</u>	<u>14,785,308</u>
Deferred Inflows:		
Unavailable Revenue - Property Taxes Levied for Subsequent Year	25,556,300	26,838,224
Unavailable Revenue - Delinquent Taxes	201,068	189,610
Total Deferred Inflows of Resources	<u>25,757,368</u>	<u>27,027,834</u>
Fund Balance:		
Nonspendable:		
Prepays	254,436	382,338
Restricted for:		
Student Activities	231,296	215,674
Capital Projects Levy	521,753	794,657
Operating Capital	3,325,929	3,195,287
Area Learning Center	5,173,831	4,406,743
Long-Term Facilities Maintenance	212,365	114,943
Medical Assistance	376,714	204,234
Other Purposes	-	89,244
Committed for:		
Program Carryover - Non Capital	725,527	915,450
Program Carryover - Facilities Rental	446,149	371,898
Pro Pay Program	665,341	562,142
Assigned for:		
Planned Budget Deficit for 2023	1,810,980	5,081,823
Unassigned	18,777,579	13,187,447
Total Fund Balance	<u>32,521,900</u>	<u>29,521,880</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 73,416,886</u>	<u>\$ 71,335,022</u>

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)

		2022		2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	\$ 30,673,407	\$ 30,955,773	\$ 282,366	\$ 31,896,090
Earnings and Investments	100,000	(33,326)	(133,326)	85,161
Other	2,770,471	3,115,759	345,288	2,621,829
State Sources	87,610,045	87,017,209	(592,836)	91,092,466
Federal Sources	14,431,794	14,965,232	533,438	8,950,841
Total Revenues	135,585,717	136,020,647	434,930	134,646,387
EXPENDITURES				
Current:				
Administration:				
Salaries	3,733,181	3,756,271	23,090	3,433,998
Employee Benefits	1,416,112	1,382,197	(33,915)	1,278,773
Purchased Services	246,216	109,436	(136,780)	145,216
Supplies and Materials	145,119	119,774	(25,345)	82,700
Other Expenditures	89,936	61,455	(28,481)	62,143
Total Administration	5,630,564	5,429,133	(201,431)	5,002,830
District Support Services:				
Salaries	2,079,308	2,051,684	(27,624)	1,817,176
Employee Benefits	1,667,890	1,554,975	(112,915)	1,477,069
Purchased Services	804,896	643,399	(161,497)	604,814
Supplies and Materials	233,572	205,321	(28,251)	168,809
Other Expenditures	36,560	36,372	(188)	22,582
Total District Support Services	4,822,226	4,491,751	(330,475)	4,090,450
Elementary and Secondary Regular Instruction:				
Salaries	37,015,096	35,811,566	(1,203,530)	34,241,427
Employee Benefits	15,379,054	14,742,066	(636,988)	14,208,253
Purchased Services	3,273,643	3,185,996	(87,647)	2,251,138
Supplies and Materials	1,892,175	2,005,710	113,535	1,041,285
Other Expenditures	361,802	289,925	(71,877)	245,417
Total Elementary and Secondary Regular Instruction	57,921,770	56,035,263	(1,886,507)	51,987,520

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

		2022		2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
EXPENDITURES (Continued)				
Current (Continued):				
Vocational Education Instruction:				
Salaries	\$ 1,417,871	\$ 1,423,344	\$ 5,473	\$ 1,409,303
Employee Benefits	598,954	594,090	(4,864)	566,364
Purchased Services	76,900	91,514	14,614	73,530
Supplies and Materials	104,675	99,655	(5,020)	29,030
Other Expenditures	7,053	7,790	737	10,131
Total Vocational Education Instruction	2,205,453	2,216,393	10,940	2,088,358
Special Education Instruction:				
Salaries	16,460,640	16,400,544	(60,096)	16,101,667
Employee Benefits	7,840,155	7,226,727	(613,428)	7,072,053
Purchased Services	919,669	2,018,544	1,098,875	852,871
Supplies and Materials	277,150	256,585	(20,565)	134,098
Other Expenditures	168,608	144,317	(24,291)	151,029
Total Special Education Instruction	25,666,222	26,046,717	380,495	24,311,718
Instructional Support Services:				
Salaries	8,204,879	8,197,181	(7,698)	8,454,516
Employee Benefits	2,299,995	2,235,149	(64,846)	2,272,418
Purchased Services	291,290	141,993	(149,297)	229,868
Supplies and Materials	568,571	2,302,816	1,734,245	2,519,451
Other Expenditures	62,454	76,684	14,230	37,126
Total Instructional Support Services	11,427,189	12,953,823	1,526,634	13,513,379
Pupil Support Services:				
Salaries	1,861,990	1,812,793	(49,197)	1,892,820
Employee Benefits	799,882	739,460	(60,422)	762,258
Purchased Services	8,768,639	8,889,981	121,342	6,851,109
Supplies and Materials	145,900	212,091	66,191	146,072
Other Expenditures	52,515	42,388	(10,127)	183,456
Total Pupil Support Services	11,628,926	11,696,713	67,787	9,835,715

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

		2022		2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
EXPENDITURES (Continued)				
Current (Continued):				
Sites and Buildings:				
Salaries	\$ 4,003,050	\$ 3,800,908	\$ (202,142)	\$ 3,828,500
Employee Benefits	1,685,892	1,568,439	(117,453)	1,664,173
Purchased Services	3,732,144	4,141,263	409,119	3,300,013
Supplies and Materials	864,610	929,279	64,669	1,221,918
Other Expenditures	109,861	19,101	(90,760)	83,204
Total Sites and Buildings	10,395,557	10,458,990	63,433	10,097,808
Fiscal and Other Fixed Costs:				
Purchased Services	455,000	426,427	(28,573)	391,943
Capital Outlay:				
Administration	104,754	14,086	(90,668)	17,282
District Support Services	206,440	90,367	(116,073)	770
Regular Instruction	69,670	30,631	(39,039)	90,859
Vocational Education Instruction	10,500	31,493	20,993	-
Special Education Instruction	613,000	321,645	(291,355)	391,289
Instructional Support Services	2,628,380	745,347	(1,883,033)	842,317
Sites and Buildings	2,164,360	2,408,131	243,771	2,523,198
Total Capital Outlay	5,797,104	3,656,490	(2,140,614)	3,865,715
Debt Service:				
Principal	74,074	84,637	10,563	245,430
Interest and Fiscal Charges	11,613	12,239	626	19,668
Total Debt Service	85,687	96,876	11,189	265,098
Total Expenditures	136,035,698	133,508,576	(2,527,122)	125,450,534
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(449,981)	2,512,071	2,962,052	9,195,853
OTHER FINANCING SOURCES				
Sale of Real Property	300,000	300,000	-	-
Lease Proceeds	-	187,949	187,949	-
Total Other Financing Sources	300,000	487,949	187,949	-
NET CHANGE IN FUND BALANCE	<u>\$ (149,981)</u>	3,000,020	<u>\$ 3,150,001</u>	9,195,853
FUND BALANCE				
Beginning of Year		29,521,880		20,326,027
End of Year		<u>\$ 32,521,900</u>		<u>\$ 29,521,880</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
FOOD SERVICE SPECIAL REVENUE FUND
BALANCE SHEET
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)**

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 2,397,696	\$ 427,610
Receivables:		
Accounts and Interest Receivable	729	-
Due from Minnesota Department of Education	4,856	-
of Education	319,362	956,389
Inventory	<u>253,940</u>	<u>182,267</u>
Total Assets	<u><u>\$ 2,976,583</u></u>	<u><u>\$ 1,566,266</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 165,971	\$ 138,414
Payroll Deductions and Employer Contributions Payable	140,157	133,629
Accounts and Contracts Payable	63,437	71,411
Due to Other Governmental Units	24	-
Unearned Revenue	<u>95,532</u>	<u>103,687</u>
Total Liabilities	465,121	447,141
Fund Balance:		
Nonspendable:		
Inventory	253,940	182,267
Restricted for:		
Other Purposes	<u>2,257,522</u>	<u>936,858</u>
Total Fund Balance	<u><u>2,511,462</u></u>	<u><u>1,119,125</u></u>
Total Liabilities and Fund Balance	<u><u>\$ 2,976,583</u></u>	<u><u>\$ 1,566,266</u></u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
FOOD SERVICE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

	2022		2021	
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Earnings and Investments	\$ 1,000	\$ (1,195)	\$ (2,195)	\$ 484
Other - Primarily Meal Sales	64,750	83,907	19,157	14,229
State Sources	160,000	168,745	8,745	104,895
Federal Sources	5,733,107	6,053,199	320,092	4,338,323
Total Revenues	<u>5,958,857</u>	<u>6,304,656</u>	<u>345,799</u>	<u>4,457,931</u>
EXPENDITURES				
Current:				
Salaries	1,963,023	1,994,326	31,303	1,911,797
Employee Benefits	590,692	566,599	(24,093)	574,300
Purchased Services	98,614	95,112	(3,502)	79,332
Supplies and Materials	2,386,943	2,250,328	(136,615)	1,775,457
Other Expenditures	7,000	7,432	432	4,804
Capital Outlay	20,000	7,497	(12,503)	18,658
Total Expenditures	<u>5,066,272</u>	<u>4,921,294</u>	<u>(144,978)</u>	<u>4,364,348</u>
EXCESS OF REVENUES OVER EXPENDITURES	892,585	1,383,362	490,777	93,583
OTHER FINANCING SOURCES				
Sale of Equipment	<u>10,000</u>	<u>8,975</u>	<u>(1,025)</u>	<u>338</u>
NET CHANGE IN FUND BALANCE	<u>\$ 902,585</u>	1,392,337	<u>\$ 489,752</u>	93,921
FUND BALANCE				
Beginning of Year		1,119,125		1,025,204
End of Year		<u>\$ 2,511,462</u>		<u>\$ 1,119,125</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
COMMUNITY SERVICE SPECIAL REVENUE FUND
BALANCE SHEET
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)**

	2022	2021
ASSETS		
Cash and Investments	\$ 4,074,258	\$ 3,140,377
Receivables:		
Current Taxes	847,350	855,576
Delinquent Taxes	13,565	17,885
Accounts and Interest Receivable	41,738	110,942
Due from Other Minnesota School Districts	112,074	-
Due from Minnesota Department of Education	209,684	246,287
Due from Federal Through the Minnesota Department of Education	79,761	16,837
Total Assets	<u>\$ 5,378,430</u>	<u>\$ 4,387,904</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 217,216	\$ 155,257
Payroll Deductions and Employer Contributions Payable	160,999	122,609
Accounts and Contracts Payable	82,177	176,587
Due to Other Governmental Units	50	325
Unearned Revenue	108,989	209,658
Total Liabilities	<u>569,431</u>	<u>664,436</u>
Deferred Inflows of Resources:		
Property Taxes Levied for Subsequent Year	1,602,379	1,640,765
Unavailable Revenue - Delinquent Taxes	11,110	10,071
Total Deferred Inflows of Resources	<u>1,613,489</u>	<u>1,650,836</u>
Fund Balance:		
Restricted for:		
Community Education	2,375,459	1,430,281
Early Childhood and Family Education	212,310	12,334
School Readiness	577,712	588,050
Adult Basic Education	29,077	-
Other Purposes	952	41,967
Total Fund Balance	<u>3,195,510</u>	<u>2,072,632</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 5,378,430</u>	<u>\$ 4,387,904</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
COMMUNITY SERVICE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

	2022			2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	\$ 1,640,765	\$ 1,635,122	\$ (5,643)	\$ 1,805,658
Earnings and Investments	5,000	(3,429)	(8,429)	5,351
Other - Primarily Tuition and Fees	2,931,875	2,971,983	40,108	2,294,756
State Sources	1,730,589	1,532,851	(197,738)	1,761,222
Federal Sources	291,122	259,906	(31,216)	247,722
Total Revenues	<u>6,599,351</u>	<u>6,396,433</u>	<u>(202,918)</u>	<u>6,114,709</u>
EXPENDITURES				
Current:				
Salaries	3,398,547	3,321,122	(77,425)	3,236,009
Employee Benefits	1,137,967	1,089,103	(48,864)	1,215,278
Purchased Services	603,053	509,555	(93,498)	383,051
Supplies and Materials	360,296	312,618	(47,678)	321,235
Other Expenditures	36,499	26,461	(10,038)	28,717
Capital Outlay	82,500	14,696	(67,804)	1,037
Total Expenditures	<u>5,618,862</u>	<u>5,273,555</u>	<u>(345,307)</u>	<u>5,185,327</u>
NET CHANGE IN FUND BALANCE	<u>\$ 980,489</u>	<u>1,122,878</u>	<u>\$ 142,389</u>	<u>929,382</u>
FUND BALANCE				
Beginning of Year		2,072,632		1,143,250
End of Year		<u>\$ 3,195,510</u>		<u>\$ 2,072,632</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
CAPITAL PROJECTS – BUILDING CONSTRUCTION FUND
BALANCE SHEET
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)**

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 120,723	\$ 1,725,207
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts and Contracts Payable	120,723	67,512
Fund Balance:		
Restricted for:		
Restricted for Other Purposes	<u>-</u>	<u>1,657,695</u>
Total Liabilities and Fund Balance	<u>\$ 120,723</u>	<u>\$ 1,725,207</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
CAPITAL PROJECTS – BUILDING CONSTRUCTION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

		2022		2021
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Earnings and Investments	\$ 250	438	\$ 188	\$ 246
EXPENDITURES				
Current:				
Purchased Services	105,000	209,530	104,530	107,290
Capital Outlay	1,552,945	1,448,603	(104,342)	326,524
Total Expenditures	<u>1,657,945</u>	<u>1,658,133</u>	<u>188</u>	<u>433,814</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,657,695)</u>	(1,657,695)	<u>\$ -</u>	(433,568)
FUND BALANCE				
Beginning of Year		1,657,695		2,091,263
End of Year		<u>\$ -</u>		<u>\$ 1,657,695</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)**

	Regular Debt Service	OPEB Debt Service	Totals	
			2022	2021
ASSETS				
Cash and Investments	\$ 9,617,358	\$ 1,013,878	\$ 10,631,236	\$ 9,703,699
Receivables:				
Current Taxes	4,830,053	685,277	5,515,330	6,160,655
Delinquent Taxes	84,604	12,250	96,854	117,473
Due from Minnesota Department of Education	16,597	-	16,597	26,524
Leases Receivable	503,819	-	503,819	-
Total Assets	<u>\$ 15,052,431</u>	<u>\$ 1,711,405</u>	<u>\$ 16,763,836</u>	<u>\$ 16,008,351</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
Deferred Inflows:				
Leases Receivable	\$ 465,027	\$ -	\$ 465,027	\$ -
Property Taxes Levied for Subsequent Year	9,133,673	1,295,891	10,429,564	11,814,259
Unavailable Revenue - Delinquent Taxes	67,513	9,840	77,353	70,377
Total Deferred Inflows of Resources	<u>9,666,213</u>	<u>1,305,731</u>	<u>10,971,944</u>	<u>11,884,636</u>
Fund Balance:				
Restricted for:				
Restricted for Other Purposes	<u>5,386,218</u>	<u>405,674</u>	<u>5,791,892</u>	<u>4,123,715</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 15,052,431</u>	<u>\$ 1,711,405</u>	<u>\$ 16,763,836</u>	<u>\$ 16,008,351</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

	2022				2021	
	Actual					
	Final Budgeted Amounts	Regular Debt Service	OPEB Debt Service	Total Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES						
Local Sources:						
Property Taxes	\$ 11,814,259	\$ 10,304,794	\$ 1,467,314	\$ 11,772,108	\$ (42,151)	\$ 10,922,497
Earnings and Investments	24,634	(14,687)	(1,002)	(15,689)	(40,323)	19,188
Other	217,371	256,163	-	256,163	38,792	214,127
State Sources	163,302	157,543	3	157,546	(5,756)	267,375
Total Revenues	12,219,566	10,703,813	1,466,315	12,170,128	(49,438)	11,423,187
EXPENDITURES						
Debt Service:						
Bond Principal	7,085,000	5,920,000	1,165,000	7,085,000	-	7,090,000
Bond Interest	4,271,665	4,038,895	232,770	4,271,665	-	4,511,871
Paying Agent Fees and Other	123,335	120,245	475	120,720	(2,615)	171,857
Total Expenditures	11,480,000	10,079,140	1,398,245	11,477,385	(2,615)	11,773,728
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	739,566	624,673	68,070	692,743	(46,823)	(350,541)
OTHER FINANCING SOURCES (USES)						
Sale of Bonds	9,680,000	9,680,000	-	9,680,000	-	11,485,000
Bond Premium	2,143,678	2,143,678	-	2,143,678	-	1,477,046
Payment to Refunded Bond Escrow Agent	(11,705,000)	(11,705,000)	-	(11,705,000)	-	(12,785,000)
Sale of Real Property	856,756	856,756	-	856,756	-	-
Total Other Financing Sources (Uses)	975,434	975,434	-	975,434	-	177,046
NET CHANGE IN FUND BALANCE	<u>\$ 1,715,000</u>	1,600,107	68,070	1,668,177	<u>\$ (46,823)</u>	(173,495)
FUND BALANCE						
Beginning of Year		3,786,111	337,604	4,123,715		4,297,210
End of Year		<u>\$ 5,386,218</u>	<u>\$ 405,674</u>	<u>\$ 5,791,892</u>		<u>\$ 4,123,715</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
INTERNAL SERVICE FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2021)**

	Self- Insurance Dental	Self- Insurance Health	Severance Benefits	OPEB Revocable Trust	Totals	
					2022	2021
ASSETS						
Cash and Investments	\$ 553,066	\$ 13,496,695	\$ 3,339,726	\$ 11,540,839	\$ 28,930,326	\$ 31,969,039
Accounts Receivable	460	70,233	-	-	70,693	25,014
Interest Receivable	-	-	-	9,694	9,694	49,117
Due from Other Funds	5,875	308,383	-	-	314,258	398,778
Total Assets	559,401	13,875,311	3,339,726	11,550,533	29,324,971	32,441,948
LIABILITIES						
Current Liabilities:						
Health and Dental Claims Payable	51,573	2,918,942	378,438	-	3,348,953	2,854,954
Due to Plan Participants	-	3,546,826	-	-	3,546,826	3,896,172
Severance Benefits Payable	-	-	164,167	-	164,167	195,574
Due to Other Funds	-	-	-	775,812	775,812	874,929
Unearned Revenue	10,631	59,083	-	-	69,714	56,712
Total Current Liabilities	62,204	6,524,851	542,605	775,812	7,905,472	7,878,341
Noncurrent Liabilities:						
Severance Benefits Payable	-	-	518,508	-	518,508	778,495
Total Liabilities	62,204	6,524,851	1,061,113	775,812	8,423,980	8,656,836
NET POSITION						
Unrestricted	\$ 497,197	\$ 7,350,460	\$ 2,278,613	\$ 10,774,721	\$ 20,900,991	\$ 23,785,112

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
INTERNAL SERVICE FUND
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)

	Self- Insurance Dental	Self- Insurance Health	Severance Benefits	OPEB Revocable Trust	Totals	
					2022	2021
OPERATING REVENUES						
Charges for Services	\$ 844,904	\$ 20,817,564	\$ 291,394	\$ -	\$ 21,953,862	21,448,411
Other Services	27,470	584,358	-	-	611,828	675,133
Total Operating Revenues	872,374	21,401,922	291,394	-	22,565,690	22,123,544
OPERATING EXPENSES						
Health Insurance Claim Payments	-	22,518,961	-	-	22,518,961	21,655,372
Dental Insurance Claim Payments	835,266	-	-	-	835,266	877,372
Severance Payments	-	-	460,363	-	460,363	537,408
OPEB Payments	-	-	-	795,812	795,812	921,177
Total Operating Expenses	835,266	22,518,961	460,363	795,812	24,610,402	23,991,329
OPERATING INCOME (LOSS)	37,108	(1,117,039)	(168,969)	(795,812)	(2,044,712)	(1,867,785)
NONOPERATING INCOME						
Earnings on Investments	(466)	11,868	(3,516)	(847,295)	(839,409)	1,494,808
CHANGE IN NET POSITION	36,642	(1,105,171)	(172,485)	(1,643,107)	(2,884,121)	(372,977)
Net Position - Beginning	460,555	8,455,631	2,451,098	12,417,828	23,785,112	24,158,089
NET POSITION - ENDING	<u>\$ 497,197</u>	<u>\$ 7,350,460</u>	<u>\$ 2,278,613</u>	<u>\$ 10,774,721</u>	<u>\$ 20,900,991</u>	<u>\$ 23,785,112</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
INTERNAL SERVICE FUND
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

	Self- Insurance Dental	Self- Insurance Health	Severance Benefits	OPEB Revocable Trust	Totals	
					2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Interfund Services Provided	\$ 876,017	\$ 21,450,122	\$ 291,394	\$ -	\$ 22,617,533	\$ 22,712,065
Payments for Health and Dental Claims	(834,825)	(22,601,573)	-	-	(23,436,398)	(21,441,549)
Payments to Employee OPEB	-	-	-	(894,929)	(894,929)	(980,763)
Payments for Severance Benefits	-	-	(524,933)	-	(524,933)	(377,490)
Net Cash Provided (Used) by Operating Activities	41,192	(1,151,451)	(233,539)	(894,929)	(2,238,727)	(87,737)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest Received	(466)	11,868	(3,516)	(807,872)	(799,986)	1,571,208
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	40,726	(1,139,583)	(237,055)	(1,702,801)	(3,038,713)	1,483,471
Cash and Cash Equivalents - Beginning	512,340	14,636,278	3,576,781	13,243,640	31,969,039	30,485,568
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 553,066</u>	<u>\$ 13,496,695</u>	<u>\$ 3,339,726</u>	<u>\$ 11,540,839</u>	<u>\$ 28,930,326</u>	<u>\$ 31,969,039</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ 37,108	\$ (1,117,039)	\$ (168,969)	\$ (795,812)	\$ (2,044,712)	\$ (1,867,785)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
(Increase) in Accounts Receivable	(460)	(45,219)	-	-	(45,679)	(25,000)
Decrease in Due from Other Funds	1,723	82,797	-	-	84,520	600,062
Increase in Claims Payable	441	266,734	226,824	-	493,999	862,762
Increase in Due to Plan Participants	-	(349,346)	-	-	(349,346)	251,464
(Decrease) in Severance Benefits Payable	-	-	(291,394)	-	(291,394)	136,887
(Decrease) in Due to Other Funds	-	-	-	(99,117)	(99,117)	(59,586)
Increase in Unearned Revenues	2,380	10,622	-	-	13,002	13,459
Total Adjustments	4,084	(34,412)	(64,570)	(99,117)	(194,015)	1,780,048
Net Cash Provided (Used) by Operating Activities	<u>\$ 41,192</u>	<u>\$ (1,151,451)</u>	<u>\$ (233,539)</u>	<u>\$ (894,929)</u>	<u>\$ (2,238,727)</u>	<u>\$ (87,737)</u>
Total Cash and Investments per Statement of Net Position	<u>\$ 553,066</u>	<u>\$ 13,496,695</u>	<u>\$ 3,339,726</u>	<u>\$ 11,540,839</u>	<u>\$ 28,930,326</u>	<u>\$ 31,969,039</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS
COMPLIANCE TABLE
YEAR ENDED JUNE 30, 2022**

	AUDIT	UFARS	DIFFERENCE
01 GENERAL FUND			
Total Revenue	\$ 136,020,647	\$ 136,020,648	\$ (1)
Total Expenditures	\$ 133,508,576	\$ 133,508,578	\$ (2)
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	\$ 254,436	\$ 254,436	\$ -
<i>Restricted:</i>			
401 Student Activities	\$ 231,296	\$ 231,296	\$ -
402 Scholarships	\$ -	\$ -	\$ -
403 Staff Development	\$ -	\$ -	\$ -
405 Deferred Maintenance	\$ -	\$ -	\$ -
406 Health and Safety	\$ -	\$ -	\$ -
407 Capital Project Levy	\$ 521,753	\$ 521,753	\$ -
408 Cooperative Programs	\$ -	\$ -	\$ -
413 Projects Funded by COP	\$ -	\$ -	\$ -
414 Operating Debt	\$ -	\$ -	\$ -
416 Levy Reduction	\$ -	\$ -	\$ -
417 Taconite Building Maintenance	\$ -	\$ -	\$ -
424 Operating Capital	\$ 3,325,929	\$ 3,325,930	\$ (1)
426 \$25 Taconite	\$ -	\$ -	\$ -
427 Disabled Accessibility	\$ -	\$ -	\$ -
428 Learning and Development	\$ -	\$ -	\$ -
434 Area Learning Center	\$ 5,173,831	\$ 5,173,831	\$ -
435 Contracted Alternative Programs	\$ -	\$ -	\$ -
436 State-Approved Alternative Programs	\$ -	\$ -	\$ -
438 Gifted and Talented	\$ -	\$ -	\$ -
440 Teacher Development and Evaluations	\$ -	\$ -	\$ -
441 Basic Skills Programs	\$ -	\$ -	\$ -
445 Career and Technical Programs	\$ -	\$ -	\$ -
448 Achievement and Integration	\$ -	\$ -	\$ -
449 Sage Schools Crime Levy	\$ -	\$ -	\$ -
451 QZAB Payments	\$ -	\$ -	\$ -
452 OPEB Liability Not Held in Trust	\$ -	\$ -	\$ -
453 Unfunded Severance & Retirement Levy	\$ -	\$ -	\$ -
464 Restricted Fund Balance	\$ -	\$ -	\$ -
467 LTFM	\$ 212,365	\$ 212,365	\$ -
472 Medical Assistance	\$ 376,714	\$ 376,714	\$ -
<i>Committed:</i>			
418 Committed for Separation	\$ -	\$ -	\$ -
461 Committed Fund Balance	\$ 1,837,017	\$ 1,837,017	\$ -
<i>Assigned:</i>			
462 Assigned Fund Balance	\$ 1,810,980	\$ 1,810,980	\$ -
<i>Unassigned:</i>			
422 Unassigned Fund Balance	\$ 18,777,579	\$ 18,777,575	\$ 4
02 FOOD SERVICE			
Total Revenue	\$ 6,304,656	\$ 6,304,656	\$ -
Total Expenditures	\$ 4,921,294	\$ 4,921,295	\$ (1)
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	\$ 253,940	\$ 253,940	\$ -
<i>Restricted:</i>			
452 OPEB Liability Not Held in Trust	\$ -	\$ -	\$ -
464 Restricted Fund Balance	\$ 2,257,522	\$ 2,257,520	\$ 2
<i>Unassigned:</i>			
463 Unassigned Fund Balance	\$ -	\$ -	\$ -
04 COMMUNITY SERVICE			
Total Revenue	\$ 6,396,433	\$ 6,396,431	\$ 2
Total Expenditures	\$ 5,273,555	\$ 5,273,554	\$ 1
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	\$ -	\$ -	\$ -
<i>Restricted:</i>			
426 \$25 Taconite	\$ -	\$ -	\$ -
431 Community Education	\$ 2,375,459	\$ 2,375,460	\$ (1)
432 E.C.F.E.	\$ 212,310	\$ 212,310	\$ -
440 Teacher Development and Evaluations	\$ -	\$ -	\$ -
444 School Readiness	\$ 577,712	\$ 577,712	\$ -
447 Adult Basic Education	\$ 29,077	\$ 29,076	\$ 1
452 OPEB Liability Not Held in Trust	\$ -	\$ -	\$ -
464 Restricted Fund Balance	\$ 952	\$ 952	\$ -
<i>Unassigned:</i>			
463 Unassigned Fund Balance	\$ -	\$ -	\$ -

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS
COMPLIANCE TABLE (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	AUDIT	UFARS	DIFFERENCE
06 BUILDING CONSTRUCTION			
Total Revenue	\$ 438	\$ 438	\$ -
Total Expenditures	\$ 1,658,133	\$ 1,658,133	\$ -
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	\$ -	\$ -	\$ -
<i>Restricted:</i>			
407 Capital Projects Levy	\$ -	\$ -	\$ -
409 Alternative Facility Program	\$ -	\$ -	\$ -
413 Projects Funded by COP	\$ -	\$ -	\$ -
464 Restricted Fund Balance	\$ -	\$ -	\$ -
467 LTFM	\$ -	\$ -	\$ -
<i>Unassigned:</i>			
463 Unassigned Fund Balance	\$ -	\$ -	\$ -
07 DEBT SERVICE			
Total Revenue	\$ 10,703,813	\$ 10,703,814	\$ (1)
Total Expenditures	\$ 10,079,140	\$ 10,079,140	\$ -
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	\$ -	\$ -	\$ -
<i>Restricted:</i>			
425 Bond Refunding	\$ -	\$ -	\$ -
451 QZAB and QSCB Payments	\$ -	\$ -	\$ -
464 Restricted Fund Balance	\$ 5,386,218	\$ 5,386,218	\$ -
<i>Unassigned:</i>			
463 Unassigned Fund Balance	\$ -	\$ -	\$ -
08 TRUST			
Total Revenue	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -
<i>Net Position:</i>			
422 Net Position	\$ -	\$ -	\$ -
18 CUSTODIAL FUND			
Total Revenue	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -
<i>Net Position:</i>			
401 Student Activities	\$ -	\$ -	\$ -
402 Scholarships	\$ -	\$ -	\$ -
422 Net Position	\$ -	\$ -	\$ -
20 INTERNAL SERVICE			
Total Revenue	\$ 22,573,576	\$ 22,573,576	\$ -
Total Expenditures	\$ 23,814,590	\$ 23,814,592	\$ (2)
<i>Net Position:</i>			
422 Net Position	\$ 10,126,270	\$ 10,126,269	\$ 1
25 OPEB REVOCABLE TRUST			
Total Revenue	\$ (847,295)	\$ (847,295)	\$ -
Total Expenditures	\$ 795,812	\$ 795,812	\$ -
<i>Net Position:</i>			
422 Net Position	\$ 10,774,721	\$ 10,774,721	\$ -
45 OPEB IRREVOCABLE TRUST			
Total Revenue	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -
<i>Net Position:</i>			
422 Net Position	\$ -	\$ -	\$ -
47 OPEB DEBT SERVICE			
Total Revenue	\$ 1,466,315	\$ 1,466,315	\$ -
Total Expenditures	\$ 1,398,245	\$ 1,398,245	\$ -
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	\$ -	\$ -	\$ -
<i>Restricted:</i>			
425 Bond Refunding	\$ -	\$ -	\$ -
464 Restricted Fund Balance	\$ 405,674	\$ 405,673	\$ 1
<i>Unassigned:</i>			
463 Unassigned Fund Balance	\$ -	\$ -	\$ -

STATISTICAL SECTION (UNAUDITED)

This part of the Independent School District No. 191 annual comprehensive financial report presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

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These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	106
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These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	114
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.	122
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.	127
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 services the District provides and the activities it performs.	129

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	Fiscal Year			
	2013	2014	2015	2016
Governmental Activities				
Net Investment in Capital Assets	\$ 30,342,438	\$ 30,452,283	\$ 27,062,458	\$ 22,196,478
Restricted	6,159,342	5,749,042	7,527,306	6,488,027
Unrestricted	22,916,072	21,984,806	(58,671,372)	(51,635,923)
Total Governmental Activities Net Position	<u>\$ 59,417,852</u>	<u>\$ 58,186,131</u>	<u>\$ (24,081,608)</u>	<u>\$ (22,951,418)</u>

Source: District's financial records.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NET POSITION BY COMPONENT (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 17,935,621	\$ 21,465,486	\$ 17,556,925	\$ 18,169,748	\$ 18,451,265	\$ 15,754,751
6,015,244	5,821,544	7,213,277	10,055,184	12,222,610	15,559,970
(82,095,271)	(132,084,628)	(102,679,715)	(104,737,977)	(99,949,434)	(88,670,448)
<u>\$ (58,144,406)</u>	<u>\$ (104,797,598)</u>	<u>\$ (77,909,513)</u>	<u>\$ (76,513,045)</u>	<u>\$ (69,275,559)</u>	<u>\$ (57,355,727)</u>

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2013	2014	2015	2016
Expenses				
Governmental Activities:				
Administration	\$ 5,017,728	\$ 5,222,596	\$ 5,495,447	\$ 5,372,409
District Support Services	3,558,217	3,395,055	3,719,700	2,732,153
Elementary and Secondary Regular Instruction	50,949,918	51,729,124	52,233,831	51,786,010
Vocational Education Instruction	1,312,146	1,236,118	1,376,740	1,399,185
Special Education Instruction	20,061,117	22,197,325	24,497,781	23,575,099
Instructional Support Services	7,811,846	10,268,318	10,962,774	10,534,435
Pupil Support Services	9,868,782	10,347,505	10,621,468	9,691,454
Sites and Buildings	17,070,641	15,688,853	16,747,542	19,295,728
Fiscal and Other Fixed Cost Programs	295,956	359,332	378,575	398,068
Food Service	4,900,535	4,945,020	5,059,060	5,535,377
Community Service	5,011,420	5,852,106	6,151,189	6,580,796
Interest and Fiscal Charges on Debt	4,274,825	4,487,298	6,948,424	6,781,498
Total Governmental Activities Expenses	130,133,131	135,728,650	144,192,531	143,682,212
Program Revenues				
Governmental Activities:				
Charges for Services:				
Administration	1,029	3,075	194,914	210,784
District Support Services	109,146	107,339	-	-
Regular Instruction	938,224	835,616	716,947	800,869
Vocational Education Instruction	2,168	-	-	-
Special Education Instruction	314,860	401,262	351,834	381,559
Instructional Support Services	777	725	262	112
Pupil Support Services	53,446	52,946	164,802	64,797
Sites and Buildings	236,430	399,322	273,804	223,790
Food Service	1,961,046	1,807,330	1,688,935	1,621,218
Community Service	3,250,050	3,389,114	3,457,191	3,390,724
Operating Grants and Contributions	27,428,931	29,387,695	29,737,748	29,394,748
Capital Grants and Contributions	903,453	985,391	1,398,776	1,236,991
Total Governmental Activities Program Revenues	35,199,560	37,369,815	37,985,213	37,325,592
Net Expense				
Governmental Activities	(94,933,571)	(98,358,835)	(106,207,318)	(106,356,620)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes:				
Property Taxes, Levied for General Purposes	24,589,073	15,967,774	21,784,467	22,877,675
Property Taxes, Levied for Capital Projects	-	-	-	1,200,000
Property Taxes, Levied for Community Service	985,656	484,038	1,077,297	1,238,633
Property Taxes, Levied for Debt Service	8,982,183	9,373,229	10,125,067	9,742,800
General Grants and Aids	61,702,475	71,455,903	68,576,907	70,513,775
Other General Revenues	278,153	294,357	728,393	1,071,088
Investment Earnings	77,510	348,647	322,603	842,839
Total Governmental Activities	96,615,050	97,923,948	102,614,734	107,486,810
Change in Net Position	<u>\$ 1,681,479</u>	<u>\$ (434,887)</u>	<u>\$ (3,592,584)</u>	<u>\$ 1,130,190</u>

Source: District's financial records.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 7,177,258	\$ 7,064,664	\$ 4,498,702	\$ 6,283,726	\$ 5,166,623	\$ 5,146,405
4,591,300	5,416,849	3,580,259	4,499,129	4,169,348	4,541,713
84,957,113	84,580,748	46,871,276	67,088,099	64,783,060	63,294,480
2,662,664	2,727,220	1,425,163	2,291,553	2,236,379	2,107,317
32,487,928	31,733,029	17,808,445	26,266,898	26,088,835	24,494,292
15,404,303	15,039,975	11,229,401	13,321,257	15,008,017	13,021,759
12,265,084	12,947,885	10,957,678	12,442,456	9,996,462	11,406,634
9,334,739	10,134,372	11,424,974	7,998,838	9,705,716	11,129,335
353,822	313,683	336,761	393,852	391,943	426,427
5,989,896	5,952,121	5,940,220	5,603,072	4,397,704	4,955,498
7,763,673	8,255,773	6,684,160	6,232,992	5,246,669	4,995,800
7,150,741	5,109,211	4,401,719	4,254,002	3,968,235	2,951,742
190,138,521	189,275,530	125,158,758	156,675,874	151,158,991	148,471,402
226,224	222,431	190,346	212,676	217,776	272,600
-	4,349	5,225	11,610	3,040	4,207
640,147	541,823	560,837	303,228	203,657	307,145
-	420	490	560	-	-
363,885	531,289	384,019	381,426	568,522	784,954
-	15	534	12,818	1,102	17,383
79,865	88,931	87,135	61,562	22,230	67,427
278,415	276,796	307,817	310,907	315,763	336,262
1,653,583	1,679,706	1,578,052	1,118,791	-	47,741
3,266,333	3,495,283	3,630,543	3,011,600	2,021,666	2,608,216
32,886,488	30,630,308	27,140,691	33,011,399	37,491,428	42,182,191
1,153,072	1,417,759	1,464,809	1,353,380	1,085,774	1,948,280
40,548,012	38,889,110	35,350,498	39,789,957	41,930,958	48,576,406
(149,590,509)	(150,386,420)	(89,808,260)	(116,885,917)	(109,228,033)	(99,894,996)
25,712,820	26,224,210	30,350,044	30,536,476	31,931,034	30,967,231
-	-	-	-	-	-
1,545,989	1,554,844	1,403,837	1,536,763	1,807,827	1,636,161
11,915,513	10,476,105	10,401,754	11,720,386	10,931,280	11,779,084
72,447,212	72,254,897	72,209,515	71,259,679	68,832,548	66,786,109
1,259,886	843,809	571,326	1,729,530	1,357,592	1,538,853
1,516,101	1,603,649	1,759,869	1,404,935	1,605,238	(892,610)
114,397,521	112,957,514	116,696,345	118,187,769	116,465,519	111,814,828
\$ 35,192,988	\$ (37,428,906)	\$ 26,888,085	\$ 1,301,852	\$ 7,237,486	\$ 11,919,832

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	Fiscal Year			
	2013	2014	2015	2016
General Fund				
Nonspendable	\$ 270,695	\$ 256,197	\$ 647,352	\$ -
Restricted	3,867,464	3,633,869	3,831,642	4,196,553
Committed	1,903,201	2,067,348	1,393,434	1,176,269
Assigned	-	-	-	-
Unassigned	17,472,471	16,003,177	14,805,438	15,748,008
Total General Fund	<u>\$ 23,513,831</u>	<u>\$ 21,960,591</u>	<u>\$ 20,677,866</u>	<u>\$ 21,120,830</u>
All Other Governmental Funds				
Nonspendable	\$ 22,033	\$ 26,984	\$ 67,157	\$ 122,264
Restricted, Reported in:	23,784,859	15,889,247	77,192,716	74,776,954
All Other Governmental Funds	<u>\$ 23,806,892</u>	<u>\$ 15,916,231</u>	<u>\$ 77,259,873</u>	<u>\$ 74,899,218</u>
Total All Funds	<u>\$ 47,320,723</u>	<u>\$ 37,876,822</u>	<u>\$ 97,937,739</u>	<u>\$ 96,020,048</u>

Source: District's financial records

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 328,969	\$ 374,535	\$ 469,392	\$ 435,457	\$ 382,338	\$ 254,436
4,027,713	4,158,407	5,847,738	7,878,828	9,020,782	9,841,888
1,293,948	1,257,804	1,550,194	1,735,209	1,849,490	1,837,017
-	-	-	-	5,081,823	1,810,980
14,466,101	10,024,458	7,417,075	10,276,533	13,187,447	18,777,579
<u>\$ 20,116,731</u>	<u>\$ 15,815,204</u>	<u>\$ 15,284,399</u>	<u>\$ 20,326,027</u>	<u>\$ 29,521,880</u>	<u>\$ 32,521,900</u>
\$ 177,574	\$ 190,617	\$ 2,452,384	\$ 244,230	\$ 182,267	\$ 253,940
40,759,460	8,370,219	5,147,420	8,312,697	8,790,900	11,244,924
<u>\$ 40,937,034</u>	<u>\$ 8,560,836</u>	<u>\$ 7,599,804</u>	<u>\$ 8,556,927</u>	<u>\$ 8,973,167</u>	<u>\$ 11,498,864</u>
<u>\$ 61,053,765</u>	<u>\$ 24,376,040</u>	<u>\$ 22,884,203</u>	<u>\$ 28,882,954</u>	<u>\$ 38,495,047</u>	<u>\$ 44,020,764</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	Fiscal Year			
	2013	2014	2015	2016
Revenues				
Local Sources:				
Property Taxes	\$ 34,586,475	\$ 25,795,703	\$ 33,212,333	\$ 35,053,016
Earnings on Investments	49,189	73,673	68,245	454,848
Other	8,356,020	8,627,885	8,026,353	8,191,071
State Sources	82,364,820	92,656,912	91,607,137	92,498,905
Federal Sources	6,438,224	7,584,795	7,654,305	7,860,618
Total Revenues	<u>131,794,728</u>	<u>134,738,968</u>	<u>140,568,373</u>	<u>144,058,458</u>
Expenditures				
Current:				
Administration	4,989,116	5,165,097	5,381,925	5,536,309
District Support Services	3,554,671	3,413,639	3,683,322	3,531,663
Elementary and Secondary Regular Instruction	50,345,903	51,801,948	53,893,564	54,043,785
Vocational Education Instruction	1,313,835	1,239,045	1,363,572	1,452,112
Special Education Instruction	19,864,118	22,223,518	24,169,675	24,455,459
Instructional Support Services	7,436,464	10,207,507	10,702,294	10,819,656
Pupil Support Services	9,865,911	10,358,327	10,576,978	9,766,662
Sites and Buildings	9,226,327	10,722,992	9,415,493	9,573,137
Fiscal and Other Fixed Cost Programs	295,956	359,332	378,575	398,068
Food Service	4,633,338	4,934,679	5,016,679	5,546,232
Community Service Fund	4,996,977	5,879,995	6,069,954	6,615,805
Capital Outlay	10,265,759	7,425,642	5,597,264	42,659,773
Debt Service:				
Principal	5,333,428	5,921,060	6,037,478	6,133,104
Interest and Fiscal Charges	4,537,801	4,780,920	5,753,097	6,263,031
Total Expenditures	<u>136,659,604</u>	<u>144,433,701</u>	<u>148,039,870</u>	<u>186,794,796</u>
Deficiency of Revenues Under Expenditures	(4,864,876)	(9,694,733)	(7,471,497)	(42,736,338)
Other Financing Sources (Uses)				
Proceeds from Debt Issuance	16,910,000	-	68,450,000	36,715,000
Premium on Bonds	612,872	-	2,609,184	3,913,835
Payments to Refunded Bond Escrow Agent	-	-	(4,015,000)	-
Capital Leases	-	-	503,645	318,585
Proceeds from Sale of Property	-	-	-	-
Proceeds from Sale of Equipment	7,081	5,535	-	-
Proceeds from Insurance Recovery	21,124	245,297	4,818	359,861
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>17,551,077</u>	<u>250,832</u>	<u>67,552,647</u>	<u>41,307,281</u>
Net Change in Fund Balances	<u>\$ 12,686,201</u>	<u>\$ (9,443,901)</u>	<u>\$ 60,081,150</u>	<u>\$ (1,429,057)</u>
Debt Service as a Percentage of Noncapital Expenditures	7.81%	7.81%	8.28%	8.45%

Sources: District's financial records

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 39,094,623	\$ 38,097,535	\$ 42,385,297	\$ 43,831,187	\$ 44,624,245	\$ 44,363,003
540,031	653,809	911,976	735,602	110,430	(53,201)
8,484,173	8,609,002	7,919,917	7,905,510	5,144,941	6,427,812
93,346,633	95,558,484	96,762,424	95,745,693	93,225,958	88,876,351
8,631,725	7,806,378	7,985,785	9,050,890	13,536,886	21,278,337
150,097,185	150,725,208	155,965,399	157,268,882	156,642,460	160,892,302
5,519,388	5,680,528	5,774,945	5,933,083	5,002,830	5,429,133
4,185,606	5,027,862	3,396,407	4,170,798	4,090,450	4,491,751
54,976,422	55,398,654	55,816,055	53,440,674	51,987,520	56,035,263
1,876,990	2,150,295	2,036,313	2,138,054	2,088,358	2,216,393
24,027,079	24,767,930	25,398,748	24,625,186	24,311,718	26,046,717
10,862,353	10,888,211	12,205,567	11,014,880	13,513,379	12,953,823
11,000,503	11,877,743	11,884,787	12,120,045	9,835,715	11,696,713
9,302,350	9,535,036	10,138,616	9,787,117	10,097,808	10,668,520
353,822	313,683	336,761	393,852	391,943	426,427
5,733,255	5,829,895	5,902,901	5,536,006	4,345,690	4,913,797
6,875,455	7,443,701	7,324,705	6,050,923	5,184,290	5,258,859
28,169,017	6,718,409	5,699,115	4,060,380	4,319,224	5,127,286
6,726,213	6,037,595	6,720,495	7,409,689	7,335,430	7,169,637
7,520,641	6,444,307	4,828,185	4,691,853	4,703,396	4,404,624
177,129,094	158,113,849	157,463,600	151,372,540	147,207,751	156,838,943
(27,031,909)	(7,388,641)	(1,498,201)	5,896,342	9,434,709	4,053,359
13,990,000	-	-	-	11,485,000	9,680,000
-	-	-	-	1,477,046	2,143,678
(22,620,346)	(29,330,000)	-	-	(12,785,000)	(11,705,000)
-	-	-	-	-	187,949
-	-	-	-	-	1,156,756
-	-	-	7,793	338	8,975
187,105	40,916	6,364	-	-	-
27,082	-	-	-	-	-
(27,082)	-	-	-	-	-
(8,443,241)	(29,289,084)	6,364	7,793	177,384	1,472,358
\$ (35,475,150)	\$ (36,677,725)	\$ (1,491,837)	\$ 5,904,135	\$ 9,612,093	\$ 5,525,717
9.42%	8.12%	7.44%	8.22%	8.37%	7.60%

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE AND LEVY TYPE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year	General Fund	Community Service	Property Tax		Debt Service	Total
			Capital Projects - Building Construction Fund			
2013	\$ 24,610,109	\$ 986,499	\$ -		\$ 8,989,867	\$ 34,586,475
2014	15,949,634	483,488	-		9,362,581	25,795,703
2015	21,933,388	1,084,662	-		10,194,283	33,212,333
2016	22,874,885	1,237,759	1,200,000		9,740,372	35,053,016
2017	25,663,259	1,542,386	-		11,888,978	39,094,623
2018	26,115,688	1,548,150	-		10,433,697	38,097,535
2019	30,501,788	1,413,236	-		10,470,273	42,385,297
2020	30,562,243	1,538,149	-		11,730,795	43,831,187
2021	31,896,090	1,805,658	-		10,922,497	44,624,245
2022	30,955,773	1,635,122	-		11,772,108	44,363,003

Source: District's financial records

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
TAX CAPACITIES AND MARKET VALUE
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Tax Capacity Valuation				
For Taxes Collectible	Agricultural	Non-Agricultural	Fiscal Disparities		
			Contribution	Distribution	
Dakota County					
2013	\$ -	\$ 51,366,003	\$ (8,772,069)	\$ 6,412,676	
2014	-	52,188,920	(8,671,256)	5,990,040	
2015	-	56,421,607	(8,676,317)	5,954,015	
2016	-	58,689,449	(9,336,149)	6,108,398	
2017	-	59,771,813	(9,204,390)	6,571,222	
2018	-	65,136,255	(9,024,255)	6,931,010	
2019	-	70,058,732	(9,590,323)	7,349,467	
2020	-	75,835,267	(10,407,209)	7,943,503	
2021	-	79,720,661	(11,208,648)	8,293,216	
2022	-	84,184,980	(12,005,956)	9,055,616	
Scott County					
2013	\$ 25,851	\$ 15,105,539	\$ (2,725,855)	\$ 1,482,916	
2014	52,993	15,700,702	(2,700,526)	1,377,863	
2015	43,898	17,077,271	(2,698,085)	1,416,364	
2016	76,637	18,097,758	(3,064,523)	1,523,727	
2017	37,415	19,869,873	(3,175,091)	1,709,580	
2018	29,841	21,039,808	(3,770,912)	1,782,864	
2019	20,259	22,823,684	(3,868,467)	1,871,118	
2020	3,959	24,655,629	(4,053,563)	2,031,820	
2021	4,110	27,223,848	(4,506,916)	2,175,584	
2022	4,012	28,767,419	(5,226,924)	2,372,103	

Source: School Tax Report issued by the Minnesota Department of Education and Scott and Dakota

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
TAX CAPACITIES AND MARKET VALUE (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Tax Increment</u>	<u>Total Taxable</u>	<u>Taxable Market Value</u>	<u>Tax Capacity as a Percentage of Market Value</u>
\$ (3,304,385)	\$ 45,702,225	\$ 4,281,610,850	1.07
(1,304,367)	48,203,337	4,345,185,225	1.11
(1,832,040)	51,867,265	4,692,482,625	1.11
(3,169,684)	52,292,014	4,865,451,265	1.07
(3,378,035)	54,661,226	5,003,279,610	1.09
(3,902,924)	60,088,642	5,447,134,772	1.10
(4,413,182)	64,337,435	5,840,024,400	1.10
(3,891,891)	70,881,145	6,276,544,125	1.13
(3,836,225)	74,366,311	6,562,525,800	1.13
(7,097,927)	78,023,994	6,905,405,825	1.13
\$ (25,738)	\$ 13,862,713	\$ 1,263,549,300	1.10
(25,738)	14,405,294	1,318,625,200	1.09
-	15,839,448	1,430,354,300	1.11
(81,937)	16,551,662	1,505,076,100	1.10
(138,187)	18,729,804	1,618,071,200	1.16
(159,437)	19,467,664	1,704,789,900	1.14
(166,937)	21,231,291	1,844,550,200	1.15
(188,073)	23,059,234	1,988,017,400	1.16
(218,881)	25,313,649	2,155,452,700	1.17
(234,595)	26,494,935	2,288,792,997	1.16

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS
(UNAUDITED)**

Rate	Tax Collection Year	ISD No. 191	Overlapping Rates				
			Municipalities				
			Apple Valley	Burnsville	Eagan	Savage	Shakopee
Tax Capacity Rate	2013	26.168%	49.210%	47.021%	38.272%	55.508%	41.996%
Market Value Rate	2013	0.29632%	0.02122%	--	0.01726%	0.01688%	0.00467%
Tax Capacity Rate	2014	25.661%	47.891%	46.670%	38.250%	55.278%	41.437%
Market Value Rate	2014	0.26308%	0.02124%	--	0.01696%	0.01609%	0.00524%
Tax Capacity Rate	2015	24.554%	45.274%	44.790%	36.525%	51.742%	37.862%
Market Value Rate	2015	0.26015%	0.02036%	--	0.00016%	0.01482%	0.00536%
Tax Capacity Rate	2016	31.065%	44.721%	46.525%	37.097%	49.905%	37.902%
Market Value Rate	2016	0.24692%	0.01994%	--	0.01490%	0.01410%	0.00605%
Tax Capacity Rate	2017	27.529%	44.473%	46.557%	37.385%	47.841%	38.522%
Market Value Rate	2017	0.23336%	0.23336%	--	0.01451%	0.01344%	--
Tax Capacity Rate	2018	25.759%	42.475%	46.670%	36.378%	47.117%	37.212%
Market Value Rate	2018	0.29246%	0.01798%	--	0.01359%	0.01100%	--
Tax Capacity Rate	2019	26.202%	39.603%	43.595%	35.227%	44.474%	34.943%
Market Value Rate	2019	0.24409%	0.01719%	--	0.01235%	0.01000%	--
Tax Capacity Rate	2020	23.765%	38.782%	43.148%	35.262%	42.357%	33.965%
Market Value Rate	2020	0.23263%	0.01646%	--	0.01159%	0.00900%	--
Tax Capacity Rate	2021	23.699%	38.192%	42.853%	36.333%	42.254%	32.105%
Market Value Rate	2021	0.20745%	0.01622%	--	--	0.00600%	--
Tax Capacity Rate	2022	20.273%	38.182%	43.054%	36.119%	40.326%	32.111%
Market Value Rate	2022	0.19053%	0.01591%	--	--	--	--

Source: Certificates as to Taxes and Taxable Property, furnished by Dakota and Scott Counties.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
LAST TEN YEARS
(UNAUDITED)**

Counties		Special Taxing Jurisdictions		Total*	
Dakota County	Scott County	Dakota County	Scott County	Burnsville Resident	Savage Resident
33.421%	40.674%	5.341%	5.701%	111.951%	128.051%
--	--	--	--	0.29632%	0.31320%
31.827%	39.720%	4.993%	5.568%	109.151%	126.227%
--	--	--	--	0.26308%	0.27917%
29.633%	36.638%	4.567%	5.169%	103.544%	118.103%
--	--	--	--	0.26015%	0.27497%
28.570%	36.175%	4.614%	5.130%	110.774%	122.275%
--	--	--	--	0.24692%	0.26102%
28.004%	35.896%	4.458%	4.979%	106.548%	116.245%
--	--	--	--	0.23336%	0.24680%
26.580%	35.114%	3.878%	5.090%	102.887%	113.080%
--	--	--	--	0.29246%	0.30346%
25.386%	33.841%	3.824%	4.891%	99.007%	109.408%
--	--	--	--	0.24409%	0.25409%
24.133%	32.718%	3.767%	4.583%	94.813%	103.423%
--	--	--	--	0.23263%	0.24163%
22.716%	31.025%	4.342%	4.768%	93.610%	101.746%
--	--	--	--	0.20745%	0.21345%
21.630%	30.492%	4.252%	5.026%	89.209%	96.117%
--	--	--	--	0.19053%	0.19053%

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
PRINCIPAL PROPERTY TAXPAYERS
FISCAL YEAR 2022 AND 2013
(UNAUDITED)**

Taxpayer	2022			2013		
	Net Tax Capacity	Rank	Percentage of Tax Capacity Value	Net Tax Capacity	Rank	Percentage of Tax Capacity Value
Xcel Energy	\$ 3,333,074	1	3.19%	\$ 2,181,818	1	3.08%
Paragon Outlets Eagan	1,699,250	2	1.63%			
Flats at Cedar Grove LLC	580,982	3	0.56%	467,196	3	0.66%
FLT Summit Park Apartments LLC	536,510	4	0.51%			
PRCP-Minnesota Stone LLC	497,879	5	0.56%			
Bigos Willow Pond	492,592	6	0.48%			
GEP X West Park LLC	467,650	7	0.45%			
View Pointe Apartments LLC	460,124	8	0.47%			
PC Felix LLC	459,616	9	0.43%			
Affinity at Eagan LLC	447,599	10	0.44%			
Individual				295,066	7	0.42%
Kraus Anderson, Inc.				358,536	4	0.51%
Shakopee Crossings Ltd Ptnshp				237,824	9	0.34%
Cargill Inc.				316,375	5	0.45%
Walmart				209,250	10	0.30%
Menards, Inc.				296,204	6	0.42%
Minnegasco, Inc.				520,024	2	0.73%
Costco Wholesale Corporation						0.00%
Aurora Investments LLC				292,530	8	0.41%
Total	<u>\$ 8,975,276</u>		<u>8.70%</u>	<u>\$ 5,174,823</u>		<u>7.31%</u>

Source: Certificates as to Taxes and Taxable Property, furnished by Dakota and Scott Counties.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
PROPERTY TAX LEVIES, COLLECTIONS, AND RECEIVABLES
LAST TEN FISCAL YEARS
(UNAUDITED)**

For Taxes Collectible	Original Levy				Collections	
	Local Spread	Fiscal Disparities	Property Tax Credits	Total Spread	First Year Levy Recognized	
					Amount	Percentage of Levy
2013	\$ 30,296,042	\$ 4,092,005	\$ -	\$ 34,388,047	\$ 15,292,779	44.5
2014	29,362,825	4,222,030	-	33,584,855	15,248,908	45.4
2015	31,025,345	3,839,822	-	34,865,167	16,303,858	46.8
2016	35,119,563	3,851,095	-	38,970,658	18,419,963	47.3
2017	33,374,272	4,659,195	-	38,033,467	17,616,603	46.3
2018	37,936,271	4,466,731	-	42,403,002	19,671,004	46.4
2019	38,771,436	4,929,600	-	43,701,036	20,547,965	47.0
2020	39,179,819	5,063,180	-	44,242,999	20,222,791	45.7
2021	39,226,223	4,884,931	-	44,111,154	21,109,293	47.9
2022	36,389,401	5,008,766	-	41,398,167	19,506,403	47.1

* Property tax credits replaced by homestead market value exclusion in 2012

Note 1: A portion of the total spread levy is paid through various property tax credits which are paid through state aids and have been included in collections.

Note 2: 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 3: Only a portion of the taxes levied for the most recent fiscal year is collected by June 30.

Source: State of Minnesota School Tax Report

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
PROPERTY TAX LEVIES, COLLECTIONS, AND RECEIVABLES (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)**

Received in Subsequent Years	Collections		Uncollected Taxes Receivable as of June 30, 2022			
	Total to Date		Delinquent		Current	
	Amount	Percentage of Levy	Amount	Percent	Amount	Percent
\$ 19,095,268	\$ 34,388,047	100.0	\$ -	-	\$ -	-
18,335,947	33,584,855	100.0	-	-	-	-
18,561,309	34,865,167	100.0	-	-	-	-
20,501,641	38,921,604	99.9	49,054	0.1	-	-
20,406,170	38,022,773	100.0	10,694	0.0	-	-
22,709,945	42,380,949	99.9	22,053	0.1	-	-
23,129,483	43,677,448	99.9	23,588	0.1	-	-
23,971,853	44,194,644	99.9	48,355	0.1	-	-
22,806,320	43,915,613	99.6	195,541	0.4	-	-
21,891,764	41,398,167	100.0	-	-	21,891,763	52.9
			<u>\$ 349,285</u>		<u>\$ 21,891,763</u>	

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Governmental Activities				Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Lease Liability and Financed Purchases	Special Assessments	Total Primary Government		
2013	\$ 108,795,000	\$ 3,406,148	\$ 6,721	\$ 112,207,869	4.00	\$ 1,666
2014	103,405,000	2,875,088	-	106,280,088	3.64	1,578
2015	162,490,000	2,691,255	-	165,181,255	5.53	2,452
2016	193,640,000	2,447,817	-	196,087,817	6.57	2,911
2017	186,029,667	1,871,605	-	187,901,272	5.83	2,789
2018	150,839,845	1,270,148	-	152,109,993	4.64	2,258
2019	144,096,605	884,653	-	144,981,258	4.29	2,152
2020	136,683,365	479,964	-	137,163,329	3.53	2,009
2021	129,054,114	234,534	-	129,288,648	3.33	1,894
2022	120,292,825	347,647	-	120,640,472	2.90	1,767

N/A - Not Available

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

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

Source: Annual school district census, U.S. census, National Center for Education Statistics

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
RATIO OF NET GENERAL OBLIGATIONS BONDED DEBT
TO TAX CAPACITY AND NET GENERAL OBLIGATIONS BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Gross Bonded Debt	Less Debt Service Funds on Hand (1)	Net Bonded Debt	Tax Capacity	Percent Net Debt to Tax Capacity	Percent of Estimated Actual Market Value of Property (2)	Estimated Population	Net Bonded Debt per Capita
2013	\$ 108,795,000	\$ 1,971,332	\$ 106,823,668	\$ 59,564,938	179.34	1.83	67,370	\$ 1,586
2014	103,405,000	1,524,486	101,880,514	62,608,631	162.73	1.84	67,370	1,512
2015	162,490,000	3,168,468	159,321,532	67,706,713	235.31	2.81	67,370	2,365
2016	193,640,000	42,042,331	151,597,669	68,843,676	220.21	2.48	67,370	2,250
2017	186,029,667	32,620,732	153,408,935	73,391,030	209.03	2.32	67,370	2,277
2018	150,839,845	3,161,989	147,677,856	79,556,306	185.63	2.06	67,370	2,192
2019	144,096,605	3,464,971	140,631,634	85,568,726	164.35	1.83	67,370	2,087
2020	136,683,365	4,297,210	132,386,155	93,940,379	140.93	1.62	68,261	1,939
2021	129,054,114	4,123,715	124,930,399	108,981,830	114.63	1.43	68,261	1,830
2022	120,292,825	5,753,099	114,539,726	104,518,929	109.59	1.25	68,261	1,678

(1) - Debt service monies available include amounts restricted in the debt service funds repaying the related debt.

(2) - See the Schedule of Tax Capacities and Market Value for information on the market value of the District's property.

Source: Annual school district census, U.S. census, National Center for Education Statistics

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
DIRECT AND OVERLAPPING DEBT
JUNE 30, 2022
(UNAUDITED)**

Governmental Unit	2021/2022 Taxable Net Tax Capacity	Bonded Debt ¹	Percent Allocable to ISD No. 191	Portion Allocable to ISD No. 191
Independent School District No. 191	\$ 95,463,314	\$ 120,292,825	100.0000 %	\$ 120,292,825
Overlapping Debt				
Dakota County	592,845,544	-	11.1451%	-
Scott County	246,955,150	105,915,000	10.2503%	108,566
City of Apple Valley	65,761,993	15,905,000	0.7818%	1,243
City of Burnsville	83,623,614	45,060,000	66.0633%	297,681
City of Eagan	108,780,866	38,465,000	9.4818%	36,472
City of Savage	49,426,157	31,085,000	44.0701%	136,992
City of Shakopee	70,028,033	45,920,000	5.0430%	23,157
Metropolitan Council	5,197,211,231	218,520,000 ²	1.7584%	38,424
Total Overlapping Debt				<u>642,536</u>
Total Direct and Overlapping Debt				<u><u>\$ 120,935,361</u></u>

1) Does not include non-general obligation debt, self-supporting general obligation revenue debt, short-term general obligation debt, or general obligation tax/aid anticipation certificates of indebtedness.

2) The above debt includes all outstanding general obligation debt supported by taxes of the Metropolitan Council. The Council also has general obligation sewer revenue, wastewater revenue, and radio revenue bonds and lease obligations outstanding all of which are supported entirely by revenues and have not been included in Overlapping Debt.

Source: Official Statements obtained on EMMA, the Municipal Advisor's records, and Certificates as to Taxes and Taxable Property, furnished by Dakota and Scott Counties.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year			
	2013	2014	2015	2016
Debt Limit	\$ 884,832,770	\$ 906,296,696	\$ 951,986,716	\$ 1,011,131,704
Total Net Debt Applicable to Limit	<u>89,723,574</u>	<u>165,642,782</u>	<u>143,240,787</u>	<u>142,090,806</u>
Legal Debt Margin	<u>\$ 795,109,196</u>	<u>\$ 740,653,914</u>	<u>\$ 808,745,929</u>	<u>\$ 869,040,898</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.14%	18.28%	15.05%	14.05%

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
LEGAL DEBT MARGIN (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 1,067,125,043	\$ 1,150,340,516	\$ 1,239,580,812	\$ 1,249,694,940	\$ 1,384,802,766	\$ 1,389,585,525
153,878,208	131,225,000	126,015,000	107,540,180	114,010,460	108,218,568
<u>\$ 913,246,835</u>	<u>\$ 1,019,115,516</u>	<u>\$ 1,113,565,812</u>	<u>\$ 1,142,154,760</u>	<u>\$ 1,270,792,306</u>	<u>\$ 1,281,366,957</u>
14.42%	11.41%	10.17%	8.95%	7.79%	7.79%

Legal Debt Margin Calculation for Fiscal Year 2022

Economic Market Value	\$ 9,263,903,500 ⁽¹⁾
Debt Limit (15% of Market Value)	1,389,585,525
Debt Applicable to Limit:	
General Obligation Bonds	113,850,000
Annual Appropriation Debt	160,460
Less: Amount Set Aside for Repayment of	
General Obligation Debt	<u>(5,791,892)</u>
Total Net Debt Applicable to Limit	<u>108,218,568</u>
Legal Debt Margin	<u>\$ 1,281,366,957</u>

(1) Economic Market Value - Assessment Year 2021 for taxes payable in 2022.

Source: Minnesota Department of Revenue.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Calendar Year	Population (1)	Estimated Personal Income (1)	Per Capita Personal Income (2)	Total ISD No. 191 Population (3)	School Enrollment (4)	City of Burnsville Unemployment Rate (1)
2012	61,061	\$ 2,865,287,425	\$ 46,925	67,370	9,478	5.2
2013	61,300	2,933,572,800	47,856	67,370	9,341	4.5
2014	61,747	3,007,758,117	48,711	67,370	9,213	3.7
2015	61,908	3,128,892,228	50,541	67,370	8,989	3.5
2016	61,849	3,223,384,333	52,117	67,370	8,914	3.5
2017	62,239	3,383,249,801	54,359	67,370	8,563	3.2
2018	62,657	3,800,209,707	60,651	67,370	8,874	2.5
2019	62,785	3,887,270,490	61,914	67,370	8,603	3.0
2020	62,785	3,887,270,490	61,914	68,261	8,010	6.8
2021	64,317	4,164,397,116	64,748	68,261	7,744	3.9

Note 1: Student enrollment numbers are estimated for the most recent fiscal year.

Note 2: Annual average unemployment rates compiled by the Minnesota Department of Employment and Economic Development.

Sources:

- (1) City of Burnsville Comprehensive Annual Financial Report for the year ended December 31, 2020
- (2) Estimated personal income is calculated by multiplying the per capital personal income by the City of Burnsville population
- (3) Annual school district census, U.S. census, and National Center for Education Statistics
- (4) ISD No. 191 - average daily membership (for students served or tuition paid)

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Employer	2022		2013	
	Employees	Rank	Employees	Rank
UTC Aerospace Systems	1,800	1		
Independent School District No. 191	1,300	2	1,271	2
Pepsi Bottling Group	500	3	530	4
Ames Construction	400	4		
Northern Tool & Equipment	300	5	500	5
Target Stores	300	6	315	8
Telex Communications	300	7		
Yellow Freight System, Inc. (YRC)	300	8	400	7
City of Burnsville	340	9	275	10
Fabcon Precast	275	10	296	9
Goodrich Corporation - Aircraft Sensors			950	3
Fairview Ridges Hospital			1,400	1
Mackin Educational Resources			400	6
Total	<u>5,815</u>		<u>6,337</u>	

Sources: Ehlers

Note: Information regarding the percentage of total employment for each employer was not available.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
EMPLOYEES BY CLASSIFICATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Employees	Fiscal Years									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Administrators/Principals	54	54	60	43	51	49	50	50	48	47
Confidential/Support Specialist*	-	-	-	24	43	47	48	51	49	43
Teachers	731	773	779	732	730	741	721	680	649	612
Clerical	74	66	66	63	64	65	58	59	51	47
Paraprofessionals	207	209	211	211	214	213	214	221	190	163
Nurses	12	16	18	16	15	14	14	11	10	13
Operations/Maintenance Supervisors	4	3	3	3	3	3	3	2	2	3
Technical Specialists	6	5	5	10	10	10	11	12	14	13
Community Education	36	36	36	39	51	60	61	56	59	55
Cafeteria	76	75	74	78	76	73	79	88	68	47
Custodians	75	72	73	74	82	80	77	78	73	66
Total	<u>1,275</u>	<u>1,309</u>	<u>1,325</u>	<u>1,293</u>	<u>1,339</u>	<u>1,355</u>	<u>1,336</u>	<u>1,308</u>	<u>1,213</u>	<u>1,109</u>

Note 1: This schedule is a headcount based on contract group. If an employee has multiple contract groups, they are reflected multiple times. Full and part-time employees count the same.

* New Category effective for 2016

Source: STAR report and District payroll records.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STUDENT TO STAFF RATIOS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	ISD No. 191 Student to Teacher Ratios (1)	Minnesota Department of Education Student to Staff Ratio (2)		
		ISD No. 191	Dakota County Average	State Average
2012	16.04	13.75	14.67	13.53
2013	15.62	13.31	14.34	13.33
2014	14.92	12.57	14.33	13.17
2015	14.37	11.95	13.89	12.92
2016	14.83	12.43	14.04	12.84
2017	15.27	12.41	13.82	12.72
2018	15.00	12.00	13.36	13.00
2019	15.00	12.00	13.40	13.00
2020	16.00	13.00	13.45	13.00
2021	15.00	12.00	13.00	12.00

Note 1: Information is not yet available for 2022.

Sources: Minnesota Department of Education

- (1) This data is computed using only full-time equivalent licensed classroom teaching staff.
- (2) This data is computed by dividing total students (MDE enrollment numbers pre-kindergarten through Grade 12) by total certified staff. Certified staff includes classroom teachers, administrators, special education teachers, and all other licensed professionals measured in full-time equivalents.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
OPERATING INDICATORS BY FUNCTION
STANDARDIZED TESTING AND GRADUATION RATES
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Years									
	2013	2014	2015	2016	2017	2018	2019	2020 (2)	2021 (3)	2022
Standardized Tests										
MCA Reading (See Note 1)										
Grade 3	52.1 %	49.6 %	53.2 %	45.9 %	43.7 %	48.7 %	45.4 %		34.4 %	36.7 %
Grade 5	58.0	60.0	58.3	67.7	62.0	55.0	52.9		49.9	52.9
Grade 7	48.0	50.0	45.4	56.6	53.1	51.0	47.6		40.3	32.8
Grade 10	61.0	61.0	51.8	58.9	38.3	54.5	55.4		50.9	45.9
MCA Math (See Note 1)										
Grade 3	66.0	64.0	63.6	69.4	54.0	58.4	56.6		44.1	45.3
Grade 5	54.0	50.0	59.7	58.8	49.9	45.0	41.5		31.1	33.3
Grade 7	49.0	48.0	44.3	56.2	48.4	40.1	39.1		18.4	27.0
Grade 11	44.0	40.0	39.6	47.1	35.3	39.1	38.1		26.1	21.6
ACT										
Independent School District No. 191										
Average Composite Score	23.0	23.0	23.0	21.3	21.2	20.3	20.4	20.0	19.9	19.9
State Average Composite Score (1)	23.0	22.9	22.7	21.1	21.5	21.3	21.4	21.3	21.6	21.6

Note 1: Percent of students scoring at or above proficiency on the Minnesota Comprehensive Assessment Test.

Note 2: Due to COVID-19 Pandemic, student participation in the MCA was only 50% district wide

(1) - Per ESSA School districts must offer a college and career readiness assessment, however the state no longer mandates ACT. State Average Composite Scores are available through MN Office of Higher Education.

(2) - Due to COVID-19 Pandemic, MCA and ACT testing did not occur in the 2019-2020 school year. Tests were administered fall of 2020 for the class of 2020.

(3) - Due to COVID-19 Pandemic, student participation in the MCA was only 50% district wide.

Source: MDE Report Card.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
SCHOOL FACILITIES
JUNE 30, 2022
(UNAUDITED)**

Facility	Use	Constructed	Acres	Classrooms	Square Footage	Capacity	Enrollment (1)
Gideon Pond Elementary	School	1965/1971/1995	13.00	17	75,700	425	396
Edward Neill Elementary	School	1968/1976/1995	10.00	19	68,550	475	337
		1950/1954/1957					
Vista View Elementary	School	1963/1971/1995	16.50	18	80,069	450	300
Williams Byrne Elementary	School	1967/1971/1995/2016	10.50	24	79,856	450	525
Rahn Elementary	School	1969/1995	16.00	18	67,448	450	306
Sky Oaks Elementary	School	1975	11.00	24	85,850	600	435
Hidden Valley Elementary	School	1989	16.00	24	89,525	600	440
Harriet Bishop Elementary	School	1996	17.36	25	78,107	625	557
Eagle Ridge Junior High	School	1996	31.00	45	132,000	875	553
Nicollet Junior High	School	1970/1995	35.00	50	188,772	900	655
		1955/1958/1962					
Burnsville Senior High	School	1971/1976/1977	63.50	112	524,283	2,800	2,090
		1980/1993/1998/2016					
BES Transition Program	School	1978	1.27	3	12,054	193	28
Cedar School	School	1961/1971	10.00	12	60,952	300	84
Diamondhead Education	Office	1971	11.50	16	140,000	430	N/A
WH/Maintenance		1958/1962/1980	Part of BHS Acreage	N/A	20,780	N/A	N/A

N/A - Not Available

(1) Source: 2021-22 MN Department of Education School ADM Served Report

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
FOOD SERVICE
SCHOOL LUNCH PROGRAM DATA
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Average Daily Attendance (1)</u>	<u>Total Lunches Served</u>	<u>Days</u>	<u>Average Daily Participation</u>	<u>Participation as a Percent of Average Daily Attendance</u>
2013	9,001	1,074,606	172	6,248	69.41
2014	8,901	1,057,173	166	6,369	71.55
2015	8,792	1,074,200	169	6,356	72.30
2016	8,752	1,067,859	170	6,282	71.77
2017	8,693	1,082,421	174	6,221	71.56
2018	8,563	1,040,408	174	5,979	69.83
2019	8,336	1,030,144	169	6,096	73.12
2020 (2)	8,086	697,480	116	6,013	74.36
2021 (3)	--	--	--	--	--
2022 (4)	--	--	--	--	--

- (1) Based on State Food and Nutrition Department guidelines, attendance is deemed to be 94% of enrollment.
- (2) Due to COVID-19 Pandemic, School Lunch Program Data is through March 13th, 2020, at which time ISD191 went fully virtual learning and meal service operations transitioned to Summer Feeding
- (3) Due to COVID-19 Pandemic, ISD 191 utilized Summer Food Program, which allowed students to receive free meals throughout the school year. Summer Food numbers - 395,527 breakfasts, 465,531 lunches in 2020-21
- (4) Due to COVID-19 Pandemic, ISD 191 utilized Summer Food Program, which allowed students to receive free meals throughout the school year. Summer Food numbers - 550,409 breakfasts, 816,238 lunches, and 27,813 snacks in 2021-22

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
FOOD SERVICE
SCHOOL LUNCH PROGRAM DATA (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)**

Free Lunch		Reduced Lunch	
Number Served	Percent of Total	Number Served	Percent of Total
508,951	47.36	95,527	8.89
520,432	49.23	87,674	8.29
533,864	49.70	102,744	9.56
545,887	51.12	97,590	9.14
545,677	50.41	110,524	10.21
512,908	49.30	115,231	11.08
475,065	46.12	134,711	13.08
322,177	46.19	100,312	14.38
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BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
SCHEDULE OF INSURANCE COVERAGE
JUNE 30, 2022
(UNAUDITED)

Type of Coverage	Amount of Coverage
Property Coverage:	
Real and Personal Property (Blanketed)	\$ 350,000,000
Unscheduled Locations	None
Valuable Papers and Records	5,000,000
Accounts Receivable - On Premises	1,000,000
Boiler and Machinery Coverage:	
Property Damage	Included in Property Limit
Crime Coverage:	
Employee Dishonesty	500,000
Forgery or Alteration	500,000
Computer Fraud	500,000
Theft of Money and Securities - Inside the Premises	135,000
Theft of Money and Securities - Outside the Premises	270,000
General Liability Coverages:	
General:	
Each Occurrence	1,000,000
General Aggregate Limit	3,000,000
Medical Expense Limit - Any One Person	10,000
Damage to Premises Rented to You	1,000,000
Products/Completed Operations Aggregate	3,000,000
Personal & Advertising Injury	1,000,000
Umbrella Liability:	
Each Occurrence	4,000,000
Aggregate	4,000,000
Self-Insured Retention	0
Business Automobile Liability Coverage:	
Bodily Injury and Property Damage	1,000,000
Personal Injury Protection	Basic
Uninsured Motorists	1,000,000
Underinsured Motorists	1,000,000
Collision	1,000
Comprehensive	500
Educators Legal Liability (Professional)/Employment Practices Liability	
Each Wrongful Act	1,000,000
Aggregate	3,000,000
Educators Legal Liability Deductible	25,000
Employment Practices Liability Deductible	25,000
Storage Tank Environmental Impairment Liability	
Per Pollution Condition	1,000,000
Aggregate	1,000,000
Self-Insured Retention	25,000
Cyber Risk Liability	
Policy Aggregate Limit of Liability	1,000,000

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STUDENT ENROLLMENT
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Year Ended June 30,</u>	<u>Pre-Kindergarten and Handicapped Kindergarten</u>	<u>Kindergarten</u>	<u>Elementary</u>	<u>Secondary</u>	<u>Total</u>	<u>Total Pupil Units</u>
2013	211	768	4,295	4,302	9,576	10,976
2014	191	730	4,323	4,224	9,468	10,864
2015	192	670	4,319	4,122	9,303	10,127
2016	209	600	4,253	4,059	9,121	9,933
2017	180	642	4,174	4,113	9,109	9,932
2018	251	657	3,918	4,015	8,841	9,644
2019	268	646	3,784	3,976	8,673	9,468
2020	264	653	3,555	3,883	8,355	9,131
2021	232	618	3,332	3,644	7,826	8,554
2022	263	600	3,261	3,590	7,714	8,432

Note 1: Student enrollment numbers are estimated for the most recent fiscal year.

Note 2: Beginning in fiscal 2004, ADM is limited to 1.0 ADM per student.

Note 3: ADM is weighted as follows in computing pupil units:

	<u>Pre-Kindergarten</u>	<u>Handicapped Kindergarten</u>	<u>Kindergarten</u>	<u>Elementary 1-3</u>	<u>Elementary 4-6</u>	<u>Secondary</u>
Fiscal 2009 through 2014	1.250	1.000	0.612	1.115	1.060	1.300
Fiscal 2015 through 2022	1.000	1.000	1.00	1.00	1.00	1.20

Source: Minnesota Department of Education student reporting system

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
EXPENDITURES PER STUDENT
YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

	State Average 2021	ISD No. 191 2021
Expenditures Per Student (ADM) (1)		
General Fund:		
District Level Administration	\$ 703	\$ 611
School Level Administration	542	671
Regular Instruction	5,842	6,349
Career and Technical Instruction	183	262
Special Education	2,641	3,056
Student Activities/Athletics	298	185
Instructional Support Services	787	1,587
Pupil Support Services	471	402
Operations, Maintenance, and Other	1,061	1,208
Student Transportation	739	838
Equipment	539	493
Land and Buildings	361	114
Total General Fund Expenditures	<u>\$ 14,167</u>	<u>\$ 15,777</u>
ADM Used Per Profile Model Format		<u>7,926</u>

(1) Average daily membership (ADM) is a measure of student attendance.

Note: School District Profiles Report not available for June 30, 2022.

Source: Minnesota Department of Education School District Profiles Report