



**Future Ready. Community Strong.**

## **Regular Meeting Agenda**

Diamondhead Education Center  
200 W. Burnsville Pkway  
Burnsville, MN 55337  
November 10, 2021  
6:30 PM

### Strategic Directions

- Close gaps and raise achievement for all students
- Create a culturally proficient school system
- Maximize resources for optimal student learning
- Increase the capacity for partnership with community

### 5:45 PM Board Listening Session with Directors Lesley Chester and Sue Said

#### I. Call to Order

- A. Welcome
- B. Pledge of Allegiance

#### II. Approval of Agenda

#### III. Information

- A. Receive a Report about Read for the Record 3  
**Speaker(s):** Cynthia Sampers, Early Learning Coordinator
- B. Receive a Report about Fall Enrollment 14  
**Speaker(s):** Lisa Rider, Executive Director of Business Services
- C. Receive an Update about District 191's Efforts to Implement COVID-19 46  
Related Educational and Public Health Guidance Issued by the MDE and the MDH, respectively  
**Speaker(s):** Dr. Theresa Battle, Superintendent
- D. Student Representative Report 58
- E. Superintendent Report 59
- F. Board Member Reports 60

#### IV. Business Meeting

- A. Consent Agenda

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District 191 welcomes members of the public to attend Board of Education meetings, work sessions and other public gatherings. However, public participation is allowed only during listening sessions, which are held before regular board meetings. Community members who wish to share their thoughts and opinions on meeting topics should contact the Superintendent's office at 952-707-2005 to schedule a meeting with the Superintendent or member of her leadership team.

<b>Description:</b> Although Board action is required, it is generally unnecessary to hold discussion on these items. In the event a Board member wishes to discuss an item, that item will be moved for separate consideration.	2
1. Approve Minutes	61
2. Approve Personnel Recommendations	63
3. Adopt a Resolution to Accept Donations	64
4. Receive a Report about the Listening Session	66
5. Approve, on a Second Reading Basis, Non-Substantive Changes to Policies 409: Employee Publications, Instructional Materials, Inventions, and Creations, 497: Employee Work Day, 498: Political Campaigns and Activities, and 522: Title IX Sex Nondiscrimination Policy Grievance Procedure	67
6. Approve, on a Second Reading Basis, Changes to Policy 413: Harassment and Violence	94
B. New Business	105
1. Adopt a Resolution Canvassing Returns of Votes of School District Special Election	109
<b>Speaker(s):</b> Lisa Rider, Executive Director of Business Services	
V. Adjourn to a Workshop about FY21 Audit Report	119
<b>Speaker(s):</b> Lisa Rider, Executive Director of Business Services	



**Agenda III.A.  
November 10, 2021**

**To:** Board of Education  
Dr. Theresa Battle, superintendent

**From:** Cynthia Sampers, early learning coordinator

**Date:** November 4, 2021

**Re:** Receive a Report about Read for the Record

Receive a report about Read for the Record from Cynthia Sampers, early learning coordinator.

1910



# Read for the Record 2021

Cynthia Sampers, Early Learning Coordinator

# Read for the Record

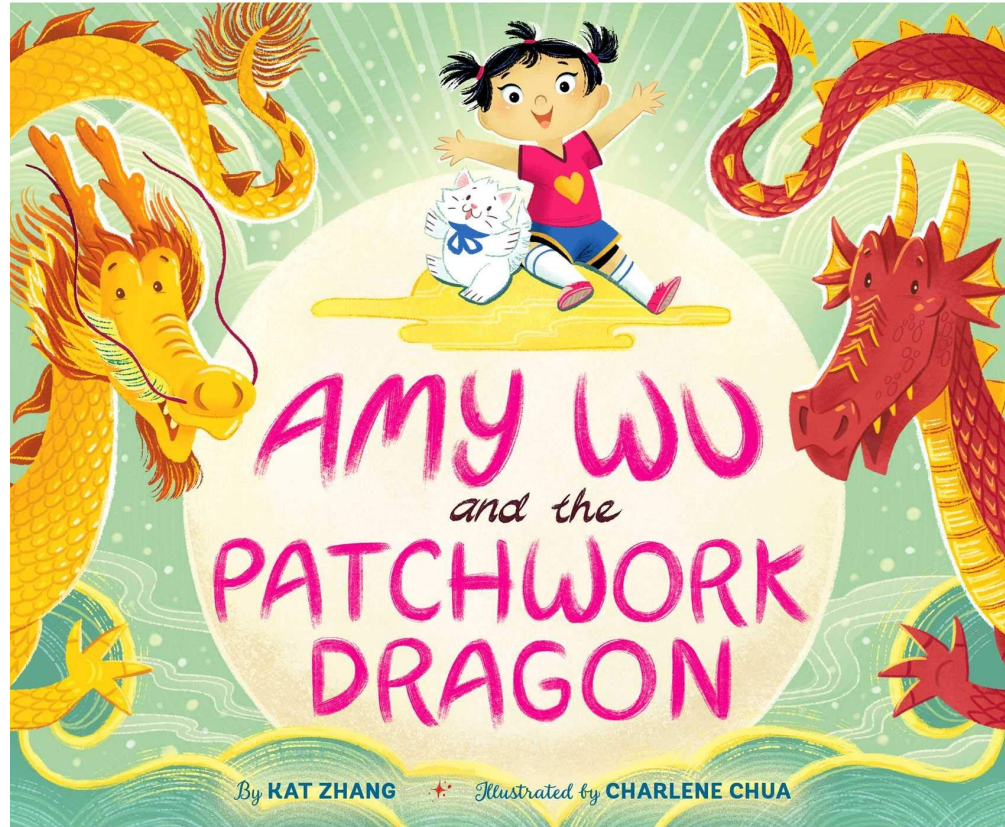
5

**Goal- to help raise awareness around the critical importance of early literacy and providing access to high quality books and reading materials.**

**A day of celebration and fun held on October 28, 2021**

# Amy Wu and the Patchwork Dragon

6



# “In-house DEC” Guest Speaker: Kyle Hinrichsen

7

Following COVID  
Guidelines



# Read in Spanish at E. Neill Elementary!

8

Technology Specialist Jessica Meyer

- Reads to students in Spanish at Neill



# A Multicultural Approach - Recorded in Spanish!

9

Community Connections Coordinator  
Eddieca Ontiveros

- Read to students in Spanish
- Records a reading for Spanish speaking families in ONE91 to use at home



# Artwork created by early Childhood Students

10



Extension Learning Activities:

Student Comprehension



as well as a large cooperative group of children.



# Student Dragons!



# What's next?

13

COMING UP  
NEXT!



**Agenda III.B.  
November 10, 2021**

**To:** Board of Education  
Dr. Theresa Battle, superintendent

**From:** Lisa Rider, executive director of business services

**Date:** November 4, 2021

**Re:** Receive a Report about Fall Enrollment

Receive a report about Fall Enrollment from Lisa Rider, executive director of business services.



**ISD 191**

# **2021-2022 Report on Enrollment**

**Lisa Rider, executive director of business services**

**November 10, 2021**

***Future Ready. Community Strong.***

# Overview of Presentation

## 1. Current Reality

Fall October 1, 2021 Population

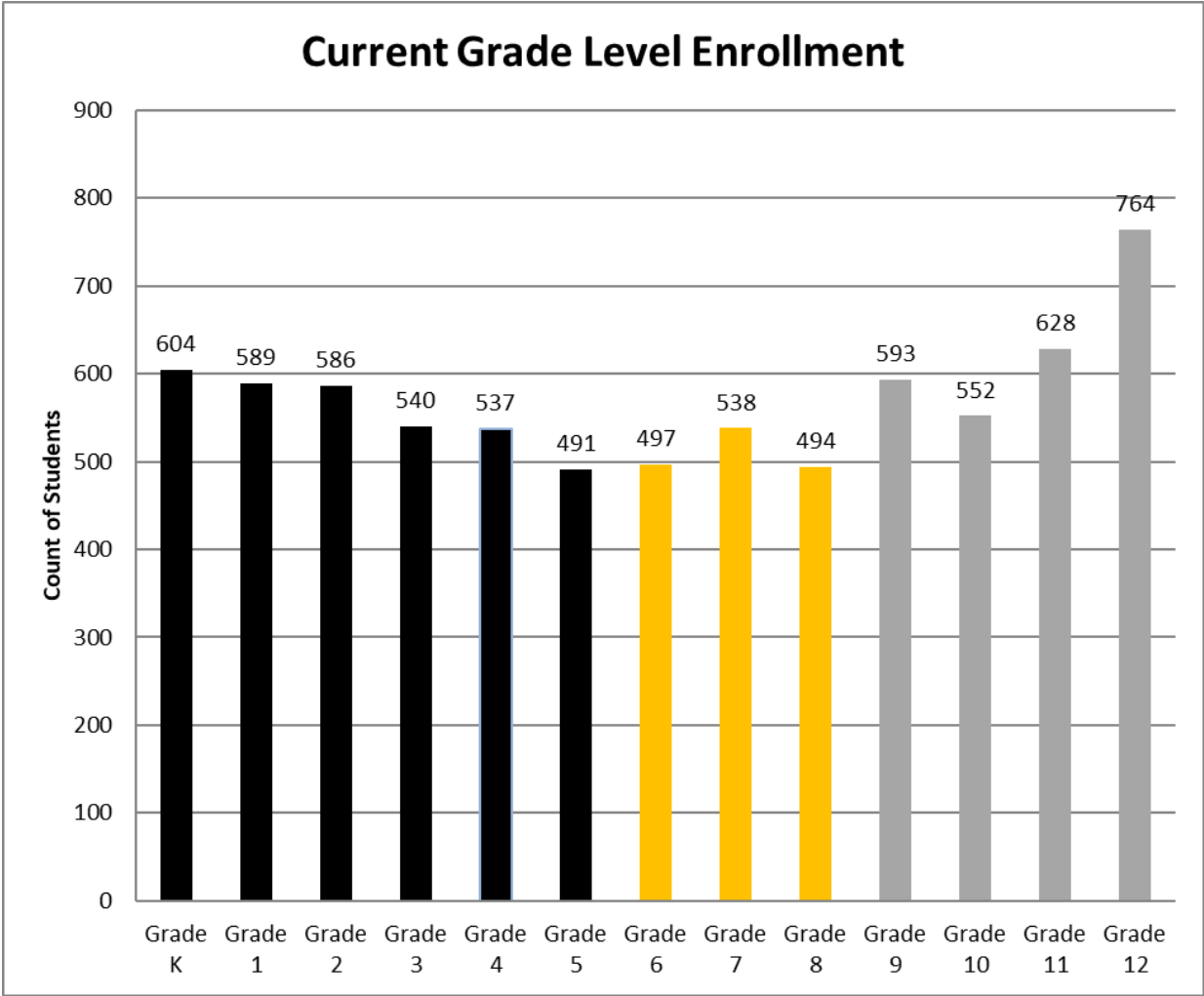
Fall October 1, 2021 Composition

## 2. Look Back to Past Data 2021-2022 and Prior

## 3. Fall October 1 Enrollment Trend Data

# Fall October 1, 2021 Population

Grade Level	Fall October 1, 2021
<b>Early Education</b> Voluntary Pre-Kindergarten (VPK)/Early Childhood Special Education (ECSE)/School Readiness (SR)	496
<b>Elementary</b>	3,347
<b>Secondary</b>	4,066
<b>Total</b>	<b>7,909</b>



District Seat Count as of 10/1/2021.

# **Current Reality - Fall October 1, 2021 Composition**

# Current Reality - Fall 2021 Enrollment Composition

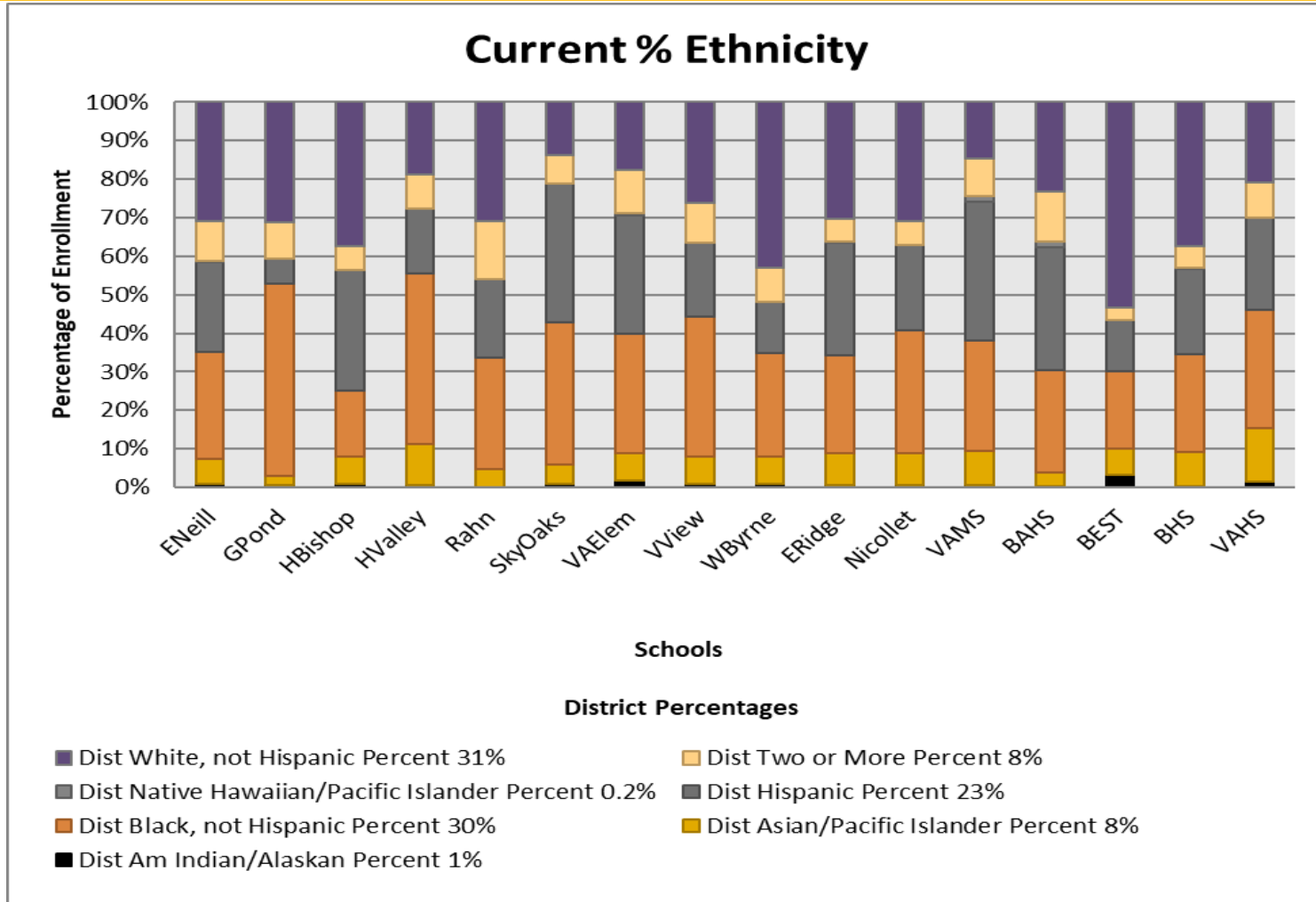
K-12

6

<b>K-12 Enrollment 2021-2022</b>		
<b>ETHNICITY</b>	<b>COUNT</b>	<b>PERCENTAGE</b>
White, not Hispanic	2,314	31%
Two or More	573	8%
Native Hawaiian/Pacific Islander	15	LESS THAN 1%
Hispanic	1,716	23%
Black, not Hispanic	2,190	30%
Asian/Pacific Islander	560	8%
Am Indian/Alaskan	45	1%
<b>ADDITIONAL SERVICES</b>		
Special Education Services Eligible	1,190	16%
Limited English Proficiency Eligible	1,570	21%
Free/Reduced Meal Eligible	3,390	46%

# % of Student Ethnicity by Building

K-12

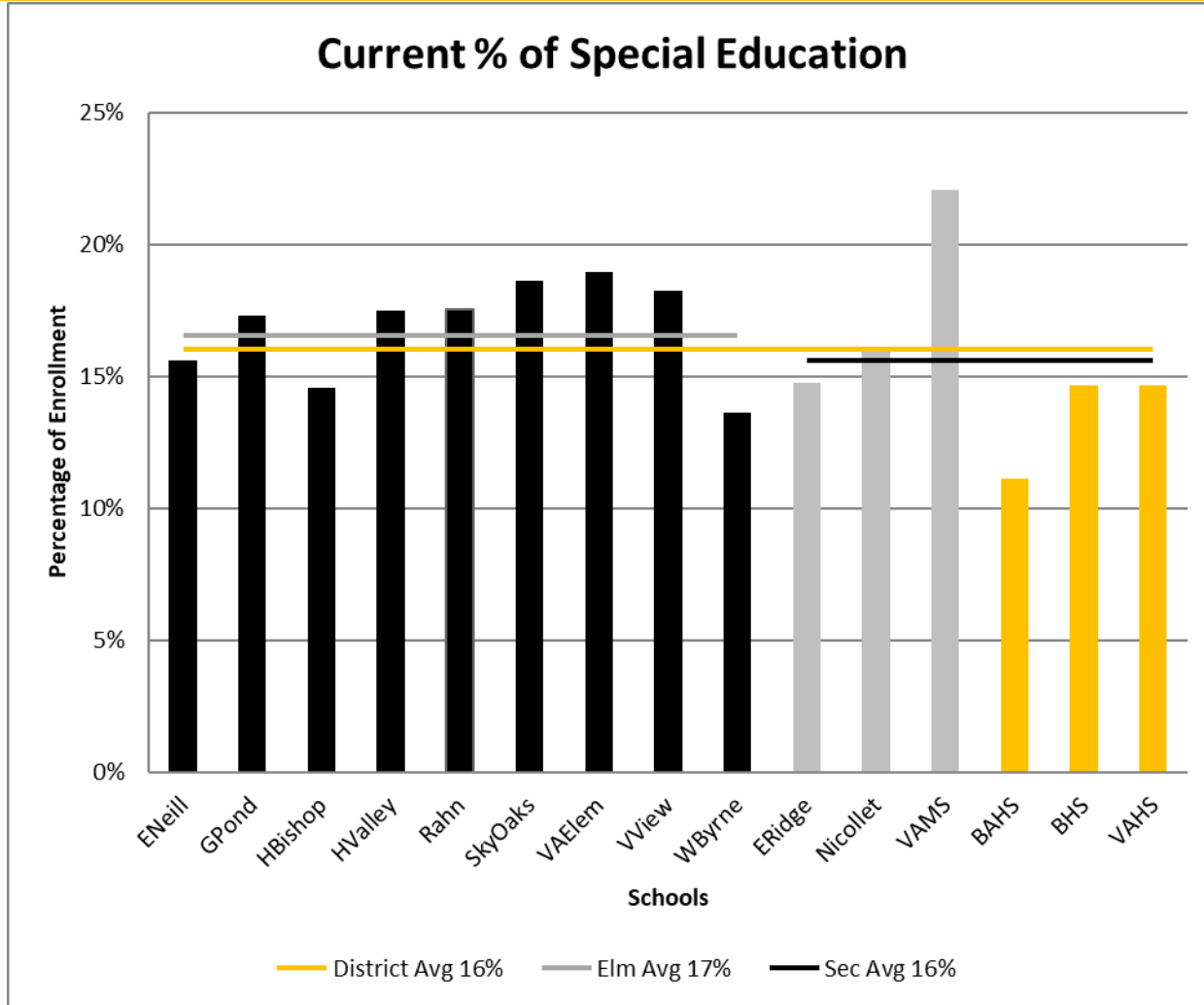


\*Preliminary MDE Fall Count as of 10/1/2021.

# % Students Served Special Education by Building

including District, Elementary, and Secondary Averages

K-12

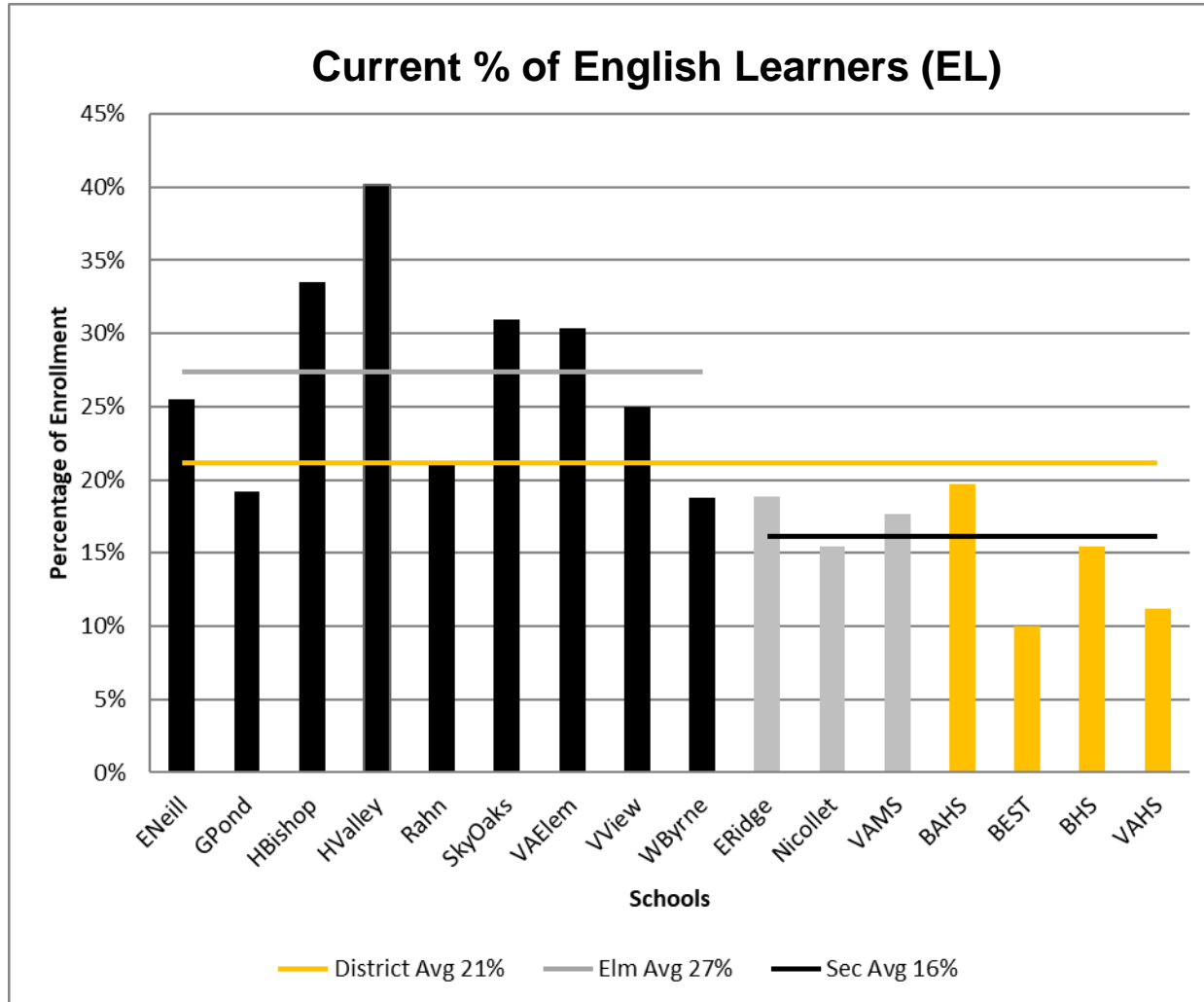


\*Preliminary MDE Fall Count as of 10/1/2021.

# % Eligible English Learner (EL) Students by Building

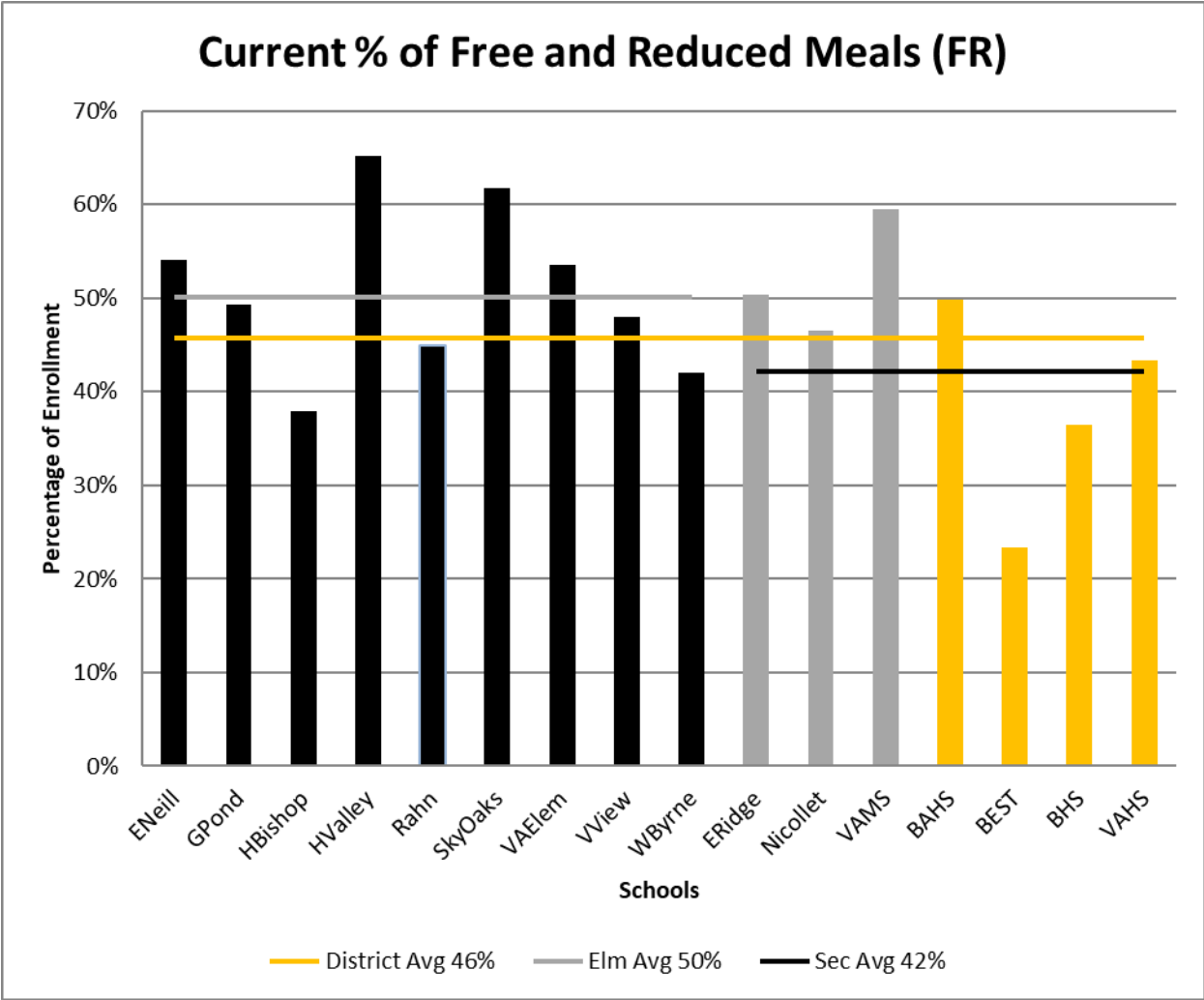
including District, Elementary, and Secondary Averages

K-12



\*Preliminary MDE Fall Count as of 10/1/2021.

# % Students Served Free & Reduced Eligible by Building with District, Elementary, and Secondary Averages



\*Preliminary MDE Fall Count as of 10/1/2021.

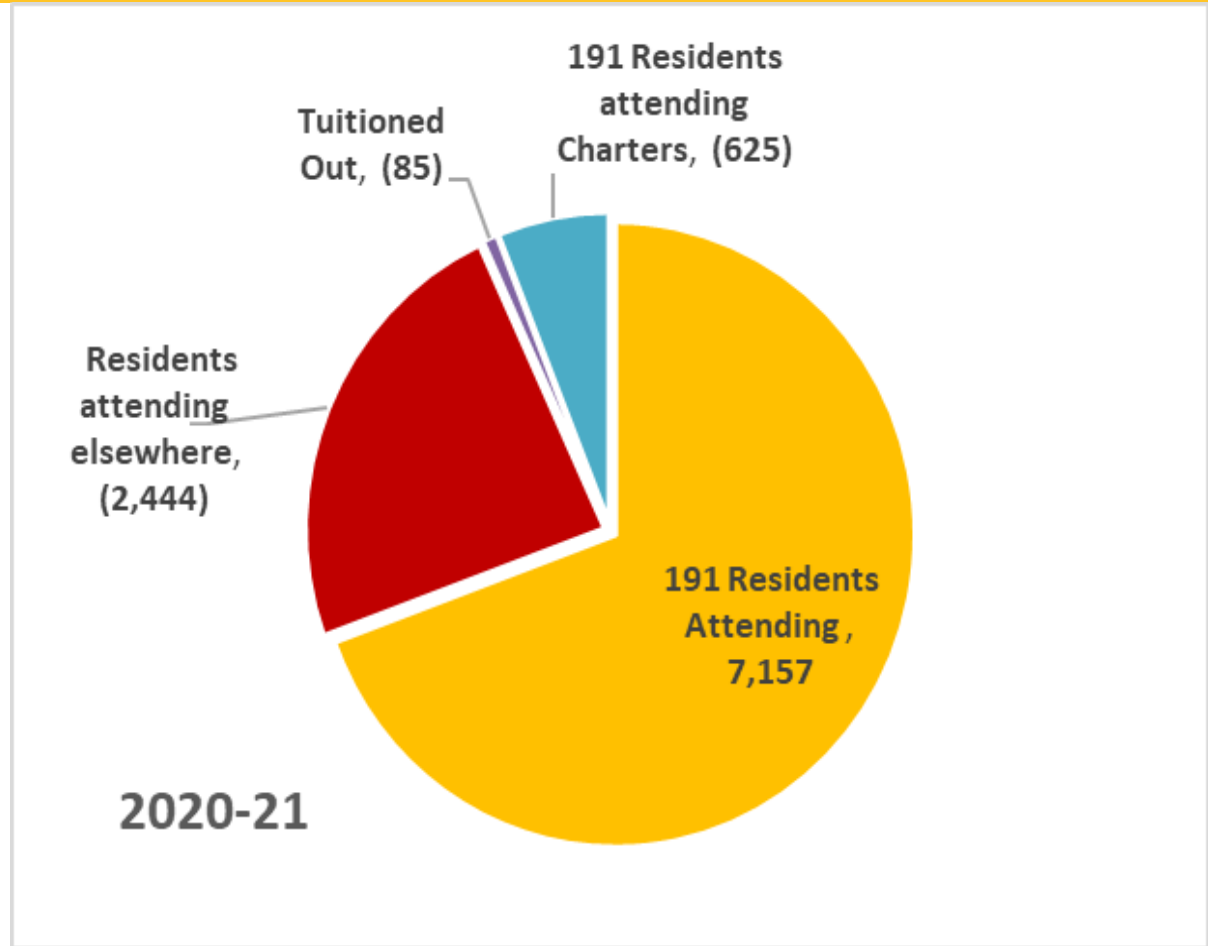
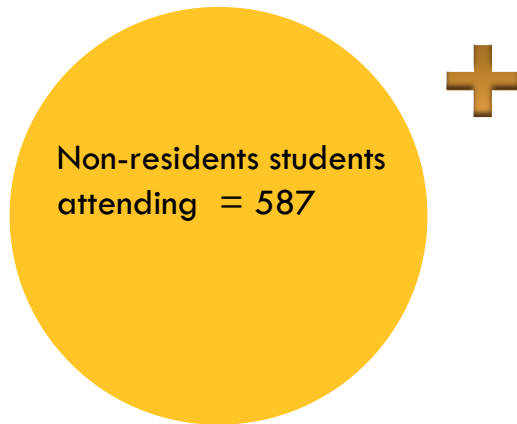
# A Look Back To Past Data

# Summary of Residents/Non-Residents

<b>SUMMARY OF RESIDENTS/NON-RESIDENTS</b>										
	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
191 Residents Total	10,404	10,453	10,491	10,645	10,652	10,707	10,545	10,630	10,537	10,311
191 Residents Attending	8,968	8,901	8,782	8,692	8,507	8,459	8,182	8,010	7,709	7,157
191 Residents Attending Elsewhere	1,436	1,552	1,709	1,953	2,145	2,248	2,363	2,620	2,828	3,154
Open Enrolled Out										
Residents attending elsewhere	(1,136)	(1,252)	(1,405)	(1,632)	(1,807)	(1,900)	(1,942)	(2,072)	(2,228)	(2,444)
Open enrolled In										
Non-Residents attending 191	564	622	638	558	560	570	566	574	565	587
Difference	(572)	(630)	(767)	(1,074)	(1,247)	(1,330)	(1,376)	(1,498)	(1,663)	(1,857)
Tuitioned Out	(53)	(56)	(54)	(59)	(53)	(79)	(84)	(88)	(77)	(85)
191 Residents attending Charters	(247)	(244)	(250)	(262)	(285)	(269)	(337)	(460)	(523)	(625)

# School Choice 2020-2021 PK-12

Total Students Served of 7,744 includes 7,157 of residents and 587 of Non-residents.

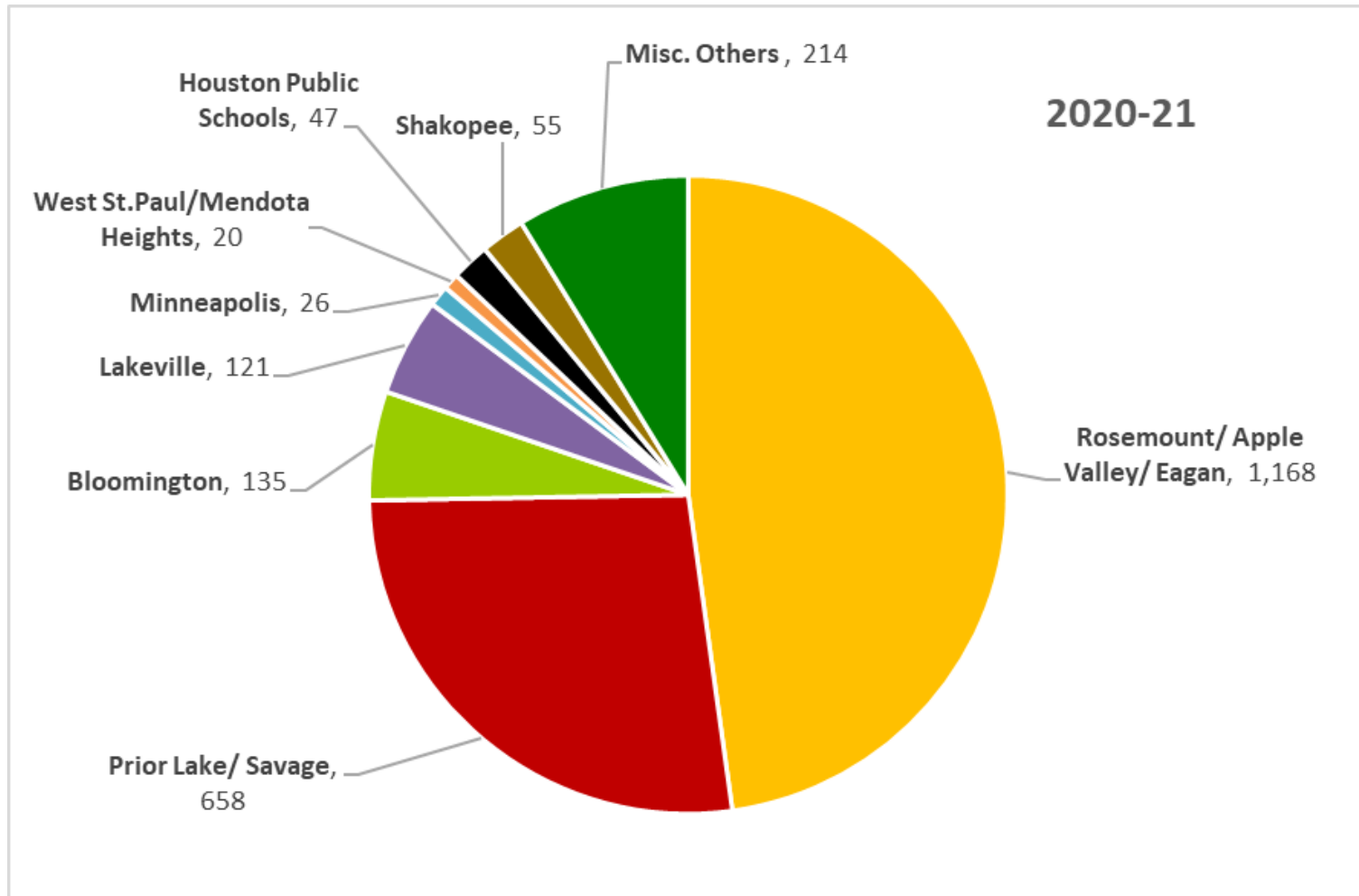


\* Includes ONE91 students served through District 917  
Finalized MDE 2020-21 End Of Year Counts

# School Choice 2020-2021 PK-12

## 2,444 Resident students served at other public schools

14



Finalized MDE 2020-21 End Of Year Counts

# Summary of Residents attending Elsewhere<sup>29</sup>

<b>Residents Attending Other Districts (Open Enrollment-Out) Students Attending</b>					
<b>District</b>	<b>Students</b>				
	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
Rosemount/ Apple Valley/ Eagan	931	968	1,019	1,129	1,168
Prior Lake/ Savage	503	487	530	576	658
Bloomington	86	111	113	120	135
Lakeville	124	126	123	107	121
Minneapolis	13	17	16	22	26
West St.Paul/Mendota Heights	33	28	24	21	20
Houston Public Schools	36	26	34	30	47
Shakopee	34	39	44	44	55
Misc. Others	140	140	169	179	214
<b>Total</b>	<b>1,900</b>	<b>1,942</b>	<b>2,072</b>	<b>2,228</b>	<b>2,444</b>
<b>Residents Attending Charter Schools- Over 15 Students Attending</b>					
<b>Charter</b>	<b>Students</b>				
	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
Seven Hills Classical Academy	54.82	61.00	70.00	67.00	79.00
Minnesota Transitions Charter School	36.13	43.00	39.00	39.00	58.00
Aspen Academy	59.03	93.00	123.00	144.00	163.00
Higher Ground	20.29	16.00	18.00	4.00	9.00
Eagle Ridge Academy	17.71	23.00	28.00	27.00	20.00
FIT Academy		19.00	31.00	49.00	53.00
Gateway STEM Academy			45.00	76.00	75.00
Tuitioned Out	78.54	84.00	88.00	77.00	85.00
Tuitioned In	1.59	1.00	0.50	0.00	0.00

# Summary of Residents attending Non-Public Schools

Residents Attending Non-Public Schools					
School	Students				
	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Total</b>	819	858	816	828	758
<b>Including but not all inclusive:</b>					
Homeschool	239	246	244	267	295
St. John's	206	217	194	197	157
Holy Angels	48	46	40	37	35
Blake	3	3	2	4	3
Bethany Academy (merged w/Life Acad)	14	13	11	0	0
Minnehaha Academy	26	22	25	22	19
Life Academy (merged w/Bethany Acad)	10	3	14	0	0
Trinity School at River Ridge		39	31	24	20
Good Shepherd Lutheran Church		29	35	35	26
First Baptist		22	18	15	14
Faithful Shepherd Catholic School		24	32	32	21
United Christian Academy (Bethany & Life Academies merged 2019-20)				31	29

# Fall October 1 Trend Data

# Early Education Students –

Programming expanding to educate more Pre-Kindergarten children in ONE91

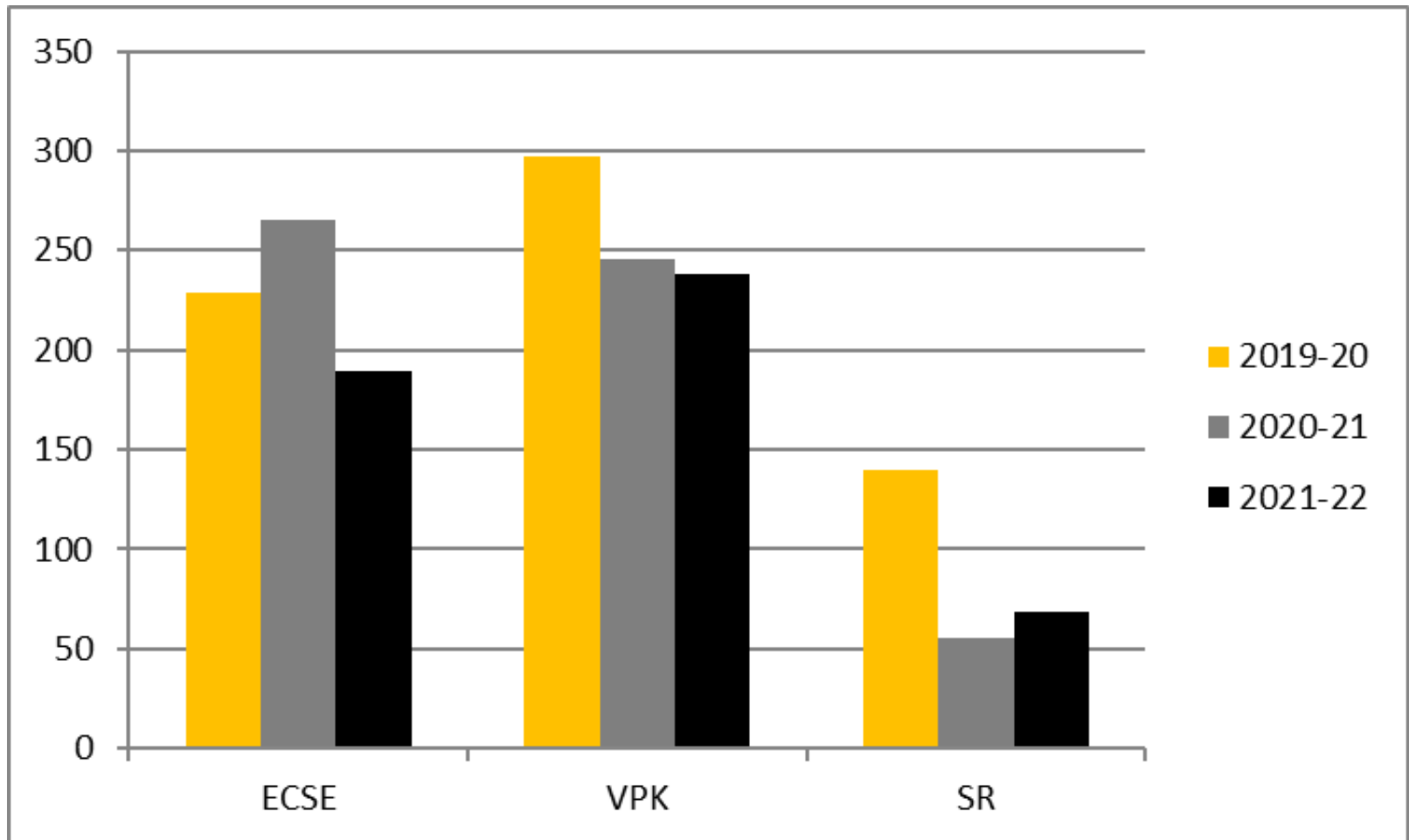
32

18

- Early Ed Students are:
  - Early Childhood Special Education (ECSE) – Funded by State & Federal Funds (General Fund)
  - Voluntary Pre-Kindergarten (VPK) – Funded by State Grant (General Fund)
  - School Readiness (SR) – Funded by Tuition and State Pathways Scholarships (Community Education)

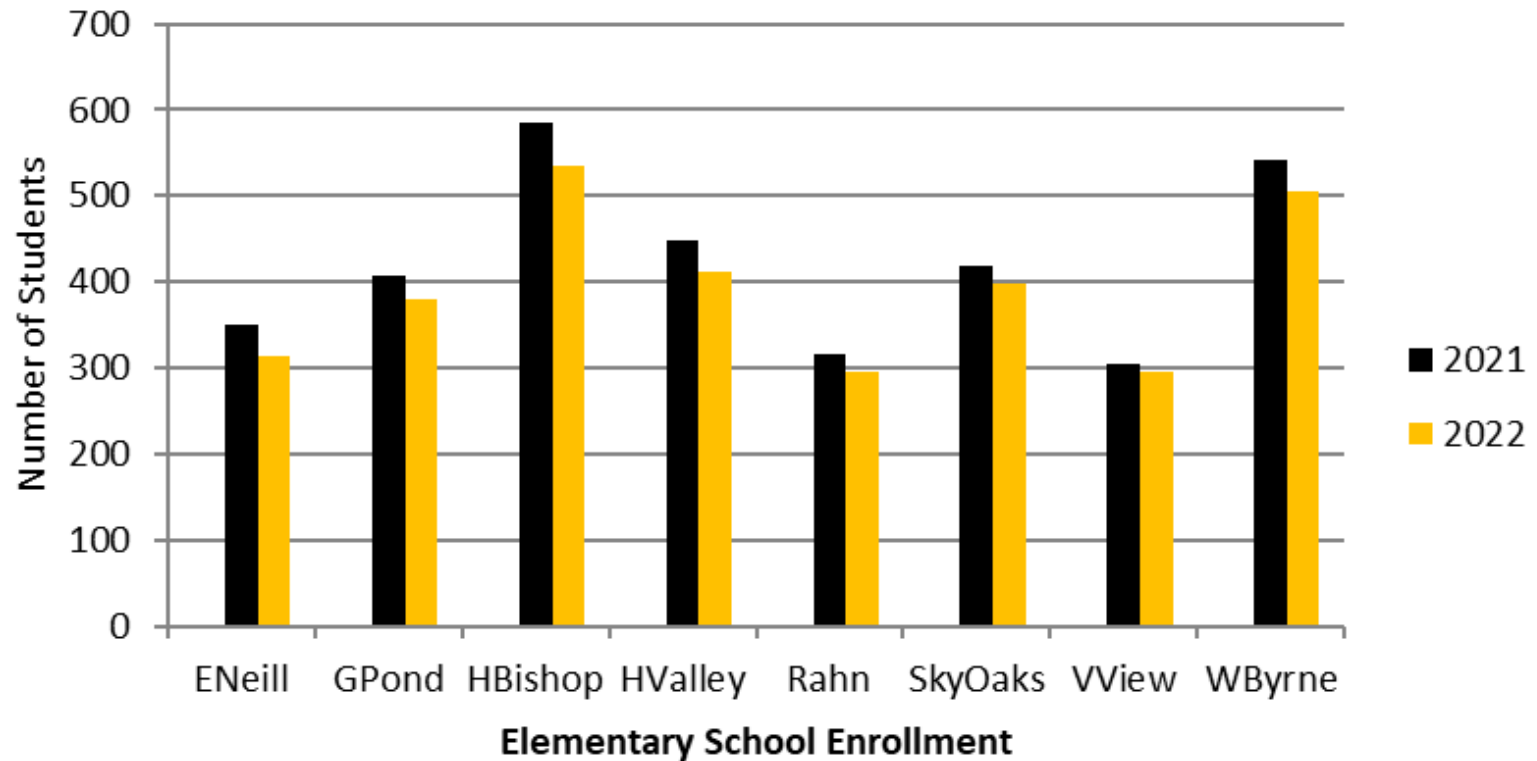
# Early Ed- 3 Yr Comparison October 1 Seat Count<sub>33</sub> Fall 2019 to Fall 2022

19

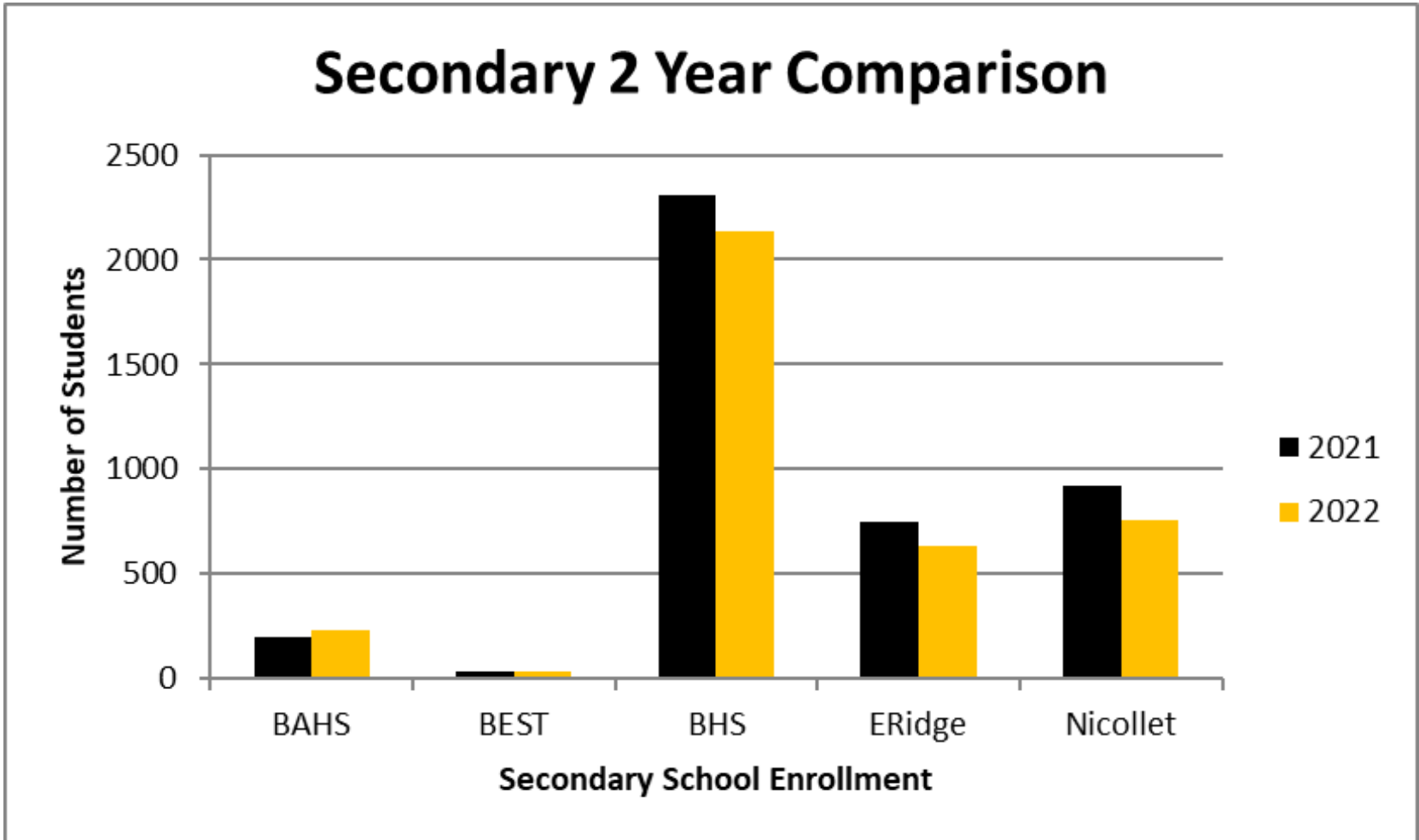


# Elementary- 2-Yr Comparison October 1 Seat Count FY2021 to FY2022 Grades K-5

## Elementary 2 Year Comparison

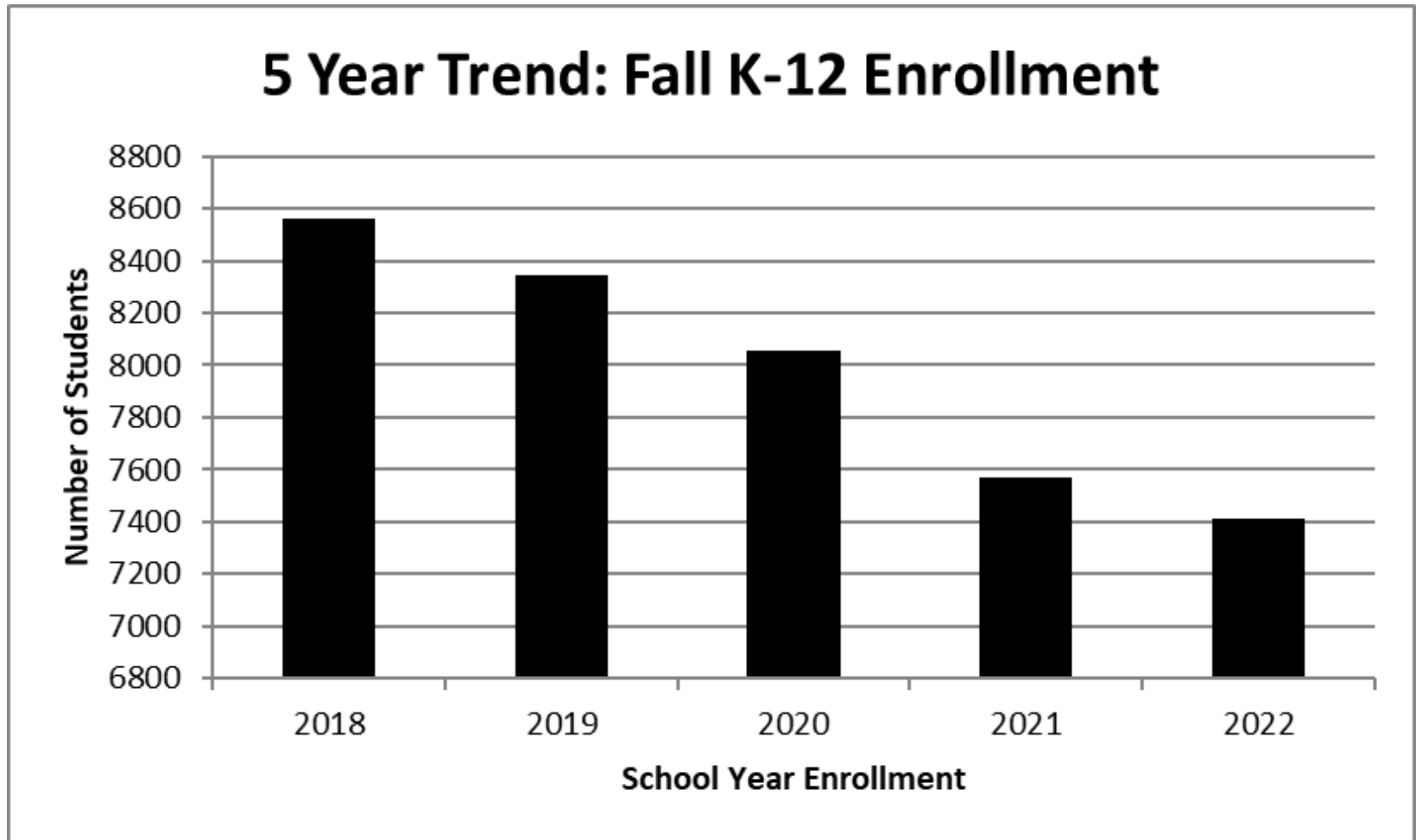


# Secondary- 2-Yr Comparison October 1 Seat Count FY2021 to FY2022 Grades 6-12



# Historical Enrollment Data- Oct 1

## Grades K-12



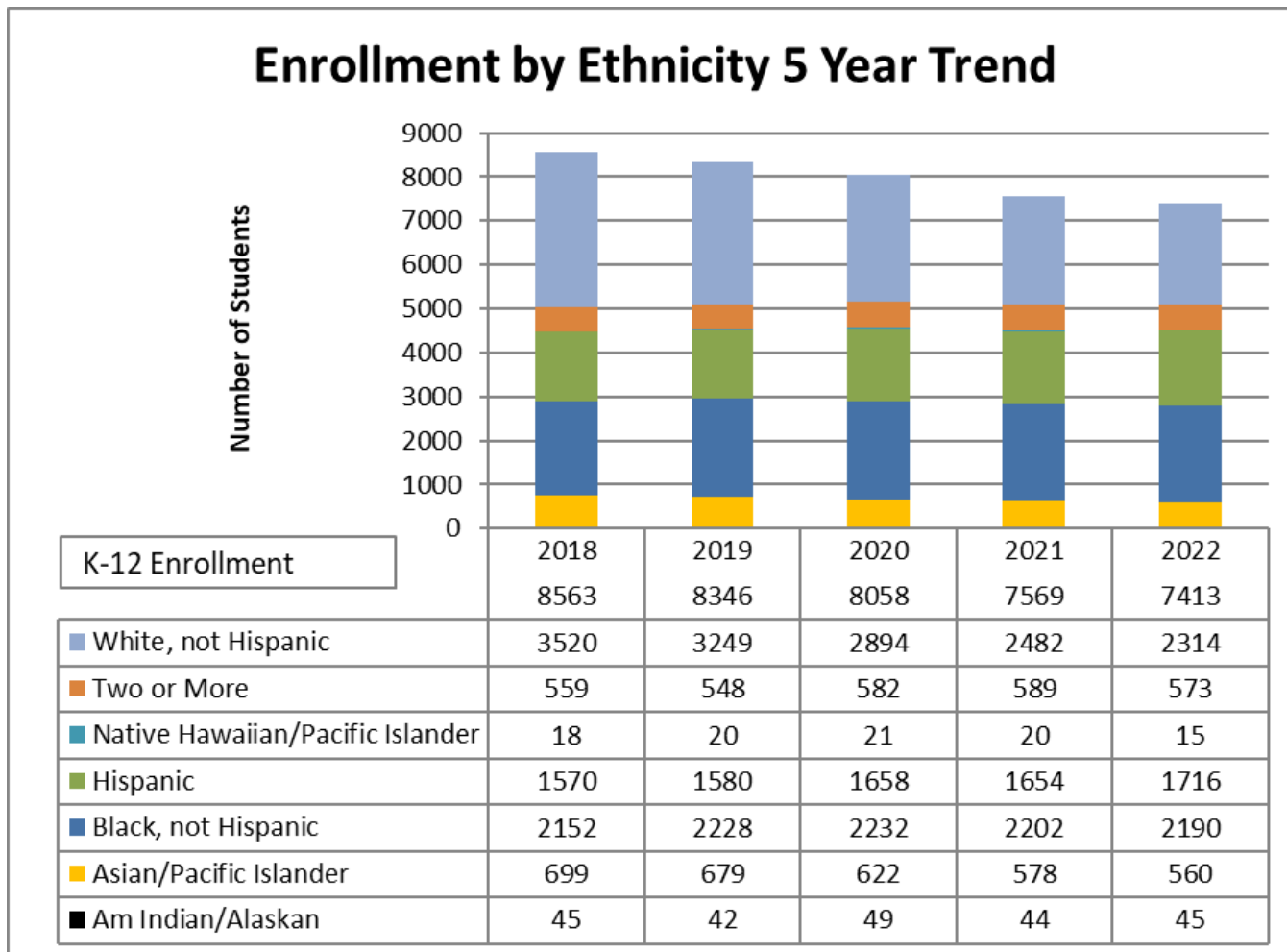
\* 2018-21 Finalized MDE Fall Counts

\*\*2021-22 Preliminary MDE Fall Counts

# District Composition

## Enrollment by Ethnicity Five Year Trend

K-12



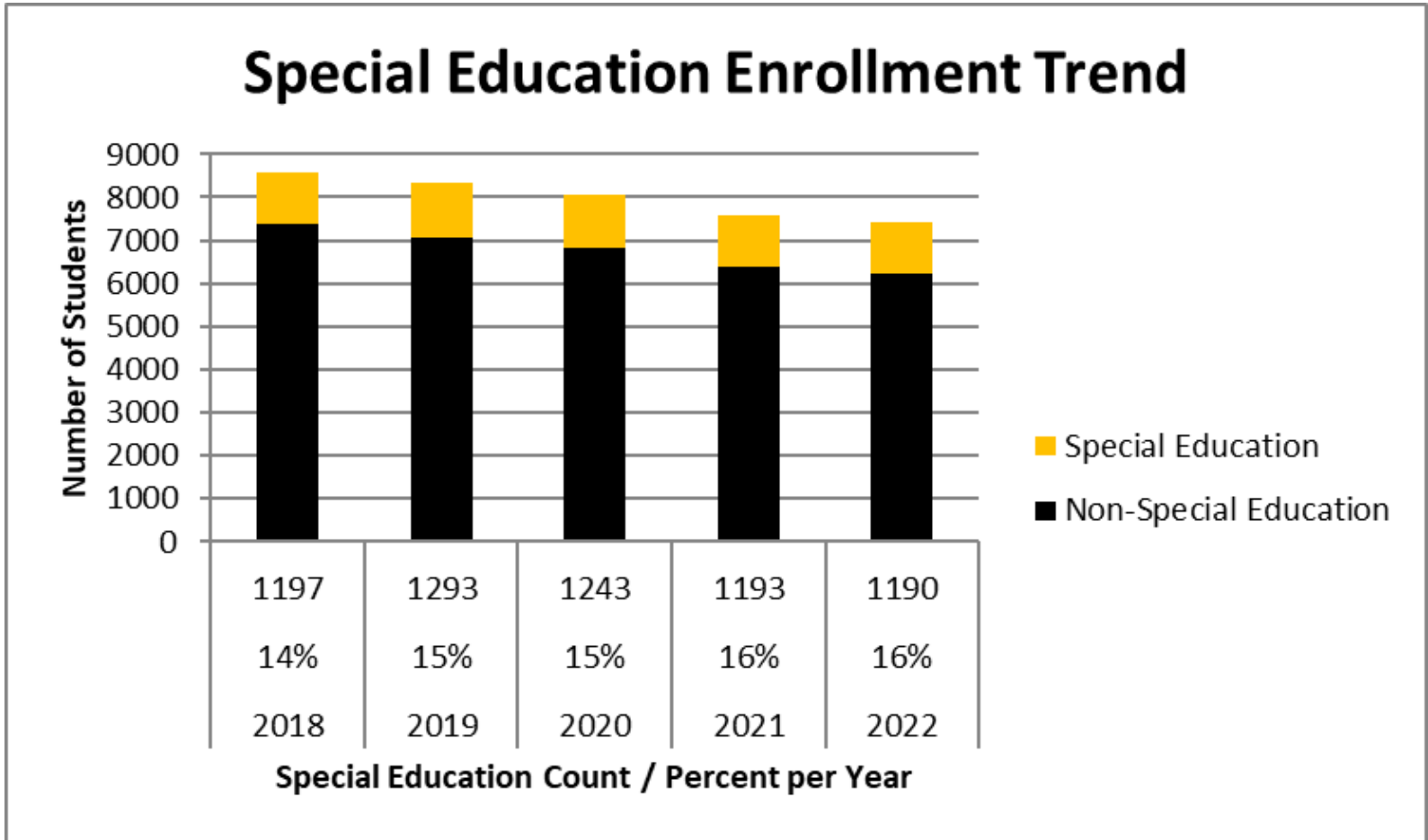
\* 2018-21 Finalized MDE Fall Counts

\*\*2021-22 Preliminary MDE Fall Counts

# District Composition

## % Special Education Enrollment

K-12



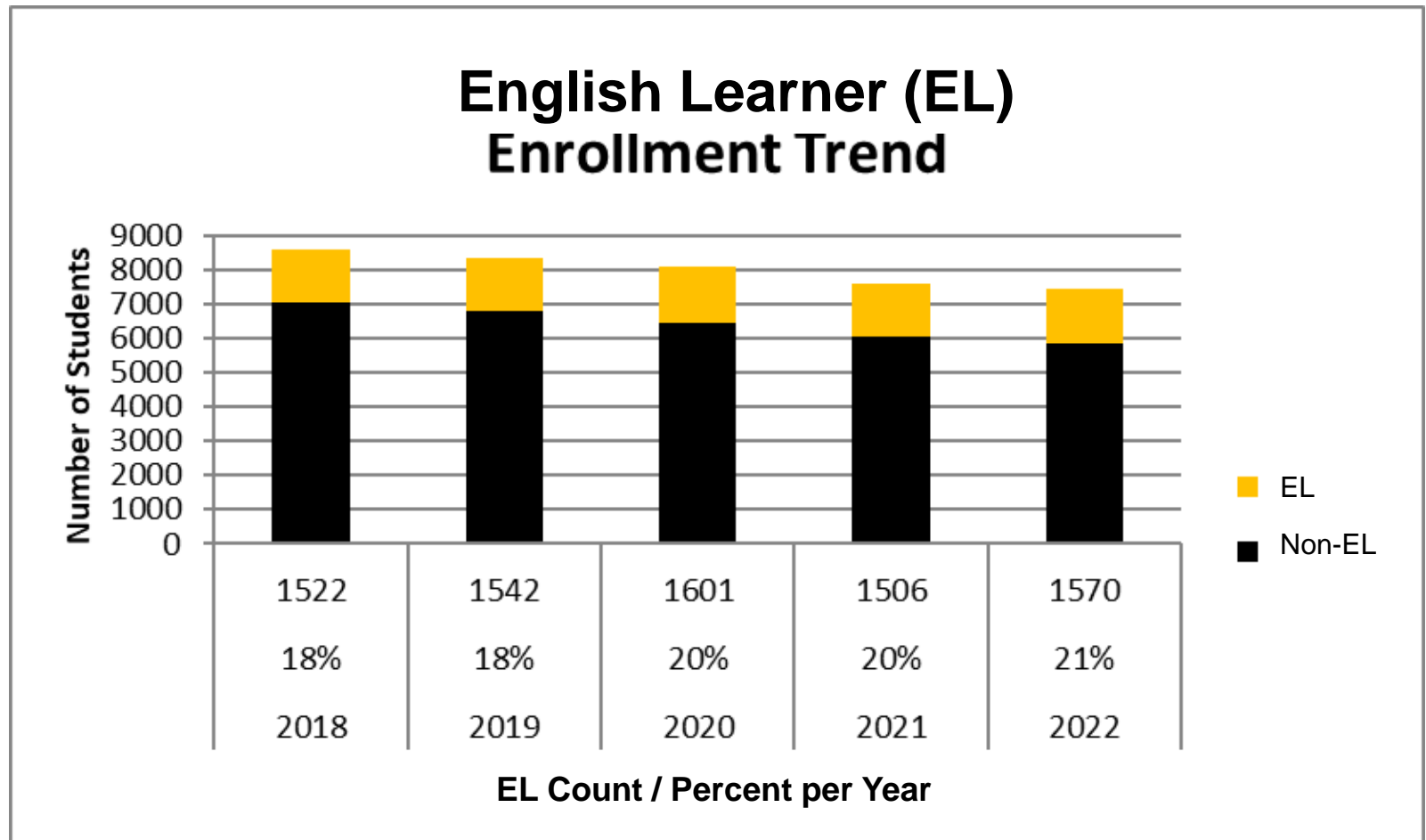
\* 2018-21 Finalized MDE Fall Counts

\*\*2021-22 Preliminary MDE Fall Counts

# District Composition K-12

## English Learner (EL) Enrollment Trend

K-12

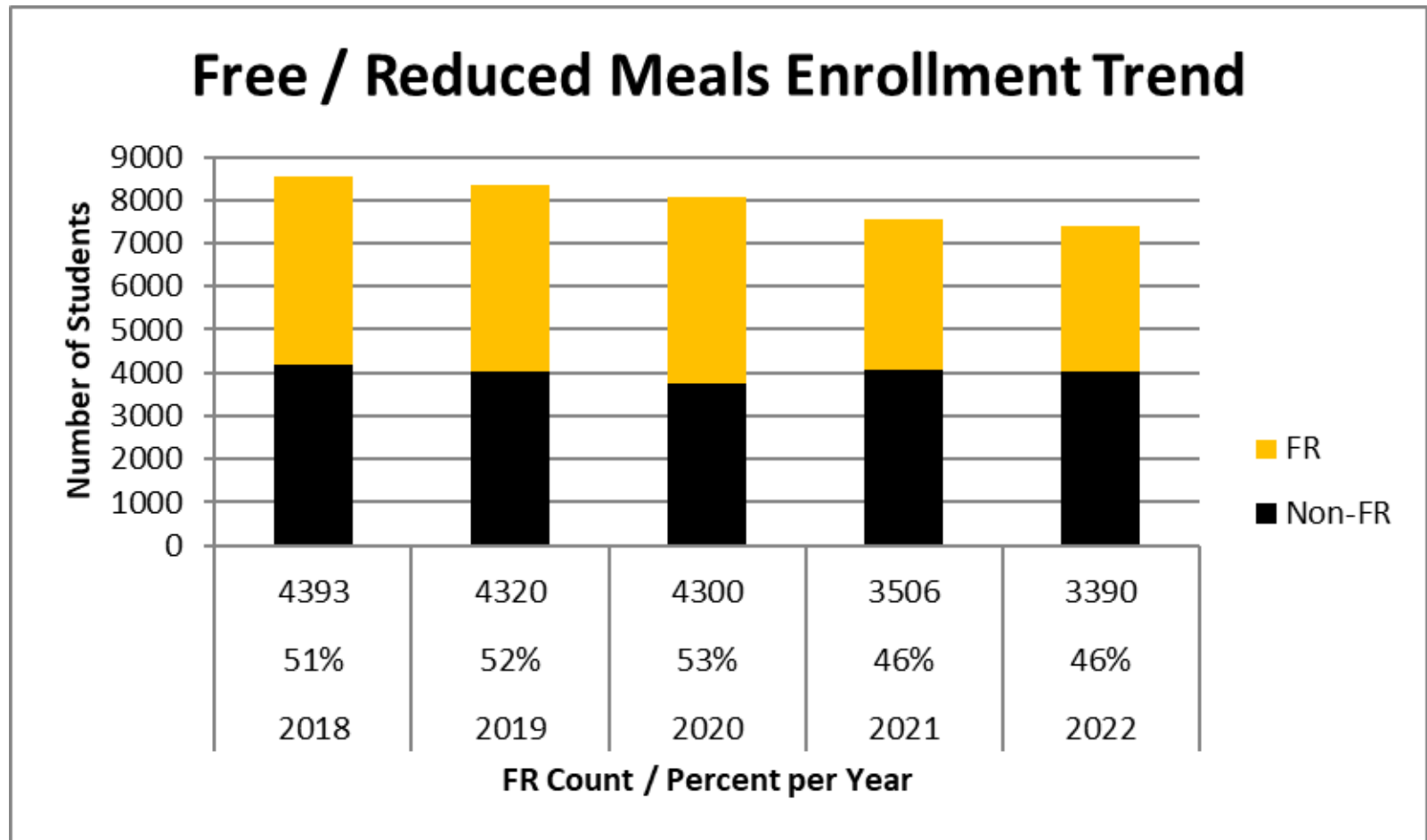


\* 2018-21 Finalized MDE Fall Counts

\*\*2021-22 Preliminary MDE Fall Counts

# District Composition

## % Free and Reduced Eligibility Trend



\* 2018-2021 Finalized MDE Fall Counts

\*\*2021-2022 Preliminary MDE Fall Counts: Numbers as of 10/1/2020

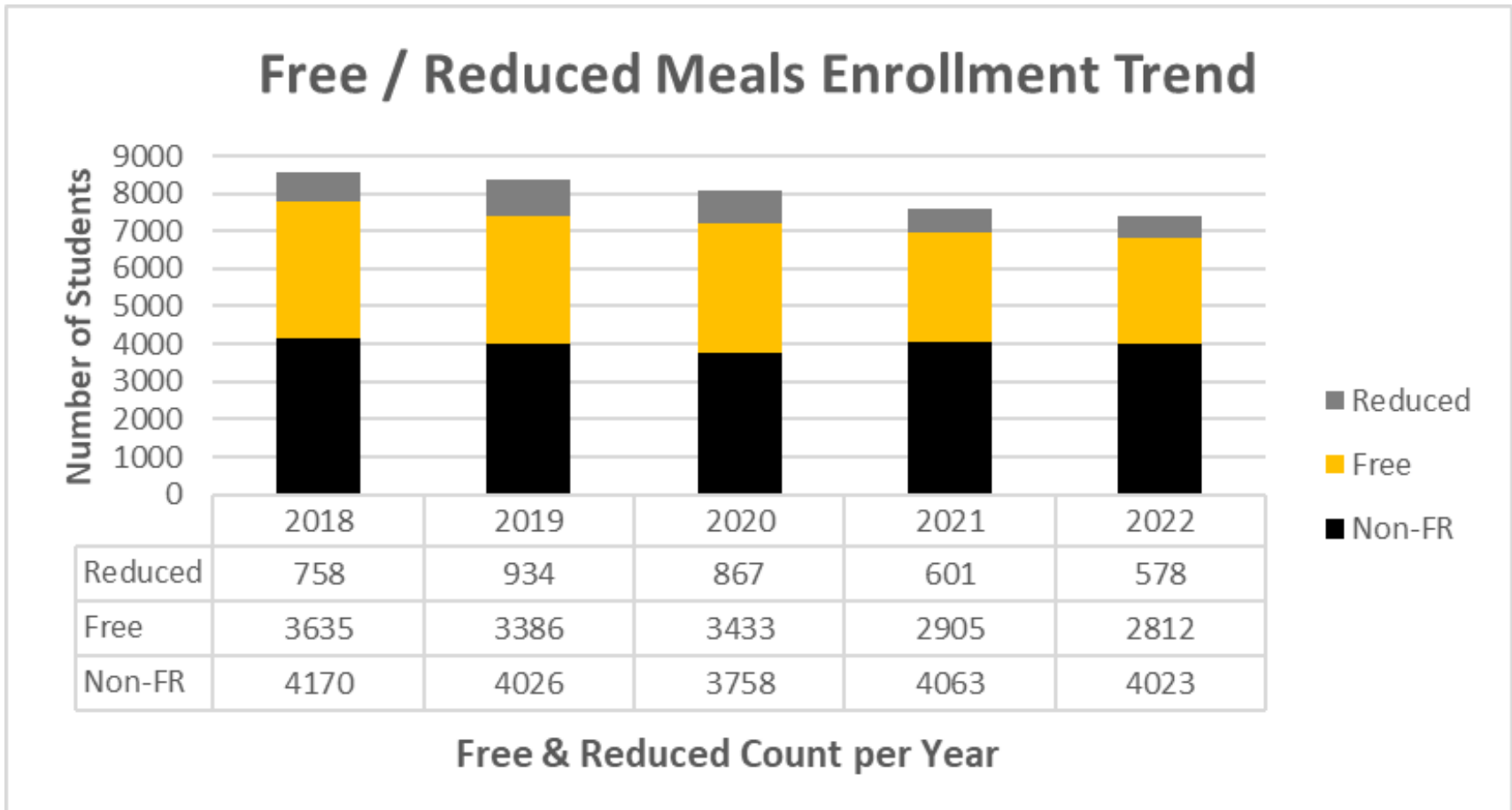
THANK YOU

District **ONE91**

***Future Ready. Community Strong.***

# District Composition

## Student Count Free and Reduced Eligibility Trend



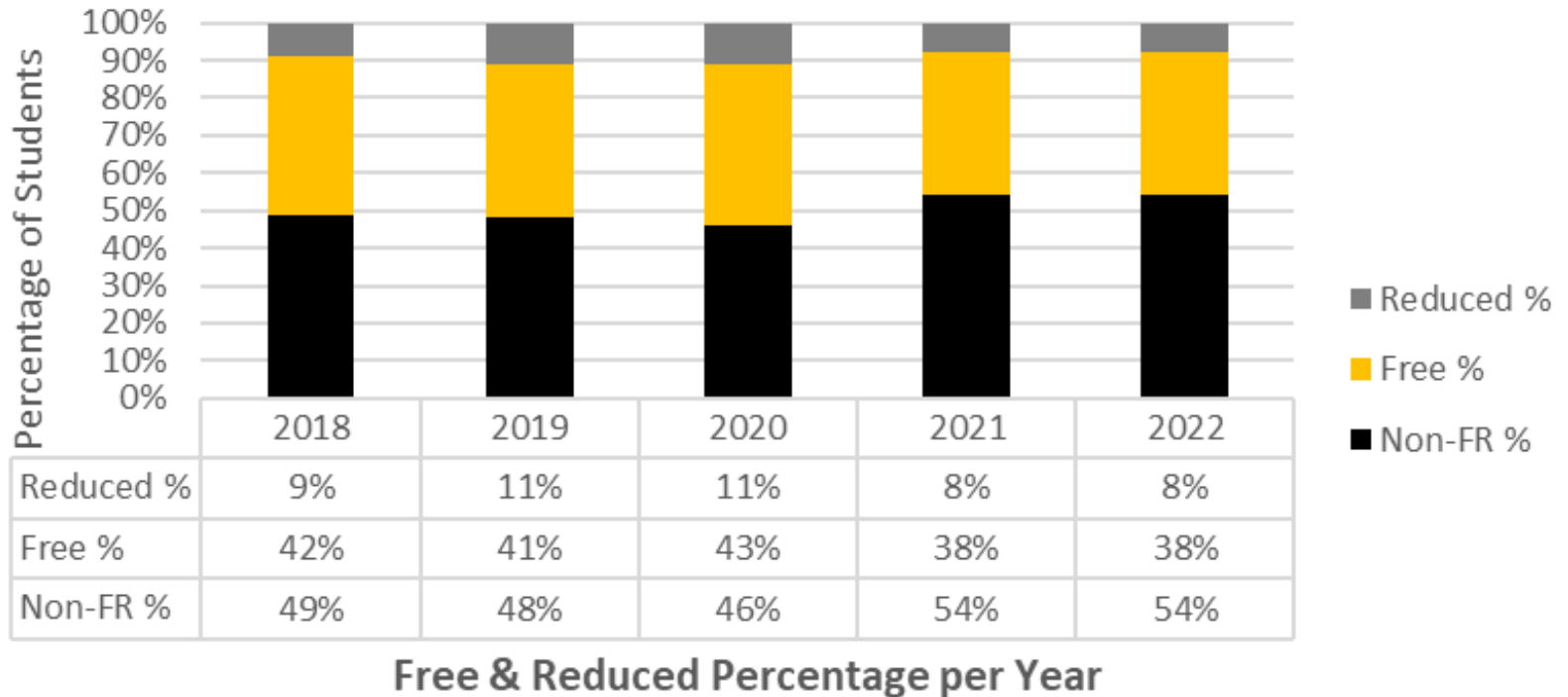
\* 2018-2021 Finalized MDE Fall Counts

\*\*2021-2022 Preliminary MDE Fall Counts

# District Composition

## % Free and Reduced Eligibility Trend

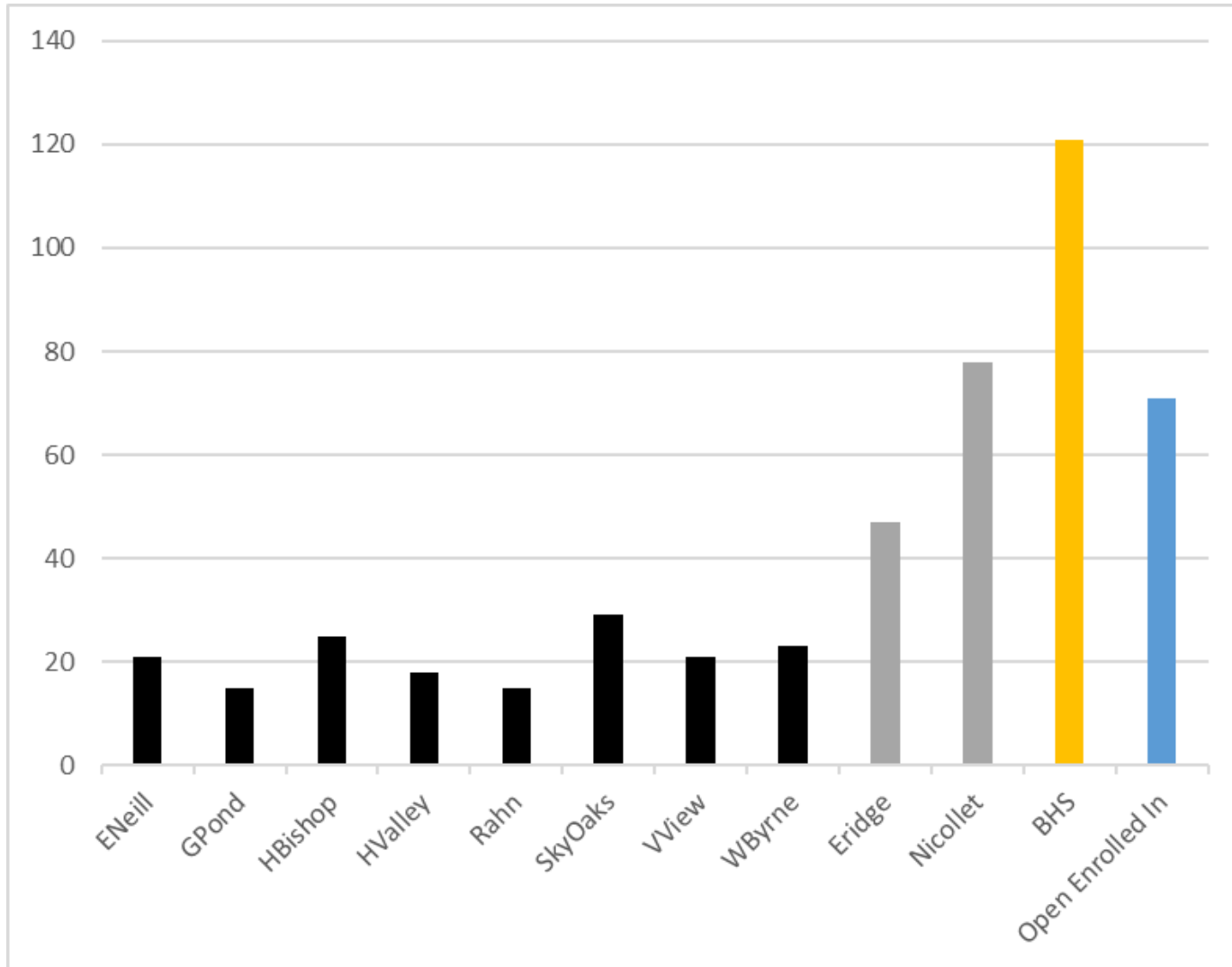
### Free / Reduced Meals Enrollment Trend



\* 2018-2021 Finalized MDE Fall Counts

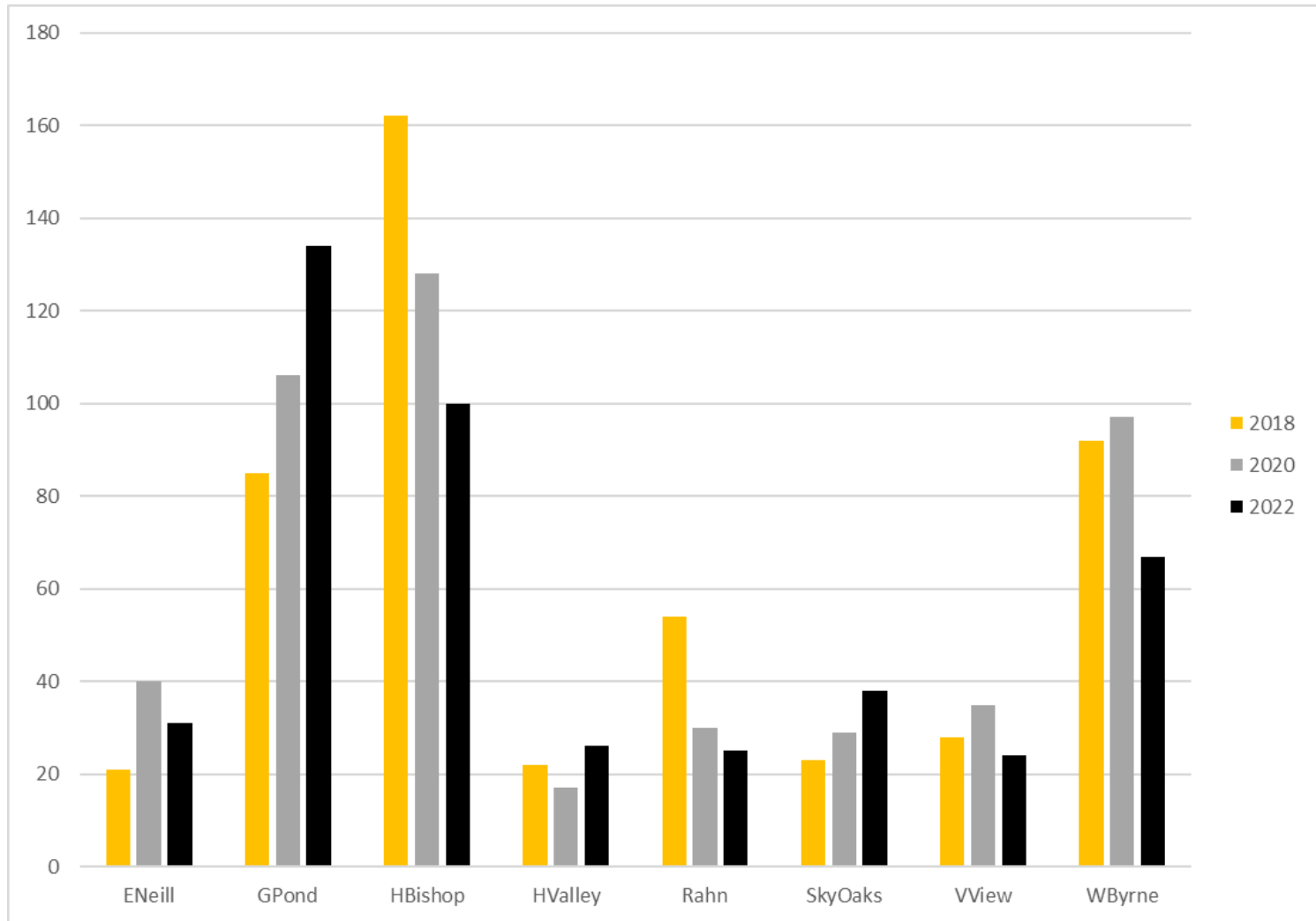
\*\*2021-2022 Preliminary MDE Fall Counts

# Virtual Academy Students' Resident School



# Historical Data

## Intra-district Transfers K-5





**Agenda III.C.  
November 10, 2021**

**To:** Board of Education

**From:** Dr. Theresa Battle, superintendent

**Date:** November 4, 2021

**Re:** Update about District 191's Efforts to Implement COVID-19 Related Educational and Public Health Guidance issued by the Minnesota Department of Education (MDE) and Minnesota Department of Health (MDH)

Receive an update about District 191's Efforts to Implement COVID-19 Related Educational and Public Health Guidance issued by the MDE and MDH from Dr. Theresa Battle, superintendent.



## COVID UPDATE

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November 10, 2021

Dr. Theresa Battle, superintendent,  
and Bernie Bien, MS, BSN, RN, Lead  
Licensed School Nurse

# Data Report

## Level of Transmission

Case Rate per 100K

Positivity Rate

## District 191 Data

Total cases for Staff and Students

Case Investigations

# Screening and Testing

49

## Staff

- 325 staff members for saliva screening
- November 17th and December 1st
- Free at home screening through Vault [Order Your Kit](#)

## Students

- Binax Now OTC kits ordered for every student- plan pending
- Partnership with Dakota Child and Family Clinic
- Free at home screening available through Vault [Order Your Kit](#)

Antigen versus Molecular?

# COVID-19 Vaccination Updates

50

The Pfizer-BioNTech COVID-19 Vaccine has received Emergency Use Authorization from Food and Drug Administration for individuals 5 through 11 years of age on November 3, 2021.

- Two Dose series
- Administered 3 weeks apart
- Smaller dosage (0.2 ml)

Where: Eagle Ridge Middle School

When: Dose #1 November 18 3:30-6:30

Dose #2 December 16 3:30-6:30

Pre-registration for an Appointment Required

Who: Students 5-11 years of age from Scott County in One91

Parent/Guardian must be present with the student

Where: Burnsville High School (Tentative)

When: Dose #1 November 29 (TBD)

Dose #2 December 20 (TBD)

Pre-registration for an Appointment Required

Who: Students 5-11 years of age from Dakota County in One91

Parent/Guardian must be present with the student

# Thank you!

53



## Board Meeting Date: November 10, 2021

### COVID-19 Board Report

**PURPOSE:** Provide an Update about District 191's efforts to implement COVID-19 related educational and public health guidance issued by the Minnesota Department of Education (MDE) and the Minnesota Department of Health (MDH), respectively.

**Overview:** Tonight I will share information regarding the latest announcement of vaccination or weekly testing for all employers with 100 or more employees and then Bernie Bien will provide a county health update and One91 COVID-19 case information and details about our participation in MN's vaccination program and screening and testing program. Lastly, Brian Gersich will give an update regarding Activities and Athletics.

The federal occupational Safety and Health Administration (OSHA)'s announcement that OSHA will publish a COVID-19 Vaccination and Testing Emergency Temporary Standard (ETS). The ETS requires all employers with 100 or more employees to ensure their workforce is fully vaccinated or require those who remain unvaccinated to produce a negative test result on at least a weekly basis.

MDE will provide more information as they learn more from the Department of Labor and Industry about Minnesota's implementation of ETS.

**Updates:** Local Data (MN, Dakota/Scott County and 191)

#### **Data:**

Our state and community continues to be in a High level of community transmission for COVID-19 and continuing to see a surge in COVID cases.

Over the past weekend COVID-19 case growth exceeded intake capacity which has resulted in a temporary backlog. Therefore new case counts will be underreported for the next few days.

In the last 24 hours, MN has had 5123 reported positive cases and 39 deaths. For comparison this number before school started was around 30. Monday for schools and childcare red cap reports was 1500. The recent average has been 1000.

#### 7 day Case Rate for positive cases per 100K

##### Dakota

- Current 325.39      Last week it was 263.86 which is a 23% increase      last board meeting 216  
19% of new cases this week were in kids under 12 in compared to last year at this time it was 7%.

This past week 20 deaths occurred in DC due to COVID.

Scott

- Current 389.23 last board meeting 221

Scott county is also seeing there highest case rate in children under 12

#### The Positivity rate

New numbers will be available tomorrow however it is apparent that this too will increase.

#### **191 positive cases and investigations**

As of 11/7 - We have been informed of 32 positive cases among staff with 26 cases resulting in a case investigation due to being infectious while in building. Last week positive cases was 26

For students we have been informed of 150 positive cases with 106 requiring a case investigation. Last week positive cases was 127

#### **191 case investigations**

Investigations completed last week was 21. This week thus far we have completed 17 investigations. At the end of last week 194 students were out due to the effects of COVID.

#### **Saliva Screening and Testing (Optional saliva screening)**

Staff surveyed have been provided information for participating in saliva screening on November 17th and December 1st. Encourage staff to enroll in the Vault testing program at home where kits will be sent directly to their home.

#### **Student Testing**

We continue to partner with Dakota Child and Family Clinic in Burnsville. They provided the following update and information:

Currently DCFC has tested 120 people which is up from 70 two weeks ago. The average daily testing is about 4-5 a day however this week they have had days with 10 tests completed. The positivity rate for participants is 5%.

#### **Antigen versus Molecular**

1. **Antigen test** (frequently referred to as a rapid test). This test detects protein fragments specific to the Coronavirus. Turnaround time for results is usually very quick and in some cases, results can be reported within 15 minutes.
2. **PCR test.** PCR testing is considered the “gold standard” in SARS-CoV-2 detection. This test actually detects RNA (or genetic material) that is specific to the virus and can detect the virus within days of infection, even those who

have no symptoms. Turnaround time is longer, generally in the 2-3 day range but results can be in as little as 24 hours.

### **Vaccinations**

On November 3, the Pfizer vaccine was approved for emergency use for 5-11 year olds.

- Nearly 800 Dakota County residents aged 5-11 have received their first dose since vaccine became available last week for this age group
- 69% of residents aged 12-15 have had at least 1 dose of vaccine
- 75% of residents aged 16-17 have had at least 1 dose.

We have been approached by both Scott and Dakota County to be a host site for a 5-11 year old vaccination clinic. Please note that parents are required to register for an appointment and be present with the student during the clinic.

The Scott county link went live this week and 262 out of 300 slots have been reserved. ‘  
Dakota County will have 360 slots.

### **Athletics and Activities :**

As our fall sports end, our winter seasons begin and our COVID-19 athletics and activities team continues to work to monitor the expectations for each. As we work to provide our students with every opportunity to participate in the activities they are passionate about, we continue to work to develop specific plans to keep these as safe as possible. This includes things like expectations that participants mask when not directly engaging in the activity. Certainly participation comes with some level of risk and this board has asked about sports like wrestling with a higher degree of close contact. That said, we will work to offer these opportunities where we can with the understanding that we will work to make them safe and also knowing our students in this age bracket are also eligible for vaccinations as another level of mitigation.

We also know we may have teams looking to participate in tournaments which is a common experience for winter seasons. This involves our participants in close proximity for extended periods of time so needs additional thought and planning. This is something that was discussed with the Superintendent’s COVID advisory team at the last meeting. That group offered support for these opportunities given we are also taking additional precautions. Along with masking expectations, we have additional expectations for safety that include clusters of groups in hotels as well as requiring a negative test for COVID

before departure to name a couple. The first such opportunity is coming later this month as our girls hockey program has a tournament they will be attending with these parameters.



**Agenda III.D.  
November 10, 2021**

**To:** Board of Education  
Dr. Theresa Battle, superintendent

**From:** Zoe Olson, student representative to the school board

**Date:** November 4, 2021

**Re:** Student Representative Report

Receive a report from Zoe Olson, student representative.



**Agenda III.E  
November 10, 2021**

**To:** Board of Education  
**From:** Dr. Theresa Battle, superintendent  
**Date:** November 4, 2021  
**Re:** Superintendent Report

Receive a report from Dr. Theresa Battle, superintendent.



**Agenda III.F.  
November 10, 2021**

**To:** Board of Education  
Dr. Theresa Battle, superintendent

**From:** Board Chair

**Date:** November 4, 2021

**Re:** Board Member Reports

Receive reports from board members.

School Board Minutes  
 INDEPENDENT SCHOOL DISTRICT 191  
 October 28, 2021

The regular meeting of the Board of Education was called to order by Chair Miller at 6:30 p.m. The meeting was held at Diamondhead Education Center, 200 West Burnsville Parkway, Burnsville, MN, 55337. Call to Order

Directors Alt, Chester, Conner, Hume, Said, and Chair Miller were present. Superintendent Battle, Student Representative Zoe Olson, administrators, staff and members of the public were also present. Attendance

Chair Miller welcomed the public and asked Conner to lead the Pledge of Allegiance. Pledge

Moved by Chester, seconded by Said, to approve the agenda. The motion carried unanimously (6, 0). Agenda

Received a report about Class Size from Stacey Sovine, executive director of human resources. Reports

Received an update about District 191's Efforts to Implement COVID-19 Related Educational and Public Health Guidance issued by the MDE and MDH from Dr. Theresa Battle, superintendent.

Werb arrived at 6:39 p.m.

Received reports from Alt on behalf of the Policy Review Committee and the Burnsville Chamber, Chester on behalf of the Legislative Committee and ISD 917, Hume reported about the Burnsville High School Hall of Fame, and Conner reported about AMSD.

Moved by Hume, seconded by Werb, to approve the consent agenda. Consent Agenda  
 -Approve minutes of the October 14, 2021, regular board meeting. Minutes  
 -Personnel recommendations for Christine Barcus, Fatiya Robe, Linda Personnel

Sandager, Abigail Salm, Danae Heckmann, Kristi Oscarson Wanzek, Catherine Guither, Aaron Roberts, Emily Matuza, Hayat Ismail, Jacob Sanchez, Kimberly Fritz, Kristi Oscarson Wanzek, Margaret Cull, Michal Thomason, Naomi Tadevich Saunders, Penelope Parsons-Lord, Raha Somerville, Safa Hassan, Thelma Jones, Mary Holewa, Amanda McAlpine, and Diane Terfehr.

-Adopt a resolution to approve and accept donations as presented. Donations  
 -Approve August payroll checks in the net amount of \$4,036,257.93. Checks, claims,  
 August claims to date, wire transfers and adjustments totaling receipts, and  
 \$9,182,158.73. Also, that the Board accepts August receipts of investments

\$12,487,840.53 and investments for the General Fund, 2015A School Building Bonds, and OPEB of \$67,839,562.97 as of August 31, 2021.

-Accept the Budget Analysis for the month ending August Budget Analysis

31, 2021.

-Receive a report about the Listening Session on October 14, 2021.  
 -Approve, on a second reading basis, changes to Policies 208: *Development, Adoption, and Implementation of Policies*, 504: *Student Dress and Appearance*, 506: *Student Discipline*, 514: *Bullying Prohibition Policy*, 604: *Instructional Curriculum*, 612.1: *Title I Family Engagement*, and 620: *Credit for Learning*.  
 -Approve, on a first reading basis, non-substantive changes to Policies 409: *Employee Publications, Instructional Materials, Inventions, and Creations*, 497: *Employee Work Day*, 498: *Political Campaigns and Activities*, and 522: *Title IX Sex Nondiscrimination Policy Grievance Procedure*.  
 -Approve no changes to Policies 405: *Veteran's Preference*, 408: *Subpoena of a School District Employee*, 495: *Staff Recognition*, 499: *Nepotism Prohibition*, and 806: *Emergency Operations Policy*.  
 The motion carried unanimously (7, 0).

Listening Session Policies

Moved by Alt, seconded by Said, to approve the proposed revisions and re-adopt the unchanged language in the 2021-2023 Master Agreement with the Burnsville Principals Association.  
 The motion carried unanimously (7, 0).

Principals Association

Moved by Werb, seconded by Conner, to approve, on a first reading basis, changes to Policy 413: *Harassment and Violence*.  
 The motion carried unanimously (7, 0).

Policy 413

The meeting adjourned at 7:54 p.m.

Adjourn

November 10, 2021

Scott Hume, clerk

Date approved

November 10th, 2021- Final

**Burnsville-Eagan-Savage Public Schools  
Independent School District 191  
Human Resources**

TO: Members, Board of Education  
Dr. Theresa Battle, Superintendent

FROM: Stacey Sovine, Executive Director of Human Resources

DATE: November 10th, 2021 Final

RE: Recommended Personnel Changes

CLASSIFICATION	ACTION	POSITION CONTROL	NAME	FINAL	LOCATION	POSITION	EFFECTIVE DATE
Certified	Appointment		Mary Topic		Eagle Ridge Middle School	Long Term Sub	11/8/2021
Certified	Appointment		Megan Philipsek		Nicollet Middle School	Teacher	11/15/2021
Certified	Appointment		Rachel Heil		WM. Byrne Elementary School	Teacher	11/4/2021
Certified	Change of Assignment		Jordan Taylor		Community Education	Teacher	11/1/2021
Certified	Change of Assignment		Laurie Anderson		Community Education	Teacher	11/2/2021
Certified	Change of Assignment		Vicki Spieler		Community Education	Teacher	11/1/2021
Certified	Leave of Absence		Kayla Erickson		ECSE Center	Occupational Therapist	11/18/21-12/31/21
Certified	Resignation		Laurie Anderson		Community Education	Teacher	11/5/2021
Certified	Resignation		Quentina Dunbar		Burnsville High School	Dean	11/19/2021
Certified	Resignation		Quentina Dunbar		Burnsville High School	Peer Support	11/19/2021
Classified	Appointment		Alex Buddington		Vista View Elementary School	Computer Club Leader	9/30/2021
Classified	Appointment		Brittney Anderson		Gideon Pond Elementary	Student Council Leader	9/30/2021
Classified	Appointment		Courteney Ivory		Vista View Elementary School	Student Council Leader	9/30/2021
Classified	Appointment		Hudayfi Barsug		Gideon Pond Elementary	Computer Club Leader	9/30/2021
Classified	Appointment		James Dundon		Burnsville High School	Assistant Girls Hockey Coach	11/30/2021
Classified	Appointment		Jason Jensen		Virtual Academy	Teacher	11/4/2021
Classified	Appointment		Jennifer Gandrud		Vista View Elementary School	Peer Support	9/30/2021
Classified	Appointment		Jennifer Houtman		Vista View Elementary School	Student Council Leader	9/30/2021
Classified	Appointment		Jodi Dempsey		Vista View Elementary School	Science Fair Leader	9/30/2021
Classified	Appointment		Laura Olsen		Edward Neill Elementary	Student Council Leader	9/30/2021
Classified	Appointment		Lauren Albrecht		Harriet Bishop Elementary	Special Education Educational Assistant	11/4/2021
Classified	Appointment		Layne Bell		Burnsville High School	Teacher	11/4/2021
Classified	Appointment		Minhnhat Le		District-wide	AVID Tutor	11/5/2021
Classified	Appointment		Rachael Theis		Gideon Pond Elementary	Peer Support	9/30/2021
Classified	Appointment		Ryan Moran		Vista View Elementary School	Student Safety Patrol	9/30/2021
Classified	Appointment		Tommie Gaston		District-wide	Cultural Liaison	10/28/2021
Classified	Appointment		Yurub Mohamed		Hidden Valley Elementary	Educational Assistant Level II	11/4/2021
Classified	Change of Assignment		Guillermo Davila		Burnsville High School	Custodian Level II	11/1/2021
Classified	Resignation		Derek Docken		Burnsville High School	Hockey Coach	11/1/2021
Classified	Resignation		Hayley Waggoner		Sky Oaks Elementary School	Community Education Coordinator	11/12/2021
Classified	Resignation		Thomas Ryan		Burnsville High School	Nordic Ski Coach	10/20/2021



**Agenda IV.A.3.  
November 10 , 2021**

**To:** Members, Board of Education  
Dr. Theresa Battle, superintendent

**From:** Lisa K. Rider, executive director of business services

**Date:** November 5, 2021

**RECOMMENDATION:** To adopt a resolution to approve and accept donations as presented.

**RESOLUTION TO ACCEPT DONATIONS**

**WHEREAS,**

1. School Board Policy 706 establishes guidelines for the acceptance of gifts to the District; and
2. Minnesota Statute 123B.02, Subd. 6 states the School Board may receive, for the benefit of the district, bequests, donations, or gifts for any proper purpose and apply the same to the purpose designated; and
3. Minnesota Statute 465.03 states the School Board may accept a grant or devise of real or personal property only by the adoption of a resolution approved by two-thirds of its members; and
4. Businesses and individuals have submitted donations to the district;

**THEREFORE, BE IT RESOLVED** by the School Board of ISD 191 to approve and accept with appreciation the donations as presented below and to permit their use as designated by the donors.

Moved by:

Seconded by:

Members in favor of the motion:

Members opposed:

Whereupon said Resolution was declared duly passed and adopted on November 10, 2021.

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Clerk – Board of Education

<b>Date</b>	<b>Donor</b>	<b>Recipient</b>	<b>Terms</b>	<b>Donation</b>
9/28/2021	Carson Gigstad Boy Scout Troop 226	Special Education	Eagle Scout project from High Schooler who had more donations than needed	\$795.26
11/3/2021	9 families of former students	Food & Nutrition Services	For students with negative balances	\$114.30
11/3/2021	Zainab Qasem	Food & Nutrition Services	For students with negative balances	\$1.00
11/4/2021	Anonymous	Food & Nutrition Services	For students with negative balances	\$14.10

**Total monetary donation received: \$924.66.**



**Agenda IV.A.4.  
November 10 2021**

**To:** Board of Education

**From:** Dr. Theresa Battle, superintendent

**Date:** October 29, 2021

**Re:** Receive a Report about the Listening Session

**Recommendation:** Receive a report about the Listening Session on October 28, 2021.

No one spoke at the listening session on October 28, 2021.

**Agenda IV.A.5.  
November 10, 2021**

**To:** Board of Education  
Dr. Theresa Battle, superintendent

**From:** Stacey Sovine, executive director of human resources

**Date:** November 4, 2021

**Re:** Policies 409: *Employee Publications, Instructional Materials, Inventions, and Creations*, 497: *Employee Work Day*, 498: *Political Campaigns and Activities*, and 522: *Title IX Sex Nondiscrimination Policy Grievance Procedure*

**Recommendation:** Approve, on a second reading basis, non-substantive changes to Policies 409: *Employee Publications, Instructional Materials, Inventions, and Creations*, 497: *Employee Work Day*, 498: *Political Campaigns and Activities*, and 522: *Title IX Sex Nondiscrimination Policy Grievance Procedure*.

The policies were reviewed by the Policy Review Committee on October 18, 2021. The changes were suggested by administration and the Policy Review Committee. The first reading was approved by the Board on October 28.

*Adopted:* 2/1984  
*Reviewed:* 10/28/2021  
*Revised:* 11/10/2021  
*Rescinds:* GCQB

*Burnsville-Eagan-Savage School District Policy 409*

**409 EMPLOYEE PUBLICATIONS, INSTRUCTIONAL MATERIALS, INVENTIONS, AND CREATIONS**

**I. PURPOSE**

The purpose of this policy is to identify and reserve the proprietary rights of the school district to certain publications, instructional materials, inventions, and creations which employees may develop or create, or assist in developing or creating, while employed by the school district.

**II. GENERAL STATEMENT OF POLICY**

Unless the employee develops, creates or assists in developing or creating a publication, instructional material, computer program, invention or creation entirely on the employee's own time and without the use of any school district facilities or equipment, the employee shall immediately disclose and, on demand of the school district, assign any rights to publications, instructional materials, computer programs, materials posted on websites, inventions or creations which the employee develops or creates or assists in developing or creating during the term of employee's employment to the school district. In addition, employees shall sign such documents and perform such other acts as may be necessary to secure the rights of the school district relating to such publications, instructional materials, computer programs, materials posted on websites, inventions and/or creations, including domestic and foreign patents and copyrights.

***Legal References:*** Minn. Stat. § 181.78 (Agreements; Terms Relating to Inventions)  
 17 U.S.C. § 101 *et seq.* (Copyrights)

***Cross References:*** Burnsville-Eagan Savage School District Policy 497 (Employee Work Day)  
 Burnsville-Eagan-Savage School District Policy 634 (Electronic Technology Acceptable Use Policy)

*Adopted:* 3/1991  
*Reviewed:* 10/28/2021  
*Revised:* 11/10/2021  
*Rescinds:* DJGA

*Burnsville-Eagan-Savage School District Policy 497*

## **497 EMPLOYEE WORK DAY**

### **I. PURPOSE**

The purpose of this policy is to establish expectations for employees during their work days.

### **II. GENERAL STATEMENT OF POLICY**

#### **A. School District Business**

Any contact by salespeople for the purpose for conducting school district business shall be related to employee's responsibilities and at the convenience of the district employee after first registering with the appropriate office. Sales contacts shall not be made during times that the employee has direct student supervisory responsibilities unless authorized in advance by the building principal.

#### **B. Personal Business**

Care shall be taken to ensure that the conduct of personal business during working hours does not interfere with job performance or responsibilities.

Any such personal business shall be limited to matters of a nominal, infrequent nature that cannot be reasonably conducted outside the workday.

#### **C. For Profit Business**

The conduct of business-for-profit by employees during working hours or on school property is prohibited. This prohibition does not apply to contractual arrangements to which the school district is a signator and the employee is paid through district payroll.

### **III. EMPLOYER'S RIGHTS**

The school district reserves the right to regulate and monitor all activities occurring on school district premises or with employees during their workday.

***Cross References:*** Burnsville-Eagan-Savage School District Policy 409 (Employee Publications, Instructional Materials, Inventions, and Creations)

*Adopted:* 1/28/2016  
*Reviewed:* 10/28/2021  
*Revised:* 11/10/2021  
*Rescinds:* GBG

*Burnsville-Eagan-Savage School District Policy 498*

## **498 POLITICAL CAMPAIGNS AND ACTIVITIES**

### **I. PURPOSES**

The purpose of this policy is to recognize the participation of students and employees in political issues. Further, the purpose of this policy is to establish guidelines for the participation of students and employees in political campaigns, partisan or non-partisan election activities, and the distribution of political or partisan materials.

### **II. GENERAL STATEMENT OF POLICY**

- A. The school district will maintain neutrality as to all political campaigns and issues. The school district will not expend public funds or resources to advocate for particular candidates or for only one side of a controversial question. However, the school district may expend reasonable amounts to apprise voters in the school district of facts pertinent to an election, bond issue, or referendum.
- B. The school district recognizes the rights of students and employees to participate in political campaigns and political issues, elections, and public service and the right of students to pursue an education conducted in a suitable academic environment free from disruption.
- C. To protect First Amendment rights, while at the same time preserving the integrity of the education objectives and responsibilities of the school district, the school board adopts the following guidelines.

### **III. DEFINITIONS**

- A. “Distribution” means circulation or dissemination of material by electronic means and/or by means of handing out free copies, selling or offering copies for sale, accepting donations for copies, or posting or displaying material. This includes, but is not limited to, posting on a wall, bulletin board, or other building surface, or anywhere on school district property; leaving items to be picked up by interested persons; directly giving items to persons; or placing items in rooms in a school district building.
- B. “Nonschool-sponsored material” or “unofficial material” includes all materials or objects intended for distribution, except school newspapers, employee newsletters, literary magazines, yearbooks, and other publications funded and/or sponsored or authorized by the school. Examples of nonschool-sponsored

material include, but are not limited to, leaflets, brochures, buttons, badges, fliers, petitions, posters, and underground newspapers, whether written by students or employees.

- C. “Nonschool person” means any person who is not a currently enrolled student or a current employee of the school district.
- D. “Political materials” include, but are not limited to, digital or any paper, handbill, poster, booklet, brochure, advertisement, sample ballot, display, or audio or video presentation, that pertains to a political candidate or political issue.
- E. “Political issue” is an issue that is the subject of a public referendum which is being debated by political candidates or organizations.
- F. “Political candidate” is a person who seeks nomination or election to partisan or nonpartisan public or party office or who has filed as candidate for election.
- G. A “political activity” is an act that is of a nature, done with intent, or done in a way, to influence or tend to directly or indirectly influence, voting at a primary or an election or, if it is done because a person is about to vote, has voted, or has refrained from voting at a primary or an election.
- H. “School activities” means any activity sponsored by the school including, but not limited to, classroom work, library activities, physical education classes, official assemblies and other similar gatherings, school athletic contests, band concerts, school plays, and in-school lunch periods.
- I. “Work hours” for school district employees refer to the period between the time an employee is scheduled to begin work and the end of the employee’s assigned work day (excluding the employee’s lunch and break periods), and any paid overtime hours or extra-duty hours for which the employee has volunteered or been assigned.

#### **IV. PROCEDURES**

- A. Political Activities of Employees in General
  - 1. Employees of the school district, while acting in the capacity of a school district employee, shall not engage in any political activity during the school day, during work hours, or at school activities.
  - 2. School district employees shall be free to engage in political activities outside of the school day, work hours, or school activities and to campaign and run for political office. Employees shall not allow such political activities to interfere with the proper performance of their school duties and shall not use school time, supplies, or equipment in these activities.

3. A school district employee or official shall not use his or her official authority or influence to compel a person to take part in a political activity, to pay or promise to pay a political contribution, or apply for membership in or become a member in a political organization.
4. Teachers or other school district employees may not use or recruit students during the school day, during work hours, or at school activities for either distribution of political materials or other political activities.
5. School district employees, while acting in the capacity of a school district employee, shall refrain from any conduct that is intended to be or that reasonably could be perceived as endorsing or opposing specific political issues or political candidates.
6. The implementation of and compliance with this policy shall be coordinated by the superintendent or designee. All inquiries regarding school district elections, referendum, candidates and campaigns shall be referred to the superintendent or designee.

B. Distribution of Political Materials

1. The distribution of political materials on school district property by nonschool persons is governed by Policy 904, Distribution of Materials on School District Property by Nonschool Persons.
2. The distribution of political materials on school district property by students and employees is governed by Policy 505, Distribution of Nonschool-sponsored Materials on School Premises by Students and Employees.

C. School District Property, Facilities, and Activities

1. Nonpublic forums. All school district property and facilities are nonpublic forums that are designated as reserved for their intended purpose of education and education-related activities. Political activities will not be allowed in such nonpublic forums unless it is part of approved curriculum. Further, reasonable time, place, and manner restrictions may be imposed in such a nonpublic forum.
2. Public forums by designation. The building principal, with approval of the superintendent and the school board, may designate specific property or facilities of the school district as limited public forums open for certain expressive activity such as political speech. The open character of such property or facilities will not be retained indefinitely. Further, reasonable time, place, and manner restrictions may be imposed. The building

principal and the superintendent are responsible for establishing the time, place, and manner restrictions and for ensuring equality of treatment toward all candidates and issues when such a designated public forum is created.

## V. VIOLATION OF POLICY

- A. Violation of this policy by a student will be halted, and appropriate disciplinary action will be taken in accordance with the school district's student discipline policy and/or any governing statute.
- B. Violation of this policy by an employee will be halted, and appropriate disciplinary action will be taken, in accordance with any individual contract, collective bargaining agreement, school district policies and procedures, and/or governing statute.
- C. Any other party violating this policy will be requested to leave the school property immediately and, if necessary, the police will be called. In addition, other action may be taken, if appropriate.

## VI. IMPLEMENTATION/NOTICE OF POLICY

- A. A copy of this policy will be available to all staff.
- B. The school district will develop a method of discussing the policy with students and employees.
- C. The school district administration may develop any additional guidelines and procedures necessary to implement this policy. Such additional guidelines shall be submitted to the school board for approval. Upon approval, such guidelines and procedures shall be an addendum to this policy.

**Legal References:** Minn. Stat. § 10A.01, Subd. 5  
 Minn. Stat. § 43A.32  
 Minn. Stat. § 211A.02, Subd.8  
 Minn. Stat. § 211B.09 (Prohibited public employee activities)  
 Op. Minn. Atty. Gen. 159a-3 (May 24, 1966) (concluding that a school district could not make expenditure of public funds for printing and mailing of literature urging passage of a bond issue)

**Cross References:** Burnsville-Eagan-Savage School District Policy 505 (Distribution of Nonschool-sponsored Materials on School Premises by Students and Employees)  
 Burnsville-Eagan-Savage School District Policy 634 (Electronic Technology Acceptable Use Policy)

Burnsville-Eagan-Savage School District Policy 904 (Distribution of Materials on School District Property by Nonschool Persons)

*Adopted: 10/99*  
*Reviewed: 10/28/2021*  
*Revised: 11/10/2021*  
*Rescinds: AC / JB / JBR*

*Burnsville-Eagan-Savage School District Policy 522*

**522 TITLE IX SEX NONDISCRIMINATION POLICY, GRIEVANCE PROCEDURE AND PROCESS**

**I. GENERAL STATEMENT OF POLICY**

- A. The school district does not discriminate on the basis of sex in its education programs or activities, and it is required by Title IX of the Education Amendments Act of 1972, and its implementing regulations, not to discriminate in such a manner. The requirement not to discriminate in its education program or activity extends to admission and employment. The school district is committed to maintaining an education and work environment that is free from discrimination based on sex, including sexual harassment.
- B. The school district prohibits sexual harassment that occurs within its education programs and activities. When the school district has actual knowledge of sexual harassment in its education program or activity against a person in the United States, it shall promptly respond in a manner that is not deliberately indifferent.
- C. This policy applies to sexual harassment that occurs within the school district's education programs and activities and that is committed by a school district employee, student, or other members of the school community. This policy does not apply to sexual harassment that occurs off school grounds, in a private setting, and outside the scope of the school district's education programs and activities. This policy does not apply to sexual harassment that occurs outside the geographic boundaries of the United States, even if the sexual harassment occurs in the school district's education programs or activities.
- D. Any student, parent, or guardian having questions regarding the application of Title IX and its regulations and/or this policy and grievance process should discuss them with the Title IX Coordinator. The school district's Title IX Coordinator(s) is/are:

**Hailey Busker, Human Resources Coordinator**  
**952-707-2011**  
**Diamondhead Education Center**  
**200 W Burnsville Pkwy.**  
**Burnsville, Minnesota 55337**  
[hbusker@isd191.org](mailto:hbusker@isd191.org)

**Alternate Stacey Sovine, Executive Director of Human Resources**  
**952-707-2010**  
**Diamondhead Education Center**  
**200 W Burnsville Pkwy.**  
**Burnsville, Minnesota 55337**  
[ssovine@isd191.org](mailto:ssovine@isd191.org)

Questions relating solely to Title IX and its regulations may be referred to the Title IX Coordinator(s), the Assistant Secretary for Civil Rights of the United States Department of Education, or both.

- E. The effective date of this policy is August 14, 2020 and applies to alleged violations of this policy occurring on or after August 14, 2020.

## II. DEFINITIONS

- A. “Actual knowledge” means notice of sexual harassment or allegations of sexual harassment to the school district’s Title IX Coordinator or to any employee of the school district. Imputation of knowledge based solely on vicarious liability or constructive notice is insufficient to constitute actual knowledge. This standard is not met when the only official of the school district with actual knowledge is the respondent.
- B. “Complainant” means a person who is alleged to be the victim of conduct that could constitute sexual harassment under Title IX. A Title IX Coordinator who signs a formal complaint is not a complainant unless the Title IX Coordinator is alleged to be the victim of the conduct described in the formal complaint.
- C. “Day” or “days” means, unless expressly stated otherwise, business days (i.e. day(s) that the school district office is open for normal operating hours, Monday - Friday, excluding State-recognized holidays).
- A. “Deliberately indifferent” means clearly unreasonable in light of the known circumstances. The school district is deliberately indifferent only if its response to sexual harassment is clearly unreasonable in light of the known circumstances.
- B. “Education program or activity” means locations, events, or circumstances for which the school district exercises substantial control over both the respondent and the context in which the sexual harassment occurs and includes school district education programs or activities that occur on or off of school district property.
- C. “Formal complaint” means a document filed by a complainant or signed by the Title IX Coordinator alleging sexual harassment against a respondent and requesting that the school district investigate the allegation of sexual harassment.
1. A formal complaint filed by a complainant must be a physical document or

an electronic submission. The formal complaint must contain the complainant's physical or digital signature, or otherwise indicate that the complainant is the person filing the formal complaint, and must be submitted to the Title IX Coordinator in person, by mail, or by email.

2. A formal complaint shall state that, at the time of filing the formal complaint, the complainant was participating in, or attempting to participate in, an education program or activity of the school district with which the formal complaint is filed.
- D. "Informal resolution" means options for resolving a formal complaint that do not involve a full investigation and adjudication. Informal resolution may encompass a broad range of conflict resolution strategies, including mediation or restorative justice.
- E. "Relevant questions" and "relevant evidence" are questions, documents, statements, or information that are related to the allegations raised in a formal complaint. Relevant evidence includes evidence that is both inculpatory and exculpatory. Questions and evidence about the complainant's sexual predisposition or prior sexual behavior are not relevant, unless such questions and evidence about the complainant's prior sexual behavior are offered to prove that someone other than the respondent committed the conduct alleged by the complainant, or if the questions and evidence concern specific incidents of the complainant's prior sexual behavior with respect to the respondent and are offered to prove consent.
- F. "Remedies" means actions designed to restore or preserve the complainant's equal access to education after a respondent is found responsible. Remedies may include the same individualized services that constitute supportive measures, but need not be non-punitive or non-disciplinary, nor must they avoid burdening the respondent.
- G. "Respondent" means an individual who has been reported to be the perpetrator of conduct that could constitute sexual harassment under Title IX.
- H. "Sexual harassment" means any of three types of misconduct on the basis of sex that occurs in a school district education program or activity and is committed against a person in the United States:
1. *Quid pro quo* harassment by a school district employee (conditioning the provision of an aid, benefit, or service of the school district on an individual's participation in unwelcome sexual conduct);
  2. Unwelcome conduct that a reasonable person would find so severe, pervasive, and objectively offensive that it denies a person equal educational access; or

3. Any instance of sexual assault (as defined in the Clery Act, 20 U.S.C. §1092(f)(6)A(v)), dating violence, domestic violence, or stalking (as defined in the Violence Against Women Act, 34 U.S.C. §12291).
- I. “Supportive measures” means individualized services provided to the complainant or respondent without fee or charge that are reasonably available, non-punitive, non-disciplinary, not unreasonably burdensome to the other party, and designed to ensure equal educational access, protect safety, and deter sexual harassment. Supportive measures may include counseling, extensions of deadlines or other course-related adjustments, modifications of work or class schedules, alternative educational services as defined under Minn. Stat. § 121A.41, as amended, mutual restrictions on contact between the parties, changes in work locations, leaves of absence, increased security and monitoring of certain areas of the school district buildings or property, and other similar measures.
  - J. “Title IX Personnel” means any person who addresses, works on, or assists with the school district’s response to a report of sexual harassment or formal complaint, and includes persons who facilitate informal resolutions. The following are considered Title IX Personnel:
    1. “Title IX Coordinator” means an employee of the school district that coordinates the school district’s efforts to comply with and carry out its responsibilities under Title IX. The Title IX Coordinator is responsible for acting as the primary contact for the parties and ensuring that the parties are provided with all notices, evidence, reports, and written determinations to which they are entitled under this policy and grievance process. The Title IX Coordinator is also responsible for effective implementation of any supportive measures or remedies. The Title IX Coordinator must be free from conflicts of interest and bias when administering the grievance process.
    2. “Investigator” means a person who investigates a formal complaint. The investigator of a formal complaint may not be the same person as the Decision-maker or the Appellate Decision-maker. The Investigator may be a school district employee, school district official, or a third party designated by the school district.
    3. “Decision-maker” means a person who makes a determination regarding responsibility after the investigation has concluded. The Decision-maker cannot be the same person as the Title IX Coordinator, the Investigator, or the Appellate Decision-maker.
    4. “Appellate Decision-maker” means a person who considers and decides appeals of determinations regarding responsibility and dismissals of formal complaints. The Appellate Decision-maker cannot be the same person as the Title IX Coordinator, Investigator, or Decision-maker. The Appellate

Decision-maker may be a school district employee, or a third party designated by the school district.

5. The superintendent of the school district may delegate functions assigned to a specific school district employee under this policy, including but not limited to the functions assigned to the Title IX Coordinator, Investigator, Decision-maker, Appellate Decision-maker, and facilitator of informal resolution processes, to any suitably qualified individual and such delegation may be rescinded by the superintendent at any time. The school district may also, in its discretion, appoint suitably qualified persons who are not school district employees to fulfill any function under this policy, including, but not limited to, Investigator, Decision-maker, Appellate Decision-maker, and facilitator of informal resolution processes.

### **III. BASIC REQUIREMENTS FOR GRIEVANCE PROCESS**

#### **A. Equitable Treatment**

1. The school district shall treat complainants and respondents equitably. However, equality or parity with respect to supportive measures provided to complainants and respondents is not required.
2. The school district will not impose any disciplinary sanctions or take any other actions against a respondent that do not constitute supportive measures until it has completed this grievance process and the respondent has been found responsible.
3. The school district will provide appropriate remedies to the complainant any time a respondent is found responsible.

#### **B. Objective and Unbiased Evaluation of Complaints**

1. Title IX Personnel, including the Title IX Coordinator, Investigator, Decision-maker, and Appellate Decision-maker, shall be free from conflicts of interest or bias for or against complainants or respondents generally or a specific complainant or respondent.
2. Throughout the grievance process, Title IX Personnel will objectively evaluate all relevant evidence, inculpatory and exculpatory, and shall avoid credibility determinations based solely on a person's status as a complainant, respondent, or witness.

- C. Title IX Personnel will presume that the respondent is not responsible for the alleged conduct until a determination regarding responsibility is made at the conclusion of the grievance process.

D. Confidentiality

The school district will keep confidential the identity of any individual who has made a report or complaint of sex discrimination, including any individual who has made a report or filed a formal complaint of sexual harassment, any complainant, any individual who has been reported to be the perpetrator of sex discrimination, any respondent, and any witness, except as may be permitted by the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g, or FERPA's regulations, and State law under Minn. Stat. § 13.32 34 C.F.R. Part 99, or as required by law, or to carry out the purposes of 34 C.F.R. Part 106, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder (i.e., the school district's obligation to maintain confidentiality shall not impair or otherwise affect the complainants and respondents receipt of the information to which they are entitled with respect to the investigative record and determination of responsibility).

E. Right to an Advisor; Right to a Support Person

Complainants and respondents have the right, at their own expense, to be assisted by an advisor of their choice during all stages of any grievance proceeding, including all meetings and investigative interviews. The advisor may be, but is not required to be, an attorney. In general, an advisor is not permitted to speak for or on behalf of a complainant or respondent, appear in lieu of complainant or respondent, participate as a witness, or participate directly in any other manner during any phase of the grievance process.

A complainant or respondent with a disability may be assisted by a support person throughout the grievance process, including all meetings and investigative interviews, if such accommodation is necessary. A support person may be a friend, family member, or any individual who is not otherwise a potential witness. The support person is not permitted to speak for or on behalf of a complainant or respondent, appear in lieu of complainant or respondent, participate as a witness, or participate directly in any other manner during any phase of the grievance process.

F. Notice

The school district will send written notice of any investigative interviews or meetings to any party whose participation is invited or expected. The written notice will include the date, time, location, participants, and purpose of the meeting or interview, and will be provided to allow sufficient time for the party to prepare to participate.

G. Consolidation

The school district may, in its discretion, consolidate formal complaints as to

allegations of sexual harassment against more than one respondent, or by more than one complainant against one or more respondents, or by one party against the other party, where the allegations of sexual harassment arise out of the same facts or circumstances.

#### H. Evidence

1. During the grievance process, the school district will not require, allow, rely upon, or otherwise use questions or evidence that constitute or seek disclosure of information protected under a legally recognized privilege, unless the person holding such privilege has waived the privilege.
2. The school district shall not access, consider, disclose, or otherwise use a party's medical, psychological, and similar treatment records unless the school district obtains the party's voluntary, written consent.

#### I. Burden of Proof

1. The burden of gathering evidence and the burden of proof shall remain upon the school district and not upon the parties.
2. The grievance process shall use a preponderance of the evidence standard (i.e. whether it is more likely than not that the respondent engaged in sexual harassment) for all formal complaints of sexual harassment, including when school district employees are respondents.

#### J. Timelines

1. Any informal resolution process must be completed within thirty (30) calendar days following the parties' agreement to participate in such informal process.
2. An appeal of a determination of responsibility or of a decision dismissing a formal complaint must be received by the school district within ten (10) days of the date the determination of responsibility or dismissal was provided to the parties.
3. Any appeal of a determination of responsibility or of a dismissal will be decided within thirty (30) calendar days of the day the appeal was received by the School District.
4. The school district will seek to conclude the grievance process, including any appeal, within 120 calendar days of the date the formal complaint was received by the School District.
5. Although the school district strives to adhere to the timelines described

above, in each case, the school district may extend the time frames for good cause. Good cause may include, without limitation: the complexity of the allegations; the severity and extent of the alleged misconduct; the number of parties, witnesses, and the types of other evidence (e.g., forensic evidence) involved; the availability of the parties, advisors, witnesses, and evidence (e.g., forensic evidence); concurrent law enforcement activity; intervening school district holidays, breaks, or other closures; the need for language assistance or accommodation of disabilities; and/or other unforeseen circumstances.

K. Potential Remedies and Disciplinary Sanctions

1. The following is the range of possible remedies that the school district may provide a complainant and disciplinary sanctions that the school district might impose upon a respondent, following determination of responsibility: counseling, extensions of deadlines or other course-related adjustments, modifications of work or class schedules, mutual or unilateral restrictions on contact between the parties, changes in work locations, leaves of absence, monitoring of certain areas of the school district buildings or property, warning, suspension, exclusion, expulsion, transfer, remediation, termination, or discharge.
2. If the Decision-maker determines a student-respondent is responsible for violating this policy, the Decision-maker will recommend appropriate remedies, including disciplinary sanctions/consequences. The Title IX Coordinator will notify the superintendent of the recommended remedies, such that an authorized administrator can consider the recommendation(s) and implement appropriate remedies in compliance with MSBA Model Policy 506 – Student Discipline. The discipline of a student-respondent must comply with the applicable provisions of Minnesota Pupil Fair Dismissal Act, the Individuals with Disabilities Education Improvement Act (IDEA) and/or Section 504 of the Rehabilitation Act of 1972, and their respective implementing regulations.

**IV. REPORTING PROHIBITED CONDUCT**

- A. Any student who believes they have been the victim of unlawful sex discrimination or sexual harassment, or any person (including the parent of a student) with actual knowledge of conduct which may constitute unlawful sex discrimination or sexual harassment toward a student should report the alleged acts as soon as possible to the Title IX Coordinator.
- B. Any employee of the school district who has experienced, has actual knowledge of, or has witnessed unlawful sex discrimination, including sexual harassment, or who otherwise becomes aware of unlawful sex discrimination, including sexual harassment, must promptly report the allegations to the Title IX Coordinator

without screening or investigating the report or allegations.

- C. A report of unlawful sex discrimination or sexual harassment may be made at any time, including during non-business hours, and may be made in person, by mail, by telephone, or by e-mail using the Title IX Coordinator's contact information. A report may also be made by any other means that results in the Title IX Coordinator receiving the person's verbal or written report.
- D. Sexual harassment may constitute both a violation of this policy and criminal law. To the extent the alleged conduct may constitute a crime, the School District may report the alleged conduct to law enforcement authorities. The school district encourages complainants to report criminal behavior to the police immediately.

## **V. INITIAL RESPONSE AND ASSESSMENT BY THE TITLE IX COORDINATOR**

- A. When the Title IX Coordinator receives a report, the Title IX Coordinator shall promptly contact the complainant confidentially to discuss the availability of supportive measures, consider the complainant's wishes with respect to supportive measures, inform the complainant of the availability of supportive measures with or without the filing of a formal complaint, and explain to the complainant the process for filing a formal complaint.
- B. The school district will offer supportive measures to the complainant whether or not the complainant decides to make a formal complaint. The school district must maintain as confidential any supportive measures provided to the complainant or respondent, to the extent that maintaining such confidentiality would not impair the school district's ability to provide the supportive measures. The Title IX Coordinator is responsible for coordinating the effective implementation of supportive measures.
- C. If the complainant does not wish to file a formal complaint, the allegations will not be investigated by the school district unless the Title IX Coordinator determines that signing a formal complaint to initiate an investigation over the complainant's wishes is not clearly unreasonable in light of the known circumstances.
- D. Upon receipt of a formal complaint, the school district must provide written notice of the formal complaint to the known parties with sufficient time to prepare a response before any initial interview. This written notice must contain:
  1. The allegations of sexual harassment, including sufficient details known at the time, the identities of the parties involved in the incident (if known), the conduct allegedly constituting sexual harassment, and the date and location of the alleged incident, if known;
  2. A statement that the respondent is presumed not responsible for the alleged conduct and that a determination regarding responsibility will be made at

the conclusion of the grievance process;

3. A statement explaining that the parties may have an advisor of their choice, who may be, but is not required to be, an attorney;
4. A statement that the parties may inspect and review evidence gathered pursuant to this policy;
5. A statement informing the parties of any code of conduct provision that prohibits knowingly making false statements or knowingly submitting false information; and
6. A copy of this policy.

## **VI. STATUS OF RESPONDENT DURING PENDENCY OF FORMAL COMPLAINT**

### **A. Emergency Removal of a Student**

1. The school district may remove a student-respondent from an education program or activity of the school district on an emergency basis before a determination regarding responsibility is made if:
  - a. The school district undertakes an individualized safety and risk analysis;
  - b. The school district determines that an immediate threat to the physical health or safety of any student or other individual arising from the allegations of sexual harassment justifies removal of the student-respondent; and
  - c. The school district determines the student-respondent poses such a threat, it will so notify the student-respondent and the student-respondent will have an opportunity to challenge the decision immediately following the removal. In determining whether to impose emergency removal measures, the Title IX Coordinator shall consult related school district policies, including MSBA Model Policy 506 – Student Discipline. The school district must take into consideration applicable requirements of the Individuals with Disabilities Education Act and Section 504 of the Rehabilitation Act of 1973, prior to removing a special education student or Section 504 student on an emergency basis.

### **B. Employee Administrative Leave**

The school district may place a non-student employee on administrative leave during the pendency of the grievance process of a formal complaint. Such leave

will typically be paid leave unless circumstances justify unpaid leave in compliance with legal requirements. The school district must take into consideration applicable requirements of Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act prior to removing an individual with a qualifying disability.

## **VII. INFORMAL RESOLUTION OF A FORMAL COMPLAINT**

- A. At any time prior to reaching a determination of responsibility, informal resolution may be offered and facilitated by the school district at the school district's discretion, but only after a formal complaint has been received by the school district.
- B. The school district may not require as a condition of enrollment or continued enrollment, or of employment or continued employment, or enjoyment of any other right, waiver of the right to a formal investigation and adjudication of formal complaints of sexual harassment.
- C. The informal resolution process may not be used to resolve allegations that a school district employee sexually harassed a student.
- D. The school district will not facilitate an informal resolution process without both parties' agreement, and will obtain their voluntary, written consent. The school district will provide to the parties a written notice disclosing the allegations, the requirements of the informal resolution process including the circumstances under which it precludes the parties from resuming a formal complaint arising from the same allegations, the parties' right to withdraw from the informal resolution process, and any consequences resulting from participating in the informal resolution process, including the records that will be maintained or could be shared.
- E. At any time prior to agreeing to a resolution, any party has the right to withdraw from the informal resolution process and resume the grievance process with respect to the formal complaint.

## **VIII. DISMISSAL OF A FORMAL COMPLAINT**

- A. Under federal law, the school district must dismiss a Title IX complaint, or a portion thereof, if the conduct alleged in a formal complaint or a portion thereof:
  - 1. Would not meet the definition of sexual harassment, even if proven;
  - 2. Did not occur in the school district's education program or activity; or
  - 3. Did not occur against a person in the United States.
- B. The school district may, in its discretion, dismiss a formal complaint or allegations therein if:

1. The complainant informs the Title IX Coordinator in writing that the complainant desires to withdraw the formal complaint or allegations therein;
  2. The respondent is no longer enrolled or employed by the school district; or
  3. Specific circumstances prevent the school district from gathering sufficient evidence to reach a determination.
- C. The school district shall provide written notice to both parties of a dismissal. The notice must include the reasons for the dismissal.
- D. Dismissal of a formal complaint or a portion thereof does not preclude the school district from addressing the underlying conduct in any manner that the school district deems appropriate.

#### **IX. INVESTIGATION OF A FORMAL COMPLAINT**

- A. If a formal complaint is received by the School District, the school district will assign or designate an Investigator to investigate the allegations set forth in the formal complaint.
- B. If during the course of the investigation the school district decides to investigate any allegations about the complainant or respondent that were not included in the written notice of a formal complaint provided to the parties, the school district must provide notice of the additional allegations to the known parties.
- C. When a party's participation is invited or expected in an investigative interview, the Investigator will coordinate with the Title IX Coordinator to provide written notice to the party of the date, time, location, participants, and purposes of the investigative interview with sufficient time for the party to prepare.
- D. During the investigation, the Investigator must provide the parties with an equal opportunity to present witnesses for interviews, including fact witnesses and expert witnesses, and other inculpatory and exculpatory evidence.
- E. Prior to the completion of the investigative report, the Investigator, through the Title IX Coordinator, will provide the parties and their advisors (if any) with an equal opportunity to inspect and review any evidence directly related to the allegations. The evidence shall be provided in electronic format or hard copy and shall include all relevant evidence, evidence upon which the school district does not intend to rely in reaching a determination regarding responsibility, and any inculpatory or exculpatory evidence whether obtained from a party or another source. The parties will have ten (10) days to submit a written response, which the Investigator will consider prior to completion of the investigative report.

- F. The Investigator will prepare a written investigative report that fairly summarizes the relevant evidence. The investigative report may include credibility determinations that are not based on a person's status as a complainant, respondent or witness. The school district will send the parties and their advisors (if any) a copy of the report in electronic format or hard copy, for their review and written response at least ten (10) days prior to a determination of responsibility.

## **X. DETERMINATION REGARDING RESPONSIBILITY**

- A. After the school district has sent the investigative report to both parties and before the school district has reached a determination regarding responsibility, the Decision-maker must afford each party the opportunity to submit written, relevant questions that a party wants asked of any party or witness.
- B. The Decision-maker must provide the relevant questions submitted by the parties to the other parties or witnesses to whom the questions are offered, and then provide each party with the answers, and allow for additional, limited follow-up questions from each party.
- C. The Decision-maker must explain to the party proposing the questions any decision to exclude a question as not relevant.
- D. When the exchange of questions and answers has concluded, the Decision-maker must issue a written determination regarding responsibility that applies the preponderance of the evidence standard to the facts and circumstances of the formal complaint. The written determination of responsibility must include the following:
1. Identification of the allegations potentially constituting sexual harassment;
  2. A description of the procedural steps taken from the receipt of the formal complaint through the determination, including any notifications to the parties, interviews with parties and witnesses, site visits, and methods used to gather other evidence;
  3. Findings of fact supporting the determination;
  4. Conclusions regarding the application of the school district's code of conduct to the facts;
  5. A statement of, and rationale for, the result as to each allegation, including a determination regarding responsibility, any disciplinary sanctions the school district imposes on the respondent, and whether remedies designed to restore or preserve equal access to the recipient's education program or activity will be provided by the school district to the complainant; and

6. The school district's procedures and permissible bases for the complainant and respondent to appeal and the date by which an appeal must be made.
- E. In determining appropriate disciplinary sanctions, the Decision-maker should consider the surrounding circumstances, the nature of the behavior, past incidents or past or continuing patterns of behavior, the relationships between the parties involved, and the context in which the alleged incident occurred.
  - F. The written determination of responsibility must be provided to the parties simultaneously.
  - G. The Title IX Coordinator is responsible for the effective implementation of any remedies.
  - H. The determination regarding responsibility becomes final either on the date that the school district provides the parties with the written determination of the result of the appeal, if an appeal is filed, or if an appeal is not filed, the date on which an appeal would no longer be considered timely.

## **XI. APPEALS**

- A. The school district shall offer the parties an opportunity to appeal a determination regarding responsibility or the school district's dismissal of a formal complaint or any allegations therein, on the following bases:
  1. A procedural irregularity that affected the outcome of the matter (e.g., a material deviation from established procedures);
  2. New evidence that was not reasonably available at the time the determination regarding responsibility or dismissal was made, that could affect the outcome of the matter; and
  3. The Title IX Coordinator, Investigator, or Decision-maker had a conflict of interest or bias for or against complainants or respondents generally or the individual complainant or respondent that affected the outcome of the matter.
- B. If notice of an appeal is timely received by the school district, the school district will notify the parties in writing of the receipt of the appeal, assign or designate the Appellate Decision-maker, and give the parties a reasonable, equal opportunity to submit a written statement in support of, or challenging, the outcome.
- C. After reviewing the parties' written statements, the Appellate Decision-maker must issue a written decision describing the result of the appeal and the rationale for the result.

- D. The written decision describing the result of the appeal must be provided simultaneously to the parties.
- E. The decision of the Appellate Decision-maker is final. No further review beyond the appeal is permitted.

## **XII. RETALIATION PROHIBITED**

- A. Neither the school district nor any other person may intimidate, threaten, coerce, or discriminate against any individual for the purpose of interfering with any right or privilege secured by Title IX, its implementing regulations, or this policy, or because the individual made a report or complaint, testified, assisted, or participated or refused to participate in any manner in an investigation, proceeding, or hearing under this policy. Intimidation, threats, coercion, or discrimination, including charges against an individual for code of conduct violations that do not involve sex discrimination or sexual harassment, but arise out of the same facts or circumstances as a report or complaint of sex discrimination, or a report or formal complaint of sexual harassment, for the purpose of interfering with any right or privilege secured by Title IX, its implementing regulations, or this policy, constitutes retaliation. Retaliation against a person for making a report of sexual harassment, filing a formal complaint, or participating in an investigation, constitutes a violation of this policy that can result in the imposition of disciplinary sanctions/consequences and/or other appropriate remedies.
- B. Any person may submit a report or formal complaint alleging retaliation in the manner described in this policy and it will be addressed in the same manner as other complaints of sexual harassment or sex discrimination.
- C. Charging an individual with violation of school district policies for making a materially false statement in bad faith in the course of a grievance proceeding under this policy shall not constitute retaliation, provided, however, that a determination regarding responsibility, alone, is not sufficient to conclude that any party made a materially false statement in bad faith.

## **XIII. TRAINING**

- A. The school district shall ensure that Title IX Personnel receive appropriate training. The training shall include instruction on:
  - 1. The Title IX definition of sexual harassment;
  - 2. The scope of the school district's education program or activity;
  - 3. How to conduct an investigation and grievance process, appeals, and informal resolution processes, as applicable;

4. How to serve impartially, including by avoiding prejudgment of the facts at issue, conflicts of interest, and bias;
  5. For Decision-makers, training on issues of relevance of questions and evidence, including when questions and evidence about the complainant's prior sexual behavior are not relevant; and
  6. For Investigators, training on issues of relevance, including the creation of an investigative report that fairly summarizes relevant evidence.
- B. The training materials will not rely on sex stereotypes and must promote impartial investigations and adjudications of formal complaints.
- C. Materials used to train Title IX Personnel must be posted on the school district's website. If the school district does not have a website, it must make the training materials available for public inspection upon request.

#### **XIV. DISSEMINATION OF POLICY**

- A. This policy shall be made available to all students, parents/guardians of students, school district employee, and employee unions.
- B. The school district shall conspicuously post the name of the Title IX Coordinator, including office address, telephone number, and work e-mail address on its website and in each handbook that it makes available to parents, employees, students, unions, or applicants.
- C. The school district must provide applicants for admission and employment, students, parents or legal guardians of secondary school students, employees, and all unions holding collective bargaining agreements with the school district, with the following:
1. The name or title, office address, electronic mail address, and telephone number of the Title IX Coordinator;
  2. Notice that the school district does not discriminate on the basis of sex in the education program or activity that it operates, and that it is required by Title IX not to discriminate in such a manner;
  3. A statement that the requirement not to discriminate in the education program or activity extends to admission and employment, and that inquiries about the application of Title IX may be referred to the Title IX Coordinator, to the Assistant Secretary for Civil Rights of the United States Department of Education, or both; and
  4. Notice of the school district's grievance procedures and grievance process

contained in this policy, including how to report or file a complaint of sex discrimination, how to report or file a formal complaint of sexual harassment, and how the school district will respond.

## **XV. RECORDKEEPING**

- A. The school district must create, and maintain for a period of seven calendar years, records of any actions, including any supportive measures, taken in response to a report or formal complaint of sexual harassment. In each instance, the school district must document:
1. The basis for the school district's conclusion that its response to the report or formal complaint was not deliberately indifferent;
  2. The measures the school district has taken that are designed to restore or preserve equal access to the school district's education program or activity; and
  3. If the school district does not provide a complainant with supportive measures, then it must document the reasons why such a response was not clearly unreasonable in light of the known circumstances. Such a record must be maintained for a period of seven years.
  4. The documentation of certain bases or measures does not limit the recipient in the future from providing additional explanations or detailing additional measures taken.
- B. The school district must also maintain for a period of seven calendar years records of:
1. Each sexual harassment investigation including any determination regarding responsibility, any disciplinary sanctions imposed on the respondent, and any remedies provided to the complainant designed to restore or preserve equal access to the recipient's education program or activity;
  2. Any appeal and the result therefrom;
  3. Any informal resolution and the result therefrom; and
  4. All materials used to train Title IX Personnel.

***Legal References:*** Minn. Stat. § 121A.04 (Athletic Programs; Sex Discrimination)  
 Minn. Stat. § 121A.40 – 121A.575 (Minnesota Pupil Fair Dismissal Act)  
 Minn. Stat. Ch. 363A (Minnesota Human Rights Act)  
 20 U.S.C. §§ 1681-1688 (Title IX of the Education Amendments of 1972)  
 34 C.F.R. Part 106 (Implementing Regulations of Title IX)  
 20 U.S.C. § 1400, *et seq.* (Individuals with Disabilities Education Improvement Act of 2004)  
 29 U.S.C. § 794 (Section 504 of the Rehabilitation Act of 1973)  
 42 U.S.C. § 12101, *et seq.* (Americans with Disabilities Act of 1990, as amended)  
 20 U.S.C. § 1232g (Family Educational Rights and Privacy Act of 1974)  
 20 U.S.C. § 1092 *et seq.* (Jeanne Clery Disclosure of Campus Security and Campus Crime Statistics Act (“Clery Act”))

***Cross References:*** Burnsville-Eagan-Savage Policy 102 (Equal Educational Opportunity)  
 Burnsville-Eagan-Savage Policy 413 (Harassment and Violence)  
 Burnsville-Eagan-Savage Policy 506 (Student Discipline)  
 Burnsville-Eagan-Savage Policy 528 (Student Parental, Family, and Marital Status Nondiscrimination)



**Agenda IV.A.6.  
November 10, 2021**

**To:** Board of Education  
**From:** Stacey Sovine, executive director of human resources  
**Date:** November 4, 2021  
**Re:** Policy 413: *Harassment and Violence*

**Recommendation:** Approve, on a second reading basis, changes to Policy 413: *Harassment and Violence*.

The policies were reviewed by the Policy Review Committee on October 18, 2021. The changes were suggested by MSBA, administration, and the Policy Review Committee. The first reading was approved by the Board on October 28, 2021.

*Adopted:* 03/94  
*Reviewed:* 10/28/2021  
*Revised:* 11/10/2021  
*Rescinds:* JBA-ACA, ACA & ACA-R

*Burnsville-Eagan-Savage School District Policy 413*

## **413 HARASSMENT AND VIOLENCE**

### **I. PURPOSE**

The purpose of this policy is to maintain a learning and working environment that is free from harassment and violence on the basis of race, color, creed, religion, national origin, sex, age, marital status, familial status, status with regard to public assistance, sexual orientation, gender identity or expression, or disability (Protected Class).

### **II. GENERAL STATEMENT OF POLICY**

- A. The policy of the school district is to maintain a learning and working environment free from harassment and violence on the basis of Protected Class. The school district prohibits any form of harassment or violence on the basis of Protected Class.
- B. A violation of this policy occurs when any student, teacher, administrator, or other school district personnel harasses a student, teacher, administrator, or other school district personnel or group of students, teachers, administrators, or other school district personnel through conduct or communication based on a person's Protected Class, as defined by this policy. (For purposes of this policy, school district personnel includes school board members, school employees, agents, volunteers, contractors, or persons subject to the supervision and control of the district.)
- C. A violation of this policy occurs when any student, teacher, administrator, or other school district personnel inflicts, threatens to inflict, or attempts to inflict violence upon any student, teacher, administrator, or other school district personnel or group of students, teachers, administrators, or other school district personnel based on a person's Protected Class.
- D. The school district will act to investigate all complaints, either formal or informal, verbal or written, of harassment or violence based on a person's Protected class, and to discipline or take appropriate action against any student, teacher, administrator, or other school personnel who is found to have violated this policy.

### **III. DEFINITIONS**

- A. "Assault" is:
  - 1. an act done with intent to cause fear in another of immediate bodily harm

- or death;
  - 2. the intentional infliction of or attempt to inflict bodily harm upon another; or
  - 3. the threat to do bodily harm to another with present ability to carry out the threat.
- B. “Harassment” prohibited by this policy consists of physical or verbal conduct, including, but not limited to, electronic communications, relating to an individual’s or group of individuals’ race, color, creed, religion, national origin, sex, age, marital status, familial status, status with regard to public assistance, sexual orientation, gender identity or expression, or disability when the conduct:
- 1. has the purpose or effect of creating an intimidating, hostile, or offensive working or academic environment;
  - 2. has the purpose or effect of substantially or unreasonably interfering with an individual’s work or academic performance; or
  - 3. otherwise adversely affects an individual’s employment or academic opportunities.
- C. “Immediately” means as soon as possible but in no event longer than 24 hours.
- D. Protected Classifications; Definitions
- 1. “Disability” means, with respect to an individual who:
    - a. has a physical, sensory, or mental impairment that materially limits one or more major life activities of such individual;
    - b. has a record of such an impairment; or
    - c. is regarded as having such an impairment.
  - 2. “Familial status” means the condition of one or more minors being domiciled with:
    - a. their parent or parents or the minor’s legal guardian; or
    - b. the designee of the parent or parents or guardian with the written permission of the parent or parents or guardian. The protections afforded against harassment or discrimination on the basis of family status apply to any person who is pregnant or is in the process of securing legal custody of an individual who has not attained the age of majority.

3. “Marital status” means whether a person is single, married, remarried, divorced, separated, or a surviving spouse and, in employment cases, includes protection against harassment or discrimination on the basis of the identity, situation, actions, or beliefs of a spouse or former spouse.
  4. “National origin” means the place of birth of an individual or of any of the individual’s lineal ancestors.
  5. “Sex” includes, but is not limited to, pregnancy, childbirth, and disabilities related to pregnancy or childbirth.
  6. “Sexual orientation” means having or being perceived as having an emotional, physical, or sexual attachment to another person without regard to the sex of that person or having or being perceived as having an orientation for such attachment, or having or being perceived as having a self-image or identity not traditionally associated with one’s biological maleness or femaleness. “Sexual orientation” does not include a physical or sexual attachment to children by an adult.
  7. “Gender identity or expression” means the socially constructed roles, behaviors, activities, and attributes that a given society attaches to femininity or masculinity. The manner in which persons represent or express gender to others, often through behavior, clothing, hair style, activities, voice, or mannerisms. Or a person’s deeply held sense of knowledge of their own sex.
  8. “Status with regard to public assistance” means the condition of being a recipient of federal, state, or local assistance, including medical assistance, or of being a tenant receiving federal, state, or local subsidies, including rental assistance or rent supplements.
- E. “Remedial response” means a measure to stop and correct acts of harassment or violence, prevent acts of harassment or violence from recurring, and protect, support, and intervene on behalf of a student who is the target or victim of acts of harassment or violence.
- F. Sexual Harassment; Definition
1. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, sexually motivated physical conduct or other verbal or physical conduct or communication of a sexual nature when:
    - a. submission to that conduct or communication is made a term or condition, either explicitly or implicitly, of obtaining employment or an education; or
    - b. submission to or rejection of that conduct or communication by an individual is used as a factor in decisions affecting that individual’s

employment or education; or

- c. that conduct or communication has the purpose or effect of substantially interfering with an individual's employment or education, or creating an intimidating, hostile, or offensive employment or educational environment.

2. Sexual harassment may include, but is not limited to:

- a. unwelcome verbal harassment or abuse;
- b. unwelcome pressure for sexual activity;
- c. unwelcome, sexually motivated, or inappropriate patting, pinching, or physical contact, other than necessary restraint of students(s) by teachers, administrators, or other school district personnel to avoid physical harm to persons or property;
- d. unwelcome sexual behavior or words, including demands for sexual favors, accompanied by implied or overt threats concerning an individual's employment or educational status;
- e. unwelcome sexual behavior or words, including demands for sexual favors, accompanied by implied or overt promises of preferential treatment with regard to an individual's employment or educational status; or
- f. unwelcome behavior or words directed at an individual because of sexual orientation, gender identity or expression.

G. Sexual Violence; Definition

- 1. Sexual violence is a physical act of aggression or force or the threat thereof that involves the touching of another's intimate parts, or forcing a person to touch any person's intimate parts. Intimate parts, as defined in Minnesota Statutes, section 609.341, includes the primary genital area, groin, inner thigh, buttocks, or breast, as well as the clothing covering these areas.
- 2. Sexual violence may include, but is not limited to:
  - a. touching, patting, grabbing, or pinching another person's intimate parts;
  - b. coercing, forcing, or attempting to coerce or force the touching of anyone's intimate parts;
  - c. coercing, forcing, or attempting to coerce or force sexual

intercourse or a sexual act on another; or

- d. threatening to force or coerce sexual acts, including the touching of intimate parts or intercourse, on another.

H. Violence; Definition

Violence prohibited by this policy is a physical act of aggression or assault upon another or group of individuals because of, or in a manner reasonably related to an individual's Protected Class .

**IV. REPORTING PROCEDURES**

- A. Any person who believes he or she has been the target or victim of harassment or violence on the basis of Protected Class by a student, teacher, administrator, or other school district personnel, or any person with knowledge or belief of conduct which may constitute harassment or violence prohibited by this policy toward a student, teacher, administrator, or other school district personnel or group of students, teachers, administrators, or other school district personnel should report the alleged acts immediately to an appropriate school district official designated by this policy. A person may report conduct that may constitute harassment or violence anonymously. However, the school district may not rely solely on an anonymous report to determine discipline or other remedial responses.
- B. The school district encourages the reporting party or complainant to use the report form available from the principal or supervisor of each building or available from the school district office, but oral reports shall be considered complaints as well.
- C. Nothing in this policy shall prevent any person from reporting harassment or violence directly to a school district human rights officer or to the superintendent. If the complaint involves the building report taker, the complaint shall be made or filed directly with the superintendent or the school district human rights officer by the reporting party or complainant.
- D. In Each School Building. The building principal, the principal's designee, or the building supervisor (hereinafter the "building report taker") is the person responsible for receiving oral or written reports of harassment or violence prohibited by this policy at the building level. Any adult school district personnel who receives a report of harassment or violence prohibited by this policy shall inform the building report taker immediately. If the complaint involves the building report taker, the complaint shall be made or filed directly with the school district human rights officer by the reporting party or complainant. The building report taker shall ensure that this policy and its procedures, practices, consequences, and sanctions are fairly and fully implemented and shall serve as a primary contact on policy and procedural matters.
- E. A teacher, school administrator, volunteer, contractor, or other school employee

shall be particularly alert to possible situations, circumstances, or events that might include acts of harassment or violence. Any such person who witnesses, observes, receives a report of, or has other knowledge or belief of conduct that may constitute harassment or violence shall make reasonable efforts to address and resolve the harassment or violence and shall inform the building report taker immediately. School district personnel who fail to inform the building report taker of conduct that may constitute harassment or violence or who fail to make reasonable efforts to address and resolve the harassment or violence in a timely manner may be subject to disciplinary action.

- F. Upon receipt of a report, the building report taker must notify the school district human rights officer immediately, without screening or investigating the report. The building report taker may request, but may not insist upon, a written complaint. A written statement of the facts alleged will be forwarded as soon as practicable by the building report taker to the human rights officer. If the report was given verbally, the building report taker shall personally reduce it to written form within 24 hours and forward it to the human rights officer. Failure to forward any harassment or violence report or complaint as provided herein may result in disciplinary action against the building report taker.
- G. In the District. The school board hereby designates the executive director of human resources as the school district human rights officer(s) to receive reports or complaints of harassment or violence prohibited by this policy. If the complaint involves a human rights officer, the complaint shall be filed directly with the superintendent.
- H. The school district shall conspicuously post the name of the human rights officer(s), including mailing addresses and telephone numbers.
- I. Submission of a good faith complaint or report of harassment or violence prohibited by this policy will not affect the complainant or reporter's future employment, grades, or work assignments, or educational or work environment.
- J. Use of formal reporting forms is not mandatory.
- K. Reports of harassment or violence prohibited by this policy are classified as private educational and/or personnel data and/or confidential investigative data and will not be disclosed except as permitted by law.
- L. The school district will respect the privacy of the complainant(s), the individual(s) against whom the complaint is filed, and the witnesses as much as possible, consistent with the school district's legal obligations to investigate, to take appropriate action, and to comply with any discovery or disclosure obligations.
- M. Retaliation against a victim, good faith reporter, or a witness of violence or harassment is prohibited.
- N. False accusations or reports of violence or harassment against another person are

prohibited.

- O. A person who engages in an act of violence or harassment, reprisal, retaliation, or false reporting of violence or harassment, or permits, condones, or tolerates violence or harassment shall be subject to discipline or other remedial responses for that act in accordance with the school district's policies and procedures.

Consequences for students who commit, or are a party to, prohibited acts of violence or harassment or who engage in reprisal or intentional false reporting may range from remedial responses or positive behavioral interventions up to and including suspension and/or expulsion.

Consequences for employees who permit, condone, or tolerate violence or harassment or engage in an act of reprisal or intentional false reporting of violence or harassment may result in disciplinary action up to and including termination or discharge.

Consequences for other individuals engaging in prohibited acts of violence or harassment may include, but not be limited to, exclusion from school district property and events and/or termination of services and/or contracts.

## V. INVESTIGATION

- A. By authority of the school district, the human rights officer, within three (3) days of the receipt of a report or complaint alleging harassment or violence prohibited by this policy, shall undertake or authorize an investigation. The investigation may be conducted by school district officials or by a third party designated by the school district.
- B. The investigation may consist of personal interviews with the complainant, the individual(s) against whom the complaint is filed, and others who may have knowledge of the alleged incident(s) or circumstances giving rise to the complaint. The investigation may also consist of any other methods and documents deemed pertinent by the investigator.
- C. In determining whether alleged conduct constitutes a violation of this policy, the school district should consider the surrounding circumstances, the nature of the behavior, past incidents or past or continuing patterns of behavior, the relationships between the parties involved, and the context in which the alleged incidents occurred. Whether a particular action or incident constitutes a violation of this policy requires a determination based on all the facts and surrounding circumstances.
- D. In addition, the school district may take immediate steps, at its discretion, to protect the target or victim, the complainant, students, teachers, administrators, or other school district personnel pending completion of an investigation of alleged harassment or violence prohibited by this policy.

- E. The alleged perpetrator of the act(s) of harassment or violence shall be allowed the opportunity to present a defense during the investigation or prior to the imposition of discipline or other remedial responses.
- F. The investigation will be completed as soon as practicable. The school district human rights officer shall make a written report to the superintendent upon completion of the investigation. If the complaint involves the superintendent, the report may be filed directly with the school board. The report shall include a determination of whether the allegations have been substantiated as factual and whether they appear to be violations of this policy.

## **VI. SCHOOL DISTRICT ACTION**

- A. Upon completion of an investigation that determines a violation of this policy has occurred, the school district will take appropriate action. Such action may include, but is not limited to, warning, suspension, exclusion, expulsion, transfer, remediation, termination, or discharge. Disciplinary consequences will be sufficiently severe to try to deter violations and to appropriately discipline prohibited behavior. School district action taken for violation of this policy will be consistent with requirements of applicable collective bargaining agreements, Minnesota and federal law, and applicable school district policies and regulation.
- B. The school district is not authorized to disclose to a victim private educational or personnel data regarding an alleged perpetrator who is a student or employee of the school district. School officials will notify the targets or victims and alleged perpetrators of harassment or violence, the parent(s) or guardian(s) of targets or victims of harassment or violence and the parent(s) or guardian(s) of alleged perpetrators of harassment or violence who have been involved in a reported and confirmed harassment or violence incident of the remedial or disciplinary action taken, to the extent permitted by law.
- C. In order to prevent or respond to acts of harassment or violence committed by or directed against a child with a disability, the school district shall, where determined appropriate by the child's individualized education program (IEP) or Section 504 team, allow the child's IEP or Section 504 plan to be drafted to address the skills and proficiencies the child needs as a result of the child's disability to allow the child to respond to or not to engage in acts of harassment or violence.

## **VII. RETALIATION OR REPRISAL**

The school district will discipline or take appropriate action against any student, teacher, administrator, or other school district personnel who commits an act of reprisal or who retaliates against any person who asserts, alleges, or makes a good faith report of alleged harassment or violence prohibited by this policy, who testifies, assists, or participates in an investigation of retaliation or alleged harassment or violence, or who testifies, assists, or participates in a proceeding or hearing relating to such harassment or violence. Retaliation includes, but is not limited to, any form of intimidation, reprisal, harassment, or intentional disparate treatment. Disciplinary consequences will be sufficiently severe

to deter violations and to appropriately discipline the individual(s) who engaged in the harassment or violence. Remedial responses to the harassment or violence shall be tailored to the particular incident and nature of the conduct.

### **VIII. RIGHT TO ALTERNATIVE COMPLAINT PROCEDURES**

These procedures do not deny the right of any individual to pursue other avenues of recourse which may include filing charges with the Minnesota Department of Human Rights or another state or federal agency,, initiating civil action, or seeking redress under state criminal statutes and/or federal law.

### **IX. HARASSMENT OR VIOLENCE AS ABUSE**

- A. Under certain circumstances, alleged harassment or violence may also be possible abuse under Minnesota law. If so, the duties of mandatory reporting under Minnesota Statutes Chapter. 260E may be applicable.
- B. Nothing in this policy will prohibit the school district from taking immediate action to protect victims of alleged harassment, violence, or abuse.

### **X. DISSEMINATION OF POLICY AND TRAINING**

- A. This policy shall be conspicuously posted throughout each school building in areas accessible to students and staff members.
- B. This policy shall be given to each school district employee and independent contractor who regularly interacts with students at the time of initial employment with the school district.
- C. This policy shall appear in the student handbook.
- D. The school district will develop a method of discussing this policy with students and employees.
- E. The school district may implement violence prevention and character development education programs to prevent and reduce policy violations. Such programs may offer instruction on character education including, but not limited to, character qualities such as attentiveness, truthfulness, respect for authority, diligence, gratefulness, self-discipline, patience, forgiveness, respect for others, peacemaking, resourcefulness and/or sexual abuse prevention.
- F. This policy shall be reviewed at least annually for compliance with state and federal law.

**Legal References:** Minn. Stat. § 120B.232 (Character Development Education)  
 Minn. Stat. § 120B.234 (Child Sexual Abuse Prevention Education)  
 Minn. Stat. § 121A.03, Subd. 2 (Sexual, Religious, and Racial Harassment)

and Violence Policy)  
 Minn. Stat. § 121A.031 (School Student Bullying Policy)  
 Minn. Stat. Ch. 363A (Minnesota Human Rights Act)  
 Minn. Stat. § 609.341 (Definitions)  
 Minn. Stat. Ch. 260F(Reporting of Maltreatment of Minors)  
 20 U.S.C. §§ 1681-1688 (Title IX of the Education Amendments of 1972)  
 29 U.S.C. § 621 *et seq.* (Age Discrimination in Employment Act)  
 29 U.S.C. § 794 (Section 504 of the Rehabilitation Act of 1973)  
 42 U.S.C. § 1983 (Civil Action for Deprivation of Rights)  
 42 U.S.C. § 2000d *et seq.* (Title VI of the Civil Rights Act of 1964)  
 42 U.S.C. § 2000e *et seq.* (Title VII of the Civil Rights Act)  
 42 U.S.C. § 12101 *et seq.* (Americans with Disabilities Act)

***Cross References:*** Burnsville-Eagan-Savage Policy 102 (Equal Educational Opportunity)  
 Burnsville-Eagan-Savage Policy 401 (Equal Employment Opportunity)  
 Burnsville-Eagan-Savage Policy 402 (Disability Nondiscrimination Policy)  
 Burnsville-Eagan-Savage Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)  
 Burnsville-Eagan-Savage Policy 406 (Public and Private Personnel Data)  
 Burnsville-Eagan-Savage Policy 414 (Mandated Reporting of Child Neglect or Physical or Sexual Abuse)  
 Burnsville-Eagan-Savage Policy 415 (Mandated Reporting of Maltreatment of Vulnerable Adults)  
 Burnsville-Eagan-Savage Policy 506 (Student Discipline)  
 Burnsville-Eagan-Savage Policy 514 (Bullying Prohibition Policy)  
 Burnsville-Eagan-Savage Policy 515 (Protection and Privacy of Pupil Records)  
 Burnsville-Eagan-Savage Policy 521 (Student Disability Nondiscrimination)  
 Burnsville-Eagan-Savage Policy 522 (Title IX Sex Nondiscrimination, Grievance Procedures and Process )  
 Burnsville-Eagan-Savage Policy 524 (Internet Acceptable Use and Safety Policy)  
 Burnsville-Eagan-Savage Policy 525 (Violence Prevention)  
 Burnsville-Eagan-Savage Policy 526 (Hazing Prohibition)  
 Burnsville-Eagan-Savage Policy 528 (Student Parental, Family, and Marital Status Nondiscrimination)  
 Culturally Proficient School System (CPSS) Training

## November 10, 2021 Board Meeting

Board Members' Questions and Staff Responses regarding BoardBook materials

### FY22 Enrollment Report

Board Member Question	Staff Response
<p>1. Understanding the "Limited English Proficiency" is the statutory term, rather than featuring this rather short-sighted term so prominently, what would prevent us from instead replacing it with "Multilingual," and "Free and Reduced" terminology with "Educational Benefits" eligible? Include statutory terminology as a footnote or asterisk in the margins.</p> <p>I appreciate that we need to be in alignment with statute; I imagine that we can do so in a way and using language which demonstrates greater respect for where our students find themselves in reality.</p>	<p>Slides have been updated to replace "Limited English Proficiency" with "English Learners".</p> <p>The general public is not familiar with "Educational Benefits", so to be consistent with statutory language and general public knowledge, "Free and Reduced" will stay the same on the slides.</p>
<p>2. Am I correct in understanding that VA enrollment is included in slides 3, 4, 6, as well as in School Choice slides (13 - 16), and slide 22?</p> <p>- Since this is our first year with MDE-approved VA, it might be helpful for posterity's sake to make note of where VA enrollment is included but not necessarily notated, in addition to adding an explicit</p>	<p>VA enrollment is a part of our total enrollment. When a slide breaks the data down by site, VA sites are included as their own.</p> <p>On slide 22, there is no trend data for VA. For the year 2022, it includes VA.</p>

bullet on slide 2 which makes mention of the inclusion of VA enrollment.	
	Lisa Rider will be presenting the enrollment report.

(Audit Presentation)

<b>Board Member Question</b>	<b>Staff Response</b>
<p>The audit mentions the fact that Community Service fund balance increased by approximately \$600,000 because of its focus on child care. If I am looking at this correctly, this is due to a sizeable decrease in expenditures with revenues increasing a bit as well. Looking at April 2021 Amended FY21 Budget, Community Service fund balance had only increased \$268,000. This fund balance appears to have increased by much more than originally reported, as noted in this audit.</p> <ol style="list-style-type: none"> <li>1. Please share additional details about what caused this increase.</li> <li>2. When was this known?</li> <li>3. As with past instances of a significant shift in Community Service, when did you notify board officers and our</li> </ol>	<p>1. Providing childcare for families and those first responders in our response to the pandemic was a high priority and continued through Governor Walz’s Executive Order 20-82. Also, throughout all of 2020-2021, our instructional programs needed to be flexible to move from one learning model to another. Similarly, our Food &amp; Nutrition and Community Education Services needed to shift their attention based on priority of needs. Programming that normally would occur within Community Education was not held; rather, staff who we maintained were focused on the needs for childcare and for programs such as our early learners in VPK. Even School Readiness was limited as we had openings in the VPK program as a result of families choosing not to enroll children during the fiscal year. Therefore, you see an increase by \$207,195 in the fund balance for School Readiness.</p>

<p>superintendent? Given the unique role Community Service assumes in our community, I know we all appreciate the balancing that must occur to avoid large swings, positive or negative.</p> <p>3a. Why is the board being advised of this as part of the audit and not before?</p> <p>4. What actions have been taken to avoid this shift again, or is this believed to be a one-time Covid related event? The concern of course is that our fiduciary responsibility in Community Service, which falls outside of direct board visibility and control, is to serve our community; an increase of this magnitude in fund balance across a short reporting period is unusual and surprising.</p> <p>5. We had \$268,000 overage estimated in April 2021, and now we have \$600,000 increase to Community Service. For my own clarity, am I correct in understanding that we increased fund balance because of services not completed due to lack of staffing and demand?</p>	<p>2. We had projected at the January, 2021 Revision an increase in fund balance for Community Services of \$268,409 which we did not change at our April, 2021 revision. It was noted in the narrative that we were not revising it.</p> <p>During the pandemic, Community Services expenditures, similar to the general fund expenditures, decreased during the 2020-2021 school year. The impact to the fund balance as a result of budgeted positions that went unfilled throughout the year and the impact to the actual expenditures for programs not held resulted in an additional 392,564 increase to the fund balance which is approximately 6.9% of the total budgeted expenditures. Just slightly more than the same type of increase experienced in the General Fund which was 6.1% of total budgeted expenditures.</p> <p>3. The normal communication cycle for Community Education Revenues and Expenditures and Fund Balance is at the Adopted Budget, Revisions to the Budget, and Final Audited Financials. All of which occurred this past year.</p> <p>3a. Final audit numbers are known at this time. The experience in Community Services is similar to that of the General Fund during an unprecedented unique school year impacted by a pandemic.</p> <p>4. This increase is anticipated to be unique to the pandemic year.</p>
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	<p>5. There are a multitude of reasons why there was an increase. They include:</p> <ul style="list-style-type: none"><li>• School Readiness not being used when we had Voluntary PreKindergarten spots available;</li><li>• Senior Program serving clients remotely resulting in less expenditures;</li><li>• student and adult programming typical through Community Education limited;</li><li>• routine shifts in the service required at childcare sites as well as the school sites depending on learning model, and</li><li>• the planning and implementation of summer programming that fell after the Governor Walz's Executive Order expired.</li></ul> <p>All of the above are reasons for reduced expenditures and the influx of federal funds available for the summer planning resulted in the increase in revenue at the last minute. The decision to not change the assumptions for the Community Services Fund Balance in April .</p>
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**Agenda IV.B.1.  
November 10, 2021**

**To:** Board of Education  
Dr. Theresa Battle, superintendent

**From:** Lisa Rider, executive director of business services

**Date:** November 3, 2021

**Re:** Resolution Canvassing Returns of Votes of School District General Election

**Recommendation:** that the Board of Education adopts a resolution canvassing returns of votes of school district general election.

The resolution canvassing the election must be adopted between three (3) days and ten (10) days after the date of the election (between November 5 and November 12, 2021). The Dakota and Scott County Auditors should also be notified of the results of the general election.

EXTRACT OF MINUTES OF MEETING  
OF THE SCHOOL BOARD  
OF INDEPENDENT SCHOOL DISTRICT NO. 191  
(BURNSVILLE-EAGAN-SAVAGE)  
DAKOTA AND SCOTT COUNTIES, MINNESOTA

Pursuant to due call and notice thereof, a regular meeting of the School Board of Independent School District No. 191 (Burnsville-Eagan-Savage), Dakota and Scott Counties, Minnesota, was duly held in said school district on the 10th day of November, 2021, at 6:30 p.m. for the purpose, in part, of canvassing its special election.

The following members were present:

and the following were absent:

Member \_\_\_\_\_ moved the adoption of the following resolution:

**RESOLUTION CANVASSING RETURNS  
OF VOTES OF SCHOOL DISTRICT SPECIAL ELECTION**

BE IT RESOLVED by the School Board of Independent School District No. 191, Dakota and Scott Counties, Minnesota (the "School District"), as follows:

1. It is hereby found, determined and declared that the special election of the voters of this School District held on November 2, 2021, was in all respects duly and legally called and held.

2. As specified in the attached Abstract and Return of Votes Cast, a total of 1,569 voters of the School District voted at said special election on the election of one (1) school board member to serve the remainder of a four (4) year term expiring on the first Monday in January 2023 as follows:

Abriana Savage	377
Suad (Sue) Said	1,127
Write-in	60

3. Suad (Sue) Said, having received the highest number of votes, is elected to the remainder of the four (4) year term described above, beginning on the first Monday in January, 2022.

4. The clerk is hereby directed to certify the results of the election to the county auditor of each county in which the School District is located in whole or in part.

The motion for the adoption of the foregoing resolution was duly seconded by Member \_\_\_\_\_ and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA    )  
COUNTIES OF DAKOTA   ) SS  
AND SCOTT                )

I, the undersigned, being the duly qualified and acting Clerk of Independent School District No. 191 (Burnsville-Eagan-Savage), Dakota and Scott Counties, Minnesota, hereby certify that the attached and foregoing is a full, true and correct transcript of the minutes of a meeting of the school board of said school district duly called and held on the date therein indicated, so far as such minutes relate to canvassing the results of the special election of said school district, and that the resolution included therein is a full, true and correct copy of the original thereof.

WITNESS MY HAND officially as such clerk this 10 day of November 2021.

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School District Clerk  
Independent School District No. 191  
(Burnsville-Eagan-Savage)  
Dakota and Scott Counties, Minnesota

Abstract of Votes Cast  
Independent School District No. 191 (BURNSVILLE)  
State of Minnesota  
at the MUNICIPAL AND SCHOOL DISTRICT GENERAL  
Held Tuesday, November 02, 2021

Compiled from the Official Returns.

Summary of Totals  
Independent School District No. 191 (BURNSVILLE)  
Tuesday, November 02, 2021 MUNICIPAL AND SCHOOL DISTRICT GENERAL

Number of persons registered as of 7 a.m.	44171
Number of persons registered on Election Day	49
Number of accepted regular, military, and overseas absentee ballots and mail ballots	140
Number of federal office only absentee ballots	0
Number of presidential absentee ballots	0
Total number of persons voting	1569

Summary of Totals  
Independent School District No. 191 (BURNSVILLE)  
Tuesday, November 02, 2021 MUNICIPAL AND SCHOOL DISTRICT GENERAL

**KEY TO PARTY ABBREVIATIONS**

NP - Nonpartisan

Special Election for School Board Member (ISD #191)

NP Abriana Savage 377	NP Suad (Sue) Said 1127	WI WRITE-IN 60
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Detail of Election Results  
 Independent School District No. 191 (BURNSVILLE)  
 Tuesday, November 02, 2021 MUNICIPAL AND SCHOOL DISTRICT GENERAL

Precinct	Persons Registered as of 7 A.M.	Persons Registered on Election Day	Total Number of Persons Voting
19 8639 : ISD 191 P5 VISTA VIEW ELEMENTARY SCHOOL	6569	8	213
19 8640 : ISD 191 P2 GIDEON POND ELEMENTARY SCHOOL	7084	6	286
19 8641 : ISD 191 P4 SIOUX TRAIL ELEMENTARY SCHOOL	6752	9	265
19 8642 : ISD 191 P1 EDWARD NEILL ELEMENTARY SCHOOL	7150	8	207
19 9491 : ISD 191 P3 RAHN ELEMENTARY SCHOOL	6735	7	278
70 9492 : ISD 191 HARRIET BISHOP ELEMENTARY	4622	5	176
70 9493 : ISD 191 GLENDALE UNITED METHODIST CHURCH	5259	6	144
Independent School District No. 191 (BURNSVILLE) Total:	44171	49	1569

Detail of Election Results  
 Independent School District No. 191 (BURNSVILLE)  
 Tuesday, November 02, 2021 MUNICIPAL AND SCHOOL DISTRICT GENERAL

Office Title: Special Election for School Board Member (ISD #191)

<b>Precinct</b>	NP Abriana Savage	NP Suad (Sue) Said	WI WRITE-IN
19 8639 : ISD 191 P5 VISTA VIEW ELEMENTARY SCHOOL	52	154	7
19 8640 : ISD 191 P2 GIDEON POND ELEMENTARY SCHOOL	48	228	10
19 8641 : ISD 191 P4 SIOUX TRAIL ELEMENTARY SCHOOL	56	195	13
19 8642 : ISD 191 P1 EDWARD NEILL ELEMENTARY SCHOOL	46	150	7
19 9491 : ISD 191 P3 RAHN ELEMENTARY SCHOOL	79	191	8
70 9492 : ISD 191 HARRIET BISHOP ELEMENTARY	43	124	9
70 9493 : ISD 191 GLENDALE UNITED METHODIST CHURCH	53	85	6
<b>Total:</b>	<b>377</b>	<b>1127</b>	<b>60</b>

We, the school board members of Independent School District No. 191 (BURNSVILLE), certify that we have canvassed the returns of the MUNICIPAL AND SCHOOL DISTRICT GENERAL held on Tuesday, November 02, 2021 and have herein specified the names of any candidates receiving votes and the number of votes received by each candidate, and have herein specified the number of votes for and against any ballot questions voted on in this election.

As appears by the returns of the election precincts voting in this election, duly returned to, filed, opened, and canvassed, and now remaining on file in the office of the clerk of Independent School District No. 191 (BURNSVILLE).

Witness our official signature at \_\_\_\_\_ in \_\_\_\_\_ County this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

\_\_\_\_\_  
School Board Member

State of Minnesota  
Independent School District No. 191 (BURNSVILLE)

I, \_\_\_\_\_, Clerk of the Independent School District No. 191 (BURNSVILLE) do hereby certify the within and foregoing \_\_\_\_\_ pages to be a full and correct copy of the original abstract and return of the votes cast in the Independent School District No. 191 (BURNSVILLE) MUNICIPAL AND SCHOOL DISTRICT GENERAL held on Tuesday, November 02, 2021.

Witness my hand and official seal of office this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_



**Agenda V.A.  
November 10, 2021**

**To:** Board of Education  
Dr. Theresa Battle, superintendent

**From:** Lisa Rider, executive director of business services

**Date:** November 4, 2021

**Re:** Adjourn to a Workshop about FY21 Audit Report



# Executive Audit summary for Burnsville-Eagan-Savage Public Schools (ISD #191)

Presented by: CLA

Dennis Hoogeveen, Principal

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor

# Audit Results Year Ended 6/30/21

121

- Audit Opinion – The financial statements are fairly stated. We issued what is known as a “clean” or “unmodified” audit report.
- Yellow Book Compliance – No compliance issues were noted in our review of laws, regulations, contracts and grants that could have significant financial implications to the District
- Internal Controls:
  - Material Weakness for Meals Claimed for Food Service Fund – District missed claiming meals during some of the months where operations were affected due to operational changes due to the pandemic.



# Audit Results Year Ended 6/30/21 (continued)

122

- Single Audit:
  - Special Education Cluster: No compliance issues or internal control over compliance issues noted.
  - Coronavirus Relief Fund: No compliance issues or internal control over compliance issues noted.
  - Education Stabilization Fund (GEER/ESSER): No compliance issues or internal control over compliance issues noted.
- Legal Compliance – No compliance issues were reported with respect to Minnesota Statutes.



# Audited Fund Balances – General Fund

## ISD #191 - BURNSVILLE-EAGAN-SAVAGE AUDITED FUND BALANCES THROUGH JUNE 30, 2021 (UFARS basis)

FUND DESCRIPTION	6/30/2020 AUDITED BALANCE	2020-21 AUDITED REVENUES	2020-21 AUDITED EXPENDITURES	2020-21 APPROVED TRANSFER	6/30/2021 AUDITED BALANCE
<b>GENERAL FUND</b>					
A. UNASSIGNED	\$10,276,533	\$99,209,936	\$94,209,302	(\$2,089,721)	\$13,187,446
B. NONSPENDABLE	\$435,457	\$0	\$53,119	\$0	\$382,338
C. COMMITTED	\$1,735,209	\$2,402,029	\$2,287,747	\$0	\$1,849,491
D. RESTRICTED	\$7,878,828	\$27,952,599	\$28,900,366	\$2,089,721	\$9,020,782
E. ASSIGNED	\$0	\$5,081,823	\$0	\$0	\$5,081,823
BUDGET		\$133,743,862	\$132,586,567		\$21,483,322
<b>TOTAL GENERAL FUND</b>	<b>\$20,326,027</b>	<b>\$134,646,387</b>	<b>\$125,450,534</b>	<b>\$0</b>	<b>\$29,521,880</b>
DIFFERENCE		\$902,525	(\$7,136,033)		\$8,038,558
% VARIANCE		0.67%	-5.38%		



# Audited Fund Balances – Other Funds (Continued)

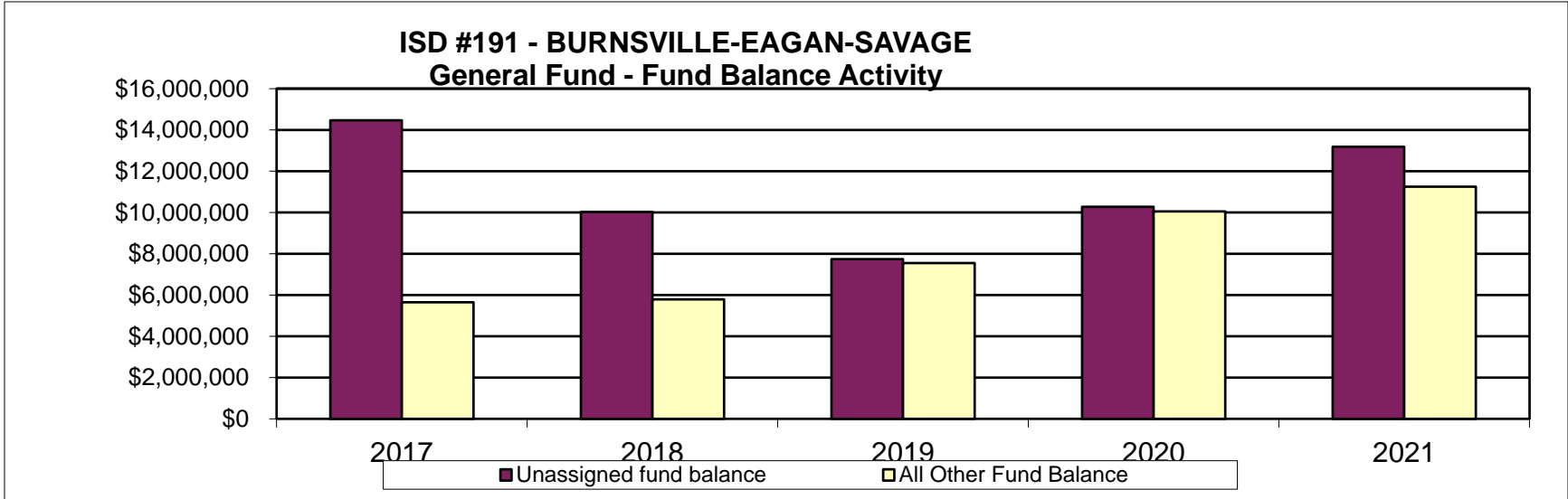
124

## ISD #191 - BURNSVILLE-EAGAN-SAVAGE AUDITED FUND BALANCES THROUGH JUNE 30, 2021 (UFARS basis)

FUND DESCRIPTION	6/30/2020 AUDITED BALANCE	2020-21 AUDITED REVENUES	2020-21 AUDITED EXPENDITURES	2020-21 APPROVED TRANSFER	6/30/2021 AUDITED BALANCE
TOTAL FOOD SERVICE	\$1,025,204	\$4,458,269	\$4,364,348	\$0	\$1,119,125
BUDGET		\$4,288,562	\$4,126,863		\$1,186,903
DIFFERENCE		\$169,707	\$237,485		(\$67,778)
% VARIANCE		3.96%	5.75%		
TOTAL COMMUNITY EDUCATION	\$1,143,250	\$6,114,709	\$5,185,327	\$0	\$2,072,632
BUDGET		\$5,949,005	\$5,680,596		\$1,411,659
DIFFERENCE		\$165,704	(\$495,269)	\$0	\$660,973
% VARIANCE		2.79%	-8.72%		
TOTAL CAPITAL PROJECTS	\$2,091,263	\$246	\$433,814	\$0	\$1,657,695
BUDGET		\$30,000	\$350,000		\$1,771,263
DIFFERENCE		(\$29,754)	\$83,814		(\$113,568)
% VARIANCE		-99.18%	23.95%		
TOTAL DEBT SERVICE	\$4,297,210	\$24,385,233	\$24,558,728	\$0	\$4,123,715
BUDGET		\$24,564,645	\$24,565,816		\$4,296,039
DIFFERENCE		(\$179,412)	(\$7,088)		(\$172,324)
% VARIANCE		-0.73%	-0.03%		
TOTAL INTERNAL SERVICE FUNDS	\$24,158,089	\$23,618,352	\$23,991,329	\$0	\$23,785,112
TOTAL TRUST FUNDS	\$230,447	\$0	\$64,072	\$0	\$0



# General Fund – Fund Balance Activity



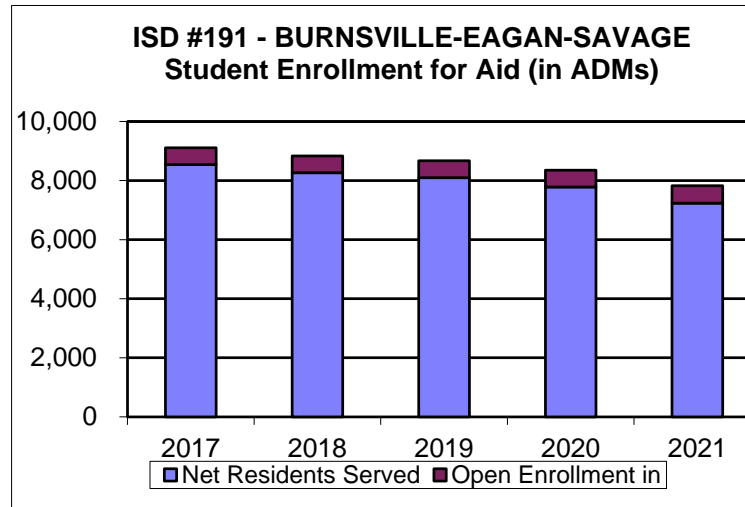
UFARS Basis	2017	2018	2019	2020	2021
Unassigned Fund Balance	\$ 14,467,081	\$ 10,024,458	\$ 7,738,652	\$ 10,276,533	\$ 13,187,446
All Other Fund Balance	5,649,650	5,790,746	7,545,747	10,049,494	16,334,434
<b>Total Fund Balance</b>	<b>\$ 20,116,731</b>	<b>\$ 15,815,204</b>	<b>\$ 15,284,399</b>	<b>\$ 20,326,027</b>	<b>\$ 29,521,880</b>
Total Expenditures	\$ 126,130,083	\$ 130,123,536	\$ 132,076,288	\$ 127,299,185	\$ 125,450,534
Unassigned Fund Balance as a % of Total Expenditures	11.47%	7.70%	5.86%	8.07%	10.51%



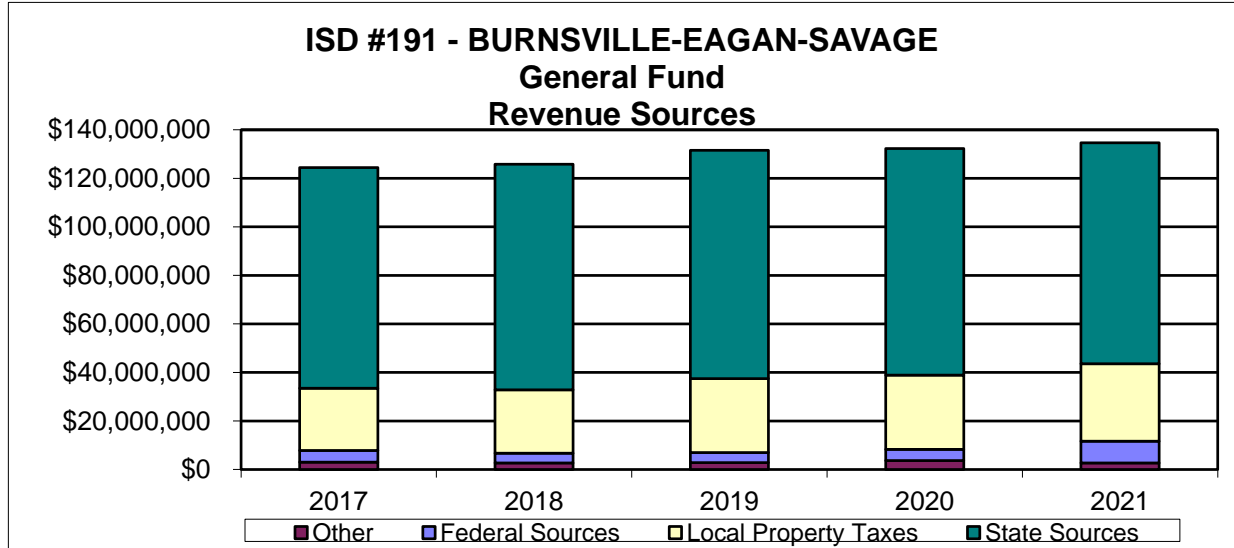
# Student Enrollment – Open Enrollment

	2017	2018	2019	2020	2021
Total Residents	10,708.91	10,548.77	10,635.48	10,548.49	10,305.87
Open Enrollment Out *	(2,169.47)	(2,281.84)	(2,536.98)	(2,762.69)	(3,067.20)
Net Residents Served	8,539.44	8,266.93	8,098.50	7,785.80	7,238.67
Open Enrollment In	569.96	565.59	574.10	564.77	586.89
Net ADM Served	9,109.40	8,832.52	8,672.60	8,350.57	7,825.56
Net Pupil Units Served	9,931.97	9,634.79	9,467.74	9,126.75	8,554.38

\* - includes enrolled in charter schools



# General Fund – Revenue Sources



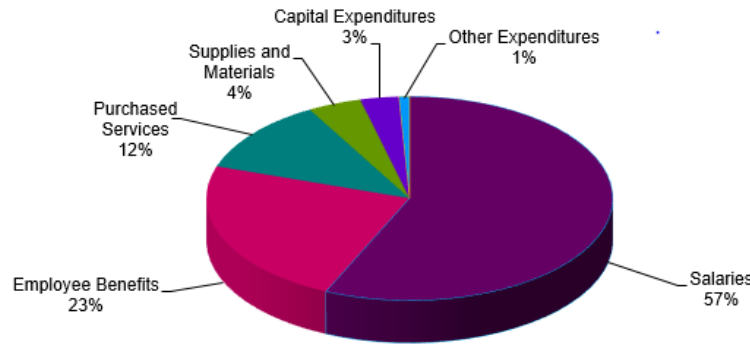
	2017	2018	2019	2020	2021
Local Property Taxes	\$ 25,663,259	\$ 26,115,688	\$ 30,501,788	\$ 30,562,243	\$ 31,896,090
State Sources	90,931,906	92,932,943	94,084,001	93,374,496	91,092,466
Federal Sources	4,763,107	4,008,431	4,154,299	4,602,284	8,950,841
Other	3,044,658	2,724,031	2,799,031	3,707,174	2,706,990
<b>Total Revenues</b>	<b>\$124,402,930</b>	<b>\$125,781,093</b>	<b>\$131,539,119</b>	<b>\$132,246,197</b>	<b>\$134,646,387</b>



# General Fund – Expenditures by Object

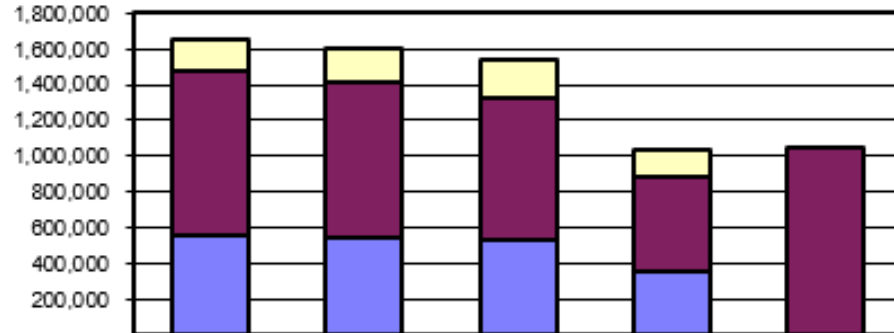
	2021				2020	2019
	Final		Over			
	Amended		(Under)	Var		
	Budget	Actual	Budget	%	Actual	Actual
Salaries	\$ 73,290,880	\$ 71,179,407	\$ (2,111,473)	(2.88)%	\$ 73,307,987	\$ 75,009,494
Employee Benefits	29,614,136	29,301,361	(312,775)	(1.06)	29,675,127	29,783,336
Purchased Services	17,959,192	14,700,502	(3,258,690)	(18.14)	17,020,334	18,286,055
Supplies and Materials	4,744,714	5,343,363	598,649	12.62	2,718,323	3,212,980
Capital Expenditures	6,024,771	3,865,715	(2,159,056)	(35.84)	3,230,989	4,643,582
Other Expenditures	952,874	1,060,186	107,312	11.26	1,346,425	1,140,841
<b>Total Expenditures</b>	<b>\$ 132,586,567</b>	<b>\$ 125,450,534</b>	<b>\$ (7,136,033)</b>	<b>(5.38)%</b>	<b>\$ 127,299,185</b>	<b>\$ 132,076,288</b>

**General Fund Expenditures by Object Series for Fiscal 2020-2021**



# Food Service Fund – Meals Served

**MEALS SERVED TO STUDENTS (INCLUDING BREAKFAST)**



	2017	2018	2019	2020	2021
Reduced Meals	176,725	189,423	216,418	157,532	-
Free Meals	927,641	861,558	786,736	528,258	1,046,078
Full-Price Meals	552,259	550,686	535,922	355,991	-
Total meals served	1,656,625	1,601,667	1,539,076	1,041,781	1,046,078

■ Full-Price Meals
 ■ Free Meals
 ■ Reduced Meals



# Expenditures per ADM – Comparison

	Expenditures Per Student (ADM) Served					
	Statewide			ISD No. 191		
	All Districts	Seven County Metro Area	Enrollment > than 4,000	Burnsville-Eagan-Savage		
	2020	2020	2020	2019	2020	2021
District and School Admin and Support Services	\$ 1,154	\$ 1,100	\$ 1,049	\$ 1,032	\$ 1,172	\$ 1,148
Regular Instruction (including Co- & Extra-Curricular)	5,830	6,231	6,033	6,283	6,197	6,565
Vocational Instruction (Career & Technical)	174	171	174	229	248	264
Special Education Instruction	2,510	2,626	2,664	2,859	2,855	3,070
Instructional Support Services	662	787	769	1,374	1,277	1,706
Pupil Support Services (Including Transportation)	1,205	1,317	1,272	1,338	1,405	1,242
Operations and Maintenance and Other	941	910	910	1,179	1,181	1,325
General Fund Subtotal	12,476	13,142	12,871	14,294	14,335	15,320
Food Service	554	548	543	664	642	549
Community Service	622	774	733	824	702	655
Capital Expenditure (excluding Building Constr Fund)	838	717	715	527	385	491
Debt Service	1,345	1,472	1,440	1,300	1,403	1,520
Total Pre-K - 12						
Operating Expenditures	\$ 15,835	\$ 16,653	\$ 16,302	\$ 17,610	\$ 17,467	\$ 18,534
Percent Change from Prior Year				2.34%	-0.81%	6.11%

Source of Statewide Data: School District Profiles published by the Minnesota Department of Education



# Questions and Feedback

131

- We welcome any questions pertaining to the audit, Governance Communication Letter, Internal Control Communication or other matters related to the engagement.
- We appreciate the opportunity to serve as the auditors for Burnsville-Eagan-Savage Public Schools and welcome any feedback relative to our performance.



Dennis Hoogeveen  
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CLAConnect.com



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor



October 28, 2021

Board of Education  
Independent School District No. 191  
Burnsville-Eagan-Savage Schools  
Burnsville, Minnesota

This Executive Audit Summary and Management Report presents information which we believe is important to you as members of the school board. We encourage you to review the sections of this report, the audited financial statements, and the auditors' reports.

We would be pleased to furnish additional information with respect to these suggestions and discuss this memorandum with you at your convenience. We wish to express our appreciation to the District for the courtesies, cooperation, and assistance extended to us during the course of our work.

**CliftonLarsonAllen LLP**

A handwritten signature in black ink that reads "Dennis Hoogeveen".

Dennis Hoogeveen, CPA  
Principal

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

**EXECUTIVE AUDIT SUMMARY (EAS)**

**JUNE 30, 2021**



WEALTH ADVISORY | OUTSOURCING  
AUDIT, TAX, AND CONSULTING

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**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
TABLE OF CONTENTS  
JUNE 30, 2021**

<b>EXECUTIVE AUDIT SUMMARY</b>	<b>1</b>
<b>I. FINANCIAL RESULTS</b>	
FUND BALANCES	4
FUND BALANCES OF THE GENERAL FUND	7
STUDENTS SERVED FOR AID	8
<b>APPENDIX A</b>	
FINANCIAL TRENDS OF YOUR DISTRICT	9
<b>APPENDIX B</b>	
EXPENDITURES PER STUDENT (ADM) SERVED	17
<b>APPENDIX C</b>	
LEGISLATIVE ACTIVITY	18
<b>APPENDIX D</b>	
ACCOUNTING UPDATE	21
<b>APPENDIX E</b>	
FORMAL REQUIRED COMMUNICATIONS	25

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**EXECUTIVE AUDIT SUMMARY (EAS)  
FOR  
BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
YEAR ENDED JUNE 30, 2021**

**AUDIT FINDINGS AND RESULTS**

We prepared this Executive Audit Summary and Management Report in conjunction with our audit of the District's financial records for the year ended June 30, 2021.

**Audit Opinion** – The financial statements are fairly stated. We issued what is known as a “clean” or an “unmodified” audit report.

**Yellow Book Compliance Findings** – No compliance issues were reported in our review of laws, regulations, contracts, and grants that could have significant financial implications to the District.

**Single Audit** – The District complied with all direct and material requirements of the major federal program tested (Coronavirus Relief Fund, Special Education Cluster and Education Stabilization Fund).

**Internal Controls Over Financial Reporting** – One “material weakness” in internal control was reported for the District's procedures and controls related to food service fund meal counts and claims.

**Legal Compliance** – No compliance issues were reported with respect to Minnesota Statutes.

**Fund Balance** – The District's General Fund unassigned fund balance increased by \$2,910,913 (UFARS basis) during fiscal 2020-2021, changing from a balance of \$10,276,533 to a balance of \$13,187,446 at June 30, 2021. Total fund balance of the General Fund increased by \$9,195,853 from operations, ending at \$29,521,880 as of June 30, 2021. The ending unassigned fund balance represents a balance of 10.51% of General Fund expenditures. A District's fund balance is an important aspect in considering the District's financial wellbeing since a healthy fund balance represents things such as cashflow, as a cushion against unanticipated expenditures, enrollment declines, funding deficiencies, state aid metering changes and aid proration at the state level and similar issues.

**Enrollment** – For fiscal 2020-2021, Burnsville-Savage-Eagan Public Schools served an estimated total adjusted average daily membership of 7,825.56 (or 8,554.38 adjusted pupil units). For fiscal 2019-2020, Burnsville-Savage-Eagan Public Schools had served total adjusted average daily membership of 8,350.57 (or 9,126.75 adjusted pupil units).

**Budget to Actual** – Total revenues on a net basis in the General Fund were approximately \$902,500 (or 0.67%) higher than the final budgeted amount while total expenditures on a net basis were approximately \$7.1 million (or 5.4%) lower than had been budgeted. The net effect of budget variances was an increase to total fund balance that was approximately \$8.0 million more than had been reflected in the District's final amended budget.

**Statement of Net Position**

The Statement of Net Position essentially tells you what your District owns and owes at a given point in time, the last day of the fiscal year. Theoretically, net position represents the resources the District has leftover to use for providing services after its debts are settled. However, those resources are not always in expendable form, or there may be restrictions on how some of those resources can be used. Therefore, the statement divides the net position into three components: net investment in capital assets, restricted net position, and unrestricted net position. Beginning in fiscal 2015, the District was required to implement GASB Statement No. 68, which significantly impacted the District’s ending net position as a result of recording the District’s estimated share of the respective unfunded liability for the statewide pension plans for TRA and PERA. The ending balance of the Net Pension Liability at June 30, 2019, had decreased significantly as a result of GASB requirements related to the actuarial calculations. The following table presents components of the District’s net position at year-end, along with a simplified reconciliation of the difference between the governmental fund balances and total net position:

	As of June 30,	
	<u>2021</u>	<u>2020</u>
Total Fund Balance for Governmental Funds	\$ 38,495,047	\$ 28,882,954
Capital Assets, Less Accumulated Depreciation	135,786,832	141,769,050
Long-Term Liabilities	(130,101,983)	(137,992,646)
Net Pension Liability-Related Balances	(126,408,736)	(122,489,077)
Other Postemployment Benefits Liability	(9,533,624)	(9,491,848)
Internal Service Funds Net Position	23,785,112	24,158,089
Other - Net	(1,298,207)	(1,349,567)
Total Net Position - Governmental Activities	<u>\$ (69,275,559)</u>	<u>\$ (76,513,045)</u>
Net Position:		
Net Investment in Capital Assets	\$ 18,451,265	\$ 18,169,748
Restricted	12,222,610	10,055,184
Unrestricted	(99,949,434)	(104,737,977)
Total Net Position - Governmental Activities	<u>\$ (69,275,559)</u>	<u>\$ (76,513,045)</u>

Most of the District’s fund balances translate into restricted net position by virtue of external restrictions (statutory reserves) or by the nature of the fund they are in (e.g. unrestricted food service fund balance can only be spent for food service program costs). The unrestricted net position category consists mainly of the General Fund unreserved fund balances, offset against noncapital long-term obligations such as vacation or severance payable and beginning in fiscal 2015 the District’s estimated share of the unfunded portion of statewide pension plans. Consequently, many Minnesota school districts have accumulated deficits in this component of net position.

**Statement of Activities**

The Statement of Activities tracks the District’s yearly revenues and expenses, as well as any other transactions that increase or reduce total net position. These amounts represent the full cost of providing education. This statement provides a more comprehensive measure than just the amount of cash that changed hands, as reflected in the fund-based financial statements. This statement includes the cost of supplies used, depreciation of long-lived capital assets, and other accrual-based expenses. As mentioned previously, the line item for “Change in Net Pension Liability” was a new requirement beginning in fiscal 2015. The following table presents a simplified reconciliation of the change in the District’s governmental fund balances to the change in total net position for fiscal years 2021 and 2020:

	Year Ended June 30,	
	2021	2020
Net Change in Fund Balance - Total Governmental Funds	\$ 9,612,093	\$ 5,904,135
Capital Asset Purchases	3,358,875	4,077,759
Depreciation	(9,341,093)	(9,425,676)
Repayment of Debt	20,120,430	7,409,689
Pension Expenses	(3,919,659)	(7,359,340)
Change in Other Long-Term Liabilities	734,808	436,872
Change in Net Position of Internal Service Funds	(372,977)	993,191
Other - Net	7,055	(734,778)
Change in Net Position - Governmental Activities	<u>\$ 7,237,486</u>	<u>\$ 1,301,852</u>

I. FINANCIAL RESULTS

Fund Balances

**ISD #191 - BURNSVILLE-EAGAN-SAVAGE**  
**AUDITED FUND BALANCES THROUGH JUNE 30, 2021 (UFARS basis)**

FUND DESCRIPTION	6/30/2020 AUDITED BALANCE	2020-21 AUDITED REVENUES	2020-21 AUDITED EXPENDITURES	2020-21 APPROVED TRANSFER	6/30/2021 AUDITED BALANCE
<b>GENERAL FUND</b>					
<b>A. UNASSIGNED</b>	<b>\$10,276,533</b>	<b>\$99,209,936</b>	<b>\$94,209,302</b>	<b>(\$2,089,721)</b>	<b>\$13,187,446</b>
B. NONSPENDABLE FOR PREPAIDS	\$435,457		\$53,119		\$382,338
<b>B. NONSPENDABLE</b>	<b>\$435,457</b>	<b>\$0</b>	<b>\$53,119</b>	<b>\$0</b>	<b>\$382,338</b>
C. COMMITTED FOR					
PROGRAM CARRYOVER - NONCAPITAL	\$905,463	\$9,987			\$915,450
PROGRAM CARRYOVER - FACILITIES RENTAL	\$367,363	\$162,313	\$157,778		\$371,898
PRO PAY PROGRAM	\$462,383	\$2,229,729	\$2,129,969		\$562,143
<b>C. COMMITTED</b>	<b>\$1,735,209</b>	<b>\$2,402,029</b>	<b>\$2,287,747</b>	<b>\$0</b>	<b>\$1,849,491</b>
D. RESTRICTED FOR					
GIFTED AND TALENTED	\$0	\$113,776	\$363,167	\$249,391	\$0
STUDENT ACTIVITIES	\$252,499	\$3,303	\$40,128		\$215,674
CAREER AND TECH PROGRAM	\$0	\$320,421	\$1,264,921	\$944,500	\$0
LEARNING AND DEVELOPMENT	\$0	\$1,681,636	\$1,681,636		\$0
BASIC SKILLS	\$0	\$9,825,802	\$9,825,802	\$0	\$0
STAFF DEVELOPMENT	\$0	\$1,149,032	\$1,962,438	\$813,406	\$0
AREA LEARNING CENTER	\$3,739,848	\$3,315,474	\$2,648,579		\$4,406,743
ACHIEVEMENT & INTEGRATION	\$0	\$2,055,134	\$2,137,558	\$82,424	\$0
SAFE SCHOOLS	\$0	\$321,559	\$321,559		\$0
MEDICAL ASSISTANCE	\$149,917	\$541,439	\$487,122		\$204,234
LONG-TERM FACILITIES MAINTENANCE (LTFM)	\$88,742	\$2,687,541	\$2,661,340		\$114,943
OPERATING CAPITAL	\$3,177,211	\$2,738,909	\$2,720,833		\$3,195,287
TECHNOLOGY LEVY	\$470,611	\$3,109,329	\$2,785,283		\$794,657
OTHER PURPOSES	\$0	\$89,244	\$0		\$89,244
<b>D. RESTRICTED</b>	<b>\$7,878,828</b>	<b>\$27,952,599</b>	<b>\$28,900,366</b>	<b>\$2,089,721</b>	<b>\$9,020,782</b>
E. ASSIGNED FOR					
PLANNED DEFICIT FISCAL 2022	\$0	\$5,081,823	\$0		\$5,081,823
<b>E. ASSIGNED</b>	<b>\$0</b>	<b>\$5,081,823</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,081,823</b>
BUDGET		\$133,743,862	\$132,586,567		\$21,483,322
<b>TOTAL GENERAL FUND</b>	<b>\$20,326,027</b>	<b>\$134,646,387</b>	<b>\$125,450,534</b>	<b>\$0</b>	<b>\$29,521,880</b>
DIFFERENCE		\$902,525	(\$7,136,033)		\$8,038,558
% VARIANCE		0.67%	-5.38%		

I. FINANCIAL RESULTS (CONTINUED)

Fund Balances (Continued)

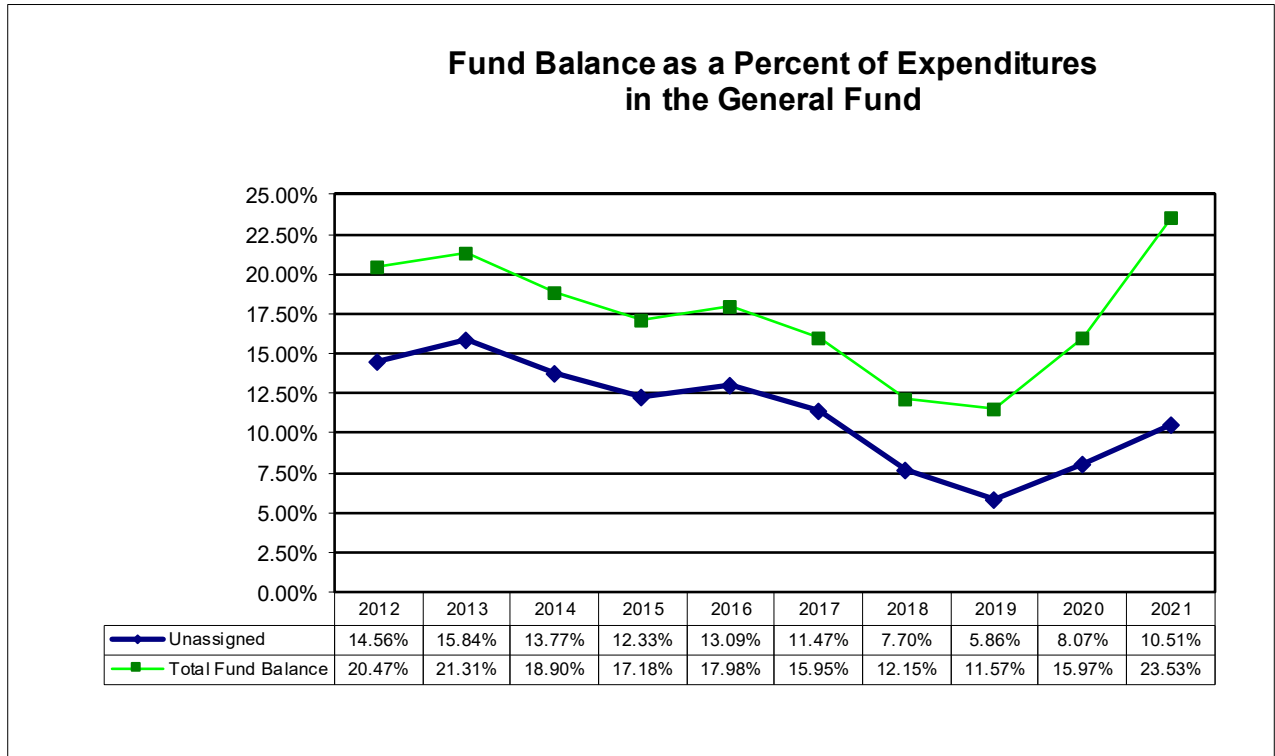
**ISD #191 - BURNSVILLE-EAGAN-SAVAGE**  
**AUDITED FUND BALANCES THROUGH JUNE 30, 2021 (UFARS basis)**

FUND DESCRIPTION	6/30/2020 AUDITED BALANCE	2020-21 AUDITED REVENUES	2020-21 AUDITED EXPENDITURES	2020-21 APPROVED TRANSFER	6/30/2021 AUDITED BALANCE
<b>FOOD SERVICE</b>					
NONSPENDABLE FOR INVENTORY	\$244,230	\$0	\$61,963		\$182,267
RESTRICTED FOR FOOD SERVICE	\$780,974	\$4,458,269	\$4,302,385		\$936,858
BUDGET		\$4,288,562	\$4,126,863		\$1,186,903
<b>TOTAL FOOD SERVICE</b>	<b>\$1,025,204</b>	<b>\$4,458,269</b>	<b>\$4,364,348</b>	<b>\$0</b>	<b>\$1,119,125</b>
DIFFERENCE		\$169,707	\$237,485		(\$67,778)
% VARIANCE		3.96%	5.75%		
<b>COMMUNITY EDUCATION</b>					
A. RESTRICTED FOR					
REGULAR COMMUNITY ED	\$731,211	\$4,004,101	\$3,270,282	(\$34,749)	\$1,430,281
EARLY CHILDHOOD FAMILY ED	\$0	\$518,014	\$505,680		\$12,334
SCHOOL READINESS	\$380,855	\$845,341	\$637,310	(\$836)	\$588,050
ADULT BASIC EDUCATION	\$0	\$697,283	\$717,514	\$20,231	\$0
OTHER PURPOSES	\$31,184	\$49,970	\$54,541	\$15,354	\$41,967
BUDGET		\$5,949,005	\$5,680,596		\$1,411,659
<b>TOTAL COMMUNITY EDUCATION</b>	<b>\$1,143,250</b>	<b>\$6,114,709</b>	<b>\$5,185,327</b>	<b>\$0</b>	<b>\$2,072,632</b>
DIFFERENCE		\$165,704	(\$495,269)	\$0	\$660,973
% VARIANCE		2.79%	-8.72%		
<b>CAPITAL PROJECTS FUND</b>					
A. RESTRICTED FOR					
BUILDING CONSTRUCTION	\$2,091,263	\$246	\$433,814		\$1,657,695
BUDGET		\$30,000	\$350,000		\$1,771,263
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$2,091,263</b>	<b>\$246</b>	<b>\$433,814</b>	<b>\$0</b>	<b>\$1,657,695</b>
DIFFERENCE		(\$29,754)	\$83,814		(\$113,568)
% VARIANCE		-99.18%	23.95%		
<b>DEBT SERVICE</b>					
A. RESTRICTED FOR					
OPERATING	\$3,922,608	\$23,016,083	\$23,152,580		\$3,786,111
OPEB BOND DEBT SERVICE	\$374,602	\$1,369,150	\$1,406,148		\$337,604
BUDGET		\$24,564,645	\$24,565,816		\$4,296,039
<b>TOTAL DEBT SERVICE</b>	<b>\$4,297,210</b>	<b>\$24,385,233</b>	<b>\$24,558,728</b>	<b>\$0</b>	<b>\$4,123,715</b>
DIFFERENCE		(\$179,412)	(\$7,088)		(\$172,324)
% VARIANCE		-0.73%	-0.03%		
<b>INTERNAL SERVICE FUNDS</b>					
DENTAL SELF-INSURANCE	\$449,155	\$888,772	\$877,372		\$460,555
HEALTH BENEFITS SELF-INSURANCE	\$9,066,555	\$21,044,448	\$21,655,372		\$8,455,631
SEVERANCE BENEFITS	\$2,789,234	\$199,272	\$537,408		\$2,451,098
OTHER POST-EMPLOYMENT BENEFITS	\$11,853,145	\$1,485,860	\$921,177		\$12,417,828
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>\$24,158,089</b>	<b>\$23,618,352</b>	<b>\$23,991,329</b>	<b>\$0</b>	<b>\$23,785,112</b>
<b>TRUST FUNDS</b>					
CUSTODIAL FUND	\$64,072	\$0	\$64,072		\$0
<b>TOTAL TRUST FUNDS</b>	<b>\$230,447</b>	<b>\$0</b>	<b>\$64,072</b>	<b>\$0</b>	<b>\$0</b>

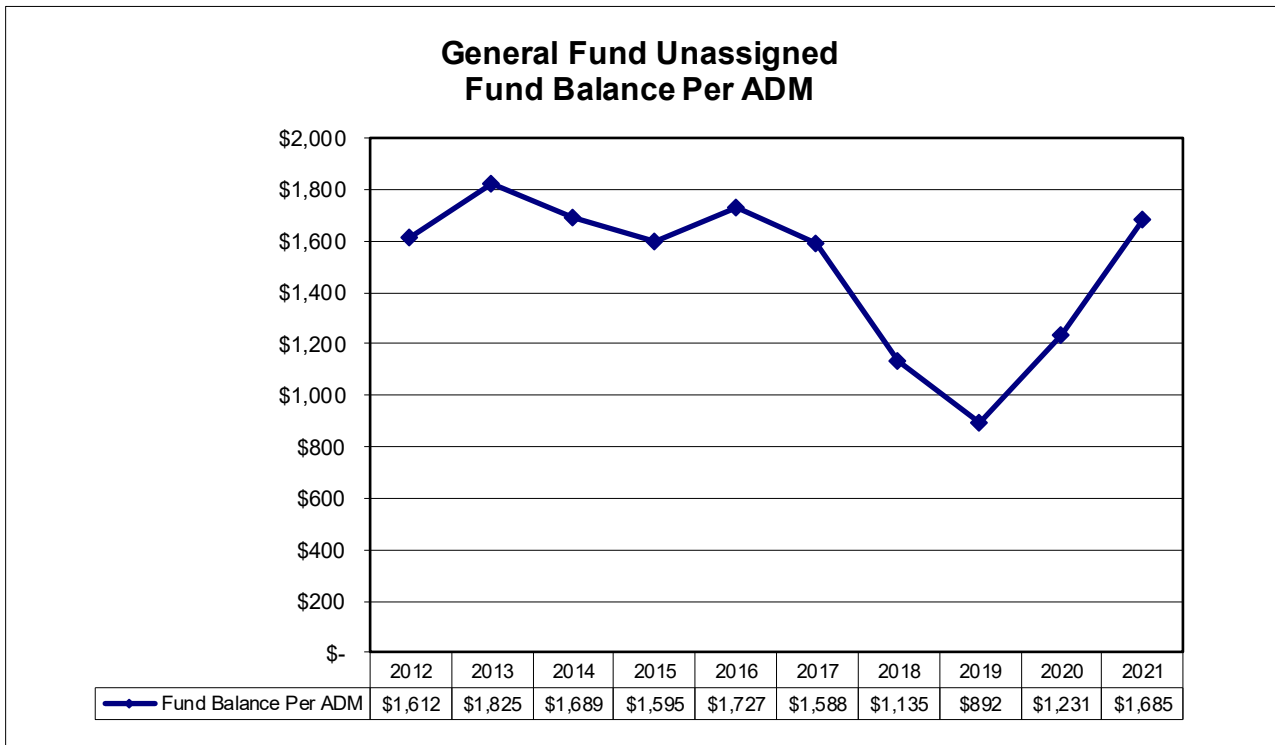
**I. FINANCIAL RESULTS (CONTINUED)**

**Fund Balances (Continued)**

As a percentage of annual expenditures:



Per student served for aid:

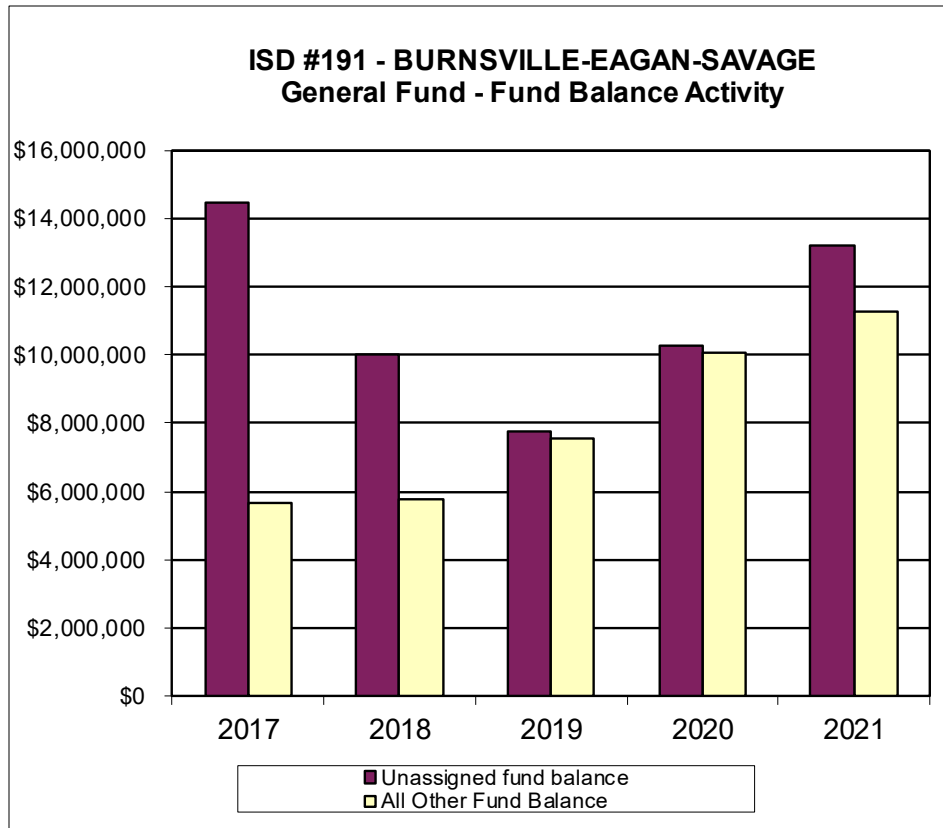


**I. FINANCIAL RESULTS (CONTINUED)**

**Fund Balances of the General Fund**

Unless otherwise noted, all graphs and charts reflect the combined activity of the District's General Fund.

<u>UFARS Basis</u>	2017	2018	2019	2020	2021
Unassigned Fund Balance	\$ 14,467,081	\$ 10,024,458	\$ 7,738,652	\$ 10,276,533	\$ 13,187,446
All Other Fund Balance	5,649,650	5,790,746	7,545,747	10,049,494	16,334,434
Total Fund Balance	<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>
Total Expenditures	<u>\$ 126,130,083</u>	<u>\$ 130,123,536</u>	<u>\$ 132,076,288</u>	<u>\$ 127,299,185</u>	<u>\$ 125,450,534</u>
Unassigned Fund Balance as a % of Total Expenditures	<u>11.47%</u>	<u>7.70%</u>	<u>5.86%</u>	<u>8.07%</u>	<u>10.51%</u>



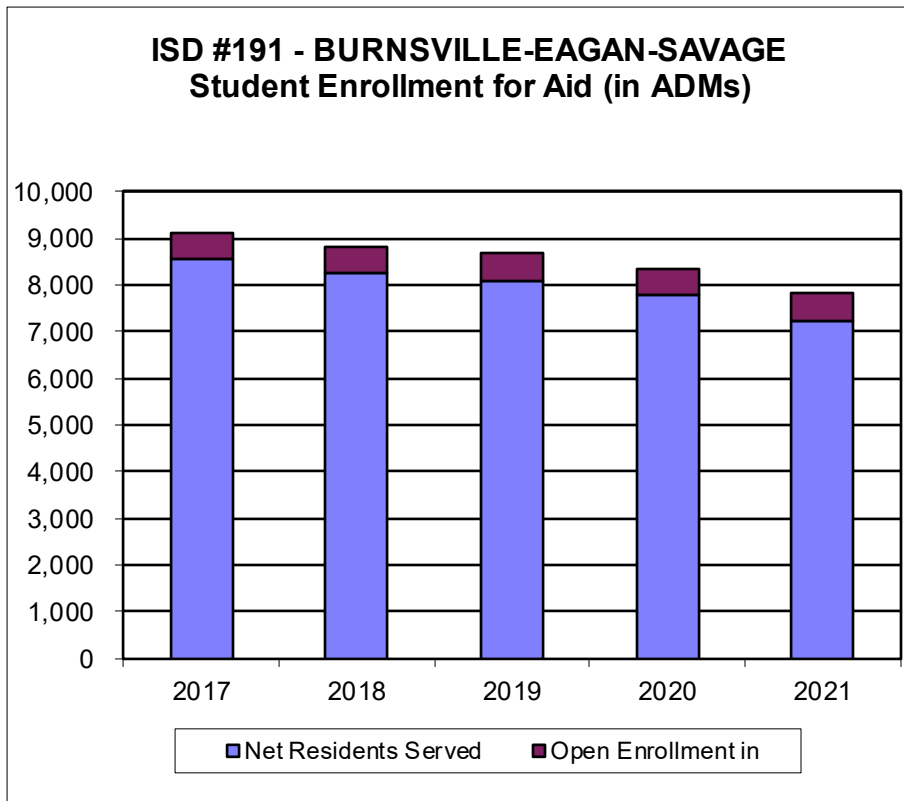
As reflected in the graph above, the District had been able to maintain financial strength through cost cutting measures and through community support for the operating referendum. For fiscal years 2018 and 2019, the Board chose to utilize available fund balance to finance the operating deficits.

**I. FINANCIAL RESULTS (CONTINUED)**

**Students Served for Aid**

	2017	2018	2019	2020	2021
Total Residents	10,708.91	10,548.77	10,635.48	10,548.49	10,305.87
Open Enrollment Out *	(2,169.47)	(2,281.84)	(2,536.98)	(2,762.69)	(3,067.20)
Net Residents Served	8,539.44	8,266.93	8,098.50	7,785.80	7,238.67
Open Enrollment In	569.96	565.59	574.10	564.77	586.89
Net ADM Served	9,109.40	8,832.52	8,672.60	8,350.57	7,825.56
Net Pupil Units Served	9,931.97	9,634.79	9,467.74	9,126.75	8,554.38

\* - includes enrolled in charter schools



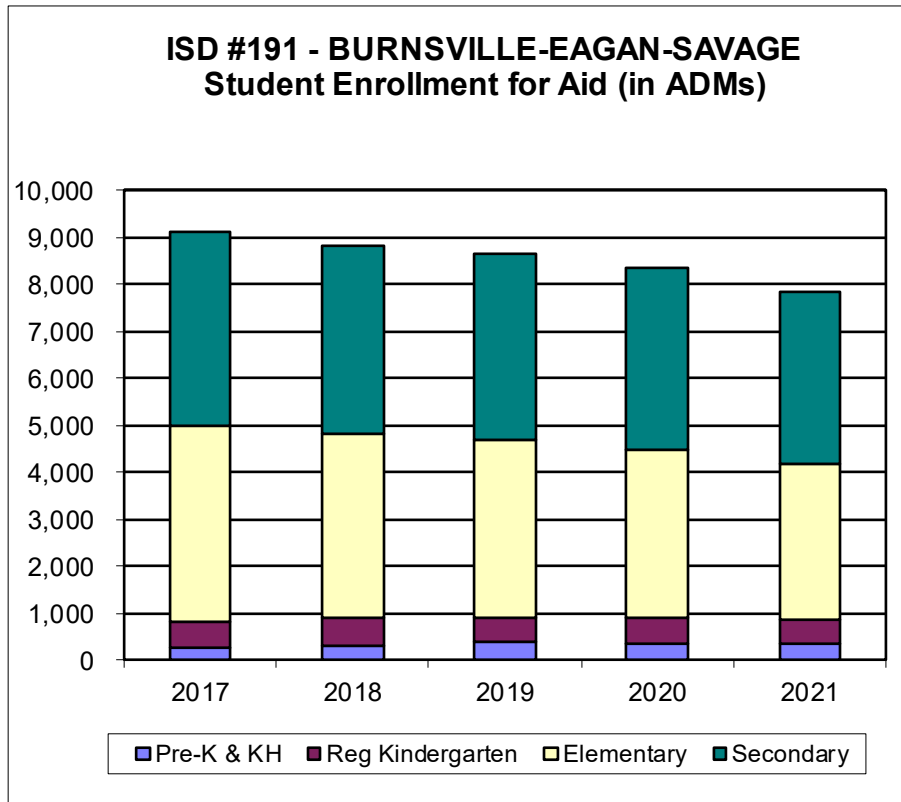
As reflected in the above chart and graph, the District’s net open enrollment has continued to see significant increases in the net open enrollment out in recent years.

# APPENDIX A

## FINANCIAL TRENDS OF YOUR DISTRICT

Within this report there are a number of areas where condensed financial statement data has been presented.

### Student Enrollment

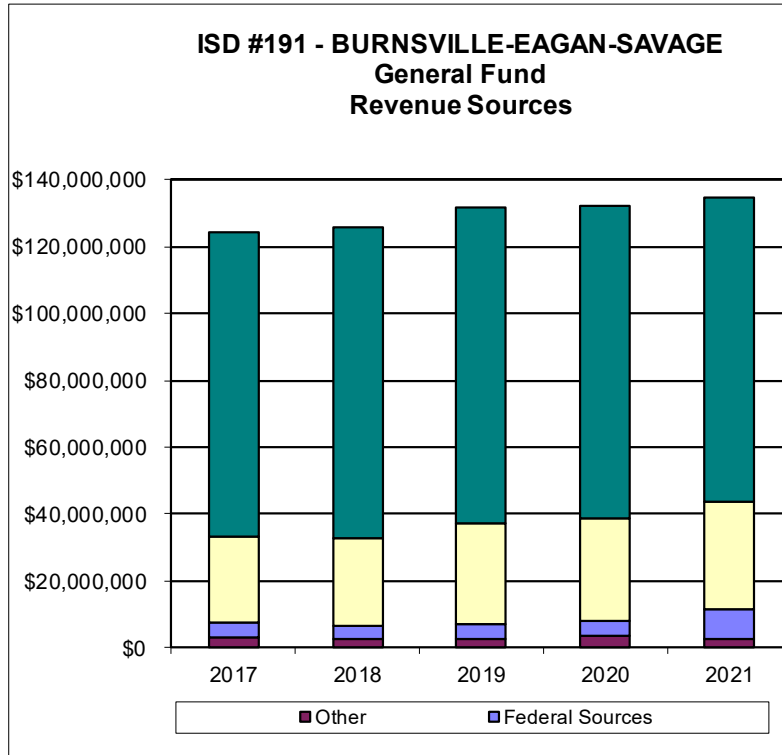


	2017	2018	2019	2020	2021
Pre-K, VPK & KH	268.11	327.04	377.25	357.08	341.17
Reg Kindergarten	554.50	574.78	536.06	559.27	508.24
Elementary	4,173.86	3,919.33	3,783.64	3,553.30	3,332.19
Secondary	4,112.93	4,011.37	3,975.65	3,880.92	3,643.96
Net ADM Served	<u>9,109.40</u>	<u>8,832.52</u>	<u>8,672.60</u>	<u>8,350.57</u>	<u>7,825.56</u>
Percent Change	(0.13)%	(3.04)%	(1.81)%	(3.71)%	(6.29)%

As noted in the above chart, the District's student count for fiscal 2020-2021 was 525 ADM (or 6.29%) lower than for the prior year.

**General Fund Revenue**

The following table and graph summarizes the District’s General Fund Revenue sources for the last five years.



The table below illustrates the fluctuation that occurs between the taxes and state aid categories based on legislative activity. The Legislature determines what portion of the general education funding formula will be paid by local taxpayers. For fiscal 2021 the impact of federal funding related to COVID-19 was significant but crucial in relation to the harm the enrollment decline and resulting revenue loss would have had.

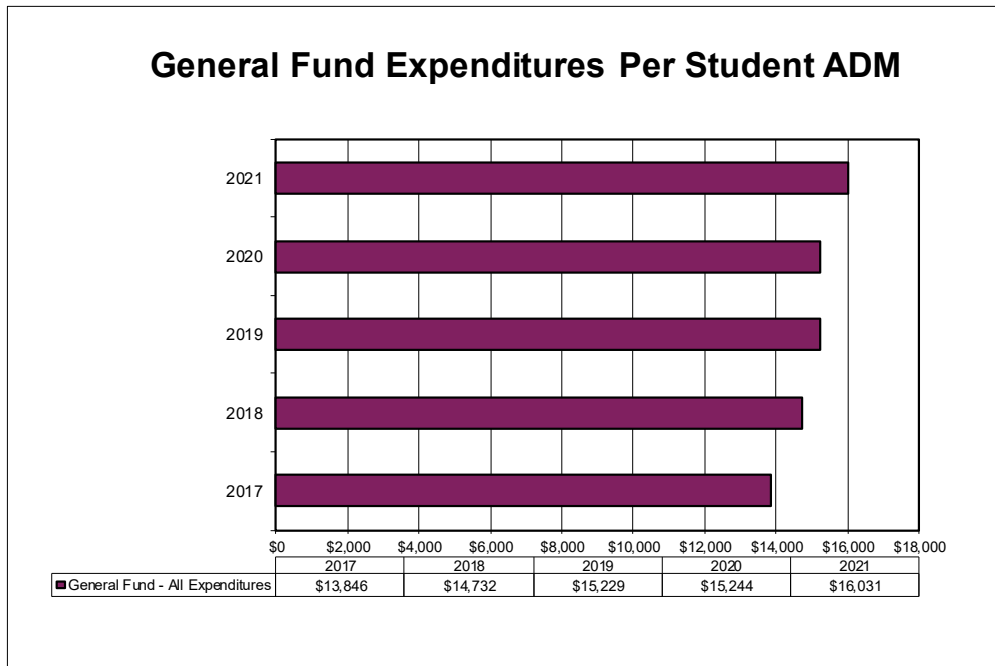
	2017	2018	2019	2020	2021
Local Property Taxes	\$ 25,663,259	\$ 26,115,688	\$ 30,501,788	\$ 30,562,243	\$ 31,896,090
State Sources	90,931,906	92,932,943	94,084,001	93,374,496	91,092,466
Federal Sources	4,763,107	4,008,431	4,154,299	4,602,284	8,950,841
Other	3,044,658	2,724,031	2,799,031	3,707,174	2,706,990
<b>Total Revenues</b>	<b>\$ 124,402,930</b>	<b>\$ 125,781,093</b>	<b>\$ 131,539,119</b>	<b>\$ 132,246,197</b>	<b>\$ 134,646,387</b>

	2017	2018	2019	2020	2021
Local Property Taxes	21 %	21 %	23 %	23 %	24 %
State Sources	73	74	72	71	68
Federal Sources	4	3	3	3	7
Other	2	2	2	3	2
<b>Total Revenues</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

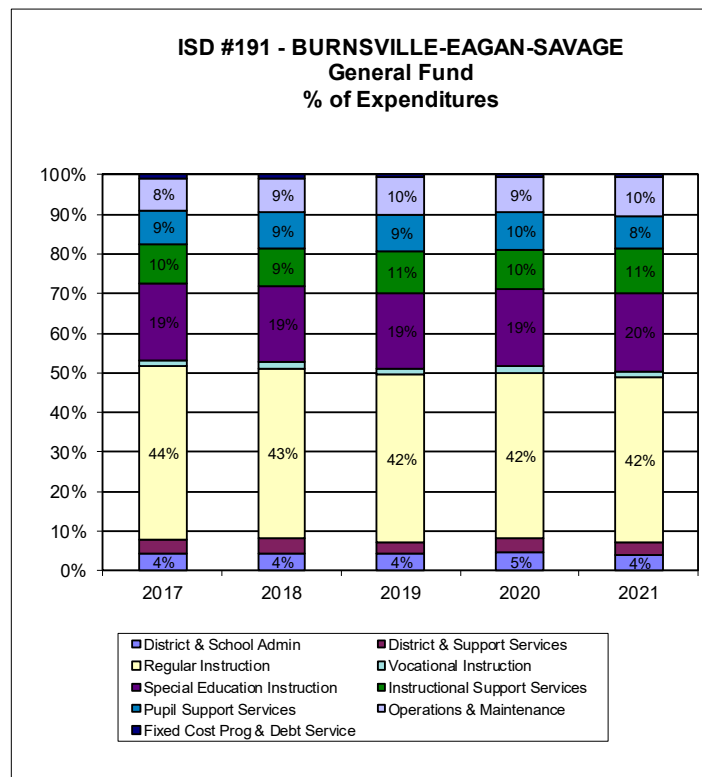
**Expenditures Per Student**

Expenditures per Student (average daily membership) are summarized in the following graph.



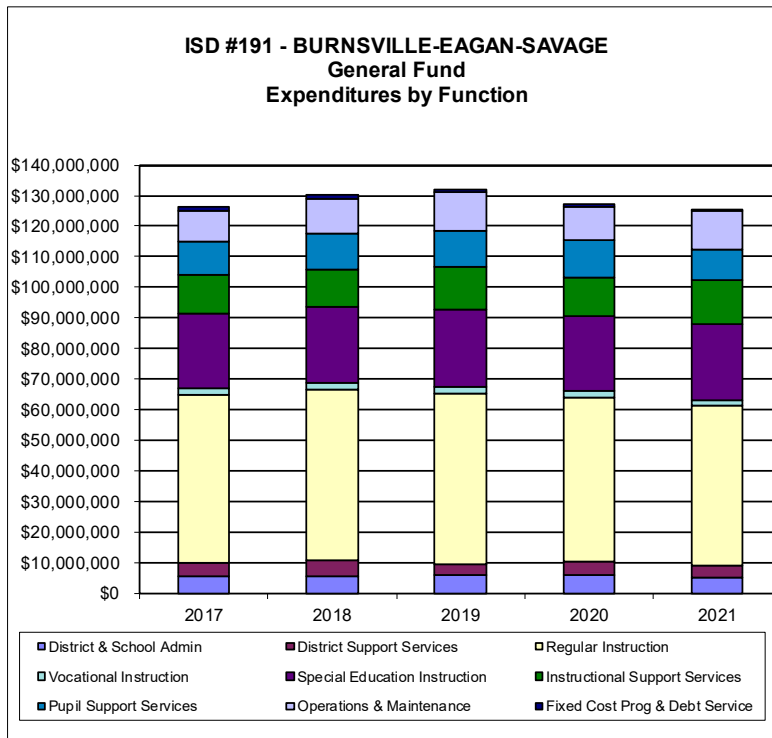
In fiscal 2021, General Fund expenditures per student increased 5.2% while total ADMs served decreased 6.3%.

The following schedule shows total expenditures of the General Fund by program type:



Expenditures Per Student (Continued)

	2017	2018	2019	2020	2021
District and School Admin	\$ 5,540,777	\$ 5,713,911	\$ 5,825,527	\$ 5,942,122	\$ 5,020,112
District Support Services	4,294,058	5,145,446	3,524,970	4,359,684	4,091,220
Regular Instruction	55,203,196	55,507,587	55,963,544	53,484,300	52,078,379
Vocational Instruction	1,936,107	2,293,310	2,046,040	2,150,191	2,088,358
Special Education Instruction	24,533,048	24,837,327	25,423,086	24,719,470	24,703,007
Instructional Support Services	12,409,064	12,317,991	13,902,867	12,484,339	14,355,696
Pupil Support Services	11,028,619	11,880,056	11,887,039	12,120,045	9,835,715
Operations and Maintenance	10,144,537	11,427,371	12,721,947	11,200,675	12,621,006
Fixed Cost Prog and Debt Service	1,040,677	1,000,537	781,268	838,359	657,041
<b>Total Expenditures</b>	<b>\$ 126,130,083</b>	<b>\$ 130,123,536</b>	<b>\$ 132,076,288</b>	<b>\$ 127,299,185</b>	<b>\$ 125,450,534</b>



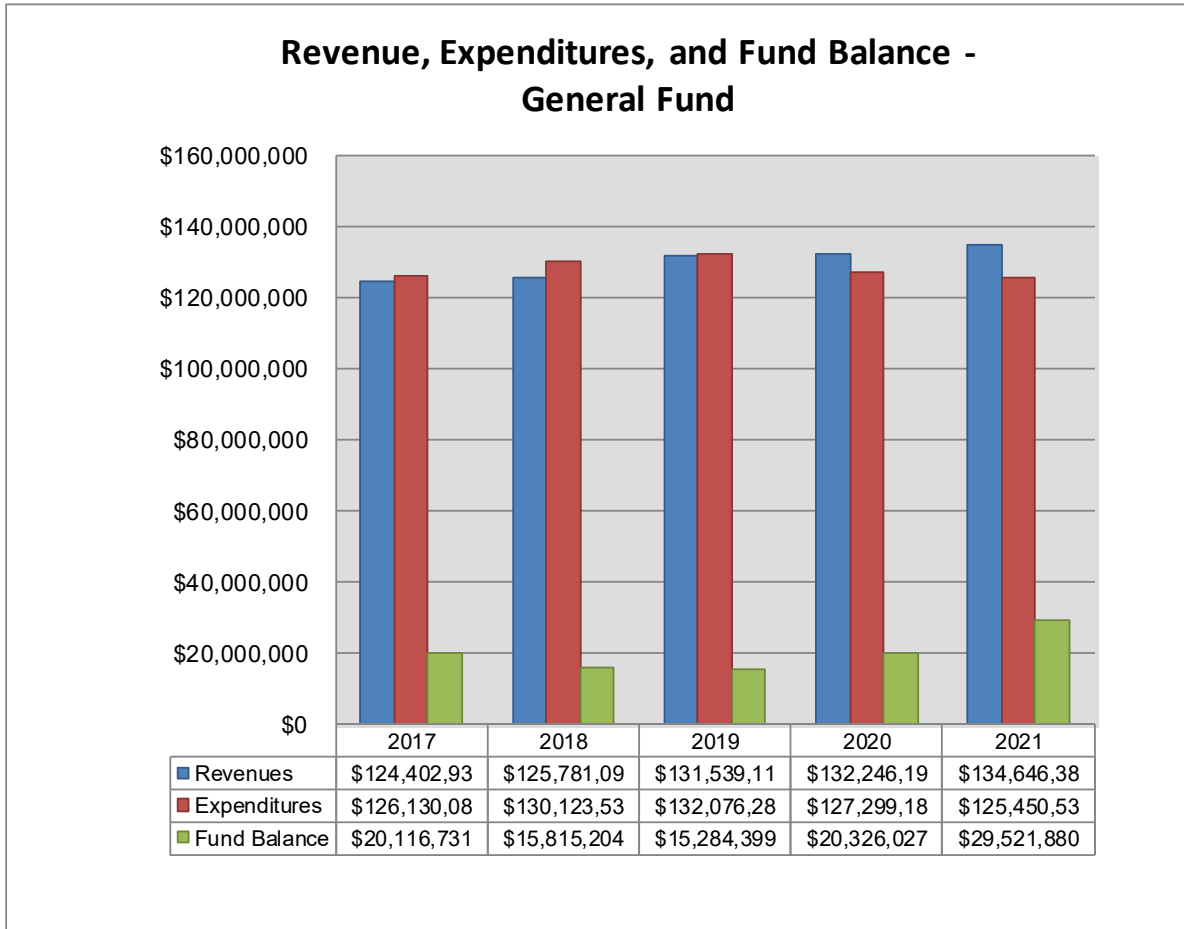
The following chart summarizes District General Fund Expenditures by object type.

	2021				2020	2019
	Final Amended Budget	Actual	Over (Under) Budget	Var %	Actual	Actual
Salaries	\$ 73,290,880	\$ 71,179,407	\$ (2,111,473)	(2.88)%	\$ 73,307,987	\$ 75,009,494
Employee Benefits	29,614,136	29,301,361	(312,775)	(1.06)	29,675,127	29,783,336
Purchased Services	17,959,192	14,700,502	(3,258,690)	(18.14)	17,020,334	18,286,055
Supplies and Materials	4,744,714	5,343,363	598,649	12.62	2,718,323	3,212,980
Capital Expenditures	6,024,771	3,865,715	(2,159,056)	(35.84)	3,230,989	4,643,582
Other Expenditures	952,874	1,060,186	107,312	11.26	1,346,425	1,140,841
<b>Total Expenditures</b>	<b>\$ 132,586,567</b>	<b>\$ 125,450,534</b>	<b>\$ (7,136,033)</b>	<b>(5.38)%</b>	<b>\$ 127,299,185</b>	<b>\$ 132,076,288</b>

As reflected above, total expenditures of the General Fund were 5.38% under the budgeted amount. Capital expenditure budgets are typically the highest variance as a percentage because of the issue of timing. For fiscal 2021 purchased services was the second highest because the budget was so significantly affected by the impact of COVID-19 and the resulting reduction in transportation costs, for example.

**General Fund Operations and Financial Position (UFARS Basis)**

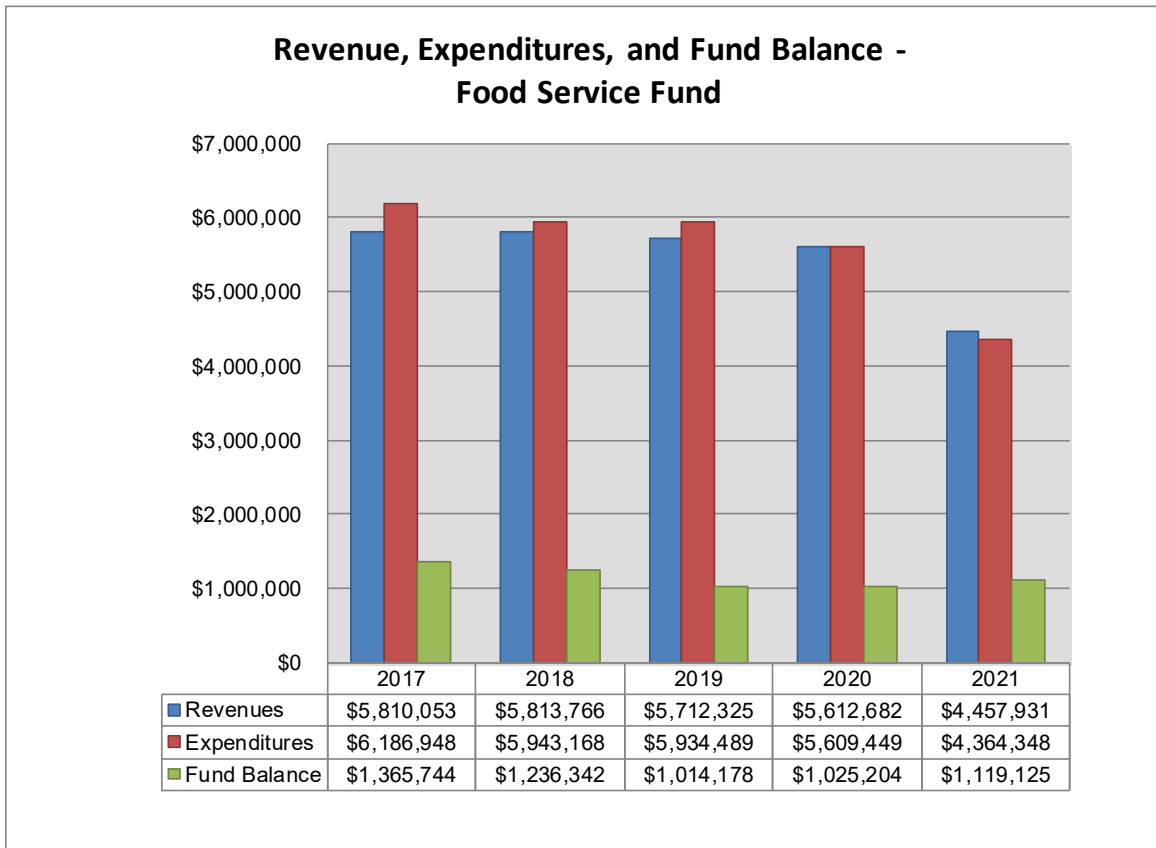
The following table presents five years of comparative operating results for the District’s General Fund.



The District’s General Fund unassigned fund balance changed by \$2,910,913 during fiscal 2020-2021, increasing from \$10,276,533 to \$13,187,447 at June 30, 2021. Total fund balance of the General Fund increased by \$9,195,853 from operations, ending at \$29,521,880 as of June 30, 2021. The ending unassigned fund balance represents 10.51% of General Fund expenditures.

**Food Service Fund**

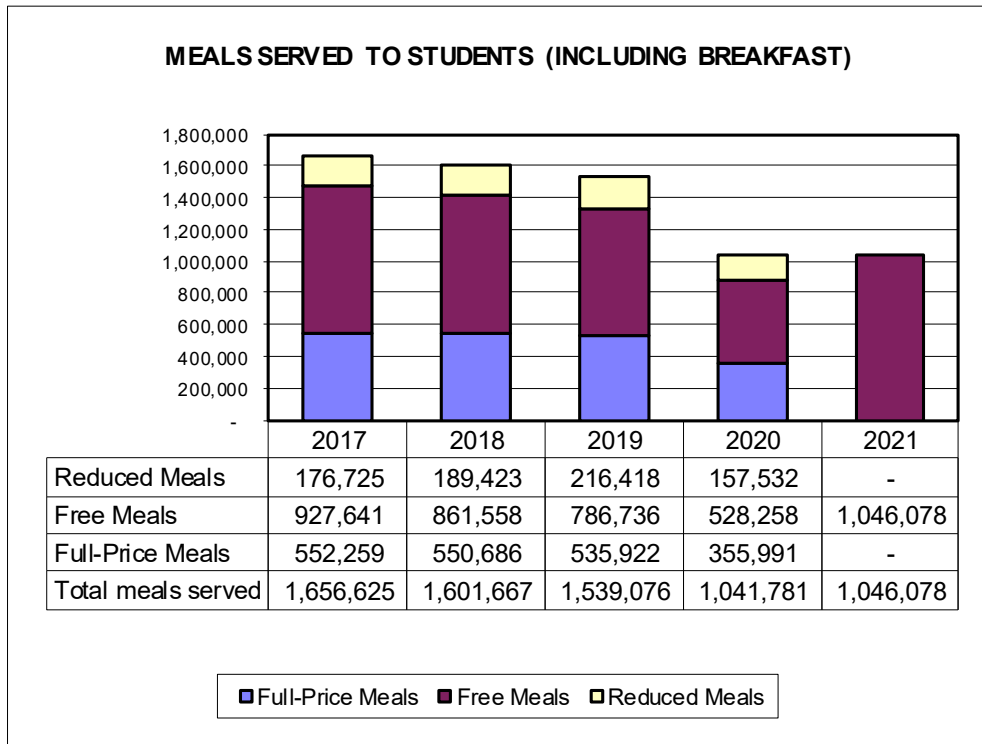
The following chart reflects the growth of the Food Service Program over the past five years:



Total revenues and other financing sources exceeded total expenditures by \$93,921 in the District's Food Service Fund for 2021, resulting in a fund balance of \$1,119,125 at June 30, 2021. The District utilized \$18,658 of the available fund balance for capital expenditure needs of the child nutrition program.

Total actual revenues were higher than the budgeted amount by a net of \$169,369 or 3.95%, all of which is attributable to higher than budgeted federal revenue sources. Total expenditures were higher than the budgeted amount by \$237,485. The net impact of these variances was an increase to fund balance that was approximately \$68,000 less than had been reflected in the final amended budget.

Food Service Fund (Continued)

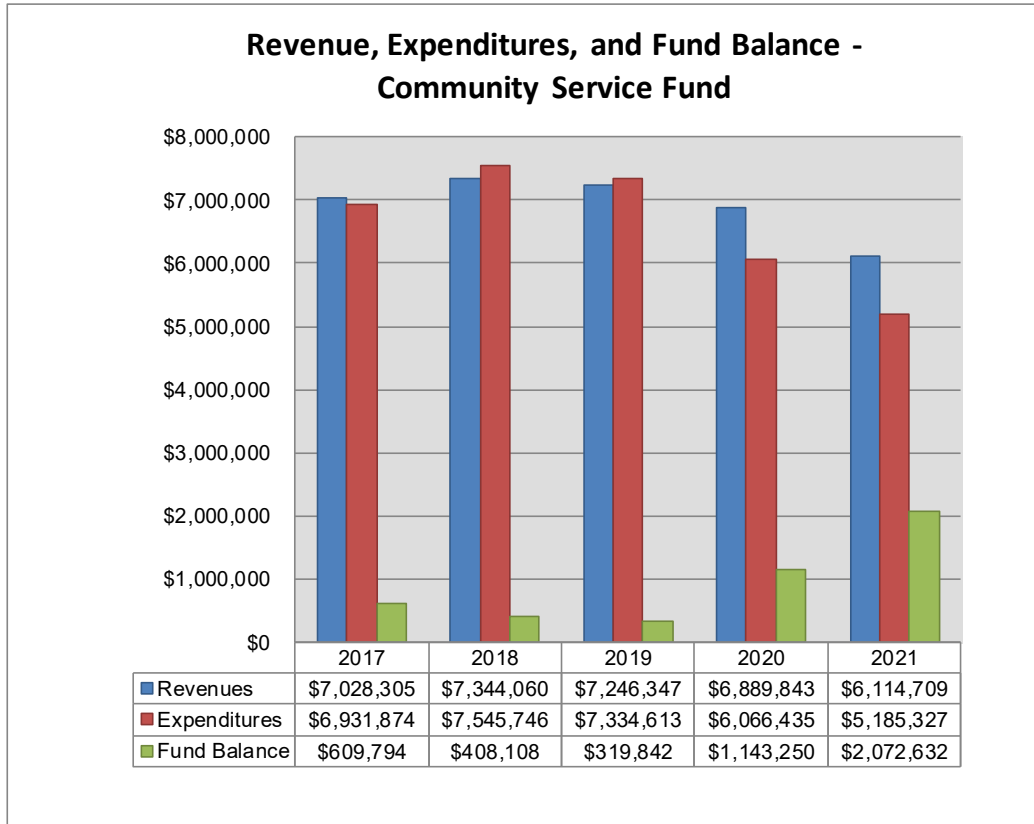


	Year Ended June 30,				
	2017	2018	2019	2020	2021
Percentage of Total Meals Served by Type (including Breakfast):					
Full Price Meals	33.3 %	34.4 %	34.8 %	34.2 %	- %
Reduced Price Meals	10.7	11.8	14.1	15.1	-
Free Meals	56.0	53.8	51.1	50.7	100.0
<b>Total</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

For fiscal 2021 all meals served were ultimately reimbursed through the Summer Food Program.

**Community Service Fund**

The following table presents five years of comparative operating results for the District’s Community Service Fund:



The District’s Community Service Fund results reflected that revenues exceeded expenditures by \$929,382 for fiscal 2021, increasing the combined fund balance from \$1,143,250 at June 30, 2020 to \$2,072,632 at June 30, 2021. We recognize that similar to the experience of the other operating funds, the Community Service Fund experienced a reduction in expenditures due to COVID-19 impacting the activities that could actually take place, therefore, programming focused on the support of families needing childcare and food services.

Total revenues of the District’s Community Service Fund for 2021 were approximately \$165,704 higher than the budgeted amount while total expenditures were approximately \$495,000 lower than the budgeted amount. The net impact of these variances was to increase total fund balance by approximately \$661,000 more than had been reflected in the budget. As part of any budget update initiated for fiscal 2021-2022, the community services department will want to take these budget variances into consideration in order to limit budget variances to every extent possible.

## APPENDIX B

### Expenditures Per Student (ADM) Served

	Statewide			ISD No. 191 Burnsville-Eagan-Savage		
	All Districts	Seven County Metro Area	Enrollment > than 4,000			
	2020	2020	2020	2019	2020	2021
District and School Admin and Support Services	\$ 1,154	\$ 1,100	\$ 1,049	\$ 1,032	\$ 1,172	\$ 1,148
Regular Instruction (including Co- & Extra-Curricular)	5,830	6,231	6,033	6,283	6,197	6,565
Vocational Instruction (Career & Technical)	174	171	174	229	248	264
Special Education Instruction	2,510	2,626	2,664	2,859	2,855	3,070
Instructional Support Services	662	787	769	1,374	1,277	1,706
Pupil Support Services (Including Transportation)	1,205	1,317	1,272	1,338	1,405	1,242
Operations and Maintenance and Other	941	910	910	1,179	1,181	1,325
General Fund Subtotal	<u>12,476</u>	<u>13,142</u>	<u>12,871</u>	<u>14,294</u>	<u>14,335</u>	<u>15,320</u>
Food Service	554	548	543	664	642	549
Community Service	622	774	733	824	702	655
Capital Expenditure (excluding Building Constr Fund)	838	717	715	527	385	491
Debt Service	<u>1,345</u>	<u>1,472</u>	<u>1,440</u>	<u>1,300</u>	<u>1,403</u>	<u>1,520</u>
Total Pre-K - 12 Operating Expenditures	<u>\$ 15,835</u>	<u>\$ 16,653</u>	<u>\$ 16,302</u>	<u>\$ 17,610</u>	<u>\$ 17,467</u>	<u>\$ 18,534</u>
Percent Change from Prior Year				2.34%	-0.81%	6.11%

Source of Statewide Data: School District Profiles published by the Minnesota Department of Education

District and school admin and support services - all costs related to providing administration to the District (school board, superintendent, principals, assistant superintendents, directors of instructional areas, etc.) and all central office administration (business services, human resources, legal, data processing, other district-wide support activities)

Regular instruction - includes all activities dealing directly with the teaching of pupils including co-curricular and extra-curricular activities and the interaction between teachers and pupils in the classroom (excluding exceptional, vocational and community education instruction) and includes activities of aides or assistants of any type (paraprofessionals, clerks, graders, etc.) who assist in the educational process, except spec ed aides

Vocational instruction - consists of costs related to courses and activities which develop knowledge, skills, attitudes and behavioral characteristics for students seeking career exploration and employability

Special education instruction - consists of activities providing learning experiences for pupils of any age, who because of certain atypical characteristics or conditions, have been identified as requiring, or who would benefit by, educational programs differentiated from those provided pupils in regular or vocational instruction

Instructional support services - activities for assisting instructional staff with content and process of providing learning experiences for pupils in K-12 (curriculum, staff dev, educ media, libraries, and media centers, etc.)

Pupil support services - all services to pupils not classified as instructional (counseling and guidance, health services, psychological services, social work, pupil transportation, and safety, etc.)

Operations and maintenance - activities related to the operation, maintenance, repair and remodeling of all physical plant, facilities, and grounds of the District

Food service - all costs of the Food Service Fund

Community service - all costs of the Community Service Fund

Capital expenditures - all capital expenditures charged to operating funds

Debt service - all debt service costs (principal, interest and fiscal agent costs)

## APPENDIX C

### LEGISLATIVE ACTIVITY

What follows are some education-related highlights of the 2021 legislative sessions as summarized from information made available by the Minnesota Department of Education, the Minnesota School Boards Association, and the Minnesota House of Representatives.

#### **General Education**

The General Education Revenue formula allowance was increased by 2.45% (by \$161 per pupil unit to \$6,728) for fiscal year 2022 and by another 2% (by \$296 per pupil unit to \$6,863) for fiscal year 2023 and later.

#### **English Learner Cross-Subsidy Reduction Aid**

Additional statewide, supplemental aid (not on the formula) is provided for four years only to English learners. The aid is increased by \$2 million per year for fiscal years 2022, 2023, 2024 and 2025. The aid must be allocated to school districts and charter schools proportionate to their English learner revenue.

#### **Special Education Cross-Subsidy Aid**

A one-time special education cross-subsidy aid is provided for each school district equal the ratio of the school district's initial special education cross-subsidy in fiscal year 2021 to the total initial special education cross-subsidy for all districts in that year.

#### **Early Education**

The 4,000 voluntary prekindergarten/school readiness plus seats program was extended for two years that would have otherwise expired. For fiscal years 2022 and 2023 only. Makes no policy changes to the administration of VPK or SR+.

#### **Local Optional Revenue**

Increases local optional aid (and correspondingly lowers the local optional levy) for fiscal year 2023 only by setting the second-tier equalizing factor at \$548,842 per pupil unit. Lowers the equalizing factor back to \$510,000 for fiscal year 2024 and later.

#### **Respectful School Meal Policies**

Requires a participant in the national school lunch program to adopt and post a school meals policy to:

- be in writing, reasonable, well-defined, and clearly communicate student meal charges when payment cannot be collected. Requires the policy to maintain the dignity of students by prohibiting lunch shaming;
- address whether a collections agency is used by the participant to collect unpaid school meals debt;
- ensure that once a meal is placed on a tray or otherwise served to a student that the meal is not withdrawn from the student; and
- ensure that a student who is eligible for a free or reduced-price lunch is always served a reimbursable meal even if they have outstanding debt.

**Respectful School Meal Policies (Continued)**

If a school contracts with a third party it must provide the vendor with its school meals policy and require the vendor to adhere to the policy for contracts entered or modified after July 1, 2021.

Prohibits a participant from denying a school lunch to a student who qualifies for free or reduced-price lunch whether the student has outstanding school meal debt attributable to a la carte purchases or for any other reason.

Requires the participant to provide meals to students in a respectful manner. The law provides examples of prohibited activities, which include dumping meals, withdrawing a meal that has been served, announcing or listing students' names publicly, or affixing stickers, stamps, or pins. Prohibits a participant from limiting a student's participation in any school activities, graduation ceremonies, field trips, athletics, activity clubs, or other extracurricular activities or access to materials, technology, or other items provided to students due to an unpaid student meal balance due to unpaid student meal balance.

**Teacher Mentoring Programs**

School districts are required to develop teacher mentoring programs. Requires districts to use staff development revenue (2 percent of basic revenue) for teacher mentorship under MN statute 122A.70, subdivision 1. Current law requires revenue to be used for this purpose only if extra funds remain after being used for other purposes.

**Special Education Recovery Services and Supports**

To address the impact of learning disruptions due to COVID-19, a school district or charter school is required to invite the parents of a student with a disability to a meeting of each individualized education program team as soon as practicable, to determine whether special education services and supports are necessary to address the lack of progress on IEP goals or in the general education curriculum. The services and supports may include extended school year services, additional IEP services, compensatory services, or other appropriate services. Requires services and supports be included in the IEP of the student. The school district or charter school is required to report to the commissioner the services and supports provided to students with disabilities under this section, including the cost. Allows a school district or charter school to use federal funds to comply with this section.

**Mental Health Education for Teachers**

Suicide and self-harm prevention training must be accessible to teachers in every school district, charter school, Intermediate school districts, service cooperative and tribal schools in Minnesota.

**Seizure Training and Action Plan**

Requires a school district or charter school where a student with a seizure disorder and prescribed seizure medication is enrolled to have a seizure action plan. The action plan must identify a school nurse or designated individual who can administer seizure medication and require training on seizures. Requires a school district or charter school to provide all licensed school nurses or other designated individuals, and other staff with self-study materials on seizure disorders.

**Leave of Absence Due to COVID-19**

Between December 27, 2020, and September 4, 2021, certain “leaves of absence” by an applicant are considered involuntary, so the leave does not make the applicant ineligible for unemployment insurance benefits. Leaves considered involuntary during the COVID-19 pandemic include: (1) determination by a health authority or health care professional that the applicant’s presence in the workplace is a risk to the health of others; (2) quarantine or isolation order; (3) self-isolation or self-quarantine; (4) direction by employer not to come to work; or (5) schools or childcare are cancelled or unavailable and no other childcare or time off from employer is available. Effective date: Applies retroactively to December 27, 2020. Continues Laws 2020, chapter 71, article 2, section 23.

**Unemployment Eligibility for High School Students**

Allows high school students to qualify for unemployment insurance if they otherwise meet eligibility requirements. Currently, high school students are excluded from receiving unemployment benefits under Minnesota law but may be eligible for temporary Pandemic Unemployment Assistance under federal law following a recent Minnesota Court of Appeals decision. Effective date: This section is effective July 3, 2022.

**Limit on Screen Time for Children in Preschool and Kindergarten**

Prohibits a child in a publicly funded preschool or kindergarten program from using an individual-use screen without engagement from a teacher or other students. Excludes a child with an individualized family service plan, an individualized education program, or a 504 plan from the application of this section. This section is effective July 1, 2022.

**Fundraising Sales Tax Exemptions**

During the 2021 legislative session, there was a change made to Minnesota Statute 297A.70, subdivision 13, restoring the fundraising exemption for school-associated student groups. Starting July 1, 2021, fundraising sales made by school-associated student groups are exempt from sales tax, even when the money must be recorded as part of school district revenues, when the following apply:

- The sales are for fundraising purposes of a club, association, or other organization of elementary or secondary school students organized for the purpose of carrying on sports activities, educational activities, or other extracurricular activities.
- The school district reserves the revenue raised for extracurricular activities, as provided in Minnesota Statute 123B.49, subdivision 4 (e), and spends the revenue raised by a particular extracurricular activity only for that extracurricular activity.

The sales tax exemption to the student fundraising organization applies only to the first \$20,000 of the gross annual receipts of the student group from fundraising.

## APPENDIX D

### ACCOUNTING UPDATE

#### **GASB Statement No. 87 – Leases**

GASB Statement No. 87 requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. Specifically, this statement:

1. Establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.
2. Defines the “lease term” and clarifies when lessees and lessors should reassess the lease term due to lease modifications or terminations.
3. Defines and establishes recognition criteria for short-term leases.
4. Amends accounting and financial reporting requirements for contracts with multiple components, contract combinations, subleases, and leaseback transactions.

The statement was to be effective for reporting periods beginning after December 15, 2019. However, due to the impact of COVID-19, the effective date was moved back one and a half years to reporting periods beginning after June 15, 2021. Earlier application is encouraged.

#### **STEPS THAT SHOULD BE TAKEN NOW**

- 1) **Gather leases and contracts.** Depending on the number of leases your organization has, this will likely be a bigger challenge than anticipated. Keep in mind that not all leases are written “lease” agreements. Some contracts also include embedded leases that were previously treated as expenses, so you may be surprised to find more operating leases than you realized. Checking accounts payable for recurring payments may help you locate agreements that you’ll need to analyze.
- 2) **Analyze all contracts to determine which are leases under the new standard.** GASB 87 defines a lease as a “contract that conveys control of the right to use another entity’s nonfinancial asset (the underlying asset), as specified in the contract, for a period of time in an exchange or exchange-like transaction.” Here are some of the agreements that can be excluded:
  - Short-term leases that are one year or less in duration.
  - Intangibles, such as investment assets, software licenses, and patents.
  - Financed purchases, where ownership of the asset transfers at the end of the lease without an additional payment.
- 3) **Review leases for multiple components.** Some leases include service agreements that will need to be split off from the entire lease. Many agreements (like service agreements and supply contracts) may qualify as leases under GASB 87. Some examples of service contracts that may have embedded leases can include cafeteria equipment, soda fountains, water coolers, coffee machines, solar panels, etc., where the government may get to use a particular piece of equipment for free in return for the exclusive use of the provider’s products.
- 4) **Determine appropriate materiality thresholds for capitalization.** Work with your auditor to determine what this should be. Be aware that items that are well below that threshold individually may be material in the aggregate.

5) **Select a technology solution such as leasing software to help manage your leases.** Unless your organization only has a few leases, the calculations for journal entries and footnote disclosures will most likely be beyond the capabilities of Excel. When choosing a software solution, keep in mind that tracking this information from leases will be an ongoing project, so look for one that's easy to use and provides your organization with all the information you'll need. Make sure to consider document storage as part of the capabilities. Entities with greater than 10-20 identified leases may wish to seriously consider a lease software solution and not rely on spreadsheets. Keep in mind that if a government has many similar leases, it may choose to amortize the leased assets as a group rather than individually. Composite depreciation is applied to groups of dissimilar assets, but should not be applied across classes of assets, such as buildings, equipment, furniture, and vehicles.

6) **Consider the district's bond covenants, loan covenants, and debt limitations to determine impact.** While a recent update from GASB (GASB 88) specifies that lease liabilities are excluded from the definition of debt for the purposes of financial statement disclosures, it's not clear whether banks, credit rating agencies, or other stakeholders will take a similar stance.

Adding liabilities for operating leases to the balance sheet may mean that covenants for bond contracts and loan agreements will be violated. If this is the case, you may need to renegotiate those agreements. Contacting these stakeholders and other interested parties early on is crucial.

Adding to the complexity, the rules and statutes governing debt limitations vary across states, counties and municipalities. You may need to consult with an attorney to determine whether lease liabilities count as debt for those limitations.

7) **Develop new district policies and procedures as necessary.** Unlike many other financial controls, you'll need to work as a team with people outside of accounting, including procurement, IT, and legal, to make sure all leases and contracts go through accounting. You may need to educate others about the balance sheet impacts of leases.

8) **Do your initial calculations and run the results past your auditor.** Because the calculations are different from the previous treatment of leases, some advisors are recommending performing a trial calculation on a subset of your leases. Then, ask us as your auditors to check your numbers before you do the entire population of leases.

9) **Start learning and keep learning.** Early adopters report that they need two or three hours per lease to analyze and extract the data. Adding to the challenge, many government finance professionals wear many hats, and dealing with financial matters may be only a small part of their responsibilities. Be sure to keep the resulting information very organized and accessible and also keep in mind the new information that will be required for footnote disclosures.

10) **Begin implementing the Standard Now.** Ensuring that someone is able to learn and understand the new standard and how to implement it is important for a successful implementation year. If you find you are having issues with stretched resources within your organization, don't understand the standard, how to properly implement it, or simply don't have the time to do it, feel free to consult with us. CLA is helping many of our clients through this implementation and is providing various levels of assistance depending on the needs of our clients. We would be happy to discuss the various ways in which we can help and be involved if you determine you will need help with the lease determinations, calculations, or implementation related to the new standard.

**GASB Statement No. 89 – Accounting for Interest Cost Incurred before the End of a Construction Period**

GASB Statement No. 89 provides that for financial statements prepared using the economic resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expense in the period in which the cost is incurred. Such interest cost should not be capitalized as part of the historical cost of a capital asset. Initially effective for reporting periods beginning after December 31, 2019 but postponed to reporting periods beginning after December 15, 2020. Earlier application is encouraged.

**GASB Statement No. 91 – Conduit Debt Obligations**

The primary objective of GASB Statement No. 91 is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. Initially effective for reporting periods beginning after December 15, 2020 but postponed to reporting periods beginning after December 15, 2021.

**GASB Statement No. 92 – Omnibus 2020**

The primary objectives of this statement are to enhance comparability and consistency by addressing practice issues that have been identified during implementation and application of certain GASB statements.

This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

**GASB Statement No. 96 – Subscription-Based Information Technology Arrangements**

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

**GASB Statement No. 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans**

This statement clarifies how the absence of a governing board should be considered in determining whether a primary government is financially accountable for purposes of evaluating potential component units. It also modifies the applicability of certain component unit criteria as they relate to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. The statement also establishes accounting and financial reporting requirements for Section 457 plans that meet the definition of a pension plan and for benefits provided through those plans and modifies the investment valuation requirements for all Section 457 plans. The requirements related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. Requirements relating to the applicability of certain component unit criteria as they relate to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans are effective immediately.



## APPENDIX E

### FORMAL REQUIRED COMMUNICATIONS

Board of Education  
Independent School District No. 191  
Burnsville-Eagan-Savage Schools  
Burnsville, Minnesota

We have audited the 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, 2021, and have issued our report thereon dated October 28, 2021. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

#### **Significant audit findings**

##### ***Qualitative aspects of accounting practices***

###### *Accounting policies*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2021.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Due from Minnesota Department of Education
- Due from other Minnesota school districts
- Due from federal through the Minnesota Department of Education
- Other Postemployment Benefits Payable
- Estimated useful lives of depreciable capital assets
- Estimated proportionate share of PERA's and TRA's net pension liability
- Estimate of self-insurance claims incurred but not reported
- Estimate of the District's liability for severance benefits payable

Management's estimate of the due from Minnesota Department of Education is based on amounts anticipated to be received from the state for various aid entitlements for fiscal 2021. The most significant of these is the aid portion of general education revenue. General education revenue and certain other revenues are computed by applying an allowance per student to the number of students served by the school. Student attendance is accumulated in a statewide database, Minnesota Automated Reporting Student System (MARSS). Because of the complexity of student accounting and because of certain enrollment options, student information is input by other school districts and the MARSS data for fiscal year 2021 is not finalized until well into the next fiscal year. MDE calculates amounts owed to the District for special education excess cost tuition billing and adds the amount to the District's special education aid. Because the tuition amounts are based on estimated information, final entitlements are not expected to be known until well into the following fiscal year. Management expects any differences between estimated and actual data will be insignificant.

Management's estimate of due from other Minnesota school districts is based on amounts that have been billed to other school districts for rental or other services performed for other Minnesota school districts. Management expects any difference between estimated and actual data will be insignificant.

Management's estimate of due from federal through the Minnesota Department of Education is based on amounts anticipated to be received through the state for various federal aid entitlements for fiscal 2021. Many federal entitlements require that supporting financial reporting information be provided both in the Uniform Financial Accounting and Reporting Standards (UFARS) accounting system and also the Special Education Data Reporting Application (SEDRA) reporting system reporting system. To the extent that these two separate systems are not in agreement and reported in a timely manner, the estimated aid entitlement may be adversely affected. Management expects any differences between estimated and actual data will be insignificant.

Management's estimate of other postemployment benefits payable is based on an actuarially determined calculation, less actual payments incurred on behalf of retirees and an actuarially determined estimate of implicit rate subsidy, which is the estimated increased cost of premiums due to inclusion of retirees in the same plan as the District's active employees.

Management's estimate of the useful lives for depreciable capital assets is based on guidance recommended by the Minnesota Department of Education and other sources. The useful life of a depreciable capital asset determines the amount of depreciation that will be recorded in any given reporting period as well as the amount of accumulated depreciation that is reported at the end of a reporting period.

Management's estimate of the District's proportionate share of PERA's and TRA's Net Pension Liability is based on guidance from GASB Statement No. 68 and each plan's respective allocation tables. Each plan's allocation tables allocate a portion of the plan's net pension liability based on the District's prior fiscal year contributions as a percentage of the total contributions received for the related year by the plan.

Management's estimate of severance benefits payable is based on certain assumptions made by the District as required by GASB 16. The District recorded a liability for accumulated sick leave convertible to severance pay for which it is probable the employees will be compensated. The method used by the District to calculate this liability is based on assumptions involving the probability of employees becoming eligible to receive the benefits and the potential use of sick leave prior to termination.

Management's estimate of the self-insurance liability is based on assumptions made by the District regarding the potential for insurance payouts based on census data collected on all participants. They also factor in information from insurance claim lag reports to show the actual payouts occurring for insurance related to the year under audit. This is then factored into the ending liability for the year.

We reviewed and tested management's procedures and underlying supporting documentation in the areas discussed above and evaluated the key factors and assumptions used to develop the estimates noted above in determining that they are reasonable in relation to the financial statements taken as a whole. We concluded that the accounting estimates and management judgments appeared to consider all significant factors and resulted in appropriate accounting recognition.

#### Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

***Difficulties encountered in performing the audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

***Uncorrected misstatements***

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

***Corrected misstatements***

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

***Disagreements with management***

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

***Management representations***

We have requested certain representations from management that are included in the management representation letter dated October 28, 2021.

***Management consultations with other independent accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Significant issues discussed with management prior to engagement***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

***Other audit findings or issues***

We have provided a separate letter to you dated October 28, 2021, communicating internal control related matters identified during the audit.

**Other information in documents containing audited financial statements**

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

With respect to the schedule of expenditures of federal awards (SEFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA to determine that the SEFA complies with the requirements of the Uniform Guidance, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated October 28, 2021.

With respect to the individual fund financial statements and the Uniform Financial Accounting and Reporting Standards Compliance Table (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated October 28, 2021.

The introductory and statistical sections accompanying the financial statements, which is the responsibility of management, were prepared for purposes of additional analysis and is not a required part of the financial statements. Such information was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we did not express an opinion or provide any assurance on it.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

\* \* \*

This communication is intended solely for the information and use of the Board of Education and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Minneapolis, Minnesota  
October 28, 2021





# 2020-21 Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2021

Prepared by the District 191 Business Office  
200 W. Burnsville Pkwy.  
Burnsville, MN 55337  
952-707-2050



**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT OF  
BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
BURNSVILLE, MINNESOTA  
YEAR ENDED JUNE 30, 2021**

**PREPARED BY THE  
BUSINESS OFFICE**

**LISA K. RIDER  
EXECUTIVE DIRECTOR OF BUSINESS SERVICES**

**TYLER DEHNE  
DIRECTOR OF FINANCE**

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**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
TABLE OF CONTENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

**INTRODUCTORY SECTION (UNAUDITED)**

LETTER OF TRANSMITTAL	1
SCHOOL BOARD AND ADMINISTRATION	7
ORGANIZATIONAL CHART	8
CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING	9

**FINANCIAL SECTION**

INDEPENDENT AUDITORS' REPORT	10
------------------------------	----

**REQUIRED SUPPLEMENTARY INFORMATION**

MANAGEMENT'S DISCUSSION AND ANALYSIS	13
--------------------------------------	----

**BASIC FINANCIAL STATEMENTS**

STATEMENT OF NET POSITION	26
STATEMENT OF ACTIVITIES	27
BALANCE SHEET – GOVERNMENTAL FUNDS	28
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION	29
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – GOVERNMENTAL FUNDS	30
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES	31
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND	32
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – BUDGET AND ACTUAL – FOOD SERVICE FUND	33
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – BUDGET AND ACTUAL – COMMUNITY SERVICE FUND	34
STATEMENT OF NET POSITION – PROPRIETARY FUND – INTERNAL SERVICE FUND	35
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION – PROPRIETARY FUND – INTERNAL SERVICE FUND	36
STATEMENT OF CASH FLOWS – PROPRIETARY FUND – INTERNAL SERVICE FUND	37
STATEMENT OF FIDUCIARY NET POSITION	38
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	38
NOTES TO BASIC FINANCIAL STATEMENTS	39

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
TABLE OF CONTENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

**REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS	78
TRA SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	79
TRA SCHEDULE OF DISTRICT CONTRIBUTIONS	80
PERA SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	81
PERA SCHEDULE OF DISTRICT CONTRIBUTIONS	82
NOTES TO DISTRICT'S PENSION REQUIRED SUPPLEMENTARY INFORMATION	83

**SUPPLEMENTARY INFORMATION**

GENERAL FUND	
BALANCE SHEET	89
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – BUDGET AND ACTUAL	90
FOOD SERVICE SPECIAL REVENUE FUND	
BALANCE SHEET	93
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – BUDGET AND ACTUAL	94
COMMUNITY SERVICE SPECIAL REVENUE FUND	
BALANCE SHEET	95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – BUDGET AND ACTUAL	96
CAPITAL PROJECTS – BUILDING CONSTRUCTION FUND	
BALANCE SHEET	97
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – BUDGET AND ACTUAL	98
DEBT SERVICE FUND	
BALANCE SHEET	99
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE – BUDGET AND ACTUAL	100
INTERNAL SERVICE FUND	
COMBINING STATEMENT OF NET POSITION	101
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION	102
COMBINING STATEMENT OF CASH FLOWS	103

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
TABLE OF CONTENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

**SUPPLEMENTARY INFORMATION (CONTINUED)**

UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS COMPLIANCE TABLE	104
<b>STATISTICAL SECTION (UNAUDITED)</b>	<b>106</b>
NET POSITION BY COMPONENT	107
CHANGES IN NET POSITION	109
FUND BALANCES, GOVERNMENTAL FUNDS	111
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS	113
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE AND LEVY TYPE	115
TAX CAPACITIES AND MARKET VALUE	116
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS	118
PRINCIPAL PROPERTY TAXPAYERS	120
PROPERTY TAX LEVIES, COLLECTIONS, AND RECEIVABLES	121
RATIOS OF OUTSTANDING DEBT BY TYPE	123
RATIO OF NET GENERAL OBLIGATIONS BONDED DEBT TO TAX CAPACITY AND NET GENERAL OBLIGATIONS BONDED DEBT PER CAPITA	124
DIRECT AND OVERLAPPING DEBT	125
LEGAL DEBT MARGIN	126
DEMOGRAPHIC AND ECONOMIC STATISTICS	128
PRINCIPAL EMPLOYERS	129
EMPLOYEES BY CLASSIFICATION	130
STUDENT TO STAFF RATIOS	131
OPERATING INDICATORS BY FUNCTION – STANDARDIZED TESTING AND GRADUATION RATES	132
SCHOOL FACILITIES	133
FOOD SERVICE – SCHOOL LUNCH PROGRAM DATA	134
SCHEDULE OF INSURANCE COVERAGE	136
STUDENT ENROLLMENT	137
EXPENDITURES PER STUDENT	138

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## **INTRODUCTORY SECTION**

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**Burnsville-Eagan-Savage School District 191**

200 W. Burnsville Parkway  
Burnsville, MN 55337  
952.707.2000  
www.isd191.org



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

Date: October 28, 2021

**INTRODUCTION**

The comprehensive annual financial report of Independent School District No. 191, Burnsville, Minnesota (the District) for the fiscal year ended June 30, 2021 is hereby presented for your information and review. The comprehensive annual financial report 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 comprehensive annual financial report 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 7,826 students from a population of over 67,370 citizens residing in a 37 square mile area. During fiscal year 2020-21, the District operated 14 buildings: one high school, one alternative high school, two middle school schools, eight elementary schools, one special services building, and one districtwide building. District buildings were built between 1950 and 1996 with the latest additions in 2016. 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. Two former elementary schools and one former middle school were closed as schools effective at the start of the 2020-21 school year. Due to the pandemic, the two closed elementary schools were utilized for child care and the closed middle school was utilized as a county vaccination location during the 2020-21 school year.

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, 2021 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 2020-21 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 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 15,500 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 2020-21, grades K-12 has a range in class size from a low of 508 to a high of 740 students. There was a decline of 531 in enrollment for fiscal year 2020-21. This significantly higher decline is anticipated to be due to the impact of the pandemic and our typical trend.

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, and 2020 in an effort to ensure a favorable financial result. During the 2020-2021 school year; our Integrated Action Plan for the planned budget included 4 main factors: 1) a revocation and replacement of the referendum with the amount of the lesser of \$1,900 per pupil or the maximum authorization allowed by statute; 2) the closure of three schools; 3) budget containment efforts resulting in a planned spend down of general fund balance of only \$990,645, and 4) Program innovation allowing for expansion of our Pathways programs into all grade levels. This planning provided a good start toward balancing the budget. The continued experience of functioning through a pandemic meant a reduction in expenditures for activities not conducted due to restrictions brought by the pandemic (such as professional development, transportation costs, and substitute teachers) and the focus of needs on expenditures directly related to pandemic costs for which our district did receive federal grant reimbursement funds. As a result, our 2020-2021 expenditures were approximately \$7.1 million dollars less than budgeted while revenues were \$902,500 more than budgeted. The result was an improvement to the total general fund balance of \$9,195,853.

## **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. This will have lingering effect to levies and state aid formulas for a minimum of two 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 2021-2022 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 2021-2022 school year. Additionally, federal funds have been incorporated into the general fund budget planning for fiscal years ending June 30, 2022, 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 2021-2022 revised budget and the 2022-2023 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 2020 total market value for eighth 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.

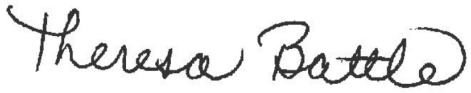
Reliance on the state for the majority of its operating revenues places the District in the position of being dependent on state-wide economic conditions that drive state tax collections. The State Legislature has provided some increases to the basic formula and categorical funding for the 2019-2021 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**

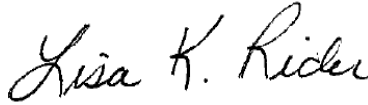
This report will be submitted to the Association of School Business Officials International for consideration for the Certificate of Excellence in Financial Reporting. The District received this award for the past 33 fiscal years and expects to continue to earn the recognition that accompanies the standards of accuracy and thoroughness acknowledged by the Certificate of Excellence program.

**ACKNOWLEDGMENTS**

The time, effort, and attention that go into the timely preparation of a comprehensive annual financial report require the commitment and cooperation of many people. Special appreciation must be extended to the entire Business Office staff for their dedication and to the School Board for their encouragement and leadership.



Dr. Theresa Battle  
Superintendent



Lisa K. Rider  
Executive Director of Business Services

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
 INDEPENDENT SCHOOL DISTRICT NO. 191  
 SCHOOL BOARD AND ADMINISTRATION  
 JUNE 30, 2021**

**SCHOOL BOARD**

<b>NAME</b>	<b>TERM ON BOARD EXPIRES</b>	<b>BOARD POSITION</b>
Eric Miller	December 2024	Chairperson
Lesley Chester	December 2022	Vice Chairperson
Abigail Alt	December 2022	Treasurer
Scott Hume	December 2022	Clerk
Toni Conner	December 2024	Director
Sue Said	December 2021	Director
Anna Werb	December 2024	Director

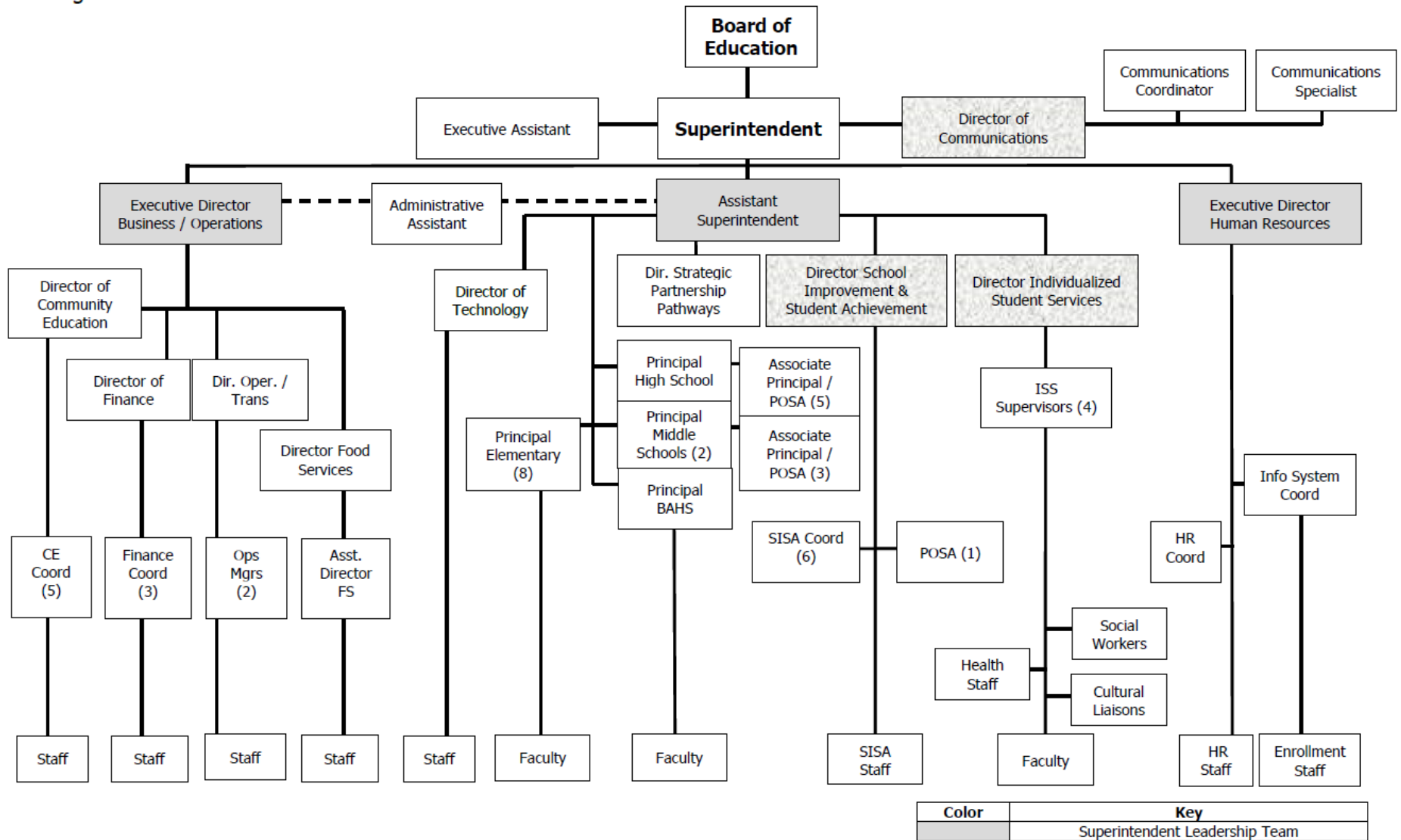
**ADMINISTRATION**

Dr. Theresa Battle	Superintendent
Brian Gersich	Assistant Superintendent
Lisa Rider	Executive Director of Business Services
Stacey Sovine	Executive Director of Human Resources
Tyler Dehne	Director of Finance

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**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
ORGANIZATIONAL CHART  
JUNE 30, 2021**

Organizational Chart 20-21



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ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

**ISD 191 Burnsville-Eagan-Savage**

**for its Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2020.**

The Comprehensive Annual Financial Report meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink that reads 'W. Edward Chabal'.

W. Edward Chabal  
President

A handwritten signature in black ink that reads 'David J. Lewis'.

David J. Lewis  
Executive Director

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Financial Statements**

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, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

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, 2021, 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.

### ***Report on Summarized Prior Year Information***

We have previously audited Independent School District No. 191's 2020 financial statements of the governmental activities, each major fund and the aggregate remaining fund information, and we expressed an unmodified opinion on those audited financial statements in our report dated October 23, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Other Matters***

#### ***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, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Independent School District No. 191's basic financial statements. The combining and individual fund financial statements, uniform financial accounting and reporting standards compliance table, introductory, and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and the Uniform Financial Accounting and Reporting Standards (UFARS) compliance table are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Matters (Continued)***

***Other Information (Continued)***

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2020, contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The individual fund financial statements for the year ended June 30, 2020, 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 2020 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2021, 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.



**CliftonLarsonAllen LLP**

Minneapolis, Minnesota  
October 28, 2021

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

This section of Independent School District No. 191's comprehensive annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2021. 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 2020-21 fiscal year include the following:

- Government-wide net position, increased by \$7,237,486 or (9.46%) better than June 30, 2020, resulting in total net position of (\$69,275,559). The increase in net position was primarily due to the fund level increase in fund balance, which was partially offset by the government-wide conversion entries related to capital assets, debt, pensions, and OPEB.
- Government-wide revenues totaled \$158,396,477 and expenses were \$151,158,991.
- The total fund balance of the General Fund, as presented in the governmental funds, increased by \$9,195,853 from the prior year.
- The unassigned fund balance in the General Fund increased by \$2,910,914 from \$10,276,533 to \$13,187,447.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

200

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

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

### **Government-Wide Statements**

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the District's assets and liabilities. 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  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

201

**Fund Financial Statements**

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

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

The District has three kinds of funds:

- *Governmental Funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information 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.
- *Fiduciary Funds* – The District is the trustee, or fiduciary, for assets that belong to others, such as the scholarship funds. The District is responsible for ensuring that the assets are reported in these funds, are used only for their intended purposes, and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

**Net Position**

The District's combined net position was (\$69,275,559) on June 30, 2021. This was an improvement of 9.46% from the prior year (see Table A-1).

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

	Governmental Activities as of June 30,		Percentage Change
	2021	2020	
Current and Other Assets	\$ 126,589,769	\$ 114,388,452	10.67 %
Capital Assets	135,786,832	141,769,050	(4.22)
Total Assets	<u>262,376,601</u>	<u>256,157,502</u>	2.43
Deferred Outflows of Resources	39,179,348	67,990,297	(42.38)
Current Liabilities	24,611,821	21,478,289	14.59
Net Pension Liability	91,450,133	84,640,489	8.05
Other Postemployment Benefits Liability	9,959,504	9,403,433	5.91
Other Long-Term Liabilities	131,055,117	138,795,493	(5.58)
Total Liabilities	<u>257,076,575</u>	<u>254,317,704</u>	1.08
Deferred Inflows of Resources	<u>113,754,933</u>	<u>146,343,140</u>	(22.27)
Net Position:			
Net Investment in Capital Assets	18,451,265	18,169,748	1.55
Restricted	12,222,610	10,055,184	21.56
Unrestricted	(99,949,434)	(104,737,977)	(4.57)
Total Net Position	<u>\$ (69,275,559)</u>	<u>\$ (76,513,045)</u>	(9.46)

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 amounts. A conservative versus liberal approach to depreciation estimates, as well as capitalization policies, will produce a significant difference in calculated amounts.

The District's overall financial position increased from fiscal year 2020, as total net position increased \$7,237,486. The District is able to report positive balances in two of three categories of net position. The largest positive portion of the District's net position represents 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 increased by \$281,517 in the current fiscal year, as the completion of some construction projects and payments on related debt exceeded depreciation of the capital assets.

Another portion of the District's net position, 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 \$2,167,426 in the current year. The remaining unrestricted net position is that which may be used to meet the District's ongoing obligations. This portion of net position increased \$4,788,543 in the current fiscal year.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

**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**

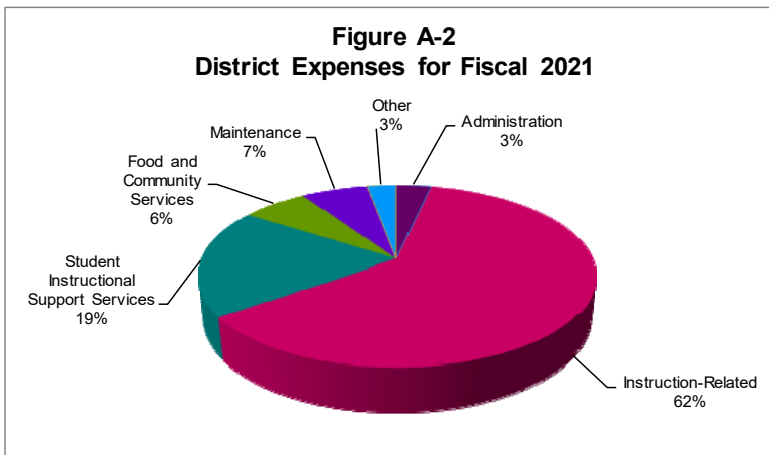
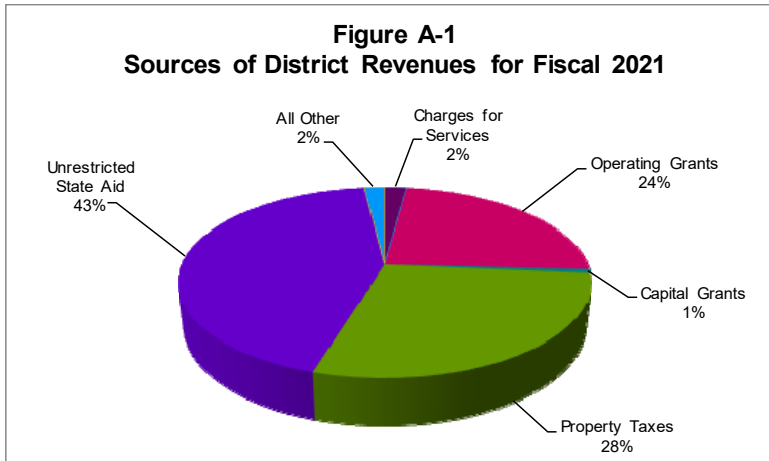
	Governmental Activities for the Fiscal Year Ended June 30,		Percentage Change
	2021	2020	
<b>Revenues</b>			
<u>Program Revenues</u>			
Charges for Services	\$ 3,353,756	\$ 5,425,178	(38.18)%
Operating Grants and Contributions	37,491,428	33,011,399	13.57
Capital Grants and Contributions	1,085,774	1,353,380	(19.77)
<u>General Revenues</u>			
Property Taxes	44,670,141	43,793,625	2.00
Unrestricted State Aid	68,832,548	71,259,679	(3.41)
Investment Earnings	1,605,238	1,404,935	14.26
Other	1,357,592	1,729,530	(21.51)
Total Revenues	<u>158,396,477</u>	<u>157,977,726</u>	0.27
<b>Expenses</b>			
Administration	5,166,623	6,283,726	(17.78)
District Support Services	4,169,348	4,499,129	(7.33)
Regular Instruction	64,783,060	67,088,099	(3.44)
Vocational Education Instruction	2,236,379	2,291,553	(2.41)
Special Education Instruction	26,088,835	26,266,898	(0.68)
Instructional Support Services	15,008,017	13,321,257	12.66
Pupil Support Services	9,996,462	12,442,456	(19.66)
Sites and Buildings	9,705,716	7,998,838	21.34
Fiscal and Other Fixed Cost Programs	391,943	393,852	(0.48)
Food Service	4,397,704	5,603,072	(21.51)
Community Service	5,246,669	6,232,992	(15.82)
Interest and Fiscal Charges on Long-Term Liabilities	3,968,235	4,254,002	(6.72)
Total Expenses	<u>151,158,991</u>	<u>156,675,874</u>	(3.52)
<b>Change in Net Position</b>	7,237,486	1,301,852	
Beginning Net Position	<u>(76,513,045)</u>	<u>(77,814,897)</u>	
Ending Net Position	<u>\$ (69,275,559)</u>	<u>\$ (76,513,045)</u>	

Total revenues were \$158,396,477 while total expenses were \$151,158,991, increasing net position by \$7,237,486.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

The cost of all *governmental* activities this year was \$151,158,991.

- Some of the cost was paid by the users of the District's programs (Table A-2, Charges for Services, \$3,353,756). 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, \$38,577,202).
- 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 \$44,670,141 in property taxes, \$68,832,548 of unrestricted state aid, and with investment earnings and other general revenues.



**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

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
	2021	2020		2021	2020	
Administration	\$ 5,166,623	\$ 6,283,726	(17.78)%	\$ 4,260,429	\$ 5,491,621	(22.42)%
District Support Services	4,169,348	4,499,129	(7.33)	4,161,898	4,482,917	(7.16)
Regular Instruction	64,783,060	67,088,099	(3.44)	55,189,178	60,489,477	(8.76)
Vocational Education Instruction	2,236,379	2,291,553	(2.41)	2,223,552	2,282,290	(2.57)
Special Education Instruction	26,088,835	26,266,898	(0.68)	6,029,714	7,944,256	(24.10)
Instructional Support Services	15,008,017	13,321,257	12.66	13,468,079	11,791,796	14.22
Pupil Support Services	9,996,462	12,442,456	(19.66)	9,245,388	11,700,154	(20.98)
Sites and Buildings	9,705,716	7,998,838	21.34	8,741,323	6,619,274	32.06
Fiscal and Other Fixed Cost Programs	391,943	393,852	(0.48)	391,943	393,852	(0.48)
Food Service	4,397,704	5,603,072	(21.51)	86,318	34,147	152.78
Community Service	5,246,669	6,232,992	(15.82)	1,462,596	1,403,368	4.22
Interest and Fiscal Charges on Long-Term Liabilities	3,968,235	4,254,002	(6.72)	3,967,615	4,252,765	(6.71)
Total	<u>\$ 151,158,991</u>	<u>\$ 156,675,874</u>	(3.52)	<u>\$ 109,228,033</u>	<u>\$ 116,885,917</u>	(6.55)

The cost of all governmental activities this year was \$151,158,991, a decrease of \$5,516,883 from the prior year. After applying program specific revenue, the net cost of all governmental activities this year was \$109,228,033, or a decrease of \$7,657,884 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 2021, other than the capital projects fund and debt service fund, thereby contributing to the increase in individual fund balance in most funds. At the end of the 2020-21 fiscal year, the District's governmental funds reported combined fund balances of \$38,495,047. This is a 33.28% 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 2020-2021 school year. Throughout FY21, the instructional learning model shifted between distance learning, in-person and hybrid at each level of instruction. This shifting resulted in a significant decline in expenditures in the areas of professional development, substitutes, and transportation 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 our district during FY21.

Revenues and other financing sources (excluding transfers in) for the District's governmental funds were \$169,604,844, while total expenditures other financing uses (excluding transfers out) were \$159,992,751. As a result of this, the District completed the year with a net change in fund balances of \$9,612,093.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

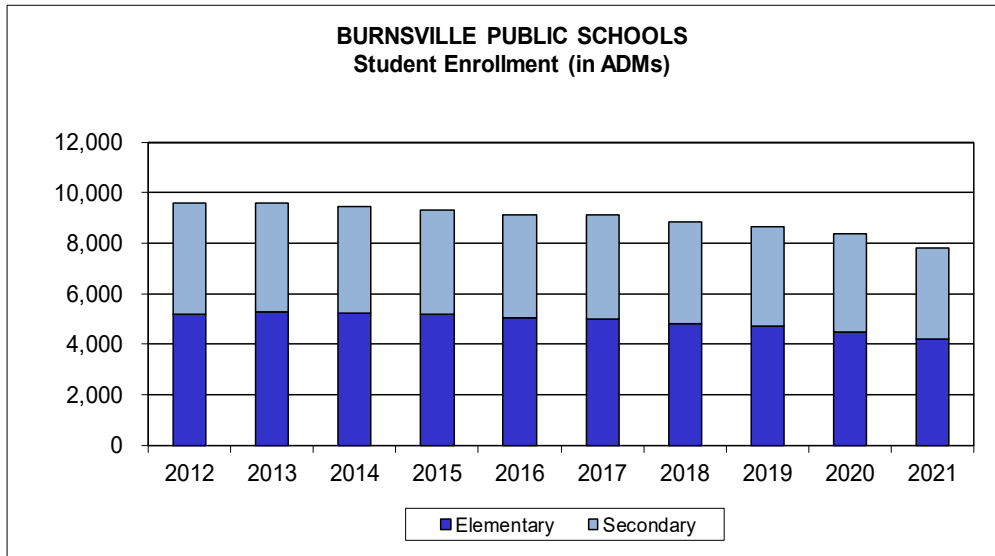
**General Fund**

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 3.00% decrease in students per year. From 2020 to 2021, the decrease was 6.33%. 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, 2021**

The following schedule presents a summary of General Fund Revenues.

**Table A-5  
General Fund Revenues**

	Year Ended June 30,		Change	
	2021	2020	Increase (Decrease)	Percent Change
Local Sources:				
Property Taxes	\$ 31,896,090	\$ 30,562,243	\$ 1,333,847	4.4 %
Earnings on Investments	85,161	553,955	(468,794)	(84.6)
Other	2,621,829	3,153,219	(531,390)	(16.9)
State Sources	91,092,466	93,374,496	(2,282,030)	(2.4)
Federal Sources	8,950,841	4,602,284	4,348,557	94.5
Total General Fund Revenue	<u>\$ 134,646,387</u>	<u>\$ 132,246,197</u>	<u>\$ 2,400,190</u>	1.8

General Fund revenue increased by \$2,400,190, or 1.8%, from the previous year.

Property taxes increased \$1,333,847, or 4.4% due to increases in the underlying property tax levies.

Other local revenues decreased \$531,390, or 16.9%. This was primarily due to decreases in fund raising and donation revenues for student activities in relation to the limits on such activities due to the COVID-19 Pandemic.

State Sources decreased by \$2,282,030. 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 \$3,287,775. There was a decrease in safe school crime levy revenues in the amount of \$307,022 due to one-time state appropriation for safe school funding. These decreases were partially offset as Special education revenue received increased from the prior year by \$1,500,561.

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 current fiscal year. Federal Sources increased by \$4,348,557, 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  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

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		Change	
	June 30,		Increase	Percent
	2021	2020	(Decrease)	Change
Salaries	\$ 71,179,407	\$ 73,307,987	\$ (2,128,580)	(2.9)%
Employee Benefits	29,301,361	29,675,127	(373,766)	(1.3)
Purchased Services	14,700,502	17,020,334	(2,319,832)	(13.6)
Supplies and Materials	5,343,363	2,718,323	2,625,040	96.6
Capital Expenditures	3,865,715	3,230,989	634,726	19.6
Debt Service	265,098	444,507	(179,409)	(40.4)
Other Expenditures	795,088	901,918	(106,830)	(11.8)
Total General Fund Expenditures	<u>\$ 125,450,534</u>	<u>\$ 127,299,185</u>	<u>\$ (1,848,651)</u>	(1.5)

Total General Fund expenditures decreased \$1,848,651 or 1.5% from the previous year. The decrease can be attributed mostly to personnel and employee salaries and benefits as well as decreases in purchased services. Those decreases were partially offset by a significant increase in supplies and materials as well as an increase in capital expenditures.

Salaries expense decreased mainly as a result of a planned reduction in staff due to anticipated changes in enrollment and the impact of COVID-19 on available staff required for the changing learning models implemented throughout the fiscal 2021 school year.

Purchased Services consist of expenditures for fees for service, substitutes, utilities, property insurance, maintenance repairs, leases, telephone, tuition, and transportation. These expenditures decreased mainly due to planned reductions and limited spending for substitutes and transportation due to the changing learning models implemented throughout the fiscal 2021 school year due to the COVID-19 pandemic.

Supplies and Materials consist of expenditures for postage, diesel and gasoline, travel, instructional supplies and textbooks. These expenditures increased due to the large number of computers, software programs, and other technology devices purchased to continue effective education and operations during the pandemic as the District implemented full distance learning. The increase is also from an increase in custodial and cleaning supplies for students and staff to safely return to school.

Capital Expenditures consist of expenditures for equipment, technology equipment, leases, and site and building improvements. The main increase in this category was related to an increase in planned long term facility maintenance projects.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

**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 an increase of \$1,157,295, total fund balance increased by \$9,195,853, resulting in a fund balance of \$29,521,880 at June 30, 2021.

Revenues were higher than budgeted by \$902,525 and expenditures were less than budgeted by \$7,136,033. 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 a decrease in transportation costs, and other contracted service costs as a result of changing learning models including full distance learning contributed to the actual costs being significantly less than budgeted.

**Food Service Fund**

The Food Service Fund revenue for 2020-21 totaled \$4,457,931 and expenditures were \$4,364,348. The June 30, 2021 fund balance is \$1,119,125, an increase of \$93,921 from fiscal year 2020. Actual revenues were \$169,369 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 \$237,485 higher than budget mainly due to incurring more for employee salaries and supplies expenditures than budgeted. Salaries ended the year higher than budgeted due to staff utilizing their leave and yet still needing to have staff coverage. Supplies ended the year higher than budgeted due to a higher number of meals provided during the Summer Food Program and the increased cost related to curbside distribution of meals. These variances resulted in fund balance ending the year \$67,778 lower than budgeted.

**Community Service Fund**

The Community Service Fund revenue for 2020-21 totaled \$6,114,709 and expenditures were \$5,185,327. The June 30, 2021 fund balance is \$2,072,632, an increase of \$929,382 from fiscal year 2019-2020. 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 planned expenditure adjustments and the partial reimbursement from federal funds resulted in the increase to the fund balance.

**Capital Projects-Building Construction Fund**

The Capital Projects-Building Construction Fund revenue for 2020-21 totaled \$246 and expenditures were \$433,814. The June 30, 2021 fund balance is \$1,657,695, a decrease of \$433,568 from fiscal year 2020. The decrease in fund balance is due to bond proceeds from the 2015A School Building Bonds being partially spent down as the building projects are completed for Vision One91. Given the volume of decisions currently in process related to facilities and their uses and the challenges of the COVID-19 pandemic, spend down of these funds have been on hold to determine exact needs as related to the original 2015A School Building Bond purposes. These projects are now actively in process.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

**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 2020-21 totaled \$24,385,233, an increase of \$11,895,959 from fiscal year 2020 due to the issuance of the 2020A G.O. Alternative Facilities Refunding Bonds. 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 2021, the District had invested approximately \$306.0 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 expense for the year was approximately \$9.4 million.

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

	2021	2020	Percent Change
Land	\$ 3,119,968	\$ 3,119,968	- %
Construction in Progress	75,552	-	N/A
Land Improvements	19,842,793	19,560,070	1.4
Buildings and Improvements	272,430,261	271,089,244	0.5
Equipment	10,575,603	8,916,020	18.6
Less: Accumulated Depreciation	(170,257,345)	(160,916,252)	5.8
Total Capital Assets Net of Depreciation	<u>\$ 135,786,832</u>	<u>\$ 141,769,050</u>	(4.2)

**Long-Term Liabilities**

At year-end, the District had \$129,288,648 in general obligation bonds and obligations under capital lease payable outstanding as shown in Note 4 to the financial statements. The District also had an estimated total of \$11,725,973 in postemployment severance and health benefits payable at June 30, 2021 and \$91,450,133 in net pension liability.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2021**

Total long-term liabilities at June 30, 2021 decreased 0.2% as compared to June 30, 2020.

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

	2021	2020	Percent Change
General Obligation Bonds	\$ 122,960,000	\$ 131,350,000	(6.4)%
Net Bond Premium and Discount	6,094,114	5,333,365	14.3
Obligations Under Capital Leases	234,534	479,964	(51.1)
Net Pension Liability	91,450,133	84,640,489	8.0
Severance Benefits Payable	974,069	837,182	16.4
Other Postemployment Benefits	9,959,504	9,403,433	5.9
Compensated Absences Payable	792,400	794,982	(0.3)
Total Long-Term Liabilities	<u>\$ 232,464,754</u>	<u>\$ 232,839,415</u>	(0.2)
Long-Term Liabilities:			
Due Within One Year	\$ 8,147,048	\$ 8,398,900	(3.0)%
Due in More Than One Year	224,317,706	224,440,515	(0.1)
Total	<u>\$ 232,464,754</u>	<u>\$ 232,839,415</u>	(0.2)

**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](http://isd191.org).

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## **BASIC FINANCIAL STATEMENTS**

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
STATEMENT OF NET POSITION  
JUNE 30, 2021**

214

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2020)**

	Governmental Activities	
	2021	2020
<b>ASSETS</b>		
Cash and Investments	\$ 90,088,610	\$ 75,939,504
Receivables:		
Property Taxes	23,507,751	24,435,035
Other Governments	12,069,640	12,858,248
Other	359,163	475,978
Prepaid Items	382,338	435,457
Inventories	182,267	244,230
Capital Assets:		
Land and Construction in Progress	3,195,520	3,119,968
Other Capital Assets, Net of Depreciation	132,591,312	138,649,082
Total Assets	262,376,601	256,157,502
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Losses on Debt Refunding	271,321	307,099
Deferred Outflows - Pensions	37,815,270	66,938,014
Deferred Outflows - Other Postemployment Benefits	1,092,757	745,184
Total Deferred Outflows of Resources	39,179,348	67,990,297
<b>LIABILITIES</b>		
Salaries Payable	10,772,923	10,043,186
Accounts and Contracts Payable	11,366,937	9,025,198
Accrued Interest	1,839,586	1,880,828
Due to Other Governmental Units	260,773	240,702
Unearned Revenue	371,602	288,375
Long-Term Liabilities:		
Net Pension Liability	91,450,133	84,640,489
Other Postemployment Benefits Liability	9,959,504	9,403,433
Other Long-Term Liabilities Due Within One Year	8,147,048	8,398,900
Other Long-Term Liabilities Due in More Than One Year	122,908,069	130,396,593
Total Liabilities	257,076,575	254,317,704
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes Levied for Subsequent Year	40,293,248	40,688,604
Gains on Debt Refunding	20,935	34,335
Deferred Inflows - Pensions	72,773,873	104,786,602
Deferred Inflows - Other Postemployment Benefits	666,877	833,599
Total Deferred Inflows of Resources	113,754,933	146,343,140
<b>NET POSITION</b>		
Net Investment in Capital Assets	18,451,265	18,169,748
Restricted for:		
General Fund Operating Capital Purposes	3,195,287	3,177,211
General Fund State-Mandated Reserves	5,825,495	4,701,617
Food Service	1,119,125	1,025,204
Community Service	2,082,703	1,151,152
Unrestricted	(99,949,434)	(104,737,977)
Total Net Position	\$ (69,275,559)	\$ (76,513,045)

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

215

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

Functions	2021				2020	
	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position	Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Total Governmental Activities
<b>GOVERNMENTAL ACTIVITIES</b>						
Administration	\$ 5,166,623	\$ 217,776	\$ 667,445	\$ 20,973	\$ (4,260,429)	\$ (5,491,621)
District Support Services	4,169,348	3,040	4,410	-	(4,161,898)	(4,482,917)
Regular Instruction	64,783,060	203,657	8,690,127	700,098	(55,189,178)	(60,489,477)
Vocational Education Instruction	2,236,379	-	12,827	-	(2,223,552)	(2,282,290)
Special Education Instruction	26,088,835	568,522	19,490,599	-	(6,029,714)	(7,944,256)
Instructional Support Services	15,008,017	1,102	1,538,836	-	(13,468,079)	(11,791,796)
Pupil Support Services	9,996,462	22,230	728,844	-	(9,245,388)	(11,700,154)
Sites and Buildings	9,705,716	315,763	283,927	364,703	(8,741,323)	(6,619,274)
Fiscal and Other Fixed Cost Programs	391,943	-	-	-	(391,943)	(393,852)
Food Service	4,397,704	-	4,311,386	-	(86,318)	(34,147)
Community Service	5,246,669	2,021,666	1,762,407	-	(1,462,596)	(1,403,368)
Interest and Fiscal Charges on Long-Term Liabilities	3,968,235	-	620	-	(3,967,615)	(4,252,765)
Total School District	<u>\$ 151,158,991</u>	<u>\$ 3,353,756</u>	<u>\$ 37,491,428</u>	<u>\$ 1,085,774</u>	(109,228,033)	(116,885,917)
<b>GENERAL REVENUES</b>						
Property Taxes Levied for:						
General Purposes					31,931,034	30,536,476
Community Service					1,807,827	1,536,763
Debt Service					10,931,280	11,720,386
State Aid Not Restricted to Specific Purposes					68,832,548	71,259,679
Earnings on Investments					1,605,238	1,404,935
Miscellaneous					1,357,254	1,721,737
Gain on Sale of Capital Assets					338	7,793
Total General Revenues					<u>116,465,519</u>	<u>118,187,769</u>
<b>CHANGE IN NET POSITION</b>					7,237,486	1,301,852
Net Position - Beginning					<u>(76,513,045)</u>	<u>(77,814,897)</u>
<b>NET POSITION - ENDING</b>					<u>\$ (69,275,559)</u>	<u>\$ (76,513,045)</u>

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021**

216

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2020)**

	Major Funds					Total Governmental Funds	
	General	Food Service	Community Service	Capital Projects	Debt Service	2021	2020
<b>ASSETS</b>							
Cash and Investments	\$ 43,122,678	\$ 427,610	\$ 3,140,377	\$ 1,725,207	\$ 9,703,699	\$ 58,119,571	\$ 45,453,936
Receivables:							
Current Property Taxes	16,033,699	-	855,576	-	6,160,655	23,049,930	24,070,900
Delinquent Property Taxes	322,463	-	17,885	-	117,473	457,821	364,135
Accounts and Interest Receivable	174,090	-	110,942	-	-	285,032	350,447
Due from Other Minnesota School Districts	29,631	-	-	-	-	29,631	31,407
Due from Minnesota Department of Education	7,679,075	-	246,287	-	26,524	7,951,886	10,563,365
Due from Federal through Minnesota Department of Education	3,073,614	956,389	16,837	-	-	4,046,840	2,234,778
Due from Other Governmental Units	41,283	-	-	-	-	41,283	28,698
Due from Other Funds	476,151	-	-	-	-	476,151	-
Inventory	-	182,267	-	-	-	182,267	244,230
Prepays	382,338	-	-	-	-	382,338	435,457
<b>Total Assets</b>	<b>\$ 71,335,022</b>	<b>\$ 1,566,266</b>	<b>\$ 4,387,904</b>	<b>\$ 1,725,207</b>	<b>\$ 16,008,351</b>	<b>\$ 95,022,750</b>	<b>\$ 83,777,353</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>							
Liabilities:							
Salaries and Compensated Absences Payable	\$ 4,799,539	\$ 138,414	\$ 155,257	\$ -	\$ -	\$ 5,093,210	\$ 4,505,132
Payroll Deductions and Employer Contributions Payable	5,423,475	133,629	122,609	-	-	5,679,713	5,538,054
Accounts and Contracts Payable	4,300,301	71,411	176,587	67,512	-	4,615,811	3,388,298
Due to Other Governmental Units	260,448	-	325	-	-	260,773	240,702
Due to Other Funds	-	-	-	-	-	-	64,325
Unearned Revenue	1,545	103,687	209,658	-	-	314,890	245,122
<b>Total Liabilities</b>	<b>14,785,308</b>	<b>447,141</b>	<b>664,436</b>	<b>67,512</b>	<b>-</b>	<b>15,964,397</b>	<b>13,981,633</b>
Deferred Inflows of Resources:							
Unavailable Revenue - Property Taxes Levied for Subsequent Year	26,838,224	-	1,640,765	-	11,814,259	40,293,248	40,688,604
Unavailable Revenue - Delinquent Property Taxes	189,610	-	10,071	-	70,377	270,058	224,162
<b>Total Deferred Inflows of Resources</b>	<b>27,027,834</b>	<b>-</b>	<b>1,650,836</b>	<b>-</b>	<b>11,884,636</b>	<b>40,563,306</b>	<b>40,912,766</b>
Fund Balance:							
Nonspendable:							
Inventory	-	182,267	-	-	-	182,267	244,230
Prepays	382,338	-	-	-	-	382,338	435,457
Restricted for:							
Student Activities	215,674	-	-	-	-	215,674	252,499
Capital Projects Levy	794,657	-	-	-	-	794,657	470,611
Operating Capital	3,195,287	-	-	-	-	3,195,287	3,177,211
Community Education	-	-	1,430,281	-	-	1,430,281	731,211
Early Childhood and Family Education	-	-	12,334	-	-	12,334	-
Area Learning Center	4,406,743	-	-	-	-	4,406,743	3,739,848
School Readiness	-	-	588,050	-	-	588,050	380,855
Long Term Facilities Maintenance	114,943	-	-	-	-	114,943	88,742
Medical Assistance	204,234	-	-	-	-	204,234	149,917
Restricted for Other Purposes	89,244	936,858	41,967	1,657,695	4,123,715	6,849,479	7,200,631
Committed for:							
Program Carryover - Noncapital	915,450	-	-	-	-	915,450	905,462
Program Carryover - Facilities Rental	371,898	-	-	-	-	371,898	367,363
Pro Pay Program	562,142	-	-	-	-	562,142	462,384
Assigned for:							
Planned Budget Deficit for 2022	5,081,823	-	-	-	-	5,081,823	-
Unassigned	13,187,447	-	-	-	-	13,187,447	10,276,533
<b>Total Fund Balance</b>	<b>29,521,880</b>	<b>1,119,125</b>	<b>2,072,632</b>	<b>1,657,695</b>	<b>4,123,715</b>	<b>38,495,047</b>	<b>28,882,954</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 71,335,022</b>	<b>\$ 1,566,266</b>	<b>\$ 4,387,904</b>	<b>\$ 1,725,207</b>	<b>\$ 16,008,351</b>	<b>\$ 95,022,750</b>	<b>\$ 83,777,353</b>

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, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2020)**

217

	2021	2020
<b>Total Fund Balance for Governmental Funds</b>	<b>\$ 38,495,047</b>	<b>\$ 28,882,954</b>
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	3,119,968	3,119,968
Construction in Progress	75,552	-
Land Improvements, Net of Accumulated Depreciation	6,725,047	7,227,753
Buildings and Improvements, Net of Accumulated Depreciation	122,432,618	129,111,047
Equipment, Net of Accumulated Depreciation	3,433,647	2,310,282
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.		
	270,058	224,162
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.		
	271,321	307,099
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	(9,959,504)	(9,403,433)
Deferred Inflows of Resources - Other Postemployment Benefits	(666,877)	(833,599)
Deferred Outflows of Resources - Other Postemployment Benefits	1,092,757	745,184
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditures when due.		
	(1,839,586)	(1,880,828)
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	(91,450,133)	(84,640,489)
Deferred Inflows of Resources - Pensions	(72,773,873)	(104,786,602)
Deferred Outflows of Resources - Pensions	37,815,270	66,938,014
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	(122,960,000)	(131,350,000)
Unamortized Premiums	(6,094,114)	(5,333,365)
Unamortized Gains on Debt Refunding	(20,935)	(34,335)
Capital Leases Payable	(234,534)	(479,964)
Compensated Absences Payable	(792,400)	(794,982)
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:		
	23,785,112	24,158,089
<b>Total Net Position of Governmental Activities</b>	<b>\$ (69,275,559)</b>	<b>\$ (76,513,045)</b>

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, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

218

	Major Funds					Total Governmental Funds	
	General	Food Service	Community Service	Capital Projects	Debt Service	2021	2020
<b>REVENUES</b>							
Local Sources:							
Property Taxes	\$ 31,896,090	\$ -	\$ 1,805,658	\$ -	\$ 10,922,497	\$ 44,624,245	\$ 43,831,187
Earnings and Investments	85,161	484	5,351	246	19,188	110,430	735,602
Other	2,621,829	14,229	2,294,756	-	214,127	5,144,941	7,905,510
State Sources	91,092,466	104,895	1,761,222	-	267,375	93,225,958	95,745,693
Federal Sources	8,950,841	4,338,323	247,722	-	-	13,536,886	9,050,890
Total Revenues	<u>134,646,387</u>	<u>4,457,931</u>	<u>6,114,709</u>	<u>246</u>	<u>11,423,187</u>	<u>156,642,460</u>	<u>157,268,882</u>
<b>EXPENDITURES</b>							
Current:							
Administration	5,002,830	-	-	-	-	5,002,830	5,933,083
District Support Services	4,090,450	-	-	-	-	4,090,450	4,170,798
Elementary and Secondary Regular Instruction	51,987,520	-	-	-	-	51,987,520	53,440,674
Vocational Education Instruction	2,088,358	-	-	-	-	2,088,358	2,138,054
Special Education Instruction	24,311,718	-	-	-	-	24,311,718	24,625,186
Instructional Support Services	13,513,379	-	-	-	-	13,513,379	11,014,880
Pupil Support Services	9,835,715	-	-	-	-	9,835,715	12,120,045
Sites and Buildings	10,097,808	-	-	-	-	10,097,808	9,787,117
Fiscal and Other Fixed Cost Programs	391,943	-	-	-	-	391,943	393,852
Food Service	-	4,345,690	-	-	-	4,345,690	5,536,006
Community Service	-	-	5,184,290	-	-	5,184,290	6,050,923
Capital Outlay	3,865,715	18,658	1,037	433,814	-	4,319,224	4,060,380
Debt Service:							
Principal	245,430	-	-	-	7,090,000	7,335,430	7,409,689
Interest and Fiscal Charges	19,668	-	-	-	4,683,728	4,703,396	4,691,853
Total Expenditures	<u>125,450,534</u>	<u>4,364,348</u>	<u>5,185,327</u>	<u>433,814</u>	<u>11,773,728</u>	<u>147,207,751</u>	<u>151,372,540</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	9,195,853	93,583	929,382	(433,568)	(350,541)	9,434,709	5,896,342
<b>OTHER FINANCING SOURCES</b>							
Sale of Equipment	-	338	-	-	-	338	7,793
Sale of Bonds	-	-	-	-	11,485,000	11,485,000	-
Bond Premium	-	-	-	-	1,477,046	1,477,046	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	(12,785,000)	(12,785,000)	-
Total Other Financing Sources	<u>-</u>	<u>338</u>	<u>-</u>	<u>-</u>	<u>177,046</u>	<u>177,384</u>	<u>7,793</u>
<b>NET CHANGE IN FUND BALANCE</b>	9,195,853	93,921	929,382	(433,568)	(173,495)	9,612,093	5,904,135
<b>FUND BALANCES</b>							
Beginning of Year	20,326,027	1,025,204	1,143,250	2,091,263	4,297,210	28,882,954	22,978,819
End of Year	<u>\$ 29,521,880</u>	<u>\$ 1,119,125</u>	<u>\$ 2,072,632</u>	<u>\$ 1,657,695</u>	<u>\$ 4,123,715</u>	<u>\$ 38,495,047</u>	<u>\$ 28,882,954</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, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

219

	2021	2020
<b>Net Change in Fund Balance - Total Governmental Funds</b>	<b>\$ 9,612,093</b>	<b>\$ 5,904,135</b>
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 expense. The amount by which depreciation exceeded capital outlays in the current period is:		
Capital Outlays	3,358,875	4,077,759
Depreciation Expense	(9,341,093)	(9,425,676)
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 unearned in the governmental funds.	45,896	(37,562)
Some capital asset additions are financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net position, the lease obligation is reported as a liability. Repayment of capital lease principal is an expenditure in the governmental funds, but repayment reduces the lease obligation in the statement of net position.		
Change in Accrued Interest - Capital Leases	353	979
Principal Payments - Capital Leases	245,430	404,689
Pension expenses in the governmental funds are measured by current year employer contributions. Pension expenditures on the statement of activities are measured by the change in the net pension liability and the related deferred inflows and outflows of resources.	(3,919,659)	(7,359,340)
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).	2,582	(9,209)
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.	(41,776)	(688,986)
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 Bond Proceeds	(11,485,000)	-
Bond Premium or Discount	(1,477,046)	-
Payment to Refunded Bond Escrow Agent	12,785,000	-
Repayment of Bond Principal	7,090,000	7,005,000
Change in Accrued Interest and Prepaid Interest - General Obligation Bonds	40,889	59,195
Amortization of Bond Premium	716,297	408,240
Amortization of Deferred Charges on Refunding Bonds	(22,378)	(30,563)
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.	(372,977)	993,191
Total	<b>\$ 7,237,486</b>	<b>\$ 1,301,852</b>

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, 2021**

220

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
<b>REVENUES</b>				
Local Sources:				
Property Taxes	\$ 31,495,242	\$ 31,495,242	\$ 31,896,090	\$ 400,848
Earnings and Investments	152,000	152,000	85,161	(66,839)
Other	3,330,679	2,846,969	2,621,829	(225,140)
State Sources	88,707,885	90,370,995	91,092,466	721,471
Federal Sources	4,030,685	8,878,656	8,950,841	72,185
Total Revenues	<u>127,716,491</u>	<u>133,743,862</u>	<u>134,646,387</u>	<u>902,525</u>
<b>EXPENDITURES</b>				
Current:				
Administration	5,719,355	5,013,823	5,002,830	(10,993)
District Support Services	4,448,576	3,753,179	4,090,450	337,271
Elementary and Secondary Regular				
Instruction	52,713,947	55,300,801	51,987,520	(3,313,281)
Vocational Education Instruction	2,171,831	2,224,010	2,088,358	(135,652)
Special Education Instruction	26,064,264	25,243,222	24,311,718	(931,504)
Instructional Support Services	11,594,088	11,882,244	13,513,379	1,631,135
Pupil Support Services	11,803,429	12,122,570	9,835,715	(2,286,855)
Sites and Buildings	10,196,222	10,336,849	10,097,808	(239,041)
Fiscal and Other Fixed Cost				
Programs	450,000	420,000	391,943	(28,057)
Capital Outlay	3,294,943	6,024,771	3,865,715	(2,159,056)
Debt Service:				
Principal	245,431	245,431	245,430	(1)
Interest and Fiscal Charges	19,667	19,667	19,668	1
Total Expenditures	<u>128,721,753</u>	<u>132,586,567</u>	<u>125,450,534</u>	<u>(7,136,033)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ (1,005,262)</u></u>	<u><u>\$ 1,157,295</u></u>	9,195,853	<u><u>\$ 8,038,558</u></u>
<b>FUND BALANCE</b>				
Beginning of Year			<u>20,326,027</u>	
End of Year			<u><u>\$ 29,521,880</u></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, 2021**

221

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
<b>REVENUES</b>				
Local Sources:				
Earnings and Investments	\$ 17,100	\$ 17,100	\$ 484	\$ (16,616)
Other - Primarily Meal Sales	1,528,203	22,776	14,229	(8,547)
State Sources	293,192	109,447	104,895	(4,552)
Federal Sources	3,703,060	4,139,239	4,338,323	199,084
Total Revenues	<u>5,541,555</u>	<u>4,288,562</u>	<u>4,457,931</u>	<u>169,369</u>
<b>EXPENDITURES</b>				
Current:				
Food Service	5,616,748	4,100,263	4,345,690	245,427
Capital Outlay	74,500	26,600	18,658	(7,942)
Total Expenditures	<u>5,691,248</u>	<u>4,126,863</u>	<u>4,364,348</u>	<u>237,485</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(149,693)	161,699	93,583	(68,116)
<b>OTHER FINANCING SOURCES</b>				
Sale of Equipment	7,600	-	338	338
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (134,493)</u>	<u>\$ 161,699</u>	93,921	<u>\$ (67,778)</u>
<b>FUND BALANCE</b>				
Beginning of Year			1,025,204	
End of Year			<u>\$ 1,119,125</u>	

See accompanying Notes to Basic Financial Statements.

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**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, 2021**

223

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
<b>REVENUES</b>				
Local Sources:				
Property Taxes	\$ 1,809,068	\$ 1,809,068	\$ 1,805,658	\$ (3,410)
Earnings and Investments	5,000	5,000	5,351	351
Other - Primarily Tuition and Fees	2,897,205	2,344,205	2,294,756	(49,449)
State Sources	1,638,594	1,724,035	1,761,222	37,187
Federal Sources	47,550	66,697	247,722	181,025
Total Revenues	<u>6,397,417</u>	<u>5,949,005</u>	<u>6,114,709</u>	<u>165,704</u>
<b>EXPENDITURES</b>				
Current:				
Community Service	6,303,325	5,627,361	5,184,290	(443,071)
Capital Outlay	93,235	53,235	1,037	(52,198)
Total Expenditures	<u>6,396,560</u>	<u>5,680,596</u>	<u>5,185,327</u>	<u>(495,269)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 857</u>	<u>\$ 268,409</u>	929,382	<u>\$ 660,973</u>
<b>FUND BALANCE</b>				
Beginning of Year			<u>1,143,250</u>	
End of Year			<u>\$ 2,072,632</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, 2021**

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2020)**

	Governmental Activities - Internal Service Funds	
	2021	2020
<b>ASSETS</b>		
Current Assets:		
Cash and Investments	\$ 31,969,039	\$ 30,485,568
Accounts Receivable	25,014	14
Interest Receivable	49,117	125,517
Due from Other Funds	398,778	998,840
Total Current Assets	32,441,948	31,609,939
<b>LIABILITIES</b>		
Current Liabilities:		
Health and Dental Claims Payable	2,854,954	1,992,192
Due to Plan Participants	3,896,172	3,644,708
Severance Benefits Payable	195,574	268,488
Due to Other Funds	874,929	934,515
Unearned Revenues	56,712	43,253
Total Current Liabilities	7,878,341	6,883,156
Noncurrent Liabilities:		
Severance Benefits Payable	778,495	568,694
Total Liabilities	8,656,836	7,451,850
<b>NET POSITION</b>		
Unrestricted	\$ 23,785,112	\$ 24,158,089

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, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

225

	Governmental Activities - Internal Service Funds	
	<u>2021</u>	<u>2020</u>
<b>OPERATING REVENUES</b>		
Charges for Services	\$ 21,448,411	\$ 21,684,480
Other	675,133	615,728
Total Operating Revenues	<u>22,123,544</u>	<u>22,300,208</u>
<b>OPERATING EXPENSES</b>		
Health Insurance Claim Payments	21,655,372	20,293,814
Dental Insurance Claim Payments	877,372	759,594
Severance Payments	537,408	139,732
OPEB Payments	921,177	783,210
Total Operating Expenses	<u>23,991,329</u>	<u>21,976,350</u>
<b>OPERATING INCOME (LOSS)</b>	(1,867,785)	323,858
<b>NONOPERATING INCOME</b>		
Earnings on Investments	<u>1,494,808</u>	<u>669,333</u>
<b>CHANGE IN NET POSITION</b>	(372,977)	993,191
Net Position - Beginning	<u>24,158,089</u>	<u>23,164,898</u>
<b>NET POSITION - ENDING</b>	<u><u>\$ 23,785,112</u></u>	<u><u>\$ 24,158,089</u></u>

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, 2021**

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

	Governmental Activities - Internal Service Funds	
	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Interfund Services Provided	\$ 22,712,065	\$ 21,569,568
Payments for Health and Dental Claims	(21,441,549)	(21,533,086)
Payments to Employee OPEB	(980,763)	151,305
Payments for Severance Benefits	(377,490)	(238,457)
Net Cash Used by Operating Activities	(87,737)	(50,670)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received	1,571,208	636,854
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	1,483,471	586,184
Cash and Cash Equivalents - Beginning	30,485,568	29,899,384
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	\$ 31,969,039	\$ 30,485,568
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (1,867,785)	\$ 323,858
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used by Operating Activities:		
Decrease in Accounts Receivable	(25,000)	181
(Increase) Decrease in Due from Other Funds	600,062	(739,295)
Increase in Claims Payable	862,762	18,382
Increase (Decrease) in Due to Plan Participants	251,464	(373,797)
Decrease in Severance Benefits Payable	136,887	(222,988)
Increase (Decrease) in Due to Other Funds	(59,586)	934,515
Increase in Unearned Revenues	13,459	8,474
Total Adjustments	1,780,048	(374,528)
Net Cash Used by Operating Activities	\$ (87,737)	\$ (50,670)
Total Cash and Investments per Statement of Net Position	\$ 31,969,039	\$ 30,485,568

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2021**

	Custodial Fund
<b>ASSETS</b>	
Cash and Investments	\$ -
<b>LIABILITIES</b>	
Accounts and Contracts Payable	-
<b>NET POSITION</b>	
Restricted for Scholarships and Employee Benefits	\$ -

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED JUNE 30, 2021**

	Custodial Fund
<b>ADDITIONS</b>	
Private Donations	\$ -
<b>DEDUCTIONS</b>	
Scholarships Awarded	64,072
<b>CHANGE IN NET POSITION</b>	(64,072)
<b>NET POSITION - END OF YEAR</b>	\$ -

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## **NOTES TO BASIC FINANCIAL STATEMENTS**

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**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**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.

Student activities are determined primarily by student participants under the guidance of an adult and are generally conducted outside school hours. The School Board does have a fiduciary responsibility in establishing broad policies and ensuring that appropriate financial records are maintained for student activities. In accordance with Minnesota state statutes, the District's School Board has elected to control and exercise oversight responsibility with respect to the underlying student activities. Accordingly, the student activity accounts are included in the General Fund of the District.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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. These statements include all the financial activities of the District, except for the fiduciary funds. The Fiduciary Funds are only reported in the statement of fiduciary net position and statement of changes in fiduciary net position at the fund financial statement level.

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

The District applies restricted resources first when an expense is incurred for purpose for which both restricted and unrestricted net position is available. Depreciation 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Measurement Focus and Basis of Accounting (Continued)

Unearned revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to incurring the qualifying expenditures.

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.

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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Measurement Focus and Basis of Accounting (Continued)

*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.

*Fiduciary Funds*

Custodial Fund

The District maintains a Custodial Fund which is used to account for money held by the District in the capacity of custodian. The District's custodial fund is used to account resources received from and expended for various other third parties to award scholarships to students for which there are no underlying trust or trust-like agreements.

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.

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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

E. Budgeting (Continued)

Budgeted amounts include mid-year budget amendments as follows:

	Original Budget	Amendments	Amended Budget
<b>Revenues</b>			
General Fund	\$ 127,716,491	\$ 6,027,371	\$ 133,743,862
Special Revenue Funds:			
Food Service Fund	5,541,555	(1,252,993)	4,288,562
Community Service Fund	6,397,417	(448,412)	5,949,005
Debt Service Fund	11,802,599	(200,000)	11,602,599
<b>Expenditures</b>			
General Fund	\$ 128,721,753	\$ 3,864,814	\$ 132,586,567
Special Revenue Funds:			
Food Service Fund	5,691,248	(1,564,385)	4,126,863
Community Service Fund	6,396,560	(715,964)	5,680,596
Capital Projects Fund	170,000	180,000	350,000
Debt Service Fund	11,603,819	172,934	11,776,753

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.

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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

237

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

F. Cash and Investments (Continued)

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.

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."

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

J. Property Taxes (Continued)

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.

Capital assets are recorded in the Government-wide financial statement, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation 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.

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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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 three 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.

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 expenditures on both the government-wide and fund financial statements.

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, 2021**

240

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. 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.

**O. 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.

**P. 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.

**Q. 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

241

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Q. Fund Balance (Continued)**

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 2021.

**R. 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.

**S. Net Position**

Net position represents the different between assets/deferred outflows and liabilities/deferred inflows in the Government-wide, Proprietary Fund, and Fiduciary Fund financial statements. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the Government-wide financial statements when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

**T. 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, 2020, from which the summarized information was derived.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

242

**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, 2021 are both \$16,052,692 and were entirely covered by federal depository insurance or by surety bonds and collateral in accordance with Minnesota Statutes. At June 30, 2021, 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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Investments (Continued)

- Bankers acceptances of United States banks eligible for purchase by the Federal Reserve System
- 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, 2021, the District’s investment balances were as follows:

	Fair Value
Negotiable Certificates of Deposit With Maturity at Purchase of Greater Than One Year	\$ 2,483,255
Municipal Bonds	5,475,137
Vanguard Total Bond Market ETF	1,849,641
Vanguard Total Stock Market ETF	3,942,800
Total Investments at Fair Value	\$ 13,750,833
	Amortized Cost
Money Markets	\$ 35,941,824
MN Trust Limited Term Duration Series	10,146,501
MSDLAF+ Max Class	4,505,987
MSDLAF+ Liquid Class	9,686,893
Total Investments at Amortized Cost	60,281,205
Total District Investments	\$ 74,032,038

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Investments (Continued)

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.

**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	\$ 4,505,987	\$ -	\$ -	\$ -	\$ 4,505,987	AAAm
MSDLAF+ Liquid Class	9,686,893	-	-	-	9,686,893	AAAm
MN Trust Limited Term Duration	10,146,501	10,146,501	-	-	-	NR
Municipal Bonds	5,475,137	-	5,475,137	-	-	AA to AAA
Negotiable CDs	2,483,255	2,234,529	248,726	-	-	NR
Money Market Funds	35,941,824	-	-	-	35,941,824	AAAm
Vanguard Total Bond Market ETF	1,849,641	-	-	-	1,849,641	NR
Vanguard Total Stock Market ETF	3,942,800	-	-	-	3,942,800	NR
Total	\$ 74,032,038	\$ 12,381,030	\$ 5,723,863	\$ -	\$ 55,927,145	

**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, 2021, the District did not have any single investments comprising 5% or more of total investments.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Investments (Continued)

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

Cash and Investments - Statement of Net Position	\$ 90,088,610
Cash and Investments - Statement of Fiduciary Net Position	-
Total Cash and Investments	\$ 90,088,610

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.

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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

C. Fair Value Measurements (Continued)

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

Investment	Level 1	Level 2	Level 3	Total
Municipal Bonds	\$ -	\$ 5,475,137	\$ -	\$ 5,475,137
Negotiable Certificates of Deposit	-	2,483,255	-	2,483,255
Vanguard Total Bond Market ETF	-	1,849,641	-	1,849,641
Vanguard Total Stock Market ETF	-	3,942,800	-	3,942,800
Total	<u>\$ -</u>	<u>\$ 13,750,833</u>	<u>\$ -</u>	<u>13,750,833</u>
Investments Measured at Amortized Cost				60,281,205
Total				<u>\$ 74,032,038</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.

**NOTE 3 CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 3,119,968	\$ -	\$ -	\$ 3,119,968
Construction in Progress	-	717,428	(641,876)	75,552
Total Capital Assets, Not Being Depreciated	<u>3,119,968</u>	<u>717,428</u>	<u>(641,876)</u>	<u>3,195,520</u>
Capital Assets, Being Depreciated:				
Land Improvements	19,560,070	282,723	-	19,842,793
Buildings and Improvements	271,089,244	1,341,017	-	272,430,261
Equipment	8,916,020	1,659,583	-	10,575,603
Total Capital Assets, Being Depreciated	<u>299,565,334</u>	<u>3,283,323</u>	<u>-</u>	<u>302,848,657</u>
Accumulated Depreciation for:				
Land Improvements	(12,332,317)	(785,429)	-	(13,117,746)
Buildings and Improvements	(141,978,197)	(8,019,446)	-	(149,997,643)
Equipment	(6,605,738)	(536,218)	-	(7,141,956)
Total Accumulated Depreciation	<u>(160,916,252)</u>	<u>(9,341,093)</u>	<u>-</u>	<u>(170,257,345)</u>
Total Capital Assets, Being Depreciated, Net	<u>138,649,082</u>	<u>(6,057,770)</u>	<u>-</u>	<u>132,591,312</u>
Governmental Activities Capital Assets, Net	<u>\$ 141,769,050</u>	<u>\$ (5,340,342)</u>	<u>\$ (641,876)</u>	<u>\$ 135,786,832</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 3 CAPITAL ASSETS (CONTINUED)**

Depreciation expense for the year ended June 30, 2021 was charged to the following governmental functions:

**Governmental Activities**

Administration	\$ 11,209
District Support Services	117,698
Regular Instruction	8,950,634
Vocational Education Instruction	1,868
Special Education Instruction	21,485
Community Education	6,539
Instructional Support	90,609
Pupil Support	4,671
Food Service	66,322
Sites and Buildings	70,058
Total Depreciation Expense, Governmental Activities	<u><u>\$ 9,341,093</u></u>

**NOTE 4 LONG-TERM LIABILITIES**

**A. General Obligation Bonds Payable**

The District currently has the following general obligation bonds outstanding:

Issue Date	Net Interest Rate	Series Number	Original Issue	Maturities	Principal Outstanding	
					Due Within One Year	Total
12/27/2012	2.00% - 3.00%	2012A	\$ 16,910,000	2014-2030	\$ 1,110,000	\$ 12,815,000
5/7/2015	2.00% - 4.00%	2015A	64,485,000	2017-2036	1,655,000	58,610,000
3/15/2016	2.00% - 3.00%	2016A	36,715,000	2018-2033	2,265,000	30,005,000
2/1/2017	0.6% - 2.80%	2016B	13,990,000	2017-2029	1,165,000	10,045,000
11/4/2020	2.00% - 4.00%	2020A	11,485,000	2022-2030	890,000	11,485,000
Total General Obligation Bonds					7,085,000	122,960,000
Bond Premiums					-	6,094,114
Capital Lease Payable					74,074	234,534
Severance Benefits Payable					195,574	974,069
Compensated Absences Payable					792,400	792,400
Total					<u><u>\$ 8,147,048</u></u>	<u><u>\$ 131,055,117</u></u>

The 2012A G.O. Alternative Facilities Bonds and 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 and 2020A 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, 2021**

**NOTE 4 LONG-TERM LIABILITIES (CONTINUED)**

A. General Obligations 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, 2020 the District issued the Series 2020A General Obligation Alternative Facilities Refunding Bonds for the purpose of currently refunding the \$12,785,000 outstanding principal of the Series 2011A General Obligation Alternative Facilities Bonds as of a February 1, 2021 call date. The refunding resulted in net debt service cashflow savings of \$2,242,241 and a net present value benefit of \$2,154,559.

B. Capital Leases

During the fiscal year ended June 30, 2007, the District entered into a capital lease agreement to finance the renovation and improvements to the Diamondhead Education Center valued at \$4,015,000. The lease carries an interest rate of 4.83% and has a final maturity of 2021. The assets acquired through the capital lease are included in buildings as of June 30, 2021. These payments will be made from the District's General Fund.

During the fiscal year ended June 30, 2009, the District entered into a capital lease agreement to finance improvements to the athletic facilities at Burnsville High School. Capital lease proceeds of \$875,000 carry an interest rate of 5.37% with a final maturity of 2024. The assets acquired through the capital lease are included in land improvements as of June 30, 2021. The lease will be repaid through the General Fund.

The assets acquired through capital leases are as follows:

Buildings and Improvements	\$ 5,088,075
Equipment	1,575,111
Less: Accumulated Depreciation	<u>(3,669,973)</u>
Total	<u><u>\$ 2,993,213</u></u>

C. 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.

D. 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, 2021**

**NOTE 4 LONG-TERM LIABILITIES (CONTINUED)**

E. Minimum Debt Payments

Minimum annual principal and interest payments to maturity for general obligation bonds and capital leases payable are as follows:

Year Ending June 30,	General Obligation Bonds Payable		Capital Lease Obligations Payable	
	Principal	Interest	Principal	Interest
2022	\$ 7,085,000	\$ 4,271,666	\$ 74,074	\$ 11,613
2023	7,440,000	3,920,080	78,105	7,582
2024	7,720,000	3,634,575	82,355	3,332
2025	7,945,000	3,397,118	-	-
2026	8,225,000	3,122,830	-	-
2027-2031	43,585,000	11,437,440	-	-
2032-2036	40,960,000	4,341,875	-	-
Total	<u>\$ 122,960,000</u>	<u>\$ 34,125,584</u>	<u>\$ 234,534</u>	<u>\$ 22,527</u>

F. Changes in Long-Term Liabilities

	June 30, 2020	Additions	Retirements	June 30, 2021
Bonds Payable	\$ 131,350,000	\$ 11,485,000	\$ 19,875,000	\$ 122,960,000
Bond Premiums	5,333,365	1,477,046	716,297	6,094,114
Capital Leases Payable	479,964	-	245,430	234,534
Severance Benefits Payable	837,182	218,798	81,911	974,069
Compensated Absences Payable	794,982	792,400	794,982	792,400
Total	<u>\$ 138,795,493</u>	<u>\$ 13,973,244</u>	<u>\$ 21,713,620</u>	<u>\$ 131,055,117</u>

**NOTE 5 FUND BALANCES**

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, 2021 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.
- 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

250

**NOTE 5 FUND BALANCES (CONTINUED)**

- 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 Long-Term Facilities Maintenance – This amount represents resources to be used for LTFM projects in accordance with the 10-year plan.
- I. 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).
- J. 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.
- K. Committed for Program Carryover – Noncapital – Represents noncapital amounts allocated to the District's budget units which were unspent during the year.
- L. Committed for Program Carryover – Facilities Rental – Represents facilities rental amounts allocated to the District's budget units which were unspent during the year.
- M. Committed for Pro Pay Program – Represents amounts that are committed for professional development through the District's Q-Comp Program.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

251

**NOTE 5 FUND BALANCES (CONTINUED)**

N. Assigned for Planned Budget Deficit for 2022 – 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 2022 budget.

**NOTE 6 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.

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 1,260 plan participants. 1,202 of these participants are active, 50 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

B. Funding Policy (Continued)

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, 2020, and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation as of July 1, 2019.

The total OPEB liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Discount Rate	2.40%
20-Year Municipal Bond Yield	2.40%
	6.25%
Health Care Trend Rates	Decreasing to 5.00% Over 5 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, 2008 through June 30, 2014 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 six-year experience study for the General Employees Plan completed in 2015 and a review of the inflation assumption dated September 11, 2017.

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2018 Generational Improvement Scale

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period of July 1, 2018 to June 30, 2019.

The discount rate used to measure the total OPEB liability was 2.40%. Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year Municipal Bond Yield.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

C. Actuarial Methods and Assumptions (Continued)

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

Benefit Changes:

- 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.

Assumption Changes:

- 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%.

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, 2020
<b>Total OPEB Liability</b>	
Service Cost	\$ 669,075
Interest	300,786
Plan Changes	70,000
Differences Between Expected and Actual Experience	-
Changes of Assumptions	261,394
Benefit Payments	(745,184)
<b>Net Change in Total OPEB Liability</b>	556,071
Total OPEB Liability - Beginning	9,403,433
<b>Total OPEB Liability - Ending (a)</b>	\$ 9,959,504

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**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 (1.4%)	Discount Rate (2.4%)	1% Increase (3.4%)
Net OPEB Liability	\$ 10,429,773	\$ 9,959,504	\$ 9,496,007

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 (6.25% decreasing to 4.00% over 5 years) or 1% point higher (7.25% decreasing to 6.00% over 5 years) than the current healthcare cost trend rates:

	Healthcare Cost		
	1% Decrease (5.25% Decreasing to 4.00% over 5 Years)	Current Trend Rates (6.25% Decreasing to 5.00% over 5 Years)	1% Increase (7.25% Decreasing to 6.00% over 5 Years)
Net OPEB Liability	\$ 9,136,040	\$ 9,959,504	\$ 10,916,475

**F. OPEB Liability Costs**

For the year ended June 30, 2021, the District recognized OPEB expense of \$921,177 in the OPEB revocable trust, and an increase to OPEB expense of \$41,776 when booking the change in the liability and related deferred outflows of resources for the year ended June 30, 2021.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

F. OPEB Liability Costs (Continued)

At June 30, 2021, the District 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	\$ -	\$ 565,671
Change of Assumptions	217,828	101,206
Contributions Between Measurement Date and Reporting Date	874,929	-
Total	<u>\$ 1,092,757</u>	<u>\$ 666,877</u>

A total of \$874,929 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, 2022. 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
2022	\$ (123,154)
2023	(123,154)
2024	(123,154)
2025	(123,154)
2026	43,567
Total	<u>\$ (449,049)</u>

**NOTE 7 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

256

**NOTE 7 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

258

**NOTE 7 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 2021 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, 2021 were \$1,432,870. 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 8.13% for the employer. Basic rates were 11.00% for the employee and 12.13% for the employer. The District's contributions to TRA for the plan's fiscal year ended June 30, 2021 were \$4,602,413. The District's contributions were equal to the required contributions for each year as set by state statute.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)**

D. Pension Costs

**1. General Employees Plan Pension Costs**

At June 30, 2021, the District reported a liability of \$16,985,130 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 \$523,696, for a total net pension liability of \$17,508,826 associated with the District. The net pension liability was measured as of June 30, 2020, 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, 2019 through June 30, 2020, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.2833% at the end of the measurement period and 0.2911% for the beginning of the period.

For the year ended June 30, 2021, the District recognized pension expense of \$531,359 for its proportionate share of the General Employees Plan's pension expense. In addition, the District recognized an additional \$45,577 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, 2021, 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	\$ 154,862	\$ 64,263
Changes in Actuarial Assumptions	-	629,704
Net Difference Between Projected and Actual		
Earnings on Plan Investments	293,430	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	-	809,166
District Contributions Subsequent to the Measurement Date	1,432,870	-
Total	<u>\$ 1,881,162</u>	<u>\$ 1,503,133</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)**

D. Pension Costs (Continued)

**1. General Employees Plan Pension Costs (Continued)**

A total of \$1,432,870 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, 2022. 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>
2022	\$ (1,341,792)
2023	(322,118)
2024	198,703
2025	410,366
2026	-
Thereafter	-

**2. TRA Pension Costs**

At June 30, 2021, the District reported a liability of \$74,465,003 for its proportionate share of TRA's net pension liability. The net pension liability was measured as of June 30, 2020, 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 1.0079% at the end of the measurement period and 1.0754% 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	\$ 74,465,003
State's Proportionate Share of the Net Pension Liability Associated with the District	6,240,583
Total Net Pension Liability	<u>\$ 80,705,586</u>

For the year ended June 30, 2021, the District recognized pension expense of \$9,459,253. It also recognized \$571,661 as pension expense and grant revenue for the support provided by direct aid.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)**

D. Pension Costs (Continued)

**2. TRA Pension Costs (Continued)**

At June 30, 2021, 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	\$ 1,493,326	\$ 1,128,729
Changes in Actuarial Assumptions	26,718,101	62,511,557
Net Difference Between Projected and Actual		
Earnings on Plan Investments	1,153,034	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	1,967,234	7,630,454
District Contributions Subsequent to the Measurement Date	4,602,413	-
Total	<u>\$ 35,934,108</u>	<u>\$ 71,270,740</u>

A total of \$4,602,413 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, 2022. 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
2022	\$ (138,659)
2023	(23,700,487)
2024	(16,293,773)
2025	1,025,615
2026	(831,741)
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	\$ 16,985,130	\$ 74,465,003	\$ 91,450,133
Deferred Outflows of Resources	1,881,162	35,934,108	37,815,270
Deferred Inflows of Resources	1,503,133	71,270,740	72,773,873
Pension Expense	576,936	10,030,914	10,607,850

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)**

E. Actuarial Assumptions

The total pension liability in the June 30, 2020, 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	7.50%	7.50%

PERA salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants were based on Pub-2010 General Employee Mortality table for the General Employees Plan, with slight adjustments to fit PERA's experience., with slight adjustments to fit PERA's experience. PERA cost of living benefit increases after retirement for retirees are assumed to be 1.25% per year for the General Employees Plan.

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.

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.

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies. 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

263

**NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)**

E. Actuarial Assumptions (Continued)

The following changes for General Employees Fund occurred in 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 BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)**

E. Actuarial Assumptions (Continued)

The following changes in actuarial assumptions for TRA occurred in 2020:

- 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.

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 Stocks	35.50 %	5.10 %
International Stocks	17.50	5.30
Bonds (Fixed Income)	20.00	0.75
Alternative Assets (Private Markets)	25.00	5.90
Cash	2.00	-
Totals	100.00 %	

F. Discount Rate

The discount rate used to measure the PERA General Employees Plan liability in 2020 was 7.50%. 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  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)**

F. Discount Rate (Continued)

The discount rate used to measure the TRA pension liability was 7.50%. There was no change since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contribution will be made at the fiscal year 2020 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>	6.50%	7.50%	8.50%
District's Proportionate Share of the GERF Net Pension Liability	\$ 27,221,271	\$ 16,985,130	\$ 8,541,135
<u>TRA Discount Rate</u>	6.50%	7.50%	8.50%
District's Proportionate Share of the TRA Net Pension Liability	\$ 114,005,131	\$ 74,465,003	\$ 41,885,935

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](http://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](http://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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

266

**NOTE 8 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.

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 9 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 9 DENTAL SELF-INSURANCE PLAN (CONTINUED)**

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.

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

<u>Fiscal Year Ending June 30,</u>	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance At Fiscal Year End
2021	\$ 20,404	\$ 877,372	\$ 846,644	\$ 51,132
2020	18,031	759,594	757,221	20,404
2019	44,173	888,993	915,135	18,031

**NOTE 10 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, 2021, there is a reserve of \$8,455,631 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 10 HEALTH SELF-INSURANCE PLAN (CONTINUED)**

Claims paid through June 30, 2021 were in excess of premiums received by \$610,924. 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 \$14,636,278 in cash and investments at June 30, 2021, 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>
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
2019	1,183,185	20,668,436	19,900,162	1,951,459

**NOTE 11 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 12 STEWARDSHIP AND ACCOUNTABILITY**

**Excess of Expenditures Over Budget**

Expenditures exceeded budgeted amounts in the following funds at June 30, 2021.

	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
Special Revenue Funds:			
Food Service Fund	\$ 4,126,863	\$ 4,364,348	\$ 237,485
Capital Projects Fund	350,000	433,814	83,814

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 13 LEASE REVENUE**

In September 2012, the District entered into a lease agreement with Intermediate School District 917 to lease space within the District's Cedar School to I.S.D. 917. The term of the lease extends 10 years, ending on June 30, 2022. Minimum base rent per the lease agreement is \$16,222 per month through June 30, 2015, and the monthly payment increases by \$270 each additional year thereafter. For fiscal year 2021, the monthly payment was \$17,844. The lease also includes common area maintenance payments to be paid by the lessor at a rate of \$9,102 per month in fiscal year 2021. For fiscal year 2022, the monthly payment is schedule to be \$18,114. The common area maintenance payments to be paid by the lessor in fiscal year 2022 are scheduled to be paid at a rate of \$9,373 per month.

**NOTE 14 INTERFUND BALANCES AND TRANSFERS**

The District had the following interfund receivables, or payables for the year ended June 30, 2020 due to 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.

	Due from Other Fund	Due to Other Fund
General Fund	\$ 476,151	\$ -
Internal Service Fund:		
Self Insurance Dental	7,598	-
Self-Insurance Health	391,180	-
OPEB Revocable Trust	-	874,929
Total	\$ 874,929	\$ 874,929

**NOTE 15 SUBSEQUENT EVENTS**

In September of 2021, the District approved a resolution providing for the sale of General Obligation Alternative Facilities Refunding Bonds, Series 2021A in the amount of \$10,725,000 for the purpose of effecting a refunding the 2023 through 2030 maturities of the general obligation alternative facilities bonds, series 2012A as of a February 1, 2022 call date. The estimated closing date of the bonds is November 4, 2021.

On April 22, 2021 the District signed a purchase agreement to sell the building at 100 River Ridge Court at a sales price in the amount of \$1,250,000, but the closing of the sale did not occur until subsequent to the District's year end, on August 18, 2021.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**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, 2021**

273

Measurement Date	July 1, 2020	July 1, 2019	July 1, 2018	July 1, 2017
<b>Total OPEB Liability</b>				
Service Cost	\$ 669,075	\$ 588,655	\$ 606,199	\$ 588,543
Interest	300,786	338,166	338,690	334,217
Plan Changes	70,000	711,831	-	-
Differences Between Expected and Actual Experience	-	(848,509)	-	-
Changes of Assumptions	261,394	(151,810)	-	-
Benefit Payments	(745,184)	(1,174,779)	(714,584)	(901,552)
<b>Net Change in Total OPEB Liability</b>	<u>556,071</u>	<u>(536,446)</u>	<u>230,305</u>	<u>21,208</u>
Total OPEB Liability - Beginning	9,403,433	9,939,879	9,709,574	9,688,366
<b>Total OPEB Liability - Ending (a)</b>	<u>\$ 9,959,504</u>	<u>\$ 9,403,433</u>	<u>\$ 9,939,879</u>	<u>\$ 9,709,574</u>
Covered-Employee Payroll	\$ 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%

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.

**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%.

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

	Measurement Date						
	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	1.0079%	1.0754%	1.0441%	1.0605%	1.0785%	1.1189%	1.1800%
District's Proportionate Share of the Net Pension Liability	\$ 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	<u>6,240,583</u>	<u>6,066,291</u>	<u>6,161,373</u>	<u>20,463,614</u>	<u>25,822,002</u>	<u>8,489,588</u>	<u>3,825,072</u>
Total	<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	\$ 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	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	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 EIGHT FISCAL YEARS ENDED JUNE 30\***

	Fiscal Year Ended June 30,							
	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily Required Contribution	\$ 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	(4,602,413)	(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	\$ 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	8.13%	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 SEVEN MEASUREMENT PERIODS\***

	Measurement Date						
	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	0.2833%	0.2911%	0.3028%	0.3073%	0.2932%	0.3049%	0.3144%
District's Proportionate Share of the Net Pension Liability	\$ 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	523,696	500,224	550,951	246,666	310,890	-	-
Total	<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	\$ 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	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	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 EIGHT FISCAL YEARS ENDED JUNE 30\***

	Fiscal Year Ended June 30,							
	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily Required Contribution	\$ 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	(1,432,870)	(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	\$ 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%	7.38%	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**

278

**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

**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**

279

**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**

280

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

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

**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.

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

281

**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.

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.

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

282

**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.

**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.

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

283

**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.

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## **SUPPLEMENTARY INFORMATION**

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**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
GENERAL FUND  
BALANCE SHEET  
JUNE 30, 2021**

287

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2020)**

	2021	2020
<b>ASSETS</b>		
Cash and Investments	\$ 43,122,678	\$ 31,456,484
Receivables:		
Current Taxes	16,033,699	17,149,881
Delinquent Taxes	322,463	251,359
Accounts and Interest Receivable	174,090	159,367
Due from Other Minnesota School Districts	29,631	31,407
Due from Minnesota Department of Education	7,679,075	10,271,385
Due from Federal Through the Minnesota Department of Education	3,073,614	1,678,103
Due from Other Governmental Units	41,283	28,698
Due from Other Funds	476,151	-
Prepays	382,338	435,457
Total Assets	\$ 71,335,022	\$ 61,462,141
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 4,799,539	\$ 4,215,525
Payroll Deductions and Employer Contributions Payable	5,423,475	5,270,511
Accounts and Contracts Payable	4,300,301	3,243,154
Due to Other Minnesota School Districts	216,024	208,726
Due to Other Governmental Units	44,424	31,928
Due to Other Funds	-	64,325
Unearned Revenue	1,545	6,432
Total Liabilities	14,785,308	13,040,601
Deferred Inflows:		
Unavailable Revenue - Property Taxes Levied for Subsequent Year	26,838,224	27,940,847
Unavailable Revenue - Delinquent Taxes	189,610	154,666
Total Deferred Inflows of Resources	27,027,834	28,095,513
Fund Balance:		
Nonspendable:		
Prepays	382,338	435,457
Restricted for:		
Student Activities	215,674	252,499
Capital Projects Levy	794,657	470,611
Operating Capital	3,195,287	3,177,211
Area Learning Center	4,406,743	3,739,848
Long-Term Facilities Maintenance	114,943	88,742
Medical Assistance	204,234	149,917
Other Purposes	89,244	-
Committed for:		
Program Carryover - Non Capital	915,450	905,462
Program Carryover - Facilities Rental	371,898	367,363
Pro Pay Program	562,142	462,384
Assigned for:		
Planned Budget Deficit for 2022	5,081,823	-
Unassigned	13,187,447	10,276,533
Total Fund Balance	29,521,880	20,326,027
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 71,335,022	\$ 61,462,141

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
GENERAL FUND**

288

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

	2021	2021	Over (Under)	2020
	Final Budget	Actual Amounts	Final Budget	Actual Amounts
<b>REVENUES</b>				
Local Sources:				
Property Taxes	\$ 31,495,242	\$ 31,896,090	\$ 400,848	\$ 30,562,243
Earnings and Investments	152,000	85,161	(66,839)	553,955
Other	2,846,969	2,621,829	(225,140)	3,153,219
State Sources	90,370,995	91,092,466	721,471	93,374,496
Federal Sources	8,878,656	8,950,841	72,185	4,602,284
Total Revenues	<u>133,743,862</u>	<u>134,646,387</u>	<u>902,525</u>	<u>132,246,197</u>
<b>EXPENDITURES</b>				
Current:				
Administration:				
Salaries	3,345,188	3,433,998	88,810	4,100,655
Employee Benefits	1,323,500	1,278,773	(44,727)	1,504,390
Purchased Services	174,266	145,216	(29,050)	154,853
Supplies and Materials	104,809	82,700	(22,109)	106,111
Other Expenditures	66,060	62,143	(3,917)	67,074
Total Administration	<u>5,013,823</u>	<u>5,002,830</u>	<u>(10,993)</u>	<u>5,933,083</u>
District Support Services:				
Salaries	1,975,384	1,817,176	(158,208)	1,949,012
Employee Benefits	761,780	1,477,069	715,289	1,345,507
Purchased Services	865,835	604,814	(261,021)	759,863
Supplies and Materials	140,370	168,809	28,439	68,715
Other Expenditures	9,810	22,582	12,772	47,701
Total District Support Services	<u>3,753,179</u>	<u>4,090,450</u>	<u>337,271</u>	<u>4,170,798</u>
Elementary and Secondary Regular Instruction:				
Salaries	35,620,811	34,241,427	(1,379,384)	35,321,951
Employee Benefits	14,932,358	14,208,253	(724,105)	14,322,608
Purchased Services	2,796,986	2,251,138	(545,848)	2,451,828
Supplies and Materials	1,695,224	1,041,285	(653,939)	1,088,327
Other Expenditures	255,422	245,417	(10,005)	255,960
Total Elementary and Secondary Regular Instruction	<u>55,300,801</u>	<u>51,987,520</u>	<u>(3,313,281)</u>	<u>53,440,674</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
GENERAL FUND**

289

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

	2021	2020
	Actual	Actual
	Over (Under)	
	Final Budget	Final Budget
	Amounts	Amounts
<b>EXPENDITURES (Continued)</b>		
Current (Continued):		
Vocational Education Instruction:		
Salaries	\$ 1,422,860	\$ 1,439,070
Employee Benefits	580,454	612,514
Purchased Services	152,200	35,869
Supplies and Materials	60,443	42,084
Other Expenditures	8,053	8,517
Total Vocational Education Instruction	<u>2,224,010</u>	<u>2,138,054</u>
Special Education Instruction:		
Salaries	16,644,500	16,472,603
Employee Benefits	7,292,862	7,085,203
Purchased Services	936,747	770,494
Supplies and Materials	249,552	118,046
Other Expenditures	119,561	178,840
Total Special Education Instruction	<u>25,243,222</u>	<u>24,625,186</u>
Instructional Support Services:		
Salaries	8,101,665	7,902,671
Employee Benefits	2,494,745	2,245,618
Purchased Services	350,307	257,133
Supplies and Materials	871,273	539,323
Other Expenditures	64,254	70,135
Total Instructional Support Services	<u>11,882,244</u>	<u>11,014,880</u>
Pupil Support Services:		
Salaries	2,244,419	2,415,569
Employee Benefits	780,507	742,653
Purchased Services	8,909,640	8,793,508
Supplies and Materials	133,249	124,361
Other Expenditures	54,755	43,954
Total Pupil Support Services	<u>12,122,570</u>	<u>12,120,045</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
GENERAL FUND**

290

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

	2021	2021	2020
	Final Budget	Actual Amounts	Over (Under) Final Budget
			2020 Actual Amounts
<b>EXPENDITURES (Continued)</b>			
Current (Continued):			
Sites and Buildings:			
Salaries	\$ 3,936,053	\$ 3,828,500	\$ (107,553)
Employee Benefits	1,447,930	1,664,173	216,243
Purchased Services	3,353,211	3,300,013	(53,198)
Supplies and Materials	1,489,794	1,221,918	(267,876)
Other Expenditures	109,861	83,204	(26,657)
Total Sites and Buildings	<u>10,336,849</u>	<u>10,097,808</u>	<u>(239,041)</u>
Fiscal and Other Fixed Costs:			
Purchased Services	420,000	391,943	(28,057)
Capital Outlay:			
Administration	75,750	17,282	(58,468)
District Support Services	282,743	770	(281,973)
Regular Instruction	57,636	90,859	33,223
Vocational Education Instruction	-	-	-
Special Education Instruction	374,747	391,289	16,542
Instructional Support Services	2,660,856	842,317	(1,818,539)
Sites and Buildings	2,573,039	2,523,198	(49,841)
Total Capital Outlay	<u>6,024,771</u>	<u>3,865,715</u>	<u>(2,159,056)</u>
Debt Service:			
Principal	245,431	245,430	(1)
Interest and Fiscal Charges	19,667	19,668	1
Total Debt Service	<u>265,098</u>	<u>265,098</u>	<u>-</u>
Total Expenditures	<u>132,586,567</u>	<u>125,450,534</u>	<u>(7,136,033)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ 1,157,295</u></u>	9,195,853	<u><u>\$ 8,038,558</u></u>
<b>FUND BALANCE</b>			
Beginning of Year		<u>20,326,027</u>	<u>15,379,015</u>
End of Year		<u><u>\$ 29,521,880</u></u>	<u><u>\$ 20,326,027</u></u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
FOOD SERVICE SPECIAL REVENUE FUND  
BALANCE SHEET  
JUNE 30, 2021**

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2020)**

	2021	2020
<b>ASSETS</b>		
Cash and Investments	\$ 427,610	\$ 767,220
Receivables:		
Accounts and Interest Receivable	-	149,997
Due from Federal Through the Minnesota Department of Education	956,389	385,437
Inventory	182,267	244,230
Total Assets	\$ 1,566,266	\$ 1,546,884
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 138,414	\$ 182,372
Payroll Deductions and Employer Contributions Payable	133,629	161,703
Accounts and Contracts Payable	71,411	78,114
Unearned Revenue	103,687	99,491
Total Liabilities	447,141	521,680
Fund Balance:		
Nonspendable:		
Inventory	182,267	244,230
Restricted for:		
Other Purposes	936,858	780,974
Total Fund Balance	1,119,125	1,025,204
Total Liabilities and Fund Balance	\$ 1,566,266	\$ 1,546,884

**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, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

	2021		2020	
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
<b>REVENUES</b>				
Local Sources:				
Earnings and Investments	\$ 17,100	\$ 484	\$ (16,616)	\$ 10,156
Other - Primarily Meal Sales	22,776	14,229	(8,547)	1,138,206
State Sources	109,447	104,895	(4,552)	217,758
Federal Sources	4,139,239	4,338,323	199,084	4,246,562
Total Revenues	4,288,562	4,457,931	169,369	5,612,682
<b>EXPENDITURES</b>				
Current:				
Salaries	1,719,723	1,911,797	192,074	2,508,248
Employee Benefits	616,579	574,300	(42,279)	678,668
Purchased Services	83,951	79,332	(4,619)	97,439
Supplies and Materials	1,668,563	1,775,457	106,894	2,246,922
Other Expenditures	11,447	4,804	(6,643)	4,729
Capital Outlay	26,600	18,658	(7,942)	73,443
Total Expenditures	4,126,863	4,364,348	237,485	5,609,449
Excess (Deficiency) of Revenues Over (Under) Expenditures	161,699	93,583	(68,116)	3,233
<b>OTHER FINANCING SOURCES</b>				
Sale of Equipment	-	338	338	7,793
<b>NET CHANGE IN FUND BALANCE</b>	\$ 161,699	93,921	\$ (67,778)	11,026
<b>FUND BALANCE</b>				
Beginning of Year		1,025,204		1,014,178
End of Year		\$ 1,119,125		\$ 1,025,204

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
COMMUNITY SERVICE SPECIAL REVENUE FUND  
BALANCE SHEET  
JUNE 30, 2021**

293

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2020)**

	2021	2020
<b>ASSETS</b>		
Cash and Investments	\$ 3,140,377	\$ 1,924,679
Receivables:		
Current Taxes	855,576	982,167
Delinquent Taxes	17,885	12,912
Accounts and Interest Receivable	110,942	41,083
Due from Minnesota Department of Education	246,287	247,493
Due from Federal Through the Minnesota Department of Education	16,837	171,238
Total Assets	\$ 4,387,904	\$ 3,379,572
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 155,257	\$ 107,235
Payroll Deductions and Employer Contributions Payable	122,609	105,840
Accounts and Contracts Payable	176,587	67,030
Due to Other Governmental Units	325	48
Unearned Revenue	209,658	139,199
Total Liabilities	664,436	419,352
Deferred Inflows of Resources:		
Property Taxes Levied for Subsequent Year	1,640,765	1,809,068
Unavailable Revenue - Delinquent Taxes	10,071	7,902
Total Deferred Inflows of Resources	1,650,836	1,816,970
Fund Balance:		
Restricted for:		
Community Education	1,430,281	731,211
Early Childhood and Family Education	12,334	-
School Readiness	588,050	380,855
Other Purposes	41,967	31,184
Total Fund Balance	2,072,632	1,143,250
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 4,387,904	\$ 3,379,572

**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, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

294

	2021			2020
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
<b>REVENUES</b>				
Local Sources:				
Property Taxes	\$ 1,809,068	\$ 1,805,658	\$ (3,410)	\$ 1,538,149
Earnings and Investments	5,000	5,351	351	18,518
Other - Primarily Tuition and Fees	2,344,205	2,294,756	(49,449)	3,403,202
State Sources	1,724,035	1,761,222	37,187	1,727,930
Federal Sources	66,697	247,722	181,025	202,044
Total Revenues	<u>5,949,005</u>	<u>6,114,709</u>	<u>165,704</u>	<u>6,889,843</u>
<b>EXPENDITURES</b>				
Current:				
Salaries	2,983,297	3,236,009	252,712	3,596,790
Employee Benefits	1,319,129	1,215,278	(103,851)	1,283,267
Purchased Services	866,919	383,051	(483,868)	731,241
Supplies and Materials	343,873	321,235	(22,638)	409,823
Other Expenditures	114,143	28,717	(85,426)	29,802
Capital Outlay	53,235	1,037	(52,198)	15,512
Total Expenditures	<u>5,680,596</u>	<u>5,185,327</u>	<u>(495,269)</u>	<u>6,066,435</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 268,409</u>	929,382	<u>\$ 660,973</u>	823,408
<b>FUND BALANCE</b>				
Beginning of Year		<u>1,143,250</u>		<u>319,842</u>
End of Year		<u>\$ 2,072,632</u>		<u>\$ 1,143,250</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
 INDEPENDENT SCHOOL DISTRICT NO. 191  
 CAPITAL PROJECTS – BUILDING CONSTRUCTION FUND  
 BALANCE SHEET  
 JUNE 30, 2021**

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2020)**

	2021	2020
<b>ASSETS</b>		
Cash and Investments	\$ 1,725,207	\$ 2,091,263
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts and Contracts Payable	67,512	-
Fund Balance:		
Restricted for:		
Restricted for Other Purposes	1,657,695	2,091,263
Total Liabilities and Fund Balance	\$ 1,725,207	\$ 2,091,263

**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, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

	<u>2021</u>		<u>2020</u>	
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
<b>REVENUES</b>				
Local Sources:				
Earnings and Investments	\$ 30,000	246	\$ (29,754)	\$ 30,886
<b>EXPENDITURES</b>				
Current:				
Purchased Services	75,000	107,290	32,290	-
Capital Outlay	<u>275,000</u>	<u>326,524</u>	<u>51,524</u>	<u>740,436</u>
Total Expenditures	<u>350,000</u>	<u>433,814</u>	<u>83,814</u>	<u>740,436</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (320,000)</u>	(433,568)	<u>\$ (113,568)</u>	(709,550)
<b>FUND BALANCE</b>				
Beginning of Year		<u>2,091,263</u>		<u>2,800,813</u>
End of Year		<u>\$ 1,657,695</u>		<u>\$ 2,091,263</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
DEBT SERVICE FUND  
BALANCE SHEET  
JUNE 30, 2021**

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2020)**

	Regular Debt Service	OPEB Debt Service	Totals	
			2021	2020
<b>ASSETS</b>				
Cash and Investments	\$ 8,667,407	\$ 1,036,292	\$ 9,703,699	\$ 9,214,290
Receivables:				
Current Taxes	5,392,943	767,712	6,160,655	5,938,852
Delinquent Taxes	102,205	15,268	117,473	99,864
Due from Minnesota Department of Education	26,524	-	26,524	44,487
Total Assets	<b>\$ 14,189,079</b>	<b>\$ 1,819,272</b>	<b>\$ 16,008,351</b>	<b>\$ 15,297,493</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
Deferred Inflows:				
Property Taxes Levied for Subsequent Year	\$ 10,341,995	\$ 1,472,264	\$ 11,814,259	\$ 10,938,689
Unavailable Revenue - Delinquent Taxes	60,973	9,404	70,377	61,594
Total Deferred Inflows of Resources	10,402,968	1,481,668	11,884,636	11,000,283
Fund Balance:				
Restricted for:				
Restricted for Other Purposes	3,786,111	337,604	4,123,715	4,297,210
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<b>\$ 14,189,079</b>	<b>\$ 1,819,272</b>	<b>\$ 16,008,351</b>	<b>\$ 15,297,493</b>

**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, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

	2021				Over (Under) Final Budget	2020
	Final Budgeted Amounts	Regular Debt Service	OPEB Debt Service	Total Actual Amounts		Actual Amounts
<b>REVENUES</b>						
Local Sources:						
Property Taxes	\$ 10,938,689	\$ 9,555,635	\$ 1,366,862	\$ 10,922,497	\$ (16,192)	\$ 11,730,795
Earnings and Investments	180,000	16,900	2,288	19,188	(160,812)	122,087
Other	210,883	214,127	-	214,127	3,244	210,883
State Sources	273,027	267,375	-	267,375	(5,652)	425,509
Total Revenues	11,602,599	10,054,037	1,369,150	11,423,187	(179,412)	12,489,274
<b>EXPENDITURES</b>						
Debt Service:						
Bond Principal	7,090,000	5,935,000	1,155,000	7,090,000	-	7,005,000
Bond Interest	4,511,870	4,261,198	250,673	4,511,871	1	4,649,661
Paying Agent Fees and Other	174,883	171,382	475	171,857	(3,026)	2,374
Total Expenditures	11,776,753	10,367,580	1,406,148	11,773,728	(3,025)	11,657,035
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(174,154)	(313,543)	(36,998)	(350,541)	(176,387)	832,239
<b>OTHER FINANCING USES</b>						
Sale of Bonds	11,485,000	11,485,000	-	11,485,000	-	-
Bond Premium	1,477,046	1,477,046	-	1,477,046	-	-
Payment to Refunded Bond Escrow Agent	(12,789,063)	(12,785,000)	-	(12,785,000)	4,063	-
Total Other Financing Sources (Uses)	172,983	177,046	-	177,046	4,063	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (1,171)</u>	(136,497)	(36,998)	(173,495)	<u>\$ (172,324)</u>	832,239
<b>FUND BALANCE</b>						
Beginning of Year		3,922,608	374,602	4,297,210		3,464,971
End of Year		<u>\$ 3,786,111</u>	<u>\$ 337,604</u>	<u>\$ 4,123,715</u>		<u>\$ 4,297,210</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2021**

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2020)**

	Self- Insurance Dental	Self- Insurance Health	Severance Benefits	OPEB Revocable Trust	Totals	
					2021	2020
<b>ASSETS</b>						
Cash and Investments	\$ 512,340	\$ 14,636,278	\$ 3,576,781	\$ 13,243,640	\$ 31,969,039	\$ 30,485,568
Accounts Receivable	-	25,014	-	-	25,014	14
Interest Receivable	-	-	-	49,117	49,117	125,517
Due from Other Funds	7,598	391,180	-	-	398,778	998,840
Total Assets	<u>519,938</u>	<u>15,052,472</u>	<u>3,576,781</u>	<u>13,292,757</u>	<u>32,441,948</u>	<u>31,609,939</u>
<b>LIABILITIES</b>						
Current Liabilities:						
Health and Dental Claims Payable	51,132	2,652,208	151,614	-	2,854,954	1,992,192
Due to Plan Participants	-	3,896,172	-	-	3,896,172	3,644,708
Severance Benefits Payable	-	-	195,574	-	195,574	268,488
Due to Other Funds	-	-	-	874,929	874,929	934,515
Unearned Revenue	8,251	48,461	-	-	56,712	43,253
Total Current Liabilities	<u>59,383</u>	<u>6,596,841</u>	<u>347,188</u>	<u>874,929</u>	<u>7,878,341</u>	<u>6,883,156</u>
Noncurrent Liabilities:						
Severance Benefits Payable	-	-	778,495	-	778,495	568,694
Total Liabilities	<u>59,383</u>	<u>6,596,841</u>	<u>1,125,683</u>	<u>874,929</u>	<u>8,656,836</u>	<u>7,451,850</u>
<b>NET POSITION</b>						
Unrestricted	<u>\$ 460,555</u>	<u>\$ 8,455,631</u>	<u>\$ 2,451,098</u>	<u>\$ 12,417,828</u>	<u>\$ 23,785,112</u>	<u>\$ 24,158,089</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
INTERNAL SERVICE FUND**

300

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION  
YEAR ENDED JUNE 30, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

	Self- Insurance Dental	Self- Insurance Health	Severance Benefits	OPEB Revocable Trust	Totals	
					2021	2020
<b>OPERATING REVENUES</b>						
Charges for Services	\$ 209,140	\$ 21,039,999	\$ 199,272	\$ -	\$ 21,448,411	21,684,480
Other Services	675,133	-	-	-	675,133	615,728
Total Operating Revenues	884,273	21,039,999	199,272	-	22,123,544	22,300,208
<b>OPERATING EXPENSES</b>						
Health Insurance Claim Payments	-	21,655,372	-	-	21,655,372	20,293,814
Dental Insurance Claim Payments	877,372	-	-	-	877,372	759,594
Severance Payments	-	-	537,408	-	537,408	139,732
OPEB Payments	-	-	-	921,177	921,177	783,210
Total Operating Expenses	877,372	21,655,372	537,408	921,177	23,991,329	21,976,350
<b>OPERATING INCOME (LOSS)</b>	6,901	(615,373)	(338,136)	(921,177)	(1,867,785)	323,858
<b>NONOPERATING INCOME</b>						
Earnings on Investments	4,499	4,449	-	1,485,860	1,494,808	669,333
<b>CHANGE IN NET POSITION</b>	11,400	(610,924)	(338,136)	564,683	(372,977)	993,191
Net Position - Beginning	449,155	9,066,555	2,789,234	11,853,145	24,158,089	23,164,898
<b>NET POSITION - ENDING</b>	\$ 460,555	\$ 8,455,631	\$ 2,451,098	\$ 12,417,828	\$ 23,785,112	\$ 24,158,089

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2021**

301

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2020)**

	Self- Insurance Dental	Self- Insurance Health	Severance Benefits	OPEB Revocable Trust	Totals	
					2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from Interfund Services Provided	\$ 908,248	\$ 21,604,545	\$ 199,272	\$ -	\$ 22,712,065	\$ 21,569,568
Payments for Health and Dental Claims	(846,644)	(20,594,905)	-	-	(21,441,549)	(21,533,086)
Payments to Employee OPEB	-	-	-	(980,763)	(980,763)	151,305
Payments for Severance Benefits	-	-	(377,490)	-	(377,490)	(238,457)
Net Cash Provided (Used) by Operating Activities	61,604	1,009,640	(178,218)	(980,763)	(87,737)	(50,670)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest Received	4,499	4,449	-	1,562,260	1,571,208	636,854
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	66,103	1,014,089	(178,218)	581,497	1,483,471	586,184
Cash and Cash Equivalents - Beginning	446,237	13,622,189	3,754,999	12,662,143	30,485,568	29,899,384
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<u>\$ 512,340</u>	<u>\$ 14,636,278</u>	<u>\$ 3,576,781</u>	<u>\$ 13,243,640</u>	<u>\$ 31,969,039</u>	<u>\$ 30,485,568</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>						
Operating Income (Loss)	\$ 6,901	\$ (615,373)	\$ (338,136)	\$ (921,177)	\$ (1,867,785)	\$ 323,858
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
(Increase) Decrease in Accounts Receivable	-	(25,000)	-	-	(25,000)	181
(Increase) Decrease in Due from Other Funds	23,312	576,750	-	-	600,062	(739,295)
Increase (Decrease) in Claims Payable	30,728	809,003	23,031	-	862,762	18,382
Decrease in Due to Plan Participants	-	251,464	-	-	251,464	(373,797)
Decrease in Severance Benefits Payable	-	-	136,887	-	136,887	(222,988)
Increase (Decrease) in Due to Other Funds	-	-	-	(59,586)	(59,586)	934,515
Increase in Unearned Revenues	663	12,796	-	-	13,459	8,474
Total Adjustments	54,703	1,625,013	159,918	(59,586)	1,780,048	(374,528)
Net Cash Provided (Used) by Operating Activities	<u>\$ 61,604</u>	<u>\$ 1,009,640</u>	<u>\$ (178,218)</u>	<u>\$ (980,763)</u>	<u>\$ (87,737)</u>	<u>\$ (50,670)</u>
Total Cash and Investments per Statement of Net Position	<u>\$ 512,340</u>	<u>\$ 14,636,278</u>	<u>\$ 3,576,781</u>	<u>\$ 13,243,640</u>	<u>\$ 31,969,039</u>	<u>\$ 30,485,568</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS  
COMPLIANCE TABLE  
YEAR ENDED JUNE 30, 2021**

	AUDIT	UFARS	DIFFERENCE
<b>01 GENERAL FUND</b>			
Total Revenue	\$ 134,646,387	\$ 134,646,387	\$ -
Total Expenditures	\$ 125,450,534	\$ 125,450,536	\$ (2)
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	\$ 382,338	\$ 382,338	\$ -
<i>Restricted:</i>			
401 Student Activities	\$ 215,674	\$ 215,674	\$ -
402 Scholarships	\$ -	\$ -	\$ -
403 Staff Development	\$ -	\$ -	\$ -
405 Deferred Maintenance	\$ -	\$ -	\$ -
406 Health and Safety	\$ -	\$ -	\$ -
407 Capital Project Levy	\$ 794,657	\$ 794,657	\$ -
408 Cooperative Programs	\$ -	\$ -	\$ -
413 Projects Funded by COP	\$ -	\$ -	\$ -
414 Operating Debt	\$ -	\$ -	\$ -
416 Levy Reduction	\$ -	\$ -	\$ -
417 Taconite Building Maintenance	\$ -	\$ -	\$ -
424 Operating Capital	\$ 3,195,287	\$ 3,195,287	\$ -
426 \$25 Taconite	\$ -	\$ -	\$ -
427 Disabled Accessibility	\$ -	\$ -	\$ -
428 Learning and Development	\$ -	\$ -	\$ -
434 Area Learning Center	\$ 4,406,743	\$ 4,406,743	\$ -
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	\$ 89,244	\$ 89,244	\$ -
467 LTFM	\$ 114,943	\$ 114,943	\$ -
472 Medical Assistance	\$ 204,234	\$ 204,234	\$ -
<i>Committed:</i>			
418 Committed for Separation	\$ -	\$ -	\$ -
461 Committed Fund Balance	\$ 1,849,490	\$ 1,849,490	\$ -
<i>Assigned:</i>			
462 Assigned Fund Balance	\$ 5,081,823	\$ 5,081,823	\$ -
<i>Unassigned:</i>			
422 Unassigned Fund Balance	\$ 13,187,447	\$ 13,187,446	\$ 1
<b>02 FOOD SERVICE</b>			
Total Revenue	\$ 4,457,931	\$ 4,457,932	\$ (1)
Total Expenditures	\$ 4,364,348	\$ 4,364,348	\$ -
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	\$ 182,267	\$ 182,267	\$ -
<i>Restricted:</i>			
452 OPEB Liability Not Held in Trust	\$ -	\$ -	\$ -
464 Restricted Fund Balance	\$ 936,858	\$ 936,858	\$ -
<i>Unassigned:</i>			
463 Unassigned Fund Balance	\$ -	\$ -	\$ -
<b>04 COMMUNITY SERVICE</b>			
Total Revenue	\$ 6,114,709	\$ 6,114,709	\$ -
Total Expenditures	\$ 5,185,327	\$ 5,185,325	\$ 2
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	\$ -	\$ -	\$ -
<i>Restricted:</i>			
426 \$25 Taconite	\$ -	\$ -	\$ -
431 Community Education	\$ 1,430,281	\$ 1,430,281	\$ -
432 E.C.F.E.	\$ 12,334	\$ 12,334	\$ -
440 Teacher Development and Evaluations	\$ -	\$ -	\$ -
444 School Readiness	\$ 588,050	\$ 588,050	\$ -
447 Adult Basic Education	\$ -	\$ -	\$ -
452 OPEB Liability Not Held in Trust	\$ -	\$ -	\$ -
464 Restricted Fund Balance	\$ 41,967	\$ 41,970	\$ (3)
<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, 2021**

	AUDIT	UFARS	DIFFERENCE
<b>06 BUILDING CONSTRUCTION</b>			
Total Revenue	\$ 246	\$ 246	\$ -
Total Expenditures	\$ 433,814	\$ 433,814	\$ -
<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	\$ 1,657,695	\$ 1,657,695	\$ -
467 LTFM	\$ -	\$ -	\$ -
<i>Unassigned:</i>			
463 Unassigned Fund Balance	\$ -	\$ -	\$ -
<b>07 DEBT SERVICE</b>			
Total Revenue	\$ 10,054,037	\$ 10,054,037	\$ -
Total Expenditures	\$ 10,367,580	\$ 10,367,581	\$ (1)
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	\$ -	\$ -	\$ -
<i>Restricted:</i>			
425 Bond Refunding	\$ -	\$ -	\$ -
451 QZAB and QSCB Payments	\$ -	\$ -	\$ -
464 Restricted Fund Balance	\$ 3,786,111	\$ 3,786,111	\$ -
<i>Unassigned:</i>			
463 Unassigned Fund Balance	\$ -	\$ -	\$ -
<b>08 TRUST</b>			
Total Revenue	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -
<i>Net Position:</i>			
422 Net Position	\$ -	\$ -	\$ -
<b>18 CUSTODIAL FUND</b>			
Total Revenue	\$ -	\$ -	\$ -
Total Expenditures	\$ 64,072	\$ 64,072	\$ -
<i>Net Position:</i>			
401 Student Activities	\$ -	\$ -	\$ -
402 Scholarships	\$ -	\$ -	\$ -
422 Net Position	\$ -	\$ -	\$ -
<b>20 INTERNAL SERVICE</b>			
Total Revenue	\$ 22,132,492	\$ 22,132,492	\$ -
Total Expenditures	\$ 23,070,152	\$ 23,070,151	\$ 1
<i>Net Position:</i>			
422 Net Position	\$ 11,367,284	\$ 11,367,284	\$ -
<b>25 OPEB REVOCABLE TRUST</b>			
Total Revenue	\$ 1,485,860	\$ 1,485,860	\$ -
Total Expenditures	\$ 921,177	\$ 921,176	\$ 1
<i>Net Position:</i>			
422 Net Position	\$ 12,417,828	\$ 12,417,828	\$ -
<b>45 OPEB IRREVOCABLE TRUST</b>			
Total Revenue	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -
<i>Net Position:</i>			
422 Net Position	\$ -	\$ -	\$ -
<b>47 OPEB DEBT SERVICE</b>			
Total Revenue	\$ 1,369,150	\$ 1,369,150	\$ -
Total Expenditures	\$ 1,406,148	\$ 1,406,148	\$ -
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	\$ -	\$ -	\$ -
<i>Restricted:</i>			
425 Bond Refunding	\$ -	\$ -	\$ -
464 Restricted Fund Balance	\$ 337,604	\$ 337,604	\$ -
<i>Unassigned:</i>			
463 Unassigned Fund Balance	\$ -	\$ -	\$ -

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## STATISTICAL SECTION (UNAUDITED)

This part of the Independent School District No. 191 comprehensive annual 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.

Contents	Page
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	107
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	115
<b>Debt Capacity</b>	
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.	123
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	128
<b>Operating Information</b>	
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.	130

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			
	2012	2013	2014	2015
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 33,135,086	\$ 30,342,438	\$ 30,452,283	\$ 27,062,458
Restricted	5,216,979	6,159,342	5,749,042	7,527,306
Unrestricted	19,384,308	22,916,072	21,984,806	(58,671,372)
Total Governmental Activities Net Position	<u>\$ 57,736,373</u>	<u>\$ 59,417,852</u>	<u>\$ 58,186,131</u>	<u>\$ (24,081,608)</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					
2016	2017	2018	2019	2020	2021
\$ 22,196,478	\$ 17,935,621	\$ 21,465,486	\$ 17,556,925	\$ 18,169,748	\$ 18,451,265
6,488,027	6,015,244	5,821,544	7,213,277	10,055,184	12,222,610
<u>(51,635,923)</u>	<u>(82,095,271)</u>	<u>(132,084,628)</u>	<u>(102,679,715)</u>	<u>(104,737,977)</u>	<u>(99,949,434)</u>
<u>\$ (22,951,418)</u>	<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>

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

308

	Fiscal Year			
	2012	2013	2014	2015
<b>Expenses</b>				
Governmental Activities:				
Administration	\$ 4,913,118	\$ 5,017,728	\$ 5,222,596	\$ 5,495,447
District Support Services	4,003,191	3,558,217	3,395,055	3,719,700
Elementary and Secondary Regular Instruction	50,611,296	50,949,918	51,729,124	52,233,831
Vocational Education Instruction	1,492,225	1,312,146	1,236,118	1,376,740
Special Education Instruction	19,023,796	20,061,117	22,197,325	24,497,781
Instructional Support Services	6,062,033	7,811,846	10,268,318	10,962,774
Pupil Support Services	9,807,447	9,868,782	10,347,505	10,621,468
Sites and Buildings	15,200,182	17,070,641	15,688,853	16,747,542
Fiscal and Other Fixed Cost Programs	251,997	295,956	359,332	378,575
Food Service	4,323,546	4,900,535	4,945,020	5,059,060
Community Service	5,381,854	5,011,420	5,852,106	6,151,189
Interest and Fiscal Charges on Debt	4,601,698	4,274,825	4,487,298	6,948,424
Total Governmental Activities Expenses	<u>125,672,383</u>	<u>130,133,131</u>	<u>135,728,650</u>	<u>144,192,531</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
Administration	544	1,029	3,075	194,914
District Support Services	134,569	109,146	107,339	-
Regular Instruction	806,875	938,224	835,616	716,947
Vocational Education Instruction	4,577	2,168	-	-
Special Education Instruction	258,340	314,860	401,262	351,834
Instructional Support Services	2,925	777	725	262
Pupil Support Services	71,789	53,446	52,946	164,802
Sites and Buildings	164,797	236,430	399,322	273,804
Food Service	1,949,840	1,961,046	1,807,330	1,688,935
Community Service	3,836,094	3,250,050	3,389,114	3,457,191
Operating Grants and Contributions	27,077,411	27,428,931	29,387,695	29,737,748
Capital Grants and Contributions	910,472	903,453	985,391	1,398,776
Total Governmental Activities Program Revenues	<u>35,218,233</u>	<u>35,199,560</u>	<u>37,369,815</u>	<u>37,985,213</u>
<b>Net Expense</b>				
Governmental Activities	(90,454,150)	(94,933,571)	(98,358,835)	(106,207,318)
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Property Taxes:				
Property Taxes, Levied for General Purposes	22,636,895	24,589,073	15,967,774	21,784,467
Property Taxes, Levied for Capital Projects	-	-	-	-
Property Taxes, Levied for Community Service	941,361	985,656	484,038	1,077,297
Property Taxes, Levied for Debt Service	8,522,512	8,982,183	9,373,229	10,125,067
General Grants and Aids	62,107,115	61,702,475	71,455,903	68,576,907
Other General Revenues	287,108	278,153	294,357	728,393
Investment Earnings	458,406	77,510	348,647	322,603
Total Governmental Activities	<u>94,953,397</u>	<u>96,615,050</u>	<u>97,923,948</u>	<u>102,614,734</u>
<b>Change in Net Position</b>	<u>\$ 4,499,247</u>	<u>\$ 1,681,479</u>	<u>\$ (434,887)</u>	<u>\$ (3,592,584)</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					
2016	2017	2018	2019	2020	2021
\$ 5,372,409	\$ 7,177,258	\$ 7,064,664	\$ 4,498,702	\$ 6,283,726	\$ 5,166,623
2,732,153	4,591,300	5,416,849	3,580,259	4,499,129	4,169,348
51,786,010	84,957,113	84,580,748	46,871,276	67,088,099	64,783,060
1,399,185	2,662,664	2,727,220	1,425,163	2,291,553	2,236,379
23,575,099	32,487,928	31,733,029	17,808,445	26,266,898	26,088,835
10,534,435	15,404,303	15,039,975	11,229,401	13,321,257	15,008,017
9,691,454	12,265,084	12,947,885	10,957,678	12,442,456	9,996,462
19,295,728	9,334,739	10,134,372	11,424,974	7,998,838	9,705,716
398,068	353,822	313,683	336,761	393,852	391,943
5,535,377	5,989,896	5,952,121	5,940,220	5,603,072	4,397,704
6,580,796	7,763,673	8,255,773	6,684,160	6,232,992	5,246,669
6,781,498	7,150,741	5,109,211	4,401,719	4,254,002	3,968,235
<u>143,682,212</u>	<u>190,138,521</u>	<u>189,275,530</u>	<u>125,158,758</u>	<u>156,675,874</u>	<u>151,158,991</u>
210,784	226,224	222,431	190,346	212,676	217,776
-	-	4,349	5,225	11,610	3,040
800,869	640,147	541,823	560,837	303,228	203,657
-	-	420	490	560	-
381,559	363,885	531,289	384,019	381,426	568,522
112	-	15	534	12,818	1,102
64,797	79,865	88,931	87,135	61,562	22,230
223,790	278,415	276,796	307,817	310,907	315,763
1,621,218	1,653,583	1,679,706	1,578,052	1,118,791	-
3,390,724	3,266,333	3,495,283	3,630,543	3,011,600	2,021,666
29,394,748	32,886,488	30,630,308	27,140,691	33,011,399	37,491,428
1,236,991	1,153,072	1,417,759	1,464,809	1,353,380	1,085,774
<u>37,325,592</u>	<u>40,548,012</u>	<u>38,889,110</u>	<u>35,350,498</u>	<u>39,789,957</u>	<u>41,930,958</u>
(106,356,620)	(149,590,509)	(150,386,420)	(89,808,260)	(116,885,917)	(109,228,033)
22,877,675	25,712,820	26,224,210	30,350,044	30,536,476	31,931,034
1,200,000	-	-	-	-	-
1,238,633	1,545,989	1,554,844	1,403,837	1,536,763	1,807,827
9,742,800	11,915,513	10,476,105	10,401,754	11,720,386	10,931,280
70,513,775	72,447,212	72,254,897	72,209,515	71,259,679	68,832,548
1,071,088	1,259,886	843,809	571,326	1,729,530	1,357,592
842,839	1,516,101	1,603,649	1,759,869	1,404,935	1,605,238
<u>107,486,810</u>	<u>114,397,521</u>	<u>112,957,514</u>	<u>116,696,345</u>	<u>118,187,769</u>	<u>116,465,519</u>
<u>\$ 1,130,190</u>	<u>\$ 35,192,988</u>	<u>\$ (37,428,906)</u>	<u>\$ 26,888,085</u>	<u>\$ 1,301,852</u>	<u>\$ 7,237,486</u>

**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			
	2012	2013	2014	2015
<b>General Fund</b>				
Nonspendable	\$ 189,006	\$ 270,695	\$ 256,197	\$ 647,352
Restricted	3,562,528	3,867,464	3,633,869	3,831,642
Committed	2,519,534	1,903,201	2,067,348	1,393,434
Assigned	-	-	-	-
Unassigned	15,451,213	17,472,471	16,003,177	14,805,438
Total General Fund	<u>\$ 21,722,281</u>	<u>\$ 23,513,831</u>	<u>\$ 21,960,591</u>	<u>\$ 20,677,866</u>
<b>All Other Governmental Funds</b>				
Nonspendable	\$ 15,084	\$ 22,033	\$ 26,984	\$ 67,157
Restricted, Reported in:	12,897,157	23,784,859	15,889,247	77,192,716
All Other Governmental Funds	<u>\$ 12,912,241</u>	<u>\$ 23,806,892</u>	<u>\$ 15,916,231</u>	<u>\$ 77,259,873</u>
Total All Funds	<u>\$ 34,634,522</u>	<u>\$ 47,320,723</u>	<u>\$ 37,876,822</u>	<u>\$ 97,937,739</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					
2016	2017	2018	2019	2020	2021
\$ -	\$ 328,969	\$ 374,535	\$ 469,392	\$ 435,457	\$ 382,338
4,196,553	4,027,713	4,158,407	5,847,738	7,878,828	9,020,782
1,176,269	1,293,948	1,257,804	1,550,194	1,735,209	1,849,490
-	-	-	-	-	5,081,823
15,748,008	14,466,101	10,024,458	7,417,075	10,276,533	13,187,447
<u>\$ 21,120,830</u>	<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>
\$ 122,264	\$ 177,574	\$ 190,617	\$ 2,452,384	\$ 244,230	\$ 182,267
74,776,954	40,759,460	8,370,219	5,147,420	8,312,697	8,790,900
<u>\$ 74,899,218</u>	<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>\$ 96,020,048</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>

**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)**

312

	Fiscal Year			
	2012	2013	2014	2015
<b>Revenues</b>				
Local Sources:				
Property Taxes	\$ 32,233,016	\$ 34,586,475	\$ 25,795,703	\$ 33,212,333
Earnings on Investments	37,064	49,189	73,673	68,245
Other	8,144,240	8,356,020	8,627,885	8,026,353
State Sources	81,833,895	82,364,820	92,656,912	91,607,137
Federal Sources	7,371,690	6,438,224	7,584,795	7,654,305
Total Revenues	<u>129,619,905</u>	<u>131,794,728</u>	<u>134,738,968</u>	<u>140,568,373</u>
<b>Expenditures</b>				
Current:				
Administration	4,653,413	4,989,116	5,165,097	5,381,925
District Support Services	3,844,968	3,554,671	3,413,639	3,683,322
Elementary and Secondary Regular Instruction	50,600,018	50,345,903	51,801,948	53,893,564
Vocational Education Instruction	1,498,920	1,313,835	1,239,045	1,363,572
Special Education Instruction	19,095,676	19,864,118	22,223,518	24,169,675
Instructional Support Services	4,999,515	7,436,464	10,207,507	10,702,294
Pupil Support Services	9,766,628	9,865,911	10,358,327	10,576,978
Sites and Buildings	8,934,219	9,226,327	10,722,992	9,415,493
Fiscal and Other Fixed Cost Programs	251,997	295,956	359,332	378,575
Food Service	4,145,547	4,633,338	4,934,679	5,016,679
Community Service Fund	5,316,732	4,996,977	5,879,995	6,069,954
Capital Outlay	12,116,836	10,265,759	7,425,642	5,597,264
Debt Service:				
Principal	5,126,777	5,333,428	5,921,060	6,037,478
Interest and Fiscal Charges	4,626,776	4,537,801	4,780,920	5,753,097
Total Expenditures	<u>134,978,022</u>	<u>136,659,604</u>	<u>144,433,701</u>	<u>148,039,870</u>
<b>Deficiency of Revenues Under Expenditures</b>	(5,358,117)	(4,864,876)	(9,694,733)	(7,471,497)
<b>Other Financing Sources (Uses)</b>				
Proceeds from Debt Issuance	-	16,910,000	-	68,450,000
Premium on Bonds	-	612,872	-	2,609,184
Payments to Refunded Bond Escrow Agent	-	-	-	(4,015,000)
Capital Leases	-	-	-	503,645
Proceeds from Sale of Equipment	5,500	7,081	5,535	-
Proceeds from Insurance Recovery	262,631	21,124	245,297	4,818
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>268,131</u>	<u>17,551,077</u>	<u>250,832</u>	<u>67,552,647</u>
<b>Net Change in Fund Balances</b>	<u>\$ (5,089,986)</u>	<u>\$ 12,686,201</u>	<u>\$ (9,443,901)</u>	<u>\$ 60,081,150</u>
Debt Service as a Percentage of Noncapital Expenditures	7.94%	7.81%	7.81%	8.28%

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									
		2016	2017	2018	2019	2020	2021				
\$	35,053,016	\$	39,094,623	\$	38,097,535	\$	42,385,297	\$	43,831,187	\$	44,624,245
	454,848		540,031		653,809		911,976		735,602		110,430
	8,191,071		8,484,173		8,609,002		7,919,917		7,905,510		5,144,941
	92,498,905		93,346,633		95,558,484		96,762,424		95,745,693		93,225,958
	7,860,618		8,631,725		7,806,378		7,985,785		9,050,890		13,536,886
	<u>144,058,458</u>		<u>150,097,185</u>		<u>150,725,208</u>		<u>155,965,399</u>		<u>157,268,882</u>		<u>156,642,460</u>
	5,536,309		5,519,388		5,680,528		5,774,945		5,933,083		5,002,830
	3,531,663		4,185,606		5,027,862		3,396,407		4,170,798		4,090,450
	54,043,785		54,976,422		55,398,654		55,816,055		53,440,674		51,987,520
	1,452,112		1,876,990		2,150,295		2,036,313		2,138,054		2,088,358
	24,455,459		24,027,079		24,767,930		25,398,748		24,625,186		24,311,718
	10,819,656		10,862,353		10,888,211		12,205,567		11,014,880		13,513,379
	9,766,662		11,000,503		11,877,743		11,884,787		12,120,045		9,835,715
	9,573,137		9,302,350		9,535,036		10,138,616		9,787,117		10,097,808
	398,068		353,822		313,683		336,761		393,852		391,943
	5,546,232		5,733,255		5,829,895		5,902,901		5,536,006		4,345,690
	6,615,805		6,875,455		7,443,701		7,324,705		6,050,923		5,184,290
	42,659,773		28,169,017		6,718,409		5,699,115		4,060,380		4,319,224
	6,133,104		6,726,213		6,037,595		6,720,495		7,409,689		7,335,430
	6,263,031		7,520,641		6,444,307		4,828,185		4,691,853		4,703,396
	<u>186,794,796</u>		<u>177,129,094</u>		<u>158,113,849</u>		<u>157,463,600</u>		<u>151,372,540</u>		<u>147,207,751</u>
	(42,736,338)		(27,031,909)		(7,388,641)		(1,498,201)		5,896,342		9,434,709
	36,715,000		13,990,000		-		-		-		11,485,000
	3,913,835		-		-		-		-		1,477,046
	-		(22,620,346)		(29,330,000)		-		-		(12,785,000)
	318,585		-		-		-		-		-
	-		-		-		-		7,793		338
	359,861		187,105		40,916		6,364		-		-
	-		27,082		-		-		-		-
	-		(27,082)		-		-		-		-
	<u>41,307,281</u>		<u>(8,443,241)</u>		<u>(29,289,084)</u>		<u>6,364</u>		<u>7,793</u>		<u>177,384</u>
\$	<u>(1,429,057)</u>	\$	<u>(35,475,150)</u>	\$	<u>(36,677,725)</u>	\$	<u>(1,491,837)</u>	\$	<u>5,904,135</u>	\$	<u>9,612,093</u>
	8.45%		9.42%		8.12%		7.44%		8.22%		8.37%

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**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	Property Tax				Total
	General Fund	Community Service	Capital Projects - Building Construction Fund	Debt Service	
2012	\$ 22,730,154	\$ 945,239	\$ -	\$ 8,557,623	\$ 32,233,016
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

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)**

For Taxes Collectible	Tax Capacity Valuation			
	Agricultural	Non-Agricultural	Fiscal Disparities	
			Contribution	Distribution
<b>Dakota County</b>				
2012	\$ -	\$ 54,554,627	\$ (8,854,516)	\$ 6,837,908
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
<b>Scott County</b>				
2012	\$ 50,493	\$ 16,234,341	\$ (2,860,834)	\$ 1,531,944
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

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

**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>
\$ (3,458,759)	\$ 49,079,260	\$ 4,504,133,750	1.09
(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
\$ (26,264)	\$ 14,929,680	\$ 1,334,288,700	1.12
(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

**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	2012	21.881%	44.110%	43.213%	34.553%	51.229%	36.655%
Market Value Rate	2012	0.28538%	0.04169%	--	0.01644%	0.01595%	0.00345%
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%	--

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
31.426%	38.802%	5.021%	5.329%	101.541%	117.240%
0.00551%	--	--	--	0.29089%	0.30133%
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%

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
PRINCIPAL PROPERTY TAXPAYERS  
FISCAL YEAR 2021 AND 2012  
(UNAUDITED)**

320

Taxpayer	2021			2012		
	Net Tax Capacity	Rank	Percentage of Tax Capacity Value	Net Tax Capacity	Rank	Percentage of Tax Capacity Value
Xcel Energy	\$ 3,845,908	1	3.53%	\$ 2,510,679	1	3.54%
Paragon Outlets Eagan	1,699,250	2	1.56%			
Rosemount Inc.	667,456	3	0.61%	467,196	3	0.66%
Centerpoint Energy Resource	662,394	4	0.61%			
Flats at Cedar Grove LLC	574,074	5	0.61%			
FLT Summit Park Apartments LLC	511,269	6	0.53%			
PRCP-Minnesota Stone LLC	492,391	7	0.45%			
Bigos Willow Pond	469,316	8	0.47%			
Individual	453,467	9	0.41%			
FPA5 Tailway LLC	445,696	10	0.43%			
Northern Natural Gas Co.						
Kraus Anderson, Inc.				363,096	4	0.51%
Millpond Partners, LLP				318,884	5	0.45%
Cargill Inc.				316,375	6	0.45%
35/13 Crossings, LLC				310,194	8	0.44%
Menards, Inc.				307,638	9	0.43%
Minnegasco, Inc.				684,620	2	0.97%
Costco Wholesale Corporation				306,296	10	0.43%
Aurora Investments LLC				310,908	7	0.44%
<b>Total</b>	<b>\$ 9,821,221</b>		<b>9.21%</b>	<b>\$ 5,895,886</b>		<b>8.32%</b>

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)**

321

For Taxes Collectible	Original Levy				Collections	
	Local Spread	Fiscal Disparities	Property Tax Credits	Total Spread	First Year Levy Recognized	
					Amount	Percentage of Levy
2012	\$ 28,884,537	\$ 4,114,550	\$ - *	\$ 32,999,087	\$ 14,914,934	45.2
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

\* 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, 2021			
	Total to Date		Delinquent		Current	
	Amount	Percentage of Levy	Amount	Percent	Amount	Percent
\$ 18,084,153	\$ 32,999,087	100.0	\$ -	-	\$ -	-
19,095,268	34,388,047	100.0	-	-	-	-
18,335,947	33,584,855	100.0	-	-	-	-
18,512,243	34,816,101	99.9	49,066	0.1	-	-
20,538,479	38,958,442	100.0	12,216	0.0	-	-
20,399,914	38,016,517	100.0	16,950	0.0	-	-
22,702,255	42,373,259	99.9	29,743	0.1	-	-
23,090,690	43,638,655	99.9	62,381	0.1	-	-
23,732,743	43,955,534	99.4	287,465	0.6	-	-
-	21,109,293	47.9	-	-	23,049,930	52.3
			<u>\$ 457,821</u>		<u>\$ -</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	Capital Leases	Special Assessments	Total Primary Government		
2012	\$ 96,710,000	\$ 3,914,576	\$ 20,163	\$ 100,644,739	3.71 %	\$ 1,494
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

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)**

<u>Fiscal Year</u>	<u>Gross Bonded Debt</u>	<u>Less Debt Service Funds on Hand (1)</u>	<u>Net Bonded Debt</u>	<u>Tax Capacity</u>	<u>Percent Net Debt to Tax Capacity</u>	<u>Percent of Estimated Actual Market Value of Property (2)</u>	<u>Estimated Population</u>	<u>Net Bonded Debt per Capita</u>
2012	\$ 96,710,000	\$ 1,317,768	\$ 95,392,232	\$ 64,008,940	149.03 %	1.59 %	67,370	\$ 1,416
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

(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, 2021  
(UNAUDITED)**

325

Governmental Unit	2020/21 Taxable Net Tax Capacity	Bonded Debt <sup>1</sup>	Percent Allocable to ISD No. 191	Portion Allocable to ISD No. 191
Independent School District No. 191	\$ 99,679,960	\$ 121,980,000	100.0000 %	\$ 121,980,000
Overlapping Debt				
Dakota County	565,917,055	-	11.6754%	-
Scott County	232,667,102	109,125,000	10.8798%	118,726
City of Apple Valley	63,190,564	16,930,000	0.8136%	1,377
City of Burnsville	80,596,439	49,620,000	68.5447%	340,119
City of Eagan	104,844,980	38,870,000	9.8378%	38,239
City of Savage	46,284,615	33,555,000	47.0614%	157,914
City of Shakopee	65,091,870	39,315,000	5.4254%	21,330
Metropolitan Council	4,884,505,255	193,320,000 <sup>2</sup>	1.8710%	36,169
Total Overlapping Debt				<u>713,874</u>
Total Direct and Overlapping Debt				<u>\$ 122,693,874</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)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt Limit	\$ 883,979,884	\$ 884,832,770	\$ 906,296,696	\$ 951,986,716
Total Net Debt Applicable to Limit	<u>99,470,950</u>	<u>89,723,574</u>	<u>165,642,782</u>	<u>143,240,787</u>
Legal Debt Margin	<u>\$ 784,508,934</u>	<u>\$ 795,109,196</u>	<u>\$ 740,653,914</u>	<u>\$ 808,745,929</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	11.25%	10.14%	18.28%	15.05%

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

327

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 1,011,131,704	\$ 1,067,125,043	\$ 1,150,340,516	1,239,580,812	1,249,694,940	1,384,802,766
142,090,806	153,878,208	131,225,000	126,015,000	107,540,180	112,169,534
<u>\$ 869,040,898</u>	<u>\$ 913,246,835</u>	<u>\$ 1,019,115,516</u>	<u>\$ 1,113,565,812</u>	<u>\$ 1,142,154,760</u>	<u>\$ 1,272,633,232</u>
14.05%	14.42%	11.41%	10.17%	8.95%	8.40%

Legal Debt Margin Calculation for Fiscal Year 2021

Economic Market Value	\$ 9,232,018,437 <sup>(1)</sup>
Debt Limit (15% of Market Value)	1,384,802,766
Debt Applicable to Limit:	
General Obligation Bonds	111,935,000
Annual Appropriation Debt	234,534
Less: Amount Set Aside for Repayment of	
General Obligation Debt	<u>4,123,715</u>
Total Net Debt Applicable to Limit	<u>116,293,249</u>
Legal Debt Margin	<u>\$ 1,268,509,517</u>

(1) Economic Market Value - Assessment Year 2020 for taxes payable in 2021.

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

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	2021		2012	
	Employees	Rank	Employees	Rank
UTC Aerospace Systems	1,800	1		
Independent School District No. 191	1,109	2	1,271	2
Pepsi Bottling Group	500	3	590	3
Ames Construction	400	4		
Northern Tool & Equipment	300	5	335	6
Target Stores	300	6	300	8
Telex Communications	300	7		
Yellow Freight System, Inc. (YRC)	300	8	325	7
City of Burnsville	290	9	368	5
Fabcon Precast	275	10	296	9
Goodrich Corporation - Aircraft Sensors			1,329	1
Asset Marketing Services Inc.			440	4
Mackin Educational Resources			277	10
<b>Total</b>	<b>5,574</b>		<b>5,531</b>	

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Administrators/Principals	56	54	54	60	43	51	49	50	50	48
Confidential/Support Specialist*	-	-	-	-	24	43	47	48	51	49
Teachers	699	731	773	779	732	730	741	721	680	649
Clerical	73	74	66	66	63	64	65	58	59	51
Paraprofessionals	224	207	209	211	211	214	213	214	221	190
Nurses	13	12	16	18	16	15	14	14	11	10
Operations/Maintenance Supervisors	5	4	3	3	3	3	3	3	2	2
Technical Specialists	2	6	5	5	10	10	10	11	12	14
Community Education	46	36	36	36	39	51	60	61	56	59
Cafeteria	74	76	75	74	78	76	73	79	88	68
Custodians	75	75	72	73	74	82	80	77	78	73
<b>Total</b>	<b>1,267</b>	<b>1,275</b>	<b>1,309</b>	<b>1,325</b>	<b>1,293</b>	<b>1,339</b>	<b>1,355</b>	<b>1,336</b>	<b>1,308</b>	<b>1,213</b>

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
2011	15.74	13.10	14.18	13.44
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

Note 1: Information is not yet available for 2021.

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020 (2)	2021
<b>Standardized Tests</b>										
<b>MCA Reading (See Note 1)</b>										
Grade 3	76.4 %	52.1 %	49.6 %	53.2 %	45.9 %	43.7 %	48.7 %	45.4 %		34.4 %
Grade 5	80.0	58.0	60.0	58.3	67.7	62.0	55.0	52.9		49.9
Grade 7	64.0	48.0	50.0	45.4	56.6	53.1	51.0	47.6		40.3
Grade 10	75.0	61.0	61.0	51.8	58.9	38.3	54.5	55.4		50.9
<b>MCA Math (See Note 1)</b>										
Grade 3	63.0	66.0	64.0	63.6	69.4	54.0	58.4	56.6		44.1
Grade 5	54.0	54.0	50.0	59.7	58.8	49.9	45.0	41.5		31.1
Grade 7	55.0	49.0	48.0	44.3	56.2	48.4	40.1	39.1		18.4
Grade 11	40.0	44.0	40.0	39.6	47.1	35.3	39.1	38.1		26.1
<b>ACT</b>										
Independent School District No. 191										
Average Composite Score	23.0	23.0	23.0	23.0	21.3	21.2	20.3	20.4	20.0	19.9
State Average Composite Score (1)	22.8	23.0	22.9	22.7	21.1	21.5	21.3	21.4	21.3	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 of 2020.

Source: MDE Report Card.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 191  
SCHOOL FACILITIES  
JUNE 30, 2021  
(UNAUDITED)**

333

Facility	Use	Constructed	Acres	Classrooms	Square Footage	Capacity	Enrollment (1)
Gideon Pond Elementary	School	1965/1971/1995	13.00	17	75,700	425	421
Edward Neill Elementary	School	1968/1976/1995 1950/1954/1957	10.00	19	68,550	475	366
Vista View Elementary	School	1963/1971/1995	16.50	18	80,069	450	318
Williams Byrne Elementary	School	1967/1971/1995/2016	10.50	24	79,856	450	556
Rahn Elementary	School	1969/1995	16.00	18	67,448	450	338
Sky Oaks Elementary	School	1975	11.00	24	85,850	600	447
Hidden Valley Elementary	School	1989	16.00	24	89,525	600	478
Harriet Bishop Elementary	School	1996	17.36	25	78,107	625	597
Eagle Ridge Junior High	School	1996	31.00	45	132,000	875	653
Nicollet Junior High	School	1970/1995 1955/1958/1962	35.00	50	188,772	900	773
Burnsville Senior High	School	1971/1976/1977 1980/1993/1998/2016	63.50	112	524,283	2,800	2,247
BES Transition Program	School	1978	1.27	3	12,054	193	30
Cedar School	School	1961/1971	10.00	12	60,952	300	72
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: 2020-21 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>
2009	9,261	981,060	172	5,704	61.59
2010	9,236	917,157	172	5,332	57.73
2011	9,184	1,047,712	172	6,091	66.33
2012	9,010	1,059,439	172	6,160	68.36
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)	--	--	--	--	--

- (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

**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	
<u>Number Served</u>	<u>Percent of Total</u>	<u>Number Served</u>	<u>Percent of Total</u>
319,715	32.59	92,677	9.45
376,798	41.08	95,006	10.36
432,182	41.25	97,556	9.31
471,515	44.51	95,993	9.06
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, 2021  
(UNAUDITED)**

336

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	5,000
Employment Practices Liability Decuctible	5,000
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)**

Year Ended June 30,	Pre-Kindergarten and Handicapped Kindergarten	Kindergarten	Elementary	Secondary	Total	Total Pupil Units
2012	156	654	4,364	4,411	9,585	11,069
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

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 2021	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, 2020  
(UNAUDITED)**

	<u>State Average 2020</u>	<u>ISD No. 191 2020</u>
Expenditures Per Student (ADM) (1)		
General Fund:		
District Level Administration	\$ 640	\$ 600
School Level Administration	514	696
Regular Instruction	5,498	5,946
Career and Technical Instruction	174	247
Special Education	2,510	2,844
Student Activities/Athletics	332	222
Instructional Support Services	662	1,165
Pupil Support Services	410	391
Operations, Maintenance, and Other	941	1,036
Student Transportation	795	1,012
Equipment	506	401
Land and Buildings	<u>332</u>	<u>143</u>
Total General Fund Expenditures	<u>\$ 13,313</u>	<u>\$ 14,702</u>
ADM Used Per Profile Model Format		<u>8,630</u>

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

Note: School District Profiles Report not available for June 30, 2021.

Source: Minnesota Department of Education School District Profiles Report

**INDEPENDENT SCHOOL DISTRICT NO. 191  
BURNSVILLE, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL  
AWARDS AND OTHER REQUIRED REPORTS**

**JUNE 30, 2021**



WEALTH ADVISORY | OUTSOURCING  
AUDIT, TAX, AND CONSULTING

**INDEPENDENT SCHOOL DISTRICT NO. 191  
BURNSVILLE, MINNESOTA  
TABLE OF CONTENTS  
JUNE 30, 2021**

**SINGLE AUDIT AND OTHER REQUIRED REPORTS**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	1
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE	3
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	6
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	7
INDEPENDENT AUDITORS' REPORT ON MINNESOTA LEGAL COMPLIANCE	8
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	9

## **SINGLE AUDIT AND OTHER REQUIRED REPORTS**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 191, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Independent School District No. 191's basic financial statements, and have issued our report thereon dated October 28, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Independent School District No. 191's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Independent School District No. 191's internal control. Accordingly, we do not express an opinion on the effectiveness of Independent School District No. 191's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001 that we consider to be a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Independent School District No. 191's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Independent School District No. 191's Response to Findings**

Independent School District No. 191's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Independent School District No. 191's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Independent School District No. 191's internal control or on compliance. This 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 and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Minneapolis, Minnesota  
October 28, 2021



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

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

**Report on Compliance for Each Major Federal Program**

We have audited Independent School District No. 191's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Independent School District No. 191's major federal programs for the year ended June 30, 2021. Independent School District No. 191's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Independent School District No. 191's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Independent School District No. 191's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Independent School District No. 191's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Independent School District No. 191 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

### **Report on Internal Control Over Compliance**

Management of Independent School District No. 191 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Independent School District No. 191's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Independent School District No. 191's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 191 as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Independent School District No. 191's basic financial statements. We issued our report thereon dated October 28, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Minneapolis, Minnesota  
October 28, 2021

**INDEPENDENT SCHOOL DISTRICT NO. 191  
BURNSVILLE, MINNESOTA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2021**

Federal Agency/Pass-Through Grantor/Program Title	Pass-Through Entity Number	Federal Assistance Listing Number	Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
Passed Through Minnesota Department of Education:			
Food Distribution (& Commodity Rebate Program):			
Cash Assistance	202020N109942	{a} 10.555	\$ 10,173
Noncash Assistance	202020N109942	{a} 10.555	368,948
Summer Food Service Program for Children	202020N109942	{a} 10.559	3,564,203
Child Care Food Program	202020N109942	{a} 10.559	350,107
Fresh Fruit and Vegetable Program	202020L160342	10.582	40,814
COVID-19 Pandemic EBT Administrative Costs	212MN101S9007	10.649	17,016
Total U.S. Department of Agriculture			<u>4,351,261</u>
<b>U.S. DEPARTMENT OF TREASURY</b>			
Passed Through Minnesota Department of Education:			
COVID-19 Coronavirus Relief Fund	SLT0016	{c} 21.019	2,730,383
COVID-19 American Rescue Plan (ARP) Summer Academic Enrichment and Mental Health	S425U210045	21.027	33,790
Passed Through Dakota County:			
COVID-19 Coronavirus Relief Fund	SLT0016	{c} 21.019	236,479
Passed Through Scott County:			
COVID-19 Coronavirus Relief Fund	SLT0016	{c} 21.019	51,094
Total U.S. Department of Treasury			<u>3,051,746</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
Passed Through Minnesota Department of Education:			
Adult Education - Basic Grants to States	V002A200024	84.002	66,697
Title I - Part A Improving Academic Achievement	S010A200023	84.010	1,541,627
Indian Education Grants to Local Educational Agencies	S060A202641	84.060	13,399
IDEA, Part B - Special Education Grants to States	H027A200087	{b} 84.027	1,915,099
Special Education - Preschool Grants	H173A200086	{b} 84.173	100,694
Special Education - Grants for Infants and Families	H181A200029	84.181	50,833
Title VIII - Homeless Children and Youth	S013A200024	84.196	19,892
Javits Gifted and Talented Students Education	S206A190022	84.206A	35,564
Title II - Part A Teacher and Principal Training	S367A200022	84.367	298,353
Title III - Part A - English Language Acquisition Grants	S365A200023A	84.365	205,414
Title IV - Part A - Student Support and Academic Enrichment Education Stabilization Fund	S424A200024	84.424	85,548
COVID-19 Governor's Emergency Education Relief (GEER I and II) Fund	S425C200015	84.425C	295,140
COVID-19 Elementary and Secondary School Emergency Relief (ESSER I and II) Fund	S425D200045	84.425D	1,201,527
COVID-19 Elementary and Secondary School Emergency Relief (ESSER I and II) Fund	S425D210045	84.425D	191,479
Total Education Stabilization Fund			<u>1,688,146</u>
Total U. S. Department of Education Passed Through Minnesota Department of Education:			6,021,266
Passed Through Independent School District No. 196:			
Career and Technical Education - Basic Grants to States	*	84.048	24,554
Total U. S. Department of Education			<u>6,045,820</u>
Total Expenditure of Federal Awards			<u>\$ 13,448,827</u>

{a} = Child Nutrition Cluster Total = \$4,293,430  
 {b} = Special Education Cluster Total = \$2,015,793  
 {c} = COVID-19 Coronavirus Relief Fund Total = \$3,017,956

\* Pass-through entity number is unknown

Note: the District did not have any subrecipients in the current fiscal year.

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**INDEPENDENT SCHOOL DISTRICT NO. 191  
BURNSVILLE, MINNESOTA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2021**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Independent School District No. 191 under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Independent School District No. 191, it is not intended to and does not present the financial position, changes in position, or cash flows of Independent School District No. 191.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of CFDA 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Independent School District No. 191 does not charge indirect costs to its federal programs, however if they were to charge indirect costs they would use the indirect cost rate provided to them by the Minnesota Department of Education (the pass-through entity) rather than use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.



## INDEPENDENT AUDITORS' REPORT ON MINNESOTA LEGAL COMPLIANCE

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Independent School District No. 191 as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 28, 2021

In connection with our audit, nothing came to our attention that caused us to believe that Independent School District No. 191 failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards sections of the *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to Minn. Stat. §6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above-referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance relating to the provisions of the *Minnesota Legal Compliance Audit Guide for School Districts* and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Minneapolis, Minnesota  
October 28, 2021

**INDEPENDENT SCHOOL DISTRICT NO. 191  
BURNSVILLE, MINNESOTA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified?     x     yes            no
  - Significant deficiency(ies) identified?            yes     x     none reported
3. Noncompliance material to financial statements noted?            yes     x     no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified?            yes     x     no
  - Significant deficiency(ies) identified?            yes     x     none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?            yes     x     no

**Identification of Major Federal Programs**

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
21.019C	Coronavirus Relief Fund
84.027 and 84.173	Special Education Cluster
84.425C and 84.425D	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?            yes     x     no

**INDEPENDENT SCHOOL DISTRICT NO. 191  
BURNSVILLE, MINNESOTA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section II – Financial Statement Findings***

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**FINDING: 2021-001      MATERIAL WEAKNESS IN INTERNAL CONTROL OVER FOOD SERVICE MEAL CLAIMS**

**Condition:**                      The District's procedures and controls related to food service fund meal counts and the related state and federal revenues claimed the CLiCS did not detect some significant variances in actual meal counts from what was claimed until after the normal 60-day time limit to make or correct the claims had passed. This included missing claims for the entire month of February of 2021. This was detected by the District during its annual reconciliation of its point-of-sale food service software meal counts to the CLiCS meal counts. Arrangements had to be made with MDE to allow the School to submit late and revised claims for these months. This resulted in \$276,172 in revenues and receivables being claimed late, for February 2021 alone.

**Criteria:**                         The District should have procedures and controls in place that ensure all food service meals claims in CLiCS are made accurately and timely.

**Effect:**                            Lack of proper procedures and controls food service meal claims in CLiCS could result in significant errors going undetected or not being detected and correct in a timely manner, which could then lead to misstatements of food service fund revenues and receivables.

**Cause:**                            COVID-19 forced frequent changes in procedures. From February 2021 through April 2021 ISD 191 successfully transitioned through three learning model shifts while still planning for more shifts to occur mid to late April. With each shift the Food Service Department's operational plans needed to be adjusted. The largest impacts came about as the District opened a new community distribution site and expanded its program offerings to include a CACFP At Risk Snack for In-Person Learners. Throughout the learning model and operational shifts, the Food Service Department continued to struggle with unexpected and overwhelming employee absences due to COVID-19. During this time, the Food Service Department relied on administrative support to keep the operation running.

**Context:**                         September, October, November, December and February all had errors in claims past 60 days, including no claims originally being made for February.

**Recommendation:**            We recommend that the District review its related policies and procedures to ensure District personnel are preparing the food service meal claims timely and someone other than the preparer is reviewing and approving the meal counts being claimed prior to submission in CLiCS.

**Prior Year Finding?**            No

**Views of responsible officials:** There is no disagreement with the audit finding.

INDEPENDENT SCHOOL DISTRICT NO. 191  
BURNSVILLE, MINNESOTA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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None such findings noted.

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***Section IV – Minnesota Legal Compliance Findings***

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None such findings noted.

