



Regular Meeting Agenda

Diamondhead Education Center
200 W. Burnsville Parkway
Burnsville, MN 55337
November 5, 2015
6:30 PM

(6:00 PM Board Listening Session with Directors Ron Hill and Abigail Alt)

I. Call to Order

- A. Welcome
- B. Pledge of Allegiance

II. Business Meeting

- A. Approval of Agenda
- B. Consent Agenda

Description: 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.

- 1. Approve Minutes 3
- 2. Approve Personnel Recommendations 7
- 3. Adopt a Resolution to Accept Donations 8
- 4. Approve, on a Second Reading Basis, Policy 527: *Student Use and Parking of Motor Vehicles; Patrols, Inspections, and Searches* and Rescind Policy JHFD 10
- 5. Approve Change Order #2 for the 2015 Diamondhead Education Center Early Childhood Program Alterations Project 15
- 6. Approve Change Orders #018, #019, #020, #021, #022R, #023, #024, #025 and #026 for the 2015 Additions and Alterations to Burnsville High School Bid Package # 1 19

III. New Business

- A. Approve Spring Conference Dates for the 2016-17 and 2017-18 Academic Calendars 39
Speaker(s): Cindy Amoroso, Assistant Superintendent
- B. Award Bid Package #4 (Part 2 of 3)

Speaker(s): Lisa Rider, Executive Director of Business Services	2
C. Award the Base Bid for the Districtwide Security Camera Project	66
Speaker(s): Lisa Rider, Executive Director of Business Services	
D. Approve Financial Audit as of June 30, 2015	74
Speaker(s): Lisa Rider, Executive Director of Business Services	
E. Receive a Report on Enrollment Projection Data	290
Speaker(s): Lisa Rider, Executive Director of Business Services	
F. Approve on a First Reading Basis, Policy 409: <i>Employee Publications, Instructional Materials, Inventions, and Creations</i>	320
Speaker(s): Dr. Joe Gothard, Superintendent	
IV. Reports	
A. Student Representative	
B. Superintendent	
C. Board Members	
V. Adjourn to a Closed Session as Permitted by Minnesota Statute §13D.03 to Discuss ISD 191's Labor Negotiation Strategy Related to Negotiations with BEA	

School Board Minutes
 INDEPENDENT SCHOOL DISTRICT 191
 October 22, 2015

The meeting of the Board of Education was called to order by Chair VandenBoom at 6:30 p.m. at the Burnsville High School Senior Campus in the Diamondhead Education Center.

Call to Order

Directors Currier, Alt, Luth, Sweep, Schmid and Chair VandenBoom were present. Director Hill was absent. Others in attendance were Superintendent Gothard, Student Representative Abegaz administrators, staff and members of the public.

Attendance

VandenBoom welcomed the audience and asked Dr. Gothard to lead the Pledge of Allegiance.

Pledge of Allegiance

Public recognition was given to "Read for the Record."

Public Recognition

Gideon Pond Elementary and Edward Neill Elementary were recognized for being Reward Schools.

Moved by Luth, seconded by Schmid, to approve the agenda. Motion carried unanimously (6, 0).

Agenda

Moved by Alt, seconded by Sweep, to approve the consent agenda:

Consent Agenda Minutes

- Minutes of the October 8, 2015 regular board meeting and closed session.
- Approve personnel recommendations for A. Iverson, N. Holden, M. Andren, M. Bader, E. Bazzachini, A. Brambila, R. Davila, J. Handrahan, C. Pope, S. Roberson, R. Schatzlein, S. Vuong, V. Chroust, A. Henle, T. Nguyen, M. Berchild and H. Bennett.
- Adopt a resolution to approve and accept donations.
- Approve September payroll checks numbered 718237-718266, and direct deposit notices numbered 584925-587726, in the net amount of \$3,648,560.76. September and October claims to date represented by checks numbered 441987-442616, 129-131, 1013869-1014076, and 101141-101165 and wire transfers and adjustments totaling \$7,576,478.96. Accept September receipts of \$10,254,866.73 and investments for the General Fund, 2012A Alt Facilities, 2015A School Building Bonds and OPEB of \$109,135,732.22 as of September 30, 2015.
- Approve, on a second reading basis, Board Policies 515: *Protection and Privacy of Pupil Records* (rescind JO), 517:

Personnel

Donations
 Payroll, deposits,
 claims and
 investments

Board Policies

Student Recruiting (rescind IGDK), 519: *Interview of Students by Outside Agencies* (rescind JIH), 520: *Student Surveys*, 523: *Policies Incorporated by Reference*, 525: *Violence Prevention*, and 529: *Staff Notification of Violent Behavior by Students* (rescind GBEAD).

- Approve change orders #014, #015, #016 and #017 for the 2015 Additions and Alterations to Burnsville High School Bid Package #1.

Motion carried unanimously (6, 0).

Moved by Currier, seconded by Schmid, to award the Burnsville High School Bid Package #4 prime contracts, including the base bid and Alternates #1 through #7, and #9 through #11 and the owner direct purchase to the following contractors and authorize the signing of contracts with said contractors.

Contract#	Type	Contractor	Amount
0610	Selective Demo/Carpentry	George F. Cook Construction Co.	1,443,000
0750	Roofing/Metal Panels	Palmer West Construction Company, Inc.	1,603,200
0810	Doors/Frames/Hardware Supply	Kendell Doors & Hardware, Inc.	409,848
0840	Alum. Entr./Curtainwall/Skylights/Glass	Envision Glass, Inc.	1,276,534
2200	Plumbing/ Heat Piping	El-Jay Plumbing & Heating, Inc.	3,269,000
2302	HVAC/Temperature Controls	Thelen Heating & Roofing, Inc.	2,751,800
2601	Electrical/Communications/Security / Paging	Peoples Electric Company	3,558,650
	Total all Contracts		\$14,312,032

Contract#	Type – Owner Direct Purchase	Contractor	Amount
2380M	Chiller Plant Materials	Trane Co.	849,680
2380L	Chiller Plan Purchase	Trane Co.	446,900
	Total all Owner Direct Purchase		\$1,296,580

Motion carried unanimously after discussion (6, 0).

Moved by Luth, seconded by Sweep, to approve the recommended

Change Orders

Award Bid Pack #4

Calendars

2016-17 and 2017-18 academic calendars. Moved by Luth, seconded by Schmid to amend the motion that the February conferences in both school years are not accepted. Amendment to motion carried (4, 2 with VandenBoom, Luth, Sweep and Schmid in favor and Alt and Currier against.) Main amended motion carried unanimously after discussion (6, 0).

Moved by Sweep, seconded by Schmid, to approve listed rates of pay for the 2015-2016 school year. Motion carried unanimously (6, 0).

Rates of Pay

Moved by Currier, seconded by Luth, to approve, on a first reading basis, Board Policy 527: *Student Use and Parking of Motor Vehicles; Patrols, Inspections and Searches* and rescind JHFD. Motion carried unanimously after discussion (6, 0).

Policy 527

Oral reports were given by Schmid on behalf of the Negotiating Committee, Currier on behalf of the Policy Review Committee, and Luth on behalf of the Ad Hoc Technology Committee.

Committee Reports

Moved by Alt, seconded by Schmid, to adjourn at 7:49 p.m. Motion carried unanimously (6, 0).

Adjourn

November 5, 2015

DeeDee Currier, clerk

Date Approved

School Board Retreat Minutes
INDEPENDENT SCHOOL DISTRICT 191
October 27, 2015

The school board retreat was called to order by Chair VandenBoom at 5:45 p.m. at the ISD 191 Administrative Services Center, 100 River Ridge Court, Burnsville, MN, 55337.

Call to Order

Members present: Directors Luth, Alt, Currier, Schmid, Sweep and Chair VandenBoom. Director Hill was absent.

Attendance

Others in attendance were Dr. Gothard, superintendent; C. Amoroso, assistant superintendent; D. Watkins, director of instruction and R. Dunn, director of communications.

The purpose of the meeting was Vision One91.

Purpose

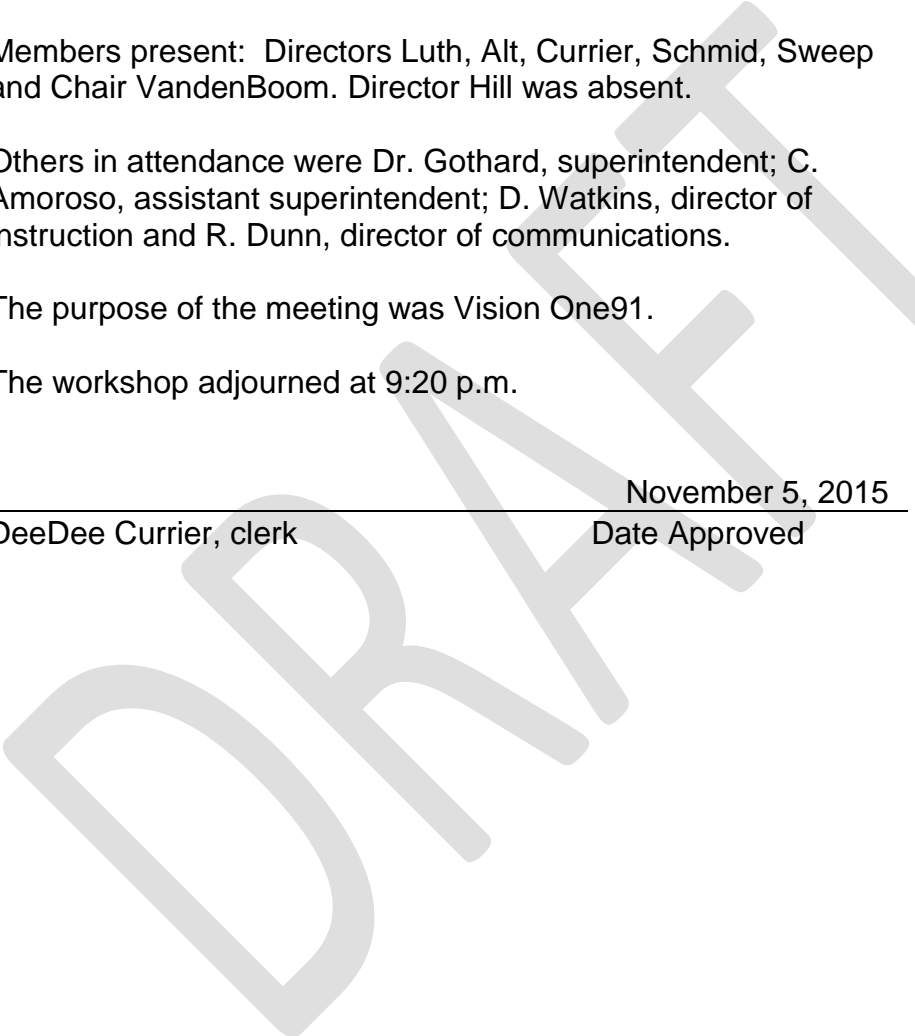
The workshop adjourned at 9:20 p.m.

Adjourn

November 5, 2015

DeeDee Currier, clerk

Date Approved



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

TO: Members, Board of Education
Joe Gothard, Superintendent

FROM: Stacey Sovine, Executive Director of Human Resources

DATE: November 5, 2015

RE: Recommended Personnel Changes

Certified

Appointment

Jane Paulsen *Replacement-Long Term Substitute, Teacher, Media, 1.0 FTE, NJH, effective 10/29/15

Classified

Appointment

Daniel Benjaminson -Replacement-Custodian Level II, 8 hrs/day, GP, effective 10/26/15
Erin Husen -Replacement-Food Service Associate, 3.75 hrs/day,GP,effective 11/2/15
Jennifer Jones -New-AVID Tutor, District-Wide, effective 2015/2016 school year
Grace Mitchell -New-AVID Tutor, District Wide, effective 2015/2016 school year
Phillip Wells -Replacement-EA Level III, 7 hrs/day, BAHS, effective 10/26/15
Elizabeth Williams -Replacement-EA Level IV, 6.75 hrs/day, MWS, effective 11/2/15

Change in Assignment

John Anderson -Assignment changes to Custodian/Grounds Level II, 8 hrs/day, District-Wide, effective 10/26/15

Sara Berge *Assignment changes to CE Program Supervisor, 6 hrs/day, WB, effective 11/16/15

Brian Johnson -Assignment changes to Custodian Level I Rover Day Shift, 8 hrs/day, BHS, effective 10/26/15

Retirement

Marcia Racette *Food Service Associate, BHS, effective 11/30/15

Coaches/Co-Curricular Appointment

Amy Achenbach -Elementary Volunteer Coordinator, SO, effective Year Round

Alexander Davis -Replacemnt-9B Eagle Ridge Boys Basketball Coach, BHS, effective Winter Season



**Agenda II.B.3
November 5, 2015**

To: Members, Board of Education
Dr. Joe Gothard, superintendent

From: Lisa K. Rider, Executive Director of Business Services

Date: October 30, 2015

Re: Donations

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

RESOLUTION TO APPROVE AND ACCEPT DONATIONS

WHEREAS,

1. School Board Policy 706 establishes guidelines for the acceptance of gifts to the District; and
2. Minnesota Statute 123B.02 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 gift, 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 Nov. 5, 2015.

Dr. DeeDee Currier
Clerk – Board of Education

Date	Donor	Recipient	Terms	Donation
10/30/2015	Carolyn Goering	Eagle Ridge Junior High School	Band	\$20.00
9/30/2015	Pamela Voigt	Eagle Ridge Junior High School	Band	\$100.00
9/30/2015	Natalie Sosinske	Eagle Ridge Junior High School	Band	\$100.00
9/30/2015	Kristen Scheuneman	Eagle Ridge Junior High School	Band	\$50.00
10/9/2015	Kathy Volner	Eagle Ridge Junior High School	General	\$180.00
10/26/2015	Daffodil Garden Club, c/o Sue Campbell, Treasurer	ISD 191	BrainPower in a BackPack	\$300.00
10/3/2015	St. John the Baptist School	ISD 191	BrainPower in a BackPack	67 backpacks of food
10/28/2015	Holly Christopherson	John Metcalf Junior High	PRIDE Donations	2 movie tickets, 1 portable charger, \$25 iTunes gift card, 1 pair noise canceling ear buds

Total monetary contributions to accept: **\$750.00**



**Agenda II.B.4
November 5, 2015**

To: Board of Education, Members
From: Dr. Joe Gothard, Superintendent
Date: October 30, 2015
Re: Board Policies

RECOMMENDATION: Approve, on a second reading basis, Board Policy 527: *Student Use and Parking of Motor Vehicles; Patrols, Inspections and Searches* and rescind JHFD.

Administration and the Policy Review Committee have reviewed this policy and recommend approval on a second reading basis.

The Policy 527 is attached for your review.

Adopted: 1/1986
Reviewed: 10/22/2015
Revised: 11/5/2015
Rescinds: JHFD

Burnsville-Eagan-Savage School District Policy 527

527 STUDENT USE AND PARKING OF MOTOR VEHICLES; PATROLS, INSPECTIONS, AND SEARCHES

I. PURPOSE

The purpose of this policy is to provide guidelines for use and parking of motor vehicles by students in school district locations, to maintain order and discipline in the schools, and to protect the health, safety, and welfare of students and school personnel.

II. GENERAL STATEMENT OF POLICY

The policy of this school district is to allow the limited use and parking of motor vehicles by students in school district locations. The position of the school district is that a fair and equitable district-wide student motor vehicle policy will contribute to the quality of the student's educational experience, will maintain order and discipline in the schools, and will protect the health, safety, and welfare of students and school personnel. This policy applies to all students in the school district.

III. DEFINITIONS

- A. "Contraband" means any unauthorized item possession of which is prohibited by school district policy and/or law. It includes, but is not limited to, weapons and "look-alikes," alcoholic beverages, controlled substances and "look-alikes," overdue books and other materials belonging to the school district, and stolen property.
- B. "Reasonable suspicion" means that a school official has grounds to believe that the search will result in evidence of a violation of school district policy, rules, and/or law. Reasonable suspicion may be based on a school official's personal observation, a report from a student, parent, or staff member, a student's suspicious behavior, a student's age and past history or record of conduct both in and out of the school context, or other reliable sources of information.
- C. "Reasonable scope" means that the scope and/or intrusiveness of the search is reasonably related to the objectives of the search. Factors to consider in determining what is reasonable include the seriousness of the suspected infraction, the reliability of the information, the necessity of acting without delay, the existence of exigent circumstances necessitating an immediate search and further investigation (e.g., to prevent violence, serious and immediate risk of harm, or destruction of evidence), and the age of the student.

- D. “School district location” means property that is owned, rented, leased, or borrowed by the school district for school purposes, as well as property immediately adjacent to such property that may be used for parking or gaining access to such property. A school district location also shall include off school property at any school-sponsored or school-approved activity, event, or function, such as a field trip or athletic event, where students are under the jurisdiction of the school district.

IV. STUDENT PARKING OF MOTOR VEHICLES IN SCHOOL DISTRICT LOCATIONS

- A. Students are permitted to park in a school district location as a matter of privilege, not of right. Students driving a motor vehicle to a high school campus may park the motor vehicle in the parking lot designated for student parking only. Students will not park vehicles in driveways, on private property, or in parking lots designated for use only by staff or by the general public.
- B. When there are unauthorized vehicles parked on school district property, school officials may:
1. move the vehicle or require the driver or other person in charge of the vehicle to move it off school district property; or
 2. if unattended, provide for the removal of the vehicle, at the expense of the owner or operator.

V. PATROLS, INSPECTIONS, AND SEARCHES

School officials may conduct routine patrols of school district locations and routine inspections of the exteriors of the motor vehicles of students. In addition, the interiors of motor vehicles of students in school district locations may be searched when school officials have a reasonable suspicion that the search will uncover a violation of law and/or school policy or rule.

A. Patrols and Inspections

School officials may conduct routine patrols of student parking lots and other school district locations and routine inspections of the exteriors of the motor vehicles of students. Such patrols and inspections may be conducted without notice, without student consent, and without a search warrant.

B. Search of Interior of Student Motor Vehicle

The interiors of motor vehicles of students in school district locations, including glove or trunk compartments, may be searched when school officials have a reasonable suspicion that the search will uncover a violation of law and/or school policy or rule. The search will be reasonable in its scope and intrusiveness. Such

searches may be conducted without notice, without consent, and without a search warrant. A student will be subject to withdrawal of parking privileges and to discipline if the student refuses to open a locked motor vehicle under the student's control or its compartments upon the request of a school official.

C. Prohibition of Contraband and Interference with Patrols, Inspections, Searches, and/or Seizures

A violation of this policy occurs when students store or carry contraband in motor vehicles in a school district location or interfere with patrols, inspections, searches, and/or seizures as provided by this policy.

D. Seizure of Contraband

If a search yields contraband, school officials will seize the item and may turn it over to legal officials for ultimate disposition when appropriate.

E. Dissemination of Policy

A copy of this policy will be printed in the student handbook or disseminated in any other way which school officials deem appropriate.

VI. DIRECTIVES AND GUIDELINES

The superintendent is granted authority to develop reasonable directives and guidelines which address specific needs of the school district related to student use and parking of motor vehicles in school district locations, such as a permit system and parking regulations.

VII. PARKING FEE/PERMIT SYSTEM

If the school district institutes a permit system and intends to charge students a fee for parking permits or makes changes to parking fees, the procedures in Minn. Stat. 123B.38 must be followed before the fees are implemented.

VIII. VIOLATIONS

A student found to have violated this policy and/or the directives and guidelines implementing it shall be subject to withdrawal of parking privileges and/or to discipline in accordance with the school district's Student Discipline Policy, which may include suspension, exclusion, or expulsion. In addition, the student may be referred to legal officials when appropriate.

Legal References: U. S. Const., amend. IV
 Minn. Const., art. I, §10
 Minn. Stat. § 123B.02, Subds. 1 and 5 (General Powers of Independent School Districts)

New Jersey v. T.L.O., 469 U.S. 325, 105 S.Ct. 733, 83 L.Ed.2d 720 (1985)

Cross References: Burnsville-Eagan-Savage School District Policy 417 (Chemical Use and Abuse)
Burnsville-Eagan-Savage School District Policy 418 (Drug-Free Workplace/Drug-Free School)
Burnsville-Eagan-Savage School District Policy 501 (School Weapons Policy)
Burnsville-Eagan-Savage School District Policy 502 (Search of Student Lockers, Desks, Personal Possessions, and Student's Person)
Burnsville-Eagan-Savage School District Policy 506 (Student Discipline)
Burnsville-Eagan-Savage School District Policy 712 (Video Surveillance Other Than on Buses)



**Agenda II.B.5
November 5, 2015**

**To: Members, Board of Education
Superintendent Gothard**

From: Lisa K. Rider, Executive Director of Business Services

Date: November 5, 2015

Re: Change Order #2 2015 Diamondhead Education Center Early Childhood Program Alterations

RECOMMENDATION: That the Board of Education approve change order #2 for the 2015 Diamondhead Education Center Early Childhood Program Alterations Project in the amount of \$91,271.98.

On April 9, 2015 the School Board approved the bid for the 2015 Diamondhead Education Center Early Childhood Program Alterations Project. Change Order #2 is an add of \$91,271.98 to the contract amount.

Items #1, #2, #3, #11 and #15 which total \$73,145.43 are the result of building code corrections that were uncovered and needed to be corrected during construction.

Item #1 is a plumbing code change needed due to inadequate sanitary sewer lines and providing an additional 2 inch water back feed from the lower level.

Item #2 was to add an ADA compliant water cooler.

Item #3 was needed to fire caulk and fire tape the perimeter walls in the lower level and to add ADA compliant casework and to add a directional exit sign and egress lighting.

Item #11 was needed to replace PVC sanitary sewer piping above the ceiling with cast-iron piping to meet fire code.

Item #15 was to add fire rated glass around the atrium to meet fire code.

The cost of updating these violations to current code equates to 80% of the cost of this change order.

Items #4, #5, #6, and #12 are the result of unforeseen conditions found during construction.

Items #4 and #12 are the result of needing to reroute ductwork to build new walls.

Item #5 is a result of a staircase found above an ACT ceiling that needed a soffit built around it.

Item #6 is the result of poor wall conditions in the panda gymnasium that required reinsulating and new gypsum board.

Item #8 was needed because the 3-person wash stations that were specified for this job did not fit so 2-person wash stations were purchased and used. The 3-person wash stations will be used in the Burnsville High School project.

Items #7, #9, #10, and #13 are items that were missed in the construction documents but needed to be done in order to complete this project.

Item #14 was to provide a new 50 gallon hot water heater and a new 6 gallon hot water heater to replace water heaters that were in poor condition.

Item #16 was a deduct for not grouting hollow metal frames, this is typically done when building CMU walls.

The percent of change from the original contract amount of \$972,500 is 11.09%.
The new contract amount with change orders is \$1,080,374.61.

The items on this change order have been reviewed and validated by ATS&R Architects and Engineers.



Change Order

PROJECT <i>(Name and address):</i> Diamondhead Education Center Early Childhood Program Alterations Burnsville, Minnesota	CHANGE ORDER NUMBER: 002 DATE: October 13, 2015	OWNER: <input type="checkbox"/> ARCHITECT: <input type="checkbox"/> CONTRACTOR: <input type="checkbox"/> FIELD: <input type="checkbox"/> OTHER: <input type="checkbox"/>
TO CONTRACTOR <i>(Name and address):</i> Morcon Construction Co., Inc. 5905 Golden Valley Road Minneapolis, MN 55422	ARCHITECT'S PROJECT NUMBER: 15002.1 CONTRACT DATE: April 09, 2015 CONTRACT FOR: General Construction	

THE CONTRACT IS CHANGED AS FOLLOWS:
(Include, where applicable, any undisputed amount attributable to previously executed Construction Change Directives)

Item #1 - Plumbing code changes. Refer to CR 09 (dated 09/10/15), RFCOP 02 (dated 06/25/15)	ADD	\$18,210.54
Item #2 - Water cooler. Refer to CR 10 (dated 07/07/15), RFCOP 03 (dated 06/30/15)	ADD	\$4,670.06
Item #3 - Building code modifications. Refer to CR 11 (dated 07/16/15), RFCOP 04 (dated 06/30/15)	ADD	\$30,334.53
Item #4 - Response: Duct cover Corridor 60. Refer to CR 12 (dated 07/14/15), RFI 23 (dated 06/25/15)	ADD	\$331.81
Item #5 - Response: Room 9 soffit. Refer to CR 13 (dated 07/15/15), RFI 05 (dated 06/09/15)	ADD	\$1,269.62
Item #6 - Response: Upgrade exterior walls. Refer to CR 14 (dated 07/15/15), RFI 06 (dated 06/11/15)	ADD	\$1,837.21
Item #7 - Tile North wall of Room 150. Refer to CR 15 (dated 07/17/15), RFCOP 04	ADD	\$1,126.73
Item #8 - Provide two 2-person wash stations in lieu of two 3-person stations. Refer to CR 16 (dated 07/23/15)	ADD	\$9,006.61
Item #9 - Remove wall-mounted items and accessories, turn over to Owner. Refer to CR 17 (dated 07/23/15)	ADD	\$1,508.91
Item #10 - Remove knee wall in Room 47. Refer to CR 18 (dated 07/24/15)	ADD	\$866.23
Item #11 - Replace existing PVC sanitary sewer piping above ceiling. Refer to CR 20 (dated 08/03/15)	ADD	\$6,584.97

Item #12 - Remove duct in Room 146.
Refer to CR 21 (dated 08/06/15), RFI 48 (dated 07/28/15)

ADD \$132.30

Item #13 - Responses: Provide return air grills.
Refer to CR 22 (dated 08/06/15), RFI 45 (dated 07/28/15), RFI 46 (dated 07/28/15)

ADD \$440.63

Item #14 - Provide new 50 gallon and new 6 gallon water heaters.
Refer to CR 23 (dated 08/06/15), RFI 08 (dated 06/12/15)

ADD \$3,906.50

Item #15 - Fire-rated glass at atrium.
Refer to CR 24 (dated 08/10/15), RFCOP 04

ADD \$13,345.33

Item #16 - Delete grouting of hollow metal frames.
Refer to CR 25 (dated 09/24/15)

DEDUCT \$(2,300.00)

TOTAL ADD THIS CHANGE ORDER: \$91,271.98

The original Contract Sum was	\$ 972,500.00
The net change by previously authorized Change Orders	\$ 16,602.63
The Contract Sum prior to this Change Order was	\$ 989,102.63
The Contract Sum will be increased by this Change Order in the amount of	\$ 91,271.98
The new Contract Sum including this Change Order will be	\$ 1,080,374.61

The Contract Time will be increased by Zero (0) days.
The date of Substantial Completion as of the date of this Change Order therefore is UNCHANGED

NOTE: This Change Order does not include changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

Armstrong, Torseth, Skold & Rydeen, Inc.
ARCHITECT (Firm name)

Morcon Construction Co., Inc.
CONTRACTOR (Firm name)

Burnsville-Eagan-Savage Public Schools
OWNER (Firm name)

8501 Golden Valley Road, Suite 300,
Minneapolis, MN 55427

5905 Golden Valley Road, Minneapolis,
MN 55422

Independent School District No. 191, 100
River Ridge Court, Burnsville, MN
55337-1613

ADDRESS

ADDRESS

ADDRESS

BY (Signature)

BY (Signature)

BY (Signature)

Mark G. Hayes, AIA
Partner/Architecture
(Typed name)

SHAWN OLSON
(Typed name)

(Typed name)

DATE

DATE

DATE



**Agenda II.B.6
November 5, 2015**

**To: Members, Board of Education
Superintendent Gothard**

From: Lisa K. Rider, Executive Director of Business Services

Date: November 5, 2015

**Re: Change Orders #018, #019, #020, #021, #022R, #023, #024, #025, and #026 for
the 2015 Additions and Alterations to Burnsville High School**

RECOMMENDATION: That the Board of Education approve change orders #018, #019, #020, #021, #022R, #023, #024, #025, and #026 for the 2015 Additions and Alterations to Burnsville High School Bid Package #1.

On May 28th, 2015 the School Board approved the bids for contracts #0600, #0240, #2600, #3100, and #3300 for the 2015 Additions and Alterations to Burnsville High School Bid Package #1.

Change order #018 for contract #2600 (Peoples Electric CO., Inc.) is in the amount of \$9,458.00. Reasons for this change are electrical modifications in the welding room in the Annex, to remove and reinstall conduits to properly install the EIFS on the exterior of Annex and to provide power for a card reader that will be installed for the door modifications at the temporary loading dock location at the High School. The change to this contract is about 3.44%.

Change order #019 for contract #3300 (Viet and Company, Inc.) is in the amount of \$10,215.00. Reasons for this change was to lower the water main that was in conflict with the storm sewer and to add drain tile and a backflow preventer. The change to this contract is about 15.04%.

Change order #022R for contract #0240 (Viet and Company, Inc.) is in the amount of \$10,827.00. Reasons for this change is due to unforeseen conditions found during demolition that required removal of footings and foundations that were concealed, 3 casings for a car hoist and additional demolition. The change to this contract is about 32.74%

Change order #020 for contract #0600 (Ebert Construction) is in the amount of \$14,701.00. The cost of this change order is the result of modifications made to the restrooms in the Annex and to provide new doors at the north end of the High School that will accommodate the removal of garbage and the acceptance of deliveries by our custodial staff (temporary loading dock location).

Change order #025 for contract #0600 (Ebert Construction) is in the amount of \$11,447.00. The reason for this change was to update concrete stairs and stoop and to add additional railings also to remove a failing concrete apron in front of the building and add a new concrete apron. Reinforcement to Rusty support columns is also included in this change order.

Change order #026 for contract #0600 (Ebert Construction) is in the amount of \$2,994.00. The reason for this change was to add an access door at the penthouse in the Annex and to make modifications to the trench drain for reinforcement. The change to contract #0600 with change orders #020, #025 and #026 is about 7.78%.

Change order #021 for contract #3110 (Max Steininger, Inc.) is in the amount of \$22,453.00. Reasons for this change was to add temporary ADA parking stalls and striping to the front of the Burnsville High School and for additional pavement removals and placing base aggregate relating to Dakota Electric and Centerpoint Energy utility relocations. The change to this contract is about 10.79%.

Change order #023 for contract #2300 (Klamm Mechanical) is in the amount of \$3049.00. Reasons for this change was to add a sink and associated plumbing changes including the relocation of an eyewash station in the Annex.

Change order #024 for contract #2300 (Klamm Mechanical) is in the amount of \$6014.00. The reason for this change was due to modifications and design changes in the welding booth piping in the Annex. The change to this contract with change orders #023 and #024 is about 1.21%.

Total change to the original bid package #1 contract amount of \$3,149,439.00 is 7.00%. New bid package #1 total contract amount with change orders to date is in the amount of \$3,374,219.00.

The items on these change orders have been reviewed and validated by ATS&R Architects and Engineers and WENCK Construction Inc.

CHANGE ORDER

CONSTRUCTION MANAGER-ADVISER EDITION

AIA DOCUMENT G701/CMa

OCT 0 5 2015

OCT 0 9 2015

OWNER	<input checked="" type="checkbox"/>	PCO #	018
CONSTRUCTION MANAGER	<input checked="" type="checkbox"/>		21
ARCHITECT	<input checked="" type="checkbox"/>		
CONTRACTOR	<input checked="" type="checkbox"/>		
FIELD	<input type="checkbox"/>		
OTHER	<input type="checkbox"/>		

(Instructions on reverse side)

PROJECT: <i>(Name and address)</i>	2015 ADDITIONS & ALTERATIONS TO BURNSVILLE HIGH SCHOOL BP #1 600 EAST HIGHWAY 13 BURNSVILLE, MINNESOTA 55337	CHANGE ORDER NO.:	2600.004
TO CONTRACTOR: <i>(Name and address)</i>	PEOPLES ELECTRIC CO., INC. 277 FILLMORE AVENUE ST. PAUL, MINNESOTA 55107	INITIATION DATE:	09/17/15
		PROJECT NOS.:	301504.01
		CONTRACT FOR:	<u>Contract #2600</u> Electrical
		CONTRACT DATE:	5/28/2015

The Contract is changed as follows:

Provide labor and material as necessary to complete the work for noted on the attached Page #2

RECEIVED

OCT - 7 2015

ARMSTRONG, TORSETH
SKOLD & RYDEEN, INC.

Not valid until signed by the Owner, Construction Manager, Architect and Contractor.

The original (Contract Sum) (Guaranteed Maximum Price) was	\$	566,500.00
Net change by previously authorized Change Orders	\$	10,025.00
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	\$	576,525.00
The (Contract Sum) (Guaranteed Maximum Price) will be (increased) (decreased) (unchanged) by this Change Order	\$	9,458.00
The new (Contract Sum) (Guaranteed Maximum Price) including this Change Order will be ...	\$	585,983.00
The Contract Time will be (increased) (decreased) (unchanged) by	zero	(-0-) days
The date of Substantial Completion as of the date of this Change Order therefore is		unchanged.

NOTE: This summary does not reflect changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive.

WENCK CONSTRUCTION INC.
CONSTRUCTION MANAGER
7500 Olson Memorial Hwy, Golden Valley, MN 55427
ADDRESS
BY *[Signature]* DATE 10/5/15

ARMSTRONG, TORSETH, SKOLD, & RYDEEN ARCHITECTS
ARCHITECT
8501 Golden Valley Road, Ste. 300, Mpls., MN 55427
ADDRESS
BY *[Signature]* DATE 10/7/15

PEOPLES ELECTRIC CO., INC.
CONTRACTOR
277 East Fillmore Avenue, St. Paul, MN 55107
ADDRESS
BY *[Signature]* DATE 10/11/2015

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
OWNER
100 River Ridge Court, Burnsville, MN 55337
ADDRESS
BY _____ DATE _____



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Change Order

Burnsville High School

Project # 30150401

Tel: 952-707-2000 Fax: 952-707-2102

Date: 9/17/2015

Contractor:

Peoples Electric Company, Inc.
277 East Fillmore Avenue
St. Paul, MN 55107

Architect's Project No:

Contract Date:
Contract Number: 2600
Change Order Number: 004

The Contract is hereby revised by the following items:

PCO	Item #	Description	Amount
PR-003	003	Electrical changes at Welding Room A109 as described in PR 003.	6,525
PR-007	003	Provide (2) fire alarm strobes per code revisions noted in PR 007. This work is to be provided at no additional cost and applied to the contract allowance for spare fire alarm devices under Article 2.12 of Section 28 31 00.	0
PR-008	001	Connection for additional camera at the Annex. No additional cost, apply to the allowance of the additional D2 data outlets specified under 1.06 of 27 15 00 to cover the work.	0
RCO-006	001	Removal and reinstallation of conduit to properly install EIFS system on annex per RFI 19.	2,312
PR-015	002	Electrical hookups per PR 015.	621

The original Contract (s) Value was.....	566,500
Sum of changes by prior Change Orders.....	10,025
The Contract Value prior to this Change Order was.....	576,525
The Contract Value will be changed by this Change Order in the amount of.....	9,458
The new Contract Value including this Change Order will be.....	585,983
The Contract duration will be changed by.....	0 days
The revised Substantial Completion date as of this Change Order is.....	

pm

CHANGE ORDER

CONSTRUCTION MANAGER-ADVISER EDITION

AIA DOCUMENT G701/CMa **OCT 07 2015**

OCT 20 2015

OWNER	<input checked="" type="checkbox"/>	PCO #	019
CONSTRUCTION MANAGER	<input checked="" type="checkbox"/>		23
ARCHITECT	<input checked="" type="checkbox"/>		
CONTRACTOR	<input checked="" type="checkbox"/>		
FIELD	<input type="checkbox"/>		
OTHER	<input type="checkbox"/>		

(Instructions on reverse side)

PROJECT: 2015 ADDITIONS & ALTERATIONS TO
 (Name and address) BURNSVILLE HIGH SCHOOL BP #1
 600 EAST HIGHWAY 13
 BURNSVILLE, MINNESOTA 55337

CHANGE ORDER NO.: 3300.003
 INITIATION DATE: 09/17/15
 PROJECT NOS.: 301504.01

TO CONTRACTOR:
 (Name and address) VEIT AND COMPANY, INC.
 14000 VEIT PLACE
 ROGERS, MINNESOTA 55374

CONTRACT FOR: Contract #3300
 Site Utility Relocation
 CONTRACT DATE: 5/28/2015

The Contract is changed as follows:

Provide labor and material as necessary to complete the work for noted on the attached Page #2

RECEIVED

OCT 14 2015

ARMSTRONG, TORSETH
SKOLD & RYDEEN, INC.

Not valid until signed by the Owner, Construction Manager, Architect and Contractor.

The original (Contract Sum) (Guaranteed Maximum Price) was	\$	410,000.00
Net change by previously authorized Change Orders	\$	51,439.00
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	\$	461,439.00
The (Contract Sum) (Guaranteed Maximum Price) will be (increased) (decreased) (unchanged) by this Change Order	\$	10,215.00
The new (Contract Sum) (Guaranteed Maximum Price) including this Change Order will be	\$	471,654.00
The Contract Time will be (increased) (decreased) (unchanged) by	zero	(-0-) days
The date of Substantial Completion as of the date of this Change Order therefore is		unchanged.

NOTE: This summary does not reflect changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive.

WENCK CONSTRUCTION INC.
 CONSTRUCTION MANAGER
 7500 Olson Memorial Hwy, Golden Valley, MN 55427
 ADDRESS
 BY *[Signature]* DATE 10/8/15

ARMSTRONG, TORSETH, SKOLD, & RYDEEN ARCHITECTS
 ARCHITECT
 8501 Golden Valley Road, Ste. 300, Mpls., MN 55427
 ADDRESS
 BY *[Signature]* DATE 10/15/15

VEIT AND COMPANY, INC.
 CONTRACTOR
 14000 Veit Place, Rogers, MN 55374
 ADDRESS
 BY *[Signature]* DATE 10/2/15

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
 OWNER
 100 River Ridge Court, Burnsville, MN 55337
 ADDRESS
 BY _____ DATE _____



CAUTION: You should use an original AIA document which has this caution printed in red. An original assures that changes will not be obscured as may occur when documents are reproduced.

Change Order

Burnsville High School

Project # 30150401

Tel: 952-707-2000 Fax: 952-707-2102

Date: 9/17/2015

Contractor:
Veit and Company, Inc.
14000 Veit Place
Rogers, MN 55374

Architect's Project No:
Contract Date:
Contract Number: 3300
Change Order Number: 003

The Contract is hereby revised by the following items:

PCO	Item #	Description	Amount
PR-004	002	No cost change for revisions in PR 004. The same materials are used per base bid but in a different location.	0
RCO-026	001	Lower watermain in conflict with Storm line per RFI #55.	3,890
RCO-027	001	Add drantile & backflow preventer per RFI 050 Resposne	3,725
PR-005	003	Site utility relocations and additional drantile and bedding per PR 005.	2,600

The original Contract (s) Value was.....	410,000
Sum of changes by prior Change Orders.....	51,439
The Contract Value prior to this Change Order was.....	461,439
The Contract Value will be changed by this Change Order in the amount of.....	10,215
The new Contract Value including this Change Order will be.....	471,654
The Contract duration will be changed by.....	0 days
The revised Substantial Completion date as of this Change Order is.....	

Dm

CHANGE ORDER

CONSTRUCTION MANAGER-ADVISER EDITION

AIA DOCUMENT G701/CMa

OCT 05 2015
OCT 13 2015

OWNER	<input checked="" type="checkbox"/>	PCO #	020
CONSTRUCTION MANAGER	<input checked="" type="checkbox"/>		25
ARCHITECT	<input checked="" type="checkbox"/>		
CONTRACTOR	<input checked="" type="checkbox"/>		
FIELD	<input type="checkbox"/>		
OTHER	<input type="checkbox"/>		

(Instructions on reverse side)

PROJECT: 2015 ADDITIONS & ALTERATIONS TO
(Name and address) BURNSVILLE HIGH SCHOOL BP #1
600 EAST HIGHWAY 13
BURNSVILLE, MINNESOTA 55337

CHANGE ORDER NO.: 0600.006
INITIATION DATE: 09/17/15
PROJECT NOS.: 301504.01

TO CONTRACTOR: EBERT, INC. D/B/A EBERT CONSTRUCTION
(Name and address) 23350 COUNTY ROAD 10
CORCORAN, MINNESOTA 55357

CONTRACT FOR: Contract #0600
General Construction
Shop Annex
CONTRACT DATE: 5/28/2015

The Contract is changed as follows:

Provide labor and material as necessary to complete the work for noted on the attached Page #2

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OCT - 8 2015

ARMSTRONG, TORSETH
SKOLD & RYDEEN, INC.

Not valid until signed by the Owner, Construction Manager, Architect and Contractor.

The original (Contract Sum) (Guaranteed Maximum Price) was	\$	671,900.00
Net change by previously authorized Change Orders	\$	23,144.00
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	\$	695,044.00
The (Contract Sum) (Guaranteed Maximum Price) will be (increased) (decreased) (unchanged) by this Change Order	\$	14,701.00
The new (Contract Sum) (Guaranteed Maximum Price) including this Change Order will be	\$	709,745.00
The Contract Time will be (increased) (decreased) (unchanged) by	zero	(-0-) days
The date of Substantial Completion as of the date of this Change Order therefore is		unchanged.

NOTE: This summary does not reflect changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive.

WENCK CONSTRUCTION INC.
CONSTRUCTION MANAGER
7500 Olson Memorial Hwy, Golden Valley, MN 55427
ADDRESS
BY *Claudio* DATE 10/6/15

ARMSTRONG, TORSETH, SKOLD, & RYDEEN ARCHITECTS
ARCHITECT
8501 Golden Valley Road, Ste. 300, Mpls., MN 55427
ADDRESS
BY *J. Rydeen* DATE 10/12/15

EBERT, INC. D/B/A EBERT CONSTRUCTION
CONTRACTOR
23350 County Road 10, Corcoran, MN 55357
ADDRESS
BY *Brian* DATE 10/1/15

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
OWNER
100 River Ridge Court, Burnsville, MN 55337
ADDRESS
BY _____ DATE _____



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Change Order

Burnsville High School

Project # 30150401

Tel: 952-707-2000 Fax: 952-707-2102

Date: 9/17/2015

Contractor:
Ebert Inc.
23350 County Road 10
Corcoran, MN 55357

Architect's Project No:
Contract Date:
Contract Number: 0600
Change Order Number: 006

The Contract is hereby revised by the following items:

PCO	Item #	Description	Amount
PR-007	001	Provide architectural modifications at Annex as noted in PR 007.	2,134
PR-015	001	Demo and installation of new doors in vestibule 10-107 per PR 015.	12,567

The original Contract (s) Value was.....	671,900
Sum of changes by prior Change Orders.....	23,144
The Contract Value prior to this Change Order was.....	695,044
The Contract Value will be changed by this Change Order in the amount of.....	14,701
The new Contract Value including this Change Order will be.....	709,745
The Contract duration will be changed by.....	0 days
The revised Substantial Completion date as of this Change Order is.....	

CHANGE ORDER

CONSTRUCTION MANAGER-ADVISER EDITION

AIA DOCUMENT G701/CMa **OCT 08 2015**

OCT 20 2015

OWNER	<input checked="" type="checkbox"/>	PCO #	021
CONSTRUCTION MANAGER	<input checked="" type="checkbox"/>		27
ARCHITECT	<input checked="" type="checkbox"/>		
CONTRACTOR	<input checked="" type="checkbox"/>		
FIELD	<input type="checkbox"/>		
OTHER	<input type="checkbox"/>		

(Instructions on reverse side)

PROJECT: 2015 ADDITIONS & ALTERATIONS TO
 (Name and address) BURNSVILLE HIGH SCHOOL BP #1
 600 EAST HIGHWAY 13
 BURNSVILLE, MINNESOTA 55337

CHANGE ORDER NO.: 3110.004

INITIATION DATE: 09/17/15

TO CONTRACTOR:
 (Name and address) MAX STEININGER, INC.
 3080 LEXINGTON AVENUE SOUTH
 EAGAN, MINNESOTA 55121

PROJECT NOS.: 301504.01

CONTRACT FOR: Contract #3110
 Site Demolition &
 Improvements
 CONTRACT DATE: 5/28/2015

The Contract is changed as follows:

Provide labor and material as necessary to complete the work for noted on the attached Page #2

RECEIVED

OCT 14 2015

**ARMSTRONG, TORSETH
SKOLD & RYDEEN, INC.**

Not valid until signed by the Owner, Construction Manager, Architect and Contractor.

The original (Contract Sum) (Guaranteed Maximum Price) was	\$	530,000.00
Net change by previously authorized Change Orders	\$	34,740.00
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	\$	564,740.00
The (Contract Sum) (Guaranteed Maximum Price) will be (increased) (decreased) (unchanged) by this Change Order	\$	22,453.00
The new (Contract Sum) (Guaranteed Maximum Price) including this Change Order will be	\$	587,193.00
The Contract Time will be (increased) (decreased) (unchanged) by	zero	(-0-) days
The date of Substantial Completion as of the date of this Change Order therefore is		unchanged.

NOTE: This summary does not reflect changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive.

WENCK CONSTRUCTION INC.
 CONSTRUCTION MANAGER
7500 Olson Memorial Hwy, Golden Valley, MN 55427
 ADDRESS
 BY *[Signature]* DATE 10/8/15

ARMSTRONG, TORSETH, SKOLD, & RYDEEN ARCHITECTS
 ARCHITECT
8501 Golden Valley Road, Ste. 300, Mpls., MN 55427
 ADDRESS
 BY *[Signature]* DATE 10/15/15

MAX STEININGER, INC.
 CONTRACTOR
3080 Lexington Avenue South, Eagan, MN 55121
 ADDRESS
 BY *[Signature]* DATE 10-2-15

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
 OWNER
100 River Ridge Court, Burnsville, MN 55337
 ADDRESS
 BY _____ DATE _____



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Change Order

Burnsville High School

Project # 30150401

Tel: 952-707-2000 Fax: 952-707-2102

Date: 9/17/2015

Contractor:

Max Steining, Inc.
3080 Lexington Avenue South
Eagan, MN 55121

Architect's Project No:

Contract Date:

Contract Number: 3110

Change Order Number: 004

The Contract is hereby revised by the following items:

PCO	Item #	Description	Amount
PR-011	001	Provide temporary ADA parking stalls/stripping per PR 11.	16,972
RCO-014	001	Additional sawcutting, removals and gravel to remove bituminous for gas and electric utility work by others.	5,481

The original Contract (s) Value was.....	530,000
Sum of changes by prior Change Orders.....	34,740
The Contract Value prior to this Change Order was.....	564,740
The Contract Value will be changed by this Change Order in the amount of.....	22,453
The new Contract Value including this Change Order will be.....	587,193
The Contract duration will be changed by.....	0 days
The revised Substantial Completion date as of this Change Order is.....	

CHANGE ORDER

CONSTRUCTION MANAGER-ADVISER EDITION

AIA DOCUMENT G701/CMa **OCT 16 2015**

OCT 26 2015

OWNER	<input checked="" type="checkbox"/>	PCO #	022R
CONSTRUCTION MANAGER	<input checked="" type="checkbox"/>		29
ARCHITECT	<input checked="" type="checkbox"/>		
CONTRACTOR	<input checked="" type="checkbox"/>		
FIELD	<input type="checkbox"/>		
OTHER	<input type="checkbox"/>		

(Instructions on reverse side)

PROJECT: 2015 ADDITIONS & ALTERATIONS TO
 (Name and address) BURNSVILLE HIGH SCHOOL BP #1
 600 EAST HIGHWAY 13
 BURNSVILLE, MINNESOTA 55337

TO CONTRACTOR:
 (Name and address) VEIT AND COMPANY, INC.
 14000 VEIT PLACE
 ROGERS, MINNESOTA 55374

CHANGE ORDER NO.: 0240.003R
 INITIATION DATE: 09/29/15
 PROJECT NOS.: 301504.01
 CONTRACT FOR: Contract #0240
 Building Demolition
 CONTRACT DATE: 5/28/2015

The Contract is changed as follows:

Provide labor and material as necessary to complete the work for noted on the attached Page #2

RECEIVED

OCT 20 2015

ARMSTRONG, TORSETH
SKOLD & RYDEEN, INC

Not valid until signed by the Owner, Construction Manager, Architect and Contractor.

The original (Contract Sum) (Guaranteed Maximum Price) was	\$	71,039.00
Net change by previously authorized Change Orders	\$	12,434.00
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	\$	83,473.00
The (Contract Sum) (Guaranteed Maximum Price) will be (increased) (decreased) (unchanged) by this Change Order	\$	10,827.00
The new (Contract Sum) (Guaranteed Maximum Price) including this Change Order will be ...	\$	94,300.00
The Contract Time will be (increased) (decreased) (unchanged) by	zero	(-0-) days
The date of Substantial Completion as of the date of this Change Order therefore is		unchanged.

NOTE: This summary does not reflect changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive.

WENCK CONSTRUCTION INC.
 CONSTRUCTION MANAGER
 7500 Olson Memorial Hwy, Golden Valley, MN 55427
 ADDRESS
 BY *[Signature]* DATE 10/19/15

ARMSTRONG, TORSETH, SKOLD, & RYDEEN ARCHITECTS
 ARCHITECT
 8501 Golden Valley Road, Ste. 300, Mpls., MN 55427
 ADDRESS
 BY *[Signature]* DATE 10/22/15

VEIT AND COMPANY, INC.
 CONTRACTOR
 14000 Veit Place, Rogers, MN 55374
 ADDRESS
 BY *[Signature]* DATE 10-13-15

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
 OWNER
 100 River Ridge Court, Burnsville, MN 55337
 ADDRESS
 BY _____ DATE _____



CAUTION: You should use an original AIA document which has this caution printed in red. An original assures that changes will not be obscured as may occur when documents are reproduced.

Change Order

Burnsville High School

Project # 30150401

Tel: 952-707-2000 Fax: 952-707-2102

Date: 9/29/2015

Contractor:

Veit and Company, Inc.
14000 Veit Place
Rogers, MN 55374

Architect's Project No:

Contract Date:

Contract Number: 0240

Change Order Number: 003

The Contract is hereby revised by the following items:

PCO	Item #	Description	Amount
RCO-017	001	Additional demolition of concealed foundations in Area 10 that need to be removed so that new footings, foundations and underground utilities can be put in place.	1,521
RCO-018	001	Additional costs to dispose of, rather than recycle, concrete foundations due to them containing asbestos mastic.	1,293
RCO-018	002	Remove unknown buried asbestos transite pipe.	2,977
RCO-030	001	Remove 3 casings for car hoist cylinders, and some tanks, also underground concrete plumbing vault for the car hoist system.	737
RCO-031	001	Provide additional sawcutting per RFI #44 response.	2,445
RCO-031	002	Provide column wrap demolition per RFI #44 response.	348
RCO-032	001	Remove concealed/abandoned foundation wall discovered below Area 10 Slabs.	1,506

The original Contract (s) Value was.....	71,039
Sum of changes by prior Change Orders.....	12,434
The Contract Value prior to this Change Order was.....	83,473
The Contract Value will be changed by this Change Order in the amount of.....	10,827
The new Contract Value including this Change Order will be.....	94,300
The Contract duration will be changed by.....	0 days
The revised Substantial Completion date as of this Change Order is.....	

CHANGE ORDER

CONSTRUCTION MANAGER-ADVISER EDITION

AIA DOCUMENT G701/CMa

OCT 19 2015

OCT 26 2015

OWNER	<input checked="" type="checkbox"/>	PCO #	023
CONSTRUCTION MANAGER	<input checked="" type="checkbox"/>		31
ARCHITECT	<input checked="" type="checkbox"/>		
CONTRACTOR	<input checked="" type="checkbox"/>		
FIELD	<input type="checkbox"/>		
OTHER	<input type="checkbox"/>		

(Instructions on reverse side)

PROJECT: <i>(Name and address)</i>	2015 ADDITIONS & ALTERATIONS TO BURNSVILLE HIGH SCHOOL BP #1 600 EAST HIGHWAY 13 BURNSVILLE, MINNESOTA 55337	CHANGE ORDER NO.:	2300.002
TO CONTRACTOR: <i>(Name and address)</i>	KLAMM MECHANICAL CONTRACTORS, INC. 12409 COUNTY ROAD 11 BURNSVILLE, MINNESOTA 55337	INITIATION DATE:	09/17/15
		PROJECT NOS.:	301504.01
		CONTRACT FOR:	<u>Contract #2300</u> Mechanical
		CONTRACT DATE:	5/28/2015

The Contract is changed as follows:

Provide labor and material as necessary to complete the work for noted on the attached Page #2

RECEIVED

OCT 20 2015

ARMSTRONG, TORSETH
SKOLD & RYDEEN, INC.

Not valid until signed by the Owner, Construction Manager, Architect and Contractor.

The original (Contract Sum) (Guaranteed Maximum Price) was	\$	900,000.00
Net change by previously authorized Change Orders	\$	1,840.00
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	\$	901,840.00
The (Contract Sum) (Guaranteed Maximum Price) will be (increased) (decreased) (unchanged) by this Change Order	\$	3,049.00
The new (Contract Sum) (Guaranteed Maximum Price) including this Change Order will be	\$	904,889.00
The Contract Time will be (increased) (decreased) (unchanged) by	zero	(-0-) days
The date of Substantial Completion as of the date of this Change Order therefore is		unchanged.

NOTE: This summary does not reflect changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive.

WENCK CONSTRUCTION INC.
CONSTRUCTION MANAGER
7500 Olson Memorial Hwy, Golden Valley, MN 55427
ADDRESS
BY *[Signature]* DATE 10/19/15

ARMSTRONG, TORSETH, SKOLD, & RYDEEN ARCHITECTS
ARCHITECT
8501 Golden Valley Road, Ste. 300, Mpls., MN 55427
ADDRESS
BY *[Signature]* DATE 10/22/15

KLAMM MECHANICAL CONTRACTORS, INC.
CONTRACTOR
12409 County Road 11, Burnsville, MN 55337
ADDRESS
BY *[Signature]* DATE 10/13/15

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
OWNER
100 River Ridge Court, Burnsville, MN 55337
ADDRESS
BY _____ DATE _____



CAUTION: You should use an original AIA document which has this caution printed in red. An original assures that changes will not be obscured as may occur when documents are reproduced.



Change Order

Burnsville High School

Project # 30150401

Tel: 952-707-2000 Fax: 952-707-2102

Date: 9/17/2015

Contractor:

Klamm Mechanical Contractors, Inc.
 12409 County Road 11
 Burnsville, MN 55337

Architect's Project No:

Contract Date:
Contract Number: 2300
Change Order Number: 002

The Contract is hereby revised by the following items:

PCO	Item #	Description	Amount
PR-006	003	No cost change for PR 006.	0
PR-007	002	Provide plumbing modifications as noted on PR 007.	3,049

The original Contract (s) Value was.....	900,000
Sum of changes by prior Change Orders.....	1,840
The Contract Value prior to this Change Order was.....	901,840
The Contract Value will be changed by this Change Order in the amount of.....	3,049
The new Contract Value including this Change Order will be.....	904,889
The Contract duration will be changed by.....	0 days
The revised Substantial Completion date as of this Change Order is.....	

lm

CHANGE ORDER

CONSTRUCTION MANAGER-ADVISER EDITION

AIA DOCUMENT G701/CMa **OCT 19 2015**

OCT 26 2015

(Instructions on reverse side)

OWNER	<input checked="" type="checkbox"/>	PCO #	024
CONSTRUCTION MANAGER	<input checked="" type="checkbox"/>		33
ARCHITECT	<input checked="" type="checkbox"/>		
CONTRACTOR	<input checked="" type="checkbox"/>		
FIELD	<input type="checkbox"/>		
OTHER	<input type="checkbox"/>		

PROJECT: <i>(Name and address)</i>	2015 ADDITIONS & ALTERATIONS TO BURNSVILLE HIGH SCHOOL BP #1 600 EAST HIGHWAY 13 BURNSVILLE, MINNESOTA 55337	CHANGE ORDER NO.:	2300.003
TO CONTRACTOR: <i>(Name and address)</i>	KLAMM MECHANICAL CONTRACTORS, INC. 12409 COUNTY ROAD 11 BURNSVILLE, MINNESOTA 55337	INITIATION DATE:	10/02/15
		PROJECT NOS.:	301504.01
		CONTRACT FOR:	<u>Contract #2300</u> Mechanical
		CONTRACT DATE:	5/28/2015

The Contract is changed as follows:

Provide labor and material as necessary to complete the work for noted on the attached Page #2

RECEIVED

OCT 20 2015

ARMSTRONG, TORSETH
SKOLD & RYDEEN, INC.

Not valid until signed by the Owner, Construction Manager, Architect and Contractor.

The original (Contract Sum) (Guaranteed Maximum Price) was	\$	900,000.00
Net change by previously authorized Change Orders	\$	4,889.00
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	\$	904,889.00
The (Contract Sum) (Guaranteed Maximum Price) will be (increased) (decreased) (unchanged) by this Change Order	\$	6,014.00
The new (Contract Sum) (Guaranteed Maximum Price) including this Change Order will be ...	\$	910,903.00
The Contract Time will be (increased) (decreased) (unchanged) by	zero	(-0-) days
The date of Substantial Completion as of the date of this Change Order therefore is		unchanged.

NOTE: This summary does not reflect changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive.

WENCK CONSTRUCTION INC.
CONSTRUCTION MANAGER
7500 Olson Memorial Hwy, Golden Valley, MN 55427
ADDRESS
BY *[Signature]* DATE 10/19/15

ARMSTRONG, TORSETH, SKOLD, & RYDEEN ARCHITECTS
ARCHITECT
8501 Golden Valley Road, Ste. 300, Mpls., MN 55427
ADDRESS
BY *[Signature]* DATE 10/22/15

KLAMM MECHANICAL CONTRACTORS, INC.
CONTRACTOR
12409 County Road 11, Burnsville, MN 55337
ADDRESS
BY *[Signature]* DATE 10/13/15

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
OWNER
100 River Ridge Court, Burnsville, MN 55337
ADDRESS
BY _____ DATE _____



CAUTION: You should use an original AIA document which has this caution printed in red. An original assures that changes will not be obscured as may occur when documents are reproduced.



Change Order

Burnsville High School

Project # 30150401

Tel: 952-707-2000 Fax: 952-707-2102

Date: 10/2/2015

Contractor:

Klamm Mechanical Contractors, Inc.
12409 County Road 11
Burnsville, MN 55337

Architect's Project No:

Contract Date:

Contract Number: 2300

Change Order Number: 003

The Contract is hereby revised by the following items:

PCO	Item #	Description	Amount
PR-003	002	Change in welding booth piping per PR 003.	6,014

The original Contract (s) Value was.....	900,000
Sum of changes by prior Change Orders.....	4,889
The Contract Value prior to this Change Order was.....	904,889
The Contract Value will be changed by this Change Order in the amount of.....	6,014
The new Contract Value including this Change Order will be.....	910,903
The Contract duration will be changed by.....	0 days
The revised Substantial Completion date as of this Change Order is.....	

CHANGE ORDER

CONSTRUCTION MANAGER-ADVISER EDITION

AIA DOCUMENT G701/CMa **OCT 19 2015**

OCT 26 2015

OWNER	<input checked="" type="checkbox"/>	PCO #	025
CONSTRUCTION MANAGER	<input checked="" type="checkbox"/>		35
ARCHITECT	<input checked="" type="checkbox"/>		
CONTRACTOR	<input checked="" type="checkbox"/>		
FIELD	<input type="checkbox"/>		
OTHER	<input type="checkbox"/>		

(Instructions on reverse side)

PROJECT: <i>(Name and address)</i>	2015 ADDITIONS & ALTERATIONS TO BURNSVILLE HIGH SCHOOL BP #1 600 EAST HIGHWAY 13 BURNSVILLE, MINNESOTA 55337	CHANGE ORDER NO.:	0600.007
TO CONTRACTOR: <i>(Name and address)</i>	EBERT, INC. D/B/A EBERT CONSTRUCTION 23350 COUNTY ROAD 10 CORCORAN, MINNESOTA 55357	INITIATION DATE:	10/05/15
		PROJECT NOS.:	301504.01
		CONTRACT FOR:	<u>Contract #0600</u> General Construction Shop Annex
		CONTRACT DATE:	5/28/2015

The Contract is changed as follows:

Provide labor and material as necessary to complete the work for noted on the attached Page #2

RECEIVED

OCT 20 2015

ARMSTRONG, TORSETH
SKOLD & RYDEEN, INC.

Not valid until signed by the Owner, Construction Manager, Architect and Contractor.

The original (Contract Sum) (Guaranteed Maximum Price) was	\$	671,900.00
Net change by previously authorized Change Orders	\$	37,845.00
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	\$	709,745.00
The (Contract Sum) (Guaranteed Maximum Price) will be (increased) (decreased) (unchanged) by this Change Order	\$	11,447.00
The new (Contract Sum) (Guaranteed Maximum Price) including this Change Order will be	\$	721,192.00
The Contract Time will be (increased) (decreased) (unchanged) by	zero	(-0-) days
The date of Substantial Completion as of the date of this Change Order therefore is		unchanged.

NOTE: This summary does not reflect changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive.

WENCK CONSTRUCTION INC.

CONSTRUCTION MANAGER
7500 Olson Memorial Hwy, Golden Valley, MN 55427

ADDRESS
BY *[Signature]* DATE 10/19/15

EBERT, INC. D/B/A EBERT CONSTRUCTION

CONTRACTOR
23350 County Road 10, Corcoran, MN 55357

ADDRESS
BY *[Signature]* DATE 10/15/15

ARMSTRONG, TORSETH, SKOLD, & RYDEEN ARCHITECTS

ARCHITECT
8501 Golden Valley Road, Ste. 300, Mpls., MN 55427

ADDRESS
BY *[Signature]* DATE 10/22/15

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS

OWNER
100 River Ridge Court, Burnsville, MN 55337

ADDRESS
BY _____ DATE _____



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Change Order

Burnsville High School

Project # 30150401

Tel: 952-707-2000 Fax: 952-707-2102

Date: 10/5/2015

Contractor:

Ebert Inc.
23350 County Road 10
Corcoran, MN 55357

Architect's Project No:

Contract Date:

Contract Number: 0600

Change Order Number: 007

The Contract is hereby revised by the following items:

PCO	Item #	Description	Amount
PR-009	001	Concrete topping on stairs, changes to the A113D stoop and additional hand rails per PR 009.	5,360
RCO-034	001	Additional concrete demolition, apron work and sand in annex due to unforeseen conditions.	5,319
RCO-036	001	Additional steel supports on rusty columns per Clark's direction.	768

The original Contract (s) Value was.....	671,900
Sum of changes by prior Change Orders.....	37,845
The Contract Value prior to this Change Order was.....	709,745
The Contract Value will be changed by this Change Order in the amount of.....	11,447
The new Contract Value including this Change Order will be.....	721,192
The Contract duration will be changed by.....	0 days
The revised Substantial Completion date as of this Change Order is.....	

CHANGE ORDER

CONSTRUCTION MANAGER-ADVISER EDITION

AIA DOCUMENT G701/CMa

OCT 19 2015

OCT 26 2015

(Instructions on reverse side)

OWNER	<input checked="" type="checkbox"/>	PCO #	026
CONSTRUCTION MANAGER	<input checked="" type="checkbox"/>		37
ARCHITECT	<input checked="" type="checkbox"/>		
CONTRACTOR	<input checked="" type="checkbox"/>		
FIELD	<input type="checkbox"/>		
OTHER	<input type="checkbox"/>		

PROJECT: 2015 ADDITIONS & ALTERATIONS TO
 (Name and address) BURNSVILLE HIGH SCHOOL BP #1
 600 EAST HIGHWAY 13
 BURNSVILLE, MINNESOTA 55337

CHANGE ORDER NO.: 0600.008
 INITIATION DATE: 10/06/15
 PROJECT NOS.: 301504.01

TO CONTRACTOR: EBERT, INC. D/B/A EBERT CONSTRUCTION
 (Name and address) 23350 COUNTY ROAD 10
 CORCORAN, MINNESOTA 55357

CONTRACT FOR: Contract #0600
 General Construction
 Shop Annex
 CONTRACT DATE: 5/28/2015

The Contract is changed as follows:

Provide labor and material as necessary to complete the work for noted on the attached Page #2

RECEIVED

OCT 20 2015

ARMSTRONG, TORSETH
SKOLD & RYDEEN, INC.

Not valid until signed by the Owner, Construction Manager, Architect and Contractor.

The original (Contract Sum) (Guaranteed Maximum Price) was	\$	671,900.00
Net change by previously authorized Change Orders	\$	49,292.00
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	\$	721,192.00
The (Contract Sum) (Guaranteed Maximum Price) will be (increased) (decreased) (unchanged) by this Change Order	\$	2,994.00
The new (Contract Sum) (Guaranteed Maximum Price) including this Change Order will be ...	\$	724,186.00
The Contract Time will be (increased) (decreased) (unchanged) by	zero	(-0-) days
The date of Substantial Completion as of the date of this Change Order therefore is		unchanged.

NOTE: This summary does not reflect changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive.

WENCK CONSTRUCTION INC.

CONSTRUCTION MANAGER
 7500 Olson Memorial Hwy, Golden Valley, MN 55427

ADDRESS
 BY *[Signature]* DATE 10/19/15

ARMSTRONG, TORSETH, SKOLD, & RYDEEN ARCHITECTS

ARCHITECT
 8501 Golden Valley Road, Ste. 300, Mpls., MN 55427

ADDRESS
 BY *[Signature]* DATE 10/22/15

EBERT, INC. D/B/A EBERT CONSTRUCTION

CONTRACTOR
 23350 County Road 10, Corcoran, MN 55357

ADDRESS
 BY *[Signature]* DATE 10/15/15

BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS

OWNER
 100 River Ridge Court, Burnsville, MN 55337

ADDRESS
 BY _____ DATE _____



CAUTION: You should use an original AIA document which has this caution printed in red. An original assures that changes will not be obscured as may occur when documents are reproduced.

Change Order

Burnsville High School

Project # 30150401

Tel: 952-707-2000 Fax: 952-707-2102

Date: 10/6/2015

Contractor:

Ebert Inc.
23350 County Road 10
Corcoran, MN 55357

Architect's Project No:

Contract Date:

Contract Number: 0600

Change Order Number: 008

The Contract is hereby revised by the following items:

PCO	Item #	Description	Amount
PR-020	001	Addition of mechanical access door at penthouse in annex per PR 020. 22	502
RCO-028	001	Change in trench drain per RFI 51.	2,492

The original Contract (s) Value was.....	671,900
Sum of changes by prior Change Orders.....	49,292
The Contract Value prior to this Change Order was.....	721,192
The Contract Value will be changed by this Change Order in the amount of.....	2,994
The new Contract Value including this Change Order will be.....	724,186
The Contract duration will be changed by.....	0 days
The revised Substantial Completion date as of this Change Order is.....	

DM



Assistant Superintendent

TO: Members of the Board of Education Agenda Item III.A.
Superintendent Joe Gothard
FROM: Cindy Amoroso, Assistant Superintendent
DATE: November 5, 2015
RE: 2016-17 and 2017-18 Prep and Spring Conference Days

RECOMMENDATION:

The Board of Education approve the recommended spring conferences for the 2016-17 and 2017-18 calendars.

Administration recommends the prep day and spring conferences for 2016-17 fall on Monday, February 27, Tuesday, February 28, and Wednesday, March 1.

Administration recommends the prep day and spring conferences for 2017-18 fall on Monday, February 26, Tuesday, February 27, and Wednesday, February 28.

Burnsville-Eagan-Savage School District 191

2016-17 School Year Calendar

JULY 2016						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

August 2016						
Su	M	Tu	W	Th	F	Sa
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28	29	30	31			

SEPTEMBER 2016						
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OCTOBER 2016						
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30	31					

NOVEMBER 2016						
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DECEMBER 2016						
Su	M	Tu	W	Th	F	Sa
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JANUARY 2017						
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29	30	31				

FEBRUARY 2017						
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26	27	28				

MARCH 2017						
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APRIL 2017						
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30						

MAY 2017						
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JUNE 2017						
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

Start and End Dates

- Sept. 6..... First Day
- June 8 Last Day of School
- June 9 Graduation

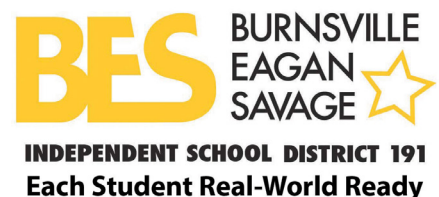
Instructional Schedule

No School for all students on shaded dates.

- Aug. 29-Sept. 1 Staff Workshops (no students)
- Sept. 2..... No staff/students
- Sept. 5..... Labor Day (no staff/students)
- Sept. 6 First Day of School
- Oct. 17 Conference Prep (no students)
- Oct. 18-19..... Conferences (no students)
- Oct. 20-21 Ed. MN (no staff/students)
- Nov. 7 Professional Day (no students)
- Nov. 24-25 Fall Break (no staff/students)
- Dec. 22-Jan. 2 Winter Break (no staff/students)
- Jan. 16..... MLK, Jr. Day (no staff/students)
- Jan. 27 End of Semester Professional Day (no students)
- Feb. 27-28..... Spring Conferences & Teacher Prep (no students)
- March 1 Spring Conferences & Teacher Prep (no students)
- March 13 Professional Day (no students)
- March 27-31..... Spring Break (no staff/students)
- May 29 Memorial Day (no staff/students)
- June 8 Last Student Day
- June 9 Teacher Workshop

Total

Total School Days 170
 Total Teacher Work Days 184



Burnsville-Eagan-Savage School District 191

2017-18 School Year Calendar

JULY 2017						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August 2017						
Su	M	Tu	W	Th	F	Sa
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27	28	29	30	31		

SEPTEMBER 2017						
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17	18	19	20	21	22	23
24	25	26	27	28	29	30

OCTOBER 2017						
Su	M	Tu	W	Th	F	Sa
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22	23	24	25	26	27	28
29	30	31				

NOVEMBER 2017						
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19	20	21	22	23	24	25
26	27	28	29	30		

DECEMBER 2017						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JANUARY 2018						
Su	M	Tu	W	Th	F	Sa
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14	15	16	17	18	19	20
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28	29	30	31			

FEBRUARY 2018						
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18	19	20	21	22	23	24
25	26	27	28			

MARCH 2018						
Su	M	Tu	W	Th	F	Sa
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APRIL 2018						
Su	M	Tu	W	Th	F	Sa
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

MAY 2018						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

JUNE 2018						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Start and End Dates

- Sept. 5..... First Day
- June 7 Last Day of School
- June 8 Graduation

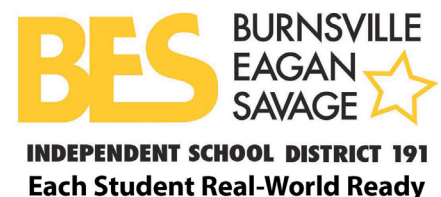
Instructional Schedule

No School for all students on shaded dates.

- Aug. 28-31 Staff Workshops (no students)
- Sept. 1 No staff/students
- Sept. 4..... Labor Day (no staff/students)
- Sept. 5 First Day of School
- Oct. 16 Conference Prep (no students)
- Oct. 17-18..... Conferences (no students)
- Oct. 19-20..... Ed. MN (no staff/students)
- Nov. 6 Professional Day (no students)
- Nov. 23-24 Fall Break (no staff/students)
- Dec. 21-Jan. 1 Winter Break (no staff/students)
- Jan. 15..... MLK, Jr. Day (no staff/students)
- Jan. 22..... End of Semester Professional Day (no students)
- Feb. 26-28..... Spring Conferences & Teacher Prep (no students)
- March 12..... Professional Day (no students)
- March 26-30..... Spring Break (no staff/students)
- May 28..... Memorial Day (no staff/students)
- June 7 Last Student Day

Total

Total School Days 170
 Total Teacher Work Days 184





**Agenda III.B
November 05, 2015**

To: Members, Board of Education

From: Lisa K. Rider, Executive Director of Business Services

Date: October 29, 2015

Re: Award the Burnsville High School Bid Package #4 Part 2

RECOMMENDATION: That the Board of Education award the Burnsville High School Bid Package #4 prime contracts, including the base bid and Alternates #1 through #7, and #9 through #11 and the owner direct purchase to the following contractors and authorize the signing of contracts with said contractors.

Contract#	Type	Contractor	Amount
0335	Polished Concrete Floors No conforming bids received, proceeding with obtaining quotes	TBD	
0511	Misc. Metals Erection	Red Cedar Steel Erectors, Inc.	126,500
0550	Misc. Metals Fabrication	American Structural Metals, Inc.	802,450
0790	Caulking/Firestopping/Traffic Coatings No conforming bids received, proceeding with obtaining quotes	TBD	
0833	Overhead/Coiling Doors	Overhead Door of the Northland	73,689
0920	Drywall/Cold Formed Metal Framing/DEFS	Commercial Drywall, Inc.	609,850
0930	Tile	Multiple Concepts Interiors, Inc.	1,324,000
0950	Acoustical Ceilings	Kirk Acoustics	300,280
0965	Resilient Flooring/Carpet	Floors by Beckers, Inc.	431,132
0966	Epoxy Terrazzo Flooring	Advance Terrazzo & Tile Co. Inc.	508,000

0990	Painting	Fransen Decorating, Inc.	230,305
1022	Folding Panel Partitions	W.L.Hall Company	52,904
1044	Signage	TBD on 11/19 Board meeting, Part 3	
1140	Food Service Equipment	Advanced Contract Equipment and Design d.b.a. Rapids Foodservice Contract and Design	18,381
1420	Elevators	TBD on 11/19 Board meeting, Part 3	
1440	Wheelchair Lifts	DRN Enterprises, d.b.a Arrow Lift	26,989
2100	Fire Protection	Reject all bids received for this contract – Will be rebid	
2305	Testing & Balancing	Marcus Global, Inc. D.b.a Systems Management & Balancing of Minnesota	67,800
Total all Contracts			\$4,572,280

Contract#	Type – Owner Direct Purchase	Contractor	Amount
0980M	Owner Direct Purchase Finishes, Specialties and Equipment - Materials	Haldeman-Homme, Inc.	\$831,373
0980L	Owner Direct Purchase Finishes, Specialties and Equipment – Labor	Haldeman-Homme, Inc.	253,408
Total all Owner Direct Purchase			\$1,084,781

On Tuesday October 13, 2015 the Burnsville-Eagan-Savage School District opened sealed bids at 2pm. Wenck Construction, ATS&R and Glenn Simon were present for the bid opening. Bid Pack #4 included 13 (thirteen) alternates. Note Alternates #8,#12 and #13 were rejected. A description of the alternates are attached. The attached recommendation letter from Wenck Construction includes the details of each proposed bid and the recommended lowest responsible bidder for each contract base and accepted alternates for Part 2. Due to this project utilizing a Construction Management as agent (WCI) there is not one general contractor; rather, there is a number of prime contractors which will require awarding of bids to each and the signing of a contract with each prime contractor.

Due to the large number of contracts included in Bid Package #4 (25); the process of interviews and verification of bid numbers is expected to take some time and will be recommended in three (3) parts. Therefore on October 22, the board approved those contracts most time critical for which the process had progressed enough to be able to award the bid as Part 1. Part 2 includes the remaining contracts presented for formal board action at this time, with the exception of the following contracts:

- #0335 Polished Concrete Flooring – No conforming bids were received, therefore we are proceeding with obtaining quotes.
- #0790 Caulking – No conforming bids were received, therefore we are proceeding with obtaining quotes.
- #1044 Signage – Process is incomplete to be able to award the bid, interview still needed; plan to have complete by 11/19/15 Board meeting for recommendation Part 3.
- #1420 Elevators - Process is incomplete to be able to award the bid, interview still needed; plan to have complete by 11/19/15 Board meeting for recommendation Part 3.
- #2100 Fire Protection – Recommend all bids to be rejected; clarification needed for specs and to be rebid.

This recommendation as well as one of the letters of recommendation from Wenck Construction refers to Owner Direct Purchase for Finishes, Specialties, and Equipment. This owner direct purchase allows for the district to maximize its' tax exempt status in making this purchase direct.

The contracts for contractors have been developed with the assistance of our construction attorney, Michael Rowley of Terhaar, Archibald, Pfefferle, and Griebel, LLP (TAP&G); Wenck Construction Incorporated (WCI); and Krause Anderson (Property Casualty Insurance) representation. This contract will be finalized in the coming weeks. We ask that the board authorize the signing of these contracts to allow for the work to begin as soon as possible.



Attachments:

- Complete list of all Contracts Part 1 and Part 2 and Part 3
- WCI recommendation for base and accepted alternates, Part 2
- WCI recommendation for owner direct purchase, Part 2
- Bid tab summary - complete
- Description of Alternates
- Budget Report

Complete List of All Contracts Bid Pack #4 and Owner Direct Purchases

Contract#	Type	Contractor	Amount
0335	Polished Concrete Floors No conforming bids received, proceeding with obtaining quotes	TBD	
0511	Misc. Metals Erection	Red Cedar Steel Erectors, Inc.	126,500
0550	Misc. Metals Fabrication	American Structural Metals, Inc.	802,450
0610	Selective Demo/Carpentry	George F. Cook Construction Co.	1,443,000
0750	Roofing/Metal Panels	Palmer West Construction Company, Inc.	1,603,200
0790	Caulking/Firestopping/Traffic Coatings No conforming bids received, proceeding with obtaining quotes	TBD	
0810	Doors/Frames/Hardware Supply	Kendell Doors & Hardware, Inc.	409,848
0833	Overhead/Coiling Doors	Overhead Door of the Northland	73,689
0840	Alum. Entr./Curtainwall/Skylights/Glass	Envision Glass, Inc.	1,276,534
0920	Drywall/Cold Formed Metal Framing/DEFS	Commercial Drywall, Inc.	609,850
0930	Tile	Multiple Concepts Interiors, Inc.	1,324,000
0950	Acoustical Ceilings	Kirk Acoustics	300,280
0965	Resilient Flooring/Carpet	Floors by Beckers, Inc.	431,132
0966	Epoxy Terrazzo Flooring	Advance Terrazzo & Tile Co. Inc.	508,000
0990	Painting	Fransen Decorating, Inc.	230,305
1022	Folding Panel Partitions	W.L.Hall Company	52,904
1044	Signage	TBD on 11/19 Board meeting,	

		Part 3	
1140	Food Service Equipment	Advanced Contract Equipment and Design d.b.a. Rapids Foodservice Contract and Design	18,381
1420	Elevators	TBD on 11/19 Board meeting, Part 3	
1440	Wheelchair Lifts	DRN Enterprises, d.b.a Arrow Lift	26,989
2100	Fire Protection	Reject all bids received for this contract – Will be rebid	
2200	Plumbing/ Heat Piping	El-Jay Plumbing & Heating, Inc.	3,269,000
2302	HVAC/Temperature Controls	Thelen Heating & Roofing, Inc.	2,751,800
2305	Testing & Balancing	Marcus Global, Inc. D.b.a Systems Management & Balancing of Minnesota	67,800
2601	Electrical/Communications/Security/Paging	Peoples Electric Company	3,558,650
	Total all Contracts		\$18,884,312

TBD – To Be Determined by November 19, 2015

Contract#	Type – Owner Direct Purchase	Contractor	Amount
0980M	Owner Direct Purchase Finishes, Specialties and Equipment - Materials	Haldeman-Homme, Inc.	\$831,373
0980L	Owner Direct Purchase Finishes, Specialties and Equipment – Labor	Haldeman-Homme, Inc.	253,408
2380M	Chiller Plant Materials	Trane Co.	849,680
2380L	Chiller Plan Purchase	Trane Co.	446,900
	Total all Owner Direct Purchase		\$2,381,361



Responsive partner. Exceptional outcomes.

October 29, 2015

Independent School District #191
100 River Ridge Court
Burnsville, Minnesota 55337

ATTENTION: Mr. Glenn Simon

RE: ADDITIONS AND ALTERATIONS TO BURNSVILLE HIGH SCHOOL - BID PACKAGE #4

Dear Mr. Simon:

Based upon bid results and the results of our pre-award conferences with the apparent low bidder(s), we are making a recommendation for award of the following prime contracts, including the base bid and Alternates #1-#7, and #9-#11. We are also recommending that the School Board reject all bids and rebid Contract #2100 - Fire Protection due to an ambiguity in the technical specifications.

Contract # Description/Contractor

0511 Misc. Metals Erection
Red Cedar Steel Erectors, Inc.
4621 Domain Drive
Menomonie, Wisconsin 54751

Base Bid	\$	126,500
Alternate #1	\$	0
Alternate #2	\$	0
Alternate #3	\$	0
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	0
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 126,500**

0550 Misc. Metals Fabrication
 American Structural Metals, Inc.
 777 Lehmann Way
 PO Box 40
 Somerset, Wisconsin 54025

Base Bid	\$	802,450
Alternate #1	\$	0
Alternate #2	\$	0
Alternate #3	\$	0
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	0
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 802,450**

0833 Overhead/Coiling Doors
 Overhead Door of the Northland
 3195 Terminal Drive
 Eagan, Minnesota 55121

Base Bid	\$	73,689
Alternate #1	\$	0
Alternate #2	\$	0
Alternate #3	\$	0
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	0
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 73,689**

0920 Drywall/Cold Formed Metal Framing/DEFS
 Commercial Drywall, Inc.
 3026 161st Avenue Northwest
 Andover, Minnesota 55304

Base Bid	\$	591,575
Alternate #1	\$	9,500
Alternate #2	\$	0
Alternate #3	\$	0
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	8,775
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 609,850**

0930 Tile
 Multiple Concepts Interiors, Inc.
 26 1st Avenue North
 Waite Park, Minnesota 56387

Base Bid	\$	1,112,000
Alternate #1	\$	212,000
Alternate #2	\$	0
Alternate #3	\$	0
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	0
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$1,324,000**

0950 Acoustical Ceilings
 Kirk Acoustics
 395 Bridgepoint Way
 South St. Paul, Minnesota 55075

Base Bid	\$	301,000
Alternate #1	\$	0
Alternate #2	\$	0
Alternate #3	\$	0
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	<\$	720>
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 300,280**

0965 Resilient Flooring/Carpet
 Floors by Beckers, Inc.
 3341 West St. Germain Street, #101
 St. Cloud, Minnesota 56301

Base Bid	\$	475,500
Alternate #1	\$	0
Alternate #2	\$	0
Alternate #3	<\$	44,368>
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	0
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 431,132**

0966 Epoxy Terrazzo Flooring
 Advance Terrazzo & Tile Co., Inc.
 425 Coon Rapids Boulevard
 Coon Rapids, Minnesota 55433

Base Bid	\$	310,000
Alternate #1	\$	0
Alternate #2	\$	0
Alternate #3	\$	198,000
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	0
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 508,000**

0990 Painting
 Fransen Decorating, Inc.
 214 First Street West
 Milaca, Minnesota 56353

Base Bid	\$	213,870
Alternate #1	\$	5,200
Alternate #2	\$	0
Alternate #3	\$	0
Alternate #4	\$	11,235
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	0
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 230,305**

1022 Folding Panel Partitions
 W.L. Hall Company
 530 15th Avenue South
 Hopkins, Minnesota 55343

Base Bid	\$	52,904
Alternate #1	\$	0
Alternate #2	\$	0
Alternate #3	\$	0
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	0
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 52,904**

1140 Food Service Equipment
 Advanced Contract Equipment and Design d.b.a
 Rapids Foodservice Contract and Design
 2475 Doswell Avenue
 St. Paul, Minnesota 55108

Base Bid	\$	18,381
Alternate #1	\$	0
Alternate #2	\$	0
Alternate #3	\$	0
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	0
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 18,381**

1440 Wheelchair Lifts
 DRN Enterprises, d.b.a Arrow Lift
 205 West 2nd Street, #400
 Duluth, Minnesota 55802

Base Bid	\$	26,989
Alternate #1	\$	0
Alternate #2	\$	0
Alternate #3	\$	0
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	0
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 26,989**

2305 Testing & Balancing
 Marcus Global, Inc. d.b.a Systems Management
 & Balancing of Minnesota
 4255 Pheasant Ridge Drive NE, Suite 401
 Blaine, Minnesota 55449

Base Bid	\$	67,800
Alternate #1	\$	0
Alternate #2	\$	0
Alternate #3	\$	0
Alternate #4	\$	0
Alternate #5	\$	0
Alternate #6	\$	0
Alternate #7	\$	0
Alternate #9	\$	0
Alternate #10	\$	0
Alternate #11	\$	0

Contract Amount **\$ 67,800**

TOTAL \$ 4,572,280

Thank you, and please call with any questions.

Yours very truly,

A handwritten signature in black ink, appearing to read "Audie Miller". The signature is fluid and cursive, with the first name "Audie" being more prominent than the last name "Miller".

Audie Miller
Project Manager

AM:mh

cc: Architect File. 301504-01



Responsive partner. Exceptional outcomes.

October 29, 2015

Independent School District #191
100 River Ridge Court
Burnsville, Minnesota 55337

ATTENTION: Mr. Glenn Simon

RE: ADDITIONS AND ALTERATIONS TO BURNSVILLE HIGH SCHOOL - BID PACKAGE #4 OWNER DIRECT PURCHASE

Dear Mr. Simon:

Based upon bid results and the results of our pre-award conferences with the apparent low bidder(s), we are making a recommendation for award of the following prime contracts, including the base bid and Alternates #105115A, #105153A and #116629A.

Contract # Description/Contractor

0980M	Owner Direct Purchase for Finishes, Specialties and Equipment - Materials Haldeman-Homme, Inc. 430 Industrial Boulevard Minneapolis, Minnesota 55413	Base Bid \$ 726,297 Alternate #105115A \$ 87,326 Alternate #105153A \$ 2,409 Alternate #116629A \$ 15,341
	Contract Amount	\$ 831,373

0980L	Owner Direct Purchase for Finishes, Specialties and Equipment - Labor Haldeman-Homme, Inc. 430 Industrial Boulevard Minneapolis, Minnesota 55413	Base Bid \$ 238,859 Alternate #105115A \$ 9,462 Alternate #105153A \$ 462 Alternate #116629A \$ 4,625
	Contract Amount	\$253,408

TOTAL \$1,084,781

Thank you, and please call with any questions.

Yours very truly,

A handwritten signature in black ink, appearing to read "Audie Miller". The signature is fluid and cursive, with a long horizontal stroke at the end.

Audie Miller
Project Manager

AM:mh

cc: Architect File. 301504-01



ADDITIONS AND ALTERATIONS TO BURNSVILLE HIGH SCHOOL

BID PACKAGE #4

Bid Tabulation 10/13/15

Prepared by Wenck Construction, Inc.

Bidder Name	Base Bid	Alternate #1	Alternate #2	Alternate #3	Alternate #4	Alternate #5	Alternate #6	Alternate #7	Alternate #8	Alternate #9	Alternate #10	Alternate #11	Alternate #12	Alternate #13	Unit Price #1
Contract #0335 - Polished Concrete Floors															
Contract #0511 - Misc. Metals Erection															
Red Cedar Steel Erectors, Inc.	\$126,500.00														
High Five Erectors II, Inc.	\$196,642.00													\$15,000.00	
Contract #0550 - Misc. Metals Fabrication															
American Structural Metals	\$802,450.00														
Contract #0610 - Selective Demo/Carpentry															
George F. Cook Construction Co.	\$1,384,000.00	\$30,000.00	\$29,000.00												
Meisinger Construction Company, Inc.	\$1,472,000.00	\$57,400.00	\$32,000.00											\$10,000.00	
Ebert, Inc. dba Ebert Construction	\$1,523,800.00	\$63,000.00	\$29,400.00											\$10,400.00	
A&L Construction, Inc.	\$1,558,000.00	\$74,000.00	\$29,000.00											\$5,000.00	
Contract #0750 - Roofing/Metal Panels															
Palmer West Construction Company, Inc.	\$1,598,500.00							\$4,700.00							
Central Roofing Company	\$1,657,400.00							\$6,500.00							
Diverse Construction Services, LLC	\$1,669,000.00							\$27,100.00						\$9,700.00	
Flynn Midwest LP dba Dalco Roofing & Sheet Metal	\$1,795,780.00							\$5,400.00							
Rosenquist Construction, Inc.	\$2,120,800.00							\$12,500.00							
John A. Dalsin & Son, Inc.	\$2,562,700.00							\$68,400.00							
Contract #0790 - Caulking/Firestopping/Traffic Coatings															
Contract #0810 - Doors/Frames/Hardware Supply															
Kendell Door, Inc.	\$409,848.00														
Glewwe Doors, Inc.	\$449,194.00														
Contract #0833 - Overhead/Coiling Doors															
Overhead Door of the Northland	\$73,689.00														
Twin City Garage Door	\$111,600.00														
Crawford Doors Sales	\$97,100.00														
Contract #0840 - Alum. Entr./Curtainwall/Skylights/Glass															
Envision Glass, Inc.	\$1,169,213.00						\$30,808.00	\$44,176.00	\$32,337.00						
Ford Metro, Inc.	\$1,238,000.00						\$31,400.00	\$30,000.00	\$31,500.00						
Northern Glass & Glazing, Inc.	\$1,295,000.00						\$48,000.00	\$45,000.00	\$30,000.00						
Empirehouse, Inc.	\$1,935,915.00						\$56,910.00	\$48,415.00	\$47,390.00						
Contract #0920 - Drywall/Cold Formed Metal Framing/DEFS															
Commercial Drywall, Inc.	\$591,575.00	\$9,500.00							\$8,775.00						
Mulcahy Nickalaus	\$679,900.00								\$18,570.00						
Friedges Drywall, inc.	\$686,100.00								\$10,968.00						
RTL Construction, Inc.	\$689,569.00														
Contract #0930 - Tile															
Multiple Concepts Interiors, Inc.	\$1,112,000.00	\$212,000.00													\$7.50
Grazzini Brothers & Company	\$1,423,945.00														



ADDITIONS AND ALTERATIONS TO BURNSVILLE HIGH SCHOOL
BID PACKAGE #4
 Bid Tabulation 10/13/15
 Prepared by Wenck Construction, Inc.

Bidder Name	Base Bid	Alternate #1	Alternate #2	Alternate #3	Alternate #4	Alternate #5	Alternate #6	Alternate #7	Alternate #8	Alternate #9	Alternate #10	Alternate #11	Alternate #12	Alternate #13	Unit Price #1
Contract #0950 - Acoustical Ceilings															
Kirk Acoustics	\$301,000.00														
Acoustics Associates, Inc.	\$396,000.00														
Twin City Acoustics, Inc.	\$398,250.00														
Contract #0965 - Resilient Flooring/Carpet															
Floors by Beckers, Inc.	\$475,500.00														\$5.40
Commercial Flooring Services, LLC	\$499,390.00													\$5,900.00	\$6.30
Grazzini Brothers & Company	\$532,529.00														\$7.50
Multiple Concepts Interiors, Inc.	\$589,900.00														\$7.50
Contract #0966 - Epoxy Terrazzo Flooring															
Advanced Terrazzo & Tile Co., Inc.	\$310,000.00														\$2.00
WTG Terrazzo & Tile, Inc.	\$371,100.00														\$2.00
Twin City Tile & Marble Company	\$413,300.00													\$2,500/\$1M	\$1.00
Grazzini Brothers & Company	\$428,645.00														
Contract #0990 - Painting															
Fransen Decorating, inc.	\$213,870.00	\$5,200.00													
Steinbrecher Painting Company	\$287,000.00	\$3,500.00													\$13,000.00
Wasche Commercial Finishes, Inc.	\$334,800.00	(\$2,200.00)													
Contract #1022 - Folding Panel Partitions															
WL Hall Company	\$52,904.00														
Hufcor, Inc.	\$53,914.00														
Contract #1044 - Signage															
Walker Sign Holdings dba Lawrence Sign	\$32,425.00														
ProSign Branding Solutions	\$22,216.68														
Contract #1140 - Food Service Equipment															
Rapids Foodservice Contract & Design	\$18,381.30														
Boelter, LLC	\$25,746.00														
Strategic Equipment, Inc.	\$39,785.00														
Hockenbergs Foodservice Equipment	\$62,995.00														
Contract #1420 - Elevators															
Thyssen Krupp Elevator	\$149,000.00														
Contract #1440 - Wheelchair Lifts															
Arrow Lift	\$26,989.00														
Contract #2100 - Fire Protection															
Total Fire Protection, Inc.	\$299,545.00	\$2,385.00													
Breth Zenzen Fire Protection	\$466,900.00	\$3,800.00													\$7,000.00
Summit Fire Protection	\$695,000.00														



ADDITIONS AND ALTERATIONS TO BURNSVILLE HIGH SCHOOL
BID PACKAGE #4
 Bid Tabulation 10/13/15
 Prepared by Wenck Construction, Inc.

Bidder Name	Base Bid	Alternate #1	Alternate #2	Alternate #3	Alternate #4	Alternate #5	Alternate #6	Alternate #7	Alternate #8	Alternate #9	Alternate #10	Alternate #11	Alternate #12	Alternate #13	Unit Price #1
Contract #2200 - Plumbing/Heat Piping															
EI-Jay Plumbing & Heating, Inc.	\$3,182,000.00	\$87,000.00												\$1,200.00	
RJ Mechanical, Inc.	\$3,200,000.00	\$96,000.00													
NAC Mechanical & Electrical Services	\$3,521,000.00	\$75,000.00													
Klamm Mechanical Contractors, Inc.	\$3,607,000.00	\$74,000.00													
Weidner Plumbing & Heating Co.	\$3,614,000.00	\$55,000.00												\$16,000.00	
Area Mechanical, Inc.	\$3,665,000.00	\$83,000.00													
Contract #2302 - HVAC/ Temperature Controls															
Thelen Heating & Roofing, Inc.	\$2,180,000.00	\$1,000.00										\$570,800.00	\$391,800.00	\$9,000.00	
General Sheet Metal Company, LLC	\$2,237,700.00	\$1,500.00										\$559,700.00	\$387,000.00	\$3,000.00	
McDowall Company	\$2,278,490.00	\$2,500.00										\$587,700.00	\$407,000.00	\$6,150.00	
NAC Mechanical & Electrical Services	\$2,333,000.00	\$1,000.00										\$570,000.00	\$460,000.00		
Master Mechanical, Inc.	\$2,512,000.00	\$1,500.00										\$587,000.00	\$404,000.00	\$6,000.00	
Weidner Plumbing & Heating Co.	\$2,578,000.00											\$582,000.00	\$399,000.00	\$60,000.00	
Contract #2305 - Testing & Balancing															
Marcus Global Inc. dba SMB of Minnesota	\$67,800.00	\$0.00												\$12,000.00	
Contract #2601 - Electrical/Communications/Security/Paging															
Peoples Electric Company	\$3,439,000.00	\$15,000.00	\$2,500.00			\$3,000.00		(\$1,850.00)	\$757,500.00	\$31,000.00	\$70,000.00			\$3,500.00	
NAC Mechanical & Electrical Services	\$3,587,000.00	\$5,000.00				\$7,500.00			(\$32,000.00)	\$16,500.00	\$63,600.00				
Bloomington Electric Company	\$3,899,000.00	\$6,000.00	\$1,000.00			\$3,000.00			\$600,000.00	\$17,000.00	\$64,000.00			\$5,000.00	
Phasor Electric Company	\$4,230,000.00	\$5,000.00				\$5,000.00			\$244,000.00	\$16,000.00	\$61,000.00			\$2,500.00	
Claude M. Anderson Electric, Inc. DBA NEI Electric	\$4,271,000.00	\$5,500.00	\$1,000.00			\$2,100.00			\$293,064.00	\$17,000.00	\$64,000.00			\$3,000.00	
Combined Bids - Contracts 0930/0966															
Grazzini Brothers & Company	\$1,795,000.00	\$250,780.00		\$226,260.00											
Combined Bids - Contracts 2200/2302															
Cool Air Mechanical	\$7,100,000.00											\$566,000.00	\$388,000.00		

15002.4

SECTION 01 23 00

1.03 DESCRIPTION OF ALTERNATES

- A. **Alternate 1 - Pool Locker Room Alterations:** State amount on Bid Form to be added to the Base Bid to provide alterations in Girls and Boys Locker Areas Rooms 6-107, 6-108, 6-110, 6-111, 6-112, 6-113, 6-114, 6-115, 6-116, 6-117, 6-121, 6-122, 6-123 and 6-124 as indicated on Sheets A2.2, A3.2, A13.2, MD3.1, MD3.3, MD4.1, MD4.3, M3.02, M3.3, M4.1, M4.4, M5.3, M8.4, E2.3 and E5.1 of the Drawings and related details and Specifications.
- B. **Alternate 2 - Musical Instrument Casework:** State amount on Bid Form to be added to the Base Bid to provide Musical Instrument Casework in Orchestra 7-107 and Band Room 7-109 as indicated in Details 3/A11.3, 3A/A11.3, 3B/A11.3 and as specified in Specification Section 12 32 17. Refer to Electrical Drawings for the abandoning electrical outlets being covered by new casework under this Alternate.
- C. **Alternate 3 - Epoxy Terrazzo Flooring:** State amount on Bid Form to be added to or deducted from the Base Bid to provide Epoxy Terrazzo Flooring, as specified in Section 09 66 23 of the Specifications in lieu of the Base Bid floor finish in Rooms identified on the Room Finish Schedules. Refer to Room Finish Note 14.
- D. **Alternate 4 - Painting of Walls:** State amount on Bid Form to be added to the Base Bid to paint walls in Rooms as indicated on the Room Finish Schedules, as specified in Section 09 91 00 of the Specifications. Refer to Room Finish Note 15.
- E. **Alternate 5 - Electronically Tintable Insulated Glass:** State amount on Bid Form to be added to the Base Bid to provide Electronically Tintable Insulated Glass at the exterior Glazed Aluminum Curtain Wall assembly in Commons Room 10-117, in lieu of Base Bid insulated glazing as specified in Specification Section 08 88 37 and 26 09 00. Refer to Curtain Wall Elevations 2/A9.3 and 2A/A9.3, and Drawings E3.10 and E3.11.
- F. **Alternate 6 - Exterior Sun Control Devices:** State amount on Bid Form to be added to the Base Bid to provide additional Exterior Sun Control Devices as indicated on Exterior Elevations 4A/A4.1 and 3/A4.2 and as specified in Specification Section 10 71 13.
- G. **Alternate 7 - Barrel Metal Framed Skylights:** State amount on Bid Form to be added to the Base Bid to provide the two (2) Barrel Metal Framed Skylights above Room 11-209 per Reflected Ceiling Plan 4A/A7.1 and Detail 6A/A7.3, 1/A13.8 and 4/A13.1, and as specified in Specification Section 08 63 15.
- H. **Alternate 8 - Exterior Plaza LED Light Fixtures:** State amount on Bid Form to be added to or deducted from the Base Bid to provide the Alternate Exterior Plaza LED Light Fixtures, Type DD-ALT in lieu of the Base Bid Exterior Plaza LED Light Fixtures Type DD. Refer to Specification Section 26 06 51 and Sheet E1.1.

15002.4

SECTION 01 23 00

- I. **Alternate 9 - Category 6 Cabling to D1X Data Locations:** State amount on Bid Form to be added to the Base Bid to provide Category 6 cabling to all D1X data outlet locations. Refer to Electrical Systems Drawings.
- J. **Alternate 10 - Classroom Audio Enhancement System:** State amount on Bid Form to be added to the Base Bid to provide the Classroom Audio Enhancement System. Refer to Electrical Systems Drawings and Specification Section 27 41 40.
- K. **Alternate 11 - EMCS Provided by Northern Air Corporation (NAC):** State amount to be added to Base Bid to have Alerton Energy Management and Control System provided by Northern Air Corporation (NAC) as indicated in Sections 23 09 13, 23 09 23, 23 09 93 and on Drawings.
- L. **Alternate 12 - EMCS Provided by Direct Digital Controls (DDC):** State amount to be added to Base Bid to have Alerton Energy Management and Control System provided by Direct Digital Controls (DDC) as indicated in Sections 23 09 13, 23 09 23, 23 09 93 and on Drawings.

PART 2 - PRODUCTS

Not Used

PART 3 - EXECUTION

Not Used

END OF SECTION

M. Alternate 13 - Pollution Liability Coverage

Budget Report with Change Orders

Information	Company	Wenck Estimates	Awarded Bid	Change Orders To Date	Percent of Change	Numer of Change Orders	Contract Amount With Change Orders	Percent of Completion	63
Bid Pack #1									
Contract #0600 General Construction Shop Annex	Ebert Construction	\$919,600.00	\$671,900.00	\$52,286.00	7.78%	8	\$724,186.00	49.12%	
Contract #2300 Mechanical	Klamm Mechanical	\$647,800.00	\$900,000.00	\$10,903.00	1.21%	3	\$910,903.00	54.76%	
Contract #2600 Electrical	Peoples Electric	\$293,600.00	\$566,500.00	\$19,483.00	3.44%	4	\$585,983.00	44.86%	
Contract #3110 Site Demolition and Improvements	Max Steininger Inc.	\$775,285.10	\$530,000.00	\$57,193.00	10.79%	4	\$587,193.00	66.83%	
Contract #3300 Site Utility Relocation	Veit & Co.	\$243,170.00	\$410,000.00	\$61,654.00	15.04%	3	\$471,654.00	92.11%	
Contract #0240 Building Demolition	Veit & Co.	\$366,047.14	\$71,039.00	\$23,261.00	32.74%	3	\$94,300.00	77.86%	
		<u>\$3,245,502.24</u>	<u>\$3,149,439.00</u>	<u>\$224,780.00</u>			<u>\$3,374,219.00</u>		
Bid Pack #2									
Contract #0345 Precast Concrete Wall Panels	Wells Concrete	\$2,403,594.00	\$2,615,000.00	(\$120,000.00)	-4.59%	1	\$2,495,000.00	2.99%	
		<u>\$2,403,594.00</u>	<u>\$2,615,000.00</u>	<u>(\$120,000.00)</u>			<u>\$2,495,000.00</u>		
Bid Pack #3									
Contract #0420 Masonry	Crosstown Masonry Incorporated	\$1,305,616.00	\$1,240,000.00	\$0.00	0.00%	0	\$1,240,000.00	1.41%	
Contract #3301 Site Utilities	Metro Utilities, Inc.	\$181,880.00	\$288,750.00	\$0.00	0.00%	0	\$288,750.00	4.99%	
Contract #3290 Landscaping/Irrigation Systems	Urban Companies, LLC	\$305,275.00	\$240,069.00	\$0.00	0.00%	0	\$240,069.00	0.00%	
Contract #3210 Asphalt Paving/Curbs	Midwest Asphalt Corporation	\$1,244,655.00	\$921,900.00	\$0.00	0.00%	0	\$921,900.00	0.00%	
Contract #3100 Earthwork/Site Demolition	Max Steininger Inc.	\$1,179,458.00	\$1,071,000.00	\$0.00	0.00%	0	\$1,071,000.00	0.00%	
Contract #2202 Structural Steel Supply	Klamm Mechanical	\$551,250.00	\$872,000.00	\$0.00	0.00%	0	\$872,000.00	0.00%	
Contract #0510 Structural Steel Erection	Red Cedar Steel Erectors, Inc.	\$599,057.00	\$582,300.00	\$0.00	0.00%	0	\$582,300.00	0.00%	
Contract #0340 Structural Precast Concrete	Wells Concrete	\$1,013,719.00	\$933,340.00	\$0.00	0.00%	0	\$933,340.00	0.00%	
Contract #0330 Cast-In-Place Concrete	Northland Concrete & Masonry, LLC	\$2,739,043.00	\$2,617,189.00	\$0.00	0.00%	0	\$2,617,189.00	5.17%	
Contract #0241 Building Demolition	Lloyd's Construction Services Inc.	\$146,221.00	\$285,155.00	\$0.00	0.00%	0	\$285,155.00	0.00%	
Contract #0512 Structural Steel Supply	American Structural Metals, Inc.	\$788,856.00	\$898,900.00	\$0.00	0.00%	0	\$898,900.00	0.00%	

Information	Company	Wenck Estimates	Awarded Bid	Change Orders To Date	Percent of Change	Numer of Change Orders	Contract Amount With Change Orders	Percent of Completion
		<u>\$10,055,030.00</u>	<u>\$9,950,603.00</u>	<u>\$0.00</u>			<u>\$9,950,603.00</u>	64
Bid Pack #4								
Contract #0790 Caulking/Firestopping/Traffic Coatings		\$96,495.00		\$0.00		0		
Contract #0335 Polished Concrete Floors		\$33,633.60		\$0.00		0		
Contract #0511 Miscellaneous Metals - Erection	Red Cedar Steel Erectors, Inc.	\$58,387.35	\$126,500.00	\$0.00	0.00%	0	\$126,500.00	0.00%
Contract #0550 Miscellaneous Metals Fabrication- Supply	American Structural Metals, Inc.	\$411,285.00	\$802,450.00	\$0.00	0.00%	0	\$802,450.00	0.00%
Contract #0990 Painting	Fransen Decorating, Inc.	\$401,378.25	\$230,305.00	\$0.00	0.00%	0	\$230,305.00	0.00%
Owner Direct - Architectural Purchase	Haldeman-Homme Inc.	\$1,636,582.50	\$1,084,781.00	\$0.00	0.00%	0	\$1,084,781.00	0.00%
Contract #2601 Electrical/Communications/Security/Paging	Peoples Electric	\$3,736,950.00	\$3,558,650.00	\$0.00	0.00%	0	\$3,558,650.00	0.00%
Contract #2305 Testing and Balancing	Marcus Global, Inc.	\$71,299.20	\$67,800.00	\$0.00	0.00%	0	\$67,800.00	0.00%
Contract #2302 HVAC/Temperature Controls	Thelen Heating & Roofing, Inc.	\$3,479,700.00	\$2,751,800.00	\$0.00	0.00%	0	\$2,751,800.00	0.00%
Contract #2200 Plumbing and Heating	El-Jay Plumbing & Heating, Inc.	\$3,709,440.00	\$3,269,000.00	\$0.00	0.00%	0	\$3,269,000.00	0.00%
Contract #2100 Fire Protection		\$427,798.35		\$0.00		0		
Contract #1440 Wheelchair Lift	DRN Enterprises, d.b.a Arrow Lift	\$15,750.00	\$26,989.00	\$0.00	0.00%	0	\$26,989.00	0.00%
Contract #1420 Elevators		\$189,000.00		\$0.00		0		
Contract #1140 Food Service Equipment	Advanced Contract Equipment and Design	\$15,750.00	\$18,381.00	\$0.00	0.00%	0	\$18,381.00	0.00%
Contract #0610 Selective Demolition/Carpentry	George F. Cook Construction Co.	\$1,521,190.65	\$1,443,000.00	\$0.00	0.00%	0	\$1,443,000.00	0.00%
Contract #1022 Folding Panel Partitions	W.L. Hall Company	\$61,425.00	\$52,904.00	\$0.00	0.00%	0	\$52,904.00	0.00%
Contract #0750 Roofing and Metal Panels	Palmer West Construction Company, Inc.	\$2,206,743.00	\$1,603,200.00	\$0.00	0.00%	0	\$1,603,200.00	0.00%
Contract #0966 Epoxy Terrazzo Flooring	Advance Terrazzo Flooring	\$612,417.75	\$508,000.00	\$0.00	0.00%	0	\$508,000.00	0.00%
Contract #0965 Resilient Flooring/Carpet	Floors by Becker, Inc.	\$368,131.05	\$431,132.00	\$0.00	0.00%	0	\$431,132.00	0.00%
Contract #0950 Acoustical Ceilings	Kirk Acoustics	\$383,939.85	\$300,280.00	\$0.00	0.00%	0	\$300,280.00	0.00%
Contract #0930 Tile	Multiple Concepts Interiors, Inc.	\$886,415.25	\$1,324,000.00	\$0.00	0.00%	0	\$1,324,000.00	0.00%

Information	Company	Wenck Estimates	Awarded Bid	Change Orders To Date	Percent of Change	Numer of Change Orders	Contract Amount With Change Orders	Percent of Completion
Contract #0920 Drywall/Cold Formed Metal Framing/DEF	Commercial Drywall, Inc.	\$1,222,033.05	\$609,850.00	\$0.00	0.00%	0	\$609,850.00	0.00%
Contract #0840 Aluminum Entrances I Storefronts I Curta	Envision Glass, Inc.	\$1,668,936.15	\$1,276,534.00	\$0.00	0.00%	0	\$1,276,534.00	0.00%
Contract #0833 Coiling/Overhead Doors	Overhead Door of the Northland	\$76,125.00	\$73,689.00	\$0.00	0.00%	0	\$73,689.00	0.00%
Contract #0810 Doors/Frames/Hardware - Supply	Kendell Doors & Hardware, Inc.	\$445,068.75	\$409,848.00	\$0.00	0.00%	0	\$409,848.00	0.00%
Owner Direct - Chiller Plant Purchase	Train Co.	\$1,470,000.00	\$1,296,580.00	\$0.00	0.00%	0	\$1,296,580.00	0.00%
Contract #1044 Signage		\$47,250.00		\$0.00		0		
		<u>\$25,253,124.75</u>	<u>\$21,265,673.00</u>	<u>\$0.00</u>			<u>\$21,265,673.00</u>	
	Grand Totals	<u>\$40,957,250.99</u>	<u>\$36,980,715.00</u>	<u>\$104,780.00</u>	0.28%		<u>\$37,085,495.00</u>	



**Agenda III.C.
November 5, 2015**

To: Members, Board of Education

From: Lisa K. Rider, Executive Director of Business Services

Date: November 5, 2015

Re: Award the bid for the Districtwide Security Camera Project

RECOMMENDATION: That the Board of Education award the base bid for the districtwide security camera project in the amount of \$144,189 to Trans Alarm.

On Thursday, October 8th, 2015, bids for the districtwide security camera project were opened and publicly read aloud. Four bids were submitted; the low bid of \$144,189.00 is within the budgeted amount for this project.

Attached are the bid tabulation results as well as Strategic Sources recommendation letter.



Recommendation

CRP Background Information

Rec ID# 5037	CRP ID# 5640	Scorecard Item 8748	Original SC Item	Rec Status Complete-S	Rec Status Date 10-09-2015
Client Burnsville Schools - ISD 191	Scorecard Location	Category Location	Category Security	Description Surveillance Camera Security Project	<input type="checkbox"/> ReDo Category Owner
Region Region 4	Director Dana Chou	CSM Dana Chou	CSM2	CSS Bob Andrews	
Current Annual Spend	S. Spec. Taylor Gingrich				

Current Suppliers

Electro Watchman, Inc. Contact: Shannon Dawson, Senior Account Representative [651-310-1265] Shannon@electrowatchman.com
 VTI Security. Contact: Amanda Utter, Senior Account Manager [952-707-9524] Amanda.utter@vtisecurity.com

Client Objectives

Client has submitted two quotes for a Surveillance Camera Security Project. The cost estimate (\$100,000) demands a formal bid process for MN school districts. The objective is to prepare the formal RFB, defined by the same specifications for the servers on the existing quotes; which are Supporting Documents 1 & 2. Sourcing must submit the formal RFB to client for approval prior to sending it out.

Client Category Strategy

- RFQ
- Renegotiate
- Certified Supplier

Recommendation

Based on our analysis of your requirements and the comparison of your existing pricing to the quotes we received, we recommend that your security camera equipment and installation for the Burnsville School District ISD 191 be purchased from Trans Alarm. By selecting this supplier you will save \$32,183 or 18% over the average submitted quote.

To prepare for this analysis, we conducted a formal bid process. We collected the bids and compared submitted bids to the average of the bids.

Agenda Comments

Other Benefits

(1.) 1 year warranty on materials and workmanship.

Key Assumptions

(1.) Bids are accurate, and fit the scope of the project

Risks

(1.) There are no known risks to the project.

Add Client Vendor

Vendor Name	Contact Name	Category
TransAlarm	Brad Menke	Security

Business Specifications (proposed)

Agree. Term	Price Protect	Credit C Pmt
Deliv. Pricing	Drug Screen	Insur./Bonded Yes
Internet Ord.	Invoicing	Lead Times
Maint Freq.	Paymt Terms Net 30	References
Return Policy	Time/Materials	Training Usage Reports Warranties 1 year

Client Benefits

Cost - Savings	Current Spend	Proposed	Savings \$	Savings %
Savings Against Average	\$176,372	\$144,189	\$32,183	18.2%
	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	
Supply Base Reduction	1	1	0	0.0%

Next Steps

- (1.) Contact Brad Menke at Trans Alarm
- (2.) Confirm scope of the project and schedule.

Print Summary	Analysis
Print Rec Analysis Summary	BURNSVILLE ISD 191 - SECURITY - ANALYSIS.xls

Print Summary	Analysis 2
---------------	------------

Print Rec Analysis Summary	
Print Summary	Analysis 3
Print Rec Analysis Summary	
Print Summary	Analysis 4
Print Rec Analysis Summary	

✓ **Approved for Delivery**

Date Approved

10-09-2015

Managing Director

Chris Austin

Managing Director Username

Chris Austin

S. Spec.2

Taylor Gingrich

⌵ **Agenda Recommendations**

Add Agenda Recommendation

Client	Related Client Meeting Agenda & Update	Date	Item (Order)	Category	Spot Buy Description	Comment	Print CRP	Print Rec	Print RecAnalysisSummary
No agenda recommendations found									



LINE #	ITEM DESCRIPTION	PART NUMBER	QTY	PART NUMBER	UNIT \$ (QUOTED)	EXT. \$ (QUOTED)	SUPPLIER NOTES
SERVERS FOR: LOCATIONS 1-13							
1	VIDEO INSIGHT DELL RACK SERVER - 4TB, 5YR SOFTWARE PROTECTION	PVI1PR1U1B1D4TB	11	NVR-R-1-4TB	\$3,312.00	\$ 36,432.00	ADVIDIA SERVER
2	OUTDOOR NETWORK VANDAL DOME CAMERA - 3MP, 720P, 60FPS	WV-SFV311	19	VFD-300	\$461.55	\$ 8,769.45	ADVIDIA CAMERA - LIFETIME SOFTWARE LICENSE INCLUDED W/ CAMERA.
3	DELL RACK KIT	N/A	4		\$127.58	\$ 510.32	DELL
4	LABOR - SERVER SETUP	N/A	66		\$0.00	\$ -	SEE LINE #10
SERVERS FOR: LOCATIONS 14-17				SUBTOTAL: \$ 45,711.77			
5	VIDEO INSIGHT DELL RACK SERVER - 12TB, 5YR SOFTWARE PROTECTION	PVI1PR1U3B3D4TB	5	NVR-R-1-12TB	\$6,001.00	\$ 30,005.00	ADVIDIA SERVER
6	INDOOR NETWORK VANDAL DOME CAMERA - 1.3MP, 60FPS	WV-SFR311	148	A-14	\$220.30	\$ 32,604.40	ADVIDIA CAMERA - LIFETIME SOFTWARE LICENSE INCLUDED W/ CAMERA.
7	DELL RACK KIT	N/A	4		\$127.58	\$ 510.32	DELL
8	MISCELLANEOUS JUNCTION BOXES	N/A	166		\$10.00	\$ 1,660.00	
9	LABOR - SERVER SETUP	N/A	24		\$0.00	\$ -	SEE LINE #10
10	LABOR - MOUNTING & CAMERA SETUP (LOCATIONS 1-17)	N/A	370		\$22,000.00	\$22,000.00	COMPLETE LABOR FOR THE PROJECT
11	LIFT RENTAL - IF NECESSARY (LOCATIONS 1-17)	N/A	1		\$ 344.00	\$ 344.00	INCLUDES DELIVERY AND PICKUP PER LOCATION
PER SITE FOR RACK & UPS UNIT: LOCATIONS 1-17				SUBTOTAL: \$ 87,123.72			
12	MINUTEMAN 1000VA UPS	ETR1000	1	ETR1000	\$157.65	\$ 157.65	
13	MIDDLE ATLANTIC WALL MOUNT RACK W/DOOR	HDR-9X	1	HDR-9X	\$621.87	\$ 621.87	
14	LABOR	N/A	4		\$0.00	\$ -	SEE LINE #10
15	UPGRADE LOBBY/CAFETERIA CAMERAS TO 3MP CAMERA STYLE	N/A	34	A-34	\$311.00	\$ 10,574.00	ADVIDIA
16	LABOR - Engineering Services: Floor Plans and Equipment Schedules	N/A	24		\$0.00	\$ -	
17	LABOR - Project Management	N/A	80		\$0.00	\$ -	
				SUBTOTAL: \$ 11,353.52			
			(AVERAGE) TOTAL \$:	\$176,481			
			PROPOSED ANNUAL SPEND \$:			\$144,189	
			(AGAINST AVERAGE) PROPOSED ANNUAL SAVINGS \$:			\$32,292	
			(AGAINST AVERAGE) PROPOSED ANNUAL SAVINGS %:			18%	

BURNSVILLE SCHOOL DISTRICT ISD 191
 SECURITY CAMERA INSTALLATION - ANALYSIS
 Oct-15



NAME:
 CONTACT:
 PHONE:
 EMAIL:

TRANSALARM
 BRAD MENKE
 612.919.3287
BMENKE@TRANSALARM.COM

LINE #	ITEM DESCRIPTION	PART NUMBER	QTY	PART NUMBER	UNIT \$ (QUOTED)	EXT. \$ (QUOTED)	SUPPLIER NOTES
BUSINESS REQUIREMENTS				YES/NO, EXPLAIN			
1	BRIEFLY DESCRIBE THE WARRANTY ASSOCIATED WITH BOTH EQUIPMENT AND WORKSMANSHIP.						ALL MATERIALS AND WORKMANSHIP ARE COVERED BY 1 YEAR WARRANTY. ADVIDIA CAMERAS AND SERVERS ARE COVERED BY A MANUFACTURES 3 YEAR WARRANTY.
2	WHAT IS YOUR ESTIMATED COMPLETION TIME?						3 TO 5 WEEKS FROM START TO COMPLETION (UPON RECEIPT OF P.O)
3	PLEASE LIST THE NAME & CONTACT INFORMATION FOR OUR POINT OF CONTACT.						ACCOUNT MANAGER: BRAD MENKE BMENKE@TRANSALARM.COM MOBILE: 612.919.3287
4	PLEASE STATE YOUR STANDARD BUSINESS TERMS?						TERM 30
5	DO YOU REQUIRE A DEPOSIT? IF SO, PLEASE STATE THE AMOUNT						EWI WOULD LIKE TO BILL FOR THE EQUIPMENT THAT IS DELIVERED TO CUSTOMERS SITE AND DO 30 DAY PROGRESS BILLING FOR THE REST.
6	INSURANCE - CAN YOU PROVIDE A CERTIFICATE OF INSURANCE? WHAT IS THE DOLLAR AMOUNT OF YOUR LIABILITY LIMIT?						YES, \$1 MILLION
7	PLEASE FILL-IN ANY ADDITIONAL COMMENTS.						

UHL COMPANY CHRISTOPHER TEMP - ACCOUNT MANAGER (M) 612.930.9588 (O) 763.425.7226 CHRIST@UHLCO.COM				ELECTRO WATCHMAN SHANNON DAWSON 651.310.1265 SHANNON@ELECTOWATCHMAN.COM				VTI SECURITY AMANDA UTTER 952.707.9524 AMANDA.UTTER@VTISECURITY.COM			
PART NUMBER	UNIT \$ (QUOTED)	EXT. \$ (QUOTED)	SUPPLIER NOTES	PART NUMBER	UNIT \$ (QUOTED)	EXT. \$ (QUOTED)	SUPPLIER NOTES	PART NUMBER	UNIT \$ (QUOTED)	EXT. \$ (QUOTED)	SUPPLIER NOTES
NVR-R-1-1-4TB	\$3,304.24	\$ 36,346.64	VIDEO INSIGHT, DELL, RACK SERVER, 4TB	NVR-R-1-4TB	\$3,510.00	\$ 38,610.00	VIDEO INSIGHT		\$3,081.00	\$33,891.00	
A-54	\$544.41	\$ 10,343.79	VIDEO INSIGHT, 3MP, VERIFOVAL 2.7-9MM, IR, HD1080P, WIDE DYNAMIC RANGE (OUTDOOR MOUNTS SHOWN BELOW AS ADD/ALTERNATE)	A-34W	\$420.00	\$ 7,980.00	ADVIDIA		\$ 626.00	\$11,894.00	
UY075	\$65.00	\$ 260.00	DELL RACK KIT		\$116.00	\$ 464.00	DELL		\$145.00	\$580.00	
	\$65.34	\$ 4,312.44	4 LABOR HOURS PER SERVER		\$100.00	\$ 6,600.00			\$98.00	\$6,468.00	
SUBTOTAL: \$ 51,262.87				SUBTOTAL: \$ 53,654.00				SUBTOTAL: \$ 52,833.00			
NVR-R-1-1-12TB	\$5,806.79	\$ 29,033.95	VIDEO INSIGHT, DELL, RACK SERVER, 12TB	NVR-R-1-12TB	\$6,063.00	\$ 30,315.00	VIDEO INSIGHT		\$5,390.00	\$26,950.00	
VFD300-IR-OD	\$376.18	\$ 55,674.64	VIDEO INSIGHT, 3MP, VERIFOVAL 2.8MM, IR, HD1080P	A-14	\$261.00	\$ 38,628.00	ADVIDIA		\$525.00	\$77,700.00	
UY075	\$65.00	\$ 260.00			\$116.00	\$ 464.00	DELL		\$145.00	\$ 580.00	
	\$2.00	\$ 332.00	THIS INCLUDES THE NETWORK JUMPERS AT THE CAMERAS AND THE CABLING FROM THE ISD'S PROVIDED SWITCH TO THE SERVER		\$22.50	\$ 3,735.00			\$ 20.00	\$3,320.00	
	\$81.68	\$ 1,960.32	4 LABOR HOURS PER SERVER		\$100.00	\$ 2,400.00			\$98.00	\$2,352.00	
	\$54.42	\$ 20,135.40	ALL CAMERA'S (INDOOR & OUTDOOR), ESTIMATING 260 HRS FOR ALL CAMERA INSTALL		\$100.00	\$ 37,000.00			\$95	\$35,150.00	
	\$400.00	\$ 400.00			\$ -	\$ -			\$5,000	\$5,000.00	ALLOWANCE
SUBTOTAL: \$ 107,796.31				SUBTOTAL: \$ 112,542.00				SUBTOTAL: \$ 151,052.00			
ETR1000	\$210.19	\$ 210.19			\$209.00	\$ 209.00			\$182.00	\$182.00	
HDR-9X	\$648.11	\$ 648.11			\$447.95	\$ 447.95			\$ 575.00	\$575.00	
	\$77.44	\$ 1,316.48	INSTALLATION OF MID ATLANTIC WALL RACK FOR LOC. 1-17, 1 HR PER RACK		\$100.00	\$ 400.00			\$ 95.00	\$380.00	
	INCLUDED	INCLUDED	ALL INTERNAL CAMERAS WE ARE PROPOSING ARE 3MP ALREADY. ALL OUR CAMERA'S ARE 3 MP.		\$109.00	\$ 3,706.00	ADVIDIA		\$400.00	\$13,600.00	
	\$0.00	\$ -			\$0.00	\$ -			\$105.00	\$2,520.00	24 HRS REQUIRED
	\$0.00	\$ -			\$0.00	\$ -			\$105.00	\$8,400.00	80 LABOR HRS REQUIRED
SUBTOTAL: \$ 2,174.78				SUBTOTAL: \$ 4,762.95				SUBTOTAL: \$25,657.00			
		\$161,234				\$170,959				\$229,542	
		\$15,247				\$5,522				-\$53,061	
		9%				3%				-30%	

UHL COMPANY				ELECTRO WATCHMAN				VTI SECURITY			
CHRISTOPHER TEMP - ACCOUNT MANAGER				SHANNON DAWSON				AMANDA UTTER			
(M) 612.930.9588 (O) 763.425.7226				651.310.1265				952.707.9524			
CHRIST@UHLCO.COM				SHANNON@ELECTOWATCHMAN.COM				AMANDA.UTTER@VTISECURITY.COM			
PART NUMBER	UNIT \$ (QUOTED)	EXT. \$ (QUOTED)	SUPPLIER NOTES	PART NUMBER	UNIT \$ (QUOTED)	EXT. \$ (QUOTED)	SUPPLIER NOTES	PART NUMBER	UNIT \$ (QUOTED)	EXT. \$ (QUOTED)	SUPPLIER NOTES
YES/NO, EXPLAIN				YES/NO, EXPLAIN				YES/NO, EXPLAIN			
Workmanship Warranty for any product installed by UHL Company is 1 Year . Video Insight Servers and Advidia Camera Equipment product warranty is 3 years .				ELECTRO WATCHMAN WILL WARRANTY PARTS/LABOR FOR ONE YEAR. DELL SERVER COMES WITH A THREE YEAR ONSITE WARRANTY. ADVIDIA CAMERAS ALSO HAVE A THREE YEAR WARRANTY WITH ADVANCED REPLACEMENT. VIDEO INSIGHT SOFTWARE PROTECTION PLAN FOR LIFE.				Three (3) year warranty on cameras, one (1) year on labor			
If awarded by November 1st 2015, estimated completion date is February 1st 2016 .				ELECTRO WATCHMAN WILL WORK WITH THE CUSTOMER TO MEET THE TIMELINE. LOOKING AT PROJECT SCOPE WE WOULD BE LOOKING AT 30-60 DAYS.				10-12 weeks from receipt of PO			
Proposal, Estimate & Account Manager - Chris Temp Cell (612) 930 9588 Office (763) 657-7226 E-mail christ@uhlco.com Project Manager - Nick Lind Cell (612) 360-3218 Office (763) 657-7226 E-mail nickl@uhlco.com				PROJECT MANAGER/ACCT REP. - SHANNON DAWSON, 651.310.1265, 24 HOUR SERVICE REQUEST 651.227.8461				Amanda Utter, Senior Account Manager, 952-707-9524, amanda.utter@vtisecurity.com			
Terms and Conditions <u>Document Provided</u> . (30 Days)				TERM 30				NET 30			
No Deposit is required. Equipment cost will be invoiced as ordered (Probably one bill for product on the job, unless changes are made during the project), and labor is progress billed each month. This can be negotiated if necessary.				EWI WOULD LIKE TO BILL FOR THE EQUIPMENT THAT IS DELIVERED TO CUSTOMERS SITE AND DO 30 DAY PROGRESS BILLING FOR THE REST.				No			
A certificate has been provided with this proposal. UHL's Liability is 11 Million.				YES, \$1 MILLION				Yes. \$1m each occurrence General Liability, \$6m Umbrella Liability			
NOTE: All the internal and external IP cameras we are providing are 3MP. They can all be throttled back to a lower MP if desired. They <u>all</u> have built in IR illumination, can be placed indoors or out, are PoE and have verifocal lenses that can be adjusted between 2.7-9mm or 2.8-12MM.								Labor Costs are for the number of labor hours specified. Any additional labor required throughout the project will be handled under a separate agreement.			



**Agenda III.D.
November 5, 2015**

To: Members, Board of Education

From: Lisa K. Rider, Executive Director of Business Services

Date: October 29, 2015

Re: Approve Financial Audit Report for 2014-2015

RECOMMENDATION: That the Board of Education approve the Financial Audit Report for 2014-2015

CliftonLarsonAllen will provide an overview of the Comprehensive Annual Financial Report (CAFR) for the 2014-2015 fiscal year during the board meeting November 5, 2015. Electronic copies of the Financial Audit Report for 2014-2015 have been made available to the board members and the bound copies will be made available in print to Members of the Board on Thursday evening. Once approved by the Board of Education electronic copies of the report will be made available via the website for the public.

There are three main reports.

- 1) Comprehensive Annual Financial Report (CAFR)
- 2) Schedule of Expenditures of Federal Awards and Other Required Reports
- 3) Executive Audit Summary (EAS)

The EAS is prepared by CliftonLarsonAllen and provides a nice summary of the CAFR including a legislative summary. This is a good starting point in absorbing the Annual Financial Audit.

Next, I would suggest the reading of the Introductory Section, Financial Section and Required Supplementary Section within the CAFR for overviews on the Financial Audit.

Highlights include:

- “Unmodified” Audit Report
- No compliance issues noted
- No “material weaknesses” in internal controls noted
- No Single Audit findings
- No Legal Compliance Findings
- General Fund unassigned fund balance decreased by \$1,153,564

BUSINESS OFFICE • 100 River Ridge Court • Burnsville, MN 55337



- Budget to Actual Variance on General Fund total revenues of 2.0% to the positive impact on Fund Balance.
- Budget to Actual Variance on General Fund total expenditures of 0.3% to the positive impact on Fund Balance.
- Due to the implementation of GASB Statement Nos. 68 and 71; Net position of the District as of June 30,2015 in total decreased by \$82,267,739 below the net position as of June 30,2014.

I recommend the Board of Education approve the Financial Audit Report for 2014-2015.

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT OF
BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
YEAR ENDED JUNE 30, 2015**

**PREPARED BY THE
BUSINESS OFFICE**

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

**GORDON WINTERLIN
DIRECTOR OF ACCOUNTING SERVICES**

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



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

Date: October 26, 2015

INTRODUCTION

The comprehensive annual financial report (CAFR) of Independent School District No. 191, Burnsville, Minnesota (the District) for the fiscal year ended June 30, 2015 is hereby presented for your information and review. The CAFR 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 CAFR 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:

Our Schools will:

*Empower Learning,
Energize Achievement,
Embrace Community*

Each Student Real-World-Ready

The District enrolled 9,309 students from a population of over 67,370 citizens residing in a 37 square mile area. During 2014-15, the District operated 19 buildings: 1 high school, 1 alternative high school, 3 junior high schools, 10 elementary schools, 3 special services buildings, and an office building. The District is organized by grade level with elementary schools serving students in kindergarten through Grade 6, junior highs serving Grades 7–9, and the high schools serving Grades 10–12.

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, 2015 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 2014-15 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 thrust 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.

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 serves as the authorizing document for all expenditures, although the School Board approves all checks issued on a monthly basis. The superintendent and business manager 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 percent 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 revenue and expense reports. Program managers may receive weekly 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. 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 13,000 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 the result of smaller kindergarten cohorts replacing a larger graduating class. For 2014-15, the incoming kindergarten enrollment was larger than the senior class graduating. Grades K-11 have a range in class size from a low of 651 to a high of 791 students. The result is an indication of an enrollment with a lesser decline than has been experienced in the past 12 years. Indicators show our resident population leveling and our served population is projected to begin increasing in the years to come.

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 15 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. Strong expenditure curtailment measures were imposed in 2005–2006, 2006–2007, 2007–2008, and 2011-12 in an effort to ensure a favorable financial result. These ongoing efforts to curtail expenditures have allowed the District to improve the fund balance in its General Fund. Fiscal years 2013-2014 and 2014-2015 have seen a planned spend down of the unassigned fund balance in favor of maintaining needed educational supports for our students.

FINANCIAL PROSPECTS FOR FUTURE YEARS

The District has a long history of maintaining positive fund balances and matching revenues with expenditures. Residents of the District have repeatedly supported the District's efforts to increase revenues through levy referenda. The District has two separately authorized levy referenda. The first, in the amount of \$630.52 per pupil unit (\$727.33 per adjusted pupil unit under new law), was approved in November 2007 and is set to expire after 2017-2018. The second, in the amount of \$845.68 per pupil unit (\$975.53 per adjusted pupil unit under new law), was approved November 2011 and is set to expire after 2022-2023. The support shown by residents most recently in the fall of 2011 has allowed for stability in delivery of services to our students for at least the next three years at which time the first referenda will need to be addressed.

The State Legislature has increased the general education formula some this past three biennium after not increasing funding per student for the two previous biennium. 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 to conserve budget. The results of the 2014-2015 fiscal year show a decrease to the fund balance for the second year in a row including planned spend down of fund balance. It must be noted fund balance is available for use only once so the ability to maintain stability will be dependent on the district's ability to keep expenditures within revenues each year beyond the use of the fund balance that may be available.

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 2015-2016 revised budget and the 2016-2017 adopted budget, curriculum based decisions will be at the forefront of the discussion as closing the achievement gap and increasing student achievement for all students remains the District's priority. The District will continue to contain expenditures whenever possible and make budget adjustments to keep the planned spend down of expenditures at a level that allows for long-term financial sustainability.

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 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 2014 total market value.

The state of Minnesota assumes major responsibility for funding public education. In the District, approximately 25 percent of our revenues are generated locally from the property tax and 70 percent of the property tax is the result of voter approved, local initiatives. This includes the referendum that was approved in November 2002, renewed in November 2011, which provided revenue in the amount of \$11,000,000 commencing in fiscal year 2004 as well as the referendum that was approved in November 2007 which provided revenue in the amount of \$6,750,000 commencing in fiscal year 2009.

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 2015-2017 biennium. Even with the two percent increase on the formulas for 2015-2017; this increase does not keep pace with inflation. The District has responded to this financial challenge by curtailing expenditures when possible, revamping the budget process and by judiciously drawing on fund reserves to maintain programs and services.

MAJOR INITIATIVES

The average age of the District's attendance centers is 41.23 years. On February 24, 2015 the district voters' approved a \$65 million building bond to ensure space availability across all of our schools. A grade re-configuration is planned effective for the 2016-2017 school year. This will move I.S.D. 191 to a 9-12 grade high school; 6-8 grade middle schools; and PK-5 potential for our elementary schools. Construction is underway throughout all of the 2015-2016 school year and through the following summer with planned occupancy in the fall of 2016. The bond issuance covers a significant addition to the Burnsville High School adding 27 classrooms and activity center. Also included are security improvements across all schools and some modifications to five elementary buildings, two middle schools, and two other educational buildings within the district. Also on February 24, 2015 the district voters' approved a capital project levy for technology which will add \$2.5 million annually effective 2016-2017 for ten years. Both questions approved by voters support Vision One91 encompassing the reconfiguration of grades and improving use of technology throughout our schools focusing on student achievement.

CERTIFICATE OF EXCELLENCE

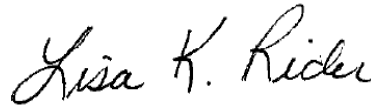
This report will be submitted to the Association of School Business Officials International for consideration for the Certificate of Excellence in Financial Reporting. The District received this award for the past 26 fiscal years and expects to continue to earn the recognition that accompanies the standards of accuracy and thoroughness acknowledged by the Certificate of Excellence program.

ACKNOWLEDGMENTS

The time, effort, and attention that goes into the timely preparation of a CAFR requires 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.



Joe Gothard
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, 2015**

SCHOOL BOARD

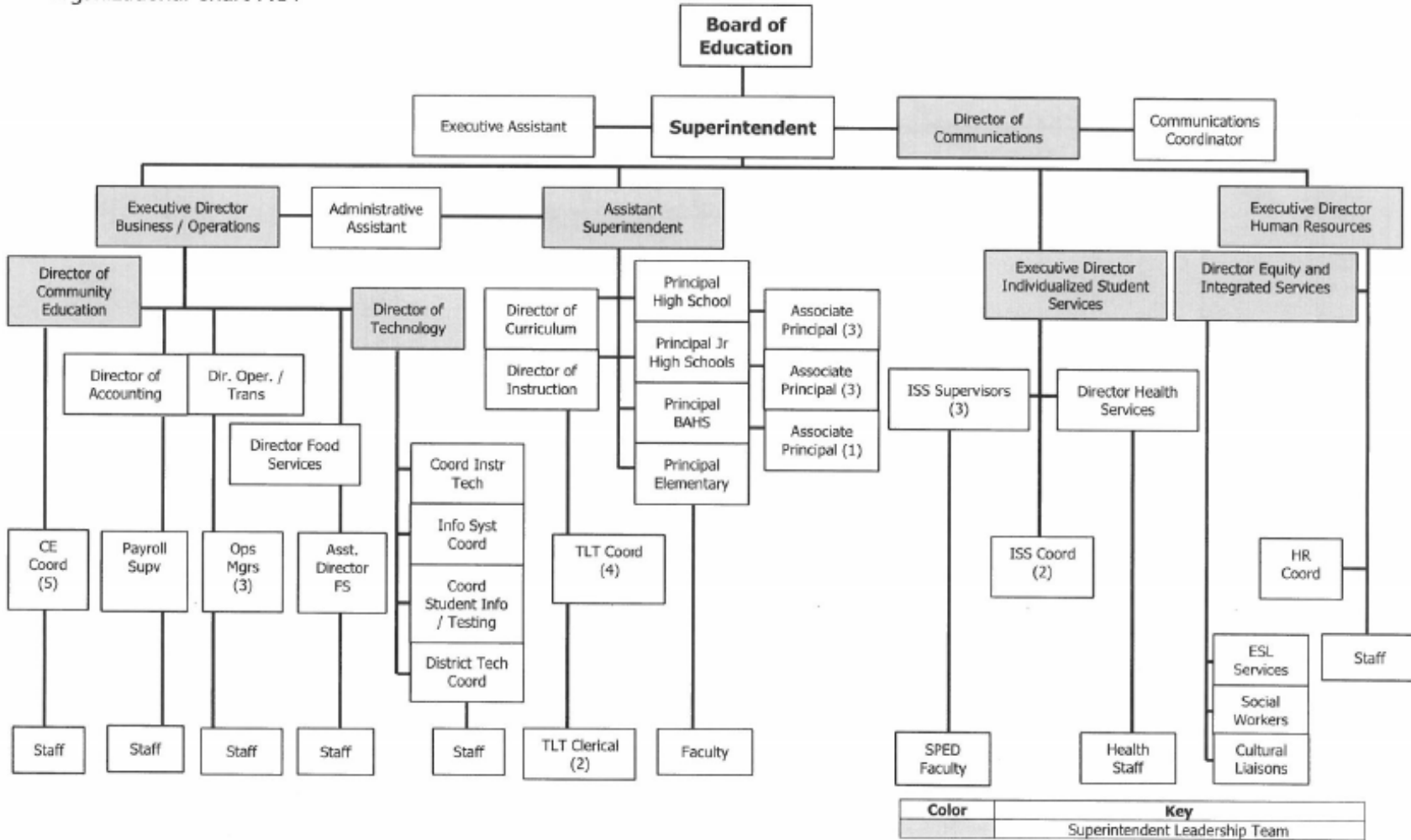
<u>NAME</u>	<u>TERM ON BOARD EXPIRES</u>	<u>BOARD POSITION</u>
Bob VanderBoom	December 2018	Chairperson
Dan Luth	December 2018	Vice Chairperson
Abigail Alt	December 2018	Treasurer
DeeDee Currier	December 2016	Clerk
Ron Hill	December 2016	Director
Jim Schmid	December 2018	Director
Sandra Sweep	December 2016	Director

ADMINISTRATION

Joe Gothard	Superintendent
Cindy Amoroso	Assistant Superintendent
Lisa K. Rider	Executive Director of Business Services
Stacey Sovine	Executive Director of Human Resources
Gordon Winterlin	Director of Accounting Services

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
ORGANIZATIONAL CHART
JUNE 30, 2015**

Organizational Chart 7.14



BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING
JUNE 30, 2015

Association of School Business Officials International



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

Independent School District 191

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, appearing to read 'Terrie S. Simmons'.

Terrie S. Simmons, RSBA, CSBO
President

A handwritten signature in black ink, appearing to read 'John D. Musso'.

John D. Musso, CAE, RSBA
Executive Director

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

School Board
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, 2015, 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, 2015, and the respective changes in financial position, the respective budgetary comparison 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.

Emphasis of Matter Regarding Prior Period Adjustment

During fiscal year ended June 30, 2015, Independent School District No. 191 adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the related GASB Statement No. 71, *Pension Transitions for Contributions Made Subsequent to the Measurement Date-an Amendment of GASB Statement No. 68*. As a result of the implementation of these standards Independent School District No. 191 reported a restatement for the change in accounting principle (see Note 15). Our auditors' opinion was not modified with respect to the restatement.

Report on Summarized Prior Year Information

We have previously audited Independent School District No. 191's 2014 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 December 1, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014 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 funding progress for other postemployment benefits, 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 and introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Matters (Continued)

Other Information (Continued)

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.

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 26, 2015, 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 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 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 26, 2015

REQUIRED SUPPLEMENTARY INFORMATION

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

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, 2015. 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 2014-15 fiscal year include the following:

- Net position of the District in total decreased by \$82,267,739 or (-141.39%) below June 30, 2014 as a result of implementing GASB Statement No, 68, which reflects the recognition of the District's proportionate share of the Public Employees' Retirement Association of Minnesota General Employees' Retirement Fund's net pension liability as well as the District's portion of the Teacher's Retirement Association's Coordinated and Basic Plan net pension liability.
- Government-wide revenues totaled \$140,599,947 and expenses were \$144,192,531.
- The total fund balance of the General Fund, as presented in the governmental funds, decreased by \$1,282,725 from the prior year.
- The unassigned fund balance in the General Fund decreased by \$1,162,907 from \$15,968,345 to \$14,805,438.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

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 non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements the District's activities are 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, 2015**

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 and the flexible benefit plan. 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, 2015**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The District's combined net position was \$(24,081,608) on June 30, 2015. This was a decrease of 141.39% from the prior year (see Table A-1). Net position decreased (\$3,592,584) from current year activities, plus a decrease due to a prior period restatement of (\$78,675,155) due to implementation of GASB Nos. 68 and 71 recognizing net pension liabilities, for a total decrease of (\$82,267,739).

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

	Governmental Activities as of June 30,		Percentage Change
	2015	2014	
Current and Other Assets	\$ 171,592,216	\$ 109,810,241	56.26 %
Capital and Non-Current Assets	108,986,473	109,666,496	(0.62)
Total Assets	<u>280,578,689</u>	<u>219,476,737</u>	27.84
Deferred Outflows of Resources	9,486,037	-	N/A
Current Liabilities	21,213,598	28,166,292	(24.68)
Long-Term Liabilities	240,254,955	103,463,167	132.21
Total Liabilities	<u>261,468,553</u>	<u>131,629,459</u>	98.64
Deferred Inflows of Resources	<u>52,677,781</u>	<u>29,661,147</u>	77.60
Net Position:			
Net Investment in Capital Assets	27,062,458	30,452,283	(11.13)
Restricted	7,527,306	5,749,042	30.93
Unrestricted	(58,671,372)	21,984,806	(366.87)
Total Net Position	<u>\$ (24,081,608)</u>	<u>\$ 58,186,131</u>	(141.39)

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 declined significantly from the 2014 fiscal year, as total net position decreased \$82,267,739. 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 decreased by (\$3,389,825) in the current fiscal year.

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 \$1,778,264 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 decreased (\$80,656,178) in the current fiscal year, however (\$78,675,155) is related to a prior period adjustment for the implementation of a new GASB statement Nos. 68 and 71 recognizing net pension liabilities.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

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**

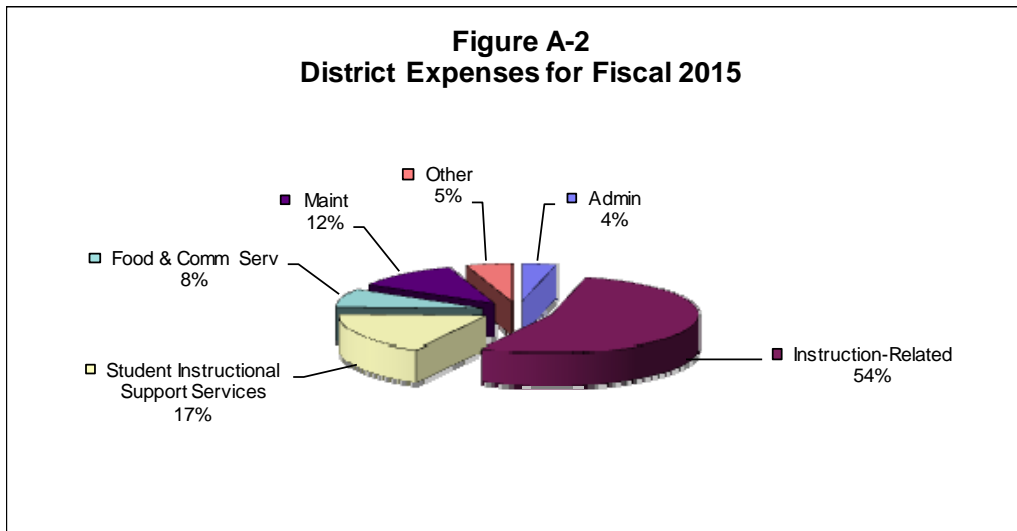
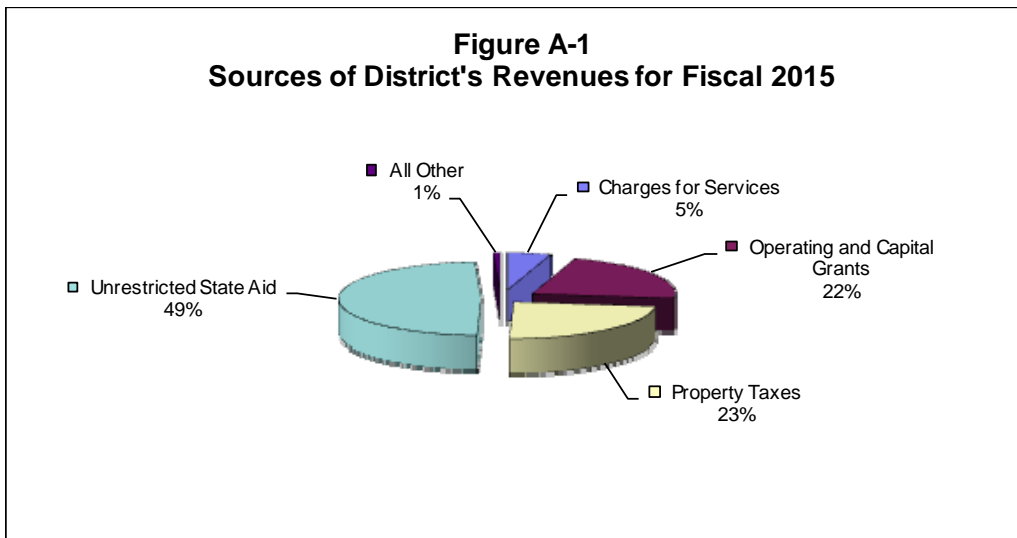
	Governmental Activities for the Fiscal Year Ended June 30,		Total % Change
	2015	2014	
Revenues			
<u>Program Revenues</u>			
Charges for Services	\$ 6,848,689	\$ 6,996,729	(2.12)%
Operating Grants and Contributions	29,737,748	29,387,695	1.19
Capital Grants and Contributions	1,398,776	985,391	41.95
<u>General Revenues</u>			
Property Taxes	32,986,831	25,825,041	27.73
Unrestricted State Aid	68,576,907	71,455,903	(4.03)
Investment Earnings	322,603	348,647	(7.47)
Gain on Sale of Capital Assets	2,718	5,186	(0.48)
Other	725,675	289,171	150.95
Total Revenues	<u>140,599,947</u>	<u>135,293,763</u>	3.92
Expenses			
Administration	5,495,447	5,222,596	5.22
District Support Services	3,719,700	3,395,055	9.56
Regular Instruction	52,233,831	51,729,124	0.98
Vocational Education Instruction	1,376,740	1,236,118	11.38
Special Education Instruction	24,497,781	22,197,325	10.36
Instructional Support Services	10,962,774	10,268,318	6.76
Pupil Support Services	10,621,468	10,347,505	2.65
Sites and Buildings	16,747,542	15,688,853	6.75
Fiscal and Other Fixed Cost Programs	378,575	359,332	5.36
Food Service	5,059,060	4,945,020	2.31
Community Service	6,151,189	5,852,106	5.11
Interest and Fiscal Charges on Long-Term Liabilities	6,948,424	4,487,298	54.85
Total Expenses	<u>144,192,531</u>	<u>135,728,650</u>	6.24
Change in Net Position	(3,592,584)	(434,887)	
Beginning Net Position	58,186,131	59,417,852	
Prior Period Adjustment	<u>(78,675,155)</u>	<u>(796,834)</u>	
Beginning Net Position, as Restated	<u>(20,489,024)</u>	<u>58,621,018</u>	
Ending Net Position	<u>\$ (24,081,608)</u>	<u>\$ 58,186,131</u>	

Total revenues were \$140,599,947 while total expenses were \$144,192,531 decreasing net position by \$3,592,584 prior to the restatement of beginning net position.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

The cost of all *governmental* activities this year was \$144,192,531.

- Some of the cost was paid by the users of the District's programs (Table A-2, Charges for Services, \$6,848,689). The majority of this category, approximately \$5.1 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, \$29,737,748).
- 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 \$32,986,831 in property taxes, \$68,576,907 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, 2015**

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
	2015	2014		2015	2014	
Administration	\$ 5,495,447	\$ 5,222,596	5.22 %	\$ 5,210,738	\$ 5,118,094	1.81 %
District Support Services	3,719,700	3,395,055	9.56	3,611,553	3,071,394	17.59
Regular Instruction	52,233,831	51,729,124	0.98	46,205,041	45,199,252	2.23
Vocational Education Instruction	1,376,740	1,236,118	11.38	1,376,740	1,232,709	11.68
Special Education Instruction	24,497,781	22,197,325	10.36	8,109,161	7,658,011	5.89
Instructional Support Services	10,962,774	10,268,318	6.76	7,323,373	6,855,728	6.82
Pupil Support Services	10,621,468	10,347,505	2.65	10,162,739	9,526,595	6.68
Sites and Buildings	16,747,542	15,688,853	6.75	15,954,780	14,315,016	11.45
Fiscal and Other Fixed Cost Programs	378,575	359,332	5.36	378,575	359,332	5.36
Food Service	5,059,060	4,945,020	2.31	(315,020)	(284,057)	10.90
Community Service	6,151,189	5,852,106	5.11	1,241,214	819,463	51.47
Interest and Fiscal Charges on Long-Term Liabilities	6,948,424	4,487,298	54.85	6,948,424	4,487,298	54.85
Total	\$ 144,192,531	\$ 135,728,650	6.24	\$ 106,207,318	\$ 98,358,835	7.98

The cost of all governmental activities this year was \$144,192,531, an increase of \$8,463,881 over the prior year. After applying program specific revenue, the net cost of all governmental activities this year was \$106,207,313 or an increase of \$7,848,483 from the prior year. The main reason for the increase in the net cost of services was due to program specific revenues remaining flat while expenditures increased due to inflation and salary increases as well as the building construction process wrapped up at BHS and beginning again for Vision One91.

Financial Analysis of the District's Funds

The financial performance of the District as a whole is reflected in its governmental funds. The General and Capital Projects-Building Construction funds had less revenues than expenditures in 2015, thereby contributing to the decrease in individual fund balance. At the end of the 2014-15 fiscal year, the District's governmental funds reported combined fund balances of \$97,957,972. This is a 158.6% increase over the prior year. The increase is primarily due to bond proceeds in excess of \$66 million received in the spring of 2015 for the Vision One91 projects to be substantially completed within the district by the fall of 2016-2017 school year.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

Revenues and other financing sources for the District's governmental funds were \$212,136,020, while total expenditures other financing uses were \$152,054,870. As a result, the District completed the year with a net change in fund balances of \$60,081,150.

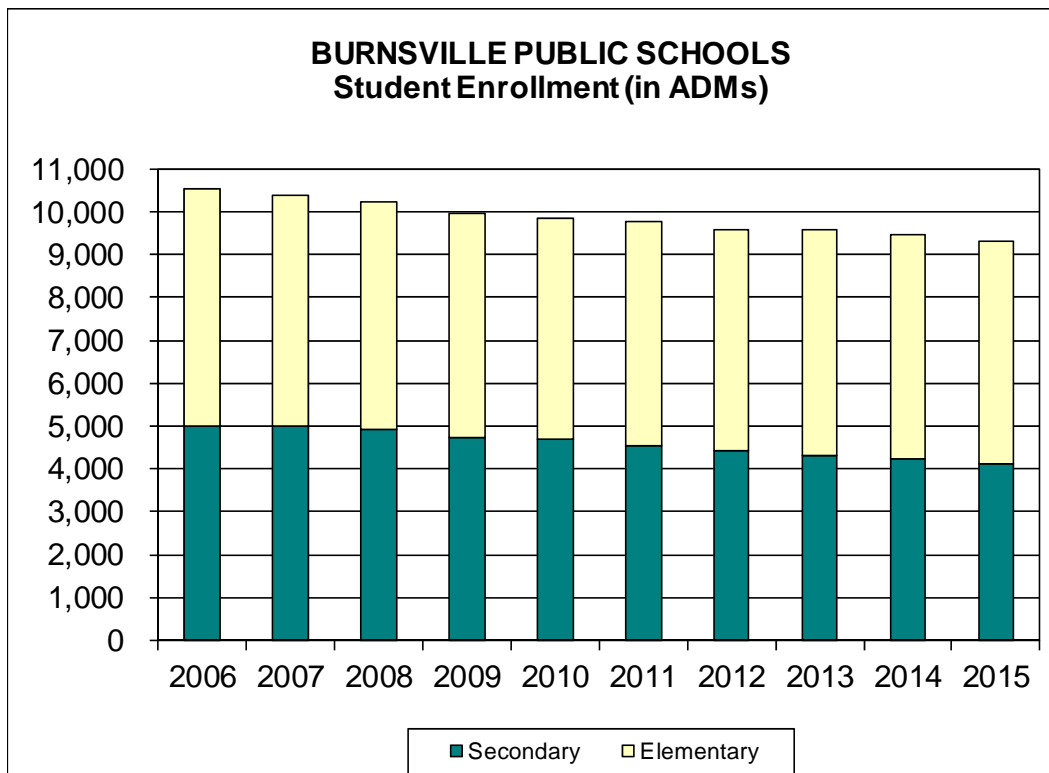
General Fund

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 70% 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 1.1% decrease in students per year. The decrease from 2014 to 2015 was 1.68%. The following chart reflects that the number of students has decreased over the last ten 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, 2015**

The following schedule presents a summary of General Fund Revenues.

**Table A-5
General Fund Revenues**

Fund	Year Ended		Change	
	June 30, 2015	June 30, 2014	Increase (Decrease)	Percent
Local Sources:				
Property Taxes	\$ 21,933,388	\$ 15,949,634	\$ 5,983,754	37.5 %
Earnings on Investments	38,607	37,648	959	2.5
Other	2,359,933	3,082,062	(722,129)	(23.4)
State Sources	90,062,883	90,985,769	(922,886)	(1.0)
Federal Sources	4,200,632	4,326,228	(125,596)	(2.9)
Total General Fund Revenue	<u>\$ 118,595,443</u>	<u>\$ 114,381,341</u>	<u>\$ 4,214,102</u>	3.7

General Fund revenue increased by \$4,214,102 or 3.7% from the previous year.

Property taxes increased \$5,983,754. This increase is mainly a result of no tax shift compared to prior year.

State Sources decreased by \$922,886. The decrease is primarily due to decline in enrollment.

Federal Revenue is recorded in the year in which the related expenditure is made. Federal Sources decreased by \$125,596. The decrease is primarily due to a lesser use of special education federal funds.

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).
2. Property Tax Levies

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

The following schedule presents a summary of General Fund Expenditures.

**Table A-6
General Fund Expenditures**

	Year Ended		Amount of Increase (Decrease)	Percent Increase (Decrease)
	June 30, 2015	June 30, 2014		
Salaries	\$ 70,515,119	\$ 67,484,759	\$ 3,030,360	4.5 %
Employee Benefits	26,975,116	24,979,928	1,995,188	8.0
Purchased Services	16,484,220	16,305,814	178,406	1.1
Supplies and Materials	2,921,709	3,285,761	(364,052)	(11.1)
Capital Expenditures	2,233,110	3,025,027	(791,917)	(26.2)
Other Expenditures	1,257,357	1,098,589	158,768	14.5
Total Expenditures	<u>\$ 120,386,631</u>	<u>\$ 116,179,878</u>	<u>\$ 4,206,753</u>	3.6

Total General Fund expenditures increased \$4,206,753 or 3.6% from the previous year. The majority of this increase was related to step and lane increases for staffing as well as increased benefit expenditures related to health insurance.

In fiscal 2015, salary and employee benefit costs increased primarily due to approved increases in salary of the various bargaining groups. Other factors impacting salaries and benefits were longevity, education, pay rates, other items included in bargaining agreements, increases in TRA employer contributions, and the rising health insurance premiums. The District continues to look at various strategies to minimize the impact of rising health insurance premiums through self- insurance, wellness initiatives and employee education.

Purchased Services and Supplies and Materials consist of expenditures for fees for service, postage, utilities, diesel and gasoline, property insurance, maintenance repairs, leases, travel, telephone, tuition, transportation, instructional supplies and textbooks. The main increase in these categories was due to the additional substitute and transportation costs in fiscal year 2014-15.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

General Fund Budgetary Highlights

After initial approval of the budget, the District revised the budget based on changes in unbudgeted costs or revenue changes. While the District anticipated, in its final budget, that the net change in fund balance would be a decrease of \$4,402,490, total fund balance decreased by \$1,282,725 resulting in a fund balance of \$20,677,866 at June 30, 2015.

Actual revenues were \$2,306,045 more than budgeted primarily due to conservative State Sources budgeting. The actual expenditures were \$305,257 less than budgeted due to increases in salaries and benefits.

Food Service Fund

The Food Service Fund revenue and other financing sources for 2014-15 totaled \$5,376,368 and expenditures were \$5,016,679. The June 30, 2015 fund balance is \$1,755,459, an increase of \$359,689 from fiscal year 2014. Actual revenues and other financing sources were \$153,108 higher than budget mainly due to increased federal revenue. Actual expenditures were \$171,693 lower than budget mainly due to decrease in capital outlay. These variances resulted in the change in fund balance being \$324,801 higher than budgeted.

Community Service Fund

The Community Service Fund revenue for 2014-15 totaled \$6,182,524 and expenditures were \$6,069,954. The June 30, 2015 fund balance is \$818,440, an increase of \$112,570 from fiscal year 2015. The increase in fund balance is due to increase in programming with revenues greater than expenditures.

Capital Projects-Building Construction Fund

The Capital Projects-Building Construction Fund revenue and other financing sources for 2014-15 totaled \$66,051,096 and expenditures were \$6,803,463. The June 30, 2015 fund balance is \$71,537,739, an increase of \$59,247,633 from fiscal year 2014. The increase in fund balance is due to bond proceeds from the 2015A School Building Bonds which will be spent down over the next two fiscal years as the building projects are completed for Vision One91.

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 2014-15 totaled \$15,422,126, an increase of \$5,855,467 from fiscal year 2014. The expenditure budget is based on the payment schedule of bond principal and interest on the general obligation bonds, including refunding bonds issued from 2004 through 2015.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of 2015, the District had invested over \$226 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). The most significant change from last year is the completion of projects decreasing Construction in Progress and increasing Building and Improvements and related Depreciation. (More detailed information about capital assets can be found in Note 3 to the financial statements.) Total depreciation expense for the year was just over \$6.8 million.

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

	2015	2014	Percentage Change
Land	\$ 3,119,968	\$ 3,119,968	-
Construction in Progress	2,897,329	10,421,931	(72.2)
Land Improvements	15,652,487	14,248,031	9.9
Buildings and Improvements	196,981,057	185,482,732	6.2
Equipment	7,511,431	6,939,428	8.2
Less: Accumulated Depreciation	(117,175,799)	(110,545,594)	6.0
Total	<u>\$ 108,986,473</u>	<u>\$ 109,666,496</u>	(0.6)

Long-Term Liabilities

At year-end, the District had \$168,786,987 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 net \$2,238,631 in postemployment severance and health benefits payable at June 30, 2015 and \$69,142,481 in net pension liability. Total long-term liabilities at June 30, 2015 increased 24% as compared to June 30, 2014.

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

	2015	2014	Percentage Change
General Obligation Bonds	\$ 162,490,000	\$ 103,405,000	57.1 %
Net Bond Premium and Discount	3,605,732	1,254,231	187.5
Obligations Under Capital Leases	2,691,255	2,875,088	(6.4)
Net Pension Liability	69,142,481	83,712,638	(17.4)
Other Postemployment Benefits Payable	(433,310)	67,601	(741.0)
Severance Benefits Payable	2,140,106	2,153,822	(0.6)
Compensated Absences Payable	618,691	637,964	(3.0)
Total	<u>\$ 240,254,955</u>	<u>\$ 194,106,344</u>	23.8
Long-Term Liabilities:			
Due Within One Year	\$ 7,057,008	\$ 6,930,539	1.8 %
Due in More Than One Year	233,197,947	187,175,805	24.6
Total	<u>\$ 240,254,955</u>	<u>\$ 194,106,344</u>	23.8

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

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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.

The basic revenue formula allowance increased to \$5,831 in fiscal 2015. The 2013 Legislature approved an increase in the General Education formula while at the same time changed the weighting for various grades served beginning in 2015. The funding formula has been below the current annual rate of inflation for the last twenty years. Accordingly, the District continues to utilize sophisticated enrollment and financial planning tools, along with detailed and conservative budgeting and budget monitoring processes. 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, 100 River Ridge Court, Burnsville, Minnesota 55337. The telephone number for the District is (952) 707-2050. Financial and other district information is also available on the District's website at isd191.org.

BASIC FINANCIAL STATEMENTS

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF NET POSITION
JUNE 30, 2015**

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(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2014)

	2015	2014
ASSETS		
Cash and Investments	\$ 139,941,190	\$ 78,537,596
Receivables:		
Property Taxes	18,994,308	18,921,687
Other Governments	11,713,013	11,742,709
Other	229,196	325,068
Prepaid Items	647,352	256,197
Inventories	67,157	26,984
Capital Assets:		
Land and Construction in Progress	6,017,297	13,541,899
Other Capital Assets, Net of Depreciation	102,969,176	96,124,597
Total Assets	280,578,689	219,476,737
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows - Pension Payments	9,486,037	-
LIABILITIES		
Salaries and Compensated Absences Payable	12,278,498	12,203,142
Accounts and Contracts Payable	6,253,956	6,538,987
Accrued Interest Payable	2,075,274	1,828,463
Due to Other Governmental Units	315,135	246,774
Unearned Revenue:		
Local Sources	290,735	418,387
Long-Term Liabilities:		
Portion Due Within One Year	7,057,008	6,930,539
Portion Due in More Than One Year	233,197,947	103,463,167
Total Liabilities	261,468,553	131,629,459
DEFERRED INFLOWS OF RESOURCES		
Property Taxes Levied for Subsequent Year	31,592,733	29,661,147
Deferred Inflows - Pensions	21,085,048	-
Total Deferred Inflows of Resources	52,677,781	29,661,147
NET POSITION		
Net Investment in Capital Assets	27,062,458	30,452,283
Restricted for:		
General Fund Operating Capital Purposes	1,625,492	1,032,983
General Fund State-Mandated Reserves	2,161,975	2,600,886
Food Service	1,755,459	1,395,770
Community Service	825,956	719,403
Debt Service	1,158,424	-
Unrestricted	(58,671,372)	21,984,806
Total Net Position	\$ (24,081,608)	\$ 58,186,131

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015**

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(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2014)

Functions	2015				2014	
	Expenses	Program Revenues			Net (Expense)	Net (Expense)
		Charges for Services	Operating	Capital	Revenue and	Revenue and
			Grants and Contributions	Grants and Contributions	Changes in	Changes in
				Net Position	Net Position	
				Total	Total	
				Governmental	Governmental	
				Activities	Activities	
Governmental Activities						
Administration	\$ 5,495,447	\$ 194,914	\$ 72,005	\$ 17,790	\$ (5,210,738)	\$ (5,118,094)
District Support Services	3,719,700	-	73,868	34,279	(3,611,553)	(3,071,394)
Regular Instruction	52,233,831	716,947	4,956,964	354,879	(46,205,041)	(45,199,252)
Vocational Education Instruction	1,376,740	-	-	-	(1,376,740)	(1,232,709)
Special Education Instruction	24,497,781	351,834	16,036,786	-	(8,109,161)	(7,658,011)
Instructional Support Services	10,962,774	262	3,094,870	544,269	(7,323,373)	(6,855,728)
Pupil Support Services	10,621,468	164,802	293,927	-	(10,162,739)	(9,526,595)
Sites and Buildings	16,747,542	273,804	71,399	447,559	(15,954,780)	(14,315,016)
Fiscal and Other Fixed Cost Programs	378,575	-	-	-	(378,575)	(359,332)
Food Service	5,059,060	1,688,935	3,685,145	-	315,020	284,057
Community Service	6,151,189	3,457,191	1,452,784	-	(1,241,214)	(819,463)
Interest and Fiscal Charges on Long-Term Liabilities	6,948,424	-	-	-	(6,948,424)	(4,487,298)
Total School District	<u>\$ 144,192,531</u>	<u>\$ 6,848,689</u>	<u>\$ 29,737,748</u>	<u>\$ 1,398,776</u>	(106,207,318)	(98,358,835)
General Revenues						
Property Taxes Levied for:						
General Purposes					21,784,467	15,967,774
Community Service					1,077,297	484,038
Debt Service					10,125,067	9,373,229
State Aid Not Restricted to Specific Purposes					68,576,907	71,455,903
Earnings on Investments					322,603	348,647
Gain on Sale of Capital Assets					2,718	5,186
Miscellaneous					725,675	289,171
Total General Revenues					<u>102,614,734</u>	<u>97,923,948</u>
Change in Net Position					(3,592,584)	(434,887)
Net Position - Beginning of Year, as Previously Stated					58,186,131	59,417,852
Prior Period Adjustment					(78,675,155)	(796,834)
Net Position - Beginning					<u>(20,489,024)</u>	<u>58,621,018</u>
Net Position - Ending					<u>\$ (24,081,608)</u>	<u>\$ 58,186,131</u>

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015**

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(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2014)

	Major Funds					Total Governmental	
	General	Food Service	Community Service	Capital Projects	Debt Service	2015	2014
ASSETS							
Cash and Investments	\$ 29,456,454	\$ 1,674,697	\$ 1,785,557	\$ 73,872,715	\$ 6,740,163	\$ 113,529,586	\$ 53,383,737
Receivables:							
Current Property Taxes	12,721,441	-	663,643	-	5,225,305	18,610,389	18,385,276
Delinquent Property Taxes	261,397	-	11,943	-	110,579	383,919	536,411
Due from Other Minnesota School Districts	47,986	-	-	-	-	47,986	41,328
Due from Minnesota Department of Education	9,286,374	48,019	119,889	-	-	9,454,282	9,596,311
Due from Federal through Minnesota Department of Education	1,705,361	437,411	4,525	-	-	2,147,297	2,044,446
Due from Other Governmental Units	47,226	-	-	-	16,222	63,448	60,624
Other Receivables	94,065	-	61,628	19,234	-	174,927	276,654
Due from Other Funds	565,522	-	-	-	960,451	1,525,973	-
Prepaid Items	647,352	-	-	-	-	647,352	256,197
Inventory	-	67,157	-	-	-	67,157	26,984
Total Assets	\$ 54,833,178	\$ 2,227,284	\$ 2,647,185	\$ 73,891,949	\$ 13,052,720	\$ 146,652,316	\$ 84,607,968
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE							
Liabilities:							
Salaries and Compensated Absences Payable	\$ 4,155,676	\$ 155,149	\$ 128,420	\$ -	\$ -	\$ 4,439,245	\$ 4,655,506
Payroll Deductions and Employer Contributions Payable	7,547,058	177,051	113,816	1,328	-	7,839,253	7,547,636
Accounts and Contracts Payable	1,435,092	43,228	138,070	1,392,431	-	3,008,821	3,728,223
Due to Other Governmental Units	315,123	-	12	-	-	315,135	246,774
Due to Other Funds	-	-	-	960,451	-	960,451	-
Unearned Revenue:							
Local Sources	-	96,397	194,338	-	-	290,735	418,387
Total Liabilities	13,452,949	471,825	574,656	2,354,210	-	16,853,640	16,596,526
Deferred Inflows of Resources:							
Property Taxes Levied for Subsequent Year	20,531,059	-	1,246,573	-	9,815,101	31,592,733	29,661,147
Delinquent Property Taxes	171,304	-	7,516	-	69,151	247,971	473,473
Total Deferred Inflows of Resources	20,702,363	-	1,254,089	-	9,884,252	31,840,704	30,134,620
Fund Balance:							
Nonspendable:							
Inventory	-	67,157	-	-	-	67,157	26,984
Prepays Items	647,352	-	-	-	-	647,352	256,197
Restricted for:							
Alternative Facilities Program	-	-	-	8,527,905	-	8,527,905	12,290,106
Area Learning Center	2,206,150	-	-	-	-	2,206,150	2,578,703
Basic Skills Programs	-	-	-	-	-	-	57,015
Operating Capital	1,625,492	-	-	-	-	1,625,492	998,151
Community Education Programs	-	-	392,880	-	-	392,880	494,805
Early Childhood and Family Educations Programs	-	-	192,407	-	-	192,407	98,367
School Readiness	-	-	199,726	-	-	199,726	78,583
Bond Refundings	-	-	-	-	20,233	20,233	-
Restricted for Other Purposes	-	1,688,302	33,427	63,009,834	3,148,235	67,879,798	2,927,386
Committed for:							
Program Carryover - Noncapital	1,037,994	-	-	-	-	1,037,994	1,371,634
Pro Pay Program	355,440	-	-	-	-	355,440	695,714
Unassigned	14,805,438	-	-	-	-	14,805,438	16,003,177
Total Fund Balance	20,677,866	1,755,459	818,440	71,537,739	3,168,468	97,957,972	37,876,822
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 54,833,178	\$ 2,227,284	\$ 2,647,185	\$ 73,891,949	\$ 13,052,720	\$ 146,652,316	\$ 84,607,968

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, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2014)**

112

	2015	2014
Total Fund Balance for Governmental Funds	\$ 97,957,972	\$ 37,876,822
<p>Total net position reported for governmental activities in the statement of net position is different because:</p>		
<p>Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of:</p>		
Land	3,119,968	3,119,968
Construction in Progress	2,897,329	10,421,931
Land Improvements, Net of Accumulated Depreciation	7,116,849	6,343,294
Buildings and Improvements, Net of Accumulated Depreciation	93,558,699	87,929,791
Equipment, Net of Accumulated Depreciation	2,293,628	1,851,512
<p>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 deferred inflows in the funds.</p>		
	247,971	473,473
<p>Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.</p>		
	(2,075,274)	(1,828,463)
<p>Internal service funds are used by management to charge the costs of certain activities 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:</p>		
	20,515,110	20,237,687
<p>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:</p>		
Net Pension Liability	(69,142,481)	-
Deferred Inflows of Resources - Pensions	(21,085,048)	-
Deferred Outflows of Resources - Pensions	9,486,037	-
<p>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:</p>		
Bonds Payable	(162,490,000)	(103,405,000)
Unamortized Premiums	(3,605,732)	(1,254,231)
Capital Lease Payable	(2,691,255)	(2,875,088)
Other Postemployment Benefits Payable	433,310	(67,601)
Compensated Absences Payable	(618,691)	(637,964)
Total Net Position of Governmental Activities	<u>\$ (24,081,608)</u>	<u>\$ 58,186,131</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
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2014)**

113

	Major Funds					Total Governmental Funds	
	General	Food Service	Community Service	Capital Projects	Debt Service	2015	2014
REVENUES							
Local Sources:							
Property Taxes	\$ 21,933,388	\$ -	\$ 1,084,662	\$ -	\$ 10,194,283	\$ 33,212,333	\$ 25,795,703
Earnings on Investments	38,607	2,288	2,256	16,205	8,889	68,245	73,673
Other	2,359,933	1,688,935	3,782,824	-	194,661	8,026,353	8,627,885
State Sources	90,062,883	264,260	1,279,994	-	-	91,607,137	92,656,912
Federal Sources	4,200,632	3,420,885	32,788	-	-	7,654,305	7,584,795
Total Revenues	118,595,443	5,376,368	6,182,524	16,205	10,397,833	140,568,373	134,738,968
EXPENDITURES							
Current:							
Administration	5,381,925	-	-	-	-	5,381,925	5,165,097
District Support Services	3,683,322	-	-	-	-	3,683,322	3,413,639
Regular Instruction	53,893,564	-	-	-	-	53,893,564	51,801,948
Vocational Education Instruction	1,363,572	-	-	-	-	1,363,572	1,239,045
Special Education Instruction	24,169,675	-	-	-	-	24,169,675	22,223,518
Instructional Support Services	10,702,294	-	-	-	-	10,702,294	10,207,507
Pupil Support Services	10,576,978	-	-	-	-	10,576,978	10,358,327
Sites and Buildings	9,415,493	-	-	-	-	9,415,493	10,722,992
Fiscal and Other Fixed Cost Programs	378,575	-	-	-	-	378,575	359,332
Food Service	-	5,016,679	-	-	-	5,016,679	4,934,679
Community Service	-	-	6,069,954	-	-	6,069,954	5,879,995
Capital Outlay	-	-	-	5,597,264	-	5,597,264	7,425,642
Debt Service:							
Principal	687,478	-	-	-	5,350,000	6,037,478	5,921,060
Interest and Fiscal Charges	133,755	-	-	1,206,199	4,413,143	5,753,097	4,780,920
Total Expenditures	120,386,631	5,016,679	6,069,954	6,803,463	9,763,143	148,039,870	144,433,701
Excess (Deficiency) of Revenues							
Over (Under) Expenditures	(1,791,188)	359,689	112,570	(6,787,258)	634,690	(7,471,497)	(9,694,733)
OTHER FINANCING SOURCES (USES)							
Proceeds from Sale of Equipment	-	-	-	-	-	-	5,535
Proceeds from Insurance Recovery	4,818	-	-	-	-	4,818	245,297
Issuance of Debt	-	-	-	64,485,000	3,965,000	68,450,000	-
Capital Lease Proceeds	503,645	-	-	-	-	503,645	-
Bond Premium	-	-	-	1,549,891	1,059,293	2,609,184	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	(4,015,000)	(4,015,000)	-
Total Other Financing Sources (Uses)	508,463	-	-	66,034,891	1,009,293	67,552,647	250,832
Net Change in Fund Balances	(1,282,725)	359,689	112,570	59,247,633	1,643,983	60,081,150	(9,443,901)
Fund Balances - Beginning	21,960,591	1,395,770	705,870	12,290,106	1,524,485	37,876,822	47,320,723
Fund Balances - Ending	<u>\$ 20,677,866</u>	<u>\$ 1,755,459</u>	<u>\$ 818,440</u>	<u>\$ 71,537,739</u>	<u>\$ 3,168,468</u>	<u>\$ 97,957,972</u>	<u>\$ 37,876,822</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, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2014)**

114

	2015	2014
Net Change in Fund Balance - Total Governmental Funds	\$ 60,081,150	\$ (9,443,901)

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. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlays	6,138,267	8,496,560
Gain (Loss) on Disposal of Capital Assets	2,718	5,186
Proceeds from Sale of Capital Assets	(4,818)	(5,535)
Depreciation Expense	(6,816,190)	(6,379,479)

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.

Other Financing Source - Capital Lease	(503,645)	-
Change in Accrued Interest Expense - Capital Leases	(5,699)	4,175
Principal Payments - Capital Leases	687,478	531,060

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 deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of 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 Bond Proceeds	(68,450,000)	-
Payment to Refunded Bond Escrow Agent	4,015,000	-
Bond Premium	(2,609,184)	-
Payment of Special Assessment Principal	-	6,721
Repayment of Bond Principal	5,350,000	5,390,000
Change in Accrued Interest Expense - General Obligation Bonds	(241,112)	130,065
Amortization of Bond Premium	257,683	159,382

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 funds.	(225,502)	29,338
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Other postemployment benefits are reported in the government funds when amounts are paid. The statement of activities reports the values of benefits earned during the year.	500,911	64,822
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In the statement of activities, certain operating expenses - compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	19,273	146,480
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Pension expenditures on the governmental funds are measured by current year employee contributions. Pension expenses on the Statement of Activities are measured by the change in Net Pension Liability and the related deferred inflows and outflows of resources.	(2,066,337)	-
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Internal service funds are used by the District to charge certain costs to individual funds. The net revenue of the internal service funds is reported with governmental activities.	277,423	430,239
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Change in Net Position of Governmental Activities	\$ (3,592,584)	\$ (434,887)
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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, 2015**

115

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
REVENUES				
Local Sources:				
Property Taxes	\$ 22,302,560	\$ 22,302,560	\$ 21,933,388	\$ (369,172)
Earnings on Investments	-	-	38,607	38,607
Other	1,660,917	1,714,585	2,359,933	645,348
State Sources	87,846,734	87,846,734	90,062,883	2,216,149
Federal Sources	3,846,876	4,425,519	4,200,632	(224,887)
Total Revenues	115,657,087	116,289,398	118,595,443	2,306,045
EXPENDITURES				
Current:				
Administration	5,379,369	5,583,380	5,381,925	(201,455)
District Support Services	3,733,110	3,763,468	3,683,322	(80,146)
Elementary and Secondary Regular Instruction	56,138,093	54,870,349	53,893,564	(976,785)
Vocational Education Instruction	1,381,106	1,359,072	1,363,572	4,500
Special Education Instruction	24,486,865	24,875,727	24,169,675	(706,052)
Instructional Support Services	8,649,052	9,265,754	10,702,294	1,436,540
Pupil Support Services	9,953,363	10,230,884	10,576,978	346,094
Sites and Buildings	9,364,896	9,553,961	9,415,493	(138,468)
Fiscal and Other Fixed Cost Programs	511,020	500,820	378,575	(122,245)
Debt Service:				
Principal	554,718	554,718	687,478	132,760
Interest and Fiscal Charges	143,954	133,755	133,755	-
Total Expenditures	120,295,546	120,691,888	120,386,631	(305,257)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,638,459)	(4,402,490)	(1,791,188)	2,611,302
OTHER FINANCING SOURCES				
Insurance Recovery Proceeds	-	-	4,818	4,818
Capital Lease Proceeds	-	-	503,645	503,645
Total Other Financing Sources	-	-	508,463	508,463
Net Change in Fund Balance	\$ (4,638,459)	\$ (4,402,490)	(1,282,725)	\$ 3,119,765
FUND BALANCE				
Beginning of Year			21,960,591	
End of Year			\$ 20,677,866	

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
MAJOR FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2015**

116

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Over (Under) Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local Sources:				
Earnings on Investments	\$ 4,500	\$ 4,500	\$ 2,288	\$ (2,212)
Other - Primarily Meal Sales	1,970,656	2,240,656	1,688,935	(551,721)
State Sources	206,529	206,529	264,260	57,731
Federal Sources	<u>2,771,575</u>	<u>2,771,575</u>	<u>3,420,885</u>	<u>649,310</u>
Total Revenues	4,953,260	5,223,260	5,376,368	153,108
EXPENDITURES				
Current:				
Food Service	4,542,172	4,868,372	4,979,367	110,995
Capital Outlay	<u>320,000</u>	<u>320,000</u>	<u>37,312</u>	<u>(282,688)</u>
Total Expenditures	<u>4,862,172</u>	<u>5,188,372</u>	<u>5,016,679</u>	<u>(171,693)</u>
Net Change in Fund Balance	<u>\$ 91,088</u>	<u>\$ 34,888</u>	359,689	<u>\$ 324,801</u>
FUND BALANCE				
Beginning of Year			<u>1,395,770</u>	
End of Year			<u>\$ 1,755,459</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
MAJOR COMMUNITY SERVICE FUND
YEAR ENDED JUNE 30, 2015**

117

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Over (Under) Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local Sources:				
Property Taxes	\$ 1,084,995	\$ 1,084,995	\$ 1,084,662	\$ (333)
Earnings on Investments	-	-	2,256	2,256
Other - Primarily Tuition and Fees	3,091,912	3,653,412	3,782,824	129,412
State Sources	951,055	930,647	1,279,994	349,347
Federal Sources	<u>30,590</u>	<u>30,590</u>	<u>32,788</u>	<u>2,198</u>
Total Revenues	5,158,552	5,699,644	6,182,524	482,880
EXPENDITURES				
Current:				
Community Service	5,192,713	5,525,525	5,973,903	448,378
Capital Outlay	<u>126,500</u>	<u>132,500</u>	<u>96,051</u>	<u>(36,449)</u>
Total Expenditures	<u>5,319,213</u>	<u>5,658,025</u>	<u>6,069,954</u>	<u>411,929</u>
Net Change in Fund Balance	<u>\$ (160,661)</u>	<u>\$ 41,619</u>	112,570	<u>\$ 70,951</u>
FUND BALANCE				
Beginning of Year			<u>705,870</u>	
End of Year			<u>\$ 818,440</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, 2015**

(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2014)

	Governmental Activities - Internal Service Funds	
	2015	2014
ASSETS		
Current Assets:		
Cash and Investments	\$ 26,411,604	\$ 25,153,859
Accounts Receivable	54,269	48,414
Due from Other Funds	525,651	621,511
Total Current Assets	26,991,524	25,823,784
LIABILITIES		
Current Liabilities:		
Health and Dental Claims Payable	1,356,968	744,137
Due to Plan Participants	1,888,167	1,888,167
Due to Health Care Spending Plan	-	178,460
Severance Benefits Payable	322,358	387,856
Due to Other Funds	1,091,173	621,511
Total Current Liabilities	4,658,666	3,820,131
Noncurrent Liabilities:		
Severance Benefits Payable	1,817,748	1,765,966
Total Liabilities	6,476,414	5,586,097
NET POSITION		
Unrestricted	\$ 20,515,110	\$ 20,237,687

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, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2014)**

	Governmental Activities - Internal Service Funds	
	2015	2014
OPERATING REVENUES		
Charges for Services	\$ 20,669,610	\$ 18,460,973
OPERATING EXPENSES		
Health Insurance Claim Payments	17,935,302	16,567,677
Dental Insurance Claim Payments	955,916	911,923
Severance Payments	242,289	(215,598)
OPEB Payments	1,513,038	1,041,706
Total Operating Expenses	20,646,545	18,305,708
Operating Income	23,065	155,265
NONOPERATING INCOME		
Earnings on Investments	254,358	274,974
Change in Net Position	277,423	430,239
Total Net Position - Beginning	20,237,687	19,807,448
Total Net Position - Ending	\$ 20,515,110	\$ 20,237,687

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, 2015**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2014)

	Governmental Activities - Internal Service Funds	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Interfund Services Provided	\$ 20,765,470	\$ 18,553,195
Payments for Dental Claims	(18,278,387)	(16,456,435)
Payments for OPEB	(1,043,376)	(1,133,928)
Payments for Severance Benefits	(434,465)	(715,697)
Net Cash Provided by Operating Activities	1,009,242	247,135
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	248,503	252,078
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,257,745	499,213
Cash and Cash Equivalents - Beginning	25,153,859	24,654,646
CASH AND CASH EQUIVALENTS - ENDING	\$ 26,411,604	\$ 25,153,859
DISPLAYED ON STATEMENT OF NET POSITION AS:		
Cash and Investments	\$ 26,411,604	\$ 25,153,859
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$ 23,065	\$ 155,265
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Decrease in Due to HCSP	(178,460)	(62,431)
Increase in Claims Payable	612,831	700,885
Increase in Due to Plan Participants	-	322,280
Decrease in Severance Benefits Payable	(13,716)	(868,864)
Increase (Decrease) in Due to Other Funds	469,662	(92,222)
Decrease in Due from Other Funds	95,860	92,222
Total Adjustments	986,177	91,870
Net Cash Provided by Operating Activities	\$ 1,009,242	\$ 247,135
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	None	None

See accompanying Notes to Basic Financial Statements.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015**

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	<u>Employee Benefits Trust</u>	<u>Private- Purpose Trust</u>
ASSETS		
Cash and Investments	\$ 93,451	\$ 112,154
LIABILITIES		
Accounts and Contracts Payable	<u>-</u>	<u>44,500</u>
NET POSITION		
Held in Trust for Employee Benefits or Other Purpose	<u>\$ 93,451</u>	<u>\$ 67,654</u>

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2015**

	<u>Employee Benefits Trust</u>	<u>Private- Purpose Trust</u>
ADDITIONS		
Plan Members Contributions	\$ 764,145	\$ -
Private Donations	-	57,094
Earnings on Investments	28	150
Total Additions	<u>764,173</u>	<u>57,244</u>
DEDUCTIONS		
Benefits Paid to Plan Members	760,424	-
Scholarships Awarded	-	86,521
Total Deductions	<u>760,424</u>	<u>86,521</u>
Change in Net Position	3,749	(29,277)
Net Position - Beginning of Year	<u>89,702</u>	<u>96,931</u>
Net Position - End of Year	<u>\$ 93,451</u>	<u>\$ 67,654</u>

See accompanying Notes to Basic Financial Statements.

NOTES TO BASIC FINANCIAL STATEMENTS

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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. However, in accordance with Minnesota State Statutes, the District's School Board has not elected to control or exercise oversight responsibility with respect to the underlying student activities. Accordingly, the student activity accounts are not included in these financial statements.

The District is a member of Technology and Information Education Services (TIES), a consortium of Minnesota school districts that provides data processing services and support to its member districts. TIES is a separate legal entity that is financially independent of the District. Further, the District does not appoint a voting majority of TIES' Board of Directors. Therefore, TIES is not included as part of the District's reporting entity. During fiscal year ended June 30, 2015, the District paid TIES \$1,346,472 for services and technology purchased.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Change in Accounting Principle

During fiscal year ended June 30, 2015, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the related GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68*. The primary objective of these Statements is to improve accounting and financial reporting by state and local governments for pensions. They also improve information provided by state and local government employers and financial support for pensions that is provided by other entities. See Note 7 for more detail of the effect of this change in accounting principle on the financial statements.

D. 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 at the fund financial statement level.

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

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 agency. 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basic Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating 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 non-operating revenues and expenses.

E. 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 made. 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

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.

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-6 extended day programs or other similar services. Revenue is generated by program fees paid by participants.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Major Governmental Funds (Continued)

Capital Projects Fund

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

Debt Service Fund

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

Proprietary Funds

Internal Service Fund

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

Fiduciary Funds

Trust Funds

The District maintains Private-Purpose and Employee Benefit Trust Funds which are used to account for money held by the District in the capacity of trustee or custodian, where both the principal and interest can be spent.

F. 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Budgeting (Continued)

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

Budgeted amounts include mid-year budget amendments as follows:

<u>Revenues</u>	<u>Original Budget</u>	<u>Amendments</u>	<u>Amended Budget</u>
General Fund	\$ 115,657,087	\$ 632,311	\$ 116,289,398
Special Revenue Funds:			
Food Service Fund	4,953,260	270,000	5,223,260
Community Service Fund	5,158,552	541,092	5,699,644
 <u>Expenditures</u>			
General Fund	\$ 120,295,546	\$ 396,342	\$ 120,691,888
Special Revenue Funds:			
Food Service Fund	4,862,172	326,200	5,188,372
Community Service Fund	5,319,213	338,812	5,658,025
Capital Projects Fund	2,016,114	983,886	3,000,000

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

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

G. 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Cash and Investments (Continued)

Investments are stated at their fair value as determined by quoted market prices, except for money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less which are recorded at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid debt instruments including commercial paper, banker's acceptances, and U.S. Treasury and agency obligations. Investments in external investment pools operated in a manner consistent with the SEC's Rule 2a7 of the Investment Act of 1940 are valued at the pool's share price.

H. 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.

I. 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.

J. 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.

K. Property Taxes

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Property Taxes (Continued)

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

In accordance with state law, the current tax shift consists of an amount equal to 31% of the District's 2000 Pay 2001 operating referendum levy (frozen at \$3,269,341) advance recognized as revenue in fiscal 2014 with no corresponding state aid adjustment. Certain other portions of the District's 2014 pay 2015 levy, normally revenue for the 2015-16 fiscal year, are also advance recognized as June 30, 2015, 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, 2014, 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.

L. 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 estimated fair 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Capital Assets (Continued)

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.

M. 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 items that qualify for reporting in this category related to the recording of defined pension benefits as further explained in Note 7.

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 items that qualify for reporting in this category related to the recording of defined pension benefits as further explained in Note 7.

N. 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, 2015**

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Compensated Absences

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

P. Severance Benefits

Under the terms of collectively bargained employment contracts, certain district employee groups, including teachers, may become eligible to receive lump sum severance benefits. Eligibility is based on years of service and/or minimum age requirements.

Severance benefits are calculated by converting a portion of unused, accrued sick leave times a pay rate specified in the employee's collectively bargained contract. Severance benefits based on convertible sick leave are recorded as a liability in the Internal Service Fund as they are earned and it becomes probable they will vest at some point in the future. In accordance with Minnesota Statutes, no employee can receive severance or retirement incentive benefits that exceed one year's salary.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net positions of the Public Employees Retirement Association (PERA) and Teachers Retirement Association (TRA) and additions to/deductions from PERA's and TRA's fiduciary net position have been determined on the same basis as they are reported by PERA and TRA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

R. Fund Balance

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

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

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Fund Balance (Continued)

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

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

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

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

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

The District formally adopted a fund balance policy for the General Fund. The policy establishes a year-end minimum unassigned fund balance of 8% of the annual budget for fiscal year 2015.

S. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases insurance coverage for such risks from various providers.

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

T. Net Position

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Comparative Data

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2014, from which the summarized information was derived.

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, 2015 are \$70,876,032 and \$70,876,032, respectively, and were entirely covered by federal depository insurance or by surety bonds and collateral in accordance with Minnesota Statutes. At June 30, 2015, the District's petty cash fund totaled \$3,950.

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NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

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 thirteen months or less
- General obligations rated “A” or better; revenue obligations rated “AA” or better
- General obligations of the Minnesota Housing Finance Agency rate “A” or better
- Bankers acceptances of United States banks eligible for purchase by the Federal Reserve System
- 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, 2015, the District’s investment balances were as follows:

Minnesota School District Liquid Asset Fund

	<u>Carrying Value</u>
Minnesota School District Liquid Asset Fund Plus (MSDLAF+)	\$ 21,437,095

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NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

The MSDLAF+ is an external investment pool and its investments are valued at amortized cost, which approximates fair value in accordance with Rule 2a-7 of the Investment Company Act of 1940. The amortized cost method of valuation values a security at its cost on the date of purchase and thereafter assumes a constant amortization to maturity of any discount or premium, regardless of the impact of fluctuating interest rates on the market value of instruments.

Credit Risk – The MSDLAF+ pool is rated AAAM by Standard & Poor’s.

Investments Held with Broker

Type	Total	Under 12 Months	13 to 24 Months	25 to 60 Months	More than 60 Months
Municipal Bonds	\$ 13,325,770	\$ 6,311,771	\$ 4,222,664	\$ 2,791,335	\$ -
Marketable CDs	4,233,375	2,486,737	498,981	1,247,657	-
Equity Securities	4,560,122	4,560,122	-	-	-
External Investment Pool - MN Trust Term Series	25,710,451	25,710,451	-	-	-
Total	<u>\$ 47,829,718</u>	<u>\$ 39,069,081</u>	<u>\$ 4,721,645</u>	<u>\$ 4,038,992</u>	<u>\$ -</u>

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

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.

Credit Risk

Credit risk is defined as the risk that an issue or other counterparty will not fulfill its obligation. The investments in municipal bonds are all rated either between A+ and AAA by Standard and Poor’s or between Aa1 and Aaa by Moody’s Investors Service. The negotiable CDs are not rated.

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, 2015, the District had not invested 5% or more in the securities of any single issuer.

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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	\$ 139,941,190
Cash and Investments - Statement of Fiduciary Net Position	205,605
Total Cash and Investments	\$ 140,146,795

NOTE 3 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 3,119,968	\$ -	\$ -	\$ 3,119,968
Construction in Progress	10,421,931	5,409,509	(12,934,111)	2,897,329
Total Capital Assets, Not Being Depreciated	13,541,899	5,409,509	(12,934,111)	6,017,297
Capital Assets, Being Depreciated:				
Land Improvements	14,248,031	1,404,456	-	15,652,487
Buildings and Improvements	185,482,732	11,498,325	-	196,981,057
Equipment	6,939,428	760,088	(188,085)	7,511,431
Total Capital Assets, Being Depreciated	206,670,191	13,662,869	(188,085)	220,144,975
Accumulated Depreciation for:				
Land Improvements	(7,904,737)	(630,901)	-	(8,535,638)
Buildings and Improvements	(97,552,941)	(5,869,417)	-	(103,422,358)
Equipment	(5,087,916)	(315,872)	185,985	(5,217,803)
Total Accumulated Depreciation	(110,545,594)	(6,816,190)	185,985	(117,175,799)
Total Capital Assets, Being Depreciated, Net	96,124,597	6,846,679	(2,100)	102,969,176
Governmental Activities Capital Assets, Net	\$ 109,666,496	\$ 12,256,188	\$ (12,936,211)	\$ 108,986,473

Depreciation expense for the year ended June 30, 2015 was charged to the following governmental functions:

Governmental Activities

Administration	\$ 18,293
District Support Services	874
Regular Instruction	47,595
Special Education Instruction	20,906
Instructional Support Services	83,845
Pupil Support Services	1,802
Sites and Buildings	6,596,872
Food Service	41,318
Community Service	4,685
Total Depreciation Expense, Governmental Activities	\$ 6,816,190

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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	Original Issue	Maturity Range	Principal Outstanding	
				Due Within One Year	Total
2-1-2007	3.75% - 4.25%	\$ 14,925,000	2008-2027	\$ 700,000	\$ 10,535,000
11-6-2007	4.00% - 4.50%	17,110,000	2009-2017	2,155,000	4,385,000
4-1-2008	4.25% - 5.00%	30,580,000	2018-2033	-	30,580,000
4-16-2009	4.50% - 5.75%	18,580,000	2011-2029	760,000	15,305,000
4-12-2011	2.00% - 4.00%	16,575,000	2018-2030	-	16,575,000
12-27-2012	2.00% - 3.00%	16,910,000	2014-2030	-	16,660,000
11-19-2014	2.00%	3,965,000	2016-2017	1,950,000	3,965,000
5-7-2015	2.00% - 4.00%	64,485,000	2017-2036	-	64,485,000
Total General Obligation Bonds				5,565,000	162,490,000
Bond Premium - Net				-	3,605,732
Capital Lease Payable				452,434	2,691,255
Pension Benefits Payable				-	69,142,481
Other Postemployment Benefits Payable				98,525	(433,310)
Severance Benefits Payable				322,358	2,140,106
Compensated Absences Payable				618,691	618,691
				<u>\$ 7,057,008</u>	<u>\$ 240,254,955</u>

These bonds were issued to finance the acquisition and/or construction of capital facilities, to refinance (refund) previous bond issues, or to finance OPEB benefits. 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 4 LONG-TERM LIABILITIES (CONTINUED)

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, 2015. 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, 2015. The lease will be repaid through the General Fund.

During the fiscal year ended June 30, 2010, the District entered into a capital lease agreement to finance a telephone system and related improvements throughout the District. Capital lease proceeds of \$1,103,500 carry an interest rate of 3.73% with a final maturity of 2015. The assets acquired through the capital lease are included in equipment as of June 30, 2015. The lease will be repaid through the General Fund.

During the fiscal year ended June 30, 2015, the District entered into a capital lease agreement to finance computer servers, computers and other related equipment. Capital lease proceeds of \$503,645 carry an interest rate of 3.5% with a final maturity of 2018. The assets acquired through the capital lease are included in equipment as of June 30, 2015. The lease will be repaid through the General Fund,

The assets acquired through capital leases are as follows:

Asset:	
Buildings and Improvements	\$ 5,591,720
Equipment	1,256,526
Less: Accumulated Depreciation	<u>(1,759,982)</u>
Total	<u><u>\$ 5,088,264</u></u>

C. Pension Benefits Payable

Pension Benefits Payable represent the District's proportionate share of the state pension plans' net pension liability at June 30, 2015. From a District perspective this liability can only be reduced through its annual required contributions to the pension plans, which are paid by all of the major governmental funds except the Debt Service Fund.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
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JUNE 30, 2015**

NOTE 4 LONG-TERM LIABILITIES (CONTINUED)

D. Compensated Absences

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

E. Severance Benefits Payable

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

F. Minimum Debt Payments

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

Year Ending June 30,	General Obligation Bonds Payable		Capital Lease Obligations Payable	
	Principal	Interest	Principal	Interest
2016	\$ 5,565,000	\$ 5,671,468	\$ 452,435	\$ 124,832
2017	5,850,000	6,049,892	473,373	103,894
2018	5,555,000	5,834,592	495,298	81,970
2019	6,080,000	5,635,092	385,495	59,012
2020	6,825,000	5,447,294	404,689	39,818
2021 - 2025	37,595,000	23,484,168	479,965	42,194
2026 - 2030	46,005,000	15,141,190	-	-
2031 - 2035	40,170,000	6,108,875	-	-
2036	8,845,000	287,463	-	-
Total	<u>\$ 162,490,000</u>	<u>\$ 73,660,034</u>	<u>\$ 2,691,255</u>	<u>\$ 451,720</u>

G. Changes in Long-Term Liabilities

	June 30, 2014	Additions	Retirements	June 30, 2015
Bonds Payable	\$ 103,405,000	\$ 68,450,000	\$ 9,365,000	\$ 162,490,000
Bond Premium	1,254,231	2,609,184	257,683	3,605,732
Capital Lease Payable	2,875,088	503,645	687,478	2,691,255
Pension Benefits Payable	83,712,638	1,151,831	15,721,988	69,142,481
Other Postemployment Benefits Liability (Asset)	67,601	1,127,267	1,628,178	(433,310)
Severance Benefits Payable	2,153,822	67,086	80,802	2,140,106
Compensated Absences Payable - Net	637,964	618,691	637,964	618,691
Total	<u>\$ 194,106,344</u>	<u>\$ 74,527,704</u>	<u>\$ 28,379,093</u>	<u>\$ 240,254,955</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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, 2015 are as follows:

- A. Restricted for Alternative Facilities – This amount represents the resources available for approved expenditures based on the ten-year plan for capital projects.
- B. 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.
- C. Restricted for Basic Skills Programs – Represents amounts that can be spent on basic skills programs.
- D. 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.
- E. Restricted for Achievement and Integration – This amount represents available resources for implementing the District’s integration plan for racially identifiable schools.
- F. 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.
- G. Restricted for Early Childhood and Family Education (ECFE) – This amount represents available resources for ECFE 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.
- H. Restricted for School Readiness – This amount represents available resources to provide services for learning readiness programs.
- I. Restricted for Bond Refundings – Represents available resources dedicated for refunding bond payments.

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INDEPENDENT SCHOOL DISTRICT NO. 191
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NOTE 5 FUND BALANCES (CONTINUED)

- 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 Pro Pay Program – Represents amounts that are committed for professional development through the District's Q-Comp Program.

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS PLANS

At June 30, 2009, the District adopted Government Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pension*. 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 post-retirement 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
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NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

B. Funding Policy

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

C. Annual OPEB Cost and Net OPEB Obligation

The District's annual OPEB cost (expense) is calculated based on annual required contributions (ARC) of the District, an amount determined on an actuarially determined basis in accordance with the parameters of GASB Statement No. 45. The ARC represents a level funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the District's net OPEB obligation to the plan:

Annual Required Contribution	\$ 1,131,306
Interest on Net OPEB Obligation	3,973
Adjustment to Annual Required Contribution	<u>(8,012)</u>
Annual OPEB Cost	1,127,267
Contributions Made	<u>(1,628,178)</u>
Change in Net OPEB Obligation	(500,911)
Net OPEB Obligation - Beginning of Year	67,601
Net OPEB Obligation - End of Year	<u><u>\$ (433,310)</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the past three years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2015	\$ 1,127,267	144.4%	\$ (433,310)
6/30/2014	1,127,267	105.8%	67,601
6/30/2013	1,476,757	125.8%	132,423

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
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NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

D. Funded Status and Funding Progress

As of July 1, 2013, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$12,070,602, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$12,070,602. The covered payroll (annual payroll of active employees covered by the plan) was \$63,351,270, and the ratio of the UAAL to the covered payroll was 19.1%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress immediately following the notes to basic financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

E. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included: a 3.0% investment rate of return (net of administrative expenses) based on the District's own investments; a 3.0% rate of projected salary increases; an annual healthcare cost trend rate of 7.5% initially, reduced by decrements to an ultimate rate of 5.0% after 6 years for medical insurance; and an annual healthcare trend rate of 4.0% for dental insurance. The UAAL is being amortized on a level dollar basis over a closed period. The original amortization period was not to exceed 30 years.

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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 follows:

A. Plan Description

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

1. General Employees Retirement Plan (GERF)

PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. All full-time and certain part-time employees of the District other than teachers are covered by the General Employees Retirement Fund (GERF). GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

2. Teachers Retirement Fund (TRA)

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.

Teachers employed in Minnesota's public elementary and secondary schools, charter schools, and certain educational institutions maintained by the state (except those teachers employed by the cities of Duluth and St. Paul, and by the University of Minnesota system) are required to be TRA members.

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.

PERA: Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90% funded for two consecutive years are given 2.5% increases. Members in plans that have not exceeded 90% funded, or have fallen below 80%, are given 1% increases.

TRA: Postretirement benefit increases are provided to eligible benefit recipients each January. The TRA increase is 2.0%. After the TRA funded ratio exceeds 90% for two consecutive years, the annual postretirement benefit will increase to 2.5%.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Benefits Provided (Continued)

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. 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. GERF Benefits

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 and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year 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. Disability benefits are available for vested members, and are based upon years of service and average high-five salary.

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

<u>Tier 1</u>	<u>Step Rate Formula</u>	<u>Percentage</u>
Basic	First Ten Years of Service	2.2% per Year
	All Years After	2.7% per Year
Coordinated	First Ten Years of Service 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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Benefits Provided (Continued)

2. TRA Benefits (Continued)

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) 3.0% per year early retirement reduction factor for all years under normal retirement age.
- (c) Unreduced benefits for early retirement under a Rule-of-90 (age plus allowable service equals 90 or more).

or

Tier II Benefits

For years of service prior to July 1, 2006, a level formula of 1.7% per year for coordinated members and 2.7% per year for basic members. For years of service July 1, 2006 and after, a level formula of 1.9% per year for Coordinated members and 2.7% for Basic members applies. 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

C. Contributions

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

1. GERF Contributions

Basic Plan members and Coordinated Plan members were required to contribute 9.1% and 6.25%, respectively, of their annual covered salary in calendar year 2014. Coordinated Plan members contributed 6.5% of pay in 2015. In calendar year 2014, the District was required to contribute 11.78% of pay for Basic Plan members and 7.25% for Coordinated Plan members. In 2015, employer rates increased to 7.5% in the Coordinated Plan. The District's contributions to the GERF for the plan's fiscal year ended June 30, 2015, were \$1,331,441. The District's contributions were equal to the required contributions for each year as set by state statute.

2. TRA Contributions

Per Minnesota Statutes, Chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year were:

	Ended June 30, 2014		Ended June 30, 2015	
	Employee	Employer	Employee	Employer
Basic	10.50%	11.00%	11.00%	11.50%
Coordinated	7.0	7.0	7.5	7.5

The District's contributions to TRA for the plan's fiscal year ended June 30, 2015, were \$4,254,581. The District's contributions were equal to the required contributions for each year as set by state statute.

D. Pension Costs

1. GERF Pension Costs

At June 30, 2015, the District reported a liability of \$14,768,937 for its proportionate share of the GERF's net pension liability. The net pension liability was measured as of June 30, 2014, 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 received by PERA during the measurement period for employer payroll paid dates from July 1, 2013, through June 30, 2014, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the District's proportion was 0.3144%.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

1. GERF Pension Costs (Continued)

For the year ended June 30, 2015, the District recognized pension expense of \$1,096,374 for its proportionate share of GERF's pension expense.

At June 30, 2015, the District reported its proportionate share of GERF'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	\$ 226,658	\$ -
Changes in Actuarial Assumptions	1,522,087	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	3,990,553
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	-	-
District Contributions Subsequent to the Measurement Date	1,331,441	-
Total	<u>\$ 3,080,186</u>	<u>\$ 3,990,553</u>

A total of \$1,331,441 reported as deferred outflows of resources related to pensions resulting from District contributions to GERF subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to GERF pensions will be recognized in pension expense as follows:

Year Ended June 30.	Pension Expenses Amount
2016	\$ (414,723)
2017	(414,723)
2018	(414,723)
2019	(997,639)
2020	-
Thereafter	-

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

2. TRA Pension Costs

At June 30, 2015, the District reported a liability of \$54,373,550 for its proportionate share of TRA's net pension liability. The net pension liability was measured as of June 30, 2014, 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 1.18% at the end of the measurement period and 1.161% for 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:

Description	Amount
District's Proportionate Share of the TRA Net Pension Liability	\$ 54,373,550
State's Proportionate Share of TRA's Net Pension Liability Associated with the District	3,825,072

A change in benefit provisions that affected the measurement of the total pension liability since the prior measurement date was an increase of the contribution rates for both the member and employer.

For the year ended June 30, 2015, the District recognized pension expense of \$2,915,886. It also recognized \$166,861 as pension expense for the support provided by direct aid.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

2. TRA Pension Costs (Continued)

At June 30, 2015, 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	\$ 4,639,538	\$ -
Changes in Actuarial Assumptions	-	-
Net Difference Between Projected and Actual Investment Earnings	-	17,094,495
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	1,156,615	-
District Contributions Subsequent to the Measurement Date	4,254,581	-
Total	<u>\$ 10,050,734</u>	<u>\$ 17,094,495</u>

A total of \$4,254,581 reported as deferred outflows of resources related to pensions resulting from District contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to TRA will be recognized in pension expense as follows:

Year Ended June 30,	Pension Expenses Amount
2016	\$ (3,063,570)
2017	(3,063,570)
2018	(3,063,570)
2019	(3,063,570)
2020	955,938
Thereafter	-

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Actuarial Assumptions

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions:

Assumptions	GERF	TRA
Inflation	2.75% per Year	3.50%
Active Member Payroll Growth	3.50% per Year	3.75% Based on Years of Service
Investment Rate of Return	7.90%	8.25%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2000 tables for males or females, as appropriate, with slight adjustments.

Actuarial assumptions used in the June 30, 2014, valuation were based on the results of actuarial experience studies. The actuarial assumptions used in the June 30, 2014, valuation were based on the results of the actuarial experience study for the period of July 1, 2004, to June 30, 2008, and a limited scope experience study dated August 29, 2014. The limited scope experience study addressed only inflation and long-term rate of return for the GASB 67 valuation.

The following changes in actuarial assumptions for GERF occurred in 2014: As of July 1, 2013, the postretirement benefit increase rate was assumed to increase from 1.0% to 2.5% on January 1, 2046. As of July 1, 2014, the postretirement benefit increase rate was assumed to increase from 1.0% to 2.5% on January 1, 2031.

There was a change in actuarial assumptions that affected the measurement of the total liability for TRA since the prior measurement date. Postretirement benefit adjustments are now assumed to increase from 2.0% annually to 2.5% annually once the legally specified criteria are met. This is estimated to occur July 1, 2034.

The long-term expected rate of return on pension plan investments is 7.9% for GERF and 8.25% for TRA. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Actuarial Assumptions (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	45 %	5.50%
International Equity	15	6.00%
Bonds	18	1.45%
Alternative Assets	20	6.40%
Cash	2	0.50%
Totals	<u>100 %</u>	

F. Discount Rate

The discount rate used to measure the total pension liability was 7.9% for GERF and 8.25% for TRA. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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 in Discount Rate
<u>GERF Discount Rate</u>	6.90%	7.90%	8.90%
District's Proportionate Share of the GERF Net Pension Liability	\$ 23,808,122	\$ 14,768,937	\$ 7,331,814
<u>TRA Discount Rate</u>	7.25%	8.25%	9.25%
District's Proportionate Share of the TRA Net Pension Liability	\$ 89,860,859	\$ 54,373,550	\$ 24,789,405

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

H. Pension Plan Fiduciary Net Position

Detailed information about GERP's fiduciary's net position is available in a separately-issued PERA financial report. That report may be obtained on the Internet at www.mnpera.org; by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088; or by calling (651) 296-7460 or 1-800-652-9026.

Detailed information about TRA's fiduciary net position is available in a separately-issued TRA financial report. That report can be obtained at www.MinnesotaTRA.org; by writing to TRA at 60 Empire Drive #400, St. Paul, Minnesota, 55103-2088; or by calling (651) 296-2409 or 1-800-652-9026.

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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

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.

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. Claims have not exceeded insurance coverage in any of the past three years.

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

Fiscal Year Ended June 30,	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2015	\$ 42,584	\$ 955,916	\$ 946,593	\$ 51,907
2014	43,252	911,923	912,591	42,584
2013	42,115	914,727	913,590	43,252

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. Under the health benefits plan, the District is self-insured for the first \$5,000 for single coverage and \$10,000 for family coverage. Amounts in excess of these amounts are covered by the District's health insurance provider. The District has not purchased outside insurance for the risks of losses to which it is exposed for amounts under these limits. 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 10 HEALTH SELF-INSURANCE PLAN (CONTINUED)

Participants in the program make premium payments to the fund based on the component insurance premium which takes into account the aforementioned risk. 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, 2015, there is a reserve of \$4,134,942 resulting from fund operations.

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

Premiums received through June 30, 2015 were in excess of claims paid by \$1,416,808. 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 \$6,802,381 in cash and investments at June 30, 2015, for payment of claims and carryover balances.

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

Fiscal Year Ended June 30,	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2015	\$ 701,553	\$ 17,935,302	\$ 17,331,794	\$ 1,305,061
2014	346,814	16,567,677	16,212,938	701,553
2013	272,412	13,476,338	13,401,936	346,814

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 11 INTERFUND BALANCES

The District had the following interfund receivable and payable at June 30, 2015:

	<u>Due from Other Fund</u>	<u>Due to Other Fund</u>
General Fund	\$ 565,522	\$ -
Capital Projects - Building Construction Fund	-	960,451
Debt Service Fund`	960,451	-
Health Benefits Self-Insurance Internal Service Fund	525,651	-
OPEB Revocable Trust Internal Service Fund	-	1,091,173
Total	<u>\$ 2,051,624</u>	<u>\$ 2,051,624</u>

The interfund receivables and payables are for the District's share of retiree medical premiums funded by the revocable trust and for bond proceeds received by the Capital Projects Fund to be transferred to the Debt Service Fund for the next interest payment.

NOTE 12 STEWARDSHIP AND ACCOUNTABILITY

Excess of Expenditures Over Budget

Expenditures exceeded budgeted amounts in the following funds at June 30, 2015.

	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
Special Revenue Funds:			
Community Service Fund	\$ 5,658,025	\$ 6,069,954	\$ 411,929
Capital Projects Fund	3,000,000	6,803,463	3,803,463

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

NOTE 13 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.

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 13 COMMITMENTS AND CONTINGENCIES (CONTINUED)

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.

C. Construction Contracts

At June 30, 2015, the District had commitments totaling \$860,478 under various construction contracts for which the work was not yet completed.

NOTE 14 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 ten 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. The lease also includes common area maintenance payments to be paid by the lessor at a rate of \$7,480 per month.

NOTE 15 RESTATEMENT OF BEGINNING NET POSITION

During fiscal year 2015, the District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and the related Statement No. 71. As a result, the District's net positions as of June 30, 2014 has been restated to reflect the recognition of the School's proportionate share of the Public Employees' Retirement Association of Minnesota General Employees' Retirement Fund's net pension liability as well as their portion of the Teacher's Retirement Association's Coordinated and Basic Plan net pension liability.

	Governmental Activities
Net Position, June 30, 2014, as Previously Reported	\$ 58,186,131
Cumulative Affect of Application of GASB 68, Net Pension Liability	(83,712,638)
Cumulative Affect of Application of GASB 71, Deferred Outflow of Resources for District Contributions Made to the Plan During Fiscal Year Ending June 30, 2014	<u>5,037,483</u>
Net Position, June 30, 2014, as Restated	<u><u>\$ (20,489,024)</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
 INDEPENDENT SCHOOL DISTRICT NO. 191
 SCHEDULE OF FUNDING PROGRESS FOR OTHER POSTEMPLOYMENT BENEFITS AND
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 JUNE 30, 2015**

Other Postemployment Benefits Payable						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2013	\$ -	\$ 12,070,602	\$ 12,070,602	-	\$ 63,351,270	19.1%
7/1/2011	-	15,950,203	15,950,203	-	63,440,645	25.1%
6/30/2009	-	23,680,000	23,680,000	-	55,810,000	42.4%

Schedule of Employer Contributions		
Actuarial Valuation Date	Annual Required Contribution	Contributions
7/1/2013	\$ 1,131,306	143.9%
7/1/2011	1,480,200	0.0%
6/30/2009	1,873,000	85.1%

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
 INDEPENDENT SCHOOL DISTRICT NO. 191
 TRA SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
 OF THE NET PENSION LIABILITY
 JUNE 30, 2015**

	Measurement Date 6/30/14
School's Proportion of the Net Pension Liability	1.18%
School's Proportionate Share of the Net Pension Liability	\$ 54,373,550
State's Proportionate Share of the Net Pension Liability Associated with School	3,825,072
Total	\$ 58,198,622
School's Covered-Employee Payroll	\$ 56,727,747
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	95.85%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.50%

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
TRA SCHEDULE OF DISTRICT CONTRIBUTIONS
YEAR ENDED JUNE 30, 2015**

Statutorily Required Contribution	\$ 3,834,123
Contributions in Relation to the Statutorily Required Contribution	<u>(3,834,123)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>
School's Covered-Employee Payroll	\$ 54,773,186
Contributions as a Percentage of Covered Employee Payroll	7.0%

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
 INDEPENDENT SCHOOL DISTRICT NO. 191
 PERA SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
 OF THE NET PENSION LIABILITY
 JUNE 30, 2015**

	Measurement Date 6/30/14
School's Proportion of the Net Pension Liability	0.31%
School's Proportionate Share of the Net Pension Liability	\$ 14,768,937
School's Covered-Employee Payroll	18,053,437
School's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered-Employee Payroll	81.81%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	78.70%

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
PERA SCHEDULE OF DISTRICT CONTRIBUTIONS
YEAR ENDED JUNE 30, 2015**

Statutorily Required Contribution	\$ 1,203,360
Contributions in Relation to the Statutorily Required Contribution	<u>(1,203,360)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>
School's Covered-Employee Payroll	\$ 16,598,069
Contributions as a Percentage of Covered Employee Payroll	7.3%

SUPPLEMENTARY INFORMATION

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
GENERAL FUND
BALANCE SHEET
JUNE 30, 2015**

(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2014)

	2015	2014
ASSETS		
Cash and Investments	\$ 29,456,454	\$ 29,669,974
Receivables:		
Current Taxes	12,721,441	12,225,607
Delinquent Taxes	261,397	377,724
Accounts and Interest Receivable	94,065	188,919
Due from Other Funds	565,522	-
Due from Other Minnesota School Districts	47,986	25,105
Due from Minnesota Department of Education	9,286,374	9,479,089
Due from Federal through the Minnesota Department of Education	1,705,361	1,955,173
Due from Other Governmental Units	47,226	60,624
Prepaid Items	647,352	256,197
Total Assets	\$ 54,833,178	\$ 54,238,412
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 4,155,676	\$ 4,279,410
Payroll Deductions and Employer Contributions Payable	7,547,058	7,272,521
Accounts and Contracts Payable	1,435,092	1,768,555
Due to Other Minnesota School Districts	275,938	209,347
Due to Other Governmental Units	39,185	33,604
Unearned Revenue - Other	-	150
Total Liabilities	13,452,949	13,563,587
Deferred Inflows of Resources		
Unavailable Revenue - Property Taxes Levied for Subsequent Year	20,531,059	18,378,852
Unavailable Revenue - Delinquent Taxes	171,304	335,382
Total Deferred Inflows of Resources	20,702,363	18,714,234
Fund Balance:		
Nonspendable:		
Prepaid Items	647,352	256,197
Restricted for:		
Operating Capital	1,625,492	1,032,983
Area Learning Center	2,206,150	2,578,703
Basic Skills Programs	-	57,015
Committed for:		
Program Carryover - Noncapital	1,037,994	1,371,634
Pro Pay Program	355,440	695,714
Unassigned	14,805,438	15,968,345
Total Fund Balance	20,677,866	21,960,591
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 54,833,178	\$ 54,238,412

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

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2014)**

	2015		Over (Under) Final Budget	2014
	Final Budget	Actual Amounts		Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	\$ 22,302,560	\$ 21,933,388	\$ (369,172)	\$ 15,949,634
Earnings on Investments	-	38,607	38,607	37,648
Other	1,714,585	2,359,933	645,348	3,082,062
State Sources	87,846,734	90,062,883	2,216,149	90,985,769
Federal Sources	4,425,519	4,200,632	(224,887)	4,326,228
Total Revenues	116,289,398	118,595,443	2,306,045	114,381,341
EXPENDITURES				
Current:				
Administration:				
Salaries	3,776,628	3,692,906	(83,722)	3,610,794
Employee Benefits	1,306,455	1,281,141	(25,314)	1,176,939
Purchased Services	156,012	209,703	53,691	151,062
Supplies and Materials	235,136	98,244	(136,892)	84,207
Capital Expenditures	55,862	47,743	(8,119)	92,691
Other Expenditures	53,287	52,188	(1,099)	49,404
Total Administration	5,583,380	5,381,925	(201,455)	5,165,097
District Support Services:				
Salaries	1,705,300	1,704,626	(674)	1,641,214
Employee Benefits	633,859	606,758	(27,101)	564,967
Purchased Services	717,514	1,104,335	386,821	604,127
Supplies and Materials	170,422	148,046	(22,376)	95,691
Capital Expenditures	38,061	94,900	56,839	502,946
Other Expenditures	498,312	24,657	(473,655)	4,694
Total District Support Services	3,763,468	3,683,322	(80,146)	3,413,639
Elementary and Secondary Regular Instruction:				
Salaries	37,630,468	35,402,232	(2,228,236)	34,259,827
Employee Benefits	14,552,746	14,311,351	(241,395)	13,198,630
Purchased Services	1,883,997	2,742,037	858,040	2,728,992
Supplies and Materials	561,045	1,203,239	642,194	1,178,136
Capital Expenditures	194,683	148,402	(46,281)	331,908
Other Expenditures	47,410	86,303	38,893	104,455
Total Elementary and Secondary Regular Instruction	54,870,349	53,893,564	(976,785)	51,801,948

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

168

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2015**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2014)

	2015		Over (Under) Final Budget	2014
	Final Budget	Actual Amounts		Actual Amounts
EXPENDITURES (Continued)				
Current (Continued):				
Vocational Education Instruction:				
Salaries	\$ 723,827	\$ 738,229	\$ 14,402	\$ 670,704
Employee Benefits	297,115	297,918	803	274,685
Purchased Services	263,770	279,021	15,251	263,107
Supplies and Materials	74,360	47,779	(26,581)	30,447
Other Expenditures	-	625	625	102
Total Vocational Education Instruction	1,359,072	1,363,572	4,500	1,239,045
Special Education Instruction:				
Salaries	15,731,458	15,615,859	(115,599)	14,411,573
Employee Benefits	6,572,701	6,412,411	(160,290)	5,856,708
Purchased Services	2,006,407	1,591,727	(414,680)	1,274,311
Supplies and Materials	229,356	192,545	(36,811)	381,050
Capital Expenditures	185,965	220,930	34,965	164,527
Other Expenditures	149,840	136,203	(13,637)	135,349
Total Special Education Instruction	24,875,727	24,169,675	(706,052)	22,223,518
Instructional Support Services:				
Salaries	5,714,390	7,300,773	1,586,383	7,001,299
Employee Benefits	1,671,587	1,618,905	(52,682)	1,419,418
Purchased Services	729,859	595,281	(134,578)	667,965
Supplies and Materials	231,034	275,647	44,613	252,885
Capital Expenditures	838,032	801,234	(36,798)	771,548
Other Expenditures	80,852	110,454	29,602	94,392
Total Instructional Support Services	9,265,754	10,702,294	1,436,540	10,207,507
Pupil Support Services:				
Salaries	2,610,014	2,564,393	(45,621)	2,330,999
Employee Benefits	1,066,609	1,028,702	(37,907)	946,804
Purchased Services	6,258,202	6,597,793	339,591	6,702,401
Supplies and Materials	277,748	306,025	28,277	361,520
Capital Expenditures	16,320	79,563	63,243	14,750
Other Expenditures	1,991	502	(1,489)	1,853
Total Pupil Support Services	10,230,884	10,576,978	346,094	10,358,327

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

169

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2015**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2014)

	2015		Over (Under)	2014
	Final Budget	Actual Amounts	Final Budget	Actual Amounts
EXPENDITURES (Continued)				
Current (Continued):				
Sites and Buildings:				
Salaries	\$ 3,559,159	\$ 3,496,101	\$ (63,058)	\$ 3,558,349
Employee Benefits	1,456,191	1,417,930	(38,261)	1,541,777
Purchased Services	3,236,670	2,985,748	(250,922)	3,554,517
Supplies and Materials	601,288	650,184	48,896	901,825
Capital Expenditures	650,523	840,338	189,815	1,146,657
Other Expenditures	50,130	25,192	(24,938)	19,867
Total Sites and Buildings	9,553,961	9,415,493	(138,468)	10,722,992
Fiscal and Other Fixed Cost Programs:				
Purchased Services	500,820	378,575	(122,245)	359,332
Debt Service:				
Principal	554,718	687,478	132,760	531,060
Interest and Fiscal Charges	133,755	133,755	-	157,413
Total Debt Service	688,473	821,233	132,760	688,473
Total Expenditures	120,691,888	120,386,631	(305,257)	116,179,878
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,402,490)	(1,791,188)	2,611,302	(1,798,537)
OTHER FINANCING SOURCES				
Insurance Recovery Proceeds	-	4,818	4,818	245,297
Capital Lease Proceeds	-	503,645	503,645	-
Total Other Financing Sources (Uses)	-	508,463	508,463	245,297
Net Change in Fund Balance	\$ (4,402,490)	(1,282,725)	\$ 3,119,765	(1,553,240)
FUND BALANCE				
Beginning of Year		21,960,591		23,513,831
End of Year		\$ 20,677,866		\$ 21,960,591

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
FOOD SERVICE SPECIAL REVENUE FUND
BALANCE SHEET
JUNE 30, 2015**

(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2014)

	2015	2014
ASSETS		
Cash and Investments	\$ 1,674,697	\$ 1,874,226
Receivables:		
Due from Minnesota Department of Education	48,019	4,950
Due from Federal through the Minnesota Department of Education	437,411	89,273
Inventory	67,157	26,984
Total Assets	\$ 2,227,284	\$ 1,995,433
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 155,149	\$ 242,957
Payroll Deductions and Employer Contributions Payable	177,051	171,675
Accounts and Contracts Payable	43,228	88,542
Unearned Revenue	96,397	96,489
Total Liabilities	471,825	599,663
Fund Balance:		
Nonspendable:		
Inventory	67,157	26,984
Restricted for:		
Other Purposes	1,688,302	1,368,786
Total Fund Balance	1,755,459	1,395,770
Total Liabilities and Fund Balance	\$ 2,227,284	\$ 1,995,433

**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, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2014)**

	2015		Over (Under) Final Budget	2014
	Final Budget	Actual Amounts		Actual Amounts
REVENUES				
Local Sources:				
Earnings on Investments	\$ 4,500	\$ 2,288	\$ (2,212)	\$ 2,686
Other - Primarily Meal Sales	2,240,656	1,688,935	(551,721)	1,801,795
State Sources	206,529	264,260	57,731	194,732
Federal Sources	<u>2,771,575</u>	<u>3,420,885</u>	<u>649,310</u>	<u>3,227,015</u>
Total Revenues	5,223,260	5,376,368	153,108	5,226,228
EXPENDITURES				
Current:				
Salaries	1,610,671	1,643,908	33,237	1,618,300
Employee Benefits	630,550	624,251	(6,299)	602,268
Purchased Services	275,100	249,427	(25,673)	218,497
Supplies and Materials	2,347,551	2,454,680	107,129	2,392,659
Other Expenditures	4,500	7,101	2,601	5,745
Capital Outlay	<u>320,000</u>	<u>37,312</u>	<u>(282,688)</u>	<u>97,210</u>
Total Expenditures	<u>5,188,372</u>	<u>5,016,679</u>	<u>(171,693)</u>	<u>4,934,679</u>
Excess of Revenues Over Expenditures	34,888	359,689	324,801	291,549
OTHER FINANCING SOURCES				
Proceeds from Sale of Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,535</u>
Net Change in Fund Balance	<u>\$ 34,888</u>	359,689	<u>\$ 324,801</u>	297,084
FUND BALANCE				
Beginning of Year		<u>1,395,770</u>		<u>1,098,686</u>
End of Year		<u>\$ 1,755,459</u>		<u>\$ 1,395,770</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
COMMUNITY SERVICE SPECIAL REVENUE FUND
BALANCE SHEET
JUNE 30, 2015**

(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2014)

	2015	2014
ASSETS		
Cash and Investments	\$ 1,785,557	\$ 1,631,730
Receivables:		
Current Taxes	663,643	592,363
Delinquent Taxes	11,943	15,241
Accounts and Interest Receivable	61,628	82,922
Due from Minnesota Department of Education	119,889	112,272
Due from Federal Government through the Minnesota Department of Education	4,525	-
Total Assets	\$ 2,647,185	\$ 2,434,528
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 128,420	\$ 130,267
Payroll Deductions and Employer Contributions Payable	113,816	101,794
Accounts and Contracts Payable	138,070	72,498
Due to Other School Districts	-	3,779
Due to Other Governmental Units	12	44
Unearned Revenue - Other	194,338	321,748
Total Liabilities	574,656	630,130
Deferred Inflows of Resources:		
Unavailable Revenue - Property Taxes Levied for Subsequent Year	1,246,573	1,084,995
Unavailable Revenue - Delinquent Taxes	7,516	13,533
Total Deferred Inflows of Resources	1,254,089	1,098,528
Fund Balance:		
Restricted for:		
Community Education Programs	392,880	494,805
Early Childhood and Family Education Programs	192,407	98,367
School Readiness	199,726	78,583
Other Purposes	33,427	34,115
Total Fund Balance	818,440	705,870
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 2,647,185	\$ 2,434,528

**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, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2014)**

	2015		Over (Under) Final Budget	2014
	Final Budget	Actual Amounts		Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	\$ 1,084,995	\$ 1,084,662	\$ (333)	\$ 483,488
Earnings on Investments	-	2,256	2,256	2,331
Other - Primarily Tuition and Fees	3,653,412	3,782,824	129,412	3,549,366
State Sources	930,647	1,279,994	349,347	1,476,411
Federal Sources	30,590	32,788	2,198	31,552
Total Revenues	5,699,644	6,182,524	482,880	5,543,148
EXPENDITURES				
Current:				
Salaries	3,292,171	3,592,988	300,817	3,289,518
Employee Benefits	956,743	1,066,665	109,922	1,025,096
Purchased Services	882,160	859,865	(22,295)	818,797
Supplies and Materials	381,876	439,897	58,021	567,496
Other Expenditures	12,575	14,488	1,913	10,790
Capital Outlay	132,500	96,051	(36,449)	168,298
Total Expenditures	5,658,025	6,069,954	411,929	5,879,995
Net Change in Fund Balance	\$ 41,619	112,570	\$ 70,951	(336,847)
FUND BALANCE				
Beginning of Year		705,870		1,042,717
End of Year		\$ 818,440		\$ 705,870

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
CAPITAL PROJECTS – BUILDING CONSTRUCTION FUND
BALANCE SHEET
JUNE 30, 2015**

(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2014)

	2015	2014
ASSETS		
Cash and Investments	\$ 73,872,715	\$ 14,088,439
Accounts and Interest Receivable	19,234	4,813
	\$ 73,891,949	\$ 14,093,252
LIABILITIES AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ -	\$ 2,872
Payroll Deductions and Employer Contributions Payable	1,328	1,646
Accounts and Contracts Payable	1,392,431	1,798,628
Due to Other Funds	960,451	-
Total Liabilities	2,354,210	1,803,146
Fund Balance:		
Restricted for Alternative Facility Program	8,527,905	12,290,106
Restricted for Other Purposes	63,009,834	-
Total Fund Balance	71,537,739	12,290,106
Total Fund Liabilities and Fund Balance	\$ 73,891,949	\$ 14,093,252

**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, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2014)**

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	2015			2014
	Final Budgeted Amounts	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Earnings on Investments	\$ 25,000	\$ 16,205	\$ (8,795)	\$ 21,592
EXPENDITURES				
Current:				
Salaries	66,900	66,900	-	65,610
Employee Benefits	25,508	25,460	(48)	23,147
Purchased Services	-	1,760,192	1,760,192	255,464
Bond Sale Costs	-	1,206,199	1,206,199	-
Capital Outlay	2,907,592	3,744,712	837,120	7,081,421
Total Expenditures	<u>3,000,000</u>	<u>6,803,463</u>	<u>3,803,463</u>	<u>7,425,642</u>
Deficiency of Revenues Under Expenditures	(2,975,000)	(6,787,258)	(3,812,258)	(7,404,050)
OTHER FINANCING SOURCES				
Debt Issuance	-	64,485,000	64,485,000	-
Bond Premium	-	1,549,891	1,549,891	-
Total Other Financing Sources	<u>-</u>	<u>66,034,891</u>	<u>66,034,891</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (2,975,000)</u>	59,247,633	<u>\$ 62,222,633</u>	(7,404,050)
FUND BALANCE				
Beginning of Year		<u>12,290,106</u>		<u>19,694,156</u>
End of Year		<u>\$ 71,537,739</u>		<u>\$ 12,290,106</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2015**

(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2014)

	Regular Debt Service	OPEB Debt Service	Totals	
			2015	2014
ASSETS				
Cash and Investments	\$ 5,686,932	\$ 1,053,231	\$ 6,740,163	\$ 6,119,368
Receivables:				
Current Taxes	4,366,932	858,373	5,225,305	5,567,306
Delinquent Taxes	93,742	16,837	110,579	143,446
Due from Other Funds	960,451	-	960,451	-
Due from Other Minnesota School Districts	-	-	-	16,223
Due from Other Governmental Units	16,222	-	16,222	-
	<u>\$ 11,124,279</u>	<u>\$ 1,928,441</u>	<u>\$ 13,052,720</u>	<u>\$ 11,846,343</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Deferred Inflows of Resources:				
Unavailable Revenue - Property Taxes Levied for Subsequent Year	\$ 8,202,752	\$ 1,612,349	\$ 9,815,101	\$ 10,197,300
Unavailable Revenue - Delinquent Taxes	58,373	10,778	69,151	124,558
Total Deferred Inflows of Resources	<u>8,261,125</u>	<u>1,623,127</u>	<u>9,884,252</u>	<u>10,321,858</u>
Fund Balance:				
Restricted for Bond Refunding	20,233	-	20,233	-
Restricted for Debt Service	2,842,921	305,314	3,148,235	1,524,485
Total Fund Balance	<u>2,863,154</u>	<u>305,314</u>	<u>3,168,468</u>	<u>1,524,485</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 11,124,279</u>	<u>\$ 1,928,441</u>	<u>\$ 13,052,720</u>	<u>\$ 11,846,343</u>

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

**DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2014)**

	2015				Over (Under) Final Budget	2014
	Final Budgeted Amounts	Regular Debt Service	OPEB Debt Service	Total Actual Amounts		Actual Amounts
REVENUES						
Local Sources:						
Property Tax	\$ 10,197,300	\$ 8,577,283	\$ 1,617,000	\$ 10,194,283	\$ (3,017)	\$ 9,362,581
Earnings on Investments	-	7,553	1,336	8,889	8,889	9,416
Other	194,661	194,661	-	194,661	-	194,662
Total Revenues	10,391,961	8,779,497	1,618,336	10,397,833	5,872	9,566,659
EXPENDITURES						
Debt Service:						
Bond Principal	9,366,000	4,625,000	725,000	5,350,000	(4,016,000)	5,390,000
Bond Interest	4,362,842	3,502,692	860,150	4,362,842	-	4,620,456
Paying Agent Fees and Other	5,500	50,301	-	50,301	44,801	3,051
Total Expenditures	13,734,342	8,177,993	1,585,150	9,763,143	(3,971,199)	10,013,507
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,342,381)	601,504	33,186	634,690	3,977,071	(446,848)
OTHER FINANCING SOURCES (USES)						
Debt Issuance	4,017,091	3,965,000	-	3,965,000	(52,091)	-
Bond Premium	-	1,059,293	-	1,059,293	1,059,293	-
Escrow Agent	-	(4,015,000)	-	(4,015,000)	(4,015,000)	-
Total Other Financing Sources (Uses)	4,017,091	1,009,293	-	1,009,293	(3,007,798)	-
Net Change in Fund Balance	\$ 674,710	1,610,797	33,186	1,643,983	\$ 969,273	(446,848)
FUND BALANCE						
Beginning of Year		1,252,357	272,128	1,524,485		1,971,333
End of Year		\$ 2,863,154	\$ 305,314	\$ 3,168,468		\$ 1,524,485

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
INTERNAL SERVICE FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015**

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(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2014)

	Self- Insurance Dental	Self- Insurance Health	Severance Benefits	OPEB Revocable Trust	Totals	
					2015	2014
ASSETS						
Current Assets:						
Cash and Investments	\$ 328,346	\$ 6,802,381	\$ 4,816,966	\$ 14,463,911	\$ 26,411,604	\$ 25,153,859
Interest Receivable	-	138	-	54,131	54,269	48,414
Due from Other Funds	-	525,651	-	-	525,651	621,511
Total Assets	<u>\$ 328,346</u>	<u>\$ 7,328,170</u>	<u>\$ 4,816,966</u>	<u>\$ 14,518,042</u>	<u>\$ 26,991,524</u>	<u>\$ 25,823,784</u>
LIABILITIES AND NET POSITION						
Current Liabilities:						
Health and Dental Claims Payable	\$ 51,907	\$ 1,305,061	\$ -	\$ -	\$ 1,356,968	\$ 744,137
Due to Plan Participants	-	1,888,167	-	-	1,888,167	1,888,167
Severance Benefits Payable	-	-	322,358	-	322,358	387,856
Due to Other Funds	-	-	-	1,091,173	1,091,173	621,511
Total Current Liabilities	<u>51,907</u>	<u>3,193,228</u>	<u>322,358</u>	<u>1,091,173</u>	<u>4,658,666</u>	<u>3,820,131</u>
Severance Benefits Payable	-	-	1,817,748	-	1,817,748	1,765,966
Total Liabilities	<u>51,907</u>	<u>3,193,228</u>	<u>2,140,106</u>	<u>1,091,173</u>	<u>6,476,414</u>	<u>5,586,097</u>
Net Position:						
Unrestricted	<u>276,439</u>	<u>4,134,942</u>	<u>2,676,860</u>	<u>13,426,869</u>	<u>20,515,110</u>	<u>20,237,687</u>
Total Liabilities and Net Position	<u>\$ 328,346</u>	<u>\$ 7,328,170</u>	<u>\$ 4,816,966</u>	<u>\$ 14,518,042</u>	<u>\$ 26,991,524</u>	<u>\$ 25,823,784</u>

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

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**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
YEAR ENDED JUNE 30, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2014)**

	Self-	Self-	Severance Benefits	OPEB	Totals	
	Insurance Dental	Insurance Health		Revocable Trust	2015	2014
OPERATING REVENUES						
Charges for Services	\$ 898,349	\$ 19,352,110	\$ 13,716	\$ 405,435	\$ 20,669,610	\$ 18,460,973
OPERATING EXPENSES						
Health Insurance Claim Payments	-	17,935,302	-	-	17,935,302	16,567,677
Dental Insurance Claim Payments	955,916	-	-	-	955,916	911,923
Severance Payments	-	-	242,289	-	242,289	(215,598)
OPEB Payments	-	-	-	1,513,038	1,513,038	1,041,706
Total Operating Expenses	<u>955,916</u>	<u>17,935,302</u>	<u>242,289</u>	<u>1,513,038</u>	<u>20,646,545</u>	<u>18,305,708</u>
Operating Income (Loss)	(57,567)	1,416,808	(228,573)	(1,107,603)	23,065	155,265
NONOPERATING INCOME						
Earnings on Investments	<u>458</u>	<u>8,426</u>	<u>6,522</u>	<u>238,952</u>	<u>254,358</u>	<u>274,974</u>
Change in Net Position	(57,109)	1,425,234	(222,051)	(868,651)	277,423	430,239
Net Position - Beginning	<u>333,548</u>	<u>2,709,708</u>	<u>2,898,911</u>	<u>14,295,520</u>	<u>20,237,687</u>	<u>19,807,448</u>
Net Position - Ending	<u>\$ 276,439</u>	<u>\$ 4,134,942</u>	<u>\$ 2,676,860</u>	<u>\$ 13,426,869</u>	<u>\$ 20,515,110</u>	<u>\$ 20,237,687</u>

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
INTERNAL SERVICE FUND
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2015**

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(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED JUNE 30, 2014)

	Self- Insurance Dental	Self- Insurance Health	Severance Benefits	OPEB Revocable Trust	Totals	
					2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Interfund Services Provided	\$ 898,349	\$ 19,447,970	\$ 13,716	\$ 405,435	\$ 20,765,470	\$ 18,553,195
Payments for Health and Dental Claims	(946,593)	(17,331,794)	-	-	(18,278,387)	(16,456,435)
Payments for OPEB	-	-	-	(1,043,376)	(1,043,376)	(1,133,928)
Payments for Severance Benefits	-	-	(434,465)	-	(434,465)	(715,697)
Net Cash Provided (Used) by Operating Activities	(48,244)	2,116,176	(420,749)	(637,941)	1,009,242	247,135
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest Received	458	8,288	6,522	233,235	248,503	252,078
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(47,786)	2,124,464	(414,227)	(404,706)	1,257,745	499,213
Cash and Cash Equivalents - Beginning	376,132	4,677,917	5,231,193	14,868,617	25,153,859	24,654,646
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 328,346</u>	<u>\$ 6,802,381</u>	<u>\$ 4,816,966</u>	<u>\$ 14,463,911</u>	<u>\$ 26,411,604</u>	<u>\$ 25,153,859</u>
DISPLAYED ON COMBINING STATEMENT OF NET POSITION AS						
Cash and Investments	<u>\$ 328,346</u>	<u>\$ 6,802,381</u>	<u>\$ 4,816,966</u>	<u>\$ 14,463,911</u>	<u>\$ 26,411,604</u>	<u>\$ 25,153,859</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ (57,567)	\$ 1,416,808	\$ (228,573)	\$ (1,107,603)	\$ 23,065	\$ 155,265
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Decrease in Due to HCSP	-	-	(178,460)	-	(178,460)	(62,431)
Increase in Claims Payable	9,323	603,508	-	-	612,831	700,885
Increase in Due to Plan Participants	-	-	-	-	-	322,280
Decrease in Severance Benefits Payable	-	-	(13,716)	-	(13,716)	(868,864)
Increase (Decrease) in Due to Other Funds	-	-	-	469,662	469,662	(92,222)
Decrease in Due from Other Funds	-	95,860	-	-	95,860	92,222
Total Adjustments	9,323	699,368	(192,176)	469,662	986,177	91,870
Net Cash Provided (Used) by Operating Activities	<u>\$ (48,244)</u>	<u>\$ 2,116,176</u>	<u>\$ (420,749)</u>	<u>\$ (637,941)</u>	<u>\$ 1,009,242</u>	<u>\$ 247,135</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES	None	None	None	None	None	none

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS
COMPLIANCE TABLE
JUNE 30, 2015**

	AUDIT	UFARS	AUDIT-UFARS
01 GENERAL FUND			
Total Revenue	\$ 118,600,261	\$ 118,600,257	\$ 4
Total Expenditures	120,386,631	120,386,628	3
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	647,352	647,352	-
<i>Restricted/Reserved:</i>			
403 Staff Development	-	-	-
405 Deferred Maintenance	-	-	-
406 Health & Safety	(44,175)	(44,175)	-
407 Capital Project Levy	-	-	-
408 Cooperative Programs	-	-	-
411 Severance Pay	-	-	-
413 Project Funded by COP	-	-	-
414 Operating Debt	-	-	-
416 Levy Reduction	-	-	-
417 Taconite Building Maint	-	-	-
423 Certain Teacher Programs	-	-	-
424 Operating Capital	1,625,492	1,625,492	-
426 \$25 Taconite	-	-	-
427 Disabled Accessibility	-	-	-
428 Learning & Development	-	-	-
434 Area Learning Center	2,206,150	2,206,150	-
435 Contracted Alt. Programs	-	-	-
436 State Approved Alt. Program	-	-	-
438 Gifted & Talented	-	-	-
441 Basic Skills Programs	-	-	-
445 Career and Technical Programs	-	-	-
446 First Grade Preparedness	-	-	-
448 Achievement and Integration	-	-	-
449 Safe Schools Crime	-	-	-
450 Prekindergarten	-	-	-
451 QZAB Payments	-	-	-
452 OPEB Liab Not In Trust	-	-	-
453 Unfunded Sev & Retirement Levy	-	-	-
<i>Restricted:</i>			
464 Restricted Fund Balance	-	-	-
<i>Committed:</i>			
418 Committed for Separation	-	-	-
461 Committed Fund Balance	1,393,434	1,393,434	-
<i>Assigned:</i>			
462 Assigned Fund Balance	-	-	-
<i>Unassigned:</i>			
422 Unassigned Fund Balance	14,849,613	14,849,613	-
02 FOOD SERVICE			
Total Revenue	5,376,368	5,376,369	(1)
Total Expenditures	5,016,679	5,016,681	(2)
<i>Non-Spendable:</i>			
460 Non-Spendable Fund Balance	67,157	67,158	(1)
<i>Restricted:</i>			
452 OPEB Liab Not In Trust	-	-	-
464 Restricted Fund Balance	1,688,302	1,688,301	1
<i>Unassigned:</i>			
463 Unassigned Fund Balance	-	-	-
04 COMMUNITY SERVICE			
Total Revenue	6,182,524	6,182,525	(1)
Total Expenditures	6,069,954	6,069,955	(1)
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	-	-	-
<i>Restricted/Reserved:</i>			
426 \$25 Taconite	-	-	-
431 Community Education	392,880	392,880	-
432 E.C.F.E.	192,407	192,407	-
444 School Readiness	199,726	199,726	-
447 Adult Basic Education	-	-	-
452 OPEB Liab Not In Trust	-	-	-
<i>Restricted:</i>			
464 Restricted Fund Balance	33,427	33,428	(1)
<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)
JUNE 30, 2015**

	AUDIT	UFARS	AUDIT-UFARS
06 BUILDING CONSTRUCTION			
Total Revenue	\$ 16,205	\$ 16,205	\$ -
Total Expenditures	6,803,463	6,803,465	(2)
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	-	-	-
<i>Restricted/Reserved:</i>			
407 Capital Projects Levy	-	-	-
409 Alternative Facility Program	8,527,905	8,527,905	-
413 Project Funded by COP	-	-	-
<i>Restricted:</i>			
464 Restricted Fund Balance	63,009,834	63,009,834	-
<i>Unassigned:</i>			
463 Unassigned Fund Balance	-	-	-
07 DEBT SERVICE			
Total Revenue	8,779,497	8,779,497	-
Total Expenditures	8,177,993	8,177,993	-
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	-	-	-
<i>Restricted/Reserved:</i>			
425 Bond Refundings	20,233	20,233	-
451 QZAB Payments	-	-	-
<i>Restricted:</i>			
464 Restricted Fund Balance	2,842,921	2,842,921	-
<i>Unassigned:</i>			
463 Unassigned Fund Balance	-	-	-
08 TRUST			
Total Revenue	821,417	821,417	-
Total Expenditures	846,945	846,945	-
422 Net Assets	161,105	161,105	-
20 INTERNAL SERVICE			
Total Revenue	20,279,581	20,279,581	-
Total Expenditures	19,133,507	19,133,506	1
422 Net Assets	7,088,241	7,088,242	(1)
25 OPEB REVOCABLE TRUST			
Total Revenue	644,387	644,387	-
Total Expenditures	1,513,038	1,513,039	(1)
422 Unreserved/Undesignated	13,426,869	13,426,868	1
45 OPEB IRREVOCABLE TRUST			
Total Revenue	-	-	-
Total Expenditures	-	-	-
422 Net Assets	-	-	-
47 OPEB DEBT SERVICE			
Total Revenue	1,618,336	1,618,335	1
Total Expenditures	1,585,150	1,585,150	-
<i>Non-Spendable:</i>			
460 Non-Spendable Fund Balance	-	-	-
<i>Reserved:</i>			
425 Bond Refundings	-	-	-
464 Restricted Fund Balance	305,314	305,314	-
<i>Unassigned:</i>			
463 Unassigned Fund Balance	-	-	-

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
Financial Trends	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	97
Revenue Capacity	
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	105
Debt Capacity	
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	113
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	118
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to services the District provides and the activities it performs.	122

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			
	2006	2007	2008	2009
Governmental Activities:				
Net Investment in Capital Assets	\$ 29,541,607	\$ 30,752,653	\$ 32,400,397	\$ 34,695,342
Restricted	1,575,709	1,500,870	1,944,889	3,733,631
Unrestricted	930,261	2,851,758	3,581,251	12,052,404
Total Governmental Activities Net Position	<u>\$ 32,047,577</u>	<u>\$ 35,105,281</u>	<u>\$ 37,926,537</u>	<u>\$ 50,481,377</u>

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 35,667,039	\$ 34,407,587	\$ 33,135,086	\$ 30,342,438	\$ 30,452,283	\$ 27,062,458
1,832,117	2,161,029	5,216,979	6,159,342	5,749,042	7,527,306
14,610,991	16,668,510	19,384,308	22,916,072	21,984,806	(58,671,372)
<u>\$ 52,110,147</u>	<u>\$ 53,237,126</u>	<u>\$ 57,736,373</u>	<u>\$ 59,417,852</u>	<u>\$ 58,186,131</u>	<u>\$ (24,081,608)</u>

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

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	Fiscal Year			
	2006	2007	2008	2009
Governmental Activities:				
Expenses:				
Administration	\$ 4,919,460	\$ 4,589,197	\$ 5,027,845	\$ 4,950,096
District Support Services	2,886,365	3,065,225	3,126,850	3,390,913
Elementary and Secondary Regular Instruction	43,486,231	44,975,789	45,515,887	47,519,413
Vocational Education Instruction	1,413,588	1,378,881	1,526,776	1,632,973
Special Education Instruction	21,114,629	22,411,625	23,681,196	22,145,039
Instructional Support Services	3,755,835	6,550,614	6,153,326	7,501,043
Pupil Support Services	8,057,584	8,020,842	8,557,826	8,603,916
Sites and Buildings	8,238,752	9,052,668	8,191,449	8,522,420
Fiscal and Other Fixed Cost Programs	383,761	339,705	209,332	264,411
Food Service	4,172,970	4,290,681	4,511,341	4,679,838
Community Service	7,808,625	7,725,833	7,208,037	6,799,003
Unallocated Depreciation	3,464,422	3,644,915	4,056,496	4,397,939
Interest and Fiscal Charges on Debt	1,886,765	1,972,633	2,789,012	3,598,995
Total Governmental Activities Expenses	<u>111,588,987</u>	<u>118,018,608</u>	<u>120,555,373</u>	<u>124,005,999</u>
Program Revenues:				
Charges for Services				
Administration	-	-	-	-
District Support Services	-	-	-	-
Regular Instruction	-	-	-	-
Vocational Education Instruction	-	-	-	-
Special Education Instruction	-	-	-	-
Instructional Support Services	-	-	-	-
Pupil Support Services	-	-	-	-
Sites and Buildings	-	-	-	-
Food Service	-	-	-	-
Community Service	-	-	-	-
Charges for Services	9,776,923	8,783,122	8,861,528	8,757,337
Operating Grants and Contributions	21,408,456	24,882,103	27,942,642	26,465,588
Capital Grants and Contributions	-	-	-	-
Total Governmental Activities Program Revenues	<u>31,185,379</u>	<u>33,665,225</u>	<u>36,804,170</u>	<u>35,222,925</u>
Net (Expense) Revenue	(80,403,608)	(84,353,383)	(83,751,203)	(88,783,074)
General Revenues:				
Taxes:				
Property Taxes, Levied for General Purposes	7,985,810	15,197,534	15,333,736	23,788,718
Property Taxes, Levied for Capital Projects	3,050,000	3,587,533	1,220,877	1,997,143
Property Taxes, Levied for Community Service	456,135	954,054	1,050,146	821,623
Property Taxes, Levied for Debt Service	4,752,854	3,823,407	5,288,249	6,125,262
General Grants and Aids	64,413,534	60,119,086	61,627,214	62,750,280
Other General Revenues	2,884,924	2,399,261	505,762	765,767
Investment Earnings	1,034,238	1,330,212	1,546,475	1,059,429
Total General Revenues	<u>84,577,495</u>	<u>87,411,087</u>	<u>86,572,459</u>	<u>97,308,222</u>
Change in Net Position	<u>\$ 4,173,887</u>	<u>\$ 3,057,704</u>	<u>\$ 2,821,256</u>	<u>\$ 8,525,148</u>

Note: Charges for Services prior to 2011 are shown in aggregate as the underlying detail is not readily available.

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 4,849,650	\$ 4,570,736	\$ 4,913,118	\$ 5,017,728	\$ 5,222,596	\$ 5,495,447
3,361,532	3,551,635	4,003,191	3,558,217	3,395,055	3,719,700
50,102,667	50,974,493	50,611,296	50,949,918	51,729,124	52,233,831
1,551,879	1,480,298	1,492,225	1,312,146	1,236,118	1,376,740
21,734,681	22,682,654	19,023,796	20,061,117	22,197,325	24,497,781
8,045,291	7,754,442	6,062,033	7,811,846	10,268,318	10,962,774
9,780,469	10,026,146	9,807,447	9,868,782	10,347,505	10,621,468
14,180,528	15,784,580	15,200,182	17,070,641	15,688,853	16,747,542
202,269	210,020	251,997	295,956	359,332	378,575
4,233,044	4,291,762	4,323,546	4,900,535	4,945,020	5,059,060
6,824,402	6,437,058	5,381,854	5,011,420	5,852,106	6,151,189
-	-	-	-	-	-
4,177,493	4,141,447	4,601,698	4,274,825	4,487,298	6,948,424
<u>129,043,905</u>	<u>131,905,271</u>	<u>125,672,383</u>	<u>130,133,131</u>	<u>135,728,650</u>	<u>144,192,531</u>
-	380	544	1,029	3,075	194,914
-	127,990	134,569	109,146	107,339	-
-	1,017,919	806,875	938,224	835,616	716,947
-	14,397	4,577	2,168	-	-
-	219,159	258,340	314,860	401,262	351,834
-	3,932	2,925	777	725	262
-	79,144	71,789	53,446	52,946	164,802
-	166,728	164,797	236,430	399,322	273,804
-	2,059,988	1,949,840	1,961,046	1,807,330	1,688,935
-	4,388,387	3,836,094	3,250,050	3,389,114	3,457,191
7,950,985	-	-	-	-	-
33,468,257	29,054,228	27,077,411	27,428,931	29,387,695	29,737,748
2,406,218	852,644	910,472	903,453	985,391	1,398,776
<u>43,825,460</u>	<u>37,984,896</u>	<u>35,218,233</u>	<u>35,199,560</u>	<u>37,369,815</u>	<u>37,985,213</u>
(85,218,445)	(93,920,375)	(90,454,150)	(94,933,571)	(98,358,835)	(106,207,318)
24,227,785	32,482,605	22,636,895	24,589,073	15,967,774	21,784,467
1,659,108	-	-	-	-	-
883,211	1,404,146	941,361	985,656	484,038	1,077,297
6,721,713	8,134,891	8,522,512	8,982,183	9,373,229	10,125,067
52,784,986	52,461,003	62,107,115	61,702,475	71,455,903	68,576,907
96,418	88,302	287,108	278,153	294,357	728,393
473,994	476,407	458,406	77,510	348,647	322,603
<u>86,847,215</u>	<u>95,047,354</u>	<u>94,953,397</u>	<u>96,615,050</u>	<u>97,923,948</u>	<u>102,614,734</u>
<u>\$ 1,628,770</u>	<u>\$ 1,126,979</u>	<u>\$ 4,499,247</u>	<u>\$ 1,681,479</u>	<u>\$ (434,887)</u>	<u>\$ (3,592,584)</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			
	2006	2007	2008	2009
General Fund:				
Reserved	\$ 2,300,836	\$ 2,393,792	\$ 2,880,170	\$ 4,276,972
Unreserved, Designated	1,998,726	2,880,780	2,318,619	5,090,162
Unreserved, Undesignated	3,034,806	1,821,361	4,070,656	9,572,656
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	\$ 7,334,368	\$ 7,095,933	\$ 9,269,445	\$ 18,939,790
All Other Governmental Funds:				
Reserved	\$ 50,325	\$ 11,041,796	\$ 28,335,079	\$ 14,370,010
Unreserved	190,651	1,962,014	2,121,115	2,733,039
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unassigned	-	-	-	-
Total All Other Governmental Funds	\$ 240,976	\$ 13,003,810	\$ 30,456,194	\$ 17,103,049
Total All Funds	\$ 7,575,344	\$ 20,099,743	\$ 39,725,639	\$ 36,042,839

Note: The District began to use new categories when it implemented GASB 54 in fiscal year 2011.

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 2,636,276	\$ -	\$ -	\$ -	\$ -	\$ -
2,352,197	-	-	-	-	-
11,044,500	-	-	-	-	-
-	278,075	189,006	270,695	256,197	647,352
-	2,851,833	3,562,528	3,867,464	3,633,869	3,831,642
-	2,903,318	2,519,534	1,903,201	2,067,348	1,393,434
-	11,508,180	15,451,213	17,472,471	16,003,177	14,805,438
<u>\$ 16,032,973</u>	<u>\$ 17,541,406</u>	<u>\$ 21,722,281</u>	<u>\$ 23,513,831</u>	<u>\$ 21,960,591</u>	<u>\$ 20,677,866</u>
\$ 5,943,846	\$ -	\$ -	\$ -	\$ -	\$ -
2,094,857	-	-	-	-	-
-	11,415	15,084	22,033	26,984	67,157
-	22,187,616	12,897,157	23,784,859	15,889,247	77,192,716
-	(15,929)	-	-	-	-
<u>\$ 8,038,703</u>	<u>\$ 22,183,102</u>	<u>\$ 12,912,241</u>	<u>\$ 23,806,892</u>	<u>\$ 15,916,231</u>	<u>\$ 77,259,873</u>
<u>\$ 24,071,676</u>	<u>\$ 39,724,508</u>	<u>\$ 34,634,522</u>	<u>\$ 47,320,723</u>	<u>\$ 37,876,822</u>	<u>\$ 97,937,739</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)**

190

	Fiscal Year			
	2006	2007	2008	2009
Revenues				
Local Sources:				
Taxes	\$ 16,278,067	\$ 23,539,825	\$ 22,834,837	\$ 32,553,680
Investment Earnings	820,915	1,247,589	1,405,009	1,021,884
Other	10,958,308	10,867,020	10,000,580	9,829,361
State Sources	80,631,654	79,054,439	82,213,084	82,343,720
Federal Sources	5,190,336	5,946,750	6,462,561	5,893,647
Total Revenues	<u>113,879,280</u>	<u>120,655,623</u>	<u>122,916,071</u>	<u>131,642,292</u>
Expenditures				
Current:				
Administration	4,469,983	4,554,716	4,657,727	6,140,806
District Support Services	2,697,711	3,010,817	3,105,926	3,511,356
Elementary and Secondary Regular Instruction	44,339,358	45,404,777	45,261,251	56,188,736
Vocational Education Instruction	1,400,090	1,374,353	1,523,789	1,835,088
Special Education Instruction	21,264,986	22,382,206	23,754,715	25,938,318
Instructional Support Services	3,596,795	6,550,399	6,118,765	8,143,797
Pupil Support Services	7,820,145	7,988,227	8,525,680	9,355,083
Sites and Buildings	12,305,772	8,644,151	8,588,916	10,478,601
Fiscal and Other Fixed Cost Programs	383,761	339,705	209,332	264,411
Food Service	4,149,116	4,256,652	4,468,774	4,558,646
Community Service	7,550,954	7,534,481	7,175,595	7,392,208
Capital Outlay	2,603,852	5,717,413	14,938,638	16,613,204
Debt Service:				
Principal	3,295,968	3,257,392	3,557,799	3,746,517
Interest and Fiscal Charges	3,057,786	2,048,236	2,549,048	3,475,367
Total Expenditures	<u>118,936,277</u>	<u>123,063,525</u>	<u>134,435,955</u>	<u>157,642,138</u>
Deficiency of Revenues Under Expenditures	(5,056,997)	(2,407,902)	(11,519,884)	(25,999,846)
Other Financing Sources (Uses)				
Proceeds from Debt Issuance	-	14,925,000	30,580,000	18,580,000
Refunding Bonds Issued	-	-	17,110,000	-
Premium on Bonds	-	7,301	338,143	266,733
Payments to Refunded Bond Escrow Agent	(18,875,000)	-	(17,535,000)	-
Capital Leases	4,015,000	-	152,637	875,000
Proceeds from Sale of Equipment	-	-	-	-
Proceeds from Insurance Recovery	-	-	-	-
Transfers In	628,161	841,373	500,000	3,377,203
Transfers Out	(628,161)	(841,373)	-	(781,890)
Total Other Financing Sources (Uses)	<u>(14,860,000)</u>	<u>14,932,301</u>	<u>31,145,780</u>	<u>22,317,046</u>
Net Change in Fund Balances	<u>\$ (19,916,997)</u>	<u>\$ 12,524,399</u>	<u>\$ 19,625,896</u>	<u>\$ (3,682,800)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>5.46%</u>	<u>4.52%</u>	<u>5.11%</u>	<u>5.12%</u>

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 33,312,791	\$ 42,027,958	\$ 32,233,016	\$ 34,586,475	\$ 25,795,703	\$ 33,212,333
174,360	31,677	37,064	49,189	73,673	68,245
8,905,536	9,132,181	8,144,240	8,356,020	8,627,885	8,026,353
74,486,292	73,572,503	81,833,895	82,364,820	92,656,912	91,607,137
13,308,330	7,828,467	7,371,690	6,438,224	7,584,795	7,654,305
<u>130,187,309</u>	<u>132,592,786</u>	<u>129,619,905</u>	<u>131,794,728</u>	<u>134,738,968</u>	<u>140,568,373</u>
4,740,928	4,479,834	4,653,413	4,989,116	5,165,097	5,381,925
3,316,627	3,503,874	3,844,968	3,554,671	3,413,639	3,683,322
49,316,260	50,623,741	50,600,018	50,345,903	51,801,948	53,893,564
1,575,805	1,457,705	1,498,920	1,313,835	1,239,045	1,363,572
21,044,299	22,217,684	19,095,676	19,864,118	22,223,518	24,169,675
7,091,658	6,817,957	4,999,515	7,436,464	10,207,507	10,702,294
9,584,890	10,012,614	9,766,628	9,865,911	10,358,327	10,576,978
8,847,651	9,590,961	8,934,219	9,226,327	10,722,992	9,415,493
202,269	210,020	251,997	295,956	359,332	378,575
4,160,351	4,222,507	4,145,547	4,633,338	4,934,679	5,016,679
6,761,386	6,387,759	5,316,732	4,996,977	5,879,995	6,069,954
14,247,559	7,521,788	12,116,836	10,265,759	7,425,642	5,597,264
3,750,000	4,480,000	5,126,777	5,333,428	5,921,060	6,037,478
4,055,731	4,165,905	4,626,776	4,537,801	4,780,920	5,753,097
<u>138,695,414</u>	<u>135,692,349</u>	<u>134,978,022</u>	<u>136,659,604</u>	<u>144,433,701</u>	<u>148,039,870</u>
(8,508,105)	(3,099,563)	(5,358,117)	(4,864,876)	(9,694,733)	(7,471,497)
-	16,575,000	-	16,910,000	-	68,450,000
-	-	-	-	-	-
-	328,926	-	612,872	-	2,609,184
-	-	-	-	-	(4,015,000)
1,103,500	-	-	-	-	503,645
4,135	1,050	5,500	7,081	5,535	-
2,571	1,847,419	262,631	21,124	245,297	4,818
345,512	-	-	-	-	-
(4,918,776)	-	-	-	-	-
<u>(3,463,058)</u>	<u>18,752,395</u>	<u>268,131</u>	<u>17,551,077</u>	<u>250,832</u>	<u>67,552,647</u>
<u>\$ (11,971,163)</u>	<u>\$ 15,652,832</u>	<u>\$ (5,089,986)</u>	<u>\$ 12,686,201</u>	<u>\$ (9,443,901)</u>	<u>\$ 60,081,150</u>
<u>6.27%</u>	<u>6.75%</u>	<u>7.94%</u>	<u>7.81%</u>	<u>7.81%</u>	<u>8.28%</u>

**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	
2006	\$ 8,004,227	\$ 458,435	\$ 3,050,000	\$ 4,765,405	\$ 16,278,067
2007	15,171,998	953,184	3,587,533	3,827,110	23,539,825
2008	15,295,699	1,047,297	1,220,877	5,270,964	22,834,837
2009	23,644,333	819,197	1,997,143	6,093,007	32,553,680
2010	24,098,279	878,490	1,650,239	6,685,783	33,312,791
2011	32,487,487	1,404,357	-	8,136,114	42,027,958
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

**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
Dakota County				
2006	\$ 5,429	\$ 58,021,935	\$ (6,448,512)	\$ 5,131,959
2007	5,593	62,916,334	(7,109,777)	5,607,561
2008	-	65,729,936	(8,091,910)	6,426,990
2009	3,939	65,915,092	(8,836,371)	7,374,378
2010	-	62,585,735	(9,383,424)	7,552,685
2011	-	58,466,834	(9,345,125)	7,373,077
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
Scott County				
2006	\$ 17,549	\$ 14,523,749	\$ (1,665,718)	\$ 1,040,580
2007	19,223	16,020,780	(1,999,151)	1,153,516
2008	29,720	17,143,352	(2,095,903)	1,332,264
2009	48,777	17,856,869	(2,448,215)	1,472,452
2010	-	17,839,926	(2,694,919)	771,610
2011	57,863	17,551,138	(2,897,114)	1,807,108
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

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

<u>Tax Increment</u>	<u>Total Taxable</u>	<u>Taxable Market Value</u>	<u>Tax Capacity as a Percentage of Market Value</u>
\$ (4,483,875)	\$ 52,226,936	\$ 4,772,520,450	1.09
(5,573,580)	55,846,131	5,130,646,250	1.09
(6,374,112)	57,690,904	5,318,277,150	1.08
(6,346,758)	58,110,280	5,274,098,550	1.10
(6,063,844)	54,691,152	4,952,096,500	1.10
(3,707,982)	52,786,804	4,605,222,400	1.15
(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
\$ (1,358,407)	\$ 12,557,753	\$ 1,202,345,575	1.04
(1,502,024)	13,692,344	1,318,036,150	1.04
(1,590,462)	14,818,971	1,396,175,400	1.06
(138,233)	16,791,650	1,442,672,150	1.16
(129,985)	15,786,632	1,404,193,900	1.12
(36,196)	16,482,799	1,377,039,800	1.20
(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

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

Rate	Tax Collection Calendar Fiscal Year	ISD No. 191	Municipalities				
			Apple Valley	Burnsville	Eagan	Savage	Shakopee
Tax Capacity Rate	2006	0.18315	0.35690	0.35414	0.28293	0.46489	0.30974
Market Value Rate	2006	0.17155	0.01797	-	0.01712	0.01835	0.00848
Tax Capacity Rate	2007	0.18152	0.34891	0.34564	0.26804	0.50155	0.31939
Market Value Rate	2007	0.15852	0.01714	-	0.01574	0.01815	0.00728
Tax Capacity Rate	2008	0.19374	0.35537	0.35005	0.19374	0.48356	0.31925
Market Value Rate	2008	0.26397	0.01736	-	0.01526	0.01937	0.00537
Tax Capacity Rate	2009	0.19821	0.37083	0.36088	0.19821	0.46013	0.32630
Market Value Rate	2009	0.24439	0.03109	-	0.01516	0.01984	0.00651
Tax Capacity Rate	2010	0.20651	0.39848	0.38568	0.30407	0.47335	0.33710
Market Value Rate	2010	0.26401	0.03372	-	0.01603	0.01523	0.00555
Tax Capacity Rate	2011	0.21854	0.42388	0.42598	0.33675	0.48278	0.34731
Market Value Rate	2011	0.27427	0.03750	-	0.01704	0.01543	0.00342
Tax Capacity Rate	2012	0.21881	0.44110	0.43213	0.34553	0.51123	0.36655
Market Value Rate	2012	0.28538	0.04169	-	0.01644	0.00160	0.00035
Tax Capacity Rate	2013	0.26168	0.49210	0.47021	0.38272	0.55508	0.41996
Market Value Rate	2013	0.29632	0.02122	-	0.01726	0.00169	0.00047
Tax Capacity Rate	2014	0.25661	0.47891	0.46670	0.38250	0.55278	0.41437
Market Value Rate	2014	0.26308	0.02124	-	0.01696	0.00161	0.00052
Tax Capacity Rate	2015	0.24554	0.45274	0.44790	0.36525	0.51742	0.37862
Market Value Rate	2015	0.26015	0.02036	-	0.01564	0.00148	0.00054

* Tax capacity rates only.

Source: Dakota and Scott Counties

Overlapping Rates					
Counties		Special Taxing Districts		Total*	
Dakota County	Scott County	Dakota County	Scott County	Burnsville Resident	Savage Resident
0.26318	0.35502	0.05309	0.04209	0.85356	1.04515
-	-	-	-	-	-
0.25127	0.33140	0.05731	0.04104	0.83574	1.06860
-	-	-	-	-	-
0.25184	0.32646	0.05792	0.04179	0.85355	1.05775
-	-	-	-	-	-
0.25808	0.32684	0.06152	0.04280	0.87869	1.03776
-	-	-	-	-	-
0.27261	0.33237	0.05868	0.04938	0.92348	1.06161
-	-	-	-	-	-
0.29149	0.35541	0.05798	0.04649	0.99399	1.10322
-	-	-	-	-	-
0.31426	0.38802	0.06407	0.05081	1.02927	1.16887
-	-	-	-	-	-
0.33421	0.40674	0.07009	0.05250	1.13619	1.27600
-	-	-	-	-	-
0.31827	0.39720	0.06772	0.05062	1.10930	1.25721
-	-	-	-	-	-
0.29633	0.36640	0.06201	0.04692	1.05178	1.17628
-	-	-	-	-	-

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
PRINCIPAL PROPERTY TAXPAYERS
FISCAL YEAR 2013 AND 2005
(UNAUDITED)**

Taxpayer	2013			2005		
	Net Tax Capacity	Rank	Percentage of Tax Capacity Value	Net Tax Capacity	Rank	Percentage of Tax Capacity Value
Xcel Energy	\$ 2,618,250	1	3.79%	\$ 2,096,720	1	3.24%
Minnegasco, Inc.	491,626	2	0.71%	379,252	3	0.59%
Wal-Mart	419,100	3	0.61%			
Kraus-Anderson, Inc.	353,632	4	0.51%	382,912	2	0.59%
Individual	337,397	5	0.49%	313,405	5	0.48%
Rosemount Aerospace, Inc.	333,894	6	0.48%			
Cargill Inc.	316,375	7	0.46%			
Aurora Investments, LLC	304,556	8	0.44%			
IRET Properties	294,005	9	0.43%	332,401	4	0.51%
Kraemer Mining & Materials Inc.	291,524	10	0.42%			
Summit Townhome Investors, LLC				302,135	6	0.47%
Burnsville Park Apartments, Inc.				287,502	7	0.44%
Sam's Real Estate Business				238,120	8	0.37%
Bigos Willow Pond				227,500	9	0.35%
AIMCO				218,750	10	0.34%
Total	\$ 5,760,359		8.34%	\$ 4,778,697		7.38%

Source: 2014A Official Statement Documents based on Current Property Valuations, Net Tax Capacity by Classification, Trend of Valuations and Larger Taxpayers have been furnished by Dakota and Scott Counties.

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

For Taxes Collectible	Original Levy				First Year Levy Recognized	
	Local Spread	Fiscal Disparities	Property Tax Credits	Total Spread	Amount	Percentage of Levy
2006	\$ 20,385,075	\$ 2,155,079	\$ 632,680	\$ 23,172,834	\$ 22,947,207	99.0 %
2007	21,027,101	2,420,128	601,214	24,048,443	23,707,092	98.6
2008	29,681,732	2,671,977	620,074	32,973,783	32,456,046	98.4
2009	28,932,086	4,135,629	642,114	33,709,829	14,572,244	43.2
2010	28,999,757	4,149,020	691,398	33,840,175	14,282,750	42.2
2011	28,895,825	4,377,847	691,398	33,965,070	14,789,335	43.5
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

* - 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

Collections			Uncollected Taxes Receivable as of June 30, 2015			
Received in Subsequent Years	Total to Date		Delinquent		Current	
	Amount	Percentage of Levy	Amount	Percent	Amount	Percent
\$ 225,627	\$ 23,172,834	100.0 %	\$ -	- %	\$ -	- %
341,351	24,048,443	100.0	-	-	-	-
484,053	32,940,099	99.9	33,684	0.1	-	-
19,113,276	33,685,520	99.9	24,309	0.1	-	-
19,551,947	33,834,697	100.0	5,478	0.0	-	-
19,134,810	33,924,145	99.9	40,925	0.1	-	-
18,023,934	32,938,868	99.8	60,219	0.2	-	-
18,723,472	34,016,251	98.9	371,796	1.1	-	-
18,069,740	33,318,648	99.2	266,207	0.0	-	-
-	16,303,858	46.8	-	-	18,561,309	53.2
			<u>\$ 802,618</u>		<u>\$ 18,561,309</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	Capital Leases	Special Assessments	Total Primary Government		
	Bonds					
2006	\$ 38,730,000	\$ 4,192,559	\$ 100,818	\$ 43,023,377	1.64 %	\$ 695
2007	50,820,000	3,785,779	85,206	54,690,985	1.98	896
2008	77,895,000	3,471,889	73,934	81,440,823	3.10	1,327
2009	93,005,000	4,083,815	60,491	97,149,306	3.83	1,582
2010	89,255,000	4,897,473	47,048	94,199,521	3.65	1,562
2011	101,350,000	4,401,353	33,606	105,784,959	3.90	1,744
2012	96,710,000	3,914,576	20,163	100,644,739	3.59	1,659
2013	108,795,000	3,406,148	6,721	112,207,869	3.84	1,838
2014	103,405,000	2,875,088	-	106,280,088	N/A	N/A
2015	162,490,000	2,691,255	-	165,181,255	N/A	N/A

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.

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

Fiscal Year	Gross Bonded Debt	Less Debt Service Funds on Hand	Net Bonded Debt	Tax Capacity	Percent Net Debt to Tax Capacity	Percent of Estimated Actual Market Value of Property (1)	Estimated Population	Net Bonded Debt per Capita
2006	\$ 38,730,000	\$ 1,647,098	\$ 37,082,902	\$ 64,784,689	57.24 %	0.62 %	66,158	\$ 561
2007	50,820,000	1,463,285	49,356,715	69,538,475	70.98	0.77	66,158	746
2008	77,895,000	1,781,004	76,113,996	72,509,875	104.97	1.13	66,158	1,150
2009	93,005,000	2,250,541	90,754,459	74,901,930	121.16	1.35	66,158	1,372
2010	89,255,000	1,484,872	87,770,128	70,477,784	124.54	1.38	67,370	1,303
2011	101,350,000	1,384,060	99,965,940	69,269,603	144.31	1.67	67,370	1,484
2012	96,710,000	1,317,768	95,392,232	64,008,940	149.03	1.63	67,370	1,416
2013	108,795,000	1,971,332	106,823,668	59,564,938	179.34	1.93	67,370	1,586
2014	103,405,000	1,252,357	102,152,643	62,608,631	163.16	1.80	67,370	1,516
2015	162,490,000	3,168,468	159,321,532	67,706,713	235.31	2.60	67,370	2,365

(1) - 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 and U.S. census

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
DIRECT AND OVERLAPPING DEBT
JUNE 30, 2015
(UNAUDITED)**

Governmental Unit	2014/2015 Taxable Net Tax Capacity	Bonded Debt	Percent Allocable to ISD No. 191	Portion Allocable to ISD No. 191
Independent School District No. 191	\$ 68,859,659	\$ 162,490,000	100.0000 %	\$ 162,490,000
Overlapping Debt				
Dakota County	386,012,628	33,575,000	12.1780	5,203,677
Scott County	159,180,564	85,288,853	10.1842	7,109,114
City of Apple Valley	42,630,195	45,850,000	0.9569	265,407
City of Burnsville	58,040,362	41,749,128	67.6124	27,143,018
City of Eagan	72,520,297	23,510,000	10.0069	2,781,418
City of Savage	27,772,826	65,501,200	47.1489	26,634,434
City of Shakopee	38,705,002	13,830,000	3.4953	358,267
Metropolitan Council	2,638,630	255,486,594	1.6291	3,204,118
Total Overlapping Debt				<u>72,699,453</u>
Total Direct and Overlapping Debt				<u>\$ 235,189,453</u>

Note: For the Metropolitan Council, the above debt includes all outstanding general obligation debt, as well as general obligation sewer revenue, wastewater revenue, radio revenue bonds, and lease obligations outstanding, all of which are supported entirely by revenues and have not been included in the overlapping debt or debt ratios sections. The method used to determine the percentage of overlapping debt is representative of area and geographic jurisdiction.

Source: Dakota and Scott Counties

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

	Fiscal Year			
	2006	2007	2008	2009
Debt Limit	\$ 896,229,904	\$ 967,302,360	\$ 1,007,167,883	\$ 1,007,515,605
Total Net Debt Applicable to Limit	37,082,902	49,356,715	76,113,996	90,754,459
Legal Debt Margin	<u>\$ 859,147,002</u>	<u>\$ 917,945,645</u>	<u>\$ 931,053,887</u>	<u>\$ 916,761,146</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	4.14%	5.10%	7.56%	9.01%

Note: Effective for the year 2003 and later, state finance law requires the District's outstanding general obligation debt should not exceed 15% of total market property value. Prior to 2003, the percentage was 10%. By law, the general obligation debt subject to the limitation may be

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 953,443,560	\$ 848,890,728	\$ 827,181,211	\$ 883,979,884	\$ 906,296,696	\$ 906,296,696
87,770,128	99,865,128	95,325,940	106,823,668	102,152,643	159,321,532
<u>\$ 865,673,432</u>	<u>\$ 749,025,600</u>	<u>\$ 731,855,271</u>	<u>\$ 777,156,216</u>	<u>\$ 804,144,053</u>	<u>\$ 746,975,164</u>
9.21%	11.76%	11.52%	12.08%	11.27%	17.58%

Legal Debt Margin Calculation for Fiscal Year 2014

Market Value	(1)	\$ 6,041,977,975
Debt Limit (15% of Market Value)		906,296,696
Debt Applicable to Limit:		
General Obligation Bonds		162,490,000
Less: Amount Set Aside for Repayment of		
General Obligation Debt		<u>(3,168,468)</u>
Total Net Debt Applicable to Limit		<u>159,321,532</u>
Legal Debt Margin		<u>\$ 746,975,164</u>

(1) Per Series 2015A Bond Official Statement

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
DEMOGRAPHICS 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)
2005	61,262	\$ 2,537,226,992	\$ 41,416	66,158	10,538	3.7
2006	61,048	2,630,863,560	43,095	66,158	10,402	3.5
2007	61,393	2,765,447,685	45,045	66,158	10,213	4.1
2008	61,393	2,625,901,396	42,772	66,158	9,961	4.9
2009	61,081	2,538,037,712	41,552	66,158	9,826	7.4
2010	60,306	2,583,689,958	42,843	67,370	9,770	6.7
2011	60,664	2,709,982,208	44,672	67,370	9,585	6.2
2012	60,664	2,804,314,728	46,227	67,370	9,576	5.1
2013	61,061	2,922,135,216	47,856	67,370	9,468	4.5
2014	61,300	2,985,984,300	48,711	67,370	9,303	3.7

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, 2014
- (2) Estimated personal income is calculated by multiplying the per capital personal income by the City of Burnsville population
- (3) Annual school district census and U.S. census
- (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	2015		2006	
	Employees	Rank	Employees	Rank
Independent School District No. 191	1,325	1	1,600	1
UTC Aerospace Systems*	1,200	2	1,150	3
City of Burnsville	520	3	-	-
Pepsi Bottling Group	500	4	550	5
Ames Construction	400	5	-	-
Northern Tool & Equipment	300	6	600	4
Yellow Freight System, Inc. (YRC)	300	7	400	6
SuperTarget	300	8	-	-
Telex Communications	300	9	-	-
Fabcon, Inc.	275	10	-	-
Asset Marketing Services	-	-	275	10
Fairview Ridges Hospital	-	-	1,400	2
Cub Foods	-	-	300	7
Frontier Communications of MN	-	-	300	8
Genz-Ryan	-	-	300	9
Total	5,420		6,875	

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Administrators/Principals	47	49	51	60	53	61	56	54	54	60
Teachers	735	773	752	746	783	791	699	731	773	779
Clerical	91	88	91	81	85	80	73	74	66	66
Paraprofessionals	273	280	305	275	260	236	224	207	209	211
Nurses	15	15	15	15	15	15	13	12	16	18
Operations/Maintenance Supervisors	5	5	5	5	5	5	5	4	3	3
Technical Specialists	5	5	5	5	4	4	2	6	5	5
Community Education	65	65	60	50	52	47	46	36	36	36
Cafeteria	79	71	81	71	78	83	74	76	75	74
Custodians	84	78	79	76	81	82	75	75	72	73
Total	1,399	1,429	1,444	1,384	1,416	1,404	1,267	1,275	1,309	1,325

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.

**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
2005	16.58	14.12	14.36	13.51
2006	17.14	14.68	14.25	13.53
2007	16.40	13.86	13.78	13.05
2008	16.46	14.74	13.99	13.23
2009	16.49	14.88	13.57	12.94
2010	16.07	13.54	14.32	13.43
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

Note 1: Information is not yet available for 2015.

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Standardized Tests										
MCA Reading (See Note 1)										
Grade 3	86.0 %	82.0 %	76.0 %	77.0 %	74.1 %	70.6 %	76.4 %	52.1 %	49.6 %	53.2 %
Grade 5	82	78	79	79	79	84	80	58	60	58
Grade 7	67	64	62	63	57	67	64	48	50	45
Grade 10	64	67	79	81	81	77	75	61	61	52
MCA Math (See Note 1)										
Grade 3	80	82	78	79	84	59	63	66	64	64
Grade 5	64	71	68	69	73	54	54	54	50	60
Grade 7	60	65	57	58	61	47	55	49	48	44
Grade 11	38	44	40	42	45	47	40	44	40	40
ACT										
Independent School District No. 191										
Average Composite Score	23	23	23	24	23	23	23	23	23	23
State Average Composite Score	22.3	22.5	22.6	22.7	22.9	22.9	22.8	23.0	22.9	22.9

N/A - Not Available

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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
SCHOOL FACILITIES
JUNE 30, 2015
(UNAUDITED)**

Facility	Use	Constructed	Acres	Classrooms	Square Footage	Capacity	Enrollment (1)
Gideon Pond Elementary	School	1965/1971/1995	13.00	17	75,700	425	422
Edward Neill Elementary	School	1968/1976/1995	10.00	19	68,550	475	457
Marion W. Savage Elementary	School	1950/1954/1957 1961/1963/1965 1971/1990/1992	8.50	23	82,700	575	480
Sioux Trail Elementary	School	1964/1971/1995	13.50	18	75,790	450	429
Vista View Elementary	School	1963/1971/1995	16.50	18	80,069	450	462
Williams Byrne Elementary	School	1967/1971/1995	10.50	18	73,797	450	554
Rahn Elementary	School	1969/1995	16.00	18	67,305	450	433
Sky Oaks Elementary	School	1975	11.00	24	85,850	600	592
Hidden Valley Elementary	School	1989	16.00	24	89,525	600	582
Harriet Bishop Elementary	School	1996	17.36	25	78,107	625	630
Metcalf Junior High	School	1966	36.00	50	163,000	900	616
Eagle Ridge Junior High	School	1996	31.00	45	132,000	875	690
Nicollet Junior High	School	1970/1995	35.00	50	188,772	900	552
Burnsville Senior High	School	1955/1958/1962 1971/1976/1977 1980/1993/1998	63.50	80	405,553	2,150	1,842
ASC	Office	1978	1.27	N/A	12,054	N/A	N/A
Cedar School	School	1961/1971	10.00	12	60,952	300	301
Diamondhead Education WH/Maintenance	Center	1971 1958/1962/1980	11.50 Part of BHS Acreage	16 N/A	140,000 20,780	430 N/A	N/A N/A

N/A - Not Available

(1) Source: 2014-15 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>
2006	9,899	978,399	172	5,688	57.46%
2007	9,768	995,473	172	5,788	59.25
2008	9,716	1,007,079	172	5,855	60.26
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

(1) Based on State Food and Nutrition Department guidelines, attendance is deemed to be 94 percent of enrollment.

Free Lunch		Reduced Lunch	
<u>Number Served</u>	<u>Percent of Total</u>	<u>Number Served</u>	<u>Percent of Total</u>
249,896	25.54%	84,152	8.60%
277,476	27.87	85,386	8.58
298,819	29.67	91,251	9.06
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

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
 INDEPENDENT SCHOOL DISTRICT NO. 191
 SCHEDULE OF INSURANCE COVERAGE
 JUNE 30, 2015
 (UNAUDITED)**

213

Type of Coverage	Amount of Coverage
Property Coverage:	
Real and Personal Property (Blanketed)	\$ 313,812,926
Unscheduled Locations	None
Blanket Valuable Papers and Records	50,000
Accounts Receivable - On Premises	50,000
Liability Coverages:	
General:	
Each Occurrence	1,000,000
General Aggregate Limit	2,000,000
Medical Expense Limit - Any One Person	5,000
Professional Liability (Nurses, Occupational Therapists, Psychologists):	
Limit Each Claim	Included
Aggregate	Included
Umbrella Liability:	
Each Occurrence	4,000,000
Aggregate	None
Crime Coverage:	
Employee Dishonesty	500,000
Forgery or Alteration	500,000
Computer Fraud	500,000
Theft, Disappearance, and Destruction	135,000
Business Automobile 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
School Leaders Errors and Omissions	
Aggregate	1,000,000
Boiler and Machinery Coverage:	
Property Damage	10,000,000
Extra Expense	1,000,000
Expediting Expense	100,000
Pollutant Cleanup and Removal - Aggregate	None
Spoilage	25,000

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

<u>Year Ended June 30,</u>	<u>Pre-Kindergarten and Handicapped Kindergarten</u>	<u>Kindergarten</u>	<u>Elementary</u>	<u>Secondary</u>	<u>Total</u>	<u>Total Pupil Units</u>
2006	131	741	4,657	5,006	10,535	12,139
2007	136	688	4,557	5,010	10,391	12,014
2008	143	686	4,476	4,908	10,213	11,839
2009	146	686	4,384	4,745	9,961	11,528
2010	148	636	4,357	4,685	9,826	11,393
2011	160	675	4,386	4,549	9,770	11,287
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

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 2002 through 2007	1.250	1.000	0.557	1.115	1.060	1.300
Fiscal 2008 through 2014	1.250	1.000	0.612	1.115	1.060	1.300
Fiscal 2015	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, 2014
(UNAUDITED)**

	State Average 2014	ISD No. 191 2014
Expenditures Per Student (ADM) (1)		
General Fund:		
District Level Administration	\$ 501	\$ 369
School Level Administration	425	534
Regular Instruction	4,778	5,098
Career and Technical Instruction	133	127
Special Education	1,976	2,268
Student Activities/Athletics	282	194
Instructional Support Services	524	888
Pupil Support Services	306	409
Operations, Maintenance, and Other	868	916
Student Transportation	640	654
Equipment	401	382
Land and Buildings	177	105
Total General Fund Expenditures	\$ 11,011	\$ 11,944
ADM Used Per Profile Model Format		9,727

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

Note: School District Profiles Report not available for June 30, 2015.

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, 2015

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BURNSVILLE, MINNESOTA
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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**

School Board
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, 2015, 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 26, 2015.

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) to determine the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 determination of financial statement amounts. 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*.

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 result of that testing, and not to provide an opinion on the effectiveness of the entity'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 26, 2015

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
IN ACCORDANCE WITH OMB CIRCULAR A-133**

School Board
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 Circular A-133 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, 2015. 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 the requirements of laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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, 2015.

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 OMB Circular A-133, 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.

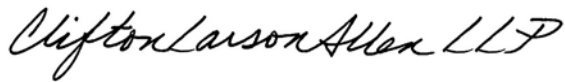
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

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, 2015, 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 26, 2015, 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 OMB Circular A-133 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 expenditure 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 26, 2015

**INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015**

Federal Agency/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE		
Passed Through Minnesota Department of Education:		
School Breakfast Program	{a} 10.553	\$ 768,471
National School Lunch Program	{a} 10.555	2,042,972
After School Snack Program	{a} 10.555	29,433
Food Distribution (& Commodity Rebate Program):		
Cash Assistance	{a} 10.555	74,737
Noncash Assistance	{a} 10.555	233,853
Summer Food Service Program	{a} 10.559	207,298
Fresh Fruit and Vegetable Program	10.582	59,180
Total U.S. Department of Agriculture		<u>3,415,944</u>
U.S. DEPARTMENT OF EDUCATION		
Passed Through Minnesota Department of Education:		
Title I - Part A	84.010	1,097,559
Title II - Improving Teacher Quality	84.367	382,791
Title III, Part A - English Language Acquisition Grants	84.365	178,556
Adult Education - Basic Grants to States	84.002	32,788
Special Education	{b} 84.027	2,338,203
Special Education - Discretionary Continuous Improvement Monitoring Process	{b} 84.027	14,840
Early Childhood	{b} 84.173	83,690
Special Education - Grants for Infants and Families	84.181	75,544
Total U. S. Department of Education		<u>4,203,971</u>
Passed Through Independent School District No. 196:		
Career and Technical Education - Basic Grants to States	84.048	<u>67,257</u>
Total Federal Awards		<u><u>\$ 7,687,172</u></u>

{a} = Child Nutrition Cluster
{b} = Special Education Cluster

Notes to Schedule of Expenditures of Federal Awards:

Note 1:

The Schedule of Expenditures of Federal Awards presents the activity of federal award programs expended by Independent School District No. 191.

Note 2:

The expenditures on this schedule are on the modified accrual basis of accounting, which is described in Note 1 to the financial statements of the District.

INDEPENDENT AUDITORS' REPORT ON MINNESOTA LEGAL COMPLIANCE

School Board
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 the 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, 2015, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated October 26, 2015.

The *Minnesota Legal Compliance Audit Guide for Political Subdivisions* promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, covers seven main categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards for school districts. Our study included all of the listed categories.

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 *Minnesota Legal Compliance Audit Guide for Political Subdivisions*. 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 School's noncompliance with the above-referenced provisions.

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 Political Subdivisions* and the results of that testing, and not to provide an opinion on the effectiveness of the Schools compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
October 26, 2015

**INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015**

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditors' report expresses an unmodified opinion on the financial statements of Independent School District No. 191.
2. No material weaknesses in internal control over financial reporting were disclosed during the audit of the financial statements of Independent School District No. 191.
3. No instances of noncompliance material to the financial statements of Independent School District No. 191 were disclosed during the audit.
4. No material weaknesses were disclosed during the audit of the major federal award program for the Independent School District No. 191.
5. The auditors' report on compliance for the major federal award programs for Independent School District No. 191 expresses an unmodified opinion.
6. No findings relative to the major federal award programs for Independent School District No. 191 were disclosed during the audit.
7. The program tested as a major program included:
 - U.S. Department of Agriculture – Child Nutrition Cluster
 - School Breakfast Program CFDA #10.553
 - National School Lunch Program CFDA #10.555
 - Summer Food Service Program CFDA #10.559
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Independent School District No. 191 was determined to be a low-risk auditee.

B. FINDINGS – INTERNAL CONTROL OVER FINANCIAL REPORTING

CURRENT YEAR

None

INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2015

C. FINDINGS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

CURRENT YEAR

None

PRIOR YEAR

None

D. FINDINGS – MINNESOTA LEGAL COMPLIANCE

None

EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS

INDEPENDENT AUDITORS' REPORT

School Board, Advisors, and Students
Independent School District No. 191
Burnsville, Minnesota

Report on the Financial Statement

We have audited the statement of cash receipts and disbursements of the Student Activity Funds of Independent School District No. 191 as of and for the year ended June 30, 2015, and the related note to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the regulatory basis of accounting described in the note to the financial statements; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 District'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 District'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 opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in the note to the financial statements, to meet the financial reporting requirements of the Minnesota Department of Education, the financial statements are prepared by Independent School District No. 191 in accordance with the financial reporting provisions of the accounting practices prescribed or permitted by the Minnesota Department of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statements of the variances between the regulatory basis of accounting described in the note to the financial statements and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Student Activity Funds of Independent School District No. 191 as of June 30, 2015, or changes in financial position for the year then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

We were unable to audit cash receipts because the District has not established procedures to provide assurance that all cash collections are recorded in the accounting records. We were unable to obtain sufficient appropriate audit evidence about the completeness of cash receipts by other auditing procedures.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the possible effect of the matter discussed in the Basis for Qualified Opinion on Regulatory Basis paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the cash balances of the Student Activity Funds of Independent School District No. 191 as of June 30, 2015, and the receipts and disbursements for the year then ended in accordance with the basis of accounting described in the note to the financial statements.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
October 26, 2015

**INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2015**

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	Beginning Balance	Receipts	Disbursements	Ending Balance
BURNSVILLE SENIOR HIGH				
Auto Club	\$ 1,949	\$ 2,458	\$ 2,700	\$ 1,707
Band	22,014	72,009	66,766	27,257
Boys Tennis	38	3,009	2,922	125
Boys Track	15,074	6,773	10,659	11,188
Chorus	25,333	23,063	40,788	7,608
Close-Up	1,951	-	-	1,951
DECA	9,290	22,592	13,274	18,608
Diversity	680	-	-	680
Drum Line	8	-	-	8
Girls Tennis	544	2,224	2,676	92
Giving Garden	-	1,853	1,497	355
Greece	439	3,057	2,821	675
Golf	9,675	3,587	2,620	10,641
National Honor Society	3,052	5,681	3,186	5,547
Physics Club	7,314	6,984	4,865	9,433
Prom	16,559	17,505	18,311	15,753
Quiz Bowl	1,495	2,431	1,488	2,438
Robotics - FRC	1,206	150	-	1,356
Robotics - FTC	1,965	4,337	2,492	3,809
Science Fair	3,932	1,726	3,720	1,938
Setting Three	844	716	971	589
Showcase	1,090	350	-	1,440
Softball	317	-	-	317
Spanish Club	67	-	-	67
Speech	3,445	2,556	1,271	4,730
Step Team	724	1,582	1,945	361
Student Council	5,420	37,346	31,239	11,527
Theater	3,338	11,998	8,718	6,618
Video Club	243	-	-	243
Voice	152	-	93	59
Weight Club	6,700	7,765	8,258	6,207
Yearbook	2,604	-	-	2,604
SAAC/Athletic	15,016	4,296	-	19,312
Senior Class	3,362	2,285	4,945	702
WEDay	89	1,308	1,343	54
#Burnsvillestrong	-	5,852	3,715	2,137
Total Burnsville Senior High	165,929	255,492	243,286	178,135

**INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2015**

232

	Beginning Balance	Receipts	Disbursements	Ending Balance
JOHN METCALF JUNIOR HIGH				
Chess Club	\$ 1,245	\$ 5,630	\$ 5,253	\$ 1,622
Metcalf Dance Line	12	332	344	-
Music	17	25,678	23,108	2,587
Student Senate	3,216	10,459	11,225	2,450
Fishing Club	162	45	207	-
Total John Metcalf Junior High	4,652	42,144	40,137	6,659
JOSEPH NICOLLET JUNIOR HIGH				
AVID	5,022	-	4,205	818
Band	3,202	19,580	20,768	2,014
Breakfast Club	2,197	150	428	1,919
Drama Club	7,682	1,543	2,984	6,241
Student Council	3,101	6,900	7,060	2,941
Total Joseph Nicollet Junior High	21,204	28,173	35,445	13,933
EAGLE RIDGE JUNIOR HIGH				
Student Council	1,140	12,971	5,112	8,998
England	1,013	9,472	6,541	3,944
Chess Club	673	-	-	673
Environmental Club	622	-	-	622
Total Eagle Ridge Junior High	3,448	22,443	11,653	14,237
ELEMENTARY SCHOOLS				
Gideon Pond	-	2,500	100	2,400
Edward Neill	-	2,500	100	2,400
MW Savage	-	2,500	1,199	1,301
Sioux Trail	-	2,500	720	1,780
Vista View	265	2,500	100	2,665
William Byrne	-	2,500	1,179	1,321
Rahn	1,442	2,500	253	3,689
Sky Oaks	-	2,500	648	1,852
Hidden Valley	-	2,500	607	1,893
Harriet Bishop	3,825	10,947	5,670	9,102
Total Elementary Schools	5,532	33,447	10,576	28,403
DISTRICT TOTAL	\$ 200,765	\$ 381,699	\$ 341,097	\$ 241,367

**INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
NOTES TO EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS
JUNE 30, 2015**

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NOTE 1 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Extracurricular student activity account transactions are defined as extracurricular programs conducted for the motivation and enjoyment of students. These programs and activities are not offered for school credits nor required for graduation. Activities are generally conducted outside of school hours. The content of the activities is determined primarily by the students, under the guidance of a staff member or other adult.

Extracurricular student activities are to be self-sustaining with all expenses paid by dues, admissions, or other student fund-raising events.

The accounts of the Student Activity Fund are maintained, and the accompanying financial statements have been prepared, on the regulatory basis of accounting as permitted by the Minnesota Department of Education. Consequently, receipts are recognized when received rather than when earned, and disbursements are recognized when paid rather than when the obligations are incurred.

NOTE 2 DEPOSITS AND INVESTMENTS

All cash and investments of the student activity accounts are held in demand accounts.

Custodial credit risk is the risk that in the event of a bank failure, the School's deposits may not be returned to it. The School does not have a deposit policy for custodial credit risk and follows Minnesota Statutes for deposits.

Minnesota Statutes require that all District 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.

Authorized collateral includes certain state or local government obligations, obligations of the U.S. Treasury and U.S. agencies, irrevocable standby letter of credit issued by the Federal Home Loan Bank accompanied by written evidence that the Federal Home Loan Bank's public debt is rated "AA" or better by Moody's or Standard & Poor's Corporation, and certificates of deposit insured by the FDIC.

Minnesota statutes require that securities pledged as collateral be held in safekeeping by the District Treasurer or in a financial institution (as agent for the District) other than that furnishing the collateral.

All student activity bank deposits are covered by deposit insurance or are collateralized by securities held by the District or its Agent in the District's name.



School Board, Advisers, and Students
Independent School District No. 191
Burnsville, Minnesota

In planning and performing our audit of the statement of cash receipts and disbursements of the extracurricular student activity funds of Independent School District No. 191 as of and for the year ended June 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered Independent School District No. 191's internal control over financial reporting (internal control) as a basis for designing our auditing 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 the entity's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

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 Independent School District No. 191's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the schedule of findings and corrective action as item 2015-002 to be a material weakness.

This communication is intended solely for the information and use of management and others within Independent School District No. 191, 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 26, 2015



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE
MANUAL FOR ACTIVITY FUND ACCOUNTING**

School Board, Advisors, and Students
Independent School District No. 191
Burnsville, Minnesota

Report on Compliance

We have audited, in accordance with auditing standards generally accepted in the United States of America, the statement of cash receipts and disbursements of the Student Activity Funds of Independent School District No. 191 as of and for the year ended June 30, 2015, and the related note to the financial statements, which collectively comprises the basic financial statements, and have issued our report thereon dated October 26, 2015. We expressed an adverse opinion on U.S. generally accepted accounting principles because the financial statements are prepared on a basis of accounting that demonstrates compliance with the regulatory basis of accounting prescribed or permitted by the Minnesota Department of Education, which differs from accounting principles generally accepted in the United States of America. In addition, our report on the regulatory basis of accounting is qualified because the District has not established procedures to provide assurance that all cash collections are recorded in the accounting records.

The *Manual for Activity Fund Accounting* (MAFA), issued by the Minnesota Department of Education, provides uniform financial accounting and reporting standards for student activities. We have performed auditing procedures to test compliance with the provisions of this manual.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the *Manual for Activity Fund Accounting*, except as described in the schedule of findings and corrective action as item 2015-001. 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.

The District's written response to the legal compliance finding identified in our audit is described in the Schedule of Findings and Responses. The District's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

The purpose of this report is solely to describe the scope of our testing of compliance relating to the provisions of the *Manual for Activity Fund Accounting* 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

Minneapolis, Minnesota
October 26, 2015

INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS
SCHEDULE OF FINDINGS AND CORRECTIVE ACTION
JUNE 30, 2015

FINDINGS AND CORRECTIVE ACTION

EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS

2015-001 Inactive Accounts

Condition – Nineteen of the District’s student activity accounts were inactive during fiscal year 2015 and need to be closed to be in compliance with the *Manual for Activity Fund Accounting*.

Recommendation – It is our recommendation that the District close all inactive accounts and transfer any residual balances to other active student activity accounts.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The District will close all accounts that were inactive for all of fiscal year 2014-15 and have remained inactive through December 31, 2015. Any remaining balances will be transferred to another district account at the direction of the Activity Fund Advisor. The District will also continue to monitor activity throughout the year to avoid having any inactive accounts as of the fiscal year-end.

Official Responsible for Ensuring CAP:

The Director of Accounting is the official responsible for ensuring corrective action of the deficiency.

Planned Completion Date for CAP:

The planned completion date is June 30, 2016.

Plan to Monitor Completion of CAP:

The Board of Education will be monitoring this corrective action plan.

**INDEPENDENT SCHOOL DISTRICT NO. 191
BURNSVILLE, MINNESOTA
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS
SCHEDULE OF FINDINGS AND CORRECTIVE ACTION
JUNE 30, 2015**

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FINDINGS FOR INTERNAL CONTROL OVER FINANCIAL REPORTING OF STUDENT ACTIVITY ACCOUNTS

FINDING 2015-002

PROCEDURES TO PROVIDE ASSURANCE THAT ALL CASH COLLECTIONS ARE RECORDED IN THE ACCOUNTING RECORDS

Condition – The District has not established accounting procedures to provide assurance that all cash collections are recorded in the accounting records. The District records student activity revenues on the cash basis and does not have an accounting system and internal controls in place to ensure student activity revenues and receipts have been properly recorded.

Effect – The potential exists that a material misstatement could occur in the financial statements and not be prevented or detected by the District's internal controls.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings: There is no disagreement with the audit finding.

Actions Planned in Response to Finding: The District records student activity revenues on the cash basis and does not have an accounting system and internal controls in place to ensure student activity revenues and receipts have been properly recorded. In consideration of the guiding principles under which the student activity funds were established, the District provides opportunities for substantial student involvement in the selection, direction, and management of fundraisers. This student involvement, although of great value to those students, is an inherent internal control weakness. The District has determined the costs of implementing controls over fundraising activities, in light of the multiple locations and times of these activities, outweigh the benefits; therefore, the District will continue to rely on activity fund advisors for appropriate oversight and supervision, but will not, at this time, implement procedures and policies to provide for detail internal control processes at each fund raising location and activity.

Official Responsible for Ensuring CAP: The Director of Accounting is the official responsible for carrying out the corrective action plan.

Planned Completion Date for CAP: The CAP will be carried out as part of each annual audit, therefore, the CAP is ongoing.

Plan to Monitor Completion of CAP: The corrective action plan will be monitored each year by the District financial staff and Board of Education as a part of the process of developing the annual audit report.



November 4, 2015

School Board
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

Dennis Hoogeveen, CPA
Principal

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

EXECUTIVE AUDIT SUMMARY (EAS)

JUNE 30, 2015

**BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 191
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JUNE 30, 2015**

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**EXECUTIVE AUDIT SUMMARY (EAS)
FOR
BURNSVILLE-EAGAN-SAVAGE PUBLIC SCHOOLS
YEAR ENDED JUNE 30, 2015**

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, 2015.

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

Yellow Book Compliance Findings – 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 Over Financial Reporting – No “material weaknesses” in internal controls over financial reporting were noted.

Single Audit – There were no findings reported in regard to the requirements for the major federal programs tested.

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

Fund Balance – The District's General Fund unassigned fund balance decreased by \$1,153,564 during fiscal 2014-2015, changing from a balance of \$16,003,177 to a balance of \$14,849,613 at June 30, 2015. Total fund balance of the General Fund decreased by \$1,282,725, ending at \$20,677,866 as of June 30, 2015. The ending unassigned fund balance represents a balance of 12.33% 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 problems.

Enrollment – For fiscal 2014-2015, Burnsville-Savage-Eagan Public Schools served an estimated total adjusted average daily membership of 9,302.94 (or 10,127.25 adjusted pupil units under the new methodology which equates to 10,692.02 under the previous guidance). For fiscal 2013-2014, Burnsville-Savage-Eagan Public Schools had served total adjusted average daily membership of 9,468.67 or 10,864.36 adjusted pupil units).

Budget to Actual – Total revenues on a net basis in the General Fund were \$2,306,045 (or 2.0%) higher than the final budgeted amount while total expenditures on a net basis were \$302,257 (or 0.3%) lower than had been budgeted. Including other financing sources of \$508,463 (insurance recovery proceeds and capital lease proceeds), the net effect was a decrease to total fund balance that was approximately \$3.1 million less than had been reflected in the District's final amended budget. On a budget this large, the expenditure variances reflect good budgeting, monitoring and outcomes.

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. As explained in further detail later in this document, the District was required to implement GASB Statement Nos. 68 and 71 for the fiscal year ended June 30, 2015, 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 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,	
	2015	2014
Total Fund Balance for Governmental Funds	\$ 97,957,972	\$ 37,876,822
Capital Assets, Less Accumulated Depreciation	108,986,473	109,666,496
Long-Term Liabilities	(168,972,368)	(108,239,884)
Pension Liability	(80,741,492)	-
Other - Net	18,687,807	18,882,697
Total Net Position - Governmental Activities	\$ (24,081,608)	\$ 58,186,131
Net Position:		
Net Investment in Capital Assets	\$ 27,062,458	\$ 30,452,283
Restricted	7,527,306	5,749,042
Unrestricted	(58,671,372)	21,984,806
Total Net Position - Governmental Activities	\$ (24,081,608)	\$ 58,186,131

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 non-capital 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 2015 and 2014:

	Year Ended June 30,	
	2015	2014
Net Change in Fund Balance - Total Governmental Funds	\$ 60,081,150	\$ (9,443,901)
Capital Asset Purchases	6,138,267	8,496,560
Depreciation	(6,816,190)	(6,379,479)
Debt Proceeds	(68,450,000)	-
Repayment of Debt	9,365,000	5,396,721
Change in Other Long-Term Liabilities	(3,988,043)	531,060
Change in Net Position of Internal Service Funds	277,423	430,239
Other - Net	(200,191)	533,913
Change in Net Position - Governmental Activities	<u>\$ (3,592,584)</u>	<u>\$ (434,887)</u>

I. FINANCIAL RESULTS

Fund Balances

ISD #191 - BURNSVILLE-EAGAN-SAVAGE
AUDITED FUND BALANCES THROUGH JUNE 30, 2015 (UFARS basis)

FUND DESCRIPTION	6/30/2014 AUDITED BALANCE	2014-15 AUDITED REVENUES	2014-15 AUDITED EXPENDITURES	2014-15 APPROVED TRANSFER	6/30/2015 AUDITED BALANCE
GENERAL FUND					
A. UNASSIGNED	\$16,003,177	\$95,097,037	\$93,885,398	(\$2,365,203)	\$14,849,613
B. NONSPENDABLE FOR PREPAIDS	\$256,197	\$391,155	\$0	\$0	\$647,352
B. NONSPENDABLE	\$256,197	\$391,155	\$0	\$0	\$647,352
C. COMMITTED FOR PROGRAM CARRYOVER	\$1,371,634	\$0	\$333,640	\$0	\$1,037,994
PRO PAY PROGRAM	\$695,714	\$2,491,694	\$2,831,968	\$0	\$355,440
C. COMMITTED	\$2,067,348	\$2,491,694	\$3,165,608	\$0	\$1,393,434
D. RESTRICTED FOR					
GIFTED AND TALENTED	\$0	\$131,654	\$583,668	\$452,014	\$0
CAREER AND TECH PROGRAM	\$0	\$239,850	\$646,904	\$407,054	\$0
LEARNING AND DEVELOPMENT	\$0	\$2,182,620	\$2,363,968	\$181,348	\$0
BASIC SKILLS	\$57,015	\$8,148,701	\$8,634,359	\$428,643	\$0
STAFF DEVELOPMENT	\$0	\$1,181,039	\$2,054,646	\$873,607	\$0
AREA LEARNING CENTER	\$2,578,703	\$3,535,427	\$3,907,980	\$0	\$2,206,150
ACHIEVEMENT & INTEGRATION	\$0	\$1,649,415	\$1,649,415	\$0	\$0
SAFE SCHOOLS	\$0	\$423,341	\$445,878	\$22,537	\$0
OPERATING CAPITAL	\$1,032,983	\$3,169,762	\$2,577,253	\$0	\$1,625,492
HEALTH & SAFETY	(\$34,832)	\$462,211	\$471,554	\$0	(\$44,175)
D. RESTRICTED	\$3,633,869	\$21,124,020	\$23,335,625	\$2,365,203	\$3,787,467
BUDGET		\$116,289,398	\$120,691,888		\$17,558,101
TOTAL GENERAL FUND	\$21,960,591	\$119,103,906	\$120,386,631	\$0	\$20,677,866
DIFFERENCE		\$2,814,508	(\$305,257)		\$3,119,765
% VARIANCE		2.42%	-0.25%		
FOOD SERVICE					
NONSPENDABLE FOR INVENTORY	\$26,984	\$40,173	\$0	\$0	\$67,157
RESTRICTED FOR FOOD SERVICE	\$1,368,786	\$5,336,195	\$5,016,679	\$0	\$1,688,302
BUDGET		\$5,223,260	\$5,188,372		\$1,430,658
TOTAL FOOD SERVICE	\$1,395,770	\$5,376,368	\$5,016,679	\$0	\$1,755,459
DIFFERENCE		\$153,108	(\$171,693)		\$324,801
% VARIANCE		2.93%	-3.31%		
COMMUNITY EDUCATION					
A. RESTRICTED FOR					
REGULAR COMMUNITY ED	\$494,805	\$4,558,886	\$4,611,162	(\$49,649)	\$392,880
EARLY CHILDHOOD FAMILY ED	\$98,367	\$560,762	\$466,722	\$0	\$192,407
SCHOOL READINESS	\$78,583	\$367,132	\$245,989	\$0	\$199,726
ADULT BASIC EDUCATION	\$0	\$547,133	\$601,559	\$54,426	\$0
OTHER PURPOSES	\$34,115	\$148,611	\$144,522	(\$4,777)	\$33,427
BUDGET		\$5,699,644	\$5,658,025		\$747,489
TOTAL COMMUNITY EDUCATION	\$705,870	\$6,182,524	\$6,069,954	\$0	\$818,440
DIFFERENCE		\$482,880	\$411,929	\$0	\$70,951
% VARIANCE		8.47%	7.28%		

I. FINANCIAL RESULTS (CONTINUED)

Fund Balances (Continued)

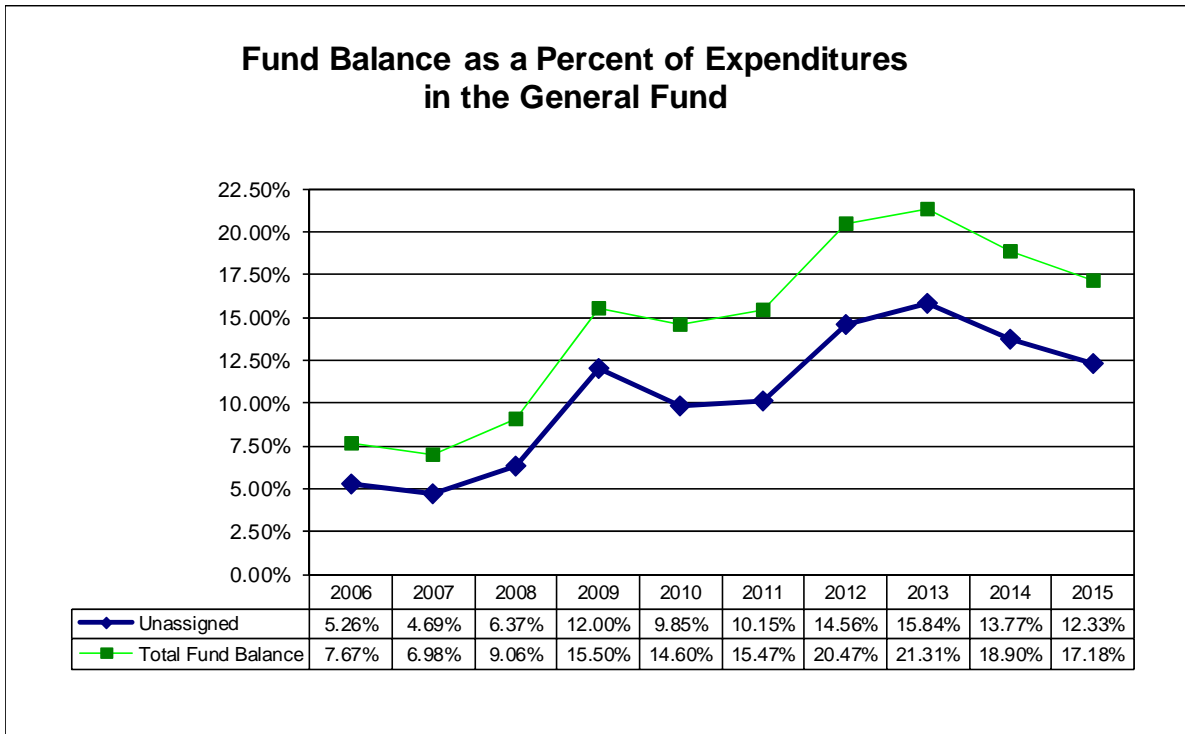
ISD #191 - BURNSVILLE-EAGAN-SAVAGE
AUDITED FUND BALANCES THROUGH JUNE 30, 2015 (UFARS basis)

FUND DESCRIPTION	6/30/2014 AUDITED BALANCE	2014-15 AUDITED REVENUES	2014-15 AUDITED EXPENDITURES	2014-15 APPROVED TRANSFER	6/30/2015 AUDITED BALANCE
CAPITAL PROJECTS FUND					
A. RESTRICTED FOR					
BUILDING CONSTRUCTION	\$0	\$66,035,445	\$3,025,611		\$63,009,834
ALTERNATIVE FACILITIES PROGRAM	\$12,290,106	\$15,651	\$3,777,852	\$0	\$8,527,905
BUDGET		\$25,000	\$3,000,000		\$9,315,106
TOTAL CAPITAL PROJECTS	\$12,290,106	\$66,051,096	\$6,803,463	\$0	\$71,537,739
DIFFERENCE		\$66,026,096	\$3,803,463		\$62,222,633
% VARIANCE		264104.38%	126.78%		
DEBT SERVICE					
A. RESTRICTED FOR					
OPERATING	\$1,252,357	\$8,779,497	\$7,188,933	\$0	\$2,842,921
BOND REFUNDING	\$0	\$5,024,293	\$5,004,060	\$0	\$20,233
OPEB BOND DEBT SERVICE	\$272,128	\$1,618,336	\$1,585,150	\$0	\$305,314
BUDGET		\$14,409,052	\$13,734,342		\$2,199,195
TOTAL DEBT SERVICE	\$1,524,485	\$15,422,126	\$13,778,143	\$0	\$3,168,468
DIFFERENCE		\$1,013,074	\$43,801		\$969,273
% VARIANCE		7.03%	0.32%		
INTERNAL SERVICE FUNDS					
DENTAL SELF-INSURANCE	\$333,548	\$898,807	\$955,916	\$0	\$276,439
HEALTH BENEFITS SELF-INSURANCE	\$2,709,708	\$19,360,536	\$17,935,302	\$0	\$4,134,942
SEVERANCE BENEFITS	\$2,898,911	\$20,238	\$242,289	\$0	\$2,676,860
OTHER POST-EMPLOYMENT BENEFITS	\$14,295,520	\$644,387	\$1,513,038	\$0	\$13,426,869
TOTAL INTERNAL SERVICE FUNDS	\$20,237,687	\$20,923,968	\$20,646,545	\$0	\$20,515,110
TRUST FUNDS					
EMPLOYEE BENEFITS TRUST FUND	\$89,702	\$764,173	\$760,424	\$0	\$93,451
PRIVATE-PURPOSE TRUST FUND	\$96,931	\$57,244	\$86,521	\$0	\$67,654
TOTAL TRUST FUNDS	\$186,633	\$821,417	\$846,945	\$0	\$161,105

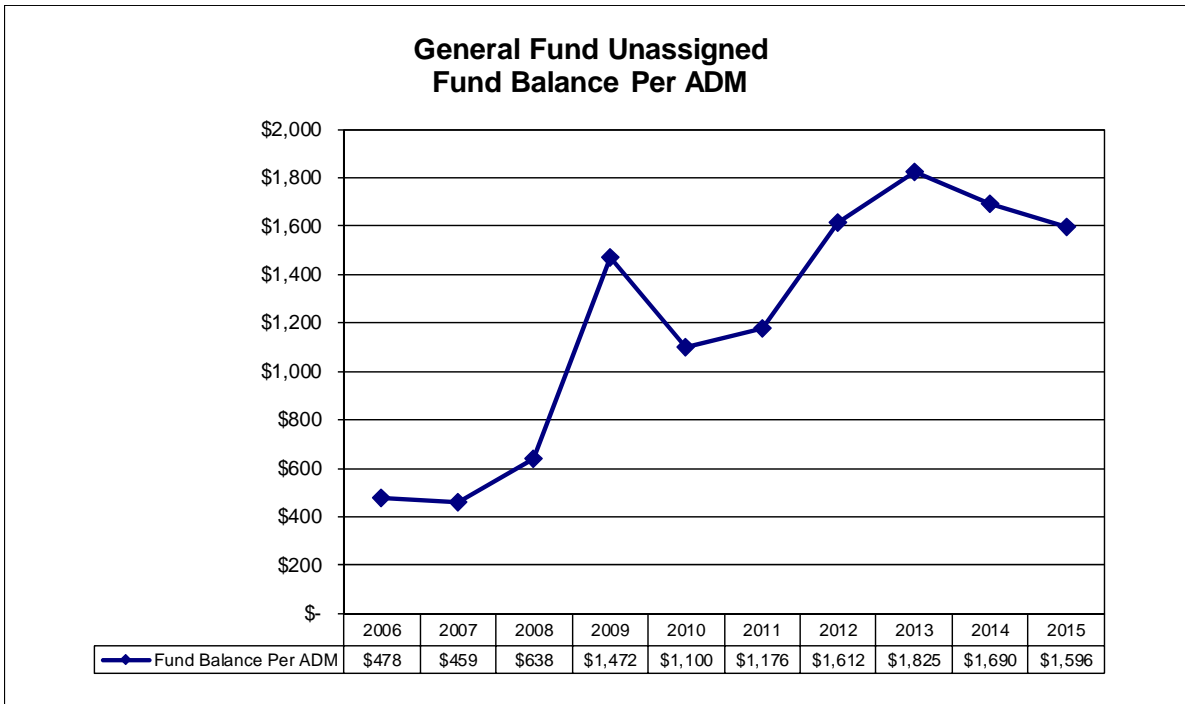
I. FINANCIAL RESULTS (CONTINUED)

Fund Balances (Continued)

As a percentage of annual expenditures:



Per student served for aid.

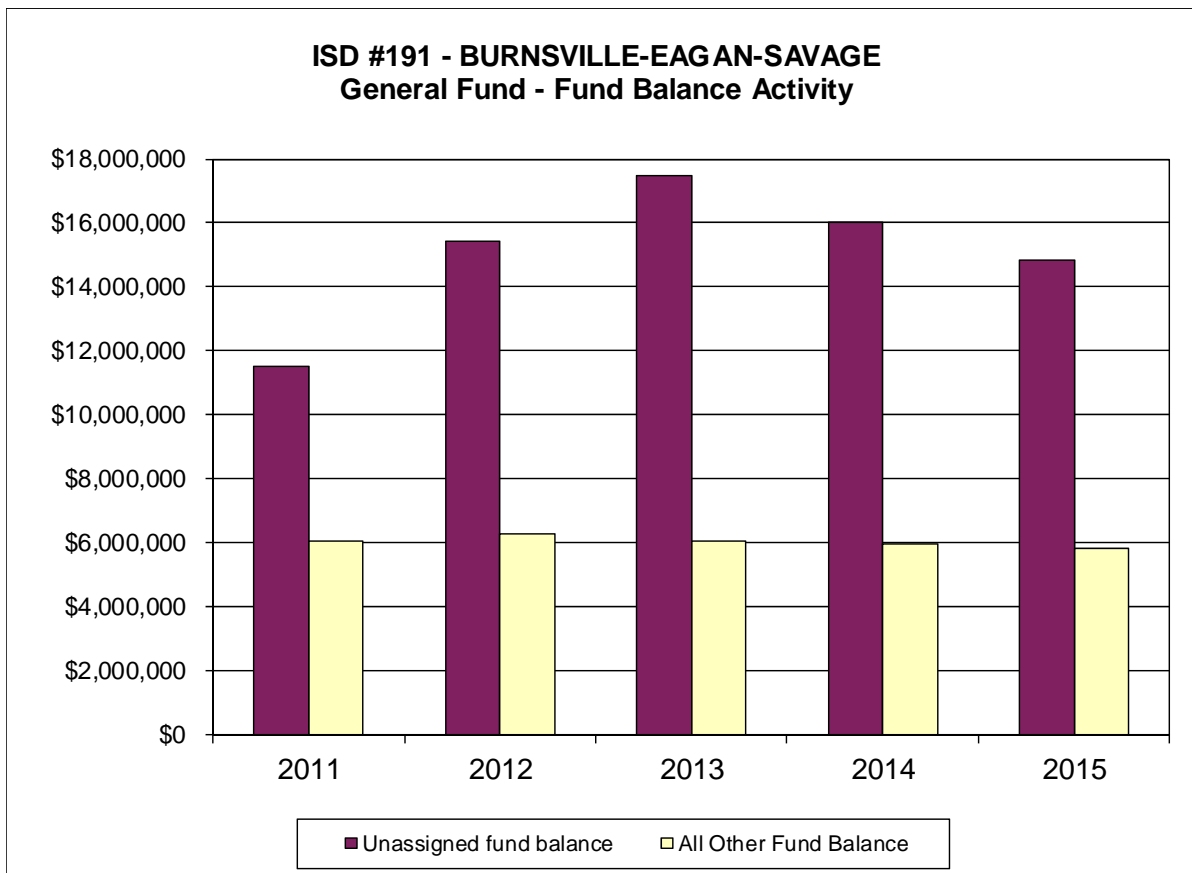


I. FINANCIAL RESULTS (CONTINUED)

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>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Unassigned Fund Balance	\$ 11,508,180	\$ 15,451,213	\$ 17,472,471	\$ 16,003,177	\$ 14,849,613
All Other Fund Balance	6,033,226	6,271,068	6,041,360	5,957,414	5,828,253
Total Fund Balance	<u>\$ 17,541,406</u>	<u>\$ 21,722,281</u>	<u>\$ 23,513,831</u>	<u>\$ 21,960,591</u>	<u>\$ 20,677,866</u>
Total Expenditures	<u>\$ 113,377,017</u>	<u>\$ 106,139,763</u>	<u>\$ 110,325,578</u>	<u>\$ 116,179,878</u>	<u>\$ 120,386,631</u>
Unassigned Fund Balance as a % of Total Expenditures	<u>10.15%</u>	<u>14.56%</u>	<u>15.84%</u>	<u>13.77%</u>	<u>12.33%</u>



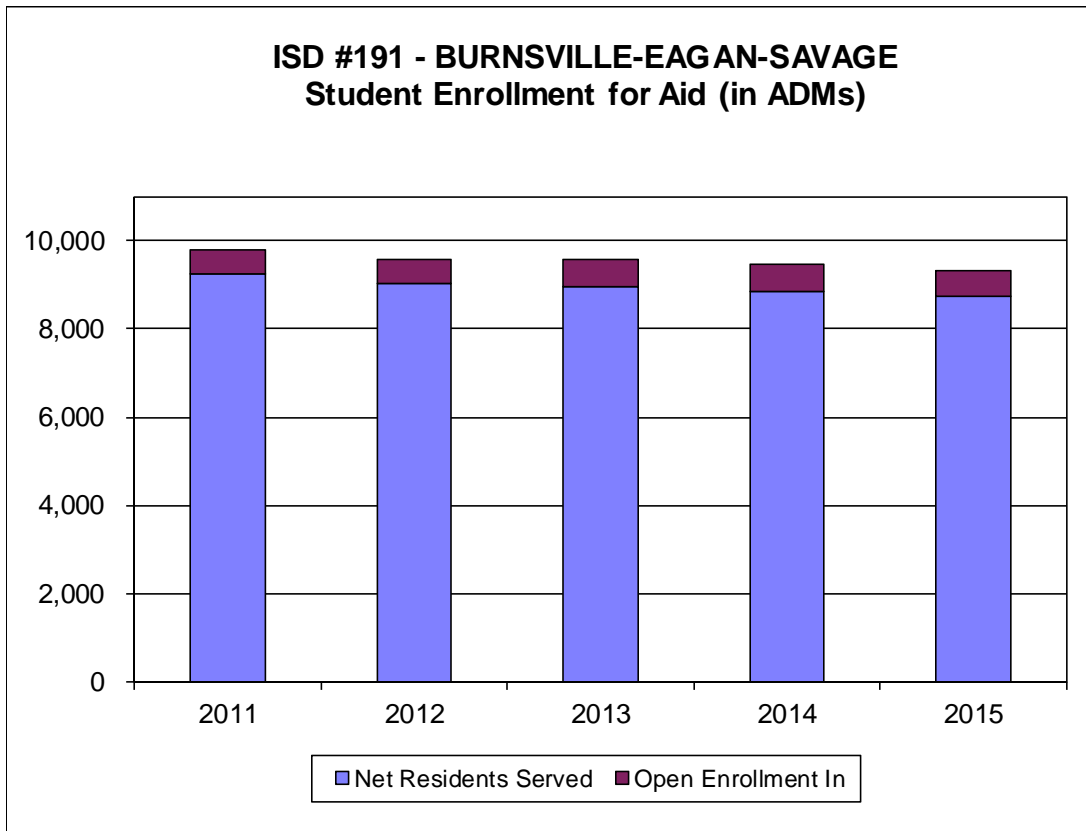
As reflected in the graph above, the District has been able to reestablish and maintain financial strength through cost cutting measures and through community support for the operating referendum.

I. FINANCIAL RESULTS (CONTINUED)

Students Served for Aid

	2011	2012	2013	2014	2015
Total Residents	10,502.62	10,402.10	10,452.71	10,489.52	10,623.96
Open Enrollment Out *	(1,254.32)	(1,382.10)	(1,498.23)	(1,656.60)	(1,894.81)
Net Residents Served	9,248.30	9,020.00	8,954.48	8,832.92	8,729.15
Open Enrollment In	537.72	565.34	621.92	635.75	573.79
Net ADM Served	9,786.02	9,585.34	9,576.40	9,468.67	9,302.94
Net Pupil Units Served	11,308.18	11,068.65	10,976.75	10,864.36	10,127.25

* - includes enrolled in charter schools



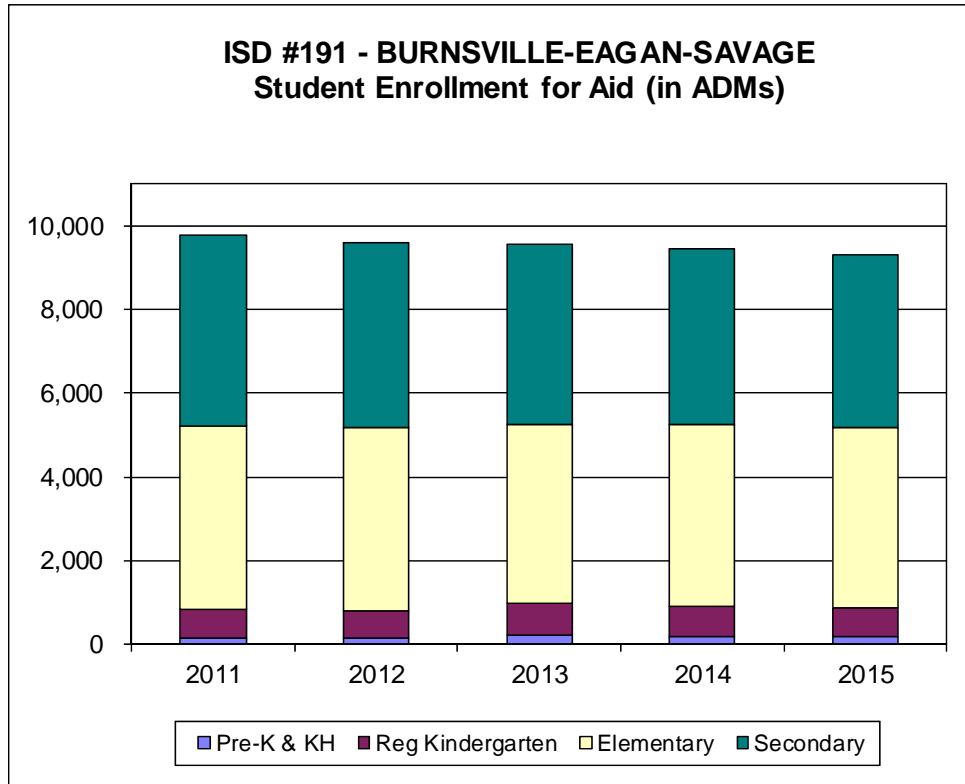
As reflected in the above chart and graph, the District's net open enrollment has continued to see significant increases in the net open enrollment out in recent years. Note also that the pupil unit calculation was modified for fiscal 2015 which resulted in a reduction in total pupil units served but that reduction was offset by an increase in the per pupil unit funding.

APPENDIX A

FINANCIAL TRENDS OF YOUR DISTRICT

Within this report there are a number of areas where condensed financial statement data has been presented. The last page of this document (Appendix E) contains an Independent Auditors' Report on Condensed Financial Statements Included Herein that should be considered when reading such condensed information.

Student Enrollment

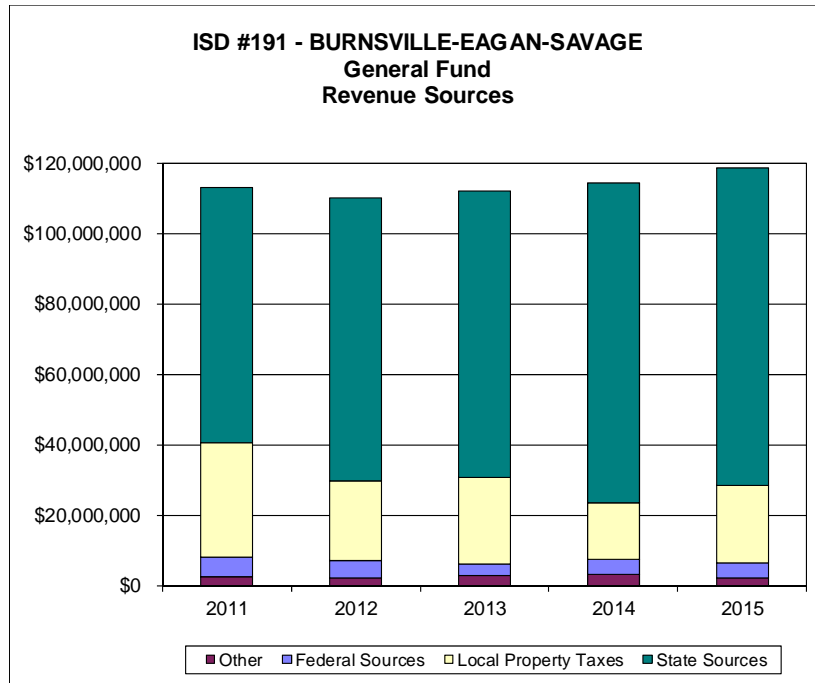


	2011	2012	2013	2014	2015
Pre-K & KH	160.89	156.48	211.41	190.55	192.29
Reg Kindergarten	674.43	653.63	768.30	730.68	670.33
Elementary	4,387.32	4,364.45	4,294.96	4,322.64	4,318.50
Secondary	4,563.38	4,410.78	4,301.73	4,224.80	4,121.82
Net ADM Served	<u>9,786.02</u>	<u>9,585.34</u>	<u>9,576.40</u>	<u>9,468.67</u>	<u>9,302.94</u>
Percent Change	-0.54%	-2.05%	-0.09%	-1.12%	-1.75%

As noted in the above chart, the District's student count for fiscal 2014-2015 was 166 students (or 1.75%) lower than for the prior year which was due mostly to open enrollment.

General Fund Revenue

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



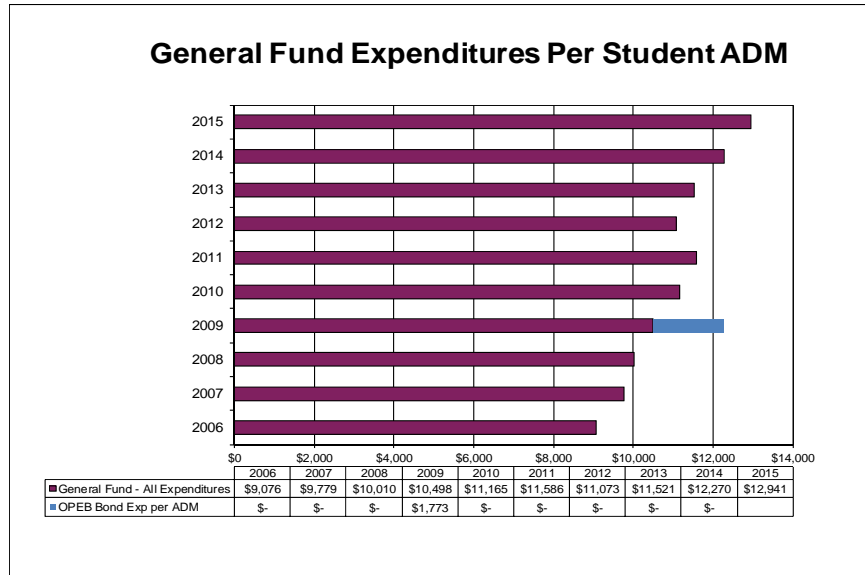
The table below illustrates the fluctuation that occurs between the taxes and state aid categories based on legislative activity. The Legislature determines what portion of the general education funding formula will be paid by local taxpayers. In addition, when the tax shift percentage changes or the state provides property tax relief, this only impacts the mix between state aids and taxes and does not change total revenue. For example, in fiscal 2014, the Legislature repaid a total of approximately \$8.6 million of the property tax shift buydown for the General and Community Service Funds, which gives the appearance of a significant decrease in taxes for 2014 but this was offset by a corresponding increase in state aid. For this and other reasons, school finance in Minnesota continues to be a very difficult subject to explain to the general public.

	2011	2012	2013	2014	2015
Local Property Taxes	\$ 32,487,487 *	\$ 22,730,154	\$ 24,610,109	\$ 15,949,634	\$ 21,933,388
State Sources	72,456,484	80,263,558	81,229,337	90,985,769	90,062,883
Federal Sources	5,547,251	4,849,495	3,438,114	4,326,228	4,200,632
Other	2,546,809	2,214,800	2,803,851	3,119,710	2,398,540
Total Revenues	\$ 113,038,031	\$ 110,058,007	\$ 112,081,411	\$ 114,381,341	\$ 118,595,443

	2011	2012	2013	2014	2015
Local Property Taxes	29%	21%	22%	14%	18%
State Sources	64%	73%	72%	80%	76%
Federal Sources	5%	4%	3%	4%	4%
Other	2%	2%	3%	3%	2%
Total Revenues	100%	100%	100%	100%	100%

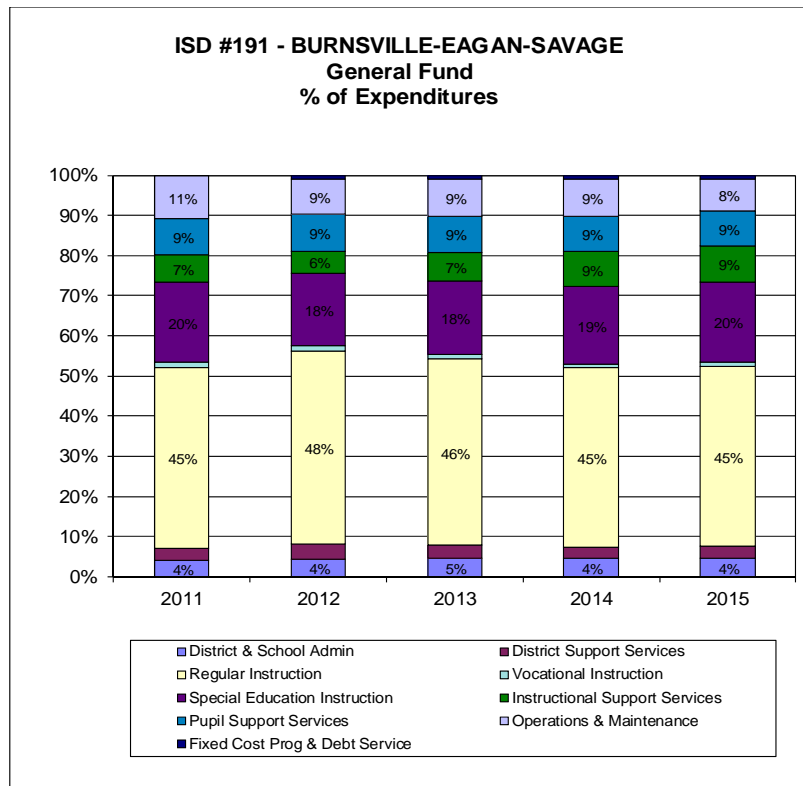
Expenditures Per Student

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

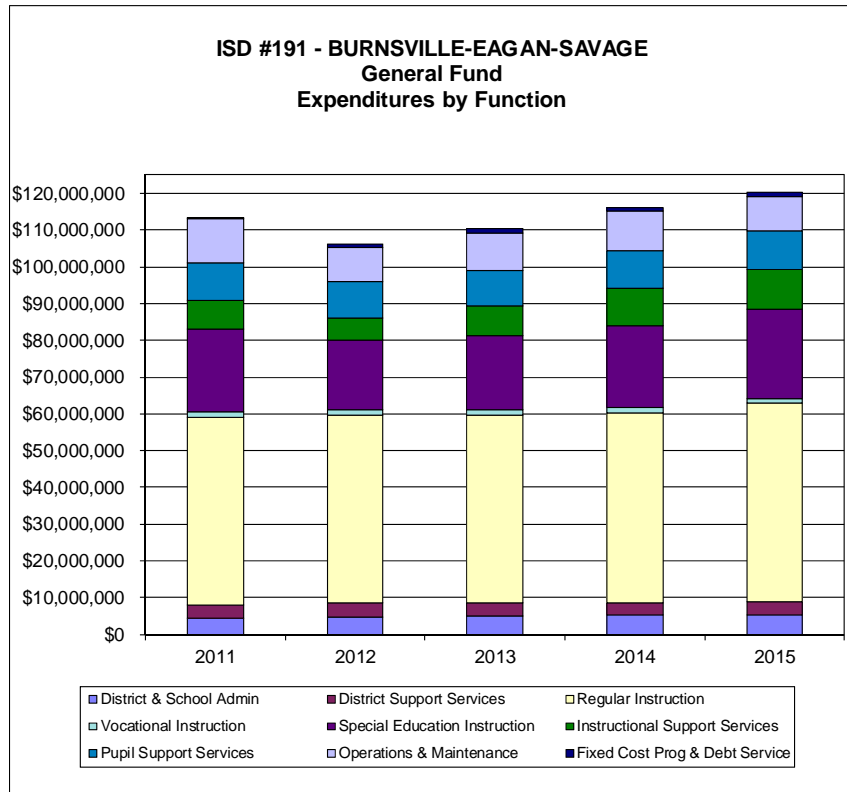


General Fund Expenditures for fiscal 2009 were grossed up by the impact of OPEB bonds which added approximately \$17.7 million of employee benefit costs on a one-time basis to move the bond proceeds to a trust fund that can only be used to pay employee postemployment benefit costs.

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



Expenditures Per Student (Continued)



	2011	2012	2013	2014	2015
District and School Admin	\$ 4,543,487	\$ 4,699,625	\$ 5,063,843	\$ 5,165,097	\$ 5,381,925
District Support Services	3,546,514	3,937,222	3,600,142	3,413,639	3,651,974
Regular Instruction	50,950,664	50,892,667	51,088,533	51,801,948	53,893,564
Vocational Instruction	1,477,605	1,502,082	1,315,737	1,239,045	1,363,572
Special Education Instruction	22,683,237	19,149,651	20,108,199	22,223,518	24,169,675
Instructional Support Services	7,804,901	5,951,117	8,061,262	10,207,507	10,702,294
Pupil Support Services	10,017,559	9,803,131	9,869,403	10,358,327	10,576,978
Operations and Maintenance	12,143,030	9,263,799	10,234,030	10,722,992	9,415,483
Fixed Cost Prog and Debt Service	210,020	940,469	984,429	1,047,805	1,231,166
Total Expenditures	\$ 113,377,017	\$ 106,139,763	\$ 110,325,578	\$ 116,179,878	\$ 120,386,631

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

	2015				2014	2013
	Final Amended Budget	Actual	Over (Under) Budget	Var %	Actual	Actual
Salaries	\$ 71,451,244	\$ 70,515,119	\$ (936,125)	(1.31)%	\$ 67,484,759	\$ 64,952,395
Employee Benefits	27,557,263	26,975,116	(582,147)	(2.11)%	24,979,928	22,304,699
Purchased Services	15,750,852	16,484,220	733,368	4.66 %	16,305,814	15,760,778
Supplies and Materials	2,380,389	2,921,709	541,320	22.74 %	3,285,761	2,995,280
Capital Expenditures	1,979,446	2,201,762	222,316	11.23 %	3,025,027	2,744,804
Other Expenditures	1,570,295	1,288,705	(281,590)	(17.93)%	1,098,589	1,567,622
Total Expenditures	\$ 120,689,489	\$ 120,386,631	\$ (302,858)	(0.25)%	\$ 116,179,878	\$ 110,325,578

As reflected above, total expenditures of the General Fund were 0.25% under the budgeted amount. On a budget of \$120 million this outcome reflects good budget development and monitoring.

General Fund Operations and Financial Position

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

	Year Ended				
	2011	2012	2013	2014	2015
Revenues	\$ 113,038,031	\$ 110,058,007	\$ 112,096,004	\$ 114,381,341	\$ 118,595,443
Expenditures	113,377,017	106,139,763	110,325,578	116,179,878	120,386,631
Excess (Deficiency) of Revenues Over (Under) Expenditures	(338,986)	3,918,244	1,770,426	(1,798,537)	(1,791,188)
Other Financing Sources:					
Proceeds from Capital Lease	-	-	-	-	503,645
Proceeds from Insurance Recovery	1,847,419	262,631	21,124	245,297	4,818
Total Other Financing Sources	1,847,419	262,631	21,124	245,297	508,463
Change in Fund Balance	1,508,433	4,180,875	1,791,550	(1,553,240)	(1,282,725)
Fund Balance:					
Beginning of Year	16,032,973	17,541,406	21,722,281	23,513,831	21,960,591
End of Year	\$ 17,541,406	\$ 21,722,281	\$ 23,513,831	\$ 21,960,591	\$ 20,677,866
Restricted Fund Balance	\$ 2,851,833	\$ 3,562,528	\$ 3,867,464	\$ 3,633,869	\$ 3,787,467
Committed Fund Balance	2,903,318	2,519,534	1,903,201	2,067,348	1,393,434
Nonspendable Fund Balance	278,075	189,006	270,695	256,197	647,352
Unassigned Fund Balance	11,508,180	15,451,213	17,472,471	16,003,177	14,849,613
Total Fund Balance	\$ 17,541,406	\$ 21,722,281	\$ 23,513,831	\$ 21,960,591	\$ 20,677,866
Unassigned Fund Balance as a Percentage of Expenditures	10.15%	14.56%	15.84%	13.77%	12.33%

The District's General Fund unassigned fund balance changed by \$1,153,564 during fiscal 2014-2015, decreasing from \$16,003,177 to \$14,849,613 at June 30, 2015. Total fund balance of the General Fund decreased by \$1,282,725, ending at \$20,677,866 as of June 30, 2015. The ending unassigned fund balance represents 12.33% of General Fund expenditures.

Food Service Fund

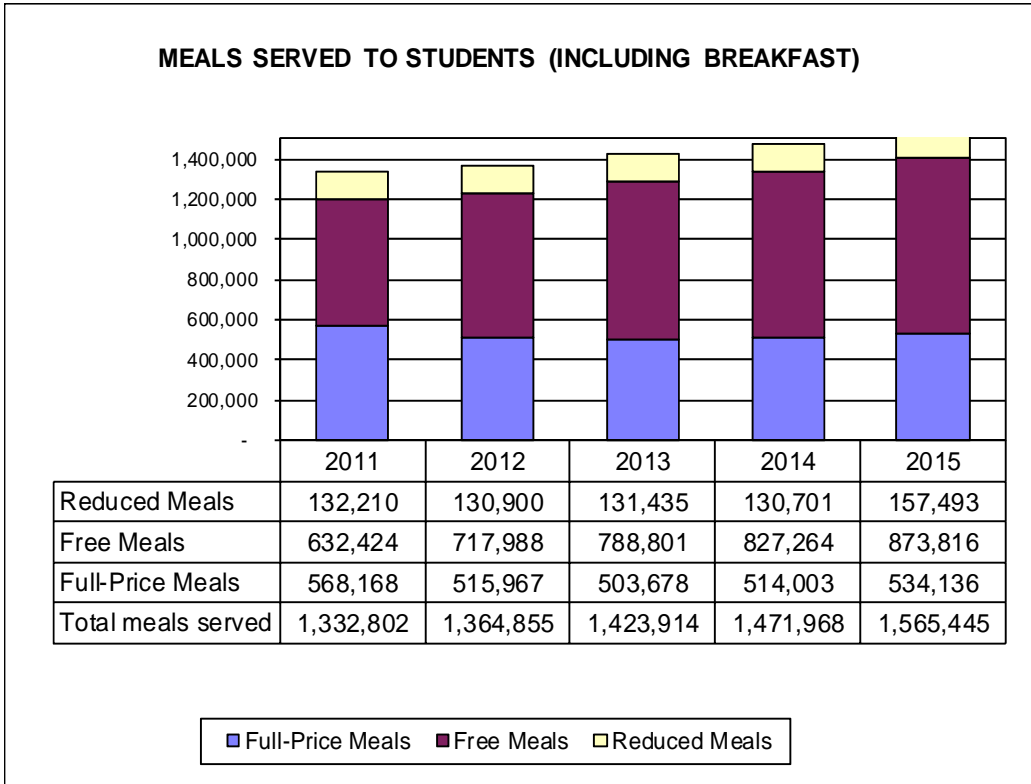
The following chart reflects the growth of the Food Service Program over the past five years:

	Year Ended June 30,				
	2011	2012	2013	2014	2015
Revenues	\$ 4,469,158	\$ 4,619,763	\$ 5,114,519	\$ 5,226,228	\$ 5,376,368
Expenditures	4,331,054	4,424,902	4,982,811	4,934,679	5,016,679
Excess of Revenues Over Expenditures	138,104	194,861	131,708	291,549	359,689
Other Financing Sources:					
Proceeds from Sale of Equipment	1,050	5,500	7,081	5,535	-
Change in Fund Balance	139,154	200,361	138,789	297,084	359,689
Fund Balance:					
Beginning of Year	620,382	759,536	959,897	1,098,686	1,395,770
End of Year	<u>\$ 759,536</u>	<u>\$ 959,897</u>	<u>\$ 1,098,686</u>	<u>\$ 1,395,770</u>	<u>\$ 1,755,459</u>
Meals Served to Students	<u>1,332,802</u>	<u>1,364,855</u>	<u>1,423,914</u>	<u>1,471,968</u>	<u>1,565,445</u>
Revenue per Lunch Served	<u>\$ 3.35</u>	<u>\$ 3.38</u>	<u>\$ 3.59</u>	<u>\$ 3.55</u>	<u>\$ 3.43</u>
Percentage of Total Meals Served by Type (including Breakfast):					
Full Price Meals	42.6%	37.8%	35.4%	34.9%	34.1%
Reduced Price Meals	9.9%	9.6%	9.2%	8.9%	10.1%
Free Meals	47.5%	52.6%	55.4%	56.2%	55.8%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Total revenues and other financing sources exceeded total expenditures by \$359,689 in the District's Food Service Fund for 2015, resulting in a fund balance of \$1,755,459 at June 30, 2015.

Total actual revenues were higher than the budgeted amount by a net of \$153,108 or 2.9%. Total expenditures were lower than the budgeted amount by \$171,693. The net impact of these variances was an improvement to fund balance that was approximately \$325,000 more than had been reflected in the final budget.

Food Service Fund (Continued)



Community Service Fund

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

	Year Ended June 30,				
	2011	2012	2013	2014	2015
Revenues	\$ 6,533,760	\$ 5,915,113	\$ 5,384,563	\$ 5,543,148	\$ 6,182,524
Expenditures	6,422,722	5,345,789	5,022,208	5,879,995	6,069,954
Change in Fund Balance	111,038	569,324	362,355	(336,847)	112,570
Fund Balance:					
Beginning of Year	-	111,038	680,362	1,042,717	705,870
End of Year	\$ 111,038	\$ 680,362	\$ 1,042,717	\$ 705,870	\$ 818,440
Fund Balance (Deficit) - (UFARS Basis):					
Restricted for Community Ed	\$ (3,408)	\$ 588,964	\$ 914,732	\$ 494,805	\$ 392,880
Restricted for ECFE	(27,715)	24,861	78,669	98,367	192,407
Restricted for School Readiness	34,952	39,789	15,221	78,583	199,726
Restricted for Adult Basic Ed	92,015	26,748	-	-	-
Restricted for Other Purposes	15,194	-	34,095	34,115	33,427
Total Fund Balance	\$ 111,038	\$ 680,362	\$ 1,042,717	\$ 705,870	\$ 818,440

The District's Community Service Fund results reflected that revenues exceeded expenditures by \$112,570 for fiscal 2015, increasing the combined fund balance from \$705,870 at June 30, 2014, to \$818,440 at June 30, 2015. The District historically had struggled to operate the Community Service programs on a self-sustaining basis. The outcomes in recent years represented a significant improvement from prior years when transfers from the general fund were needed to cover fund balance deficits. We encourage you to continue the process of identifying ways to increase program revenues and improve the matching of available revenues with corresponding program costs with flexibility built into the program development such that if programs cannot reasonably be operated on a self-sustaining basis the costs are not incurred.

Total revenues of the District's Community Service Fund for 2015 were approximately \$483,000 higher than the budgeted amount while total expenditures were approximately \$412,000 higher than the budgeted amount. The net impact of these variances was to increase total fund balance by \$70,951 more than had been reflected in the budget. As part of any budget update initiated for fiscal 2015-2016, 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		
	All	Seven County	Enrollment	Burnsville-Eagan-Savage		
	Districts	Metro Area	> than 4,000	2013	2014	2015
	2014	2014	2014			
District and School Admin and Support Services	\$ 882	\$ 886	\$ 845	\$ 871	\$ 821	\$ 932
Regular Instruction (including Co- & Extra-Curricular)	5,091	5,408	5,242	5,134	5,295	5,612
Vocational Instruction (Career & Technical)	140	130	134	134	127	142
Special Education Instruction	1,987	2,144	2,161	2,026	2,269	2,501
Instructional Support Services	536	630	610	758	971	1,034
Pupil Support Services (Including Transportation)	950	1,019	988	1,006	1,064	1,096
Operations and Maintenance and Other	881	843	844	1,041	1,093	1,024
Food Service	513	512	509	472	498	520
Community Service	556	674	633	510	588	624
Capital Expenditure	513	442	441	318	339	244
Debt Service	1,469	1,636	1,540	936	1,030	1,019
Total Pre-K - 12 Expenditures, including OPEB	\$ 13,518	\$ 14,324	\$ 13,947	\$ 13,207	\$ 14,095	\$ 14,747
Percent Change from Prior Year, excluding OPEB				3.49%	6.72%	4.63%

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 & 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 recent legislative sessions as summarized from information made available by the Minnesota Department of Education, the Minnesota School Boards Association, the Office of the Legislative Auditor, the Minnesota Association of Charter Schools and the Minnesota House of Representatives.

Formula Increase

The General Education Revenue formula allowance was increased by 2% (by \$117 per pupil unit to \$5,948) for FY16 and by another 2% (by \$119 per pupil unit to \$6,067) for FY17 and later.

Extended Time Revenue

Effective for fiscal year 2016 the extended time revenue for school districts schools was increased by \$100 per pupil unit (from \$5,017 to \$5,117). Extended time revenue was also allowed for charter schools at 25% of the state average per adjusted pupil unit.

Long-Term Facilities Maintenance Revenue

Effective for fiscal year 2017, the long-term facilities maintenance revenue program was reestablished in response to the Capital Facilities Work Group recommendations. All school districts were given access to alternative facilities funding so school buildings and grounds can be responsibly and efficiently maintained. School facilities levies and bonds were made more affordable in low-wealth districts by increasing the equalization (\$31,961,000).

- Establishes the long-term facilities maintenance equalization levy and aid programs.
- Requires that a district or intermediate district have a ten-year facilities maintenance plan adopted by its board and approved by the commissioner.
- Repeals Alternative Facilities Program, Deferred Maintenance Revenue Program and Health and Safety Levy, while retaining a list of allowed expenditures for health and safety revenue.
- Authorizes a district that is a member of an intermediate district or other cooperative unit to levy for its proportionate share of the costs of long-term facilities maintenance costs. Requires approval of each member board and the Commissioner of Education.
- All districts are held harmless in that all districts are guaranteed to receive at least as much revenue and at least as much state aid as they would have received under existing law.

Long-term facilities maintenance revenue may be used for exactly the same purposes as the old revenue categories it replaces: health & safety; deferred maintenance, and alternative facilities. As was true under the old law, Long-Term Facilities Maintenance Revenue may not be used for the following:

1. For construction of new facilities, remodeling of existing facilities, or the purchase of portable classrooms;
2. To finance a lease purchase agreement, installment purchase agreement, or other deferred payments agreement;
3. For energy-efficiency projects under section 123B.65, for a building or property or part of a building or property used for postsecondary instruction or administration or for a purpose unrelated to elementary and secondary education; or
4. For violence prevention and facility security, ergonomics, or emergency communication devices.

Adjusted Net Tax Capacity for Ag Land

Effective for fiscal year 2016 for the purposes of the long-term facilities maintenance equalized levy only, provides an alternative calculation for adjusted net tax capacity that is reduced by 50% of the class 2a agricultural land before the application of the ANTC growth limits.

Alternative Teacher Pay System (QComp)

Effective for fiscal year 2017, the cap on alternative compensation was increased for those districts that currently have approved plans. Cooperatives are allowed to participate in the alternative teacher professional pay system. The alternative teacher professional pay system is allowed to: (1) include a hiring bonus or other added compensation for effective or highly effective teachers who work in a hard-to-fill position or in a hard-to-staff school, (2) include incentives for teachers to obtain a master's degree in their content field of licensure or pursue additional licensure in a locally-identified teacher shortage area, or help fund a "grow your own" teacher initiative.

Flexible Use of Staff Development Revenue

Staff development revenue is now allowed to be used for principal and teacher development and evaluation, and teacher mentoring.

Fund Transfer Extension through FY2017

The authorization for a school district to transfer money among accounts (if the transfer doesn't change the district's state aid or local levy authority) was extended through fiscal 2017. Does not include transfers from the Community Service fund, the Food Service Fund or from the restricted account for staff development.

Compensatory Education Revenue

Effective July 1, 2015, the school board is allowed flexibility to allocate up to 50 percent of the revenue according to a plan adopted by the school board.

English Language Learners

The maximum number of years a student may receive state-funded English learner services was increased from six to seven years.

Special Education Funding Formula Clarifications

Clarified that cooperatives and intermediate school districts will receive direct payment of state special education aid beginning in FY 2016. A newly formed cooperative is allowed to apply to the commissioner for payment of aid based on current year data for its first year of operation, with an offsetting reduction in the aid paid to participating school districts.

APPENDIX D

TECHNICAL UPDATE

Understanding the GASB 68 Pension Accounting and Financial Reporting Rules

Given the significance of the impact the implementation of GASB No. 68 has had on the District's financial statements for the fiscal year ended June 30, 2015, we have prepared this summary based on materials made available by the Governmental Accounting Standards Board (GASB) as well as by the Public Employees Retirement Association of Minnesota. In Minnesota, substantially all school district employees are required by state law to belong to pension plans administered by either Teachers' Retirement Association (TRA) or Public Employees' Retirement Association (PERA) which are both administered on a statewide basis depending on certain criteria such as licensing. GASB is the authoritative standard-setting body for governmental accounting principles. GASB Statement No. 68 was originally issued in 2012 but is required to be implemented by Minnesota school districts for the fiscal year ended June 30, 2015. The new requirements fundamentally change the way state and local governments and school districts account for public pension liabilities and expenses. It is designed to improve the decision-usefulness of reported pension information and to increase the transparency, consistency, and comparability of pension information across governments.

The new pension accounting and financial reporting requirements will impact governments that prepare financial statements in accordance with generally accepted accounting principles in three major ways:

- First, governments are now required to report their proportionate share of the unfunded pension liability of a statewide pension plan such as TRA and PERA, referred to as the net pension liability or NPL, on their government-wide financial statements. The NPL is the difference between the present value of future pension benefit payments to employees and the amount of plan assets currently available to pay the future pension benefits. TRA and PERA allocate the NPL to participating employers. Both TRA and PERA calculate each employer's proportionate share of the NPL based on the employer's contributions to the pension plan as a percentage of the total of all employers' contributions to the plan.
- Second, pension expense is calculated differently and is no longer tied to contributions. In the past, pension expense was equal to the amount of employer contributions paid to TRA and PERA. As long as employers paid the contributions as required by state statutes, employers did not report a pension liability on their financial statements. Under the new requirements, pension expense is equal to the change in the NPL from the prior year to the current year (with some adjustments for deferred amounts). Pension expense is calculated by TRA's and PERA's respective actuary, and similar to the allocation of the NPL, both TRA and PERA allocate pension expense and deferred amounts to participating employers each year.
- Third, employers are now required to include fairly extensive pension footnote disclosures and pension-related schedules as Required Supplementary Information. The GASB believes the additional pension information better informs financial statement users how the pension liability changes over time and what economic events and assumptions impacted the changes in the liability.

Understanding the GASB 68 Pension Accounting and Financial Reporting Rules (Continued)

Most importantly, the GASB concluded that, for financial reporting purposes, governments using the accrual method of accounting need to account for pension liabilities the same way they account for any other liabilities, that is, when the goods or services are received, not when they are paid for. GASB 68 requires governments to recognize pension liabilities when their employees provide the services to the government, not when contributions are paid to the pension plan to pay for future benefits. Prior to GASB 68, governments only recognized the contributions they made to the pension plan as pension expense. They did not report the pension benefits their employees earned during the period that would be paid in the future.

The pension liabilities are quite significant and in some cases have resulted in a negative net position on the Government-wide Statement of Net Position (i.e. balance sheet). A negative net position does not necessarily indicate a school district will not be able to pay for its current obligations but it could be an indication that the school district may not be able to meet its long-term obligations in the future.

Key Talking Points

- The implementation of GASB 68 is the first time under governmental accounting that a liability has been added to the school district's district-wide financial statements that was not as a result of an action of the local school board. The local school board had no responsibility to negotiate the terms of the statewide pension plans since this is determined by the state legislature.
- It is important to note that the NPL will not impact the fund balance of a school district's operating funds (General, Food Service, Community Service, etc.). The new accounting standards require that the NPL only be reported on the government-wide financial statements, which are prepared on the accrual basis.
- Bond rating agencies have been aware of the funding policies and status of governmental pension plans. They have historically incorporated that information into their analysis of a government's ability to meet its debt obligations already.
- Governments will continue to pay off unfunded pension liabilities in the same way that they always have. The timing of when pension plans will be funded does not change as a result of the new accounting and financial reporting requirements. Although governments will be reporting their proportionate share of the NPL on their government-wide financial statements, they will not be solely responsible for paying off those liabilities. In Minnesota, employers, employees, and retirees all share the responsibility to pay off unfunded pension liabilities. In addition, investment earnings on contributions fund the majority of pension benefits in Minnesota.
- The new accounting standards will not result in increases to employer pension contributions. Contribution rates will continue to be set in Minnesota Statutes and will continue to be determined based on traditional actuarial funding valuations. The Minnesota Legislature will make future decisions about required pension contributions based on the traditional funding actuarial valuations and not on the new accounting standards.
- School districts will not need to budget more for pension expenses under the new requirements. While the NPL will be reported on the school district's financial statements, there is no expectation that school districts pay off the liability within a budget cycle or limited number of budget cycles. The pension liabilities are similar to a home mortgage: homeowners pay off the mortgage gradually over time and are not expected to pay off the mortgage upon purchasing a home. In fact, there is no ability for an individual unit of government to pay off their portion of the unfunded liability even if they wanted to and had the resources to do so. So the only real difference is that governments now report the outstanding balance of their "mortgage" as a liability on their financial statements.

Key Talking Points (Continued)

- Pension plans in Minnesota are in fairly good shape financially. Minnesota pension plans also have a positive standing nationwide in terms of funding and pension reform efforts. In recent years the Minnesota Legislature has enacted various pension reforms to ensure state pension plans remain financially viable and pension benefits remain sustainable.
- The amount of government resources spent on public pensions will not change as a result of the new pension accounting requirements. Nationwide, public pensions currently account for about 3.7% of state and local government spending whereas they only account for approximately 2% of government spending in Minnesota.

GASB Statement No. 69 – Government Combinations and Disposals of Government Operations

This statement provides accounting and financial reporting guidance, including disclosure requirements, for government combinations and disposals of government operations. Government combinations include mergers, acquisitions, and transfers of operations. Included within the scope of this statement are combinations of governmental entities or combinations of governmental entities, with nongovernmental entities (such as a nonprofit entity) as long as the new or continuing organization is a government. This statement does not apply to combinations in which a government acquires an organization that continues to exist as a separate entity, or acquires an equity interest in an organization that remains legally separate from the acquiring government. A disposal of operations occurs when a government either transfers or sells specific operations. This statement is effective for school district financial statements for the fiscal year ending June 30, 2015.

GASB Statement No. 70 – Accounting and Financial Reporting for Nonexchange Financial Guarantees

Some governments extend financial guarantees for the obligations of another government, a not-for-profit entity, or a private entity without directly receiving equal or approximately equal value in exchange (a nonexchange transaction). As a part of this nonexchange financial guarantee, a government commits to indemnify the holder of the obligation if the entity that issued the obligation does not fulfill its payment requirements. Also, some governments issue obligations that are guaranteed by other entities in a nonexchange transaction.

This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows related to the guarantee expected to be incurred.

This Statement requires a government that has issued an obligation guaranteed in a nonexchange transaction to recognize revenue to the extent of the reduction in its guaranteed liabilities. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When a government is released as an obligor, the government should recognize revenue as a result of being relieved of the obligation.

GASB Statement No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date—an Amendment of GASB Statement No. 68

The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by the school district to a defined benefit pension plan after the measurement date of the school district's beginning net pension liability.

Statement 68 requires a school district employer to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a school district makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the school district recognize its contribution as a deferred outflow of resources. In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a school district that arises from other types of events. At transition to Statement 68, if it was not practical for a school district to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of a school district's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a school district recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68.

GASB Statement No. 72 – Fair Value Measurement and Application

In response to stakeholders requesting more clarity regarding Fair Value standards, GASB developed new guidance by issuing Statement No. 72. The new guidance is designed to provide additional information regarding the measurement of Assets and Liabilities and to help financial statement readers make better, more informed decisions. GASB Statement No. 72, *Fair Value Measurement and Application*, defines Fair Value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." Currently, state and local governments are required to disclose how the value of an asset or liability is determined or measured. Statement No. 72, however, now requires governments, for periods beginning after June 15, 2015, to categorize Fair Values based on the criteria of the Fair Value Hierarchy.

An investment is a security or other asset that a government holds primarily for the purpose of income or profit and has a present service capacity based on its ability to generate cash. GASB 72 requires governments to use a consistent valuation technique based on one of following three approaches: the market approach, the cost approach, or the income approach. The market approach uses quoted market prices for identical or similar assets and liabilities in most instances, but additional techniques such as the multiples and matrix techniques can also be applied. The cost approach is a technique that considers the dollar amount to replace the asset with a similar asset or substitute. Lastly, the income approach considers the future amounts of revenue or cash flows and converts the amounts to a single value with techniques such as the discounted present value, the option pricing model, and the multi-period excess earnings technique. The Statement specifies that the selected approach should be used consistently, but changes may be appropriate depending on the circumstances.

GASB Statement No. 72 – Fair Value Measurement and Application (Continued)

The Fair Value Hierarchy is categorized into three levels based on reliability. Level 1 inputs, the first and most reliable level, are quoted prices for assets or liabilities in active markets that governments can access at a particular date. Level 2 inputs are those that are directly or indirectly observable but lack quoted prices in active markets. Level three inputs are the lowest level of reliability. Level three inputs are prices that cannot be observed. It is important to note that if an asset or liability is measured using more than one input, the government must categorize the item at the lowest of the inputs used.

Due to the need for increased transparency in government reporting, GASB Statement No. 72 addresses the issues related to Fair Value reporting and provides guidance for governments on measuring assets and liabilities and the reliability of those measurements. Financial statement readers will now be able to determine how the values of the government's assets and liabilities were measured and how reliable the measurements are.

GASB Statement 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

The issuance of GASB Statement No. 73 completes the suite of pension standards. Statement 73 establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria (in other words, those not covered by Statements 67 and 68). The requirements in Statement 73 for reporting pensions generally are the same as in Statement 68. However, the lack of a pension plan that is administered through a trust that meets specified criteria is reflected in the measurements. The provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015—except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68, which are effective for financial statements for fiscal years beginning after June 15, 2016.

GASB Statement No. 74 – Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans

GASB Statement No. 74 addresses reporting by OPEB plans that administer benefits on behalf of governments and replaces GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. GASB 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement follows the framework for financial reporting of defined benefit OPEB plans in Statement 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments. Statement 74 also sets forth note disclosure requirements for defined contribution OPEB plans. The provisions in GASB Statement No. 74 are effective for financial statements for fiscal years beginning after June 15, 2016.

GASB Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

GASB Statement No. 75 addresses reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. GASB 75 replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, and requires governments to report a liability on the face of the financial statements for the OPEB that they provide: Governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability—the difference between the total OPEB liability and assets accumulated in the trust and restricted to making benefit payments.

Governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan. Governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees.

GASB 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. Among the new note disclosures is a description of the effect on the reported OPEB liability of using a discount rate and a healthcare cost trend rate that are one percentage point higher and one percentage point lower than assumed by the government. The new RSI includes a schedule showing the causes of increases and decreases in the OPEB liability and a schedule comparing a government's actual OPEB contributions to its contribution requirements.

Some governments are legally responsible to make contributions directly to an OPEB plan or make benefit payments directly as OPEB comes due for employees of other governments. In certain circumstances—called special funding situations—GASB 75 requires these governments to recognize in their financial statements a share of the other government's net OPEB liability. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017.

GASB Statement No. 76 – The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments

The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively.

GASB Statement No. 77 – Tax Abatement Disclosures

The objective of this Statement is to require governments that enter into tax abatement agreements to disclose information about a reporting government's own tax abatement agreements and information about those that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015.

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 school) as of and for the year ended June 30, 2015, and have issued our report thereon dated October 26, 2015. 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 OMB Circular A-133, 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 school are described in Note 1 to the financial statements.

As described in Note 1, during the fiscal year ended June 30, 2015, the District changed accounting policies related to its accounting for pensions by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 68, *Accounting and Financial Reporting for Pensions*, and the related GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. Accordingly, this change in principle resulted in the restatement of beginning net position related to the recognition of the District's proportionate share of the Public Employees' Retirement Association of Minnesota General Employees' Retirement Fund's net pension liability as well as their portion of the Teacher's Retirement Association's Coordinated and Basic Plan net pension liability.

We noted no transactions entered into by the school 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.

Qualitative aspects of accounting practices (continued)

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

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 2015. 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 2015 is not finalized until well into the next fiscal year. MDE calculates amounts owed to the School for special education excess cost tuition billing and adds the amount to the School'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 under the excess special education cost tuition billing system. The school has made a good faith effort to accurately calculate such amounts billed, but until the resident school district has an opportunity to review such underlying details as membership days, disability codes, and rates, it will not be known whether such amounts will be collected or not. Management expects any difference between amounts billed and amounts ultimately collected 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 2015. 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 Electronic Data Reporting System (EDRS) 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.

Qualitative aspects of accounting practices (continued)

Accounting estimates (continued)

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 GASB Statement No. 71 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.

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 26, 2015.

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 school'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 school'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 26, 2015, 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 26, 2015.

Other information in documents containing audited financial statements (continued)

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 26, 2015.

The statistical section accompanying the financial statements, which is the responsibility of management, was 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 School Board 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

Minneapolis, Minnesota
October 26, 2015

APPENDIX F

INDEPENDENT AUDITORS' REPORT ON CONDENSED FINANCIAL STATEMENTS INCLUDED HEREIN

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

Report on the Financial Statements

We have audited the financial statements of Independent School District No. 191 (the District) as of and for the years ended June 30, 2015, 2014, 2013, 2012, and 2011 (not presented herein).

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.


Auditors' Responsibility (Continued)

The condensed Statements of Revenues, Expenditures and Changes in Fund Balance for the years presented on pages 13, 14 and 16 are presented as a summary and, therefore, do not include all of the disclosures required by U.S. generally accepted accounting principles.

Opinions

In our opinion, because of the significance of the omission of the information referred to in the preceding paragraph, the condensed financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America the results of its operations for the years then ended.

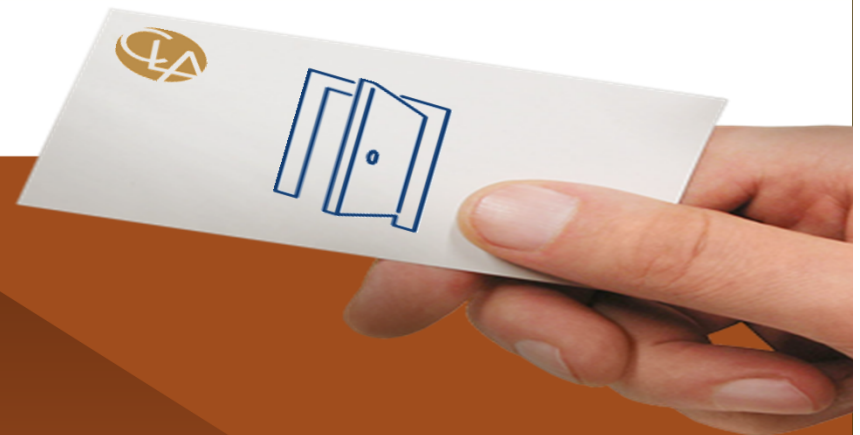
This report is intended solely for the information and use of the School Board and management of the District and is not intended to be and should not be used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
October 26, 2015

Executive Audit Summary for Burnsville–Eagan–Savage Public Schools (ISD #191)

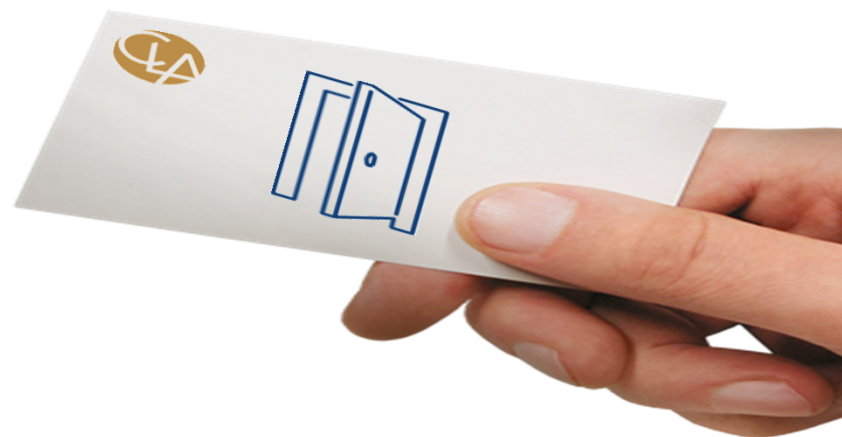


Presented by:
CliftonLarsonAllen

Dennis Hoogeveen, Principal

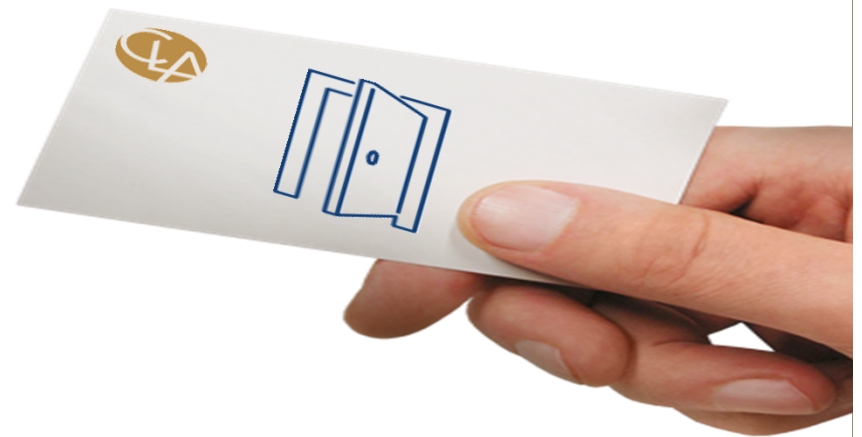
Audit Results Year Ended 6/30/15

- 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 – No “material weaknesses” in internal controls over financial reporting were noted.



Audit Results Year Ended 6/30/15 (continued)

- Single Audit – The District complied with all requirements of the major federal program tested (Child Nutrition Program). There were no findings reported in regard to the requirements for the major federal programs tested.
- Legal Compliance – No compliance issues were reported with respect to Minnesota Statutes.
- Student Activity Audit – One finding was reported
 - Inactive student activity accounts were noted



GASB 68/71 Implementation

	As of June 30,	
	2015	2014
Total Fund Balance for Governmental Funds	\$ 97,957,972	\$ 37,876,822
Capital Assets, Less Accumulated Depreciation	108,986,473	109,666,496
Long-Term Liabilities	(168,972,368)	(108,239,884)
Pension Liability	(80,741,492)	-
Other - Net	18,687,807	18,882,697
Total Net Position - Governmental Activities	<u>\$ (24,081,608)</u>	<u>\$ 58,186,131</u>
Net Position:		
Net Investment in Capital Assets	\$ 27,062,458	\$ 30,452,283
Restricted	7,527,306	5,749,042
Unrestricted	(58,671,372)	21,984,806
Total Net Position - Governmental Activities	<u>\$ (24,081,608)</u>	<u>\$ 58,186,131</u>

Audited Fund Balances – General Fund

ISD #191 - BURNSVILLE-EAGAN-SAVAGE AUDITED FUND BALANCES THROUGH JUNE 30, 2015 (UFARS basis)

FUND DESCRIPTION	6/30/2014 AUDITED BALANCE	2014-15 AUDITED REVENUES	2014-15 AUDITED EXPENDITURES	2014-15 APPROVED TRANSFER	6/30/2015 AUDITED BALANCE
GENERAL FUND					
A. UNASSIGNED	\$16,003,177	\$95,097,037	\$93,885,398	(\$2,365,203)	\$14,849,613
B. NONSPENDABLE FOR					
PREPAIDS	\$256,197	\$391,155	\$0	\$0	\$647,352
B. NONSPENDABLE	\$256,197	\$391,155	\$0	\$0	\$647,352
C. COMMITTED FOR					
PROGRAM CARRYOVER	\$1,371,634	\$0	\$333,640	\$0	\$1,037,994
PRO PAY PROGRAM	\$695,714	\$2,491,694	\$2,831,968	\$0	\$355,440
C. COMMITTED	\$2,067,348	\$2,491,694	\$3,165,608	\$0	\$1,393,434
D. RESTRICTED FOR					
GIFTED AND TALENTED	\$0	\$131,654	\$583,668	\$452,014	\$0
CAREER AND TECH PROGRAM	\$0	\$239,850	\$646,904	\$407,054	\$0
LEARNING AND DEVELOPMENT	\$0	\$2,182,620	\$2,363,968	\$181,348	\$0
BASIC SKILLS	\$57,015	\$8,148,701	\$8,634,359	\$428,643	\$0
STAFF DEVELOPMENT	\$0	\$1,181,039	\$2,054,646	\$873,607	\$0
AREA LEARNING CENTER	\$2,578,703	\$3,535,427	\$3,907,980	\$0	\$2,206,150
ACHIEVEMENT & INTEGRATION	\$0	\$1,649,415	\$1,649,415	\$0	\$0
SAFE SCHOOLS	\$0	\$423,341	\$445,878	\$22,537	\$0
OPERATING CAPITAL	\$1,032,983	\$3,169,762	\$2,577,253	\$0	\$1,625,492
HEALTH & SAFETY	(\$34,832)	\$462,211	\$471,554	\$0	(\$44,175)
D. RESTRICTED	\$3,633,869	\$21,124,020	\$23,335,625	\$2,365,203	\$3,787,467
TOTAL GENERAL FUND					
BUDGET	\$21,960,591	\$116,289,398	\$120,691,888		\$17,558,101
DIFFERENCE		\$2,814,508	(\$305,257)	\$0	\$3,119,765
% VARIANCE		2.42%	-0.25%		

Audited Fund Balances – Other Funds (continued)

ISD #191 - BURNSVILLE-EAGAN-SAVAGE AUDITED FUND BALANCES THROUGH JUNE 30, 2015 (UFARS basis)

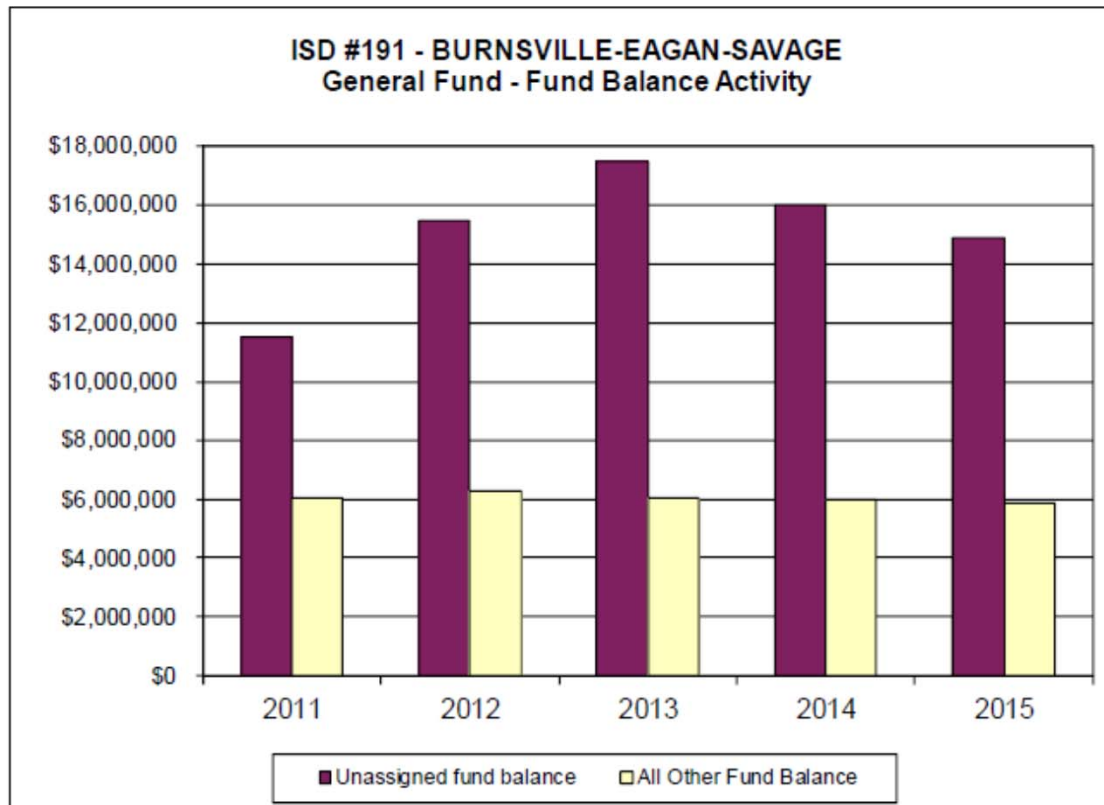
FUND DESCRIPTION	6/30/2014 AUDITED BALANCE	2014-15 AUDITED REVENUES	2014-15 AUDITED EXPENDITURES	2014-15 APPROVED TRANSFER	6/30/2015 AUDITED BALANCE
FOOD SERVICE					
NONSPENDABLE FOR INVENTORY	\$26,984	\$40,173	\$0	\$0	\$67,157
RESTRICTED FOR FOOD SERVICE	\$1,368,786	\$5,336,195	\$5,016,679	\$0	\$1,688,302
BUDGET		\$5,223,260	\$5,188,372		\$1,430,658
TOTAL FOOD SERVICE	\$1,395,770	\$5,376,368	\$5,016,679	\$0	\$1,755,459
DIFFERENCE		\$153,108	(\$171,693)		\$324,801
% VARIANCE		2.93%	-3.31%		
COMMUNITY EDUCATION					
A. RESTRICTED FOR					
REGULAR COMMUNITY ED	\$494,805	\$4,558,886	\$4,611,162	(\$49,649)	\$392,880
EARLY CHILDHOOD FAMILY ED	\$98,367	\$560,762	\$466,722	\$0	\$192,407
SCHOOL READINESS	\$78,583	\$367,132	\$245,989	\$0	\$199,726
ADULT BASIC EDUCATION	\$0	\$547,133	\$601,559	\$54,426	\$0
OTHER PURPOSES	\$34,115	\$148,611	\$144,522	(\$4,777)	\$33,427
BUDGET		\$5,699,644	\$5,658,025		\$747,489
TOTAL COMMUNITY EDUCATION	\$705,870	\$6,182,524	\$6,069,954	\$0	\$818,440
DIFFERENCE		\$482,880	\$411,929	\$0	\$70,951
% VARIANCE		8.47%	7.28%		
CAPITAL PROJECTS FUND					
A. RESTRICTED FOR					
BUILDING CONSTRUCTION	\$0	\$66,035,445	\$3,025,611		\$63,009,834
ALTERNATIVE FACILITIES PROGRAM	\$12,290,106	\$15,651	\$3,777,852	\$0	\$8,527,905
BUDGET		\$25,000	\$3,000,000		\$9,315,106
TOTAL CAPITAL PROJECTS	\$12,290,106	\$66,051,096	\$6,803,463	\$0	\$71,537,739
DIFFERENCE		\$66,026,096	\$3,803,463		\$62,222,633
% VARIANCE		264104.38%	126.78%		

Audited Fund Balances – Other Funds

ISD #191 - BURNSVILLE-EAGAN-SAVAGE AUDITED FUND BALANCES THROUGH JUNE 30, 2015 (UFARS basis)

FUND DESCRIPTION	6/30/2014 AUDITED BALANCE	2014-15 AUDITED REVENUES	2014-15 AUDITED EXPENDITURES	2014-15 APPROVED TRANSFER	6/30/2015 AUDITED BALANCE
DEBT SERVICE					
A. RESTRICTED FOR					
OPERATING	\$1,252,357	\$8,779,497	\$7,188,933	\$0	\$2,842,921
BOND REFUNDING	\$0	\$5,024,293	\$5,004,060	\$0	\$20,233
OPEB BOND DEBT SERVICE	\$272,128	\$1,618,336	\$1,585,150	\$0	\$305,314
BUDGET		\$14,409,052	\$13,734,342		\$2,199,195
TOTAL DEBT SERVICE	\$1,524,485	\$15,422,126	\$13,778,143	\$0	\$3,168,468
DIFFERENCE		\$1,013,074	\$43,801		\$969,273
% VARIANCE		7.03%	0.32%		
INTERNAL SERVICE FUNDS					
DENTAL SELF-INSURANCE	\$333,548	\$898,807	\$955,916	\$0	\$276,439
HEALTH BENEFITS SELF-INSURANCE	\$2,709,708	\$19,360,536	\$17,935,302	\$0	\$4,134,942
SEVERANCE BENEFITS	\$2,898,911	\$20,238	\$242,289	\$0	\$2,676,860
OTHER POST-EMPLOYMENT BENEFITS	\$14,295,520	\$644,387	\$1,513,038	\$0	\$13,426,869
TOTAL INTERNAL SERVICE FUNDS	\$20,237,687	\$20,923,968	\$20,646,545	\$0	\$20,515,110
TRUST FUNDS					
EMPLOYEE BENEFITS TRUST FUND	\$89,702	\$764,173	\$760,424	\$0	\$93,451
PRIVATE-PURPOSE TRUST FUND	\$96,931	\$57,244	\$86,521	\$0	\$67,654
TOTAL TRUST FUNDS	\$186,633	\$821,417	\$846,945	\$0	\$161,105

General Fund – Fund Balance Activity

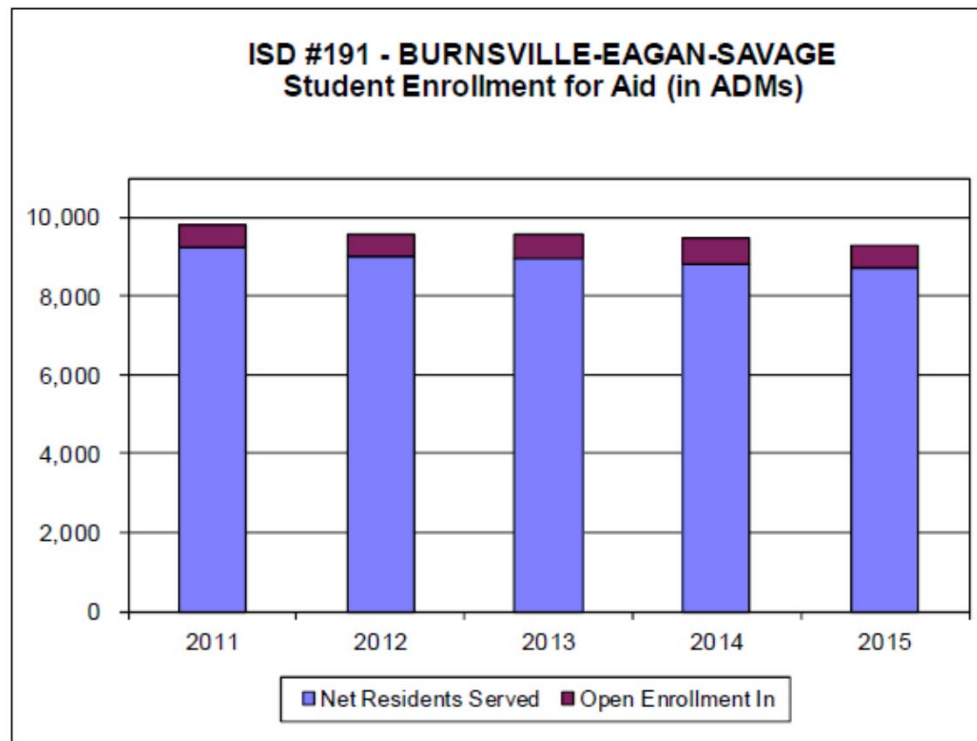


UFARS Basis	2011	2012	2013	2014	2015
Unassigned Fund Balance	\$ 11,508,180	\$ 15,451,213	\$ 17,472,471	\$ 16,003,177	\$ 14,849,613
All Other Fund Balance	6,033,226	6,271,068	6,041,360	5,957,414	5,828,253
Total Fund Balance	\$ 17,541,406	\$ 21,722,281	\$ 23,513,831	\$ 21,960,591	\$ 20,677,866
Total Expenditures	\$ 113,377,017	\$ 106,139,763	\$ 110,325,578	\$ 116,179,878	\$ 120,386,631
Unassigned Fund Balance as a % of Total Expenditures	10.15%	14.56%	15.84%	13.77%	12.33%

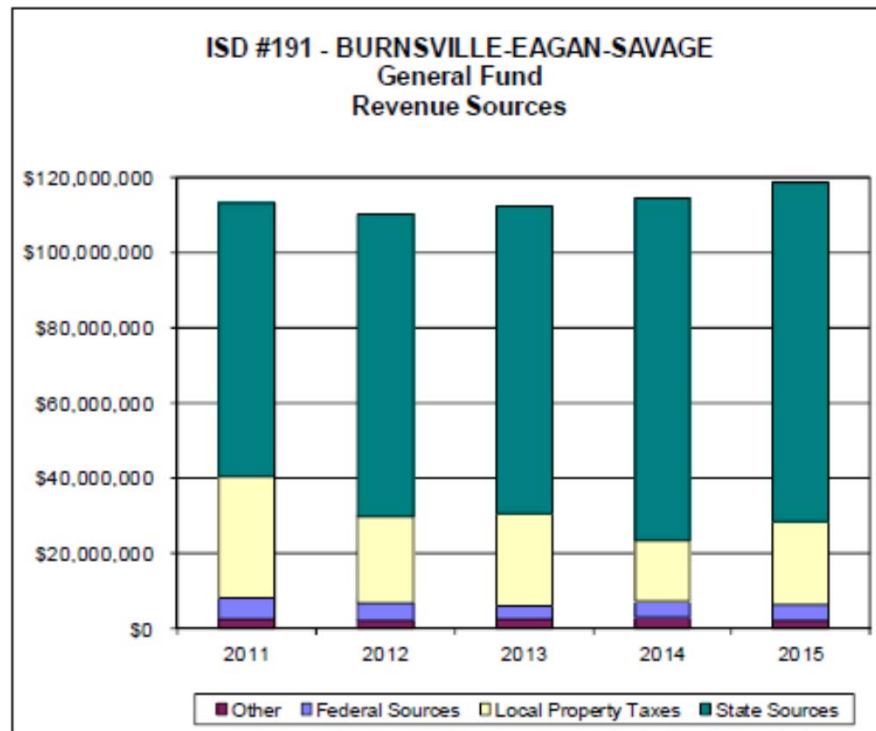
Student Enrollment – Open Enrollment

	2011	2012	2013	2014	2015
Total Residents	10,502.62	10,402.10	10,452.71	10,489.52	10,623.96
Open Enrollment Out *	(1,254.32)	(1,382.10)	(1,498.23)	(1,656.60)	(1,894.81)
Net Residents Served	9,248.30	9,020.00	8,954.48	8,832.92	8,729.15
Open Enrollment In	537.72	565.34	621.92	635.75	573.79
Net ADM Served	9,786.02	9,585.34	9,576.40	9,468.67	9,302.94
Net Pupil Units Served	11,308.18	11,068.65	10,976.75	10,864.36	10,127.25

* - includes enrolled in charter schools

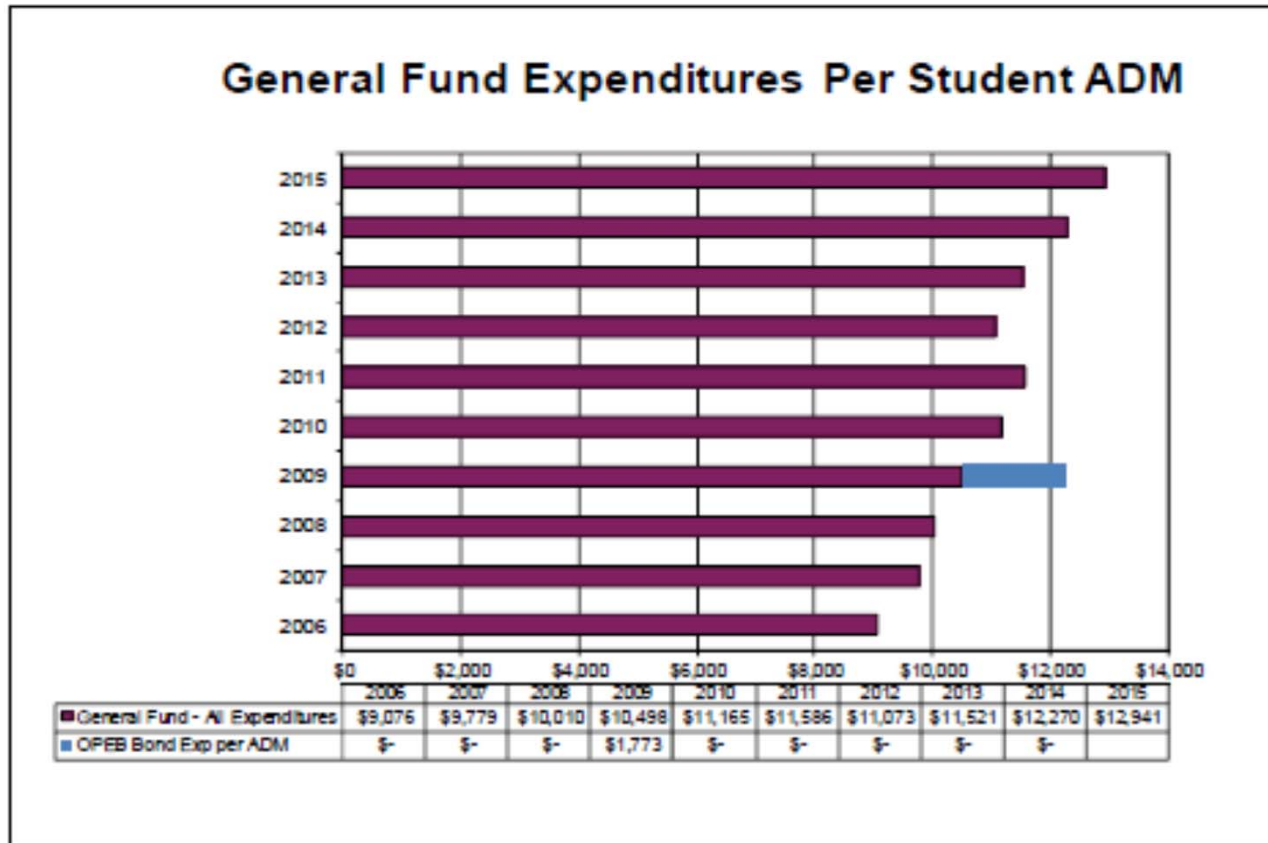


General Fund – Revenue Sources



	2011	2012	2013	2014	2015
Local Property Taxes	\$ 32,487,487 *	\$ 22,730,154	\$ 24,610,109	\$ 15,949,634	\$ 21,933,388
State Sources	72,456,484	80,263,558	81,229,337	90,985,769	90,062,883
Federal Sources	5,547,251	4,849,495	3,438,114	4,326,228	4,200,632
Other	2,546,809	2,214,800	2,803,851	3,119,710	2,398,540
Total Revenues	\$ 113,038,031	\$ 110,058,007	\$ 112,081,411	\$ 114,381,341	\$ 118,595,443

General Fund – Expenditures per Student



General Fund Expenditures for fiscal 2009 were grossed up by the impact of OPEB bonds which added approximately \$17.7 million of employee benefit costs on a one-time basis to move the bond proceeds to a trust fund that can only be used to pay employee postemployment benefit costs

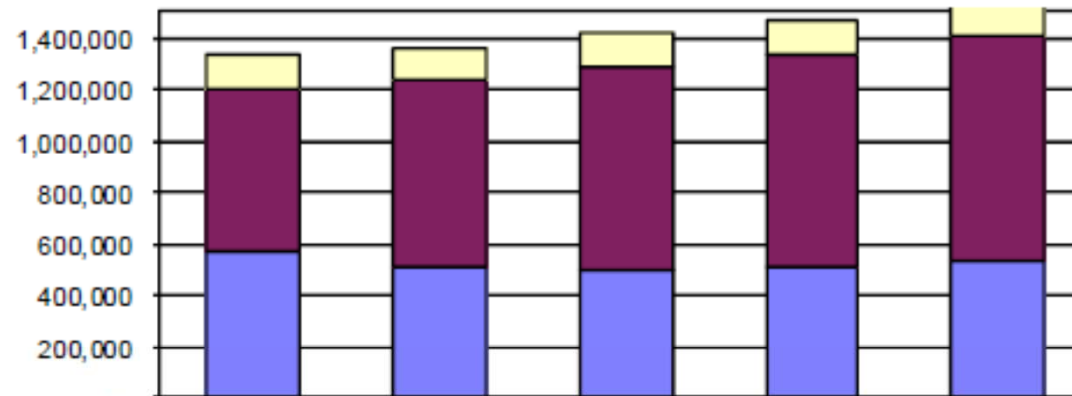
General Fund – Expenditures by Object

	2015				2014	2013
	Final Amended Budget	Actual	Over (Under) Budget	Var %	Actual	Actual
Salaries	\$ 71,451,244	\$ 70,515,119	\$ (936,125)	(1.31)%	\$ 67,484,759	\$ 64,952,395
Employee Benefits	27,557,263	26,975,116	(582,147)	(2.11)%	24,979,928	22,304,699
Purchased Services	15,750,852	16,484,220	733,368	4.66 %	16,305,814	15,760,778
Supplies and Materials	2,380,389	2,921,709	541,320	22.74 %	3,285,761	2,995,280
Capital Expenditures	1,979,446	2,201,762	222,316	11.23 %	3,025,027	2,744,804
Other Expenditures	1,570,295	1,288,705	(281,590)	(17.93)%	1,098,589	1,567,622
Total Expenditures	\$ 120,689,489	\$ 120,386,631	\$ (302,858)	(0.25)%	\$ 116,179,878	\$ 110,325,578

As reflected above, total expenditures of the General Fund were 0.25% under the budgeted amount. On a budget of \$120 million this outcome reflects good budget development and monitoring.

Food Service Fund – Meals Served

MEALS SERVED TO STUDENTS (INCLUDING BREAKFAST)



	2011	2012	2013	2014	2015
Reduced Meals	132,210	130,900	131,435	130,701	157,493
Free Meals	632,424	717,988	788,801	827,264	873,816
Full-Price Meals	568,168	515,967	503,678	514,003	534,136
Total meals served	1,332,802	1,364,855	1,423,914	1,471,968	1,565,445

■ Full-Price Meals ■ Free Meals ■ Reduced Meals

Expenditures per ADM - Comparison

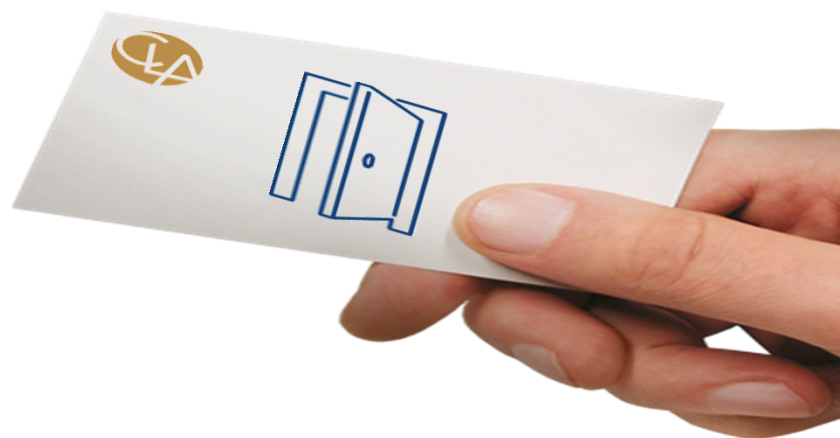
Expenditures Per Student (ADM) Served

	Statewide			ISD No. 191 Burnsville-Eagan-Savage		
	All Districts	Seven County Metro Area	Enrollment > than 4,000	2013	2014	2015
	2014	2014	2014			
District and School Admin and Support Services	\$ 882	\$ 886	\$ 845	\$ 871	\$ 821	\$ 932
Regular Instruction (including Co- & Extra-Curricular)	5,091	5,408	5,242	5,134	5,295	5,612
Vocational Instruction (Career & Technical)	140	130	134	134	127	142
Special Education Instruction	1,987	2,144	2,161	2,026	2,269	2,501
Instructional Support Services	536	630	610	758	971	1,034
Pupil Support Services (Including Transportation)	950	1,019	988	1,006	1,064	1,096
Operations and Maintenance and Other	881	843	844	1,041	1,093	1,024
Food Service	513	512	509	472	498	520
Community Service	556	674	633	510	588	624
Capital Expenditure	513	442	441	318	339	244
Debt Service	1,469	1,636	1,540	936	1,030	1,019
Total Pre-K - 12 Expenditures, including OPEB	\$ 13,518	\$ 14,324	\$ 13,947	\$ 13,207	\$ 14,095	\$ 14,747
Percent Change from Prior Year, excluding OPEB				3.49%	6.72%	4.63%

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

Questions and Feedback

- 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.



Thank You!

Dennis Hoogeveen

Principal

612.397.3063

dennis.hoogeveen@claconnect.com



CliftonLarsonAllen



**Agenda III.E
November 05, 2015**

To: Members, Board of Education

From: Lisa Rider, Executive Director of Business Services

Date: October 30, 2015

Re: Enrollment Projections

Each year a report is generated from the work done around Projection of Enrollment. We utilize final prior year enrollment data and the latest fall enrollment data available to project student enrollment for the future years. This process has some key assumptions embedded.

- 1) We use end of year data for purposes of budgeting
- 2) We need to assess the anticipated Kindergarten enrollment as this plays a key factor in the process. We have chosen the assumption of Kindergarten class of 2016 to be at 776 and 2017 to be at 780 for purposes of this enrollment projection.
- 3) We compare five different projection methods and chose the “middle of the road” projection which is based on the Weighted Ratio over 7 years. In the weighted method greater weight is given to the ratio of the most recent year, less to the second year, less to the third year, etc. We chose seven years as that assists in smoothing out peaks and valleys that may have occurred in recent years.

The Enrollment Projection Report will be presented November 5.

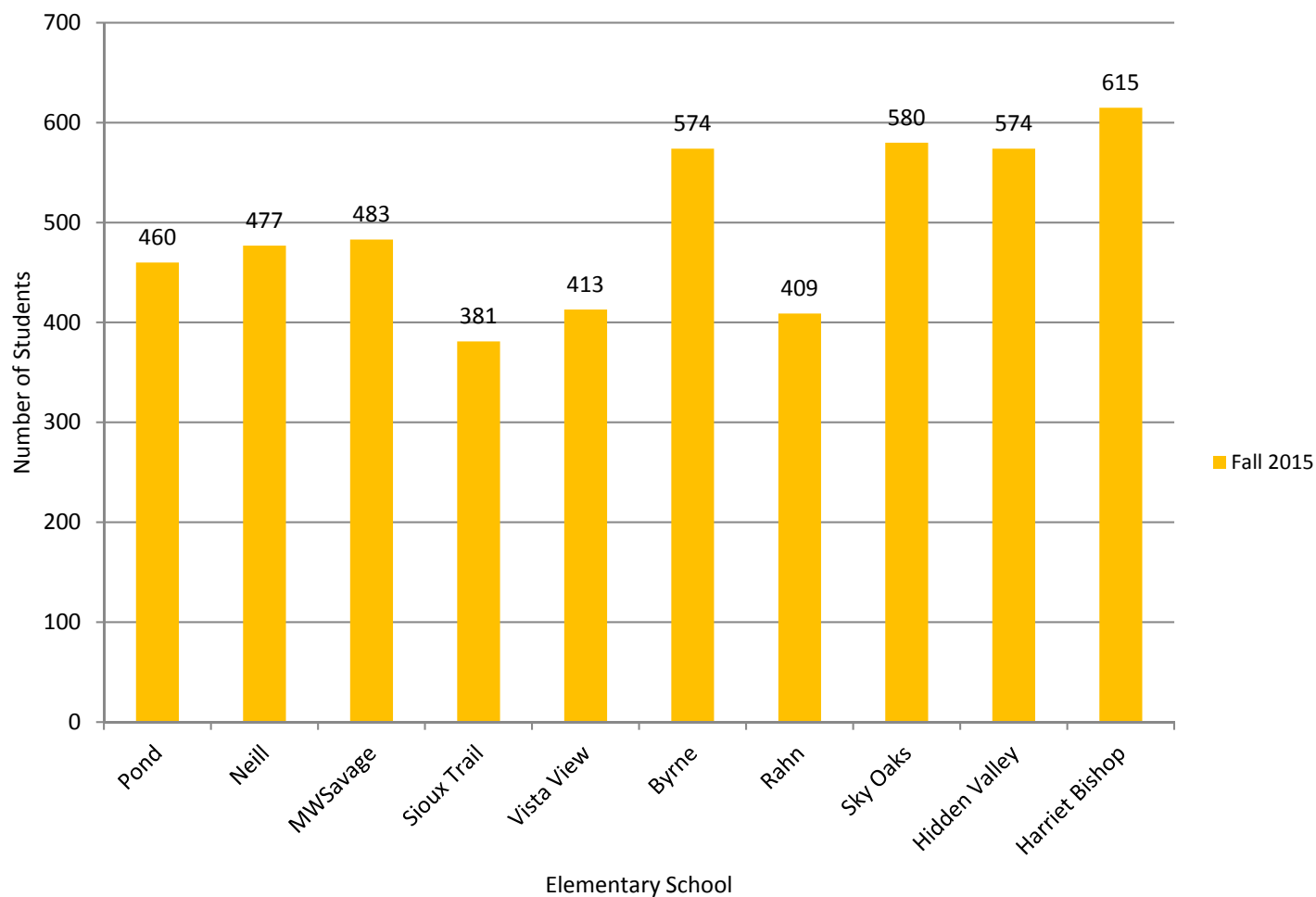
ISD 191
ENROLLMENT & ENROLLMENT
PROJECTION

2015-2016

Elementary- October 1, 2015 Seat Count 4,966

Grades K-6

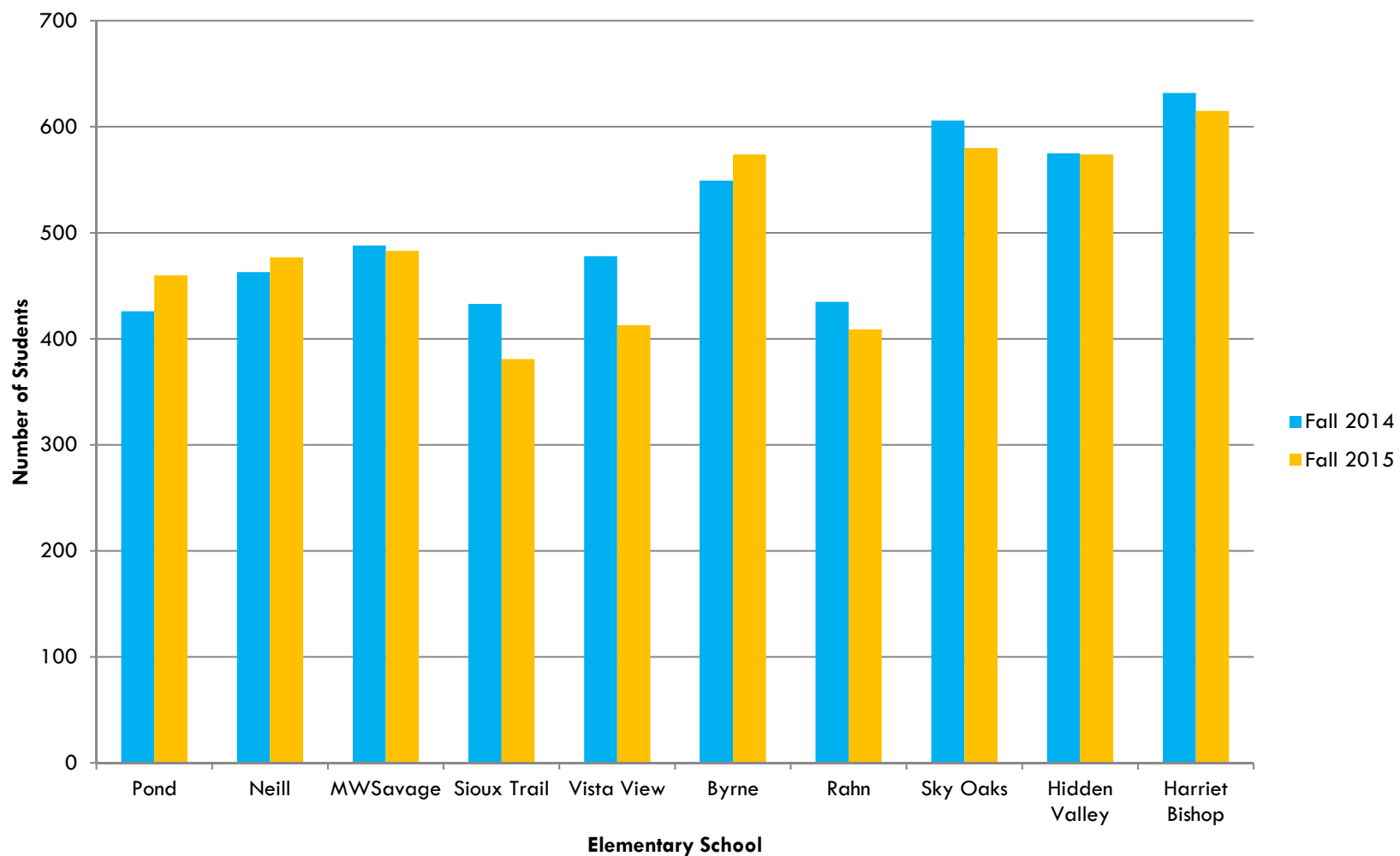
2



Elementary- 2-Yr Comparison

October 1 Seat Count Grades K-6

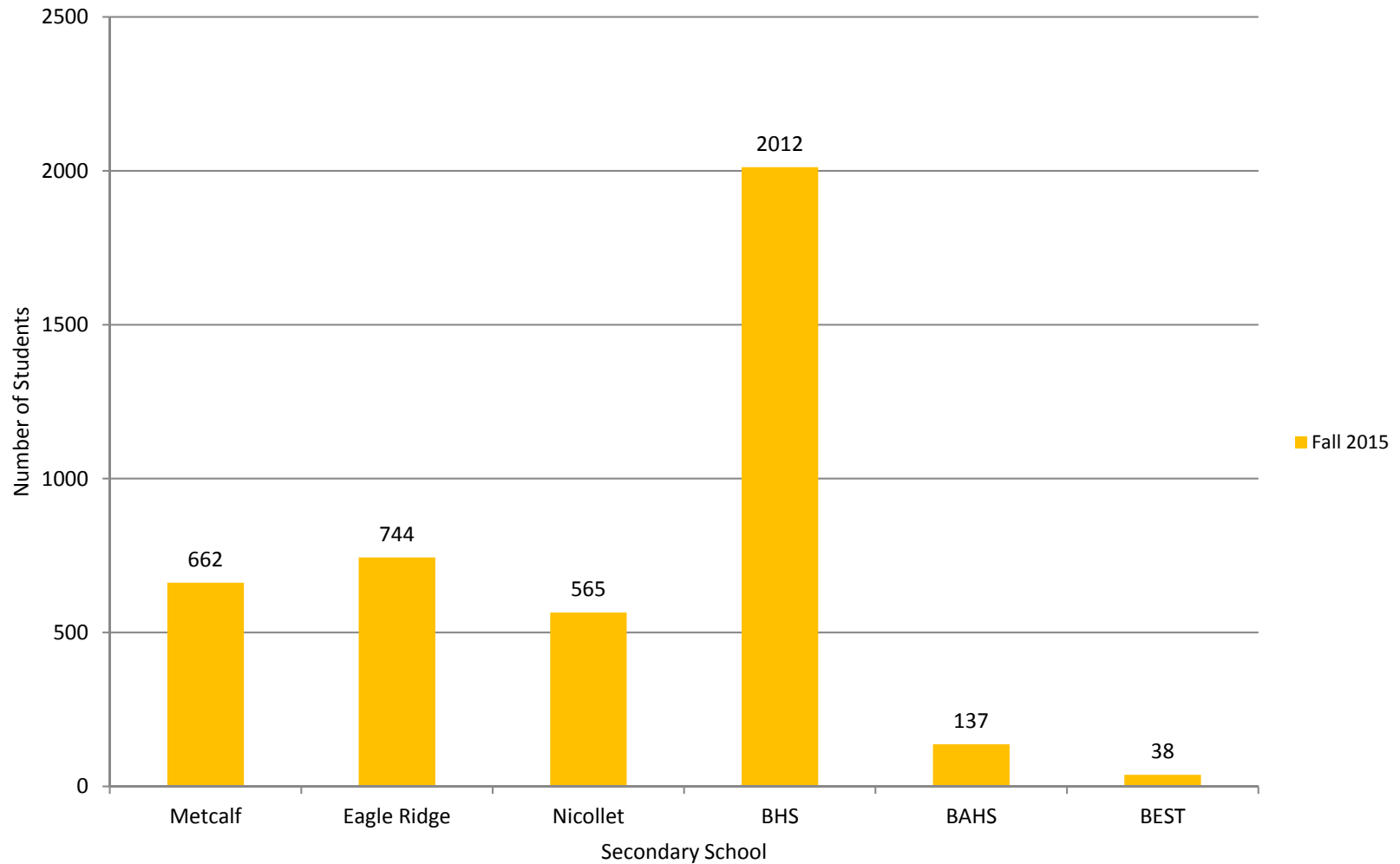
3



Secondary- October 1, 2015 Seat Count 4,158

Grades 7-12

4

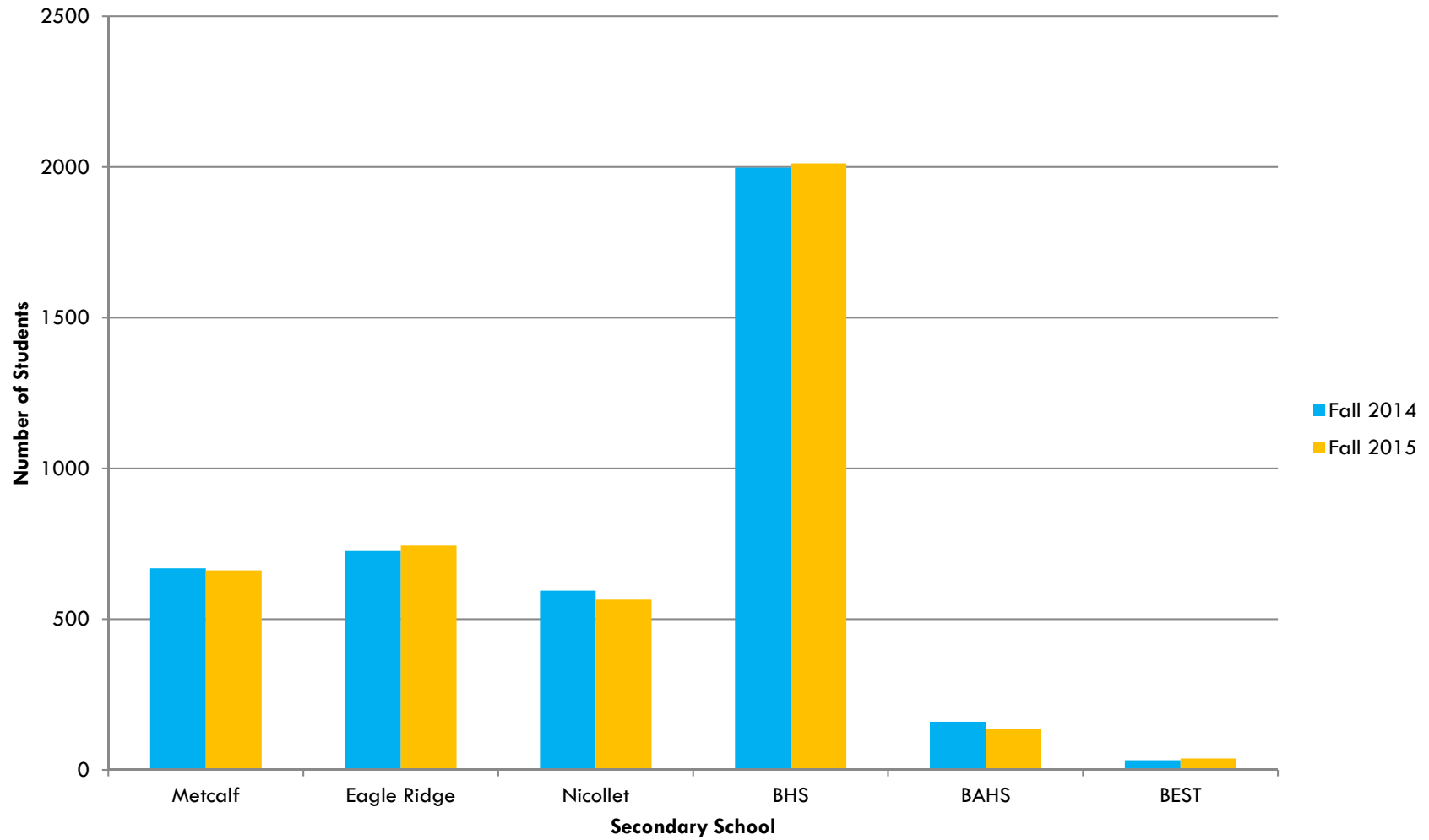


Secondary- 2-Yr Comparison

October 1 Seat Count Grades 7-12

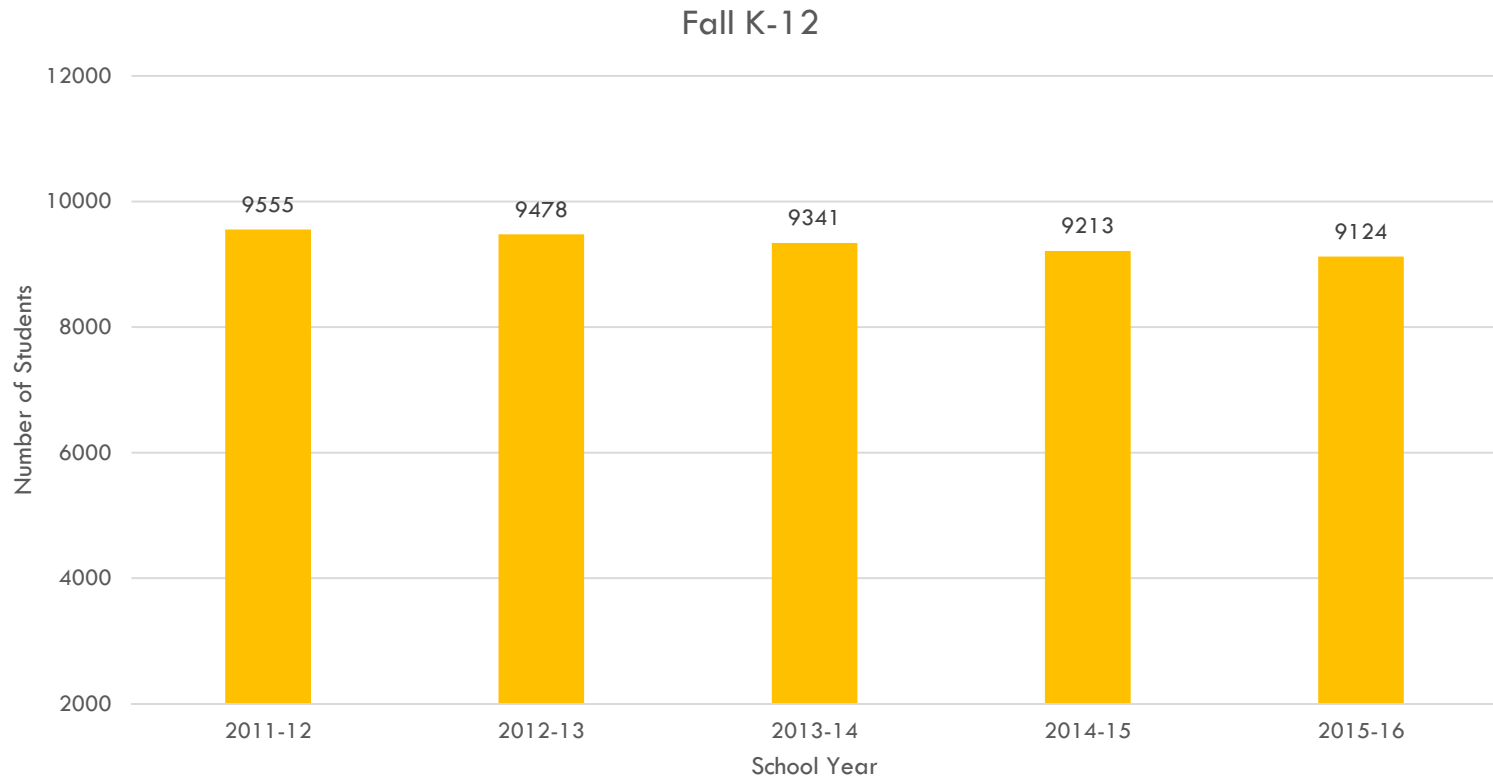


5



Historical Enrollment Data- Oct 1

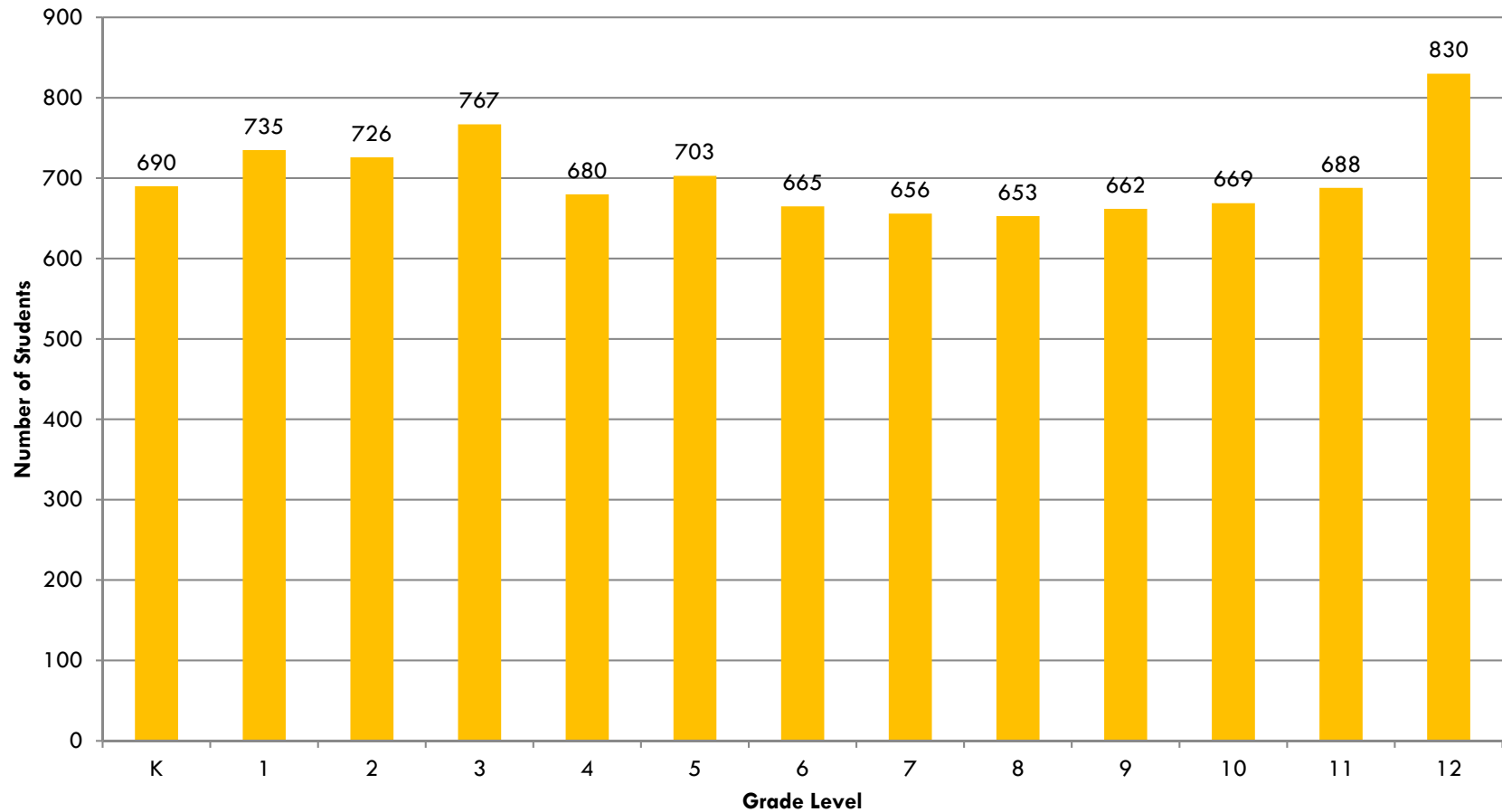
Grades K-12



* 2012-15 Finalized MDE Fall Counts

**2015-16 Preliminary MDE Fall Counts

2015-16 Grade Level Enrollment - Oct 1 9,124 K-12



District Seat Count as
of 10/1/2015

Composition of the Fall October 1, 2015 Population

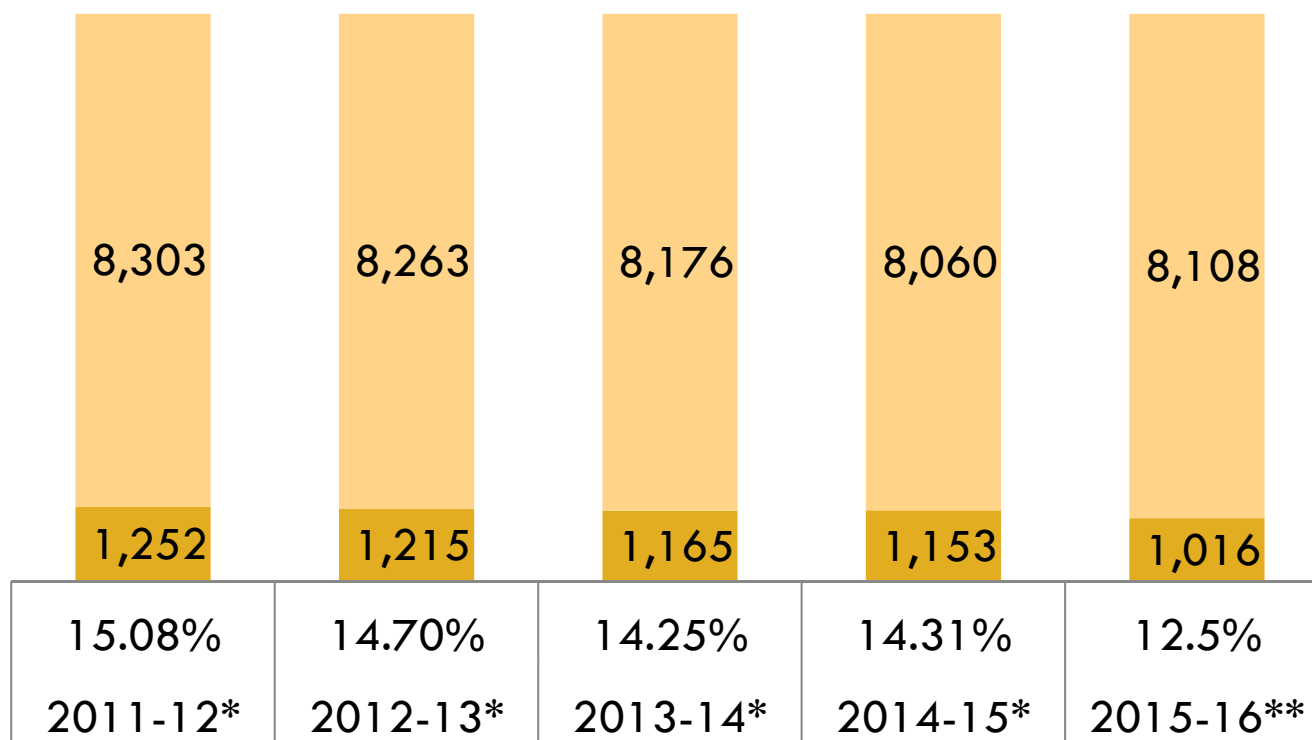
District Composition

% Special Education Enrollment

9

Special Education Enrollment Trend

■ Special Education ■ Non Special Education



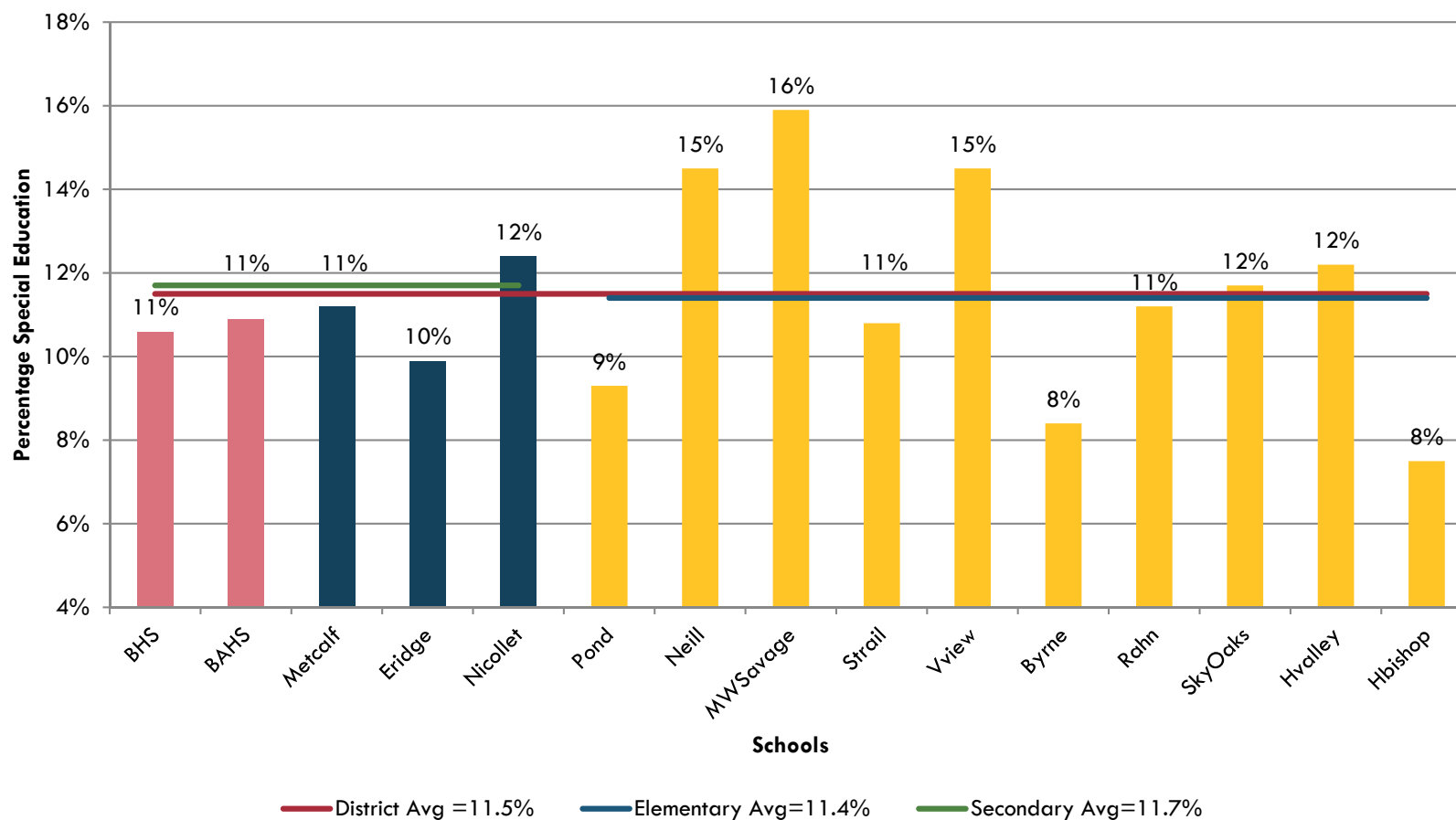
* 2012-15 Finalized MDE Fall Counts

**2015-16 Preliminary MDE Fall Counts

% Students Served Special Education by Building

including District, Elementary, and Secondary Average

10



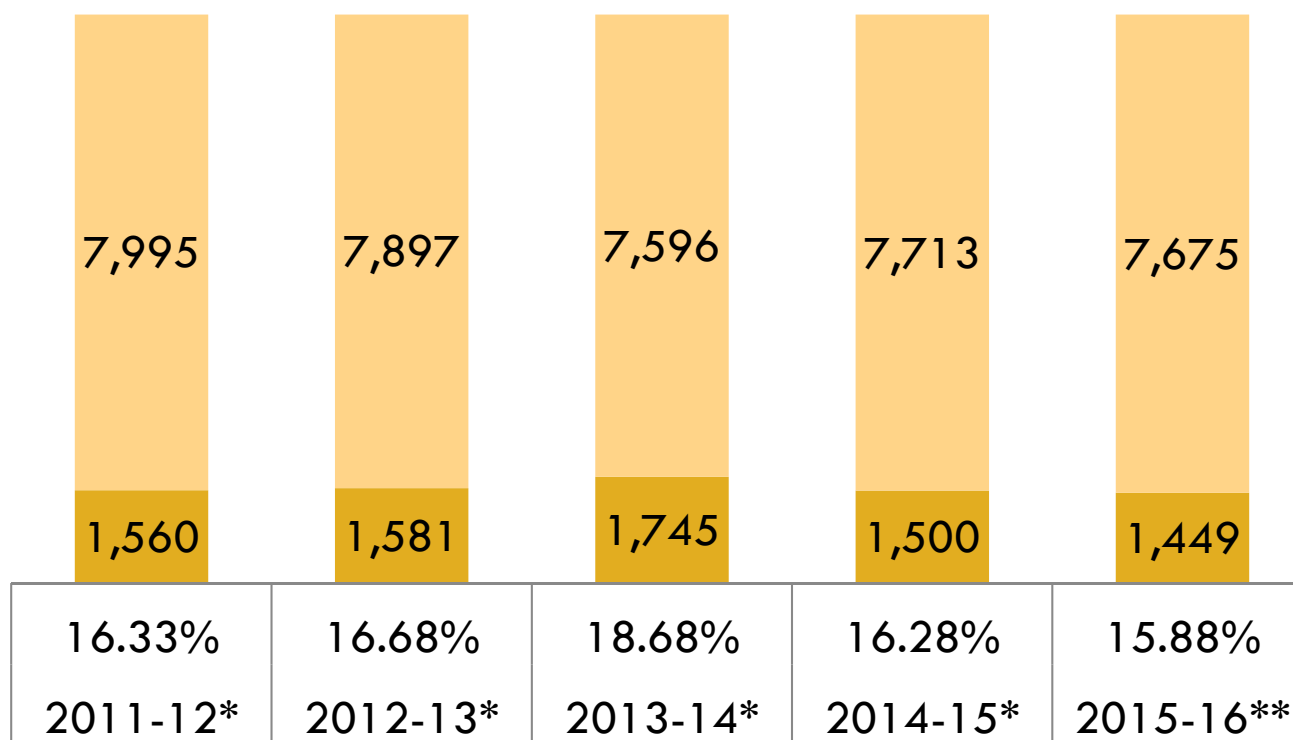
District Composition

LEP Enrollment Trend

11

English Language Learners (EL) 5 year Comparison

■ EL Yes ■ EL No



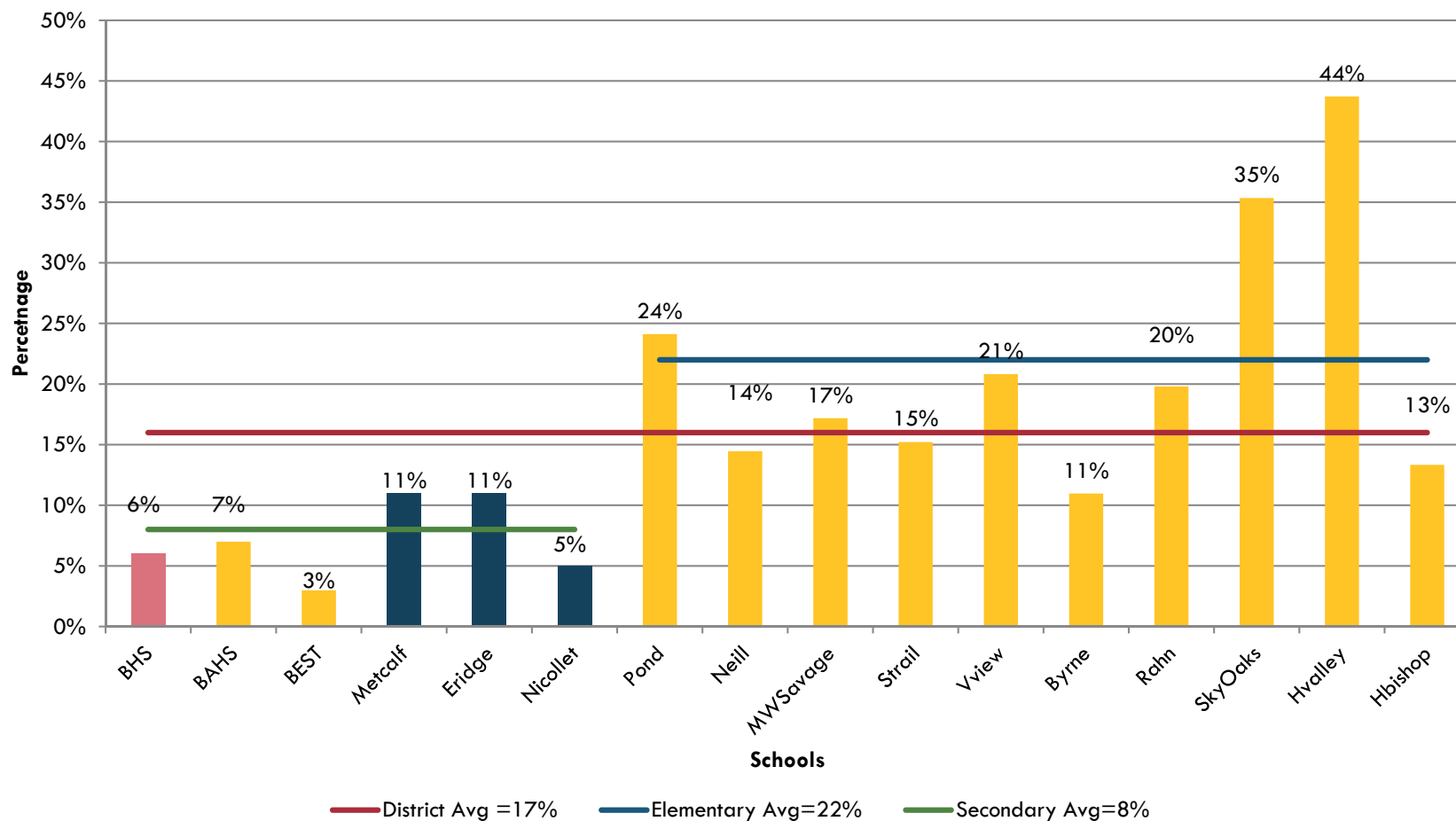
* 2012-15 Finalized MDE Fall Counts

**2015-16 Preliminary MDE Fall Counts

% Students Served LEP by Building 2015-16

including District, Elementary, and Secondary Average

12

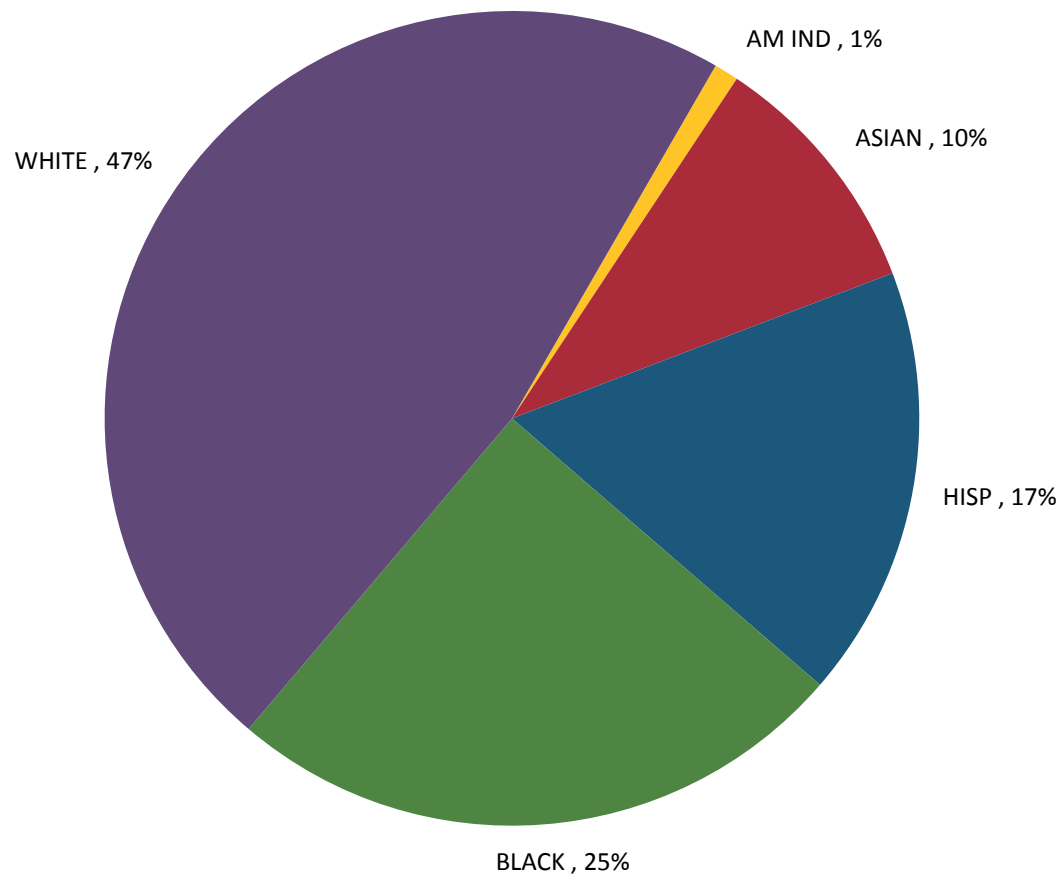


Preliminary MDE Fall Count 10/1/2015

District Composition - Enrollment by Ethnicity

13

2015-2016 % Ethnicity Enrollment



Preliminary MDE Fall Count: Numbers as of 10/1/2015

District Composition

Enrollment by Ethnicity Five Year Trend

14

* 2011-15 Finalized MDE Fall Counts
 **2015-16 Preliminary MDE Fall Counts

PreK-12 Enrollment

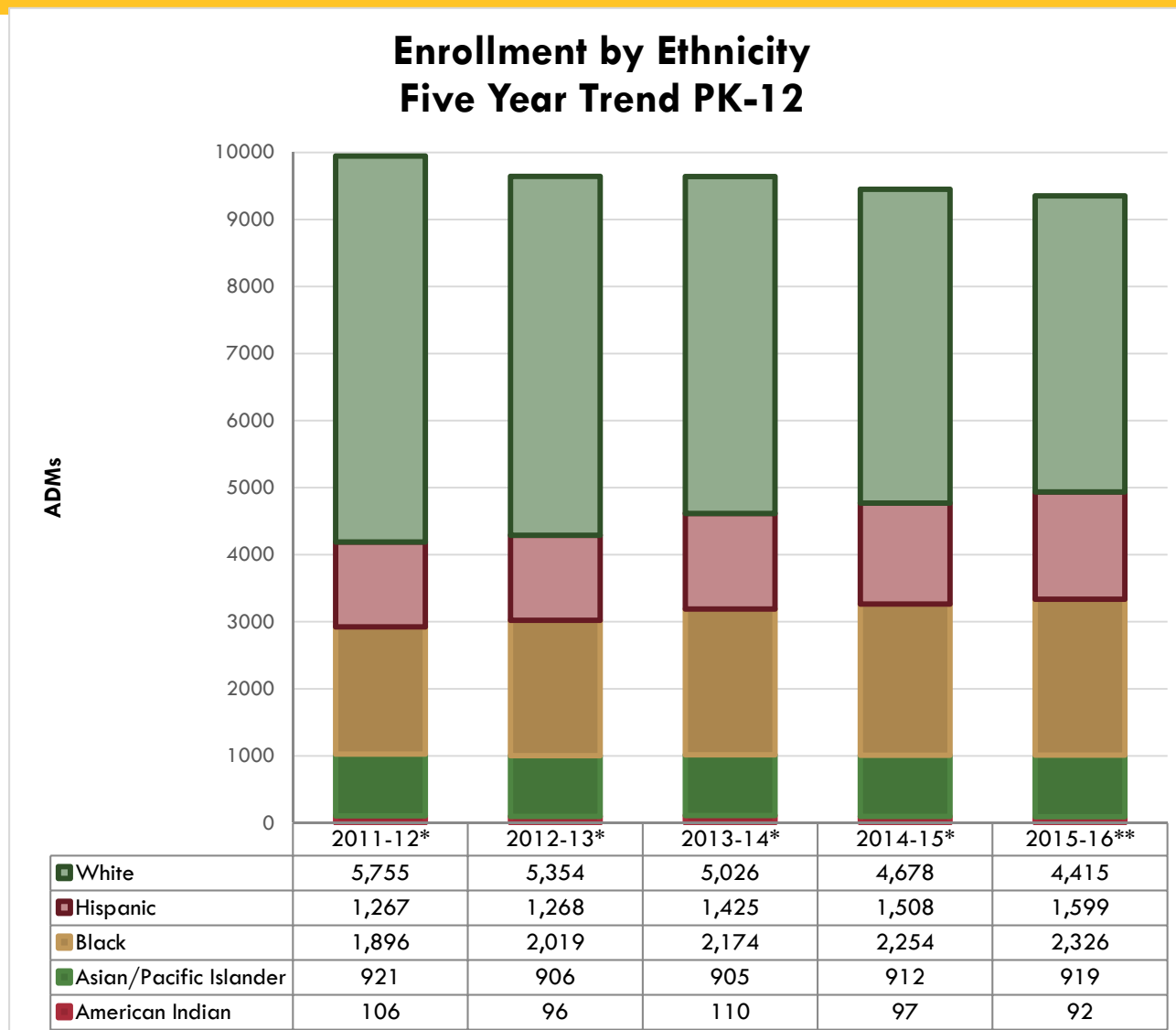
2011-12 total = 9,945

2012-13 total = 9,643

2013-14 total = 9,640

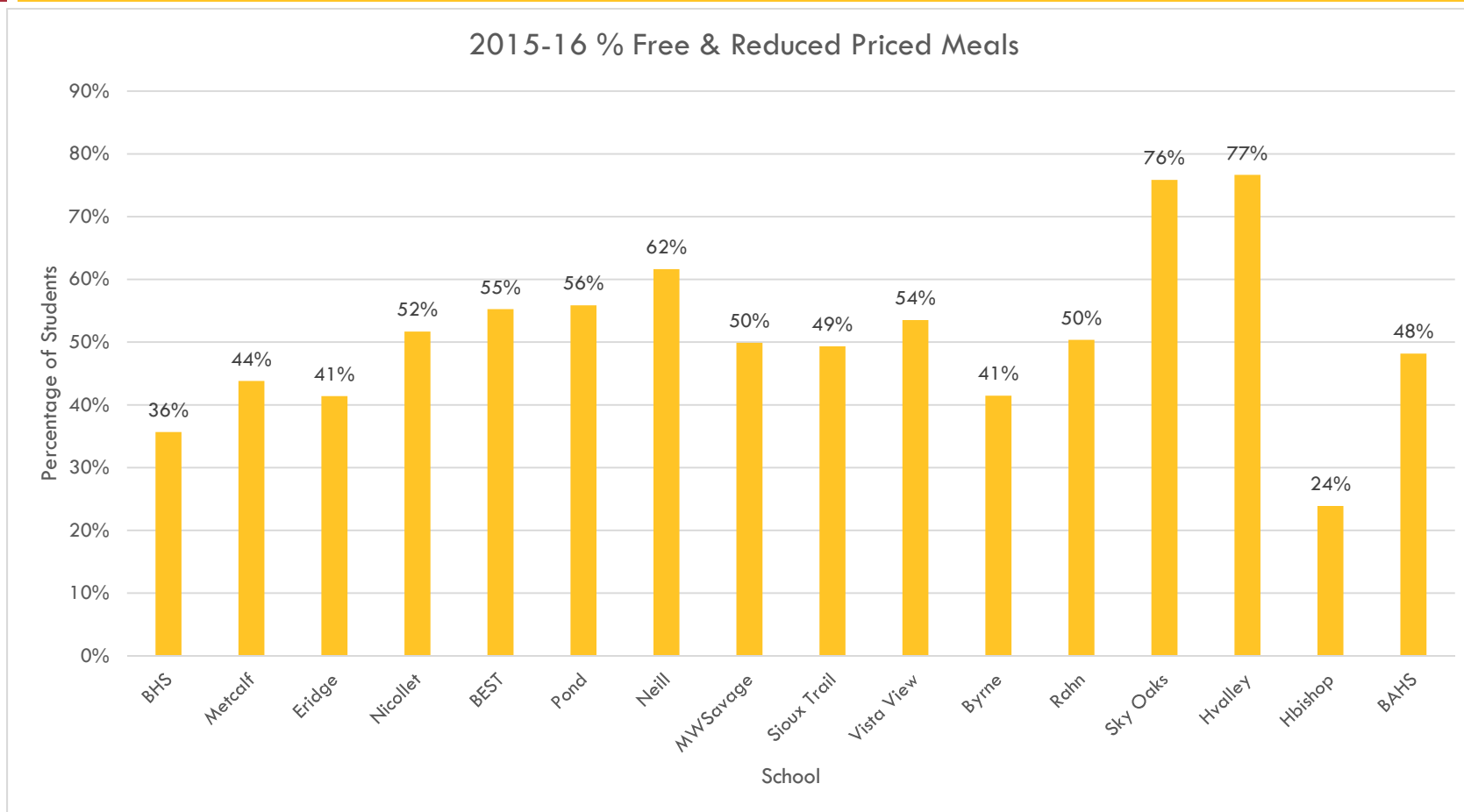
2014-15 total = 9,449

2015-16 total = 9,351



District Composition Free and Reduced Enrollment by School

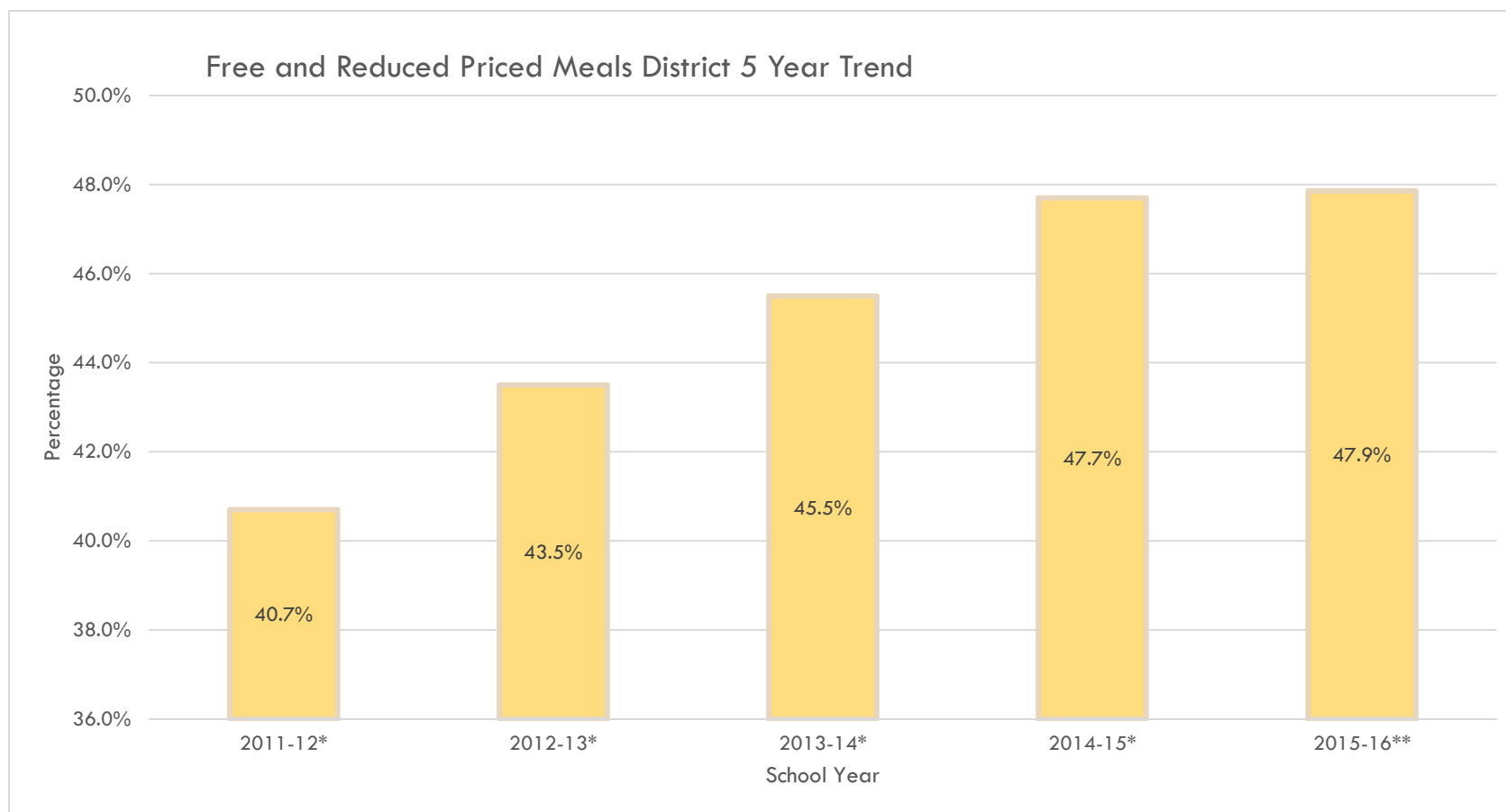
15



2015-16 Preliminary MDE Fall Counts: Numbers as of 10/29/2015

District Composition % Free and Reduced Enrollment Trend

16

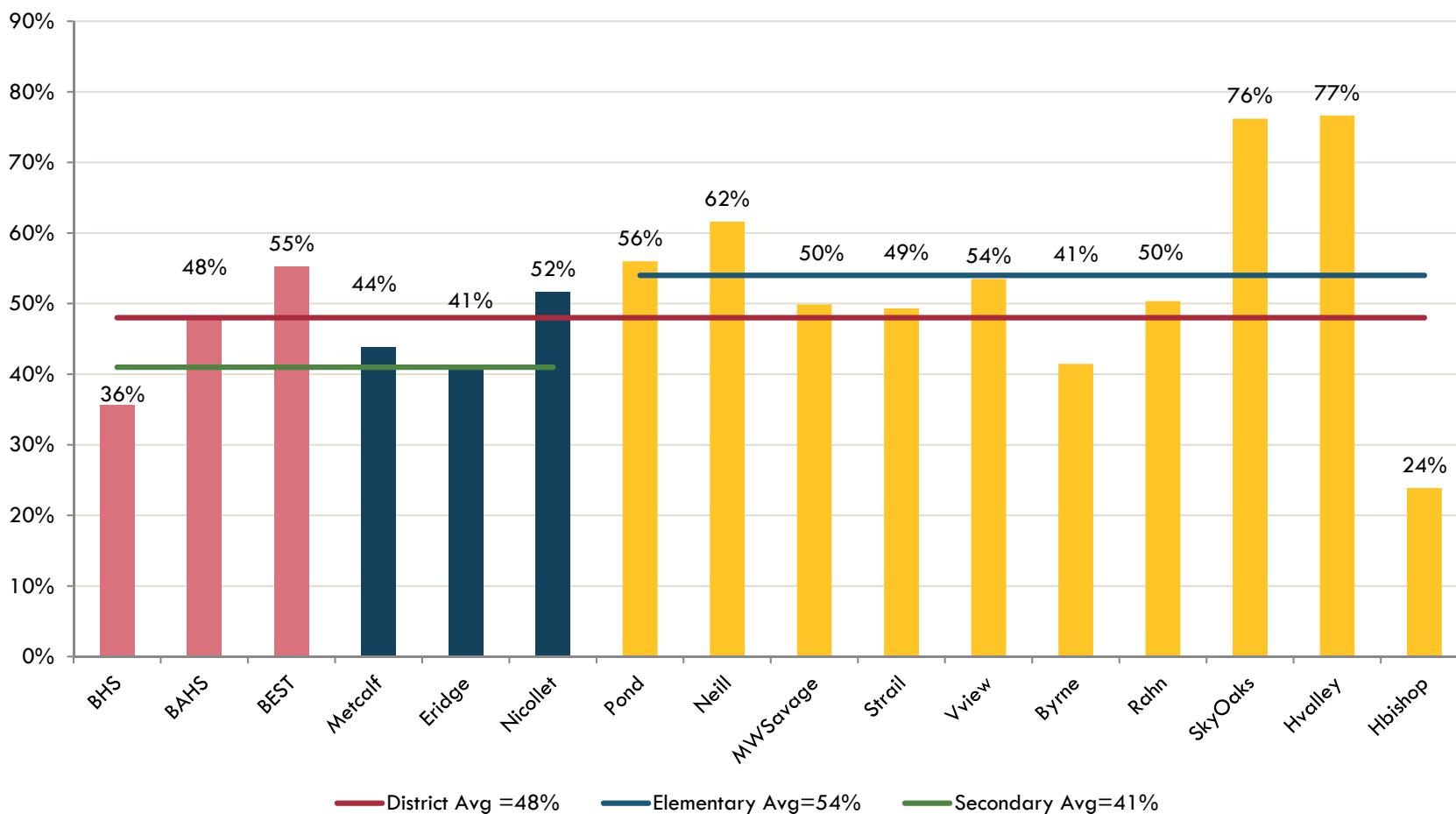


* 2011-2015 Finalized MDE Fall Counts

**2015-2016 Preliminary MDE Fall Counts: Numbers as of 10/29/2015

% Students Served Free & Reduced by Building with District, Elementary, and Secondary Average

17

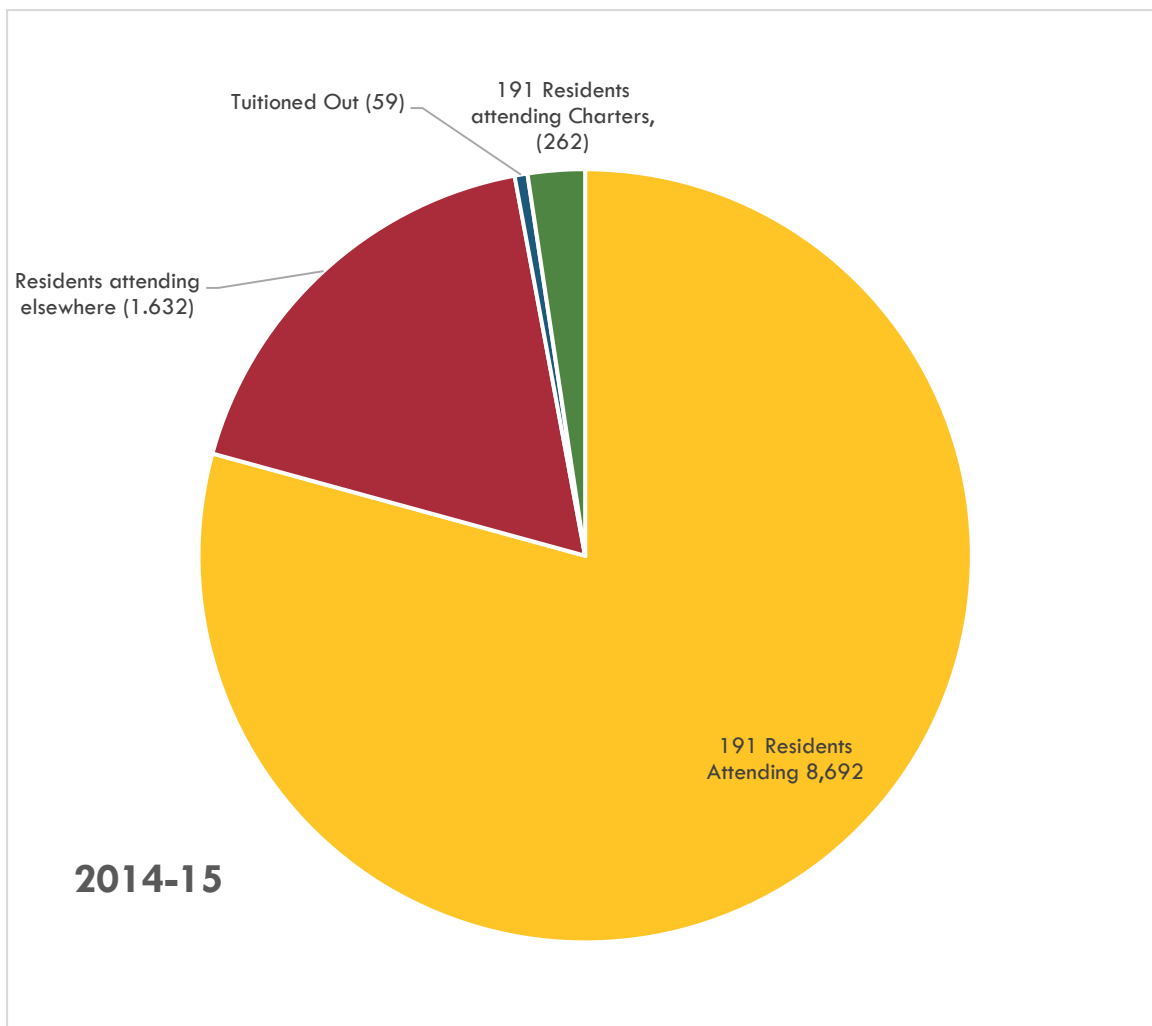
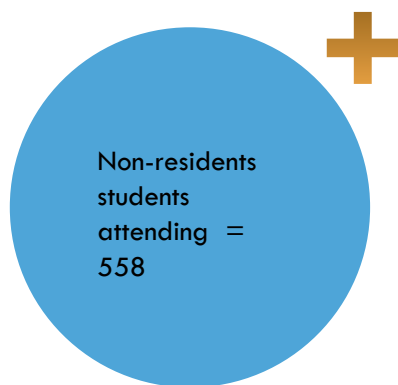


Preliminary MDE Fall Counts: Numbers as of 10/29/2015

School Choice 2014-2015 PK-12

18

Total Students Served of 9,250 includes 8,692 of residents and 558 of Non-residents.

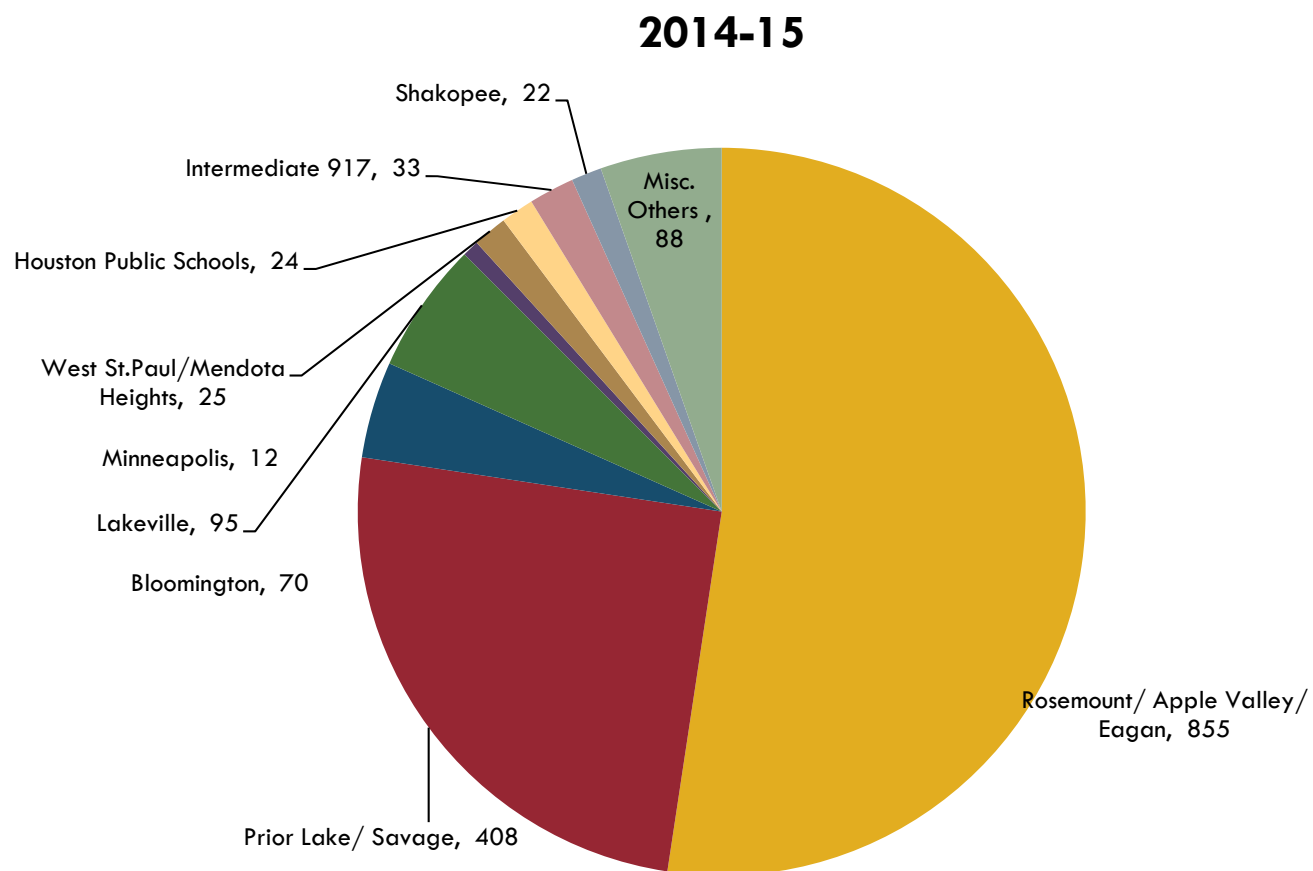


Finalized MDE Fall Counts

School Choice 2014-2015 PK-12

Resident students served at other public schools

19

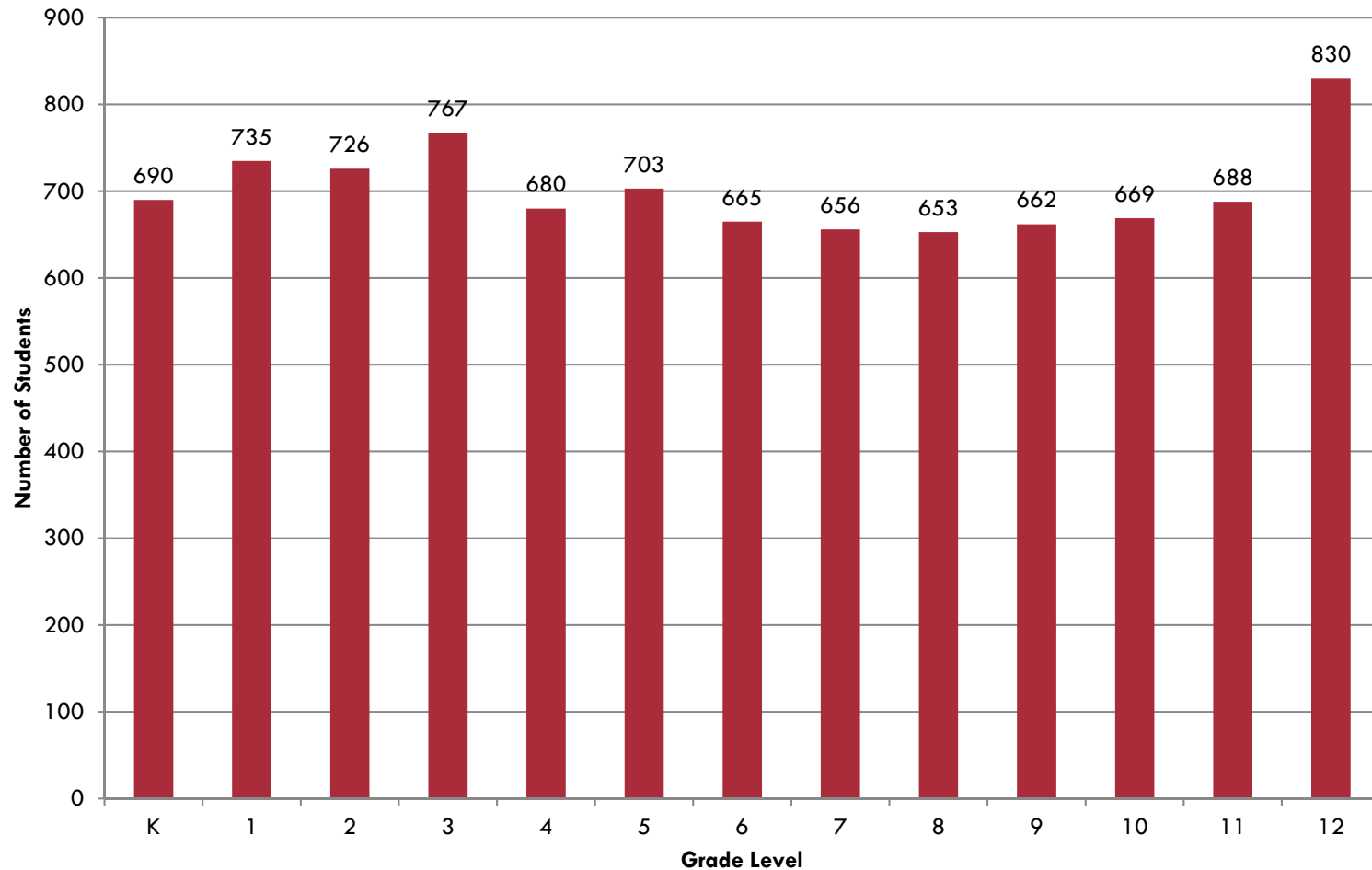


Finalized MDE Fall Counts

2015 -16 Grade Level Enrollment – Update Oct 1st



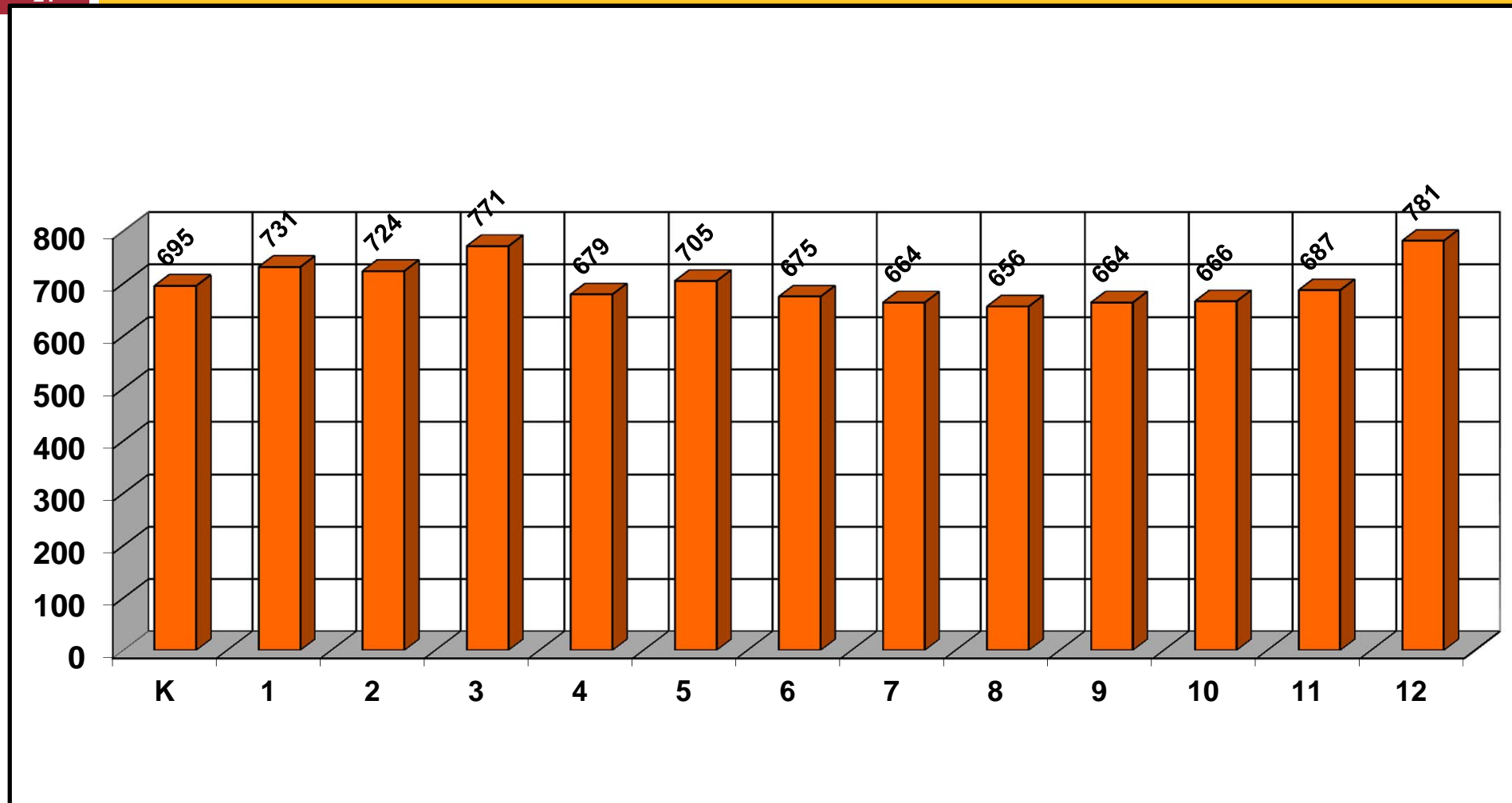
20



9,124 Total 2015-16 Fall Enrollment K-12

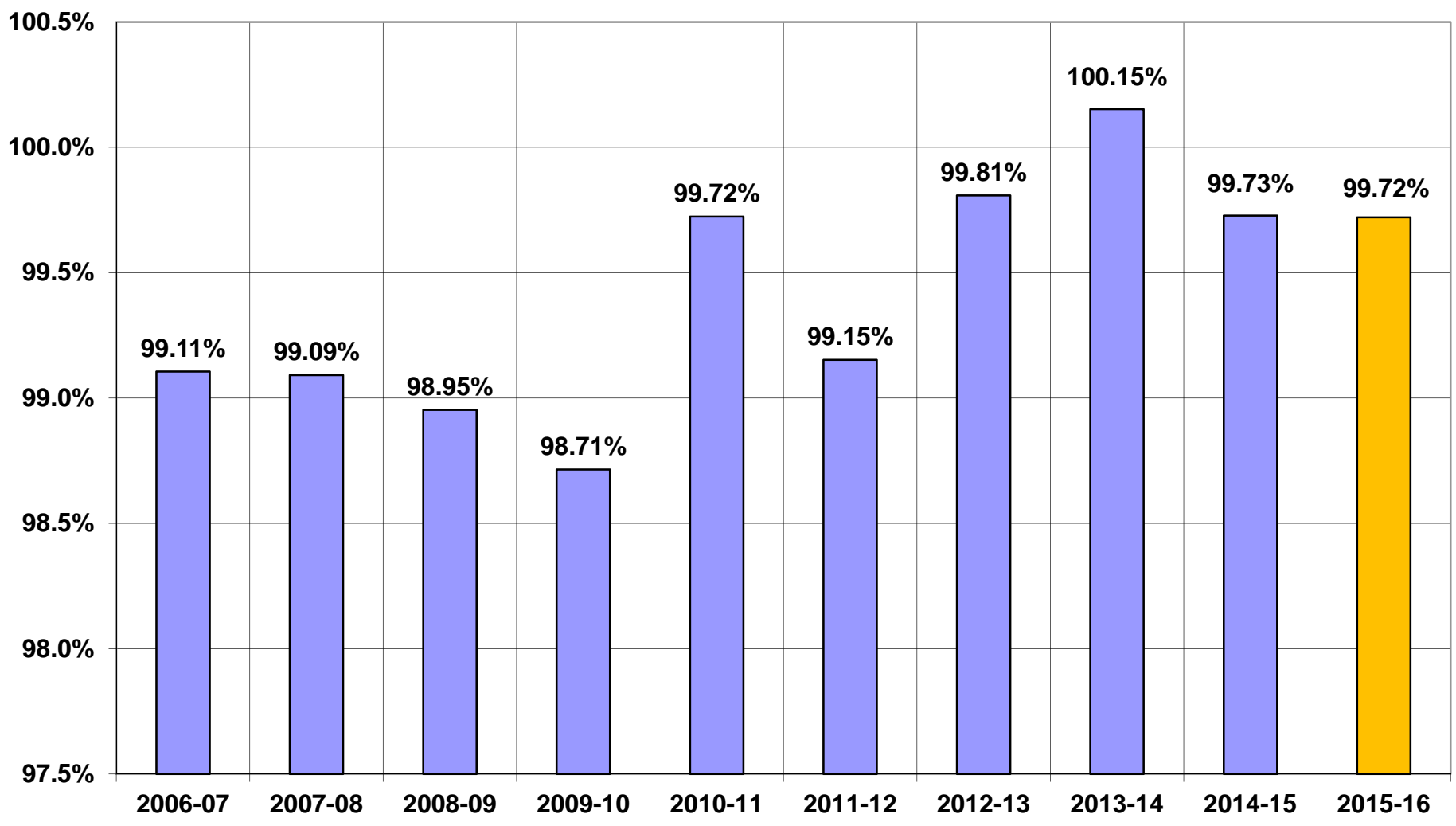
2015 -16 Grade Level Enrollment Projection— End Of Year

21

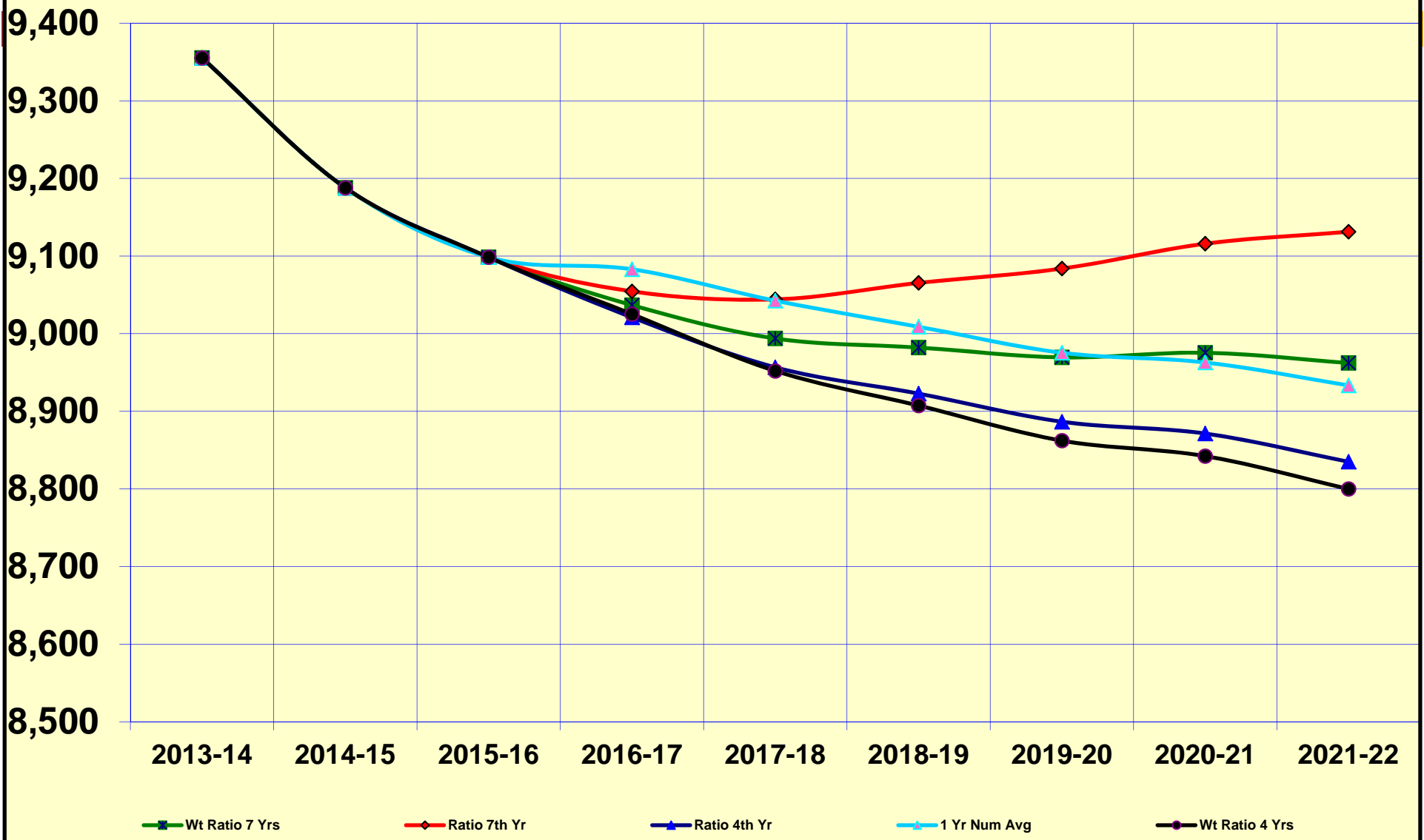


9,098 Total Projected End of Year Enrollment

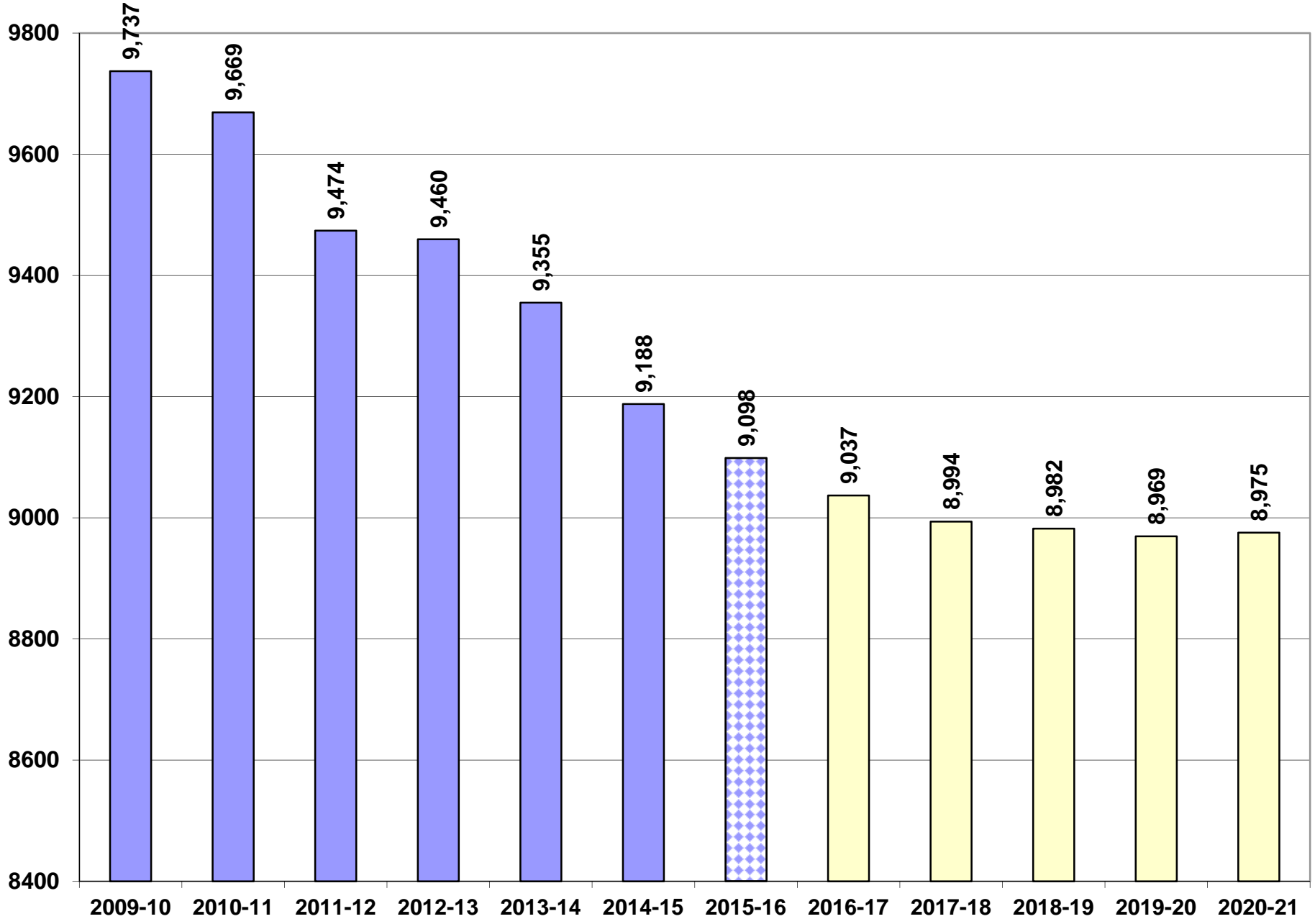
Percent of End-of-Year Adjusted ADM to Fall Enrollment



Enrollment Graph of Projections Selected for Viewing



K-12 ENROLLMENT HISTORY & PROJECTED TOTAL ENROLLMENT





BES

**BURNSVILLE
EAGAN
SAVAGE
DISTRICT 191**



Historical, Current & Future Enrollment Elementary K-5

Burnsville-Eagan-Savage #191													
2015-2016 ENROLLMENT PROJECTION EOY ADM													
	HISTORICAL					CURRENT	FUTURE ENROLLMENT PROJECTIONS						
GRADE	10/11	11/12	12/13	13/14	14/15	*	15/16	*	16/17	17/18	18/19	19/20	20/21
KDG	718.50	699.05	862.07	806.41	743.88	*	695.50	*	776.00	780.00	765.00	760.00	756.00
GRADE 1	763.76	740.02	736.05	818.41	746.27	*	731.34	*	689.71	769.54	773.50	758.63	753.67
GRADE 2	744.22	777.48	729.85	714.99	790.56	*	723.77	*	715.36	674.63	752.72	756.60	742.05
GRADE 3	<u>716.20</u>	<u>735.33</u>	<u>731.43</u>	<u>711.23</u>	<u>706.69</u>	*	<u>771.03</u>	*	<u>705.64</u>	<u>697.45</u>	<u>657.74</u>	<u>733.87</u>	<u>737.65</u>
KDG-GRADE 3	2942.68	2951.88	3059.40	3051.04	2987.40	*	2921.63	*	2886.71	2921.62	2948.96	3009.10	2989.38
GRADE 4	729.09	704.90	716.43	705.96	702.28	*	679.30	*	752.76	688.92	680.92	642.16	716.48
GRADE 5	<u>703.09</u>	<u>708.52</u>	<u>680.79</u>	<u>708.63</u>	<u>673.54</u>	*	<u>704.61</u>	*	<u>665.47</u>	<u>737.42</u>	<u>674.89</u>	<u>667.05</u>	<u>629.07</u>
GRADES 4-5	1432.18	1413.42	1397.22	1414.59	1414.59	*	1383.91	*	1418.22	1426.35	1355.81	1309.21	1345.56
TOTAL K-5	4374.86	4365.30	4456.62	4465.63	4401.99	*	4305.55	*	4304.93	4347.97	4304.78	4318.31	4334.93
KDG-GRADE 12	9669.20	9474.02	9459.78	9355.22	9187.90		9098.48		9036.77	8993.82	8982.09	8969.46	8975.44
HISTORY=2011-2015 History taken from the Gender-Ethnicity by Grade by District File of the MDE (GEGD) including Extended Day/Year Students													
CURRENT=2015-2016 END of Year ADM Projected including Extended Day/Year Students													
FUTURE PROJECTIONS= based on weighted ratio 7 year													

Historical, Current & Future Enrollment Secondary 6-12

Burnsville-Eagan-Savage #191													
2015-2016 ENROLLMENT PROJECTION EOY ADM													
	HISTORICAL						CURRENT		FUTURE ENROLLMENT PROJECTIONS				
GRADE	10/11	11/12	12/13	13/14	14/15	*	15/16	*	15/16	16/17	17/18	18/19	19/20
GRADE 6	730.96	698.22	701.11	663.86	702.37	*	674.97	*	697.68	658.92	730.17	668.25	660.49
GRADE 7	700.89	709.81	687.27	672.70	651.42	*	663.56	*	655.37	677.43	639.79	708.97	648.85
GRADE 8	<u>717.57</u>	<u>700.85</u>	<u>712.63</u>	<u>690.25</u>	<u>681.31</u>	*	<u>656.19</u>	*	<u>666.76</u>	<u>658.53</u>	<u>680.69</u>	<u>642.88</u>	<u>712.40</u>
GRADES 6-8	2149.42	2108.88	2101.01	2026.81	2035.10	*	1994.71	*	2019.81	1994.88	2050.66	2020.10	2021.74
GRADE 9	761.15	712.43	700.18	702.51	668.58	*	663.57	*	645.40	655.80	647.71	669.50	632.31
GRADE 10	726.93	747.32	722.12	688.23	687.95	*	666.05	*	657.64	639.64	649.94	641.92	663.53
GRADE 11	817.17	684.30	733.40	689.31	658.27	*	687.24	*	646.42	638.26	620.79	630.79	623.01
GRADE 12	<u>839.67</u>	<u>855.79</u>	<u>746.45</u>	<u>782.73</u>	<u>774.78</u>	*	<u>781.37</u>	*	<u>762.56</u>	<u>717.27</u>	<u>708.22</u>	<u>688.83</u>	<u>699.93</u>
GRADES 9-12	3144.92	2999.84	2902.15	2862.78	2789.58	*	2798.22	*	2712.03	2650.97	2626.66	2631.05	2618.77
GRADES 6-12	5294.34	5108.72	5003.16	4889.59	4824.68	*	4792.935	*	4731.84	4645.85	4677.32	4651.15	4640.51
KDG-GRADE 12	9669.20	9474.02	9459.78	9355.22	9187.90		9098.48		9036.77	8993.82	8982.09	8969.46	8975.44
HISTORY =2011-2015 History taken from the Gender-Ethnicity by Grade by District File of the MDE (GEDD) including Extended Day/Year Students													
CURRENT =2015-2016 END of Year ADM Projected including Extended Day/Year Students													
FUTURE PROJECTIONS = based on weighted ratio 7 year													

Summary of Residents/Non-Residents

28

SUMMARY OF RESIDENTS/NON-RESIDENTS									
		2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	
191 Residents Total		10,497	10,476	10,504	10,404	10,453	10,491	10,645	
191 Residents Attending		9,420	9,274	9,189	8,968	8,901	8,782	8,692	
191 Residents Attending Elsewhere		1,077	1,202	1,314	1,436	1,552	1,709	1,953	
Open Enrolled Out									
Residents attending elsewhere		(788)	(894)	(992)	(1,136)	(1,252)	(1,405)	(1,632)	
Open enrolled In									
Non-Residents attending 191		479	503	538	564	622	638	558	
Difference		(309)	(391)	(454)	(572)	(630)	(767)	(1,074)	
Tuitioned Out		(63)	(62)	(59)	(53)	(56)	(54)	(59)	
191 Residents attending Charters		(227)	(247)	(264)	(247)	(244)	(250)	(262)	

Residents Attending Other Districts (Open Enrollment-Out) Students Attending										
District			Students							
			2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	
Rosemount/ Apple Valley/ Eagan			376	439	497	586	641	721	855	
Prior Lake/ Savage			185	208	230	266	296	354	408	
Bloomington			45	53	51	55	51	60	70	
Lakeville			30	37	51	51	71	94	95	
Minneapolis			27	32	37	20	15	15	12	
West St.Paul/Mendota Heights			22	20	19	17	23	29	25	
Houston Public Schools			18	19	21	28	33	25	24	
Intermediate 917			33	33	35	29	30	33	33	
Shakopee			25	26	20	21	25	18	22	
Misc. Others			27	28	32	63	67	56	88	
					992	1136	1252	1405	1,632	
Residents Attending Charter Schools- Over 15 Students Attending										
District			Students							
			2008-09	2009-10	2010-11	2011-12	2012-13	2013-2014	2014-15	
Paideia			53.62	57.44	53.54	47.56	43.20	43.52	42.49	
Seven Hills Classical Academy			36.88	38.00	30.00	29.67	28.40	31.17	47.45	
Minnesota Transitions Charter School			34.08	29.19	42.04	36.62	36.23	41.00	36.01	
Aspen Academy			5.62	18.62	25.68	32.49	44.60	52.00	49.17	
Higher Ground						23.27	18.13	43.95	13.71	
Eagle Ridge Academy									15.00	
Tuitioned Out					59	53	56	54	59.00	
Tuitioned In					27	0	3	1	1.00	



Agenda III.F
November 5, 2015

To: Board of Education, Members
From: Dr. Joe Gothard, Superintendent
Date: November 4, 2015
Re: Board Policies

RECOMMENDATION: Approve, on a first reading basis, Board Policy 409: *Employee Publications, Instructional Materials, Inventions and Creations* and rescind GCQB and GCQB-R.

Administration and the Policy Review Committee have reviewed this policy and recommend approval on a first reading basis.

Policy 409 and Policy GCQB & GCQB-R are attached for your review.

Adopted: _____: 2/1984 Burnsville-Eagan-Savage School District Policy 409
 Reviewed: _____: 8/27/2015
 Revised: _____
 Rescinds: _____: GCQB

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 and for ~~_____~~ [school district should select time] two years thereafter. 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.

III. NOTICE OF POLICY

The school district shall give employees notice of this policy by such means as are reasonably likely to inform them of this policy.

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

Cross References:

Descriptor Term: **Professional Research and Publications**

Descriptor Code: **GCQB**

Issued Date: **2/84**

Reviewed Date:

Revised Date:

Rescinds:

Publications

The School District shall have legal claim on all products created by its employees which are an outgrowth of regular or special assignments.

Materials developed by a teacher beyond regular classroom or assignment preparation and outside the scheduled work hours will be considered the property of the teacher, whether or not the materials are used to supplement the regular learning or educational experiences of students.

Descriptor Term: **Professional Research and Publications**

Descriptor Code: **GCQB-R**

Issued Date: **2/84**

Reviewed Date:

Revised Date:

Rescinds:

Educational Publications

Educational materials developed and published in Independent School District 191 shall be available for limited sale to other school districts and other educational agencies on a cost basis.