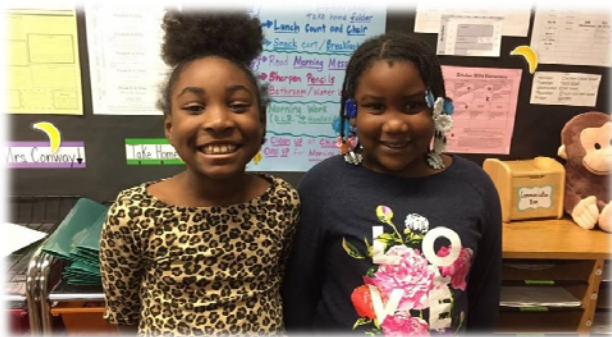




## PROPOSED 2018-19 BUDGET BOOK



*"Delivering educational excellence that empowers all learners to engage in our dynamic world."*

**NORTHFIELD PUBLIC SCHOOLS**  
**INDEPENDENT SCHOOL DISTRICT 659**  
**BOARD OF EDUCATION**

Julie Pritchard, Chair

Ellen Iverson, Vice Chair

Rob Hardy, Treasurer

Noel Stratmoen, Clerk

Margaret Colangelo

Amy Goerwitz

Jeff Quinnell

**SUPERINTENDENT OF SCHOOLS**

Dr. Matt Hillmann, Ed.D.

This document was prepared by the Finance Department of the Northfield Public Schools

[www.northfieldschools.org](http://www.northfieldschools.org)

## OUR VISION

We will prepare *every* student for lifelong success within a world-class learning environment with a commitment to community partnerships and sustainability.

## OUR MISSION

The mission of Northfield Public Schools is to deliver educational excellence that empowers all learners to engage in our dynamic world.

## OUR BELIEFS

- **Public Education**

We believe that public education is the foundation of our democratic republic.

- **Learning**

We believe that everyone can learn and has unique gifts and talents that must be nurtured and valued. We believe that learning is a lifelong, multi-faceted process that involves more than academics.

- **Learning Environment**

We believe that everyone in our schools has the right to a positive learning environment that provides physical, emotional and intellectual safety, and nurtures mutual respect, responsibility and rigor.

- **Shared Responsibility**

We believe that education is the collective responsibility of our students, families, schools and communities.

- **Decision-Making**

We believe decisions must be based on the district's mission and beliefs and relevant sources of information. We believe in an open decision-making process that invites honest dialogue.

- **Diversity**

We believe that all learners have a right to equitable access to educational opportunities.

## OUR STRATEGIES

- **Quality Education**

We will hire and retain highly qualified educators and provide them with ongoing support and training to deliver high quality instruction that meets the unique needs of all learners.

- **Stewardship**

We will consistently demonstrate good stewardship by analyzing information, prioritizing needs and managing our financial, physical and human resources to support our mission.

- **Climate**

We will create and strengthen an environment that fosters mutual respect, responsibility and rigor, and ensures the right to physical, emotional and intellectual safety for every person.

- **Communications/Partnerships**

We will build and strengthen bridges of open communication that engage staff, students, families and communities as effective partners in education.

- **Curricular Outcomes**

We will implement a consistent, comprehensive and challenging set of curricular outcomes that reach and engage all learners.

- **Diversity**

We will implement plans and practices that foster full participation by all learners and that address issues that include, but are not limited to, race, gender, culture, religion, sexual orientation, language, disabilities and socio-economic factors.

<u>Ongoing Priorities</u>	<u>Near-Term Priorities</u>
<ul style="list-style-type: none"><li>• Prioritize recruiting and retaining diverse staff.</li><li>• Robust core subject instruction.</li></ul>	<ul style="list-style-type: none"><li>• Building and fostering relationships – commitment to social/emotional health for all.</li><li>• Develop a long-term solution that allows for reasonable class sizes while maintaining financial stability.</li><li>• Spaces that are modern, innovative, creative and flexible.</li><li>• Equitable opportunities and support for all career and college paths.</li></ul>

June 11, 2018

Board of Education  
Independent School District 659  
Northfield, MN

It is my great pleasure to submit and recommend the proposed budget for the 2018-19 school year. This budget report is one of our primary tools to present summarized financial information to the Board, our employees and the community. This report includes our Operating, Proprietary and Fiduciary Funds with a special emphasis on the General Fund. Over the past two months the details of these proposed budgets have been presented to the Board. This document provides a cohesive report for all of the budgets presented.

The purpose of a budget is to quantify the strategic plan and programming choices we have made as a District. It is a guide for the Board of Education to authorize the Administration to fulfill the vision and mission of the District each day. In January 2018, the Board received a five-year financial forecast. That forecast included assumptions and parameters used to set the framework for the 2018-19 budget planning process. In December, a revised budget that includes more accurate enrollment data, finalized employment contracts and a complete analysis of the 2018 legislative session will be presented.

Seventy percent of the District's total funding comes from the State of Minnesota and it is essential that we recognize and understand the inadequate funding strategies the legislature employs. The Northfield community has been a tireless supporter of our schools. The community showcased this support in November when they approved a renewal and increase of our operating referendum. Their unwavering support and commitment to our students is deeply appreciated. Many districts in the state make budget reductions year after year. With the support of our voters, we are very proud to be a district that has built our fund balance for multiple years to help weather the chronic underfunding from the State of Minnesota.

We strive daily to implement the District's strategic plan, mission and values to operate efficiently and effectively while continuing to provide a world-class learning environment. We will consistently demonstrate good stewardship by analyzing information, prioritizing needs and managing our financial, physical and human resources to support Northfield Public Schools.

Sincerely,



Val Mertesdorf  
Director of Finance

## ***BUDGET DEVELOPMENT CALENDAR***

November 27	Auditors presented results of 2016-17 financial audit.
December 11	School Board reviewed and approved 2017-18 revised General Fund budget as well as certified the 2017 Payable 2018 Tax Levy.
January 29	School Board presented with five year financial forecast and 2018-19 proposed budget calendar.
February 12	School Board adopted resolution requiring the administration to make recommendations for additions and reductions in programs and adding or discontinuing positions.
February 26	School Board presented with proposed Operating Capital and Long Term Facilities Maintenance budget.
March 12	School Board adopted the proposed Capital and Long Term Facilities Maintenance budget.
April 23	School Board adopted the necessary resolutions relating to General Fund program and staffing changes for 2018-19.
April 23	School Board presented with proposed budgets for Non-Operating Funds and Internal Service Fund.
May 14	School Board presented with proposed budgets for Child Nutrition department and Community Services department.
May 29	School Board presented with proposed General Fund budget.
June 11	School Board adopts the 2018-19 Proposed Budgets for all funds.

## ***STUDENT ENROLLMENT***

Minnesota funds the majority of its K-12 programs through a complex formula applied to the number of students attending each school. For most funding programs, the pupil count, known as adjusted pupil units (APU) is used to determine school revenue amounts.

### **DETERMINING PUPIL UNITS**

There are three steps involved in calculating the APUs that are used in most of the K-12 funding formulas.

1. **Average Daily Membership (ADM):** Students are counted in average daily membership. Average daily membership is the count of resident students membership days divided by instructional days. Excused absences from school (for things such as illness, etc.) do not reduce a school district's ADM.
2. **Adjusted Average Daily Membership (AADM):** The ADM student count is adjusted to reflect only the students actually served by the district. Each district's pupil count is reduced by the number of students leaving the district to attend a charter school or through open enrollment and increased by the number of students entering the district from another district.
3. **Adjusted Pupil Units (APU):** Each student is weighted by grade level according to the weights listed in the table below. The different weights are intended to reflect differing educational costs across the grade levels. The K-12 funding formulas are multiplied by the AADM to calculate the District's revenue.

	Pre-KG	KG Disabled	KG	1-3	4-6	7-12
2018-19	1.0	1.0	1.0	1.0	1.0	1.2

## ENROLLMENT PROJECTIONS

Over the past five years, the District's enrollment has increased. The District anticipates that the total number of students will continue to increase slightly over the next couple of years.

The October 1, 2017 enrollment numbers were included with historical data to calculate the current enrollment forecast which was prepared using the traditional cohort survival technique and weighting these results to favor more recent years. The following table represents the 2018-19 student enrollment projection. The bottom table includes historical enrollment counts and the longer range forecast for additional context.

2018-19 Projected Adjusted Pupil Units					
Pre-KG	KG (incl. HK)	1-3	4-6	7-12 (incl. ALC)	Total
39.4	257.1	817.1	921.8	2,054.0	4,089.4

Enrollment History and Projection							
Year	Pre-K	KG	1-3	4-6	7-12	Total	APU
2007-08	29.6	250.5	819.2	831.6	1,947.1	3,877.9	4,525.6
2008-09	29.8	234.9	820.3	845.8	1,921.2	3,851.9	4,495.0
2009-10	41.3	260.7	807.1	821.8	1,880.5	3,811.3	4,431.3
2010-11	37.5	239.7	795.0	843.0	1,865.8	3,781.0	4,405.2
2011-12	40.2	256.0	810.1	840.8	1,851.6	3,798.6	4,416.1
2012-13	40.1	267.6	796.2	875.1	1,838.5	3,817.5	4,424.9
2013-14	30.1	223.6	826.9	853.1	1,885.2	3,818.9	4,459.1
2014-15*	24.5	266.4	816.0	862.9	1,899.5	3,869.3	4,249.2
2015-16	32.3	250.2	841.7	865.5	1,932.6	3,922.3	4,308.9
2016-17	40.6	246.9	825.6	906.7	1,976.6	3,996.4	4,391.7
2017-18#	41.1	267.9	810.7	918.4	1,997.1	4,035.2	4,434.6
<b>2018-19#</b>	<b>39.4</b>	<b>257.1</b>	<b>817.1</b>	<b>921.8</b>	<b>2,054.0</b>	<b>4,089.4</b>	<b>4,500.2</b>
2019-20#	39.6	257.8	819.2	903.6	2,074.9	4,095.1	4,510.1
2020-21#	39.7	258.6	838.2	897.1	2,104.9	4,138.5	4,559.5
# Estimated Enrollment							
* Change in pupil unit weights							



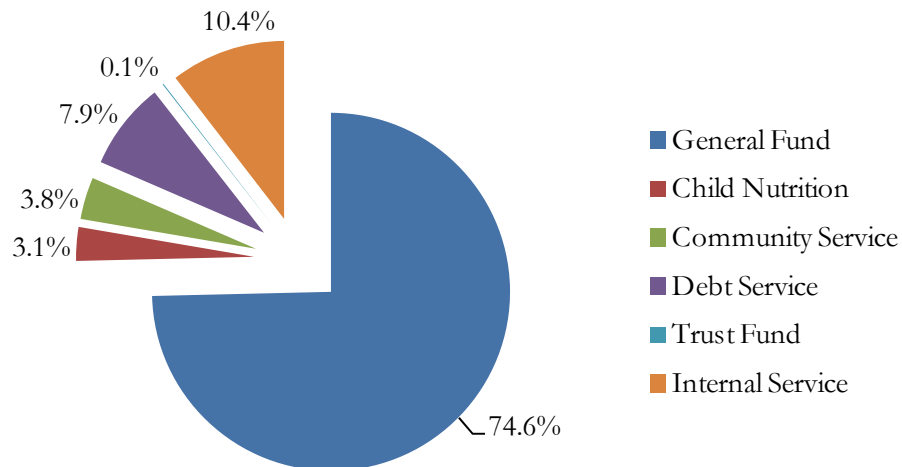
## PROPOSED 2018-19 BUDGET SUMMARY OF ALL FUNDS

	July 1, 2018 Projected <u>Fund Balance*</u>	FY 2019 <u>Revenues</u>	FY 2019 <u>Expenditures</u>	June 30, 2019 Projected <u>Fund Balance*</u>
General Fund**	\$ 17,029,266	\$ 54,008,294	\$ 53,168,513	\$ 17,869,047
Child Nutrition	\$ 815,957	\$ 2,219,900	\$ 2,234,537	\$ 801,320
Community Service	\$ 677,685	\$ 2,765,253	\$ 2,822,986	\$ 619,952
Debt Service	\$ 1,213,470	\$ 5,749,314	\$ 5,734,694	\$ 1,228,090
Trust Fund	\$ 125,338	\$ 71,730	\$ 76,030	\$ 121,038
Internal Service	\$ 6,852,772	\$ 7,558,599	\$ 7,115,731	\$ 7,295,640

\* Beginning and ending fund balance includes restricted funds

\*\*General Fund includes Capital and Long Term Facility Maintenance funds.

### 2018-19 Budget Resources All Funds





## GENERAL FUND

The General Fund accounts for the primary operations of the District, including educational and instructional support services to students from Kindergarten through twelfth grade, pupil transportation and capital outlay.

Preliminary budget assumptions include an increase in revenue of approximately 7.2%. The District receives 70% of its revenue from the State of Minnesota. We know the District will be receiving a 2% increase in our basic per pupil formula revenue. The voters also approved an increase of our operating referendum in November to \$1,967.32 per pupil. We are projecting a slight decline in federal funding due to the uncertainty at the federal level.

Projected expenditures are represented with an aggregate increase of 3.4%. This includes a projected increase of 2.3% in salaries, 2.7% in benefits and a 2.5% decrease in non-salary and other operating expenditures.

### GENERAL FUND | FINANCIAL SUMMARY

	<b>2015-16 Audit Results</b>	<b>2016-17 Audit Results*</b>	<b>2017-18 Revised Budget</b>	<b>2018-19 Proposed Budget</b>
REVENUE	\$ 48,133,894	\$ 49,579,188	\$ 50,388,093	\$ 54,008,294
EXPENDITURES	46,433,449	49,089,574	51,418,052	53,168,513
DIFFERENCE	1,700,445	489,614	(1,029,959)	839,781
BEGINNING FUND BALANCE	15,869,166	17,569,611	18,059,225	17,029,266
ENDING FUND BALANCE	\$ 17,569,611	\$ 18,059,225	\$ 17,029,266	\$ 17,869,047
RESTRICTED FUND BALANCE	\$ 5,622,620	\$ 5,362,540	\$ 5,430,261	\$ 5,713,818
UNRESTRICTED FUND BALANCE	\$ 11,946,991	\$ 12,696,685	\$ 11,599,005	\$ 12,155,229
PERCENTAGE OF EXPENDITURES	25.7%	25.9%	22.6%	22.9%

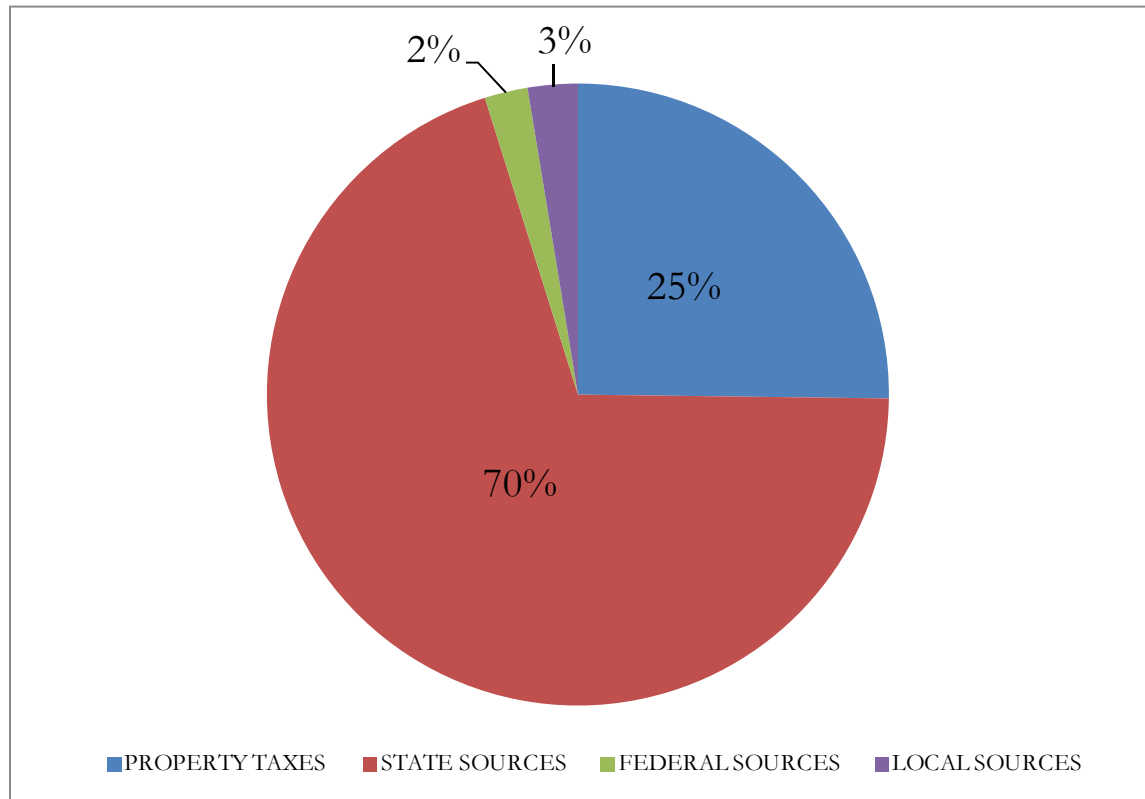
\*Excludes \$4,769,213 of CVSEC flow-through

## GENERAL FUND | REVENUE

	2015-16 Audit Results	2016-17 Audit Results*	2017-18 Revised Budget	2018-19 Proposed Budget
PROPERTY TAXES	\$ 9,743,437	\$ 10,445,511	\$ 10,314,685	\$ 13,611,213
STATE SOURCES	35,469,498	36,052,015	37,143,015	37,784,088
FEDERAL SOURCES	1,290,511	1,338,398	1,310,200	1,209,715
LOCAL SOURCES	1,630,448	1,743,264	1,620,193	1,403,278
TOTAL	\$ 48,133,894	\$ 49,579,188	\$ 50,388,093	\$ 54,008,294

\*Excludes \$4,769,213 of CVSEC flow-through

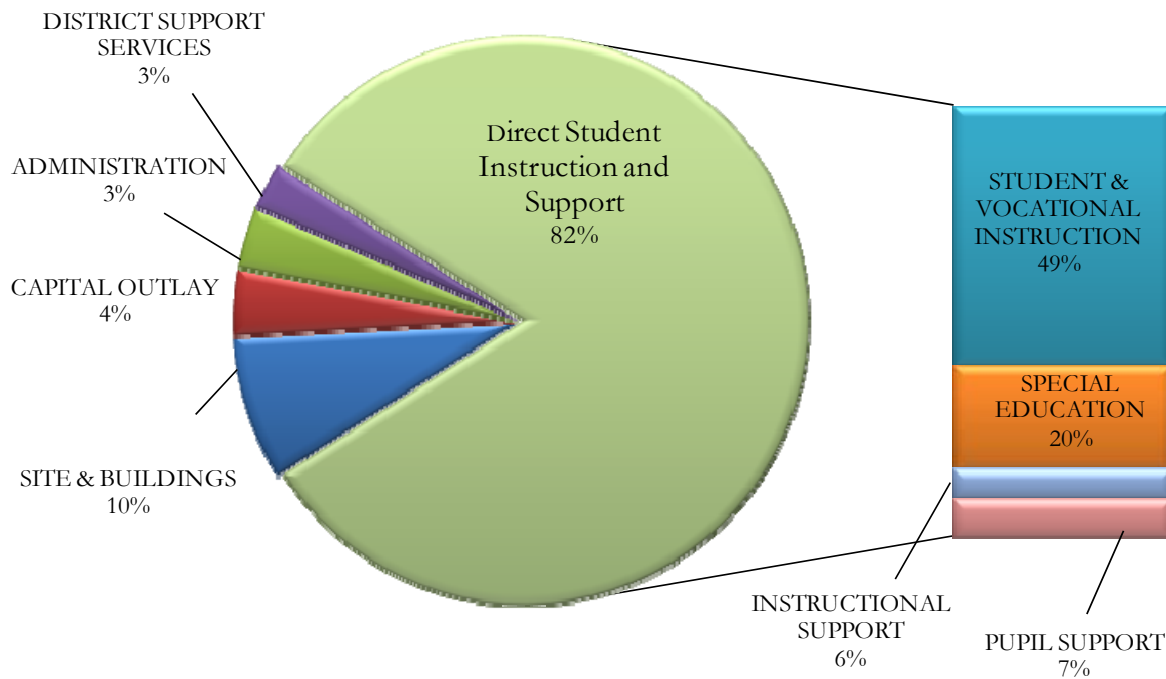
## REVENUE BY SOURCE



## GENERAL FUND | EXPENDITURES BY PROGRAM

- **Student Instruction: \$36,353,549 (68.4%)**  
Includes costs associated with teaching students as well as co-curricular and extra-curricular activities from Kindergarten through twelfth grade. It also includes specialty programming such as special education, alternative education, English learner and compensatory programs.
- **Student Support Services: \$7,571,676 (14.2%)**  
Includes costs associated with supporting students including transportation, media centers, guidance/counseling services, nursing services as well as the teaching and learning department.
- **Site and Buildings: \$6,016,317 (11.3%)**  
Includes costs associated with operations, maintenance, repairs and remodeling of all facilities and grounds of the school district. This program category also includes the majority of our capital outlay expenditures.
- **District Support Services: \$1,384,985 (2.6%)**  
Includes costs associated with services provided by the District Office such as human resources, finance, communications and other centralized office functions.
- **Administration: \$1,841,986 (3.5%)**  
Includes costs associated with the district administration including the School Board, Superintendent and Principals.

### 2018-19 EXPENDITURES BY PROGRAM



## GENERAL FUND | EXPENDITURES BY PROGRAM (cont)

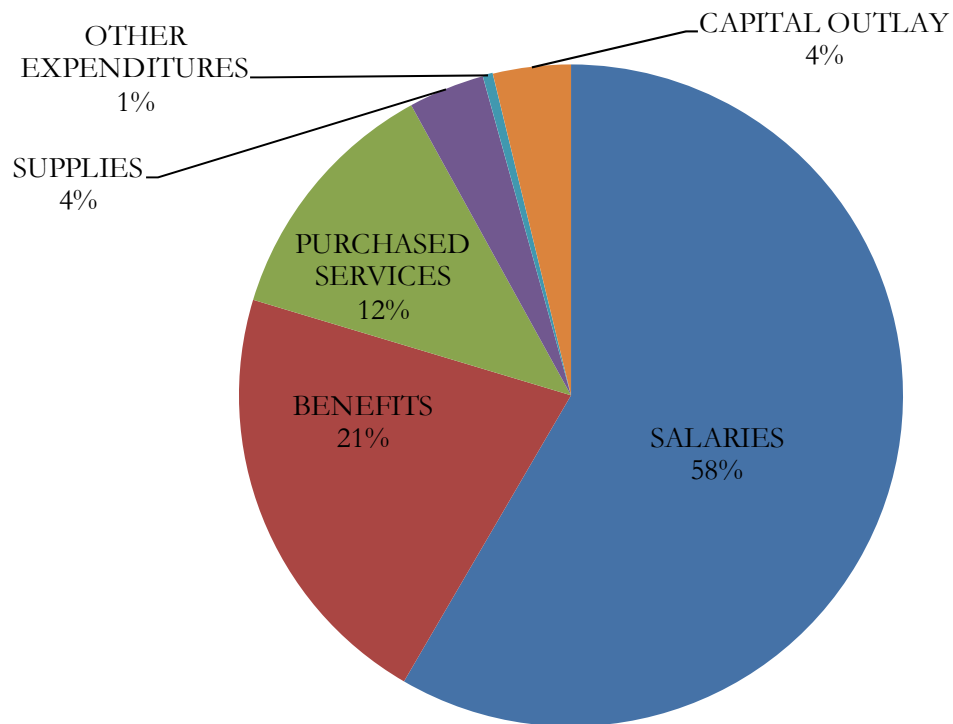
Student Instruction \$36,353,549 68.4%	Elementary Instruction	\$ 10,108,893
	Middle and High School Instruction	\$ 11,595,139
	Special Education	\$ 10,499,483
	Co-curricular and Extra-curricular Activities	\$ 1,734,947
	English Language Learners	\$ 1,008,082
	Title/Compensatory Programs	\$ 984,291
	Career and Technical Programs	\$ 422,714
Student Support Services \$7,571,676 14.2%	Instructional Support	\$ 594,496
	Curriculum and Development	\$ 212,073
	Educational Media	\$ 647,929
	Instructional Technology	\$ 1,616,820
	Guidance/Counseling	\$ 807,487
	Health Services	\$ 461,264
	Student Transportation	\$ 2,519,368
	Staff Development	\$ 629,644
	Other Student Support	\$ 82,595
Sites and Buildings \$6,016,317 11.3%	Operations and Maintenance	\$ 3,790,700
	Facilities	\$ 753,146
	Long Term Facilities Maintenance	\$ 1,327,471
	Property or Other Insurance	\$ 145,000
District Support Services \$1,384,985 2.6%	Finance Department	\$ 445,299
	Human Resources	\$ 358,114
	Administrative Technology	\$ 195,030
	General Administrative Support	\$ 120,136
	Communications and Assessment	\$ 242,696
	Elections	\$ 23,710
Administration \$1,841,986 3.5%	Office of Superintendent	\$ 363,112
	School Administration	\$ 1,427,648
	School Board	\$ 51,226
<b>Total General Fund</b>		<b>\$ 53,168,513</b>

## GENERAL FUND | EXPENDITURES BY OBJECT

	2015-16 Audit Results	2016-17 Audit Results*	2017-18 Revised Budget	2018-19 Proposed Budget
SALARIES	\$ 26,888,715	\$ 28,767,300	\$ 30,358,161	\$ 31,055,714
BENEFITS	10,312,866	10,726,214	10,993,583	11,291,070
PURCHASED SERVICES	6,761,629	6,108,468	6,559,627	6,560,630
SUPPLIES	1,581,596	1,696,360	2,202,212	1,978,937
OTHER EXPENDITURES	169,042	249,851	268,892	262,569
CAPITAL OUTLAY	719,591	1,541,381	1,035,577	2,019,593
TOTAL	\$ 46,433,439	\$ 49,089,574	\$ 51,418,052	\$ 53,168,513

\*Excludes \$4,769,213 of CVSEC flow-through

### 2018-19 EXPENDITURES BY OBJECT



## GENERAL FUND

### OPERATING CAPITAL and LONG TERM FACILITIES MAINTENANCE

The primary source of revenue comes from local property taxes which includes the voter approved operating capital levy of \$750,000. The capital levy was renewed for another 10 years upon its expiration during the 2013-14 school year. Long Term Facilities Maintenance revenue will replace the Deferred Maintenance and Health and Safety revenue formulas moving forward.

	2015-16 Audit Results	2016-17 Audit Results	2017-18 Revised Budget	2018-19 Proposed Budget
<b>Revenue Summary</b>				
Operating Capital	\$ 955,874	\$ 1,006,578	\$ 957,224	\$ 1,016,132
Capital Facility Bond	(423,210)	(182,372)	(179,754)	(185,483)
Capital Projects Levy	750,000	750,000	750,000	750,000
Lease Levy	336,620	329,515	333,351	377,805
Long Term Facility Maintenance	-	797,885	1,294,869	1,510,622
Health & Safety	285,526	-	-	-
Deferred Maintenance	258,401	-	-	-
<b>Total Revenues</b>	<b>\$ 2,163,211</b>	<b>\$ 2,701,606</b>	<b>\$ 3,155,690</b>	<b>\$ 3,469,076</b>

<b>Expenditure Summary</b>				
Leased Facility Space/Assessments	\$ 418,568	\$ 386,479	\$ 339,840	\$ 415,586
Lease Purchase Agreement	142,760	142,760	142,758	142,758
Building/Program Allocation	247,617	304,105	326,266	129,178
Textbooks/Digital Curriculum	149,744	88,799	150,000	150,000
Other Leases	543,366	377,655	519,145	519,145
Capital Committee Recommendations	177,490	705,935	499,540	546,650
Health & Safety	195,475	-	-	-
Deferred Maintenance	146,492	-	-	-
Long Term Facility Maintenance	-	701,752	872,269	1,037,796
<b>Total Expenditures</b>	<b>\$ 2,021,512</b>	<b>\$ 2,707,485</b>	<b>\$ 2,849,818</b>	<b>\$ 2,941,113</b>

<b>Fund Summary</b>				
Beginning Balance	\$ 663,972	\$ 805,671	\$ 799,792	\$ 1,105,664
Revenue	2,163,211	2,701,606	3,155,690	3,469,076
Expenditures	2,021,512	2,707,485	2,849,818	2,941,113
<b>Ending Balance</b>	<b>805,671</b>	<b>799,792</b>	<b>1,105,664</b>	<b>1,633,627</b>
Operating Capital	\$ 569,700	\$ 467,688	\$ 350,960	\$ 406,097
Long Term Facility Maintenance	-	442,931	865,531	1,338,357
Health & Safety	(110,827)	(110,827)	(110,827)	(110,827)
Deferred Maintenance	346,798	-	-	-
<b>Ending Fund Balance</b>	<b>\$ 805,671</b>	<b>\$ 799,792</b>	<b>\$ 1,105,664</b>	<b>\$ 1,633,627</b>

## CHILD NUTRITION FUND

The Child Nutrition Fund is a self-sustaining fund whose mission is to provide quality nutritious meals that support the growth and development of our students to fuel their learning. Revenue comes from a variety of sources including state and federal funding, student and adult purchases, federal commodities, and grant dollars.

The majority of the budget is accounted for in labor and food costs. The budget does not include an increase to meal prices. We will be switching prime vendors for 2018-19 and expect a 3-4% increase in food costs.

The proposed budget shows a slight spend down of the fund balance. This was intentional due to a federal fund balance maximum that we are currently exceeding and working to strategically utilize. Continuous evaluation of food costs and direct labor hours per meal served will be the primary focus to ensure budget targets are met. We also anticipate potential increased expenditures in 2018-19 due to a schedule change at the high school.

	2015-16 Audit Results	2016-17 Audit Results	2017-18 Revised Budget	2018-19 Proposed Budget
<b>Revenue Summary</b>				
Local property Taxes	-	-	-	-
Tuition, fees and other	1,206,185	1,232,565	1,247,400	1,248,400
State Aids	109,618	113,835	119,000	113,000
Federal Aids	846,446	865,516	863,000	858,500
<b>Total Revenues</b>	<b>\$ 2,162,249</b>	<b>\$ 2,211,916</b>	<b>\$ 2,229,400</b>	<b>\$ 2,219,900</b>

<b>Expenditure Summary</b>				
Salaries and Wages	\$ 614,839	\$ 654,368	\$ 685,100	\$ 712,504
Benefits	268,028	312,272	327,858	331,883
Purchased Services	81,968	91,636	84,200	89,200
Food and Supplies	994,264	1,029,539	1,030,200	1,070,450
Equipment	1,507	10,467	52,500	30,500
<b>Total Expenditures</b>	<b>\$ 1,960,606</b>	<b>\$ 2,098,282</b>	<b>\$ 2,179,858</b>	<b>\$ 2,234,537</b>

<b>Fund Summary</b>				
Beginning Fund Balance	\$ 451,138	\$ 652,781	\$ 766,415	\$ 815,957
Revenue	2,162,249	2,211,916	2,229,400	2,219,900
Total Sources	2,613,387	2,864,697	2,995,815	3,035,857
Expenditures	1,960,606	2,098,282	2,179,858	2,234,537
<b>Ending Fund Balance</b>	<b>\$ 652,781</b>	<b>\$ 766,415</b>	<b>\$ 815,957</b>	<b>\$ 801,320</b>

Fund Balance Max \$ 653,535 \$ 699,427 \$ 726,619 \$ 744,846

*Per the MDE, the Child Nutrition Department fund balance should not exceed 3 months average operating expenditures assuming a 9month operating year.*



## COMMUNITY SERVICE FUND

Northfield Public Schools Community Services focuses on lifelong learning, recreation and community involvement. We provide numerous opportunities and classes for all ages to develop skills, stay healthy and inspire creativity.

Our Early Childhood Family Education (ECFE) programs support parents in their role as their child's first and foremost teacher. Among our other Early Childhood Programs, Hand in Hand Preschool and Ventures childcare work together to prepare and support students in year-long learning. The budget for 2018-19 was developed with the goal of maintaining the necessary revenue generation and expenditure reductions in order to provide financial stability and good stewardship of resources.

	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
	<b>Audit</b>	<b>Audit</b>	<b>Revised</b>	<b>Proposed</b>
<b>Revenue Summary</b>	<b>Results</b>	<b>Results</b>	<b>Budget</b>	<b>Budget</b>
Local property Taxes	\$ 407,006	\$ 402,003	\$ 405,309	\$ 414,908
Tuition, fees and other	1,876,284	2,035,570	1,971,191	2,059,974
State Aids	275,007	323,738	292,712	290,371
Federal Aids	-	-	-	-
<b>Total Revenues</b>	<b>\$2,558,297</b>	<b>\$ 2,761,311</b>	<b>\$ 2,669,212</b>	<b>\$ 2,765,253</b>
<b>Expenditure Summary</b>				
Salaries and Wages	\$ 1,562,094	\$ 1,715,469	\$ 1,662,608	\$ 1,812,482
Benefits	438,713	474,672	500,632	561,570
Purchased Services	338,827	363,145	350,158	343,494
Supplies	98,454	97,306	96,635	90,770
Equipment	21,995	6,929	10,850	11,850
Other Expenditures	2,408	2,483	2,875	2,820
<b>Total Expenditures</b>	<b>\$2,462,491</b>	<b>\$ 2,660,004</b>	<b>\$ 2,623,758</b>	<b>\$ 2,822,986</b>
<b>Fund Summary</b>				
Beginning Fund Balance	\$ 435,118	\$ 530,924	\$ 632,231	\$ 677,685
Revenues	2,558,297	2,761,311	2,669,212	2,765,253
Total Sources	2,993,415	3,292,235	3,301,443	3,442,938
Expenditures	2,462,491	2,660,004	2,623,758	2,822,986
<b>Ending Fund Balance</b>	<b>\$ 530,924</b>	<b>\$ 632,231</b>	<b>\$ 677,685</b>	<b>\$ 619,952</b>

## DEBT SERVICE FUND

This fund is used to account for the accumulation of resources used for payment of general long-term obligation bond principal, interest, and related costs.

	2015-16	2016-17	2017-18	2018-19
	Audit	Audit	Revised	Proposed
	Results	Results	Budget	Budget
<b>Revenue Summary</b>				
Local property Taxes	\$ 5,357,436	\$ 4,705,003	\$ 4,962,475	\$ 5,337,839
Interest on Investments	16,027	23,921	18,000	24,000
State of MN	73,649	318,562	521,707	387,475
<b>Total Revenues</b>	<b>\$ 5,447,112</b>	<b>\$ 5,047,486</b>	<b>\$ 5,502,182</b>	<b>\$ 5,749,314</b>
<b>Expenditure Summary</b>				
Bond Principal	\$ 4,415,000	\$ 4,265,000	\$ 4,750,000	\$ 4,915,000
Bond Interest	1,109,094	1,003,819	932,854	813,694
Other Debt Service Fees	6,295	5,525	6,000	6,000
<b>Total Expenditures</b>	<b>\$ 5,530,389</b>	<b>\$ 5,274,344</b>	<b>\$ 5,688,854</b>	<b>\$ 5,734,694</b>
<b>Fund Summary</b>				
Beginning Fund Balance	\$ 1,710,277	\$ 1,627,000	\$ 1,400,142	\$ 1,213,470
Revenue	5,447,112	5,047,486	5,502,182	5,749,314
Total Sources	7,157,389	6,674,486	6,902,324	6,962,784
Expenditures	5,530,389	5,274,344	5,688,854	5,734,694
<b>Ending Fund Balance</b>	<b>\$ 1,627,000</b>	<b>\$ 1,400,142</b>	<b>\$ 1,213,470</b>	<b>\$ 1,228,090</b>

**Current Outstanding Debt**  
**2018-19 Principal and Interest Payments**

Issue Date	Net Interest Rate	Original Issue	Purpose	Final Maturity	FY 2018-19 Payments		
					Principal	Interest	Total
2/16/2010	2.0 - 4.0%	22,615,000	Refund '01 MS/HS/MF	2/1/2022	3,265,000	437,400	3,702,400
12/7/2011	2.0 - 2.375%	9,750,000	Refund '03A MS/HS/MF	2/1/2024	560,000	176,594	736,594
12/19/2012	1.5 - 2.0%	9,825,000	Refund '04/'05 Indoor Air	2/1/2025	820,000	136,900	956,900
5/13/2014	2.0-3.0%	1,525,000	GVP/HS Roofs	2/1/2025	150,000	26,650	176,650
3/23/2017	1.93%	1,325,000	BW Roof	2/1/2027	120,000	36,150	156,150
					<b>\$ 4,915,000</b>	<b>\$ 813,694</b>	<b>\$ 5,728,694</b>

**General Obligation Debt**  
**Annual Maturity Schedule**

Fiscal Year	Principal	Interest	Total
2019	4,915,000	813,694	5,728,694
2020	5,105,000	652,994	5,757,994
2021	5,320,000	481,294	5,801,294
2022	3,405,000	302,144	3,707,144
2023	3,755,000	217,425	3,972,425
2024	3,890,000	133,363	4,023,363
2025	1,570,000	43,300	1,613,300
2026	145,000	8,850	153,850
2027	150,000	4,500	154,500
	<b>\$ 28,255,000</b>	<b>\$ 2,657,564</b>	<b>\$ 30,912,564</b>

## TRUST FUND

The District is the trustee, or *fiduciary*, for assets that belong to others, such as the scholarship funds. Individual accounts are set up for each trust, scholarship, or memorial that is donated to the District. Northfield High School Guidance Office manages the process of awarding the scholarships. All non-scholarship accounts are monitored to ensure expenditures are appropriate in accordance with donor's intent.

	2015-16 Actual	2016-17 Actual	2017-18 Budget	2018-19 Proposed
Beginning Balance	\$ 138,363	\$ 133,938	\$ 129,638	\$ 125,338
Gifts and Donations	63,300	67,300	72,300	71,530
Earnings on Investments	75	200	200	200
Total Sources	201,738	201,438	202,138	197,068
Expenditures	67,800	71,800	76,800	76,030
Ending Fund Balance	\$ 133,938	\$ 129,638	\$ 125,338	\$ 121,038

## SCHOLARSHIP LIST

AAUW Scholarship	\$ 500		NFLD Alumni Scholarship	\$ 500
Al Berkvam Memorial Scholarship	\$ 500		Northfield Prairie Partners Scholarship	\$ 100
Apple Autos	\$ 5,000		Northfield Union of Youth (The Key)	\$ 18,000
Booster Club	\$ 1,000		PEO Recognition Scholarship	\$ 1,800
Cannon Valley Lions Club Scholarship	\$ 1,500		Rotary Scholarship	\$ 3,000
Cannon River Sportsmen Club	\$ 1,500		Schiek Orthodontics "Triple A"	
Cardinal CG Scholarship	\$ 500		Excellence Scholarship	\$ 500
Cinco de Mayo Scholarship	\$ 1,500		Skip Boyum Scholarship	\$ 750
Dakota Electric Fund	\$ 3,000		Steele-Waseca Electric	\$ 500
Darrin Erickson Memorial Scholarship	\$ 430		Step Up Scholarship	\$ 1,200
David Rodgers Memorial Scholarship	\$ 3,000		Stratmoen Family Scholarship	\$ 750
Kluver/Monsanto Scholarship	\$ 500		Tom Blaisdell Memorial	\$ 2,000
Lucille Duesterhoeft Memorial	\$ 11,000		TORCH Scholarship	\$ 7,500
Myrtle Houston Trust	\$ 4,000		VFW	\$ 1,500
			W Stickley Memorial	\$ 4,000
			<b>Total</b>	<b>\$ 76,030</b>

## INTERNAL SERVICE FUND SELF-INSURANCE PLAN

The District established this fund in 2005-06 to account for the financial activity of the self-insurance plan for the dental benefits provided to employees. In May 2011 the District elected to become self-insured for medical benefits as well. The revenue in this fund represents premiums paid for dental and medical coverage by the District and our active and retired employees. Expenditures represent actual claims and administrative fees paid for dental and medical services received by our current or retired employees covered by the plan.

	<b>DENTAL FUND</b>			
	<b>2015-16 Audit Results</b>	<b>2016-17 Audit Results</b>	<b>2017-18 Revised Budget</b>	<b>2018-19 Proposed Budget</b>
Beginning Balance	\$242,152	\$225,234	\$279,428	\$301,865
Charges for Services	474,805	591,107	543,587	570,138
Interest Earnings	1,076	1,886	1,800	2,000
Total Sources	718,033	818,227	824,815	874,003
Insurance Claims	456,279	502,065	483,019	527,498
Administrative Fees	36,520	36,734	39,931	43,608
Total Expenditures	492,799	538,799	522,950	571,106
<b>Ending Fund Balance</b>	<b>\$225,234</b>	<b>\$279,428</b>	<b>\$301,865</b>	<b>\$302,897</b>

	<b>MEDICAL FUND</b>			
	<b>2015-16 Audit Results</b>	<b>2016-17 Audit Results</b>	<b>2017-18 Revised Budget</b>	<b>2018-19 Proposed Budget</b>
Beginning Balance	\$3,424,537	\$4,246,259	\$5,637,018	\$6,550,907
Charges for Services	6,241,210	6,969,825	6,633,720	6,941,460
Interest Earnings	18,797	38,597	40,000	45,000
Total Sources	9,684,544	11,254,681	12,310,738	13,537,367
Insurance Claims	4,524,875	4,725,278	4,792,414	5,445,395
Administrative Fees	913,410	892,385	967,417	1,099,230
Total Expenditures	5,438,285	5,617,663	5,759,831	6,544,625
<b>Ending Fund Balance</b>	<b>\$4,246,259</b>	<b>\$5,637,018</b>	<b>\$6,550,907</b>	<b>\$6,992,742</b>

	<b>FUND SUMMARY</b>			
	<b>2015-16 Audit Results</b>	<b>2016-17 Audit Results</b>	<b>2017-18 Revised Budget</b>	<b>2018-19 Proposed Budget</b>
Beginning Balance	\$3,666,689	\$4,471,493	\$5,916,446	\$6,852,772
Total Revenue	6,735,888	7,601,415	7,219,107	7,558,599
Total Sources	10,402,577	12,072,908	13,135,553	14,411,371
Total Expenditures	5,931,084	6,156,462	6,282,781	7,115,731
<b>Ending Fund Balance</b>	<b>\$4,471,493</b>	<b>\$5,916,446</b>	<b>\$6,852,772</b>	<b>\$7,295,640</b>