



PROPOSED 2019-20 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

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SUPERINTENDENT OF SCHOOLS

Dr. Matt Hillmann, Ed.D.

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

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

June 10, 2019

Board of Education
Independent School District 659
Northfield, MN

It is with pride I submit and recommend the proposed budgets for the 2019-20 school year. This budget document is one of our primary tools to present summarized and transparent 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. This document provides a cohesive report for all of the budgets presented over the past few months.

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 December, a revised budget that includes more accurate enrollment data, finalized employment contracts and a complete analysis of the 2019 legislative session will be presented. In January 2019, the Board received a five-year financial forecast. That forecast included assumptions and parameters used to set the framework for the 2019-20 budget planning process.

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. 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 managed our finances 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 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 26	Auditors presented results of 2017-18 financial audit.
December 10	School Board reviewed and approved 2018-19 revised General Fund budget as well as certified the 2018 Payable 2019 Tax Levy.
January 28	School Board presented with five year financial forecast and 2019-20 proposed budget calendar.
February 11	School Board adopted resolution requiring the administration to make recommendations for additions and reductions in programs and adding or discontinuing positions.
February 11	School Board presented with proposed Operating Capital and Long Term Facilities Maintenance budget.
February 25	School Board adopted the proposed Capital and Long Term Facilities Maintenance budget.
April 8	School Board adopted the necessary resolutions relating to General Fund program and staffing changes for 2019-20.
April 22	School Board presented with proposed budgets for Non-Operating Funds and Internal Service Fund.
May 13	School Board presented with proposed budgets for Child Nutrition department, Community Services department and Building Construction.
May 28	School Board presented with proposed General Fund budget.
June 10	School Board adopts the 2019-20 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
2019-20	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 begin declining over the next couple of years. This is consistent with the results of the demographic study that was completed in 2014.

The October 1, 2018 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 2019-20 student enrollment projection. The bottom table includes historical enrollment counts and the longer range forecast for additional context.

2019-20 Projected Average Daily Membership (ADM)					
Pre-KG	KG (incl. HK)	1-3	4-6	7-12 (incl. ALC)	Total
43.8	254.9	791.3	880.9	2,074.4	4,045.3

Enrollment History and Projection							
Year	Pre-K	KG	1-3	4-6	7-12	Total	APU
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	39.3	273.0	807.1	922.9	2,001.8	4,044.1	4,444.5
2018-19#	49.6	254.8	799.0	899.8	2,066.9	4,070.1	4,483.5
2019-20#	43.8	254.9	791.3	880.9	2,074.4	4,045.3	4,460.2
2020-21#	45.1	231.3	784.5	869.3	2,079.1	4,009.3	4,425.1
2021-22#	50.7	260.4	750.2	876.0	2,070.8	4,008.1	4,422.3
# Estimated Enrollment							

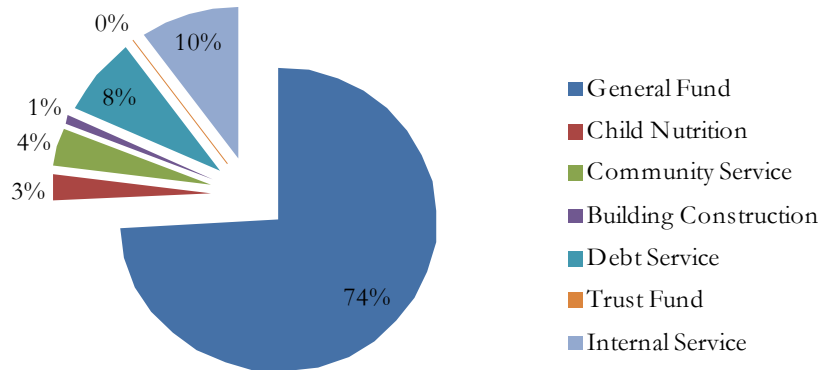
PROPOSED 2019-20 BUDGET SUMMARY OF ALL FUNDS

	July 1, 2019 Projected <u>Fund Balance*</u>	FY 2020 <u>Revenues</u>	FY 2020 <u>Expenditures</u>	June 30, 2020 Projected <u>Fund Balance*</u>
General Fund**	\$ 17,147,560	\$ 55,174,191	\$ 55,728,526	\$ 16,593,225
Child Nutrition	\$ 788,817	\$ 2,108,400	\$ 2,343,704	\$ 553,513
Community Service	\$ 489,967	\$ 2,931,149	\$ 3,035,782	\$ 385,334
Building Construction	\$ 38,303,254	\$ 669,655	\$ 30,117,282	\$ 8,855,627
Debt Service	\$ 3,860,994	\$ 6,056,639	\$ 7,375,743	\$ 2,541,890
Trust Fund	\$ 179,949	\$ 73,530	\$ 76,030	\$ 177,449
Internal Service	\$ 6,424,879	\$ 7,441,919	\$ 7,430,483	\$ 6,436,315

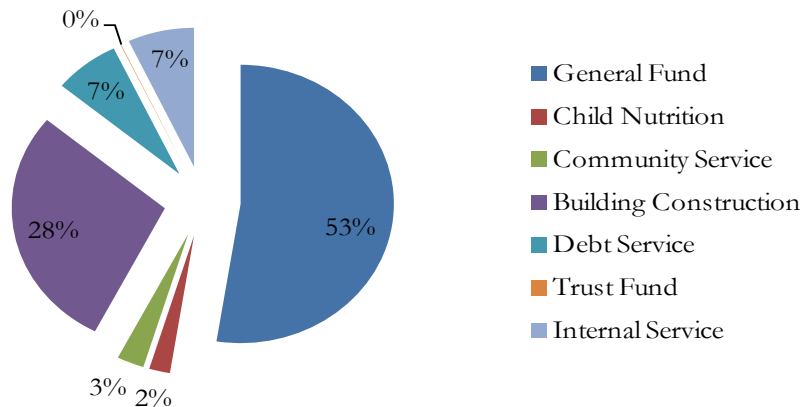
* Beginning and ending fund balance includes restricted funds

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

2019-20 Budget Resources All Funds



2019-20 Budget Expenditures 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 2.3%. 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. We are projecting an increase in special education funding, and holding federal and local sources flat.

Projected expenditures are represented with an aggregate increase of 4.2%. This includes a projected increase of 5.2% in salaries, 7.0% in benefits and a 1.6% decrease in non-salary and other operating expenditures. The projected salary increase is higher this year to match the budget with the inflation of special education expenditures that we have seen.

GENERAL FUND | FINANCIAL SUMMARY

	2016-17 Audit Results	2017-18 Audit Results	2018-19 Revised Budget	2019-20 Proposed Budget
REVENUE	\$ 49,579,188	\$ 50,434,607	\$ 53,928,294	\$ 55,174,191
EXPENDITURES	49,089,574	51,780,842	53,493,724	55,728,526
DIFFERENCE	489,614	(1,346,235)	434,570	(554,335)
BEGINNING FUND BALANCE	17,569,611	18,059,225	16,712,990	17,147,560
ENDING FUND BALANCE	<u>\$ 18,059,225</u>	<u>\$ 16,712,990</u>	<u>\$ 17,147,560</u>	<u>\$ 16,593,225</u>
RESTRICTED FUND BALANCE	\$ 5,362,540	\$ 6,039,390	\$ 6,322,947	\$ 6,388,996
UNRESTRICTED FUND BALANCE	\$ 12,696,685	\$ 10,673,600	\$ 10,824,613	\$ 10,204,229

PERCENTAGE OF EXPENDITURES 25.9% 20.6% 20.2% 18.3%

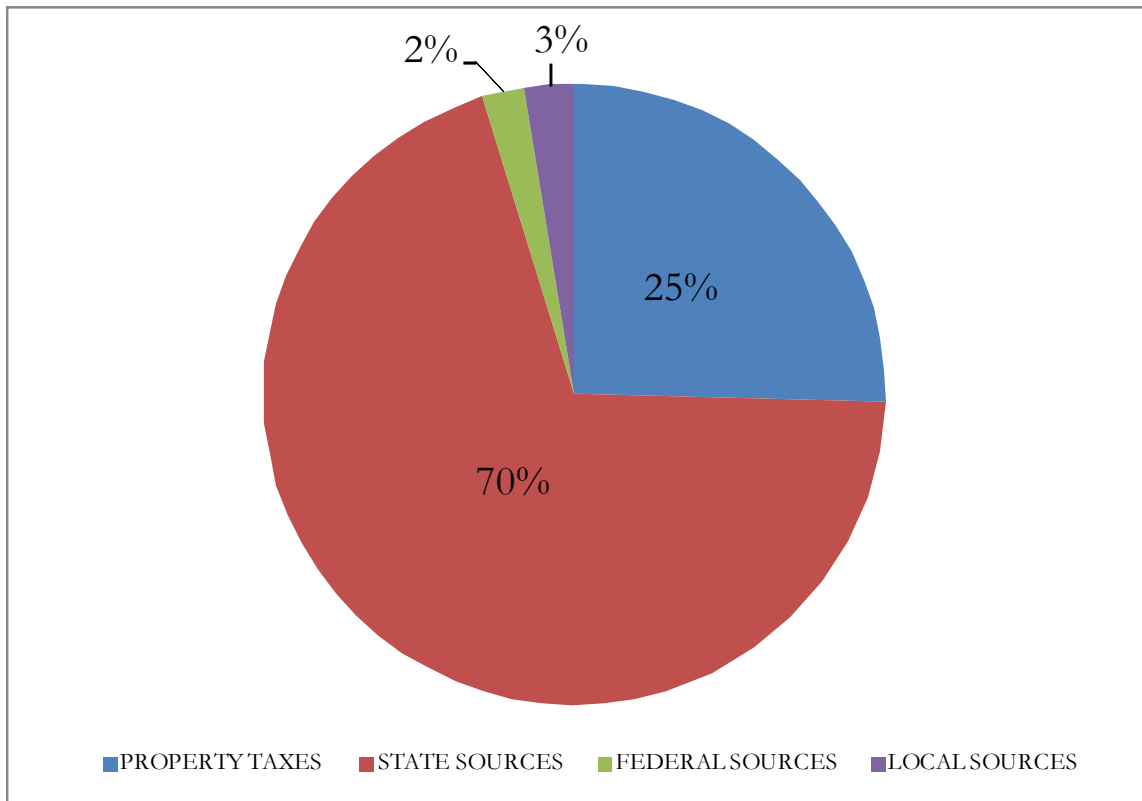
2016-17 excludes \$4,769,213 of CVSEC flow-through

GENERAL FUND | REVENUE

	2016-17 Audit Results	2017-18 Audit Results	2018-19 Revised Budget	2019-20 Proposed Budget
PROPERTY TAXES	\$ 10,445,511	\$ 10,333,878	\$ 13,611,213	\$ 14,009,102
STATE SOURCES	36,052,015	37,193,504	37,704,088	38,552,096
FEDERAL SOURCES	1,338,398	1,384,171	1,209,715	1,209,715
LOCAL SOURCES	1,743,264	1,523,054	1,403,278	1,403,278
TOTAL	\$ 49,579,188	\$ 50,434,607	\$ 53,928,294	\$ 55,174,191

2016-17 excludes \$4,769,213 of CVSEC flow-through

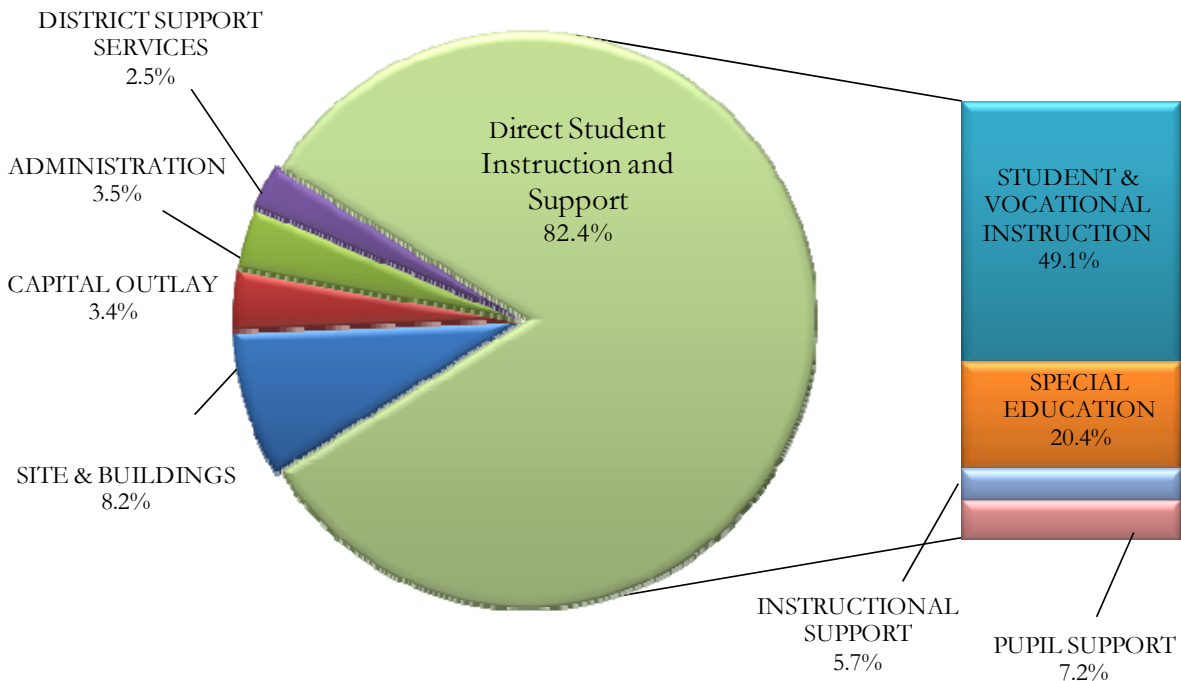
REVENUE BY SOURCE



GENERAL FUND | EXPENDITURES BY PROGRAM

- Student Instruction: \$38,359,649 (68.8%)**
 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: \$8,026,239 (14.4%)**
 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: \$5,967,586 (10.7%)**
 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: \$1,442,685 (2.6%)**
 Includes costs associated with services provided by the District Office such as human resources, finance, communications and other centralized office functions.
- Administration: \$1,932,367 (3.5%)**
 Includes costs associated with the district administration including the School Board, Superintendent and Principals.

2019-20 EXPENDITURES BY PROGRAM



GENERAL FUND | EXPENDITURES BY PROGRAM (cont)

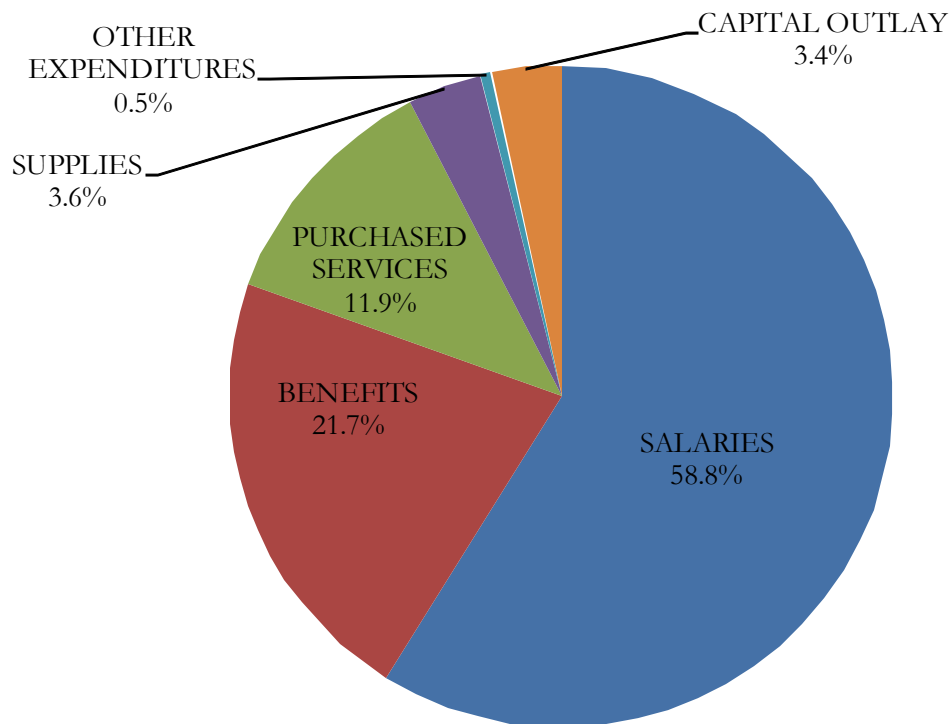
Student Instruction \$38,359,649 68.8%	Elementary Instruction	\$ 10,590,348
	Middle and High School Instruction	\$ 12,406,247
	Special Education	\$ 11,356,913
	Co-curricular and Extra-curricular Activities	\$ 1,786,287
	English Language Learners	\$ 1,067,194
	Title/Compensatory Programs	\$ 805,674
	Career and Technical Programs	\$ 346,986
Student Support Services \$8,026,239 14.4%	Instructional Support	\$ 674,557
	Curriculum and Development	\$ 221,532
	Educational Media	\$ 683,424
	Instructional Technology	\$ 1,769,180
	Guidance/Counseling	\$ 845,275
	Health Services	\$ 486,187
	Student Transportation	\$ 2,531,295
	Staff Development	\$ 679,530
	Other Student Support	\$ 135,259
Sites and Buildings \$5,967,586 10.7%	Operations and Maintenance	\$ 3,991,609
	Facilities	\$ 703,899
	Long Term Facilities Maintenance	\$ 1,127,078
	Property or Other Insurance	\$ 145,000
District Support Services \$1,442,685 2.6%	Finance Department	\$ 462,969
	Human Resources	\$ 381,343
	Administrative Technology	\$ 202,593
	General Administrative Support	\$ 131,209
	Communications and Assessment	\$ 259,571
	Elections	\$ 5,000
Administration \$1,932,367 3.5%	Office of Superintendent	\$ 381,520
	School Administration	\$ 1,497,318
	School Board	\$ 53,529
Total General Fund		\$ 55,728,526

GENERAL FUND | EXPENDITURES BY OBJECT

	2016-17 Audit Results	2017-18 Audit Results	2018-19 Revised Budget	2019-20 Proposed Budget
SALARIES	\$ 28,767,300	\$ 30,527,702	\$ 31,154,357	\$ 32,776,988
BENEFITS	10,726,214	11,052,719	11,297,210	12,088,540
PURCHASED SERVICES	6,108,468	6,389,640	6,571,576	6,654,511
SUPPLIES	1,696,360	1,955,919	2,118,419	2,021,595
OTHER EXPENDITURES	249,851	268,964	262,569	295,481
CAPITAL OUTLAY	1,541,381	1,585,898	2,089,593	1,891,411
TOTAL	\$ 49,089,574	\$ 51,780,842	\$ 53,493,724	\$ 55,728,526

2016-17 excludes \$4,769,213 of CVSEC flow-through

2019-20 EXPENDITURES BY OBJECT



GENERAL FUND
OPERATING CAPITAL and LONG TERM FACILITIES MAINTENANCE

The primary source of operating capital 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 is a combination of local levy and state aid. These funding sources have specific restrictions regarding what the district can purchase. Any unspent funds are kept in a restricted fund balance code for future purchases that meet the specifications.

	2016-17	2017-18	2018-19	2019-20
	Audit	Audit	Revised	Proposed
	Results	Results	Budget	Budget
Revenue Summary				
Operating Capital	\$ 1,006,578	\$ 976,782	\$ 1,016,132	\$ 1,020,646
Capital Facility Bond	(182,372)	(183,861)	(185,483)	(185,483)
Capital Projects Levy	750,000	750,000	750,000	750,000
Lease Levy	329,515	333,351	377,805	381,628
Long Term Facility Maintenance	797,884	1,298,962	1,510,622	1,528,531
Total Revenues	\$ 2,701,605	\$ 3,175,234	\$ 3,469,076	\$ 3,495,322
Expenditure Summary				
Leased Facility Space/Assessments	\$ 386,479	\$ 400,269	\$ 415,586	\$ 419,791
Lease Purchase Agreement	142,760	142,760	142,758	322,758
Building/Program Allocation	304,105	343,291	199,178	133,114
Textbooks/Digital Curriculum	88,799	112,891	150,000	150,000
Other Leases	377,655	519,145	519,145	519,145
Capital Committee Recommendations	705,935	269,150	546,650	561,389
Long Term Facility Maintenance	701,751	1,049,513	1,327,471	1,127,078
Total Expenditures	\$ 2,707,484	\$ 2,837,019	\$ 3,300,788	\$ 3,233,275
Fund Summary				
Beginning Balance	\$ 916,498	\$ 910,619	\$ 1,248,834	\$ 1,417,122
Revenue	2,701,605	3,175,234	3,469,076	3,495,322
Expenditures	2,707,484	2,837,019	3,300,788	3,233,275
Ending Balance	910,619	1,248,834	1,417,122	1,679,169
Operating Capital	\$ 467,688	\$ 556,454	\$ 541,591	\$ 402,185
Long Term Facility Maintenance	442,931	692,380	875,531	1,276,984
Ending Fund Balance	\$ 910,619	\$ 1,248,834	\$ 1,417,122	\$ 1,679,169

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 switched our prime food vendor to a joint powers agreement hosted by Minnetonka schools for the 2018-19 school year and found this to be a cost savings to the program. We are excited to continue this partnership with other districts to increase our buying power.

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 will be working to add some new equipment to the kitchens as well as renovating the lower cafeteria serving space at the high school.

	2016-17 Audit Results	2017-18 Audit Results	2018-19 Revised Budget	2019-20 Proposed Budget
Revenue Summary				
Local property Taxes	-	-	-	-
Tuition, fees and other	1,232,565	1,211,231	1,176,400	1,203,900
State Aids	113,835	122,320	100,000	100,000
Federal Aids	865,516	852,885	816,500	804,500
Total Revenues	\$ 2,211,916	\$ 2,186,436	\$ 2,092,900	\$ 2,108,400
Expenditure Summary				
Salaries and Wages	\$ 654,368	\$ 692,128	\$ 675,104	\$ 735,988
Benefits	312,272	314,953	338,632	346,566
Purchased Services	91,636	75,260	89,200	114,400
Food and Supplies	1,029,539	1,029,480	973,200	1,056,750
Equipment	10,467	38,477	30,500	90,000
Total Expenditures	\$ 2,098,282	\$ 2,150,298	\$ 2,106,636	\$ 2,343,704
Fund Summary				
Beginning Fund Balance	\$ 652,781	\$ 766,415	\$ 802,553	\$ 788,817
Revenue	2,211,916	2,186,436	2,092,900	2,108,400
Total Sources	2,864,697	2,952,851	2,895,453	2,897,217
Expenditures	2,098,282	2,150,298	2,106,636	2,343,704
Ending Fund Balance	\$ 766,415	\$ 802,553	\$ 788,817	\$ 553,513
Fund Balance Max	\$ 699,427	\$ 716,766	\$ 702,212	\$ 781,235
<i>Per the MDE, the Child Nutrition Department fund balance should not exceed 3 months average operating expenditures assuming a nine month operating year.</i>				

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 2019-20 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. This is the third year of a proposed deficit and we are making incremental changes towards a balanced budget. The community services fund has sufficient fund balance to absorb the deficit responsibly.

	2016-17 Audit Results	2017-18 Audit Results	2018-19 Revised Budget	2019-20 Proposed Budget
Revenue Summary				
Local property Taxes	\$ 402,003	\$ 397,191	\$ 414,908	\$ 413,385
Tuition, fees and other	2,035,570	1,963,819	2,046,806	2,227,386
State Aids	323,738	318,248	291,871	290,378
Federal Aids	-	-	-	-
Total Revenues	\$ 2,761,311	\$ 2,679,258	\$ 2,753,585	\$ 2,931,149
Expenditure Summary				
Salaries and Wages	\$ 1,715,469	\$ 1,769,694	\$ 1,811,879	\$ 1,964,492
Benefits	474,672	514,000	539,104	577,859
Purchased Services	363,145	340,833	395,559	373,656
Supplies	97,306	95,259	86,863	105,705
Equipment	6,929	7,888	8,850	11,350
Other Expenditures	2,483	2,358	2,820	2,720
Total Expenditures	\$2,660,004	\$ 2,730,032	\$ 2,845,075	\$ 3,035,782
Fund Summary				
Beginning Fund Balance	\$ 530,924	\$ 632,231	\$ 581,457	\$ 489,967
Revenues	2,761,311	2,679,258	2,753,585	2,931,149
Total Sources	3,292,235	3,311,489	3,335,042	3,421,116
Expenditures	2,660,004	2,730,032	2,845,075	3,035,782
Ending Fund Balance	\$ 632,231	\$ 581,457	\$ 489,967	\$ 385,334

BUILDING CONSTRUCTION FUND

This fund is used to record all the operations of a district's building construction projects funded by the sale of bonds. The revenue consists of bond proceeds and interest earnings. Expenditures are construction related costs.

	2017-18 Audit Results	2018-19 Revised Budget	2019-20 Proposed Budget
Revenue Summary			
Bond Proceeds	\$ -	\$ 41,310,000	\$ -
Interest on Investments	-	205,134	669,655
Other Financing Sources	-	-	-
Total Revenues	\$ -	\$ 41,515,134	\$ 669,655
Expenditure Summary			
Construction Costs	\$ -	\$ 602,880	\$ 30,117,282
Other Financing Uses	-	2,609,000	-
Total Expenditures	\$ -	\$ 3,211,880	\$ 30,117,282
Fund Summary			
Beginning Fund Balance	\$ -	\$ -	\$ 38,303,254
Revenue	-	41,515,134	669,655
Total Sources	-	41,515,134	38,972,909
Expenditures	-	3,211,880	30,117,282
Ending Fund Balance	\$ -	\$ 38,303,254	\$ 8,855,627

Location	Description	Construction Cost	Total Project Cost
Bridgewater Elementary	Secure front entrance, main office addition. Renovate current main office for special education	\$1,603,000	\$2,113,000
Sibley Elementary	Cafeteria addition, Music addition, renovate existing cafeteria to expand media center	\$5,603,000	\$7,382,000
New Greenvale Park Elementary	New 600 student, 90,000 sq ft, K-5 elementary building	\$22,014,000	\$27,619,000
Greenvale Park Elementary	Renovate for early childhood center and community services offices	\$646,000	\$859,000
Longfellow	Renovate for District Offices	\$625,000	\$837,000
Total Authorized Costs		\$30,491,000	\$38,810,000

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.

	2016-17	2017-18	2018-19	2019-20
	Audit	Audit	Revised	Proposed
Revenue Summary	Results	Results	Budget	Budget
Local property Taxes	\$ 4,705,003	\$ 4,904,576	\$ 5,337,839	\$ 5,605,746
Interest on Investments	23,921	29,743	24,000	24,000
State of MN	318,562	395,312	387,475	426,893
Other Sources	-	154,008	10,315,750	-
Total Revenues	\$ 5,047,486	\$ 5,483,639	\$ 16,065,064	\$ 6,056,639
Expenditure Summary				
Bond Principal	\$ 4,265,000	\$ 4,745,000	\$ 4,915,000	\$ 4,910,000
Bond Interest	1,003,819	931,827	813,694	2,458,743
Other Debt Service Fees	5,525	6,330	6,000	7,000
Other Uses	-	-	7,670,000	-
Total Expenditures	\$ 5,274,344	\$ 5,683,157	\$ 13,404,694	\$ 7,375,743
Fund Summary				
Beginning Fund Balance	\$ 1,627,000	\$ 1,400,142	\$ 1,200,624	\$ 3,860,994
Revenue	5,047,486	5,483,639	16,065,064	6,056,639
Total Sources	6,674,486	6,883,781	17,265,688	9,917,633
Expenditures	5,274,344	5,683,157	13,404,694	7,375,743
Ending Fund Balance	\$ 1,400,142	\$ 1,200,624	\$ 3,860,994	\$ 2,541,890

**Current Outstanding Debt
2019-20 Principal and Interest Payments**

Issue Date	Net Interest Rate	Original Issue	Purpose	Final Maturity	FY 2019-20 Payments		
					Principal	Interest	Total
2/16/2010	2.0 - 4.0%	\$ 22,615,000	Refund '01 MS/HS/MF	2/1/2022	\$ -	\$ 153,400	\$ 153,400
12/7/2011	2.0 - 2.375%	\$ 9,750,000	Refund '03A MS/HS/MF	2/1/2024	\$ 545,000	\$ 165,394	\$ 710,394
12/19/2012	1.5 - 2.0%	\$ 9,825,000	Refund '04/'05 Indoor Air	2/1/2025	\$ 870,000	\$ 124,600	\$ 994,600
5/13/2014	2.0-3.0%	\$ 1,525,000	GVP/HS Roofs	2/1/2025	\$ 150,000	\$ 23,650	\$ 173,650
3/23/2017	1.93%	\$ 1,325,000	BW Roof	2/1/2027	\$ 120,000	\$ 32,550	\$ 152,550
11/15/2018	2.23%	\$ 7,325,000	Refund 2010A	2/1/2022	\$ 3,225,000	\$ 443,569	\$ 3,668,569
1/31/2019	3.22%	\$ 39,255,000	Elementary/Early Childhood	2/1/2039	\$ -	\$ 1,515,580	\$ 1,515,580
					\$ 4,910,000	\$ 2,458,743	\$ 7,368,743

**General Obligation Debt
Annual Maturity Schedule**

Fiscal Year	Principal	Interest	Total
2020	4,910,000	2,458,743	7,368,743
2021	5,230,000	2,027,675	7,257,675
2022	4,130,000	1,817,275	5,947,275
2023	4,270,000	1,689,556	5,959,556
2024	4,370,000	1,579,744	5,949,744
2025	2,505,000	1,465,681	3,970,681
2026	2,085,000	1,384,481	3,469,481
2027	2,230,000	1,283,131	3,513,131
2028	2,185,000	1,174,631	3,359,631
2029	2,290,000	1,065,381	3,355,381
2030	2,405,000	950,881	3,355,881
2031	2,490,000	866,706	3,356,706
2032	2,590,000	767,106	3,357,106
2033	2,665,000	689,406	3,354,406
2034	2,745,000	609,456	3,354,456
2035	2,830,000	527,106	3,357,106
2036	2,925,000	431,594	3,356,594
2037	3,025,000	332,875	3,357,875
2038	3,130,000	227,000	3,357,000
2039	3,240,000	117,450	3,357,450
	\$ 62,250,000	\$ 21,465,878	\$ 83,715,878

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. A new government accounting standard (GASB 84) will require the scholarship funds to become part of the general fund in 2019-20.

	2016-17 Audit Results	2017-18 Audit Results	2018-19 Revised Budget	2019-20 Proposed Budget
Beginning Balance	\$ 148,176	\$ 164,256	\$ 184,249	\$ 179,949
Gifts and Donations	70,989	94,589	71,530	72,030
Earnings on Investments	966	1,254	200	1,500
Total Sources	220,131	260,099	255,979	253,479
Expenditures	55,875	75,850	76,030	76,030
Ending Fund Balance	\$164,256	\$ 184,249	\$ 179,949	\$ 177,449

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" Excellence Scholarship	\$ 500
Cardinal CG Scholarship	\$ 500	Skip Boyum Scholarship	\$ 750
Cinco de Mayo Scholarship	\$ 1,500	Steele-Waseca Electric	\$ 500
Dakota Electric Fund	\$ 3,000	Step Up Scholarship	\$ 1,200
Darrin Erickson Memorial Scholarship	\$ 430	Stratmoen Family Scholarship	\$ 750
David Rodgers Memorial Scholarship	\$ 3,000	Tom Blaisdell Memorial	\$ 2,000
Kliver/Monsanto Scholarship	\$ 500	TORCH Scholarship	\$ 7,500
Lucille Duesterhoeft Memorial	\$ 11,000	VFW	\$ 1,500
Myrtle Houston Trust	\$ 4,000	W Stickley Memorial	\$ 4,000
		Total	\$ 76,030

**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.

DENTAL FUND				
	2016-17	2017-18	2018-19	2019-20
	Audit	Audit	Revised	Proposed
	Results	Results	Budget	Budget
Beginning Balance	\$225,234	\$279,428	\$270,606	\$271,638
Charges for Services	591,107	543,587	570,138	587,243
Interest Earnings	1,886	1,800	2,000	2,500
Total Sources	818,227	824,815	842,744	861,381
Insurance Claims	502,065	517,285	527,498	543,323
Administrative Fees	36,734	36,924	43,608	38,770
Total Expenditures	538,799	554,209	571,106	582,093
Ending Fund Balance	\$279,428	\$270,606	\$271,638	\$279,288

MEDICAL FUND				
	2016-17	2017-18	2018-19	2019-20
	Audit	Audit	Revised	Proposed
	Results	Results	Budget	Budget
Beginning Balance	\$4,246,259	\$5,637,018	\$5,711,405	\$6,153,240
Charges for Services	6,969,825	6,859,449	6,941,460	6,805,177
Interest Earnings	38,597	46,129	45,000	47,000
Total Sources	11,254,681	12,542,596	12,697,865	13,005,417
Insurance Claims	4,725,278	6,030,278	5,445,395	5,989,934
Administrative Fees	892,385	800,913	1,099,230	858,456
Total Expenditures	5,617,663	6,831,191	6,544,625	6,848,390
Ending Fund Balance	\$5,637,018	\$5,711,405	\$6,153,240	\$6,157,027

FUND SUMMARY				
	2016-17	2017-18	2018-19	2019-20
	Audit	Audit	Revised	Proposed
	Results	Results	Budget	Budget
Beginning Balance	\$4,471,493	\$5,916,446	\$5,982,011	\$6,424,879
Total Revenue	7,601,415	7,450,965	7,558,599	7,441,919
Total Sources	12,072,908	13,367,411	13,540,610	13,866,798
Total Expenditures	6,156,462	7,385,400	7,115,731	7,430,483
Ending Fund Balance	\$5,916,446	\$5,982,011	\$6,424,879	\$6,436,315