

NORTHFIELD PUBLIC SCHOOLS
Office of the Superintendent
Memorandum

TO: Board of Education
FROM: Matt Hillmann Ed.D., Superintendent
RE: Table File Items for December 13, 2021, Regular School Board Meeting

5. Items for Discussion and Reports
 - a. Truth in Taxation Presentation for the Payable 2022 Property Tax Levy Followed by Public Comment.
Attached is an updated levy presentation provided by Director Mertesdorf.
 - c. Superintendent Operations and COVID-19 Update. Director Mertesdorf will update the board on federal COVID funds. A COVID-19 Funding Summary is attached.
6. Consent Agenda
 - d. Personnel Items
 - i. Appointments
 9. Mark Buhrandt, Building Supervisor with Community Education, beginning 12/17/2021; \$17.41/hr.
 10. Chris Graupmann, Building Supervisor with Community Education, beginning 12/17/2021; \$17.41/hr.
 11. Christopher Kauffeld, Behind the Wheel Instructor with Community Education, beginning 12/15/2021; \$25.75/hr.
 - ii. Increase/Decrease/Change in Assignment
 11. Tyler Balow, .3 Winter Weight Room Assistant at the High School, change to .33 Winter Weight Room Assistant at the High School, effective 12/8/2021.
 12. Tom Dickerson, .3 Winter Weight Room Assistant at the High School, change to .33 Winter Weight Room Assistant at the High School, effective 12/8/2021.
 13. Kari Engle, Long Term Substitute Teacher at the daily substitute rate at Bridgewater, change to Long Term Substitute Teacher at Lane/Step pay at Bridgewater, effective 12/8/2021-1/27/2022; BA, Step 1
 14. Mallory Nysteun, Special Ed EA at Spring Creek, add Special Ed EA Extracurricular Nonacademic Support as needed with the District, effective 12/13/2021-6/10/2022.
 15. Bubba Sullivan, .3 Winter Weight Room Assistant at the High School, change to .33 Winter Weight Room Assistant at the High School, effective 12/8/2021.
 - iv. Retirements/Resignations/Terminations
 3. Angela Johannsen, EA PCA at the High School, termination effective 12/13/2021.
7. Items for Individual Action
 - e. Start Time for School Board Meetings. The superintendent's recommendation is revised as follows: Motion to begin regular board meetings at 6:00 p.m. instead of 7:00 p.m. and to modify Policy 206 Operation of the School Board Bylaws that regular school board meetings are adjourned at or before 9:00 p.m., whenever possible, instead of 10:00 p.m. beginning in January 2022.



TRUTH IN TAXATION
2021 Pay 2022 Levy Certification

12/13/2021

Levy Cycle

1. Assessors determine a property's estimated market value and assign a property class to each parcel.
2. The County Auditor calculates the net tax capacity for each parcel in the county, as well as the total net tax capacity for each taxing jurisdiction.
 - a) A property's net tax capacity is determined by multiplying the property's market value by the relevant class rate.
 - i. Class rates are set by statute, vary by property type, and are uniform statewide.
3. The local tax rate of a taxing jurisdiction is determined by dividing the jurisdiction's total levy by the jurisdiction's taxable net tax capacity.
 - a) Each jurisdiction sets its own levy and follows specific limits set by state law.

Levy Cycle

4. The County Auditor divides the final levy by the District's net tax capacity (or referendum market value) to establish rates.
5. The County Auditor applies those rates to each parcel and prepares the final statements for mailing.
6. Minnesota Department of Education (MDE) sets the maximum levy limit for each school district, based on current legislation and formulas.
7. The School Board adopts a proposed levy in September, holds a public meeting, then finalizes the levy amount in December.

Legislative Impact

- School funding is highly regulated by the state
- **State sets** formulas which determine revenue; most revenue is based on specified amounts per pupil
- **State sets** tax policy for local schools
- **State sets** maximum authorized property tax levy (districts can levy less but not more than amount authorized by state, unless approved by the voters)
- **State authorizes** school board to levy up to \$724 per pupil unit (\$300 board approved and \$424 in local optional revenue)
- **State authorizes** school board to submit referendums for operating and capital needs to voters for approval

Property Tax Changes

Many factors may cause the individual property tax statement to increase or decrease from year to year:

- Voter approved referendums
- Changes in enrollment
- Levy adjustments to prior years
- Legislative changes
- Changes in market values
- Changes in class rates/history
- Levies by other taxing jurisdictions

What is the levy? What does it do for us?

- Provides 25% of our general fund budget
- Provides the revenue to pay our debt service obligations
- Includes voter approved levies as well as state-authorized levies
- Fills in the gaps of chronic under-funding from the State
- Allows the District to provide a world-class learning environment

Summary

2022 Property Tax Levy

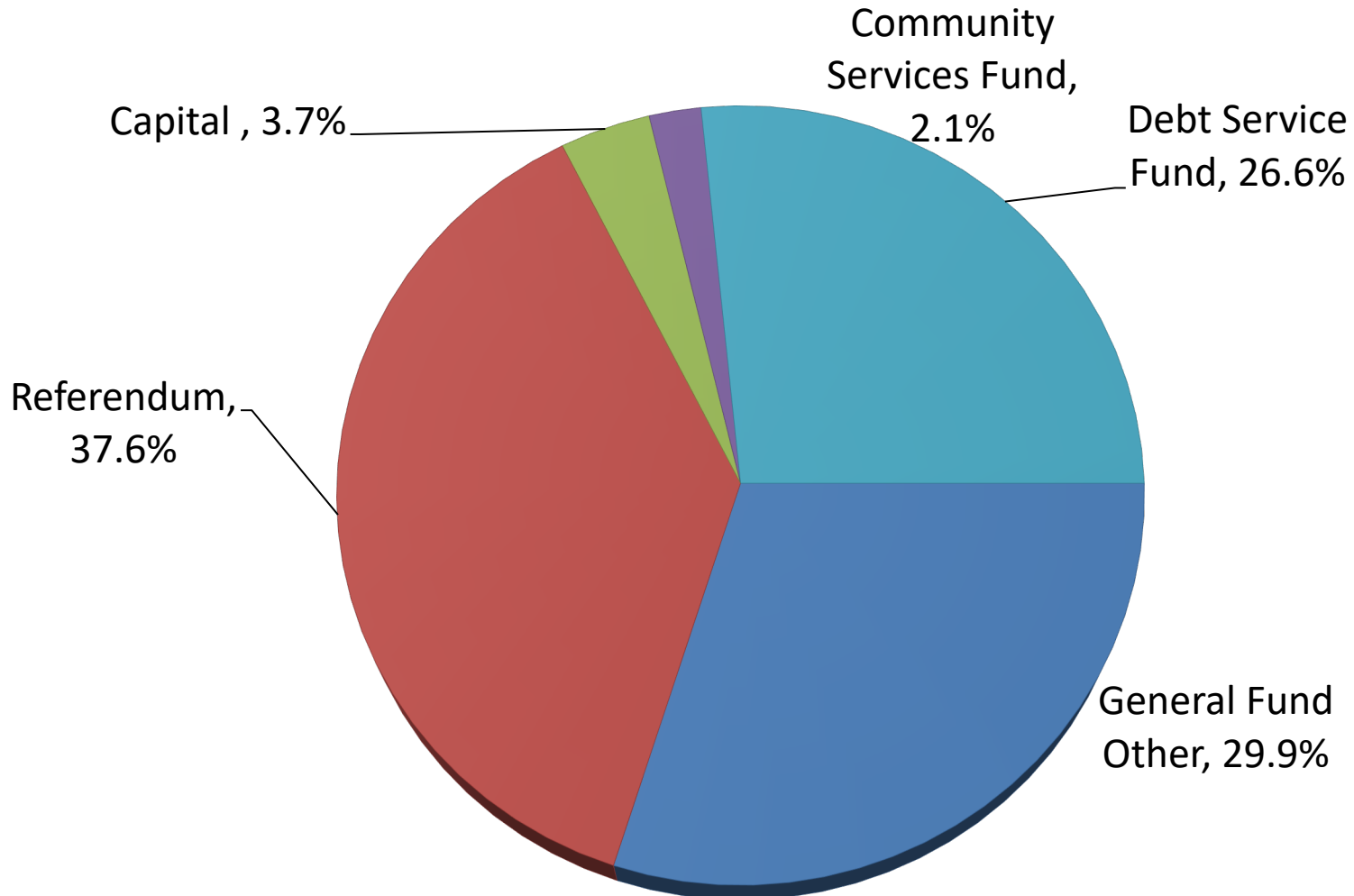
- Overall levy authority down \$303,795.91 or 1.50%
- Preliminary levy of \$20,017,034.10
- Final Certified levy of \$20,009,247.48

Levy Authority vs. Certification

	PAY 21	PAY 22	DIFFERENCE
LEVY AUTHORITY (September)	\$20,436,460.54	\$20,017,034.10	\$(419,426.44)
LEVY CERTIFICATION (December)	\$20,313,043.39	\$20,009,247.48	\$(303,795.91)
Difference	\$(123,417.15)	\$(7,786.62)	

2022 Property Tax Levy

\$20,009,247.48



*General Fund Other; includes Local Optional Revenue, Operating Capital, LTFM, Building Lease, and OPEB

Property Tax Levy Breakout

Pay 22 Levy Analysis

	Pay 2022 Certified Levy	Pay 2022 Proposed Levy	Pay 2021 Certified Levy	Increase (Decrease)	Percent Change
General Fund	\$ 14,255,967.15	\$ 14,257,760.87	\$ 14,528,579.31	\$ (272,612.16)	-1.88%
Community Education	\$ 428,563.42	\$ 428,563.42	\$ 419,487.08	\$ 9,076.34	2.16%
Debt Service	\$ 5,324,716.91	\$ 5,330,709.81	\$ 5,364,977.00	\$ (40,260.09)	-0.75%
Total	\$ 20,009,247.48	\$ 20,017,034.10	\$ 20,313,043.39	\$ (303,795.91)	-1.50%

Subtotals by Truth in Taxation Category	Pay 2022 Certified Levy	Pay 2022 Proposed Levy	Pay 2021 Certified Levy	Increase (Decrease)	Percent Change
Voter Approved	\$ 12,622,767.88	\$ 12,622,767.88	\$ 12,663,785.44	\$ (41,017.56)	-0.32%
Other	\$ 7,386,479.60	\$ 7,394,266.22	\$ 7,649,257.95	\$ (262,778.35)	-3.44%
Total	\$ 20,009,247.48	\$ 20,017,034.10	\$ 20,313,043.39	\$ (303,795.91)	-1.50%

Subtotals by Tax Base	Pay 2022 Certified Levy	Pay 2022 Proposed Levy	Pay 2021 Certified Levy	Increase (Decrease)	Percent Change
Referendum Market					
Value*	\$ 10,526,258.02	\$ 10,526,258.02	\$ 10,460,356.52	\$ 65,901.50	0.63%
Net Tax Capacity	\$ 9,482,989.46	\$ 9,490,776.08	\$ 9,852,686.87	\$ (369,697.41)	-3.75%
Total	\$ 20,009,247.48	\$ 20,017,034.10	\$ 20,313,043.39	\$ (303,795.91)	-1.50%

*Includes Operating Referendum and Equity Revenue

Funds	Certified Pay22	Preliminary Pay22	Certified Pay21	Difference
General Fund				
Referendum	\$ 7,545,900	\$ 7,545,900	\$ 7,609,326	\$ (63,426)
Local Optional Revenue	\$ 2,639,608	\$ 2,639,608	\$ 2,672,833	\$ (33,226)
Equity	\$ 303,526	\$ 303,526	\$ 315,529	\$ (12,003)
Capital Projects Levy	\$ 750,000	\$ 750,000	\$ 750,000	\$ -
Operating Capital	\$ 350,547	\$ 350,547	\$ 329,217	\$ 21,330
Achievement & Integration	\$ 114,769	\$ 114,769	\$ 99,109	\$ 15,660
Annual OPEB	\$ 820,000	\$ 820,000	\$ 821,233	\$ (1,233)
Reemployment Insurance	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Safe Schools	\$ 149,890	\$ 149,890	\$ 155,657	\$ (5,767)
Career Technical	\$ 36,551	\$ 36,551	\$ 35,478	\$ 1,073
LTFM	\$ 1,300,510	\$ 1,302,304	\$ 1,327,091	\$ (26,581)
Lease Levy	\$ 419,521	\$ 419,521	\$ 365,250	\$ 54,271
Abatements	\$ 2,050	\$ 2,050	\$ 66,585	\$ (64,535)
Adjustments (up to 3 yrs)	\$ (201,905)	\$ (201,905)	\$ (43,730)	\$ (158,175)
Total General Fund	\$ 14,255,967	\$ 14,257,761	\$ 14,528,579	\$ (272,612)
Community Education	\$ 428,563	\$ 428,563	\$ 419,487	\$ 9,076
Debt Service	\$ 5,324,717	\$ 5,330,710	\$ 5,364,977	\$ (40,260)
Total Levy	\$ 20,009,247	\$ 20,017,034	\$ 20,313,043	\$ (303,796)
Percent Change				-1.50%

LEVY TRENDS

	Pay 22 Certified Levy	Pay 21 Certified Levy	Pay 20 Certified Levy	Pay 19 Certified Levy	Pay 18 Certified Levy
General Fund	\$ 14,255,967.15	\$ 14,528,579.31	\$ 14,132,123.97	\$14,009,102.49	\$ 13,506,213.15
Community Education	\$ 428,563.42	\$ 419,487.08	\$ 417,154.44	\$ 410,997.28	\$ 412,076.54
Debt Service	\$ 5,324,716.91	\$ 5,364,977.00	\$ 5,436,717.52	\$ 5,605,745.95	\$ 5,337,839.20
Total	\$ 20,009,247.48	\$ 20,313,043.39	\$ 19,985,995.93	\$20,025,845.72	\$ 19,256,128.89
Difference	\$ (303,795.91)	\$ 327,047.46	\$ (39,849.79)	\$ 769,716.83	\$ 3,679,064.29
Percent Change	-1.50%	1.64%	-0.20%	4.00%	23.62%

- Pay18 includes the voter approved referendum increase



2021-22 General Fund Budget Revision

12/13/2021

20201-22 General Fund Budget Revision

- Key factors for adjusting budget from adopted to revised:
 - Audited information for previous fiscal year finalized
 - October 1 enrollment data no longer a projection
 - Employment Agreements are finalized
 - Coronavirus Relief Funds
 - Covid Protocol Expenses
 - Health Insurance

Enrollment Projection

Average Daily Membership							
	Pre-K	KG	1-3	4-6	7-12	Total	Weighted
2020-21 Adopted	38.2	238.5	759.7	862.3	2,090.2	3,988.8	4,406.8
2020-21 Revised	39.4	203.6	748.3	856.8	2,096.1	3,944.3	4,363.5
2020-21 Actual	44.3	202.4	747.9	843.9	2,062.29	3,900.8	4,313.26
2021-22 Adopted	39.0	238.9	690.0	774.9	2,044.6	3,787.4	4,196.4
2021-22 Revised	45.8	241.1	747.7	815.8	1,984.3	3,834.7	4,231.6
Difference	6.8	2.2	57.7	40.9	-60.3	47.3	35.2

Revenue Revision

	19-20 Audit Results	20-21 Audit Results	21-22 Adopted Budget	21-22 Revised Budget
Property Tax	\$ 13,865,817	\$ 14,217,639	\$ 14,528,579	\$ 14,528,579
State Sources	\$ 39,595,228	\$ 40,135,486	\$ 39,321,725	\$ 39,600,693
Federal Sources	\$ 1,428,206	\$ 2,593,072	\$ 2,639,748	\$ 2,957,748
Local Sources	\$ 2,646,723	\$ 1,660,274	\$ 1,250,993	\$ 1,400,993
Total	\$ 57,535,974	\$ 58,606,471	\$ 57,741,045	\$ 58,488,013

Expenditure Revision

	19-20 Audit Results	20-21 Audit Results	21-22 Adopted Budget	21-22 Revised Budget
Salaries & Benefits	\$ 44,518,951	\$ 45,486,802	\$ 48,053,503	\$ 49,145,403
Purchased Services	\$ 6,379,528	\$ 6,379,528	\$ 7,102,743	\$ 7,110,813
Supplies/Other	\$ 2,550,222	\$ 2,550,222	\$ 3,070,346	\$ 3,107,887
Capital/Equipment	\$ 3,032,575	\$ 3,032,575	\$ 1,666,291	\$ 1,666,291
Total	\$ 56,481,276	\$ 57,449,127	\$ 59,892,883	\$ 61,030,394

General Fund Budget

FUND SUMMARY				
	2019-20	2020-21	2021-22	2021-22
	Audit Results	Audit Results	Adopted Budget	Revised Budget
Beginning Fund Balance*	\$17,503,062	\$18,557,760	\$18,557,760	\$18,557,760
Annual Revenue	<u>57,535,974</u>	<u>58,606,471</u>	<u>57,741,045</u>	<u>58,488,013</u>
Total Sources	75,039,036	77,164,231	76,298,805	77,045,773
Annual Expenditures	<u>56,481,276</u>	<u>59,010,192</u>	<u>59,892,883</u>	<u>61,030,394</u>
Ending Fund Balance*	\$18,557,760	\$18,154,039	\$16,405,922	\$16,015,379
Unassigned Fund Balance	\$12,798,673	\$10,854,621	\$8,647,687	\$9,768,172
Unassigned Percentage	22.66%	18.39%	14.44%	16.01%

*Beginning and ending fund balances include unrestricted and restricted dollars

THANK YOU!

COMMENTS & QUESTIONS?

Northfield Public Schools | COVID Funding Summary

Program	Availability	Allowable Uses	FIN	Allocation	Spent	Remaining
ARP - IDEA Part B, Section 611	7/1/21-9/30/22	Special Education funding for ages 5-21 to focus on challenges from the pandemic; specifically school re-entry, disruption in the education of children with disabilities, mental health services.	140	\$190,825.34	\$1,819.67	\$189,005.67
ARP - IDEA Part B, Section 619 (3-5)	7/1/21-9/30/22	Special Education funding for ages 3-5 to focus on challenges from the pandemic; specifically school re-entry, disruption in the education of children with disabilities, mental health services.	141	\$16,035.25	\$0.00	\$16,035.25
Governor's Discretionary ARP - Summer Academic and Mental Health Support	6/1/21-8/31/22	Support academic enrichment and mental health to supplement summer programming.	150	\$132,047.83	\$86,658.23	\$45,389.60
ESSER I - 90%	3/13/2020-9/30/22	Health needs, connectedness to school, increase effectiveness of learning opportunities, other local needs.	151	\$274,875.41	\$274,875.41	\$0.00
ESSER I - 9.5%	3/13/2020-9/30/22	Summer school, mental health support for students, staff and family, additional support for students from historically underserved populations.	152	\$54,295.23	\$54,295.23	\$0.00
GEER I	3/13/2020-9/30/22	Expanding technology capacity, summer school programming.	153	\$51,630.63	\$51,630.63	\$0.00
CARES - Coronavirus Relief Funds (CRF)	7/1/2020-12/30/2020	Address the necessary operating costs associated with bringing students back into the classroom, provide support for when other learning models are deployed, and support related student, family and educator needs.	154	\$1,055,383.70	\$1,055,383.70	\$0.00
ESSER II - 90%	7/1/2021-9/30/24	Covid-19 related expenses, maintaining operations and staffing due to other declining revenue	155	\$1,165,984.65	\$219,330.26	\$946,654.39
ARP - Homeless Children & Youth II	7/1/2021-9/30/24	Support homeless students during the pandemic.	159	\$9,708.81	\$0.00	\$9,708.81
ESSER III - 90% (80% Response to Covid-19)	1/1/2021-9/30/24	Pandemic response funds	160	\$2,094,908.71	\$25,184.83	\$2,069,723.88
ESSER III - 90% (20% Learning Recovery)	1/1/2021-9/30/24	Learning recovery funds	161	\$523,727.18	\$0.00	\$523,727.18
CRRSA ESSER II 9.5% - Expanded Summer Programming	6/1/2021-9/30/22	Expanded summer programming	163	\$71,387.50	\$71,387.50	\$0.00
ARP State Fiscal Recovery (SFRF) Summer Prog - Preschool 4-5	6/1/2021-9/30/2021	Summer preschool - used for Early Venture licensed daycare	165	\$24,000.00	\$24,000.00	\$0.00
CRRSA GEER II - School Age Care	6/1/2021-9/30/2021	Summer school age care	168	\$47,484.22	\$47,484.22	\$0.00
ARP Learning Recovery, Lost Instructional Time	7/1/2021-9/30/24	Covid-19 Testing center, supplies	169	\$309,909.39	\$0.00	\$309,909.39
Minnesota COVID-19 Testing	7/1/2021-6/30/2022	Covid-19 Testing center, supplies	170	\$219,605.54	\$46,593.98	\$173,011.56
Pandemic Enrollment Loss	7/1/2021-6/30/2023	Funding will support services for students that may have been foregone last year due to the budget losses.	171	\$105,174.00	\$0.00	\$105,174.00
Other COVID-19 Relief Funds	Varies	Funding from other agencies	174	\$193,636.87	\$193,198.04	\$438.83
GRAND TOTAL				\$6,540,620.26	\$2,151,841.70	\$4,388,778.56
Updated 12.12.21						