

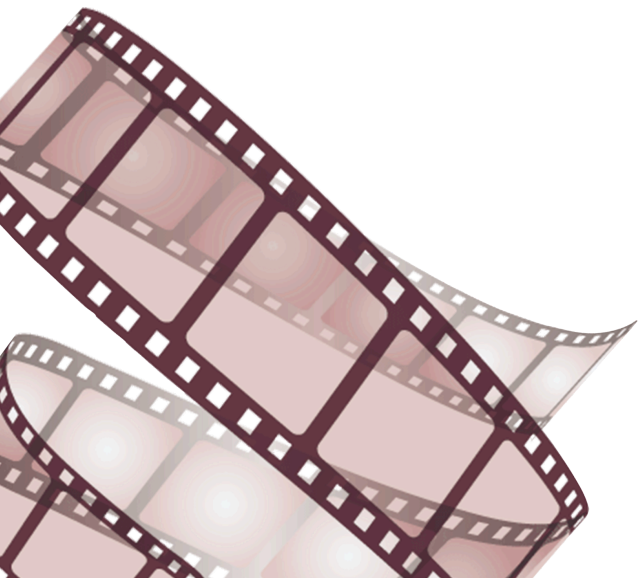


# 2026-2027 PROPOSED BUDGETS

82.8% of expenditures  
go to direct student  
instruction & support.

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

 201 Orchard St. S.  
Northfield, MN 55057





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

Claudia Gonzalez-George, Chair

Corey Butler, Vice Chair

Amy Goerwitz, Treasurer

Maggie Epstein, Clerk

Ben Miller

Jenny Nelson

Jeff Quinnell

**SUPERINTENDENT OF SCHOOLS**

Dr. Matt Hillmann, Ed.D.

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

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

# Reaching Out, Reaching Up:

## THE 2027 STRATEGIC PLAN



### VISION

We prepare every student for lifelong success by developing critical thinkers who are curious and ready to engage in our society.

### BENCHMARKS

<b>1</b> All children are ready for <b>kindergarten</b> .	<b>2</b> All students are connected to the <b>community</b> .	<b>3</b> All students are at grade level in <b>reading and mathematics</b> by the end of third and sixth grades.
<b>4</b> All students exhibit physical, social and emotional <b>well-being</b> .	<b>5</b> All students have a <b>connection</b> with a caring adult beyond their parents as they transition to middle school.	<b>6</b> All students have interests, goals and a <b>vision</b> for the future by the end of eighth grade.
<b>7</b> All students <b>graduate</b> from high school with a plan to reach their full potential.	<b>8</b> All <b>employees</b> report satisfaction in the workplace.	<b>9</b> All <b>parents</b> report satisfaction with their children's educational experience.
<b>10</b> The district maintains 14% of its annual expenditures in its unassigned fund balance to ensure <b>financial stability</b> .	<b>11</b> <b>Community education</b> provides relevant and accessible learning opportunities for all residents.	<small><b>Note:</b> The first seven benchmarks are aligned with the language identified by Northfield Promise, a collective impact consortium of 20 community organizations committed to helping Northfield's youth thrive "from cradle to career"</small>

### STRATEGIC COMMITMENTS



#### People

We prioritize the engagement, satisfaction, and support of every student, staff member, and family.



#### Learner Outcomes

We prepare every student to be academically and socially ready to choose their preferred pathway after high school graduation.



#### Equity

We ensure that every child has a fair opportunity to reach their full potential.



#### Communication

We communicate effectively and transparently with all stakeholders.



#### Stewardship

We responsibly manage our personnel, finances, property, time and environmental impact.



#### Partnerships

We seek community partnerships that accelerate student achievement of district benchmarks.

May 11, 2026

Board of Education  
Independent School District 659  
Northfield, MN

It is with pride and a deep sense of responsibility that I submit and recommend the proposed budgets for the 2026-27 school year. This budget document is one of our primary tools for presenting clear, summarized and transparent financial information to our employees, community members and stakeholders. This report includes our Operating and Proprietary funds with an emphasis on the General Fund, and provides a cohesive summary of the budget presentations delivered over the past several months.

The purpose of a budget is to quantify the strategic priorities and programming decisions that reflect our district's long-term vision. It serves as a guide for the Board of Education to authorize the administration in executing the mission and vision of Northfield Public Schools on a daily basis. A revised budget, incorporating updated enrollment data, finalized staffing agreements, and a comprehensive analysis of the 2026 legislative session, will be presented in December.

In the spring of 2025, Northfield ran a priority-based budget process reducing \$5.792 million to balance the budget. This process focused on aligning financial resources with the district's strategic priorities to maximize student outcomes. Through a transparent, inclusive and data-informed approach, the district engaged more than 80 stakeholders in identifying essential programs and services, ensuring that budget decisions reflect the district's vision and strategic commitments. This robust process in combination with a better fiscal end to 2024-25 has put the district in a stable position for the next few years.

Sixty-eight percent of the district's total funding comes from the State of Minnesota. While the State made a significant investment in public education in 2023, it is essential that we recognize that these increases are helping close the gap on decades of inadequate funding. We expect the state will roll back several funding streams in the coming years in response to a bleak state financial forecast. The Northfield community has been a tireless supporter of our schools. Their unwavering support and commitment to our students is deeply appreciated.

We strive daily to implement the district's strategic plan. We consistently demonstrate good stewardship by analyzing information, prioritizing needs and managing our financial, physical and human resources to support Northfield Public Schools.

Gratefully,



Val Mertesdorf  
Director of Finance

## ***BUDGET DEVELOPMENT CALENDAR***

December 8	School Board certified the 2025 Payable 2026 Tax Levy.
December 15	Auditors presented results of 2024-25 financial audit.
January 12	School Board approved 2025-26 revised General Fund budget.  School Board presented with the financial forecast.
February 9	School Board adopted resolution requiring the administration to make recommendations for additions and reductions in programs and adding or discontinuing positions.  School Board presented with proposed Operating Capital and Long-Term Facilities Maintenance budget.
February 23	School Board presented with proposed Debt Service and Internal Service Fund budgets.
March 9	School Board presented with proposed Construction budget.
April 13	School Board presented with proposed Child Nutrition and Community Education budgets.
April 27	School Board presented with proposed budget for the General Fund.  School Board adopted the necessary resolutions relating to staffing changes for 2026-27.
May 11	School Board adopts the 2026-27 Proposed Budgets for all funds

## ***STUDENT ENROLLMENT PROJECTIONS***

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.

The district has experienced incremental declining enrollment for several years. Based on our most recent demographic study, the district anticipates that the total number of students will continue to decline over the next several years.

The October 1, 2025 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 2026-27 student enrollment projection. The bottom table includes historical enrollment counts and the longer range forecast for additional context.

<b>2026-27 Projected Average Daily Membership (ADM)</b>						
<b>Pre-K</b>	<b>VPK</b>	<b>KG (incl. HK)</b>	<b>1-3</b>	<b>4-6</b>	<b>7-12 (incl. ALC)</b>	<b>Total</b>
<b>40.3</b>	<b>12.4</b>	<b>211.3</b>	<b>724.0</b>	<b>846.0</b>	<b>1,879.4</b>	<b>3,713.4</b>

### Enrollment History and Projection

<b>Year</b>	<b>Pre-K</b>	<b>VPK</b>	<b>KG</b>	<b>1-3</b>	<b>4-6</b>	<b>7-12</b>	<b>Total</b>	<b>APU</b>
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	41.2	-	248.4	797.6	911.0	2,051.8	4,050.0	4,460.4
2019-20	42.8	-	246.5	764.4	892.8	2,072.6	4,019.0	4,433.6
2020-21	44.3	-	202.4	747.9	843.9	2,062.3	3,900.8	4,313.3
2021-22	49.1	-	245.0	750.8	822.9	1,993.0	3,860.8	4,259.4
2022-23	47.8	-	240.0	743.7	808.4	1,965.6	3,805.4	4,198.5
2023-24	53.0	-	230.6	749.8	843.1	1,963.2	3,839.8	4,232.4
2024-25	51.9	15.5	211.4	752.2	841.9	1,916.4	3,789.3	4,172.6
2025-26#	44.8	13.8	235.1	730.9	847.4	1,872.0	3,744.0	4,118.4
<b>2026-27#</b>	<b>40.3</b>	<b>12.4</b>	<b>211.3</b>	<b>724.0</b>	<b>846.0</b>	<b>1,879.4</b>	<b>3,713.4</b>	<b>4,089.3</b>
2027-28#	41.5	12.7	217.6	704.9	852.9	1,861.2	3,690.8	4,063.0

# Estimated Enrollment

# PROPOSED 2026-27 BUDGET

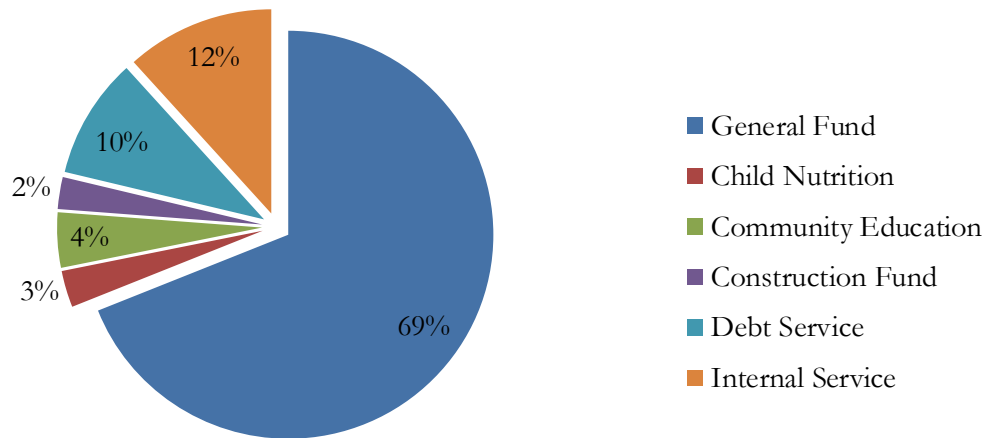
## SUMMARY OF ALL FUNDS

	July 1, 2026 Projected Fund Balance*	FY 2027 Revenues	FY 2027 Expenditures	June 30, 2027 Projected Fund Balance*
General Fund**	\$ 19,152,044	\$ 71,316,201	\$ 71,246,532	\$ 19,221,713
Child Nutrition	\$ 475,420	\$ 2,997,889	\$ 3,311,079	\$ 162,230
Community Education	\$ 518,858	\$ 4,525,330	\$ 4,504,427	\$ 539,761
Construction Fund	\$ 38,808,137	\$ 2,625,000	\$ 13,550,463	\$ 27,882,674
Debt Service	\$ 2,522,491	\$ 9,884,522	\$ 9,049,209	\$ 3,357,804
Internal Service	\$ 4,706,048	\$ 12,103,783	\$ 12,077,211	\$ 4,732,620

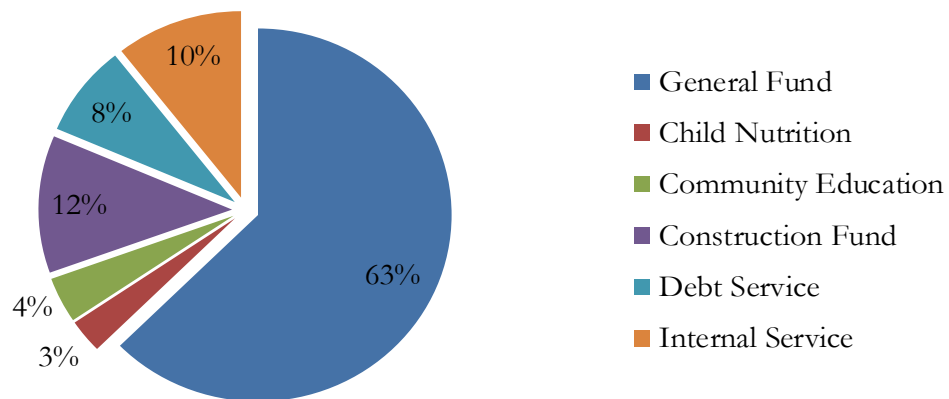
\* Beginning and ending fund balance includes restricted funds

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

### 2026-27 Budget Resources All Funds



### 2026-27 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 per pupil funding from the State of 2.69%. Overall, revenue will increase approximately 1.6% over the prior year. The increase is related to the inflationary increase from the state, and the additional fees recommended by the priority-based budget teams. The district receives 69% of its revenue from the State of Minnesota. Declining enrollment is one of the most significant financial challenges we face. Seventy percent of our revenue is enrollment-based formulas. The incremental declining enrollment trend we've seen will continue in 2026-27. The Board approved renewal of the operating levy for another ten years which will provide stability to our financial forecast projections.

Projected expenditures are represented with an aggregate increase of 4.5%. The general fund ended 2024-25 better than projected. This in combination with the priority based budget reductions puts the district in a strong financial position. The Board authorized some restorations that are included in this budget.

Our staff and community worked collaboratively to prioritize spending and ultimately balance the budget. I'm pleased to report that the projected ending fund balance in 2026-27 is projected to exceed the Board's goal of 14%. The 14% goal is calculated as a percentage of general fund expenditures excluding operating capital, long-term facility maintenance, scholarship and student activity expenditures. These expenditures are highly volatile, and have been diluting the historical calculation. The calculation will provide fewer erratic variations.

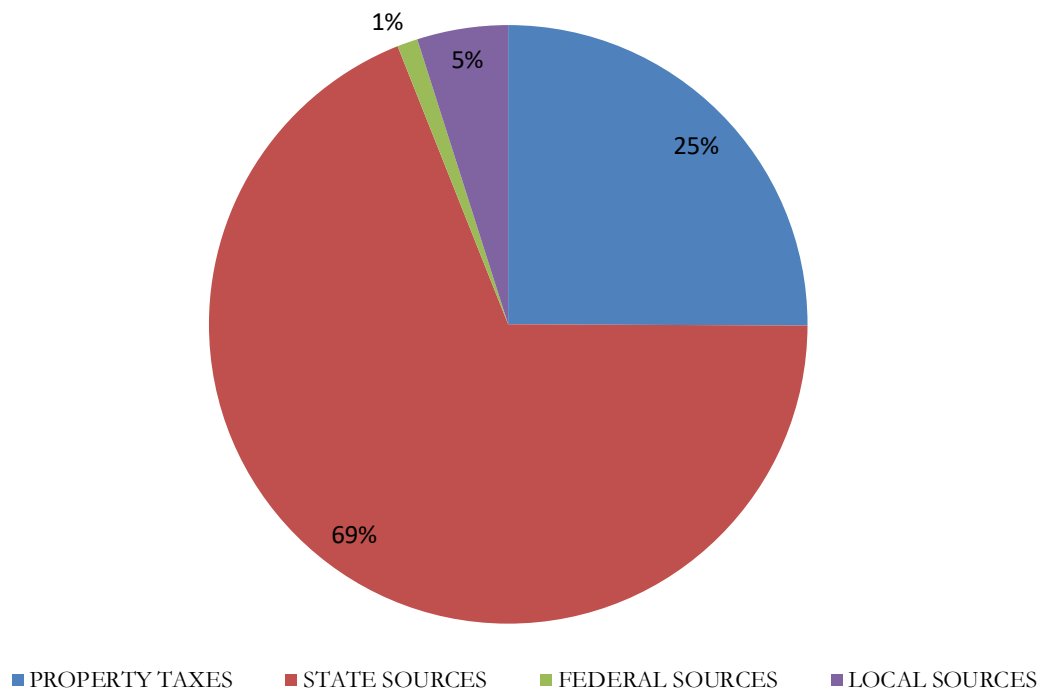
### GENERAL FUND | FINANCIAL SUMMARY

	2023-24 Audit Results	2024-25 Audit Results	2025-26 Revised Budget	2026-27 Proposed Budget
REVENUE	\$ 65,099,390	\$ 70,573,967	\$ 70,171,484	\$ 71,316,201
EXPENDITURES	63,789,006	67,961,634	68,208,704	71,246,532
DIFFERENCE	1,310,384	2,612,333	1,962,780	69,669
BEGINNING FUND BALANCE	13,266,547	14,576,931	17,189,264	19,152,044
ENDING FUND BALANCE	\$ 14,576,931	\$ 17,189,264	\$ 19,152,044	\$ 19,221,713
RESTRICTED FUND BALANCE	\$ 6,211,200	\$ 7,345,894	\$ 7,495,135	\$ 7,673,662
UNRESTRICTED FUND BALANCE	\$ 8,365,731	\$ 9,843,370	\$ 11,656,909	\$ 11,548,051
PERCENTAGE OF EXPENDITURES (excl. Capital, LTFM, Scholarships & SAF)	13.8%	15.3%	18.4%	17.4%

## GENERAL FUND | REVENUE

	2023-24 Audit Results	2024-25 Audit Results	2025-26 Revised Budget	2026-27 Proposed Budget
PROPERTY TAXES	\$ 15,579,902	\$ 18,285,682	\$ 18,214,595	\$ 17,873,328
STATE SOURCES	45,025,813	48,158,297	48,469,443	49,146,642
FEDERAL SOURCES	1,284,792	1,037,586	745,000	790,488
LOCAL SOURCES	3,208,883	3,092,402	2,742,446	3,505,743
<b>TOTAL</b>	<b>\$ 65,099,390</b>	<b>\$ 70,573,967</b>	<b>\$ 70,171,484</b>	<b>\$ 71,316,201</b>

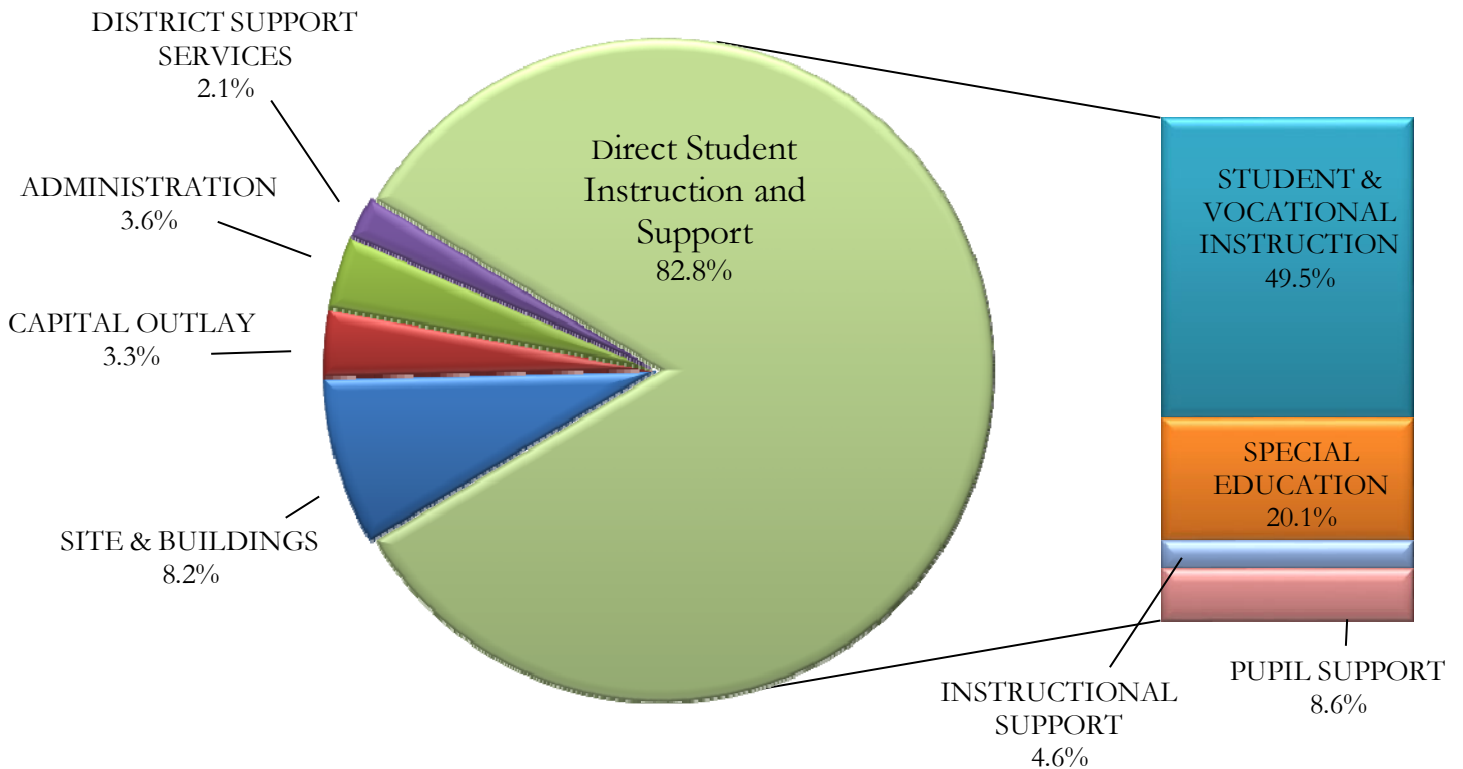
### REVENUE BY SOURCE



## GENERAL FUND | EXPENDITURES BY PROGRAM

- Student Instruction: \$49,203,703 (69.06%)**  
 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: \$10,963,966 (15.39%)**  
 Includes costs associated with supporting students including transportation, media centers, guidance/counseling services, nursing services as well as the instructional services department.
- Site and Buildings: \$7,051,512 (9.90%)**  
 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: \$1,489,722 (2.09%)**  
 Includes costs associated with services provided by the district office such as human resources, finance, communications and other centralized office functions.
- Administration: \$2,537,629 (3.56%)**  
 Includes costs associated with the district administration including the school board, superintendent and principals.

### 2026-27 EXPENDITURES BY PROGRAM



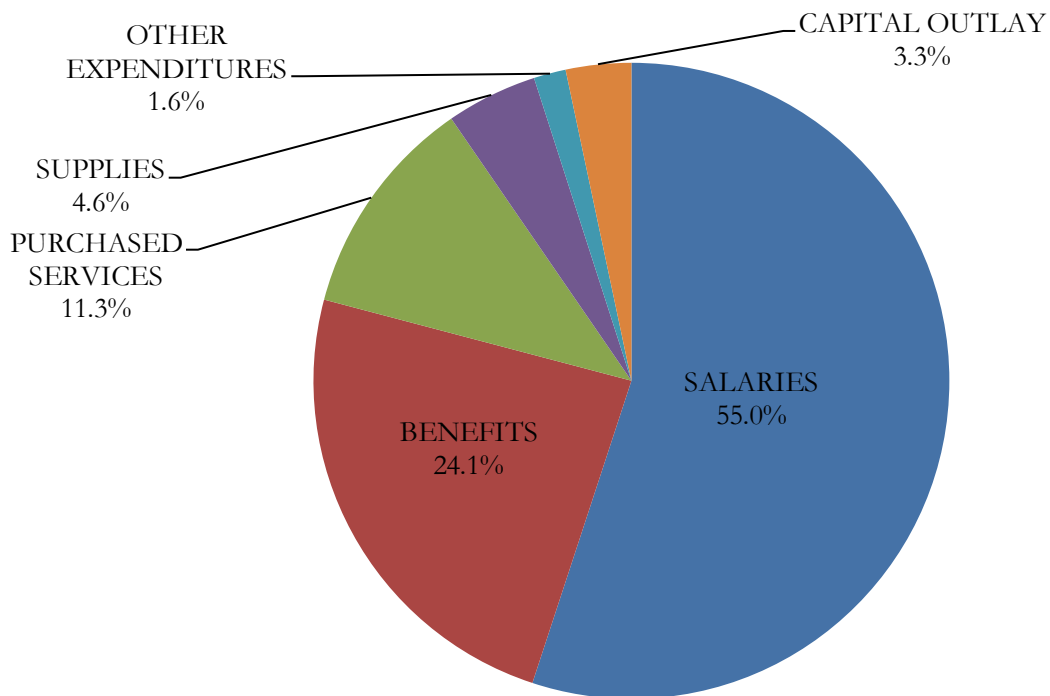
**GENERAL FUND | EXPENDITURES BY PROGRAM (cont)**

<b>PROGRAM CATEGORIES</b>		<b>2026-27 Proposed</b>
Student Instruction \$49,203,703 69.06%	Elementary Instruction	\$ 11,238,604
	Middle and High School Instruction	\$ 17,934,003
	Special Education	\$ 14,383,731
	Co-curricular and Extra-curricular Activities	\$ 2,543,224
	English Learners	\$ 1,974,464
	Title Grants	\$ 490,766
	Career and Technical Programs	\$ 638,911
Student Support Services \$10,963,966 15.39%	Instructional Support	\$ 832,292
	Curriculum and Development	\$ 415,460
	Educational Media	\$ 296,277
	Instructional Technology	\$ 2,595,960
	Guidance/Counseling	\$ 1,146,801
	Health Services	\$ 538,361
	Student Transportation	\$ 3,977,443
	Staff Development	\$ 638,874
	Other Student Support	\$ 522,498
Sites and Buildings \$7,051,512 9.90%	Operations and Maintenance	\$ 5,058,295
	Facilities	\$ 462,017
	Long Term Facilities Maintenance	\$ 1,206,750
	Property or Other Insurance	\$ 324,450
District Support Services \$1,489,722 2.09%	Finance Department	\$ 467,321
	Human Resources	\$ 589,543
	Administrative Technology	\$ 231,039
	General Administrative Support	\$ 71,725
	Communications and Assessment	\$ 120,094
	Elections	\$ 10,000
Administration \$2,537,629 3.56%	Office of Superintendent	\$ 441,247
	Instructional Administration	\$ 269,665
	School Administration	\$ 1,760,534
	School Board	\$ 66,183
<b>Total General Fund</b>		<b>\$ 71,246,532</b>

**GENERAL FUND | EXPENDITURES BY OBJECT**

	2023-24 Audit Results	2024-25 Audit Results	2025-26 Revised Budget	2026-27 Proposed Budget
SALARIES	\$ 36,572,885	\$ 38,817,065	\$ 37,630,196	\$ 39,217,226
BENEFITS	14,705,839	15,313,394	16,399,011	17,147,518
PURCHASED SERVICES	7,503,758	7,876,564	7,773,834	8,053,668
SUPPLIES	2,473,039	2,778,389	3,297,313	3,297,564
OTHER EXPENDITURES	287,326	302,523	351,297	1,163,147
CAPITAL OUTLAY	2,246,159	2,873,699	2,757,053	2,367,409
<b>TOTAL</b>	<b>\$ 63,789,006</b>	<b>\$ 67,961,634</b>	<b>\$ 68,208,704</b>	<b>\$ 71,246,532</b>

**2026-27 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 \$2.2 million. The capital levy was renewed and increased by the voters in November 2022. 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.

	<b>2023-24 Audit Results</b>	<b>2024-25 Audit Results</b>	<b>2025-26 Revised Budget</b>	<b>2026-27 Proposed Budget</b>
<b>Revenue Summary</b>				
Operating Capital	\$ 767,594	\$ 766,619	\$ 918,552	\$ 894,908
Capital Projects Levy	\$ 750,000	\$ 1,906,488	\$ 2,122,886	\$ 2,200,227
Lease Levy	\$ 382,517	\$ 403,539	\$ 451,576	\$ 453,214
Long Term Facility Maintenance	\$ 1,289,635	\$ 1,398,332	\$ 1,279,679	\$ 1,318,809
Sale of Equipment/E-Rate	\$ 412,413	\$ 9,200	\$ 180,000	\$ -
<b>Total Revenues</b>	<b>\$ 3,602,159</b>	<b>\$ 4,484,178</b>	<b>\$ 4,952,693</b>	<b>\$ 4,867,158</b>

	<b>2023-24 Audit Results</b>	<b>2024-25 Audit Results</b>	<b>2025-26 Revised Budget</b>	<b>2026-27 Proposed Budget</b>
<b>Expenditure Summary</b>				
Leased Facility Space/Assessments	\$ 346,253	\$ 385,033	\$ 435,996	\$ 463,214
Lease Purchase Agreement	\$ 212,352	\$ 140,972	\$ 69,592	\$ 69,592
Building/Program Allocation	\$ 118,395	\$ 155,070	\$ 163,273	\$ 165,183
Textbooks/Digital Curriculum	\$ 354,470	\$ 400,924	\$ 500,000	\$ 425,000
Technology Leases	\$ 595,052	\$ 540,240	\$ 735,340	\$ 730,690
Software Licenses	\$ -	\$ -	\$ 433,012	\$ 441,672
Network Administration	\$ 436,143	\$ 656,114	\$ 670,416	\$ 700,585
Capital Committee Recommendations	\$ 140,577	\$ 856,386	\$ 750,000	\$ 300,000
Long Term Facility Maintenance	\$ 908,860	\$ 922,721	\$ 1,289,150	\$ 1,206,750
<b>Total Expenditures</b>	<b>\$ 3,112,102</b>	<b>\$ 4,057,460</b>	<b>\$ 5,046,779</b>	<b>\$ 4,502,686</b>

	<b>2023-24 Audit Results</b>	<b>2024-25 Audit Results</b>	<b>2025-26 Revised Budget</b>	<b>2026-27 Proposed Budget</b>
<b>Fund Summary</b>				
Beginning Balance	\$ 603,654	\$ 1,093,711	\$ 1,520,429	\$ 1,426,343
Revenue	\$ 3,602,159	\$ 4,484,178	\$ 4,952,693	\$ 4,867,158
Expenditures	\$ 3,112,102	\$ 4,057,460	\$ 5,046,779	\$ 4,502,686
<b>Ending Balance</b>	<b>\$ 1,093,711</b>	<b>\$ 1,520,429</b>	<b>\$ 1,426,343</b>	<b>\$ 1,790,815</b>
Operating Capital	\$ 146,655	\$ 97,762	\$ 13,147	\$ 265,560
Long Term Facility Maintenance	\$ 947,056	\$ 1,422,667	\$ 1,413,196	\$ 1,525,255
<b>Ending Fund Balance</b>	<b>\$ 1,093,711</b>	<b>\$ 1,520,429</b>	<b>\$ 1,426,343</b>	<b>\$ 1,790,815</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 child nutrition program for the 2023-24 school year began state funding free breakfast and lunch as passed by the Legislature. This has resulted in a substantial increase in participation.

The proposed budget shows a spend down of the fund balance. The child nutrition fund has a fund balance maximum. The child nutrition department is constantly evaluating food costs and direct labor hours per meal served will be the primary focus to ensure budget targets are met. The Child Nutrition team works tirelessly to provide creative solutions for our students to help increase participation.

	2023-24 Audit Results	2024-25 Audit Results	2025-26 Revised Budget	2026-27 Proposed Budget
<b>Revenue Summary</b>				
Tuition, fees and other	\$ 360,099	\$ 372,529	\$ 331,600	\$ 356,600
State Aids	\$ 1,310,283	\$ 1,416,537	\$ 1,385,000	\$ 1,448,000
Federal Aids	\$ 1,233,683	\$ 1,124,805	\$ 1,123,724	\$ 1,193,289
<b>Total Revenues</b>	<b>\$ 2,904,065</b>	<b>\$ 2,913,871</b>	<b>\$ 2,840,324</b>	<b>\$ 2,997,889</b>
<b>Expenditure Summary</b>				
Salaries and Benefits	\$ 1,326,520	\$ 1,410,279	\$ 1,535,001	\$ 1,580,304
Purchased Services	\$ (5,074)	\$ 35,971	\$ 26,900	\$ 28,500
Food and Supplies	\$ 1,501,179	\$ 1,472,535	\$ 1,751,081	\$ 1,689,275
Equipment	\$ 5,506	\$ 47,404	\$ 13,000	\$ 13,000
<b>Total Expenditures</b>	<b>\$ 2,828,131</b>	<b>\$ 2,966,189</b>	<b>\$ 3,325,982</b>	<b>\$ 3,311,079</b>
<b>Fund Summary</b>				
Revenue	\$ 2,904,065	\$ 2,913,871	\$ 2,840,324	\$ 2,997,889
Expenditures	\$ 2,828,131	\$ 2,966,189	\$ 3,325,982	\$ 3,311,079
Net	\$ 75,934	\$ (52,318)	\$ (485,658)	\$ (313,190)
Beginning Fund Balance	\$ 937,462	\$ 1,013,396	\$ 961,078	\$ 475,420
<b>Ending Fund Balance</b>	<b>\$ 1,013,396</b>	<b>\$ 961,078</b>	<b>\$ 475,420</b>	<b>\$ 162,230</b>
Fund Balance Max	\$ 942,710	\$ 1,977,459	\$ 2,217,321	\$ 2,207,386

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

## COMMUNITY EDUCATION FUND

Northfield Public Schools Community Education 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 2025-26 was developed with the goal of sustaining participation in their programs that have rebounded from the pandemic. The community education department has a goal of 14% fund balance.

	2023-24 Audit Results	2024-25 Audit Results	2025-26 Revised Budget	2026-27 Proposed Budget
<b>Revenue Summary</b>				
Local Property Taxes	\$ 437,070	\$ 381,313	\$ 412,806	\$ 655,773
State Aids	\$ 656,639	\$ 719,192	\$ 682,304	\$ 698,915
Federal Aid	\$ 23,889	\$ 14,005	\$ -	\$ -
Tuition, fees and other	\$ 2,827,522	\$ 3,163,257	\$ 3,102,470	\$ 3,170,642
<b>Total Revenues</b>	<b>\$ 3,945,120</b>	<b>\$ 4,277,767</b>	<b>\$ 4,197,580</b>	<b>\$ 4,525,330</b>
<b>Expenditure Summary</b>				
Salaries and Wages	\$ 2,547,327	\$ 2,822,694	\$ 3,016,990	\$ 3,099,940
Benefits	\$ 840,252	\$ 843,036	\$ 892,719	\$ 938,970
Purchased Services	\$ 485,422	\$ 524,936	\$ 386,177	\$ 361,282
Supplies and Dues	\$ 112,191	\$ 116,049	\$ 79,535	\$ 101,335
Capital Outlay	\$ 92	\$ 9,877	\$ 1,900	\$ 2,900
<b>Total Expenditures</b>	<b>\$ 3,985,284</b>	<b>\$ 4,316,592</b>	<b>\$ 4,377,321</b>	<b>\$ 4,504,427</b>
<b>Fund Summary</b>				
Revenue	\$ 3,945,120	\$ 4,277,767	\$ 4,197,580	\$ 4,525,330
Expenditures	\$ 3,985,284	\$ 4,316,592	\$ 4,377,321	\$ 4,504,427
Net	\$ (40,164)	\$ (38,825)	\$ (179,741)	\$ 20,903
Beginning Fund Balance	\$ 777,588	\$ 737,424	\$ 698,599	\$ 518,858
<b>Ending Fund Balance</b>	<b>\$ 737,424</b>	<b>\$ 698,599</b>	<b>\$ 518,858</b>	<b>\$ 539,761</b>
<i>Fund Balance Goal</i>	<i>\$ 557,940</i>	<i>\$ 604,323</i>	<i>\$ 612,825</i>	<i>\$ 630,620</i>
General Community Ed	\$ 273,618	\$ 169,584	\$ (47,019)	\$ (45,979)
Early Childhood Family Education	\$ 406,443	\$ 429,980	\$ 432,184	\$ 420,204
School Readiness	\$ 35,159	\$ 74,521	\$ 102,821	\$ 132,436
Unreserved	\$ 22,204	\$ 24,514	\$ 30,872	\$ 33,100
<b>Ending Fund Balance</b>	<b>\$ 737,424</b>	<b>\$ 698,599</b>	<b>\$ 518,858</b>	<b>\$ 539,761</b>

## 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. In November 2024, voters approved all three questions in support of the Reimagine Northfield High School referendum. The district issued \$39,000,000 in bonds in February

	<b>2024-25 Audit Results</b>	<b>2025-26 Revised Budget</b>	<b>2026-27 Proposed Budget</b>
<b>Revenue Summary</b>			
Bond Proceeds	\$ 39,920,609	\$ -	\$ 81,159,391
Interest on Investments	101,029	1,625,000	575,269
Other Financing Sources	1,000,000	1,000,000	-
<b>Total Revenues</b>	<b>\$ 41,021,638</b>	<b>\$ 2,625,000</b>	<b>\$ 81,734,660</b>
<b>Expenditure Summary</b>			
Project Costs	\$ 2,213,501	\$ 13,550,463	\$ 39,510,097
<b>Total Expenditures</b>	<b>\$ 2,213,501</b>	<b>\$ 13,550,463</b>	<b>\$ 39,510,097</b>
<b>Fund Summary</b>			
Beginning Fund Balance	\$ -	\$ 38,808,137	\$ 27,882,674
Revenue	41,021,638	2,625,000	81,734,660
<b>Total Sources</b>	<b>41,021,638</b>	<b>41,433,137</b>	<b>109,617,334</b>
Expenditures	2,213,501	13,550,463	39,510,097
<b>Ending Fund Balance</b>	<b>\$ 38,808,137</b>	<b>\$ 27,882,674</b>	<b>\$ 70,107,237</b>

Location	Description	Construction Cost	Total Project Cost
Northfield High School	120,000 sq ft, multi-story classroom addition, music addition. Demolition of the D, H, M & S wings (102,000 sq ft). Renovation of the remainder of the building.	\$77,099,505	\$95,830,316
	Addition of an expanded gymnasium.	\$15,760,500	\$18,762,500
	Construction and installation of a geothermal system.	\$5,880,000	\$7,000,000
<b>Total Authorized Costs</b>		<b>\$98,740,005</b>	<b>\$121,592,816</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.

	2023-24 Audit Results	2024-25 Audit Results	2025-26 Revised Budget	2026-27 Proposed Budget
<b>Revenue Summary</b>				
Local property Taxes	\$ 4,999,982	\$ 3,038,227	\$ 9,112,966	\$ 8,939,678
Interest on Investments	184,992	145,686	75,000	75,000
State of MN	926,304	760,069	760,068	869,844
Other Sources	-	-	-	-
<b>Total Revenues</b>	<b>\$ 6,111,278</b>	<b>\$ 3,943,982</b>	<b>\$ 9,948,034</b>	<b>\$ 9,884,522</b>

	2023-24 Audit Results	2024-25 Audit Results	2025-26 Revised Budget	2026-27 Proposed Budget
<b>Expenditure Summary</b>				
Bond Principal	\$ 4,130,000	\$ 2,445,000	\$ 5,970,000	\$ 6,195,000
Bond Interest	1,775,509	1,575,009	2,913,604	2,847,209
Other Debt Service Fees	6,950	5,913	8,000	7,000
Other Uses	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 5,912,459</b>	<b>\$ 4,025,922</b>	<b>\$ 8,891,604</b>	<b>\$ 9,049,209</b>

	2023-24 Audit Results	2024-25 Audit Results	2025-26 Revised Budget	2026-27 Proposed Budget
<b>Fund Summary</b>				
Revenue	\$ 6,111,278	\$ 3,943,982	\$ 9,948,034	\$ 9,884,522
Expenditures	5,912,459	4,025,922	8,891,604	9,049,209
Net	198,819	(81,940)	1,056,430	835,313
Beginning Fund Balance	1,349,182	1,548,001	1,466,061	2,522,491
<b>Ending Fund Balance</b>	<b>\$ 1,548,001</b>	<b>\$ 1,466,061</b>	<b>\$ 2,522,491</b>	<b>\$ 3,357,804</b>

**DEBT SERVICE FUND (cont)**

**Current Outstanding Debt  
2026-27 Principal and Interest Payments**

Issue Date	Net Interest Rate	Original Issue	Purpose	Final Maturity	FY 2026-27 Payments		
					Principal	Interest	Total
3/23/2017	1.93%	\$ 1,325,000	BW Roof	2/1/2027	\$ 150,000	\$ 4,500	\$ 154,500
1/31/2019	3.22%	\$ 39,255,000	Elementary/Early Childhood	2/1/2039	\$ 2,080,000	\$ 1,278,631	\$ 3,358,631
2/17/2022	1.95%	\$ 3,120,000	LTFM MS Roof	2/1/2042	\$ -	\$ 74,378	\$ 74,378
2/24/2025	3.97%	\$ 39,000,000	Reimagine NHS	2/1/2048	\$ 3,965,000	\$ 1,489,700	\$ 5,454,700
					<b>\$ 6,195,000</b>	<b>\$ 2,847,209</b>	<b>\$ 9,042,209</b>

**General Obligation Debt  
Annual Maturity Schedule**

Fiscal Year	Principal	Interest	Total
2027	6,195,000	2,847,209	9,042,209
2028	3,125,000	2,540,459	5,665,459
2029	2,725,000	2,385,959	5,110,959
2030	2,865,000	2,251,509	5,116,509
2031	3,080,000	2,146,184	5,226,184
2032	3,235,000	2,022,784	5,257,784
2033	3,315,000	1,918,684	5,233,684
2034	3,425,000	1,812,234	5,237,234
2035	3,515,000	1,702,034	5,217,034
2036	3,640,000	1,578,571	5,218,571
2037	3,740,000	1,450,553	5,190,553
2038	3,875,000	1,315,378	5,190,378
2039	4,015,000	1,180,428	5,195,428
2040	2,640,000	1,036,365	3,676,365
2041	2,765,000	935,250	3,700,250
2042	2,895,000	828,880	3,723,880
2043	2,790,000	717,400	3,507,400
2044	2,850,000	605,800	3,455,800
2045	3,050,000	491,800	3,541,800
2046	3,150,000	369,800	3,519,800
2047	3,200,000	243,800	3,443,800
2048	2,895,000	115,800	3,010,800
	<b>\$ 72,985,000</b>	<b>\$ 30,496,881</b>	<b>\$ 103,481,881</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>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
	<b>Audit</b>	<b>Audit</b>	<b>Revised</b>	<b>Proposed</b>
	<b>Results</b>	<b>Results</b>	<b>Budget</b>	<b>Budget</b>
Beginning Balance	\$410,322	\$359,160	\$348,332	\$286,523
Charges for Services	639,835	654,441	669,882	642,153
Interest Earnings	22,446	17,635	10,000	10,000
<b>Total Sources</b>	<b>1,072,603</b>	<b>1,031,236</b>	<b>1,028,214</b>	<b>938,677</b>
Insurance Claims	675,238	645,230	704,309	648,291
Administrative Fees	38,205	37,674	37,381	36,397
<b>Total Expenditures</b>	<b>713,443</b>	<b>682,904</b>	<b>741,690</b>	<b>684,688</b>
<b>Ending Fund Balance</b>	<b>\$359,160</b>	<b>\$348,332</b>	<b>\$286,523</b>	<b>\$253,989</b>
<b>Goal (40%)</b>	<b>\$270,095</b>	<b>\$258,092</b>	<b>\$281,724</b>	<b>\$259,316</b>

<b>MEDICAL FUND</b>				
	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
	<b>Audit</b>	<b>Audit</b>	<b>Revised</b>	<b>Proposed</b>
	<b>Results</b>	<b>Results</b>	<b>Budget</b>	<b>Budget</b>
Beginning Balance	\$3,111,136	\$3,107,137	\$3,992,213	\$4,419,524
Charges for Services	9,735,650	10,304,043	10,599,685	11,001,630
RX Rebates	294,772	466,144	290,000	350,000
Interest Earnings	168,646	173,384	85,000	100,000
<b>Total Sources</b>	<b>13,310,204</b>	<b>14,050,708</b>	<b>14,966,898</b>	<b>15,871,154</b>
Insurance Claims	8,859,633	8,740,097	9,192,540	9,927,944
Administrative Fees	1,343,435	1,318,398	1,354,833	1,464,579
<b>Total Expenditures</b>	<b>10,203,068</b>	<b>10,058,495</b>	<b>10,547,374</b>	<b>11,392,523</b>
<b>Ending Fund Balance</b>	<b>\$3,107,137</b>	<b>\$3,992,213</b>	<b>\$4,419,524</b>	<b>\$4,478,631</b>
<b>Goal (40%)</b>	<b>\$3,543,853</b>	<b>\$3,496,039</b>	<b>\$3,677,016</b>	<b>\$3,971,177</b>

<b>FUND SUMMARY</b>				
	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
	<b>Audit</b>	<b>Audit</b>	<b>Revised</b>	<b>Proposed</b>
	<b>Results</b>	<b>Results</b>	<b>Budget</b>	<b>Budget</b>
Beginning Balance	\$3,521,458	\$3,466,296	\$4,340,544	\$4,706,048
Total Revenue	10,566,577	11,615,647	11,654,567	12,103,783
<b>Total Sources</b>	<b>14,088,035</b>	<b>15,081,943</b>	<b>15,995,112</b>	<b>16,809,831</b>
Total Expenditures	10,916,511	10,741,399	11,289,064	12,077,211
<b>Ending Fund Balance</b>	<b>\$3,171,524</b>	<b>\$4,340,544</b>	<b>\$4,706,048</b>	<b>\$4,732,620</b>