

2013-14 Proposed Final Budget Presentation

Northwestern Lehigh School District
Board Meeting
April 17, 2013



Agenda

- Budget Goals
- 2013-14 Budget Process Recap
- Proposed Final Budget Presentation

Budget Goals

- Maintain instructional programs with modifications, as necessary
- Provide appropriate class sizes
- Implement strategic planning mission, vision & goals
- Develop a budget with a long-term and short-term focus
- Continue to identify areas to maximize efficiencies and reduce costs without negatively impacting programs
- Provide a funding plan to meet the district's needs while minimizing any potential tax increase to taxpayers

2013-2014

2013-14 Budget Recap

DECEMBER 12TH

- High level budget presented to provide board information to adopt the resolution to stay within the Act 1 Index

JANUARY 16TH

- Board adopted resolution to stay within the Act 1 Index

FEBRUARY 6TH

- Budgeting Strategies
 - OPEB
 - Fleet Replacements
 - Diesel/Heating Oil
 - Capital Reserve Transfer
 - PSERS ER rate
 - EBP Rate Stabilization
 - Budgetary Reserve

MARCH 20TH

- Revenue Assumptions
- Expenditure Assumptions

2013-14 Budget Timeline

2013-2014 Budget Timeline	Dates	Estimated Revenue	Estimated Expenditures	Estimated Budget Shortfall w/ No Millage Increase	Estimated Budget Shortfall w/ 0.32 Millage Increase \$458,401
Budget Overview	Dec 12, 2012	\$ 36,475,109	\$ 38,390,361	\$ (1,915,252)	\$ (1,477,285)
Budget Discussion *	March 6, 2013	\$ 36,761,750	\$ 37,979,611	\$ (1,217,861)	\$ (759,460)
Proposed Final Budget Presentation	April 17, 2013	\$ 36,770,927	\$ 37,473,487	\$ (702,560)	\$ (244,159)
Budget Discussion	May 1, 2013	TBD	TBD	TBD	TBD
Proposed Final Budget Adoption	May 15, 2013	TBD	TBD	TBD	TBD
Final Budget Presentation	June 5, 2013	TBD	TBD	TBD	TBD
Final Budget Adoption	June 19, 2013	TBD	TBD	TBD	TBD

* No change to Salaries & Benefits from initial budget projections.

1314 Budget Summary- April 17th

	Actual 2011-12	Final 2012-13	March 6th Budget 2013-14	April 17th Budget 2013-14	Change from March 6th
Total Building & Departments	\$ 3,408,823	\$ 4,191,606	\$ 4,171,778	\$ 4,075,394	\$ (96,384)
Total Salaries	16,207,233	16,737,537	17,239,915	17,077,162	(162,753)
Total Benefits-All Staff	5,867,371	6,769,635	7,922,082	7,670,095	(251,987)
District Wide (Non-Personnel Related)	7,570,099	8,930,188	8,422,853	8,425,853	3,000
Grant Expenditures	293,629	220,000	222,983	224,983	2,000
Estimated Total Expenditures	33,347,155	36,848,966	37,979,611	37,473,487	(506,124)
Estimated Total Revenue	35,960,071	35,950,492	36,761,750	36,770,927	9,177
Estimated Surplus/(Shortfall)	\$ 2,612,916	\$ (898,474)	\$ (1,217,861)	\$ (702,560)	\$ 515,301



**Additional
Reduction \$515,301**

Changes from March 6th

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- Revenues

- Social Security Reimbursement
 - (+) \$9,177

Net Revenue Change

(+) \$9,177

- Expenditures

- Buildings & Departments
 - (-) \$96,384
- Salaries
 - (-) \$162,753
- Benefits
 - (-) \$251,987
- District-Wide & Grants
 - (+) \$5,000

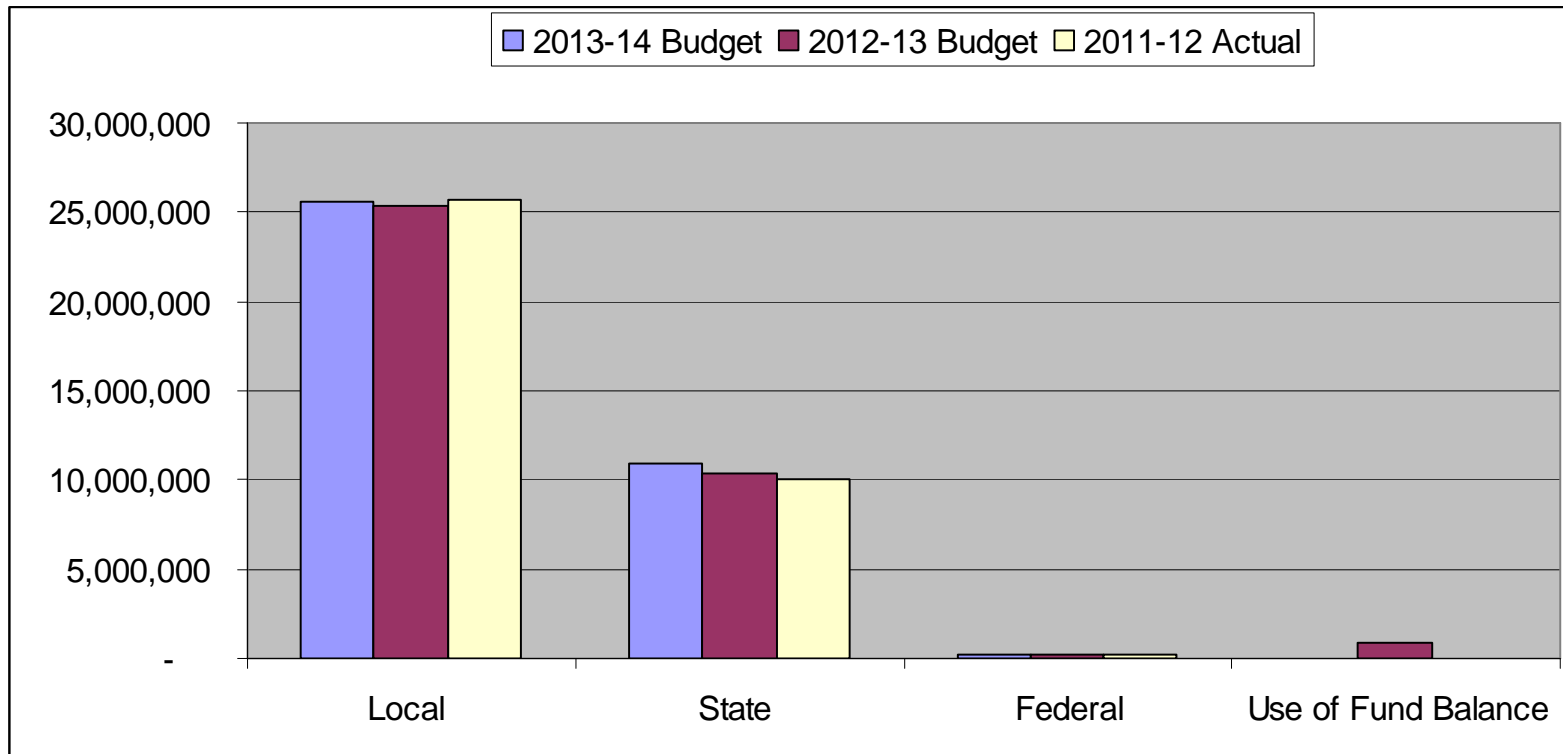
Net Expenditure Change

(-) \$506,124

2013-14 Proposed Final Budget Overview Packet

Page #	Description
1-4	Revenues
5-7	Reassessment Data
8	Major Category Summary (Expanded)
9	Per Student Spending
10-15	Supplemental Schedules (PSERS, Oil/Diesel, OPEB, EBP, FB)
16-26	Expenditures

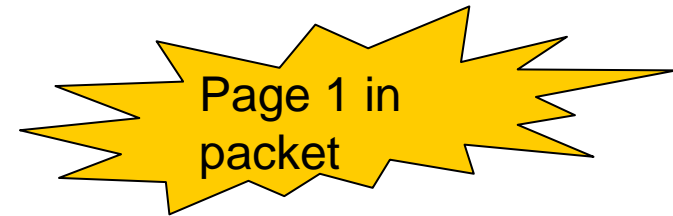
Revenues- Three (3) Year Compare



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Revenue Changes

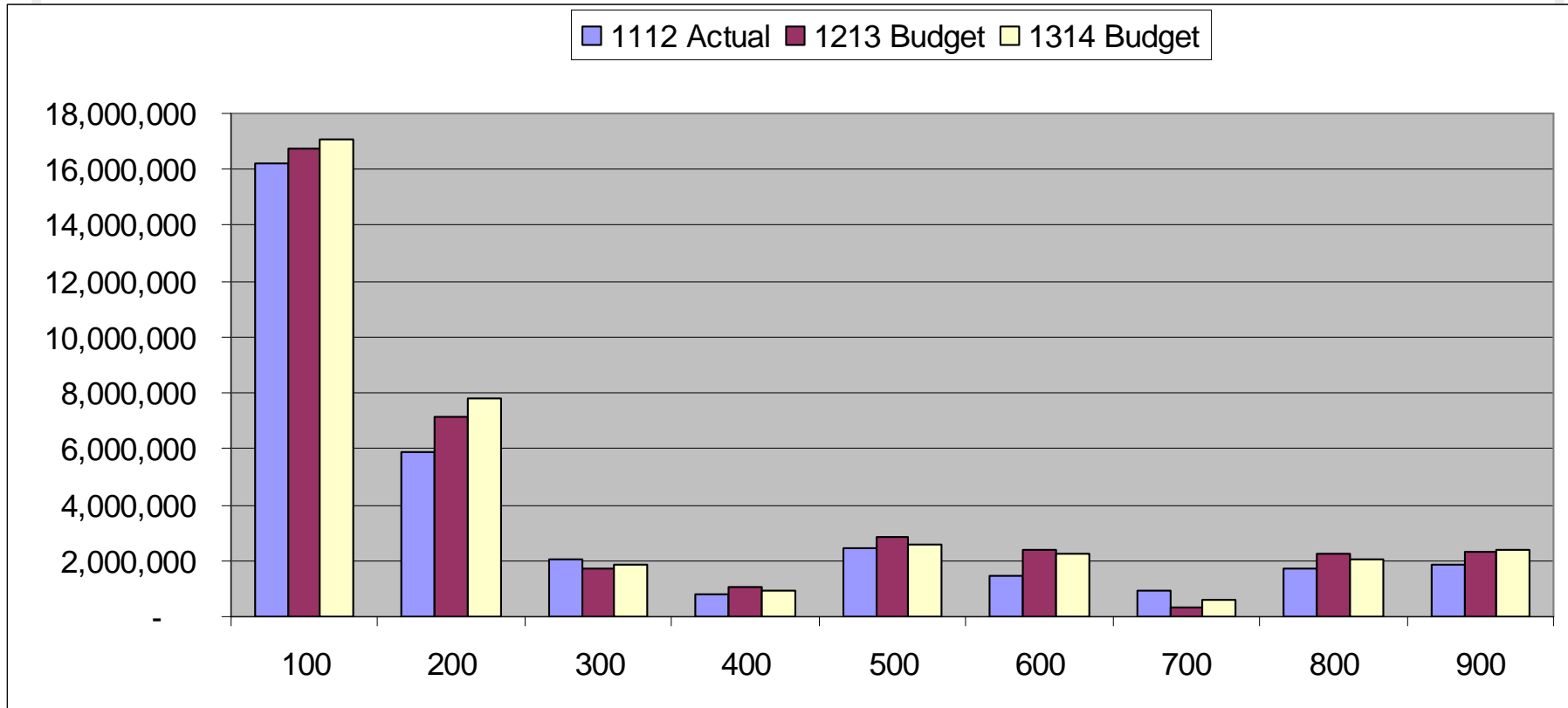
- Local Revenue
 - (+) \$309,015
- State Revenue
 - (+) \$533,810
- Federal Revenue
 - (-) \$22,390



NET REVENUE CHANGES

(+) \$820,435

Expenditures by Object- Three (3) Year Compare



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Expenditure Changes

- Salaries (100)
 - (+) \$339,625
- Benefits (200)
 - (+) \$700,779
- Prof & Tech Services (300)
 - (+) \$87,687
- Property Services (400)
 - (-) \$192,547
- Other Services (500)
 - (-) \$255,135
- Supplies (600)
 - (-) \$138,196
- Property (700)
 - (+) \$217,476
- Other Financing Uses (900)
 - (-) \$135,168

NET EXPENDITURE CHANGES

(+) \$624,521

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Staffing Recap

Total Estimated Annual Savings \$2,400,000

- 2009-10 to 2011-12
 - Administration
 - Elimination of 3 positions
 - Teachers
 - Elimination of 18 positions
 - Support
 - Elimination of 5 positions
 - Savings on 6 benefited positions
- 2012-13
 - Teachers
 - 8 retirements = 8 replacements
 - Support
 - 2 FT custodial retirements= 4 PT replacements
 - Savings on 2 benefited positions
 - 4 aide resignations = 2 replacements

Impact of Staffing Changes

2013-14 Budgeted Salaries	\$ 17,077,162	
2008-09 Salaries	16,667,584	
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	409,578	2.46%
Est. 2013-14 Salaries w/2% Annual Increase	18,402,360	
2008-09 Salaries	16,667,584	
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	1,734,776	10.41%
Impact of Staffing Changes	\$ (1,325,198)	

Benefit Recap

- 1314 Renewals for Healthcare
 - + 6.83% ↑ for medical & Rx
 - 0% rate hold for dental
- PSERS 16.93% (12.36% 1213)
- Workers' Compensation estimated renewal \$160,000, increase of \$12,722 (8.64%)
- Minimal increase to other benefits
 - Life
 - LTD
 - Vision
 - U/C

Estimated Use of Fund Balance

Estimated Shortfall- April 17th	\$	(702,560)
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Unassigned		
Budgetary Reserve		276,145
	\$	<u>276,145</u>

Committed		
PSERS Stabilization		315,165 *
Diesel/Oil Stabilization		111,250 *
	\$	<u>426,415</u>

Total Use of Fund Balance	\$	<u>702,560</u>
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* Amount required board action for use in 2013-14

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Open Budget Items

- Final staffing plans
- Diesel/Oil bid prices
- PPACA healthcare implications
- State Revenues
- HS renovation project financing

2013-2014 Budget Summary

Total Revenues	\$36,770,927
Total Expenditures	<u>\$37,473,487</u>
Shortfall	(\$ 702,560)

This budget includes a
0 TAX MILLAGE INCREASE, and includes
\$702,560 USE OF FUND BALANCE
to fund the estimated shortfall.