

2013-14 Final Budget Presentation

Northwestern Lehigh School District
Finance Committee Meeting
June 5, 2013



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 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) |
| Proposed Final Budget Adoption | May 15, 2013 | \$ 36,770,927 | \$ 37,473,487 | \$ (702,560) | \$ (244,159) |
| Final Budget Presentation | June 5, 2013 | \$ 36,845,817 | \$ 37,298,915 | \$ (453,098) | n/a |
| Final Budget Adoption | June 19, 2013 | TBD | TBD | TBD | TBD |


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

Board Handouts

- Final Budget Book
 - Similar to prior years
 - Presents data in the PDE required format
 - Includes supplemental schedules:
 - Historical Assessed Values
 - Historical Millage Rates
 - Act 1 Index
 - Real Estate Tax County Comparisons
 - Historical Homestead/Farmstead data
- Final Budget Overview Packet
 - Changes from May 15th Proposed Final Budget Adoption
 - Final Budget Summary by Category
 - Comparisons to 2012-13 Budget
 - Final Object Summary

Final Budget Summary- June 19, 2013

| | Actual 2011-12 | Final 2012-13 | May 15th Budget 2013-14 | June 19th Budget 2013-14 | Change from May 15th | Change from 2012-13 |
|-------------------------------|-------------------|------------------|-------------------------------|--------------------------------|-------------------------|------------------------|
| Total Building & Departments | \$ 3,408,823 | \$ 4,191,606 | \$ 4,075,394 | \$ 4,063,041 | \$ (12,353) | \$ (128,565) |
| Total Salaries | 16,207,233 | 16,737,537 | 17,077,162 | 17,005,161 | (72,001) | 267,624 |
| Total Benefits-All Staff | 5,867,371 | 6,769,635 | 7,670,095 | 7,679,737 | 9,642 | 910,102 |
| District Wide | 7,570,099 | 8,930,188 | 8,425,853 | 8,328,529 | (97,324) | (601,659) |
| Grant Expenditures | 293,629 | 220,000 | 224,983 | 222,447 | (2,536) | 2,447 |
| Estimated Total Expenditures | 33,347,155 | 36,848,966 | 37,473,487 | 37,298,915 | (174,572) | 449,949 |
| Estimated Total Revenue | 35,960,071 | 35,950,492 | 36,770,927 | 36,845,817 | 74,890 | 895,325 |
| Estimated Surplus/(Shortfall) | \$ 2,612,916 | \$ (898,474) | \$ (702,560) | \$ (453,098) | 249,462 | |


Additional Reduction
(\$249,462)

Changes from May 15th

Page 1 in
overview packet

- Revenues

- Assessed Value Growth
 - (+) \$76,723
- Homestead/Farmstead
 - (+) \$703
- Title I & II
 - (-) \$2,536

Net Revenue Change

(+) \$74,890

- Expenditures

- Buildings & Departments
 - (-) \$12,353
- Salaries & Benefits
 - (-) \$62,359
- District-Wide & Grants
 - (+) \$97,324
- Grants
 - (-) \$2,536

Net Expenditure Change

(-) \$174,572

Planned Use of Fund Balance

Page 8 in
overview packet

| | | | |
|---|-------------------------|---|---|
| Estimated Shortfall- June 19th | \$ 453,098 | ← | Shortfall assume 0 mill increase |
| Unassigned Budgetary Reserve | 26,683 <u>26,683</u> | ← | Unassigned Use of Fund Balance |
| Committed/Assigned PSERS Stabilization | 315,165 * | | |
| Diesel/Oil Stabilization | 111,250 * | | |
| | <u>426,415</u> | ← | Committed/Assigned Use of Fund Balance |
| Total Use of Fund Balance | <u>\$ 453,098</u> | | |

* Amount required board action for use in 2013-14

2013-14 Budget Summary

| | |
|--------------------|---------------------|
| Total Revenues | \$36,845,817 |
| Total Expenditures | <u>\$37,298,915</u> |
| Shortfall | (\$ 453,098) |

This budget includes a
0 TAX MILLAGE INCREASE, and includes
\$453,098 USE OF FUND BALANCE
to fund the estimated shortfall.

Action Items

- **BOARD MEETING- JUNE 19, 2013**
 - Final Budget Adoption
 - Commitment of 12-13 funds as of June 30, 2013*
 - OPEB
 - Medical Stabilization
 - PSERS Stabilization
 - EBP Stabilization
 - Energy Stabilization
 - Millage Rate Stabilization
 - Approval to use Committed Fund Balance in 13-14

* Amounts to be determined upon completion of Financial Statement audit.