



2014-2015 Preliminary Budget Overview



Northwestern Lehigh School District
December 4, 2013

2014-2015 Preliminary Budget Overview

- High Level budget overview
- Worst case scenario budget
- 2014-15 Adjusted Index
 - 2.4%
 - 0.3831 mills- approximately \$557,000
- January 15, 2014- Resolution to stay within the index

2014-2015 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

Revenue Assumptions

■ LOCAL:

- Increase due to assessed value growth for **Current Real Estate Taxes**
- Increases to:
 - **Admissions**
 - **Donations**
 - **Transportation Fees**
- Decreases to:
 - **Interim Real Estate Tax**
- All other revenues flat

■ STATE:

- Increases to:
 - **PSERS reimbursement**
- Decreases to:
 - **Section 1305/1306 tuition**
 - **Rental/Sinking payments**
 - **Health services reimbursement**
 - **SS reimbursement**
- All other revenues flat

■ FEDERAL:

- flat

Expenditure Assumptions

- Building/Department Budgets
 - Flat
- Salaries
 - 3% increase all staff
- Benefits
 - Medical & RX 22% increase
 - Dental 0% increase
 - Life & LTD 5% increase
 - PSERS 21.40% vs 16.93% (1314)
- District Wide
 - Specific identification (debt, LCTI, LCCC, Cyber/Charter)
 - Strategic Planning Initiatives
 - Buses/Vans

2014-15 Preliminary Budget

	Actual 2012-13	Final 2013-14	December 4th Budget 2014-15	Change from 2012-13	Change from 2013-14	% Change from 2013-14
Total Building & Departments	\$ 3,872,388	\$ 4,191,784	\$ 4,191,784	\$ 319,396	\$ -	0.00%
District Wide:						
Salaries:						
Professionals	10,994,578	11,254,247	11,591,874	597,296	337,627	
Support Staff	3,810,299	4,128,679	4,252,539	442,240	123,860	
Administration	1,495,210	1,598,972	1,646,941	151,731	47,969	
Tax Collectors	24,390	23,263	23,553	(837)	290	
Total Salaries	16,324,477	17,005,161	17,514,908	1,190,431	509,747	3.00%
Benefits-All Staff						
Medical	2,262,369	2,379,432	2,902,907	640,538	523,475	
Dental	150,035	162,507	162,507	12,472	-	
Life Insurance	31,765	31,200	32,760	995	1,560	
Long-Term Disability	22,727	32,713	34,349	11,622	1,636	
Vision	17,381	13,526	15,000	(2,381)	1,474	
Prescription	537,563	567,594	692,465	154,902	124,871	
Social Security	1,220,157	1,297,866	1,339,890	119,733	42,024	
PSERS	2,009,329	2,864,549	3,748,190	1,738,861	883,641	
Tuition	50,648	51,564	50,000	(648)	(1,564)	
Unemployment Compensation	11,433	24,793	25,000	13,567	207	
Workers' Compensation	141,099	189,981	189,981	48,882	-	
Other Benefits	58,333	64,012	75,000	16,667	10,988	
Total Benefits-All Staff	6,512,839	7,679,737	9,268,049	2,755,210	1,588,312	20.68%
District Wide (Non-Personnel Related)	7,471,180	8,328,529	8,767,187	1,296,007	438,658	5.27%
Grant Expenditures	248,432	222,447	222,983	(25,449)	536	0.24%
Estimated Total Expenditures	34,429,316	37,427,658	39,964,911	5,535,595	2,537,253	6.78%
Estimated Total Revenue	36,093,822	36,845,817	37,357,819	1,263,997	512,002	
Estimated Surplus/(Shortfall)	\$ 1,664,506	\$ (581,841)	\$ (2,607,092)	\$ (4,271,598)	\$ (2,025,251)	
Max Millage Increase 0.3831 mills			557,296			
Estimated Shortfall After Millage Increase	n/a	n/a	(2,049,796)	n/a	n/a	

Outstanding Revenue Items

- Final Assessment Values
- Potential TIF revenue
- State Revenues
- Federal Revenues

Outstanding Expenditure Items

- Staffing
- Healthcare benefits
- Budgeting strategies:
 - Heating Oil/Diesel
 - OPEB
 - PSERS
 - Emmaus Bond Pool Rate Stabilization
 - Fleet replacement cycle
 - Bond refinancing savings
 - Budgetary Reserve

Next Steps...

- **January**-Board Resolution to stay within the index
- **February**-budget discussions on budgeting strategies
- **March**-update on budget assumptions
- **April**-Proposed Final Budget presentation
- **May**-Approval of Proposed Final Budget
- **June**-Final Budget presentation and Approval