

# 2014-15 Budget Discussion

Northwestern Lehigh School District  
Finance Committee Meeting  
March 5, 2014



# Agenda

- Overview 2014-15
- Update on Revenues
- Update on Expenditures

# 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

**2014-2015**

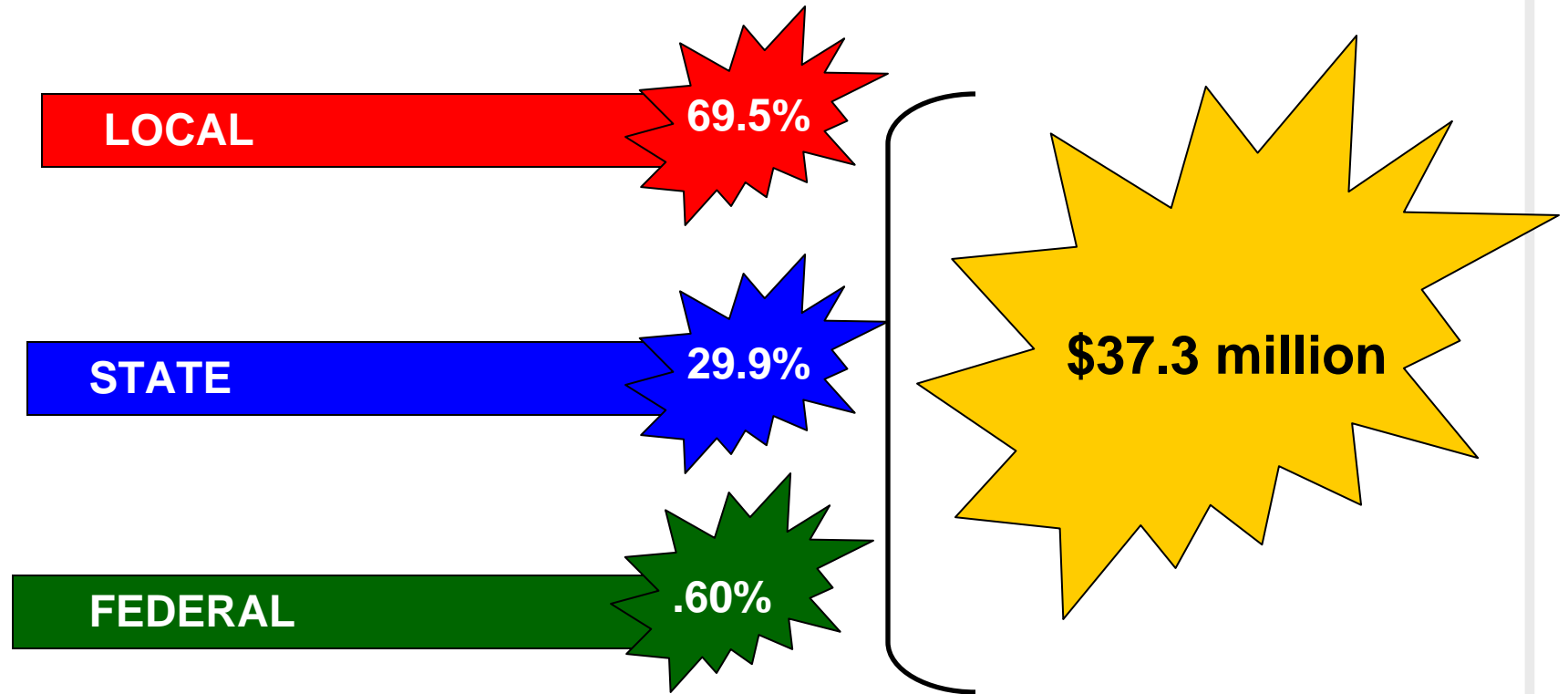
# 2014-15 Budget Timeline

2014-15 Budget Timeline	Dates	Estimated Revenue	Estimated Expenditures	Estimated Budget Shortfall w/ No Millage Increase	Estimated Budget Shortfall w/ 0.38 Millage Increase
Budget Overview	December 4, 2013	\$ 37,357,819	\$ 39,836,168	\$ (2,478,349)	\$ (1,921,053) [1]
<b>Budget Discussion *</b>	<b>March 5, 2014</b>	<b>\$ 37,336,069</b>	<b>\$ 39,791,407</b>	<b>\$ (2,455,338)</b>	<b>\$ (1,895,905)</b>
Budget Discussion	April 2, 2014	TBD	TBD	TBD	TBD
Proposed Final Budget Discussion	May 7, 2014	TBD	TBD	TBD	TBD
Proposed Final Budget Adoption	<del>May 21, 2014</del>	TBD	TBD	TBD	TBD
Final Budget Discussion	June 4, 2014	TBD	TBD	TBD	TBD
Final Budget Adoption	June 18, 2014	TBD	TBD	TBD	TBD

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


[1] Corrected expenditures

# Revenues



# Revenue Assumptions

- Local Sources
  - 96% collection rate
  - **Increase to RE Assessment Base (as of Feb 2014)**
  - All other revenues relatively flat
- State Sources
  - **Increase in Basic Education Funding (BEF)**
  - **Increase in Special Education Funding (SEF)**
  - **Reduction to Transportation Subsidy (due to MV inc.)**
  - Increase to Retirement Reimbursement (PSERS)
- Federal Sources
  - **4% reduction to reflect flat funding from actual 2013-14 allocations**



Net (Decrease)  
since Dec 4th  
- \$(21,750)

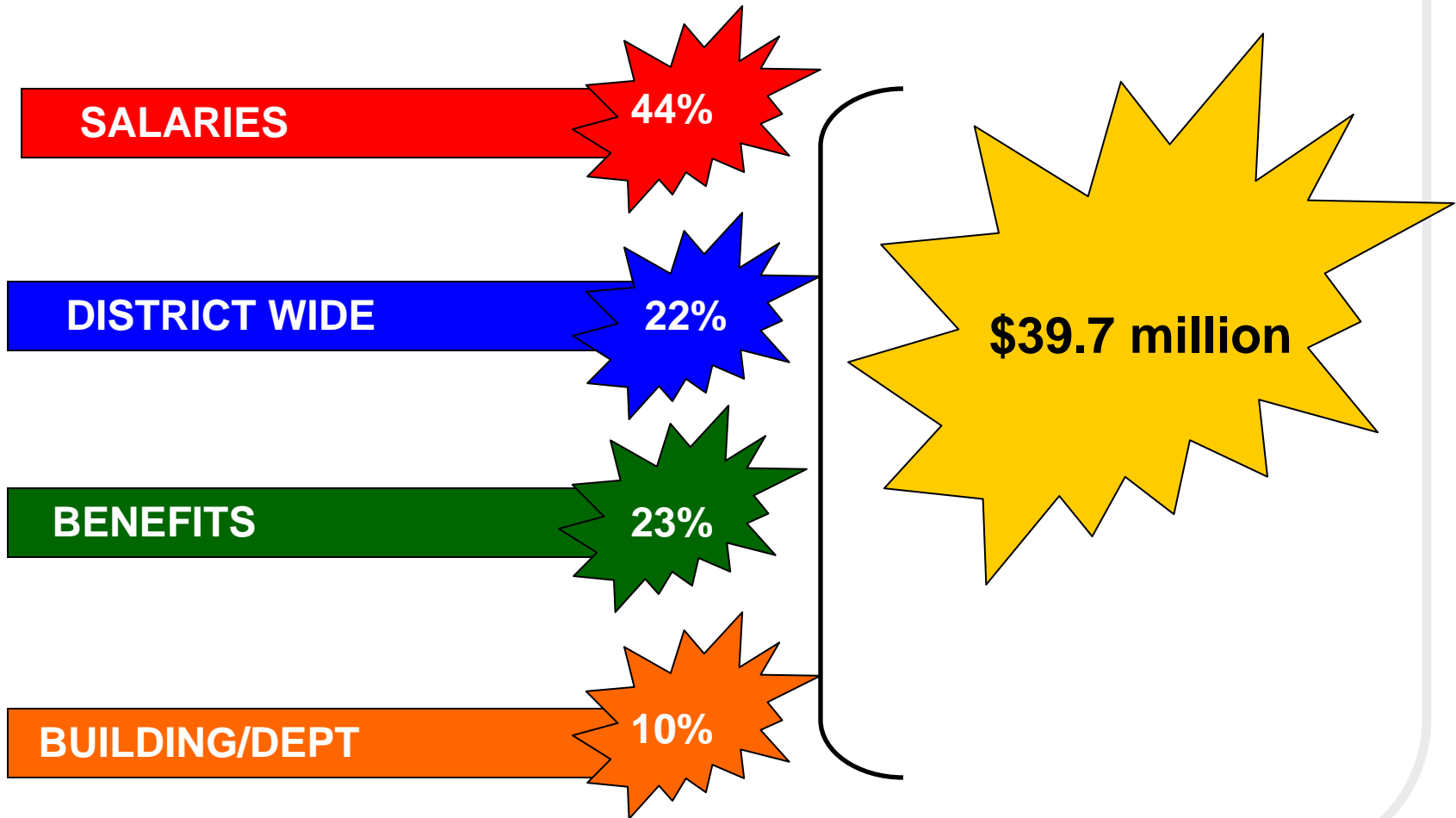
\* Items highlighted in **gold** are changes from the December 4<sup>th</sup>

# Revenue Changes

(Since December 4<sup>th</sup>)

● Inc. Assessment Base	\$ 58,813
● Basic Education	7,636
● Special Education	6,382
● Transportation Subsidy	(93,581)
● PSERS	7,650
● Federal Grants	( 8,650)
<b>Net Decrease</b>	<b>\$ (21,750)</b>

# Expenditures





# Expenditure Assumptions

- **Building/Departments- increases in HR, Transportation, Technology and Building & Grounds**
- Salaries
  - 3% Professionals, Support, Administrators
- Benefits
  - HBS 16.75% (includes medical & RX) with staging
  - PSERS 21.40%
  - **Worker Compensation increase**
- District Wide (specific identification)
  - **Special Education**
  - LCTI
  - LCCC
  - IU
  - Debt payments
  - **Property/Casualty insurance**



Net **Decrease**  
since Dec 4th  
- **\$(44,761)**

\* Items highlighted in **gold** are changes from the December 4<sup>th</sup>

# Expenditure Changes

(since December 4<sup>th</sup>)

● Building/Departments	\$ 90,477
● LCTI	( 14,391)
● LCCC	( 21,068)
● Health/Rx	( 146,550)
● Worker Compensation	27,407
● Reduced Federal Exp.	( 9,186)
● Other Changes	<u>28,550</u>
<b>Net Decrease</b>	<b>\$ ( 44,761)</b>

# Budget Summary

	Actual 2012-13	Final 2013-14	December 4th Budget 2014-15	March 5, 2014 Budget 2014-15	Change from 2013-14	% Change from 2013-14
Total Building & Departments	\$ 3,872,388	\$ 4,063,041	\$ 4,063,041	\$ 4,153,518	\$ 90,477	2.23%
District Wide:						
Salaries:						
Professionals	10,994,578	11,254,247	11,591,874	11,591,874	337,627	
Support Staff	3,810,299	4,128,679	4,252,539	4,252,539	123,860	
Administration	1,495,210	1,598,972	1,646,941	1,646,941	47,969	
Tax Collectors	24,390	23,263	23,553	23,553	290	
Total Salaries	16,324,477	17,005,161	17,514,908	17,514,908	509,747	3.00%
Benefits-All Staff						
Medical	2,262,369	2,379,432	2,902,907	2,781,899	402,467	
Dental	150,035	162,507	162,507	162,507	-	
Life Insurance	31,765	31,200	32,760	32,760	1,560	
Long-Term Disability	22,727	32,713	34,349	34,349	1,636	
Vision	17,381	13,526	15,000	15,000	1,474	
Prescription	537,563	567,594	692,465	666,923	99,329	
Social Security	1,220,157	1,297,866	1,339,890	1,339,890	42,024	
PSERS	2,009,329	2,864,549	3,748,190	3,748,190	883,641	
Tuition	50,648	51,564	50,000	50,000	(1,564)	
Unemployment Compensation	11,433	24,793	25,000	25,000	207	
Workers' Compensation	141,099	189,981	189,981	217,388	27,407	
Other Benefits	58,333	64,012	75,000	75,000	10,988	
Total Benefits-All Staff	6,512,839	7,679,737	9,268,049	9,148,906	1,469,169	19.13%
District Wide (Non-Personnel Related)	7,471,180	8,328,529	8,767,187	8,760,278	431,749	5.18%
Grant Expenditures	248,432	222,447	222,983	213,797	(8,650)	-3.89%
Estimated Total Expenditures	34,429,316	37,298,915	39,836,168	39,791,407	2,492,492	6.68%
Estimated Total Revenue	36,093,822	36,845,817	37,357,819	37,336,069	490,252	
Estimated Surplus/(Shortfall)	\$ 1,664,506	\$ (453,098)	\$ (2,478,349)	\$ (2,455,338)	\$ (2,002,240)	