



# 2015-16 Proposed Final Budget

Northwestern Lehigh School District  
Finance Committee Meeting  
May 6, 2015

# Agenda

- Budget Goals
- 2015-16 Budget Process Recap
- Proposed Final Budget Presentation

# Budget Goals

- Provide instructional programs to meet Chapter 4 requirements in core content areas and in the related arts
- Provide staffing to meet instructional and operational needs
- Commit to long range technology planning to support ongoing technology initiatives
- Implement a Facilities Master Plan to address ongoing facility needs
- 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

**2015-2016**

# 2015-16 Budget Recap

## DECEMBER 3<sup>rd</sup>

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

## JANUARY 21<sup>st</sup>

- Board adopted resolution to stay within the Act 1 Index

## FEBRUARY 4<sup>TH</sup>

- Budgeting Strategies

## APRIL 15<sup>TH</sup>

- Budget discussion and updated assumptions

## MAY 13<sup>TH</sup>

- Proposed Final Budget Adoption

# 2015-16 Budget Timeline

15-16 Budget Timeline	Dates	Estimated Revenues	Estimated Expenditures	Shortfall w/NO Millage Increase
Budget Overview	Dec 3 <sup>rd</sup>	\$39,137,190	\$40,955,868	(\$1,818,678)
Budget Discussion	Feb 4 <sup>th</sup>	\$39,137,190	\$40,955,868	(\$1,818,678)
Budget Discussion	April 15 <sup>th</sup>	\$39,446,557	\$43,466,777	(\$4,020,220)
<b>Proposed Final Budget</b>	<b>May 6<sup>th</sup>/ May 13<sup>th</sup></b>	<b>\$39,658,787</b>	<b>\$43,655,535</b>	<b>(\$3,996,748)</b>
Final Budget	June 3 <sup>rd</sup> / June 17 <sup>th</sup>	TBD	TBD	TBD

NOTE: Increase to expenditures driven by scheduled use of fund balance for Capital Projects transfer.

# 15-16 Budget Summary- May 13th

	Final 2014-15	April 15, 2015 Budget 2015-16	May 13, 2015 Budget 2015-16	Change from April 15th	Change from 2014-15
Total Building & Departments	\$ 2,789,319	\$ 2,920,171	\$ 2,914,441	\$ (5,730)	\$ 130,852
District Wide:					
Total Salaries	16,980,417	17,237,408	17,220,732	(16,676)	240,315
Total Benefits-All Staff	8,805,947	9,671,193	9,600,887	(70,306)	794,940
District Wide (Non-Personnel Related)	10,316,863	13,424,208	13,875,805	\$ 451,597	\$ 3,558,942
Grant Expenditures	439,046	213,797	43,670	\$ (170,127)	\$ (395,376)
Estimated Total Expenditures	39,331,592	43,466,777	43,655,535	\$ 188,758	4,323,943
Estimated Total Revenue	38,153,393	39,446,557	39,658,787	212,230	\$ 1,505,394
Estimated Surplus/(Shortfall) before FB	(1,178,199)	(4,020,220)	(3,996,748)	\$ 23,472	
Fund Balance Transfer for Capital Projects		2,750,000	2,850,000	100,000	
Estimated Surplus/(Shortfall)		(1,270,220)	(1,146,748)	123,472	

**\$23,000 decrease to shortfall  
from April 15<sup>th</sup>**

# Changes from April 15th

Category	Change from April 15 <sup>th</sup>
<b>Local Revenues:</b>	
Changes in assessment base	(+) 2,000
Addition of TIF revenues	<u>(+) 210,000</u>
<b>NET CHANGE</b>	<b>(+) 212,000</b>

Category	Change from April 15 <sup>th</sup>
<b>Expenditures:</b>	
Buildings/Dept	(-) 6,000
Salaries	(-) 17,000
Benefits	(-) 70,000
District Wide/Grants	<u>(+) 282,000</u>
<b>NET CHANGE</b>	<b>(+) 189,000</b>

# Revenue Changes from 2014-15

Category	Change from 2014-2015
<b>Local Revenue:</b>	
Local Real Estate Taxes	(+) 643,000
Interim Real Estate Taxes	(-) 50,000
Earned Income Taxes	(+) 200,000
Delinquent Real Estate Taxes	(+) 50,000
Interest Earnings	(-) 40,000
Other Local Revenues	<u>(-) 6,000</u>
<b>NET CHANGE</b>	<b>(+) 797,000</b>

Category	Change from 2014-2015
<b>State Revenue:</b>	
Basic Education	(+) 433,000
Special Education	(+) 120,000
Transportation	(+) 100,000
Accountability Block Grant	(-) 311,000
PSERS	(+) 390,000
Other State Revenues	<u>(-) 24,000</u>
<b>NET CHANGE</b>	<b>(+) 708,000</b>

**NET REVENUE CHANGES:  
(+) \$1,505,000**



# Millage Rate History

Year	Millage	Increase in Mills	% Increase	Estimated Value of 1 Mill
<b>2015-16</b>	<b>15.9631</b>	<b>0.00</b>	<b>0.00%</b>	<b>\$1,454,034</b>
2014-15	15.9631	0.00	0.00%	\$1,404,845
2013-14 * reassessment	15.9631	0.00	0.00%	\$1,385,373
2012-13	50.66	0.00	0.00%	\$446,151
2011-12	50.66	0.00	0.00%	\$444,369
2010-11	50.66	1.25	2.53%	\$431,599
2009-10	49.41	2.00	4.22%	\$427,533

# Lehigh County Millage Rates

	District	2013-14 Millage	2014-15 Millage	Change	% Change
1	Northern Lehigh	20.1681	20.7644	0.5963	2.96%
2	Allentown	17.3155	18.3287	1.0132	5.85%
3	Salisbury Township	16.9203	17.4956	0.5753	3.40%
4	East Penn	16.1259	16.6490	0.5231	3.24%
5	Catasauqua	16.3100	16.3100	0.0000	0.00%
<b>6</b>	<b>Northwestern Lehigh</b>	<b>15.9631</b>	<b>15.9631</b>	<b>0.0000</b>	<b>0.00%</b>
7	Whitehall Coplay	14.9259	15.4186	0.4927	3.30%
8	Southern Lehigh	15.3700	15.3700	0.0000	0.00%
9	Parkland	13.9300	14.1900	0.2600	1.87%
	Average	16.3365	16.7210	0.3845	2.35%

# Expenditure Changes from 2014-15

Category	Change from 2014-2015
Salaries (100)	(+) 70,000
Benefits (200)	(+) 641,000
Professional & Tech Services (300)	(+) 190,000
Property Services (400)	(-) 41,000

Category	Change from 2014-2015
Other Services (500)	(-) 6,000
Supplies (600)	(-) 435,000
Property (700)	(+) 152,000
Other Financing Uses (800/900)	<u>(+) 3,753,000</u>
<b>NET CHANGE</b>	<b>(+) 4,324,000</b>

**NET EXPENDITURE CHANGES:  
(+) \$4,324,000**

# Staffing Recap

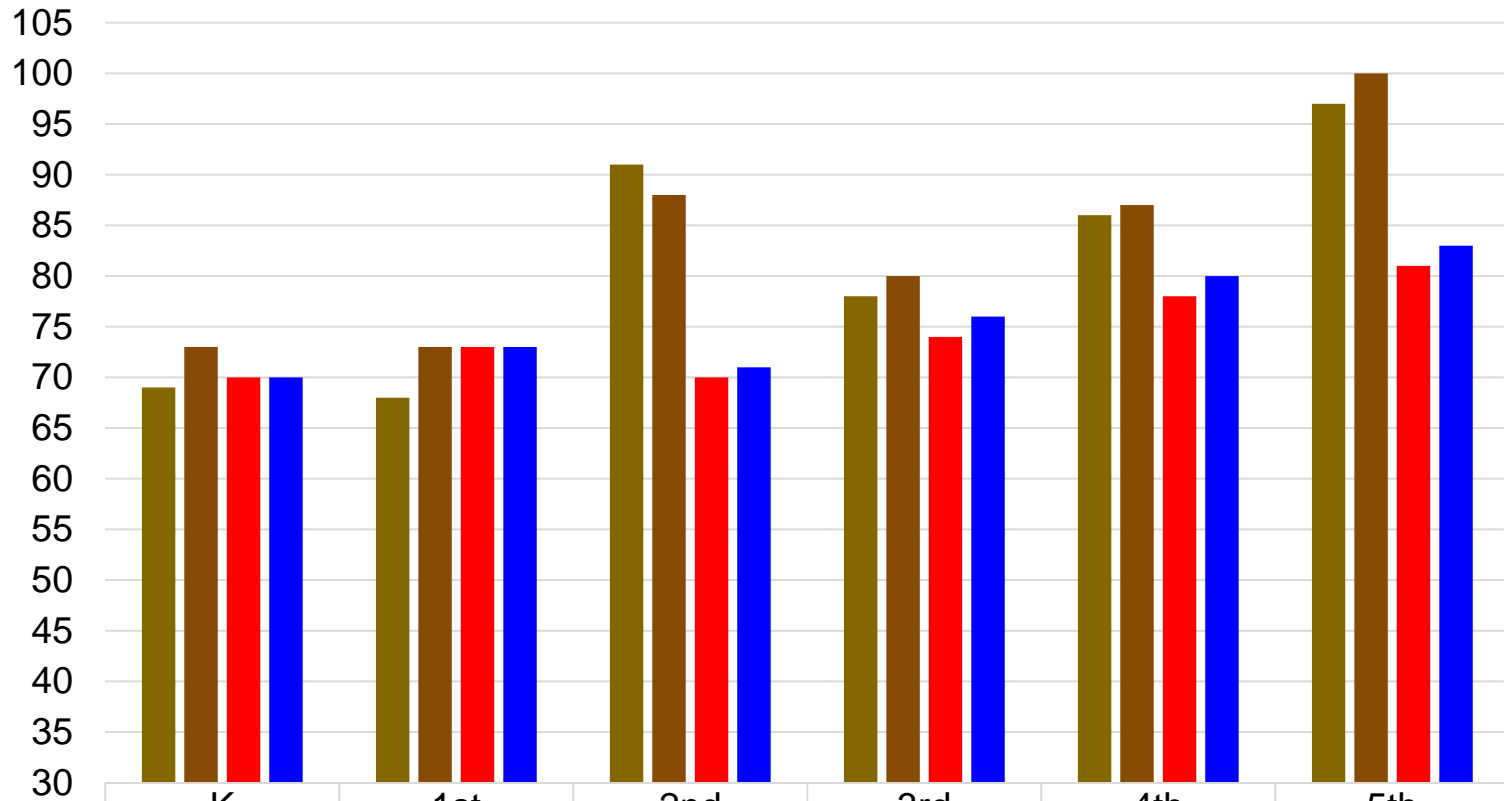
	Professiona l	Support	Admin	Total
High School	55	15	2	72
Middle School	45	18	2	65
Northwestern Elementary	36	19	1	56
Weisenberg Elementary	33	24	1	58
District Wide	5	89	9	103
Total	174	165	15	354

NOTE: Staff count is based upon anticipated 1516 staffing levels.

# Elementary Classroom Recommendations for 2014-2015

Grade Guidelines	NWE Total Students 497	WEIS Total Students 460
KDG 17-22	69 3@ <b>23</b>	70 3@ <b>23, 24</b>
1 <sup>st</sup> Grade 17-22	68 4@ <b>17, 18</b> -1 class	73 4@ <b>18, 19</b> +1 class
2 <sup>nd</sup> Grade 18-24	91 4@ <b>22, 23</b>	70 3@ <b>22, 23</b> -1 class
3 <sup>rd</sup> Grade 18-24	78 4@ <b>19, 20</b>	74 4@ <b>18, 19</b>
4 <sup>th</sup> Grade 18-25	86 4@ <b>21, 22</b> -1 class	78 4@ <b>19, 20</b>
5 <sup>th</sup> Grade 18-25	97 4@ <b>24, 25</b> +1 class	81 4@ <b>20, 21</b>

## Elementary Enrollment-Predicted vs Actual 2014-15



	K	1st	2nd	3rd	4th	5th
NW Predicted	69	68	91	78	86	97
NW Actual	73	73	88	80	87	100
Weis Predicted	70	73	70	74	78	81
Weis Actual	70	73	71	76	80	83

■ NW Predicted   
 ■ NW Actual   
 ■ Weis Predicted   
 ■ Weis Actual

# 2014-15 Predicted v. Actual

Grade Guidelines	NWE	WEIS
KDG 17-22	P= 69 <b>3@23</b> A= 73 <b>3@24, 25</b>	P=70 <b>3@23,24</b> A=70 3@21, <b>24, 25</b>
1 <sup>ST</sup> 17-22	P=68 4@17, 18 A=73 4@18, 19	P=73 4@ 18, 19 A=73 4@ 18, 19
2 <sup>nd</sup> 18-24	P=91 4@ 23, 24 A=88 4@ 22	P=70 3@ 22, 23 A=71 3@ 23, 24
3 <sup>rd</sup> 18-24	P=78 4@ 19, 20 A=80 4@ 20	P=74 4@ 18, 19 A=76 4@ 18, 19, 20
4 <sup>th</sup> 18-25	P=86 4@ 21, 22 A=87 4@ 21, 22	P=78 4@ 19, 20 A=80 4@ 19, 20, 21
5 <sup>th</sup> 18-25	P=97 4@ 24, 25 A=100 4@ 25	P=81 4@ 20-21 A=83 4@ 20, 21

# Enrollment Comparison from April Registration to Start of Kdg

Timeframe	NWE		WEIS	
April 2011	74		70	
August 2011	68	-6	68	-2
April 2012	86		42	
August 2012	94	+8	60	+18
April 2013	57		64	
August 2013	66	+9	72	+8
April 2014	64		59	
August 2014	73	+9	68	+9
April 2015	49		50	
August 2015	<b>57</b>	<b>+8 Anticipated</b>	<b>58</b>	<b>+8 Anticipated</b>



# Enrollment Comparison from End of Kindergarten to Start of 1<sup>st</sup> Grade

Timeframe	NWE		WEIS	
June 2010 (end K)	92		75	
Aug 2010 (start 1 <sup>st</sup> )	99	+7	76	+1
June 2011 (end K)	78		69	
Aug 2011 (start 1 <sup>st</sup> )	85	+7	74	+5
June 2012 (end K)	78		69	
Aug 2012 (start 1 <sup>st</sup> )	84	+6	79	+10
June 2013 (end K)	92		64	
Aug 2013 (start 1 <sup>st</sup> )	90	-2	72	+8
June 2014 (end K)	65		67	
Aug 2014 (start 1 <sup>st</sup> )	73	+8	74	+7
June 2015 (end K)	73		70	
August 2014 (start 1 <sup>st</sup> )	<b>78</b>	<b>+5 Anticipated</b>	<b>76</b>	<b>+6 Anticipated</b>

# Elementary Classroom Recommendations for 2015-2016

Grade Guidelines	NWE Total Students 458	WEIS Total Students 431
KDG 17-22	49+8    3@ 19	50+8    3@ 19, 20
1 <sup>st</sup> Grade 17-22	72+5    4@ 19, 20	70+6    4@ 19
2 <sup>nd</sup> Grade 18-24	73        4@ 18, 19	73        4@ 18, 19 + 1 class
3 <sup>rd</sup> Grade 18-24	88        4@ 22	71        4@ 17, 18
4 <sup>th</sup> Grade 18-25	80        4@ 20	73        3@ 24, 25 -1 class
5 <sup>th</sup> Grade 18-25	87        4@ 21, 22	80        4@ 20

# Middle School Classroom Recommendations 2015-2016

Grade Guidelines	2014-15 Projections vs. Actual	2015-16 Recommendations
6 <sup>th</sup> Grade 20-26	P 162 7@ 23 A 169 7 @ 24	183 8@23 +1 Class
7 <sup>th</sup> Grade 20-26	P 171 7@ 24, 25 A 177 7@ 25,26	169 7@ 24,25
8 <sup>th</sup> Grade 20-26	P 187 8@ 23, 24 A 185 8@ 23, 24	177 8@ 23

# Estimated Use of Fund Balance

<b>Estimated Shortfall –May 13<sup>th</sup></b>	<b>\$3,996,748</b>
<b>COMMITTED</b>	
Emmaus Bond Pool Stabilization*	(1,700,000)
Emmaus Bond Pool Stabilization	(150,000)
Energy Stabilization*	(1,150,000)
PSERS Stabilization	(156,748)
<b>ASSIGNED</b>	
Curriculum Texts/Materials	(140,000)
Technology	(300,000)
<b>UNASSIGNED</b>	
Budgetary Reserve	<u>(400,000)</u>
<b>GRAND TOTAL</b>	<b>(\$3,996,748)</b>
* Amount is budgeted for transfer to Capital Reserve for Energy Savings Contract	

# 2014-2015 Estimated Budget Variances

	Estimated 2014-2015 Variance	% Budgeted Expenditures
Revenues	(-) \$232,698	
Expenditures	<u>(+) 1,461,991</u>	
<b>Net Positive Variance</b>	<b>(+) \$1,229,293</b>	<b>3.13%</b>

	Variance	% Budgeted Expenditures
Planned/Anticipated	\$849,000	2.16%
Unplanned	<u>380,293</u>	0.97%
<b>Net Estimated Variance</b>	<b>\$1,229,293</b>	

# 2015-16 Proposed Final Budget

	2015-2016
Total Revenues	\$39,658,787
Total Expenditures	<u>\$43,655,535</u>
Shortfall	(\$3,996,748)
Use of Fund Balance for Energy Savings Contract	<u>\$2,850,000</u>
Revised Shortfall	(\$1,146,748)

**This budget includes a 0 TAX MILLAGE INCREASE,  
and includes \$3,996,748 USE OF FUND BALANCE  
to fund the estimated shortfall. Additional updates will occur as  
the budget is refined for Final Budget Adoption in June.**