

NORTHWESTERN LEHIGH SCHOOL DISTRICT

**6493 ROUTE 309
NEW TRIPOLI, PA 18066**

2017-2018

GENERAL FUND BUDGET



PROPOSED FINAL BUDGET

May 17, 2017

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-18 PROPOSED FINAL BUDGET**

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**EXPENDITURES
AND
OTHER FINANCING USES**

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-2018 PROPOSED FINAL BUDGET SUMMARY
MAY 17, 2017**

| | Actual | Final | January 11, 2017 | April 5, 2017 | May 3, 2017 | Change from | Change from | % Change from |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|------------------|---------------|
| | 2015-16 | Budget 2016-17 | Budget 2017-18 | Budget 2017-18 | Budget 2017-18 | April | 2016-17 | 2016-17 |
| Northwestern Elementary | 75,690 | 75,950 | 76,550 | 76,550 | 76,550 | - | 600 | |
| Weisenberg Elementary | 86,193 | 71,450 | 70,450 | 70,450 | 70,450 | - | (1,000) | |
| Middle School | 75,400 | 84,160 | 85,440 | 85,440 | 85,440 | - | 1,280 | |
| High School | 115,585 | 118,560 | 119,520 | 119,520 | 119,520 | - | 960 | |
| Business Office | 74,227 | 87,540 | 85,000 | 85,000 | 79,865 | (5,135) | (7,675) | |
| Superintendent | 11,784 | 18,465 | 18,500 | 18,465 | 18,465 | - | - | |
| Curriculum | 253,562 | 240,076 | 240,000 | 240,000 | 240,000 | - | (76) | |
| Technology | 797,750 | 819,366 | 819,366 | 819,366 | 765,435 | (53,931) | (53,931) | |
| Special Education | 20,498 | 22,855 | 23,000 | 25,280 | 25,280 | - | 2,425 | |
| Assistant Superintendent | 31,673 | 31,565 | 31,500 | 31,500 | 31,500 | - | (65) | |
| Human Resources | 20,172 | 28,760 | 30,000 | 26,025 | 33,760 | 7,735 | 5,000 | |
| Buildings & Grounds | 789,957 | 691,645 | 790,000 | 792,145 | 792,145 | - | 100,500 | |
| Transportation | 467,683 | 438,725 | 450,000 | 450,095 | 450,095 | - | 11,370 | |
| Athletics & Activities | 263,682 | 228,555 | 220,000 | 231,486 | 231,486 | - | 2,931 | |
| Total Building & Departments | \$ 3,083,856 | \$ 2,957,672 | \$ 3,059,326 | \$ 3,071,322 | \$ 3,019,991 | \$ (51,331) | \$ 62,319 | 2.11% |
| District Wide: | | | | | | | | |
| Salaries: | | | | | | | | |
| Professionals | 11,444,021 | 12,086,747 | 12,546,043 | 12,521,730 | 12,441,697 | (80,033) | 354,950 | |
| Support Staff | 4,346,189 | 4,428,990 | 4,561,860 | 4,554,886 | 4,582,974 | 28,088 | 153,984 | |
| Administration | 1,514,516 | 1,546,485 | 1,592,880 | 1,598,303 | 1,598,303 | - | 51,818 | |
| Total Salaries | 17,304,726 | 18,062,222 | 18,700,783 | 18,674,919 | 18,622,974 | (51,945) | 560,752 | 3.10% |
| Benefits-All Staff | | | | | | | | |
| Medical | 2,461,362 | 2,745,882 | 2,745,882 | 2,303,380 | 2,368,715 | 65,335 | (377,167) | |
| Dental | 115,165 | 139,271 | 135,093 | 137,094 | 140,421 | 3,327 | 1,150 | |
| Life Insurance | 32,603 | 31,574 | 32,521 | 32,327 | 31,932 | (395) | 358 | |
| Long-Term Disability | 25,874 | 34,961 | 36,010 | 36,062 | 35,938 | (124) | 977 | |
| Vision | 10,621 | 13,198 | 13,198 | 13,119 | 13,043 | (76) | (155) | |
| Prescription | 621,054 | 612,321 | 612,321 | 655,804 | 679,368 | 23,564 | 67,047 | |
| Social Security | 1,296,644 | 1,383,344 | 1,430,610 | 1,418,549 | 1,426,050 | 7,501 | 42,706 | |
| PSERS | 4,429,100 | 5,416,717 | 6,090,845 | 6,024,981 | 6,056,917 | 31,936 | 640,200 | |
| Tuition | 65,253 | 51,399 | 50,000 | 49,972 | 44,967 | (5,005) | (6,432) | |
| Unemployment Compensation | 5,687 | 24,813 | 25,000 | 24,769 | 24,979 | 210 | 166 | |
| Workers' Compensation | 192,795 | 174,187 | 175,000 | 176,761 | 170,442 | (6,319) | (3,745) | |
| Other Benefits | 45,843 | 68,634 | 70,000 | 69,420 | 68,417 | (1,003) | (217) | |
| Total Benefits-All Staff | 9,302,001 | 10,696,301 | 11,416,480 | 10,942,238 | 11,061,189 | 118,951 | 364,888 | 3.41% |
| District Wide & Grants | 12,272,465 | 10,289,081 | 10,592,253 | 10,846,860 | 10,771,760 | (75,100) | 482,679 | 4.69% |
| Total Expenditures | 41,963,048 | 42,005,276 | 43,768,842 | 43,535,340 | 43,475,914 | (59,426) | 1,470,638 | 3.50% |
| Total Revenue | 40,347,014 | 40,632,695 | 41,314,077 | 41,677,278 | 41,698,028 | 20,750 | 1,065,333 | 2.62% |
| Surplus/(Shortfall) before FB | (1,616,034) | (1,372,581) | (2,454,765) | (1,858,062) | (1,777,886) | 80,176 | | |
| NOTE: Shortfall in 2015-16 included a fund balance transfer for capital projects of \$2,850,000. | | | | | | | | |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
PER STUDENT COST PER BUILDING BUDGET
2017-2018 PROPOSED FINAL BUDGET**

| | <u>Enrollment *</u> | <u>17-18 Proposed Budget</u> | <u>Per Student Spending</u> |
|-------------------------|---------------------|----------------------------------|---------------------------------|
| High School | 735 | \$ 119,520 | \$ 162.61 |
| Middle School | 536 | \$ 85,440 | \$ 159.40 |
| Northwestern Elementary | 450 | \$ 76,550 | \$ 170.11 |
| Weisenberg Elementary | 413 | \$ 70,450 | \$ 170.58 |
| | | <u>\$ 351,960</u> | |

| | <u>Enrollment **</u> | <u>16-17 Budget</u> | <u>Per Student Spending</u> |
|-------------------------|----------------------|-------------------------|---------------------------------|
| High School | 747 | \$ 118,560 | \$ 158.71 |
| Middle School | 534 | \$ 84,160 | \$ 157.60 |
| Northwestern Elementary | 446 | \$ 75,950 | \$ 170.29 |
| Weisenberg Elementary | 411 | \$ 71,450 | \$ 173.84 |
| | | <u>\$ 350,120</u> | |

| | <u>Enrollment **</u> | <u>15-16 Budget</u> | <u>Per Student Spending</u> |
|-------------------------|----------------------|-------------------------|---------------------------------|
| High School | 751 | \$ 115,793 | \$ 154.19 |
| Middle School | 533 | \$ 83,460 | \$ 156.59 |
| Northwestern Elementary | 472 | \$ 80,790 | \$ 171.17 |
| Weisenberg Elementary | 443 | \$ 80,790 | \$ 182.37 |
| | | <u>\$ 360,833</u> | |

| | <u>Enrollment **</u> | <u>14-15 Actual</u> | <u>Per Student Spending</u> |
|-------------------------|----------------------|-------------------------|---------------------------------|
| High School | 738 | \$ 121,162 | \$ 164.18 |
| Middle School | 535 | \$ 72,835 | \$ 136.14 |
| Northwestern Elementary | 501 | \$ 65,804 | \$ 131.35 |
| Weisenberg Elementary | 469 | \$ 62,861 | \$ 134.03 |
| | | <u>\$ 322,662</u> | |

* Enrollment based on April data

** Enrollment based on September data for each respective school year

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
REVENUES AND OTHER FINANCING SOURCES
SUMMARIZED VARIANCES FROM 2016-2017 BUDGET
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| CATEGORY | KEY ASSUMPTIONS | CHANGE FROM 2016-2017 |
|--------------------------------------|--|--------------------------|
| LOCAL REVENUE | | |
| <i>Local Real Estate Taxes</i> | <i>Variance based on assessed value growth & new TIF buildings</i> | \$ 547,489 |
| <i>Interim Real Estate Taxes</i> | <i>Variance based on collection history</i> | \$ (95,000) |
| <i>Delinquent Real Estate Taxes</i> | <i>Variance based on collection history</i> | \$ 25,000 |
| <i>Interest Earnings</i> | <i>Variance based on estimated interest</i> | \$ 75,000 |
| <i>Capital Contributions</i> | <i>Variance due to increased funding from Foundation</i> | \$ 50,000 |
| <i>All Other Local Sources (net)</i> | | \$ 25,000 |
| | LOCAL REVENUE- TOTAL CHANGE | \$ 627,489 |
| STATE REVENUE | | |
| <i>Basic Education Funding</i> | <i>Variance based on Governor's budget</i> | \$ (33,954) |
| <i>Special Education Funding</i> | <i>Variance based on Governor's budget</i> | \$ (23,704) |
| <i>Transportation</i> | <i>Variance based on Governor's budget</i> | \$ (85,113) |
| <i>Rental & Sinking Payments</i> | <i>Variance based on scheduled debt payments</i> | \$ 70,000 |
| <i>Ready to Learn</i> | <i>Variance based on Governor's budget</i> | \$ 230,490 |
| <i>Social Security Reimbursement</i> | <i>Variance based on estimated salaries</i> | \$ 19,125 |
| <i>Retirement Reimbursement</i> | <i>Variance in Employer Contribution Rate to 30.03%</i> | \$ 261,000 |
| | STATE REVENUE- TOTAL CHANGE | \$ 437,844 |
| FEDERAL REVENUE | | |
| | <i>Flat funding compared to prior year</i> | \$ - |
| | FEDERAL REVENUE- TOTAL CHANGE | \$ - |
| | TOTAL REVENUE & OTHER FINANCING SOURCES | \$ 1,065,333 |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
REVENUES AND OTHER FINANCING SOURCES
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| Account | Description | 15-16 Actual | 16-17 Final | 17-18 Budget | Increase/ (Decrease) |
|--------------|---|---------------------|---------------------|---------------------|-------------------------|
| 6111 | Current Real Estate Taxes | \$22,109,527 | \$22,595,372 | \$23,142,861 | \$547,489 |
| 6112 | Interim Real Estate Taxes | \$350,621 | \$445,000 | \$350,000 | (\$95,000) |
| 6113 | Public Utility Realty Tax | \$29,627 | \$33,000 | \$33,000 | \$0 |
| 6114 | Payments in Lieu of Current Taxes | \$5,733 | \$5,700 | \$5,700 | \$0 |
| 6143 | Local Services Tax (LST) | \$47,688 | \$50,000 | \$50,000 | \$0 |
| 6151 | Earned Income Taxes | \$2,464,174 | \$2,500,000 | \$2,500,000 | \$0 |
| 6153 | Real Estate Transfer Taxes | \$747,159 | \$350,000 | \$350,000 | \$0 |
| 6411 | Delinquent Real Estate Taxes | \$899,804 | \$850,000 | \$875,000 | \$25,000 |
| 6412 | Delinquent Int. Real Estate Taxes | \$3,920 | \$10,000 | \$10,000 | \$0 |
| 6510 | Earnings on Investments | \$375,258 | \$325,000 | \$400,000 | \$75,000 |
| 6710 | Admissions - Student Activities | \$57,656 | \$60,000 | \$60,000 | \$0 |
| 6740 | Fees | \$59,036 | \$40,500 | \$40,500 | \$0 |
| 6790 | Misc Transportation | \$3,034 | \$1,500 | \$1,500 | \$0 |
| 6832 | Rev from Intermediate Sources-Federal | \$348,772 | \$346,238 | \$346,238 | \$0 |
| 6910 | Rentals | \$26,899 | \$15,000 | \$15,000 | \$0 |
| 6920 | Contributions/Donations Private Sources | \$0 | \$10,000 | \$10,000 | \$0 |
| 6921 | Capital Contributions | \$262,895 | \$150,000 | \$200,000 | \$50,000 |
| 6943 | Adult Education | \$18,362 | \$10,000 | \$10,000 | \$0 |
| 6944 | Tuition - Other Districts | \$8,366 | \$10,000 | \$10,000 | \$0 |
| 6961 | Transportation Fees | \$0 | \$7,500 | \$7,500 | \$0 |
| 6999 | Miscellaneous Revenue | \$131,362 | \$25,000 | \$50,000 | \$25,000 |
| TOTAL | REVENUE FROM LOCAL SOURCES | \$27,949,892 | \$27,839,810 | \$28,467,299 | \$627,489 |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
REVENUES AND OTHER FINANCING SOURCES
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| Account | Description | 15-16 Actual | 16-17 Final | 17-18 Budget | Increase/ (Decrease) |
|--------------|---|---------------------|---------------------|---------------------|-------------------------|
| 7000 | <u>REVENUE FROM STATE SOURCES</u> | | | | |
| 7110 | Basic Education Funding | \$5,504,641 | \$5,733,738 | \$5,699,784 | (\$33,954) |
| 7160 | Tuition for Section 1305 & 1306 | \$32,859 | \$20,000 | \$20,000 | \$0 |
| 7271 | Special Education Of Exceptional Pupils | \$1,326,334 | \$1,390,779 | \$1,367,075 | (\$23,704) |
| 7310 | Transportation | \$1,167,213 | \$1,000,000 | \$914,887 | (\$85,113) |
| 7320 | Rental And Sinking Fund Payments | \$297,290 | \$330,000 | \$400,000 | \$70,000 |
| 7330 | Health Services | \$39,768 | \$41,000 | \$41,000 | \$0 |
| 7340 | State Property Tax Reduction Allocation | \$676,228 | \$674,898 | \$674,898 | \$0 |
| 7501 | Ready to Learn | \$230,490 | \$0 | \$230,490 | \$230,490 |
| 7810 | Revenue For Social Security Payments | \$647,419 | \$688,500 | \$707,625 | \$19,125 |
| 7820 | Revenue For Retirement Payments | \$2,263,569 | \$2,702,700 | \$2,963,700 | \$261,000 |
| TOTAL | REVENUE FROM STATE SOURCES | \$12,185,811 | \$12,581,615 | \$13,019,459 | \$437,844 |
| | | | | | |
| 8000 | <u>REVENUE FROM FEDERAL SOURCES</u> | | | | |
| 8514 | Improving Basic Programs - Title I | \$174,072 | \$168,786 | \$168,786 | \$0 |
| 8515 | Improving Teacher Quality - Title II | \$34,817 | \$38,984 | \$38,984 | \$0 |
| 8820 | Medical Assistance Reimbursement | \$2,421 | \$3,500 | \$3,500 | \$0 |
| 8000 | REVENUE FROM FEDERAL SOURCES | \$211,310 | \$211,270 | \$211,270 | \$0 |
| | | | | | |
| | TOTAL REVENUES & OTHER FINANCING SOURCES | \$40,347,013 | \$40,632,695 | \$41,698,028 | \$1,065,333 |
| | | | | | |
| | | | | | |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
CHART OF TAX MILLAGE AND ASSESSED VALUES
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| SCHOOL YEAR | MILLAGE LEVEL | % CHANGE PRIOR YEAR | ASSESSED VALUE | NET ASSESSED VALUE* | EST GROSS VALUE OF 1 MILL | COLLECTIONS | % OF DUPLICATE COLLECTED |
|----------------|---------------|---------------------|----------------|---------------------|-----------------------------|---------------------------|--------------------------|
| 2017-18 Budget | 15.96 | 0.00% | 1,617,750,200 | 1,575,993,034 | \$1,543,819 Gaming Funds | \$24,644,139 (674,898) | ** 96.00% |
| 2016-17 Budget | 15.96 | 0.00% | 1,567,133,000 | 1,525,718,804 | \$1,503,317 Gaming Funds | \$23,997,606 (674,898) | ** 96.00% |
| 2015-16 Actual | 15.96 | 0.00% | 1,525,375,300 | 1,483,618,134 | \$1,498,438 Gaming Funds | \$23,919,709 (677,622) | ** 95.00% |
| 2014-15 Actual | 15.96 | 0.00% | 1,508,679,800 | 1,550,793,294 | \$1,453,559 Gaming Funds | \$23,203,457 (672,236) | ** 94.50% |
| 2013-14 Actual | 15.96 | Reassessment | 1,455,289,500 | 1,413,610,809 | \$1,385,373 Gaming Funds | \$22,114,979 (666,586) | 95.20% |
| 2012-13 Actual | 50.66 | 0.00% | 452,432,450 | 439,287,360 | \$446,151 Gaming Funds | \$21,936,115 (665,883) | 95.58% |
| 2011-12 Actual | 50.66 | 0.00% | 451,702,650 | 438,557,560 | \$444,369 Gaming Funds | \$21,845,771 (665,966) | 95.33% |
| 2010-11 Actual | 50.66 | 2.53% | 450,926,550 | 437,778,870 | \$431,599 Gaming Funds | \$21,864,817 (666,002) | 95.59% |
| 2009-10 Actual | 49.41 | 4.22% | 446,075,975 | 432,594,217 | \$427,533 Gaming Funds | \$21,124,423 (665,953) | 95.71% |
| 2008-09 Actual | 47.41 | 5.19% | 434,234,800 | 420,270,101 | \$413,328 Gaming Funds | \$19,595,890 (662,156) | 95.02% |
| 2007-08 Actual | 45.07 | 5.01% | 427,085,300 | n/a | \$408,824 | \$18,425,718 | 95.72% |

* Net assessed value after offset associated with State property tax reduction allocation (gaming).

** Collections for Tax Incremental Financing (TIF) revenue are included, however are required to be sent to Trustee.

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
LEHIGH COUNTY MILLAGE RATES
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| District | 2015-16 Millage | 2016-17 Millage | Change | % Change |
|------------------------------|----------------------------|----------------------------|---------------|-----------------|
| 1 Northern Lehigh | 21.1475 | 21.2688 | 0.1213 | 0.57% |
| 2 Allentown | 18.3287 | 18.3287 | - | 0.00% |
| 3 Salisbury Township | 17.7055 | 18.0596 | 0.3541 | 2.00% |
| 4 East Penn | 17.2150 | 17.6970 | 0.4820 | 2.80% |
| 5 Catasauqua | 16.3100 | 16.8676 | 0.5576 | 3.42% |
| 6 Whitehall Coplay | 15.8523 | 16.1719 | 0.3196 | 2.02% |
| 7 Northwestern Lehigh | 15.9631 | 15.9631 | - | 0.00% |
| 8 Southern Lehigh | 15.3700 | 15.6200 | 0.2500 | 1.63% |
| 9 Parkland | 14.4500 | 14.8500 | 0.4000 | 2.77% |
| Average | 16.9269 | 17.2030 | 0.2761 | 1.63% |

Source: Millage rate data obtained from Lehigh County Assessment Office.

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
TAX INCREMENTAL FINANCING (TIF) SUMAMRY
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| Year | Assessed Value | Real Estate Taxes Collected | TIF Pledged Amount | Net District Real Estate Taxes | Transfer Taxes |
|-----------|----------------|-----------------------------|--------------------|--------------------------------|----------------|
| Base | \$ 827,400 | \$ 12,944 | n/a | \$ 12,944 | \$ 8,143 |
| 2013-14 | \$ 14,639,600 | \$ 229,027 | \$ (120,986) | \$ 108,042 | \$ 359,487 |
| 2014-15 | \$ 53,556,800 | \$ 837,834 | \$ (412,744) | \$ 425,090 | \$ 34,194 |
| 2015-16 | \$ 74,679,900 | \$ 1,060,602 | \$ (523,559) | \$ 537,043 | \$ 368,915 |
| 2016-17 | \$ 92,340,800 | \$ 1,640,584 | \$ (813,820) | \$ 826,764 | \$ 19,561 |
| 2017-18 * | \$ 106,476,700 | \$ 1,665,704 | \$ (826,380) | \$ 839,324 | \$ - |

* Based on estimated budgeted revenues

TAX INCREMENTAL FINANCING (TIF)

The District approved the Tax Incremental Financing (TIF) in August 2011 to partner with Hillwood Investment Properties, Lehigh County, Weisenberg Township and the Lehigh County Industrial Development Authority to form the West Hill Business Center TIF. As part of the TIF, the three taxing authorities pledged 50% of new tax revenues generated by the project to pay for debt service over a 20 year period. By pledging the tax revenue, the district in conjunction with the county and township will assist in paying for infrastructure upgrades to the Lehigh County Authority Wastewater Treatment Plant, and traffic improvements including replacement of the bridge and ramps over I-78 at the New Smithville interchange. These infrastructure upgrades allow for the commercial development of West Hill Business Center. The land West Hills Business Center developed was previously farmland in the PA Clean & Green Act 319/515 which generated approximately \$13,000 of tax revenue annually. Once the project is completed, it is estimated to have a total assessed value of \$105,325,255 and generate approximately \$1.7 million in annual real estate taxes. After the 20 year TIF is complete, the district will realize 100% of the real estate taxes.



**REVENUES
AND
OTHER FINANCING SOURCES**

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES
SUMMARIZED VARIANCES FROM 2016-2017 BUDGET
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| CATEGORY | KEY ASSUMPTIONS | CHANGE FROM 2016-2017 | % CHANGE |
|--|--|--------------------------|----------------|
| SALARIES | <i>Collective Bargaining Agreement Increases</i> | \$ 432,000 | |
| | <i>Leaves & additional staffing needs</i> | \$ 65,000 | |
| | <i>Changes on existing staffing-Admin & Support</i> | \$ 209,000 | |
| | <i>Attritional savings on replacements</i> | \$ (112,000) | |
| | <i>Net additional staffing changes</i> | \$ 4,000 | |
| | SALARIES- TOTAL CHANGE | \$ 598,000 | 3.28% |
| BENEFITS | | | |
| <i>Health Benefits (medical, dental, RX)</i> | <i>Premium rate decrease -5.77%</i> | \$ (202,000) | |
| <i>Health Benefits (medical, dental, RX)</i> | <i>Employee/Retiree open enrollment plan changes & opt-out</i> | \$ (150,000) | |
| <i>PSERS</i> | <i>Estimated rate increase from 30.03% to 32.57%</i> | \$ 640,000 | |
| <i>Other (FICA, Life, LTD, W/C, etc)</i> | <i>Estimated rates for existing staff</i> | \$ 39,000 | |
| | BENEFITS- TOTAL CHANGE | \$ 327,000 | 3.10% |
| PURCHASED PROFESSIONAL & TECHNICAL SERVICES | | | |
| <i>Educational Services (IU, Other LEA's)</i> | <i>Variance based on anticipated special education services</i> | \$ 42,000 | |
| <i>Professional Services</i> | <i>Variance based on switch of payroll processing</i> | \$ (20,000) | |
| <i>Other Services (net)</i> | | \$ 2,000 | |
| | PURCH PROF & TECH SVCS- TOTAL CHANGE | \$ 24,000 | 1.26% |
| PURCHASED PROPERTY SERVICES | | | |
| <i>Electricity</i> | <i>Reclassification of account code to 622</i> | \$ (169,000) | |
| <i>Other Services (net)</i> | | \$ (1,000) | |
| | PURCH PTY SVCS- TOTAL CHANGE | \$ (170,000) | -24.51% |
| OTHER PURCHASED SERVICES | | | |
| <i>Contracted Carriers</i> | <i>Variance based on Brandywine contracted services utilization</i> | \$ 91,000 | |
| <i>IU Transportation Subsidy</i> | <i>Variance based on anticipated subsidy deduction based on utilization</i> | \$ 30,000 | |
| <i>Cyber/Charter School</i> | <i>Variance based on projected enrollment</i> | \$ 62,000 | |
| <i>Tuition to Other LEA's</i> | <i>Variance based on historical expenditures</i> | \$ (30,000) | |
| <i>Other Services (net)</i> | | \$ (9,000) | |
| | OTHER PURCH SVCS- TOTAL CHANGE | \$ 144,000 | 4.66% |
| SUPPLIES | | | |
| <i>Admin Software/Maintenance</i> | <i>Reclassification of account code to 650</i> | \$ (93,000) | |
| <i>General Supplies</i> | <i>Reclassification of account code from 7XX</i> | \$ 409,000 | |
| <i>Electricity</i> | <i>Reclassification of account code from 422 and reduced rates</i> | \$ 149,000 | |
| <i>Oil /Diesel</i> | <i>Variance in price per gallon & usage</i> | \$ 32,000 | |
| <i>Instructional Supplies & Technology</i> | <i>Variance due to budget plan & reclassification from 618 & 7XX</i> | \$ 404,000 | |
| <i>Other Supplies (net)</i> | | \$ (10,000) | |
| | SUPPLIES- TOTAL CHANGE | \$ 891,000 | 51.52% |
| PROPERTY | | | |
| <i>Non-Capital Equipment</i> | <i>Reclassification of account codes to 6XX</i> | \$ (553,000) | |
| <i>Technology Equipment</i> | <i>Replacement equipment</i> | \$ 37,000 | |
| | PROPERTY- TOTAL CHANGE | \$ (516,000) | -54.73% |
| OTHER FINANCING USES | | | |
| <i>Debt</i> | <i>Variance based on scheduled debt payments & new debt service</i> | \$ 548,000 | |
| <i>Senior Tax Rebate Program</i> | <i>Variance based on current year actual payments</i> | \$ (93,000) | |
| <i>Capital Reserve Transfer</i> | <i>Variance based on scheduled capital reserve transfer</i> | \$ (295,000) | |
| <i>Other Financing Uses (net)</i> | <i>Variance due to planned budget transfers from prior year</i> | \$ 11,000 | |
| | OTHER FINANCING USES- TOTAL CHANGE | \$ 171,000 | 3.50% |
| | TOTAL EXPENDITURES & OTHER FINANCING USES | \$ 1,469,000 | 3.50% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-2018 PROPOSED FINAL BUDGET
EXPENDITURES BY OBJECT
MAY 17, 2017**

| | | 2015-16 | 2016-17 | 2017-18 | Change from | Percentage |
|------------|-------------------------------|-------------------|-------------------|-------------------|----------------|--------------|
| OBJ | Description | Actual | Final | Proposed Final | 2016-17 | Change |
| 100 | SALARIES | | | | | |
| 111 | ADMIN-REG SALARY | 1,503,716 | 1,546,485 | 1,598,303 | 51,818 | |
| 116 | EMPLOYEE INS OPT OUT | 10,800 | 10,800 | 14,400 | 3,600 | |
| 121 | PROFESSIONAL SALARIES | 10,455,128 | 11,144,904 | 11,418,444 | 273,540 | |
| 122 | PROFESSIONAL SUBSTITUTE | 273,585 | 241,000 | 301,000 | 60,000 | |
| 123 | PROFESSIONAL OVERTIME | 83,115 | 82,453 | 84,451 | 1,998 | |
| 126 | EMPLOYEE INS OPT OUT | 25,425 | 104,400 | 135,000 | 30,600 | |
| 131 | PROFESSIONAL OTHER | 604,390 | 612,690 | 632,102 | 19,412 | |
| 132 | PROFESSIONAL OTHER SUBSTITUTE | 578 | 700 | 700 | - | |
| 136 | EMPLOYEE INS OPT OUT | 1,800 | - | - | - | |
| 141 | ADULT EDUCATION SALARIES | - | 5,000 | 5,000 | - | |
| 151 | OFFICE SALARIES | 930,505 | 941,095 | 967,327 | 26,232 | |
| 152 | OFFICE SUBSTITUTE | 4,450 | 5,400 | 2,500 | (2,900) | |
| 153 | OFFICE OVERTIME | 4,192 | 7,650 | 7,500 | (150) | |
| 156 | EMPLOYEE INS OPT OUT | 18,900 | 18,000 | 18,000 | - | |
| 161 | TRADE SALARIES | 619,380 | 630,658 | 662,001 | 31,343 | |
| 162 | TRADE SUBSTITUTES | 11,470 | 15,627 | 15,627 | - | |
| 163 | TRADE OVERTIME | 27,620 | 32,653 | 33,089 | 436 | |
| 166 | EMPLOYEE INS OPT OUT | 7,200 | 19,800 | 23,400 | 3,600 | |
| 171 | OPERATIVE REG SALARIES | 869,646 | 976,496 | 965,089 | (11,407) | |
| 172 | OPERATIVE SUBSTITUTES | 45,701 | 95,888 | 95,888 | - | |
| 173 | OVERTIME | 223 | - | - | - | |
| 174 | DIST PAID/MISC/LAYOVER | 4,054 | - | - | - | |
| 175 | PRIVATE PAID | 7,436 | - | - | - | |
| 178 | SPORT TRIPS | 24,224 | 30,000 | 30,000 | - | |
| 181 | CUSTODIAN SALARIES | 726,625 | 716,113 | 777,401 | 61,288 | |
| 182 | CUSTODIAN SUBSTITUE | 25,711 | 10,000 | 15,000 | 5,000 | |
| 183 | CUSTODIAN OVERTIME | 34,280 | 30,000 | 25,000 | (5,000) | |
| 186 | EMPLOYEE INS OPT OUT | 10,800 | - | - | - | |
| 187 | CUSTODIAN SUMMER MAINT | 7,129 | - | 20,000 | 20,000 | |
| 191 | INST ASST REG SALARY | 935,361 | 912,510 | 942,652 | 30,142 | |
| 192 | INST ASST SUBSTITUTES | 27,301 | 24,900 | 23,900 | (1,000) | |
| 193 | INST ASST OVERTIME | 380 | - | - | - | |
| 196 | EMPLOYEE INS OPT OUT | 3,600 | 3,600 | 3,600 | - | |
| | TOTAL 1XX- SALARIES | 17,304,725 | 18,218,822 | 18,817,374 | 598,552 | 3.29% |
| | | | | | | |
| 200 | BENEFITS | | | | | |
| 211 | MEDICAL INSURANCE | 2,461,362 | 2,589,282 | 2,174,315 | (414,967) | |
| 212 | DENTAL INSURANCE | 115,165 | 139,271 | 140,421 | 1,150 | |
| 213 | LIFE INSURANCE | 32,603 | 31,574 | 31,932 | 358 | |
| 214 | DISABILITY INSURANCE | 25,874 | 34,961 | 35,938 | 977 | |
| 215 | EYE CARE INSURANCE | 10,621 | 13,198 | 13,043 | (155) | |
| 216 | PRESCRIPTION INSURANCE | 621,054 | 612,321 | 679,368 | 67,047 | |
| 220 | SOCIAL SECURITY | 1,296,644 | 1,383,344 | 1,426,050 | 42,706 | |
| 230 | RETIREMENT (PSERS) | 4,429,100 | 5,416,717 | 6,056,917 | 640,200 | |
| 240 | TUITION REIMBURSEMENT | 65,253 | 51,399 | 44,967 | (6,432) | |
| 250 | UNEMPLOYMENT COMPENSATION | 5,687 | 24,813 | 24,979 | 166 | |
| 260 | WORKERS COMPENSATION | 192,795 | 174,187 | 170,442 | (3,745) | |
| 290 | OTHER BENEFITS | 45,843 | 68,634 | 68,417 | (217) | |
| | TOTAL 2XX- BENEFITS | 9,302,001 | 10,539,701 | 10,866,789 | 327,088 | 3.10% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-2018 PROPOSED FINAL BUDGET
EXPENDITURES BY OBJECT
MAY 17, 2017**

| OBJ | Description | 2015-16 Actual | 2016-17 Final | 2017-18 Proposed Final | Change from 2016-17 | Percentage Change |
|------------|---|-------------------|------------------|---------------------------|------------------------|----------------------|
| 300 | CONTRACTED PROFESSIONAL SERVICES | | | | | |
| 313 | TAX COLL SVCS | 32,809 | 35,000 | 35,000 | - | |
| 322 | PROF EDUCATION SVCS/IU'S | 1,123,442 | 1,025,105 | 1,078,000 | 52,895 | |
| 324 | PROF EDUCATION SVCS | 20,247 | 67,694 | 67,969 | 275 | |
| 329 | PROF EDUCATION SVCS-OTHER | 260,813 | 280,905 | 270,079 | (10,826) | |
| 330 | OTHER PROF. SERVICES | 452,252 | 396,378 | 391,381 | (4,997) | |
| 340 | TECHNICAL SERVICES | 27,752 | 29,630 | 4,000 | (25,630) | |
| 348 | CONTRACTED TECHNICAL SVCS | 4,950 | 15,000 | 19,984 | 4,984 | |
| 350 | SECURITY/SAFETY SVCS | 28,389 | 22,960 | 26,940 | 3,980 | |
| 390 | OTHER PROF/TECH SER. | 37,768 | 38,130 | 41,106 | 2,976 | |
| | TOTAL 3XX-PROF SERVICES | 1,988,422 | 1,910,802 | 1,934,459 | 23,657 | 1.24% |
| 400 | PURCHASED TECHNICAL SERVICES | | | | | |
| 411 | DISPOSAL SERVICES | 17,812 | 21,250 | 23,500 | 2,250 | |
| 415 | LAUNDRY/LINEN/DRY CLEAN | 18,746 | 22,300 | 22,300 | - | |
| 422 | ELECTRICITY | 213,913 | 169,000 | - | (169,000) | |
| 423 | BOTTLED GAS | 273 | 1,030 | - | (1,030) | |
| 424 | SEWAGE | 118,192 | 122,000 | 122,000 | - | |
| 430 | REPAIR/MAINT. SER. | 226,536 | 222,550 | 222,980 | 430 | |
| 432 | R&M EQUIPMENT | 4,432 | 9,875 | 10,475 | 600 | |
| 438 | TECH REPAIRS | - | 500 | 500 | - | |
| 441 | RENTALS | 7,285 | 8,500 | 8,500 | - | |
| 442 | RENTAL/EQUIP/VEHICLES | 54,970 | 66,660 | 63,010 | (3,650) | |
| 444 | RENTAL OF VEHICLES | 400 | 500 | 500 | - | |
| 450 | CONSTRUCTION SER. | 34,897 | - | - | - | |
| 460 | EXTERMINATION SER. | 4,230 | 5,480 | 5,480 | - | |
| 490 | OTHER PUR. PROP. SER. | 32,161 | 43,885 | 43,885 | - | |
| | TOTAL 4XX-TECHNICAL SERVICES | 733,848 | 693,530 | 523,130 | (170,400) | -24.57% |
| 500 | OTHER PURCHASED SERVICES | | | | | |
| 513 | CONTRACTED CARRIERS | 161,528 | 165,409 | 256,253 | 90,844 | |
| 516 | IU TRANSPORTATION | 101,628 | 70,000 | 100,000 | 30,000 | |
| 522 | AUTO LIABILITY INSURANCE | 52,866 | 48,315 | 50,730 | 2,415 | |
| 523 | GEN. PROP/LIAB. INSURANCE | 113,816 | 93,253 | 97,817 | 4,564 | |
| 525 | BONDING INSURANCE | 3,763 | 500 | 4,000 | 3,500 | |
| 529 | OTHER INSURANCE | 57,089 | 69,449 | 72,607 | 3,158 | |
| 530 | PHONE/POSTAGE/METER | 20,175 | 23,650 | 22,350 | (1,300) | |
| 538 | TECH COMMUNICATIONS | 83,576 | 131,100 | 122,572 | (8,528) | |
| 540 | ADVERTISING | 14,753 | 26,000 | 22,500 | (3,500) | |
| 550 | PRINTING/BINDING | 14,742 | 21,386 | 17,976 | (3,410) | |
| 561 | TUITION/PA. LEA'S | 10,242 | 45,000 | 15,000 | (30,000) | |
| 562 | TUITION PA CHARTER SCHOOL | 917,326 | 980,457 | 1,042,900 | 62,443 | |
| 564 | VO TECH/CCA VTS (LCTI) | 1,017,295 | 1,054,184 | 1,044,092 | (10,092) | |
| 566 | TUITION INSTITUTE HIGHER ED (LCCC) | 246,746 | 246,746 | 250,716 | 3,970 | |
| 567 | TUITION TO APS | 19,505 | 20,000 | 20,000 | - | |
| 568 | TUITION-PRIVATE INSTITUTES | 447 | - | - | - | |
| 580 | TRAVEL/IN DIST (PROFESSIONAL DEV) | 37,663 | 52,730 | 52,660 | (70) | |
| 590 | MISC. PUR. SVCS. | 445 | 1,500 | 1,500 | - | |
| 595 | I.U. PAY BY WITHHOLDING | 36,993 | 38,000 | 38,000 | - | |
| | TOTAL 5XX-OTHER SERVICES | 2,910,598 | 3,087,679 | 3,231,673 | 143,994 | 4.66% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-2018 PROPOSED FINAL BUDGET
EXPENDITURES BY OBJECT
MAY 17, 2017**

| OBJ | Description | 2015-16 Actual | 2016-17 Final | 2017-18 Proposed Final | Change from 2016-17 | Percentage Change |
|---------------------------------|----------------------------------|-------------------|-------------------|---------------------------|------------------------|----------------------|
| 600 SUPPLIES | | | | | | |
| 612 | TESTING | 8,274 | 11,750 | 12,050 | 300 | |
| 613 | MUSIC | 6,021 | 2,000 | 2,000 | - | |
| 614 | ART | 4,196 | 4,200 | 4,200 | - | |
| 615 | PHYS ED/HEALTH | 2,001 | 1,600 | 1,600 | - | |
| 616 | SCIENCE | 1,578 | 2,250 | 2,500 | 250 | |
| 618 | ADMIN SOFTWARE/MAINTENA | 54,695 | 93,412 | - | (93,412) | |
| 619 | GENERAL SUPPLIES/MAT'LS | 576,274 | 467,288 | 876,520 | 409,232 | |
| 622 | ELECTRICITY | 116,160 | 146,000 | 295,000 | 149,000 | |
| 623 | BOTTLED GAS | - | 1,030 | 1,050 | 20 | |
| 624 | OIL | 223,881 | 170,750 | 185,000 | 14,250 | |
| 626 | GASOLINE | 29,834 | 45,000 | 35,000 | (10,000) | |
| 627 | DIESEL FUEL | 176,557 | 132,378 | 150,000 | 17,622 | |
| 635 | MEALS/REFRESHMENTS | 5,835 | 3,135 | 4,575 | 1,440 | |
| 641 | CONSUMABLES/PERIODICALS | 38,944 | 54,520 | 53,185 | (1,335) | |
| 649 | NON-CONSUMABLES/TEXTS | 252,349 | 252,850 | 253,230 | 380 | |
| 650 | TECH SUPPLIES & FEES | 354,108 | 341,280 | 744,919 | 403,639 | |
| | TOTAL 6XX-SUPPLIES | 1,850,708 | 1,729,443 | 2,620,829 | 891,386 | 51.54% |
| 700 PROPERTY | | | | | | |
| 751 | OTHR ORIG/NON-CAPITAL | 1,316 | 155,000 | - | (155,000) | |
| 752 | OTHR ORIG/CAPITAL | 72,175 | 60,000 | 60,000 | - | |
| 757 | TECH-ORIG-NON CAPITAL | 76,709 | 68,598 | - | (68,598) | |
| 758 | TECH - ORIG CAPITAL | 305,362 | - | - | - | |
| 761 | OTHR REPLC/NON-CAPITAL | 64,348 | 43,520 | - | (43,520) | |
| 762 | OTHR REPLC/CAPITAL | 28,585 | 290,000 | 327,000 | 37,000 | |
| 767 | TECH-REPL-NON CAPITAL | 233,051 | 285,730 | - | (285,730) | |
| 788 | TECHNOLOGY INFRASTRUC | 356,804 | 40,000 | 40,000 | - | |
| | TOTAL 7XX-PROPERTY | 1,138,350 | 942,848 | 427,000 | (515,848) | -54.71% |
| 800 OTHER | | | | | | |
| 810 | DUES & FEES | 78,732 | 53,983 | 54,855 | 872 | |
| 820 | CLAIMS/JUDGEMENTS | 20,000 | 10,000 | 20,000 | 10,000 | |
| 831 | INTEREST/IMPROVE LOAN | 235,050 | 197,001 | 173,000 | (24,001) | |
| 832 | INTEREST/SERIAL BONDS | 817,669 | 778,070 | 1,005,719 | 227,649 | |
| 860 | DONATION- COMMUNITY SERVICES | 5,000 | 5,000 | 5,000 | - | |
| 880 | REFUND/PRIOR RECEIPTS | 3,588 | 127,500 | 35,000 | (92,500) | |
| 890 | MISC. EXPENDITURES | - | 400,000 | 400,000 | - | |
| | TOTAL 8XX-OTHER | 1,160,039 | 1,571,554 | 1,693,574 | 122,020 | 7.76% |
| 900 OTHER FINANCING USES | | | | | | |
| 911 | LOAN PRINCIPAL PAYMENTS | 780,000 | 800,000 | 800,000 | - | |
| 912 | SERIAL BONDS/PRINCIPAL PAYMENTS | 1,295,000 | 1,452,901 | 1,797,450 | 344,549 | |
| 932 | CAPITAL RESERVE FUND TRANSFERS | - | 1,059,026 | 763,636 | (295,390) | |
| 939 | OTHER FUND TRANSFERS | 3,499,356 | - | - | - | |
| | TOTAL 9XX-OTHER FIN. USES | 5,574,356 | 3,311,927 | 3,361,086 | 49,159 | 1.48% |
| | GRAND TOTAL | 41,963,048 | 42,006,306 | 43,475,914 | 1,469,608 | 3.50% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
PROPOSED USE OF FUND BALANCE
2017-2018 BUDGET
MAY 17, 2017**

| | | |
|---------------------------------------|---|---------------------------|
| <i>Estimated Shortfall- May 17th</i> | | <u><u>(1,777,886)</u></u> |
| Committed | | |
| <i>Emmaus Bond Pool Stabilization</i> | * | (150,000) |
| <i>OPEB</i> | * | (100,000) |
| <i>PSERS Stabilization</i> | * | (376,000) |
| <i>Energy Stabilization</i> | * | (50,000) |
| <i>Millage Stabilization</i> | * | (30,000) |
| Assigned | | |
| <i>Curriculum Textbooks/Materials</i> | | (305,000) |
| <i>Buses</i> | | (102,000) |
| Unassigned | | |
| <i>Unassigned</i> | | (264,886) |
| <i>Budgetary Reserve</i> | | (400,000) |
| Grand Total | | <u><u>(1,777,886)</u></u> |

* Amount requires board action for use in 2017-18 in accordance with Board Policy 620.

Committed fund balance is the portion of fund balance that represents resources whose use is constrained by limitations that the district imposes upon itself by formal board action. Commitments remain binding unless removed through formal board action.

Assigned fund balance is the portion of fund balance that represents the district intended use of the resources. Formal board action is not required to assign fund balance.

Unassigned fund balance is the portion of fund balance that represents the district surplus that is not reserved for other purposes.

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2016-2017 PROJECTED BUDGET VARIANCES
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

PROJECTED BUDGET VARIANCES

| | 1617 Budget | 1617 Actual thru March 31, 2017 | 1617 Estimated Actual | Budget Variance Over/(Under) | |
|---------------------|-------------|---------------------------------------|-----------------------------|------------------------------------|--------|
| Revenues | | | | | |
| Local | 27,839,810 | 25,681,389 | 27,682,955 | (156,855) | |
| State | 12,581,615 | 7,715,335 | 12,726,155 | 144,540 | |
| Federal | 211,270 | 146,151 | 209,151 | (2,119) | |
| | 40,632,695 | 33,542,875 | 40,618,261 | (14,434) | -0.04% |
| Expenditures | | | | | |
| 100 | 18,218,822 | 12,077,303 | 18,467,731 | 248,909 | |
| 200 | 10,539,701 | 6,701,379 | 10,418,505 | (121,196) | |
| 300 | 1,910,802 | 1,469,131 | 1,954,290 | 43,488 | |
| 400 | 693,530 | 404,755 | 471,690 | (221,840) | |
| 500 | 3,087,679 | 2,301,567 | 3,020,629 | (67,050) | |
| 600 | 1,728,413 | 1,574,470 | 1,943,093 | 214,680 | |
| 700 | 942,848 | 84,770 | 569,770 | (373,078) | |
| 800 | 1,571,554 | 1,017,043 | 1,035,505 | (536,049) | |
| 900 | 3,311,927 | 2,000,000 | 3,001,000 | (310,927) | |
| | 42,005,276 | 27,630,417 | 40,882,213 | (1,123,063) | -2.67% |

| | | |
|--------------------------------------|--------------------|---------------|
| Net Projected Budget Variance | (1,108,629) | -2.64% |
|--------------------------------------|--------------------|---------------|

| PROJECTED FUND BALANCE IMPACT | |
|--------------------------------------|-----------------------------|
| | 1617 Estimated Actual |
| Fund Balance Impact | |
| Revenues | 40,618,261 |
| Expenditures | 40,882,213 |
| Projected Reduction to FB | (263,952) |

NOTE: Estimated variances are based on annualized data through June 30, 2017 and are a conservative first look at estimated surplus for 2016-17. Actual variances will be determined through the year end close and annual audit process and are subject to change based on actual data.

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
ESTIMATED FUND BALANCE
AS OF JUNE 30, 2017
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| Composition of Fund Balance | Balance June 30, 2016 | Budget Use 2016-17 | Addition/(Use) 2016-17 | Appropriations 2017-18 | Balance June 30, 2017 |
|------------------------------------|------------------------------|---------------------------|-------------------------------|-------------------------------|------------------------------|
| <i>Nonspendable</i> | \$299,475 | \$0 | \$0 | | \$299,475 |
| <i>Restricted</i> | \$19,525 | \$0 | \$0 | | \$19,525 |
| <i>Committed</i> | \$10,172,664 | \$732,581 | (\$122,537) | (\$706,000) | \$10,076,708 |
| <i>Assigned</i> | \$5,421,609 | (\$1,132,581) | (\$90,000) | \$1,370,887 | \$5,569,915 |
| <i>Unassigned</i> | \$2,070,423 | \$400,000 | (\$51,415) | (\$664,887) | \$1,754,121 |
| Total Fund Balance | \$17,983,696 | \$0 | (\$263,952) | \$0 | \$17,719,744 |
| <i>Unassigned Fund Balance</i> | \$2,070,423 | | | | \$1,754,121 |
| <i>Total Budget</i> | \$42,005,276 | | | | \$43,475,914 |
| <i>Unassigned- % of Budget</i> | 4.929% | | | | 4.035% |

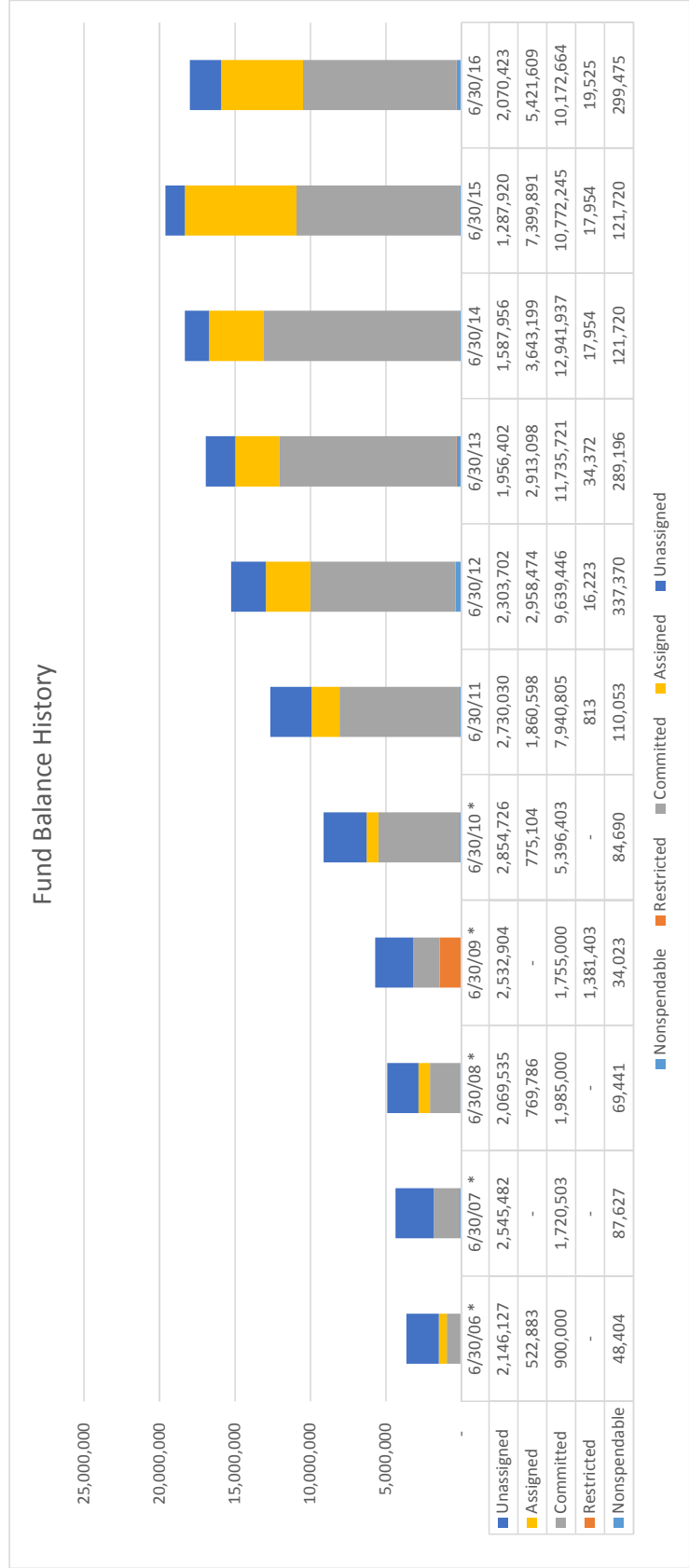
| COMMITTED FUND BALANCE | | | | | |
|--|------------------------------|---------------------------|-------------------------------|-------------------------------|------------------------------|
| | Balance June 30, 2016 | Budget Use 2016-17 | Addition/(Use) 2016-17 | Appropriations 2017-18 | Balance June 30, 2017 |
| <i>Other Post Employment Benefits (OPEB)</i> | \$3,138,082 | \$92,537 | (\$92,537) | (\$100,000) | 3,038,082 |
| <i>Healthcare Stabilization</i> | \$1,920,000 | \$0 | \$0 | \$0 | 1,920,000 |
| <i>Retirement Stabilization (PSERS)</i> | \$2,226,582 | \$365,044 | \$0 | (\$376,000) | 2,215,626 |
| <i>Emmaus Bond Pool Rate Stabilization</i> | \$350,000 | \$150,000 | \$0 | (\$150,000) | 350,000 |
| <i>Millage Rate Stabilization</i> | \$1,888,000 | \$125,000 | (\$30,000) | (\$30,000) | 1,953,000 |
| <i>Energy Stabilization</i> | \$650,000 | \$0 | \$0 | (\$50,000) | 600,000 |
| | \$10,172,664 | \$732,581 | (\$122,537) | (\$706,000) | 10,076,708 |

| ASSIGNED FUND BALANCE | | | | | |
|--|------------------------------|---------------------------|-------------------------------|-------------------------------|------------------------------|
| | Balance June 30, 2016 | Budget Use 2016-17 | Addition/(Use) 2016-17 | Appropriations 2017-18 | Balance June 30, 2017 |
| <i>Technology</i> | \$670,000 | \$50,000 | \$0 | \$0 | 720,000 |
| <i>New Curriculum Textbook/Materials</i> | \$1,413,000 | \$100,000 | \$0 | (\$305,000) | 1,208,000 |
| <i>Capital Projects</i> | \$1,432,517 | \$0 | \$0 | \$0 | 1,432,517 |
| <i>Buses</i> | \$535,000 | \$90,000 | (\$90,000) | (\$102,000) | 433,000 |
| <i>Budget Appropriations</i> | \$1,371,092 | (\$1,372,581) | \$0 | \$1,777,887 | 1,776,398 |
| | \$5,421,609 | (\$1,132,581) | (\$90,000) | \$1,370,887 | 5,569,915 |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
FUND BALANCE HISTORY
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| | Audited 6/30/06 * | Audited 6/30/07 * | Audited 6/30/08 * | Audited 6/30/09 * | Audited 6/30/10 * | Audited 6/30/11 | Audited 6/30/12 | Audited 6/30/13 | Audited 6/30/14 | Audited 6/30/15 | Audited 6/30/16 |
|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Nonspendable | 48,404 | 87,627 | 69,441 | 34,023 | 84,690 | 110,053 | 337,370 | 289,196 | 121,720 | 121,720 | 299,475 |
| Restricted | - | - | - | 1,381,403 | - | 813 | 16,223 | 34,372 | 17,954 | 17,954 | 19,525 |
| Committed | 900,000 | 1,720,503 | 1,985,000 | 1,755,000 | 5,396,403 | 7,940,805 | 9,639,446 | 11,735,721 | 12,941,937 | 10,772,245 | 10,172,664 |
| Assigned | 522,883 | - | 769,786 | - | 775,104 | 1,860,598 | 2,958,474 | 2,913,098 | 3,643,199 | 7,399,891 | 5,421,609 |
| Unassigned | 2,146,127 | 2,545,482 | 2,069,535 | 2,532,904 | 2,854,726 | 2,730,030 | 2,303,702 | 1,956,402 | 1,587,956 | 1,287,920 | 2,070,423 |
| Total Fund Balance | 3,617,414 | 4,353,612 | 4,893,762 | 5,703,330 | 9,110,923 | 12,642,299 | 15,255,215 | 16,928,789 | 18,312,766 | 19,599,730 | 17,983,696 |
| Increase Over PY | 488,523 | 736,198 | 540,150 | 809,568 | 3,407,593 | 3,531,376 | 2,612,916 | 1,673,574 | 1,383,977 | 1,286,964 | (1,616,034) |

* Effective June 30, 2011 GASB 54 changed the categories of fund balance. Prior to June 30, 2011, categories included Standard Fund Balance Reserves, Specific Fund Balance Reserves, Unreserved-Designated Fund Balance, and Unreserved-Undesignated Fund Balance. For comparison purposes, balances prior to June 30, 2011 are included in the current fund balance category that most closely matches the previous categories.



**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 PROPOSED FINAL BUDGET
MAY 17, 2017**

| # | Object | 15-16 Actual | 16-17 Budget | 17-18 Proposed Final | Increase (Decrease) | % Change |
|---------------------------------------|--|---------------------|---------------------|----------------------------|------------------------|-------------|
| INSTRUCTION - REGULAR PROGRAMS | | | | | | |
| Function 1100 | | | | | | |
| 100 | Salaries | \$8,664,528 | \$9,212,778 | \$9,313,271 | \$100,493 | 1.1% |
| 200 | Employee Benefits | \$4,869,798 | \$5,386,310 | \$5,483,964 | \$97,654 | 1.8% |
| 300 | Purchased Professional & Technical Services | \$23,533 | \$15,800 | \$3,550 | (\$12,250) | -77.5% |
| 400 | Purchased Property Services | \$39,715 | \$52,650 | \$49,750 | (\$2,900) | -5.5% |
| 500 | Other Purchased Services | \$610,533 | \$679,755 | \$809,042 | \$129,287 | 19.0% |
| 600 | Supplies | \$732,834 | \$687,627 | \$1,207,874 | \$520,247 | 75.7% |
| 700 | Property | \$762,833 | \$547,328 | \$40,000 | (\$507,328) | -92.7% |
| 800 | Other Objects | \$8,258 | \$4,976 | \$5,700 | \$724 | 14.5% |
| | Total | \$15,712,032 | \$16,587,224 | \$16,913,151 | \$325,927 | 2.0% |
| INSTRUCTION - SPECIAL PROGRAMS | | | | | | |
| Function 1200 | | | | | | |
| 100 | Salaries | \$2,338,812 | \$2,476,204 | \$2,643,024 | \$166,820 | 6.7% |
| 200 | Employee Benefits | \$1,275,464 | \$1,526,872 | \$1,592,116 | \$65,244 | 4.3% |
| 300 | Purchased Professional & Technical Services | \$1,318,559 | \$1,272,605 | \$1,328,000 | \$55,395 | 4.4% |
| 500 | Other Purchased Services | \$356,857 | \$379,232 | \$285,550 | (\$93,682) | -24.7% |
| 600 | Supplies | \$12,545 | \$19,815 | \$20,330 | \$515 | 2.6% |
| 700 | Property | \$2,503 | \$500 | \$0 | (\$500) | -100.0% |
| 800 | Other Objects | \$100 | \$115 | \$0 | (\$115) | -100.0% |
| | Total | \$5,304,840 | \$5,675,343 | \$5,869,020 | \$193,677 | 3.4% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 PROPOSED FINAL BUDGET
MAY 17, 2017**

| # | Object | 15-16 Actual | 16-17 Budget | 17-18 Proposed Final | Increase (Decrease) | % Change |
|--|--|-----------------|-----------------|----------------------------|------------------------|-------------|
| INSTRUCTION - VOCATIONAL EDUCATION PROGRAMS | | | | | | |
| <i>Function 1300</i> | | | | | | |
| 500 | Other Purchased Services | \$1,017,295 | \$1,054,184 | \$1,044,092 | (\$10,092) | -1.0% |
| | <i>Total</i> | \$1,017,295 | \$1,054,184 | \$1,044,092 | (\$10,092) | -1.0% |
| OTHER INSTRUCTIONAL PROGRAMS | | | | | | |
| <i>Function 1400</i> | | | | | | |
| 100 | Salaries | \$2,449 | \$2,000 | \$2,000 | \$0 | 0.0% |
| 200 | Employee Benefits | \$845 | \$774 | \$823 | \$49 | 6.3% |
| 300 | Purchased Professional & Technical Services | \$0 | \$2,500 | \$0 | (\$2,500) | -100.0% |
| | <i>Total</i> | \$3,294 | \$5,274 | \$2,823 | (\$2,451) | -46.5% |
| NON PUBLIC SCHOOL PROGRAM | | | | | | |
| <i>Function 1500</i> | | | | | | |
| 600 | Supplies | \$3,683 | \$0 | \$0 | \$0 | 0.0% |
| | <i>Total</i> | \$3,683 | \$0 | \$0 | \$0 | 0.0% |
| ADULT EDUCATION PROGRAMS | | | | | | |
| <i>Function 1600</i> | | | | | | |
| 100 | Salaries | \$0 | \$5,000 | \$5,000 | \$0 | 0.0% |
| 200 | Employee Benefits | \$0 | \$1,936 | \$2,060 | \$124 | 6.4% |
| 300 | Purchased Professional & Technical Services | \$4,555 | \$5,000 | \$5,000 | \$0 | 0.0% |
| 500 | Other Purchased Services | \$0 | \$0 | \$250,716 | \$250,716 | 0.0% |
| | <i>Total</i> | \$4,555 | \$11,936 | \$262,776 | \$250,840 | 2101.5% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 PROPOSED FINAL BUDGET
MAY 17, 2017**

| # | Object | 15-16 Actual | 16-17 Budget | 17-18 Proposed Final | Increase (Decrease) | % Change |
|---|--|-----------------|-----------------|----------------------------|------------------------|-------------|
| <i>COMMUNITY/JR. COLLEGE EDUC. PROGRAMS</i> | | | | | | |
| <i>Function 1700</i> | | | | | | |
| 500 | <i>Other Purchased Services</i> | \$246,746 | \$246,746 | \$0 | (\$246,746) | -100.0% |
| | <i>Total</i> | \$246,746 | \$246,746 | \$0 | (\$246,746) | -100.0% |
| TOTAL 1000 | <i>INSTRUCTION</i> | \$22,292,445 | \$23,580,707 | \$24,091,862 | \$511,155 | 2.2% |
| <i>SUPPORT SERVICES - PUPIL PERSONNEL</i> | | | | | | |
| <i>Function 2100</i> | | | | | | |
| 100 | <i>Salaries</i> | \$715,653 | \$831,031 | \$767,867 | (\$63,164) | -7.6% |
| 200 | <i>Employee Benefits</i> | \$446,008 | \$519,986 | \$500,790 | (\$19,196) | -3.7% |
| 300 | <i>Purchased Professional & Technical Services</i> | \$0 | \$1,000 | \$1,600 | \$600 | 60.0% |
| 400 | <i>Purchased Property Services</i> | \$140 | \$200 | \$200 | \$0 | 0.0% |
| 500 | <i>Other Purchased Services</i> | \$3,887 | \$5,500 | \$4,800 | (\$700) | -12.7% |
| 600 | <i>Supplies</i> | \$18,673 | \$9,050 | \$8,200 | (\$850) | -9.4% |
| 700 | <i>Property</i> | \$1,000 | \$0 | \$0 | \$0 | 0.0% |
| 800 | <i>Other Objects</i> | \$2,380 | \$2,627 | \$1,190 | (\$1,437) | -54.7% |
| | <i>Total</i> | \$1,187,741 | \$1,369,394 | \$1,284,647 | (\$84,747) | -6.2% |
| <i>SUPPORT SERVICES - INSTRUCTIONAL STAFF</i> | | | | | | |
| <i>Function 2200</i> | | | | | | |
| 100 | <i>Salaries</i> | \$611,796 | \$531,632 | \$653,397 | \$121,765 | 22.9% |
| 200 | <i>Employee Benefits</i> | \$353,307 | \$361,706 | \$387,542 | \$25,836 | 7.1% |
| 300 | <i>Purchased Professional & Technical Services</i> | \$44,995 | \$58,694 | \$62,929 | \$4,235 | 7.2% |
| 500 | <i>Other Purchased Services</i> | \$2,754 | \$5,411 | \$4,716 | (\$695) | -12.8% |
| 600 | <i>Supplies</i> | \$39,518 | \$43,611 | \$44,625 | \$1,014 | 2.3% |
| 800 | <i>Other Objects</i> | \$1,038 | \$750 | \$750 | \$0 | 0.0% |
| | <i>Total</i> | \$1,053,408 | \$1,001,804 | \$1,153,959 | \$152,155 | 15.2% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 PROPOSED FINAL BUDGET
MAY 17, 2017**

| # | Object | 15-16 Actual | 16-17 Budget | 17-18 Proposed Final | Increase (Decrease) | % Change |
|--|--|-----------------|-----------------|----------------------------|------------------------|-------------|
| <i>SUPPORT SERVICES - ADMINISTRATION</i> | | | | | | |
| <i>Function 2300</i> | | | | | | |
| 100 | Salaries | \$1,133,114 | \$1,168,038 | \$1,338,288 | \$170,250 | 14.6% |
| 200 | Employee Benefits | \$607,628 | \$710,187 | \$788,931 | \$78,744 | 11.1% |
| 300 | Purchased Professional & Technical Services | \$216,024 | \$135,500 | \$168,200 | \$32,700 | 24.1% |
| 400 | Purchased Property Services | \$576 | \$500 | \$500 | \$0 | 0.0% |
| 500 | Other Purchased Services | \$60,981 | \$69,972 | \$66,736 | (\$3,236) | -4.6% |
| 600 | Supplies | \$24,865 | \$27,025 | \$20,790 | (\$6,235) | -23.1% |
| 700 | Property | \$2,864 | \$0 | \$0 | \$0 | 0.0% |
| 800 | Other Objects | \$54,421 | \$31,215 | \$41,715 | \$10,500 | 33.6% |
| | <i>Total</i> | \$2,100,473 | \$2,142,437 | \$2,425,160 | \$282,723 | 13.2% |
| <i>SUPPORT SERVICES - PUPIL HEALTH</i> | | | | | | |
| <i>Function 2400</i> | | | | | | |
| 100 | Salaries | \$189,712 | \$199,345 | \$206,420 | \$7,075 | 3.5% |
| 200 | Employee Benefits | \$125,791 | \$148,326 | \$132,687 | (\$15,639) | -10.5% |
| 300 | Purchased Professional & Technical Services | \$1,537 | \$1,000 | \$1,500 | \$500 | 50.0% |
| 600 | Supplies | \$9,536 | \$5,900 | \$8,700 | \$2,800 | 47.5% |
| | <i>Total</i> | \$326,576 | \$354,571 | \$349,307 | (\$5,264) | -1.5% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 PROPOSED FINAL BUDGET
MAY 17, 2017**

| # | Object | 15-16 Actual | 16-17 Budget | 17-18 Proposed Final | Increase (Decrease) | % Change |
|---|--|--------------------|--------------------|----------------------------|------------------------|--------------|
| SUPPORT SERVICES - BUSINESS | | | | | | |
| Function 2500 | | | | | | |
| 100 | Salaries | \$384,964 | \$401,351 | \$404,496 | \$3,145 | 0.8% |
| 200 | Employee Benefits | \$207,688 | \$246,158 | \$226,595 | (\$19,563) | -7.9% |
| 300 | Purchased Professional & Technical Services | \$48,869 | \$57,230 | \$28,000 | (\$29,230) | -51.1% |
| 400 | Purchased Property Services | \$3,037 | \$3,910 | \$3,660 | (\$250) | -6.4% |
| 500 | Other Purchased Services | \$3,966 | \$4,900 | \$5,350 | \$450 | 9.2% |
| 600 | Supplies | \$5,267 | \$40,789 | \$31,110 | (\$9,679) | -23.7% |
| 700 | Property | \$1,318 | \$0 | \$0 | \$0 | 0.0% |
| 800 | Other Objects | \$6,019 | \$5,495 | \$6,855 | \$1,360 | 24.7% |
| | Total | \$661,128 | \$759,833 | \$706,066 | (\$53,767) | -7.1% |
| OPERATION & MAINT. OF PLANT SERVICES | | | | | | |
| Function 2600 | | | | | | |
| 100 | Salaries | \$1,256,548 | \$1,262,835 | \$1,377,662 | \$114,827 | 9.1% |
| 200 | Employee Benefits | \$652,391 | \$740,017 | \$773,345 | \$33,328 | 4.5% |
| 300 | Purchased Professional & Technical Services | \$217,868 | \$242,613 | \$214,096 | (\$28,517) | -11.8% |
| 400 | Purchased Property Services | \$555,326 | \$544,745 | \$377,645 | (\$167,100) | -30.7% |
| 500 | Other Purchased Services | \$189,763 | \$233,640 | \$227,404 | (\$6,236) | -2.7% |
| 600 | Supplies | \$571,016 | \$520,933 | \$806,950 | \$286,017 | 54.9% |
| 700 | Property | \$107,700 | \$92,000 | \$75,000 | (\$17,000) | -18.5% |
| 800 | Other Objects | \$1,929 | \$1,700 | \$1,250 | (\$450) | -26.5% |
| | Total | \$3,552,541 | \$3,638,483 | \$3,853,352 | \$214,869 | 5.9% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 PROPOSED FINAL BUDGET
MAY 17, 2017**

| # | Object | 15-16 Actual | 16-17 Budget | 17-18 Proposed Final | Increase (Decrease) | % Change |
|--|--|-----------------|-----------------|----------------------------|------------------------|-------------|
| STUDENT TRANSPORTATION SERVICES | | | | | | |
| <i>Function 2700</i> | | | | | | |
| 100 | Salaries | \$1,216,697 | \$1,325,600 | \$1,324,005 | (\$1,595) | -0.1% |
| 200 | Employee Benefits | \$435,129 | \$533,580 | \$565,762 | \$32,182 | 6.0% |
| 300 | Purchased Professional & Technical Services | \$4,878 | \$4,725 | \$4,725 | \$0 | 0.0% |
| 400 | Purchased Property Services | \$78,257 | \$68,775 | \$68,725 | (\$50) | -0.1% |
| 500 | Other Purchased Services | \$301,027 | \$249,724 | \$392,483 | \$142,759 | 57.2% |
| 600 | Supplies | \$334,902 | \$267,628 | \$347,120 | \$79,492 | 29.7% |
| 700 | Property | \$181,915 | \$270,000 | \$312,000 | \$42,000 | 15.6% |
| 800 | Other Objects | \$568 | \$175 | \$175 | \$0 | 0.0% |
| | <i>Total</i> | \$2,553,373 | \$2,720,207 | \$3,014,995 | \$294,788 | 10.8% |
| OTHER SUPPORT SERVICES | | | | | | |
| <i>Function 2800</i> | | | | | | |
| 100 | Salaries | \$361,821 | \$372,761 | \$345,087 | (\$27,674) | -7.4% |
| 200 | Employee Benefits | \$163,510 | \$194,330 | \$225,157 | \$30,827 | 15.9% |
| 300 | Purchased Professional & Technical Services | \$26,697 | \$32,505 | \$34,988 | \$2,483 | 7.6% |
| 500 | Other Purchased Services | \$19,254 | \$32,575 | \$31,350 | (\$1,225) | -3.8% |
| 600 | Supplies | \$24,843 | \$51,600 | \$36,985 | (\$14,615) | -28.3% |
| 700 | Other Purchased Services | \$1,319 | \$0 | \$0 | \$0 | 0.0% |
| 800 | Other Objects | \$1,323 | \$810 | \$1,100 | \$290 | 35.8% |
| | <i>Total</i> | \$598,767 | \$684,581 | \$674,667 | (\$9,914) | -1.4% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 PROPOSED FINAL BUDGET
MAY 17, 2017**

| # | Object | 15-16 Actual | 16-17 Budget | 17-18 Proposed Final | Increase (Decrease) | % Change |
|-------------------------------|--|---------------------|---------------------|----------------------------|------------------------|-------------|
| OTHER SUPPORT SERVICES | | | | | | |
| <i>Function 2900</i> | | | | | | |
| 500 | Other Purchased Services | \$36,993 | \$38,000 | \$38,000 | \$0 | 0.0% |
| | <i>Total</i> | \$36,993 | \$38,000 | \$38,000 | \$0 | 0.0% |
| TOTAL 2000 | SUPPORT SERVICES | \$12,071,000 | \$12,709,310 | \$13,500,153 | \$790,843 | 6.2% |
| STUDENT ACTIVITIES | | | | | | |
| <i>Function 3200</i> | | | | | | |
| 100 | Salaries | \$428,632 | \$430,247 | \$436,857 | \$6,610 | 1.5% |
| 200 | Employee Benefits | \$164,443 | \$169,519 | \$187,017 | \$17,498 | 10.3% |
| 300 | Purchased Professional & Technical Services | \$80,908 | \$81,630 | \$81,871 | \$241 | 0.3% |
| 400 | Purchased Property Services | \$23,217 | \$22,750 | \$22,650 | (\$100) | -0.4% |
| 500 | Other Purchased Services | \$60,542 | \$88,040 | \$71,434 | (\$16,606) | -18.9% |
| 600 | Supplies | \$73,025 | \$54,435 | \$88,145 | \$33,710 | 61.9% |
| 700 | Property | \$48,291 | \$33,020 | \$0 | (\$33,020) | -100.0% |
| 800 | Other Objects | \$22,695 | \$16,120 | \$16,120 | \$0 | 0.0% |
| | <i>Total</i> | \$901,753 | \$895,761 | \$904,094 | \$8,333 | 0.9% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 PROPOSED FINAL BUDGET
MAY 17, 2017**

| # | Object | 15-16 Actual | 16-17 Budget | 17-18 Proposed Final | Increase (Decrease) | % Change |
|--|-----------------------------|-----------------|-----------------|----------------------------|------------------------|-------------|
| <i>COMMUNITY SERVICES</i> | | | | | | |
| <i>Function 3300</i> | | | | | | |
| 800 | Other Objects | \$5,000 | \$130,000 | \$35,000 | (\$95,000) | -73.1% |
| | <i>Total</i> | \$5,000 | \$130,000 | \$35,000 | (\$95,000) | -73.1% |
| <i>TOTAL 3000 OPER OF NONINSTRUCTIONAL SVC</i> | | \$906,753 | \$1,025,761 | \$939,094 | (\$86,667) | -8.4% |
| <i>SITE IMPROVEMENT SERVICES</i> | | | | | | |
| <i>Function 4200</i> | | | | | | |
| 700 | Property | \$10,610 | \$0 | \$0 | \$0 | 0.0% |
| | <i>Total</i> | \$10,610 | \$0 | \$0 | \$0 | 0.0% |
| <i>BUILDING ACQUISITION & CONSTRUCTION SVC</i> | | | | | | |
| <i>Function 4500</i> | | | | | | |
| 700 | Property | \$3,589 | \$0 | \$0 | \$0 | 0.0% |
| | <i>Total</i> | \$3,589 | \$0 | \$0 | \$0 | 0.0% |
| <i>BUILDING IMPROVEMENT SERVICES</i> | | | | | | |
| <i>Function 4600</i> | | | | | | |
| 400 | Purchased Property Services | \$34,897 | \$0 | \$0 | \$0 | 0.0% |
| 700 | Property | \$13,092 | \$0 | \$0 | \$0 | 0.0% |
| | <i>Total</i> | \$47,989 | \$0 | \$0 | \$0 | 0.0% |
| <i>TOTAL 4000 FACILITIES ACQ, CONSTR & IMPRV</i> | | \$62,188 | \$0 | \$0 | \$0 | 0.0% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 PROPOSED FINAL BUDGET
MAY 17, 2017**

| | | | | 17-18 | | |
|--|----------------------|-----------------|-----------------|-------------------|------------------------|-------------|
| # | Object | 15-16 Actual | 16-17 Budget | Proposed Final | Increase (Decrease) | % Change |
| <i>DEBT SERVICE</i> | | | | | | |
| <i>Function 5100</i> | | | | | | |
| 800 | Other Objects | \$1,056,306 | \$977,571 | \$1,183,719 | \$206,148 | 21.1% |
| 900 | Other Financing Uses | \$2,075,000 | \$2,252,901 | \$2,597,450 | \$344,549 | 15.3% |
| | <i>Total</i> | \$3,131,306 | \$3,230,472 | \$3,781,169 | \$550,697 | 17.0% |
| <i>FUND TRANSFERS</i> | | | | | | |
| <i>Function 5200</i> | | | | | | |
| 900 | Other Financing Uses | \$3,499,356 | \$1,059,026 | \$763,636 | (\$295,390) | -27.9% |
| | <i>Total</i> | \$3,499,356 | \$1,059,026 | \$763,636 | (\$295,390) | -27.9% |
| <i>BUDGETARY RESERVE</i> | | | | | | |
| <i>Function 5900</i> | | | | | | |
| 800 | Other Objects | \$0 | \$400,000 | \$400,000 | \$0 | 0.0% |
| <i>TOTAL 5000 OTHER FINANCING USES</i> | | | | | | |
| | | \$6,630,662 | \$4,689,498 | \$4,944,805 | \$255,307 | 5.4% |
| <i>TOTAL EXPENDITURES & OTHER FINANCING USES</i> | | | | | | |
| | | \$41,963,048 | \$42,005,276 | \$43,475,914 | \$1,470,638 | 3.5% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
SUMMARY OF OPEB FUNDING
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| | ARC Budget Amount | Budget Retiree Premiums | Total Budget Funds | Fund Balance Transfer | Total OPEB Fund Balance |
|------------|-------------------------|-------------------------------|--------------------------|--------------------------|----------------------------|
| | | | | | 1,260,000 |
| 2009-10 | - | 135,000 | 135,000 | 881,403 | 2,141,403 |
| 2010-11 | 380,000 | 294,000 | 674,000 | 305,000 | 2,446,403 |
| 2011-12 | 354,216 | 294,000 | 648,216 | 355,000 | 2,801,403 |
| 2012-13 | 354,216 | 175,000 | 529,216 | 355,000 | 3,156,403 |
| 2013-14 * | 324,675 | - | 324,675 | 74,216 | 3,230,619 |
| 2014-15 * | 324,675 | - | 324,675 | - | 3,230,619 |
| 2015-16 ** | - | 151,000 | 151,000 | - | 3,230,619 |
| 2016-17 ** | - | 100,000 | 100,000 | - | 3,130,619 |
| 2017-18** | - | 100,000 | 100,000 | - | 3,030,619 |

* 2013-14 Change in budget strategy. Budget year only includes the ARC, which current retiree premiums will be paid from. There was no fund balance transfer as of June 30,2014.

** 2015-16 Change in budget strategy. Current budget includes the actual cost of retiree coverage and no ARC.

OPEB- Other Post Employment Benefits
ARC- Annual Required Contribution
Budget Retiree Premiums- represents the budget amount for the current cost of retire healthcare premiums

| Summary of Conrad Siegel Actuarial Report dated July 1, 2016 | |
|---|---------------|
| Demographic Information | |
| Active Participants | 239 |
| Vested Former Participants | - |
| Retired Participants | 26 |
| Total | 265 |
| Annual Payroll of Active Participants | \$ 14,898,772 |
| Actuarial Calculations | |
| Accrued Liability ** | \$ 2,799,478 |
| Normal Cost *** | \$ 157,013 |
| Annual Required Contribution (ARC)**** | \$ 328,877 |
| ARC as a % Payroll | 2.21% |
| <p>** Accrued Liability is the present value of all benefits attributed to past service of current plan participants as of the valuation date. *** Normal Cost is the present value of benefits allocated to the year beginning on the valuation date. **** Annual Required Contribution (ARC) represents the amount needed to fund 1) the cost of the benefits attributed to the current year, plus 2) an amortized portion of the unfunded liability. It serves as the basis for determining the financial costs.</p> | |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
PSERS FUND BALANCE STABILIZATION FUNDS
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

PROJECTED RATES

| | ER Rate | Projected Rate Increase | % Increase | Rate in Budget | Budget Rate Increase | % Increase |
|--------------|---------------|-------------------------|--------------|----------------|----------------------|--------------|
| 11-12 | 8.65% | 3.01% | 53.37% | 9.50% | 1.28% | 15.57% |
| 12-13 | 12.36% | 3.71% | 42.89% | 11.50% | 2.00% | 21.05% |
| 13-14 | 16.93% | 4.57% | 36.97% | 15.00% | 3.50% | 30.43% |
| 14-15 | 21.40% | 4.47% | 26.40% | 18.50% | 3.50% | 23.33% |
| 15-16 | 25.84% | 4.44% | 20.75% | 25.42% | 6.92% | 37.41% |
| 16-17 | 30.03% | 4.19% | 16.22% | 28.00% | 2.58% | 10.15% |
| 17-18 | 32.57% | 2.54% | 8.46% | 30.50% | 2.50% | 8.93% |
| 18-19 | 34.18% | 1.61% | 4.94% | 32.00% | 1.50% | 4.92% |
| 19-20 | 35.53% | 1.35% | 3.95% | 33.00% | 1.00% | 3.13% |
| 20-21 | 35.95% | 0.42% | 1.18% | 34.00% | 1.00% | 3.03% |
| 21-22 | 36.40% | 0.45% | 1.25% | 35.00% | 1.00% | 2.94% |
| 22-23 | 33.75% | -2.65% | -7.28% | 33.75% | -1.25% | -3.57% |
| 23-24 | 33.84% | 0.09% | 0.27% | 33.84% | 0.09% | 0.27% |
| 24-25 | 33.94% | 0.10% | 0.30% | 33.94% | 0.10% | 0.30% |
| 25-26 | 34.18% | 0.24% | 0.71% | 34.18% | 0.24% | 0.71% |

ER Rate represents the projected PSERS employer contribution rate as of December 7, 2016. The Rate in the budget is the estimated employer rate for budgeting to smooth the rate increases using the PSERS stabilization fund balance.

PROJECTED TOTAL COSTS

| | Payroll | Actual ER | | Planned Use of Fund Balance | Remaining Fund Balance |
|--------------|-------------------|------------------|------------------|-----------------------------|------------------------|
| | | Cost | Budget | | |
| 11-12 | 16,207,232 | 1,416,217 | 1,539,687 | - | 2,135,343 |
| 12-13 | 16,737,537 | 2,043,690 | 1,924,817 | - | 1,969,835 |
| 13-14 | 16,445,726 | 2,803,900 | 2,466,859 | - | 1,982,000 |
| 14-15 | 16,726,593 | 3,552,342 | 3,094,420 | - | 2,533,626 |
| 15-16 | 17,304,726 | 4,471,541 | 4,398,861 | (71,374) | 2,591,626 |
| 16-17 | 18,062,222 | 5,424,085 | 5,057,422 | (365,044) | 2,224,963 |
| 17-18 | 18,622,974 | 6,056,917 | 5,680,007 | (376,910) | 1,848,053 |
| 18-19* | 19,181,663 | 6,556,292 | 6,138,132 | (418,160) | 1,429,893 |
| 19-20* | 19,757,113 | 7,019,702 | 6,519,847 | (499,855) | 930,038 |
| 20-21* | 20,349,827 | 7,315,763 | 6,918,941 | (396,822) | 533,216 |
| 21-22* | 20,960,321 | 7,629,557 | 7,336,112 | (293,444) | 239,772 |
| 22-23* | 21,589,131 | 7,286,332 | 7,286,332 | - | 239,772 |
| 23-24* | 22,236,805 | 7,524,935 | 7,524,935 | - | 239,772 |
| 24-25* | 22,903,909 | 7,773,587 | 7,773,587 | - | 239,772 |
| 25-26* | 23,591,026 | 8,063,413 | 8,063,413 | - | 239,772 |

PROJECTED ANNUAL INCREASES- ASSUMING 3%

| | Payroll Increase | Actual Increase | Budget Increase | Actual Mills | Budget Mills |
|--------------|------------------|-----------------|-----------------|---------------|---------------|
| | | | | Equivalent | Equivalent |
| 11-12 | 53,068 | 505,974 | 211,815 | 0.3666 | 0.1535 |
| 12-13 | 530,305 | 627,473 | 385,130 | 0.4547 | 0.2791 |
| 13-14 | (291,811) | 760,210 | 542,042 | 0.5509 | 0.3928 |
| 14-15 | 280,867 | 748,442 | 627,561 | 0.5423 | 0.4547 |
| 15-16 | 578,133 | 919,199 | 1,304,442 | 0.6661 | 0.9452 |
| 16-17 | 757,496 | 952,544 | 658,561 | 0.6902 | 0.4772 |
| 17-18 | 560,752 | 632,832 | 622,585 | 0.4586 | 0.4511 |
| 18-19* | 558,689 | 499,375 | 458,125 | 0.3619 | 0.3320 |
| 19-20* | 575,450 | 463,410 | 381,715 | 0.3358 | 0.2766 |
| 20-21* | 592,713 | 296,060 | 399,094 | 0.2145 | 0.2892 |
| 21-22* | 610,495 | 313,794 | 417,171 | 0.2274 | 0.3023 |
| 22-23* | 628,810 | (343,225) | (49,781) | (0.2487) | (0.0361) |
| 23-24* | 647,674 | 238,603 | 238,603 | 0.1729 | 0.1729 |
| 24-25* | 667,104 | 248,652 | 248,652 | 0.1802 | 0.1802 |
| 25-26* | 687,117 | 289,826 | 289,826 | 0.2100 | 0.2100 |

* Assumes 3% increase annually on salaries

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
SUMMARY OF EMMAUS BOND POOL INTEREST
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| | EBP GOB 2009 \$8,770,000 | | EBP GON 2007A \$8,500,000 | |
|-----------|-----------------------------|-------------|------------------------------|-------------|
| | Budget Rate | Actual Rate | Budget Rate | Actual Rate |
| 2007-08 | n/a | n/a | 4.00% | 2.84% |
| 2008-09 | n/a | n/a | 4.00% | 2.03% |
| 2009-10 | 4.00% | 2.03% | 4.00% | 1.14% |
| 2010-11 | 4.00% | 2.02% | 4.00% | 1.10% |
| 2011-12 | 4.00% | 1.81% | 4.00% | 1.27% |
| 2012-13 | 4.00% | 1.66% | 4.00% | 1.43% |
| 2013-14 | 3.00% | 1.49% | 3.00% | 1.30% |
| 2014-15 | 3.00% | 1.49% | 3.00% | 1.29% |
| 2015-16 | 3.00% | 1.58% | 3.00% | 1.37% |
| 2016-17 * | 3.00% | 1.66% | 3.00% | 1.85% |
| 2017-18 | 3.00% | n/a | 3.00% | n/a |

* Average interest rate to date through April 20, 2016

| | EBP GOB 2009 \$8,770,000 | | EBP GON 2007A \$8,500,000 | |
|------------|-----------------------------|-----------|------------------------------|-----------|
| | Budget \$ | Actual \$ | Budget \$ | Actual \$ |
| 2007-08 | n/a | n/a | 196,444 | 140,526 |
| 2008-09 | n/a | n/a | 340,000 | 186,579 |
| 2009-10 | 161,758 | 96,062 | 340,000 | 94,816 |
| 2010-11 | 350,667 | 180,378 | 336,333 | 92,518 |
| 2011-12 | 349,000 | 156,982 | 332,333 | 104,239 |
| 2012-13 | 346,467 | 103,467 | 328,333 | 85,937 |
| 2013-14 | 257,700 | 129,424 | 243,250 | 106,212 |
| 2014-15 | 263,100 | 95,009 | 255,000 | 77,246 |
| 2015-16 | 252,951 | 92,294 | 220,750 | 81,461 |
| 2016-17 ** | 249,650 | 101,992 | 197,000 | 81,258 |
| 2017-18 | 245,901 | n/a | 173,001 | n/a |

Schedule reflects interest payments only.

** Interest paid to date through April 2017

| | | |
|---------------------------------------|----|-----------|
| Committed Fund Balance- June 30, 2016 | \$ | 500,000 |
| Estimated 2016-17 transfer | | - |
| 16-17 Use of Fund Balance | | - |
| Estimated Balance- June 30, 2017 | \$ | 500,000 |
| Amount Scheduled for use in 2017-18: | | |
| Emmaus Bond Pool 1% Interest | \$ | (150,000) |
| Estimated Balance - June 30, 2017 | \$ | 350,000 |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
ANALYSIS OF DIESEL AND HEATING OIL
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| Diesel | | | | |
|----------------|----------------------|----------------------|-----------------------------|---------|
| | Average Price | Total Gallons | Actual/Budget Amount | |
| 2008-09 * | \$ 3.36 | 95,053 | \$ | 320,256 |
| 2009-10 * | \$ 2.17 | 72,638 | \$ | 158,745 |
| 2010-11 * | \$ 2.81 | 81,606 | \$ | 229,457 |
| 2011-12 * | \$ 3.21 | 80,128 | \$ | 257,564 |
| 2012-13 * | \$ 3.28 | 72,378 | \$ | 262,108 |
| 2013-14 * | \$ 3.18 | 75,117 | \$ | 203,202 |
| 2014-15 * | \$ 3.09 | 78,008 | \$ | 235,225 |
| 2015-16 * | \$ 2.24 | 67,799 | \$ | 151,982 |
| 2016-17 ** | \$ 1.84 | 60,007 | \$ | 110,252 |
| 2017-18 Budget | \$ 2.00 | 75,000 | \$ | 150,000 |

| Heating Oil | | | | |
|--------------------|----------------------|----------------------|-----------------------------|---------|
| | Average Price | Total Gallons | Actual/Budget Amount | |
| 2008-09 * | \$ 3.21 | 159,762 | \$ | 530,094 |
| 2009-10 * | \$ 2.11 | 147,462 | \$ | 311,297 |
| 2010-11 * | \$ 2.75 | 167,596 | \$ | 460,443 |
| 2011-12 * | \$ 3.13 | 100,177 | \$ | 314,899 |
| 2012-13* | \$ 3.15 | 103,108 | \$ | 345,338 |
| 2013-14 * | \$ 3.26 | 120,557 | \$ | 415,194 |
| 2014-15 * | \$ 3.04 | 153,783 | \$ | 467,281 |
| 2015-16 * | \$ 2.10 | 97,689 | \$ | 204,854 |
| 2016-17 ** | \$ 1.74 | 89,900 | \$ | 156,026 |
| 2017-18 Budget *** | \$ 1.85 | 100,000 | \$ | 185,000 |

* Fluctuating rate selected as pricing method through bid process.

** Total Gallons through March 2016

*** District went to bid for 75% of quantities and participated with CSIU16 bid for 25% quantities

| | Type of Pricing | Bid Method | Diesel | | Heating Oil | |
|---------|-----------------|------------|-------------------|-----------------------------|--------------------|-----------------------------|
| | | | Firm Price/Gallon | Actual Average Price/Gallon | Firm Price/Gallon | Actual Average Price/Gallon |
| 2008-09 | Fluctuating | CSIU16 | no bid | \$ 3.36 | no bid | \$ 3.21 |
| 2009-10 | Fluctuating | NWL | \$ 2.5084 | \$ 2.17 | \$ 2.4236 | \$ 2.11 |
| 2010-11 | Fluctuating | CSIU16 | \$ 2.7026 | \$ 2.81 | \$ 2.7172 | \$ 2.75 |
| 2011-12 | Fluctuating | CSIU16 | \$ 3.5050 | \$ 3.21 | \$ 3.3892 | \$ 3.13 |
| 2012-13 | Fluctuating | CSIU16 | \$ 3.4352 | \$ 3.28 | \$ 3.3346 | \$ 3.15 |
| 2013-14 | Fluctuating | CSIU16 | \$ 3.0168 | \$ 3.18 | \$ 2.9296 | \$ 3.26 |
| 2014-15 | Firm | CSIU16 | \$ 3.0900 | n/a | \$ 3.0500 | n/a |
| 2015-16 | Firm | NWL | \$ 2.2400 | n/a | \$ 2.1000 | n/a |
| 2016-17 | Firm *** | CSIU16 | \$ 1.4813 | n/a | \$ 1.4637 | n/a |
| 2016-17 | Firm *** | NWL | \$ 1.8872 | n/a | \$ 1.7900 | n/a |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
FIVE YEAR BUDGET PROJECTIONS
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| Description | Final Budget 16-17 | Estimated Budget 17-18 | Estimated Budget 18-19 | Estimated Budget 19-20 | Estimated Budget 20-21 | Estimated Budget 21-22 | Estimated Budget 22-23 |
|-------------------------------|--------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Northwestern Elementary | 75,950 | 76,550 | 77,316 | 78,089 | 78,870 | 79,658 | 80,455 |
| Weisenberg Elementary | 71,450 | 70,450 | 71,155 | 71,866 | 72,585 | 73,311 | 74,044 |
| Middle School | 84,160 | 85,440 | 86,294 | 87,157 | 88,029 | 88,909 | 89,798 |
| High School | 118,560 | 119,520 | 120,715 | 121,922 | 123,142 | 124,373 | 125,617 |
| Business Office | 87,540 | 79,865 | 80,664 | 81,470 | 82,285 | 83,108 | 83,939 |
| Superintendent | 18,465 | 18,465 | 18,650 | 18,836 | 19,025 | 19,215 | 19,407 |
| Curriculum | 240,076 | 240,000 | 242,400 | 244,824 | 247,272 | 249,745 | 252,242 |
| Technology | 819,366 | 765,435 | 773,089 | 780,820 | 788,628 | 796,515 | 804,480 |
| Special Education | 22,855 | 25,280 | 25,533 | 25,788 | 26,046 | 26,306 | 26,570 |
| Assistant Superintendent | 31,565 | 31,500 | 31,815 | 32,133 | 32,454 | 32,779 | 33,107 |
| Human Resources | 28,760 | 33,760 | 34,098 | 34,439 | 34,783 | 35,131 | 35,482 |
| Buildings & Grounds | 691,645 | 792,145 | 800,066 | 808,067 | 816,148 | 824,309 | 832,552 |
| Transportation | 438,725 | 450,095 | 454,596 | 459,142 | 463,733 | 468,371 | 473,054 |
| Athletics | 228,555 | 231,486 | 233,801 | 236,139 | 238,500 | 240,885 | 243,294 |
| Expenditures: | | | | | | | |
| Building & Department Budgets | 2,957,672 | 3,019,991 | 3,050,191 | 3,080,693 | 3,111,500 | 3,142,615 | 3,174,041 |
| Salaries-All Staff | | | | | | | |
| Professionals | 12,086,747 | 12,441,697 | 12,926,923 | 13,314,731 | 13,714,173 | 14,125,598 | 14,549,366 |
| Support Staff | 4,428,990 | 4,582,974 | 4,674,633 | 4,768,126 | 4,863,489 | 4,960,758 | 5,059,974 |
| Administration | 1,546,485 | 1,598,303 | 1,646,252 | 1,695,640 | 1,746,509 | 1,798,904 | 1,852,871 |
| Total Salaries | 18,062,222 | 18,622,974 | 19,247,809 | 19,778,497 | 20,324,170 | 20,885,261 | 21,462,211 |
| Total Benefits-All Staff | | | | | | | |
| Medical & Prescription | | | | | | | |
| Professionals | 2,562,359 | 2,430,740 | 2,479,355 | 2,553,735 | 2,661,422 | 2,815,493 | 2,956,268 |
| Admin/Support | 795,844 | 617,343 | 629,690 | 648,581 | 681,010 | 715,060 | 750,813 |
| Dental | 139,271 | 140,421 | 140,421 | 141,825 | 143,243 | 144,676 | 146,123 |
| PSERS | 5,416,717 | 6,056,917 | 6,578,901 | 7,027,300 | 7,306,539 | 7,602,235 | 7,812,245 |
| Social Security | 1,383,344 | 1,426,050 | 1,472,457 | 1,513,055 | 1,554,799 | 1,597,722 | 1,641,859 |
| Other Benefits | 398,766 | 389,718 | 393,615 | 397,551 | 401,527 | 405,542 | 409,598 |
| Total Benefits | 10,696,301 | 11,061,189 | 11,694,439 | 12,282,047 | 12,768,540 | 13,280,729 | 13,716,905 |
| District Wide | | | | | | | |
| Cyber/Charter School | 980,457 | 1,042,900 | 1,095,045 | 1,149,797 | 1,207,287 | 1,267,651 | 1,331,034 |
| Special Education (IU) | 1,337,605 | 1,416,048 | 1,458,529 | 1,502,278 | 1,547,359 | 1,593,774 | 1,641,588 |
| LCTI | 1,054,184 | 1,044,092 | 1,054,533 | 1,065,075 | 1,075,729 | 1,086,486 | 1,097,351 |
| LCCC | 246,746 | 250,716 | 253,223 | 255,755 | 258,313 | 260,896 | 263,505 |
| Debt Service | 3,227,972 | 3,776,169 | 4,159,640 | 4,187,380 | 4,184,895 | 4,184,716 | 4,184,434 |
| Diesel/Heating Oil | 328,328 | 335,000 | 338,350 | 341,734 | 345,151 | 348,602 | 352,088 |
| Capital Reserve Transfer | 751,026 | 458,326 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 |
| Budgetary Reserve | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 |
| Other District Wide | 1,962,763 | 2,048,509 | 2,048,509 | 2,048,509 | 2,048,509 | 2,048,509 | 2,048,509 |
| Total District Wide | 10,289,081 | 10,771,760 | 11,207,830 | 11,350,539 | 11,467,238 | 11,590,636 | 11,718,509 |
| Estimated Total Expenditures | 42,005,276 | 43,475,914 | 45,200,268 | 46,491,776 | 47,671,448 | 48,899,240 | 50,071,666 |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
FIVE YEAR BUDGET PROJECTIONS
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| Description | Final Budget 16-17 | Estimated Budget 17-18 | Estimated Budget 18-19 | Estimated Budget 19-20 | Estimated Budget 20-21 | Estimated Budget 21-22 | Estimated Budget 22-23 |
|--------------------------------|--------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Revenues: | | | | | | | |
| Local: | | | | | | | |
| Current Real Estate Taxes | 22,595,372 | 23,142,861 | 23,389,236 | 23,631,388 | 23,875,962 | 24,122,981 | 24,372,471 |
| Earned Income Taxes | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Delinquent Real Estate Taxes | 860,000 | 885,000 | 885,000 | 885,000 | 885,000 | 885,000 | 885,000 |
| Earnings on Investments | 325,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 |
| IDEA | 346,238 | 346,238 | 346,238 | 346,238 | 346,238 | 346,238 | 346,238 |
| Other Local Revenues | 1,213,200 | 1,193,200 | 1,217,064 | 1,241,405 | 1,266,233 | 1,291,558 | 1,317,389 |
| State: | | | | | | | |
| Basic Education Funding | 5,733,738 | 5,699,784 | 5,699,784 | 5,699,784 | 5,699,784 | 5,699,784 | 5,699,784 |
| Special Education | 1,390,779 | 1,367,075 | 1,367,075 | 1,367,075 | 1,367,075 | 1,367,075 | 1,367,075 |
| Transportation | 1,000,000 | 914,887 | 914,887 | 914,887 | 914,887 | 914,887 | 914,887 |
| Rental/Sinking Payments | 330,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 |
| Gaming Revenues | 674,898 | 674,898 | 674,898 | 674,898 | 674,898 | 674,898 | 674,898 |
| Social Security Reimbursement | 688,500 | 707,625 | 736,229 | 756,527 | 777,400 | 798,861 | 820,930 |
| PSERS Reimbursement | 2,702,700 | 2,963,700 | 3,289,451 | 3,513,650 | 3,653,270 | 3,801,117 | 3,906,122 |
| Other State Revenues | 61,000 | 291,490 | 291,490 | 291,490 | 291,490 | 291,490 | 291,490 |
| Federal: | | | | | | | |
| Federal Revenues | 211,270 | 211,270 | 211,270 | 211,270 | 211,270 | 211,270 | 211,270 |
| Estimated Total Revenue | 40,632,695 | 41,698,028 | 42,322,621 | 42,833,613 | 43,263,506 | 43,705,160 | 44,107,554 |
| Excess/(Shortfall) | (1,372,581) | (1,777,886) | (2,877,648) | (3,658,163) | (4,407,942) | (5,194,080) | (5,964,112) |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
FIVE YEAR BUDGET PROJECTIONS ASSUMPTIONS
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

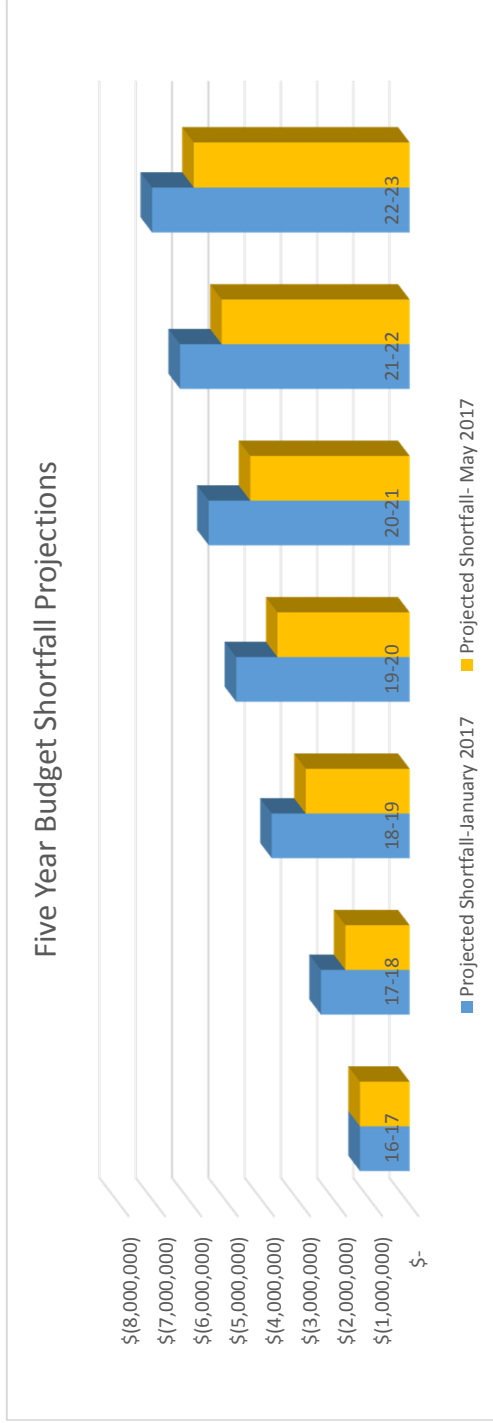
| Description | Budget 2015-16 | Budget 2016-17 | Estimated Budget 2017-18 | Estimated Budget 2018-19 | Estimated Budget 2019-20 | Estimated Budget 2020-21 | Estimated Budget 2021-22 | Estimated Budget 2022-23 |
|---------------------------------|-------------------|-------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Expenditure Assumptions: | | | | | | | | |
| Building/Departments | | | | | | | | |
| Salaries | 4.49% | 1.50% | 0.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| Professionals | 1.05% | 12.18% | 9.55% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Support | 7.11% | 2.51% | 2.25% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| Admin | | 2.56% | 3.50% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Medical, including RX | 0.30% | | | | | | | |
| Professionals | | 2.78% | -5.50% | 2.00% | 3.00% | 5.00% | 5.00% | 5.00% |
| Admin/Support | | 1.50% | -4.60% | 2.00% | 3.00% | 5.00% | 5.00% | 5.00% |
| Dental | -7.40% | -4.03% | -3.00% | 0.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| PSERS | 20.51% | 30.03% | 32.57% | 34.18% | 35.53% | 35.95% | 36.40% | 36.40% |
| SS | | | | | | | | |
| Other Benefits | 8.09% | 1.52% | 0.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| District Wide | | | | | | | | |
| Cyber/Charter School | 7.90% | 16.69% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| Special Education (IU) | -13.06% | 0.67% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| LCTI | -2.59% | 2.10% | 0.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| LCCC | -3.05% | 0.00% | 0.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| Debt Service | 9.37% | 6.02% | 3,776,169 | 4,187,380 | 4,187,380 | 4,184,895 | 4,184,716 | 4,184,434 |
| Diesel/Heating Oil | -38.05% | -14.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| Capital Reserve Transfer | 0.00% | -78.54% | 458,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 |
| Budgetary Reserve | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Other District Wide | 34.50% | -21.80% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
FIVE YEAR BUDGET PROJECTIONS ASSUMPTIONS
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| Description | Budget | Budget | Estimated | Estimated | Estimated | Estimated | Estimated | Estimated |
|---|---------------|---------------|------------------|---------------|---------------|---------------|---------------|---------------|
| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
| Revenue Assumptions: | | | | | | | | |
| Act 1 Index (Adjusted) | 2.20% | 2.80% | 2.90% | 2.90% | 2.90% | 2.90% | 2.90% | 2.90% |
| Assessment | | | 1% | 1% | 1% | 1% | 1% | 1% |
| Assessed Value | 1,525,375,300 | 1,565,356,500 | 1,564,511,850.00 | 1,580,156,969 | 1,595,958,538 | 1,611,918,124 | 1,628,037,305 | 1,644,317,678 |
| Collection Rate | 96% | 96% | 96% | 96% | 96% | 96% | 96% | 96% |
| Earned Income Taxes | 0.75% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Delinquent Real Estate Taxes | -4.20% | 4.94% | 2.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Earnings on Investments | -36.47% | 62.50% | 0.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| IDEA | -6.39% | 4.10% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Other Local Revenues | 1.09% | 36.70% | 0.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| State: | | | | | | | | |
| Basic Education Funding | 7.90% | -2.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Special Education | 7.67% | -0.41% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Transportation | -7.30% | 7.10% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Rental/Sinking Payments | -15.80% | -5.70% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Gaming Revenues | 0.80% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Social Security Reimbursement | | | | | | | | |
| PSERS Reimbursement | | | | | | | | |
| Other State Revenues | 6.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Federal: | | | | | | | | |
| Federal Revenues | 1.60% | -1.55% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Information Below Reflects Estimated Tax Impact on Raising Taxes- Informational ONLY | | | | | | | | |
| Tax Increase | NO | NO | NO | NO | NO | NO | NO | NO |
| Max Millage Increase in mills | 0.0000 | 0.4470 | 0.4629 | 0.4629 | 0.4629 | 0.4629 | 0.4629 | 0.4629 |
| New Millage Rate | 15.9631 | 15.9631 | 15.9631 | 15.9631 | 15.9631 | 15.9631 | 15.9631 | 15.9631 |
| Millage Increase Generated | - | - | 724,259 | 731,502 | 738,817 | 746,205 | 753,667 | 761,204 |

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
FIVE YEAR BUDGET SHORTFALL PROJECTIONS
2017-2018 PROPOSED FINAL BUDGET
MAY 17, 2017**

| | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | 22-23 |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Projected Shortfall-January 2017 | \$ (1,375,451) | \$ (2,454,764) | \$ (3,817,270) | \$ (4,798,667) | \$ (5,551,373) | \$ (6,340,375) | \$ (7,112,824) |
| Projected Shortfall- May 2017 | \$ (1,375,451) | \$ (1,777,887) | \$ (2,877,648) | \$ (3,658,163) | \$ (4,407,942) | \$ (5,194,080) | \$ (5,964,112) |
| Difference | \$ | \$ 676,877 | \$ 939,622 | \$ 1,140,504 | \$ 1,143,431 | \$ 1,146,295 | \$ 1,148,712 |



NOTE: Projected shortfall compares Five Year Projections as of January 2017 compared to Five Year Projections as of May 2017.