

NORTHWESTERN LEHIGH SCHOOL DISTRICT

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

2017-2018

GENERAL FUND BUDGET



FINAL BUDGET

June 21, 2017

Dear Employees, Parents, Community Members, and Students,



Northwestern Lehigh School District is a great place to learn and work, and we are proud to continue to offer well-rounded academic and extra-curricular opportunities for the students of our District. The administration presented a Proposed Final budget to the Board of School Directors at the Workshop Meeting on May 3, 2017. As we finalize our budget for 2017-2018, it is important to note that all programs with strong enrollment, effective class sizes, and current offerings in extra-curricular and athletic activities will be maintained for the 2017-2018 school year. ***For the seventh consecutive year, the 2017-18 Proposed Final Budget was presented with no tax increase.*** I am proud that our Board and employees continue to work together to ...***Empower, Inspire, and Lead...we are future ready!***

The 2017-18 budget was developed as a collaborative effort of the Board, administration, and employees. Budget development began back in October of 2016. From November through April, budget meetings were held with administrators, teachers, and the Board to examine and refine the budget. Administrators met and determined appropriate staffing levels for classrooms and departments across all areas of instruction and operations.

Budget discussions were held in public meetings during Workshop and Regular Board Meetings in December, January, February, and April. The Proposed Final Budget is a result of months of planning and preparation. The Proposed Final Budget was presented in detail at the May 3rd Workshop Meeting and was approved on May 17th at the Regular Board Meeting.

You may remember that I sent an informational email about the High School Modernization Project. The project began in the beginning of April 2017, and we expect it to be completed for the start of the 2018-2019 school year. About a year ago, we sent a mailing to all residents indicating what a maximum tax increase might be for each of the following three years to pay for the financing of the HS project. I am pleased to announce that we were able to pay for this first round of debt without increasing taxes. We completed the first of two borrowings for the project, and the 2017-18 budget does ***not include any tax increase*** to cover the debt repayment.

Our Board of School Directors works together with administration, employees, and the community to provide the best, affordable education possible. ***Northwestern remains financially and educationally sound.*** Our students demonstrate outstanding achievement as measured by PSSA and Keystone assessments, but they are much more than scores on state tests. Our students, kindergarten through 12th grades, demonstrate significant growth and achievement in all aspects of our core curriculum; in performance based activities such as art, music, drama, health and wellness, business and technology education, family and consumer science and career and technical education; in athletic and scholastic competitions/events; and through community service. We are proud to deliver a budget that maintains excellent programs, experiences, and opportunities for our children without increasing property taxes for our residents.

We will continue to be prudent with our spending, and at the same time, the School Board and District employees remain committed to providing a rigorous education, healthy food choices, efficient facilities, and safe transportation for our children. We will continue to maximize our resources so we can provide a high quality, fiscally responsible education for our community that will ...***Empower, Inspire, and Lead....*** our students! Thank you for your ongoing support of the Northwestern Lehigh School District and for helping Northwestern to demonstrate.... ***We are future ready!***

Sincerely,

A handwritten signature in black ink that reads 'Mary Anne Wright'.

Dr. Mary Anne Wright
Superintendent of Schools



MISSION STATEMENT

**We empower, inspire, and lead
our students to strive for
excellence in and out of the
classroom...We are future
ready!**

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
6493 ROUTE 309, NEW TRIPOLI, PA 18066
2017-2018**

SCHOOL BOARD MEMBERS

**Willard G. Dellicker, President
Paul C. Fisher, Jr., Vice President
Todd Hernandez, Secretary
Phillip Toll, Treasurer
John Casciano
Joseph Fatzinger
Todd Leiser
Charlene D. Rauscher, Esq.
Darryl S. Schafer
John E. Freund III, Esq., Solicitor**

Administrators

**Dr. Mary Anne Wright, Superintendent
Jennifer Holman, Assistant Superintendent
Leslie Frisbie, Business Administrator
Luann Matika, Director of Human Resources
Andrea Edmonds, Director of Student Services
LeAnn Stitzel, Director of Curriculum and Technology
Arthur Oakes, Director of Operations
Northwestern Lehigh Administrative/Business Offices
6493 Route 309, New Tripoli, PA 18066**

**Aileen Yadush, High School Principal
Donald Allen, Assistant High School Principal
Northwestern Lehigh High School
6493 Route 309, New Tripoli, PA 18066**

**William Dovico, Middle School Principal
Amy Stauffenberg, Assistant Middle School Principal
Northwestern Lehigh Middle School
6636 Northwest Road, New Tripoli, PA 18066**

**Maria Pulli, Elementary Principal
Northwestern Elementary Building
6493 Route 309, New Tripoli, PA 18066**

**Jill Berlet, Elementary Principal
Weisenberg Elementary Building
2665 Golden Key Road, Kutztown, PA 19530**

**Andrea Madochick, Supervisor of Food Services
Jason Zimmerman, Director of Student Athletics and Activities**

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

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**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-2018 FINAL BUDGET SUMMARY
JUNE 21, 2017**

	Actual 2015-16	Final Budget 2016-17	January 11, 2017 Budget 2017-18	April 5, 2017 Budget 2017-18	May 17, 2017 Budget 2017-18	June 21, 2017 Budget 2017-18	Change from May	Change from 2016-17	% Change from 2016-17
Northwestern Elementary	75,690	75,950	76,550	76,550	76,550	76,550	-	600	
Weisenberg Elementary	86,193	71,450	70,450	70,450	70,450	70,450	-	(1,000)	
Middle School	75,400	84,160	85,440	85,440	85,440	85,440	-	1,280	
High School	115,585	118,560	119,520	119,520	119,520	119,520	-	960	
Business Office	74,227	87,540	85,000	85,000	79,865	79,865	-	(7,675)	
Superintendent	11,784	18,465	18,500	18,465	18,465	18,465	-	-	
Curriculum	253,562	240,076	240,000	240,000	240,000	240,000	-	(76)	
Technology	797,750	819,366	819,366	819,366	765,435	765,435	-	(53,931)	
Special Education	20,498	22,855	23,000	25,280	25,280	25,280	-	2,425	
Assistant Superintendent	31,673	31,565	31,500	31,500	31,500	31,500	-	(65)	
Human Resources	20,172	28,760	30,000	26,025	33,760	33,760	-	5,000	
Buildings & Grounds	789,957	691,645	790,000	792,145	792,145	792,145	-	100,500	
Transportation	467,683	438,725	450,000	450,095	450,095	450,095	-	11,370	
Athletics & Activities	263,682	228,555	220,000	231,486	231,486	231,486	-	2,931	
Total Building & Departments	\$ 3,083,856	\$ 2,957,672	\$ 3,059,326	\$ 3,071,322	\$ 3,019,991	\$ 3,019,991	\$ -	\$ 62,319	2.11%
District Wide:									
Salaries:									
Professionals	11,444,021	12,086,747	12,546,043	12,521,730	12,441,697	12,424,912	(16,785)	338,165	
Support Staff	4,346,189	4,428,990	4,561,860	4,554,886	4,582,974	4,557,051	(25,923)	128,061	
Administration	1,514,516	1,546,485	1,592,880	1,598,303	1,598,303	1,591,366	(6,937)	44,881	
Total Salaries	17,304,726	18,062,222	18,700,783	18,674,919	18,622,974	18,573,329	(49,645)	511,107	2.83%
Benefits-All Staff									
Medical	2,461,362	2,745,882	2,745,882	2,303,380	2,368,715	2,310,910	(57,805)	(434,972)	
Dental	115,165	139,271	135,093	137,094	140,421	139,262	(1,159)	(9)	
Life Insurance	32,603	31,574	32,521	32,327	31,932	31,664	(268)	90	
Long-Term Disability	25,874	34,961	36,010	36,062	35,938	35,910	(28)	949	
Vision	10,621	13,198	13,198	13,119	13,043	12,998	(45)	(200)	
Prescription	621,054	612,321	612,321	655,804	679,368	670,578	(8,790)	58,257	
Social Security	1,296,644	1,383,344	1,430,610	1,418,549	1,426,050	1,422,252	(3,798)	38,908	
PSERS	4,429,100	5,416,717	6,090,845	6,024,981	6,056,917	6,040,747	(16,170)	624,030	
Tuition	65,253	51,399	50,000	49,972	44,967	44,927	(40)	(6,472)	
Unemployment Compensation	5,687	24,813	25,000	24,769	24,979	24,834	(145)	21	
Workers' Compensation	192,795	174,187	175,000	176,761	170,442	156,180	(14,262)	(18,007)	
Other Benefits	45,843	68,634	70,000	69,420	68,417	68,345	(72)	(289)	
Total Benefits-All Staff	9,302,001	10,696,301	11,416,480	10,942,238	11,061,189	10,958,607	(102,582)	262,306	2.45%
District Wide & Grants	12,272,465	10,289,081	10,592,253	10,846,860	10,771,760	10,738,947	(32,813)	449,866	4.37%
Total Expenditures	41,963,048	42,005,276	43,768,842	43,535,340	43,475,914	43,290,874	(185,040)	1,285,598	3.06%
Total Revenue	40,347,014	40,632,695	41,314,077	41,677,278	41,698,028	41,732,818	34,790	1,100,123	2.71%
Surplus/(Shortfall) before FB	(1,616,034)	(1,372,581)	(2,454,765)	(1,858,062)	(1,777,886)	(1,558,056)	219,830	(185,475)	
NOTE: Shortfall in 2015-16 included a fund balance transfer for capital projects of \$2,850,000.									



**REVENUES
AND
OTHER FINANCING SOURCES**

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
REVENUES AND OTHER FINANCING SOURCES
SUMMARIZED VARIANCES FROM 2016-2017 BUDGET
2017-2018 FINAL BUDGET
JUNE 21, 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>	\$ 598,000
<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		\$ 678,000
STATE REVENUE		
<i>Basic Education Funding</i>	<i>Variance based on Governor's budget</i>	\$ (34,000)
<i>Special Education Funding</i>	<i>Variance based on Governor's budget</i>	\$ (24,000)
<i>Transportation</i>	<i>Variance based on Governor's budget</i>	\$ (85,000)
<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>	\$ 231,000
<i>Social Security Reimbursement</i>	<i>Variance based on estimated salaries</i>	\$ 19,000
<i>Retirement Reimbursement</i>	<i>Variance in Employer Contribution Rate to 32.57%</i>	\$ 261,000
<i>All Other State Sources (net)</i>		\$ 2,000
STATE REVENUE- TOTAL CHANGE		\$ 440,000
FEDERAL REVENUE		
	<i>Variance based on estimated allocation for 2017-18</i>	\$ (18,000)
FEDERAL REVENUE- TOTAL CHANGE		\$ (18,000)
TOTAL REVENUE & OTHER FINANCING SOURCES		\$ 1,100,000

Items highlighted in yellow are changes from May 17th Proposed Final Budget Adoption.

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-18 FINAL BUDGET EXPLANATION
REVENUE FROM LOCAL SOURCES**

6111	REAL ESTATE TAXES (includes 0 millage increase)	\$23,193,746
	<i>Real Estate Tax is the main source of revenue for funding the operations of the Northwestern Lehigh School District. It is based on the assessed valuation of all taxable property within the School District and is collected by the local elected tax collectors.</i>	
	<i>This year's tax is based on an assessed valuation of 1,618,137,200 and is estimated to be 92% collectible, resulting in a net budgetary value per mill of \$1,543,819. The total millage required for the 2017-18 Budget is 15.9631 mills. This represents a 0 mill increase over the prior year's millage.</i>	
6112	INTERIM REAL ESTATE TAXES	\$350,000
	<i>Interim Real Estate Tax is revenue from the increase in assessed valuations of local property as a result of improvements or construction to property after mailing of original tax notices. This year's estimate is based on historical collections as a percentage of the current year's assessed valuation and anticipated commercial/residential construction.</i>	
6113	PUBLIC UTILITY REALTY TAX	\$33,000
	<i>Public Utility Realty Tax is revenue collected and distributed by the Commonwealth of Pennsylvania pursuant to Act 66 of 1970. The allocation is based on the District's total revenues as a ratio of the total revenues of all participants, and the real estate tax, which the District could have collected if the utilities were not exempt entities. This year's estimate is based on the previous year's receipt, the District's millage rate, and the anticipated percentage of the Commonwealth's total revenues.</i>	
6114	PAYMENTS IN LIEU OF TAXES	\$5,700
	<i>Payments in Lieu of Taxes are revenues received in lieu of taxes for property withdrawn from the tax rolls for public housing, forest lands, game lands, water conservation, or flood control. This is computed at \$ 0.20 per acre.</i>	
6143	LOCAL SERVICES TAX	\$50,000
	<i>Act 511 of 1965 allows a flat rate assessment on resident and nonresident individuals employed within the School District boundaries for the privilege of engaging in an occupation. Flat rate assessment is \$10.00 for Heidelberg, Lowhill, Lynn and Weisenberg Townships. Estimates are made using historical collection data.</i>	
6151	EARNED INCOME TAX	\$2,500,000
	<i>Earned income taxes are assessed at one percent (1%) of earned income pursuant of Act 511. Earned income tax revenues are shared equally with our component municipalities resulting in an effective rate equal to 0.5% for the School District. Estimates are made using historical collection and personal income data. Earned income taxes are collected by the tax collector appointed by the Lehigh Tax Collection Committee pursuant to Act 32 of 2008.</i>	
6153	TRANSFER TAX	\$350,000
	<i>Transfer Tax is revenue collected by the County Recorder of Deeds on the value of all real estate property within the School District boundaries sold during the year. This tax is equal to 1/2% of the value of the property being sold and is paid at the time of title transfer. This year's estimate is based on historical collections and anticipated growth.</i>	

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-18 FINAL BUDGET
EXPLANATION REVENUE FROM LOCAL SOURCES (cont'd)**

6411	<i>DELINQUENT REAL ESTATE TAX..... Delinquent Real Estate Taxes are collected by Portnoff Law Associates. It represents regular real estate taxes not paid during the original year of levy. These taxes also include revenue from roll-back taxes on Act 319/515 properties. Unpaid taxes for bills issued prior to July 1, 2004, have been collected by the County Tax Claims Bureau.</i>	\$875,000
6412	<i>DELINQUENT INTERIM REAL ESTATE TAX..... Delinquent Interim Real Estate Taxes are collected by Portnoff Law Associates. It represents interim real estate taxes not paid during the original year of levy. Estimates are based on historical collections. Unpaid taxes for bills issued prior to July 1, 2004, have been collected by the County Tax Claims Bureau.</i>	\$10,000
6510	<i>INTEREST EARNINGS..... Interest earnings are revenues received from investing the School District's resources as they become available, and include earnings on various forms of cash and cash equivalents.</i>	\$400,000
6710	<i>ADMISSIONS..... Admissions revenue represents anticipated gate receipts for athletic events, band concerts, and school plays.</i>	\$60,000
6740	<i>FEES..... Revenue from students for fees such as locker fees, parking fees, & activity participation fees.</i>	\$40,500
6790	<i>OTHER STUDENT ACTIVITY INCOME..... Other Student Activity Income represents amounts charged for use of School District vehicles by school-related organizations or groups.</i>	\$1,500
6832	<i>REVENUE FROM INTERMEDIATE SOURCES-FEDERAL..... Funds received by the School District for reimbursement of expenses incurred during participation the Individuals with Disabilities Education Act (IDEA) consortium programs.</i>	\$346,238
6910	<i>RENTALS..... Rentals represents revenue received from various government bodies, organizations, and civic groups for the rental of the School District's buildings and facilities.</i>	\$15,000
6920	<i>CONTRIBUTIONS/DONATIONS FROM PRIVATE SOURCES..... Revenues received from private sources for which no repayment is expected. The School District uses this account primarily for revenues received through the Pennsylvania Earned Income Tax Credit and Educational Foundation.</i>	\$210,000
6943	<i>ADULT EDUCATION..... Adult Education represents revenues received for adult education programs provided by the School District.</i>	\$10,000
6944	<i>TUITION - OTHER DISTRICT..... Tuition - Other District represents monies received from other districts in Pennsylvania for education provided to pupils from the paying district.</i>	\$10,000
6961	<i>TRANSPORTATION FEES..... Funds received by other LEAs for transportation of pupils.</i>	\$7,500
6999	<i>MISCELLANEOUS REVENUE..... Miscellaneous Revenue represents those items of revenue received during the year that cannot be classified as one of the previously identified sources.</i>	\$50,000

REVENUE FROM LOCAL SOURCES \$28,518,184

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-18 FINAL BUDGET EXPLANATION
REVENUE FROM STATE AND FEDERAL SOURCES**

7110	BASIC EDUCATION FUNDING <i>Basic Education Funding (BEF) is the primary source of state funding provided to local school districts. Each school district's share of this subsidy is based on a formula that takes into account the district's previous level of subsidy adjusted for various components evaluated by using such information as Average Daily Membership (weighted) and Market Value Personal Income Aid Ratio.</i>	\$5,699,784
7160	TUITION FOR SECTION 1305 AND 1306 <i>This revenue represents tuition received from the Commonwealth of children who are orphans and/or children placed in private homes by the court. Payments are made in accordance with Sections 1305 and 1306 of the Public School Code.</i>	\$20,000
7271	SPECIAL EDUCATION <i>Special Education is a subsidy to school districts for the costs associated with instructing exceptional children in mandated special education programs. Payments are made in accordance with Sections 2509 and 1373.1 of the Public School Code. As of 2004-2005, this amount also includes special education contingency funding.</i>	\$1,367,075
7310	TRANSPORTATION <i>Transportation is a reimbursement to school districts for the operation of a school busing program in compliance with state law and regulations. It is not required that each school district operate a busing program, but if operated, it must comply with the state laws and regulations and is then eligible for reimbursement based on the number of student transported, miles driven, and other approved factors.</i>	\$914,887
7320	RENTAL AND SINKING FUND PAYMENTS <i>Rental and Sinking Fund reimbursement is available to school districts to reimburse approved debt service charges. To be eligible, building plans must have been approved by the Department of Education in conformance with the District's Long-Range Plan. Reimbursement for the LCTI borrowing is reflected in this amount.</i>	\$400,000
7330	HEALTH SERVICES <i>Health Services is a reimbursement available to each school district providing the required health examinations in certain grade levels of the district and nursing services to pupils (both public and non-public).</i>	\$41,000
7340	STATE PROPERTY TAX REDUCTION ALLOCATION <i>Designated for school district property tax reduction. Payments are made in accordance with section 505 of Special Session Act 1 of 2006.</i>	\$676,584
7505	READY TO LEARN BLOCK GRANTS <i>Revenue received from the State authorized by Act 126 of 2014 to provide resources for public schools that focus on student achievement & academic success and for pre-k & full-day kindergarten and other proven educational programs.</i>	\$230,490
7810	STATE SOCIAL SECURITY PAYMENTS <i>Revenue received from the State designated as the Commonwealth's matching share of the employer's contribution of the social security taxes for covered employees which are not federally funded.</i>	\$707,625
7820	STATE RETIREMENT PAYMENTS <i>Revenue received from the State designated as the Commonwealth's matching share of the employer's contribution of retirement for eligible employees, which are not federally funded.</i>	\$2,963,700
REVENUE FROM STATE SOURCES		\$13,021,145
8514	IMPROVING BASIC PROGRAMS-TITLE I <i>Revenue received for the education of disadvantaged children under NCLB, Title I.</i>	\$154,124
8515	IMPROVING TEACHER QUALITY-TITLE II <i>Revenue received for the education of children under NCLB, Title II.</i>	\$35,865
8820	MEDICAL ASSISTANCE REIMBURSEMENT <i>The Administrative Claiming Program reimbursement for the costs associated with administrative Medicaid-related activities. Payments for School Based Access Program Administration Claiming Program are received from the Department of Revenue.</i>	\$3,500
REVENUE FROM FEDERAL SOURCES		\$193,489

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
REVENUES AND OTHER FINANCING SOURCES
2017-2018 FINAL BUDGET
JUNE 21, 2017**

Account	Description	15-16 Actual	16-17 Budget	17-18 Final	Increase/ (Decrease)
6111	Current Real Estate Taxes	\$22,109,527	\$22,595,372	\$23,193,746	\$598,374
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	\$28,518,184	\$678,374

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
REVENUES AND OTHER FINANCING SOURCES
2017-2018 FINAL BUDGET
JUNE 21, 2017**

Account	Description	15-16 Actual	16-17 Budget	17-18 Final	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	\$676,584	\$1,686
7505	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	\$13,021,145	\$439,530
8000	<u>REVENUE FROM FEDERAL SOURCES</u>				
8514	Improving Basic Programs - Title I	\$174,072	\$168,786	\$154,124	(\$14,662)
8515	Improving Teacher Quality - Title II	\$34,817	\$38,984	\$35,865	(\$3,119)
8820	Medical Assistance Reimbursement	\$2,421	\$3,500	\$3,500	\$0
8000	REVENUE FROM FEDERAL SOURCES	\$211,310	\$211,270	\$193,489	(\$17,781)
	TOTAL REVENUES & OTHER FINANCING SOURCES	\$40,347,013	\$40,632,695	\$41,732,818	\$1,100,123

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
CHART OF TAX MILLAGE AND ASSESSED VALUES
2017-2018 FINAL BUDGET
JUNE 21, 2017**

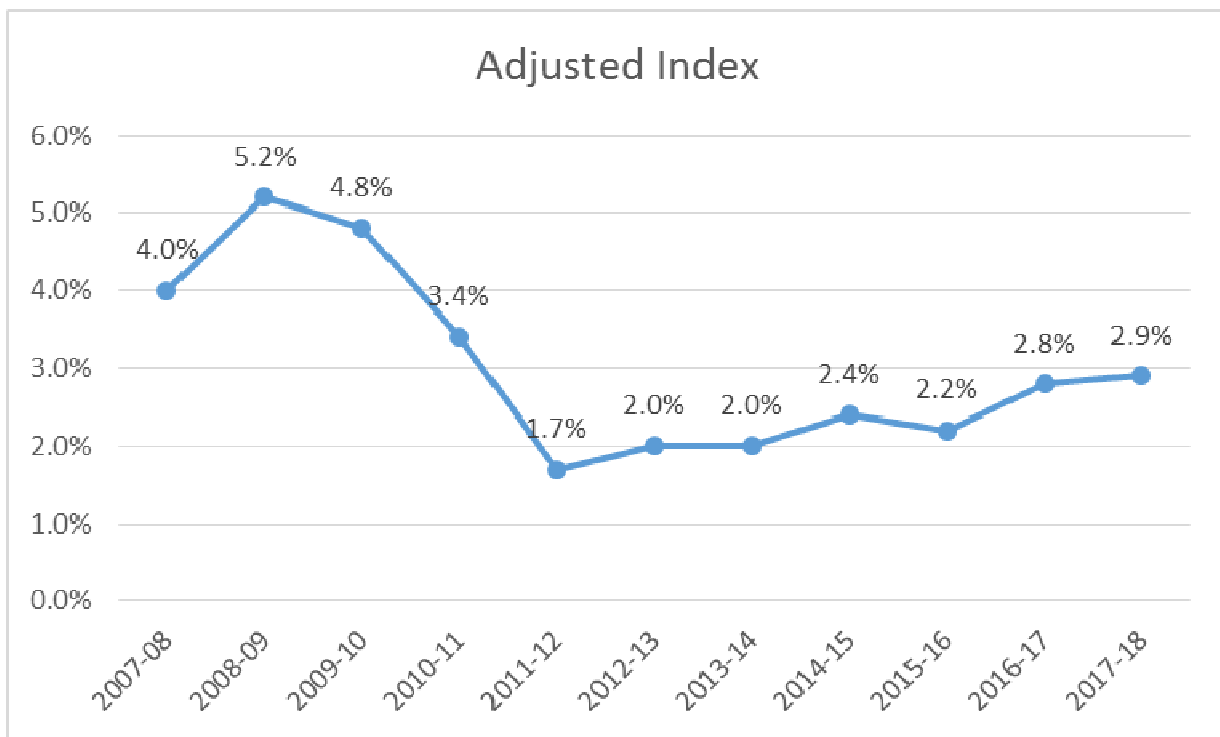
SCHOOL YEAR	MILLAGE LEVEL	% CHANGE PRIOR YEAR	ASSESSED VALUE	NET ASSESSED VALUE*	EST GROSS VALUE OF 1 MILL	COLLECTIONS	% OF DUPLICATE COLLECTED
2017-18 Budget	15.96	0.00%	1,618,137,200	1,576,380,034	\$1,543,819 Gaming Funds	\$24,696,710 (676,584)	** 96.00%
2016-17 Budget	15.96	0.00%	1,567,133,000	1,525,718,804	\$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.

THE INDEX SPECIAL SECTION ACT 1 OF 2006

The Act 1 index is used to determine the maximum tax increase (without court, PDE, or voter approval) allowed. The Index is calculated by averaging the percentage increase in the Pennsylvania Statewide Average Weekly Wage and the Federal Employment Cost Index for elementary/secondary schools. For 2017-2018, the base index is 2.5%. For school district with a market value/income aid ratio greater than 0.4000, an upward adjustment is made to the index. For 2017-2018, the adjusted index is 2.9%.

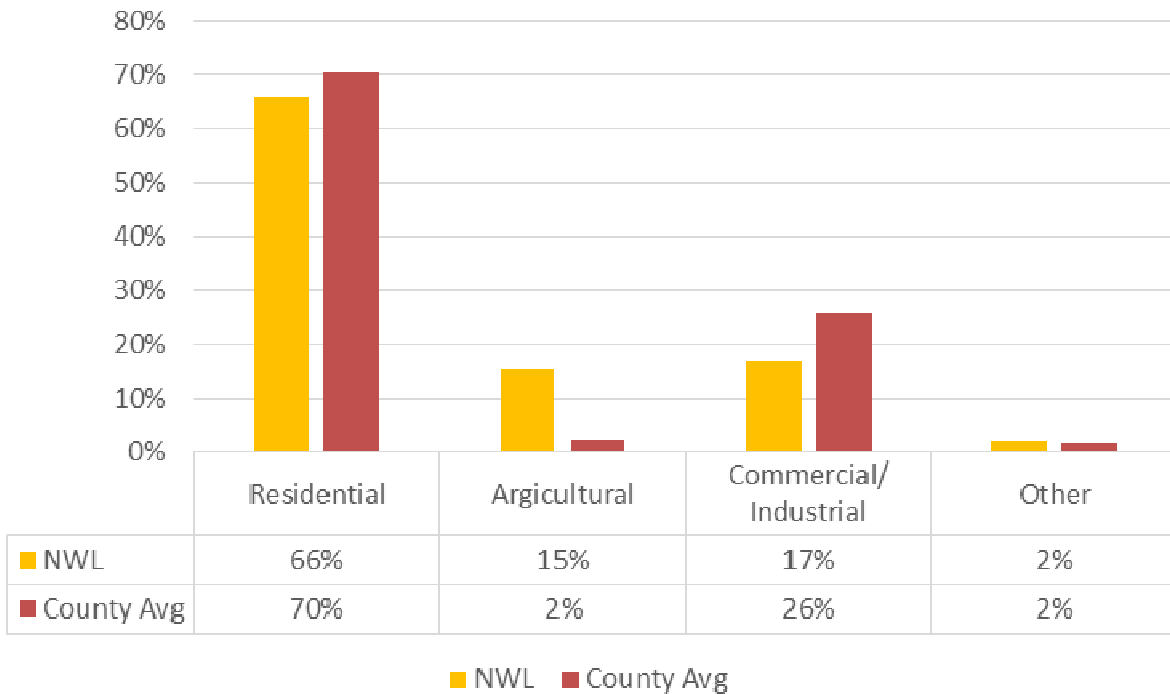


Source: Adjusted Index History obtained from the Pennsylvania Department of Education (PDE)
<http://www.education.pa.gov/Teachers%20-%20Administrators/Property%20Tax%20Relief/Pages/default.aspx#tab-1>

REAL ESTATE TAXES

Real Estate Tax is the main source of revenue for funding the operations of the Northwestern Lehigh School District. It is based on the assessed valuation of all taxable property within the district and is collected by local elected or appointed tax collectors. Residential properties represent approximately 66% of the total taxable assessment for the district.

The 2017-18 the General Fund budget is based on an assessed valuation of \$1,618,137,200 and is estimated to be 96% collectible, resulting in a net budgetary value per mill of \$1,543,819. The total millage required for the 2017-18 budget is 15.9631 mills. This represents a 0.00 mill increase over the prior year's millage rate.

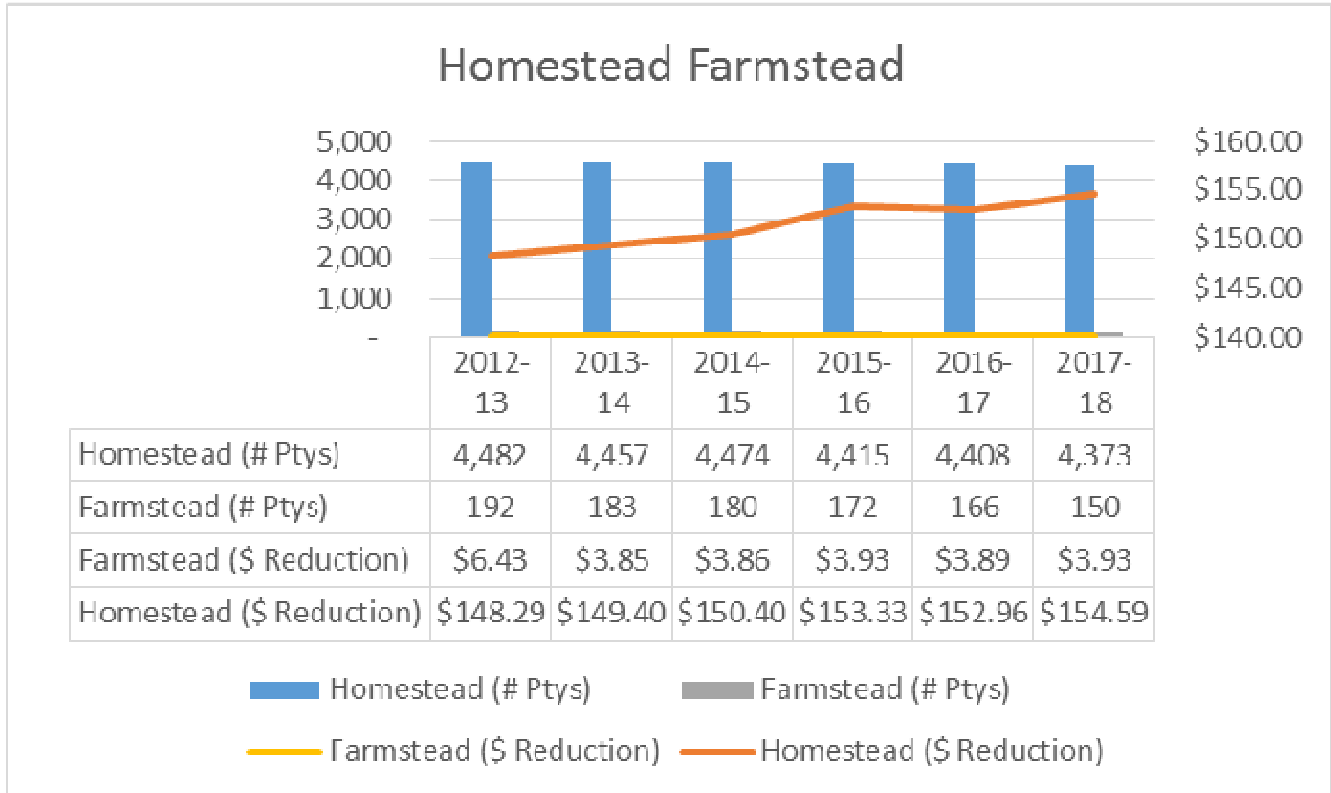


Source: Assessment data obtained from Lehigh County Property Classification Totals report as of 1/21/17.

STATE PROPERTY TAX RELIEF HOMESTEAD/FARMSTEAD

The Special Session Act 1 of 2006, the Taxpayer Relief Act was established to ease the financial burden of home ownership by providing school districts the means to lower property taxes to homeowners, through the funding provided by gaming revenue.

Northwestern Lehigh School District's State Property Tax Relief allocation for the 2017-2018 fiscal year is \$676,584, an increase of \$1,686 compared to 2016-2017. The proceeds generated through gaming proceeds flow from the state to the district and then are passed directly to all eligible taxpayers through a reduction to the current real estate tax bill. For the 2017-2018 tax bills, homesteads will receive a reduction of \$154.59 and farmsteads will receive a reduction of \$3.93. Since inception of the program, the district's revenues have remained relatively flat.



Source: Approved homestead/farmstead data obtained from Lehigh County.

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
LEHIGH COUNTY MILLAGE RATES
2017-2018 FINAL BUDGET
JUNE 21, 2017**

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

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

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
USE OF FUND BALANCE
2017-2018 BUDGET
JUNE 21, 2017**

<i>Estimated Shortfall- June 21st</i>		<u><u>(1,558,056)</u></u>
Committed		
<i>Emmaus Bond Pool Stabilization</i>	*	(150,000)
<i>OPEB</i>	*	(100,000)
<i>PSERS Stabilization</i>	*	(376,000)
<i>Millage Stabilization</i>	*	(35,000)
Assigned		
<i>Curriculum Textbooks/Materials</i>		(305,000)
<i>Buses</i>		(102,000)
Unassigned		
<i>Unassigned</i>		(90,056)
<i>Budgetary Reserve</i>		(400,000)
Grand Total		<u><u>(1,558,056)</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.



**EXPENDITURES
AND
OTHER FINANCING USES**

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-18 FINAL BUDGET
EXPLANATION OF MAJOR FUNCTIONS**

INSTRUCTION

1100	REGULAR PROGRAMS <i>Providing learning activities to students in grades K-12.</i>	\$16,840,303
1200	SPECIAL EDUCATION PROGRAMS <i>Providing learning activities to students in grades K-12 with special needs.</i>	\$5,843,847
1300	VOCATIONAL EDUCATION PROGRAMS <i>Payments to Lehigh Career & Technical Institute for programs.</i>	\$1,044,092
1400	OTHER INSTRUCTIONAL PROGRAMS <i>Summer school, homebound instruction, and other instructional grant programs.</i>	\$1,412
1600	ADULT EDUCATION PROGRAMS <i>Providing educational opportunities to the adult community on a self-supporting basis.</i>	\$262,771
1700	COMMUNITY/JUNIOR COLLEGE EDUCATION PROGRAMS <i>The School District's sponsorship of students attending programs at local community colleges.</i>	\$0
TOTAL INSTRUCTION		\$23,992,425

SUPPORT SERVICES

2100	PUPIL PERSONNEL <i>Services to supplement the teaching process and to meet the applicable provisions of Article XIII of the Public School Code and Chapter 7 of the State Board of Education Regulations. Programs include Counseling, Psychological Services, and Pupil Personnel Services.</i>	\$1,291,438
2200	INSTRUCTIONAL STAFF <i>Audio-visual/computer-assisted instruction, school library services, instruction/curriculum development, instructional staff development and other instructional staff services.</i>	\$1,141,955

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-18 FINAL BUDGET
EXPLANATION OF MAJOR FUNCTIONS**

SUPPORT SERVICES (cont'd)

2300	ADMINISTRATION <i>Establishing and administering policy in connection with operating the School District. These areas include School Board/Treasurer, tax collection, legal, superintendent and principal services.</i>	\$2,414,509
2400	PUPIL HEALTH <i>Services associated with providing appropriate medical, dental and nursing services, including verification of required immunizations.</i>	\$349,084
2500	BUSINESS <i>Activities concerned with the fiscal and internal services of the School District.</i>	\$704,772
2600	OPERATIONAL AND MAINTENANCE OF PLANT <i>Activities concerned with physical plant facilities (buildings and grounds) of the School District.</i>	\$3,844,831
2700	STUDENT TRANSPORTATION SERVICES <i>Activities concerned with transporting students to and from school.</i>	\$2,951,816
2800	SUPPORT SERVICES - CENTRAL <i>Activities which support other instructional and supporting services programs.</i>	\$673,470
2900	OTHER SUPPORT SERVICES <i>Represents amount withheld by Commonwealth for Intermediate Unit administrative operations.</i>	\$38,000
TOTAL SUPPORT SERVICES		\$13,409,875

OPERATION OF NON-INSTRUCTIONAL STAFF

3200	STUDENT ACTIVITIES <i>School sponsored student activities such as band, chorus, class plays, interscholastic, and intramural sports programs.</i>	\$908,769
3300	COMMUNITY SERVICES <i>Represents the School District's contribution to the Northwestern Recreation Commission and summer recreation programs.</i>	\$35,000
TOTAL OPERATION OF NON-INSTRUCTIONAL STAFF		\$943,769

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-18 FINAL BUDGET
EXPLANATION OF MAJOR FUNCTIONS**

**BUILDING ACQUISITION AND
CONSTRUCTION SERVICES**

4200	EXISTING SITE IMPROVEMENT SERVICES..... <i>Costs incurred to improve existing land and land improvements.</i>	\$0
4600	EXISTING BUILDING IMPROVEMENT SERVICES..... <i>Capital expenditures incurred to renovate or improve existing buildings, service systems and other built-in equipment.</i>	\$0
TOTAL BLDG ACQ & CONSTRUCT SVCS		\$0

OTHER FINANCING USES

5100	DEBT SERVICE..... <i>Payments on general long-term debt/obligations paid directly by the General Fund.</i>	\$3,781,169
5200	FUND TRANSFERS..... <i>Transfers of monies from the General Fund to other funds including debt service payments through transfers to the Debt Service Fund when applicable.</i>	\$763,636
5900	BUDGETARY RESERVE..... <i>Amount set aside for unexpected expenditures that could not be reasonably anticipated at the time of budget preparation.</i>	\$400,000
TOTAL OTHER FINANCING USES		\$4,944,805

	GRAND TOTAL OF EXPENDITURES AND OTHER FINANCING USES	\$43,290,874
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**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 FINAL BUDGET
JUNE 21, 2017**

#	Object	15-16 Actual	16-17 Budget	17-18 Final	Increase (Decrease)	% Change
INSTRUCTION - REGULAR PROGRAMS						
Function 1100						
100	Salaries	\$8,664,528	\$9,212,778	\$9,301,117	\$88,339	1.0%
200	Employee Benefits	\$4,869,798	\$5,386,310	\$5,423,270	\$36,960	0.7%
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	\$16,840,303	\$253,079	1.5%
INSTRUCTION - SPECIAL PROGRAMS						
Function 1200						
100	Salaries	\$2,338,812	\$2,476,204	\$2,633,175	\$156,971	6.3%
200	Employee Benefits	\$1,275,464	\$1,526,872	\$1,576,792	\$49,920	3.3%
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	\$5,843,847	\$168,504	3.0%

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 FINAL BUDGET
JUNE 21, 2017**

#	Object	15-16 Actual	16-17 Budget	17-18 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	\$1,000	(\$1,000)	-50.0%
200	Employee Benefits	\$845	\$774	\$412	(\$362)	-46.8%
300	Purchased Professional & Technical Services	\$0	\$2,500	\$0	(\$2,500)	-100.0%
	<i>Total</i>	\$3,294	\$5,274	\$1,412	(\$3,862)	-73.2%
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	\$2,055	\$119	6.1%
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	\$262,771	\$250,835	2101.5%

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 FINAL BUDGET
JUNE 21, 2017**

#	Object	15-16 Actual	16-17 Budget	17-18 Final	Increase (Decrease)	% Change
COMMUNITY/JR. COLLEGE EDUC. PROGRAMS						
<i>Function 1700</i>						
500	Other Purchased Services	\$246,746	\$246,746	\$0	(\$246,746)	-100.0%
	<i>Total</i>	\$246,746	\$246,746	\$0	(\$246,746)	-100.0%
TOTAL 1000	INSTRUCTION	\$22,292,445	\$23,580,707	\$23,992,425	\$411,718	1.7%
SUPPORT SERVICES - PUPIL PERSONNEL						
<i>Function 2100</i>						
100	Salaries	\$715,653	\$831,031	\$774,983	(\$56,048)	-6.7%
200	Employee Benefits	\$446,008	\$519,986	\$500,465	(\$19,521)	-3.8%
300	Purchased Professional & Technical Services	\$0	\$1,000	\$1,600	\$600	60.0%
400	Purchased Property Services	\$140	\$200	\$200	\$0	0.0%
500	Other Purchased Services	\$3,887	\$5,500	\$4,800	(\$700)	-12.7%
600	Supplies	\$18,673	\$9,050	\$8,200	(\$850)	-9.4%
700	Property	\$1,000	\$0	\$0	\$0	0.0%
800	Other Objects	\$2,380	\$2,627	\$1,190	(\$1,437)	-54.7%
	<i>Total</i>	\$1,187,741	\$1,369,394	\$1,291,438	(\$77,956)	-5.7%
SUPPORT SERVICES - INSTRUCTIONAL STAFF						
<i>Function 2200</i>						
100	Salaries	\$611,796	\$531,632	\$647,813	\$116,181	21.9%
200	Employee Benefits	\$353,307	\$361,706	\$384,241	\$22,535	6.2%
300	Purchased Professional & Technical Services	\$44,995	\$58,694	\$59,810	\$1,116	1.9%
500	Other Purchased Services	\$2,754	\$5,411	\$4,716	(\$695)	-12.8%
600	Supplies	\$39,518	\$43,611	\$44,625	\$1,014	2.3%
800	Other Objects	\$1,038	\$750	\$750	\$0	0.0%
	<i>Total</i>	\$1,053,408	\$1,001,804	\$1,141,955	\$140,151	14.0%

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 FINAL BUDGET
JUNE 21, 2017**

#	Object	15-16 Actual	16-17 Budget	17-18 Final	Increase (Decrease)	% Change
SUPPORT SERVICES - ADMINISTRATION						
<i>Function 2300</i>						
100	Salaries	\$1,133,114	\$1,168,038	\$1,332,601	\$164,563	14.1%
200	Employee Benefits	\$607,628	\$710,187	\$785,106	\$74,919	10.5%
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	\$65,597	(\$4,375)	-6.3%
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%
	Total	\$2,100,473	\$2,142,437	\$2,414,509	\$272,072	12.7%
SUPPORT SERVICES - PUPIL HEALTH						
<i>Function 2400</i>						
100	Salaries	\$189,712	\$199,345	\$206,420	\$7,075	3.5%
200	Employee Benefits	\$125,791	\$148,326	\$132,464	(\$15,862)	-10.7%
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%
	Total	\$326,576	\$354,571	\$349,084	(\$5,487)	-1.5%

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 FINAL BUDGET
JUNE 21, 2017**

#	Object	15-16 Actual	16-17 Budget	17-18 Final	Increase (Decrease)	% Change
SUPPORT SERVICES - BUSINESS						
<i>Function 2500</i>						
100	Salaries	\$384,964	\$401,351	\$403,900	\$2,549	0.6%
200	Employee Benefits	\$207,688	\$246,158	\$225,897	(\$20,261)	-8.2%
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	\$704,772	(\$55,061)	-7.2%
OPERATION & MAINT. OF PLANT SERVICES						
<i>Function 2600</i>						
100	Salaries	\$1,256,548	\$1,262,835	\$1,382,278	\$119,443	9.5%
200	Employee Benefits	\$652,391	\$740,017	\$773,773	\$33,756	4.6%
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	\$223,019	(\$10,621)	-4.5%
600	Supplies	\$571,016	\$520,933	\$797,770	\$276,837	53.1%
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	\$3,844,831	\$206,348	5.7%

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 FINAL BUDGET
JUNE 21, 2017**

#	Object	15-16 Actual	16-17 Budget	17-18 Final	Increase (Decrease)	% Change
STUDENT TRANSPORTATION SERVICES						
<i>Function 2700</i>						
100	Salaries	\$1,216,697	\$1,325,600	\$1,292,917	(\$32,683)	-2.5%
200	Employee Benefits	\$435,129	\$533,580	\$551,562	\$17,982	3.4%
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	\$388,939	\$139,215	55.7%
600	Supplies	\$334,902	\$267,628	\$332,773	\$65,145	24.3%
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	\$2,951,816	\$231,609	8.5%
OTHER SUPPORT SERVICES						
<i>Function 2800</i>						
100	Salaries	\$361,821	\$372,761	\$344,510	(\$28,251)	-7.6%
200	Employee Benefits	\$163,510	\$194,330	\$224,537	\$30,207	15.5%
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	\$673,470	(\$11,111)	-1.6%

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 FINAL BUDGET
JUNE 21, 2017**

#	Object	15-16 Actual	16-17 Budget	17-18 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	\$13,409,875	\$700,565	5.5%
STUDENT ACTIVITIES						
<i>Function 3200</i>						
100	Salaries	\$428,632	\$430,247	\$438,415	\$8,168	1.9%
200	Employee Benefits	\$164,443	\$169,519	\$187,233	\$17,714	10.4%
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	\$74,335	(\$13,705)	-15.6%
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	\$908,769	\$13,008	1.5%

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 FINAL BUDGET
JUNE 21, 2017**

#	Object	15-16 Actual	16-17 Budget	17-18 Final	Increase (Decrease)	% Change
COMMUNITY SERVICES						
<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%
TOTAL 3000 OPER OF NONINSTRUCTIONAL SVC		\$906,753	\$1,025,761	\$943,769	(\$81,992)	-8.0%
SITE IMPROVEMENT SERVICES						
<i>Function 4200</i>						
700	Property	\$10,610	\$0	\$0	\$0	0.0%
	<i>Total</i>	\$10,610	\$0	\$0	\$0	0.0%
BUILDING ACQUISITION & CONSTRUCTION SVC						
<i>Function 4500</i>						
700	Property	\$3,589	\$0	\$0	\$0	0.0%
	<i>Total</i>	\$3,589	\$0	\$0	\$0	0.0%
BUILDING IMPROVEMENT SERVICES						
<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%
TOTAL 4000 FACILITIES ACQ, CONSTR & IMPRV		\$62,188	\$0	\$0	\$0	0.0%

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES BY FUNCTION AND OBJECT
2017-18 FINAL BUDGET
JUNE 21, 2017**

#	Object	15-16 Actual	16-17 Budget	17-18 Final	Increase (Decrease)	% Change
DEBT SERVICE						
<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%
FUND TRANSFERS						
<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%
BUDGETARY RESERVE						
<i>Function 5900</i>						
800	Other Objects	\$0	\$400,000	\$400,000	\$0	0.0%
TOTAL 5000 OTHER FINANCING USES		\$6,630,662	\$4,689,498	\$4,944,805	\$255,307	5.4%
TOTAL EXPENDITURES & OTHER FINANCING USES		\$41,963,048	\$42,005,276	\$43,290,874	\$1,285,598	3.1%

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
EXPENDITURES AND OTHER FINANCING USES
SUMMARIZED VARIANCES FROM 2016-2017 BUDGET
2017-2018 FINAL BUDGET
JUNE 21, 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>	\$ 190,000	
	<i>Attritional savings on replacements</i>	\$ (146,000)	
	<i>Net additional staffing changes</i>	\$ 4,000	
	SALARIES- TOTAL CHANGE	\$ 545,000	2.99%
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>	\$ (249,000)	
<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	\$ 228,000	2.16%
PURCHASED PROFESSIONAL & TECHNICAL SERVICES			
<i>Educational Services (IU, Other LEA's)</i>	<i>Variance based on anticipated special education services</i>	\$ 39,000	
<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	\$ 21,000	1.10%
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>		\$ (15,000)	
	OTHER PURCH SVCS- TOTAL CHANGE	\$ 138,000	4.47%
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>	\$ 9,000	
<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	\$ 868,000	50.19%
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	\$ 1,285,000	3.06%

Items highlighted in yellow are changes from May 17th Proposed Final Budget Adoption.

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-2018 FINAL BUDGET
EXPENDITURES BY OBJECT
JUNE 21, 2017**

		2015-16	2016-17	2017-18	Change from	Percentage
OBJ	Description	Actual	Budget	Final	2016-17	Change
100	SALARIES					
111	ADMIN-REG SALARY	1,503,716	1,546,485	1,591,366	44,881	
116	EMPLOYEE INS OPT OUT	10,800	10,800	14,400	3,600	
121	PROFESSIONAL SALARIES	10,455,128	11,144,904	11,407,346	262,442	
122	PROFESSIONAL SUBSTITUTE	273,585	241,000	290,000	49,000	
123	PROFESSIONAL OVERTIME	83,115	82,453	89,764	7,311	
126	EMPLOYEE INS OPT OUT	25,425	104,400	131,400	27,000	
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	1,000	(4,400)	
153	OFFICE OVERTIME	4,192	7,650	7,000	(650)	
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	934,166	(42,330)	
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	779,401	63,288	
182	CUSTODIAN SUBSTITUE	25,711	10,000	15,000	5,000	
183	CUSTODIAN OVERTIME	34,280	30,000	30,000	-	
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	18,764,129	545,307	2.99%
200	BENEFITS					
211	MEDICAL INSURANCE	2,461,362	2,589,282	2,120,110	(469,172)	
212	DENTAL INSURANCE	115,165	139,271	139,262	(9)	
213	LIFE INSURANCE	32,603	31,574	31,664	90	
214	DISABILITY INSURANCE	25,874	34,961	35,910	949	
215	EYE CARE INSURANCE	10,621	13,198	12,998	(200)	
216	PRESCRIPTION INSURANCE	621,054	612,321	670,578	58,257	
220	SOCIAL SECURITY	1,296,644	1,383,344	1,422,252	38,908	
230	RETIREMENT (PSERS)	4,429,100	5,416,717	6,040,747	624,030	
240	TUITION REIMBURSEMENT	65,253	51,399	44,927	(6,472)	
250	UNEMPLOYMENT COMPENSATION	5,687	24,813	24,834	21	
260	WORKERS COMPENSATION	192,795	174,187	156,180	(18,007)	
290	OTHER BENEFITS	45,843	68,634	68,345	(289)	
	TOTAL 2XX- BENEFITS	9,302,001	10,539,701	10,767,807	228,106	2.16%

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-2018 FINAL BUDGET
EXPENDITURES BY OBJECT
JUNE 21, 2017**

OBJ	Description	2015-16 Actual	2016-17 Budget	2017-18 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	64,850	(2,844)	
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	1,931,340	20,538	1.07%
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	47,186	(1,129)	
523	GEN. PROP/LIAB. INSURANCE	113,816	93,253	94,551	1,298	
525	BONDING INSURANCE	3,763	500	4,000	3,500	
529	OTHER INSURANCE	57,089	69,449	73,250	3,801	
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/CAVTS (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	3,225,506	137,827	4.46%

**NORTHWESTERN LEHIGH SCHOOL DISTRICT
2017-2018 FINAL BUDGET
EXPENDITURES BY OBJECT
JUNE 21, 2017**

OBJ	Description	2015-16 Actual	2016-17 Budget	2017-18 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	175,820	5,070	
626	GASOLINE	29,834	45,000	35,000	(10,000)	
627	DIESEL FUEL	176,557	132,378	135,653	3,275	
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	2,597,302	867,859	50.18%
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	43,290,874	1,284,568	3.06%