



2021-2022 Preliminary Budget Overview

NORTHWESTERN LEHIGH SCHOOL DISTRICT

NOVEMBER 4, 2020

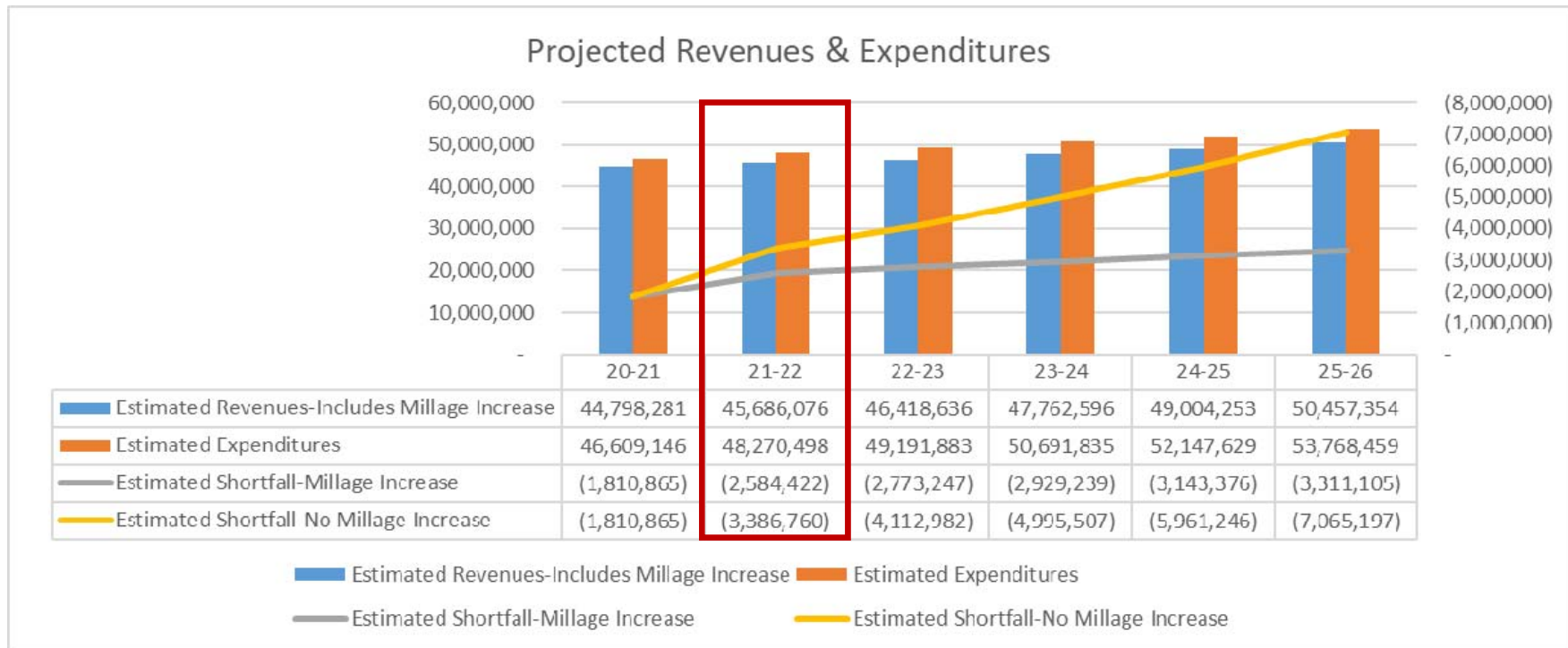
Agenda

- Establish 2021-2022 Budget Goals
- Revenue & Expenditure Trends
- Fund Balance Projections
- Preliminary 2021-2022 Budget
- 2021-2022 Budget Prep Timeline

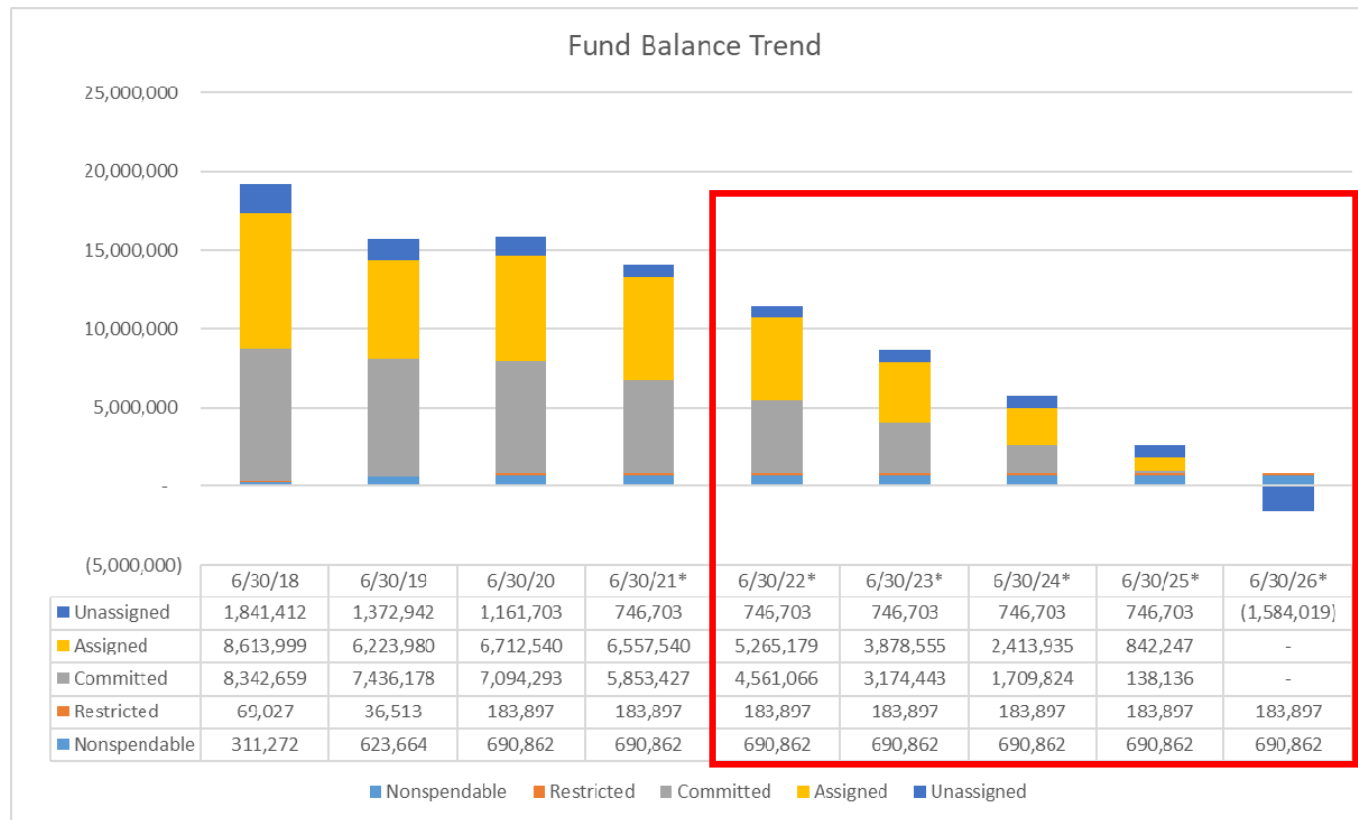
2021-2022 Budget Goals

1. Implement Future Ready Comprehensive Plan planning mission, vision, & goals
2. Provide instructional programs to meet Chapter 4 requirements in core content areas and in the related arts
3. Provide staffing to meet instructional & operational needs
4. Continue to commit to long range technology planning
5. Continue to support the Facilities Master Plan to address ongoing facility needs
6. Develop a budget with a short-term and long-term focus to create a sustainable funding plan that addresses the challenges of anticipated shortfalls
7. Continue to identify areas to maximize efficiencies and reduce costs to minimize impact on programs
8. Provide a funding plan to meet the district's needs while minimizing any potential tax increase to taxpayers

Five Year Budget Projections



Fund Balance Trend-Current Assumptions



Assumptions include the maximum allowable Act I Index millage increase in each year.

Act 1 Index-Ability to raise taxes

Act 1 Index & Exceptions	Base Index	Budgetary Impact	Average Taxpayer Impact
Act 1 Index 2021-22 Base Index	3.00%		
Estimated Tax Revenue	0.5166 mills	\$855,000	\$113.65

NOTE: The above information represents the estimated MAXIMUM ALLOWABLE tax increase without going to voter referendum. This does not reflect the recommendation for a tax increase for 2021-22. Based on preliminary calculations, the district is NOT eligible for Act 1 exceptions in 2021-22.

Early Look-2122 Expenditure Increases

Category	Amount of Estimated Increase
Salaries	\$657,000
Benefits:	
Healthcare	\$277,000
PSERS 34.95% ER Contribution Rate	\$316,000
Cyber/Charter Tuition	\$185,000
Special Education	<u>\$103,000</u>
Total	\$1,538,000
Millage Equivalent (Value 1 mill= \$1,655,590)	0.9290 mills

Allowable 2021-2022 Act 1 Millage Increase 0.5166 mills, approx. \$855,000

Closing the Gap...

- Staffing & benefits
 - Adjustments to budgeted hours based on historical trend
 - Substitutes
 - Overtime
- Potential savings on retirements/resignations/furloughs
- Bid pricing for heating oil & diesel
- Evaluate capital reserve transfers/equipment replacements
- Reductions to Building/Department budgets
- Planned use of fund balance

2021-2022 Budget Timeline

September 2020	1-30	Budget timeline developed and building/department meetings scheduled
October 2020	1-31	Budget Planning
	14	Board Budget Retreat
November 2020	1-30	Budget meetings held with Administrators
December 2020	1-31	Budget meetings held with Administrators
January 2021	1-31	Budget Planning
	6	Budget Overview Presented to Board
	20	Resolution Not to Exceed Act 1 Index/Preliminary Budget Adoption
	20	Tax Collector Compensation
February 2021	5	Workshop Meeting- Budgeting Strategy Board Presentation
	16	Elementary/Middle School Staffing Meeting
	17	Approval to Apply for Exceptions if Adopt Preliminary Budget
	23	All Staffing Meeting

March 2021	1-31	Budget Planning
	29	Deadline to apply for Exceptions
April 2021	1-30	Budget Planning
	1	Workshop Meeting-Update on Budget Projections
May 2021	1-31	Budget Finalization
	5	Workshop Meeting- Proposed Final Budget Presentation Community Budget Communications
	12	Board Meeting- Proposed Final Budget Presentation
June 2021	2	Workshop Meeting- Final Budget Presentation
	16	Board Meeting- Final Budget Adoption