





2024-2025 NWLSD Budget Update

MARCH 20, 2024

Governor Shapiro's budget proposal 2024-2025

- **\$200 million** proposed increase for Basic Education Formula
 - **\$871 million** increase in new adequacy investment formula driven into the Basic Education Formula base
 - **\$50 million** proposed increase for Special Education Formula
 - **\$50 million** proposed for safety/security grants via PCCD for physical safety (and for coordinator training)
 - **\$100 million** proposed for mental health grants via PCCD
 - **\$7 million** for dual enrollment projects
 - State reimbursement to cover **universal free breakfast**
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What does the current proposal mean to NWLSD?

- An additional \$556,083 in Basic Education Funding
 - \$0 new dollars in new adequacy investment formula
 - An additional \$6,624 Special Education Funding
 - \$35,000 Safety/Security Grants via PCCD
 - \$125,549 Mental Health grants via PCCD
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Additional Revenue since early look

- \$245,000 for 2 additional warehouse properties came online
 - Building H in the Tax Incremental Financing (TIF) is complete
 - Foley Property
- CDL Training with townships
- Northwestern Lehigh Foundation

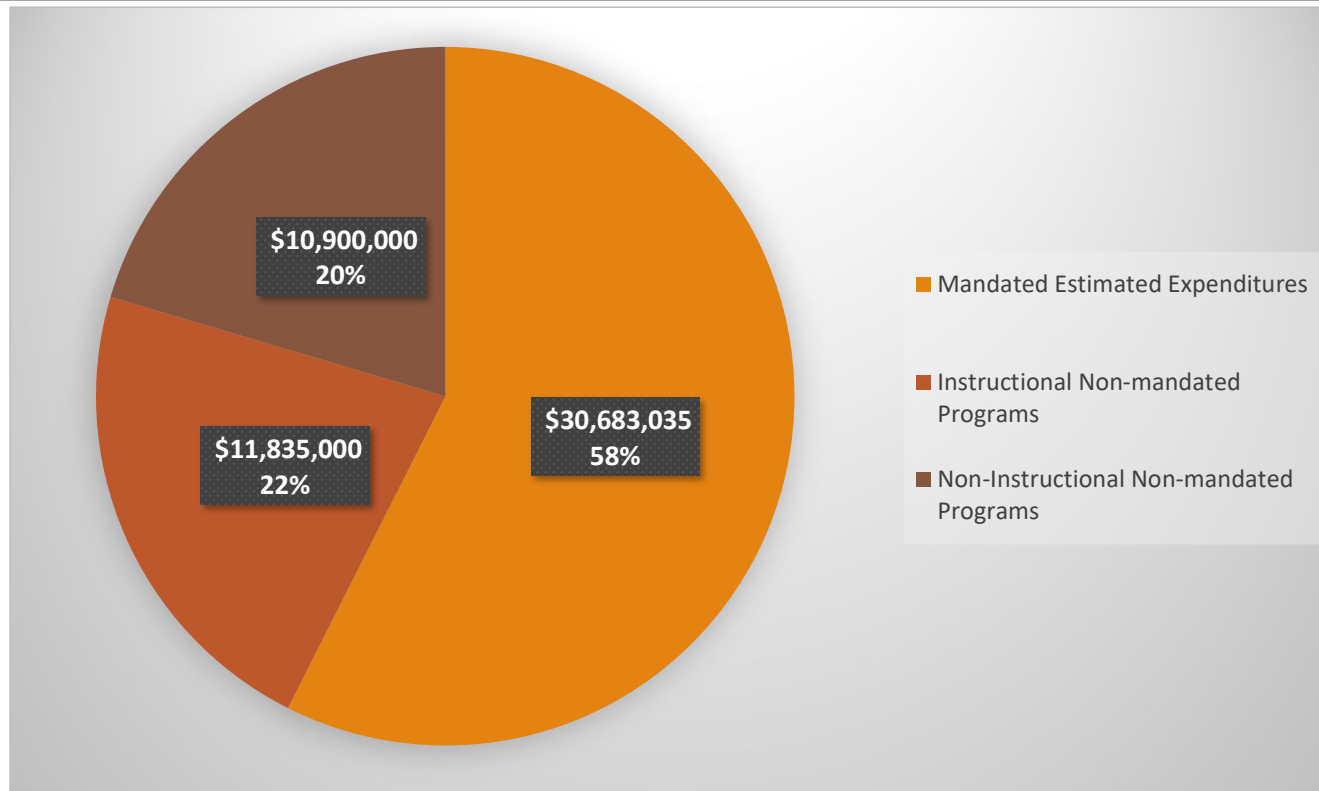
Potential cost cuts

3rd bus (\$140,000)

Capital Reserve Transfer (\$714,000)

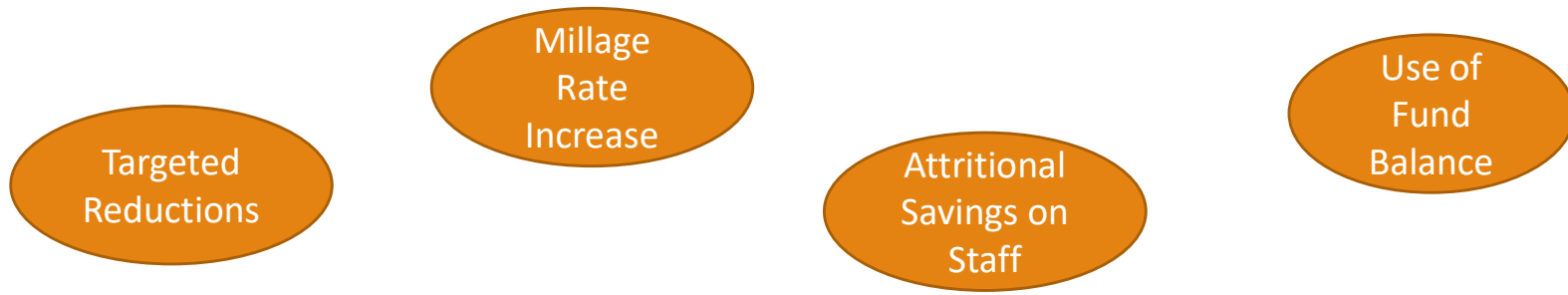
- \$350,000 Roofing
 - \$71,000 Turf
 - \$293,000 other projects
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Non-mandated Program Estimates



Summary of the 2024-2025 Budget-March

Total Estimated Revenues-March	\$49,813,575
Total Estimated Expenditures	<u>53,418,035</u>
Estimated Shortfall(before millage increase)	(3,604,459)

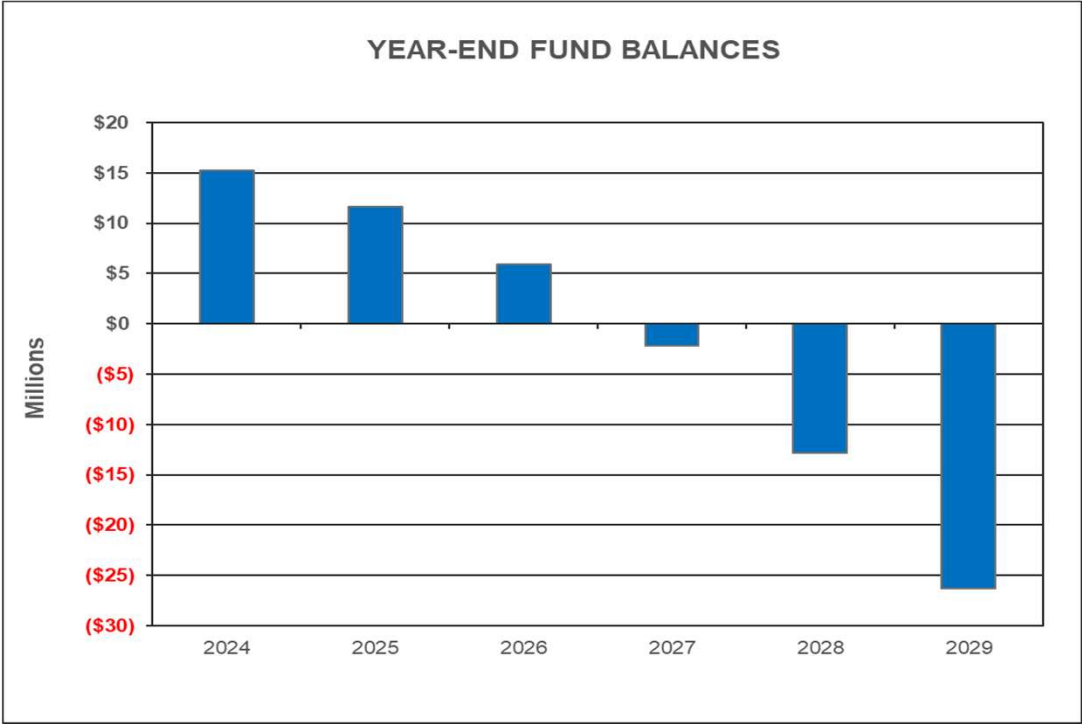


General Fund | Projection Summary

FY24 NORTHWESTERN LEHIGH SD 0% millage increase

	BUDGET	REVENUE / EXPENDITURE PROJECTIONS									
	2024	2025	%Δ	2026	%Δ	2027	%Δ	2028	%Δ	2029	%Δ
REVENUE											
Local	\$34,642,428	\$34,777,949	0.39%	\$34,858,055	0.23%	\$34,933,350	0.22%	\$35,008,832	0.22%	\$35,084,503	0.22%
State	\$14,357,808	\$14,695,626	2.35%	\$15,004,166	2.10%	\$15,219,608	1.44%	\$15,427,261	1.36%	\$15,645,617	1.42%
Federal	\$340,000	\$340,000	0.00%	\$340,000	0.00%	\$340,000	0.00%	\$340,000	0.00%	\$340,000	0.00%
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$49,340,236	\$49,813,575	0.96%	\$50,202,221	0.78%	\$50,492,958	0.58%	\$50,776,093	0.56%	\$51,070,120	0.58%
EXPENDITURES											
Salary and Benefit Costs	\$34,065,704	\$35,325,156	3.70%	\$36,720,840	3.95%	\$38,161,769	3.92%	\$39,661,903	3.93%	\$41,223,785	3.94%
Other	\$16,793,054	\$18,092,878	7.74%	\$19,184,045	6.03%	\$20,424,865	6.47%	\$21,783,568	6.65%	\$23,274,714	6.85%
TOTAL EXPENDITURES	\$50,858,758	\$53,418,035	5.03%	\$55,904,886	4.66%	\$58,586,634	4.80%	\$61,445,471	4.88%	\$64,498,498	4.97%
SURPLUS / DEFICIT	(\$1,518,522)	(\$3,604,459)		(\$5,702,665)		(\$8,093,676)		(\$10,669,378)		(\$13,428,378)	
BEGINNING FUND BALANCE	\$16,747,488	\$15,228,966		\$11,624,507		\$5,921,842		(\$2,171,834)		(\$12,841,212)	
PROJECTED YEAR END BALANCE	\$15,228,966	\$11,624,507		\$5,921,842		(\$2,171,834)		(\$12,841,212)		(\$26,269,590)	

Fund Balance Projections



Next Steps.....

Meeting	Discussion/Action Item
April Workshop	Update assumptions & presentation changes from January
April-May	Finalize staffing plans and make necessary adjustments
May Workshop	Present Proposed Final Budget
May Board*	Adopt Proposed Final budget
June Workshop	Present Final Budget
June Board*	Adopt Final Budget

*Requires formal Board Adoption of Budget