



# NORTHERN LEHIGH SCHOOL DISTRICT

NL HIGH SCHOOL • NL MIDDLE SCHOOL • SLATINGTON ELEMENTARY • PETERS ELEMENTARY



## Proposed Preliminary Budget for 2026-2027 School Year and District Long Term Planning

Committee Meeting

April 7, 2026

Living, Learning, and Leading to Make Every Story Better

# Building Level Budget Amounts 2026-2027

* High School	\$161,400
* Middle School	\$55,799
* Slatington Elementary	\$78,945
* Peters Elementary	\$66,674

# Act I Index & PSERS

## Act I Index

- \* Independent Financial Office (IFO) Projected Weighted Index
  - \* 26/27 3.5%
    - \* **NLSD Adjusted 4.8%**
  - \* 27/28 3.2% (projected)
  - \* 28/29 3.3% (projected)
  - \* 29/30 3.3% (projected)

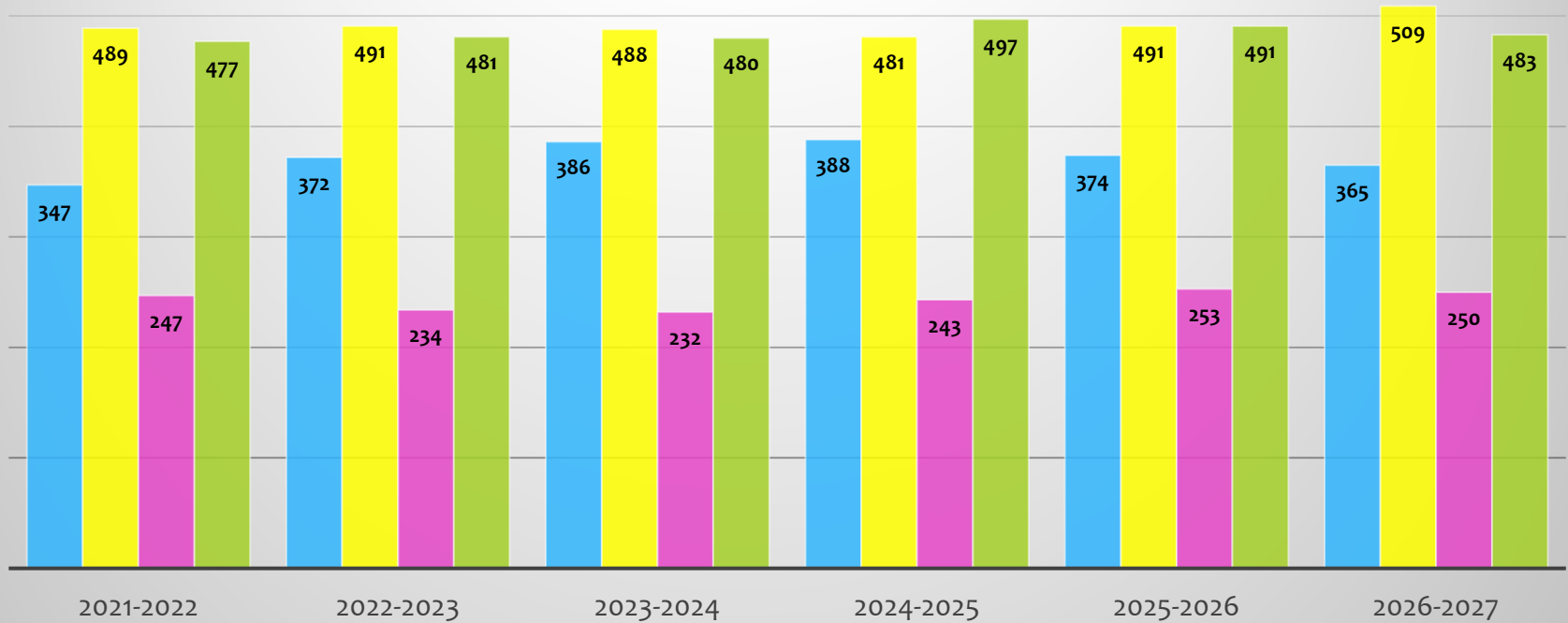
## PSERS

- \* The below projected employer contribution rates using a June 30, 2025 valuation and presumes a 7.00% Market Rate of Return (MRR).
  - \* 2026 33.59%
  - \* 2027 34.12% (projected)
  - \* 2028 34.63% (projected)
  - \* 2029 35.17% (projected)

# District Profile

Student Enrollment by Grade	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027 Anticipated
kindergarten	106	144	128	124	115	<b>115-125</b>
1 <sup>st</sup>	106	112	139	125	125	115
2 <sup>nd</sup>	120	116	111	139	130	125
3 <sup>rd</sup>	132	121	116	114	138	130
4 <sup>th</sup>	105	137	122	116	122	138
5 <sup>th</sup>	117	114	133	122	119	122
6 <sup>th</sup>	105	119	120	129	121	119
7 <sup>th</sup>	111	113	114	124	129	121
8 <sup>th</sup>	134	121	115	119	121	129
9 <sup>th</sup>	120	136	124	120	126	121
10 <sup>th</sup>	112	124	128	118	120	126
11 <sup>th</sup>	115	99	122	134	116	120
12 <sup>th</sup>	111	122	106	125	141	116
Totals	1,494	1,578	1,578	1,609	1,623	1607

# Student Enrollment Graph



■ Peters Elementary (K - 2)

■ Slatington Elementary (3-6)

■ Middle School (7-8)

■ High School (9-12)

# Employee Profile

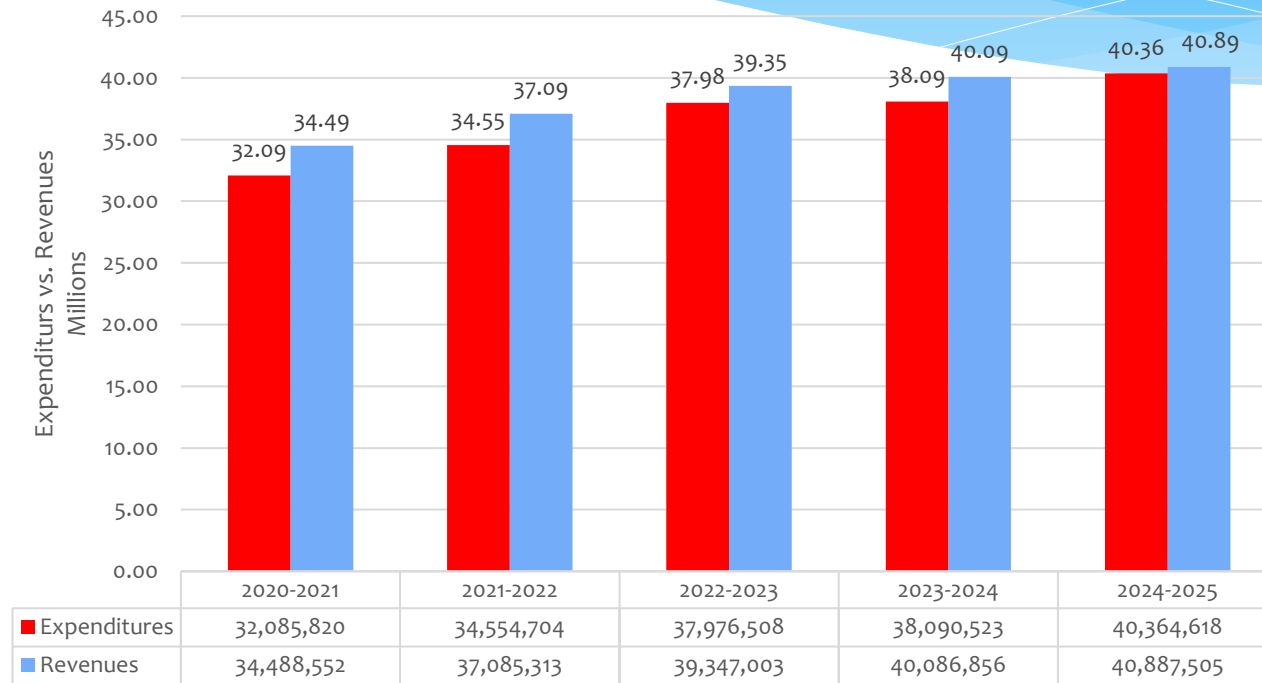
Employee Groups	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Support Staff	108	115	116	119	122	126	126
Professional Staff	125.5	126.5	128.5	129	130	133	134 *
Administration	16	16	16	16	16	17	17
Total	249.5	257.5	260.5	264	268	276	278

\*Includes 1 Business Teacher at HS

# GRANT FUNDED POSITIONS

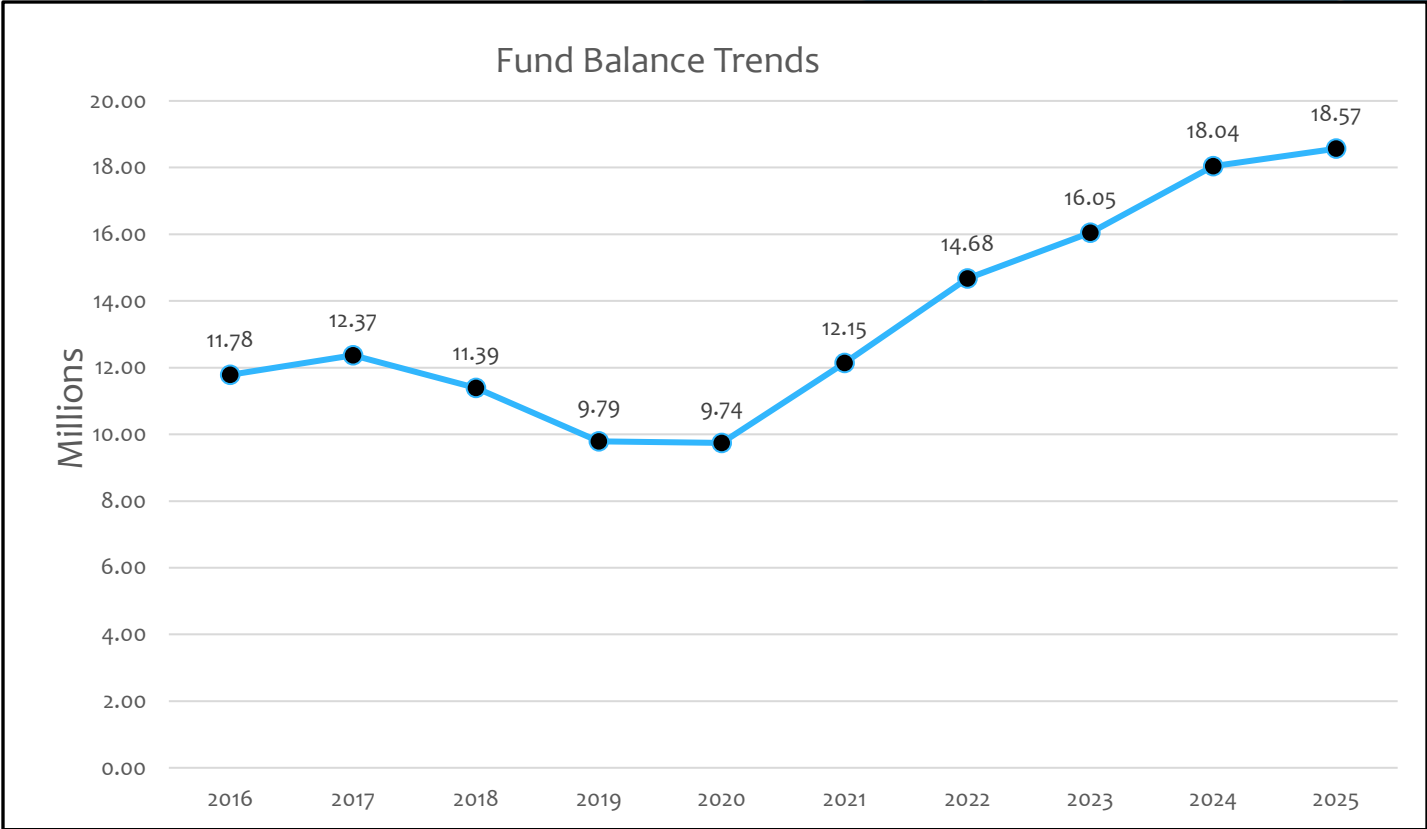
- \* IDEA Teachers: 2 SES, 2 HS (Portion of salaries and benefits for these positions are supplemented by general fund)
- \* Title I Teachers: 2 PES, 2 SES (Salaries and benefits for these positions are completely funded by federal dollars)
- \* Title II Teachers: 1 PES (Portion of salary and benefit for this position is supplemented by general fund)
- \* Ready To Learn Teachers: 3 PES (Portion of salaries and benefits for these positions are supplemented by general fund)
- \* Title IV & PCCD Safety & Security - 3 SPOs (Portion of salaries and benefits for these positions are supplemented by general fund if no new grant by May 2027)

# Prior Year's Composite Data



- \* Agreed to not raise taxes over the adjusted index of 4.8% per approved Act I Resolution in December.
- \* Did not apply for exceptions (Special Education, PSERS)

# Fund Balance





# NORTHERN LEHIGH

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## PETERS • ELEMENTARY



\* Status Quo



# NORTHERN LEHIGH

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## SLATINGTON • ELEMENTARY



\* Status Quo



# NORTHERN LEHIGH

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## MIDDLE • SCHOOL



\* Status Quo



# NORTHERN LEHIGH

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## H I G H • S C H O O L



- \* Recommended Action
  - Reinstate business teacher position

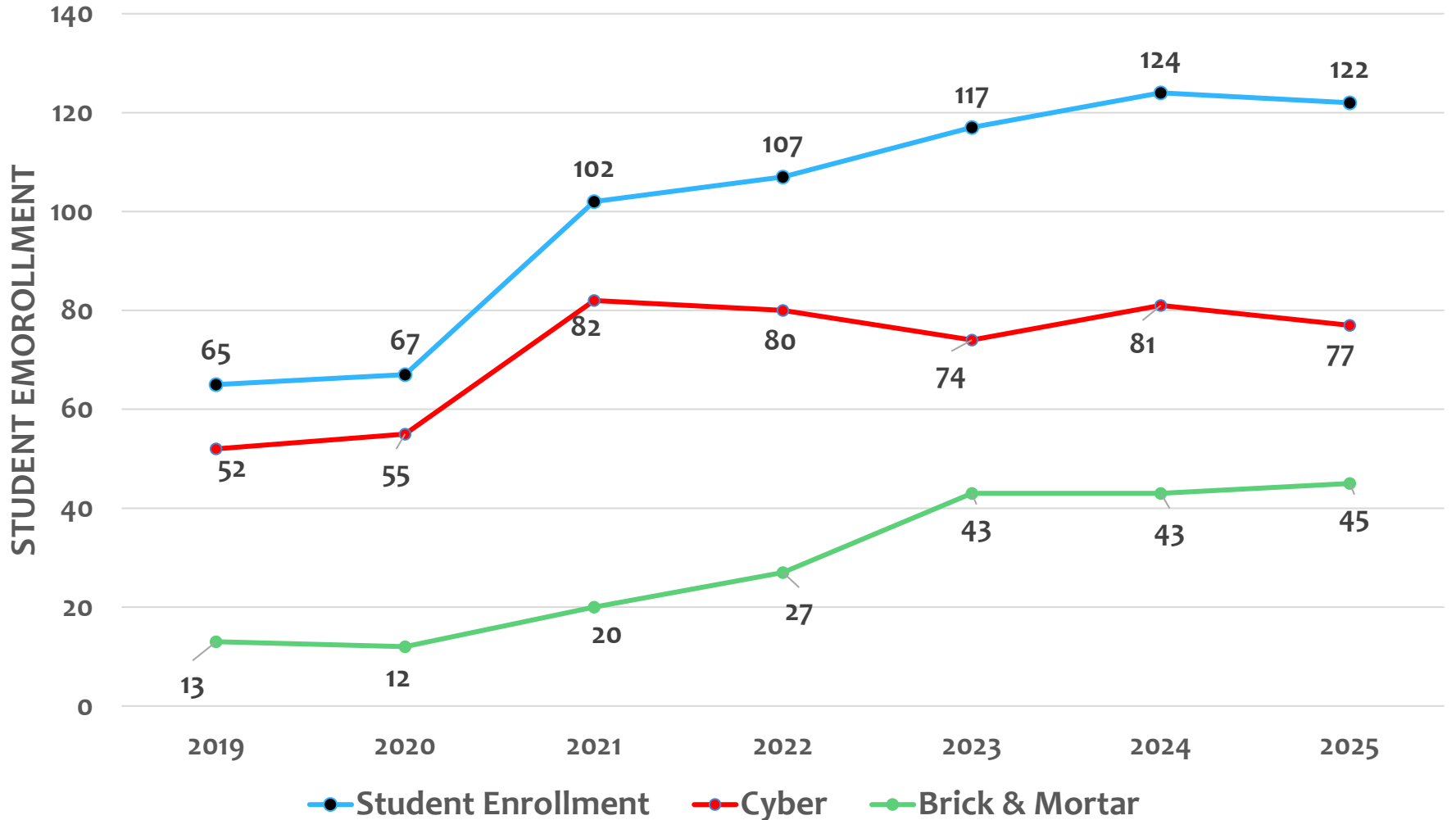
# 2026-2027

## Budget Increased Expenditures

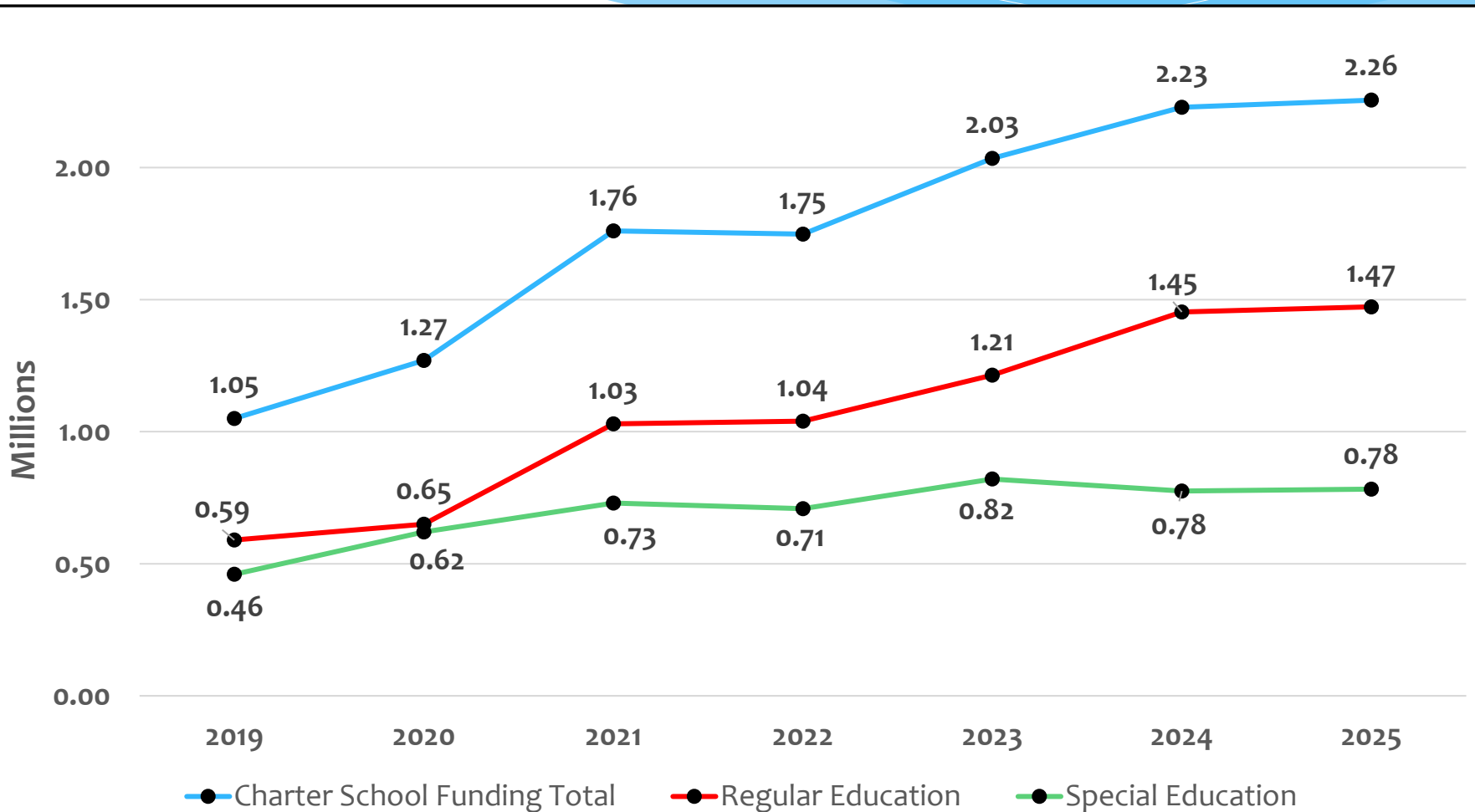
### COST DRIVERS 26/27 SY

- \* Salaries & Benefits (Healthcare & PSERS)
- \* CLIU Specialized Education Costs
- \* Business Position at High School
- \* Charter/Cyber Charter Schools – Status Quo
- \* Maintenance Repair Costs & Utilities
- \* Outplacements

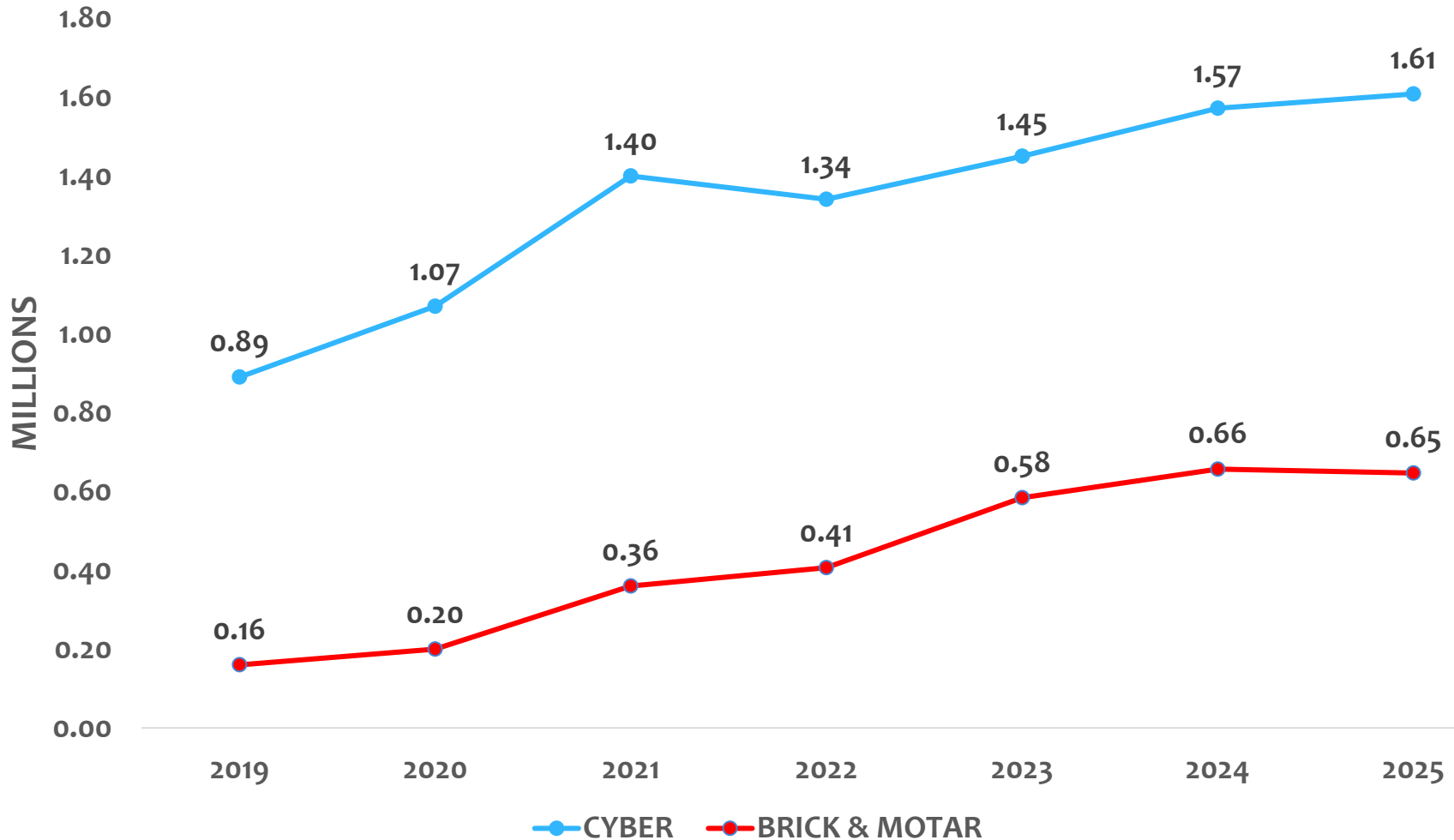
# Charter School Enrollment



# Charter/Cyber School Yearly Cost Regular & Special Education



# Charter School B&M vs. Cyber



# Projected 2026-2027 Budget Revenue Streams

## Real Estate Tax Collection Rate

- \* 94.75% for 26/27 SY
- \* Passed a resolution not raising taxes over our adjusted index of 4.8%

## Federal Revenues – Budget at 2025-2026 amounts

## State Revenues – Budgeted at a slight increase over the 2025-2026 amounts

- Basic Education Funding – Added \$115,000 in additional revenues
- Special Education Funding – Added \$40,000 in additional revenues
- Ready To Learn Block Grant new base \$372,616, additional Adequacy Funding of \$25,992 and tax equity funding have all been added to the current budget

# Current Fund Balance

## June 30, 2025

### Committed Fund Balance:

Health	\$ 942,369
PSERS	<u>1,000,000</u>
<b>Total Committed:</b>	<b>\$1,942,369</b>

### Assigned Fund Balance:

<b>Assigned Current Year Usage (25/26):</b>	<b>\$ 1,320,874</b>
Technology (Includes 1:1 Insurance):	1,455,311
Replacement Equipment:	2,364,518
Long Range Maintenance:	2,758,144
Future Dept Service Payments:	2,200,000
Future Curriculum Needs	650,000
Capital Reserve Fund Transfer	3,000,000
Student Activity Accounts:	
Slatington Elementary	12,005.21
Peters Elementary	29,769.07
Refreshment Stand:	<u>29,612.81</u>
<b>Total Assigned:</b>	<b>\$13,820,234.09</b>

**Unassigned Fund Balance:** **\$ 2,472,505.70**

### Restricted Fund Balance:

High School Scholarship Acct:	\$173,297.21
Slatington Elementary Student Act:	<u>1,142.38</u>
<b>Total Restricted Fund Balance:</b>	<b>\$174,439.59</b>

**Non-Spendable:** **\$157,213.50**

**Total Fund Balance:** **\$18,566,761.88**

# Long Term Fund Balance Expenditures (Not Capital Reserve)

Item	Year	Cost	Notes
NLHS Flooring Replacement (Grant)	2026-2027	\$135,196	PSFI Grant/Fund Balance
NLHS Water Softener & Filtration	2026-2027	\$75,000	Fund Balance Expense
SES Furniture Replacement	2026-2027	\$55,000	Fund Balance Expense
NLHS Furniture Replacement	2026-2027	\$45,000	Fund Balance Expense
Math Curriculum K-6	2026-2027	\$383,600	Fund Balance Expense
Peters Furniture Replacement	2027-2028	\$45,000	Fund Balance Expense
NLHS Furniture Replacement	2027-2028	\$55,000	Fund Balance Expense
Security Camera Upgrades	2027-2028	researching	Technology Fund Balance
Math Curriculum 7-8	2027-2028	\$75,000	Fund Balance Expense
Peters Furniture Replacement	2028-2029	\$55,000	Fund Balance Expense

# ESTIMATED FUND BALANCE

## June 30, 2026

<b>Beginning Fund Balance July 1, 2025:</b>	\$18,566,762
<b>Ending Fund Balance June 30, 2026 (\$1,260,000 &amp; \$3,000,000 CR):</b>	<b>\$14,306,762</b>
<b>Committed Fund Balance:</b>	
Health	\$ 730,369
PSERS	<u>919,000</u>
<b>Total Committed:</b>	<b>\$1,449,369</b>
<b>Assigned Fund Balance:</b>	
<b>Assigned Current Year Usage (2026-2027):</b>	
<b>One Time Purchases:</b>	
<b>HS Water Softener (\$75,000), SE &amp; HS Furniture (\$55,000 &amp; \$45,000),</b>	
<b>Bonds (\$200,00), Math Program (\$383,597) &amp; MS CKLA (\$7,553)</b>	<b>\$ 766,150</b>
<b>PSERS (\$81,000), Healthcare Increases (\$412,000)</b>	<b>493,000</b>
Technology (Includes 1:1 Insurance):	1,445,311
Replacement Equipment:	1,734,518
Long Range Maintenance:	2,184,017
Future Dept Service Payments:	2,000,000
Future Curriculum Needs	358,850
Capital Reserve Fund Transfer	1,000,000
Student Activity Accounts	
Slatington Elementary	12,005
Peters Elementary	29,769
Refreshment Stand:	<u>29,613</u>
<b>Total Assigned:</b>	<b>\$10,053,233</b>
<b>Unassigned Fund Balance:</b>	<b>\$ 2,472,506</b>
<b>Restricted Fund Balance:</b>	
High School Scholarship Acct:	173,297
Slatington Elementary Restricted:	<u>1,142</u>
<b>Total Restricted Fund Balance:</b>	<b>\$174,440</b>
<b>Non-Spendable:</b>	<u>\$157,214</u>
<b>Total Fund Balance:</b>	<b>\$14,306,762</b>

# DISTRICT EXPENSES vs. REVENUES

## EXPENSES

2026-2027

100	Salaries	17,260,858
200	Other Benefits	1,708,550
211	Medical	4,062,453
230	Retirement	5,552,603
300	Contracted Services	2,740,607
400	Purchased Property	764,144
500	Other Contracted Services	7,430,156
600	Supplies/Books/Utilities	1,880,736
700	Property	178,290
800	Other Objects	887,418
900	Principal Repayment/Transfers	<u>1,752,985</u>
<b>TOTAL EXPENSES</b>		<b>44,218,800</b>

## REVENUES

2026-2027

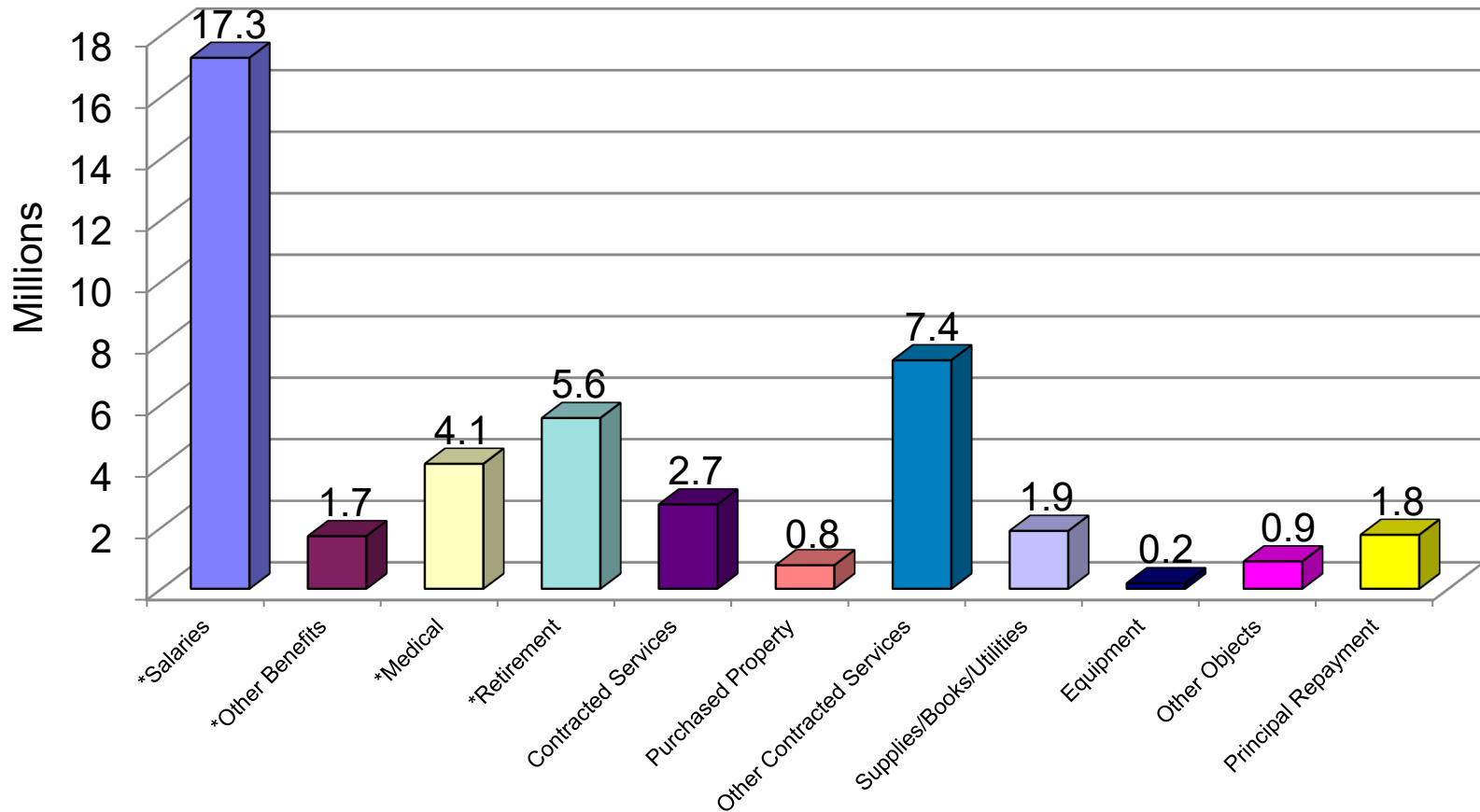
LOCAL	22,639,653
STATE	17,544,936
FEDERAL	619,000
OTHER	140,000
<b><i>FUND BALANCE – 1X Prchs, PSERS &amp; Medical</i></b>	<b><i><u>1,259,150</u></i></b>
<b>TOTAL REVENUES</b>	<b>42,202,739</b>

**BUDGET SHORTFALL: \$2,016,061**

**\*Local Revenues currently do not include a tax increase**

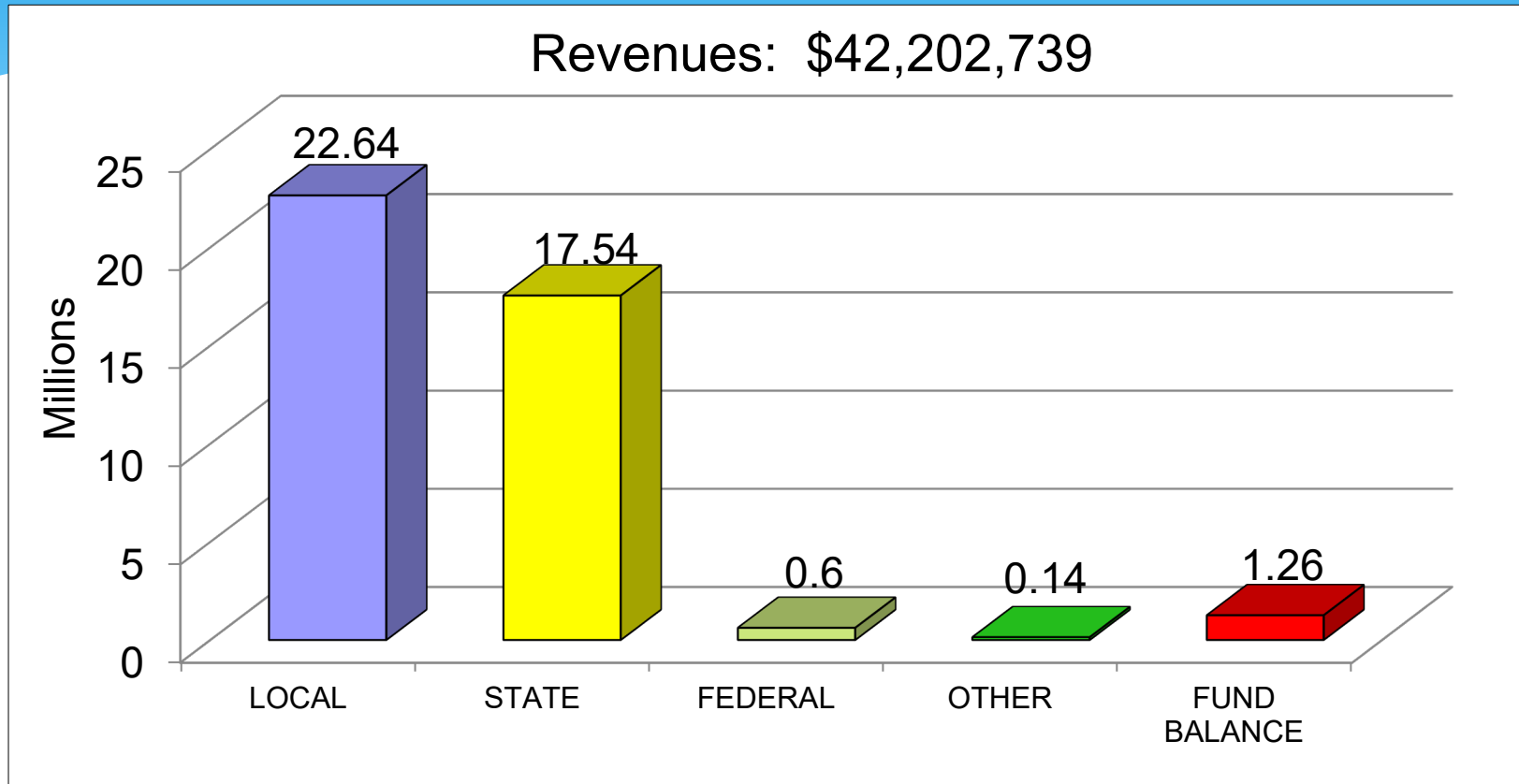
# EXPENSES

Expenditures: \$44,218,800



**64.6% of District Budget is Salaries & Benefits – Equaling District Recurring Costs**

# REVENUES



53.6% Local Revenues  
3.0% Fund Balance  
56.6% Total

41.9% State Funding + Grants  
1.5% Federal Grants  
43.4% Total

Representative of \$1,259,150 for 1x purchases, PSERS and Healthcare expenses

# The (Tentative) Big Picture

Expenses:	\$44,218,800
Revenues (w/o Fund Balance Use):	(40,943,589)
Budget Shortfall:	\$ 3,275,211

<b>BUDGET SHORTFALL:</b>	<b>\$3,275,211</b>
Fund Balance 1X Purchases, PSERS & Healthcare:	<u>(1,259,150)</u>
<b>Remaining Shortfall after use of FB:</b>	<b>\$2,016,061</b>

Estimated ending fund balance for 2026-2027, if the district utilizes \$1,259,150 for 1X purchases, Debt Payments, PSERS & Healthcare increases, would be \$13,047,612 and if fund balance was used to pay for remaining budget shortfall which represents reoccurring costs, the estimated ending fund balance would be \$11,031,551.

# Prior Year Tax Increase Data

## REAL ESTATE TAX INCREASE PRIOR YEARS

	<u>Preliminary</u>	<u>Final</u>
2020-2021	3.50%	2.00%
2021-2022	4.00%	2.00%
2022-2023	4.60%	2.50%
2023-2024	5.50%	3.50%
2024-2025	5.12%	2.00%
2025-2026	3.5%	2.50%
2026-2027	4.8% Adjusted	?

# Tax Revenue Projections

Tax Revenue Based on % of Millage Rate Increase:

4.8%(NC)2.997% (LC) (4.37%)	\$885,461
4.25%	\$863,046
4%	\$814,046
3.75%	\$766,046
3.5%	\$717,046
3.25%	\$672,046
3%	\$619,046
2.75%	\$569,046
2.5%	\$521,046
2.25%	\$471,046

# Administrative Recommendations and Direction Sought from the School Board

- \* Utilization of Fund Balance for One-time Purchases, Debt Service Payment, and PERS and Health Care Increases
- \* Pass a 4.8% PRELIMINARY tax increase in conjunction with utilization of fund balance to close the gap in addition to generating some revenue for upcoming years for capital improvements
- \* Administrative Recommended Additional Position:
  - \* NLHS Business Teacher

# QUESTIONS & COMMENTS from School Board Members

