

NORRISTOWN AREA SCHOOL DISTRICT 2019-20 PROPOSED FINAL BUDGET

May 2019



2019-20 BUDGET

GOALS ESTABLISHED JAN 2019:

- MAINTAIN CURRENT STAFFING LEVELS
- MAINTAIN CURRENT FUND BALANCE
- MAXIMUM TAX INCREASE @ ACT I INDEX OF
2.80%



2019-20 BUDGET

GOALS ESTABLISHED JAN 2019:

- MAINTAIN CURRENT STAFFING LEVELS
- MAINTAIN CURRENT FUND BALANCE
- MAXIMUM TAX INCREASE @ ACT I INDEX OF
2.80%

ALL THREE GOALS ARE MET IN THE
2019-20 PROPOSED FINAL BUDGET



GOAL

2019-20 BUDGET

GOALS ESTABLISHED JAN 2019:

RECOMMENDING ADDING
SEVERAL KEY POSITIONS

PROJECTING AN INCREASE IN
FUND BALANCE @ 6/30/19

TAX INCREASE @ 2.798%

- MAINTAIN CURRENT STAFFING LEVELS
- MAINTAIN CURRENT FUND BALANCE
- MAXIMUM TAX INCREASE @ ACT I INDEX OF 2.80%

ALL THREE GOALS ARE MET IN THE
2019-20 PROPOSED FINAL BUDGET



GOAL

2019-20 HIGHLIGHTS

- ✓ **NEW SOCIAL STUDIES CURRICULUM**
- ✓ **TECHNOLOGY:**
 - ✓ **NAHS 1:1 INITIATIVE – CHROMEBOOKS FOR EVERY STUDENT**
 - ✓ **ADDITIONAL STUDENT CHROMEBOOKS ELEMENTARY & MIDDLE**
- ✓ **PCCD SAFETY/SECURITY GRANT (YEAR 1- \$1.1 MILLION)**
 - ✓ **FUNDING 4 MENTAL HEALTH COUNSELORS/SOCIAL WORKERS**
 - ✓ **SECURITY ENHANCEMENTS:**
 - ✓ **UPGRADES TO OUR SURVEILLANCE SYSTEM**
 - ✓ **NEW PA SYSTEM AT NAHS**
 - ✓ **ADDITIONAL SECURE VESTIBULES/ACCESS CONTROLS (DOORS)**



2019-20 HIGHLIGHTS

- ✓ **CAPITAL PROJECTS UNDERWAY**
 - MECHANICALS, ROOFS, PARKING LOTS, ETC.,
 - NEW SOUND SYSTEM @ NAHS AUDITORIUM
 - NAHS STADIUM / TENNIS COURTS

- ✓ **INCREASED COMMUNICATION/ PUBLIC RELATIONS EFFORTS**
 - DEDICATED PR STAFF MEMBER ON SITE
 - RECENTLY LAUNCHED NEW WEBSITE
 - FOCUS ON EXPANDING SOCIAL MEDIA FOOTPRINT
 - MOBILE APP FOR PARENTS COMING IN THE FALL
 - FIRST STUDENT/FIRST VIEW MOBILE BUS TRACKING APP WILL ALSO BE ROLLED OUT IN 2019-20



2019-20 STAFFING OVERVIEW

**BROAD GOAL = MAINTAIN CURRENT STAFFING LEVELS
(NO FURLOUGHS OR REDUCTIONS)**

- ✓ **NO RECOMMENDATIONS FOR REDUCTIONS**
- ✓ **RECOMMENDATIONS FOR SHIFTING STAFF**
 - INCLUDES COMPREHENSIVE SPECIAL EDUCATION UPDATES
- ✓ **AND...SEVERAL RECOMMENDATIONS FOR INVESTING IN PROGRAMS BY ADDING KEY POSITIONS**
 - INCLUDING SEVERAL ELD POSITIONS, A PSYCHOLOGIST, AND A GRANTWRITER

**PLEASE SEE NASD WEBSITE FOR COMPREHENSIVE PRESENTATION
FROM 5/15/19 FACILITIES-FINANCE COMMITTEE MEETING**





- **REVENUES**



	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGETED	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
Local	\$ 103,555,810	\$ 107,165,199	\$ 110,450,885	\$ 111,819,800	\$ 114,070,550

**2018-19 local revenues
projected to exceed budget
\$ 1.3 million – 1.2%**



	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGETED	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
Local	\$ 103,555,810	\$ 107,165,199	\$ 110,450,885	\$ 111,819,800	\$ 114,070,550
State	\$ 35,151,807	\$ 35,837,380	\$ 37,645,500	\$ 37,172,000	\$ 39,202,500

2018-19 state revenues
projected shortfall
\$ 473k – (1.3%)



	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGETED	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
Local	\$ 103,555,810	\$ 107,165,199	\$ 110,450,885	\$ 111,819,800	\$ 114,070,550
State	\$ 35,151,807	\$ 35,837,380	\$ 37,645,500	\$ 37,172,000	\$ 39,202,500

**2019-20 state revenues projected increase
\$ @ 2 million – 5.50%**

**Includes \$980k in new subsidies proposed by
Governor Wolf
AND
PCCD Safety Grant Award
(YR 1 = \$1.1 Million)**



	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGETED	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
Local	\$ 103,555,810	\$ 107,165,199	\$ 110,450,885	\$ 111,819,800	\$ 114,070,550
State	\$ 35,151,807	\$ 35,837,380	\$ 37,645,500	\$ 37,172,000	\$ 39,202,500
Federal	\$ 8,330,424	\$ 7,557,708	\$ 7,149,000	\$ 6,814,000	\$ 7,229,000

Flat federal funding projected



	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGETED	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
Local	\$ 103,555,810	\$ 107,165,199	\$ 110,450,885	\$ 111,819,800	\$ 114,070,550
State	\$ 35,151,807	\$ 35,837,380	\$ 37,645,500	\$ 37,172,000	\$ 39,202,500
Federal	\$ 8,330,424	\$ 7,557,708	\$ 7,149,000	\$ 6,814,000	\$ 7,229,000
Other	\$ 51,529	\$ 1,585	\$ 505,000	\$505,000	\$ 5,000

**One time revenue
Burnside**



	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGETED	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
Local	\$ 103,555,810	\$ 107,165,199	\$ 110,450,885	\$ 111,819,800	\$ 114,070,550
State	\$ 35,151,807	\$ 35,837,380	\$ 37,645,500	\$ 37,172,000	\$ 39,202,500
Federal	\$ 8,330,424	\$ 7,557,708	\$ 7,149,000	\$ 6,814,000	\$ 7,229,000
Other	\$ 51,529	\$ 1,585	\$ 505,000	\$ 505,000	\$ 5,000
Total	\$ 147,551,555	\$ 150,561,872	\$ 155,750,385	\$ 156,310,800	\$ 160,507,050

2018-19 Total Revenues
Positive Variance
(projected to exceed budget)
\$ 560k - 0.36%



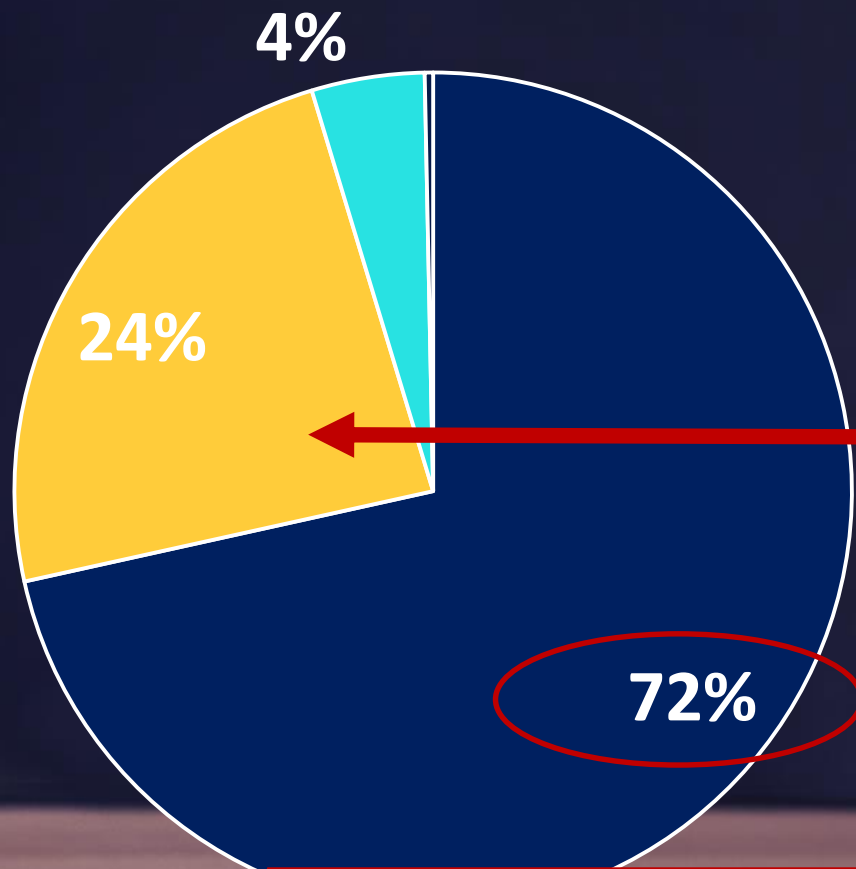
	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGETED	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
Local	\$ 103,555,810	\$ 107,165,199	\$ 110,450,885	\$ 111,819,800	\$ 114,070,550
State	\$ 35,151,807	\$ 35,837,380	\$ 37,645,500	\$ 37,172,000	\$ 39,202,500
Federal	\$ 8,330,424	\$ 7,557,708	\$ 7,149,000	\$ 6,814,000	\$ 7,229,000
Other	\$ 51,529	\$ 1,585	\$ 505,000	\$505,000	\$ 5000
Total	\$ 147,551,555	\$ 150,561,872	\$ 155,750,385	\$ 156,310,800	\$ 160,507,050

**2019-20 Revenues
Projected increase
\$ 4.2 Million – 2.7%**

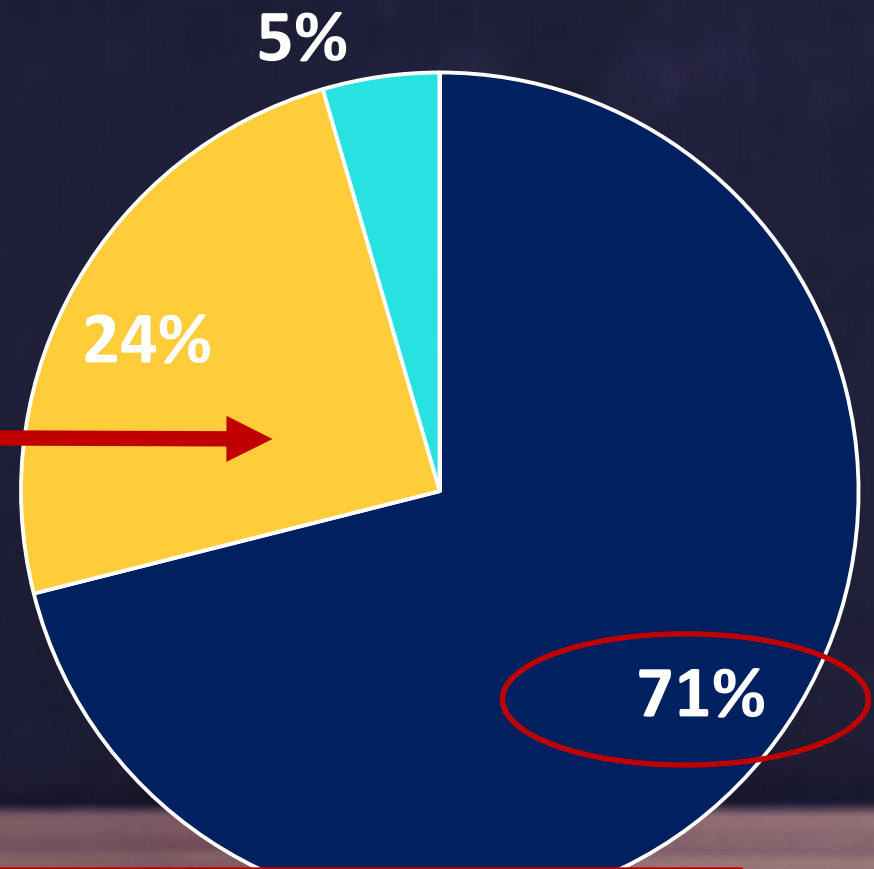


REVENUES

2018-19 PROJECTED



2019-20 PROPOSED FINAL



WHILE OUR STATE REVENUE IS PROJECTED TO INCREASE FOR 2019-20, IT IS STILL NOT ADEQUATE

CONTINUED ADVOCACY WITH LEGISLATORS NEEDED



- **EXPENSES**



Spending Overview – Personnel

= 70% of budget

	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
Salaries	\$ 66,497,781	\$ 63,466,920	\$ 66,318,000	\$ 65,169,000	\$ 66,920,000
Benefits	\$ 34,940,764	\$ 37,758,929	\$ 43,449,000	\$ 42,965,000	\$ 44,077,800



Spending Overview – Personnel

= 70% of budget

	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
Salaries	\$ 66,497,781	\$ 63,466,920	\$ 66,318,000	\$ 65,169,000	\$ 66,920,000
Benefits	\$ 34,940,764	\$ 37,758,929	\$ 43,449,000	\$ 42,965,000	\$ 44,077,800

Wages relatively flat



Spending Overview – Personnel

= 70% of budget

	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
Salaries	\$ 66,497,781	\$ 63,466,920	\$ 66,318,000	\$ 65,169,000	\$ 66,920,000
Benefits	\$ 34,940,764	\$ 37,758,929	\$ 43,449,000	\$ 42,965,000	\$ 44,077,800

PSERS (retirement) mandated increases driving cost escalation

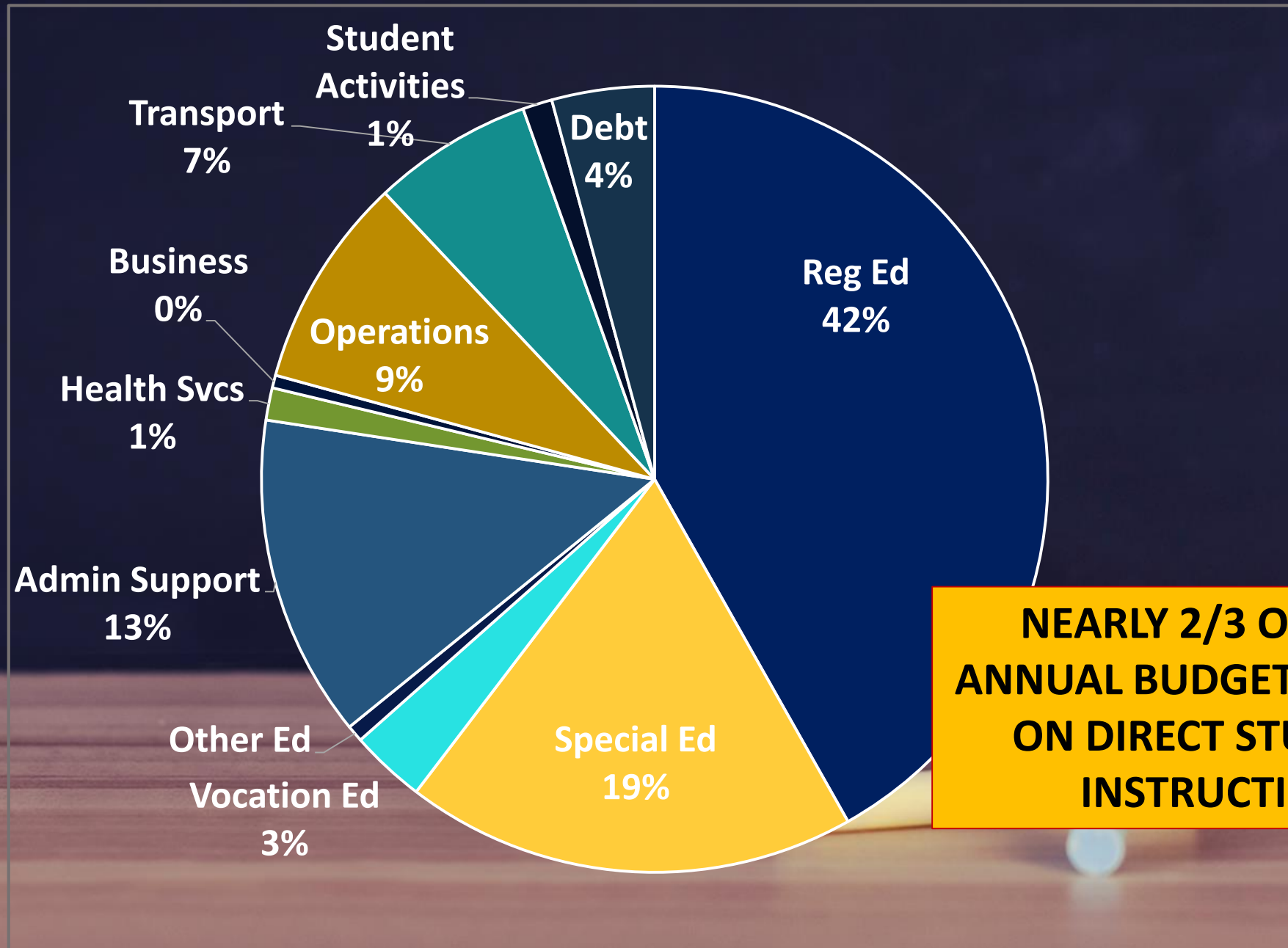
2019-20 PSERS Employer Contribution Rate = 34.29%

2019-20 Estimated PSERS Costs = \$ 21.7 Million



EXPENSES

2019-20 PROPOSED FINAL BUDGET



NEARLY 2/3 OF OUR ANNUAL BUDGET IS SPENT ON DIRECT STUDENT INSTRUCTION

Spending Overview – Function Code

	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
1100 – Regular Ed	\$ 61,394,204	\$ 62,116,225	\$ 64,689,500	\$ 65,532,500	\$ 67,117,500
1200 – Spec Ed	\$ 28,147,652	\$ 28,768,437	\$ 29,341,500	\$ 30,069,000	\$ 29,781,500
1300 – Vocat Ed	\$ 4,523,781	\$ 4,614,432	\$ 4,665,000	\$ 4,590,000	\$ 4,957,000
1400- Other Ed	\$ 874,019	\$ 1,114,375	\$ 1,123,000	\$ 875,000	\$ 1,054,000
1500- Non-Public	\$ 44,589	\$ 102,767	\$ 53,000	\$ 53,000	\$ 53,000
1600 – Adult Ed	\$ 122,869	\$ 130,033	\$ 129,000	\$ 0	\$ 0
2100 – Pupil Svcs	\$ 5,876,287	\$ 5,448,297	\$ 6,700,000	\$ 6,365,000	\$ 6,900,000
2200 – Instr Svcs	\$ 1,671,094	\$ 1,367,994	\$ 1,750,000	\$ 1,640,000	\$ 1,715,000
2300 – Admin Svc	\$ 9,511,493	\$ 9,467,426	\$ 9,880,000	\$ 9,810,000	\$ 10,280,000
2400 – Health Svc	\$ 1,950,257	\$ 1,985,397	\$ 2,067,000	\$ 2,055,000	\$ 2,132,000
2500 – Business	\$ 732,451	\$ 792,811	\$ 842,500	\$ 817,500	\$ 843,500
2600 – Operations	\$ 12,708,697	\$ 13,005,436	\$ 13,175,000	\$ 13,381,000	\$ 13,984,000
2700 - Transport	\$ 10,152,664	\$ 9,620,902	\$ 10,166,500	\$ 10,301,500	\$ 10,581,500
2800 – Central (IT)	\$ 1,987,005	\$ 2,079,053	\$ 2,238,000	\$ 2,270,000	\$ 2,300,000
2900 – Other (IU)	\$ 86,416	\$ 88,771	\$ 92,800	\$ 75,000	\$ 92,800
3200 – StudAct	\$ 1,277,677	\$ 1,212,115	\$ 1,300,500	\$ 1,298,000	\$ 1,308,500
3300 – Community	\$ 625,159	\$ 449,475	\$ 633,350	\$ 627,350	\$ 641,350
5000 – Debt Svc	\$ 5,865,239	\$ 6,336,307	\$ 6,065,400	\$ 5,912,000	\$ 6,765,400
GRAND TOTAL	\$ 147,551,555	\$ 148,700,255	\$ 154,912,050	\$ 155,671,850	\$ 160,507,050

Spending Overview – Function Code

	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 PROPOSED FINAL BUDGET
1100 – Regular Ed	\$ 61,394,204	\$ 62,116,225	\$ 64,689,500	\$ 65,532,500	\$ 67,117,500
1200 – Spec Ed	\$ 28,147,652	\$ 28,768,437	\$ 29,341,500	\$ 30,069,000	\$ 29,781,500
1300 – Vocat Ed	\$ 4,523,781	\$ 4,614,432	\$ 4,665,000	\$ 4,590,000	\$ 4,957,000
1400- Other Ed	\$ 874,019	\$ 1,114,375	\$ 1,123,000	\$ 875,000	\$ 1,054,000
1500- Non-Public	\$ 44,589	\$ 102,767	\$ 53,000	\$ 53,000	\$ 53,000
1600 – Adult Ed	\$ 122,869	\$ 130,033	\$ 129,000	\$ 0	\$ 0
2100 – Pupil Svcs	\$ 5,876,287	\$ 5,448,297	\$ 6,700,000	\$ 6,365,000	\$ 6,900,000
2200 – Instr Svcs	\$ 1,671,094	\$ 1,367,994	\$ 1,750,000	\$ 1,640,000	\$ 1,715,000
2300 – Admin Svc	\$ 9,511,493	\$ 9,467,426	\$ 9,880,000	\$ 9,810,000	\$ 10,280,000
2400 – Health Svc	\$ 1,950,257	\$ 1,985,397	\$ 2,067,000	\$ 2,055,000	\$ 2,132,000
2500 – Business	\$ 732,451	\$ 792,811	\$ 842,500	\$ 817,500	\$ 843,500
2600 – Operations	\$ 12,708,697	\$ 13,005,436	\$ 13,175,000	\$ 13,381,000	\$ 13,984,000
2700 - Transport	\$ 10,152,664	\$ 9,620,902			
2800 – Central (IT)	\$ 1,987,005	\$ 2,079,053			
2900 – Other (IU)	\$ 86,416	\$ 88,771			
3200 – StudAct	\$ 1,277,677	\$ 1,212,115			
3300 – Community	\$ 625,159	\$ 449,475			
5000 – Debt Svc	\$ 5,865,239	\$ 6,336,307			
GRAND TOTAL	\$ 147,551,555	\$ 148,700,255	\$ 154,912,050	\$ 155,671,850	\$ 160,507,050

**Spending projected to increase
\$ 4.8 million - 3.1%**

**(Includes \$1.1 million PCCD grant
funded expenses)**



- **FUND BALANCE**



PROJECTED FUND BALANCE

FUND BALANCE @ 7/1/18	\$ 3,377,588
PLUS: 2018-19 PROJECTED REVENUE	\$ 156,310,800
LESS: 2018-19 PROJECTED EXPENSES	(\$ 155,671,850)
FUND BALANCE @ 6/30/19	\$ 4,016,538
PROJECTED FUND BALANCE INCREASE =	\$ 638,950





- **NEXT STEPS**



NEXT STEPS:

ADMINISTRATION:

- ✓ **REVIEW & REFINE:**
 - ✓ **SPECIAL EDUCATION & TRANSPORTATION DEPARTMENT BUDGETS**
 - ✓ **FEDERAL PROGRAM BUDGETS (ALLOCATIONS TO BE RELEASED NEXT WEEK)**

- ✓ **MONITOR ACTIONS IN HARRISBURG**
 - ✓ **EARLY BUDGET ANTICIPATED**
 - ✓ **CYBER CHARTER REFORM?**

- ✓ **PLACE 2019-20 PROPOSED FINAL BUDGET ON “PUBLIC DISPLAY” AS REQUIRED BY ACT 1**

- ✓ **SHARE BUDGET UPDATES WITH MUNICIPAL PARTNERS**
 - ✓ **EAST NORRITON: MAY 28**
 - ✓ **NORRISTOWN: JUNE 4**
 - ✓ **WEST NORRITON: JUNE 11**



NEXT STEPS:

SCHOOL BOARD ACTION:

- ADOPT 2019-20 PROPOSED FINAL BUDGET BY MAY 31, 2019
- ADOPT 2019-20 FINAL BUDGET BY JUNE 30, 2019

**NEXT FACILITIES-FINANCE COMMITTEE MEETING:
JUNE 12, 2019 – 6:00PM**



THANK YOU

