

NORRISTOWN AREA SCHOOL DISTRICT

2010-11 GENERAL FUND
BUDGET DISCUSSION



BUDGET COMMITTEE MEETING
APRIL 7, 2010

NASD 2010-11 GENERAL FUND BUDGET

➤ Tonight:

- Update Revenue Projections
- Update Expense Projections
 - Will Include Staffing Level Discussion
 - Programs
 - Material Purchases
- Share Updated Tax Rate Projections
- Discuss Factors Still “Unknown”



NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED REVENUE INFORMATION

- We have updated information to share about local, state, and federal revenue sources
- LOCAL REVENUE UPDATES:
 - 2009-10 Current Real Estate Tax Revenue
 - Projected Revenue For Current Year can be increased by **\$ 500,000**
 - Tax Collection Period ended 12/31/09
 - Settlement With Tax Collectors Finalized
 - 2009-10 Interim Real Estate Tax Revenue
 - Projected Revenue For Current Year can be increased by **\$ 75,000**
 - Both positive signs about our local economy!

NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED REVENUE INFORMATION

- STATE REVENUE UPDATES:
 - 2010-11 Proposed Basic Education Funding
 - During the week of March 15, 2010, PDE discovered a miscalculation and re-calculated the Proposed BEF for all school districts
 - Projected Revenue For NASD For 2010-11 is being **reduced** by **\$ 356,025**



NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED REVENUE INFORMATION

- FEDERAL REVENUE UPDATES:
 - Use of ARRA Title I Stimulus Funding
 - For 2010-11, NASD will be asking to use \$ 500,000 of this allocation for the purpose of retaining professional staff
 - While this had been discouraged/disallowed in the past, it now appears more flexibility is being permitted by PDE.
 - This will reduce the budget shortfall by **\$ 500,000**



NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED EXPENSE / SPENDING INFORMATION

- We also have updated information to share about spending projections for both the current year (2009-10) and for next year (2010-11)
- PROGRAMS:
 - Majority of our spending is “program driven”
 - At this point, there are no significant program changes being recommended for 2010-11
 - Curriculum & Instruction Team may bring recommendations forward later this spring

NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED EXPENSE / SPENDING INFORMATION

- INSTRUCTIONAL MATERIALS:
 - Curriculum & Instruction Team has been working to:
 - Inventory Current Materials in our Buildings
 - Assess & Prioritize Needs for 2010-11
 - Insuring that both Regular Ed & Special Ed classrooms are appropriately “outfitted” for the upcoming school year
 - Developing a Preliminary Plan for Professional Development

NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED EXPENSE / SPENDING INFORMATION

- INSTRUCTIONAL MATERIALS:
 - The purchases identified on the next screen have been identified as being critical to our instructional programs
 - Preliminary Funding Sources have also been identified
 - Expect these purchases to be reviewed and approved by the School Board this spring
 - Vendor negotiations nearly complete

NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED EXPENSE / SPENDING INFORMATION

- INSTRUCTIONAL MATERIALS:
 - Reading Materials (Storytown) for Grade 3
 - Funded via Reading First & IDEA Stimulus
 - Social Studies Texts – Grades 7 & 8
 - Funded via Title I Stimulus
 - Science Kit Supplies – District-wide
 - Funded via Restricted BEF
 - Everyday Math Journals & Study Links – Grades K-6
 - Funded via Title I & IDEA Stimulus
 - WRAP – Writing/ Reading Assessment – Grades K-4
 - Funded via Title I & IDEA Stimulus

NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED EXPENSE / SPENDING INFORMATION

- STAFFING:
 - Cost Projections Difficult Due To Unresolved Labor Contracts (NESPA & EANA)
 - Staff Audit Was Completed
 - Retirements & Resignations Examined Closely
 - Furloughed Positions Also Being Scrutinized For Future Need

NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED EXPENSE / SPENDING INFORMATION

- **STAFFING:** Based on the information "known" at this point, the following staff and/or position changes are being discussed at this time:

Position		Description
Science Coordinator	AAS	Position Currently Vacant – Delay Hiring July'10
Staff Nurse	NESPA	Current Staff Retiring – Position Can Be Eliminated & Existing Staff Can Be Realigned
Instructional Support Teacher / Literacy	EANA	Current Staff Retiring – Position Can Be Eliminated & Existing Staff Can Be Realigned
Family & Consumer Science Teacher	EANA	Current Staff Retiring – Position Can Be Eliminated
Reading Intervention Teacher	EANA	Current Staff Retiring – Position Can Be Eliminated & Existing Staff Can Be Realigned
Read 180 Teacher	EANA	Current Staff Has Requested Transfer – Current Staff Can Absorb These Duties
9 Temporary / LTS Paraprofessionals	NESPA	Staff have been furloughed – Positions will be permanently eliminated – Existing Staff Already Reassigned
1 PT Secretary – TR Program	NESPA	Staff has been furloughed – Positions will be permanently eliminated

NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED EXPENSE / SPENDING INFORMATION

• STAFFING:

- The Cumulative Effect of the “Proposed” Staffing Changes, combined with some savings we can achieve through retirements in positions that must be filled, is approximately \$ **1,015,000**
- As additional retirement / resignation notices are received, each will be evaluated carefully. We hope to have some additional savings to report as we move through the next weeks.



NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED EXPENSE / SPENDING INFORMATION

- STAFFING:

- **Important Note:**

- At this point, we are not recommending that all furloughed paraprofessional positions be permanently eliminated
 - 9 of the 20
- Looking to develop and implement a standard formula to assess need for paraprofessionals in our District, as well as to determine building-by- building position allocation
 - Will help us finalize paraprofessional staffing level recommendation for 2010-11

NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED EXPENSE / SPENDING INFORMATION

- "OTHER" EXPENSE PROJECTIONS:
 - Using Stimulus Funds for Strategic Material Purchases allows us to reduce local spending in this area
 - As a result, local Curriculum & Instruction Budgets for 2009-10 and 2010-11 are being reduced by **\$100,000**
 - And, 2010-11 Building Budgets can be safely reduced by 5 % across the District, for a total budget reduction of **\$ 45,000**
 - Stimulus money will be used to supplement Building Budgets & C & I Team Budget, so this action should be transparent at the Building Level

NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED EXPENSE / SPENDING INFORMATION

- "OTHER" EXPENSE PROJECTIONS:
 - In the Operations & Transportation Departments:
 - Natural Gas & Fuel Pricing Has Been Favorable During 2009-10
 - Spending Projections Can Be Reduced by \$ **275,000** (Combined)
 - Working to Lock In Pricing for 2010-11 in the next few weeks while futures are down
 - Transportation Runs for 2010-11 Being Developed
 - Looking closely at student attendance at ENMS & Stewart
 - Slight Modification may allow us to eliminate 1 bus – savings = \$ **45,000**
 - More Detailed Discussion Needed By School Bd
 - IMPT – Will also address capacity issues

NASD 2010-11 GENERAL FUND BUDGET

❖ UPDATED TAX RATE INFORMATION:

- BY ADJUSTING BOTH REVENUE & EXPENSE PROJECTIONS BY FACTORS DISCUSSED TONIGHT:
 - Budget Shortfall Can Be Reduced By \$ **2,298,000**
 - Needed Tax Increase Falls
 - from **9.94%** to **6.70%** Increase

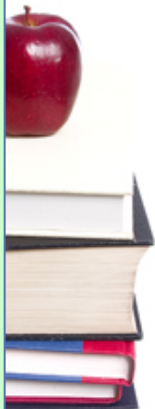
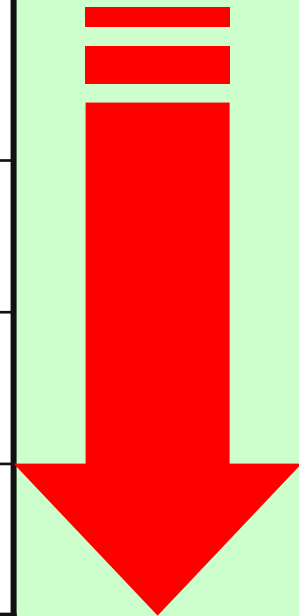


NASD 2010-11 GENERAL FUND BUDGET

❖ PROGRESS ON 2010-11 TAX INCREASE NEEDED:

We have made significant progress in reducing our needed tax increase; and commit to reducing this further!

Date	Budget Shortfall	Tax Increase Needed	Increase To Avg Taxpayer
Jan 25 2010	\$ 8,475,000	11.953%	\$ 438
Feb 16 2010	\$ 7,050,000	9.944%	\$ 365
April 7 2010	\$ 4,751,025	6.70%	\$ 246



NASD 2010-11 GENERAL FUND BUDGET

❖ “UNKNOWN” FACTORS @ 4/710

- State Funding Levels
- Unresolved Labor Contracts
- Final “Second Look” Medical / Prescription Rates for 2010-11 From BCBS
 - Due May 1st
- PSERS – Retirement System Expenses
 - Will there be legislative relief?
- Final Program & Staffing Commitments
 - Regular & Special Education



NASD 2010-11 GENERAL FUND BUDGET

- ❖ WE REMAIN COMMITTED TO CONTINUING TO LOOK FOR WAYS TO REDUCE OUR SPENDING AND/OR TO INCREASE OUR REVENUES
- ❖ FINAL 2010-11 BUDGET TO BE ADOPTED JUNE 28, 2010



Thank You!

