

North Penn
School District

Dream Big.
Achieve Greatness.



2018-2019 BUDGET

July 1, 2018 – June 30, 2019

North Penn School District
401 East Hancock Street
Lansdale, Pennsylvania 19446
www.npenn.org



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Board of School Directors

- Martina Stoll President
- Edward Diasio Vice-President
- Christian Fusco Member
- Jonathan Kassa Member
- Jenna Ott Member
- Theresa W. Prykowski Member
- Juliane Ramíc Member
- Elisha Gee Member
- Timothy MacBain Member
- Steve Skrocki (not pictured) Secretary (non-voting)
- Carol Pitts (not pictured) Treasurer (non-voting)



Board of Directors Committee Assignments

Education/Community/Policy

Christian Fusco
Elisha Gee
Theresa Prykowski
Juliane Ramic

Finance

Committee of the Whole

Intermediate Unit

Juliane Ramic

Support Services

Jonathan Kassa
Elisha Gee
Timothy MacBain

North Montco TCC-JOC

Edward Diasio
Jenna Ott
Timothy MacBain

Personnel

Edward Diasio
Jonathan Kassa
Martina Stoll

Safe Schools Committee

Jonathan Kassa
Jenna Ott
Theresa Prykowski

North Penn School District Educational Foundation

Jenna Ott

Consultants and Advisors

Independent Auditors

Maillie, LLP
PO Box 680
Oaks, PA 19456-0680

Legal Counsel

Sweet, Stevens, Katz & Williams LLP
331 E Butler Avenue
New Britain, PA 18901

Financial Advisor

Public Financial Management
One Keystone Plaza, Suite 300
North Front & Market Streets
Harrisburg, PA 17101

Main Depository

BB&T
139 S. Broad Street
Lansdale, PA 19446

Central Office Administration

Dr. Curtis Dietrich.....Superintendent of Schools
Dr. Diane Holben.....Assistant Superintendent
Dr. Elizabeth Santoro Director of Elementary Education
Dr. Deborah McKay..... Director of Secondary Education
Dr. Jenna Rufo.....Director of Special Education
Dr. Frances Garner Assistant Director of Special Education
Dr. Cheryl McCue Director of Human Resources
Christine Liberaski.....Director of School/Community Engagement
Dr. Kristen Landis Director of Technology
Steve Skrocki..... Director of Business Administration
Scott Kennedy Director of Facilities & Operations
Dr. Toni Butz..... Director of Curriculum



Buildings and Administrators

Bridle Path Elementary School
200 Bridle Path
Lansdale, PA 19446
Principal: Jeff Macosko

Gwynedd Square Elementary School
1641 Supplee Road
Lansdale, PA 19446
Principal: William Bowen

Inglewood Elementary School
1313 Allentown Road
Lansdale, PA 19446
Principal: Dr. Orlando Taylor

Kulp Elementary School
801 Cowpath Road
Hatfield, PA 19440
Principal: Dr. Neil Broxterman

Nash Elementary School
1560 Liberty Bell Drive
Harleysville, PA 19438
Principal: Jonathan Winkle

Oak Park Elementary School
500 Squirrel Lane
Lansdale, PA 19446
Principal: Doug Povilaitis

York Avenue Elementary School
700 York Avenue
Lansdale, PA 19446
Principal: Loretta Hoch

Penndale Middle School
400 Penn Street
Lansdale, PA 19446
Principal: Dr. Sean O'Sullivan

North Penn High School
1340 Valley Forge Road
Lansdale, PA 19446
Principal: Todd Bauer

Gwyn Nor Elementary School
139 Hancock Road
North Wales, PA 19454
Principal: Dr. Sylvannya Walters-Dantzler

Hatfield Elementary School
726 Forty Foot Road
Hatfield, PA 19440
Principal: Dr. D'Ana Waters

Knapp Elementary School
698 Knapp Road
Lansdale, PA 19446
Principal: Heather Mann

Montgomery Elementary School
1221 Stump Road
North Wales, PA 19454
Principal: Thomas Seidenberger

North Wales Elementary School
201 Summit Street
North Wales, PA 19454
Principal: Joe Covone

Walton Farm Elementary School
1610 Allentown Road
Lansdale, PA 19446
Principal: Marc Gosselin

Pennbrook Middle School
1201 North Wales Road
North Wales, PA 19454
Principal: Jim Galante

Pennfield Middle School
726 Forty Foot Road
Hatfield, PA 19440
Principal: Dr. Barbara Galloway

Northbridge School
2374 North Penn Road
Hatfield, PA 19440
Principal: Kyle Hassler



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This Meritorious Budget Award is presented to

NORTH PENN SCHOOL DISTRICT

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2017–2018.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona', written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

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Introductory Section

North Penn School District

2018-2019 Budget



North Penn School District
Lansdale, Pennsylvania
www.npenn.org
Dr. Curtis Dietrich, Superintendent

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North Penn School District

401 East Hancock Street, Lansdale, PA 19446-3960
Dr. Curtis Dietrich, Superintendent
Telephone: 215-368-0400
www.npenn.org

October 30, 2018

Board of School Directors
North Penn School District
401 East Hancock Street
Lansdale, PA 19446

Dear School Directors:

The 2018-2019 fiscal year budget for the North Penn School District is presented herein. The Superintendent, Director of Business Administration, and the Assistant Director of Business Administration assume responsibility for data accuracy and completeness. This budget presents the District's financial and operational plan along with all necessary disclosures.

2018-2019 Budget Executive Summary

Budget Presentation

The North Penn School District strategically budgets an annual spending plan in order to provide the best possible educational program for all students while prudently managing and allocating the District's resources. The development and consideration of the 2018-2019 Governmental, Enterprise, and Internal Service Fund budgets were completed with a detailed and thorough review of all revenue and expenditure line items while maintaining the integrity of the District's mission statement, goals, and fiscal policies. Budget information on each individual fund is provided in this document.

This budget presentation was prepared using the Association of School Business Officials International's (ASBO) Meritorious Budget Award (MBA) criteria and framework. The MBA is the highest form of recognition in school business budgeting and the administration is committed to presenting a high-quality budget document to you and to the community. This document will be submitted to ASBO within 90 days after budget adoption for their consideration of the award. The administration is proud to create and distribute this budget to the Board of School Directors and to the North Penn community.

North Penn School District
2018-2019 Budget

Mission Statement

The North Penn School District is an effective, innovative, student-centered community of teaching and learning where every student is empowered to:

- become an independent, adaptable, life-long learner who uses knowledge to create new understandings;
- exhibit creative, collaborative, and critical thinking;
- achieve at his or her highest potential; and
- live as a positive, responsible, and contributing citizen of the global society

Vision Statement

The North Penn School District is student-centered with a focus on academic challenge, meaningful experiences and personal responsibility.

Core Values

Visionary Leadership: Contributing to the development of a quality organization by building the relationships necessary to create the conditions that:

- foster a high level of employee, student and community engagement;
- provide opportunities for employee decision-making;
- include a high level of visibility; and
- are characterized by leadership coaching.

High Expectations for Learning: Cultivating an environment where every student knows he or she can succeed, and in which families, community members and staff demonstrate the confidence to meet the needs of every child by using strategies that ensure high levels of achievement and address student learning differences.

People-Centered: Empowering and equipping students, staff, and community members to better serve by providing them with a healthful environment in which they continuously learn and embrace change, and soliciting feedback to effectively understand and address the needs and concerns of students, staff, and the community.

Continuous Improvement: Creating a culture throughout the organization of commitment to use and share data in decision-making, planning focused on retaining strengths, addressing opportunities for improvement, and program assessment to measure improvements in student, employee, and organizational performance.

Partnerships and Teamwork: Utilizing the power of teaming to deliver the best for our school community.

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Universal Values: North Penn school community members will model universal values to collaborate effectively in their daily activities. These values include but are not limited to: civic responsibility, consideration, cooperation, dependability, fairness, goodwill, honesty, kindness, orderliness, patience, perseverance, politeness, respect, responsibility, and sportsmanship.

Educational Community

The North Penn School District is a large suburban district of approximately 12,700 students located in southeastern Pennsylvania. The district encompasses 42.73 square miles, including the municipalities of Upper Gwynedd, North Wales, Hatfield Borough, Hatfield Township, Lansdale, Line Lexington, Towamencin Township, and Montgomeryville. The 2010 census identifies the total population of the district as 98,175. The district celebrates its increasing diversity, with approximately 41% students of color. Overall, the district has 5.5% of its students qualifying for English as a Second Language (ESL) services, with individual schools ranging as high as 20.0% ESL. Similarly, the number of economically disadvantaged students resulted in 32% of NPSD students qualifying for free or reduced lunch in 2017-18, with individual schools ranging as high as 60% qualifying. NPSD is fortunate to collaborate with many businesses and community organizations to provide additional supports and services for students.

Board of School Directors

Martina Stoll	President
Edward Diasio	Vice-President
Christian Fusco	Member
Elisha Gee	Member
Jonathan Kassa	Member
Timothy MacBain	Member
Jenna ott	Member
Theresa Prykowski	Member
Juliane Ramic	Member
Steve Skrocki	Secretary (non-voting)
Carol Pitts	Treasurer (non-voting)

North Penn School District
2018-2019 Budget

Central Office Administration

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Dr. Deborah McKay	Director of Secondary Education
Dr. Jenna Rufo	Director of Special Education
Dr. Frances Garner	Assistant Director of Special Education
Dr. Cheryl McCue	Director of Human Resources
Christine Liberaski	Director of School/Community Engagement
Dr. Kristen Landis	Director of Technology
Stephen Skrocki	Director of Business Administration
Scott Kenedy	Director of Facilities & Operations
Dr. Toni Butz	Director of Curriculum

Budget Process and Timeline

The administration and Board of School Directors are committed to providing each child in the District with the best possible educational opportunity while maximizing the use of available resources. This consideration goes into the budget process each year as both parties attempt to balance these needs with the available local, state, and federal resources.

Normally the annual budget process begins in September so that a Preliminary Budget can be presented and adopted in February. The Base Act 1 index is published by the Pennsylvania Department of Education and is the state mandated limit for real estate tax increases (2.4% for 2018-19) unless exceptions are utilized or voter approval is given to raise taxes above the index. If the Board of Directors adopts a resolution that it will not need to raise taxes above the state mandated limit, it can forgo the adoption of the preliminary budget.

The Administration develops a timeline that works backwards from the final budget adoption date in June to the previous September. The following timeline by month summarizes the North Penn School District's budget process:

Month	Key Processes and Deadlines
September	<ul style="list-style-type: none"> • Act 1 Index and timeline published by PDE
November	<ul style="list-style-type: none"> • Building per pupil allocations are distributed • District enrollment projections are calculated • Adoption of board resolution not to raise taxes above the Act 1 index • Final budget timeline is created
December	<ul style="list-style-type: none"> • Deadline to notify residents of homestead/farmstead exclusion
January	<ul style="list-style-type: none"> • Deadline to opt out of Act 1 exceptions • Building and department budget requests are due to the business office

North Penn School District
2018-2019 Budget

	<ul style="list-style-type: none"> • Budget meetings are held with administrators
February	<ul style="list-style-type: none"> • Deadline to adopt preliminary budget unless resolution not to exceed Act 1 index adopted
March	<ul style="list-style-type: none"> • Homestead/farmstead application deadline • Deadline for referendum exception request to PDE • Deadline to submit primary election referendum question seeking voter approval of tax increase in excess of the Act 1 index • Deadline for PDE ruling on referendum exception request
May	<ul style="list-style-type: none"> • County provides certified homestead/farmstead information • PDE provides property tax relief allocation information • Board adoption of the proposed final budget • Public notice of intent to adopt final budget • Budget presented for public inspection
June	<ul style="list-style-type: none"> • Board adoption of the final budget

For the 2018-2019 budget, the District adopted the preliminary budget and a resolution to apply for exceptions from the Act 1 tax limitations on February 6, 2018 and the proposed final budget on May 17, 2018. The final budget was adopted by the board of directors at the June 21, 2018 board action meeting.

Student Enrollment

The projected student enrollment for the 2018-19 school year is 12,609 total students. At the June 6, 2017 board work session, the Montgomery County Planning Commission presented its enrollment study.

Personnel Resources

On an April to April comparison, the District decreased staffing in 2017-2018 from 1945 total employees in 2016-2017 to 1911 employees. Over that same time period, full time employees decreased from 1767 to 1742 in 2017-2018 and part time employees decreased from 178 in 2016-2017 to 169 in 2017-2018. During the 2018-2019 budget process, 3.5 support department positions, 15 elementary teaching and assistant positions and 1.5 secondary teaching positions were added.

North Penn School District
2018-2019 Budget

District Facilities and Capital Improvements

The District has begun projects to install air conditioning at Gwyn-Nor and Oak Park Elementary Schools scheduled to be completed during the summer of 2018.

Other potential upcoming projects building renovations at Knapp Elementary School as well as an upgrade to the High School stadium.

Budget Summary for All Funds

The following is a summary of the 2018-2019 budgets for each of the District's funds. Budgeted revenues include resources from local, state, and federal sources and expenditures represent those resources allocated towards supporting the District's programs and services. Enterprise Funds consist of the School Nutrition Fund, Extended School Care Fund and Community Education Fund which charge fees for services. The Internal Service Fund is used to account for self-insurance expenditures paid for at actual cost by the District.

North Penn School District
2018-2019 Budget

Summary of All Funds

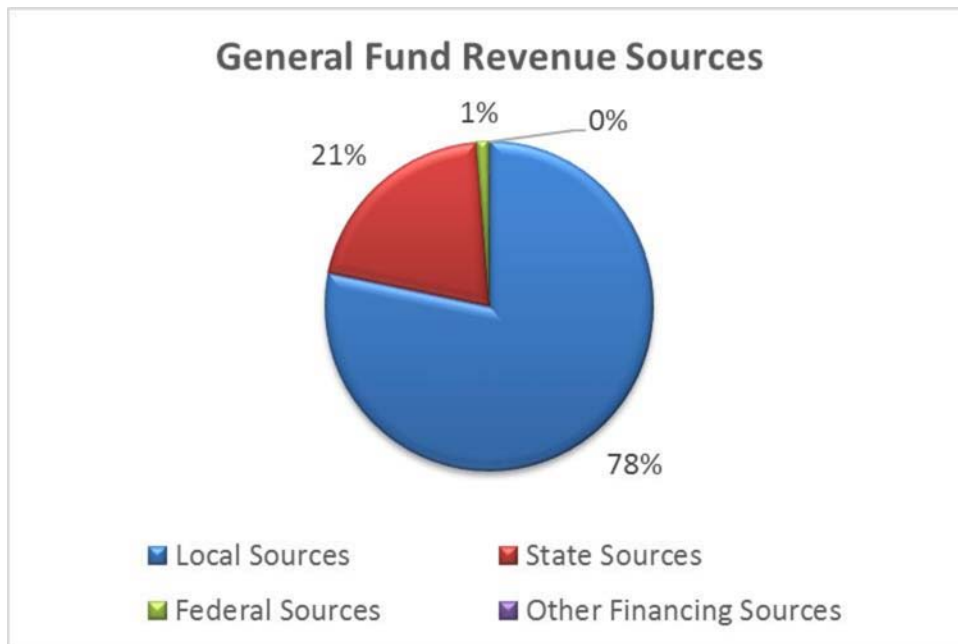
Fund	2017-2018 Budget	2018-2019 Budget	Budget Change FY 2018 to FY 2019	Percent Change FY 2018 to FY 2019
General Fund				
Beginning Fund Balance	\$ 41,017,477	\$ 36,472,554	\$ (4,544,923)	-11.08%
Revenues	247,856,963	257,503,013	9,646,050	3.89%
Expenditures	252,401,886	260,247,826	7,845,940	3.11%
Other Financing Sources/(Uses)	-	-	-	0.00%
Net Change in Fund Balance*	(4,544,923)	(2,744,813)	1,800,110	-39.61%
Ending Fund Balance	\$ 36,472,554	\$ 33,727,741	(2,744,813)	-7.53%
Capital Projects Fund				
Beginning Fund Balance	\$ 19,287,582	\$ 8,343,261	\$ (10,944,321)	-56.74%
Revenues	35,000	45,000	10,000	28.57%
Expenditures	12,779,321	5,385,938	(7,393,383)	-57.85%
Other Financing Sources/(Uses)	1,800,000	10,000,000	8,200,000	455.56%
Net Change in Fund Balance	(10,944,321)	4,659,062	15,603,383	-142.57%
Ending Fund Balance	\$ 8,343,261	\$ 13,002,323	4,659,062	55.84%
Enterprise Funds				
Beginning Fund Balance	\$ 1,610,128	\$ 1,221,759	\$ (388,369)	-24.12%
Revenues	8,100,019	8,407,214	307,195	3.79%
Expenditures	8,488,388	8,503,507	15,119	0.18%
Other Financing Sources/(Uses)	-	-	-	0.00%
Net Change in Fund Balance	(388,369)	(96,293)	292,076	-75.21%
Ending Fund Balance	\$ 1,221,759	\$ 1,125,466	(96,293)	-7.88%
Internal Service Fund				
Beginning Fund Balance	\$ 11,251,385	\$ 11,177,385	\$ (74,000)	-0.66%
Revenues	29,847,300	30,086,610	239,310	0.80%
Expenditures	29,921,300	30,204,713	283,413	0.95%
Other Financing Sources/(Uses)	-	-	-	0.00%
Net Change in Fund Balance	(74,000)	(118,103)	(44,103)	59.60%
Ending Fund Balance	\$ 11,177,385	\$ 11,059,282	(118,103)	-1.06%
Total All Funds				
Beginning Fund Balance	\$ 73,166,572	\$ 57,214,959	\$ (15,951,613)	-21.80%
Revenues	\$ 285,839,282	296,041,837	10,202,555	3.57%
Expenditures	303,590,895	304,341,984	751,089	0.25%
Other Financing Sources/(Uses)	1,800,000	10,000,000	8,200,000	455.56%
Net Change in Fund Balance	(15,951,613)	1,699,853	17,651,466	-110.66%
Ending Fund Balance	\$ 57,214,959	\$ 58,914,812	1,699,853	2.97%

*NOTE: Projected 2017-18 results indicate a smaller than projected deficit

General Fund Overview

Revenues

The General Fund of the District is funded from local, state, and federal sources of revenue. Local revenue is the largest source of revenue which accounts for 78% of the \$257,503,013 in total budgeted revenue for the 2018-2019 fiscal year. The remaining 21% of revenue budgeted is comprised of state subsidies and grants (21%) as well as federal grant money (1%) and a minimum amount of other financing sources.

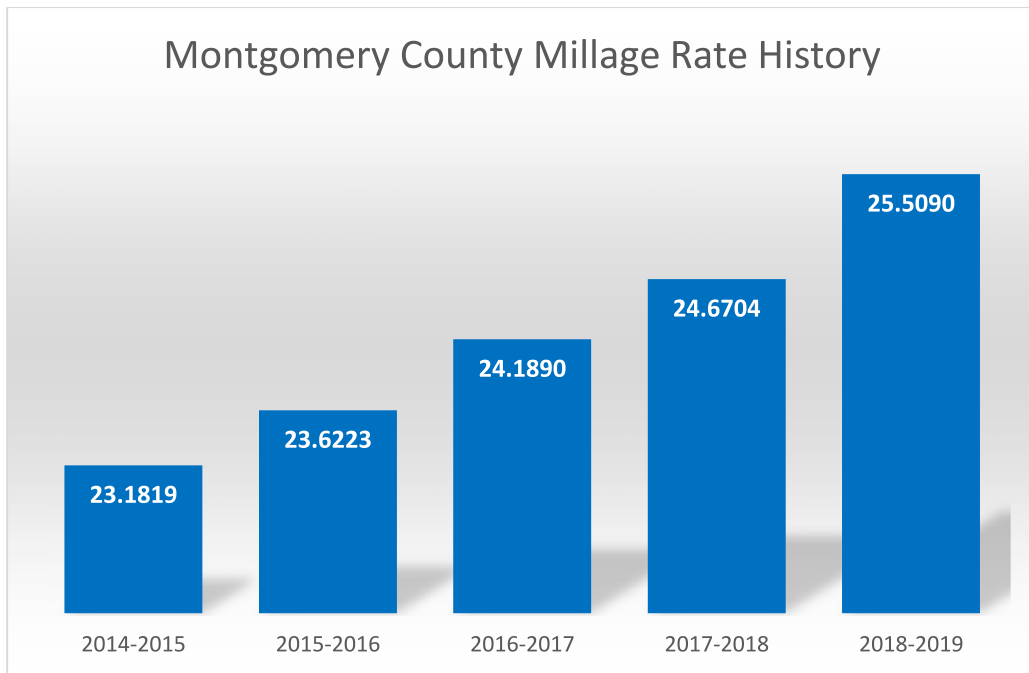


Local Sources

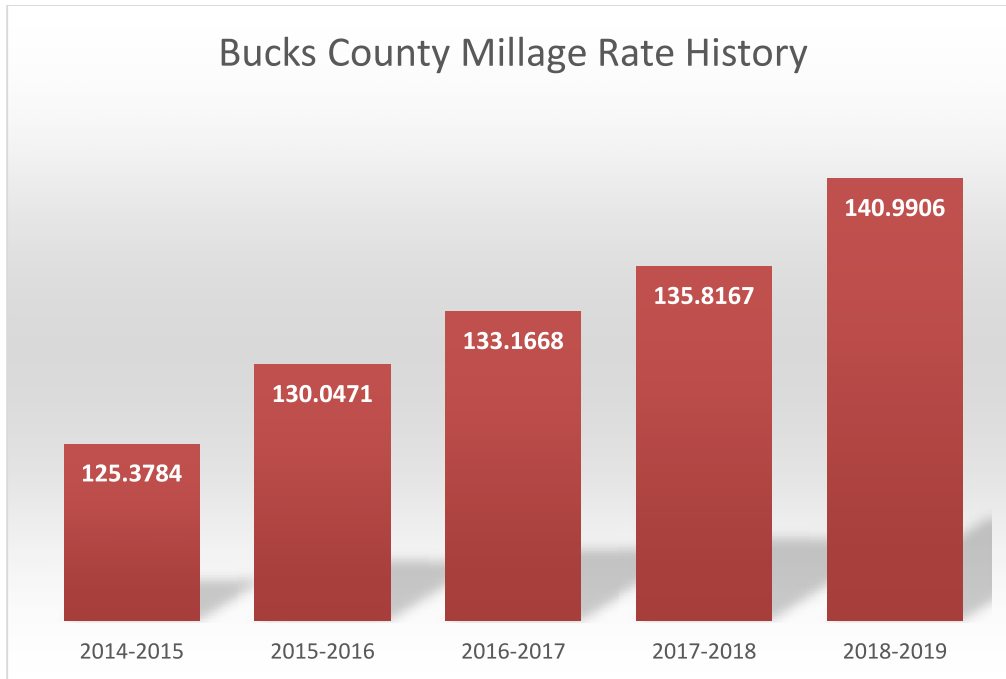
The largest portion of local revenue is made up of current taxes on real estate. Local current real estate tax revenue is budgeted to be \$174,336,414 which is 86% of local revenue sources budgeted and 68% of total revenue sources budgeted. Current real estate tax revenue budgeted is \$6,423,492 higher than budgeted in the previous year. The North Penn School District lies in Montgomery and Bucks Counties so there are two real estate tax bases that make up current real estate tax revenue. The combined assessed property values for Bucks and Montgomery Counties is \$7,240,161,851 for the 2018-2019 school year.

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The 2018-2019 real estate tax rate required to fund the District's programs and services for Bucks County is 140.9906 and 25.5090 for Montgomery County. For the 2018-2019 school year, the District sought a referendum exception from PDE which allowed an increase above the 2018-19 Act 1 index of 2.4%. The Montgomery County rate increased by 3.4% from the previous year. The Bucks County increase was 3.4% above the original millage rate for 2017-2018, but 2.09% higher than the rebalanced rate. This increase in the tax rate along with higher assessed property values and a weighted average tax collection percentage of 97% will generate the additional \$6.4 million in resources for the District. The following two charts show the millage rate history for both counties since the 2014-2015 school year.



North Penn School District
2018-2019 Budget



IMPACT OF TAX INCREASES ON AVERAGE PROPERTY OWNER

	Assessment	2014-2015 Tax	2015-2016 Tax	2016-2017 Tax	2017-2018 Tax	2018-2019 Tax
Montgomery County	200,000	4,636.38	4,724.46	4,837.80	4,934.08	5,101.80
Bucks County	28,000	3,510.60	3,641.32	3,728.67	3,802.87	3,947.74

Montgomery County Millage Rate	23.1819	23.6223	24.1890	24.6704	25.5090
Bucks County Millage Rate	125.3784	130.0471	133.1668	135.8167	140.9906

The second largest source of local revenue is from proportional tax assessments including earned income taxes (EIT) and real estate transfer taxes. Both of these taxes are collected at a rate of 50% of the total tax levy. The District anticipates collecting \$16.7 million in EIT revenue and \$3.3 million in real estate transfer taxes. Other local sources of revenue include interim and delinquent payments on real estate taxes, earnings on investments, revenues from district activities, and other various sources.

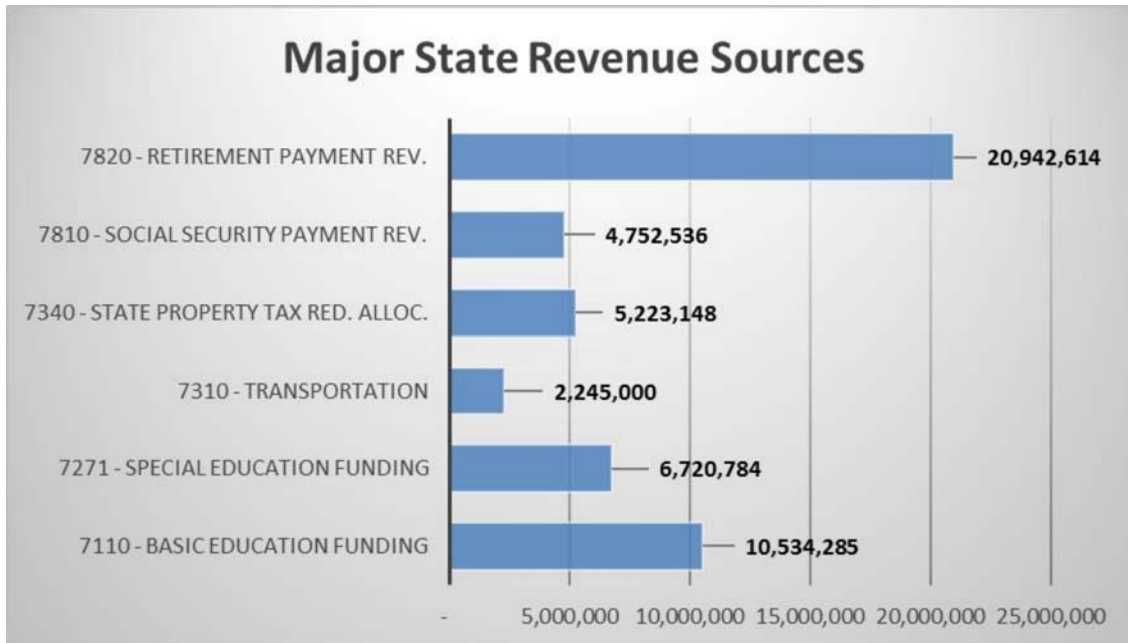
Other Local Revenue Sources

Revenue Sources	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
Interim Taxes	\$ 1,112,696	\$ 693,962	\$ 882,235	\$ 1,000,000	\$ 900,000
Earned Income tax (EIT)	16,440,290	16,260,065	16,470,753	16,000,000	16,700,000
Real Estate Transfer Tax	2,638,027	3,164,072	3,153,704	3,100,000	3,300,000
Delinquent Real Estate Tax	2,971,795	2,586,366	1,954,993	2,100,000	2,000,000
Total	\$ 23,162,808	\$ 22,704,465	\$ 22,461,685	\$ 22,200,000	\$ 22,900,000

North Penn School District
2018-2019 Budget

State Sources

State sources comprise 21% of the total budget at \$52,283,192 which is a 3% increase from the 2017-2018 fiscal year. State sources include subsidies from basic education, special education, transportation, and rental (or building reimbursement) payments. The chart below shows the budgeted subsidy payments for 2018-2019.



The largest line item in state sources comes from the state's share of retirement contributions. The state reimburses the District for half of their Pennsylvania School Employee's Retirement System (PSERS) retirement costs. For 2018-2019, the rate that districts pay into PSERS is 33.43 % and in return the state reimburses half of this expense. This amount is \$20,942,614 which is a \$1.1 million (5.59%) increase from the previous year. This increase is attributed to an increase in salaries as well as an increase in the contribution rate from 32.57% to 33.43%. The state also reimburses districts for one half of their Social Security and Medicare taxes which in 2018-2019 equates to \$4,752,536.

The District also receives money from the state to offset property taxes from Act 1 of 2006. These funds are collected by the state through gaming revenues and other tax programs which are then distributed to school districts to pass on as a tax credit to approved homestead and farmstead properties to reduce property taxes. This allocation for the 2018-2019 school year is \$5,223,148 which equates to a tax reduction of \$211.77 for each eligible property.

North Penn School District
2018-2019 Budget

Federal Sources

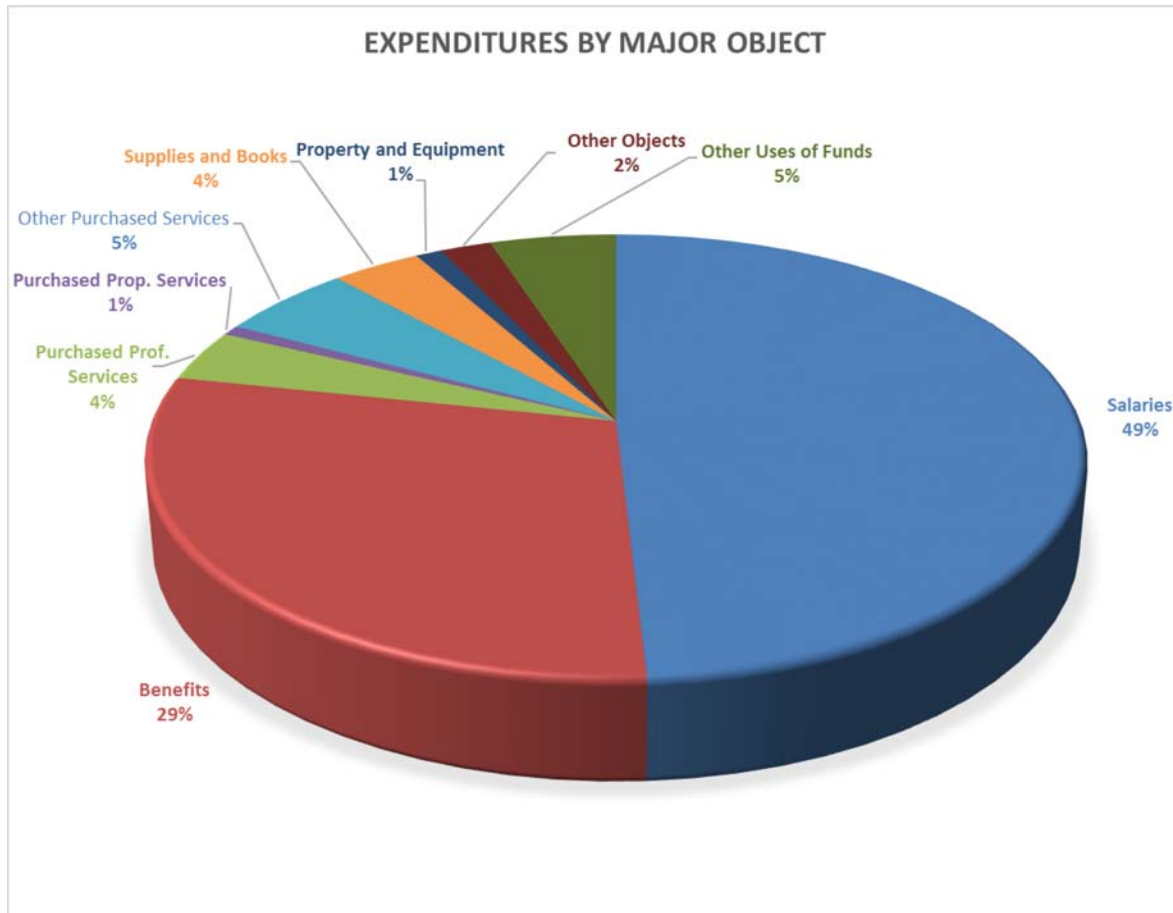
Revenue from federal sources is comprised primarily of grant money for specific programs. The District receives money for the following programs:

- Title I - Improving the Academic Achievement of the Disadvantaged
- Title II - Prepare, Train, and Recruit Highly Qualified Teachers and Principals
- Title III - Language Instruction of LEP and Immigrant Students
- Title IV – Student Support and Academic Enrichment

The District also receives monies through the School-Based Access Medicaid Program which provides reimbursement for eligible health care service costs.

Expenditures

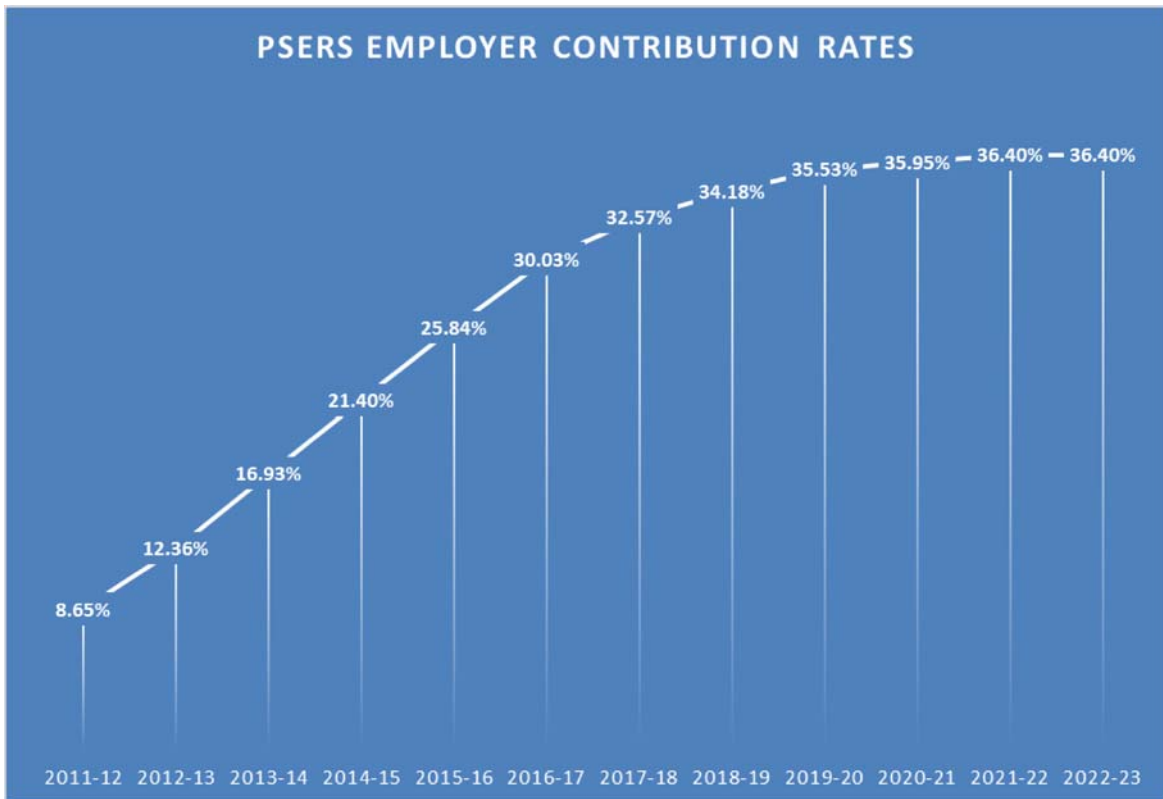
For the 2018-2019 school year, budgeted expenditures in the General Fund are \$260,247,826 which is an increase of \$7,845,940 (3.1%) from 2017-2018. The following table compares these expenditures by category:



North Penn School District
2018-2019 Budget

Expenditure Analysis

The largest budget challenge facing the North Penn School District as well as the other 499 public school districts in the Commonwealth is the required contributions to the Pennsylvania State Education Retirement System (PSERS). Districts are required to pay a defined contribution amount towards employee pensions each year to PSERS. For the 2018-2019 school year, this amount is 33.43% which means that for each \$1 in eligible salaries the District must contribute 33.43 cents to PSERS. The table below shows the historical, current, and projected PSERS contribution rates:



The total budgeted PSERS expenditure is \$41,885,228 for 2018-2019 which is an increase of \$2,216,011 (5.59%) from the previous year.

North Penn School District
2018-2019 Budget

The following table shows the budgeted expenditures by object (major category) for 2018-2019 along with the dollar and percentage changes from the 2017-2018 budget.

General Fund Change In Expenditure Objects

	<u>Budget 2017-2018</u>	<u>Budget 2018-2019</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Expenditures				
Salaries	124,082,802	127,786,831	3,704,029	2.99%
Benefits	74,912,311	76,034,561	1,122,250	1.50%
Purchased Prof. Services	9,770,845	9,785,264	14,419	0.15%
Services	1,670,566	1,903,596	233,030	13.95%
Other Purchased Services	13,377,906	14,149,032	771,126	5.76%
Supplies and Books	7,842,764	9,347,243	1,504,479	19.18%
Property and Equipment	1,639,216	2,748,220	1,109,004	67.65%
Other Objects	5,072,024	5,310,177	238,153	4.70%
Other Uses of Funds	14,033,452	13,182,902	(850,550)	-6.06%
Total Expenditures	<u>252,401,886</u>	<u>260,247,826</u>	<u>7,845,940</u>	<u>3.11%</u>

Along with the PSERS contribution, which was offset somewhat by a reduction in healthcare costs, the other major items impacting the expenditure budget are as follows:

- Salaries – Salaries have increased by 2.99%.
- District Vehicles – An additional \$1,030,000 was budgeted for the purchase of a band truck and 10 replacement school buses.

The net increase in these major items totals \$5,856,279

Analysis of Outstanding General Obligation Bonds

	Principal Balance		
	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
Debt at Beginning of Year	97,765,000	103,835,000	92,290,000
Additional Debt Incurred During Year	34,970,000	-	-
Retirements/Repayments	<u>28,900,000</u>	<u>11,545,000</u>	<u>12,145,000</u>
Debt at End of Year	103,835,000	92,290,000	80,145,000

Capital Projects Fund Overview

The capital projects funds are comprised of the capital reserve fund and any capital funds where bond proceeds are deposited to use for construction projects. For 2018-2019, there is a projected beginning fund balance of \$8,343,261 in bond and capital reserve funds available that will be used to finish the following projects:

- Installation of air conditioning at Gwyn Nor and Oak Park Elementary Schools
- Security Upgrades at various District buildings
- Facilities Study

School Nutrition Fund Overview

For the 2018-2019 school year, the District's School Nutrition fund is budgeting revenues of \$5,491,209. Local revenues, which are comprised of sales to students and staff, are budgeted to increase by \$55,119 (2.2%) due to anticipated increase in school breakfast participation and an increase in a la carte sales at the High School.

Continued increase in free and reduced meal sales leads to an increase of state and federal meal reimbursement revenue. The United States Department of Agriculture (USDA) reimburses school districts for eligible meal sales. In addition, there is an increase in the Child and Adult Care Food Program with increased federal funding. The 2018-2019 budget shows an increase in combined state and federal revenue sources of \$257,725 (9.6%).

The expenditure budget of \$5,489,512 is a decrease of \$29,993 (.5%) over the previous year. This can be attributed to medical benefit savings due to a change in plan offerings for the 2018-19 school year, a planned decrease in paper supplies, and anticipated vendor changes to save costs.

Extended School Care Fund Overview

During the 2017-2018 school year the Extended Care Program had a consistent enrollment of 770 students throughout the school year.

Through the month of March 2018, income was up approximately 3.3% over the previous year. This is due to increased enrollment at Gwyn Nor, Gwynedd Square, Kulp and North Wales Elementary Schools. Expenses show an increase of 3.3% as well, due to increases in salaries, medical benefits and pension contributions.

With a fee increase of 3% scheduled for the 2018-2019 school year, income is budgeted at \$2,337,005 and expenses at \$2,353,228, and a contribution of \$50,000 to the General Fund.

North Penn School District
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Program fees will continue to be charged in nine monthly payments. This reduces the number of months for which we need to bill, collect fees and enter payments into the accounting system. It will also better align with the shift in the school calendar to a start date in August and an ending date in early June.

Summer camp was off to a great start, enrolling over 100 students during our evening registration event on March 26, 2018. More than 150 students had signed as of the budget presentation at the May 29, 2018, Finance Committee meeting. We have reached capacity at both the Inglewood and Bridle Path locations.

Community Education Fund Overview

The District's Community Education Program has provided affordable life-long learning opportunities for close to 50 years. This year alone nearly 2,020 residents participated in close to 200 different classes. In addition, more than 1,000 children enrolled in our summer camps, and close to 400 of our "Gold Carders" (residents 60 and older) enjoyed our programs for free or at a reduced rate. Though this benefit cost the program over \$11,000, it is well worth it as it helps the school district engage this population of residents.

The philosophy of the Community Education Program has been to support district needs, when financially possible, in areas that support community engagement and community use of our resources. During the 2017-2018 school year, Community Education provided funding for the Knights of Honor Program and pursued purchasing an electronic sign for the Educational Services Center.

Also included under the Community Education Program are programs for water polo, aquatics, and swim team. The water polo and swim team programs hold competitive meets and tournaments while the aquatic program holds swim lessons for the community.

Due to increased costs in salaries and benefits, we plan to raise prices in the fall by 5%.

Internal Service Fund Overview

The North Penn School District is self-insured which means all medical, prescription, dental, and vision claims are paid at the actual cost by the District. The internal service fund is used to account for these expenses on a cost-reimbursement basis. For the 2018-2019 school year, budgeted revenues (which include transfers from the general fund from both employer and employee cost-sharing and interest revenue) are \$30,086,610 and expenditures (the cost of claims) are \$30,204,713.

North Penn School District
2018-2019 Budget

Budget Forecast

The following budget forecast shows the estimated budget for ALL North Penn School District Funds through the 2021-2022 school year:

	2018/2019 Final Budget	2019/2020 Projection	2020/2021 Projection	2021/2022 Projection
GENERAL FUND				
Total Revenues	\$ 257,503,013	\$ 266,183,092	\$ 274,413,772	\$ 283,969,028
Total Expenses	<u>\$ 260,247,826</u>	<u>\$ 270,450,790</u>	<u>\$ 279,815,037</u>	<u>\$ 288,365,719</u>
Revenues Over (Under) Expenses	\$ (2,744,813)	\$ (4,267,698)	\$ (5,401,265)	\$ (4,396,691)
Beginning Fund Balance 7/1 Assigned + Unassigned	\$ 36,472,554	\$ 33,727,741	\$ 29,460,043	\$ 24,058,778
Ending Fund Balance 6/30 Assigned + Unassigned	\$ 33,727,741	\$ 29,460,043	\$ 24,058,778	\$ 19,662,087
CAPITAL PROJECTS FUND				
Total Revenues	\$ 10,045,000	\$ 10,090,000	\$ 7,040,000	\$ 35,000
Total Expenses	<u>\$ 5,385,938</u>	<u>\$ 2,136,836</u>	<u>\$ 16,645,864</u>	<u>\$ 10,546,081</u>
Revenues Over (Under) Expenses	\$ 4,659,062	\$ 7,953,165	\$ (9,605,864)	\$ (10,511,081)
Beginning Fund Balance 7/1 Assigned + Unassigned	\$ 8,343,261	\$ 13,002,323	\$ 20,955,488	\$ 11,349,624
Ending Fund Balance 6/30 Assigned + Unassigned	\$ 13,002,323	\$ 20,955,488	\$ 11,349,624	\$ 838,543
ENTERPRISE FUNDS				
Total Revenues	\$ 8,407,214	\$ 8,613,602	\$ 8,830,761	\$ 9,082,360
Total Expenses	<u>\$ 8,503,507</u>	<u>\$ 8,742,706</u>	<u>\$ 9,039,675</u>	<u>\$ 9,347,503</u>
Revenues Over (Under) Expenses	\$ (96,293)	\$ (129,104)	\$ (208,914)	\$ (265,143)
Beginning Fund Balance 7/1 Assigned + Unassigned	\$ 1,221,757	\$ 1,125,464	\$ 996,360	\$ 787,446
Ending Fund Balance 6/30 Assigned + Unassigned	\$ 1,125,464	\$ 996,360	\$ 787,446	\$ 522,303
INTERNAL SERVICE FUND				
Total Revenues	\$ 30,086,610	\$ 31,589,273	\$ 33,167,098	\$ 34,824,152
Total Expenses	<u>\$ 30,204,713</u>	<u>\$ 31,713,649</u>	<u>\$ 33,297,993</u>	<u>\$ 34,961,513</u>
Revenues Over (Under) Expenses	\$ (118,103)	\$ (124,376)	\$ (130,894)	\$ (137,361)
Beginning Fund Balance 7/1 Assigned + Unassigned	\$ 11,177,385	\$ 11,059,282	\$ 10,934,906	\$ 10,804,012
Ending Fund Balance 6/30 Assigned + Unassigned	\$ 11,059,282	\$ 10,934,906	\$ 10,804,012	\$ 10,666,651

North Penn School District
2018-2019 Budget

The following assumptions were made in these forecasts:

- Millage increases equal to the projected Act 1 index each year
- Growth of tax base of .4% per year
- 97% tax collection rate
- 2.5% annual increase in earned income tax, 3.5% increase for transfer taxes
- Increases at the ACT 1 index percentage for interim taxes and other local revenue
- 2% annual increase to basic education and special education state subsidies
- Level property tax reduction allocation and transportation subsidy
- 2% annual increase federal revenue
- Expansion to Full-day Kindergarten in 2019-2020
- 2.75% increase annually in salaries
- Pension rates using PSERS projected rates
- 5% increase per year in other benefits; 3% increase per year in professional/technical services, purchased property services, and other purchased services, supplies.
- 5% increase per year in property & equipment, other objects
- Potential 20-year borrowing
- Level budgetary reserve requirement

North Penn School District
2018-2019 Budget

Countywide Benchmarking Data

The Montgomery County Intermediate Unit publishes a statistical report each year comparing the county school district's statistical information. These schedules are helpful to compare where the North Penn School District is in comparison with the other schools in the county.

The chart below shows the total expenditures in the 2016-17 school year and the per pupil expenditure for each district. The North Penn School District ranks 12th out of 21 schools while having the largest total expenditure budget. This illustrates that the District is able to provide a quality educational program for each student at a low per pupil cost. The per-pupil cost of \$20,700.87 is \$917.98 less than the county average of \$21,618.85.

**TABLE 12
MONTGOMERY COUNTY INTERMEDIATE UNIT
2016-2017 District Expenditure Cost of Total Functions**

	TOTAL 2016-2017 EXPENDITURES	**TOTAL PUPILS 2016-2017	PUPIL COST	RANK
ABINGTON	\$146,359,770	7,817	\$18,723.27	18
CHELTENHAM	112,494,775	4,693	23,970.76	5
COLONIAL	117,637,285	4,764	24,692.96	3
HATBORO-HORSHAM	99,218,142	4,769	20,804.81	11
JENKINTOWN	15,883,921	657	24,176.44	4
LOWER MERION	253,267,862	8,347	30,342.38	1
LOWER MORELAND	47,081,050	2,221	21,198.13	10
METHACTON	103,692,680	4,864	21,318.40	9
NORRISTOWN	147,551,556	7,165	20,593.38	14
NORTH PENN	264,681,352	12,786	20,700.87	12
PERKIOMEN VALLEY	104,551,632	5,662	18,465.49	20
POTTSGROVE	64,656,524	3,242	19,943.41	16
POTTSTOWN	63,037,847	3,147	20,031.09	15
SOUDERTON	125,855,455	6,511	19,329.67	17
SPRINGFIELD	53,646,283	2,348	22,847.65	6
SPRING-FORD	145,322,490	7,860	18,488.87	19
UPPER DUBLIN	94,300,698	4,187	22,522.26	7
UPPER MERION	109,667,234	4,001	27,409.96	2
UPPER MORELAND	64,793,148	3,132	20,687.47	13
UPPER PERKIOMEN	57,975,860	3,298	17,579.10	21
WISSAHICKON	96,138,972	4,354	22,080.61	8
TOTAL DISTRICTS	\$2,287,814,535	105,825	\$21,618.85	

North Penn School District
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The next schedule compares the equalized mills of each district in the county. The millage rate is used to calculate the annual real estate tax bill for taxpayers by multiplying the assessed value of a property times the millage rate. The North Penn School District is ranked 17th of the 21 districts in the county at 17.00 mills. The District has a strong tax base and is able to keep the millage rate low compared to the other districts each year to generate the necessary revenue to support the educational programs offered.

**MONTGOMERY COUNTY INTERMEDIATE UNIT
2016-2017 AUDITED DISTRICTS REVENUES - EQUALIZED MILLS**

	2016-2017 R. E. TAXES COLLECTED	2016-2017 REAL ESTATE MILLS	2016-2017 VALUE OF EACH MILL	2015-2016 EQUALIZED MILLS	RANK
ABINGTON	\$100,307,126	30.8300	3,253,556	20.00	13
CHELTENHAM	78,633,304	45.0943	1,743,753	30.90	2
COLONIAL	79,865,284	20.9638	3,809,676	13.70	19
HATBORO-HORSHAM	67,479,743	27.4870	2,454,969	18.30	16
JENKINTOWN	10,427,509	38.9836	267,485	27.50	4
LOWER MERION	204,935,903	27.3963	7,480,423	16.20	18
LOWER MORELAND	33,798,648	33.3179	1,014,429	21.40	8
METHACTON	68,721,766	28.7400	2,391,154	20.10	11
NORRISTOWN	87,844,207	34.3890	2,554,427	24.10	5
NORTH PENN	169,002,193	24.1890	6,986,737	17.00	17
PERKIOMEN VALLEY	62,220,255	31.6000	1,968,995	23.60	6
POTTSGROVE	37,516,554	37.7158	994,717	29.10	3
POTTSTOWN	28,573,686	39.2522	727,951	33.20	1
SOUDERTON	76,414,280	28.7820	2,654,933	21.00	9
SPRINGFIELD	38,200,882	21.6638	1,763,351	20.20	10
SPRINGFORD	96,729,628	26.2442	3,685,753	18.50	15
UPPER DUBLIN	68,863,138	31.4099	2,192,402	21.90	7
UPPER MERION	72,242,253	18.9600	3,810,245	13.30	21
UPPER MORELAND	40,485,166	28.7969	1,405,886	19.60	14
UPPER PERKIOMEN	32,426,443	23.0622	1,406,043	20.10	11
WISSAHICKON	63,292,244	17.9800	3,520,147	13.50	20
TOTALS	\$1,517,980,211				

North Penn School District
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Acknowledgements

We appreciate the fiscal support provided by the North Penn Board of Directors and the community for the development, implementation, and maintenance of an excellent educational setting for all school age children.

We express sincere thanks to the North Penn School District staff who help to carry out the District's main purpose of educating the children of the North Penn Community.

We also acknowledge the business office staff for their commitment to the budget process which demand long hours and additional work and effort.

This budget document represents the contribution of many North Penn School District employees and we thank everyone who helped in its preparation.



Curtis R. Dietrich, Ed.D.
District Superintendent



Stephen B. Skrocki
Director of Business Administration



Donna G. Mugrauer
Interim – Ass't Director of Business Administration

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Organizational Section

North Penn School District

2018-2019 Budget



North Penn School District
Lansdale, Pennsylvania
www.npenn.org
Dr. Curtis Dietrich, Superintendent

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Legal Autonomy and Fiscal Independence

The North Penn School District is a political subdivision of the Commonwealth of Pennsylvania located in the north-central section of Montgomery County, Pennsylvania, and a small portion of southern central Bucks County, Pennsylvania. The District is comprised of the municipal subdivisions of the Boroughs of Hatfield, Lansdale and North Wales and the Townships of Hatfield, Montgomery, Towamencin and Upper Gwynedd, all located in Montgomery County and a small portion of the Townships of Hilltown and New Britain located in Bucks County.

Authority is given to an elected nine-member Board of Directors elected for a four-year term to govern the District. The Superintendent is the chief administrative officer of the District with overall responsibility for all aspects of operations, including education and finance. The Director of Business Administration is responsible for budget and financial operations. Both of these officials are selected by the Board of Directors.

Level of Education Provided

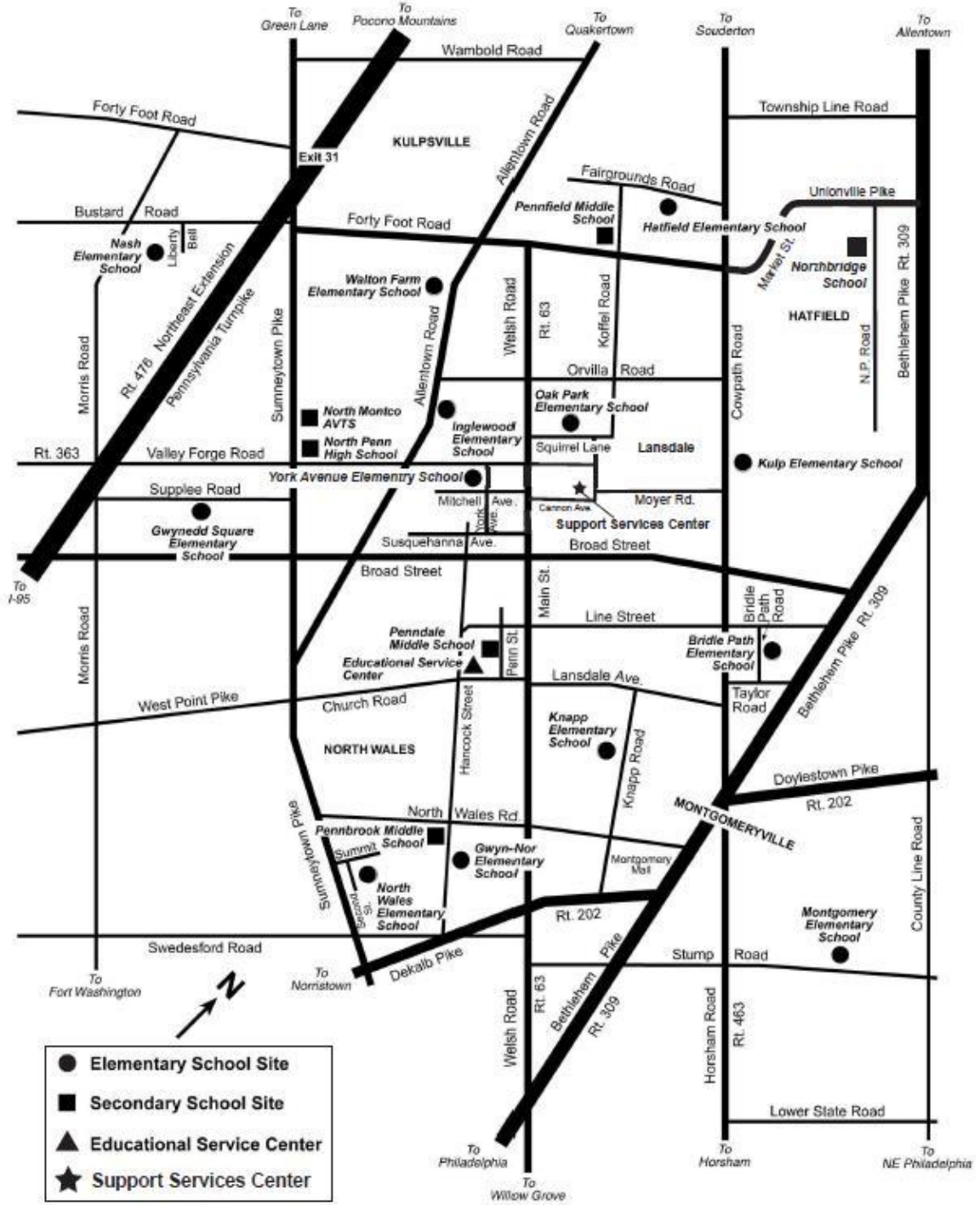
The District presently provides K-12 educational services for approximately 12,800 students enrolled from Kindergarten through Grade 12. The District also provides alternative education services and vocational education for students in grades 10 through 12 at the North Montgomery County Area Vocational Technical School.

Geographic Area Served

The North Penn School District is a large suburban district of approximately 12,800 students located in Montgomery County in southeastern Pennsylvania. The district encompasses 42.73 square miles, including the municipalities of Upper Gwynedd, North Wales, Hatfield Borough, Hatfield Township, Lansdale, Line Lexington, Towamencin Township and Montgomeryville. The 2010 census identifies the total population of the district as 98,175.



North Penn School District Map



North Penn School District
2018-2019 Budget

District Facilities

The North Penn School District currently owns thirteen elementary schools, three middle schools, one high school, an alternative education school, a Support Services Center and the Educational Services Center. The following table describes the District’s current facilities:

NORTH PENN SCHOOL DISTRICT SCHOOL FACILITIES					
Building	Original Construction Date	Addition/ Renovation Date	Grades	Rated Pupil Capacity*	2018-19 Enrollment
<i>Elementary:</i>					
Bridle Path.....	1994	---	K-6	889	525
Gwyn-Nor.....	1966	2004	K-6	920	569
Gwynedd Square.....	1991	---	K-6	980	568
Hatfield.....	1970	2015	K-6	920	492
Inglewood.....	1963	1972/2013	K-6	732	526
Knapp.....	1955	1999	K-6	665	573
Kulp.....	1957	1963/2009	K-6	1,020	515
Montgomery.....	1965	1990/2017	K-6	1,098	647
Nash.....	1976	1997	K-6	584	386
North Wales.....	1927	1974/2010	K-6	629	414
Oak Park.....	1959	2002	K-6	856	484
Walton Farm.....	1994	---	K-6	889	574
York Avenue.....	1927	2008	K-6	570	251
<i>Secondary:</i>					
Pennbrook Middle.....	1959	2006	7-9	1,264	883
Penndale Middle.....	1931	1997	7-9	1,749	1,308
Pennfield Middle.....	1964	2007	7-9	1,362	858
North Penn High.....	1971	1999	10-12	3,782	3,058
Northbridge Alternate School....	1989	2008	7-12		61
Education Service Center.....	1963	1990	N/A		
Support Service Center.....	1982	2008	N/A		

Governance Structure

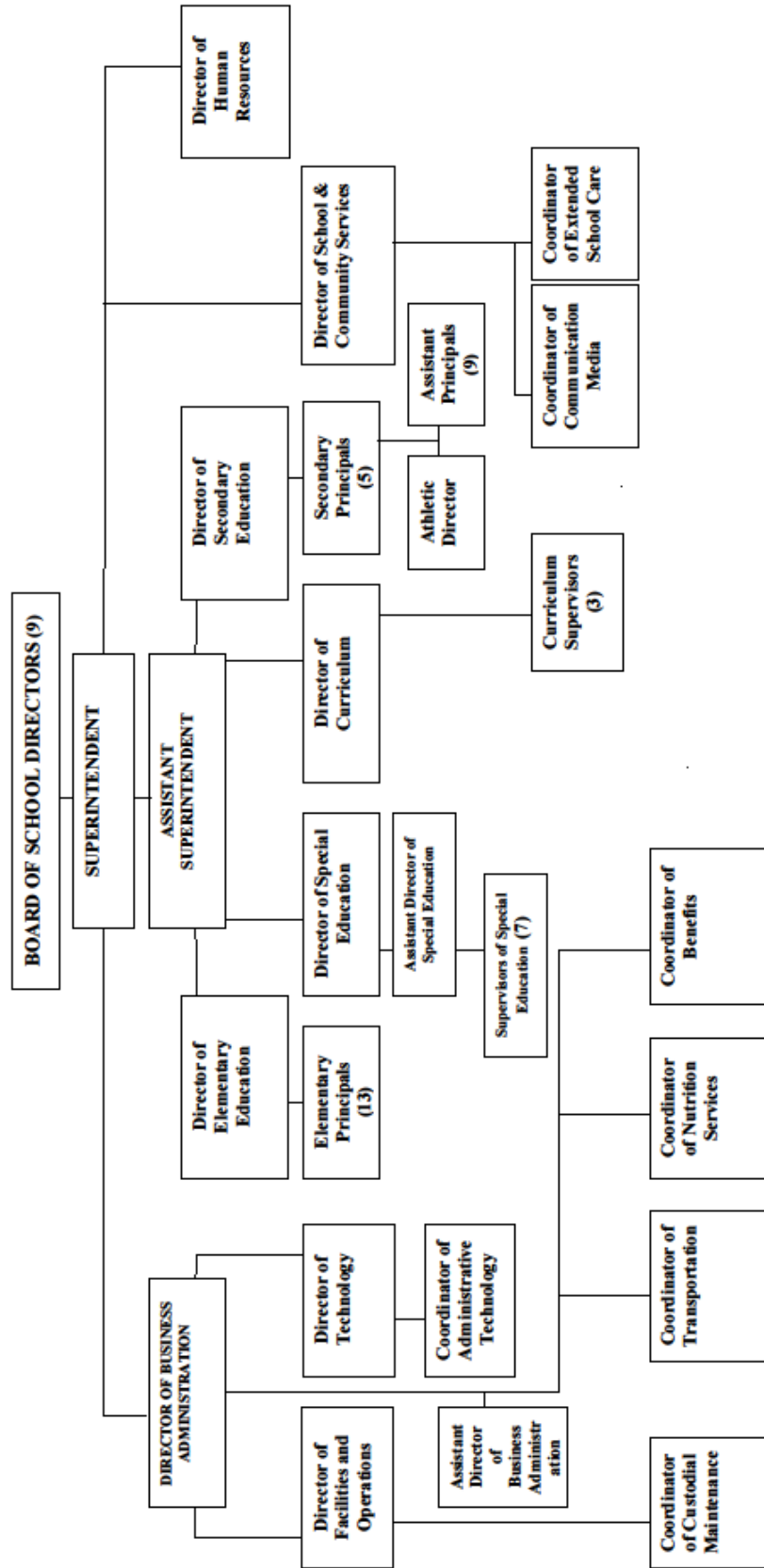
The North Penn School District is led by the nine elected Board of Directors who are responsible for oversight of all district operations and activates. The board is responsible for hiring a Superintendent who acts as the leader and CEO of the organization. The Assistant Superintendent, Director of Business Administration, Director of Human Resources, and the Director of School and Community Services all report directly to the Superintendent. The organization chart below shows the administrative structure of the District as it currently exists.

Board of School Directors

Martina Stoll	President
Edward Diasio	Vice-President
Christian Fusco	Member
Elisha Gee	Member
Jonathan Kassa	Member
Timothy MacBain	Member
Jenna ott	Member
Theresa Prykowski	Member
Juliane Ramic	Member
Steve Skrocki	Secretary (non-voting)
Carol Pitts	Treasurer (non-voting)

NORTH PENN SCHOOL DISTRICT
Table of Organization

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Mission Statement

The North Penn School District is an effective, innovative, student-centered community of teaching and learning where every student is empowered to:

- become an independent, adaptable, life-long learner who uses knowledge to create new understandings;
- exhibit creative, collaborative, and critical thinking;
- achieve at his or her highest potential; and
- live as a positive, responsible, and contributing citizen of the global society

Vision Statement

The North Penn School District is student-centered with a focus on academic challenge, meaningful experiences and personal responsibility.

Core Values

Visionary Leadership: Contributing to the development of a quality organization by building the relationships necessary to create the conditions that:

- foster a high level of employee, student and community engagement;
- provide opportunities for employee decision-making;
- include a high level of visibility; and
- are characterized by leadership coaching.

High Expectations for Learning: Cultivating an environment where every student knows he or she can succeed, and in which families, community members and staff demonstrate the confidence to meet the needs of every child by using strategies that ensure high levels of achievement and address student learning differences.

People-Centered: Empowering and equipping students, staff, and community members to better serve by providing them with a healthful environment in which they continuously learn and embrace change, and soliciting feedback to effectively understand and address the needs and concerns of students, staff, and the community.

Continuous Improvement: Creating a culture throughout the organization of commitment to use and share data in decision-making, planning focused on retaining strengths, addressing opportunities for improvement, and program assessment to measure improvements in student, employee, and organizational performance.

Partnerships and Teamwork: Utilizing the power of teaming to deliver the best for our school community.

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Universal Values: North Penn school community members will model universal values to collaborate effectively in their daily activities. These values include but are not limited to: civic responsibility, consideration, cooperation, dependability, fairness, goodwill, honesty, kindness, orderliness, patience, perseverance, politeness, respect, responsibility, and sportsmanship.

Goals

The 2015-2018 Comprehensive Plan Goals and Strategies outlined the following five goals, which drive decisions for the North Penn School District:

- Student Achievement - Every Student will demonstrate high levels of achievement that provide pathways for college and career success.
- Safe, Healthy and Orderly Environment – NPSD will provide a safe and secure environment for all students, staff and community members to support personal growth and well-being.
- Organizational Effectiveness – NPSD will be committed to continuous improvement that aligns resources for student-centered outcomes, institutes practices that maximize resources and focuses on its goals and outcomes through use of data.
- Quality Workforce – NPSD will carefully select and develop employees to succeed and contribute to the mission, vision and values of the organization.
- School Community Engagement – NPSD will engage all students, staff and community members as active participants in the success of the district.

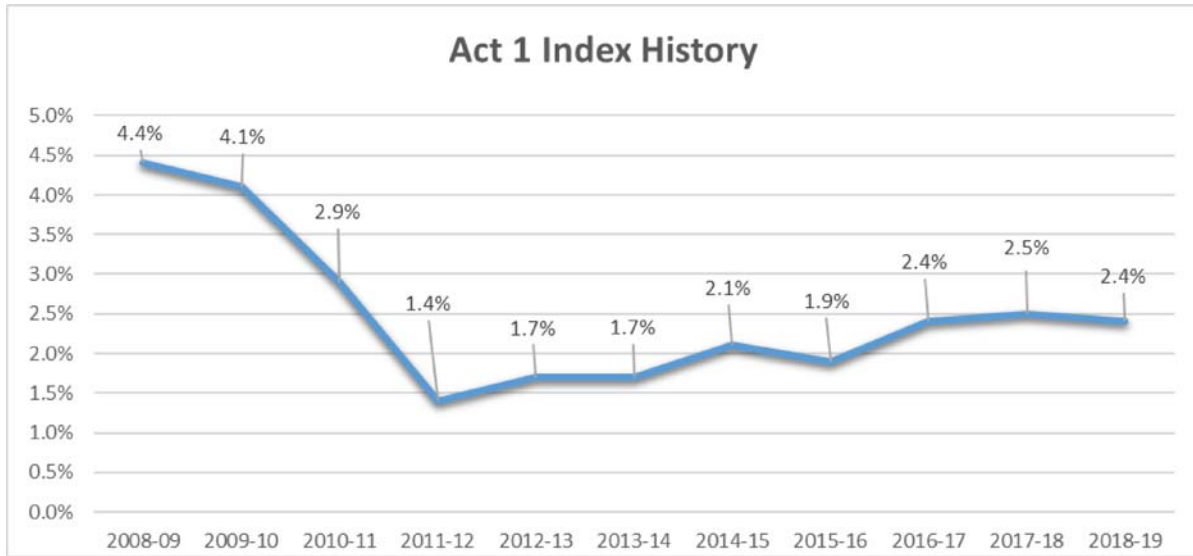
Budget Development

The administration and Board of School Directors are committed to providing each child in the District with the best possible educational opportunity while maximizing the use of available resources. This consideration goes into the budget process each year as both parties attempt to balance these needs with the available local, state, and federal resources. This year in working towards the district goal of a quality workforce, the budget includes \$1,875,062 for professional coaching and professional development opportunities for staff. Additionally, the district added a number of positions to help achieve its goal of providing a Safe, Healthy and Orderly Environment. The 2018-2019 budget includes \$727,052 for these newly created positions.

Normally the annual budget process begins in September so that a Preliminary Budget can be presented and adopted in February. The Base Act 1 index is published by the Pennsylvania Department of Education and is the state mandated limit for real estate tax increases (2.4% for 2018-2019) unless exceptions are utilized or voter approval is given to raise taxes above the index. If the Board of Directors adopts a resolution that it will not need to raise taxes above the state mandated limit, it can forgo the adoption of the preliminary budget.

North Penn School District
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The Commonwealth of Pennsylvania mandates that no school district with a budget greater than or equal to \$19,000,000 shall approve an increase in real property taxes unless it has adopted a budget that includes an estimated unassigned fund balance less than or equal to 8% of budgeted expenditures. School Board Policy adopts this maximum fund balance limitation.



The Administration develops a timeline that works backwards from the final budget adoption date in June to the previous September. The following timeline by month summarizes the North Penn School District's budget process:

North Penn School District
2018-2019 Budget

Month	Key Processes and Deadlines	
September	<ul style="list-style-type: none"> • Act 1 Index and timeline published by PDE 	•
November	<ul style="list-style-type: none"> • Building per pupil allocations are distributed • District enrollment projections are calculated • Adoption of board resolution not to raise taxes above the Act 1 index • Final budget timeline is created 	•
December	<ul style="list-style-type: none"> • Deadline to notify residents of homestead/farmstead exclusion 	•
January	<ul style="list-style-type: none"> • Deadline to opt out of Act 1 exceptions • Building and department budget requests are due to the business office • Budget meetings are held with administrators 	•
February	<ul style="list-style-type: none"> • Deadline to adopt preliminary budget unless resolution not to exceed Act 1 index adopted 	•
March	<ul style="list-style-type: none"> • Homestead/farmstead application deadline • Deadline for referendum exception request to PDE • Deadline to submit primary election referendum question seeking voter approval of tax increase in excess of the Act 1 index • Deadline for PDE ruling on referendum exception request 	•
May	<ul style="list-style-type: none"> • County provides certified homestead/farmstead information • PDE provides property tax relief allocation information • Board adoption of the proposed final budget • Public notice of intent to adopt final budget • Budget presented for public inspection 	•
June	<ul style="list-style-type: none"> • Board adoption of the final budget 	•

North Penn School District
2018-2019 Budget

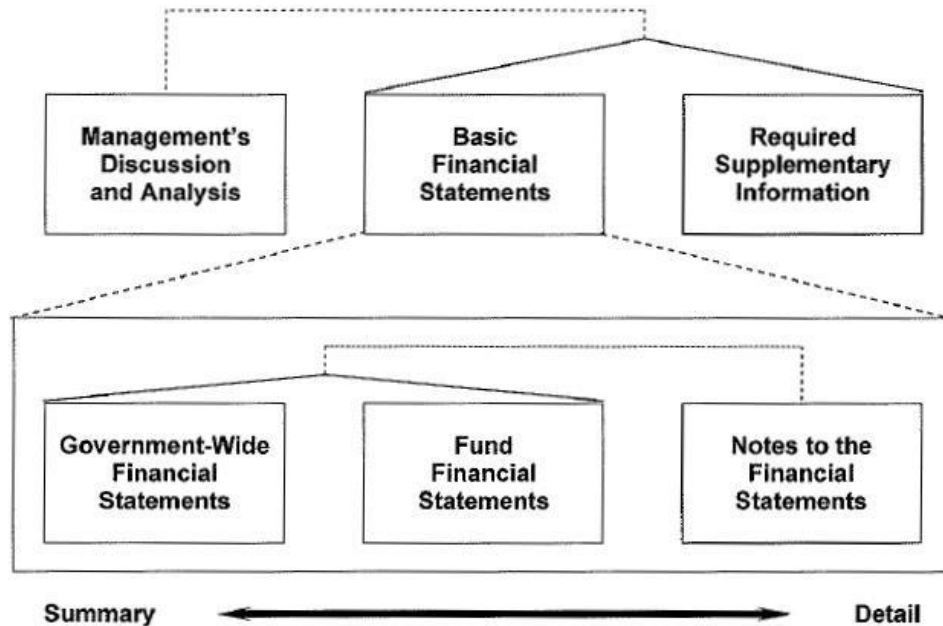
The District administers and manages the budget by entering a line-item budget in the financial software and putting controls into place that prevent over-expenditures on any line item. Budget transfers between line items are allowed beginning October 1st of each fiscal year. Each month for the Financial Committee meeting a report is prepared showing actual expenditures and projected expenditures compared to the budget.

Capital Projects for consideration are presented at the monthly Support Services Committee. At each Finance Committee Meeting a report is prepared showing outstanding projects with remaining balances and a comparison of the total remaining balance to funds remaining in the Capital Projects Funds, providing information on funds available to fund future projects.

Financial Reporting and Accounting Structure

The District’s Financial Statements are prepared in accordance with GASB Statement No. 34 and present both government-wide and fund level financial statements using both the accrual and modified accrual basis of accounting, respectively. The following chart illustrates how the various parts of the District’s annual report are arranged and relate to one another.

Organization of the North Penn School District Annual Financial Report



Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private sector companies. The statement of net position includes all of the District’s assets and liabilities. All of the current year’s revenues and expenses are

North Penn School District
2018-2019 Budget

accounted for in the statement of activities regardless of when cash is received or paid. These statements are reported using the full accrual method of accounting. Both statements report the District's net position (the difference between assets and liabilities) and how it has changed and are divided into two categories; Governmental Activities which includes basic services and Business-Type Activities which includes the District's community education, extended child care, and school nutrition service programs.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds and not on the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending in particular programs. The fund financial statements are reported using the modified accrual method of accounting. The District has three kinds of funds:

- Governmental Funds – Most of the District's basic services are included here and generally focus on how cash and other assets can be converted to cash and the balances left at the end of the year that are available. Governmental Funds utilized by the North Penn School District include the General Fund and Capital Projects Funds.
- Proprietary Funds – Services for which the District charges a fee are reported here. These include the community education, extended child care, and school nutrition service programs. These funds are collectively referred to as Enterprise Funds in the budget and financial statements. Additionally, the North Penn School District utilizes an Internal Service Fund to account for self-insurance paid at actual cost by the District.
- Fiduciary Funds – The District is the trustee, or fiduciary, for assets that belong to others such as the Scholarship and Student Activities Funds. These activities are excluded from the District-wide financial statements because they cannot be used as assets to finance the District's operations.

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Major Features of the Government-Wide and Fund Financial Statements				
	Government-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire School District (except Fiduciary Funds)	The activities of the School District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the School District operates similar to private businesses: school nutrition services and community education	Instances in which the School District administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net assets • Statement of revenues, expenses and changes in net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

Revenue Sources

This dimension permits segregation of revenues by source. The primary classification differentiates Local, State and Federal revenue sources. Other Financing Sources are included in the dimension breakdown, although in a strict accounting sense, these are not revenues.

6111 Current Real Estate Taxes

Revenue received from taxes assessed and levied upon real property.

6112 Interim Real Estate Taxes

Taxes levied under Act 544 of 1952 (Section 677.1) on new construction not appearing on the tax duplicate.

6113 Public Utility Realty Tax

Revenue received under terms of the Public Utility Realty Tax Act (Act 66 of 1970). Lands and structures owned by public utilities and used in providing their services are subject to state taxation under Act 66

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of 1970. The state then collects and distributes a prescribed sum among local taxing authorities, and that payment of state tax shall be in lieu of local taxes upon utility realty.

6114 Payments In Lieu Of Current Taxes – State / Local Reimbursement

Revenue received in lieu of taxes for property withdrawn from the tax rolls of the LEA for public housing, forest lands, game lands, water conservation or flood control.

6151 Current Act 511 Earned Income Taxes

Revenue received under Act 511 for taxes levied upon wages, salaries, commissions, net profits or other compensation of those who earn income within the taxing jurisdiction of the LEA.

6153 Current Act 511 Real Estate Transfer Taxes

Revenue received under Act 511 for percentage assessment on the transfer price of real property within the jurisdiction of the LEA.

6411 Delinquent Real Estate Taxes

Revenue received from taxes assessed and levied upon real property, which have become delinquent.

6510 Interest on Investments and Interest-Bearing Checking Accounts

Interest revenue received on temporary or permanent interest-bearing investments and interest-bearing checking accounts. (Investments would include U.S. treasury bills, notes, savings accounts, certificates of deposit, mortgages, or other interest-bearing investments.)

6700 Revenues from District Activities

Revenues resulting from co-curricular and extra-curricular activities controlled and administered by the LEA. These revenues are not to be commingled with the proceeds from student activities which should be accounted for in agency funds.

6832 Federal IDEA Revenue Received as Pass Through

Federal IDEA revenue received by a school entity passed through from a Pennsylvania LEA or another primary recipient.

6910 Rentals

Revenues from the rental of school property which is being used for school purposes, and the net earnings from rents and leases of school property that is not being used for school purposes, but is being held for future use or disposal. The credit to this account should include only receipts from flat rate rental charges not identifiable as an offset against expenditures. Include here gas lease or royalty revenues.

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6920 Contributions/Donations/Grants from Private Sources

Contributions, donations and grants from private sources are revenues from philanthropic foundations, private individuals or organizations for which no repayment or service is expected.

6942 Summer School Tuition

Revenue received from students, their parents or their guardians for summer school education provided by the LEA.

6944 Receipts from Other LEAs in Pennsylvania – Education

Monies received from other LEAs in Pennsylvania for education provided to pupils from the paying LEA. Note: Charter Schools should record payments from the sending districts to this account, whether by direct payment or deduction.

6960 Services Provided Other Local Governmental Units/LEAs

Revenues from services provided other local governmental units. These services could include transportation, data processing, purchasing, maintenance, cleaning, cash management, consulting and a variety of other educational related services.

6990 Refunds and Other Miscellaneous Revenue

Revenue from local sources not classified elsewhere.

7110 Basic Education

Revenue received from the Commonwealth of PA designated for Basic Education.

7160 Tuition for Orphans and Children Placed in Private Homes

Revenue received from the Commonwealth of PA as tuition for children who are orphans and/or children placed in private homes by the court. Payments are made in accordance with Section 1305 and 1306 of the Public School Code.

7271 Special Education Funding For School Aged Pupils

Revenue received from the Commonwealth of PA for expenditures incurred in instructing school age special education students.

7310 Transportation (Regular and Additional)

Revenue received from the Commonwealth of PA for pupil transportation expenditures and / or board and lodging in lieu of transportation. Payments for pupil transportation are made in accordance with section 2541 of the Public School Code. Payments for board and lodging in lieu of transportation are made in accordance with Section 2542 of the Public School Code. This account includes transportation subsidies for nonpublic and charter school students, also.

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7320 Rental and Sinking Fund Payments/Building Reimbursement Subsidy

Revenue received from the Commonwealth of PA as a payment for approved lease rentals, sinking fund obligations, or any approved LEA debt obligations for which the Department of Education has assigned a lease number.

7330 Health Services (Medical, Dental, Nurse, Act 25)

Revenue received from the Commonwealth of PA for health service expenditures. Payments are made in accordance with Section 2505.1 of the Public School Code and include revenue for medical, dental, nurse and Act 25 health services.

7340 State Property Tax Reduction Allocation

Revenue received from the Commonwealth of PA designated for school district property tax reduction. Payments are made in accordance with section 505 of Special Session Act 1 of 2006.

7501 PA Accountability Grants

Revenue received from the Commonwealth of PA authorized by Act 48 of 2003 for school districts to implement research-based programs to boost student achievement.

7599 Other State revenue not listed elsewhere in the 7000 series

Revenue received not specifically accounted for elsewhere in the 7000 series of accounts. Include in this revenue code payments received for ELECT, school demonstration grants and from other State agencies such as the Department of Environmental Resources and DCED.

7810 State Share of Social Security and Medicare Taxes

Revenue received from the Commonwealth of PA designated as the Commonwealth's matching share of the employer's contribution of the Social Security and Medicare Taxes for covered employees who are not federally funded.

7820 State Share of Retirement Contributions

Revenue received from the Commonwealth of PA designated as the Commonwealth's matching share of the employer's contribution of Retirement Contributions for active members of the Public School Employees Retirement System.

8390 Other Restricted Federal Grants-In-Aid Directly from the Federal Government

Revenue received directly from the Federal Government not specified elsewhere in the 8300 series of accounts. Include here ERRP (Early Retiree Reinsurance Program).

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8514 NCLB, Title I – Improving the Academic Achievement of the Disadvantaged

Revenue received for the education of disadvantaged children under NCLB, Title I. Funding for programs such as Keystones to Opportunities, School Improvement Grants, Comprehensive School Reform Program, Reading First, Even Start, and Improving Literacy Through Libraries (list not all inclusive) should be recorded in this account.

8515 NCLB, Title II – Preparing, Training and Recruiting High Quality Teachers and Principals

Revenue received for the education of children under NCLB Title II. Improving Teacher Quality, and Eisenhower Professional Development (list not all inclusive) are samples of funding.

8516 NCLB, Title III – Language Instruction for Limited English Proficient and Immigrant Students

Revenue received for the education of children under NCLB, Title III. Includes Grants for English Language Acquisition, and Technology Literacy Challenge (list not all inclusive).

8517 Title IV

Revenue received for the education of children under ESEA, Title IV. Includes funding for Safe and Drug Free Schools and Communities, 21st Century Learning Communities, and Student Support and Academic Enrichment.

8810 School Based Access Medicaid Reimbursement Program (SBAP) Reimbursements (ACCESS)

SBAP is an MA program that reimburses school entities for direct, eligible health-related services including transportation. These services are provided to MA enrolled, special needs students, and reimbursement claims are processed through Public Consulting Group. Reimbursable services include, but are not limited to, occupational therapy, physical therapy and psychological counseling. Payments for SBAP costs come from the Department of Education (PDE) through the completion of the PDE-352 ACCESS Funds Request Form.

8820 Medical Assistance Reimbursement for Administrative Claiming (Quarterly) Program

The Administrative Claiming Program reimburses LEAs for the costs associated with administrative Medicaid-related activities. These funds also include the partial reimbursement that schools receive on behalf of the service fees paid to Public Consulting Group for the processing of their SBAP claims. Payments for SBAP Administrative Claiming are received from the Department of Public Welfare. Expenditures utilizing this source of funding should be reported as federal expenditures on the Annual Financial Report.

9000 Other Financing Sources

Other financing sources include governmental fund general long-term debt proceeds, interfund transfers-in, proceeds of fixed asset dispositions and other transfer-in and receipts. Such amounts are

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classified separately from revenues. (Other Financing Sources represent revenues in the Debt Service Fund.)

Expenditure Codes

Expenditure Functions

The Function describes the activities for which a service or material is acquired. The functions of an LEA are classified into five broad areas:

- 1) Instruction
- 2) Support Services
- 3) Operation of Non-Instructional Services
- 4) Facilities Acquisition, Construction and Improvement Services
- 5) Other Financing Uses

Functions consist of activities, which have somewhat the same general operational objectives.

1100 Regular Programs – Elementary/Secondary

Activities designed to provide grades K–12 students with learning experiences to prepare them for activities as citizens, family members, and non-vocational workers as contrasted with programs designed to improve or overcome physical, mental, social and/or emotional handicaps.

1200 Special Programs – Elementary/Secondary

Activities designed primarily for students having special needs. The Special Programs include support classes for pre-kindergarten, kindergarten, elementary and secondary students identified as exceptional.

1300 Vocational Education

PDE approved programs under public supervision and control that provide organized learning experiences designed to develop skills, knowledge, attitudes and work habits in order to prepare individuals for entrance into and progress through various levels of employment in occupational fields including agriculture, business, distribution, health, gainful and useful home economics, and trade and industry. PDE approved programs are those programs approved by the Pennsylvania Department of Education as reflected in the approved program listing of the Career and Technical Education Information System (CATS).

1400 Other Instructional Programs – Elementary/Secondary

Activities that provide grades K-12 students with learning experiences not included in the function codes 1100-1300, 1500, 1600 and 1800.

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1800 Pre-Kindergarten

Activities designed to provide Pre-K students with learning experiences to prepare them for activities as citizens, family members, and non-vocational workers as contrasted with programs designed to improve or overcome physical, mental, social and / or emotional handicaps.

2100 Support Services - Students

Activities designed to assess and improve the well-being of students to supplement the teaching process and to meet the applicable provisions of Article XIII of the Public School Code of 1949, as amended, and Chapter 7 of the State Board of Education Regulations. Included in this sub-function are program coordination, consultation, and services to the pupil personnel staff of an LEA.

2200 Support Services – Instructional Staff

Activities associated with assisting, supporting, advising and directing the instructional staff with or on the content and process of providing learning experiences for students.

2300 Support Services - Administration

Activities concerned with establishing and administering policy in connection with operating the LEA.

2400 Support Services – Pupil Health

Physical and mental health services, which are not direct instruction. Included are activities that provide students with appropriate medical, dental and nurse services.

2500 Support Services – Business

Activities concerned with paying, transporting, exchanging and maintaining goods and services for the LEA. Included are the fiscal and internal services necessary for operating the LEA.

2600 Operation and Maintenance of Plant Services

The activities concerned with keeping the physical plant open, comfortable and safe for use, and keeping the grounds, buildings and equipment in effective working condition and state of repair.

2700 Student Transportation Services

Expenditures include those activities concerned with the conveyance of students to and from school, as provided by State and Federal law. It includes transportation costs only for trips between home and school and from school to school.

2800 Support Services - Central

Activities, other than general administration, which support each of the other instructional and supporting services program. These activities include planning, research, development, evaluation, information, staff and data processing services.

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2900 Other Support Services

All other support services not classified elsewhere in the 2000 series.

3200 Student Activities

School sponsored activities under the guidance and supervision of the LEA staff.

3300 Community Services

Those activities concerned with providing community services to students, staff or other community participants. Examples of this function would be the operation of a community swimming pool, a recreation program for the elderly, a child-care center for working mothers, etc.

4600 Existing Building Improvement Services

Record to this sub function the capital expenditures incurred to renovate or improve existing buildings, service systems and other built-in equipment. Capital expenditures include non-routine and extraordinary (or substantial) costs incurred to maintain or improve buildings, service systems and other built-in equipment.

5110 Debt Service

This account is used to record and accumulate expenditures incurred to retire current year principal and interest payments on long-term debt other than refunded bond issues.

5130 Refund of Prior Year Revenues/Receipts

Record to this account the recognition of all refunds of prior year revenues and receipts. This account is also used to record refunds and deductions taken from your State subsidies to adjust for prior year audits and subsidy calculation changes. This account should be reported as an expenditure on your financial statements consistent with GASB #33.

5200 Interfund Transfers - Out

Included are transactions that withdraw money from one fund and place it in another without recourse.

5900 Budgetary Reserve

Budgetary Reserve is not an expenditure function or account. It is strictly a budgetary account.

In addition to the appropriations, it is a sound management practice to provide for operating contingencies through a Budgetary Reserve. Experience indicates that there are certain variables over which control is impossible regardless of the care with which the budget is prepared. These variables include unpredictable changes in the costs of goods and services, and the occurrences of events which are vaguely perceptible during the time of budget preparations, but which nevertheless, may require expenditures by the LEA during the year for which the budget is being prepared.

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Even though the operating contingencies for which provision is being made may contain certain unknowns, the Budgetary Reserve should be composed of components for which estimates are made. For example, there may be Federal, State or local programs, which may or may not, require expenditures by the school system in the fiscal year for which the budget is being prepared.

Rather than provide for such contingencies by “padding” the functional appropriations, it is preferable to limit the functional appropriations to amounts that are supportable by estimates based upon financial, enrollment and other statistics as related to the more definite educational plans and programs for the budget year, and earmark a reserve for the less predictable requirements. The Budgetary Reserve should be reasonable in amount and in proper proportion to the known operating requirements of the LEA.

Expenditures may not be made against the Budgetary Reserve, but only against the line items, which appear throughout the functional appropriations. Whatever may be needed from the Budgetary Reserve may not be used until after transfer from the Reserve to the line items against which the expenditures are to be charged. Each such transfer requires the prior authorization of the Board of School Directors, and may be made only during the last nine (9) months of the fiscal year.

To the extent that the contingencies for which the Budgetary Reserve has been provided fail to materialize in the budget year, there will be a balance remaining in the Budgetary Reserve at the close of the budget year. If covered by revenues realized during the budget year, as it should be in all school systems operating on a pay-as-you-go basis, such a balance becomes a part of the total resources available for application against the requirements of the next fiscal year.

Expenditure Objects

The Object Dimension is the service or commodity bought. This manual identifies nine (9) major object categories:

- Personnel Services – Salaries
- Personnel Services – Employee Benefits
- Purchased Professional and Technical Services
- Purchased Property Services
- Other Purchased Services
- Supplies
- Property
- Other Objects
- Other Financing Uses

100 Personnel Services - Salaries

Gross salaries paid to employees of the LEA who are considered to be in positions of a permanent nature or hired temporarily, including personnel substituting for those in permanent positions. This includes gross salary for personnel services rendered while on the payroll of the LEA.

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200 Personnel Services – Employee Benefits

Amounts paid by the LEA on behalf of employees; these amounts are not included in gross salary, but are in addition to that amount. Such payments are fringe benefit payments; and, while not paid directly to employees, are part of the cost of personnel services.

300 Purchased Professional and Technical Services

Services that by their nature require persons or firms with specialized skills and knowledge. Included are the services of architects, engineers, auditors, dentists, medical doctors, lawyers, consultants, teachers, accountants, tax collectors etc. Payments for services provided by Intermediate Units to LEAs should be recorded to this object.

400 Purchased Property Services

Services purchased to operate, repair, maintain and rent property owned and / or used by the LEA. These services are performed by persons other than LEA employees

500 Other Purchased Services

Amounts paid for services not provided by LEA personnel but rendered by organizations or personnel, other than Professional and Technical Services and Purchased Property Services.

600 Supplies

Amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorate in use; or items that lose their identity through fabrication or incorporation into different or more complex units or substances.

700 Property

Expenditures for the acquisition of fixed / capital assets, including expenditures for land or existing buildings and improvements of grounds; initial equipment; additional equipment and replacement of equipment.

800 Other Objects

Amounts paid for expenditures not otherwise classified in objects 100 through 700.

900 Other Uses of Funds

This series of codes is used to classify transactions which record redemption of principal on long-term debt, authority obligations, fund transfers, and transfers to component units (as defined by GASB Statement #14).

Financial Section

North Penn School District

2018-2019 Budget



North Penn School District
Lansdale, Pennsylvania
www.npenn.org
Dr. Curtis Dietrich, Superintendent

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North Penn School District
2018-2019 Budget

Summary of All Funds

A portion of the General Fund's fund balance has been committed to minimize the impact of projected retirement contributions on the District's taxpayers.

The following is a summary of the 2018-2019 budgets for each of the District's funds. Budgeted revenues include resources from local, state, and federal sources and expenditures represent those resources allocated towards supporting the District's programs and services.

Summary of All Funds								
	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019	Projection 2019-2020	Projection 2020-2021	Projection 2021-2022
GENERAL FUND								
Fund Balance July 1, 20XX	\$ 38,066,317	\$ 36,636,675	\$ 36,736,866	\$ 41,017,477	\$ 36,472,554	\$ 33,727,741	\$ 29,460,043	\$ 24,058,778
Revenue								
Local Sources	181,485,231	186,597,398	195,663,475	194,007,132	202,573,460	208,818,047	215,530,462	223,454,751
State Sources	40,848,095	44,579,098	49,738,162	50,756,788	52,283,192	54,616,957	56,082,460	57,659,610
Federal Sources	3,192,351	3,346,380	3,920,949	2,983,043	2,586,361	2,638,088	2,690,850	2,744,667
Other Sources	<u>80,662</u>	<u>358,732</u>	<u>19,883,155</u>	<u>110,000</u>	<u>60,000</u>	<u>110,000</u>	<u>110,000</u>	<u>110,000</u>
Total Revenue	<u>225,606,339</u>	<u>234,881,608</u>	<u>269,205,741</u>	<u>247,856,963</u>	<u>257,503,013</u>	<u>266,183,092</u>	<u>274,413,772</u>	<u>283,969,028</u>
Expenditures								
Salaries	115,445,132	119,759,051	122,481,574	124,082,802	127,786,831	132,300,969	135,939,246	139,677,575
Benefits	58,032,947	62,767,863	69,814,859	74,912,311	76,034,561	81,372,679	84,827,808	88,355,735
Purchased Prof. Services	8,471,262	9,436,093	9,878,337	9,770,845	9,785,264	10,099,422	10,402,405	10,714,477
Purchased Prop. Services	3,874,260	3,688,071	1,894,279	1,670,566	1,903,596	2,032,804	2,093,788	2,156,602
Other Purchased Services	11,534,152	12,144,405	12,467,368	13,377,906	14,149,032	14,573,503	15,010,708	15,461,029
Supplies and Books	6,312,448	7,133,645	9,428,066	7,842,764	9,347,243	9,956,084	10,254,767	10,562,410
Property and Equipment	2,833,465	1,387,372	785,094	1,639,216	2,748,220	3,144,331	3,301,548	3,466,625
Other Objects	4,376,765	4,094,530	3,506,549	5,072,024	5,310,177	4,755,182	4,242,164	3,701,973
Other Uses of Funds	<u>16,155,550</u>	<u>14,370,387</u>	<u>34,669,003</u>	<u>14,033,452</u>	<u>13,182,902</u>	<u>12,215,816</u>	<u>13,742,603</u>	<u>14,269,293</u>
Total Expenditures	<u>227,035,981</u>	<u>234,781,417</u>	<u>264,925,129</u>	<u>252,401,886</u>	<u>260,247,826</u>	<u>270,450,790</u>	<u>279,815,037</u>	<u>288,365,719</u>
Excess of Revenue Over (Under) Expenditures	(1,429,642)	100,191	4,280,611	(4,544,923)	(2,744,813)	(4,267,698)	(5,401,265)	(4,396,691)
Fund Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(1,429,642)</u>	<u>100,191</u>	<u>4,280,611</u>	<u>(4,544,923)</u>	<u>(2,744,813)</u>	<u>(4,267,698)</u>	<u>(5,401,265)</u>	<u>(4,396,691)</u>
Fund Balance June 30, 20XX	<u>\$ 36,636,675</u>	<u>\$ 36,736,866</u>	<u>\$ 41,017,477</u>	<u>\$ 36,472,554</u>	<u>\$ 33,727,741</u>	<u>\$ 29,460,043</u>	<u>\$ 24,058,778</u>	<u>\$ 19,662,087</u>

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	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019	Projection 2019-2020	Projection 2020-2021	Projection 2021-2022
CAPITAL PROJECTS FUND								
Fund Balance July 1, 20XX	\$ 8,061,094	\$ 13,592,001	\$ 15,367,006	\$ 19,287,582	\$ 8,343,261	\$ 13,002,323	\$ 20,955,488	\$ 11,349,624
Revenue								
Local Sources	14,306	31,205	119,848	35,000	45,000	90,000	40,000	35,000
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	14,306	31,205	119,848	35,000	45,000	90,000	40,000	35,000
Expenditures								
Salaries	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-
Purchased Prof. Services	951,049	2,602,999	1,573,880	766,759	310,000	1,636,836	797,429	812,765
Purchased Property Services	14,591,442	6,256,895	15,674,505	12,012,562	4,908,143	-	15,169,500	9,733,316
Other Purchased Services	3,495	9,655	607	-	-	-	631	-
Supplies and Books	3,858	5,178	40,947	-	167,795	-	42,585	-
Property and Equipment	517,391	659,450	359,180	-	-	-	373,547	-
Other Objects	619,555	626,896	252,087	-	-	500,000	262,171	-
Other Uses of Funds	-	156,465	-	-	-	-	-	-
Total Expenditures	16,686,790	10,317,538	17,901,207	12,779,321	5,385,938	2,136,836	16,645,864	10,546,081
Excess of Revenue Over (Under) Expenditures	(16,672,484)	(10,286,333)	(17,781,359)	(12,744,321)	(5,340,938)	(2,046,836)	(16,605,864)	(10,511,081)
Fund Transfers/Other Financing	22,203,391	12,061,338	21,701,935	1,800,000	10,000,000	10,000,000	7,000,000	-
Net Change in Fund Balance	5,530,907	1,775,005	3,920,576	(10,944,321)	4,659,062	7,953,164	(9,605,864)	(10,511,081)
Fund Balance June 30, 20XX	\$ 13,592,001	\$ 15,367,006	\$ 19,287,582	\$ 8,343,261	\$ 13,002,323	\$ 20,955,488	\$ 11,349,624	\$ 838,543
ENTERPRISE FUNDS								
Fund Balance July 1, 20XX	\$ 582,259	\$ 1,069,307	\$ 1,519,592	\$ 1,610,128	\$ 1,221,759	\$ 1,125,466	\$ 996,362	\$ 787,448
Revenue								
Local Sources	5,638,402	5,447,323	5,445,347	5,413,909	5,463,379	5,610,890	5,767,995	5,958,339
State Sources	181,671	186,062	149,043	137,891	157,314	160,460	163,669	166,943
Federal Sources	2,226,383	2,512,884	2,615,944	2,548,219	2,786,521	2,842,251	2,899,096	2,957,078
Other Sources	5,376	6,796	2,139	-	-	-	-	-
Total Revenue	8,051,832	8,153,065	8,212,473	8,100,019	8,407,214	8,613,602	8,830,761	9,082,360
Expenditures								
Salaries	3,257,374	3,382,288	3,553,368	3,423,757	3,606,425	3,705,602	3,807,506	3,912,212
Benefits	1,640,268	1,682,544	1,843,402	1,937,374	1,925,912	2,022,207	2,123,318	2,229,484
Purchased Prof. Services	101,470	107,903	116,021	175,513	170,580	175,697	180,968	186,397
Purchased Property Services	23,334	36,243	48,709	46,600	45,850	51,243	52,780	54,363
Other Purchased Services	20,046	28,608	27,778	37,700	37,066	38,178	39,090	40,024
Supplies - Food and Consum.	2,407,214	2,340,974	2,376,370	2,394,890	2,465,241	2,537,710	2,613,842	2,692,257
Property and Equipment	24,154	45,395	45,518	255,000	77,000	80,850	84,893	89,137
Other Objects	63,203	52,476	75,589	83,125	100,433	104,969	109,717	114,688
Other Uses of Funds	27,723	26,351	30,297	134,430	75,000	26,250	27,563	28,941
Total Expenditures	7,564,784	7,702,780	8,117,051	8,488,388	8,503,507	8,742,706	9,039,675	9,347,503
Excess of Revenue Over (Under) Expenditures	487,048	450,285	95,422	(388,369)	(96,293)	(129,104)	(208,914)	(265,143)
Fund Transfers/Other Financing	-	-	(4,886)	-	-	-	-	-
Net Change in Fund Balance	487,048	450,285	90,536	(388,369)	(96,293)	(129,104)	(208,914)	(265,143)
Fund Balance June 30, 20XX	\$ 1,069,307	\$ 1,519,592	\$ 1,610,128	\$ 1,221,759	\$ 1,125,466	\$ 996,362	\$ 787,448	\$ 522,305

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	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019	Projection 2019-2020	Projection 2020-2021	Projection 2021-2022
INTERNAL SERVICE FUND								
Fund Balance July 1, 20XX	\$ 1,270,184	\$ 6,677,152	\$ 7,297,022	\$ 11,251,385	\$ 11,177,385	\$ 11,059,282	\$ 10,934,906	\$ 10,804,012
Revenue								
Local Sources	2,150	92,236	393,174	6,000	72,500	74,458	76,542	79,068
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	34,334,894	28,367,434	29,056,459	29,841,300	30,014,110	31,514,816	33,090,556	34,745,084
Total Revenue	34,337,044	28,459,670	29,449,633	29,847,300	30,086,610	31,589,273	33,167,098	34,824,152
Expenditures								
Salaries	-	-	-	-	-	-	-	-
Benefits	28,930,076	27,839,800	25,495,270	29,841,300	30,139,713	31,646,699	33,229,034	34,890,486
Purchased Prof. Services	-	-	-	80,000	65,000	66,950	68,959	71,027
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies and Books	-	-	-	-	-	-	-	-
Property and Equipment	-	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-
Other Uses of Funds	-	-	-	-	-	-	-	-
Total Expenditures	28,930,076	27,839,800	25,495,270	29,921,300	30,204,713	31,713,649	33,297,993	34,961,513
Excess of Revenue Over (Under) Expenditures	5,406,968	619,870	3,954,363	(74,000)	(118,103)	(124,376)	(130,894)	(137,361)
Net Change in Fund Balance	5,406,968	619,870	3,954,363	(74,000)	(118,103)	(124,376)	(130,894)	(137,361)
Fund Balance June 30, 20XX	\$ 6,677,152	\$ 7,297,022	\$ 11,251,385	\$ 11,177,385	\$ 11,059,282	\$ 10,934,906	\$ 10,804,012	\$ 10,666,651
TOTAL OF ALL FUNDS								
Fund Balance July 1, 20XX	\$ 47,979,852	\$ 57,975,133	\$ 60,920,484	\$ 73,166,572	\$ 57,214,959	\$ 58,914,812	\$ 62,346,798	\$ 46,999,861
Revenue								
Local Sources	187,140,089	192,168,162	201,621,844	199,462,041	208,154,339	214,593,395	221,414,999	229,527,158
State Sources	41,029,766	44,765,160	49,887,205	50,894,679	52,440,506	54,777,417	56,246,129	57,826,553
Federal Sources	5,418,734	5,859,264	6,536,893	5,531,262	5,372,882	5,480,339	5,589,946	5,701,745
Other Sources	34,420,932	28,732,962	48,941,753	29,951,300	30,074,110	31,624,816	33,200,556	34,855,084
Total Revenue	268,009,521	271,525,548	306,987,695	285,839,282	296,041,837	306,475,967	316,451,631	327,910,540
Expenditures								
Salaries	118,702,506	123,141,339	126,034,942	127,506,559	131,393,256	136,006,571	139,746,752	143,589,787
Benefits	88,603,291	92,290,207	97,153,530	106,690,985	108,100,186	115,041,585	120,180,160	125,475,705
Purchased Prof. Services	9,523,781	12,146,995	11,568,238	10,793,117	10,330,844	11,978,905	11,449,761	11,784,666
Purchased Property Services	18,489,036	9,981,209	17,617,492	13,729,728	6,857,589	2,084,047	17,316,068	11,944,281
Other Purchased Services	11,557,693	12,182,668	12,495,753	13,415,606	14,186,098	14,611,681	15,050,429	15,501,053
Supplies and Books	8,723,520	9,479,797	11,845,383	10,237,654	11,980,279	12,493,794	12,911,193	13,254,667
Property and Equipment	3,375,010	2,092,217	1,189,792	1,894,216	2,825,220	3,225,181	3,759,988	3,555,762
Other Objects	5,059,523	4,773,902	3,834,226	5,155,149	5,410,610	5,360,151	4,614,052	3,816,661
Other Uses of Funds	16,183,273	14,553,203	34,699,300	14,167,882	13,257,902	12,242,066	13,770,166	14,298,234
Total Expenditures	280,217,631	280,641,535	316,438,657	303,590,895	304,341,984	313,043,981	338,798,568	343,220,816
Excess of Revenue Over (Under) Expenditures	(12,208,110)	(9,115,987)	(9,450,962)	(17,751,613)	(8,300,147)	(6,568,014)	(22,346,937)	(15,310,276)
Fund Transfers/Other Financing	22,203,391	12,061,338	21,697,049	1,800,000	10,000,000	10,000,000	7,000,000	-
Net Change in Fund Balance	9,995,281	2,945,352	12,246,087	(15,951,613)	1,699,853	3,431,986	(15,346,937)	(15,310,276)
Fund Balance June 30, 20XX	\$ 57,975,133	\$ 60,920,484	\$ 73,166,572	\$ 57,214,959	\$ 58,914,812	\$ 62,346,798	\$ 46,999,861	\$ 31,689,585

North Penn School District
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General Fund

The General Fund is the main operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund and is where operating revenue and expenditures are budgeted and recorded. Currently \$16.9M of fund balance has been committed for projected retirement contribution increases.

General Fund Summary

	<u>Actual 2014-2015</u>	<u>Actual 2015-2016</u>	<u>Actual 2016-2017</u>	<u>Budget 2017-2018</u>	<u>Budget 2018-2019</u>	<u>Projection 2019-2020</u>	<u>Projection 2020-2021</u>	<u>Projection 2021-2022</u>
Fund Balance July 1, 20XX	\$ 38,066,317	\$ 36,636,675	\$ 36,736,866	\$ 41,017,477	\$ 36,472,554	\$ 33,727,741	\$ 29,460,043	\$ 24,058,778
Revenue								
Local Sources	181,485,231	186,597,398	195,663,475	194,007,132	202,573,460	208,818,047	215,530,462	223,454,751
State Sources	40,848,095	44,579,098	49,738,162	50,756,788	52,283,192	54,616,957	56,082,460	57,659,610
Federal Sources	3,192,351	3,346,380	3,920,949	2,983,043	2,586,361	2,638,088	2,690,850	2,744,667
Other Sources	<u>80,662</u>	<u>358,732</u>	<u>19,883,155</u>	<u>110,000</u>	<u>60,000</u>	<u>110,000</u>	<u>110,000</u>	<u>110,000</u>
Total Revenue	<u>225,606,339</u>	<u>234,881,608</u>	<u>269,205,741</u>	<u>247,856,963</u>	<u>257,503,013</u>	<u>266,183,092</u>	<u>274,413,772</u>	<u>283,969,028</u>
Expenditures								
Salaries	115,445,132	119,759,051	122,481,574	124,082,802	127,786,831	132,300,969	135,939,246	139,677,575
Benefits	58,032,947	62,767,863	69,814,859	74,912,311	76,034,561	81,372,679	84,827,808	88,355,735
Purchased Prof. Services	8,471,262	9,436,093	9,878,337	9,770,845	9,785,264	10,099,422	10,402,405	10,714,477
Purchased Prop. Services	3,874,260	3,688,071	1,894,279	1,670,566	1,903,596	2,032,804	2,093,788	2,156,602
Other Purchased Services	11,534,152	12,144,405	12,467,368	13,377,906	14,149,032	14,573,503	15,010,708	15,461,029
Supplies and Books	6,312,448	7,133,645	9,428,066	7,842,764	9,347,243	9,956,084	10,254,767	10,562,410
Property and Equipment	2,833,465	1,387,372	785,094	1,639,216	2,748,220	3,144,331	3,301,548	3,466,625
Other Objects	4,376,765	4,094,530	3,506,549	5,072,024	5,310,177	4,755,182	4,242,164	3,701,973
Other Uses of Funds	16,155,550	14,370,387	34,669,003	14,033,452	13,182,902	12,215,816	13,742,603	14,269,293
Total Expenditures	<u>227,035,981</u>	<u>234,781,417</u>	<u>264,925,129</u>	<u>252,401,886</u>	<u>260,247,826</u>	<u>270,450,790</u>	<u>279,815,037</u>	<u>288,365,719</u>
Excess of Revenue Over (Under) Expenditures	(1,429,642)	100,191	4,280,611	(4,544,923)	(2,744,813)	(4,267,698)	(5,401,265)	(4,396,691)
Fund Transfers	0	0	0	0	0	0	0	0
Net Change in Fund Balance	-1,429,642	100,191	4,280,611	-4,544,923	-2,744,813	-4,267,698	-5,401,265	-4,396,691
Fund Balance June 30, 20XX	<u>36,636,675</u>	<u>36,736,866</u>	<u>41,017,477</u>	<u>36,472,554</u>	<u>33,727,741</u>	<u>29,460,043</u>	<u>24,058,778</u>	<u>19,662,087</u>

General Fund Revenue

The General Fund of the District is funded from local, state, and federal sources of revenue. Local revenue is the largest source of revenue which accounts for 78% of the \$257,503,013 in total budgeted revenue for the 2018-2019 fiscal year. The remaining 21% of revenue budgeted is comprised of state subsidies and grants (21%) as well as federal grant money (1%) and a minimum amount of other financing sources.

North Penn School District
2018-2019 Budget

Local Sources

The largest portion of local revenue is made up of current taxes on real estate. Local current real estate tax revenue is budgeted to be \$174,336,414 which is 86% of local revenue sources budgeted and 68% of total revenue sources budgeted. Current real estate tax revenue budgeted is \$6,423,492 higher than budgeted in the previous year. The North Penn School District lies in Montgomery and Bucks Counties so there are two real estate tax bases that make up current real estate tax revenue. The combined assessed property values for Bucks and Montgomery Counties is \$7,240,161,851 for the 2018-2019 school year.

The second largest source of local revenue is from proportional tax assessments including earned income taxes (EIT) and real estate transfer taxes. Both of these taxes are collected at a rate of 50% of the total tax levy. The District anticipates collecting \$16.7 million in EIT revenue and \$3.3 million in real estate transfer taxes. Other local sources of revenue include interim and delinquent payments on real estate taxes, earnings on investments, revenues from district activities, and other various sources.

State Sources

State sources comprise 21% of the total budget at \$52,283,192 which is a 3% increase from the 2017-2018 fiscal year. State sources include subsidies from basic education, special education, transportation, and rental (or building reimbursement) payments.

The largest line item in state sources comes from the state's share of retirement contributions. The state reimburses the District for half of its PSERS retirement costs. For 2018-2019, the rate that districts pay into PSERS is 33.43 % and in return the state reimburses half of this expense. This amount is \$20,942,614 which is a \$1.1 million (5.59%) increase from the previous year. This increase is attributed to an increase in salaries as well as an increase in the contribution rate from 32.57% to 33.43%. The state also reimburses districts for one half of their Social Security and Medicare taxes which in 2018-2019 equates to \$4,752,536.

The District also receives money from the state to offset property taxes from Act 1 of 2006. These funds are collected by the state through gaming revenues and other tax programs which are then distributed to school districts to pass on as a tax credit to approved homestead and farmstead properties to reduce property taxes. This allocation for the 2018-2019 school year is \$5,223,148 which equates to a tax reduction of \$211.77 for each eligible property.

North Penn School District
2018-2019 Budget

Federal Sources

Revenue from federal sources is comprised primarily of grant money for specific programs. The District receives money for the following programs:

- Title I - Improving the Academic Achievement of the Disadvantaged
- Title II - Prepare, Train, and Recruit Highly Qualified Teachers and Principals
- Title III - Language Instruction of LEP and Immigrant Students
- Title IV – Student Support and Academic Enrichment

The District also receives monies through the School-Based Access Medicaid Program which provides reimbursement for eligible health care service costs.

North Penn School District
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General Fund Revenue Detail

	<u>Actual 2014-2015</u>	<u>Actual 2015-2016</u>	<u>Actual 2016-2017</u>	<u>Budget 2017-2018</u>	<u>Budget 2018-2019</u>
6000 - Revenue from Local Sources					
6111 - Current Real Estate Taxes	\$ 154,512,804	\$ 159,841,015	\$ 169,002,193	\$ 167,912,922	\$ 174,336,414
6112 - Interim Real Estate Taxes	1,112,696	693,962	882,235	1,000,000	900,000
6113 - Public Utility Realty Tax	212,371	201,448	199,925	200,000	180,000
6114 - Payments in Lieu of Taxes	210	210	210	210	350
6150 - Current Act 511 Taxes	19,078,318	19,424,137	19,624,457	19,100,000	20,000,000
6400 - Delinquent Taxes Levied	2,971,795	2,586,366	1,954,993	2,100,000	2,000,000
6500 - Earnings on Investments	235,509	385,008	610,613	475,000	1,900,000
6700 - Revenue from Student Activ.	287,572	227,702	227,686	275,000	292,000
6832 - Federal IDEA Pass Through	2,377,069	2,330,020	2,368,454	2,364,000	2,335,590
6910 - Rentals	94,519	82,564	98,062	125,000	100,000
6940 - Tuitions	66,110	78,108	45,732	160,000	64,725
6944 - Receipts from Other PA LEAS	162,694	422,885	237,135	100,000	150,000
6999 - All Other Local Revenues	373,564	323,973	411,780	195,000	314,381
Total from Local Sources	<u>181,485,231</u>	<u>186,597,398</u>	<u>195,663,475</u>	<u>194,007,132</u>	<u>202,573,460</u>
7000 - Revenue from State Sources					
7110 - Basic Education Funding	8,941,887	9,369,587	9,923,410	10,081,998	10,534,285
7160 - Tuition - Orphans/Priv. Homes	298,928	195,401	309,246	300,000	300,000
7250 - Migratory Child	-	-	40	-	-
7271 - Special Education Funding	6,476,273	6,545,567	6,661,681	6,499,781	6,720,784
7272 - Early Intervention	-	-	-	-	-
7310 - Transportation	2,622,388	2,805,029	2,232,210	2,700,000	2,245,000
7320 - Rental Payments	565,823	430,509	2,036,266	702,286	702,286
7330 - Health Services	308,079	276,461	294,231	270,000	285,000
7340 - State Property Tax Red. Alloc.	4,886,160	4,949,846	5,079,806	5,175,590	5,223,148
7501 - PA Accountability Grant	455,129	577,539	577,539	577,539	577,539
7599 - Additional Grants	15,000	-	-	-	-
7810 - Social Security Payment Rev.	4,153,156	4,136,124	4,560,880	4,614,986	4,752,536
7820 - Retirement Payment Rev.	12,125,272	15,293,035	18,062,854	19,834,608	20,942,614
Total from State Sources	<u>40,848,095</u>	<u>44,579,098</u>	<u>49,738,162</u>	<u>50,756,788</u>	<u>52,283,192</u>
8000 - Revenue from Federal Sources					
8390 - Restricted Grants	63,009	64,706	45,336	71,000	71,000
8514 - NCLB, Title I	2,100,868	2,336,243	2,508,269	1,663,706	1,228,274
8515 - NCLB, Title II	244,803	252,683	393,878	335,873	355,684
8516 - NCLB, Title III	106,710	164,521	172,024	262,464	203,571
8517 - Title IV	-	-	-	-	27,832
8690 - Other Restricted Grants-in-Aid	-	-	53,057	-	-
8701 - ARRA, IDEA Part B	-	-	-	-	-
8709 - ARRA Education Jobs Fund	-	-	-	-	-
8810 - Medical Access Reimb.	625,000	475,000	700,000	600,000	650,000
8820 - Medical Access Admin Reimb.	51,961	53,227	48,385	50,000	50,000
Total from Federal Sources	<u>3,192,351</u>	<u>3,346,380</u>	<u>3,920,949</u>	<u>2,983,043</u>	<u>2,586,361</u>
9000 - Other Financing Sources	<u>80,662</u>	<u>358,732</u>	<u>19,883,155</u>	<u>110,000</u>	<u>60,000</u>
Grand Total Revenue	<u>\$ 225,606,339</u>	<u>\$ 234,881,608</u>	<u>\$ 269,205,741</u>	<u>\$ 247,856,963</u>	<u>\$ 257,503,013</u>

North Penn School District
2018-2019 Budget

General Fund Expenditures

For the 2018-2019 school year, budgeted expenditures in the General Fund are \$260,247,826, which is an increase of \$7,845,940 (3.1%) from 2017-2018. The largest budget challenge facing the North Penn School District as well as the other 499 public school districts in the Commonwealth is the required contributions to the Pennsylvania State Education Retirement System (PSERS). Districts are required to pay a defined contribution amount towards employee pensions each year to PSERS. For the 2018-2019 school year, this amount is 33.43% which means that for each \$1 in eligible salaries the District must contribute 3.43 cents to PSERS. The total budgeted PSERS expenditure is \$41,885,228 for 2018-2019 which is an increase of \$2,216,011 (5.59%) from the previous year.

Along with the PSERS contribution, which was offset somewhat by a reduction in healthcare costs, the other major items impacting the expenditure budget are as follows:

- Salaries – Salaries have increased by 2.99%.
- District Vehicles – An additional \$1,030,000 was budgeted for the purchase of a band truck and 10 replacement school buses.

The total of the increases in these major items totals \$5,856,279

North Penn School District
2018-2019 Budget

General Fund Expenditure Detail

	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
1100 - Regular Programs					
100 - Salaries	\$ 62,750,030	\$ 65,500,551	\$ 66,714,566	\$ 67,458,676	\$ 69,216,210
200 - Benefits	29,373,327	32,327,513	35,863,795	38,433,147	38,783,049
300 - Purchased Prof. Services	646,275	754,138	587,633	540,797	521,115
400 - Purchased Property Services	59,424	57,350	41,179	68,565	78,122
500 - Other Purchased Services	1,062,903	1,272,148	1,381,910	1,646,737	1,714,188
600 - Supplies and Books	3,177,801	4,320,172	4,347,909	2,577,494	3,725,660
700 - Property and Equipment	1,920,815	549,942	377,498	1,388,717	1,107,720
800 - Other Objects	517,175	1,518,249	2,035,578	2,144,471	123,310
Total Regular Programs	99,507,750	106,300,063	111,350,068	114,258,604	115,269,374
1200 - Special and Gifted Education					
100 - Salaries	19,146,468	20,178,083	20,869,037	21,251,988	22,133,177
200 - Benefits	10,875,637	11,715,512	13,125,665	14,261,256	14,579,552
300 - Purchased Prof. Services	5,423,809	6,720,257	6,584,531	6,785,167	6,591,362
400 - Purchased Property Services	-	62	-	500	500
500 - Other Purchased Services	2,474,115	2,466,974	2,732,895	2,666,379	2,931,581
600 - Supplies and Books	152,190	120,860	166,231	159,502	194,721
700 - Property and Equipment	3,208	17,796	12,752	10,000	10,000
800 - Other Objects	223	1,560	961	-	-
Total Special Education	38,075,650	41,221,104	43,492,072	45,134,792	46,440,893
1300 - Vocational Education					
500 - Other Purchased Services	3,407,612	3,446,353	3,469,597	3,573,982	4,006,310
800 - Other Objects	86,473	187,581	315,961	315,448	-
Total Vocational Education	3,494,085	3,633,934	3,785,558	3,889,430	4,006,310
1400 - Other Instructional Programs					
100 - Salaries	58,593	65,753	56,403	57,500	60,476
200 - Benefits	17,897	22,701	21,349	23,722	25,270
300 - Purchased Prof. Services	154,258	125,155	140,396	157,500	157,500
500 - Other Purchased Services	5,053	4,469	1,057	1,000	500
600 - Supplies and Books	-	-	-	-	-
Total Other Instructional Programs	235,801	218,078	219,205	239,722	243,746
1500 - Nonpublic Programs					
100 - Salaries	-	-	-	-	22,981
200 - Benefits	-	-	-	-	5,690
300 - Purchased Prof. Services	-	-	14,732	-	-
Total Nonpublic Programs	-	-	14,732	-	28,671
1700 - Community Ed Programs					
500 - Other Purchased Services	-	-	-	-	-
Total Community Ed	-	-	-	-	-

North Penn School District
2018-2019 Budget

	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
1800 - Pre Kindergarten					
100 - Salaries	17,038	18,918	28,577	10,302	34,875
200 - Benefits	6,656	6,287	10,683	6,019	14,327
300 - Purchased Prof. Services	51,116	65,215	64,336	10,239	2,000
500 - Other Purchased Services	3,306	5,013	3,991	3,000	-
600 - Supplies and Books	37,421	26,507	30,811	3,174	400
700 - Property and Equipment	1,678	-	-	-	-
800 - Other Objects	-	151	151	-	-
Total Pre Kindergarten	117,215	122,091	138,549	32,734	51,602
2100 - Pupil Personnel					
100 - Salaries	5,531,671	5,579,447	5,709,471	5,860,405	6,061,903
200 - Benefits	2,620,404	2,810,240	3,128,835	3,371,428	3,444,845
300 - Purchased Prof. Services	2,043	1,977	5,040	5,000	394,535
500 - Other Purchased Services	4,840	4,960	3,942	3,500	3,250
600 - Supplies and Books	53,865	71,486	66,369	71,426	62,434
800 - Other Objects	115	385	175	400	400
Total Pupil Personnel	8,212,938	8,468,495	8,913,831	9,312,159	9,967,367
2200 - Instructional Support					
100 - Salaries	3,261,141	3,209,823	3,225,102	3,318,008	3,932,320
200 - Benefits	1,647,593	1,724,016	2,150,942	2,280,034	2,865,308
300 - Purchased Prof. Services	435,928	294,273	438,815	423,039	285,290
400 - Purchased Property Services	46,804	31,584	16,190	36,900	36,850
500 - Other Purchased Services	26,205	32,095	55,717	59,899	26,835
600 - Supplies and Books	339,063	374,182	619,117	429,141	501,605
700 - Property and Equipment	522,441	298,540	377,928	210,499	131,000
800 - Other Objects	29,493	2,821	3,596	3,565	3,738
Total Instructional Support	6,308,668	5,967,334	6,887,407	6,761,085	7,782,946
2300 - Administration Services					
100 - Salaries	7,179,911	7,134,323	7,463,734	7,179,260	7,154,662
200 - Benefits	3,576,615	3,583,466	4,024,061	4,275,419	4,221,555
300 - Purchased Prof. Services	976,282	679,588	1,229,436	985,953	857,110
400 - Purchased Property Services	5,182	6,396	7,135	1,200	550
500 - Other Purchased Services	502,577	387,280	348,469	576,718	440,571
600 - Supplies and Books	91,085	118,498	85,044	114,951	123,497
700 - Property and Equipment	11,723	39,139	-	30,000	-
800 - Other Objects	27,716	25,889	48,777	39,780	34,930
Total Administration Services	12,371,091	11,974,579	13,206,656	13,203,281	12,832,875

North Penn School District
2018-2019 Budget

	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
2400 - Pupil Health Services					
100 - Salaries	1,612,916	1,705,543	1,806,271	1,864,254	1,918,984
200 - Benefits	980,637	1,051,688	1,185,814	1,285,374	1,355,437
300 - Purchased Prof. Services	23,076	25,663	22,781	27,135	25,402
400 - Purchased Property Services	1,076	1,214	12,100	8,760	4,841
500 - Other Purchased Services	127	89	-	-	-
600 - Supplies and Books	24,717	17,189	23,416	27,466	28,385
700 - Property and Equipment	46,809	-	-	-	-
800 - Other Objects	25	-	25	288	288
Total Pupil Health Services	2,689,383	2,801,386	3,050,407	3,213,277	3,333,337
2500 - Business Services					
100 - Salaries	1,145,004	1,084,024	1,141,858	1,635,638	1,831,616
200 - Benefits	592,683	610,997	670,978	916,171	930,082
300 - Purchased Prof. Services	176,224	128,537	176,421	58,100	66,600
400 - Purchased Property Services	411,229	404,335	428,592	402,400	428,385
500 - Other Purchased Services	21,127	24,455	19,771	27,350	27,350
600 - Supplies and Books	344,538	123,659	179,954	301,248	289,327
700 - Property and Equipment	37,211	5,987	-	-	-
800 - Other Objects	31,683	33,340	33,912	29,900	38,400
Total Business Services	2,759,699	2,415,334	2,651,485	3,370,807	3,611,760
2600 - Operation and Maintenance					
100 - Salaries	6,627,273	6,715,383	6,929,521	6,708,783	6,997,415
200 - Benefits	3,888,371	4,083,421	4,471,517	4,714,016	4,729,442
300 - Purchased Prof. Services	116,964	92,366	119,799	161,350	215,100
400 - Purchased Property Services	3,027,890	2,798,771	1,013,097	994,886	1,143,100
500 - Other Purchased Services	488,880	516,303	522,572	419,539	455,035
600 - Supplies and Books	841,228	775,780	2,813,887	2,982,581	3,108,050
700 - Property and Equipment	172,733	403,067	1,821	-	55,500
800 - Other Objects	-	310	75	500	500
Total Operation and Maintenance	15,163,339	15,385,401	15,872,288	15,981,655	16,704,142
2700 - Transportation Services					
100 - Salaries	5,358,565	5,390,762	5,130,704	4,724,680	4,458,570
200 - Benefits	3,419,754	3,382,862	3,432,808	3,333,314	3,083,203
300 - Purchased Prof. Services	92,546	44,845	40,792	9,800	34,200
400 - Purchased Property Services	68,756	62,189	97,126	81,500	80,500
500 - Other Purchased Services	3,221,259	3,632,541	3,540,183	3,879,062	4,094,188
600 - Supplies and Books	1,088,761	987,969	803,434	917,463	1,034,545
700 - Property and Equipment	3,399	172	-	-	1,030,000
800 - Other Objects	281,417	288,251	287,994	288,311	600
Total Transportation	13,534,457	13,789,591	13,333,039	13,234,130	13,815,806

North Penn School District
2018-2019 Budget

	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
2800 - Data Processing Services					
100 - Salaries	976,959	1,408,972	1,612,723	2,133,365	2,163,931
200 - Benefits	535,301	880,958	1,083,072	1,265,446	1,242,156
300 - Purchased Prof. Services	68,347	242,070	207,657	300,461	309,100
400 - Purchased Property Services	68,296	6,333	2,780	6,000	8,453
500 - Other Purchased Services	7,149	25,665	20,664	176,800	81,350
600 - Supplies and Books	3,084	22,675	36,734	46,300	51,342
700 - Property and Equipment	-	4,995	-	-	399,000
800 - Other Objects	5,400	5,675	5,950	5,650	5,950
Total Data Processing	1,664,536	2,597,343	2,969,579	3,934,022	4,261,282
2900 - Other Support Services					
100 - Salaries	121,820	119,425	120,122	137,163	74,843
200 - Benefits	38,890	43,713	49,393	59,759	34,948
500 - Other Purchased Services	205,320	206,895	209,826	209,826	209,831
600 - Supplies and Books	-	-	-	100	-
Total Other Support Services	366,030	370,033	379,341	406,848	319,622
3200 - Student Activities					
100 - Salaries	1,656,003	1,646,896	1,672,090	1,740,395	1,743,541
200 - Benefits	458,690	524,105	595,424	686,154	723,598
300 - Purchased Prof. Services	221,058	205,631	203,656	226,305	242,970
400 - Purchased Property Services	44,966	41,613	43,159	69,495	72,295
500 - Other Purchased Services	103,378	118,895	156,415	133,814	157,693
600 - Supplies and Books	149,246	160,957	241,375	199,774	199,331
700 - Property and Equipment	35,864	60,327	15,095	-	15,000
800 - Other Objects	94,128	107,777	109,646	105,575	110,500
Total Student Activities	2,763,333	2,866,201	3,036,861	3,161,512	3,264,928
3300 - Community Services					
100 - Salaries	1,741	1,149	1,394	2,387	4,308
200 - Benefits	493	384	524	1,050	1,789
300 - Purchased Prof. Services	78,771	54,097	32,851	80,000	80,000
500 - Other Purchased Services	300	270	360	300	350
600 - Supplies and Books	9,449	8,965	12,393	12,503	2,255
Total Community Services	90,754	64,865	47,522	96,240	88,702
4600 - Building Improvement					
300 - Purchased Prof. Services	4,562	-	-	-	-
400 - Purchased Property Services	140,638	-	-	-	50,000
700 - Property and Equipment	77,585	7,407	-	-	-
Total Building Improvement	222,785	7,407	-	-	50,000
5100 - Debt Service					
800 - Other Objects	4,118,633	3,812,927	4,645,752	3,876,588	3,491,561
900 - Other Uses of Funds	10,050,000	10,480,000	28,987,000	11,545,000	13,182,902
Total Debt Service	14,168,633	14,292,927	33,632,752	15,421,588	16,674,463

North Penn School District
2018-2019 Budget

	<u>Actual 2014-2015</u>	<u>Actual 2015-2016</u>	<u>Actual 2016-2017</u>	<u>Budget 2017-2018</u>	<u>Budget 2017-2018</u>
5200 - Fund Transfers					
900 - Other Uses of Funds	5,289,834	2,000,000	1,700,000	-	-
Total Fund Transfers	5,289,834	2,000,000	1,700,000	-	-
5500 - Extraordinary Losses					
300 - Purchased Prof. Services	-	2,280	9,462	-	-
400 - Purchased Property Services	-	278,224	232,922	-	-
600 - Supplies and Books	-	4,747	1,394	-	-
Total Debt Service	-	285,251	243,777	-	-
5900 - Budgetary Reserve					
800 - Other Objects	-	-	-	750,000	1,500,000
Total Budgetary Reserve	-	-	-	750,000	1,500,000
Grand Total Expenditures	<u>\$ 227,035,981</u>	<u>\$ 234,781,417</u>	<u>\$ 264,925,129</u>	<u>\$ 252,401,886</u>	<u>\$ 260,247,826</u>

North Penn School District
2018-2019 Budget

General Fund Expenditure Summary By Location

Location	Department	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
1	Superintendent	813,514	901,689	922,764	913,006	929,582
2	Business Office	26,337,278	22,005,862	41,816,297	23,634,623	24,811,855
4	Human Resources	936,499	788,131	1,440,725	3,646,923	4,051,353
5	Pupil Services	-	-	-	-	-
6	Nutrition Services	160,710	163,138	169,515	196,922	109,791
7	Community Relations	1,585,638	1,380,390	1,663,895	1,320,122	1,316,413
8	Physical Plant	3,985,137	3,970,019	3,433,882	3,553,941	4,070,294
9	Transportation	13,432,406	13,691,979	13,216,910	13,106,378	13,971,087
10	Technology	4,948,651	4,732,647	5,534,384	6,770,577	5,915,223
12	Warehouse	636,292	564,806	638,647	696,870	602,564
13	Assessment	1,084,049	1,317,160	1,161,712	236,902	58,717
14	Dir. Of Elementary Ed	1,357,183	1,280,536	865,622	1,158,254	2,262,881
15	Dir. Of Secondary Ed.	4,333,504	4,373,854	5,116,241	5,023,115	6,479,073
16	Curriculum	4,428,523	5,159,466	5,840,910	4,807,155	4,733,263
17	Special Ed.	39,259,711	43,649,621	46,241,859	48,159,610	49,796,568
20	Bridle Path	4,992,802	5,286,787	5,520,071	5,534,258	5,535,266
21	Gwyn-Nor	4,927,306	5,347,286	5,810,303	6,003,284	6,201,240
22	Gwynedd Square	5,119,528	5,412,684	5,557,318	5,803,204	5,839,144
23	Hatfield	4,346,201	4,646,452	4,899,395	5,023,751	5,166,602
24	Inglewood	4,187,685	4,584,620	4,945,800	4,978,352	5,024,541
25	Knapp	5,832,647	5,654,361	5,777,424	5,728,338	5,990,636
26	Kulp	4,751,414	4,966,101	5,219,536	5,395,659	5,390,575
27	Montgomery	5,462,556	5,957,451	6,471,211	6,493,211	6,534,813
28	Nash	3,848,231	4,019,588	4,235,450	4,408,573	4,498,696
29	North Wales	4,027,977	4,104,805	4,426,176	4,524,529	4,292,682
30	Oak Park	4,542,835	4,853,974	5,038,360	4,832,334	5,180,759
31	Walton Farm	4,754,354	5,207,663	5,679,090	5,734,567	5,657,676
32	York Avenue	3,365,191	3,241,512	3,157,116	3,217,081	3,481,817
50	Pennbrook	9,561,550	10,178,197	10,515,188	10,537,895	10,681,665
60	Pennfield	9,108,249	9,452,549	9,691,517	9,880,715	9,887,274
70	Penndale	13,745,608	14,514,548	15,039,711	15,283,493	15,148,769
80	NPHS	29,431,197	31,564,273	32,917,833	33,756,009	34,502,018
82	NPHS ROTC	292,484	295,794	256,525	255,280	301,253
90	Northbridge	1,439,071	1,513,474	1,703,745	1,786,952	1,823,739
	Total Expenditures	227,035,981	234,781,417	264,925,129	252,401,886	260,247,826

North Penn School District
2018-2019 Budget

General Fund Budget Forecast

The North Penn School District has developed a general fund budget forecast to anticipate future revenues and expenditures and how this will impact the District's fund balance. As with the current year budget, the largest factors in the forecast include ACT 1 and the state budget for revenues as well as salaries, benefits, PSERS retirement contributions, charter schools, special education costs and building improvements.

The following assumptions were made in these forecasts:

- Millage increases equal to the projected Act 1 index each year
- Growth of tax base of .4% per year
- 97% tax collection rate
- 2.5% annual increase in earned income tax, 3.5% increase for transfer taxes
- Increases at the ACT 1 index percentage for interim taxes and other local revenue
- 2% annual increase to basic education and special education state subsidies
- Level property tax reduction allocation and transportation subsidy
- 2% annual increase federal revenue
- Expansion to Full-day Kindergarten in 2019-2020
- 2.75% increase annually in salaries
- Pension rates using PSERS projected rates
- 5% increase per year in other benefits; 3% increase per year in professional/technical services, purchased property services, and other purchased services, supplies.
- 5% increase per year in property & equipment, other objects
- Potential 20-year borrowing
- Level budgetary reserve requirement

The District plans on exploring further cost saving options and other revenue sources to help lessen the usage of fund balance in the upcoming years. The ending fund balance for North Penn School District is projected to decline over the next several years. The current fund balance is over 15% of expenditures. The projected draw of the fund balance is due to several anticipated new initiatives in the District. However, the Board is keenly aware of the risk of utilizing fund balance to pay for recurring expenses. With that said, the District employs a conservative budgeting approach with sufficient budgetary reserve so the actual reduction in fund balance will be less than the projected reduction. Long-term strategies are in place to ensure that the total fund balance does not fall below the recommended level of 6-8% of expenditures.

North Penn School District
2018-2019 Budget

	2018-2019 Final Budget	2019-2020 Projection	2020-2021 Projection	2021-2022 Projection
Revenues				
Total Net Collectible Current Real Estate Taxes	\$ 174,336,414	\$ 179,916,806	\$ 185,847,430	\$ 192,925,472
Percent Increase Millage	3.40%	2.70%	2.80%	3.30%
Earned Income Tax	\$ 16,700,000	\$ 17,117,500	\$ 17,545,438	\$ 17,984,074
Real Estate Transfer Taxes	\$ 3,300,000	\$ 3,415,500	\$ 3,535,043	\$ 3,658,770
Interim Real Estate Taxes	\$ 900,000	\$ 924,300	\$ 950,180	\$ 981,536
Other Local Revenue	\$ 7,337,046	\$ 7,443,941	\$ 7,652,371	\$ 7,904,899
Total Local Revenue - 6000	\$ 202,573,460	\$ 208,818,047	\$ 215,530,462	\$ 223,454,751
Basic Education Funding	\$ 10,534,285	\$ 10,744,971	\$ 10,959,870	\$ 11,179,067
Special Education Funding	\$ 6,720,784	\$ 6,855,200	\$ 6,992,304	\$ 7,132,150
Property Tax Reduction Allocation	\$ 5,223,148	\$ 5,223,148	\$ 5,223,148	\$ 5,223,148
Retirement Subsidy	\$ 20,941,823	\$ 22,668,548	\$ 23,606,598	\$ 24,544,702
Social Security Subsidy	\$ 4,839,424	\$ 5,010,787	\$ 5,149,951	\$ 5,292,942
Transportation Subsidy	\$ 2,245,000	\$ 2,300,000	\$ 2,300,000	\$ 2,400,000
Other State Revenue	\$ 1,778,728	\$ 1,814,303	\$ 1,850,589	\$ 1,887,601
Total State Revenue - 7000	\$ 52,283,192	\$ 54,616,957	\$ 56,082,460	\$ 57,659,610
Total Federal Revenue - 8000	\$ 2,586,361	\$ 2,638,088	\$ 2,690,850	\$ 2,744,667
Total Other Revenue - 9000	\$ 60,000	\$ 110,000	\$ 110,000	\$ 110,000
Total Revenues	\$ 257,503,013	\$ 266,183,092	\$ 274,413,772	\$ 283,969,028
Expenditures				
Salaries - 100	\$ 127,786,831	\$ 132,300,969	\$ 135,939,246	\$ 139,677,575
Retirement - 230	\$ 41,885,228	\$ 45,337,095	\$ 47,213,195	\$ 49,089,404
Social Security - 220	\$ 9,678,847	\$ 10,021,574	\$ 10,299,902	\$ 10,585,884
Other Employee Benefits - 200	\$ 24,470,486	\$ 26,014,010	\$ 27,314,711	\$ 28,680,447
Purchased Professional & Technical Services - 300	\$ 9,785,264	\$ 10,099,422	\$ 10,402,405	\$ 10,714,477
Purchased Property Services - 400	\$ 1,903,596	\$ 2,032,804	\$ 2,093,788	\$ 2,156,602
Other Purchased Services - 500	\$ 14,149,032	\$ 14,573,503	\$ 15,010,708	\$ 15,461,029
Supplies - 600	\$ 9,347,243	\$ 9,956,084	\$ 10,254,767	\$ 10,562,410
Property - 700	\$ 2,748,220	\$ 3,144,331	\$ 3,301,548	\$ 3,466,625
Interest on Leases	\$ 15,614	\$ 1,946	\$ -	\$ -
Interest on Bonds	\$ 3,259,164	\$ 2,691,067	\$ 2,151,887	\$ 1,582,182
Principal on Leases	\$ 1,037,902	\$ 94,726	\$ -	\$ -
Principal on Bonds	\$ 12,145,000	\$ 12,121,090	\$ 13,742,603	\$ 14,269,293
Other Objects - 800	\$ 535,399	\$ 562,169	\$ 590,277	\$ 619,791
Budgetary Reserve	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Total Expenses	\$ 260,247,826	\$ 270,450,790	\$ 279,815,037	\$ 288,365,719
Revenues Over (Under) Expenses	\$ (2,744,813)	\$ (4,267,698)	\$ (5,401,265)	\$ (4,396,691)
Beginning Fund Balance 7/1 Assigned + Unassigned	\$ 36,472,554	\$ 33,727,741	\$ 29,460,043	\$ 24,058,778
Ending Fund Balance 6/30 Assigned + Unassigned	\$ 33,727,741	\$ 29,460,043	\$ 24,058,778	\$ 19,662,087

North Penn School District
2018-2019 Budget

Capital Project Funds

The capital projects funds are comprised of the capital reserve fund and any capital funds where bond proceeds are deposited to use for construction projects. For 2018-2019, there is a projected beginning fund balance of \$8,343,261 in bond and capital reserve funds available that will be used to finish the following projects:

- Installation of air conditioning at Gwyn Nor and Oak Park Elementary Schools
- Security Upgrades at various District buildings
- Facilities Study

The District recently engaged in an Athletic Campus Master Plan and is evaluating a potential upgrade to the High School Stadium as a result.

Annually the district evaluates the General Fund budget results to determine the amount, if any, available to transfer to the Capital Projects Fund to fund major projects.

Capital Funds Summary

	<u>Actual 2014-2015</u>	<u>Actual 2015-2016</u>	<u>Actual 2016-2017</u>	<u>Budget 2017-2018</u>	<u>Budget 2018-2019</u>	<u>Projection 2019-2020</u>	<u>Projection 2020-2021</u>	<u>Projection 2021-2022</u>
Fund Balance July 1, 20XX	\$ 8,061,094	\$ 13,592,001	\$ 15,367,006	\$ 19,287,582	\$ 8,343,261	\$ 13,002,323	\$ 20,955,488	\$ 11,349,624
Revenue								
Local Sources	14,306	31,205	119,848	35,000	45,000	90,000	40,000	35,000
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	14,306	31,205	119,848	35,000	45,000	90,000	40,000	35,000
Expenditures								
Salaries	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-
Purchased Prof. Services	951,049	2,602,999	1,573,880	766,759	310,000	1,636,836	797,429	812,765
Purchased Property Services	14,591,442	6,256,895	15,674,505	12,012,562	4,908,143	-	15,169,500	9,733,316
Other Purchased Services	3,495	9,655	607	-	-	-	631	-
Supplies and Books	3,858	5,178	40,947	-	167,795	-	42,585	-
Property and Equipment	517,391	659,450	359,180	-	-	-	373,547	-
Other Objects	619,555	626,896	252,087	-	-	500,000	262,171	-
Other Uses of Funds	-	156,465	-	-	-	-	-	-
Total Expenditures	16,686,790	10,317,538	17,901,207	12,779,321	5,385,938	2,136,836	16,645,864	10,546,081
Excess of Revenue Over (Under) Expenditures	(16,672,484)	(10,286,333)	(17,781,359)	(12,744,321)	(5,340,938)	(2,046,836)	(16,605,864)	(10,511,081)
Fund Transfers/Other Financing	22,203,391	12,061,338	21,701,935	1,800,000	10,000,000	10,000,000	7,000,000	-
Net Change in Fund Balance	5,530,907	1,775,005	3,920,576	(10,944,321)	4,659,062	7,953,164	(9,605,864)	(10,511,081)
Fund Balance June 30, 20XX	\$ 13,592,001	\$ 15,367,006	\$ 19,287,582	\$ 8,343,261	\$ 13,002,323	\$ 20,955,488	\$ 11,349,624	\$ 838,543

North Penn School District
2018-2019 Budget

North Penn School District
Short Term Capital Projects Cash Forecast

Fund	Project No.	Projects	Contracts/ Budget	6/30/2018		Balance Due
				Total Expenditures		
36	853	Inglewood	\$14,950,773	\$14,683,547		\$267,226
31	863	Hatfield Renovations	\$19,745,464	\$18,899,282		\$846,182
37	864	Montgomery Renovations	\$23,972,482	\$22,505,750		\$1,466,732
32	870	Asphalt/Concrete Repair *	\$350,000	\$265,719		\$84,281
32	882	Roof Replacement-BP, KN, YA, PB, NW	\$4,642,770	\$4,562,344		\$80,425
32	883	Entrances-BP, WF, GS, GN, OP, KN, DW	\$1,436,769	\$1,092,455		\$344,314
32	887	HS/ESC Security Upgrades	\$475,000	\$453,303		\$21,697
32	888	Surveillance Camera/Server Upgrade	\$57,000	\$46,807		\$10,193
32	894	Asbestos Abatement*	\$1,270,758	\$946,813		\$323,945
34	895	Roofing Projects-GS/PD/SSC/NB/WF	\$2,421,344	\$2,350,373		\$70,970
32	896	Air Conditioning-OP Multi-Purpose Room	\$552,234	\$516,096		\$36,138
32	896	Air Conditioning-Oak Park	\$1,873,633	\$177,114		\$1,696,520
32	896	Air Conditioning-Gwyn-Nor	\$2,318,729	\$156,086		\$2,162,642
32	897	Plumbing-Knapp	\$106,333	\$93,099		\$13,234
32	898	Security Cameras-GN, KN, OP, YA	\$159,095	\$145,465		\$13,630
32	898	Security Cameras-NPHS, KU	\$11,079	\$0		\$11,079
32	898	Cameras-BP, GS, WF, NB, SSC, Trans	\$157,602	\$0		\$157,602
32	899	Stadium Variance Study	\$6,800	\$0		\$6,800
32	900	NPHS PA System Engineering Study	\$14,500	\$0		\$14,500
32	901	Facilities Study-NPHS, ESC, Knapp, PD	\$43,400	\$0		\$43,400
32	TBD	Dust Collector-Pennbrook	\$81,850	\$0		\$81,850
			\$74,647,615	\$66,894,253		\$7,753,362

* - Budgeted amount is an estimate prior to bids

Current funding need

Capital Projects & Bond Fund Cash Balances

Fund 32 (Capital Reserve)	\$3,315,472	
Bond Fund 31 (2014/15 Bond Fund)	\$2,220,809	
Bond Fund 34 (2017 Bond Fund)	\$3,386,098	
Bond Fund 36 (2013 Bond Fund)	\$236,875	
Bond Fund 37 (2016/17 Bond Fund)	\$1,410,200	
Funds available for Projects	\$10,569,455	\$2,816,093

Future Plans

Fund	Building	Project	Budget	Projected Timeline
TBD	NPHS	Stadium	TBD	TBD
TBD	Knapp	Building Upgrades	TBD	TBD

North Penn School District
2018-2019 Budget

A 10 Year capital improvement plan was recently completed for the years 2018-2027. The plan is broken into 5 year increments with cost estimates included. Funding for the capital improvement plan is presently not included in the capital projects budget. The district will be working to further prioritize the projects and fund the most critical projects with funds transferred to the Capital Reserve Fund on an annual basis.

Project Description	2019-2023	2024-2028
Bridle Path ES (1993)		
Asphalt Paving	\$362,710	
Domestic Hot water Heater		\$20,000
Gym/Caf wall resurfaced	\$20,000	
New backstage curtain	\$6,000	
New kiln for art room	\$30,000	\$10,000
Rebuild/Replace Chillers		\$200,000
Replace Cafeteria Lighting - 175 W Metal Halide	\$20,000	
Replace Exhaust Fans		\$30,000
Replace Gym Lighting - 400 W Metal halide	\$25,000	
Replace Pneumatic Building Controls		\$225,000
Replace Water Softener		\$25,000
Swipe card on side of building	\$1,750	
Upgrade Generator		\$150,000
Upgrade Security Cameras	\$31,540	
Custodial Equipment	\$15,000	\$5,000
Flooring Replacement	\$40,000	\$40,000
Painting	\$15,000	\$15,000
Gwyn-Nor ES (2005)		
Asbestos floor tile 1st & 3rd grade pod - 20 classrooms	\$190,000	
Asphalt Paving	\$195,040	
Carpet replacement - library and modular corridor	\$65,000	
Concrete sidewalk and curb replacement	\$60,000	\$60,000
Domestic Water Piping and Gate Valves		\$500,000
Drainage along right side of building		\$250,000
Hot water heater for kitchen	\$25,000	
Modular Classroom Improvements		\$400,000
New Water Softener		\$25,000
Rebuild/Replace Boilers	\$500,000	
Replace Cafeteria HVAC Rooftop Unit	\$70,000	
Replace Gym HVAC Rooftop Unit		\$70,000
Replace Gym Lighting - 175 W Metal halide	\$25,000	
Roofing		\$200,000
New Tractor	\$30,000	
Custodial Equipment	\$15,000	\$5,000
Flooring Replacement	\$40,000	\$40,000
Painting	\$15,000	\$15,000

North Penn School District
2018-2019 Budget

Project Description	2019-2023	2024-2028
Gwynedd Square ES (1991)		
Asphalt Replacement	\$381,064	
DDC Building Control System (mostly pneumatic)		\$175,000
Domestic Hot water Heater		\$20,000
Rebuild/Replace Boilers		\$200,000
Rebuild/Replace Chillers		\$200,000
Replace Cafeteria Lighting - 175 W Metal Halide	\$20,000	
Replace Exhaust Fans		\$30,000
Replace Gym Lighting - 400 W Metal halide	\$25,000	
Replace T12 Lighting	\$100,000	
Replace Water Softener		\$25,000
Upgrade Generator		\$200,000
Upgrade PA System	\$100,000	
Upgrade Security Cameras	\$31,388	
New Tractor	\$30,000	
Custodial Equipment	\$15,000	\$5,000
Flooring Replacement	\$40,000	\$40,000
Painting	\$15,000	\$15,000
Hatfield ES (2014)		
Asphalt Sealcoating		\$30,215
ADA asphalt access to playground	\$10,000	
Bookcases for faculty room - excess library storage	\$5,000	
Commercial refrigerator for faculty room	\$1,000	
New garage door	\$4,500	
New Water Softener		\$25,000
Playground fencing	\$8,000	
Refinish stage floor	\$3,500	
Secure sound system on stage - cover & lock	\$2,000	
Sound panels in serving line and cafeteria	\$2,000	
Custodial Equipment	\$15,000	\$5,000
Flooring Replacement		\$25,000
Painting		\$15,000
Inglewood ES (2012)		
Asphalt Sealcoating	\$29,500	
Mirrors - blind spots in hallways	\$1,000	
New backsplash in kitchen tray return area		\$7,000
New Water Softener		\$25,000
Security wall in main office		\$4,000
Custodial Equipment	\$15,000	\$5,000
Flooring Replacement		\$25,000
Painting		\$15,000

North Penn School District
2018-2019 Budget

Project Description	2019-2023	2024-2028
Knapp ES - RENOVATION		
Custodial Equipment	\$15,000	\$5,000
AM Kulp ES (2009)		
Add turning lane to entrance/exit		\$350,000
Asphalt Sealcoating	\$30,900	
Concrete repairs - steps near gym, receiving area	\$20,000	
Enlarge kitchen delivery door	\$12,000	
New Water Softener		\$25,000
Remove dead trees	\$5,000	
Replace Exterior Metal Halide Lighting	\$8,000	
Replace waterless urinals		\$22,000
Upgrade PA System		\$100,000
Custodial Equipment	\$15,000	\$5,000
Flooring Replacement	\$30,000	\$30,000
Painting	\$10,000	\$15,000
Montgomery ES - NEW (2017)		
New Tractor	\$30,000	
Asphalt Sealcoating		\$41,000
Custodial Equipment	\$15,000	\$5,000
Flooring Replacement		\$20,000
Painting		\$15,000
Nash ES (2009)		
Asphalt Paving	\$157,092	
Improve bus loop & parent drop off		\$150,000
Install security gates in hallways	\$4,000	
Lockers/cubbies in B&G rooms	\$18,000	
New Water Softener		\$25,000
Painting - many locations	\$8,000	
Relocate playground away from road - closer to school		\$60,000
Replace roof over gymnasium	\$136,000	
Replace waterless urinals		\$22,000
Replace Boiler		\$500,000
New Tractor	\$30,000	
Custodial Equipment	\$5,000	\$5,000
Flooring Replacement	\$20,000	\$40,000
Painting	\$15,000	\$15,000

North Penn School District
2018-2019 Budget

Project Description	2019-2023	2024-2028
North Wales ES (2010)		
Asphalt Paving	\$173,305	
Concrete repairs - sidewalks	\$30,000	\$30,000
New garage for tractor	\$8,500	
New Water Softener		\$25,000
Replace Exterior Metal Halide Lighting	\$6,000	
Replace storage shed	\$5,000	
Replace waterless urinals		\$22,000
Replace/upgrade modular classrooms		\$400,000
Roofing	\$1,120,000	
Tree removal-trimming	\$9,000	
Upgrade baseball field		\$20,000
Waterproof exterior brick - caulk/sealing	\$65,000	
Window replacement	\$300,000	\$300,000
Custodial Equipment	\$15,000	\$5,000
Flooring Replacement	\$40,000	\$40,000
Painting	\$15,000	\$15,000
Oak Park ES (1996)		
Asphalt Paving	\$123,050	
Building envelope - insulation, door seals, windows		\$600,000
Concrete sidewalk replacement	\$25,000	\$25,000
Domestic Water Piping and Gate Valves		\$500,000
Rebuild/Replace Boilers	\$500,000	
Repair Exterior Gym Wall	\$100,000	
Replace 1950s Switchgear, branch wiring, and panels	\$300,000	
Replace Existing Sanitary Lines	\$300,000	
Replace Exterior High Pressure Sodium Lighting	\$20,000	
Replace Kitchen T12 Lighting & Ceiling	\$75,000	
Replace Library HVAC Rooftop Unit		\$70,000
Replace Water Softener		\$25,000
Roofing	\$960,000	
Upgrade Building HVAC Controls	\$225,000	
Upgrade Fire Alarm System	\$200,000	
Upgrade Generator		\$100,000
Upgrade PA System	\$100,000	
Custodial Equipment	\$15,000	\$5,000
Flooring Replacement	\$40,000	\$40,000
Painting	\$15,000	\$15,000

North Penn School District
2018-2019 Budget

Project Description	2019-2023	2024-2028
Walton Farm ES (1994)		
Asphalt replacement	\$616,630	
Building envelope - insulation, door seals, windows		\$300,000
Carpet replacement	\$20,000	\$20,000
Concrete sidewalk replacement	\$40,000	\$40,000
Domestic Hot Water Heater		\$20,000
Painting throughout the building	\$25,000	
Rebuild/Replace Chiller		\$200,000
Remove old playground equipment		\$50,000
Replace bathroom stalls		\$40,000
Replace Cafeteria Lighting - 175 W Metal Halide	\$20,000	
Replace Exterior High Pressure Sodium Lighting	\$25,000	
Replace Gym Lighting - 400 W Metal halide	\$25,000	
Replace Pneumatic Building Controls		\$175,000
Replace Exhaust Fans	\$30,000	
Replace security cameras	\$31,489	
Replace wood posts in parking lot	\$15,000	
Replace Boiler		\$500,000
Upgrade Fire Alarm System		\$200,000
Upgrade Generator	\$175,000	
Custodial Equipment	\$15,000	\$5,000
Flooring Replacement	\$40,000	\$40,000
Painting	\$15,000	\$15,000
York Ave ES (2008)		
Asphalt Paving	\$48,588	
Concrete sidewalks and ramps		\$20,000
Domestic Hot Water Heater	\$20,000	
HVAC upgrades		\$80,000
Replace Exterior Metal Halide Lighting	\$18,000	
Replace old windows		\$350,000
Replace playground fencing	\$15,000	
Upgrade Fire Alarm System	\$150,000	
Custodial Equipment	\$15,000	\$5,000
Flooring Replacement	\$30,000	\$30,000
Painting	\$12,000	\$12,000

North Penn School District
2018-2019 Budget

Pennbrook MS (2005)		
Add air conditioning		\$7,070,278
Additional parking lot lighting		\$18,000
Asphalt Paving	\$418,738	
New PA SYstem	\$300,000	
Domestic Hot Water Heater		\$20,000
Dust Collector	\$250,000	
Exterior repairs to modular classrooms	\$30,000	\$30,000
Athletic field improvements	\$50,000	\$50,000
HVAC in Modular Classrooms	\$40,000	\$40,000
Old Gym - 400 W Metal Halide Lights	\$50,000	
Painting throughout the building	\$40,000	\$40,000
Rebuild/Replace Boilers		\$900,000
Renovate 9th grade science rooms	\$45,000	\$45,000
Replace (2) HV Units - Old Gym		\$90,000
Replace bleachers on athletic fields	\$30,000	
Replace carpeting in modular classrooms	\$18,000	\$18,000
Replace Domestic Water Piping and Gate Valves		\$800,000
Replace Library HVAC Rooftop Unit		\$80,000
Upgrade Generator	\$225,000	
Domestic H2O Neutralization		\$25,000
Custodial Equipment	\$20,000	\$10,000
Flooring Replacement	\$60,000	\$60,000
Painting	\$20,000	\$20,000

North Penn School District
2018-2019 Budget

Project Description	2019-2023	2024-2028
Penndale MS (1996)		
Insulate Piping in Crawl Space	\$750,000	
Add air conditioning		\$11,250,222
Add Exterior Lighting		\$18,000
Asphalt repairs	\$528,241	
Athletic field improvements	\$50,000	\$50,000
Concrete sidewalks and ramps	\$50,000	\$50,000
Domestic Hot Water Heater		\$20,000
Domestic Water Piping and Gate Valves		\$900,000
Dryvit - cleaning, repair, replacement		\$1,000,000
New track		\$450,000
New Water Softener		\$25,000
Painting throughout the building	\$45,000	\$45,000
Rebuild/Replace Boiler	\$900,000	
Redesign main office - guidance	\$150,000	
Refinish auditorium stage	\$5,000	
Remove asbestos floor tile	\$100,000	\$100,000
Remove carpet on interior walls	\$300,000	\$300,000
Renovate 9th grade science rooms		\$400,000
Replace (2) Auditorium HVAC Rooftop Units	\$160,000	
Replace Auditorium Seating	\$350,000	
Replace bleachers in both gyms	\$200,000	\$200,000
Replace panic hardware - most interior doors	\$75,000	
Replace Roof Drain Piping	\$35,000	
Upgrade Generator	\$225,000	
Window replacement	\$250,000	\$250,000
Custodial Equipment	\$20,000	\$10,000
Flooring Replacement	\$80,000	\$80,000
Painting	\$30,000	\$30,000

North Penn School District
2018-2019 Budget

Project Description	2019-2023	2024-2028
Pennfield MS (2007)		
Add air conditioning		\$7,703,396
Asphalt repairs	\$287,040	
Athletic field improvements	\$50,000	\$50,000
Clean and seal exterior brick		\$85,000
Concrete sidewalks and ramps	\$45,000	\$45,000
Domestic Hot Water Heater		\$20,000
Domestic Water Piping and Gate Valves		\$800,000
LED lighting - gyms, parking lots		\$80,000
New Water Softener		\$25,000
Painting throughout the building	\$30,000	\$30,000
Rebuild/Replace Boilers		\$900,000
Reconfigure computer classrooms 34 & 55	\$25,000	
Repairs to exterior modular classrooms	\$40,000	\$40,000
Replace black stage curtains		\$10,000
Replace Exterior Metal Halide Lighting	\$35,000	
Replace Gym Lighting - 400 W Metal halide	\$50,000	
Replace sound system/speakers in old gym		\$16,000
Resurface path to modular classrooms	\$16,000	
Custodial Equipment	\$20,000	\$10,000
Flooring Replacement	\$60,000	\$60,000
Painting	\$20,000	\$20,000
NPHS (1970 & 1999) - RENOVATIONS		
Custodial Equipment	\$25,000	\$15,000
Northbridge School (2009)		
Asphalt Paving	\$113,620	
New water softener		\$18,000
Replace exterior metal halide lighting	\$8,000	
Replace Office Rooftop HVAC Unit		\$24,000
Replace waterless urinals		\$22,000
New Security Cameras	\$17,230	
Flooring Replacement	\$15,000	\$15,000
Painting	\$5,000	\$5,000

North Penn School District
2018-2019 Budget

Project Description	2019-2023	2024-2028
ESC (1963 & 1990) - RENOVATIONS		
Asphalt Paving	\$138,000	
HVAC Improvements	\$1,200,000	
Install generator	\$125,000	
Replace Parking Lot Light Poles	\$45,000	
Replace T12 lighting & Ceilings	\$160,000	
Roofing	\$544,000	
Flooring Replacement	\$25,000	\$25,000
Painting	\$8,000	\$8,000
SSC		
Asphalt Paving	\$179,630	
Grounds Equipment	\$75,000	\$75,000
Replace exterior metal halide lighting	\$8,000	
Security cameras	\$26,670	
Vehicle Replacement	\$250,000	\$250,000
Flooring Replacement	\$10,000	\$10,000
Painting	\$4,000	\$4,000
Transportation		
Asphalt Paving	\$223,560	
HVAC	\$6,000	
New Fire alarm system	\$35,000	
New generator	\$50,000	
New Water softener		\$15,000
Replace electric heat in offices	\$90,000	
Replace exterior metal halide lighting	\$28,000	
Replace interior metal halide lighting	\$22,000	
Replace Office Rooftop HVAC Unit		\$24,000
Security Cameras	\$19,280	
Flooring Replacement	\$8,000	\$8,000
Painting	\$12,000	
TOTAL COST (per 5 year period)	\$19,475,555	\$44,072,111
Annual Budget	\$3,895,111	\$8,814,422

North Penn School District
2018-2019 Budget

School Nutrition Fund

For the 2018-2019 school year, the District's School Nutrition fund is budgeting revenues of \$5,491,209. Local revenues, which are comprised of sales to students and staff, are budgeted to increase by \$55,119 (2.2%) due to an anticipated increase in school breakfast participation and an increase in a la carte sales at the High School.

Continued increase in free and reduced meal sales leads to an increase of state and federal meal reimbursement revenue. The United States Department of Agriculture (USDA) reimburses school districts for eligible meal sales. In addition, there is an increase in the Child and Adult Care Food Program with increased federal funding. The 2018-2019 budget shows an increase in combined state and federal revenue sources of \$257,725 (9.6%).

The expenditure budget of \$5,489,512 is a decrease of \$29,993 (.5%) over the previous year. This can be attributed to medical benefit savings due to a change in plan offerings for the 2019-2019 school year, a planned decrease in paper supplies, and anticipated vendor changes to save costs.

The North Penn School Nutrition Services (SNS) Program is self-operated by North Penn employees. SNS provides breakfast and lunch for all students and staff who wish to participate. SNS is self-supporting, receiving no aid from the General Fund in its operating budget. All funding for the SNS operation is through the sale of food and reimbursements from the state and federal government.

The 2017-2018 reimbursement rates per meal for grades Kindergarten through 12th are:

**2017-2018 School Nutrition Services Meal
Reimbursement Rates**

Federal			
Meal Type	Breakfast-Non-Severe		After School
	Need/Severe Need	Lunch	Snack
Paid	0.30/0.30	0.37	N/A
Reduced	1.45/1.79	2.89	N/A
Free	1.75/2.09	3.29	0.88

State			
Meal Type	Breakfast	Lunch/ADP	After School
		<=20%	Snack
Paid	0.10	0.12	0.00
Reduced	0.10	0.12	0.00
Free	0.10	0.12	0.00

Breakfast is offered at all levels for \$ 1.75. Lunch prices are; elementary \$2.80, middle school \$3.00 and high school \$3.25. A la carte items are offered at every level. SNS follows the Smart Snacks in Schools regulation. This is North Penn's 5th year in the Summer Food Service Program. This program has given us an alternative revenue stream as well has helped us bridge the summer hunger gap.

North Penn School District
2018-2019 Budget

School Nutrition Fund Summary

	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019	Projection 2019-2020	Projection 2020-2021	Projection 2021-2022
Fund Balance July 1, 20XX	\$ 292,312	\$ 561,230	\$ 863,564	\$ 973,730	\$ 632,590	\$ 634,288	\$ 575,984	\$ 460,659
Revenue								
Local Sources	2,854,422	2,658,853	2,581,417	2,492,255	2,547,374	2,616,153	2,689,405	2,778,156
State Sources	178,708	180,835	145,370	137,891	157,314	160,460	163,669	166,943
Federal Sources	2,226,383	2,512,884	2,615,944	2,548,219	2,786,521	2,842,251	2,899,096	2,957,078
Other Sources	3,152	6,796	2,139	-	-	-	-	-
Total Revenue	5,262,665	5,359,368	5,344,870	5,178,365	5,491,209	5,618,865	5,752,171	5,902,177
Expenditures								
Salaries	1,753,747	1,814,337	1,894,104	1,823,632	1,942,210	1,995,621	2,050,500	2,106,889
Benefits	952,141	968,041	1,046,227	1,090,959	1,118,457	1,174,380	1,233,099	1,294,753
Purchased Prof. Services	8,162	23,041	6,703	32,200	20,000	20,600	21,218	21,855
Purchased Property Services	18,107	31,123	33,810	30,000	27,000	31,827	32,782	33,765
Other Purchased Services	4,248	4,343	3,048	6,350	3,850	3,966	4,084	4,207
Supplies - Food and Consum.	2,231,836	2,178,444	2,210,030	2,236,364	2,305,945	2,375,123	2,446,377	2,519,768
Property and Equipment	23,057	35,404	37,966	247,000	68,000	71,400	74,970	78,719
Other Objects	2,449	2,301	2,816	3,000	4,050	4,253	4,465	4,688
Other Uses of Funds	-	-	-	50,000	-	-	-	-
Total Expenditures	4,993,747	5,057,034	5,234,704	5,519,505	5,489,512	5,677,169	5,867,495	6,064,645
Excess of Revenue Over (Under) Expenditures	268,918	302,334	110,166	(341,140)	1,697	(58,304)	(115,324)	(162,468)
Fund Transfers/Other Financing	-	-	-	-	-	-	-	-
Net Change in Fund Balance	268,918	302,334	110,166	(341,140)	1,697	(58,304)	(115,324)	(162,468)
Fund Balance June 30, 20XX	<u>\$ 561,230</u>	<u>\$ 863,564</u>	<u>\$ 973,730</u>	<u>\$ 632,590</u>	<u>\$ 634,288</u>	<u>\$ 575,984</u>	<u>\$ 460,659</u>	<u>\$ 298,192</u>

Extended School Care Fund

During the 2017-2018 school year the Extended Care Program had a consistent enrollment of 770 students throughout this school year.

Through the month of March 2018, income was up approximately 3.3% over the previous year. This is due to increased enrollment at Gwyn Nor, Gwynedd Square, Kulp and North Wales Elementary Schools. Expenses show an increase of 3.3% as well, due to increases in salaries, medical benefits and pension contributions.

With a fee increase of 3% scheduled for the 2018-2019 school year, income is budgeted at \$2,337,005 and expenses at \$2,353,228, and a contribution of \$50,000 to the General Fund.

Program fees continue to be charged in nine monthly payments. This reduces the number of months for which we need to bill, collect fees and enter payments into the accounting system. It will also better align with the shift in the school calendar to a start date in August and an ending date in early June.

North Penn School District
2018-2019 Budget

Summer camp was off to a great start, enrolling over 100 students during our evening registration event on March 26, 2018. More than 150 students had signed as of the budget presentation at the May 29, 2018, Finance Committee meeting. We have reached capacity at both Inglewood and Bridle Path locations.

Extended School Care Fund Summary

	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019	Projection 2019-2020	Projection 2020-2021	Projection 2021-2022
Fund Balance July 1, 20XX	\$ 63,446	\$ 256,924	\$ 399,939	\$ 454,914	\$ 405,783	\$ 339,560	\$ 306,301	\$ 255,818
Revenue								
Local Sources	2,214,448	2,249,079	2,281,245	2,301,362	2,337,005	2,400,104	2,467,307	2,548,728
State Sources	2,963	5,227	3,673	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	2,224	-	-	-	-	-	-	-
Total Revenue	2,219,635	2,254,306	2,284,918	2,301,362	2,337,005	2,400,104	2,467,307	2,548,728
Expenditures								
Salaries	1,251,769	1,309,810	1,374,945	1,383,308	1,444,316	1,484,035	1,524,846	1,566,779
Benefits	614,058	640,269	689,658	739,105	703,766	738,954	775,902	814,697
Purchased Prof. Services	2,951	3,537	4,199	5,580	5,580	5,747	5,920	6,097
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	14,723	15,086	15,321	20,850	22,666	23,346	23,813	24,289
Supplies and Books	138,562	137,261	137,246	148,800	148,800	151,776	156,329	161,019
Property and Equipment	204	5,328	-	-	-	-	-	-
Other Objects	3,890	-	3,688	2,850	28,100	29,505	30,980	32,529
Other Uses of Funds	-	-	-	50,000	50,000	-	-	-
Total Expenditures	2,026,157	2,111,291	2,225,057	2,350,493	2,403,228	2,433,363	2,517,790	2,605,411
Excess of Revenue Over (Under) Expenditures	193,478	143,015	59,861	(49,131)	(66,223)	(33,259)	(50,483)	(56,683)
Fund Transfers/Other Financing	-	-	(4,886)	-	-	-	-	-
Net Change in Fund Balance	193,478	143,015	54,975	(49,131)	(66,223)	(33,259)	(50,483)	(56,683)
Fund Balance June 30, 20XX	\$ 256,924	\$ 399,939	\$ 454,914	\$ 405,783	\$ 339,560	\$ 306,301	\$ 255,818	\$ 199,135

Community Education Fund

The District's Community Education Program has provided affordable life-long learning opportunities for close to 50 years. This year alone nearly 2,020 residents participated in close to 200 different classes. In addition, more than 1,000 children enrolled in our summer camps, and close to 400 of our "Gold Carders" (residents 60 and older) enjoyed our programs for free or at a reduced rate. Though this benefit cost the program over \$11,000, it is well worth it as it helps the school district engage this population of residents.

The philosophy of the Community Education Program has been to support district needs, when financially possible, in areas that support community engagement and community use of our resources.

North Penn School District
2018-2019 Budget

During the 2017-2018 school year, Community Education provided funding for the Knights of Honor Program and pursued purchasing an electronic sign for the Educational Services Center.

Also included under the Community Education Program are programs for water polo, aquatics and swim team. The water polo and swim team programs hold competitive meets and tournaments, while the aquatic program holds swim lessons for the community.

Due to increased costs in salaries and benefits, we plan to raise prices in the fall by 5%.

Community Education Fund Summary

	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019	Projection 2019-2020	Projection 2020-2021	Projection 2021-2022
Fund Balance July 1, 20XX	\$ 189,611	\$ 208,303	\$ 213,046	\$ 159,718	\$ 161,620	\$ 128,135	\$ 91,586	\$ 52,045
Revenue								
Local Sources	292,310	275,889	279,716	275,992	246,000	252,642	259,716	268,287
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	292,310	275,889	279,716	275,992	246,000	252,642	259,716	268,287
Expenditures								
Salaries	92,156	94,101	116,774	49,873	48,632	49,969	51,344	52,755
Benefits	29,679	31,465	38,636	27,284	25,653	26,936	28,282	29,697
Purchased Prof. Services	90,357	78,056	101,596	136,733	144,000	148,320	152,770	157,353
Purchased Property Services	-	-	-	700	700	721	743	765
Other Purchased Services	-	8,379	7,886	9,000	9,000	9,270	9,548	9,835
Supplies and Books	24,061	18,513	22,090	5,000	5,000	5,150	5,305	5,464
Property and Equipment	893	3,524	6,309	8,000	9,000	9,450	9,923	10,419
Other Objects	36,472	37,108	39,753	37,500	37,500	39,375	41,344	43,411
Other Uses of Funds	-	-	-	-	-	-	-	-
Total Expenditures	273,618	271,146	333,044	274,090	279,485	289,191	299,257	309,697
Excess of Revenue Over (Under) Expenditures	18,692	4,743	(53,328)	1,902	(33,485)	(36,549)	(39,541)	(41,411)
Fund Transfers/Other Financing	-	-	-	-	-	-	-	-
Net Change in Fund Balance	18,692	4,743	(53,328)	1,902	(33,485)	(36,549)	(39,541)	(41,411)
Fund Balance June 30, 20XX	\$ 208,303	\$ 213,046	\$ 159,718	\$ 161,620	\$ 128,135	\$ 91,586	\$ 52,045	\$ 10,634

Aquatics Program

The 2018-2019 projected budget for swim lessons is \$62,000. There will also be a slight increase in enrollment fees for our aquatic programs.

Some technical aquatic staff will see an increase in pay as set by the District's pay scale. Community Aquatic Class supply expenses will include rescue and pool equipment, medical supplies for the first aid room and American Red Cross Certification Cards for the Lifeguard Training and Review Classes.

North Penn School District
2018-2019 Budget

Aquatics Program Summary

	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019	Projection 2019-2020	Projection 2020-2021	Projection 2021-2022
Fund Balance July 1, 20XX	\$ 2,307	\$ 3,982	\$ 9,099	\$ 2,986	\$ 2,986	\$ 3,434	\$ 3,416	\$ 2,959
Revenue								
Local Sources	55,546	56,431	53,947	64,000	62,000	63,674	65,457	67,617
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	55,546	56,431	53,947	64,000	62,000	63,674	65,457	67,617
Expenditures								
Salaries	37,930	35,072	36,952	36,844	38,068	39,115	40,191	41,296
Benefits	7,298	7,273	13,338	16,719	16,447	17,269	18,133	19,039
Purchased Prof. Services	-	-	700	1,000	1,000	1,030	1,061	1,093
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	100	-	-	-	-	-	-	-
Supplies and Books	2,990	3,326	3,675	3,037	3,037	3,128	3,222	3,319
Property and Equipment	-	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-
Other Uses of Funds	5,555	5,643	5,395	6,400	3,000	3,150	3,308	3,473
Total Expenditures	53,872	51,315	60,060	64,000	61,552	63,692	65,914	68,219
Excess of Revenue Over (Under) Expenditures	1,675	5,116	(6,113)	-	448	(18)	(457)	(602)
Fund Transfers/Other Financing	-	-	-	-	-	-	-	-
Net Change in Fund Balance	1,675	5,116	(6,113)	-	448	(18)	(457)	(602)
Fund Balance June 30, 20XX	\$ 3,982	\$ 9,098	\$ 2,986	\$ 2,986	\$ 3,434	\$ 3,416	\$ 2,959	\$ 2,356



North Penn School District
2018-2019 Budget

Swim Team Program

The 2018-2019 projected budget for swim team will be \$233,000. There will be a slight increase in the registration fees for the 2018-2019 fiscal year due to retirement and benefit costs, rental fees and administration fees. Technical salaries and pay for coaches will see an increase of 1.5% for salary coaches and the per hour coaches as set by the new coaches' pay scale. Technical salaries also include lifeguard pay for practices and meets.

Other expenditures for the program include:

- Other Rentals - Rental of other facilities for the US summer long course season and Sunday US meets held at North Penn High School Pool.
- Travel - For travel expenses to Junior Olympics, Silver Champs, Senior Champs, Junior Nationals and other US meets.
- General Supplies – The purchase of supplies and equipment to successfully run the growing swim and dive teams.
- Dues and Fees - Payment to Middle Atlantic for Sanction Fees to host Middle Atlantic US meets, the registration of non-athletes (coaches) to Middle Atlantic and the user fee per year to use Team Unify for the registration of the swim and dive athletes.
- Conference Fees/Dues – Registration fees for the NPAC athletes to the Suburban Aquatic League. Splash Fees of \$1.20 per splash into pool during US Meets paid to Middle Atlantic.

Swim Team Program Summary

	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019	Projection 2019-2020	Projection 2020-2021	Projection 2021-2022
Fund Balance July 1, 20XX	\$ 26,949	\$ 33,598	\$ 22,280	\$ (399)	\$ (399)	\$ 583	\$ (118)	\$ (2,388)
Revenue								
Local Sources	198,205	179,525	215,489	239,000	233,000	239,291	245,991	254,109
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	198,205	179,525	215,489	239,000	233,000	239,291	245,991	254,109
Expenditures								
Salaries	109,624	117,980	122,364	122,900	121,899	125,251	128,696	132,235
Benefits	35,463	34,170	49,815	56,920	46,886	49,230	51,692	54,276
Purchased Prof. Services	-	3,269	2,723	-	-	-	-	-
Purchased Property Services	4,227	3,371	14,599	15,500	17,750	18,283	18,831	19,396
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies and Books	6,741	1,235	3,329	1,206	2,200	2,266	2,334	2,404
Property and Equipment	-	1,139	1,243	-	-	-	-	-
Other Objects	15,681	11,727	22,548	18,575	24,283	25,011	25,762	26,535
Other Uses of Funds	19,821	17,953	21,549	23,900	19,000	19,950	20,948	21,995
Total Expenditures	191,557	190,843	238,169	239,000	232,018	239,992	248,262	256,841
Excess of Revenue Over (Under) Expenditures	6,648	(11,318)	(22,679)	-	982	(701)	(2,271)	(2,732)
Fund Transfers/Other Financing	-	-	-	-	-	-	-	-
Net Change in Fund Balance	6,648	(11,318)	(22,679)	-	982	(701)	(2,271)	(2,732)
Fund Balance June 30, 20XX	\$ 33,598	\$ 22,280	\$ (399)	\$ (399)	\$ 583	\$ (118)	\$ (2,388)	\$ (5,120)

North Penn School District
2018-2019 Budget

Water Polo Program

The 2018-2019 projected budget for water polo will be \$38,000. This is a decrease from prior year as the USA JO Water Polo Team will not be going to California this year for the Junior Olympics. There will be a slight increase in program fees for the 2018-2019 fiscal year due to retirement and benefit costs and administration fees.

Assistant coaches are paid from the technical salaries account. Additional expenses for the Water Polo program include:

- Officials - To pay for the water polo referees during tournaments
- Other Rentals – Pool rental fees for summer water polo tournaments on Sundays.
- Travel - Travel expenses to the away tournaments held in Connecticut.
- Supplies - Purchase of new supplies and equipment for the growing Community Aquatic Water Polo program.
- Conference Fees and Dues - Entry fees into the American Water Polo – Main Line League Tournaments for the North Penn Community Aquatic Water Polo teams. Also tournament fees for Greenwich, Connecticut.

Water Polo Program Summary

	<u>Actual</u> <u>2014-2015</u>	<u>Actual</u> <u>2015-2016</u>	<u>Actual</u> <u>2016-2017</u>	<u>Budget</u> <u>2017-2018</u>	<u>Budget</u> <u>2018-2019</u>	<u>Projection</u> <u>2019-2020</u>	<u>Projection</u> <u>2020-2021</u>	<u>Projection</u> <u>2021-2022</u>
Fund Balance July 1, 20XX	\$ 7,633	\$ 5,269	\$ 11,664	\$ 19,179	\$ 19,179	\$ 19,467	\$ 19,194	\$ 18,355
Revenue								
Local Sources	23,470	27,546	33,532	41,300	38,000	39,026	40,119	41,443
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	23,470	27,546	33,532	41,300	38,000	39,026	40,119	41,443
Expenditures								
Salaries	12,148	10,988	8,229	7,200	11,300	11,611	11,930	12,258
Benefits	1,629	1,326	5,728	6,387	14,703	15,438	16,210	17,021
Purchased Prof. Services	-	-	100	-	-	-	-	-
Purchased Property Services	1,000	1,749	300	400	400	412	424	437
Other Purchased Services	975	800	1,523	1,500	1,550	1,597	1,644	1,694
Supplies and Books	3,024	2,195	-	483	259	267	275	283
Property and Equipment	-	-	-	-	-	-	-	-
Other Objects	4,711	1,340	6,784	21,200	6,500	6,825	7,166	7,525
Other Uses of Funds	2,347	2,755	3,353	4,130	3,000	3,150	3,308	3,473
Total Expenditures	25,834	21,151	26,017	41,300	37,712	39,299	40,957	42,690
Excess of Revenue Over (Under)								
Expenditures	(2,364)	6,395	7,515	-	288	(273)	(839)	(1,247)
Fund Transfers/Other Financing	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(2,364)	6,395	7,515	-	288	(273)	(839)	(1,247)
Fund Balance June 30, 20XX	\$ 5,269	\$ 11,664	\$ 19,179	\$ 19,179	\$ 19,467	\$ 19,194	\$ 18,355	\$ 17,108

North Penn School District
2018-2019 Budget

Internal Service Fund

The North Penn School District is self-insured which means all medical, prescription, dental, and vision claims are paid at the actual cost by the District. The internal service fund is used to account for these expenses on a cost-reimbursement basis. For the 2018-2019 school year, budgeted revenues (which include transfers from the general fund from both employer and employee cost-sharing and interest revenue), are \$30,086,610 and expenditures (the cost of claims) are \$30,204,713.

Internal Service Fund Summary

	<u>Actual 2014-2015</u>	<u>Actual 2015-2016</u>	<u>Actual 2016-2017</u>	<u>Budget 2017-2018</u>	<u>Budget 2018-2019</u>	<u>Projection 2019-2020</u>	<u>Projection 2020-2021</u>	<u>Projection 2021-2022</u>
Fund Balance July 1, 20XX	\$ 1,270,184	\$ 6,677,152	\$ 7,297,022	\$ 11,251,385	\$ 11,177,385	\$ 11,059,282	\$ 10,934,906	\$ 10,804,012
Revenue								
Local Sources	2,150	92,236	393,174	6,000	72,500	74,458	76,542	79,068
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	<u>34,334,894</u>	<u>28,367,434</u>	<u>29,056,459</u>	<u>29,841,300</u>	<u>30,014,110</u>	<u>31,514,816</u>	<u>33,090,556</u>	<u>34,745,084</u>
Total Revenue	34,337,044	28,459,670	29,449,633	29,847,300	30,086,610	31,589,273	33,167,098	34,824,152
Expenditures								
Salaries	-	-	-	-	-	-	-	-
Benefits	28,930,076	27,839,800	25,495,270	29,841,300	30,139,713	31,646,699	33,229,034	34,890,486
Purchased Prof. Services	-	-	-	80,000	65,000	66,950	68,959	71,027
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies and Books	-	-	-	-	-	-	-	-
Property and Equipment	-	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-
Other Uses of Funds	-	-	-	-	-	-	-	-
Total Expenditures	<u>28,930,076</u>	<u>27,839,800</u>	<u>25,495,270</u>	<u>29,921,300</u>	<u>30,204,713</u>	<u>31,713,649</u>	<u>33,297,993</u>	<u>34,961,513</u>
Excess of Revenue Over (Under) Expenditures	5,406,968	619,870	3,954,363	(74,000)	(118,103)	(124,376)	(130,894)	(137,361)
Net Change in Fund Balance	<u>5,406,968</u>	<u>619,870</u>	<u>3,954,363</u>	<u>(74,000)</u>	<u>(118,103)</u>	<u>(124,376)</u>	<u>(130,894)</u>	<u>(137,361)</u>
Fund Balance June 30, 20XX	<u>\$ 6,677,152</u>	<u>\$ 7,297,022</u>	<u>\$ 11,251,385</u>	<u>\$ 11,177,385</u>	<u>\$ 11,059,282</u>	<u>\$ 10,934,906</u>	<u>\$ 10,804,012</u>	<u>\$ 10,666,651</u>

North Penn School District
2018-2019 Budget

Debt Limit and Remaining Borrowing Capacity

The statutory borrowing limit of North Penn School District under the Local Government Unit Debt Act (Act 52 of 1978) is computed as a percentage of the School District's "Borrowing Base". The "Borrowing Base" is defined as the annual arithmetic average of "Total Revenues" (as defined by the Debt Act), for the three full fiscal years ended next preceding the date of incurring the debt. The calculation of the present borrowing base and the borrowing capacity is as follows:

Total Revenues for 2014-2015	224,959,854
Total Revenues for 2015-2016	234,170,541
Total Revenues for 2016-2017	247,291,206
Total Revenues - Past Three Years	\$ 706,421,601

Borrowing Base (annual arithmetic average) \$ 235,473,867

Under the Debt Act as presently in effect, no school district shall incur any nonelectoral debt or lease rental debt if the aggregate net principal amount of such new debt, together with any other net nonelectoral debt and lease rental debt then outstanding, would cause the net nonelectoral debt plus net lease rental debt to exceed 225% of the Borrowing Base. The application of the aforesaid percentage to the School District's Borrowing Base produces the following:

<u>Net Nonelectoral Debt and Lease Rental Debt Limit</u>	<u>Legal Limit</u>	<u>Net Debt Outstanding</u>	<u>Remaining Borrowing Capacity</u>
225% of Borrowing Base	\$529,816,201	\$ 92,290,000	\$437,526,201

Current debt levels are at 17.4% of the legal limit. The District has ample borrowing capacity if the need arises.

General Obligation Bonds and Notes

The District issues general obligation bonds and notes to provide funds for the acquisition and construction of major capital facilities. The outstanding debt was issued to finance additions and improvements at General Nash, Inglewood, Hatfield and Montgomery Elementary Schools. The following tables illustrate the debt service (or debt payment) schedules as well as the amount of outstanding debt. For 2018-2019, the total debt service payments owed are \$15,404,164 which is 5.9% of the total expenditures for the fiscal year.

North Penn School District
2018-2019 Budget

Debt Service Summary

YEAR	2010 Bond A	2010 Bond	2013 Bond	2014 Bond	2015 Bond	2016 Bond	2017A Bond	2017 Bond	Total	Principal Outstanding
2018 - 19	3,851,000	8,778,550	215,990	398,869	324,925	201,700	874,568	758,563	15,404,164	\$ 80,145,000
2019 - 20	3,863,600	2,334,800	215,898	232,269	204,925	201,600	6,874,500	758,475	14,686,067	\$ 68,150,000
2020 - 21	-	-	215,805	232,169	199,775	201,500	11,954,250	758,388	13,561,887	\$ 56,740,000
2021 - 22	-	-	5,115,713	1,772,069	914,700	1,401,400	-	1,923,300	11,127,182	\$ 47,195,000
2022 - 23	-	-	5,117,613	1,767,306	920,300	1,402,300	-	1,919,800	11,127,319	\$ 37,420,000
2023 - 24	-	-	-	6,761,869	915,500	1,522,700	-	1,978,550	11,178,619	\$ 27,345,000
2024 - 25	-	-	-	-	7,675,500	1,525,200	-	1,956,300	11,157,000	\$ 17,025,000
2025 - 26	-	-	-	-	-	4,697,100	-	6,251,800	10,948,900	\$ 6,665,000
2026-27	-	-	-	-	-	-	-	6,931,600	6,931,600	\$ -
Totals	7,714,600	11,113,350	10,881,019	11,164,551	11,155,625	11,153,500	19,703,318	23,236,775	106,122,738	

Debt Service Principal and Interest Payments

YEAR	2010 Bond A	2010 Bond	2013 Bond	2014 Bond	2015 Bond	2016 Bond	2017A Bond	2017 Bond	Total
2018 - 19									-
Principal	3,560,000	8,275,000	5,000	165,000	125,000	5,000	5,000	5,000	12,145,000
Interest	291,000	503,550	210,990	233,869	199,925	196,700	869,568	753,563	3,259,164
	3,851,000	8,778,550	215,990	398,869	324,925	201,700	874,568	758,563	15,404,164
2019 - 20									-
Principal	3,715,000	2,245,000	5,000	5,000	10,000	5,000	6,005,000	5,000	11,995,000
Interest	148,600	89,800	210,898	227,269	194,925	196,600	869,500	753,475	2,691,067
	3,863,600	2,334,800	215,898	232,269	204,925	201,600	6,874,500	758,475	14,686,067
2020 - 21									-
Principal	-	-	5,000	5,000	5,000	5,000	11,385,000	5,000	11,410,000
Interest	-	-	210,805	227,169	194,775	196,500	569,250	753,388	2,151,887
	-	-	215,805	232,169	199,775	201,500	11,954,250	758,388	13,561,887
2021 - 22									-
Principal	-	-	4,905,000	1,545,000	720,000	1,205,000	-	1,170,000	9,545,000
Interest	-	-	210,713	227,069	194,700	196,400	-	753,300	1,582,182
	-	-	5,115,713	1,772,069	914,700	1,401,400	-	1,923,300	11,127,182
2022 - 23									-
Principal	-	-	5,005,000	1,575,000	740,000	1,230,000	-	1,225,000	9,775,000
Interest	-	-	112,613	192,306	180,300	172,300	-	694,800	1,352,319
	-	-	5,117,613	1,767,306	920,300	1,402,300	-	1,919,800	11,127,319
2023 - 24									-
Principal	-	-	-	6,605,000	750,000	1,375,000	-	1,345,000	10,075,000
Interest	-	-	-	156,869	165,500	147,700	-	633,550	1,103,619
	-	-	-	6,761,869	915,500	1,522,700	-	1,978,550	11,178,619
2024 - 25									-
Principal	-	-	-	-	7,525,000	1,405,000	-	1,390,000	10,320,000
Interest	-	-	-	-	150,500	120,200	-	566,300	837,000
	-	-	-	-	7,675,500	1,525,200	-	1,956,300	11,157,000
2025 - 26									-
Principal	-	-	-	-	-	4,605,000	-	5,755,000	10,360,000
Interest	-	-	-	-	-	92,100	-	496,800	588,900
	-	-	-	-	-	4,697,100	-	6,251,800	10,948,900
2026 - 27									-
Principal	-	-	-	-	-	-	-	6,665,000	6,665,000
Interest	-	-	-	-	-	-	-	266,600	266,600
	-	-	-	-	-	-	-	6,931,600	6,931,600
Principal	\$ 10,720,000	\$ 14,205,000	\$ 9,930,000	\$ 9,975,000	\$ 9,930,000	\$ 9,840,000	\$ 17,400,000	\$ 17,570,000	\$ 103,835,000
Interest	833,950	1,244,300	1,167,102	1,500,670	1,482,200	1,515,300	3,221,434	6,463,108	17,609,327
Debt Service	\$ 11,553,950	\$ 15,449,300	\$ 11,097,102	\$ 11,475,670	\$ 11,412,200	\$ 11,355,300	\$ 20,621,434	\$ 24,033,108	\$ 121,444,327

North Penn School District
2018-2019 Budget

Post-Employment Benefits Other than Pensions (OPEB)

The District provides medical and prescription drug insurance benefits to eligible retired employees, spouses, and dependents through a single-employer defined benefit plan. All aspects of the plan are administered by the District and can be amended through personnel manuals and contracts. The activity of the plan is reported in the District's General Fund.

The District negotiates the contribution percentage between itself and employees through union contracts and personnel policy and may vary depending on the applicable agreement. The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis and costs of the plan are paid by the District.

The District's OPEB expense is an amount actuarially determined in accordance with GASB Statement No. 75 for purposes of fulfilling employer accounting requirements.

Fiscal Year Ending ¹	2018
Total OPEB Liability	
Service Cost	\$ 666,971
Interest	223,783
Changes of Benefit Terms	(2,527)
Differences between Expected and Actual Experience	(308,591)
Changes of Assumptions	431,851
Benefit Payments	(307,357)
Other Changes	0
Net Change	704,130
Total OPEB Liability - Beginning	8,486,785
Total OPEB Liability - Ending	\$ 9,190,915

Changes of Assumptions

The discount rate changed from 2.49% to 3.13%. The trend assumption was updated. Assumptions for salary, mortality, withdrawal and retirement were updated based on new PSERS assumptions.

Changes of Benefit Terms

¹Each year's loss (or gain) is recognized over a closed period, using the average of the expected remaining service lives of all active and inactive employees that are currently receiving a benefit or may be eligible to receive a benefit in the future.

²These figures are based on estimated benefit payments. These amounts may be adjusted for actual benefit payments made during the year.

Fund Balance Designations

The District has previously implemented GASB Statement No. 54 which provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on the District's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Nonspendable – Amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints. Fund balance types of this category are inventories and prepaid expenditures.
- Restricted – Amounts that can be spent only for specific purposes stipulated by external resource providers or through enabling legislation. Fund balance types in this category include amounts for capital projects.
- Committed – Amounts that are constrained for specific purposes that are internally imposed by the District through formal action of the Board and do not lapse at year-end. Fund balance of this type is for the retirement rate increase. Since the District is required to contribute to the retirement plan, the retirement rate increase has been set up by the Board to provide any fluctuations to the rate increases.
- Assigned – Amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Director of Business Administration. Fund balance of this type include amounts for debt service along with funds to be set aside for self-insurance funding.
- Unassigned – Amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. It is the policy of the District to follow state requirements that unassigned fund balance will not exceed 8% of the subsequent year operating budget in this category. For 2018-2019, the anticipated unassigned fund balance amount is \$19,845,900 or 7.6% of the operating budget.

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Informational Section

North Penn School District

2018-2019 Budget



North Penn School District
Lansdale, Pennsylvania
www.npenn.org
Dr. Curtis Dietrich, Superintendent

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North Penn School District
2018-2019 Budget

Current Real Estate Tax

Real Estate Tax is the main source of revenue for funding the operation of the North Penn School District. It is based on the assessed valuation, as determined by the Montgomery County Board of Assessment, of all taxable property within the School District and is collected through elected tax collectors in each municipality.

The millage rate is the rate which the Board of School Directors sets for the taxation of the assessment on a property. The assessment value is determined by the Montgomery County Board of Assessments. The millage rates for 2018-2019 are:

Montgomery County Residents: 25.509
Bucks County Residents: 140.9906

The current school district real estate tax can be calculated by taking the millage rate and multiplying it by your property assessment.

Example: .025509 x 200,000 = \$5,101.80 Face Value
 Millage Assessment Tax

The current real estate tax bill payment schedule is as follows:

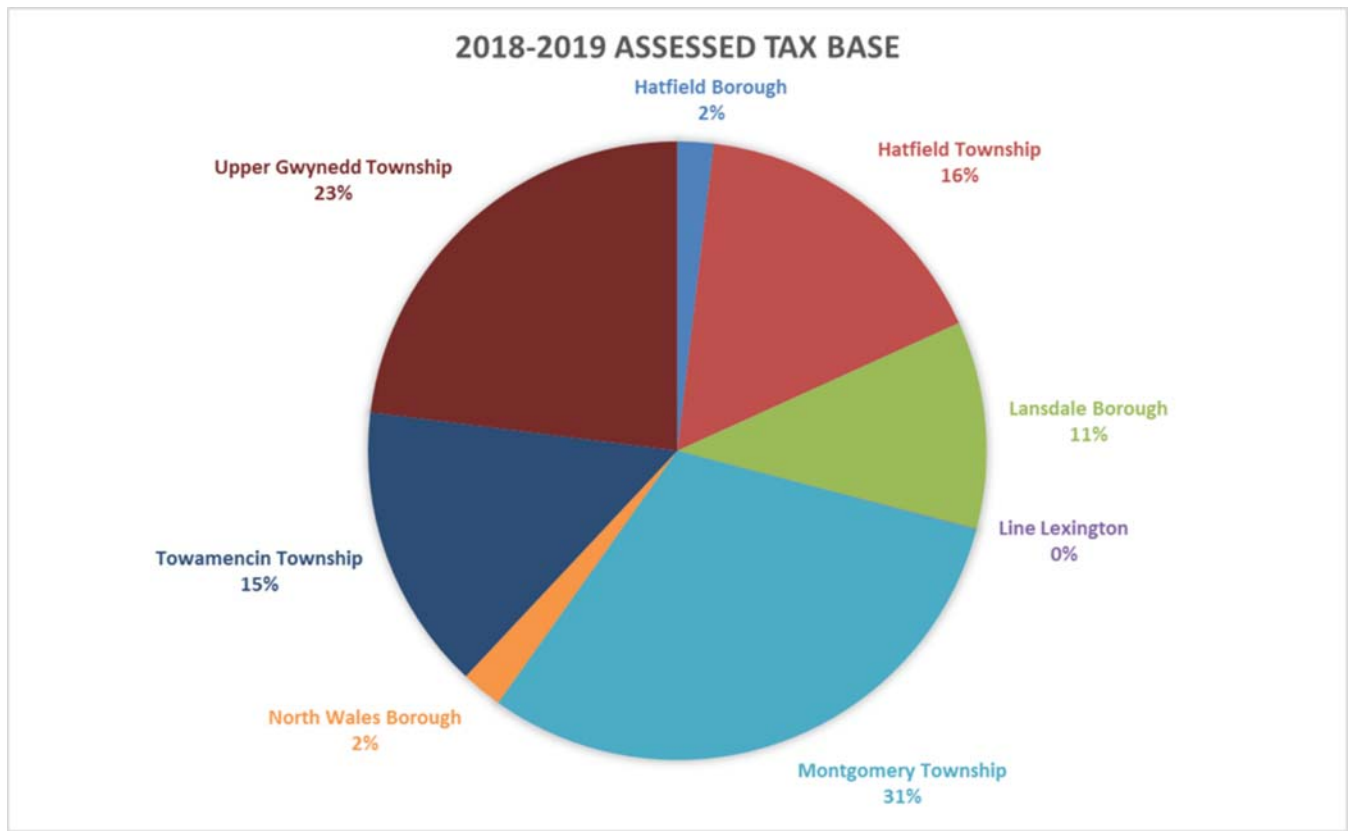
Payment Period	Payment Schedule
Discount	Payments received from July 1 to August 31 receive a 2% discount from the face value.
Face	Payments received from September 1 through October 31 are applied at the face value.
Penalty	Payments received after October 31 are subject to a 10% penalty on the face value.
Liened	Payments not received by December 31 will be considered delinquent and will be placed on a lien status with Montgomery or Bucks County.

Each municipality has an elected tax collector where payments should be sent. The tax collectors as of June 1, 2018 are:

- Hatfield Borough - Nancy DeFinis
- Hatfield Township - Christina Murphy
- Lansdale Borough – James Hanratty
- Montgomery Township - Patricia Gallagher
- North Wales Borough – Tim Weir
- Towamencin Township - Robert DiDomizio, Jr.
- Upper Gwynedd Township - Jane Murray
- Bucks County (Line Lexington/Hilltown/New Britain Township) - Deb Schmid

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<u>Township/Borough</u>	<u>Assessment (Fixed as of April)</u>	<u>(Fixed as of April)</u>	<u>(Fixed as of April)</u>	<u>(Fixed as of April)</u>	<u>(Fixed as of April)</u>	<u>(Fixed as of May)</u>
Hatfield Borough	\$134,049,000	\$134,786,580	\$134,601,030	\$135,358,030	\$136,132,690	\$136,065,620
Hatfield Township	1,130,875,090	1,141,094,110	1,143,368,170	1,143,308,390	1,169,848,380	1,183,229,170
Lansdale Borough	740,118,893	753,129,113	768,400,713	773,291,983	777,174,708	784,989,838
Line Lexington	2,267,310	2,267,310	2,256,600	2,256,600	2,256,600	2,269,810
Montgomery Township	2,136,621,934	2,184,821,154	2,196,794,554	2,202,288,404	2,218,242,184	2,225,851,624
North Wales Borough	152,717,600	153,779,020	154,349,000	154,975,580	155,163,500	155,777,550
Towamencin Township	1,020,650,943	1,036,656,018	1,076,233,746	1,082,681,176	1,083,273,185	1,085,442,649
Upper Gwynedd Township	1,671,600,870	1,693,300,100	1,696,753,160	1,701,710,410	1,672,415,490	1,666,747,800
Montgomery County Assessment Total	\$ 6,986,634,330	\$ 7,097,566,095	\$ 7,170,500,373	\$ 7,193,613,973	\$ 7,212,250,137	\$ 7,238,104,251
Bucks County Assessment Total	2,267,310	2,267,310	2,256,600	2,256,600	2,256,600	2,269,810
Montgomery County Tax Base	\$ 158,630,834	\$ 164,535,067	\$ 169,383,711	\$ 174,006,328	\$ 177,929,096	\$ 184,636,801
Bucks County Tax Base	278,425	284,272	293,464	300,504	306,484	320,022
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Montgomery County Millage Rate	22.7049	23.1819	23.6223	24.1890	24.6704	25.5090
Bucks County Millage Rate	122.7997	125.3784	130.0471	133.1668	135.8167	140.9906



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Assessed Value Projections

<u>Township/Borough</u>	TAX BASE 2018-2019 Assessment (Fixed as of May)	TAX BASE 2019-2020 Assessment (Fixed as of April)	TAX BASE 2020-2021 Assessment (Fixed as of April)	TAX BASE 2021-2022 Assessment (Fixed as of April)
Hatfield Borough	\$136,065,620	\$136,609,882	\$137,156,322	\$137,704,947
Hatfield Township	1,183,229,170	1,187,962,087	1,192,713,935	1,197,484,791
Lansdale Borough	784,989,838	788,129,797	791,282,316	794,447,445
Line Lexington	2,269,810	2,278,889	2,288,005	2,297,157
Montgomery Township	2,225,851,624	2,234,755,030	2,243,694,050	2,252,668,826
North Wales Borough	155,777,550	156,400,660	157,026,263	157,654,368
Towamencin Township	1,085,442,649	1,089,784,420	1,094,143,558	1,098,520,132
Upper Gwynedd Township	1,666,747,800	1,673,414,791	1,680,108,450	1,686,828,884
Montgomery County Assessment Total	\$ 7,238,104,251	\$ 7,267,056,667	\$ 7,296,124,894	\$ 7,325,309,393
Bucks County Assessment Total	2,269,810	2,278,889	2,288,005	2,297,157
% Increase		0.4%	0.4%	0.4%

Homestead/Farmstead Reduction

The Homestead/Farmstead real estate tax reduction was created by Act I Legislation (The Taxpayer Relief Act, Act 1 of Special Session 1 of 2006) that was signed into law by Governor Rendell on June 27, 2006. In order for a resident to qualify for the Homestead/Farmstead reduction, the property in which they live must be your primary residence. Commercial and Rental properties do not qualify. Residents cannot claim a primary residence and receive a benefit in another state or county and residents can have only one primary residence.

If the property has been Homestead/Farmstead approved, residents will see a Homestead/Farmstead Reduction on their tax bill when there are proceeds returned to the taxing District to pass through. The District has the County mail Notifications/Applications in December to residents who do not already have an approved homestead property informing them it is necessary to apply and the deadline to apply is March 1.

If the resident is a primary residential approved homestead property owner, they will see a reduction in their tax bill. This reduction is a revenue from the state using the pool of money that is collected for gambling in the state of Pennsylvania. The amount may vary year based upon the number of approved homesteads and the amount of money that is received by each of the school districts in the state.

Homestead approved property owners will have the option of paying using installment coupons. These coupons are set up in three installments with all of the payments to be made by October 31. The coupons are based strictly on the face amount of your tax bill. If residents opt to use the coupons, they

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do not get to take the 2% discount payment option. If two coupon payments are late, residents are automatically removed from being able to receive coupon payments in the future.

Local Current Property Tax Collection History

<u>Township/Borough</u>	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
Hatfield Borough	\$ 2,946,146	\$ 2,988,640	\$ 3,062,353	\$ 3,160,393	\$ 3,269,642
Hatfield Township	24,624,712	25,227,750	26,257,001	27,156,880	28,382,420
Lansdale Borough	16,073,796	16,945,051	17,490,660	18,041,122	18,840,371
Line Lexington	264,859	274,409	279,998	288,490	301,639
Montgomery Township	47,483,718	48,744,602	50,400,421	51,493,750	53,493,120
North Wales Borough	3,320,127	3,387,081	3,493,563	3,601,833	3,743,439
Towamencin Township	22,656,442	23,720,762	24,502,837	25,147,219	26,076,818
Uppe Gwynedd Township	37,468,398	38,337,760	39,586,920	38,823,235	40,128,965
Assessment Appeals	(325,393)	214,959	-	200,000	100,000
Total	\$ 154,512,805	\$ 159,841,014	\$ 165,073,752	\$ 167,912,922	\$ 174,336,414
Collection Percentage	96.52%	97.03%	97.00%	97.00%	97.00%
Montgomery County Millage Rate	23.1819	23.6223	24.1890	24.6704	25.5090
Bucks County Millage Rate	125.3784	130.0471	133.1668	135.8167	140.9906

IMPACT OF TAX INCREASES ON AVERAGE PROPERTY OWNER

	Assessment	2014-2015 Tax	2015-2016 Tax	2016-2017 Tax	2017-2018 Tax	2018-2019 Tax
Montgomery County	200,000	4,636.38	4,724.46	4,837.80	4,934.08	5,101.80
Buck County	28,000	3,510.60	3,641.32	3,728.67	3,802.87	3,947.74
Montgomery County Millage Rate		23.1819	23.6223	24.1890	24.6704	25.5090
Bucks County Millage Rate		125.3784	130.0471	133.1668	135.8167	140.9906

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District's Ten Largest Real Estate Taxpayers

Owner	Property	Assessed Value	Taxes Due
Merck & Company	Pharmaceuticals	\$553,827,340	\$14,127,582
Montgomeryville Associates	Shopping Mall	90,970,026	2,320,554
Nappen & Associates	Industrial Centers	40,403,400	1,030,650
KIR Montgomery 049 LLC	Shopping Centers	35,960,000	917,304
SPUS7 Station Square LLC	Apartments	35,504,000	905,672
Brittany Point Estates(ACTS Inc)	Retirement Community	31,770,560	810,435
Hatfield Village Associates	Apartments	31,472,000	802,819
KBF Associates	Shopping Centers	28,810,070	734,916
110 Avenel Blvd LP	Apartments	28,213,000	719,685
Towamencin Apt Joint Venture	Apartments	26,381,000	672,953
	Top 10 Assessments	\$903,311,396	\$23,042,570
	Total Assessments	7,240,374,061	184,956,823
	Percentage of Total	12.48%	12.46%

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Other Local Revenue Sources

The second largest source of local revenue is from proportional tax assessments including earned income taxes (EIT) and real estate transfer taxes. Both of these taxes are collected at a rate of 50% of the total tax levy. The District anticipates collecting \$16.7 million in EIT revenue and \$3.3 million in real estate transfer taxes. Other local sources of revenue include interim and delinquent payments on real estate taxes, earnings on investments, revenues from district activities, and other various sources.

Other Local Revenue Sources

Revenue Sources	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
Interim Taxes	\$ 1,112,696	\$ 693,962	\$ 882,235	\$ 1,000,000	\$ 900,000
Earned Income tax (EIT)	16,440,290	16,260,065	16,470,753	16,000,000	16,700,000
Real Estate Transfer Tax	2,638,027	3,164,072	3,153,704	3,100,000	3,300,000
Delinquent Real Estate Tax	2,971,795	2,586,366	1,954,993	2,100,000	2,000,000
Total	\$ 23,162,808	\$ 22,704,465	\$ 22,461,685	\$ 22,200,000	\$ 22,900,000

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Projected 2018-19 Student Enrollment

School	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
Bridle Path	56	57	56	80	83	87	68							487
Gwyn-Nor	63	75	93	74	82	90	95							572
Gwynedd Square	65	64	87	84	84	103	84							571
Hatfield	65	67	50	71	72	71	73							469
Inglewood	67	82	63	69	72	75	84							512
Knapp	66	79	88	77	88	90	90							578
Kulp	67	71	75	83	89	70	90							545
Montgomery	67	77	93	94	108	102	109							650
Nash	41	42	58	56	68	49	61							375
North Wales	55	57	64	62	49	66	70							423
Oak Park	65	69	71	61	76	66	74							482
Walton Farm	64	66	70	93	96	82	97							568
York Avenue	32	43	33	35	41	51	27							262
Elementary Total	773	849	901	939	1008	1002	1022							6494
Pennbrook								294	289	271				854
Penndale								449	437	411				1296
Pennfield								290	314	288				891
Middle Total								1033	1038	970				3040
NPHS											952	1004	1120	3075
District Total	773	849	901	939	1008	1002	1022	1033	1038	970	952	1004	1120	12609

Montgomery County Planning Commission Enrollment Projections

Year	Option 1- Base Future Births	Option 2- Higher Future Births	Option 3- Future Births w/ Housing Adjustment
2017-18	12,757	12,757	12,770
2018-19	12,734	12,734	12,767
2019-20	12,705	12,705	12,753
2020-21	12,682	12,682	12,724
2021-22	12,747	12,753	12,789

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**** FULL TIME PERSONNEL DISTRIBUTION (18-19 Projected) - Minimum of 900 Annual Hours ****

Department/Assignment	Permanent	Per-Diem Sub	Administrator	ESL Support	Ext. School Care	Facilities	Food Services	Math/Reading Support	Secretaries/Library Supt	Specialists	Spec Ed Asst.	Staff Nurse	Aquatics	Teachers/Professional	Technology Assistants	Supervisors	Transportation	TOTAL
Business Office			3						7	1						2		13
School & Community Engagement			2						2	5								9
Elementary Learning			1						1									2
Special Education			9						9									18
Curriculum			4						3									4
District Wide						1	1					4						6
Extended School Care			1		27				1	2								31
ESC						1								9				10
School Nutrition Services			1						2							3		6
Human Resources			1						1	2						1		5
Office/Superintendent			2						2									4
Support Services Center			2			20			6	1						5		34
Secondary Learning			1						1									2
Technology			1						1	15						2		19
Transportation			1						1	3		5				2	88	100
Elementary Schools	5	13				51	21	2	38		118	7		517	6			778
Middle Schools	4	7	3			26	10	3	19		43	3		229	3			350
Alternative Ed. School			1			2	1		1		1	1		8				15
NPHS	6	7	5			32	13		15		42	7	3	218	2			350
TOTAL FULL TIME EMPLOYEES	15	57	8	27	133	46	5	110	29	204	27	3	981	11	15	88	1759	

**** PART-TIME PERSONNEL DISTRIBUTION (18-19 Projected) - Less Than 900 Hours Annually ****

Business Office																		
School & Community Engagement																		
Elementary Learning									1									1
District Wide							8				1							9
Extended School Care				21														21
ESC																		
School Nutrition Services																		
Human Resources																		
Office/Superintendent																		
Support Services Center																		
Curriculum									1									1
Technology																		
Transportation																5		5
Elementary Schools			11		1	37	25				1			16	3			94
Middle Schools					2	11		1						9				23
Alternative Ed. School						1												1
NPHS							14	2						3				19
TOTAL PART-TIME EMPLOYEES	0	0	11	21	3	71	25	4	1	0	2	0	28	3	0	5	174	
TOTAL ALL EMPLOYEES	15	57	19	48	136	117	30	114	30	204	29	3	1009	14	15	93	1933	

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***** FULL TIME PERSONNEL DISTRIBUTION (April, 2018) - Minimum of 900 Annual Hours *****																	
Department/Assignment	Per- Diem Sub	Administrator	ESL Support	Ext. School Care	Facilities	Food Services	Math/Reading Support	Secretaries/ Library Supt	Specialists	Spec Ed Asst.	Staff Nurse	Aquatics	Teachers/ Professional	Technology Assistants	Supervisors	Transportation	TOTAL
Business Office		3						7	1						2		13
School & Community Engagement		2						2	5								9
Elementary Learning		1						1									2
Special Education		9						9									18
Curriculum		4						3									4
District Wide					1	1					4						6
Extended School Care		1		27				1	2								31
ESC					1								9				10
School Nutrition Services		1						2							3		6
Human Resources		1						1	2						1		5
Office/Superintendent		2						2									4
Support Services Center		2			17			6	1						5		31
Secondary Learning		1						1									2
Technology		1						1	15						2		19
Transportation		1						1	3		5				2	88	100
Elementary Schools	5	13			51	21	2	38		117	7		505	6			765
Middle Schools	4	7	3		26	10	3	19		43	3		229	3			350
Alternative Ed. School		1			2	1		1		1	1		8				15
NPHS	6	7	5		32	13		15		42	7	3	217	2			349
TOTAL FULL TIME EMPLOYEES	15	57	8	27	130	46	5	110	29	203	27	3	968	11	15	88	1742
***** PART-TIME PERSONNEL DISTRIBUTION (April, 2018) - Less Than 900 Hours Annually *****																	
Business Office																	
School & Community Engagement																	
Elementary Learning									1								1
District Wide						8					1						9
Extended School Care				21													21
ESC																	
School Nutrition Services																	
Human Resources																	
Office/Superintendent																	
Support Services Center																	
Curriculum								1									1
Technology																	
Transportation																5	5
Elementary Schools			11		1	37	25				1		14	3			92
Middle Schools					2	11		1					7				21
Alternative Ed. School						1											1
NPHS						14		2					2				18
TOTAL PART-TIME EMPLOYEES	0	0	11	21	3	71	25	4	1	0	2	0	23	3	0	5	169
TOTAL ALL EMPLOYEES	15	57	19	48	133	117	30	114	30	203	29	3	991	14	15	93	1911

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**** FULL TIME PERSONNEL DISTRIBUTION (April, 2017) - Minimum of 900 Annual Hours ****																				
Department/Assignment	Permanent	Per-Diem	Sub	Administrator	ESL Support	Ext. School Care	Facilities	Food Services	Math/Reading Support	Secretaries/Library Supt	Specialists	Spec Ed Asst.	Staff Nurse	Aquatics	Teachers/Professional	Technology Assistants	Supervisors	Transportation	TOTAL	
Business Office				3						6	1						2		12	
School & Community Engagement				2						6	5								13	
Elementary Learning				7															7	
District Wide								1					4						5	
Extended School Care				1		27				1	2								31	
ESC							1												1	
School Nutrition Services				1						2									3	
Human Resources				1						2	2						1		6	
Office/Superintendent				1						1									2	
Support Services Center				2			18			6									26	
Secondary Learning				9						9									18	
Technology				2						1	15					1	1		20	
Transportation				1						1								110	112	
Elementary Schools	6	13					51	22	2	38	1	110	16		501	6			766	
Middle Schools	5	7	3				33	10		21		41	2		246	2			370	
Alternative Ed. School				1			2	1		1		1	1		9				16	
NPHS	7	8	5				35	14	3	18		40	5	3	217	3	1		359	
TOTAL FULL TIME EMPLOYEES	18	59	8	27	140	48	5	113	26	192	28	3	973	12	5	110			1767	
**** PART-TIME PERSONNEL DISTRIBUTION (April, 2015) - Less Than 900 Hours Annually ****																				
Business Office																				
School & Community Engagement																				
Elementary Learning																				
District Wide								2												2
Extended School Care						23														23
ESC																				
School Nutrition Services																				
Human Resources																				
Office/Superintendent																				
Support Services Center																				
Secondary Learning										1										1
Technology																				
Transportation																		6		6
Elementary Schools				11			2	41	25				2		16	4				101
Middle Schools							4	15		1					5					25
Alternative Ed. School								1												1
NPHS								15		2					2					19
TOTAL PART-TIME EMPLOYEES	0	0	11	23	6	74	25	4	0	0	2	0	23	4	0	6			178	
TOTAL ALL EMPLOYEES	18	59	19	50	146	122	30	117	26	192	30	3	996	16	5	116			1945	

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***** FULL TIME PERSONNEL DISTRIBUTION (April, 2016) *****																
Department/Level	Employee Group															
	Permanent Per-Diem Sub	Administrator	Classroom Asst.	ESL Support	Ext. School Care	Facilities	Food Services	Math/Reading Support	Secretaries/ Library Supt	Specialists	Spec Ed Asst.	Staff Nurse	Teachers/ Professional	Technology Assistants	Transportation	TOTAL
Business Office		3							6	4					13	
School & Community Engagement		2							3	5					10	
Elementary Learning		6							6						12	
District Wide											4				4	
ESC																
Extended School Care		1			29				1	2					33	
School Nutrition Services		1					47		2						50	
Human Resources		1							2	3					6	
Office/Superintendent		1							1						2	
Support Services Center		2				135				1					138	
Secondary Learning		7							9						16	
Instructional & Curric Supervisors		3													3	
Technology		2							4	10			14		30	
Transportation		1									6			125	133	
Elementary Schools	8	13						2	39		109	12	498		681	
Middle Schools	5	7		4				3	22		41	1	244		327	
Northbridge		1							1		1	1	9		13	
NPHS	5	8		4					21		39	3	217		297	
TOTAL FULL TIME EMPLOYEES	18	59		8	29	135	47	5	118	25	190	27	968	14	125	1768
***** PART-TIME PERSONNEL DISTRIBUTION (April, 2016) *****																
Extended School Care					18										18	
Elementary Learning									1						1	
District Wide																
School Nutrition Services							73								73	
Support Services Center																
Technology																
Transportation														6	6	
Elementary Schools				11				25	1		3	9	5		54	
Middle Schools					1				1			6			8	
Northbridge																
NPHS					1				3			3	1		8	
TOTAL PART-TIME EMPLOYEES				11	18	2	73	25	6		3	18	6	6	168	
TOTAL ALL EMPLOYEES	18	59	0	19	47	137	120	30	124	25	190	30	986	20	131	1936

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*** FULL TIME PERSONNEL DISTRIBUTION (April, 2015) - Minimum of 900 Annual Hours ***																
Department/Level	Employee Group															
	Permanent Per-Diem Sub	Administrator	Classroom Asst.	ESL Support	Ext. School Care	Facilities	Food Services	Math/Reading Support	Secretaries/Library Supt	Specialists	Spec Ed Asst.	Staff Nurse	Teachers/Professional	Technology Assistants	Transportation	TOTAL
Business Office		3							8	2						13
School & Community Engagement		2							3	4						9
Elementary Learning		6							6							12
District Wide											4					4
Extended School Care		1			30				1	2						34
School Nutrition Services		1					48		2							51
Human Resources		1							3	2						6
Office/Superintendent		1							1							2
Support Services Center		2				145			5							152
Secondary Learning		7							10							17
Instructional & Curric Supervisors		3														3
Technology		2							3	9				13		27
Transportation		1							1		7				129	138
Elementary Schools	7	13	1					5	39		110	9	494			678
Middle Schools	3	7		4				3	22		44	2	241			326
Alternative Ed. School		1							1		1	1	11			15
NPHS	4	8							22	4	39	4	211			292
TOTAL FULL TIME EMPLOYEES	14	59	1	4	30	145	48	8	127	23	194	27	957	13	129	1779
*** PART-TIME PERSONNEL DISTRIBUTION (April, 2015) - Less Than 900 Hours Annually ***																
Extended School Care					19											19
ESC									1							1
School Nutrition Services							74									74
Support Services Center						2										2
Technology													8			8
Transportation															8	8
Elementary Schools				11				26			2	9				48
Middle Schools									1			8				9
NPHS									2			1				3
TOTAL PART-TIME EMPLOYEES				11	19	2	74	26	4		2	18	8	8		172
TOTAL ALL EMPLOYEES	14	59	1	15	49	147	122	34	131	23	194	29	975	21	137	1951

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FULL TIME PERSONNEL DISTRIBUTION (April, 2014) - Minimum of 900 Annual Hours																
Department/Level	Employee Group															
	Permanent Per-Diem Sub	Administrator	Classroom Asst.	ESL Support	Ext. School Care	Facilities	Food Services	Math/Reading Support	Secretaries/Library Supt	Specialists	Spec Ed Asst.	Staff Nurse	Teachers/Professional	Technology Assistants	Transportation	TOTAL
Business Office		2							7	3						12
School & Community Engagement		2							2	5						9
Elementary Learning		5							9							14
District Wide												4				4
Extended School Care		1			31				1	2						35
School Nutrition Services		1					49		2							52
Human Resources		1							3	2						6
Office/Superintendent		2							1							3
Support Services Center		3				146			6	2						157
Secondary Learning		6							8							14
Instructional & Curric Supervisors		3														3
Technology		2							2	10				14		28
Transportation									1			6			139	146
Elementary Schools	8	13	2					1	36		102	10	483			655
Middle Schools	5	6		4				3	20		39	2	234			313
Alternative Ed. School		1							1		4	1	14			21
NPHS	5	8		4					18		37	2	212			286
TOTAL FULL TIME EMPLOYEES	18	56	2	8	31	146	49	4	117	24	182	25	943	14	139	1758
PART-TIME PERSONNEL DISTRIBUTION (April, 2014) - Less Than 900 Hours Annually																
Extended School Care					20											20
ESC									1							1
School Nutrition Services							72									72
Technology														8		8
Transportation												1			14	15
Elementary Schools				11				25				1	9			46
Middle Schools									1			1	7			9
NPHS									1							1
TOTAL PART-TIME EMPLOYEES				11	20		72	25	3			3	16	8	14	172
TOTAL ALL EMPLOYEES	18	56	2	19	51	146	121	29	120	24	182	28	959	22	153	1930

North Penn School District
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General Obligation Bonds and Notes

The District issues general obligation bonds and notes to provide funds for the acquisition and construction of major capital facilities. The outstanding debt was issued to finance additions and improvements at General Nash, Inglewood, Hatfield and Montgomery Elementary Schools. The following tables illustrate the debt service (or debt payment) schedules as well as the amount of outstanding debt. For 2018-2019, the total debt service payments owed are \$15,404,164 which is 5.9% of the total expenditures for the fiscal year.

Debt Service Summary

<u>YEAR</u>	<u>2010 Bond A</u>	<u>2010 Bond</u>	<u>2013 Bond</u>	<u>2014 Bond</u>	<u>2015 Bond</u>	<u>2016 Bond</u>	<u>2017A Bond</u>	<u>2017 Bond</u>	<u>Total</u>	<u>Principal Outstanding</u>
2018 - 19	3,851,000	8,778,550	215,990	398,869	324,925	201,700	874,568	758,563	15,404,164	\$ 80,145,000
2019 - 20	3,863,600	2,334,800	215,898	232,269	204,925	201,600	6,874,500	758,475	14,686,067	\$ 68,150,000
2020 - 21	-	-	215,805	232,169	199,775	201,500	11,954,250	758,388	13,561,887	\$ 56,740,000
2021 - 22	-	-	5,115,713	1,772,069	914,700	1,401,400	-	1,923,300	11,127,182	\$ 47,195,000
2022 - 23	-	-	5,117,613	1,767,306	920,300	1,402,300	-	1,919,800	11,127,319	\$ 37,420,000
2023 - 24	-	-	-	6,761,869	915,500	1,522,700	-	1,978,550	11,178,619	\$ 27,345,000
2024 - 25	-	-	-	-	7,675,500	1,525,200	-	1,956,300	11,157,000	\$ 17,025,000
2025 - 26	-	-	-	-	-	4,697,100	-	6,251,800	10,948,900	\$ 6,665,000
2026-27	-	-	-	-	-	-	-	6,931,600	6,931,600	\$ -
Totals	7,714,600	11,113,350	10,881,019	11,164,551	11,155,625	11,153,500	19,703,318	23,236,775	106,122,738	

North Penn School District
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Debt Service Principal and Interest Payments

YEAR	2010 Bond A	2010 Bond	2013 Bond	2014 Bond	2015 Bond	2016 Bond	2017A Bond	2017 Bond	Total
2018 - 19									-
Principal	3,560,000	8,275,000	5,000	165,000	125,000	5,000	5,000	5,000	12,145,000
Interest	291,000	503,550	210,990	233,869	199,925	196,700	869,568	753,563	3,259,164
	3,851,000	8,778,550	215,990	398,869	324,925	201,700	874,568	758,563	15,404,164
2019 - 20									-
Principal	3,715,000	2,245,000	5,000	5,000	10,000	5,000	6,005,000	5,000	11,995,000
Interest	148,600	89,800	210,898	227,269	194,925	196,600	869,500	753,475	2,691,067
	3,863,600	2,334,800	215,898	232,269	204,925	201,600	6,874,500	758,475	14,686,067
2020 - 21									-
Principal	-	-	5,000	5,000	5,000	5,000	11,385,000	5,000	11,410,000
Interest	-	-	210,805	227,169	194,775	196,500	569,250	753,388	2,151,887
	-	-	215,805	232,169	199,775	201,500	11,954,250	758,388	13,561,887
2021 - 22									-
Principal	-	-	4,905,000	1,545,000	720,000	1,205,000	-	1,170,000	9,545,000
Interest	-	-	210,713	227,069	194,700	196,400	-	753,300	1,582,182
	-	-	5,115,713	1,772,069	914,700	1,401,400	-	1,923,300	11,127,182
2022 - 23									-
Principal	-	-	5,005,000	1,575,000	740,000	1,230,000	-	1,225,000	9,775,000
Interest	-	-	112,613	192,306	180,300	172,300	-	694,800	1,352,319
	-	-	5,117,613	1,767,306	920,300	1,402,300	-	1,919,800	11,127,319
2023 - 24									-
Principal	-	-	-	6,605,000	750,000	1,375,000	-	1,345,000	10,075,000
Interest	-	-	-	156,869	165,500	147,700	-	633,550	1,103,619
	-	-	-	6,761,869	915,500	1,522,700	-	1,978,550	11,178,619
2024 - 25									-
Principal	-	-	-	-	7,525,000	1,405,000	-	1,390,000	10,320,000
Interest	-	-	-	-	150,500	120,200	-	566,300	837,000
	-	-	-	-	7,675,500	1,525,200	-	1,956,300	11,157,000
2025 - 26									-
Principal	-	-	-	-	-	4,605,000	-	5,755,000	10,360,000
Interest	-	-	-	-	-	92,100	-	496,800	588,900
	-	-	-	-	-	4,697,100	-	6,251,800	10,948,900
2026 - 27									-
Principal	-	-	-	-	-	-	-	6,665,000	6,665,000
Interest	-	-	-	-	-	-	-	266,600	266,600
	-	-	-	-	-	-	-	6,931,600	6,931,600
Principal	\$ 10,720,000	\$ 14,205,000	\$ 9,930,000	\$ 9,975,000	\$ 9,930,000	\$ 9,840,000	\$ 17,400,000	\$ 17,570,000	\$ 103,835,000
Interest	833,950	1,244,300	1,167,102	1,500,670	1,482,200	1,515,300	3,221,434	6,463,108	17,609,327
Debt Service	\$ 11,553,950	\$ 15,449,300	\$ 11,097,102	\$ 11,475,670	\$ 11,412,200	\$ 11,355,300	\$ 20,621,434	\$ 24,033,108	\$ 121,444,327

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Free and Reduced Meal Counts by Building and Level

	Free			Reduced			Total			Percent Free/Reduced		
	2014-2015	2015-2016	2016-2017	2014-2015	2015-2016	2016-2017	2014-2015	2015-2016	2016-2017	2014-2015	2015-2016	2016-2017
Bridle Path	10,937	12,414	12,402	1,926	1,846	1,255	44,034	42,041	40,623	29%	34%	34%
Gwyn-Nor	11,518	15,326	17,293	3,251	3,264	1,779	42,838	44,718	44,787	34%	42%	43%
Gwynedd Square	8,543	8,347	6,997	949	1,488	2,168	37,094	38,061	38,582	26%	26%	24%
Hatfield	27,891	30,397	36,492	5,568	4,340	3,501	44,016	47,781	51,854	76%	73%	77%
Inglewood	18,034	19,118	21,560	2,296	2,824	1,188	42,446	43,792	42,618	48%	50%	53%
Knapp	30,664	32,194	33,907	5,433	3,252	4,404	59,335	53,354	55,819	61%	66%	69%
Kulp	20,492	20,062	21,778	2,834	3,353	2,051	46,561	44,334	43,805	50%	53%	54%
Montgomery	8,210	9,533	10,094	803	1,078	974	40,437	47,640	46,666	22%	22%	24%
Nash	6,152	6,986	5,359	1,425	323	500	28,961	25,685	22,280	26%	28%	26%
North Wales	13,552	11,757	13,059	1,056	1,165	1,500	30,330	26,568	27,802	48%	49%	52%
Oak Park	28,381	30,653	34,331	6,838	5,023	4,483	49,308	48,476	51,313	71%	74%	76%
Walton Farm	12,423	13,585	13,605	1,885	2,652	2,039	40,642	45,051	42,179	35%	36%	37%
York Avenue	15,201	11,608	10,644	909	653	509	25,208	21,674	20,112	64%	57%	55%
District Elementary	211,998	221,980	237,521	35,173	31,261	26,351	531,210	529,175	528,440	47%	48%	50%
	Free			Reduced			Total			Percent Free/Reduced		
	2014-2015	2015-2016	2016-2017	2014-2015	2015-2016	2016-2017	2014-2015	2015-2016	2016-2017	2014-2015	2015-2016	2016-2017
Pennbrook	15,404	12,797	16,759	3,023	3,119	2,034	58,424	56,072	54,320	32%	28%	35%
Penndale	50,147	54,817	52,143	8,014	6,675	5,517	111,194	107,462	93,248	52%	57%	62%
Pennfield	22,406	24,801	26,181	4,688	3,974	2,880	61,706	63,702	62,642	44%	45%	46%
North Penn HS	76,047	77,353	89,420	15,103	15,092	10,974	236,481	218,302	213,660	39%	42%	47%
District Secondary	164,004	169,768	184,503	30,828	28,860	21,405	467,805	445,538	423,870	42%	45%	49%
District Total	376,002	391,748	422,024	66,001	60,121	47,756	999,015	974,713	952,310	44%	46%	49%

School Nutrition Service Meal Prices

	2014-15	2015-16	2016-17	2017-18	2018-19
Breakfast (all levels)	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	1.75
Lunch					
Elementary	2.80	2.80	2.80	2.80	2.80
Middle	3.00	3.00	3.00	3.00	3.00
High	3.25	3.25	3.25	3.25	3.25

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Student Performance Measurements

Indicator	2014-15	2015-16	2016-17
Graduation Rate (4 Year Cohort)	95.76%	95.63%	95.27%
Dropout Rate (Annual)	0.49%	0.48%	0.45%
Percent Proficient on PSSA/Keystones	Algebra 1: 91.01% Literature: 92.55% Biology: 90.71%	Algebra 1: 89.5% Literature: 91.8% Biology: 88.6%	Algebra 1: 84.35% Literature: 87.42% Biology: 85.81%
SAT Average Score	Math: 560 Reading: 540 Writing: 522	Math: 560 Reading: 534 Writing: 518	Math: 583 Evidence Based Reading and Writing : 578
AP% of Seniors with a score of 3 or higher	32.38%	35.69%	33.12%
Attendance Rate	96.00%	95.61%	95.61%



District School Performance Profile

The Pennsylvania School Performance Profile (SPP) is the state measure of accountability for public schools in the Commonwealth. While schools and districts across the state previously received designations under the Adequate Yearly Progress system of school accountability, individual schools now receive an academic performance score based on many data points. This change to the PA School Performance Profile serves several purposes including:

- Informing the public of school performance
- Providing a building level score for educators as part of their evaluation system
- Allowing the public to compare schools across the state
- Giving schools a methodology to analyze their strengths and needs

The School Performance Profile scoring system is based on a 100-point system in which each individual school receives a rating. Schools may also earn extra points beyond the 100 points for students who have earned advanced scores on state, industry and Advanced Placement exams. Many data elements contribute to the academic score and are categorized into five areas.

The first three areas represent 50 percent of the school academic performance score:

- Indicators of Academic Achievement - Include PSSA/Keystone performance, industry standards-based competency assessments, grade three reading proficiency, and SAT/ACT college ready benchmarks.
- Indicators of Closing the Achievement Gap - All student scores are used to define how well a school is making progress toward proficiency of all students.
- Indicators of Closing the Achievement Gap - Historically Underperforming Students' scores are used to define how well a school is making progress toward proficiency. The high needs students are students who have historically not demonstrated proficiency.

This category represents 40 percent of the school academic performance score:

- Indicators of Academic Growth/PVAAS - Measures the school's impact on the academic progress of groups of students from year-to-year.

This category represents 10 percent of the school academic performance score:

- Other Academic Indicators - Assesses factors that contribute to student achievement (e.g., graduation rate, promotion rate, attendance rate).

Schools may earn up to 7 additional points via Extra Credit for Advanced Achievement based upon advanced performance on state and industry assessments, as well as for students earning a 3 or higher on an Advanced Placement exam or 4 or higher on an International Baccalaureate exam.

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Beginning in 2016-17, the closing the achievement gap calculation included reading, math, and science.

The following table shows the North Penn School District's School Performance Profile Scores for the 2016-17 academic year.

**Pennsylvania School Performance Profile Scores
2016-17 Academic Profile**

<u>Building</u>	<u>Building Level Academic Score</u>
Bridle Path Elementary	88.5
General Nash Elementary	92.8
Gwynedd Square Elementary	90.5
Gwyn-Nor Elementary	66.0
Hatfield Elementary	68.2
Inglewood Elementary	82.4
Knapp Elementary	70.6
Kulp Elementary	67.7
Montgomery Elementary	90.9
North Wales Elementary	78.5
Oak Park Elementary	71.5
Walton Farm Elementary	62.9
York Avenue Elementary	89.2
Pennbrook Middle	73.5
Penndale Middle	70.1
Pennfield Middle	69.2
North Penn High	89.9

The following table available on the Pennsylvania SPP website has District Fast Facts including the number of Advanced Placement (AP) courses offered, gifted enrollment, dropout percentages, enrollment by ethnicity, and enrollment by specific student groups such as English Language Learners and Special Education students.

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District Fast Facts	
District Specifics	
<u>District Name</u>	North Penn SD
<u>District Address</u>	401 E Hancock St Lansdale, PA 19446
<u>Website</u>	http://www.npenn.org
<u>Telephone Number</u>	215-368-0400
<u>Number of Schools</u>	17
<u>Grades Offered</u>	K5H, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12
<u>Number of Advanced Placement Courses Offered</u>	25
<u>Number of Career and Technical Programs Offered by District</u>	0
<u>Average Years of Educational Experience (Total)</u>	14.99
<u>Average Years of Educational Experience (In District)</u>	13.26
<u>Percent of Classes Taught by Highly Qualified Teachers</u>	100
<u>District Enrollment</u>	12736
<u>Percent of Gifted Students</u>	5.94
<u>Charter School Enrollment</u>	119
<u>Geographic Size of District (Square Miles)</u>	43
<u>Enrollment in Partnering Career and Technical Center (s)</u>	413
<u>Dropout Rate (Percent)</u>	0.48
Career and Technical Center (CTC) Programs	
<u>Career and Technical Center Name</u>	North Montco Tech Career Center
<u>Career and Technical Center Website</u>	http://www.nmtcc.org
Supporting Intermediate Unit (IU)	
<u>Intermediate Unit Name</u>	Montgomery County IU 23
<u>Intermediate Unit Website</u>	http://www.mciu.org
Please visit the school website for programs offered and additional information.	
Percent Enrollment By Race/Ethnicity	
<u>American</u>	0.13
<u>Indian/Alaskan Native (not Hispanic)</u>	
<u>Asian (not Hispanic)</u>	19.86
<u>Black or African American (not Hispanic)</u>	8.35
<u>Hispanic (any race)</u>	5.76
<u>Multi-Racial (not Hispanic)</u>	3.42
<u>White (not Hispanic)</u>	62.38
<u>Native Hawaiian or other Pacific Islander (not Hispanic)</u>	0.08
Percent Enrollment by Student Groups	
<u>Economically Disadvantaged</u>	29.23
<u>English Language Learner</u>	3.66
<u>Special Education</u>	16.52
Percent Enrollment by Gender	
<u>Female</u>	48.13
<u>Male</u>	51.87
Link to Supplemental Reports:	
School Safety Report	https://www.safeschools.state.pa.us
Special Education Data Report	http://penndata.hbg.psu.edu
State Audit	http://www.auditorgen.state.pa.us/audit-reports

NPSD Offers Property Tax Rebate Program, One of Only Two Districts in PA

The North Penn School District (NPSD) has a new way in which some of its taxpayers can benefit from tax relief.

At an action meeting of the NPSD Board of School Directors in October 2017, the board unanimously approved a property tax rebate program that will see a discount of \$62.50 to \$162.50 for certain homeowners. To qualify for this discount, applicants must:

- own a home as their primary residence in the North Penn School District and have a household income of no more than \$35,000 annually (excluding one-half of social security benefits); and
- be 65 years of age or older; or
- be a widow and widower aged 50 years of age or older; or
- be permanently disabled and 18 years of age or older.

The property tax rebate program is based on the existing Pennsylvania Property Tax and Rent Rebate program which has been in effect since 1971 and is funded by state lottery and slot machine proceeds. North Penn homeowners must qualify for the state rebate program to qualify for the district rebate program. NPSD is granting a 25 percent rebate of the state's rebate and is broken down as follows:

- \$162.50 annual rebate for North Penn homeowners with a yearly household income between \$0 to \$8,000;
- \$125 annual rebate for North Penn homeowners with a yearly household income between \$8,001 to \$15,000;
- \$75 annual rebate for North Penn homeowners with a yearly household income between \$15,001 to \$18,000; and
- \$62.50 annual rebate for North Penn homeowners with a yearly household income between \$18,001 to 35,000

NPSD Named to 2018 Best Communities for Music Education List by National Association of Music Merchants



The North Penn School District (NPSD) is proud to announce that it has once again been honored with the “Best Communities for Music Education” designation from the National Association of Music Merchants (NAMM) Foundation for its outstanding commitment to music education. North Penn joins 583 districts across the country in receiving the prestigious award in 2018.

In cooperation with researchers at The Music Research Institute at the University of Kansas, and based on survey results, each year the NAMM Foundation selects school districts to be recognized as being among the Best Communities for Music Education (BCME), while individual schools with excellent music education receive the Support Music Merit Award (SMMA).

Now in its 19th year, the awards program recognizes outstanding efforts by teachers, administrators, parents, students and community leaders who have made music education part of the curriculum. Designations are made to districts and schools that demonstrate an

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exceptionally high commitment and access to music education. These districts and schools set the bar in offering students access to comprehensive music education.

The designation takes on added significance this year with new research showing strong ties between K-12 school students who actively participate in school music education programs and overall student success. A recent study of students in the Chicago Public Schools by brain researchers at Northwestern University, detailed in *Neuroscientist* and *Education Week*, builds on previous findings that participation in music education programs helps improve brain function, discipline and language development.

To qualify for the Best Communities designation, North Penn answered detailed questions about funding, graduation requirements, music class participation, instruction time, facilities, support for the music program and community music-making programs. Responses were verified with school officials and reviewed by The Music Research Institute at the University of Kansas.

This award recognizes that North Penn is leading the way with learning opportunities as outlined in the new federal education legislation, the Every Student Succeeds Act (ESSA). The legislation, signed into law in December 2015, replaces No Child Left Behind Act (NCLB), which was often criticized for an overemphasis on testing—while leaving behind subject such as music. ESSA recommends music and the arts as important elements of well-rounded education for all children.



North Penn High School TV Students Win 3 Emmy Awards

The North Penn School District (NPSD) is proud to announce that North Penn Television (NPTV) received three Mid-Atlantic High School Production Awards of Excellence from the National Academy for Television Arts & Sciences (NATAS), Mid-Atlantic Chapter.

Nominees and award winners are selected by broadcast professionals throughout the Mid-Atlantic region in 12 different categories. This year, the NATAS Mid-Atlantic chapter received record-breaking entries from high schools in PA, NJ and DE.



With these three awards, NPTV students have now won 21 Mid-Atlantic High School Production Awards for Excellence from the National Academy for Television Arts & Sciences (NATAS), Mid-Atlantic Chapter since 2003.

The educational day and awards ceremony was held at Drexel University on May 23, 2017. In addition to the awards ceremony, students also had small group interactions with professionals in the television business.

Elementary Students Participate in 7th Annual IRONKnights Triathlon

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Just shy of 1,500 elementary students in the North Penn School District (NPSD) participated in the 7th Annual IRONKnights Elementary Triathlon, supported in part by the NPSD Educational Foundation, on Saturday, May 19 beginning at North Penn High School.

Students in grades Kindergarten through six competed in a three-part competition ranging in distances according to grade level which included biking, running and swimming.

Students in kindergarten through second grade began bright and early at 8:00 a.m. swimming 20 yards, biking one mile and running a half-mile. Third and fourth graders were next to follow at 11:00 a.m., swimming 60 yards, biking three miles and running three-quarters of a mile. Students in grades five and six wrapped up the afternoon at 2:30 p.m. and swam 100 yards, biked five miles and ran one full mile!

With the help of elementary school physical education teachers from throughout the district as well as a newly formed parent group, Jason Theodore, Phys. Ed. teacher at Montgomery Elementary, worked very hard in putting together such a great event to promote health, wellness and hard work for elementary school students. Participants were provided opportunities to train for the event, including swimming practice sessions held at the high school.

Students were cheered on by friends, family and staff members for an afternoon of hard work, diverse exercise and plenty of fun! Each student was given a T-Shirt for participating and awards were distributed to the top three students with the fastest collective times in each grade level.



Glossary

Accounting Method – The method by which income and expenses are reported. The District uses two methods of accounting:

- **Full Accrual** – An accounting method that measures the performance and position of a company by recognizing economic events regardless of when cash transactions occur. The general idea is that economic events are recognized by matching revenues to expenses (the matching principle) at the time in which the transaction occurs rather than when payment is made (or received).
- **Modified Accrual** - An accounting method commonly used by government agencies that combines accrual-basis accounting with cash-basis accounting. Modified accrual accounting recognizes revenues when they become available and measurable and, with a few exceptions, recognizes expenditures when liabilities are incurred.

Act 1 - Special Session Act 1 of 2006, the Taxpayer Relief Act, was signed on June 27, 2006, and modified in June 2011 by Act 25 of 2011. This law eases the financial burden of home ownership by providing school districts the means to lower property taxes to homeowners, especially senior citizens, via the funding provided by gaming revenue. Act 1 establishes an index rate in which property tax millage cannot be raised by unless exceptions are granted to the District.

Assessed Value - The dollar value assigned to a property for purposes of measuring applicable taxes. Assessed valuation is used to determine the value of a residence for tax purposes and takes comparable home sales and inspections into consideration. It is the price placed on a home by the corresponding government municipality to calculate property taxes.

Board of School Directors – The elected or appointed body which has been created to state law and vested with responsibilities for educational activities in a given geographic area. The District is governed by a Board of School Directors.

Bond - A bond is a debt investment in which an investor loans money to an entity (typically corporate or governmental) which borrows the funds for a defined period of time at a variable or fixed interest rate. Bonds are used by companies, municipalities, states and sovereign governments to raise money and finance a variety of projects and activities. Owners of bonds are debtholders, or creditors, of the issuer.

Budget - An estimation of the revenue and expenses over a specified future period of time.

Capital Expenditure - Funds used by a district to acquire or upgrade physical assets such as property, buildings or equipment. These expenditures can include everything from repairing a roof to a building, to purchasing a piece of equipment, or building a brand new school.

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Debt Limit - The statutory borrowing limit of a district under the Local Government Unit Debt Act (Act 52 of 1978) is computed as a percentage of the School District's "Borrowing Base". The "Borrowing Base" is defined as the annual arithmetic average of "Total Revenues" (as defined by the Debt Act), for the three full fiscal years ended next preceding the date of incurring the debt. Under the Debt Act as presently in effect, no school district shall incur any nonelectoral debt or lease rental debt if the aggregate net principal amount of such new debt, together with any other net nonelectoral debt and lease rental debt then outstanding, would cause the net nonelectoral debt plus net lease rental debt to exceed 225% of the Borrowing Base.

Debt Service - The cash that is required for a particular time period to cover the repayment of interest and principal on a debt.

Exceptions - A school district that adopts a preliminary budget with real estate taxes that exceed its index may seek approval for referendum exceptions to increase tax rates by more than its adjusted index. Section 333 of the Taxpayer Relief Act, as amended by Act 25 of 2011, provides for four exceptions that require approval by the Pennsylvania Department of Education including special education expenditures and PSERS retirement contributions.

Expenditures – Charges incurred, whether paid or not, which benefit the current fiscal period.

Fiscal Year – The twelve-month period of time which the annual budget applies, and at the end of which, the District determines its financial position and results of its operations. This period is normally from July 1 to June 30.

Function – An expenditure dimension that captures activity aimed towards accomplishing a specific purpose. Examples include regular education, special education, and transportation services.

Fund – A fiscal or accounting entity with a self-balancing set of accounts recording financial transactions.

Fund Balance – The excess of assets in a fund over its liabilities and reserves.

GASB – The Governmental Accounting Standards Board is the source of generally accepted accounting principles used by State and Local governments in the United States. The mission of the Governmental Accounting Standards Board is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

LEA – Local Education Agency such as a school district.

Levy – The act of imposing a tax or assessment.

Mill – The current property tax rate per thousand dollars of assessed value. One mill is equal to \$1.00 per \$1,000 of assessed value.

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Object – An expenditure dimension that describes the service or commodity obtained for a specific expenditure. Examples include salaries, benefits, supplies, and equipment.

OPEB- Other Postemployment Benefits (or OPEB) are benefits (other than pensions) that U.S. state and local governments provide to their retired employees. These benefits principally involve health care benefits, but also may include life insurance, disability, legal and other services.

PSERS – The Public School Employees’ Retirement System (PSERS) is an agency of the Commonwealth of Pennsylvania that administers the pension plan for Pennsylvania’s public school employees. Under the Internal Revenue Service (IRS) Code, the PSERS pension plan is classified as a 401(a), governmental defined benefit plan. A defined benefit plan means that the retirement benefit is determined by a formula which includes a retirement factor, years of credited service, and the final average salary.

Revenue – Monies received from taxes, fees, state and federal subsidies, and other sources that are available to the District to fund expenditures.

Self-Insured - Type of plan usually present in larger companies where the employer itself collects premiums from enrollees and takes on the responsibility of paying employees’ and dependents’ medical claims.

