

North Penn
School District

Dream Big.
Achieve Greatness.



2016-2017 BUDGET

July 1, 2016 – June 30, 2017

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



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Board of School Directors

- Vincent Sherpinsky..... President
- Josephine Charnock Vice-President
- Edward Diasio Member
- Timothy Kerr Member
- Suzan Leonard..... Member
- Carolyn Murphy Member
- Frank O’Donnell Member
- Theresa W. Prykowski..... Member
- John Schilling..... Member
- Steve Skrocki (not pictured)..... Secretary (non-voting)
- Donna Mengel (not pictured) Treasurer (non-voting)



Board of Directors Committee Assignments

Education/Community/Policy

Suzan Leonard
Carolyn Murphy
Theresa Prykowski

Special Education

Josephine Charnock
Tim Kerr
Vincent Sherpinsky

Finance

Josephine Charnock
Edward Diasio
Frank O'Donnell

Support Services

Edward Diasio
Theresa Prykowski
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North Montco TCC-JOC

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Negotiations

Josephine Charnock
Tim Kerr
Theresa Prykowski

Personnel

Josephine Charnock
Timothy Kerr
Vincent Sherpinsky

Safe Schools

Josephine Charnock
Suzan Leonard
Frank O'Donnell

Consultants and Advisors

Independent Auditors

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

Legal Counsel

Dischell Bartle Dooley
1800 Pennbrook Parkway
Suite 200
Lansdale, PA 19446

Financial Advisor

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

Main Depository

National Penn Bank
16 W Philadelphia Ave,
Boyertown, PA 19512

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
Jenna Rufo.....Director of Special Education
Dr. Frances Garner Assistant Director of Special Education
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
Vacant 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: 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



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 2015-2016.

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



A handwritten signature in black ink that reads 'Brenda Burkett'.

Brenda R. Burkett, CPA, CSBA, SFO
President

A handwritten signature in black ink that reads 'John D. Musso'.

John D. Musso, CAE, RSBA
Executive Director

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Introductory Section

North Penn School District

2016-2017 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

September 12, 2016

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

Dear School Directors:

The 2016-2017 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.

2016-2017 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 2016-2017 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.

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, 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 12,800 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. Over the past six years, the African American student population has increased from 4.65% to 8.4%. In the same time span, the Hispanic student population has increased from 3.2% to 4.6% and the Asian student population has increased from 13.57% to 19.9%. As a result, the North Penn School District has one of the largest representations of Asian students in the state of Pennsylvania. Within these groups, students represent many specific ethnicities and home languages. Overall, the district has 3.7% of its students qualifying for English as a Second Language (ESL) services, with individual schools ranging as high as 15% ESL. Similarly, an increasing number of economically disadvantaged students resulted in 30% of NPSD students qualifying for free or reduced lunch in 2015-16, with individual schools ranging as high as 56% qualifying. NPSD is fortunate to collaborate with many businesses and community organizations to provide additional supports and services for students.

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 Preliminary Budget due date is earlier in a Presidential election year and was adopted in January. 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 2016-17) unless exceptions are utilized or voter approval is given to raise taxes above the index. If the Board of Directors adopt 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:

North Penn School District
2016-2017 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
December	<ul style="list-style-type: none"> • Final budget timeline is created • Building and department budget requests are due to the business office • Deadline to notify residents of homestead/farmstead exclusion • Adoption of board resolution authorizing preliminary budget display and public notice
January	<ul style="list-style-type: none"> • Preliminary budget is completed and presented to the board of directors • Deadline to opt out of Act 1 exceptions • Board adoption of preliminary budget • Authorization of referendum exception application • Advertising of notice of intent to file for exceptions
February	<ul style="list-style-type: none"> • Budget meetings are held with administrators
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 2016-2017 budget, the District adopted the preliminary budget on January 21, 2016 and the proposed final budget on May 10, 2016. The final budget was adopted by the board of directors at the June 16, 2016 board action meeting.

Student Enrollment

The projected student enrollment for the 2016-17 school year is 12,789 total students. At the August 18, 2016 board action meeting the directors approved an enrollment study to be completed by the Montgomery County Planning Commission to be completed in the spring of 2017.

North Penn School District
2016-2017 Budget

Personnel Resources

The District has decreased staffing in the 2016-2017 budget from 1951 total employees in the 2015-2016 budget to 1936. Full time employees decreased from 1779 to 1768 in 2016-2017 and part time employees also decreased from 172 in 2015-16 to 168 in 2016-2017. Total staffing levels decreased by 32 employees in all support departments, increased by nine in the elementary schools, and increased by eight employees in the secondary schools.

District Facilities and Capital Improvements

The District is currently completing renovations to Hatfield Elementary School which were substantially completed prior to the beginning of the 2015-2016 new school year. To finance this project, the District sought two separate bond issues in 2014 and 2015 for 9.95 million dollars each. The District will begin renovations on Montgomery Elementary School in the summer of 2016. To finance this project, the District issued General Obligation Bonds for 9.84 million dollars in 2016 and will seek a second issue for 15 million dollars 2017. The District has recently engaged in an Athletic Campus Master Plan that may result in future projects

Other potential upcoming projects include various roof replacements and security camera upgrades at various buildings.



North Penn School District
2016-2017 Budget

Budget Summary for All Funds

The following is a summary of the 2016-2017 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.

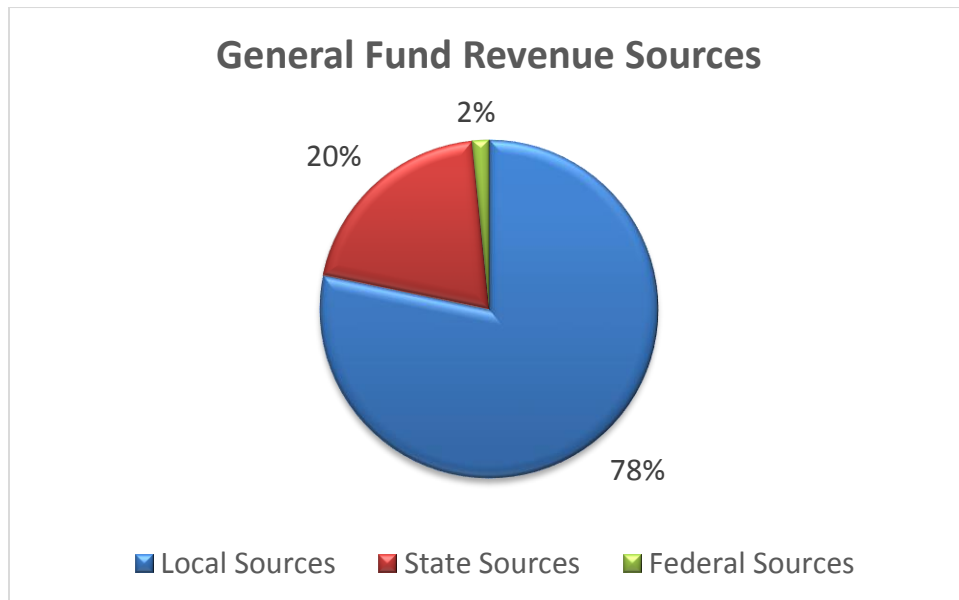
Summary of All Funds

Fund	2015-2016 Budget	2016-2017 Budget	Budget Change FY 2016 to FY 2017	Percent Change FY 2016 to FY 2017
General Fund				
Beginning Fund Balance	\$ 36,636,675	\$ 34,029,130	\$ (2,607,545)	-7.12%
Revenues	232,556,883	242,174,877	9,617,994	4.14%
Expenditures	235,164,428	245,489,530	10,325,102	4.39%
Other Financing Sources/(Uses)	-	-	-	0.00%
Net Change in Fund Balance	(2,607,545)	(3,314,653)	(707,108)	27.12%
Ending Fund Balance	\$ 34,029,130	\$ 30,714,477	(3,314,653)	-9.74%
Capital Projects Fund				
Beginning Fund Balance	\$ 14,720,463	\$ 2,925,463	\$ (11,795,000)	-80.13%
Revenues	10,000	25,000	15,000	150.00%
Expenditures	11,805,000	22,010,000	10,205,000	86.45%
Other Financing Sources/(Uses)	-	15,000,000	15,000,000	0.00%
Net Change in Fund Balance	(11,795,000)	(6,985,000)	4,810,000	-40.78%
Ending Fund Balance	\$ 2,925,463	\$ (4,059,537)	(6,985,000)	-238.77%
Enterprise Funds				
Beginning Fund Balance	\$ (8,329,691)	\$ (8,210,180)	\$ 119,511	-1.43%
Revenues	8,187,594	8,331,292	143,698	1.76%
Expenditures	8,068,083	8,874,042	805,959	9.99%
Other Financing Sources/(Uses)	-	-	-	0.00%
Net Change in Fund Balance	119,511	(542,750)	(662,261)	-554.14%
Ending Fund Balance	\$ (8,210,180)	\$ (8,752,930)	(542,750)	6.61%
Internal Service Fund				
Beginning Fund Balance	\$ 6,677,153	\$ 6,654,430	\$ (22,723)	-0.34%
Revenues	28,977,277	29,820,000	842,723	2.91%
Expenditures	29,000,000	29,926,500	926,500	3.19%
Other Financing Sources/(Uses)	-	-	-	0.00%
Net Change in Fund Balance	(22,723)	(106,500)	(83,777)	368.69%
Ending Fund Balance	\$ 6,654,430	\$ 6,547,930	(106,500)	-1.60%
Total All Funds				
Beginning Fund Balance	\$ 49,704,600	\$ 35,398,843	\$ (14,305,757)	-28.78%
Revenues	269,731,754	242,174,877	(27,556,877)	-10.22%
Expenditures	284,037,511	245,489,530	(38,547,981)	-13.57%
Other Financing Sources/(Uses)	-	-	-	0.00%
Net Change in Fund Balance	(14,305,757)	(3,314,653)	10,991,104	-76.83%
Ending Fund Balance	\$ 35,398,843	\$ 32,084,190	(3,314,653)	-9.36%

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 \$242,174,877 in total budgeted revenue for the 2016-2017 fiscal year. The remaining 22% of revenue budgeted is comprised of state subsidies and grants (20%) as well as federal grant money (2%).

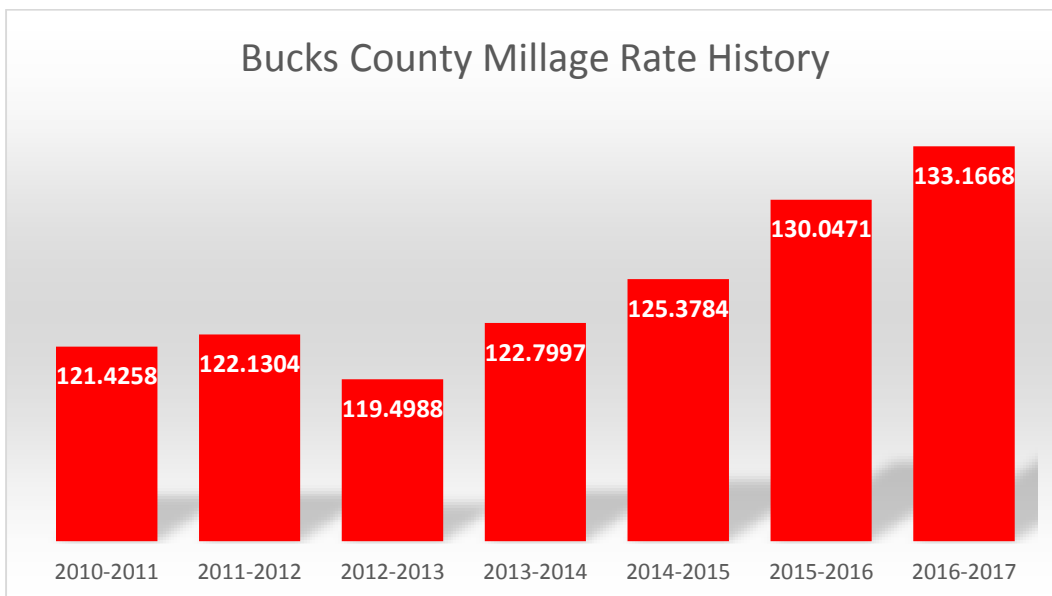
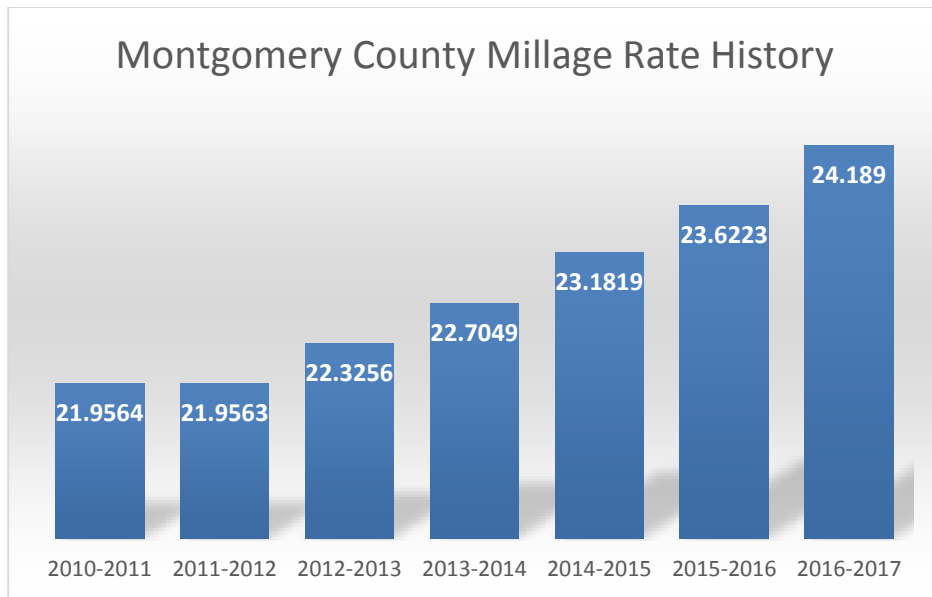


Local Sources

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 \$164,150,885 which is 87% of local revenue sources budgeted and 68% of total revenue sources budgeted. Current real estate tax revenue budgeted is \$4,359,876 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 \$7,195,870,992 for the 2016-2017 school year.

North Penn School District
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The 2016-2017 real estate tax rate required to fund the District's programs and services for Bucks County is 133.1668 and 24.1890 for Montgomery County. The Montgomery County rate increased by 2.4% from the previous year which is the maximum amount allowable under Act 1 for the 2016-2017 school year. The Bucks County increase was also 2.4% above the original millage rate for 2015-16. 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 \$4.4 million in resources for the District. The following two charts show the millage rate history for both counties since the 2010-2011 school year.



North Penn School District
2016-2017 Budget

Tax Impact on Average Home

	Assessment	2015-16 Millage	2016-17 Millage	2015-16 Tax	2016-2017 Tax	Increase
Montgomery County	200,000	23.6223	24.1890	4,724.46	4,837.80	113.34
Buck County	28,000	130.0471	133.1668	3,641.32	3,728.67	87.35

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 \$15.5 million in EIT revenue and \$2.6 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.

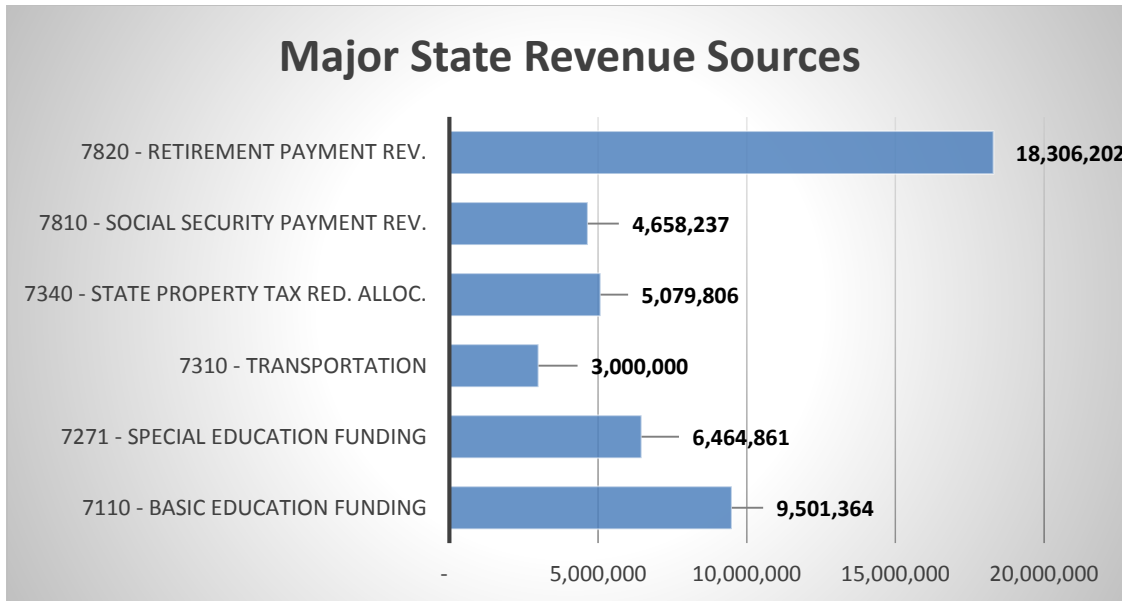
Other Local Revenue Sources

Revenue Sources	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017
Interim Taxes	\$ 1,022,090	\$ 2,400,972	\$ 1,112,696	\$ 1,010,000	\$ 1,100,000
Earned Income tax (EIT)	14,489,809	15,327,539	16,440,290	15,000,000	15,500,000
Real Estate Transfer Tax	2,036,606	2,891,319	2,638,027	2,200,000	2,600,000
Delinquent Real Estate Tax	3,954,259	3,290,588	2,971,795	2,600,000	2,400,000
Total	\$ 21,502,764	\$ 23,910,418	\$ 23,162,808	\$ 20,810,000	\$ 21,600,000

North Penn School District
2016-2017 Budget

State Sources

State sources comprise 20% of the total budget at \$48,868,009 which is a 7.9% increase from the 2015-2016 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 2016-2017.



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 2016-2017, the rate that districts pay into PSERS is 30.03 % and in return the state reimburses half of this expense. This amount is \$18,306,202 which is a \$3 million (19.6%) increase from the previous year. This increase is contributed to an increase in salaries as well as an increase in the contribution rate from 25.84% to 30.03%. The state also reimburses districts for one half of their Social Security and Medicare taxes which in 2016-2017 equates to \$4,658,237.

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 2016-2017 school year is \$5,079,806 which equates to a tax reduction of \$204 for each eligible property.

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

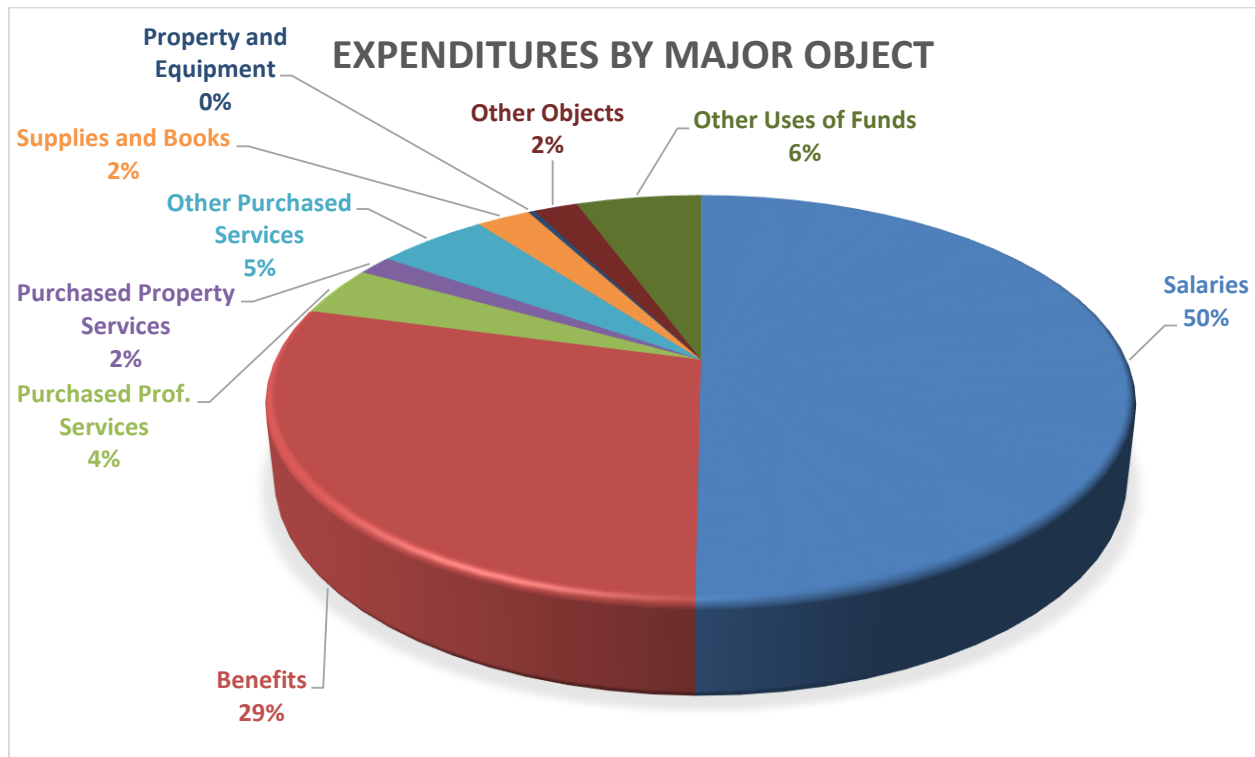
North Penn School District
2016-2017 Budget

- Title II - Prepare, Train, and Recruit Highly Qualified Teachers and Principals
- Title III - Language Instruction of LEP and Immigrant Students
- Keystones to Opportunity - Striving Readers Comprehensive Literacy Prog. (budgeted in Title I)

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

Expenditures

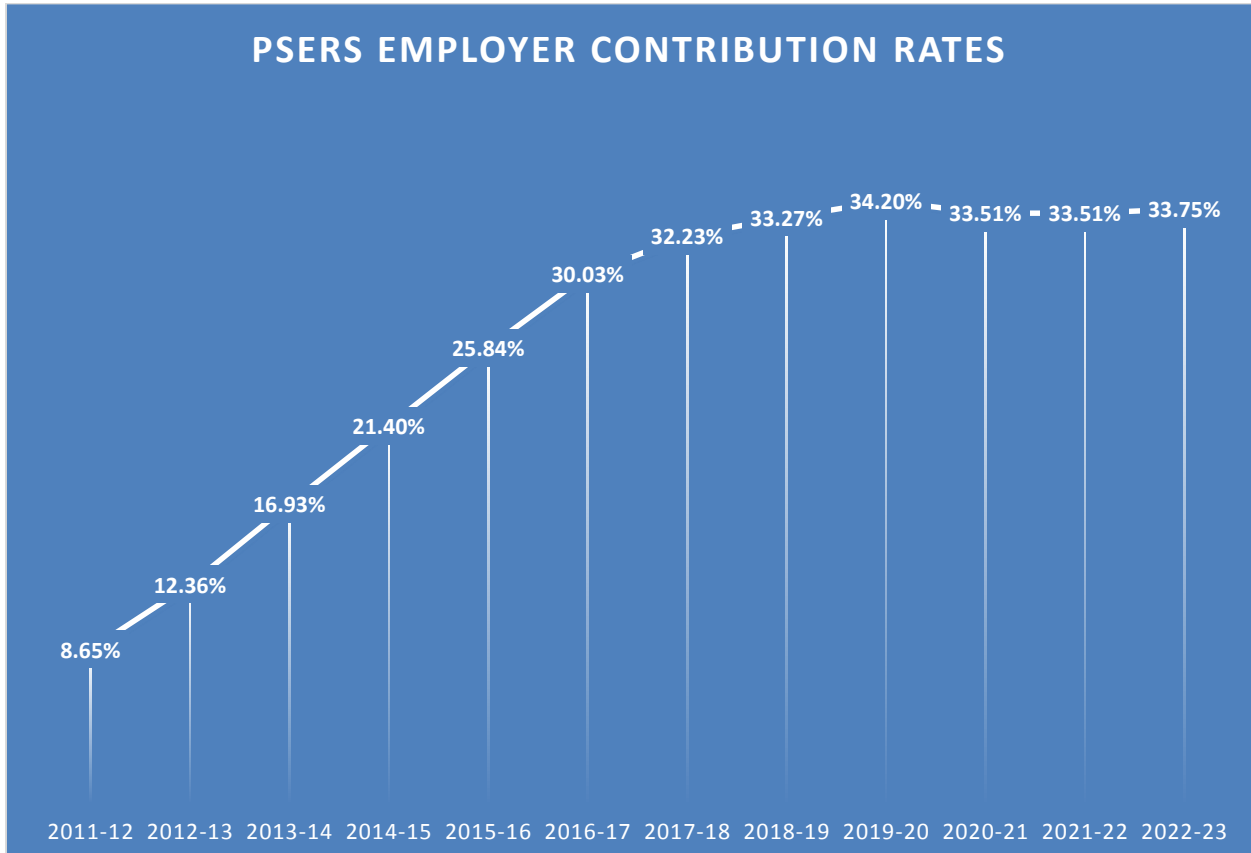
For the 2016-17 school year, budgeted expenditures in the General Fund are \$245,489,530, which is an increase of \$10,325,102 (4.4%) from 2015-2016. The following table compares these expenditures by category:



North Penn School District
2016-2017 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 2016-17 school year, this amount is 30.03% which means that for each \$1 in eligible salaries the District must contribute 30.03 cents to PSERS. The table below shows the historical, current, and projected PSERS contribution rates:



The total budgeted PSERS expenditure is \$36,612,403 for 2016-2017 which is an increase of \$6,001,489 (19.6%) from the previous year.

North Penn School District
2016-2017 Budget

The following table shows the budgeted expenditures by object (major category) for 2016-2017 along with the dollar and percentage changes from the 2015-2016 budget.

General Fund Change In Expenditure Objects

	<u>Budget 2015-2016</u>	<u>Budget 2016-2017</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Expenditures				
Salaries	120,328,791	123,166,797	2,838,006	2.36%
Benefits	64,198,878	71,304,329	7,105,451	11.07%
Purchased Prof. Services	9,668,490	9,641,491	(26,999)	-0.28%
Services	3,789,169	3,847,637	58,468	1.54%
Other Purchased Services	11,889,303	12,283,379	394,076	3.31%
Supplies and Books	6,979,114	5,952,776	(1,026,338)	-14.71%
Property and Equipment	729,374	693,764	(35,610)	-4.88%
Other Objects	5,160,629	4,856,840	(303,789)	-5.89%
Other Uses of Funds	12,420,680	13,742,517	1,321,837	10.64%
Total Expenditures	<u>235,164,428</u>	<u>245,489,530</u>	<u>10,325,102</u>	<u>4.39%</u>

Along with the PSERS contribution, the other major items impacting the expenditure budget are as follows:

- Salaries – Salaries have increased by 2.36%. A new contract agreement was reached with the North Penn Education Association (NPEA) during the 2015-2016 school year.
- Technology Capital Lease-An additional \$705,670 was budgeted for a new lease for Chromebooks to be issued to students in grades 6 through 9 and other technology upgrades which will be leased over three years.
- Prior Year Elementary Language Arts Textbook Adoption-This initiative from 2015-16 budgeted at \$999,323 was not replaced in the 2016-17 budget, resulting in an over \$1 million reduction in supplies and books.
- New debt for the Montgomery Elementary School renovations – Debt service payments will increase by \$191,098 due to this project.

North Penn School District
2016-2017 Budget

Analysis of Outstanding General Obligation Bonds

	Principal Balance		
	2014-2015	2015-2016	2016-2017
Debt at Beginning of Year	88,510,000	98,405,000	97,765,000
Additional Debt Incurred During Year	19,945,000	9,840,000	15,000,000
Retirements/Repayments	<u>10,050,000</u>	<u>10,480,000</u>	<u>11,000,000</u>
 Debt at End of Year	 98,405,000	 97,765,000	 101,765,000

*Anticipated Borrowing

The net increase for these major items is \$8,769,940.

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 2016-2017, there is a projected beginning fund balance of \$14,378,337 in bond and capital reserve funds available that will be used to finish the following projects:

- Capital improvements to Hatfield Elementary School which were substantially completed in 2015
- Renovations to Montgomery Elementary School which will be completed in August 2017.
- Roof replacements various District buildings

The District recently engaged in an Athletic Campus Master Plan and is evaluating potential projects as a result.

School Nutrition Fund Overview

For the 2016-2017 school year, the District's School Nutrition fund is budgeting revenues of \$5,471,972. Local revenues, which are comprised of sales to students and staff, are budgeted to decrease by \$142,002 (-4.9%) due to a decrease in breakfast sales projections, a la carte sales, and student sales due to increased free and reduced eligibility.

This 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 and the 2016-2017 budget shows an increase in combined state and federal revenue sources of \$188,868 (7.44%). The District is also receiving an additional 6 cents per meal in reimbursement for having completed the Pennsylvania Direct Meal Certification program.

Expenditure budget of \$5,867,850 is an increase of \$469,852 (8.7%) over the previous year. This can be attributed to an increase in salaries, increased food and supply costs, and replacement equipment costs to purchase a new warmer and ovens.

Extended School Care Fund Overview

The Extended School Care Fund continues to show a profit for the 2015-16 school year. With a consistent enrollment of 780 students throughout this school year and increases made to the part time rates two years ago, the program is able to cover all expenses and will end the school year showing a profit.

Through the month of February 2016 income was up approximately 3.0% over the previous year. Expenses thus far are slightly more than last year. This is due to increases in income at Bridle Path and Inglewood Elementary schools on the income side and increases in salaries, medical benefits and pension on the expense side.

With a fee increase of 2.4% approved for the 2016-17 school year, income is budgeted at \$2,293,470 and expenses at \$2,445,301.

Summer camp continues to show improvement with enrollment last year improving over the previous year. Camp registration began on March 22, 2016. More than 150 students have signed up to date. We have reached capacity at Gwyn Nor and are close to capacity the first two weeks of camp at Bridle Path.

Community Education Fund Overview

The District's Community Education Program has provided affordable life-long learning opportunities for more than 40 years. This year alone over 3,300 residents participated 249 classes and summer camps. Also, about 500 of our "Gold Carders" (residents 60 and older) enjoyed our programs for free or at a reduced rate. In an age when school districts are ending such programs, NPSD boasts thriving support of this community tradition.

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 2015-2016 school year, community education installed a sound system in Conference Room B at the Education Services Center (\$10,675) and will be funding the NPSD Mobile App (\$10,139) that will launch by the end of the school year.

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.

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 2016-2017 school year, budgeted revenues (transfers from the general fund from both employer and employee cost-sharing) are \$29,820,000 and expenditures (the cost of claims) is \$29,926,500.

North Penn School District
2016-2017 Budget

Budget Forecast

The following budget forecast shows the estimated budget for the North Penn School District Governmental Funds through the 2019-2020

school year:

	2016/2017 Final Budget	2017/2018 Projection	2018/2019 Projection	2019/2020 Projection
GENERAL FUND				
Total Revenues	\$242,174,877	\$250,270,722	\$258,216,872	\$266,408,514
Total Expenses	<u>\$245,489,530</u>	<u>\$256,009,959</u>	<u>\$264,649,167</u>	<u>\$272,797,220</u>
Revenues Over (Under) Expenses	\$ (3,314,653)	\$ (5,739,237)	\$ (6,432,295)	\$ (6,388,706)
Beginning Fund Balance 7/1				
Assigned + Unassigned	\$ 34,029,130	\$ 30,714,477	\$ 24,975,240	\$ 18,542,945
Ending Fund Balance 6/30				
Assigned + Unassigned	\$ 30,714,477	\$ 24,975,240	\$ 18,542,945	\$ 12,154,239
CAPITAL PROJECTS FUND				
Total Revenues	\$ 15,025,000	\$ 1,525,500	\$ 1,526,010	\$ 1,526,530
Total Expenses	<u>\$ 22,010,000</u>	<u>\$ 6,610,000</u>	<u>\$ 1,510,000</u>	<u>\$ 1,510,000</u>
Revenues Over (Under) Expenses	\$ (6,985,000)	\$ (5,084,500)	\$ 16,010	\$ 16,530
Beginning Fund Balance 7/1				
Assigned + Unassigned	\$ 14,378,337	\$ 7,393,337	\$ 2,308,837	\$ 2,324,847
Ending Fund Balance 6/30				
Assigned + Unassigned	\$ 7,393,337	\$ 2,308,837	\$ 2,324,847	\$ 2,341,377

The following assumptions were made in these forecasts:

- Millage increases equal to the projected Act 1 index each year
- 97% tax collection rate
- 2% annual increase in earned income tax, 4% increase for transfer taxes
- 2% annual increase to state and federal revenue
- 2.75% increase annually in salaries

North Penn School District
2016-2017 Budget

- Pension rates using PSERS projected rates
- 4% increase per year in other benefits; 3% increase per year in professional/technical services, purchased property services, and other purchased services; and 2% increase per year in supplies.

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 2014-15 school year and the per pupil expenditure for each district. The North Penn School District ranks 18th out of 21 schools while having the second 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 \$17,826.32 is \$1,953.45 less than the county average of \$19,779.77.

2014-2015 District Expenditure Cost of Total Functions

	TOTAL 2014-2015 EXPENDITURES	**TOTAL PUPILS 2014-2015	PUPIL COST	RANK
ABINGTON	\$137,529,050	7,674	\$17,921.43	17
CHELTENHAM	101,571,334	4,584	22,157.80	4
COLONIAL	100,779,335	4,706	21,415.07	6
HATBORO-HORSHAM	93,744,170	4,723	19,848.44	10
JENKINTOWN	14,293,080	639	22,367.89	2
LOWER MERION	227,893,842	8,071	28,236.13	1
LOWER MORELAND	44,375,307	2,153	20,610.92	9
METHACTON	97,958,324	4,974	19,694.07	11
NORRISTOWN	138,522,956	7,089	19,540.55	12
NORTH PENN	227,035,981	12,736	17,826.32	18
PERKIOMEN VALLEY	93,351,220	5,763	16,198.37	20
POTTSGROVE	60,840,746	3,214	18,929.91	13
POTTSTOWN	56,030,138	3,102	18,062.58	16
SOUDERTON	119,348,677	6,566	18,176.77	15
SPRINGFIELD	48,116,631	2,315	20,784.72	8
SPRING-FORD	135,660,927	7,870	17,237.73	19
UPPER DUBLIN	91,096,573	4,206	21,658.72	5
UPPER MERION	85,496,634	3,994	21,406.27	7
UPPER MORELAND	56,436,209	3,078	18,335.35	14
UPPER PERKIOMEN	50,967,378	3,257	15,648.57	21
WISSAHICKON	99,051,687	4,449	22,263.81	3
TOTAL DISTRICTS	\$2,080,180,197	105,163	\$19,779.77	

North Penn School District
2016-2017 Budget

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 18th lowest of the 21 districts in the county at 25.94 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.

2014-15 AUDITED DISTRICTS REVENUES - EQUALIZED MILLS

	(A)	(B)	(C)	(D)	(E)	
	TAX LEVY	R. E. TAXES COLLECTED	REAL ESTATE MILLS	VALUE OF EACH MILL	EQUALIZED MILLS	RANK
ABINGTON	\$104,937,648	\$94,026,589	29.8900	3,145,754	33.36	10
CHELTENHAM	83,304,995	75,454,438	44.5156	1,695,011	49.15	1
COLONIAL	80,868,997	71,904,999	20.5125	3,505,423	23.07	19
HATBORO-HORSHAM	70,065,880	64,317,663	26.8480	2,395,622	29.25	14
JENKINTOWN	11,024,905	10,069,405	38.0726	264,479	41.69	3
LOWER MERION	204,575,340	187,546,279	26.2321	7,149,495	28.61	16
LOWER MORELAND	35,483,843	31,893,621	32.3712	985,247	36.02	6
METHACTON	70,989,660	66,144,502	27.9000	2,370,771	29.94	13
NORRISTOWN	93,398,885	83,143,789	33.1790	2,505,916	37.27	5
NORTH PENN	169,682,846	154,512,805	23.6223	6,540,972	25.94	18
PERKIOMEN VALLEY	64,425,690	59,456,886	30.8700	1,926,041	33.45	9
POTTSGROVE	40,668,947	37,082,666	37.7158	983,213	41.36	4
POTTSTOWN	31,802,002	28,416,528	39.2522	723,947	43.93	2
SOUDERTON	80,112,478	74,975,279	28.6502	2,616,920	30.61	12
SPRINGFIELD	39,873,468	36,190,291	31.0766	1,164,551	34.24	8
SPRINGFORD	98,757,137	89,114,798	26.0610	3,419,470	28.88	15
UPPER DUBLIN	70,456,217	63,996,210	31.4099	2,037,453	34.58	7
UPPER MERION	75,048,879	67,954,363	18.9600	3,584,091	20.94	20
UPPER MORELAND	42,171,558	38,665,219	28.7969	1,342,687	31.41	11
UPPER PERKIOMEN	33,499,857	29,661,602	23.0622	1,286,157	26.05	17
WISSAHICKON	65,865,830	59,598,341	17.9800	3,314,702	19.87	21
TOTALS	\$1,587,015,062	\$1,424,126,274				

North Penn School District
2016-2017 Budget

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



Carol J. Pitts
Assistant Director of Business Administration

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Organizational Section

North Penn School District

2016-2017 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

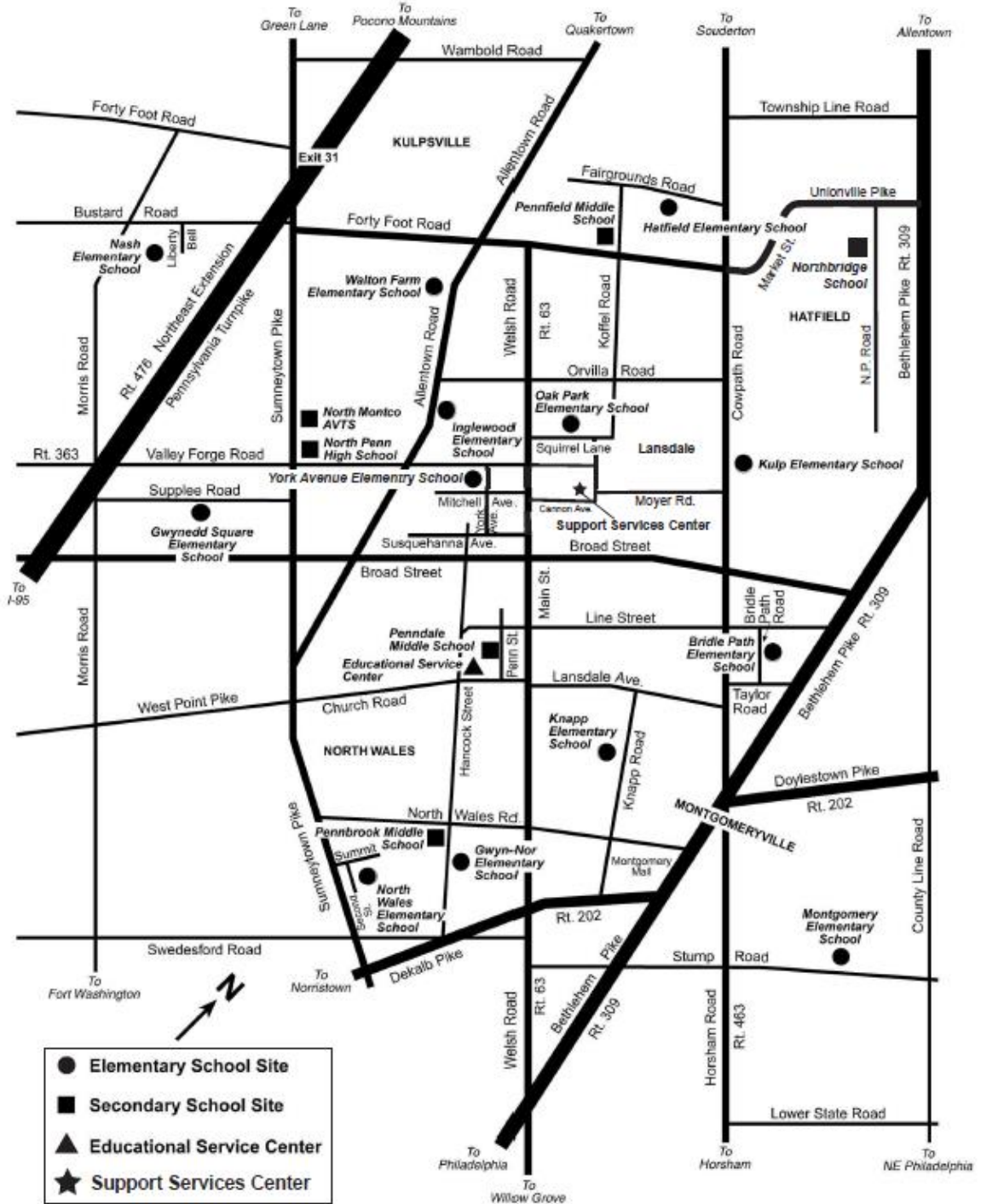
The District presently provides K-12 educational services for approximately 12,800 students enrolled from Kindergarten through Grade 12. The District also provides alternative education services and vocational education for students in grades 10 through 12 at the North Montgomery County Area Vocational 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
2016-2017 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*	2015-16 Enrollment
<i>Elementary:</i>					
Bridle Path.....	1994	---	K-6	889	569
Gwyn-Nor.....	1966	2004	K-6	920	619
Gwynedd Square	1991	---	K-6	980	584
Hatfield.....	1970	2015	K-6	920	494
Inglewood.....	1963	1972/2013	K-6	732	525
Knapp	1955	1999	K-6	665	560
Kulp.....	1957	1963/2009	K-6	1,020	534
Montgomery	1965	1990	K-6	1,098	682
Nash.....	1976	1997	K-6	584	361
North Wales.....	1927	1974/2010	K-6	629	449
Oak Park.....	1959	2002	K-6	856	469
Walton Farm	1994	---	K-6	889	614
York Avenue	1927	2008	K-6	570	296
<i>Secondary:</i>					
Pennbrook Middle	1959	2006	7-9	1,264	881
Penndale Middle.....	1931	1997	7-9	1,749	1,277
Pennfield Middle	1964	2007	7-9	1,362	795
North Penn High.....	1971	1999	10-12	3,782	3,044
Northbridge Alternate School....	1989	2008	7-12		Included above
Education Service Center	1963	1990	N/A		
Support Service Center.....	1982	2008	N/A		

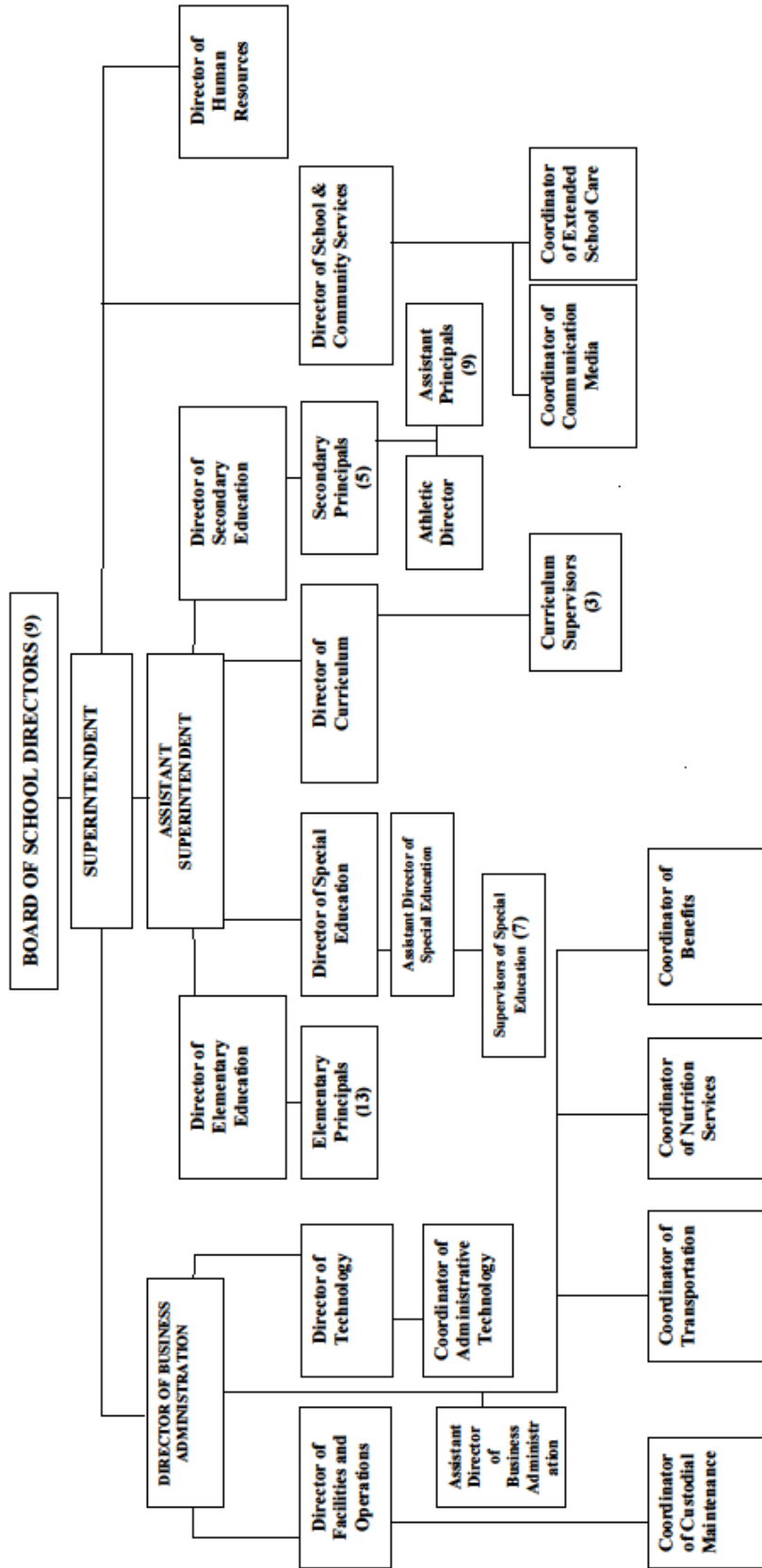
*In accordance with PDE/Planeon methodology (does not include modular’s and special education classrooms).
Source: School District officials.

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.

NORTH PENN SCHOOL DISTRICT
Table of Organization

2411



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, 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.

Goals

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

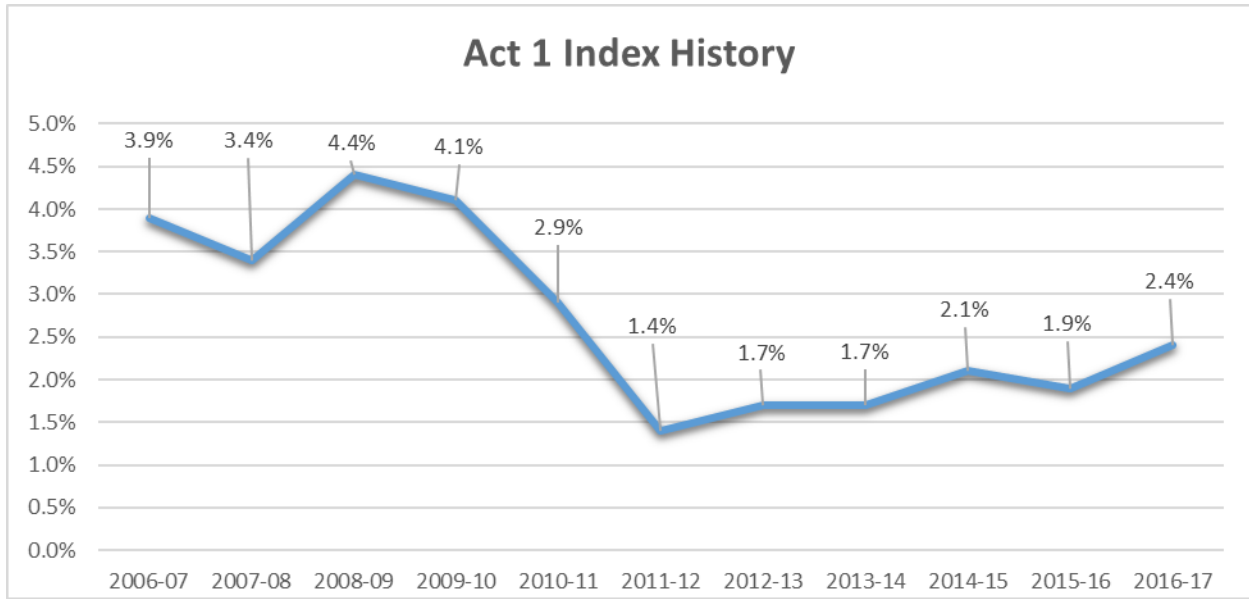
- Student Achievement - Every Student will demonstrate high levels of achievement that provide pathways for college and career success.
- Safe, Healthy and Orderly Environment – NPSD will provide a safe and secure environment for all students, staff and community members to support personal growth and 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.

Normally the annual budget process begins in September so that a Preliminary Budget can be presented and adopted in February. The Preliminary Budget due date is earlier in a Presidential Election year and was adopted in January. 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 2016-2017) unless exceptions are utilized or voter approval is given to raise taxes above the index. If the Board of Directors adopt 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
2016-2017 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:

North Penn School District
2016-2017 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
December	<ul style="list-style-type: none"> • Final budget timeline is created • Building and department budget requests are due to the business office • Deadline to notify residents of homestead/farmstead exclusion • Adoption of board resolution authorizing preliminary budget display and public notice
January	<ul style="list-style-type: none"> • Preliminary budget is completed and presented to the board of directors • Deadline to opt out of Act 1 exceptions • Board adoption of preliminary budget • Authorization of referendum exception application • Advertising of notice of intent to file for exceptions
February	<ul style="list-style-type: none"> • Budget meetings are held with administrators
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

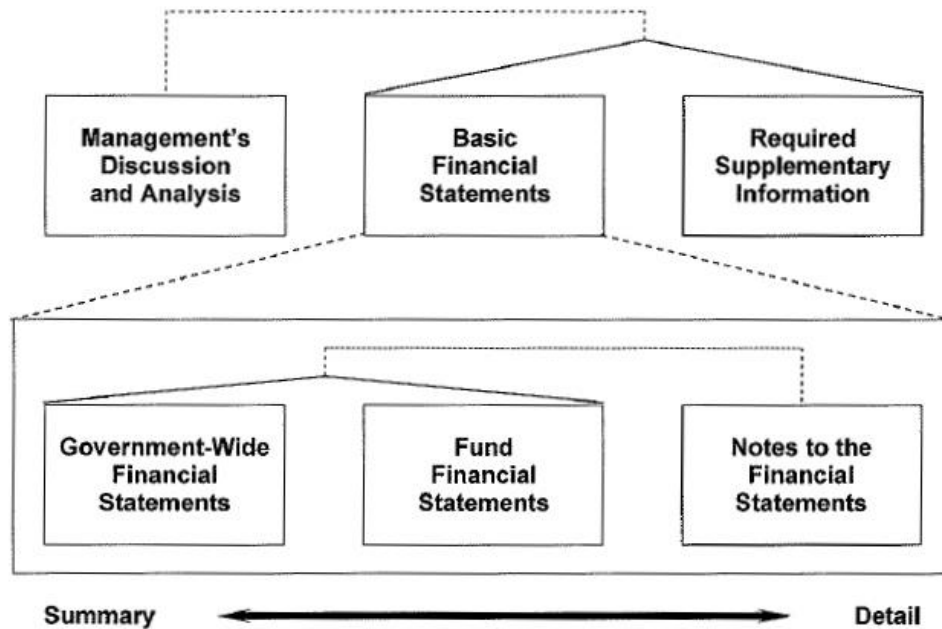
The District administers and manages the budget by entering a line-item budget in the financial software and putting controls into place that prevent over-expenditures on any line item. Budget transfers between line items are allowed beginning October 1st of each fiscal year. Each month for the Financial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

North Penn School District
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- 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.

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 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.)

North Penn School District
2016-2017 Budget

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.

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.

North Penn School District
2016-2017 Budget

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.

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.

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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).

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).

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

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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 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

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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.

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

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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.

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 subfunction 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

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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.

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.

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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.

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.

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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

2016-2017 Budget



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

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North Penn School District
2016-2017 Budget

Summary of All Funds

The following is a summary of the 2016-2017 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 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017	Projection 2017-2018	Projection 2018-2019	Projection 2019-2020
GENERAL FUND								
Fund Balance July 1, 20XX	\$ 28,647,950	\$ 33,948,917	\$ 38,066,317	\$ 36,636,675	\$ 34,029,130	\$ 30,714,477	\$ 24,975,240	\$ 18,542,942
Revenue								
Local Sources	167,238,514	177,016,637	181,485,231	184,111,569	189,483,165	195,303,955	201,334,251	207,736,641
State Sources	34,871,087	38,919,095	40,848,095	45,271,319	48,868,009	51,395,753	53,240,184	54,956,590
Federal Sources	5,415,159	2,754,915	3,192,351	3,173,995	3,823,703	3,571,014	3,642,434	3,715,283
Other Sources	628,013	131,157	80,662	-	-	-	-	-
Total Revenue	208,152,773	218,821,804	225,606,339	232,556,883	242,174,877	250,270,722	258,216,869	266,408,514
Expenditures								
Salaries	109,063,921	113,394,288	115,445,132	120,328,791	123,166,797	126,062,394	129,529,110	133,091,161
Benefits	43,657,879	50,606,946	58,032,947	64,198,878	71,304,329	76,421,329	80,438,141	84,226,942
Purchased Prof. Services	9,206,342	8,926,680	8,471,262	9,668,490	9,641,491	9,930,736	10,228,658	10,535,518
Services	3,963,719	3,856,156	3,874,260	3,789,169	3,847,637	3,963,066	4,081,958	4,204,417
Other Purchased Services	10,999,354	11,499,178	11,534,152	11,889,303	12,283,379	12,683,195	13,063,691	13,455,602
Supplies and Books	6,631,051	5,865,212	6,312,448	6,979,114	5,952,776	6,872,611	7,010,063	7,150,264
Property and Equipment	544,632	1,032,716	2,833,465	729,374	693,764	728,452	764,875	803,119
Other Objects	4,564,189	4,411,784	4,376,765	5,160,629	4,856,840	3,857,171	3,432,446	2,875,362
Other Uses of Funds	14,220,719	15,111,444	16,155,550	12,420,680	13,742,517	15,491,005	16,100,225	16,454,835
Total Expenditures	202,851,806	214,704,404	227,035,981	235,164,428	245,489,530	256,009,959	264,649,167	272,797,220
Excess of Revenue Over (Under) Expenditures	5,300,967	4,117,400	(1,429,642)	(2,607,545)	(3,314,653)	(5,739,237)	(6,432,298)	(6,388,706)
Fund Transfers	-	-	-	-	-	-	-	-
Net Change in Fund Balance	5,300,967	4,117,400	(1,429,642)	(2,607,545)	(3,314,653)	(5,739,237)	(6,432,298)	(6,388,706)
Fund Balance June 30, 20XX	\$ 33,948,917	\$ 38,066,317	\$ 36,636,675	\$ 34,029,130	\$ 30,714,477	\$ 24,975,240	\$ 18,542,942	\$ 12,154,236

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	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017	Projection 2017-2018	Projection 2018-2019	Projection 2019-2020
CAPITAL PROJECTS FUND								
Fund Balance July 1, 20XX	\$ 8,513,339	\$ 8,876,237	\$ 8,061,094	\$ 13,592,001	\$ 14,378,337	\$ 7,393,337	\$ 2,308,837	\$ 2,324,847
Revenue								
Local Sources	2,985	2,439	14,306	31,205	25,000	25,500	26,010	26,530
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	2,985	2,439	14,306	31,205	25,000	25,500	26,010	26,530
Expenditures								
Salaries	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-
Purchased Prof. Services	986,381	577,948	951,049	2,601,039	1,600,000	1,600,000	300,000	300,000
Purchased Property Services	10,518,596	2,932,398	14,591,442	6,256,896	19,400,000	5,000,000	1,200,000	1,200,000
Other Purchased Services	1,898	-	3,495	9,655	5,000	5,000	5,000	5,000
Supplies and Books	81,812	6,768	3,858	5,178	5,000	5,000	5,000	5,000
Property and Equipment	616,646	1,055,110	517,391	659,450	500,000	-	-	-
Other Objects	233,755	245,358	619,555	617,524	500,000	-	-	-
Other Uses of Funds	-	-	-	156,465	-	-	-	-
Total Expenditures	12,439,088	4,817,582	16,686,790	10,306,207	22,010,000	6,610,000	1,510,000	1,510,000
Excess of Revenue Over (Under) Expenditures	(12,436,103)	(4,815,143)	(16,672,484)	(10,275,002)	(21,985,000)	(6,584,500)	(1,483,990)	(1,483,470)
Fund Transfers/Other Financ	12,799,001	4,000,000	22,203,391	11,061,338	15,000,000	1,500,000	1,500,000	1,500,000
Net Change in Fund Balance	362,898	(815,143)	5,530,907	786,336	(6,985,000)	(5,084,500)	16,010	16,530
Fund Balance June 30, 20XX	\$ 8,876,237	\$ 8,061,094	\$ 13,592,001	\$ 14,378,337	\$ 7,393,337	\$ 2,308,837	\$ 2,324,847	\$ 2,341,377
ENTERPRISE FUNDS								
Fund Balance July 1, 20XX	\$ 637,201	\$ 358,905	\$ 582,259	\$ 1,069,304	\$ 1,215,066	\$ 672,315	\$ 457,642	\$ 440,552
Revenue								
Local Sources	\$ 5,318,677	5,514,207	5,610,679	5,647,586	5,602,416	5,899,813	6,213,230	6,543,540
State Sources	\$ 144,287	151,623	181,671	150,350	209,800	224,486	240,200	257,014
Federal Sources	\$ 1,776,589	1,933,989	2,226,383	2,389,658	2,519,076	2,695,411	2,884,090	3,085,976
Other Sources	-	2,954	5,376	-	-	-	-	-
Total Revenue	7,239,553	7,602,773	8,024,109	8,187,594	8,331,292	8,819,710	9,337,520	9,886,530
Expenditures								
Salaries	\$ 3,314,586	3,203,873	3,257,375	3,328,591	3,454,357	3,549,604	3,647,219	3,743,517
Benefits	\$ 1,622,210	1,575,958	1,640,268	1,717,714	2,476,224	2,502,606	2,630,679	2,920,080
Purchased Prof. Services	\$ 142,664	126,552	102,445	139,080	155,183	131,843	162,795	169,578
Purchased Property Services	\$ 24,673	29,291	23,334	20,600	28,350	29,201	30,077	30,980
Other Purchased Services	\$ 49,969	51,128	60,539	63,600	63,121	65,016	66,966	68,975
Supplies - Food and Cons	\$ 2,332,570	2,356,301	2,407,214	2,525,914	2,517,858	2,568,215	2,619,579	2,671,969
Property and Equipment	\$ 17,657	18,717	24,154	221,233	154,350	162,068	170,172	178,681
Other Objects	\$ 6,845	12,376	21,735	21,100	24,600	25,830	27,123	28,478
Other Uses of Funds	\$ 6,674	5,223	-	4,000	-	-	-	-
Total Expenditures	7,517,849	7,379,419	7,537,064	8,041,832	8,874,043	9,034,383	9,354,610	9,812,258
Excess of Revenue Over (Under) Expenditures	(278,296)	223,354	487,045	145,762	(542,751)	(214,673)	(17,090)	74,272
Fund Transfers/Other Financ	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(278,296)	223,354	487,045	145,762	(542,751)	(214,673)	(17,090)	74,272
Fund Balance June 30, 20XX	\$ 358,905	\$ 582,259	\$ 1,069,304	\$ 1,215,066	\$ 672,315	\$ 457,642	\$ 440,552	\$ 514,824

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	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017	Projection 2017-2018	Projection 2018-2019	Projection 2019-2020
INTERNAL SERVICE FUND								
Fund Balance July 1, 20XX	\$ 3,025,380	\$ 4,261,596	\$ 1,270,184	\$ 6,677,152	\$ 6,560,492	\$ 6,453,992	\$ 6,343,232	\$ 6,228,042
Revenue								
Local Sources	-	-	2,150	5,206	-	-	-	-
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	27,135,636	27,654,101	34,334,894	27,987,969	29,820,000	31,012,800	32,253,312	33,543,444
Total Revenue	27,135,636	27,654,101	34,337,044	27,993,175	29,820,000	31,012,800	32,253,312	33,543,444
Expenditures								
Salaries	-	-	-	-	-	-	-	-
Benefits	25,899,420	30,645,513	28,930,076	28,109,835	29,926,500	31,123,560	32,368,502	33,663,242
Purchased Prof. Services	-	-	-	-	-	-	-	-
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies and Books	-	-	-	-	-	-	-	-
Property and Equipment	-	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-
Other Uses of Funds	-	-	-	-	-	-	-	-
Total Expenditures	25,899,420	30,645,513	28,930,076	28,109,835	29,926,500	31,123,560	32,368,502	33,663,242
Excess of Revenue Over (Under) Expenditures	1,236,216	(2,991,412)	5,406,968	(116,660)	(106,500)	(110,760)	(115,190)	(119,798)
Net Change in Fund Balance	1,236,216	(2,991,412)	5,406,968	(116,660)	(106,500)	(110,760)	(115,190)	(119,798)
Fund Balance June 30, 20XX	\$ 4,261,596	\$ 1,270,184	\$ 6,677,152	\$ 6,560,492	\$ 6,453,992	\$ 6,343,232	\$ 6,228,042	\$ 6,108,244
TOTAL OF ALL FUNDS								
Fund Balance July 1, 20XX	\$ 40,823,870	\$ 47,445,655	\$ 47,979,854	\$ 57,975,132	\$ 56,183,025	\$ 45,234,121	\$ 34,084,951	\$ 27,536,383
Revenue								
Local Sources	172,560,176	182,533,283	187,112,366	189,795,566	195,110,581	201,229,268	207,573,491	214,306,711
State Sources	35,015,374	39,070,718	41,029,766	45,421,669	49,077,809	51,620,239	53,480,384	55,213,604
Federal Sources	7,191,748	4,688,904	5,418,734	5,563,653	6,342,779	6,266,425	6,526,524	6,801,259
Other Sources	27,763,649	27,788,212	34,420,932	27,987,969	29,820,000	31,012,800	32,253,312	33,543,444
Total Revenue	242,530,947	254,081,117	267,981,798	268,768,857	280,351,169	290,128,732	299,833,711	309,865,018
Expenditures								
Salaries	112,378,507	116,598,161	118,702,507	123,657,382	126,621,154	129,611,998	133,176,329	136,834,678
Benefits	71,179,509	82,828,417	88,603,291	94,026,427	103,707,053	110,047,495	115,437,322	120,810,264
Purchased Prof. Services	10,335,387	9,631,180	9,524,756	12,408,609	11,396,674	11,662,579	10,691,453	11,005,096
Purchased Property Services	14,506,988	6,817,845	18,489,036	10,066,665	23,275,987	8,992,267	5,312,035	5,435,397
Other Purchased Services	11,051,221	11,550,306	11,598,186	11,962,558	12,351,500	12,753,211	13,135,657	13,529,577
Supplies and Books	9,045,433	8,228,282	8,723,520	9,510,206	8,475,634	9,445,826	9,634,642	9,827,233
Property and Equipment	1,178,935	2,106,543	3,375,010	1,610,057	1,348,114	890,520	935,047	981,800
Other Objects	4,804,789	4,669,517	5,018,055	5,799,253	5,381,440	3,883,001	3,459,569	2,903,840
Other Uses of Funds	14,227,393	15,116,667	16,155,550	12,581,145	13,742,517	15,491,005	16,100,225	16,454,835
Total Expenditures	248,708,163	257,546,918	280,189,911	281,622,302	306,300,073	302,777,902	307,882,279	317,782,720
Excess of Revenue Over (Under) Expenditures	(6,177,216)	(3,465,801)	(12,208,113)	(12,853,445)	(25,948,904)	(12,649,170)	(8,048,568)	(7,917,702)
Fund Transfers/Other Financ	12,799,001	4,000,000	22,203,391	11,061,338	15,000,000	1,500,000	1,500,000	1,500,000
Net Change in Fund Balance	6,621,785	534,199	9,995,278	(1,792,107)	(10,948,904)	(11,149,170)	(6,548,568)	(6,417,702)
Fund Balance June 30, 20XX	\$ 47,445,655	\$ 47,979,854	\$ 57,975,132	\$ 56,183,025	\$ 45,234,121	\$ 34,084,951	\$ 27,536,383	\$ 21,118,681

North Penn School District
2016-2017 Budget

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.

General Fund Summary

	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017
Fund Balance July 1, 20XX	\$ 28,647,950	\$ 33,948,917	\$ 38,066,317	\$ 36,636,675	\$ 34,029,130
Revenue					
Local Sources	167,238,514	177,016,637	181,485,231	184,111,569	189,483,165
State Sources	34,871,087	38,919,095	40,848,095	45,271,319	48,868,009
Federal Sources	5,415,159	2,754,915	3,192,351	3,173,995	3,823,703
Other Sources	628,013	131,157	80,662	-	-
Total Revenue	208,152,773	218,821,804	225,606,339	232,556,883	242,174,877
Expenditures					
Salaries	109,063,921	113,394,288	115,445,132	120,328,791	123,166,797
Benefits	43,657,879	50,606,946	58,032,947	64,198,878	71,304,329
Purchased Prof. Services	9,206,342	8,926,680	8,471,262	9,668,490	9,641,491
Services	3,963,719	3,856,156	3,874,260	3,789,169	3,847,637
Other Purchased Services	10,999,354	11,499,178	11,534,152	11,889,303	12,283,379
Supplies and Books	6,631,051	5,865,212	6,312,448	6,979,114	5,952,776
Property and Equipment	544,632	1,032,716	2,833,465	729,374	693,764
Other Objects	4,564,189	4,411,784	4,376,765	5,160,629	4,856,840
Other Uses of Funds	14,220,719	15,111,444	16,155,550	12,420,680	13,742,517
Total Expenditures	202,851,806	214,704,404	227,035,981	235,164,428	245,489,530
Excess of Revenue Over (Under) Expenditures	5,300,967	4,117,400	(1,429,642)	(2,607,545)	(3,314,653)
Fund Transfers	-	-	-	-	-
Net Change in Fund Balance	5,300,967	4,117,400	(1,429,642)	(2,607,545)	(3,314,653)
Fund Balance June 30, 20XX	\$ 33,948,917	\$ 38,066,317	\$ 36,636,675	\$ 34,029,130	\$ 30,714,477

North Penn School District
2016-2017 Budget

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 \$245,174,877 in total budgeted revenue for the 2016-2017 fiscal year. The remaining 22% of revenue budgeted is comprised of state subsidies and grants (20%) as well as federal grant money (2%).

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 \$164,150,885 which is 87% of local revenue sources budgeted and 68% of total revenue sources budgeted. Current real estate tax revenue budgeted is \$4,359,876 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 \$7,195,870,573 for the 2016-2017 school year.

The 2016-2017 real estate tax rate required to fund the District's programs and services for Bucks County is 133.1668 and 24.1890 for Montgomery County. The Montgomery County rate increased by 2.4% from the previous year which is the maximum amount allowable under Act 1 for the 2016-2017 school year. The Bucks County increase was 2.4% above the original millage rate for 2015-16. This increase in the tax rate along with higher assessed home values and a weighted average tax collection percentage of 97% will generate the additional \$4.4 million in resources for the District.

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 \$15.5 million in EIT revenue and \$2.6 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 20% of the total budget at \$48,868,009 which is a 7.9% increase from the 2015-2016 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 2016-2017, the rate that districts pay into PSERS is 30.03 % and in return the state reimburses half of this expense. This amount is \$18,306,202 which is a \$3 million (19.6%) increase from the previous year. This increase is contributed to an increase in salaries as well as an increase in the contribution rate from 25.84% to 30.03%. The state also reimburses districts for one half of their Social Security and Medicare taxes which in 2016-2017 equates to \$4,658,237.

North Penn School District
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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 2016-2017 school year is \$5,079,806 which equates to a tax reduction of \$204 for each eligible property.

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
- Keystones to Opportunity - Striving Readers Comprehensive Literacy Prog. (budgeted in Title I)

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
2016-2017 Budget

General Fund Revenue Detail

	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017
6000 - Revenue from Local Sources					
6111 - Current Real Estate Taxes	\$ 144,319,800	\$ 149,432,913	\$ 154,512,804	\$ 159,791,009	\$ 164,150,885
6112 - Interim Real Estate Taxes	1,022,090	2,400,972	1,112,696	1,010,000	1,100,000
6113 - Public Utility Realty Tax	219,282	203,424	212,371	210,000	210,000
6114 - Payments in Lieu of Taxes	210	210	210	210	210
6150 - Current Act 511 Taxes	16,526,415	18,217,858	19,078,318	17,200,000	18,100,000
6400 - Delinquent Taxes Levied	3,954,259	3,290,588	2,971,795	2,600,000	2,400,000
6500 - Earnings on Investments	211,179	177,082	235,509	225,000	300,000
6700 - Revenue from Student Activ.	297,229	310,906	287,572	225,000	250,000
6832 - Federal IDEA Pass Through	2,470,194	2,275,550	2,377,069	2,300,000	2,582,570
6910 - Rentals	70,052	105,480	94,519	70,000	70,000
6940 - Tuitions	66,693	70,442	66,110	60,350	147,000
6944 - Receipts from Other PA LEAS	158,497	109,303	162,694	100,000	100,000
6999 - All Other Local Revenues	392,809	411,240	373,564	320,000	72,500
Total from Local Sources	169,708,709	177,005,966	181,485,231	184,111,569	189,483,165
7000 - Revenue from State Sources					
7110 - Basic Education Funding	8,720,101	8,949,801	8,941,887	9,294,750	9,501,364
7160 - Tuition - Orphans/Priv. Homes	379,509	419,183	298,928	350,000	350,000
7271 - Special Education Funding	6,409,568	6,448,961	6,476,273	6,471,997	6,464,861
7272 - Early Intervention	15,876	-	-	-	-
7310 - Transportation	2,796,078	3,035,973	2,622,388	3,000,000	3,000,000
7320 - Rental Payments	736,321	1,571,981	565,823	607,933	660,000
7330 - Health Services	291,636	270,124	308,079	270,000	270,000
7340 - State Property Tax Red. Alloc.	4,725,094	4,481,606	4,886,160	4,949,846	5,079,806
7501 - PA Accountability Grant	229,898	229,898	455,129	450,129	577,539
7599 - Additional Grants	-	-	15,000	-	-
7810 - Social Security Payment Rev.	3,967,531	4,122,777	4,153,156	4,566,755	4,658,237
7820 - Retirement Payment Rev.	6,599,475	9,388,791	12,125,272	15,309,909	18,306,202
Total from State Sources	34,871,087	38,919,095	40,848,095	45,271,319	48,868,009
8000 - Revenue from Federal Sources					
8390 - Restricted Grants	77,318	72,585	63,009	70,975	71,000
8514 - NCLB, Title I	2,059,597	1,381,466	2,100,868	2,017,043	2,524,156
8515 - NCLB, Title II	259,416	405,441	244,803	305,134	316,064
8516 - NCLB, Title III	112,293	181,492	106,710	168,843	300,483
8701 - ARRA, IDEA Part B	-	-	-	-	-
8709 - ARRA Education Jobs Fund	-	-	-	-	-
8810 - Medical Access Reimb.	425,000	650,000	625,000	600,000	600,000
8820 - Medical Access Admin Reimb.	11,341	63,931	51,961	12,000	12,000
Total from Federal Sources	2,944,965	2,754,915	3,192,351	3,173,995	3,823,703
9000 - Other Financing Sources					
	628,013	141,834	80,662	-	-
Grand Total Revenue	\$ 208,152,774	\$ 218,821,810	\$ 225,606,339	\$ 232,556,883	\$ 242,174,877

North Penn School District
2016-2017 Budget

General Fund Expenditures

For the 2016-17 school year, budgeted expenditures in the General Fund are \$245,489,530, which is an increase of \$10,325,102 (4.4%) from 2015-2016. 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 2016-17 school year, this amount is 30.03% which means that for each \$1 in eligible salaries the District must contribute 30.03 cents to PSERS. The total budgeted PSERS expenditure is \$36,612,403 for 2016-2017 which is an increase of \$6,001,489 (19.6%) from the previous year.

Along with the PSERS contribution, the other major items impacting the expenditure budget are as follows:

- Salaries – Salaries have increased by 2.36%. New contract agreements were reached with the North Penn Education Association (NPEA) during the 2015-2016 school year.
- Technology Capital Lease-An additional \$705,670 was budgeted for a new lease for Chromebooks to be issued to students in grades 6 through 9 and other technology upgrades which will be leased over three years.
- Prior Year Elementary Language Arts Textbook Adoption-This initiative from 2015-16 budgeted at \$999,323 was not replaced in the 2016-17 budget, resulting in an over \$1 million reduction in supplies and books.
- New debt for the Montgomery Elementary School renovations – Debt service payments will increase by \$191,098 due to this project.

The total of the increases in these major items totals \$8,736,940.

North Penn School District
2016-2017 Budget

General Fund Expenditure Detail

	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017
1100 - Regular Programs					
100 - Salaries	\$ 59,005,610	\$ 61,803,847	\$ 62,750,030	\$ 65,514,935	\$ 67,980,292
200 - Benefits	21,535,107	25,606,446	29,373,327	32,933,696	36,986,716
300 - Purchased Prof. Services	632,802	675,886	646,275	520,887	520,981
400 - Purchased Property Services	40,733	40,272	59,424	63,132	69,700
500 - Other Purchased Services	1,043,168	1,123,921	1,062,903	1,004,740	1,093,168
600 - Supplies and Books	3,858,156	2,754,883	3,177,801	3,998,456	3,110,311
700 - Property and Equipment	147,161	104,831	1,920,815	185,996	190,659
800 - Other Objects	1,460,655	902,909	517,175	1,569,422	2,296,642
Total Regular Programs	87,723,392	93,012,994	99,507,750	105,791,264	112,248,469
1200 - Special and Gifted Education					
100 - Salaries	17,922,937	18,505,147	19,146,468	19,667,956	20,150,553
200 - Benefits	8,189,696	9,311,954	10,875,637	11,877,205	13,011,842
300 - Purchased Prof. Services	6,424,587	5,283,988	5,423,809	6,434,274	6,337,195
400 - Purchased Property Services	411	639	-	1,000	1,000
500 - Other Purchased Services	1,899,600	2,254,290	2,474,115	2,492,232	2,860,389
600 - Supplies and Books	173,889	179,891	152,190	222,815	175,266
700 - Property and Equipment	30,489	15,050	3,208	5,000	15,600
800 - Other Objects	27,184	-	223	-	-
Total Special Education	34,668,792	35,550,958	38,075,650	40,700,482	42,551,845
1300 - Vocational Education					
500 - Other Purchased Services	3,422,930	3,360,019	3,407,612	3,446,353	3,469,597
800 - Other Objects	318,286	320,360	86,473	187,581	315,961
Total Vocational Education	3,741,216	3,680,379	3,494,085	3,633,934	3,785,558
1400 - Other Instructional Programs					
100 - Salaries	815,856	73,696	58,593	70,000	70,000
200 - Benefits	283,429	18,640	17,897	24,119	27,050
300 - Purchased Prof. Services	214,384	220,540	154,258	290,000	220,000
500 - Other Purchased Services	22,217	7,219	5,053	5,000	5,000
600 - Supplies and Books	8,454	-	-	-	-
Total Other Instructional Programs	1,344,341	320,095	235,801	389,119	322,050
1500 - Nonpublic Programs					
100 - Salaries	8,168	-	-	-	-
200 - Benefits	1,064	-	-	-	-
Total Nonpublic Programs	9,232	-	-	-	-
1700 - Community Ed Programs					
500 - Other Purchased Services	-	-	-	-	-
Total Community Ed	-	-	-	-	-

North Penn School District
2016-2017 Budget

	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017
1800 - Pre Kindergarten					
100 - Salaries	7,193	6,863	17,038	26,250	26,250
200 - Benefits	1,436	2,937	6,656	9,455	12,353
300 - Purchased Prof. Services	42,761	59,050	51,116	57,500	57,500
500 - Other Purchased Services	-	977	3,306	-	-
600 - Supplies and Books	61,928	22,301	37,421	10,682	9,574
700 - Property and Equipment	-	3,325	1,678	-	-
Total Pre Kindergarten	113,318	95,453	117,215	103,887	105,677
2100 - Pupil Personnel					
100 - Salaries	5,018,989	5,402,662	5,531,671	5,635,248	5,737,254
200 - Benefits	1,903,665	2,345,403	2,620,404	2,833,257	3,176,787
300 - Purchased Prof. Services	4,309	7,047	2,043	6,250	3,000
500 - Other Purchased Services	7,720	3,217	4,840	500	4,500
600 - Supplies and Books	41,152	44,224	53,865	58,736	71,038
800 - Other Objects	60	120	115	120	400
Total Pupil Personnel	6,975,895	7,802,674	8,212,938	8,534,111	8,992,979
2200 - Instructional Support					
100 - Salaries	2,871,380	3,143,047	3,261,141	3,657,489	3,614,165
200 - Benefits	1,190,899	1,469,089	1,647,593	1,942,663	2,075,690
300 - Purchased Prof. Services	279,102	457,779	435,928	513,942	430,337
400 - Purchased Property Services	48,426	53,637	46,804	46,365	35,400
500 - Other Purchased Services	14,478	15,423	26,205	17,616	38,035
600 - Supplies and Books	239,686	264,521	339,063	358,192	403,425
700 - Property and Equipment	15,988	225,558	522,441	293,750	361,225
800 - Other Objects	166,312	166,203	29,493	2,650	6,365
Total Instructional Support	4,826,271	5,795,256	6,308,668	6,832,667	6,964,642
2300 - Administration Services					
100 - Salaries	6,955,862	7,113,690	7,179,911	7,224,288	7,014,270
200 - Benefits	2,790,309	3,133,836	3,576,615	3,669,069	3,985,249
300 - Purchased Prof. Services	638,485	1,188,160	976,282	974,502	1,038,675
400 - Purchased Property Services	5,884	6,984	5,182	2,900	6,728
500 - Other Purchased Services	509,290	626,270	502,577	488,997	475,041
600 - Supplies and Books	80,067	100,195	91,085	116,864	87,712
700 - Property and Equipment	2,867	32,235	11,723	380	380
800 - Other Objects	22,837	28,578	27,716	27,600	25,950
Total Administration Services	11,005,601	12,229,949	12,371,091	12,504,600	12,634,005

North Penn School District
2016-2017 Budget

	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017
2400 - Pupil Health Services					
100 - Salaries	1,637,841	1,697,356	1,612,916	1,717,525	1,687,554
200 - Benefits	808,021	866,003	980,637	1,059,969	1,167,914
300 - Purchased Prof. Services	21,663	26,473	23,076	27,025	29,135
400 - Purchased Property Services	719	807	1,076	2,427	10,052
500 - Other Purchased Services	556	1,109	127	-	-
600 - Supplies and Books	17,556	13,156	24,717	17,265	17,301
700 - Property and Equipment	-	-	46,809	-	-
800 - Other Objects	-	175	25	175	289
Total Pupil Health Services	2,486,355	2,605,078	2,689,383	2,824,386	2,912,245
2500 - Business Services					
100 - Salaries	1,049,592	1,164,831	1,145,004	1,318,990	1,357,958
200 - Benefits	455,807	527,256	592,683	808,751	872,934
300 - Purchased Prof. Services	207,085	184,657	176,224	194,400	157,400
400 - Purchased Property Services	386,008	396,227	411,229	400,600	400,500
500 - Other Purchased Services	20,178	28,437	21,127	24,325	21,900
600 - Supplies and Books	150,420	134,982	344,538	171,400	187,463
700 - Property and Equipment	2,481	-	37,211	5,000	5,000
800 - Other Objects	14,727	(8,086)	31,683	50,000	68,000
Total Business Services	2,286,298	2,428,303	2,759,699	2,973,466	3,071,155
2600 - Operation and Maintenance					
100 - Salaries	6,216,431	6,472,075	6,627,273	6,700,991	6,525,141
200 - Benefits	3,069,286	3,449,097	3,888,371	4,183,550	4,469,607
300 - Purchased Prof. Services	95,482	129,379	116,964	138,206	150,859
400 - Purchased Property Services	3,108,106	3,091,297	3,027,890	3,124,770	3,166,662
500 - Other Purchased Services	383,396	467,685	488,880	556,812	564,437
600 - Supplies and Books	611,717	973,843	841,228	857,180	866,028
700 - Property and Equipment	36,696	179,532	172,733	198,610	-
800 - Other Objects	63,951	35,230	-	-	-
Total Operation and Maintenance	13,585,066	14,798,138	15,163,339	15,760,119	15,742,734
2700 - Transportation Services					
100 - Salaries	5,168,023	5,389,396	5,358,565	5,550,845	5,146,486
200 - Benefits	2,755,916	3,030,408	3,419,754	3,424,361	3,696,379
300 - Purchased Prof. Services	331,788	338,996	92,546	51,600	48,600
400 - Purchased Property Services	53,663	142,514	68,756	88,000	85,500
500 - Other Purchased Services	3,404,467	3,327,561	3,221,259	3,581,104	3,397,923
600 - Supplies and Books	1,223,815	1,177,655	1,088,761	1,007,100	810,637
700 - Property and Equipment	105,008	5,895	3,399	10,000	8,000
800 - Other Objects	274,294	182,561	281,417	286,311	288,311
Total Transportation	13,316,975	13,594,987	13,534,457	13,999,321	13,481,836

North Penn School District
2016-2017 Budget

	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017
2800 - Data Processing Services					
100 - Salaries	883,245	921,724	976,959	1,405,544	2,037,840
200 - Benefits	398,714	441,938	535,301	780,464	1,115,352
300 - Purchased Prof. Services	48,248	67,449	68,347	182,103	347,603
400 - Purchased Property Services	93,456	80,432	68,296	12,000	6,000
500 - Other Purchased Services	7,976	6,049	7,149	-	22,500
600 - Supplies and Books	3,295	20,620	3,084	500	21,668
800 - Other Objects	5,400	-	5,400	15,000	5,400
Total Data Processing	1,440,333	1,538,212	1,664,536	2,395,611	3,556,363
2900 - Other Support Services					
100 - Salaries	26	126,038	121,820	133,906	133,793
200 - Benefits	5	35,665	38,890	48,884	54,696
500 - Other Purchased Services	199,341	201,098	205,320	209,299	209,249
600 - Supplies and Books	-	-	-	-	60
Total Other Support Services	199,372	362,801	366,030	392,089	397,798
3200 - Student Activities					
100 - Salaries	1,499,708	1,570,047	1,656,003	1,703,086	1,682,864
200 - Benefits	273,917	367,327	458,690	602,915	650,768
300 - Purchased Prof. Services	198,723	200,708	221,058	210,800	220,205
400 - Purchased Property Services	42,377	40,945	44,966	47,975	66,095
500 - Other Purchased Services	63,708	77,837	103,378	62,075	121,340
600 - Supplies and Books	153,440	169,403	149,246	150,772	181,944
700 - Property and Equipment	22,468	24,960	35,864	30,638	112,900
800 - Other Objects	97,958	83,874	94,128	92,600	101,091
Total Student Activities	2,352,299	2,535,101	2,763,333	2,900,861	3,137,207
3300 - Community Services					
100 - Salaries	3,061	3,870	1,741	1,755	2,338
200 - Benefits	608	947	493	561	1,031
300 - Purchased Prof. Services	66,922	49,589	78,771	67,000	80,000
500 - Other Purchased Services	330	300	300	300	300
600 - Supplies and Books	7,476	9,539	9,449	9,045	10,350
Total Community Services	78,396	64,245	90,754	78,661	94,019
4600 - Building Improvement					
300 - Purchased Prof. Services	-	34,746	4,562	-	-
400 - Purchased Property Services	183,936	2,403	140,638	-	-
700 - Property and Equipment	181,474	441,329	77,585	-	-
Total Building Improvement	365,410	478,478	222,785	-	-
5100 - Debt Service					
800 - Other Objects	4,215,244	4,131,304	4,118,633	3,869,850	3,490,948
900 - Other Uses of Funds	9,318,000	9,680,000	10,050,000	10,480,000	11,000,000
Total Debt Service	13,533,244	13,811,304	14,168,633	14,349,850	14,490,948

North Penn School District
2016-2017 Budget

	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Actual 2014-2015</u>	<u>Budget 2015-2016</u>	<u>Budget 2016-2017</u>
5200 - Fund Transfers					
900 - Other Uses of Funds	2,800,000	4,000,000	5,289,834	-	-
Total Fund Transfers	2,800,000	4,000,000	5,289,834	-	-
5900 - Budgetary Reserve					
800 - Other Objects	-	-	-	1,000,000	1,000,000
Total Budgetary Reserve	-	-	-	1,000,000	1,000,000
Grand Total Expenditures	\$ 202,851,806	\$ 214,704,406	\$ 227,035,981	\$ 235,164,428	\$ 245,489,530

North Penn School District
2016-2017 Budget

General Fund Expenditure Summary By Location

<u>Location</u>	<u>Department</u>	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Actual 2014-2015</u>	<u>Budget 2015-2016</u>	<u>Budget 2016-2017</u>
1	Superintendent	698,919	777,939	813,514	843,903	878,578
2	Business Office	22,154,659	24,629,198	26,337,278	21,415,565	21,761,565
4	Human Resources	729,090	837,644	936,499	3,362,925	3,895,372
5	Pupil Services	1,629,086	530	-	-	-
6	Nutrition Services	32	161,703	160,710	182,789	188,488
7	Community Relations	1,245,501	1,420,204	1,585,638	1,386,377	1,448,041
8	Physical Plant	3,359,708	3,500,248	3,985,137	4,112,819	3,856,228
9	Transportation	13,229,002	13,498,775	13,432,406	13,887,062	13,374,579
10	Technology	4,020,126	3,630,240	4,948,651	4,405,227	5,359,880
12	Warehouse	679,382	678,046	636,292	617,087	650,341
13	Assessment	1,148,178	814,180	1,084,049	1,116,436	1,090,540
14	Dir. Of Elementary Ed	1,027,472	813,960	1,357,183	1,343,471	1,352,936
15	Dir. Of Secondary Ed.	4,546,776	4,623,587	4,333,504	4,413,372	4,220,805
16	Curriculum	3,770,707	3,183,466	4,428,523	5,118,067	5,501,987
17	Special Ed.	34,122,019	36,925,562	39,259,711	43,381,427	45,446,926
20	Bridle Path	4,711,087	5,032,795	4,992,802	5,284,692	5,442,627
21	Gwyn-Nor	4,422,197	4,815,996	4,927,306	5,072,070	5,595,299
22	Gwynedd Square	4,454,014	4,799,927	5,119,528	5,577,823	5,716,899
23	Hatfield	3,947,898	4,430,743	4,346,201	4,654,028	4,943,684
24	Inglewood	3,646,536	4,163,804	4,187,685	4,306,364	4,830,389
25	Knapp	4,694,423	5,223,115	5,832,647	6,141,022	6,010,889
26	Kulp	4,030,503	4,248,268	4,751,414	4,993,229	5,126,281
27	Montgomery	4,957,719	5,374,622	5,462,556	5,902,723	6,182,249
28	Nash	3,534,723	3,889,814	3,848,231	3,987,293	4,214,118
29	North Wales	3,514,231	3,700,303	4,027,977	4,141,911	4,298,006
30	Oak Park	4,040,461	4,408,819	4,542,835	4,643,384	5,191,431
31	Walton Farm	4,373,213	4,509,198	4,754,354	4,923,380	5,492,037
32	York Avenue	3,014,475	3,178,477	3,365,191	3,470,526	3,530,287
50	Pennbrook	8,385,626	9,216,055	9,561,550	9,983,912	10,534,795
60	Pennfield	8,053,125	8,727,097	9,108,249	9,492,121	9,733,478
70	Penndale	12,537,518	13,193,873	13,745,608	14,449,124	15,031,815
80	NPHS	26,366,168	28,304,343	29,431,197	30,718,142	32,664,559
82	NPHS ROTC	245,667	247,454	292,484	281,991	295,512
90	Northbridge	1,561,565	1,744,418	1,439,071	1,554,165	1,628,909
Total Expenditures		202,851,806	214,704,403	227,035,981	235,164,428	245,489,530

North Penn School District
2016-2017 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 .5% per year
- 97% tax collection rate
- 2% annual increase in earned income tax, 4% 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
- 2.75% increase annually in salaries
- Pension rates using PSERS projected rates
- 4% increase per year in other benefits; 3% increase per year in professional/technical services, purchased property services, and other purchased services; and 2% increase per year in supplies.
- Debt service at current schedule plus second phase borrowing for Montgomery Elementary project
- 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. A portion of the fund balance is assigned to help with PSERS expense and the employer contribution rate is expected to peak at 34.2% in the 2019-2020 school year before it flattens out to just under 34% for future years through 2024-25.

North Penn School District
2016-2017 Budget

	2016-2017 Final Budget	2017-2018 Projection	2018-2019 Projection	2019-2020 Projection
Revenues				
Total Net Collectible Current Real Estate Taxes	\$ 164,150,885	\$ 169,325,034	\$ 174,736,270	\$ 180,496,112
Percent Increase Millage	2.40%	2.50%	2.60%	2.70%
Earned Income Tax	\$ 15,500,000	\$ 15,708,000	\$ 16,022,160	\$ 16,342,603
Real Estate Transfer Taxes	\$ 2,600,000	\$ 2,704,000	\$ 2,812,160	\$ 2,924,646
Interim Real Estate Taxes	\$ 1,100,000	\$ 1,127,500	\$ 1,156,815	\$ 1,188,049
Other Local Revenue	\$ 6,132,280	\$ 6,439,421	\$ 6,606,846	\$ 6,785,231
Total Local Revenue - 6000	\$ 189,483,165	\$ 195,303,955	\$ 201,334,251	\$ 207,736,641
Basic Education Funding	\$ 9,501,364	\$ 10,221,515	\$ 10,425,945	\$ 10,634,464
Special Education Funding	\$ 6,464,861	\$ 6,701,656	\$ 6,835,689	\$ 6,972,403
Property Tax Reduction Allocation	\$ 5,079,806	\$ 4,949,846	\$ 4,949,846	\$ 4,949,846
Retirement Subsidy	\$ 18,306,202	\$ 19,993,244	\$ 21,331,696	\$ 22,531,003
Social Security Subsidy	\$ 4,658,237	\$ 4,783,637	\$ 4,916,239	\$ 5,052,487
Transportation Subsidy	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Other State Revenue	\$ 1,857,539	\$ 1,745,855	\$ 1,780,772	\$ 1,816,387
Total State Revenue - 7000	\$ 48,868,009	\$ 51,395,753	\$ 53,240,187	\$ 54,956,590
Total Federal Revenue - 8000	\$ 3,823,703	\$ 3,571,014	\$ 3,642,434	\$ 3,715,283
Total Revenues	\$ 242,174,877	\$ 250,270,722	\$ 258,216,872	\$ 266,408,514
Expenditures				
Salaries - 100	\$ 123,166,797	\$ 126,062,394	\$ 129,529,110	\$ 133,091,161
Retirement - 230	\$ 36,612,403	\$ 39,986,487	\$ 42,663,392	\$ 45,062,005
Social Security - 220	\$ 9,316,474	\$ 9,567,273	\$ 9,832,477	\$ 10,104,974
Other Employee Benefits - 200	\$ 25,375,452	\$ 26,867,569	\$ 27,942,272	\$ 29,059,963
Purchased Professional & Technical Services - 300	\$ 9,641,491	\$ 9,930,736	\$ 10,228,658	\$ 10,535,518
Purchased Property Services - 400	\$ 3,847,637	\$ 3,963,066	\$ 4,081,958	\$ 4,204,417
Other Purchased Services - 500	\$ 12,283,379	\$ 12,683,195	\$ 13,063,691	\$ 13,455,602
Supplies - 600	\$ 5,952,776	\$ 6,872,611	\$ 7,010,063	\$ 7,150,264
Property - 700	\$ 693,764	\$ 728,452	\$ 764,875	\$ 803,119
Interest on Leases/North Montco Interest	\$ 136,097	\$ 143,897	\$ 138,113	\$ 130,991
Interest on Bonds	\$ 3,390,948	\$ 3,366,989	\$ 2,930,734	\$ 2,362,592
Principal on Leases/North Montco Principal	\$ 2,742,517	\$ 2,946,005	\$ 2,955,225	\$ 2,959,835
Principal on Bonds	\$ 11,000,000	\$ 11,545,000	\$ 12,145,000	\$ 12,495,000
Other Objects - 800	\$ 329,795	\$ 346,285	\$ 363,599	\$ 381,779
Budgetary Reserve	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Total Expenses	\$ 245,489,530	\$ 256,009,959	\$ 264,649,167	\$ 272,797,220
Revenues Over (Under) Expenses	\$ (3,314,653)	\$ (5,739,237)	\$ (6,432,295)	\$ (6,388,706)
Beginning Fund Balance 7/1 Assigned + Unassigned	\$ 34,029,130	\$ 30,714,477	\$ 24,975,240	\$ 18,542,945
Ending Fund Balance 6/30 Assigned + Unassigned	\$ 30,714,477	\$ 24,975,240	\$ 18,542,945	\$ 12,154,239

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 2016-2017, there is a projected beginning fund balance of \$14,378,337 in bond and capital reserve funds available that will be used to finish the following projects:

- Capital improvements to Hatfield Elementary School which were substantially completed in 2015
- Renovations to Montgomery Elementary School which will be completed in August 2017.
- Roof replacements various District buildings

The District recently engaged in an Athletic Campus Master Plan and is evaluating potential projects as a result.



North Penn School District
2016-2017 Budget

Capital Funds Summary

	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Actual 2014-2015</u>	<u>Projection 2015-2016</u>	<u>Budget 2016-2017</u>	<u>Projection 2017-2018</u>	<u>Projection 2018-2019</u>	<u>Projection 2019-2020</u>
Fund Balance July 1, 20XX	\$ 8,513,339	\$ 8,876,237	\$ 8,061,094	\$ 13,592,001	\$ 14,378,337	\$ 7,393,337	\$ 2,308,837	\$ 2,324,847
Revenue								
Local Sources	2,985	2,439	14,306	31,205	25,000	25,500	26,010	26,530
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	2,985	2,439	14,306	31,205	25,000	25,500	26,010	26,530
Expenditures								
Salaries	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-
Purchased Prof. Services	986,381	577,948	951,049	2,601,039	1,600,000	1,600,000	300,000	300,000
Purchased Property Services	10,518,596	2,932,398	14,591,442	6,256,896	19,400,000	5,000,000	1,200,000	1,200,000
Other Purchased Services	1,898	-	3,495	9,655	5,000	5,000	5,000	5,000
Supplies and Books	81,812	6,768	3,858	5,178	5,000	5,000	5,000	5,000
Property and Equipment	616,646	1,055,110	517,391	659,450	500,000	-	-	-
Other Objects	233,755	245,358	619,555	617,524	500,000	-	-	-
Other Uses of Funds	-	-	-	156,465	-	-	-	-
Total Expenditures	12,439,088	4,817,582	16,686,790	10,306,207	22,010,000	6,610,000	1,510,000	1,510,000
Excess of Revenue Over (Under)								
Expenditures	(12,436,103)	(4,815,143)	(16,672,484)	(10,275,002)	(21,985,000)	(6,584,500)	(1,483,990)	(1,483,470)
Fund Transfers/Other Financing	12,799,001	4,000,000	22,203,391	11,061,338	15,000,000	1,500,000	1,500,000	1,500,000
Net Change in Fund Balance	362,898	(815,143)	5,530,907	786,336	(6,985,000)	(5,084,500)	16,010	16,530
Fund Balance June 30, 20XX	\$ 8,876,237	\$ 8,061,094	\$ 13,592,001	\$ 14,378,337	\$ 7,393,337	\$ 2,308,837	\$ 2,324,847	\$ 2,341,377

North Penn School District
2016-2017 Budget

North Penn School District
Short Term Capital Projects Cash Forecast

Fund	Project No.	Projects	Budget	6/30/2016	
				Total Expenditures	Balance Due
34	822	York Avenue	\$8,157,746	\$8,101,099	\$56,647
36	853	Inglewood	\$14,950,773	\$14,612,350	\$338,423
32	861	Wireless Upgrade	\$545,600	\$530,116	\$15,484
31	863	Hatfield Renovations	\$19,703,991	\$18,594,680	\$1,109,311
37	864	Montgomery Renovations *	\$25,000,000	\$1,801,471	\$23,198,529
32	870	Asphalt *	\$350,000	\$158,757	\$191,243
32	878	GS Fire Alarm System	\$190,536	\$180,583	\$9,953
32	881	Bus GPS and Cameras	\$263,500	\$248,477	\$15,023
32	882	Bridle Path Roof Replacement	\$604,800	\$420,575	\$184,225
32	882	Knapp Roof Replacement	\$1,364,986	\$1,349,435	\$15,552
32	882	York Ave Roof Replacement	\$429,818	\$369,821	\$59,997
32	882	Pennbrook Roof Replacement	\$2,099,893	\$2,024,592	\$75,301
32	882	North Wales Roof Replacement	\$143,273	\$56,499	\$86,774
32	883	Bridle Path Entrance Work	\$177,883	\$155,499	\$22,384
32	883	Walton Farm Entrance Work	\$177,883	\$159,171	\$18,712
32	883	Gwynedd Square Entrance Work	\$177,529	\$155,086	\$22,443
32	883	Gwyn Nor Entrance Work	\$238,026	\$238,026	\$0
32	883	Oak Park Entrance Work	\$193,729	\$182,184	\$11,544
32	883	Knapp Entrance Work	\$177,954	\$161,213	\$16,741
32	883	Secured Entrances - Districtwide	\$293,764	\$2,303	\$291,461
32	886	HS Synthetic Turf Field Replacement	\$470,000	\$18,004	\$451,996
32	887	HS/ESC Security Upgrades	\$475,000	\$0	\$475,000
32	888	Surveillance Camera/Server Upgrade	\$57,000	\$0	\$57,000
32	889	HS & MS Athletic Facility Master Plan	\$15,000	\$0	\$15,000
32	890	Carpet/Tile Replacement	\$100,000	\$0	\$100,000
32	891	Bridle Path Exterior Caulk	\$20,000	\$0	\$20,000
32	893	North Wales Canopy Repair	\$30,000	\$0	\$30,000
32	894	Asbestos Abatement*	\$500,000	\$0	\$500,000
			\$76,908,685	\$49,519,944	\$26,666,741

* - Budgeted amount is an estimate prior to bids

Current funding need

Bond Fund Cash Balance

Fund 32 (Capital Reserve)	Smaller Misc. Projects	\$3,161,956	
Bond Fund 31		\$2,507,171	
Bond Fund 36		\$306,188	
Bond Fund 37 - w/ 2017 Anticipated Borrowing		\$23,038,073	
Funds available for Projects		\$29,013,388	\$2,346,647

North Penn School District
2016-2017 Budget

School Nutrition Fund

For the 2016-2017 school year, the District's School Nutrition fund is budgeting revenues of \$5,471,972. Local revenues, which are comprised of sales to students and staff, are budgeted to decrease by \$142,002 (-4.9%) due to a decrease in breakfast sales projections, a la carte sales, and student sales due to increased free and reduced eligibility.

This 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 and the 2016-2017 budget shows an increase in combined state and federal revenue sources of \$188,868 (7.44%). The District is also receiving an additional 6 cents per meal in reimbursement for having completed the Pennsylvania Direct Meal Certification program.

Expenditure budget of \$5,867,850 is an increase of \$469,852 (8.7%) over the previous year. This can be attributed to an increase in salaries, increased food and supply costs, and replacement equipment costs to purchase a new warmer and ovens.

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 2015-2016 reimbursement rates per meal for grades Kindergarten through 12th are:

**2015-2016 School Nutrition Services Meal
Reimbursement Rates**

Federal			
	Breakfast/Severe		After School
Meal Type	Need	Lunch	Snack
Paid	0.29	0.35	0.07
Reduced	1.36/1.69	2.73	0.42
Free	1.66/1.99	3.13	0.84
State			
	Breakfast/Severe		After School
Meal Type	Need	Lunch	Snack
Paid	0.10	.10/.02	0.00
Reduced	0.10	0.10	0.00
Free	0.10	0.10	0.00

North Penn School District
2016-2017 Budget

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 3rd 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.

School Nutrition Fund Summary

	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017	Projection 2017-2018	Projection 2018-2019	Projection 2019-2020
Fund Balance July 1, 20XX	\$ 327,310	\$ 94,400	\$ 292,312	\$ 561,230	\$ 588,338	\$ 192,460	\$ 41,929	\$ 31,569
Revenue								
Local Sources	2,946,374	3,021,403	2,854,422	2,885,098	2,743,096	2,880,251	3,024,264	3,175,477
State Sources	144,287	146,898	178,708	150,350	209,800	224,486	240,200	257,014
Federal Sources	1,776,589	1,933,989	2,226,383	2,389,658	2,519,076	2,695,411	2,884,090	3,085,976
Other Sources	-	2,954	3,152	-	-	-	-	-
Total Revenue	4,867,250	5,105,244	5,262,665	5,425,106	5,471,972	5,800,148	6,148,554	6,518,467
Expenditures								
Salaries	1,874,891	1,756,818	1,753,747	1,786,803	1,856,226	1,907,272	1,959,722	2,013,614
Benefits	981,107	918,464	952,141	988,385	1,455,726	1,459,205	1,531,160	1,766,801
Purchased Prof. Services	13,091	8,425	8,162	21,050	30,193	3,103	30,193	32,997
Purchased Property Services	23,448	24,186	18,107	15,000	20,000	20,600	21,218	21,855
Other Purchased Services	5,732	5,669	4,248	6,900	6,350	6,541	6,737	6,939
Supplies - Food and Consum.	2,184,234	2,172,367	2,231,836	2,359,127	2,345,505	2,392,415	2,440,263	2,489,068
Property and Equipment	17,657	18,717	23,057	217,733	150,850	158,393	166,313	174,629
Other Objects	-	2,686	2,449	3,000	3,000	3,150	3,308	3,473
Other Uses of Funds	-	-	-	-	-	-	-	-
Total Expenditures	5,100,160	4,907,332	4,993,747	5,397,998	5,867,850	5,950,679	6,158,914	6,509,376
Excess of Revenue Over (Under) Expenditures	(232,910)	197,912	268,918	27,108	(395,878)	(150,531)	(10,360)	9,091
Fund Transfers/Other Financing	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(232,910)	197,912	268,918	27,108	(395,878)	(150,531)	(10,360)	9,091
Fund Balance June 30, 20XX	\$ 94,400	\$ 292,312	\$ 561,230	\$ 588,338	\$ 192,460	\$ 41,929	\$ 31,569	\$ 40,660

Extended School Care Fund

The Extended School Care Fund continues to show a profit for the 2015-16 school year. With a consistent enrollment of 780 students throughout this school year and increases made to the part time rates two years ago, the program is able to cover all expenses and will end the school year showing a profit.

Through the month of February 2016 income was up approximately 3.0% over the previous year. Expenses thus far are slightly more than last year. This is due to increases in income at Bridle Path and Inglewood Elementary schools on the income side and increases in salaries, medical benefits and pension on the expense side.

With a fee increase of 2.4% approved for the 2016-17 school year, income is budgeted at \$2,293,470 and expenses at \$2,445,301.

North Penn School District
2016-2017 Budget

Summer camp continues to show improvement with enrollment last year improving over the previous year. Camp registration began on March 22, 2016. More than 150 students have signed up to date. We have reached capacity at Gwyn Nor and are close to capacity the first two weeks of camp at Bridle Path.



North Penn School District
2016-2017 Budget

Extended School Care Fund Summary

	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017	Projection 2017-2018	Projection 2018-2019	Projection 2019-2020
Fund Balance July 1, 20XX	\$ 191,774	\$ 103,912	\$ 63,446	\$ 256,924	\$ 349,314	\$ 197,483	\$ 128,573	\$ 112,419
Revenue								
Local Sources	1,895,526	1,920,406	2,214,448	2,182,138	2,293,470	2,431,078	2,576,943	2,731,560
State Sources	-	4,725	2,963	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	2,224	-	-	-	-	-
Total Revenue	1,895,526	1,925,131	2,219,635	2,182,138	2,293,470	2,431,078	2,576,943	2,731,560
Expenditures								
Salaries	1,240,508	1,205,357	1,251,769	1,286,307	1,349,053	1,386,152	1,424,271	1,463,438
Benefits	594,228	598,108	614,058	631,111	921,168	934,834	985,808	1,034,548
Purchased Prof. Services	5,191	3,153	2,951	3,830	3,830	3,945	4,063	4,185
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	15,439	10,473	14,723	17,700	19,850	20,446	21,059	21,691
Supplies and Books	127,018	147,603	138,562	144,700	145,300	148,206	151,170	154,193
Property and Equipment	-	-	204	3,500	3,500	3,675	3,859	4,052
Other Objects	-	-	3,890	2,600	2,600	2,730	2,867	3,010
Other Uses of Funds	1,004	903	-	-	-	-	-	-
Total Expenditures	1,983,388	1,965,597	2,026,157	2,089,748	2,445,301	2,499,988	2,593,097	2,685,117
Excess of Revenue Over (Under) Expenditures	(87,862)	(40,466)	193,478	92,390	(151,831)	(68,910)	(16,154)	46,443
Fund Transfers/Other Financing	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(87,862)	(40,466)	193,478	92,390	(151,831)	(68,910)	(16,154)	46,443
Fund Balance June 30, 20XX	\$ 103,912	\$ 63,446	\$ 256,924	\$ 349,314	\$ 197,483	\$ 128,573	\$ 112,419	\$ 158,862

Community Education Fund

The District's Community Education Program has provided affordable life-long learning opportunities for more than 40 years. This year alone over 3,300 residents participated 249 classes and summer camps. Also, about 500 of our "Gold Carders" (residents 60 and older) enjoyed our programs for free or at a reduced rate. In an age when school districts are ending such programs, NPSD boasts thriving support of this community tradition.

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 2015-2016 school year, community education installed a sound system in Conference Room B at the Education Services Center (\$10,675) and will be funding the NPSD Mobile App (\$10,139) that will launch by the end of the school year.

In addition, community education funds supported ongoing regular district expenses such as board functions, sympathy flowers, professional development and more. And as always, community education is the sponsor of the NPHS Theater Gold Card Matinee which packs the NPHS auditorium each year. And for the fourth year in a row, community education managed enrollment for the popular Iron Knights Triathlon which has grown to more than 1,200 student participants.

North Penn School District
2016-2017 Budget

There are a few items under consideration for purchase during the 2016-2017 school year. The Office of School & Community Education is currently researching installation of kiosks at North Penn High School. This will allow residents to know what and where activities are happening in the building.

The community education fund also includes revenues and expenditures for the North Penn School District Aquatics, Swim Team, and Water Polo programs. Details for each of these programs follow this section.

Community Education Fund Summary

	<u>Actual</u> <u>2012-2013</u>	<u>Actual</u> <u>2013-2014</u>	<u>Actual</u> <u>2014-2015</u>	<u>Budget</u> <u>2015-2016</u>	<u>Budget</u> <u>2016-2017</u>	<u>Projection</u> <u>2017-2018</u>	<u>Projection</u> <u>2018-2019</u>	<u>Projection</u> <u>2019-2020</u>
Fund Balance July 1, 20XX	\$ 118,117	\$ 108,510	\$ 133,237	\$ 124,207	\$ 124,221	\$ 129,180	\$ 133,881	\$ 141,241
Revenue								
Local Sources	258,940	308,926	264,588	317,850	271,850	282,724	294,033	305,794
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	258,940	308,926	264,588	317,850	271,850	282,724	294,033	305,794
Expenditures								
Salaries	75,628	95,164	92,156	103,088	97,670	100,356	103,116	105,952
Benefits	24,295	27,035	29,679	55,748	32,361	36,891	38,751	40,531
Purchased Prof. Services	124,085	114,974	90,357	113,000	85,360	87,921	90,559	93,276
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	27,106	28,618	36,472	33,500	32,500	33,475	34,479	35,513
Supplies and Books	17,433	18,408	24,061	12,500	19,000	19,380	19,768	20,163
Property and Equipment	-	-	893	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-
Other Uses of Funds	-	-	-	-	-	-	-	-
Total Expenditures	268,547	284,199	273,618	317,836	266,891	278,023	286,673	295,435
Excess of Revenue Over (Under) Expenditures	(9,607)	24,727	(9,030)	14	4,959	4,701	7,360	10,359
Fund Transfers/Other Financing	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(9,607)	24,727	(9,030)	14	4,959	4,701	7,360	10,359
Fund Balance June 30, 20XX	\$ 108,510	\$ 133,237	\$ 124,207	\$ 124,221	\$ 129,180	\$ 133,881	\$ 141,241	\$ 151,600

North Penn School District
2016-2017 Budget

Aquatics Program

The 2016-2017 projected budget for swim lessons is \$54,000. If revenue continues to surpass this amount during the 16-17 fiscal year, the program will increase its projected budget for 2017-2018 fiscal year. Revenue is dependent upon the number of program participants which may vary from year to year.

The majority of expenses are professional salaries and benefits used to conduct the program's classes and the aquatic staff will see an increase in pay as set by the District's pay scale. Supply expenses will include rescue and pool equipment, medical supplies for first aid room and American Red Cross Certification Cards for the Lifeguard Training and Review Classes.

Aquatics Program Summary

	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017	Projection 2017-2018	Projection 2018-2019	Projection 2019-2020
Fund Balance July 1, 20XX	\$ -	\$ 10,450	\$ 21,173	\$ 28,400	\$ 33,400	\$ 33,399	\$ 31,662	\$ 30,305
Revenue								
Local Sources	49,167	57,060	55,546	50,000	54,000	56,160	58,406	60,742
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	49,167	57,060	55,546	50,000	54,000	56,160	58,406	60,742
Expenditures								
Salaries	31,791	37,363	37,931	32,945	32,699	33,851	34,782	34,739
Benefits	3,228	4,115	7,298	7,630	10,109	12,558	13,190	13,795
Purchased Prof. Services	297	-	-	-	7,100	7,313	7,532	7,758
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	384	100	-	-	-	-	-
Supplies and Books	3,401	4,475	2,990	4,425	4,093	4,175	4,259	4,344
Property and Equipment	-	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-
Other Uses of Funds	-	-	-	-	-	-	-	-
Total Expenditures	38,717	46,337	48,319	45,000	54,001	57,897	59,763	60,636
Excess of Revenue Over (Under) Expenditures	10,450	10,723	7,227	5,000	(1)	(1,737)	(1,357)	106
Fund Transfers/Other Financing	-	-	-	-	-	-	-	-
Net Change in Fund Balance	10,450	10,723	7,227	5,000	(1)	(1,737)	(1,357)	106
Fund Balance June 30, 20XX	\$ 10,450	\$ 21,173	\$ 28,400	\$ 33,400	\$ 33,399	\$ 31,662	\$ 30,305	\$ 30,411

North Penn School District
2016-2017 Budget

Swim Team Program

The 2015-2016 budget of \$187,500 fell short due to the cancellation of the New Year's meet as a result of weather and the cancellation of the Bronze meet as a result of a scheduling conflict. The projected revenue for the 2016-17 Swim Team of \$205,000 is expected to be on track.

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.

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, Senior Champs, Junior Nationals and other US meets.
- General Supplies - The purchase of additional touch pads and other equipment for the Daktronics timing system, supplies for hosting the US swim meets, and miscellaneous 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, training of NPAC US Coaching staff and payment to the NPAC on-line registration company at \$7.00 per registered swimmer.
- Conference Fees/Dues - Reimbursement to the North Penn Aquatic Club Parents Club for Trophy Meet fees to be taken at the 2016 fall SAL swim team registration. Splash Fees of \$1.20 per splash into pool during US Meets paid to Middle Atlantic (New Years, Bronze, Mini, Development, Distance and any additional meets)



North Penn School District
2016-2017 Budget

Swim Team Program Summary

	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Actual 2014-2015</u>	<u>Budget 2015-2016</u>	<u>Budget 2016-2017</u>	<u>Projection 2017-2018</u>	<u>Projection 2018-2019</u>	<u>Projection 2019-2020</u>
Fund Balance July 1, 20XX	\$ -	\$ 33,624	\$ 60,195	\$ 86,664	\$ 105,414	\$ 105,414	\$ 106,993	\$ 110,061
Revenue								
Local Sources	150,166	182,294	198,205	187,500	205,000	213,200	221,728	230,597
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	150,166	182,294	198,205	187,500	205,000	213,200	221,728	230,597
Expenditures								
Salaries	88,213	101,034	109,624	109,448	112,709	115,808	118,993	122,265
Benefits	19,164	27,502	35,463	33,295	38,227	39,833	41,699	43,523
Purchased Prof. Services	-	-	-	-	24,500	25,235	25,992	26,772
Purchased Property Services	350	3,965	4,227	4,500	7,350	7,571	7,798	8,032
Other Purchased Services	1,486	3,018	4,170	4,000	3,550	3,657	3,767	3,880
Supplies and Books	484	10,514	6,741	2,007	2,664	2,717	2,771	2,826
Property and Equipment	-	-	-	-	-	-	-	-
Other Objects	6,845	9,690	11,511	15,500	16,000	16,800	17,640	18,522
Other Uses of Funds	-	-	-	-	-	-	-	-
Total Expenditures	116,541	155,723	171,736	168,750	205,000	211,621	218,660	225,820
Excess of Revenue Over (Under)								
Expenditures	33,624	26,571	26,469	18,750	-	1,579	3,068	4,777
Fund Transfers/Other Financing	-	-	-	-	-	-	-	-
Net Change in Fund Balance	33,624	26,571	26,469	18,750	-	1,579	3,068	4,777
Fund Balance June 30, 20XX	\$ 33,624	\$ 60,195	\$ 86,664	\$ 105,414	\$ 105,414	\$ 106,993	\$ 110,061	\$ 114,838

North Penn School District
2016-2017 Budget

Water Polo Program

The 2015-2016 projected budget of \$25,000 was surpassed due to additional enrollment of players, more programs offered and increased fees. The North Penn Community Aquatic Water Polo was able to host additional tournaments on Saturdays during the Water Polo seasons. This generated more revenue from the program. The projected revenue for the 2016-17 Water Polo budget will be \$35,000.

A new position for a Head Water Polo Coordinator has been created for 2016-17 and will be paid from Professional Salaries. Assistant coaches are paid from the technical salaries account. The assistant coaches will remain at their present rate for the upcoming year. Additional expenses for the Water Polo program include:

- Officials - To pay for the water polo referees during tournaments
- Other Rentals - Payment for Water Polo Tournaments held at the North Penn High School Pool on Sundays during the fall 2016 water polo season.
- Travel - Travel expenses to the away tournaments held in Pittsburgh and 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 any registration fees for other away tournaments.



North Penn School District
2016-2017 Budget

Water Polo Program Summary

	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Actual 2014-2015</u>	<u>Budget 2015-2016</u>	<u>Budget 2016-2017</u>	<u>Projection 2017-2018</u>	<u>Projection 2018-2019</u>	<u>Projection 2019-2020</u>
Fund Balance July 1, 20XX	\$ -	\$ 8,009	\$ 11,896	\$ 11,879	\$ 14,379	\$ 14,379	\$ 14,604	\$ 14,957
Revenue								
Local Sources	18,504	24,118	23,470	25,000	35,000	36,400	37,856	39,370
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenue	18,504	24,118	23,470	25,000	35,000	36,400	37,856	39,370
Expenditures								
Salaries	3,556	8,137	12,148	10,000	6,000	6,165	6,335	3,509
Benefits	188	734	1,629	1,545	18,633	19,285	20,071	20,882
Purchased Prof. Services	-	-	975	1,200	4,200	4,326	4,456	4,590
Purchased Property Services	875	1,140	1,000	1,100	1,000	1,030	1,061	1,093
Other Purchased Services	207	2,966	826	1,500	871	897	924	952
Supplies and Books	-	2,934	3,024	3,155	1,296	1,322	1,348	1,375
Property and Equipment	-	-	-	-	-	-	-	-
Other Objects	-	-	3,885	-	3,000	3,150	3,308	3,473
Other Uses of Funds	5,670	4,320	-	4,000	-	-	-	-
Total Expenditures	10,495	20,231	23,487	22,500	35,000	36,175	37,503	35,874
Excess of Revenue Over (Under) Expenditures	8,009	3,887	(17)	2,500	-	225	353	3,496
Fund Transfers/Other Financing	-	-	-	-	-	-	-	-
Net Change in Fund Balance	8,009	3,887	(17)	2,500	-	225	353	3,496
Fund Balance June 30, 20XX	\$ 8,009	\$ 11,896	\$ 11,879	\$ 14,379	\$ 14,379	\$ 14,604	\$ 14,957	\$ 18,453

North Penn School District
2016-2017 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 2016-2017 school year, budgeted revenues (transfers from the general fund from both employer and employee cost-sharing) are \$29,820,000 and expenditures (the cost of claims) is \$29,926,500.

Internal Service Fund Summary

	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Actual 2014-2015</u>	<u>Projected 2015-2016</u>	<u>Budget 2016-2017</u>	<u>Projection 2017-2018</u>	<u>Projection 2018-2019</u>	<u>Projection 2019-2020</u>
Fund Balance July 1, 20XX	\$ 3,025,380	\$ 4,261,596	\$ 1,270,184	\$ 6,677,152	\$ 6,560,492	\$ 6,453,992	\$ 6,343,232	\$ 6,228,042
Revenue								
Local Sources	-	-	2,150	5,206	-	-	-	-
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Other Sources	<u>27,135,636</u>	<u>27,654,101</u>	<u>34,334,894</u>	<u>27,987,969</u>	<u>29,820,000</u>	<u>31,012,800</u>	<u>32,253,312</u>	<u>33,543,444</u>
Total Revenue	27,135,636	27,654,101	34,337,044	27,993,175	29,820,000	31,012,800	32,253,312	33,543,444
Expenditures								
Salaries	-	-	-	-	-	-	-	-
Benefits	25,899,420	30,645,513	28,930,076	28,109,835	29,926,500	31,123,560	32,368,502	33,663,242
Purchased Prof. Services	-	-	-	-	-	-	-	-
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies and Books	-	-	-	-	-	-	-	-
Property and Equipment	-	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-
Other Uses of Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>25,899,420</u>	<u>30,645,513</u>	<u>28,930,076</u>	<u>28,109,835</u>	<u>29,926,500</u>	<u>31,123,560</u>	<u>32,368,502</u>	<u>33,663,242</u>
Excess of Revenue Over (Under) Expenditures	1,236,216	(2,991,412)	5,406,968	(116,660)	(106,500)	(110,760)	(115,190)	(119,798)
Net Change in Fund Balance	<u>1,236,216</u>	<u>(2,991,412)</u>	<u>5,406,968</u>	<u>(116,660)</u>	<u>(106,500)</u>	<u>(110,760)</u>	<u>(115,190)</u>	<u>(119,798)</u>
Fund Balance June 30, 20XX	<u>\$ 4,261,596</u>	<u>\$ 1,270,184</u>	<u>\$ 6,677,152</u>	<u>\$ 6,560,492</u>	<u>\$ 6,453,992</u>	<u>\$ 6,343,232</u>	<u>\$ 6,228,042</u>	<u>\$ 6,108,244</u>

North Penn School District
2016-2017 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 2002-2003	\$	141,886,657
Total Revenues for 2003-2004		148,712,665
Total Revenues for 2011-2012		200,660,412
Total Revenues for 2012-2013		208,152,774
Total Revenues for 2013-2014		218,821,804
Total Revenues for 2014-2015		225,606,339
Total Revenues - Past Three Years	\$	652,580,917
Borrowing Base (annual arithmetic average)		\$ 217,526,972

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	\$489,435,687	\$ 97,765,000	\$391,670,687

Current debt levels are at 20% 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 2016-2017, the total debt service payments owed are \$14,390,948 which is 6% of the total expenditures for the fiscal year.

North Penn School District
2016-2017 Budget

Debt Service Summary

<u>YEAR</u>	<u>2008 Bond</u>	<u>2009 Bond</u>	<u>2010 Bond A</u>	<u>2010 Bond</u>	<u>2011 Bond</u>	<u>2013 Bond</u>	<u>2014 Bond</u>	<u>2015 Bond</u>	<u>2016 Bond</u>	<u>Total</u>	<u>Principal Outstanding</u>
2016 - 17	4,830,063	2,485,625	3,161,100	2,143,350	900,000	216,133	246,319	217,025	191,333	14,390,948	\$ 86,765,000
2017 - 18	4,446,263	-	3,839,350	4,335,950	899,850	216,083	311,119	256,575	201,800	14,506,990	\$ 75,225,000
2018 - 19	-	-	3,851,000	8,778,550	899,700	215,990	398,869	324,925	201,700	14,670,734	\$ 63,085,000
2019 - 20	-	-	3,863,600	2,334,800	7,399,500	215,898	232,269	204,925	201,600	14,452,592	\$ 50,595,000
2020 - 21	-	-	-	-	11,954,250	215,805	232,169	199,775	201,500	12,803,499	\$ 39,190,000
2021 - 22	-	-	-	-	-	5,115,713	1,772,069	914,700	1,401,400	9,203,882	\$ 30,815,000
2022 - 23	-	-	-	-	-	5,117,613	1,767,306	920,300	1,402,300	9,207,519	\$ 22,265,000
2023 - 24	-	-	-	-	-	-	6,761,869	915,500	1,522,700	9,200,069	\$ 13,535,000
2024 - 25	-	-	-	-	-	-	-	7,675,500	1,525,200	9,200,700	\$ 4,605,000
2025 - 26	-	-	-	-	-	-	-	-	4,697,100	4,697,100	\$ -
Totals	9,276,326	2,485,625	14,715,050	17,592,650	22,053,300	11,313,235	11,721,989	11,629,225	11,546,633	112,334,033	

North Penn School District
2016-2017 Budget

Debt Service Principal and Interest Payments

YEAR	2008 Bond	2009 Bond	2010 Bond A	2010 Bond	2011 Bond	2013 Bond	2014 Bond	2015 Bond	2016 Bond	Total
2016 - 17										
Principal	4,470,000	2,425,000	2,635,000	1,435,000	5,000	5,000	10,000	15,000	-	11,000,000
Interest	360,063	60,625	526,100	708,350	895,000	211,133	236,319	202,025	191,333	3,390,948
	4,830,063	2,485,625	3,161,100	2,143,350	900,000	216,133	246,319	217,025	191,333	14,390,948
2017 - 18										
Principal	4,265,000	-	3,445,000	3,685,000	5,000	5,000	75,000	55,000	5,000	11,540,000
Interest	181,263	-	394,350	650,950	894,850	211,083	236,119	201,575	196,800	2,966,990
	4,446,263	-	3,839,350	4,335,950	899,850	216,083	311,119	256,575	201,800	14,506,990
2018 - 19										
Principal	-	-	3,560,000	8,275,000	5,000	5,000	165,000	125,000	5,000	12,140,000
Interest	-	-	291,000	503,550	894,700	210,990	233,869	199,925	196,700	2,530,734
	-	-	3,851,000	8,778,550	899,700	215,990	398,869	324,925	201,700	14,670,734
2019 - 20										
Principal	-	-	3,715,000	2,245,000	6,505,000	5,000	5,000	10,000	5,000	12,490,000
Interest	-	-	148,600	89,800	894,500	210,898	227,269	194,925	196,600	1,962,592
	-	-	3,863,600	2,334,800	7,399,500	215,898	232,269	204,925	201,600	14,452,592
2020 - 21										
Principal	-	-	-	-	11,385,000	5,000	5,000	5,000	5,000	11,405,000
Interest	-	-	-	-	569,250	210,805	227,169	194,775	196,500	1,398,499
	-	-	-	-	11,954,250	215,805	232,169	199,775	201,500	12,803,499
2021 - 22										
Principal	-	-	-	-	-	4,905,000	1,545,000	720,000	1,205,000	8,375,000
Interest	-	-	-	-	-	210,713	227,069	194,700	196,400	828,882
	-	-	-	-	-	5,115,713	1,772,069	914,700	1,401,400	9,203,882
2022 - 23										
Principal	-	-	-	-	-	5,005,000	1,575,000	740,000	1,230,000	8,550,000
Interest	-	-	-	-	-	112,613	192,306	180,300	172,300	657,519
	-	-	-	-	-	5,117,613	1,767,306	920,300	1,402,300	9,207,519
2023 - 24										
Principal	-	-	-	-	-	-	6,605,000	750,000	1,375,000	8,730,000
Interest	-	-	-	-	-	-	156,869	165,500	147,700	470,069
	-	-	-	-	-	-	6,761,869	915,500	1,522,700	9,200,069
2024 - 25										
Principal	-	-	-	-	-	-	-	7,525,000	1,405,000	8,930,000
Interest	-	-	-	-	-	-	-	150,500	120,200	270,700
	-	-	-	-	-	-	-	7,675,500	1,525,200	9,200,700
2025 - 26										
Principal	-	-	-	-	-	-	-	-	4,605,000	4,605,000
Interest	-	-	-	-	-	-	-	-	92,100	92,100
	-	-	-	-	-	-	-	-	4,697,100	4,697,100
Principal	\$ 8,735,000	\$ 2,425,000	\$ 13,355,000	\$ 15,640,000	\$ 17,905,000	\$ 9,935,000	\$ 9,985,000	\$ 9,945,000	\$ 9,840,000	\$ 97,765,000
Interest	541,326	60,625	1,360,050	1,952,650	4,148,300	1,378,235	1,736,989	1,684,225	1,706,633	14,569,033
Debt Service	\$ 9,276,326	\$ 2,485,625	\$ 14,715,050	\$ 17,592,650	\$ 22,053,300	\$ 11,313,235	\$ 11,721,989	\$ 11,629,225	\$ 11,546,633	\$ 112,334,033

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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 calculated based on the annual required contribution of the employer (ARC) which is an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The components of the District's annual OPEB cost for the year are as follows.

	Total
<u>For Fiscal Year July 1, 2015 to June 30, 2016</u>	
Annual Required Contribution (ARC)	\$879,105
Interest on Net OPEB Obligation ¹	224,786
Adjustment to ARC ²	(306,665)
Annual OPEB Cost	\$797,226
Contributions Made (Estimated)	(275,152)
Estimated Increase in Net OPEB Obligation	\$522,074
Net OPEB Obligation - Beginning of Year	\$4,995,235
Estimated Net OPEB Obligation - End of Year ³	\$5,517,309
<u>For Fiscal Year July 1, 2016 to June 30, 2017</u>	
Annual Required Contribution (ARC) ⁴	\$879,105
Estimated Interest on Net OPEB Obligation ¹	248,279
Estimated Adjustment to ARC ²	(338,716)
Annual OPEB Cost	\$788,668
Contributions Made (Estimated)	(307,357)
Estimated Increase in Net OPEB Obligation	\$481,311
Estimated Net OPEB Obligation - Beginning of Year	\$5,517,309
Estimated Net OPEB Obligation - End of Year ³	\$5,998,620

¹ Interest on Net OPEB Obligation is calculated at the discount rate of 4.50%.

² Net OPEB Obligation - End of prior year divided by the amortization factor of 16.2889.

³ Note: These amounts are estimates only. These amounts may be adjusted for actual contributions deposited or benefit payments made during the fiscal year. In addition, a new valuation should be performed if there have been significant changes in benefit provisions, the size or composition of the population covered by the plan, or other changes that impact long-term assumptions.

⁴ Annual Required Contribution (ARC) is assumed to be a level dollar amount.

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 2016-2017, the anticipated unassigned fund balance amount is \$15,922,643 or 6.5% of the operating budget.

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Informational Section

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

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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 2016-17 are:

Montgomery County Residents: 24.1890
Bucks County Residents: 133.1668

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

Example: .0241890 x 200,000 = \$4,837.80 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.

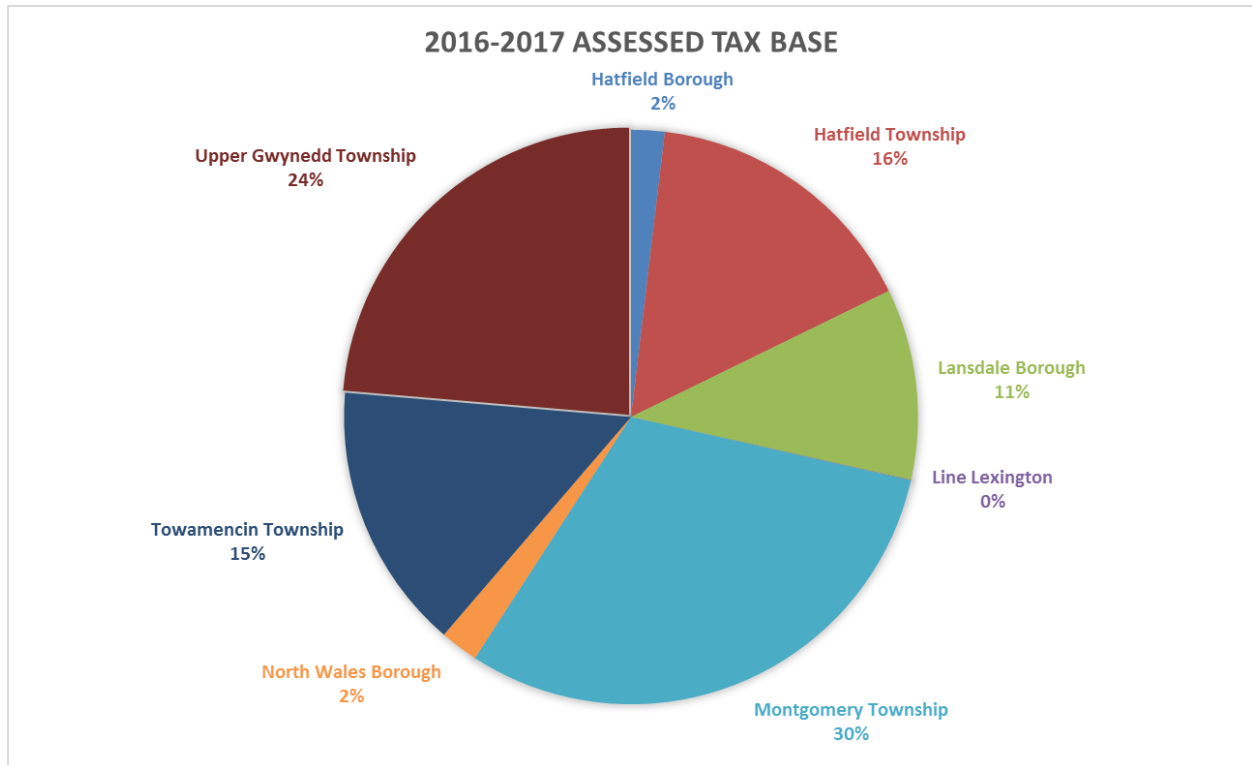
Each municipality has an elected tax collector where payments should be sent. The tax collectors as of June 1, 2016 are:

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

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Assessed Value History

Township/Borough	TAX BASE 2012-2013 (Fixed as of April)	TAX BASE 2013-2014 (Fixed as of April)	TAX BASE 2014-2015 (Fixed as of April)	TAX BASE 2015-2016 (Fixed as of April)	TAX BASE 2016-2017 (Fixed as of April)
Hatfield Borough	\$134,049,000	\$134,049,000	\$134,786,580	\$134,601,030	\$135,358,030
Hatfield Township	1,126,962,520	1,130,875,090	1,141,094,110	1,143,368,170	1,143,308,390
Lansdale Borough	734,841,043	740,118,893	753,129,113	768,400,713	773,291,983
Line Lexington	2,267,310	2,267,310	2,267,310	2,256,600	2,256,600
Montgomery Township	2,114,653,244	2,136,621,934	2,184,821,154	2,196,794,554	2,202,288,404
North Wales Borough	152,874,830	152,717,600	153,779,020	154,349,000	154,975,580
Towamencin Township	1,002,181,293	1,020,650,943	1,036,656,018	1,076,233,746	1,082,681,176
Upper Gwynedd Township	1,670,827,350	1,671,600,870	1,693,300,100	1,696,753,160	1,701,710,410
Montgomery County Assessment Total	\$ 6,936,389,280	\$ 6,986,634,330	\$ 7,097,566,095	\$ 7,170,500,373	\$ 7,193,613,973
Bucks County Assessment Total	2,267,310	2,267,310	2,267,310	2,256,600	2,256,600
Montgomery County Tax Base	\$ 154,859,053	\$ 158,630,834	\$ 164,535,067	\$ 169,383,711	\$ 174,006,328
Bucks County Tax Base	270,941	278,425	284,272	293,464	300,504
Montgomery County Millage Rate	22.3256	22.7049	23.1819	23.6223	24.1890
Bucks County Millage Rate	119.4988	122.7997	125.3784	130.0471	133.1668



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Assessed Value Projections

Township/Borough	TAX BASE 2016-2017 Assessment (Fixed as of April)	TAX BASE 2017-2018 Assessment (Fixed as of April)	TAX BASE 2018-2019 Assessment (Fixed as of April)	TAX BASE 2019-2020 Assessment (Fixed as of April)
Hatfield Borough	\$135,358,030	\$136,034,820	\$136,714,994	\$137,398,569
Hatfield Township	1,143,308,390	1,149,024,932	1,154,770,057	1,160,543,907
Lansdale Borough	773,291,983	777,158,443	781,044,235	784,949,456
Line Lexington	2,256,600	2,267,883	2,279,222	2,290,618
Montgomery Township	2,202,288,404	2,213,299,846	2,224,366,345	2,235,488,177
North Wales Borough	154,975,580	155,750,458	156,529,210	157,311,856
Towamencin Township	1,082,681,176	1,088,094,582	1,093,535,055	1,099,002,730
Upper Gwynedd Township	1,701,710,410	1,710,218,962	1,718,770,057	1,727,363,907
Montgomery County Assessment Total	\$ 7,193,613,973	\$ 7,229,582,043	\$ 7,265,729,953	\$ 7,302,058,602
Bucks County Assessment Total	2,256,600	2,267,883	2,279,222	2,290,618
% Increase		0.5%	0.5%	0.5%

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 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017
Hatfield Borough	\$ 2,781,893	\$ 2,840,175	\$ 2,946,146	\$ 2,995,240	\$ 3,083,277
Hatfield Township	23,193,560	23,996,615	24,624,712	25,491,707	26,043,053
Lansdale Borough	15,179,911	15,360,037	16,073,796	17,099,114	17,614,553
Line Lexington	257,149	259,148	264,859	288,640	289,975
Montgomery Township	43,972,932	45,797,290	47,483,718	48,699,711	50,165,130
North Wales Borough	3,130,220	3,203,607	3,320,127	3,434,707	3,530,139
Towamencin Township	20,927,296	21,788,603	22,656,442	23,949,279	24,662,045
Uppe Gwynedd Township	35,283,282	35,971,616	37,468,398	37,807,611	38,762,713
Assessment Appeals	(406,443)	215,821	(325,393)	25,000	-
Total	\$ 144,319,800	\$ 149,432,912	\$ 154,512,805	\$ 159,791,009	\$ 164,150,885
Collection Percentage	95.93%	96.77%	96.52%	97.00%	97.00%
Montgomery County Millage Rate	22.3256	22.7049	23.1819	23.6223	24.1890
Bucks County Millage Rate	119.4988	122.7997	125.3784	130.0471	133.1668

IMPACT OF TAX INCREASES ON AVERAGE PROPERTY OWNER

	Assessment	2012-2013 Tax	2013-2014 Tax	2014-2015 Tax	2015-2016 Tax	2016-2017 Tax
Montgomery County	200,000	4,465.12	4,540.98	4,636.38	4,724.46	4,837.80
Buck County	28,000	3,345.97	3,438.39	3,510.60	3,641.32	3,728.67
Montgomery County Millage Rate		22.3256	22.7049	23.1819	23.6223	24.1890
Bucks County Millage Rate		119.4988	122.7997	125.3784	130.0471	133.1668

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District's Ten Largest Real Estate Taxpayers

Owner	Property	Assessed Value	Taxes Due
Merck & Company	Pharmaceuticals	\$553,827,340	\$ 13,396,530
Montgomeryville Associates	Shopping Mall	\$103,134,510	2,494,721.00
Central Montgomery Medical Ctr.	Hospital	\$38,473,470	930,635.00
Brittany Pointe Estates (ACTS, Inc.)	Senior Housing	\$32,078,690	775,951.00
Hatfield Village Associates	Apartments	\$29,250,000	707,528.00
KBF Associates	Shopping Center	\$28,810,070	696,887.00
Gateway D.C. Properties, Inc.	Apartments	\$23,999,270	580,518.00
Water Tower Square Associates	Shopping Center	\$19,229,000	465,130.00
DCI Station Square	Shopping/Apartments	\$19,055,790	460,941.00
Willowyc Apartment Associates	Apartments	<u>\$18,900,000</u>	<u>457,172.00</u>
	Top 10 Assessments	\$866,758,140	\$20,966,013
	Total Assessments	7,195,870,573	174,306,832
	Percentage of Total	12.05%	12.03%

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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 \$15.5 million in EIT revenue and \$2.6 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 2012-2013	Actual 2013-2014	Actual 2014-2015	Budget 2015-2016	Budget 2016-2017
Interim Taxes	\$ 1,022,090	\$ 2,400,972	\$ 1,112,696	\$ 1,010,000	\$ 1,100,000
Earned Income tax (EIT)	14,489,809	15,327,539	16,440,290	15,000,000	15,500,000
Real Estate Transfer Tax	2,036,606	2,891,319	2,638,027	2,200,000	2,600,000
Delinquent Real Estate Tax	3,954,259	3,290,588	2,971,795	2,600,000	2,400,000
Total	\$ 21,502,764	\$ 23,910,418	\$ 23,162,808	\$ 20,810,000	\$ 21,600,000

Enrollment Projections

The District uses a four-year average of cohort movement from grade to grade to project enrollment. Kindergarten enrollment is projected using the four-year average of the percent of live births that enroll in kindergarten. The following charts show actual and projected enrollment.

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Historical Student Enrollment by Building and Grade Level

	Grade K					Grade 1					Grade 2					Grade 3					Grade 4					Grade 5					Grade 6				
	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
Bridle Path	59	70	66	75	68	88	88	86	86	81	81	81	81	81	81	94	75	93	65	84	76	97	74	99	66	88	81	100	72	101	92	103	88	81	100
Gwyn-Nor	71	80	65	66	63	96	83	90	83	81	78	106	86	96	86	80	79	102	99	90	83	80	83	106	99	78	79	76	89	99	108	84	73	81	88
Gwynedd Square	78	79	65	66	63	79	83	96	83	78	76	84	103	85	85	98	75	81	83	102	84	95	74	85	83	87	77	93	76	80	75	87	76	89	76
Hatfield	70	68	63	81	69	81	82	68	76	74	70	75	62	71	62	66	69	77	74	60	56	67	70	77	77	75	54	68	65	77	57	72	47	61	62
Inglewood	56	64	65	64	62	54	85	81	86	84	70	61	94	78	91	54	77	74	93	83	50	59	79	73	76	73	53	55	76	71	64	75	54	59	77
Knapp	86	88	94	54	77	90	102	108	91	62	62	90	99	107	92	94	77	91	92	88	91	89	70	101	76	88	77	93	69	89	88	80	88	59	88
Kulp	72	60	66	75	67	71	75	73	77	86	76	62	82	71	76	81	77	67	77	71	64	80	82	63	79	74	67	86	77	64	80	73	68	91	78
Montgomery	65	67	74	72	70	83	81	73	110	85	89	83	83	92	112	86	91	84	106	95	91	81	94	100	104	92	91	75	114	97	112	94	93	88	115
Nash	52	42	55	38	46	47	64	46	55	43	50	43	65	47	54	47	53	47	60	48	61	46	58	50	63	58	63	52	58	50	79	59	65	53	59
North Wales	53	54	45	66	55	66	62	72	56	78	72	60	69	68	48	67	70	57	69	66	58	61	72	60	71	73	54	68	71	60	64	74	58	66	71
Oak Park	73	65	61	61	58	76	70	68	68	64	67	72	67	66	64	68	71	75	64	66	73	69	72	74	63	74	72	66	73	73	66	77	74	67	74
Walton Farm	67	61	71	78	72	70	88	79	92	98	85	76	85	76	80	80	88	76	99	84	73	77	89	89	102	74	76	79	95	92	85	72	76	83	95
York Avenue	44	49	50	35	41	78	46	61	42	39	65	70	38	53	39	47	60	57	24	46	36	48	57	48	23	49	38	48	49	48	54	50	37	45	47
District Elementary	846	847	840	831	808	978	986	1003	993	976	958	972	1002	989	994	940	975	982	1001	986	894	932	1005	997	991	972	898	935	1007	990	1020	985	890	942	1002
	Grade 7					Grade 8					Grade 9					Grade 10					Grade 11					Grade 12									
	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
PennBrook	270	317	278	275	288	284	278	315	283	283	287	292	265	322	280																				
Penndale	434	456	472	374	392	501	423	451	467	369	464	503	437	450	471																				
Pennfield	251	278	240	266	275	257	259	278	252	272	248	263	253	278	255																				
North Penn HS																1039	1018	1060	992	1088	982	994	907	1050	950	1022	1023	1042	1000	1098					
District Secondary	955	1051	990	915	959	1042	960	1044	1002	917	979	1058	955	1050	1006	1039	1018	1060	992	1088	982	994	907	1050	950	1022	1023	1042	1000	1098					
District Total	12657	12699	12735	121769	12765																														

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Projected 2016--17 Student Enrollment

School	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
Bridle Path	68	86	81	84	66	101	72							558
Gwyn-Nor	63	81	86	90	99	99	88							606
Gwynedd Square	63	78	86	102	83	80	76							568
Hatfield	69	92	71	60	75	77	63							507
Inglewood	62	84	91	83	96	71	77							564
Knapp	77	62	94	91	88	78	88							578
Kulp	67	86	76	71	79	64	78							521
Montgomery	70	85	112	95	104	97	115							678
Nash	45	43	54	48	63	50	59							362
North Wales	53	78	48	66	70	60	71							446
Oak Park	58	64	64	66	63	73	74							462
Walton Farm	72	98	93	84	102	92	95							636
York Avenue	41	39	39	46	23	48	47							283
Elementary Total	808	976	995	986	1011	990	1003							6769
Pennbrook								288	276	280				845
Penndale								392	369	471				1233
Pennfield								279	272	255				806
Middle Total								960	918	1006				2883
NPHS											1088	950	1098	3136
District Total	808	976	995	986	1011	990	1003	960	918	1006	1088	950	1098	12788

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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														16
Instructional & Curric Supervisors			3														3
Technology			2							4	10				14		30
Transportation			1							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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FULL TIME PERSONNEL DISTRIBUTION (April, 2013) - 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	2						11
School & Community Engagement		2							4	5						11
Elementary Learning		5	2						9							16
District Wide												3				3
Extended School Care		1			33				1	2						37
School Nutrition Services		1					69		2							72
Human Resources		1							3	2						6
Office/Superintendent		1							1							2
Support Services Center		3				146			6	2						157
Secondary Learning		7							8							15
Instructional & Curric Supervisors		3														3
Technology		2							2	10				14		28
Transportation									1			8			146	155
Elementary Schools	8	13						3	39		97	12	475			647
Middle Schools	5	7		4				3	22		42	4	247			334
Alternative Ed. School		1							1		4	1	12			19
NPHS	5	7		4					22		32	3	207			280
TOTAL FULL TIME EMPLOYEES	18	56	2	8	33	146	69	6	128	23	175	31	941	14	146	1796
PART-TIME PERSONNEL DISTRIBUTION (April, 2013) - Less Than 900 Hours Annually																
Elementary Learning									1							1
Extended School Care					14											14
School Nutrition Services							70									70
Support Services Center						2										2
Technology														8		8
Transportation															18	18
Elementary Schools				11					25				12			48
Middle Schools									1			1	10			12
NPHS									2				4			6
TOTAL PART-TIME EMPLOYEES				11	14	2	70	25	4			1	26	8	18	179
TOTAL ALL EMPLOYEES	18	56	2	19	47	148	139	31	132	23	175	32	967	22	164	1975

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FULL TIME PERSONNEL DISTRIBUTION (April, 2012) - 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	2						11
Community Services		2							4	2						8
Elementary Learning		4							9							13
District Wide												3				3
Extended School Care		1			36				1	2						40
School Nutrition Services		1					57		2							60
Human Resources		2							3	2						7
Office/Superintendent		1							1							2
Support Services Center		3				148			6	2						159
Secondary Learning		6							5							11
Instructional & Curric Supervisors		5							3							8
Technology		3							2	11				15		31
Transportation		1							1			4			161	167
Elementary Schools	8	13	3					1	37		103	12	477			654
Middle Schools	5	7		4				3	23		42	2	238			324
Alternative Ed. School		1							1		4	1	14			21
NPHS	5	7		4					24	1	33	2	217			293
TOTAL FULL TIME EMPLOYEES	18	59	3	8	36	148	57	4	129	22	182	24	946	15	161	1812
PART-TIME PERSONNEL DISTRIBUTION (April, 2012) - Less Than 900 Hours Annually																
Extended School Care					11											11
Food Service							74									74
Instructional & Curric Supervisors									1							1
Technology														7		7
Transportation															16	16
Elementary Schools				10				25				1	14			50
Middle Schools									1			1	11			13
NPHS									1				7			8
TOTAL PART-TIME EMPLOYEES				10	11		74	25	3			2	32	7	16	180
TOTAL ALL EMPLOYEES	18	59	3	18	47	148	131	29	132	22	182	26	978	22	177	1992

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Free and Reduced Meal Counts by Building and Level

	Free			Reduced			Total			Percent Free/Reduced		
	2013-2014	2014-2015	2015-2016	2013-2014	2014-2015	2015-2016	2013-2014	2014-2015	2015-2016	2013-2014	2014-2015	2015-2016
Bridle Path	9,940	10,937	12,414	3,043	1,926	1,846	46,186	44,034	42,041	28%	29%	34%
Gwyn-Nor	10,615	11,518	15,326	2,519	3,251	3,264	43,331	42,838	44,718	30%	34%	42%
Gwynedd Square	6,873	8,543	8,347	1,175	949	1,488	39,128	37,094	38,061	21%	26%	26%
Hatfield	27,100	27,891	30,397	5,349	5,568	4,340	47,934	44,016	47,781	68%	76%	73%
Inglewood	15,936	18,034	19,118	1,938	2,296	2,824	42,079	42,446	43,792	42%	48%	50%
Knapp	26,771	30,664	32,194	5,084	5,433	3,252	54,319	59,335	53,354	59%	61%	66%
Kulp	19,467	20,492	20,062	2,109	2,834	3,353	45,184	46,561	44,334	48%	50%	53%
Montgomery	5,883	8,210	9,533	1,235	803	1,078	41,612	40,437	47,640	17%	22%	22%
Nash	4,764	6,152	6,986	849	1,425	323	27,738	28,961	25,685	20%	26%	28%
North Wales	11,033	13,552	11,757	1,560	1,056	1,165	30,805	30,330	26,568	41%	48%	49%
Oak Park	27,144	28,381	30,653	4,629	6,838	5,023	49,396	49,308	48,476	64%	71%	74%
Walton Farm	11,951	12,423	13,585	2,320	1,885	2,652	42,317	40,642	45,051	34%	35%	36%
York Avenue	16,664	15,201	11,608	3,797	909	653	31,027	25,208	21,674	66%	64%	57%
District Elementary	194,141	211,998	221,980	35,607	35,173	31,261	541,056	531,210	529,175	42%	47%	48%
	Free			Reduced			Total			Percent Free/Reduced		
	2013-2014	2014-2015	2015-2016	2013-2014	2014-2015	2015-2016	2013-2014	2014-2015	2015-2016	2014	2015	2016
Pennbrook	12,535	15,404	12,797	3,612	3,023	3,119	65,851	58,424	56,072	25%	32%	28%
Pennsdale	44,775	50,147	54,817	8,852	8,014	6,675	109,435	111,194	107,462	49%	52%	57%
Pennfield	22,037	22,406	24,801	3,610	4,688	3,974	59,473	61,706	63,702	43%	44%	45%
North Penn HS	68,064	76,047	77,353	14,179	15,103	15,092	204,129	236,481	218,302	40%	39%	42%
District Secondary	147,411	164,004	169,768	30,253	30,828	28,860	438,888	467,805	445,538	40%	42%	45%
District Total	341,552	376,002	391,748	65,860	66,001	60,121	979,944	999,015	974,713	42%	44%	46%

School Nutrition Service Meal Prices

	2013-14	2014-15	2015-16	2016-17
Breakfast (all levels)	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
Lunch				
Elementary	2.60	2.80	2.80	2.80
Middle	3.00	3.00	3.00	3.00
High	3.00	3.25	3.25	3.25

Student Performance Measurements

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<u>Student Performance Measurements</u>			
Indicator	2012-13	2013-14	2014-15
Graduation Rate (4 Year Cohort)	94.90%	94.60%	95.76%
Dropout Rate (Annual)	0.71%	0.49%	0.49%
PSSA Percent Proficient	Math: 88.0% Reading: 84.0% Science: 86.0%	Math: 88.3% Reading: 83.8% Science: 83.7%	Math: 58.5% Reading: 77.2% Science: 83.9%
Keystones Percent Proficient by Grade 11	Algebra 1: 84.89% Literature: 87.62% Biology: 75.44%	Algebra 1: 90.12% Literature: 93.02% Biology: 89.15%	Algebra 1: 91.01% Literature: 92.55% Biology: 90.71%
SAT Average Score	Math: 551 Reading: 529 Writing: 519	Math: 564 Reading: 540 Writing: 531	Math: 560 Reading: 540 Writing: 522
AP% of Seniors with a score of 3 or higher	28.60%	35.10%	32.38%
Attendance Rate	96.70%	95.80%	96.00%

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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Please be aware that for the 2014-15 school year the only the school in the district that had a School Performance Profile Score calculated was the North Penn High School due to the transition in state assessments. Beginning in 2016-17, the closing the achievement gap calculation will include reading, math, and science.

The following table shows the North Penn School District’s School Performance Profile Scores for the 2014-15 academic year.

**Pennsylvania School Performance Profile Scores
2014-15 Academic Profile**

<u>Building</u>	<u>Building Level Academic Score</u>
Bridle Path Elementary	NA
General Nash Elementary	NA
Gwynedd Square Elementary	NA
Gwyn-Nor Elementary	NA
Hatfield Elementary	NA
Inglewood Elementary	NA
Knapp Elementary	NA
Kulp Elementary	NA
Montgomery Elementary	NA
North Wales Elementary	NA
Oak Park Elementary	NA
Walton Farm Elementary	NA
York Avenue Elementary	NA
Pennbrook Middle	NA
Penndale Middle	NA
Pennfield Middle	NA
North Penn High	97.6

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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School Fast Facts	
School Specifics	
School Name	North Penn SHS
School Address	1340 S Valley Forge Rd Lansdale, PA 19446-4798
Website	http://www.npenn.org
Telephone Number	215-368-9800
Grades Offered	10, 11, 12
Title I School	N
Number of Advanced Placement Courses Offered	23
Average Years of Educational Experience (Total)	9.87
Average Years of Educational Experience (In LEA)	8.34
Percent of Classes Taught by Highly Qualified Teachers	99.89
School Enrollment	3082
Percent of Gifted Students	6.85
Dropout Rate (Percent)	0.89
Career and Technical Center (CTC) Programs	
Career and Technical Center Name	North Montco Tech Career Center
Career and Technical Center Website	http://www.nmtcc.org
Supporting Intermediate Unit (IU)	
Intermediate Unit Name	Montgomery County IU 23
Intermediate Unit Website	http://www.mciu.org
Percent Enrollment By Ethnicity	
American	0.23
Indian/Alaskan Native (not Hispanic)	
Asian (not Hispanic)	18.56
Black or African American (not Hispanic)	8.73
Hispanic (any race)	4.51
Multi-Racial (not Hispanic)	1.2
White (not Hispanic)	66.66
Native Hawaiian or other Pacific Islander (not Hispanic)	0.1
Percent Enrollment by Student Groups	
Economically Disadvantaged	25.83
English Language Learner	2.17
Special Education	17.42
Percent Enrollment by Gender	
Female	47.53
Male	52.47
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
Please visit the school website for programs offered and additional information.	

US News and World Report Recognition

In 2016, North Penn High School was named one of the top public high schools in the nation by US News and World Report. The high school ranked number 1526 nationally and number 46 in the state of Pennsylvania. It also received a silver medal and was one of the 6,673 schools who earned a medal as part of their ranking. In the national rankings, 525 schools earned gold medals, 2,289 were awarded silver and 3,738 took home bronze.


US News and World Report evaluated more than 21,000 public high schools in 50 states and the District of Columbia on overall student performance on state-mandated assessments, as well as how effectively schools educated their black, Hispanic and economically disadvantaged students.

Performance on Advanced Placement and International Baccalaureate exams was then used to determine the degree to which schools prepare students for college-level work. Schools were awarded gold, silver or bronze medals based on state proficiency standards and how well they prepare students for college.

In 2015, North Penn High School was ranked number 1773 nationally and number 46 in the state of Pennsylvania.

In 2014, the US News and World Report ranked North Penn High School number 1338 nationally and number 36 in the state of Pennsylvania.

“This prestigious honor is a culmination of hard work by so many people. First and foremost, it’s a testament to our students and their families. The support of the North Penn Community makes these accomplishments possible,” said Todd M. Bauer, Principal of North Penn High School. “Next, I would like to recognize the extraordinary faculty and staff of all NPSD schools whose commitment to rigorous and relevant teaching practices challenge our students each day. While the rankings name the high school as the honored school, this is a product of our entire district. Lastly, it is important to recognize the NPSD leadership. Our School Board and central office administrators support our efforts and provide the guidance to allow for continuous improvement in this ever-changing world.”

<h3>North Penn High School</h3> <p>Lansdale, PA North Penn SD</p> <p> #46 in Pennsylvania Rankings #1526 in National Rankings</p> <p>North Penn High School is ranked 46th within Pennsylvania. Students have the opportunity to take Advanced Placement® course work and exams. ... more</p>	<h4>School Data</h4> <p>96% GRADUATION RATE</p> <p>34.4 COLLEGE READINESS</p> <p>Silver MEDAL AWARDED</p>
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North Penn School District Earns 1st Place KTO Innovation Incentive Award for Dream Growers Summer Success Camp

The future of the North Penn School District (NPSD) continues to grow brighter, thanks to the First Place Keystones to Opportunity (KTO) Innovation Incentive Award recently earned by Marisa Neeson, Preschool Outreach Coordinator at NPSD, for her efforts on behalf of the Dream Growers Summer Success Camp.

The Dream Growers Summer Success Camp is a two-week summer camp designed to support continued learning and promote kindergarten readiness with a focus on foundation skills such as oral language, phonemic awareness and school routine. This interactive and educational camp is held at Trinity Preschool and promotes collaboration between several of NPSD's diverse communities.

In 2013, NPSD partnered with Trinity Lutheran Preschool develop the Dream Growers Summer Camp. Marisa Neeson and Lisa Corr, Director for Early Learning at Trinity, collaborated with early learning partners and kindergarten teachers and reviewed district data to identify several areas of need. Data was used to create the curriculum and target specific areas on which to focus. The camp is a collaboration amongst the diverse communities of the North Penn area that provides preschool experiences for students who may not otherwise have that opportunity. Now in its third year, the goal of the Dream Growers is to best prepare incoming students for success in kindergarten by aligning with the NPSD Comprehensive Literacy Plan.

The Dream Growers Summer Success camp is a free program open to children preparing to enter kindergarten. In its first year, the Summer Success Camp had 65 students enrolled. There were 88 campers in year two and this summer, 108 students attended the camp. As the program has grown, so have Marisa and Lisa's visions for the future of the camp. For this reason, the two applied for the KTO Grant in early 2016 to help assist the inevitable growth that the Summer Success Camp is sure to continue to experience.

The application process included a series of in-depth questions regarding the program, data showing results and success of the program, curriculum alignment with the NPSD Comprehensive Literacy Plan and several other items. After being notified that the North Penn School District was named a semi-finalist for the KTO Grant, Marisa and Lisa were required to arrange for a site visit and submit a video vignette highlighting The Dream Growers Summer Success Camp.

The North Penn School District is pleased to announce that it was awarded first place for the 2016 Keystones to Opportunity Innovation Incentive Award for forming strong partnerships by connecting children birth to age five and kindergarten to grade five to increase student achievement. With this award also comes a generous grant to be used in the Dream Growers Program for years to come.

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“We are so proud and excited for this wonderful opportunity,” said Marisa Neeson. “We hope to continue to grow The Dream Growers Programs to allow more of our students the opportunity to experience a high quality preschool program and continue to provide relevant professional development opportunities to our teachers.”

The camp has been held at Trinity Preschool in Lansdale for the past three years as they are one of NPSD’s KTO partners and have very generously donated the classroom space to North Penn. The camp was held June 14-17 and June 20-23 this year from 9:30 a.m. until 1:00 p.m. each day.

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.

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

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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.