

Budget Meeting Agenda

March 20, 2019

6:00 P.M.

1) Update on Budget (WORK-IN-PROGRESS)

REVENUES	\$157,866,060
EXPENDITURES	<u>\$165,285,357</u>
SURPLUS (DEFICIT)	(\$7,419,298)

2) Items to Discuss for Potential Cuts

a. Retirements

- i. No incentive offered this year. Retirements may not be known until May or June 2019.
- ii. 4-5 teacher retirements expected. Unknown for other positions.
- iii. More savings for positions that do not require replacement. **Estimated potential savings = \$300,000 - \$500,000**

b. New Positions

- i. 6 Regular Education Elementary Teachers (Swimming Pool Classrooms) = \$529,273.95
- ii. 2 Special Education Teachers (Autistic Support & Life Skills) (Swimming Pool Classrooms) = \$176,424.65
- iii. 1 Supervisor of Security & Police Services = \$89,601.58
- iv. 1 Dental Program Instructor (HACC) = \$88,212.32
- v. **2 Part-Time 5 Hour Office Assistants (As part of HAESPA MOU) = \$32,796.28**

c. Long-Term Substitutes

- i. Currently 6 are budgeted at a total cost of \$417,827.97.
- ii. Potential cut back to 4 Long-Term Substitutes = **Savings of \$139,275.99**

3) Staffing

a. Low Enrollment Course Offerings in Grades 9-12

- i. We are currently analyzing attendance / roster reports for grade 9-12 students in HAHS, HACC & HAAS

b. Examine Efficiencies in Grades K-8 Scheduling

c. Special Education

- i. Examine Teacher & Paraprofessional Caseloads / Schedules for Special Education

- 4) Tuition Based Students
 - a. Continue Planning Special Education Comprehensive School to provide better services than Outside Agencies
 - b. Hazleton Area Virtual Academy – Offering our own cyber program for grades K – 6
- 5) Potential Basic Education Funding Formula Increase
 - a. There is a webinar that we will be watching tomorrow with updates on the BEF Formula.
- 6) Title I Funding
 - a. Examine Title I Allocation to ascertain whether additional funds can be shifted to the school-wide program.
- 7) Bond Rating Concerns
 - a. Fund Balance decline is exerting negative pressure on the HASD Bond Rating ultimately leading to an increased cost of borrowing (Interest rate increase).
- 8) Redistricting and Reevaluating Transportation for Potential Savings
 - a. Sending students back to their home school, thereby reducing transportation costs
- 9) Update on Current 2019-2020 Budget Process
 - a. Please note that the General Fund Budget is a work-in-progress document that is changing daily. Some of the amounts reflected in this agenda, as well as previous agendas, **will change** as time continues.
 - b. All department and school budgets have been reviewed with each of the respective department heads and/or principals. We continue to work in these budget files looking for additional cuts.
 - c. All State and Federal programs are currently being reconciled matching the expenses with the projected anticipated revenues as soon as the revenues become available. This can potentially lead to additional expenses in the General Fund Budget (Local). The \$605,206.04 of CSI funds for Freeland El./Mid. School is not included in this current budget.
 - d. The Business Office has applied for the 2019-2020 Referendum Exceptions. We qualified for \$1,105,870 in Referendum Exceptions. It is currently under approval review by PDE.
 - e. Dr. Patrick Patte reviewed the HASD Book Inventory and was able to fill school book (textbook & workbook) requests in this fiscal year saving us from budgeting an expenditure in 2019-2020 General Fund Budget. **Savings of \$130,541.95.**
 - f. \$600,000 included for Phase II borrowing of 9th Grade Project & Special Ed. / Vital House Project **or** the School Library Modernization.
 - g. Revenues include a tax increase of \$1,621,188 – Function 6111 (This amount needed to be placed into the budget in order to apply for the Referendum Exceptions). The amount of the increase above takes us \$99,195 above the index maximum.

- h. Revenues do include the projected increase in Basic Education Funding and Special Ed Funding. However, please note that these amounts are **not** FINAL.
- i. B.S.I. Corporate Benefits recommends budgeting \$20,118,386 for General Fund medical claims & Rx (object 271). I have budgeted \$18,005,118 with the hopes of our new medical plan encouraging consumerism with all of our employees.
- j. No budgetary reserve has been budgeted (similar to years past).
- k. No General Fund Capital Project monies budgeted (4000 series).
- l. Transfer to the Athletic Fund amount has increased by \$109,165 from last year due mostly to salary increases in teacher contract and PSERS.
- m. Executive session budget meetings will be held to discuss personnel and specific positions in April.
- n. Proposed Final General Fund Budget is scheduled to be Board approved on Thursday, May 23, 2019 at the Regular Monthly School Board Meeting in May.
- o. Final General Fund Budget is scheduled to be Board approved on Thursday, June 27, 2019 at the Regular Monthly School Board Meeting in June.

10) Questions / Comments

11) Future Public Budget Meeting Schedule

- a. Tuesday, April 30, 2019 (6:00 P.M.)
- b. Wednesday, May 29, 2019 (6:00 P.M.)
- c. Wednesday, June 12, 2019 (6:00 P.M.)