

Budget Meeting Agenda

June 12, 2019

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

REVENUES	\$158,336,237
EXPENDITURES	<u>\$161,780,289</u>
SURPLUS (DEFICIT)	(\$3,444,052)

2) Special Education (School Age) & Early Intervention Potential **Additional** Deficits

a) 522 Funding Source (Regular IDEA Pass-Thru) Expense =	(\$890,602.98)
6832 Anticipated Revenue from I.U. for IDEA =	\$847,636.00
Additional Deficit =	(\$42,966.98)
b) 272 Funding Source (State E.I.) Expense =	(\$5,242,034.66)
7272 Anticipated Revenue from State =	\$4,942,707.00
Additional Deficit =	(\$299,327.66)
c) 893 Funding Source (E.I. ACCESS) Expense =	(\$885,204.27)
8830 Anticipated Revenue E.I. Medical Access Federal =	\$823,305.00
Additional Deficit =	(\$61,899.27)

Total Additional Deficit = \$404,193.91

3) Property Tax Assessments

- a. Carbon County Assessments received (NO CHANGE)
- b. Luzerne and Schuylkill County Assessments – According to both counties we will have the updated assessments on Tuesday, June 18, 2019.

4) Homestead Exclusion Amount

BUDGET YEAR	AMOUNT
2019-2020 (Projected)	\$394.95
2018-2019	\$390.44
2017-2018	\$388.14
2016-2017	\$385.29
2015-2016	\$375.25
2014-2015	\$374.41
2013-2014	\$371.43
2012-2013	\$369.27

- **Luzerne & Schuylkill Counties assessed values still have not been certified or received by HASD.**
- **Common Level Ratios still have not been provided to HASD. We are expecting to receive them on Wednesday, June 19, 2019.**

5) Property Tax Rates

➤ **Luzerne & Schuylkill Counties assessed values still have not been certified or received by HASD. Therefore, tax rates may change slightly for each of the three counties accordingly.**

FISCAL YEAR	LUZERNE COUNTY	SCHUYLKILL COUNTY	CARBON COUNTY	(DEFICIT)
2018-2019 Current Property Tax Rates	10.368 mills	32.143 mills	26.212 mills	N/A
2019-2020 OPTION #1	10.705 mills (To the Index)	32.957 mills	26.620 mills	(\$3,444,052)***
2019-2020 RECOMMENDED OPTION #2	10.927 mills (To the Index) + All Approved Exceptions	33.641 mills	27.172 mills	(\$2,392,366)***

***Please note that the above deficit does NOT include the POTENTIAL Additional deficit from Special Education (School Age) & Early Intervention

6) Tax Calculator (HASD Budget Website) for all 3 Counties is available starting June 12, 2019.
www.hasdk12.org/budget

Yearly Property Tax Amount Increase for Option #2 (RECOMMENDED OPTION)

***These values are based on the conceptual market value to assessed value ratio

Carbon County market value : assessed value = 50%

Luzerne County market value : assessed value = 100%

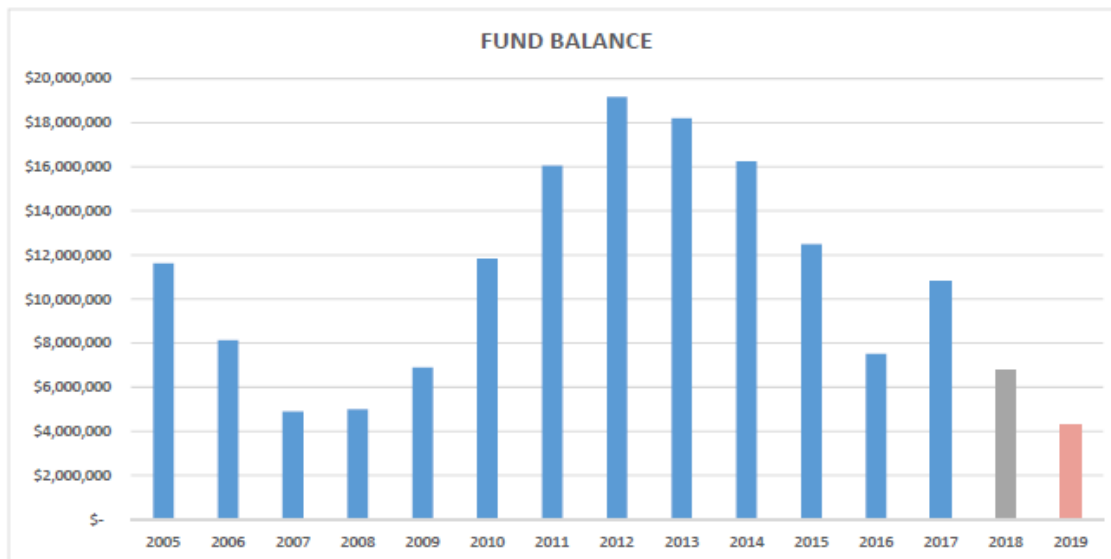
Schuylkill County market value : assessed value = 50%

MARKET VALUE OF HOUSE	CARBON	LUZERNE	SCHUYLKILL
\$50,000	\$19.48	\$23.44	\$32.94
\$100,000	\$43.48	\$51.39	\$70.39
\$150,000	\$67.48	\$79.34	\$107.84
\$200,000	\$91.48	\$107.29	\$145.29
\$250,000	\$115.48	\$135.24	\$182.74

7) Fund Balance

Hazleton Area School District
Fund Balance Analysis

Yearend	Total	Reserved	Nonspendable,					Unassigned
			Unreserved, Undesignated	Inventory/ Prepaid	Restricted	Committed	Assigned	
2005	\$ 11,617,874	\$ 7,565,329	\$ 3,723,477	\$ 329,068				
2006	\$ 8,130,827	\$ 5,438,601	\$ 2,297,057	\$ 395,169				
2007	\$ 4,910,533	\$ 3,053,751	\$ 1,468,865	\$ 387,917				
2008	\$ 4,995,251	\$ 3,000,549	\$ 1,698,292	\$ 296,410				
2009	\$ 6,891,506	\$ 3,146,464	\$ 3,711,489	\$ 33,553				
2010	\$ 11,834,254	\$ 5,152,969	\$ 6,618,556	\$ 62,729				
2011	\$ 16,042,169			\$ 104,764	\$ -	\$ 7,204,005	\$ 2,000,549	\$ 6,732,851
2012	\$ 19,164,000			\$ 81,442	\$ -	\$ 11,396,448	\$ 2,000,549	\$ 5,685,561
2013	\$ 18,192,406			\$ 49,292	\$ -	\$ 9,396,448	\$ 2,000,000	\$ 6,746,666
2014	\$ 16,240,632			\$ 44,380	\$ -	\$ 9,396,448	\$ 2,000,000	\$ 4,799,804
2015	\$ 12,475,053			\$ 386,421	\$ -	\$ 5,896,448	\$ 2,000,000	\$ 4,192,184
2016	\$ 7,512,765			\$ 505,251	\$ -	\$ 2,326,448	\$ 500,000	\$ 4,181,066
2017	\$ 10,807,912			\$ 415,890	\$ -	\$ 2,326,448	\$ 500,000	\$ 7,565,574
2018	\$ 6,788,428			\$ 238,826	\$ -	\$ 1,345,942	\$ 500,000	\$ 4,703,660
2019	\$ 4,249,629			\$ 238,826	\$ -	\$ 1,345,942	\$ 500,000	\$ 2,164,861



Budget	2019	2018
Revenue	154,471,906	146,182,679
Expense	157,010,705	150,202,163
Deficit	(2,538,799)	(4,019,484)
Unassigned	2,164,861	4,703,660
Policy %	1.38%	5.04%
Range 3%	4,710,321	4,506,065
Range 8%	12,560,856	12,016,173

NOTE: School District policy is to maintain an unassigned general fund balance of not less than 3% and not more than 8% of the budgeted expenditures for that year.

8) 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 continue to change** as time continues.
- b. Any additional retirements that the district receives from now until June 27, 2019 will be evaluated by the Administration to determine if replacement is needed.
- c. Salary & benefit budgeting is basically complete. Each building Principal and Department Supervisor will be confirming the accuracy of his/her staff within the budget for 2019-2020 over the course of the next 2 weeks. In the case of Principals, all teacher schedules are under review to assure a full schedule for everyone.
- d. All State and Federal programs (including Special Education & Early Intervention funding) are still in the process of being reconciled matching the expenses with the projected anticipated revenues. This will be completely reconciled once all new positions have been discussed and adequately budgeted for and final amounts have been provided by the State and Federal Governments.
- e. The Business Office has applied for the 2019-2020 Referendum Exceptions. We qualified for **\$1,105,870** in Referendum Exceptions. It has been approved by PDE. This is included in Option #2 and the **recommended option** from Administration.
- f. Final county property assessed values (Luzerne & Schuylkill) will be made available to us on **Tuesday, June 18, 2019**. We already received Carbon County property assessed values and there was no change.
- g. Final Basic Education Funding and Special Education Funding should be made available by the end of June.
- h. Executive session budget meetings will be held to discuss personnel and specific positions in June.
- i. Proposed Final General Fund Budget was Board approved on Thursday, May 23, 2019 at the Regular Monthly School Board Meeting in May.
- j. **Final** General Fund Budget is scheduled to be Board approved on Thursday, June 27, 2019 at the Regular Monthly School Board Meeting.

9) Questions / Comments