

Budget Meeting Agenda

May 17, 2023

1) Public Budget Meeting Timeline Going Forward

- a. Wednesday, June 14, 2023 – Property Taxes, New Positions, Basic Ed. Subsidy & Final Budget Review

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

REVENUES	\$223,120,351
EXPENDITURES	<u>\$230,156,515</u>
SURPLUS (DEFICIT)	(\$ 7,036,164)

3) 2023-2024 Proposed Final General Fund Budget Highlights

- a. Real Estate Tax Revenue (6111) is at \$55,999,689 (increase of \$3,906,781 from 2022-2023 Budget). This amount is using the assessments from November 2022 for Luzerne and Carbon Counties. Schuylkill County assessment is up-to-date. The above increase is the current maximum the district can levy (again using November 2022 assessments) since the School Board approved the **Accelerated Budget Opt Out Resolution Certifying Tax Rate Within Inflation Index**. This is keeping all 3 counties within the index. A larger amount can only be established if the June assessments increase from the November assessments in each of the counties. We will discuss tax options at the June 14, 2023 Public Budget Meeting.
- b. This Proposed Final General Fund Budget includes the Basic Ed Subsidy (a/c 7111) projected amount, as provided by PDE, of \$64,156,332. This is an increase of \$13,137,728 from the 2022-2023 budget amount. **Hopefully**, this is the amount that will be approved with the Governor's Budget.
- c. All State and Federal programs (including Special Education 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**.
- d. New schools & rental locations included in budget (utilities, insurance, repairs, rent, etc.)
 - i. Hazleton Area Academy (Former WYLN Building)
 - ii. Hazleton Area Arts & Humanities Academy (Former web.com Building)
 - iii. Hazleton Area Cyber Academy (Laurel Mall) (Rental of 2 stores)
- e. Capital Projects included in this 2023-2024 budget
 - i. Maple Manor Elementary / Middle School Artificial Turf Project (Soccer, Field Hockey, Lacrosse) = \$3,019,769 (already Board approved but project will not be completed until 2023-2024 fiscal year.
 - ii. Capital Improvements identified at the March 15, 2023 Public Budget Meeting in the amount of \$1,500,000 is included in this 2023-2024 budget (4000's)

- iii. Arthur Street Elementary School Parking Lot = \$500,000
 - iv. Hazleton Area Cyber Academy (Laurel Mall) = \$250,000
 - v. Hazleton Area High School Gymnasium Bleachers = \$1,000,000
 - vi. Drums Elementary / Middle School Parking Lot / Driveway = \$500,000
 - vii. Drums Elementary / Middle School Freezer Project = \$200,000
 - viii. \$1,600,000 - \$1,700,000 budgeted for Special Education Center & HACC / Warehouse Renovations
- f. Programs / sports included in this budget:
- i. JROTC Program
 - ii. eSports Program
 - iii. Unified Track Team
 - iv. Unified Bocce Team
 - v. Lacrosse (Boys)
 - vi. 7th/8th Grade Baseball
 - vii. Maintaining 1 to 1 computers for all students
- g. Increase in staff
- i. Hazleton Area Arts & Humanities Academy
 - ii. Hazleton Area Cyber Academy (Laurel Mall)
 - iii. Hazleton Township Early Learning Center – Newcomer Program
 - iv. Due to increase in special education enrollment
 - v. Due to increase in overall student enrollment (15 Long-Term Subs)
- h. Budgeted amount for Kelly Educational Services (Substitutes) = \$1,500,000
- i. All tuition - increase of \$510,000 from 2022-2023 Budget
- j. Medical Insurance = \$20,626,534 (increase of \$3,729,220)
- There is some room here to decrease this amount, but because we are self-insured it all depends on the amount of risk we want to take.
- k. Transportation Budget increased by \$2,494,750 (due to Contracted Special Needs Transportation)
- l. Textbooks / Workbooks increase in budget of \$1,388,805
- i. New math series included in budget of \$1,000,000
- m. Technology Budget increased by \$411,695 from prior year budget
- n. Maintenance Budget up \$556,886
- i. Cost of 3 new buildings to maintain, in-house capital projects, etc.
- o. Athletic Budget increased by \$182,827 from 2022-2023 Budget
- p. \$750,000 has been budgeted in **debt service** for a new borrowing of \$10,000,000
- i. Phase III of the ESCO Project (Capital Projects Identified by Facilities Director that can be completed through this program) – See [Hazleton Area School District Capital Projects 10-Year Plan](#) handout
 - ii. Possible borrowing for the construction of a new K-8 School located within the city?
Currently nothing budgeted for this.
- q. No budgetary reserve in the budget.
- r. Student enrollment is currently at 12,892, an increase of 1,000 students since April of 2021.

4) Update on Current 2023-2024 Budget Process

- a. Please note that the General Fund Budget is a work-in-progress document that is changing daily.
- b. Any retirements that the district receives from now until the end of June will be evaluated by the Administration to determine if replacement is needed.
- c. 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.
- d. Salary & benefit budgeting is being evaluated by central administration. Each building principal and department supervisor will be confirming the accuracy of his/her staff within the 2023-2024 budget over the course of the next 6 weeks.
- e. General Fund Budget TOTALS (Revenues & Expenses) will continue to be updated and presented at the next Public Budget Meeting scheduled for Wednesday, June 14, 2023 at 5:00 P.M.
- f. Executive session budget meetings will be held to discuss personnel and specific positions in June.
- g. **Final** General Fund Budget is scheduled to be Board approved on Thursday, June 22, 2023 at the Regular Monthly School Board Meeting.

5) Questions / Comments