

Public Budget Meeting Agenda

June 22, 2023

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

REVENUES	\$228,009,185
EXPENDITURES	<u>\$234,318,340</u>
SURPLUS (DEFICIT)	(\$6,309,155)

2) Included in the deficit above are the following items:

a) Increase in staff (teachers, paraprofessionals, security, custodians, secretaries, etc.) due to opening of 3 new buildings and continued increasing enrollment.

a. Total Open Positions = \$3,288,925.83

b. Total New Positions = \$5,659,377.63

b) Self-Funded Healthcare – increased from \$17,611,764 to \$20,283,862 = \$2,672,098

NOTE: BSI Corporate Benefits recommends our self-funded healthcare budget amount be \$20,915,784

c) Drums Elementary / Middle School Parking Lot / Driveway Project = \$500,000

d) Arthur Street Elementary School Parking Lot = \$500,000

e) Drums Elementary / Middle School Freezer Project = \$200,000

f) Hazleton Area Cyber Academy HVAC Unit = \$250,000

g) Various Capital Improvements identified by Facilities Director for entire district = \$1,500,000

h) Hazleton Area High School Gymnasium Bleacher Replacement = \$1,000,000

i) \$10,000,000 Bond Issue (Borrowing) for ESCO Project Phase 3 = \$750,000 (Debt Service)

j) \$10,000,000 Bond Issue (Borrowing) for New School Construction = \$750,000 (Debt Service)

k) Special Education Transportation Increase = \$3,000,000

l) New Math Series (Textbooks & Workbooks) = \$1,000,000

m) Purchase of 900 Laptops & Carry Cases for Teachers = \$982,000

n) Retirements and resignations are still be determined and will be updated in budget

o) The Recommended Property Tax Millage Option is included in this budget which takes the entire Act 1 index of 5.9%. This option generates \$4,066,667 of additional tax revenue for the district.

3) Property Tax Rates

➤ All 3 counties assessed values have been certified and received by HASD.

ASSESSED VALUE ANALYSIS

	June 2022	November 2022	June 2023	Increase/(Decrease) from June 23 to June 22
<u>Luzerne County</u>				
Black Creek Twp	243,148,200	242,800,400	243,419,900	271,700
Butler Twp	873,200,000	881,003,800	886,382,600	13,182,600
Conyngham Borough	147,299,400	147,830,300	147,830,300	530,900
Foster Township	243,433,400	243,914,700	243,833,800	400,400
Freeland Borough	113,218,600	113,147,600	113,079,100	(139,500)
Hazle Township	1,560,179,000	1,665,157,900	1,677,567,300	117,388,300
Hazleton City	960,969,500	1,013,312,700	964,273,000	3,303,500
Jeddo Borough	3,033,300	3,033,300	3,032,600	(700)
Sugarloaf Township	404,742,700	404,865,800	405,731,900	989,200
West Hazleton Borough	218,719,800	218,575,600	217,160,200	(1,559,600)
	4,767,943,900	4,933,642,100	4,902,310,700	134,366,800
<u>Schuylkill County</u>				
East Union Township	104,627,345	104,939,510	105,589,820	962,475
McAdoo Borough	20,304,500	20,303,935	20,292,070	(12,430)
North Union Township	34,650,050	34,715,630	35,131,225	481,175
Kline Township	24,541,060	24,423,335	24,599,715	58,655
	184,122,955	184,382,410	185,612,830	1,489,875
<u>Carbon County</u>				
Banks Township	23,355,030	23,466,707	23,467,628	112,598
Beaver Meadows Borough	10,578,314	10,573,564	10,621,114	42,800
	33,933,344	34,040,271	34,088,742	155,398
<u>Totals:</u>	4,986,000,199	5,152,064,781	5,122,012,272	136,012,073

2023-2024 PROPERTY TAX MILLAGE OPTIONS

FISCAL YEAR	LUZERNE COUNTY	SCHUYLKILL COUNTY	CARBON COUNTY	TOTAL REVENUE (6111)
2022-2023 Current Property Tax Rates	12.052 mills	35.985 mills	30.491 mills	\$52,092,908
2023-2024 RECOMMENDED OPTION (All 3 Counties to the Index)	12.529 mills (increase of 0.477 mills)	38.086 mills (increase of 2.101 mills)	32.287 mills (increase of 1.796 mills)	\$56,159,575 (increase of \$4,066,667 in revenue)
2023-2024 (LUZERNE - NO TAX INCREASE)	12.052 mills (Same as 2022-2023)	36.637 mills (increase of 0.652 mills)	31.059 mills (increase of 0.568 mills)	\$53,748,789 (increase of \$1,655,881 in revenue)
2023-2024 (CARBON - NO TAX INCREASE)	11.832 mills (decrease of 0.220 mills)	35.967 mills (decrease of 0.018 mills)	30.491 mills (Same as 2022-2023)	\$52,636,559 (increase of \$543,651 in revenue)
2023-2024 (SCHUYLKILL - NO TAX INCREASE)	11.837 mills (decrease of 0.215 mills)	35.985 mills (Same as 2022-2023)	30.507 mills (increase of 0.016 mills)	\$52,662,401 (increase of \$569,493 in revenue)
2023-2024 (NO REVENUE LOSS)	11.725 mills (decrease of 0.327 mills)	35.642 mills (decrease of 0.343 mills)	30.215 mills (decrease of 0.276 mills)	\$52,095,763 (increase of \$2,855 in revenue)

***Please note that the above deficit does NOT include the POTENTIAL additional deficit from Special Education (School Age) & Early Intervention and all of the federal programs (i.e. Title Programs). These amounts are still being reconciled with these respective departments.

- o Reminder of Local Effort Capacity Index portion of Basic Education Funding is a key component of determining future BEF's for all districts.

4) **School District Property Tax Calculator** (HASD Budget Website) for all 3 Counties is available @ www.hasdk12.org/budget

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

Carbon County market value : assessed value = 50%

Luzerne County market value : assessed value = 100%

Schuylkill County market value : assessed value = 50%

Yearly Property Tax Amount Increase (**Decrease**) for RECOMMENDED OPTION:

MARKET VALUE OF HOUSE	CARBON	LUZERNE	SCHUYLKILL
\$50,000	\$56.30	\$20.67	\$49.36
\$100,000	\$115.77	\$44.52	\$101.88
\$150,000	\$175.25	\$68.37	\$154.41
\$200,000	\$234.72	\$92.22	\$206.93
\$250,000	\$294.19	\$116.07	\$259.46

5) Homestead Exclusion Amount (Based on the tax increase – Recommended Option)

BUDGET YEAR	AMOUNT
2022-2023 (Projected)	\$450.74
2022-2023	\$447.56
2021-2022	\$401.40
2020-2021	\$396.00
2019-2020	\$394.30
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

	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>
Total Amount of Tax Relief for Homestead Exclusion	\$7,173,493	\$7,878,633	\$7,877,105
Total Approved Homestead / Farmstead Properties	18,017	17,744	17,571

** Due to properties that already have zero (\$0) tax, the additional tax relief funds are spread out through the remaining properties that still have a tax bill above \$0.

6) History of 3 Counties Property Tax Rates

LUZERNE, SCHUYLKILL AND CARBON COUNTIES TAX MILLAGE RATES								
	18-19	19-20	20-21	21-22	22-23	23-24	Differences Between	
	MILLAGE	MILLAGE	MILLAGE	MILLAGE	MILLAGE	MILLAGE	22-23/23-24 MILLAGE	
LUZERNE COUNTY								
HANOVER AREA	18.1747	18.7743	18.7743	18.7743	18.7743	18.7743	0.0000	
WYOMING AREA	16.4496	16.9596	17.5554	17.9152	18.7392			
WILKES-BARRE AREA	18.0364	18.4332	18.4332	18.4332	18.4332	18.4332	0.0000	
WYOMING VALLEY WEST	16.7500	17.2900	17.2900	18.0300	18.0300	18.0300	0.0000	
PITTSTON AREA	15.9820	15.9820	16.5413	16.5413	16.5413	16.5413	0.0000	
DALLAS	13.6338	13.6338	13.6338	13.6338	13.6338	13.6338	0.0000	
NORTHWEST AREA	10.7452	11.0783	11.4660	11.9246	12.4731	13.1466	0.6735	
GREATER NANTICOKE AREA	11.9113	11.9113	11.9113	12.4473	12.8083	12.8083	0.0000	
HAZLETON AREA	10.3680	10.9300	11.4470	11.8370	12.0520	12.5290	0.4770	
CRESTWOOD	10.3899	11.0539	11.3302	11.7494	12.0314	12.3322	0.3008	
BERWICK AREA	10.8500	10.7900	11.3700	11.3700	11.7600	12.2400	0.4800	
LAKE-LEHMAN	11.0345	11.5761	11.5761	11.9138	11.9167	11.9167	0.0000	
SCHUYLKILL COUNTY								
PANTHER VALLEY	53.4100	56.8000	60.2000	60.2000	60.6900	60.5000	-0.1900	
SHENANDOAH VALLEY	56.9750	56.9750	56.9749	56.9750	56.9750	56.9750	0.0000	
MAHANOEY AREA	49.6000	51.3000	51.3000	52.8000	53.8000	53.8000	0.0000	
NORTH SCHUYLKILL	41.3400	42.3400	43.6500	45.1400	46.7600	46.7600	0.0000	
MINERSVILLE AREA	40.0200	40.0200	40.0200	41.7800	44.7900	45.7900	1.0000	
SCHUYLKILL HAVEN AREA	42.4600	42.4600	42.4600	42.4600	44.4980	44.4980	0.0000	
POTTSVILLE AREA	40.5986	41.9383	43.5319	43.5319	44.4025	44.4025	0.0000	
BLUE MOUNTAIN	38.2540	39.4010	41.2580	42.8250	42.8250	42.8250	0.0000	
TAMAQUA AREA	38.4700	38.4700	39.8500	39.8500	41.7600	41.7600	0.0000	
PINE GROVE AREA	40.7500	41.7500	41.7500	41.7500	41.7500	41.7500	0.0000	
TRI VALLEY	34.3820	35.4470	35.4470	36.8970	38.5870	40.7470	2.1600	
WILLIAMS VALLEY	34.6800	34.6800	34.6800	36.2400	36.4275	38.4260	1.9985	
SAINT CLAIR AREA	36.9180	38.1360	38.1360	38.1360	38.1360	38.1360	0.0000	
HAZLETON AREA	32.1430	33.5680	33.9370	37.0870	35.9850	38.0860	2.1010	
CARBON COUNTY								
PALMERTON AREA	56.7793	56.7793	57.7793	60.1482	62.9150	64.9150	2.0000	
PANTHER VALLEY	61.1900	64.6900	65.4500	65.4500	64.5600	64.5500	-0.0100	
LEHIGHTON AREA	47.8800	48.8800	50.6396	52.7664	52.7664	52.7664	0.0000	
WEATHERLY AREA	47.3800	48.8400	48.8400	49.8400	49.8400	51.3400	1.5000	
JIM THORPE AREA	45.5200	45.5200	45.5200	45.5200	45.5200	45.5200	0.0000	
HAZLETON AREA	26.2120	27.1690	27.6060	29.0670	30.4910	32.2870	1.7960	
							INCREASE	
This district is in 2 counties							DECREASE	
This district is in 2 counties, the other is Columbia County which is not on this spreadsheet								

7) Fund Balance

Hazleton Area School District
Fund Balance Analysis

Yearend	Total	Reserved	Unreserved, Undesignated	Nonspendable, Inventory/ Prepaid	Restricted	Committed	Assigned	Unassigned
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	\$ 11,073,136			\$ 345,211	\$ -	\$ 1,345,942	\$ 500,000	\$ 8,881,983
2020	\$ 14,802,653			\$ 176,962	\$ -	\$ 1,345,942	\$ 500,000	\$ 12,779,749
2021	\$ 22,272,421			\$ 82,090	\$ -	\$ 8,595,942	\$ 500,000	\$ 13,094,389
2022	\$ 28,166,728			\$ 646,806	\$ -	\$ 12,095,942	\$ 500,000	\$ 14,923,980
2023	\$ 23,930,477			\$ 646,806	\$ -	\$ 12,095,942	\$ 500,000	\$ 10,687,729

8) 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. Some of the amounts reflected in this agenda, as well as previous agendas, **will continue to change** as time continues. All district staffing, programs and services will continue to be reviewed until final budget adoption date on June 29, 2023.
- b. All State and Federal Special Education & Early Intervention funding and Federal Programs (Title Programs) 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.
- c. In order to reduce the deficit even further, central administration plans on reviewing each department's budget file with the respective department heads to make further budget cuts until a comfortable deficit is achieved. Elimination of open positions and new positions is a possibility and will be re-evaluated this last week.
- d. **Final** General Fund Budget is scheduled to be Board approved on Thursday, June 29, 2023 at the Regular Monthly School Board Meeting.

9) Questions / Comments