

# Executive Summary

## Overview of the School System

Public schools were authorized by the State Constitution of 1864 and 1867 and placed upon the Legislature the obligation of establishing "a thorough and efficient system of free public school"<sup>1</sup>. The Harford County Public Schools System was founded in 1865. At that time, there were 3,230 children enrolled in 69 one room schools with one teacher per school. The first Superintendent of Schools was appointed in 1902. There have only been ten Superintendents of Schools since 1902.

Harford County Public Schools (HCPS) is a fiscally dependent school system with an actual enrollment of 38,637 students in fiscal 2010. HCPS is the 135th largest school system<sup>2</sup> of the 17,817 regular school districts in the country<sup>3</sup> when ranked by enrollment. There are 24 school districts in the State of Maryland. This places HCPS in the top one percent of school districts by size. The student body will be served by a projected 5,478.3 FTE faculty and staff positions for fiscal 2011.

Currently Harford County has 53 public schools along with 48 non public schools<sup>4</sup> located within the County. Citizens in the County have a choice of public or private schools. Approximately 39,000 students attend public schools. The number of students attending private schools is unknown. The estimated population (as of June 30, 2009) from the County Office of Planning and Zoning was 246,100. According to the Bureau of Census, the school age population in 2000 was 45,189 of which 39,540 or 87.5% attended public schools. School enrollment was 35,963 in 1994 and reached a peak in 2002 of 40,264 and has declined slightly to 38,637. Through the recent military Base Realignment and Closure (BRAC) process, the County workforce and population is estimated to increase in excess of 10%, which will result in increased population for the public school system. In the next several years, the Capital Budget proposes one new elementary school and various other renovation/modernization projects.

Considerable construction and renovation funding has been approved for the enhancement and upgrading of the school system buildings. The new Edgewood High School is under construction along with Deerfield Elementary. Both will be complete for the 2010-2011 school year. The new Red Pump Elementary School will be the 54<sup>th</sup> school slated to open in August, 2011.

## Economic Climate of Harford County, Maryland

Harford County is located 20 miles north of the City of Baltimore and adjacent to the Chesapeake Bay to the east, is bordered by the south and west by Baltimore County, to the northeast by Cecil County, and to the north by the State of Pennsylvania. The convenient location on the I-95 corridor in northeastern Maryland has made it one of Maryland's most desirable business locations. Harford County, Maryland was formed in 1773, and since 1972 has operated with a charter form of government with home rule. The County is governed by a full time County Executive and legislative power is vested in an elected seven member County Council, one member of which is elected as the President of the County Council. The demography of Harford County has changed over the last two decades from a predominantly rural area to a suburban rural mix. The County's land area of 448 square miles is the 11<sup>th</sup> largest in the State of Maryland. The County serves a population of 246,100 as of June 30, 2009. The economic condition and outlook of the County has substantially improved during the past decade. Since 1999 the population of Harford County has increased 12.1 percent, which has triggered significant construction activity and growth in the tax base<sup>5</sup>. Construction activity has slowed in the past several years.

## Local Economy<sup>6</sup>

Harford County has been and continues to be fiscally sound, thanks to years of conservative fiscal management. The County is effectively dealing with the pressures brought on by declining County revenues, caused in part, by Maryland's State budget deficit as well as the global economic crisis.

<sup>1</sup> From "Our Harford Heritage" by C. Milton Wright, copyright 1967.

<sup>2</sup> Characteristics of the 100 Largest Public Elementary and Secondary Schools Districts in the United States: 2007-2008, *Common Core of Data Survey*, U.S. Department of Education, National Center for Education Statistics, July 2010.

<sup>3</sup> Characteristics of the 100 Largest Public Elementary and Secondary Schools Districts in the United States: 2007-2008", *Common Core of Data Survey*, U.S. Department of Education, National Center for Education Statistics, July 2010.

<sup>4</sup> Data is from Maryland State Department of Education Fact Book for the Fiscal Year 2006-2007.

<sup>5</sup> "Harford County Maryland Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2009", Table 15.

<sup>6</sup> Harford County Maryland Comprehensive Annual Financial Report for the year ended June 30, 2009, Letter of Transmittal, pages A2 to A3, written by John R. Scotten, Jr., County Treasurer.

## Executive Summary

Almost immediately as fiscal 2009 began, the County, because of major unanticipated declines in income tax revenues, began cost-cutting measures to get through the year. Each County department was asked to give back up to 5.0 percent of their 2009 operating budget. The same was asked of the Board of Education, the Harford Community College, the Harford County Sheriff's Office, and the Library System. They all readily cooperated.

As work on the fiscal 2010 budget moved forward, the economic picture worsened for the nation, the State of Maryland and the County. Because of this the fiscal 2010 proposed budget, submitted to the County Council in April, included nearly \$38.0 million in cuts to the Operating Budget; an average 6.0 percent reduction to each County department and funding concessions willingly agreed to by the Board of Education, the Harford Community College, the Harford County Sheriff's Office, the Library System and the Volunteer Fire Companies. The County Council, anticipating further economic challenges, made amendments to the budget, cutting an additional 5.0 percent across the board, exclusive of the Sheriff's Office, the Board of Education, the Harford Community College and the Volunteer Fire Companies. These amendments brought the total average cuts to over 12.0 percent. Some but certainly not all of the consequences of these reductions are: thirty-four County employees laid off, five furlough days for all government employees exclusive of Public Safety and Education, reductions in Library hours, elimination of Saturday Harford Transit bus service, reducing operations at the Tollgate Road yard waste site to one day a week, to name a few.

Although the real estate market in the County, as in the nation, has been cooling down since 2006, real property tax, the County's largest revenue source remains strong. In fiscal 2009 real property tax represented 43.0 percent of total budgeted revenue. Harford County's property tax revenues are expected to continue to grow though the rate of growth has slowed. Effective in fiscal 2010 the Council adopted Resolution No. 06-09, on May 29, 2009, which reduces the property tax rate from \$1.082 to \$1.064 for real property and decreases the corporate/personal property rate from \$2.705 to \$2.660. In spite of the downward trend in the real estate market and the tax rate reductions, budgeted real property taxes for fiscal 2010 are expected to increase 8.6 percent, representing 50.0 percent of total budgeted revenues.

The income tax revenue, the second largest revenue source in the County, which is directly affected by population growth, employment levels and personal income, has shown steady growth over the last ten years. But for most of 2008 and 2009 the quarterly income tax receipts have been slowing, largely due to the slowdown in the overall economy, which is expected to continue into fiscal 2010. Added to this is the impact of the Special Session of the Maryland General Assembly's action in November 2007, which changed income tax law to establish new individual income tax brackets and rates beginning this past January 2008. The Department of Legislative Services for the State of Maryland estimates the impact on Harford County will be a loss of \$4.0 million. As a result of these factors, the County is projecting a 12.6 percent decrease in income tax receipts in fiscal 2010, representing 26.9 percent of total budgeted revenue.

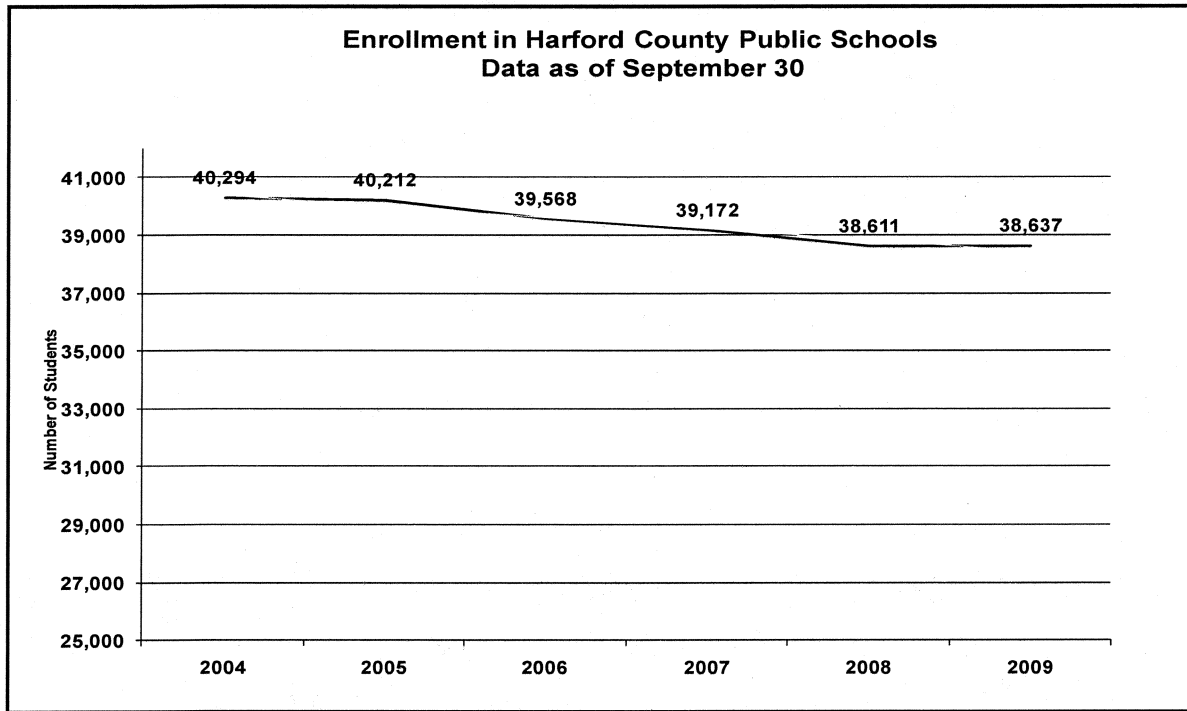
Other County revenues tied to the State and affected by the State of Maryland's budget shortfalls in fiscal 2010 have impacted the County. There has been a 90.0 percent decrease in Highway User Tax revenue and a 35.0 percent decrease in Police Aid monies. In addition the State has cut monies to the County Health Department by 35.0 percent and cut the funding formula for Harford Community College by 5.0 percent. Additional State budget cuts that will affect the County are anticipated but not yet identified; any supplementary cuts may require further adjustments to the County's budget.

### **Demographics of School Enrollment**

In fiscal 2004, the public school system enrollment was 40,294. At September 30, 2009, HCPS had 38,637 students, a decrease of 1,657 or 4.1 percent since September 30, 2004. Chart 1 on the following page represents enrollment trends since September 30, 2004 with an actual enrollment of 38,637 students for September 30, 2009.

# Executive Summary

Chart 1<sup>7</sup>



Currently, enrollments are projected to decline slightly over the next several years. The deployment of new civilian workers to the Aberdeen Proving Ground Facilities will change the projections in student enrollments in the future.

## Demographics of the School Population

Enrollment represents the number of students in grades prekindergarten through 12, including ungraded special education students, as counted on September 30th of each year. The Maryland State Department of Education reports this data by ethnic group. The most current information available is shown in the table below as of September 30<sup>th</sup> for each year.

Table 1<sup>8</sup>

<b>Student Body by Racial Composition by Percentage as of September 30</b>					
	2005	2006	2007	2008	2009
American Indian/Alaskan Native	0.57%	0.59%	0.58%	0.56%	0.55%
Asian/Pacific Islander	2.67%	2.74%	2.92%	3.09%	3.29%
African American	18.33%	19.11%	19.90%	20.17%	20.46%
White	75.52%	74.50%	73.20%	72.46%	71.82%
Hispanic	2.90%	3.06%	3.40%	3.72%	3.88%
<b>Total Students</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<sup>7</sup> Source: Harford County Public Schools, Office of Research and Evaluation, Annual Enrollment Report dated September 30, 2008.

<sup>8</sup> Source: Maryland State Department of Education, and HCPS Office of Accountability.

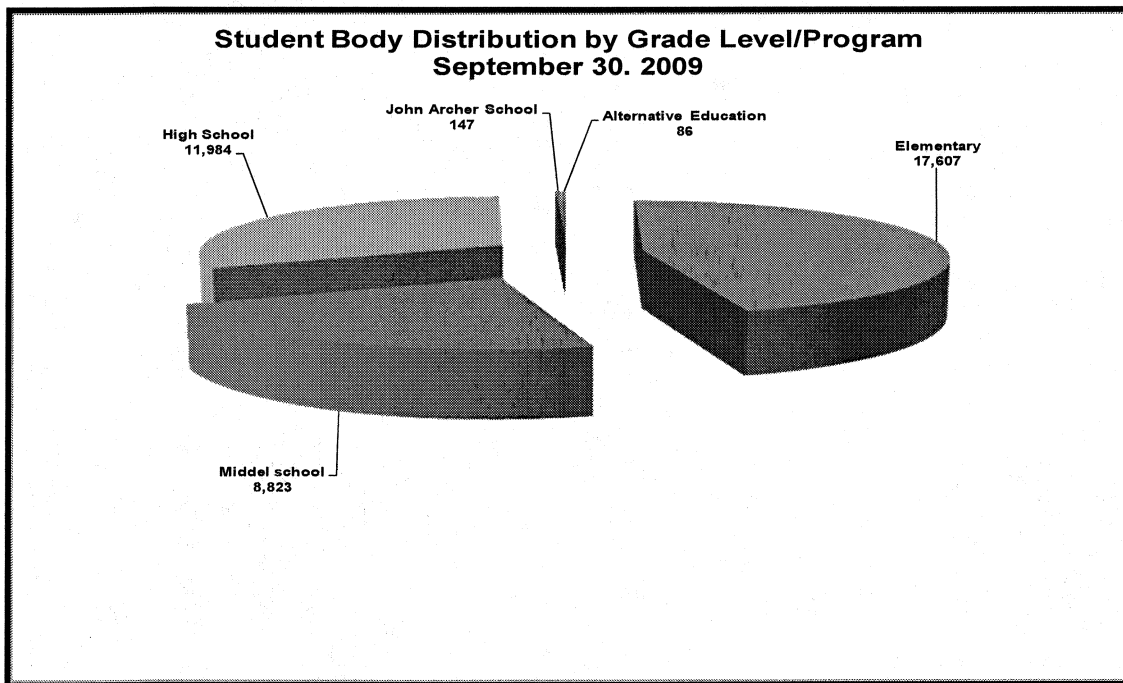
# Executive Summary

The actual distribution of students occurs throughout twelve grade levels, kindergarten, prekindergarten, and ungraded special education. The data indicates that while elementary enrollment over the last four years has declined slightly, enrollment in the middle school has remained steady and high school enrollment has increased. The high school population is expected to increase in the future as the student population moves through the grade levels. Information shown is by school year as of September 30<sup>th</sup>.

Table 2<sup>9</sup>

Student Body Distribution by Grade Level/Program as of September 30					
	2005	2006	2007	2008	2009
Elementary	18,364	17,933	17,714	17,574	17,607
Middle School	9,289	9,056	8,986	8,892	8,823
High School	12,407	12,270	11,688	11,800	11,984
John Archer	152	160	159	159	147
Alternative Education	113	143	155	107	86
Charter School		20	78	79	0
Totals	40,212	39,582	38,780	38,611	38,647

Chart 2<sup>10</sup>



<sup>9</sup> Source: Harford County Public Schools, Office of Research and Evaluation, Annual Enrollment Report dated September 30, 2008.

<sup>10</sup> Source: Harford County Public Schools, Enrollment Projections September 30, 2009.

# Executive Summary

The county wide population statistics would also suggest that the school age population will continue to grow. During the previous decade, the school age population increased 32.8 percent from the 1990 to the 2000 Census (Table 3). At the same time the senior population grew by almost 50 percent. Population projections will change as a result of civilian employment influx to the U. S. Army Base at Aberdeen Proving Ground.

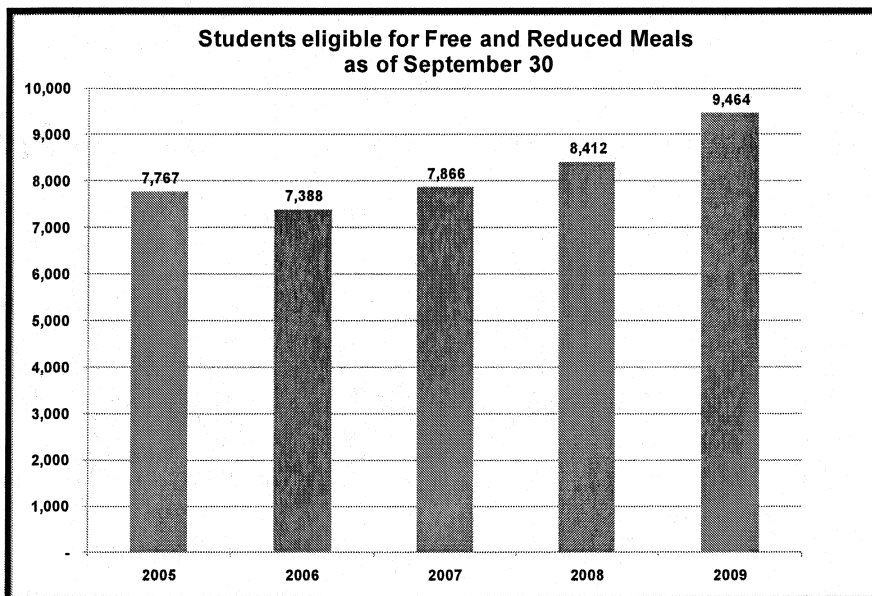
Table 3

Age Distribution 1970 -2000							
Age	Population				Percent Change		
	1970	1980	1990	2000	1980	1990	2000
Under 5	11,126	10,150	14,761	15,776	-8.8%	45.4%	6.9%
5 - 17	32,396	35,472	34,021	45,189	9.5%	-4.1%	32.8%
18 - 44	46,491	64,168	83,068	83,755	38.0%	29.5%	0.8%
45 - 64	19,233	26,769	35,248	51,710	39.2%	31.7%	46.7%
65 and Older	6,132	9,371	15,034	22,160	52.8%	60.4%	47.4%

Two of the most important changes in demographics correlating to student achievement are poverty and language proficiency. Both groups of students are considered *Academically at Risk* if they require frequent special instruction and/or support to reach the levels of academic achievement needed in the information age.

Generally, the most reliable measure of poverty in school systems is the number of students eligible for free and reduced price lunches (Chart 3). Students qualifying for free lunches must not exceed an income level of \$28,655 for a family of four. Students qualifying for reduced price lunches must not exceed an income level of \$40,793 for a family of four. According to data provided by the Food and Nutrition Department, in fiscal 2010, more than 9,500 students are projected to be eligible for free and reduced price lunch services, or more than 25 percent of total HCPS enrollment.

The number of students eligible for free and reduced price meals as of October 2009 was 9,930. The pre-k students included in that number is 400. The number of students in the compensatory education total is 9,464. The Maryland State Department of Education in computing state aid for compensatory education in fiscal 2011 uses the FaRMs count of 9,464. The value per student for compensatory education represents \$3,247 per student in the projected funding of the fiscal 2011 unrestricted budget.

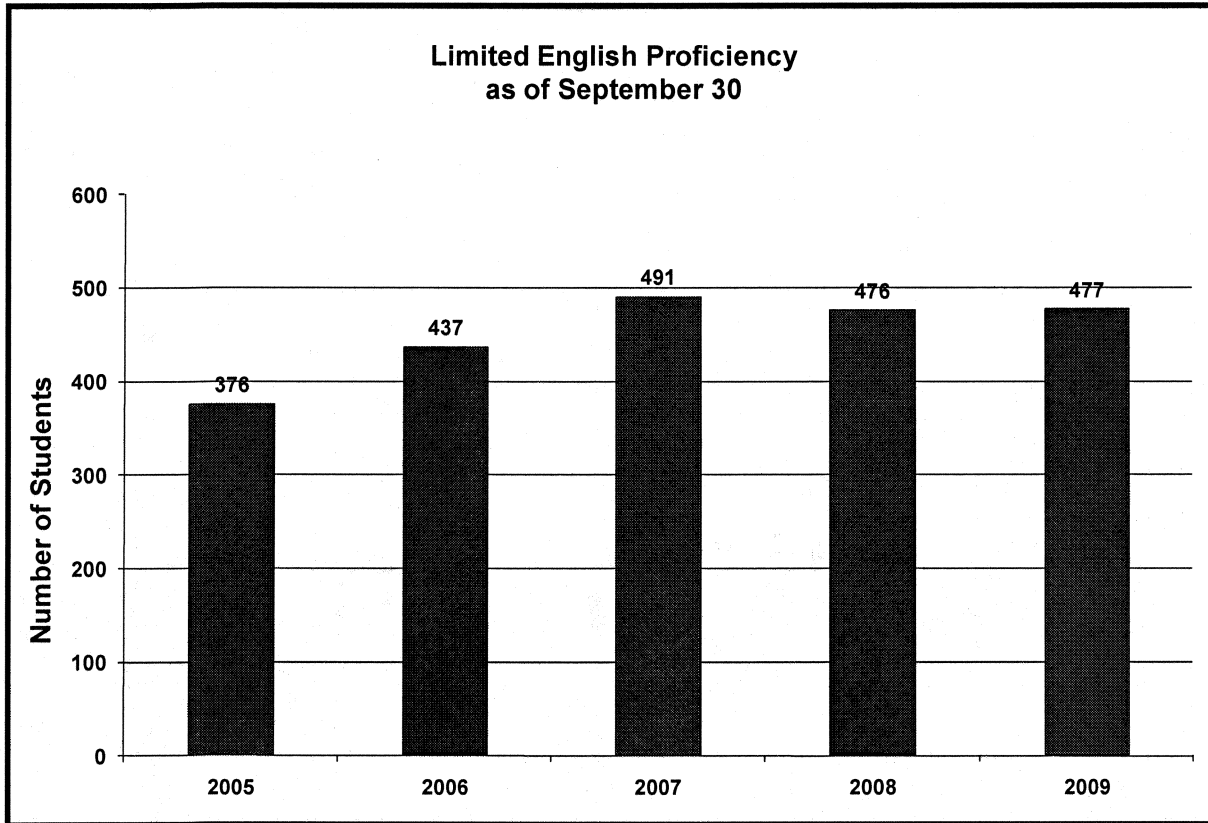


<sup>11</sup> Source: Harford County Public Schools, Food Services Office.

## Executive Summary

Enrollment of students with limited English-speaking proficiency has remained steady over the past few years (Chart 4). A total of 477 students are enrolled in limited English proficiency programs for fiscal 2010, or 1.24% of the total enrollment in HCPS. Enrollment growth is not the only factor changing the services provided the student population. In addition to more students, the composition of membership growth has added to the cost of educating students as has the need for instructional assistance and translation services.

Chart 4<sup>12</sup>

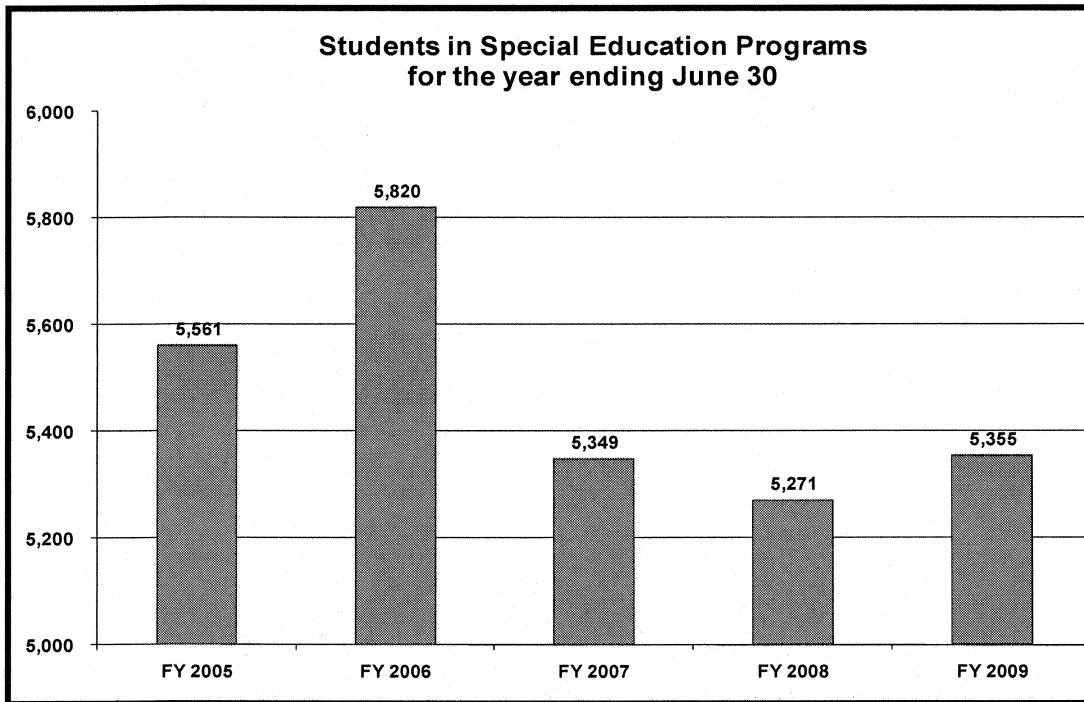


Special education programs serve 5,355 students (including 163 students at John Archer School and not including 222 nonpublic placement students) in fiscal 2009 with an Individual Education Program (IEP). These students range in age from three through twenty one. Students receiving these services were identified through the eligibility criteria established for any of the 14 categories of disabilities established through applicable state and federal regulations. Special Education services are provided in all schools by faculty members and support staff members. This includes those positions funded with unrestricted and restricted funds.

<sup>12</sup> Source: Harford County Public Schools, Curriculum and Instruction Office with Projected Sept. 30 2009 data.

# Executive Summary

Chart 5<sup>13</sup>



Another demographic feature that has an impact on the classroom is "mobility." Mobility is reported as the number and percentage of students entering or leaving school during the year after the first day of class (Table 4). This factor requires flexible management and instruction to deal with changes in the school and classroom, particularly given that more students may enter than leave and the turnover may not occur on an equivalent schedule throughout the year. The HCPS mobility statistic is well below the state average for recent years. State statistics indicate entrance rates of 11.0 to 12.9 percent and withdrawal rates of 9.5 to 11.7 percent for the most recent year.

Table 4<sup>14</sup>

	2005		2006		2007		2008		2009	
	Entrants	Withdrawals	Entrants	Withdrawals	Entrants	Withdrawals	Entrants	Withdrawals	Entrants	Withdrawals
Total Students	3109	3342	3030	3322	2964	3242	2892	3197	2875	2815
% of Student Enrollment	7.97%	8.57%	7.80%	8.55%	7.72%	8.44%	7.56%	8.36%	7.64%	7.48%

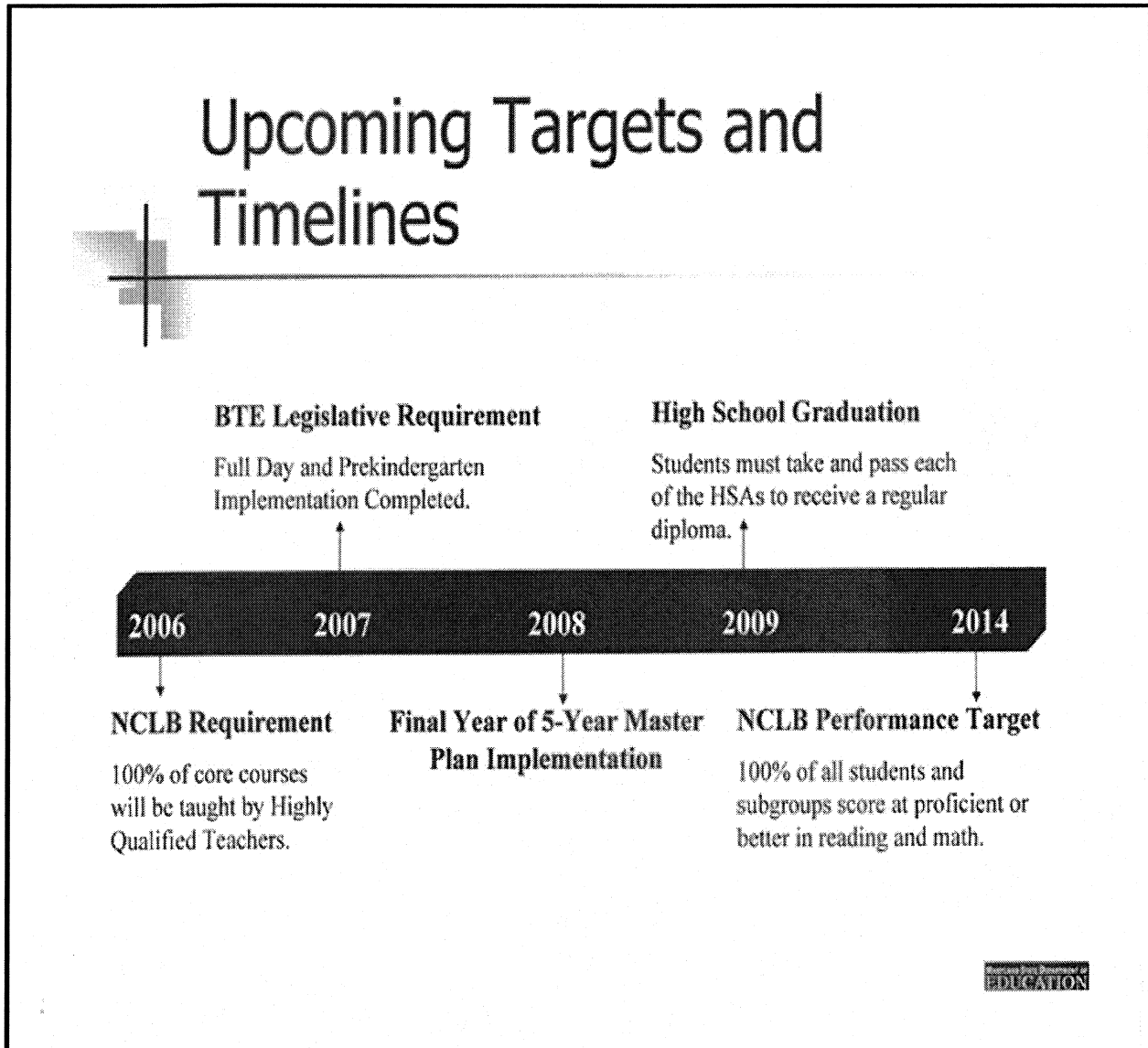
<sup>13</sup> Source: Maryland State Department of Education, 2009 Maryland Report Card and HCPS Office of Special Education.

<sup>14</sup> Source: Maryland State Department of Education, 2009 Maryland Report Card.

# Executive Summary

## No Child Left Behind, Federal Legislation and Bridge to Excellence Requirements, Maryland State Legislation

Harford County Public Schools must meet these requirements and the Superintendent and the Board of Education are committed to the Upcoming Targets and Timelines. These are ambitious challenges for which Harford County Public Schools has prepared a Master Plan. The Budget Plan is aligned in accordance with the approved Master Plan. Within the Master Plan section of the budget, goals and objectives are identified to meet these challenges and mandates. The following chart reflects the mandatory legislative requirements from the federal and state governments. The chart below was prepared by the Maryland State Department of Education.



### Summary

Throughout the budget development process, the Board and staff have attempted to balance the ambitious vision of Harford County Public Schools with real financial constraints. While this balance is not easy, the Board has developed a budget that will empower Harford County Public Schools to effectively and efficiently strive to carry out the educational mission to provide quality educational services for all students every day. Our ability to provide an ambitious vision is dependent upon State of Maryland and Harford County Government funding.