

Expenditures

In order to understand how the fiscal 2019 budget was developed, the process by which the total expenditures were determined must first be reviewed. Even as the economy shows signs of improvement, Harford County Public Schools continues to struggle with the inability to keep pace with rising costs such as healthcare, contracted obligations and aging infrastructure and buses. In the past several years, less than anticipated funding has dramatically affected our ability to provide compensation increases to our more than 5,000 employees. Maintaining a competitive salary structure continues to be a top priority for fiscal 2019. With this in mind, budget managers were asked to examine their accounts in terms of potential realignment of current funding, cost saving measures, inflation and non-discretionary cost increases.

Base Budget Adjustments - Budget managers were asked to review current funding levels and, whenever possible, work to realign current dollars to meet changing program and service requirements. Base Budget Adjustments are simply a realignment of current funds with no additional financial impact. These adjustments are reflected throughout the document in the column entitled "FY 2019 Base Budget".

Cost Saving Measures – Each budget manager was asked to search current budget line items and practices for areas of cost savings and efficiencies.

Inflation and Non-Discretionary Cost Increases (Cost of Doing Business Adjustments) - Building the budget requires making assumptions about cost growth in areas of spending that are not directly tied to funding decisions regarding educational policies, collective bargaining commitments, or enrollment. These inflationary and non-discretionary costs include, but are not limited to:

- Expenditures for state and federal mandates relating to special education, instructional services, contracted instruction and student testing
- Anticipated increases in the rate structure for medical insurance premiums
- Annual increases in service contracts, software/hardware agreements, maintenance/performance contracts and liability/property insurance contracts
- Employee pension costs

Salary/Wages – The increase in salary/wage line items reflects our goal of maintaining a competitive salary structure within the market, especially with our neighboring counties. Because of no step increases or Cost of Living Adjustments (COLA) for five of the past eight years, it is the intent of the Board of Education to avoid falling further behind in regard to employee wages. Effective July 1, 2016 a three (3) year agreement was reached between the Board of Education and the Harford County Education Association (HCEA) that provides eligible employees of that unit a two (2)-step advancement on the pay schedule and a two (2) percent Cost Of Living adjustment (COLA) applied to the pay schedule along with multiple contract language items. The same salary enhancements would be applied to the American Federation of State, County, and Municipal Employees (AFSCME), Association of Harford County Administrative, Technical and Supervisory Professionals (AHCATSP) and the Association of Public School Administrators and Supervisors of Harford County (APSASHC) bargaining units under the current contract language. Additionally, the Harford County Educational Services Council (HCESC) bargaining unit contract is open for July 1, 2018.

Each program outlines budget changes by the same categories:

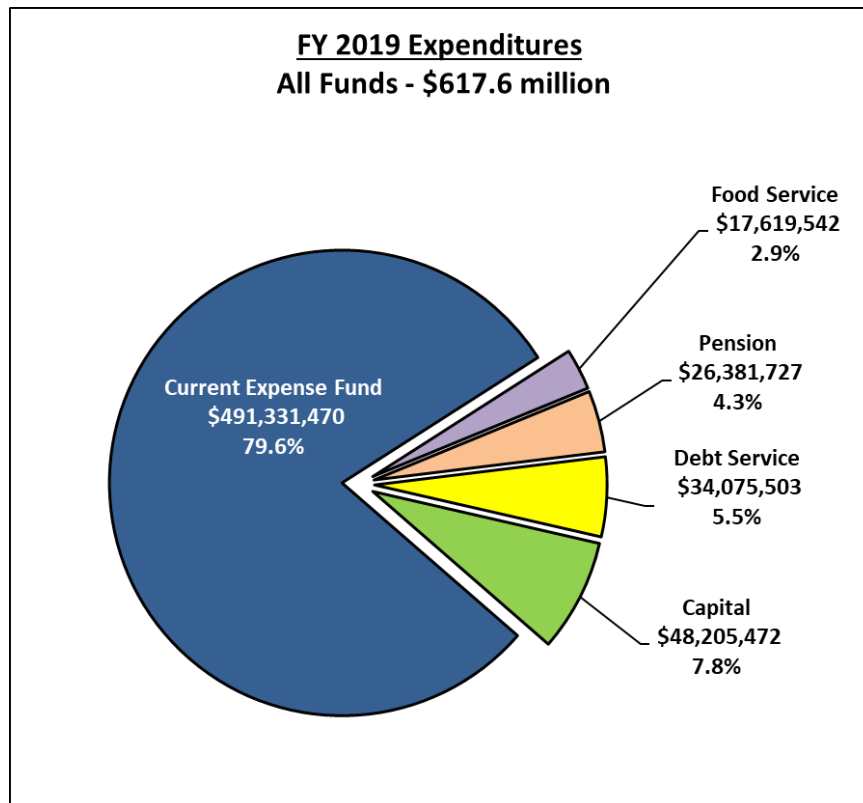
- Wage/Benefit changes for Active and Retired Employees
- Base Budget Adjustments & Reductions
- Cost of Doing Business

All Funds

Total expenditures by fund for Harford County Public Schools are summarized below. The combination of the Unrestricted Fund and Restricted Fund generally referred to as the Current Expense Fund, or Operating Budget, totals \$491.3 million for fiscal 2019. The Operating Budget will be discussed in detail in this section of the budget book.

The Food Service Fund is a self-supporting special revenue fund. The Food Service Fund is \$17.6 million for fiscal 2019. Additional detail is provided in the Food Service section of this document. Debt Service funds in the estimated amount of \$34.1 million are managed by the Harford County Government and additional detail is provided in the Debt Service section of this document. The Capital Projects Fund totaling \$48.2 million includes primarily state and local government funding. The Capital Budget Summary is contained in Capital Projects section. The Pension Fund is \$26.4 million, which represents the State of Maryland's projected contribution to the teacher pension system for fiscal 2019. More detail on the Pension Fund is provided in the Pension section of this document.

Expenditures - All Funds							
	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2018 Budget	FY 2019 Budget	Change	% Chg.
Unrestricted Fund	424,895,247	433,154,622	442,862,593	447,438,447	461,667,449	14,229,002	3.2%
Restricted Fund	29,539,443	30,351,483	29,850,985	29,972,386	29,664,021	(308,365)	-1.0%
Current Expense Fund	\$ 454,434,690	\$ 463,506,105	\$ 472,713,578	\$ 477,410,833	\$ 491,331,470	\$ 13,920,637	2.9%
Food Service	16,761,751	17,264,329	17,365,191	17,148,763	17,619,542	470,779	
Debt Service	31,014,737	30,921,157	31,825,571	31,825,571	34,075,503	2,249,932	
Capital	33,285,201	23,576,768	30,518,578	48,615,000	48,205,472	(409,528)	
Pension	26,626,689	26,083,972	26,381,727	26,381,727	26,381,727	-	
Total - All Funds	\$ 562,123,068	\$ 561,352,331	\$ 578,804,645	\$ 601,381,894	\$ 617,613,714	\$ 16,231,820	2.7%



Current Expense Fund (Unrestricted and Restricted Funds) by Program

The Current Expense Fund is comprised of the Unrestricted Fund, usually referred to as the Operating Budget, and the Restricted Fund. The state and federal government primarily provide restricted Funds, which require the money be spent on specific programs. Hence, the term "restricted" is used to classify these programs. Unrestricted Fund expenditures for fiscal 2019 increased \$14.2 million and Restricted Fund expenditures decreased \$.3 million. The total Current Expense Fund Budget for fiscal 2019 is \$491.3 million, an increase of \$13.9 million, or 2.9%, from fiscal 2018. The fiscal 2019 Current Expense Fund Budget is summarized below by program area:

Expenditures - Current Expense Fund						
	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2018 Budget	FY 2019 Budget	Change
Board of Education	\$ 629,338	\$ 567,526	\$ 653,713	\$ 641,799	\$ 629,101	\$ (12,698)
Board of Education Services	228,786	206,980	268,062	245,966	226,602	(19,364)
Internal Audit Services	178,555	134,764	155,592	160,897	164,728	3,831
Legal Services	221,997	225,783	230,059	234,936	237,771	2,835
Business Services	\$ 34,881,745	\$ 34,198,345	\$ 35,263,576	\$ 36,147,372	\$ 37,250,102	\$ 1,102,730
Fiscal Services	33,995,904	33,392,694	34,446,899	35,264,292	36,354,118	1,089,826
Purchasing	885,841	805,651	816,677	883,080	895,984	12,904
Curriculum and Instruction	\$ 5,749,068	\$ 5,931,839	\$ 5,945,228	\$ 6,190,333	\$ 5,892,629	\$ (297,704)
Curriculum Dev and Implementation	3,985,415	4,153,441	4,229,791	4,347,919	4,079,014	(268,905)
Office of Accountability	774,517	746,205	751,759	753,900	777,651	23,751
Professional Development	989,136	1,032,193	963,678	1,088,514	1,035,964	(52,550)
Education Services	\$ 172,216,622	\$ 175,800,623	\$ 177,060,166	\$ 178,909,938	\$ 183,851,953	\$ 4,942,015
Career and Technology Programs	7,314,619	7,770,828	7,844,321	7,925,768	8,324,734	398,966
Gifted and Talented Program	1,198,746	1,258,948	1,301,816	1,426,273	1,550,576	124,303
Intervention Services	716,300	422,461	405,397	417,939	170,269	(247,670)
Magnet Programs	1,531,844	1,589,883	1,628,126	1,671,742	1,727,054	55,312
Office of Elem/Mid/High Schools	575,493	607,372	644,567	642,156	616,831	(25,325)
Other Special Programs	2,823,871	2,877,242	2,942,153	2,931,646	3,042,340	110,694
Regular Programs	152,092,586	155,150,851	156,013,656	157,385,251	162,024,797	4,639,546
School Library Media Program	5,834,659	6,002,606	6,149,160	6,331,019	6,221,424	(109,595)
Summer School	128,504	120,432	130,970	178,144	173,928	(4,216)
Executive Administration	\$ 1,531,827	\$ 1,470,450	\$ 1,580,936	\$ 1,565,413	\$ 1,521,762	\$ (43,651)
Communications	377,547	369,503	404,935	399,110	401,538	2,428
Equity and Cultural Proficiency	221,972	196,847	238,726	239,343	245,317	5,974
Executive Administration Office	932,308	904,099	937,275	926,960	874,907	(52,053)
Extra Curricular Activities	\$ 3,537,524	\$ 3,688,230	\$ 3,779,357	\$ 3,763,304	\$ 3,796,597	\$ 33,293
Interscholastic Athletics	2,757,618	2,812,007	2,866,150	2,902,315	2,871,376	(30,939)
Student Activities	779,906	876,223	913,207	860,989	925,221	64,232
Human Resources	\$ 76,852,968	\$ 79,482,391	\$ 84,036,069	\$ 84,146,844	\$ 88,541,736	\$ 4,394,892
Operations and Maintenance	\$ 64,844,761	\$ 67,483,858	\$ 66,561,799	\$ 67,544,115	\$ 68,933,312	\$ 1,389,197
Facilities Management	22,125,603	22,453,985	21,951,801	22,470,996	23,644,661	1,173,665
Planning and Construction	808,053	844,585	887,989	916,725	918,826	2,101
Transportation	29,569,924	30,992,796	31,595,597	31,668,789	32,429,927	761,138
Utility Resource Management	12,341,181	13,192,493	12,126,412	12,487,605	11,939,898	(547,707)
Safety and Security	\$ 899,420	\$ 877,487	\$ 901,954	\$ 901,251	\$ 900,623	\$ (628)
Special Education	\$ 40,604,926	\$ 40,621,052	\$ 42,445,974	\$ 42,459,149	\$ 44,683,083	\$ 2,223,934
Student Services	\$ 14,111,726	\$ 14,450,598	\$ 15,465,629	\$ 15,667,191	\$ 16,363,785	\$ 696,594
Health Services	3,250,722	3,373,446	3,788,061	3,853,712	3,951,315	97,603
Psychological Services	2,256,849	2,244,280	2,395,671	2,428,559	2,574,913	146,354
Pupil Personnel Services	1,693,217	1,714,422	1,744,881	1,764,376	1,819,529	55,153
School Counseling Services	6,910,938	7,118,450	7,537,016	7,620,544	8,018,028	397,484
Office of Technology & Information	\$ 9,035,322	\$ 8,582,224	\$ 9,168,192	\$ 9,501,738	\$ 9,302,766	\$ (198,972)
Unrestricted Fund	424,895,247	433,154,622	442,862,593	447,438,447	461,667,449	14,229,002
Restricted Fund	29,539,443	30,351,483	29,850,985	29,972,386	29,664,021	(308,365)
Current Expense Fund	\$ 454,434,690	\$ 463,506,105	\$ 472,713,578	\$ 477,410,833	\$ 491,331,470	\$ 13,920,637
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Capital	33,285,201	23,576,768	30,518,578	48,615,000	48,205,472	(409,528)
Pension	26,626,689	26,083,972	26,381,727	26,381,727	26,381,727	-
Total - All Funds	\$ 562,123,068	\$ 561,352,331	\$ 578,804,645	\$ 601,381,894	\$ 617,613,714	\$ 16,231,820

Current Expense Fund by Maryland State Reporting Category

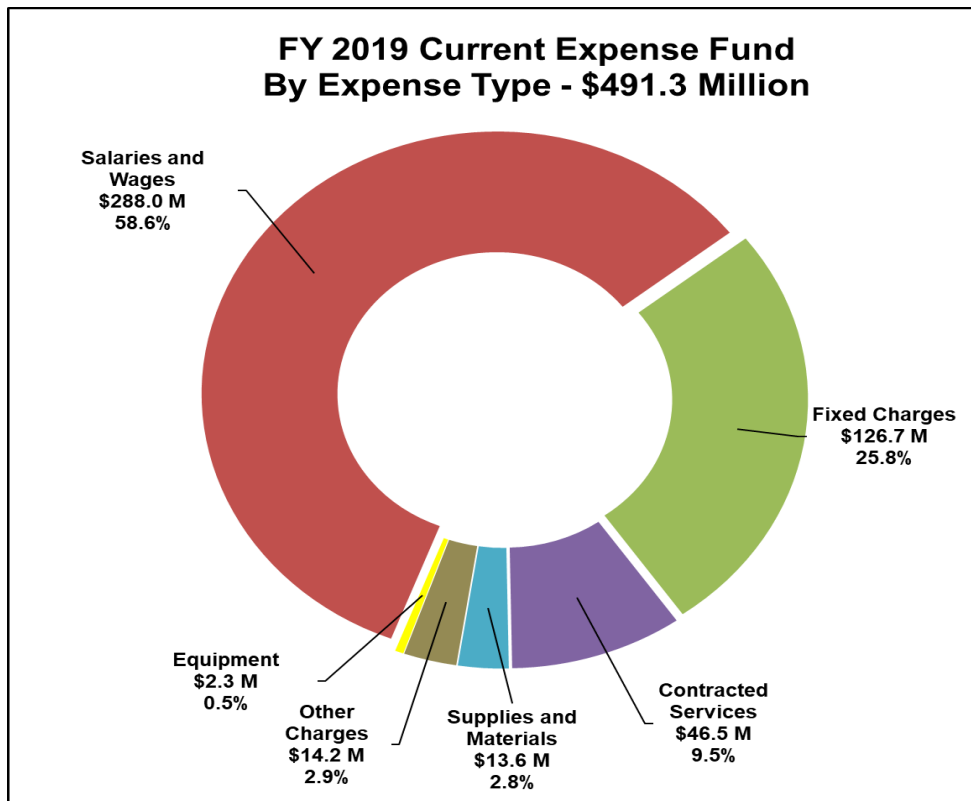
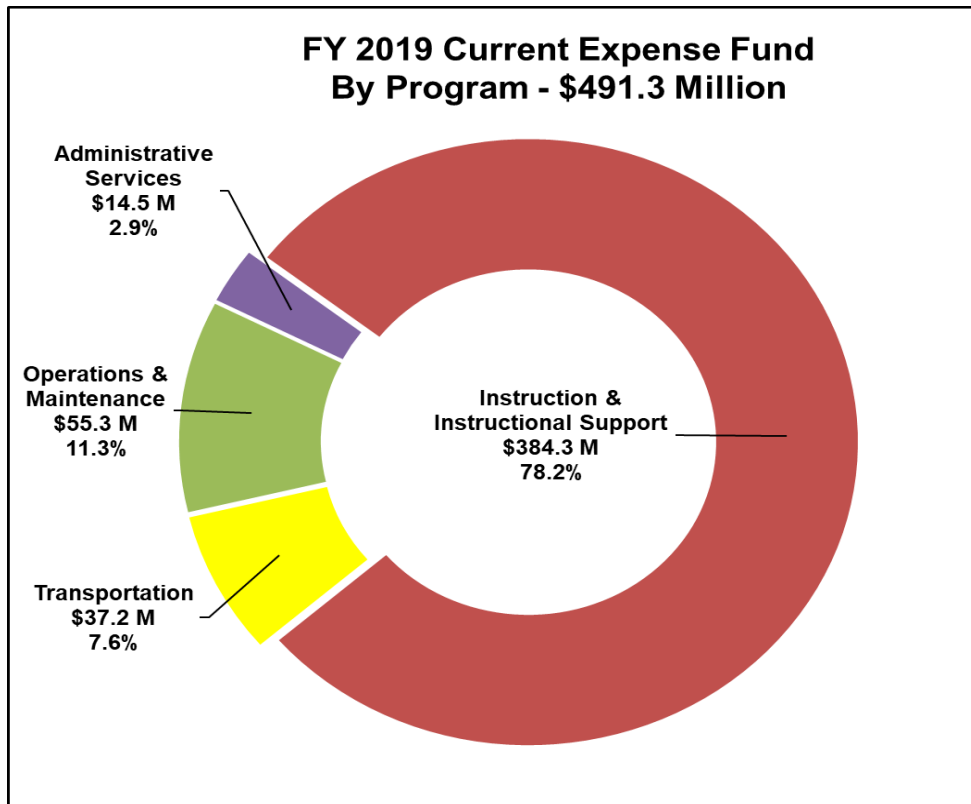
The following tables reflect Current Expense Fund expenditures by object class and state reporting category, the method of reporting that is required by the Maryland State Department of Education:

Harford County Public Schools						
Current Expense Fund - By State Category						
SUMMARY BY CATEGORY	Unrestricted		Restricted		Current Expense	
	FY 2019		FY 2019		FY 2019	
	Budget	FTE	Budget	FTE	Budget	FTE
Administrative Services	\$ 10,737,230	116.2	\$ 610,945	0.9	\$ 11,348,175	117.1
Mid-Level Administration	27,138,167	334.0	639,805	8.0	27,777,972	342.0
Instructional Salaries	168,207,577	2,505.9	4,583,700	59.5	172,791,277	2,565.4
Textbooks & Classroom Supplies	6,859,042	0.0	629,568	0.0	7,488,610	0.0
Other Instructional Costs	2,663,286	0.0	1,083,939	0.0	3,747,225	0.0
Special Education	44,771,309	841.7	15,807,602	162.3	60,578,911	1,004.0
Student Services	1,819,529	20.5	-	0.0	1,819,529	20.5
Health Services	3,951,315	70.4	-	0.0	3,951,315	70.4
Student Transportation	32,173,433	188.4	74,152	0.0	32,247,585	188.4
Operation of Plant	27,155,852	337.9	-	0.0	27,155,852	337.9
Maintenance of Plant	14,408,708	127.5	-	0.0	14,408,708	127.5
Fixed Charges	120,617,405	0.0	6,034,310	0.0	126,651,715	0.0
Community Services	544,653	1.6	-	0.0	544,653	1.6
Capital Outlay	619,943	0.0	200,000	0.0	819,943	0.0
TOTAL	\$ 461,667,449	4,544.1	\$ 29,664,021	230.7	\$ 491,331,470	4,774.8



Current Expense Fund - By Object Class						
SUMMARY BY OBJECT	Unrestricted		Restricted		Current Expense	
	FY 2019		FY 2019		FY 2019	
	Amount	FTE	Amount	FTE	Amount	FTE
Salary and Wages	\$ 273,286,563	4544.1	\$ 14,784,266	230.7	\$ 288,070,829	4774.8
Contracted Services	39,709,995	0.0	6,793,660	0.0	46,503,655	0.0
Supplies and Materials	12,844,213	0.0	728,800	0.0	13,573,013	0.0
Other Charges	134,578,718	0.0	6,574,748	0.0	141,153,466	0.0
Equipment	2,057,960	0.0	237,547	0.0	2,295,507	0.0
Transfers	(810,000)	0.0	545,000	0.0	(265,000)	0.0
TOTAL	\$ 461,667,449	4,544.1	\$ 29,664,021	230.7	\$ 491,331,470	4,774.8

How does HCPS Spend Its Money?



Summary of Unrestricted Operating Budget Changes FY 2018 – FY 2019

Revenue

Revenue	FY 2018	Change	FY 2019
Local	238,715,645	7,100,000	245,815,645
MD State	198,271,601	2,918,527	201,190,128
Federal	420,000	-	420,000
Other	4,565,149	(1,226,189)	3,338,960
Fund Balance	5,466,052	5,436,664	10,902,716
Total	\$ 447,438,447	\$ 14,229,002	\$ 461,667,449

Expenditures

Positions	FY 2018 Unrestricted Budget - Revised	
4,614.6		\$ 447,438,447
	<i>Increases to Proposed Budget</i>	
1.0	Student Services Adjustments	72,811
0.0	Facilities Adjustments	384,956
0.0	Transportation/Bus Contractor Adjustments	1,054,548
0.0	Insurance and Other Fixed Charges Adjustments	7,879,348
	Employee Salary/Wage Package	15,458,307
		24,849,970
	<i>Decreases to Proposed Budget</i>	
(6.0)	Base Budget Adjustments	(858,906)
(65.5)	Cost Reductions	(5,282,355)
	Reversal of FY18 OPEB Supplemental Appropriation	(1,436,387)
	Projected Employee Turnover Adjustment	(3,043,320)
		(10,620,968)
(70.5)	Total - Change FY 2018 - FY 2019	\$ 14,229,002
4,544.1	FY 2019 Board of Education's Proposed Unrestricted Budget	\$ 461,667,449

Positions

FY19 Position Changes	
Position Description	FTE
Special Education Teachers	11.0
Special Education Paraeducators	18.0
Special Education Inclusion Helpers	(54.0)
Elementary School Counselor	1.0
Curriculum Specialists	(4.0)
Teacher Specialist-Staff Development	(1.0)
Paraeducator-Intervention	(1.0)
Administrative Services Specialist-Elementary	(1.0)
Teacher Mentors	(30.0)
Teachers from Title II Grant	10.0
Work Experience Coordinators	(2.0)
Media Technicians	(15.5)
Total School Based Positions	(68.5)
Administrative Services Technician-Ed Services	(1.0)
Governmental Liaison	(0.5)
Custodians	(2.5)
Computer Technicians	2.0
Total Other Support Positions	(2.0)
Total Change - Unrestricted Budget Positions	(70.5)

Salary and Wages

The increase in salary/wage line items reflects our goal of maintaining a competitive salary structure within the market, especially with our neighboring counties. Because of no step increases or Cost of Living Adjustments (COLA) for five of the past eight years, it is the intent of the Board of Education to avoid falling further behind in regard to employee wages. Effective July 1, 2016 a three (3) year agreement was reached between the Board of Education and the Harford County Education Association (HCEA) that provides eligible employees of that unit a two (2)-step advancement on the pay schedule and a two (2) percent Cost Of Living adjustment (COLA) applied to the pay schedule along with multiple contract language items. The same salary enhancements would be applied to the American Federation of State, County, and Municipal Employees (AFSCME), Association of Harford County Administrative, Technical and Supervisory Professionals (AHCATSP) and the Association of Public School Administrators and Supervisors of Harford County (APSASHC) bargaining units under the current contract language. Additionally, the Harford County Educational Services Council (HCEC) bargaining unit contract is open for July 1, 2018.

The following chart provides a salary comparison between Harford County, Cecil County and Baltimore County, Maryland for the 2017-2018 school year.

Comparison of Salary Scales with Cecil and Baltimore Counties FY18					
Effective February 1, 2018					
Degree	Years of service	HCPS STEP	Harford	Cecil	Baltimore
Bachelor's SPC	0	2	\$ 45,233	\$ 45,886	\$ 46,974
Bachelor's SPC	5	4	\$ 47,988	\$ 49,858	\$ 49,747
Bachelor's SPC	10	7	\$ 52,437	\$ 57,799	\$ 53,593
Master's APC					
Master's APC	2	2	\$ 47,988	\$ 49,158	\$ 48,803
Master's APC	5	4	\$ 50,911	\$ 52,658	\$ 51,411
Master's APC	10	7	\$ 55,631	\$ 60,599	\$ 60,120
Master's APC	15	12	\$ 64,491	\$ 71,287	\$ 69,689
Master's APC	20	NA	\$ 72,472	\$ 77,513	\$ 76,005
Master's + 30					
Master's + 30	2	2	\$ 49,427	\$ 50,233	\$ 51,110
Master's + 30	5	4	\$ 52,437	\$ 53,733	\$ 53,841
Master's + 30	10	7	\$ 58,600	\$ 61,674	\$ 62,961
Master's + 30	15	12	\$ 69,770	\$ 72,362	\$ 72,981
Master's + 30	20	NA	\$ 78,469	\$ 78,588	\$ 79,594
Master's + 60					
Master's + 60	2	2	\$ 52,427	\$ 51,283	\$ 52,435
Master's + 60	5	4	\$ 55,437	\$ 54,783	\$ 55,238
Master's + 60	10	7	\$ 61,600	\$ 62,724	\$ 64,597
Master's + 60	15	12	\$ 72,770	\$ 73,412	\$ 74,877
Master's + 60	20	NA	\$ 81,469	\$ 79,638	\$ 81,662

When comparing salaries between different school systems, it is also advisable to compare the benefits offered and their respective costs. This way you get a more accurate picture of the total compensation each system provides their employees. The chart on the following page compares the health care plans available in Harford, Cecil and Baltimore Counties and their cost for the 2017-2018 school year.

Comparison Of Health Care Plans with Cecil and Baltimore Counties FY18						
Health Care Plan	Coverage	Yearly Premium-Employee			HCPS Savings	
		Harford	Cecil	Baltimore	Cecil	Baltimore
HCPS BlueChoice HMO CCPS Aetna Select Open Access HMO BCPS Kaiser Permanente HMO	Individual	\$ 290	\$ 1,073	\$ 1,297	\$ 783	\$ 1,007
	Parent/Child	\$ 572	\$ 2,010	\$ 2,569	\$ 1,438	\$ 1,997
	Employee/Spouse	\$ 684	\$ 2,214	\$ 3,094	\$ 1,530	\$ 2,410
	Parent Children	NA	\$ 2,676	NA	\$ 1,834	NA
	Family	\$ 842	\$ 3,106	\$ 3,488	\$ 2,264	\$ 2,646
Average HCPS Employee Savings					\$ 1,570	\$ 2,015
HCPS Care First Core CCPS Care First CORE BCPS CIGNA In Network (OAPIN)	Individual	\$ 649	\$ 1,059	\$ 1,159	\$ 410	\$ 510
	Parent/Child	\$ 1,412	\$ 2,012	\$ 2,297	\$ 600	\$ 885
	Employee/Spouse	\$ 1,670	\$ 2,277	\$ 2,767	\$ 607	\$ 1,097
	Parent Children	NA	\$ 2,648	NA	\$ 837	NA
	Family	\$ 1,811	\$ 3,018	\$ 3,120	\$ 1,207	\$ 1,309
Average HCPS Employee Savings					\$ 732	\$ 950
HCPS Triple Option CCPS BCBS PPO PLUS BCPS CIGNA In/Out Network (OAP)	Individual	\$ 1,023	\$ 2,924	\$ 1,745	\$ 1,901	\$ 722
	Parent/Child	\$ 2,225	\$ 5,556	\$ 3,458	\$ 3,331	\$ 1,233
	Employee/Spouse	\$ 2,632	\$ 6,288	\$ 4,165	\$ 3,656	\$ 1,533
	Parent Children	NA	\$ 7,311	NA	\$ 4,457	NA
	Family	\$ 2,854	\$ 8,335	\$ 4,696	\$ 5,481	\$ 1,842
Average HCPS Employee Savings					\$ 3,765	\$ 1,333

Notes:

- 1) Baltimore County's HMO is Kaiser Permanente and has no deductibles; co-pays similar.
 BCPS's CIGNA OAPIN is used as a comparison to HCPS's BCBS CORE plan no deductibles; co-pays similar.
 BCPS's CIGNA OAP plan is close to our Triple Option; \$200/\$400 Individual/Family deductibles; co-pays similar.
- 2) Cecil County does not have the Triple Option. The BCBS PPO PLUS is shown for comparison.
 CCPS's Aetna HMO plan has \$200/\$400 Individual/Family deductible; co-pays are higher.
 CCPS's BCBS CORE plan has \$500/\$1500 Individual/Family deductible; co-pays are higher.
 CCPS's BCBS PPO PLUS plan has \$300/\$900 Individual/Family deductible; co-pays are higher.
- 3) HCPS's BlueChoice HMO and BCBS CORE Plans have \$100/\$200 Individual/Family deductibles.

Rising Health & Dental Care Costs

Harford County Public Schools provides health and dental care coverage to over 4,100 employees and policies for over 3,350 retirees. Like all businesses, especially labor-intensive school districts, HCPS has experienced significant increases in the cost of providing health care benefits. **In the past ten years**, the cost of providing health care insurance to employees and retirees has risen from \$44.1 million in fiscal year 2007 to \$74.0 million in fiscal 2018, **an increase of 67.8%**. The cost of providing dental care insurance to employees and retirees has risen from \$2.9 million in fiscal year 2007 to 3.9 million in fiscal 2018, **an increase of 34.5%**.

Employee/Retiree Benefits - For fiscal year 2019, health and dental care insurance rates are projected to increase by 10.0%. In total, \$7.4 million was added to the FY 2019 budget to fund the rate increase for health/dental care and the projected cost associated with new enrollees and retirees.

Employee Pension - Prior to fiscal year 2013, the State of Maryland funded all teacher pension contributions for the twenty-four school districts. The State of Maryland addressed their ongoing structural deficit by sharing teacher pension costs with the counties. The cost sharing was structured over a four-year phase in period beginning in fiscal 2013 and was fully implemented in fiscal 2016. For fiscal year 2019 and beyond, the Unrestricted Operating Budget for pension expenditures should remain relatively stable. In fiscal 2019 HCPS's contribution to pension increased by \$0.3 million.



Cost of Doing Business and Other Budget Adjustments

The following chart includes Cost of Doing Business and Other Budget Adjustments totaling \$24.8 million.

Cost of Doing Business and Other Budget Adjustments for FY 2019			
Line	Description	FTE	Total
Student Services Adjustments:			
1	1.0 FTE Elementary Guidance Counselor - At this time, we do not have a fulltime school counselor in every school. Our goal as a school system is to provide a comprehensive and effective school counseling program to every student in every building. Currently, we have one counselor who splits her time between Norrisville ES and Darlington ES. In order to maximize the work time of this counselor, she spends one entire day at each school and splits her days evenly over the course of two weeks. As a result, each school goes one to two days without a school counselor in their building each week. While every school has a full time school nurse and administrator, this is not true for the school counselor position, which is just as vital. In addition to the typical duties of a school counselor, this person would support the Office of School Counseling in county wide initiatives in the following ways: - Coordination of the newly introduced Youth Mental Health First Aid Program to include the scheduling and presentation of trainings, professional development coordination, and follow up to school staff with resources - Development and management of the SharePoint site dedicated to mental health resources that was requested by principals during leadership - Collects data needed for Maryland State Department of Education reporting	1.0	72,811
Total - Student Services Adjustments		1.0	72,811
Facilities Adjustments:			
2	Facilities - Increase needed to align with actual costs. This account covers supplies, materials and parts for the cooling systems. This includes condensing units, indoor evaporators, HVAC terminal units (VAV boxes, fan powered boxes, unit heaters, etc.), gas burners and components, hydronic water coils, electrical motors, refrigerant compressors, refrigerant, air compressors, pneumatic control components, digital controls, electronic circuit boards/sensors, thermostats, various electrical components (relays, contactors, fuses, switches), variable frequency drives, blower wheels, fan blades, bearings, shafts, pulleys, belts, dampers, actuators, control valves, copper piping, fittings, ductwork and insulation.	0.0	150,000
3	Facilities - Environmental Compliance - Stormwater management, Erosion, Sediment Control - Existing stormwater management features require routine repair as well as corrections for deficiencies identified during Harford County Inspections. Restoration of grounds and stormwater management features include erosion control, aeration, fertilization and control of invasive species. In addition, funds are needed to address critical stormwater piping failures and infrastructure repairs throughout the county. This category has not been funded in the Capital Projects Budget in the last five years. These funds are needed to comply with Federal, State and Local laws. Failure to address identified items impacts the County's compliance with State regulations.	0.0	234,956
Total - Facilities Adjustments		0.0	384,956

(Continued the next page).

Cost of Doing Business and Other Budget Adjustments continued.

Cost of Doing Business and Other Budget Adjustments for FY 2019			
Line	Description	FTE	Total
Transportation/Bus Contractor Adjustments:			
4	Transportation - Table of rates salary increase for contracted bus drivers.	0.0	650,000
5	Transportation - Consumer Price Index increase per bus contractor's table of rates.	0.0	50,000
6	Transportation - Replace six contracted buses that are extended past 12 years of service with new buses (Difference in Per Vehicle Allotment vs. extended bus cost \$13,752 x 6 = \$82,513)	0.0	82,513
7	Transportation - Replace forty-one 12-year old contracted buses (Difference in Per Vehicle Allotment \$6,635 x 41 = \$272,035)	0.0	272,035
Total - Transportation/Bus Contractor Adjustments		0.0	1,054,548
Insurance and Other Fixed Charges Adjustments:			
8	Property Insurance--Estimate per MABE--receive actual premiums in February	0.0	60,706
9	Liability Insurance--Estimate per MABE--receive actual premiums in February	0.0	28,621
10	Workers' Compensation--Estimate per MABE--receive actual premiums in February	0.0	5,853
11	Health Insurance--Estimated 10% increase	0.0	7,441,105
12	Teacher and Employee Pension increase	0.0	343,065
		0.0	7,879,350
Salary and Wage Package:			
13	Salary and Wage Package	0.0	15,458,307
		0.0	15,458,307
Grand Total		1.0	24,849,972

Cost Savings Measures

HCPS has, in recent years, taken a number of proactive steps to address budget challenges, including aggressively reducing costs and eliminating positions. Each budget manager was asked to search current budget line items and practices for areas of cost savings and efficiencies. The following cost saving measures allowed HCPS to reduce expenditures by \$6.1 million for fiscal year 2019.

Base Budget Reductions and Cost Savings Measures				
Line	Description	FTE	Amount	Amount
Base Budget Reductions				
1	Reduction in Energy Lease Payment	0.0	(659,791)	
2	Reduce Department Chair, TIC, Teacher Specialist Stipends	0.0	(25,000)	
3	Reduction in Community Services - Custodial Additional hours	0.0	(40,774)	
4	Reduction in Office of Technology, Other Contracted Services	0.0	(47,974)	
5	Reduction in Office of Technology, Professional	0.0	(43,348)	
6	Reduction in Office of Technology, Printing	0.0	(5,000)	
7	Reduction in Office of Technology, Copier/Machine Rental	0.0	(21,533)	
8	Reduction in Office of Technology, Software	0.0	(3,786)	
9	Reduction in Board of Education, Legal Fees	0.0	(5,000)	
10	Reduction in Board of Education, Professional Dues	0.0	(6,700)	
11	FTE Base Budget Adjustments	(6.0)		
	Total Base Budget Adjustments	(6.0)		(858,906)
Cost Saving Measures				
12	Board of Education - Consultants		(5,000)	
13	Board of Education - Books & Periodicals		(250)	
14	Board of Education - Other Charges		(1,000)	
15	Board of Education - Institutes, Conferences & Meetings		(6,000)	
16	Internal Audit - Software Maintenance		(1,500)	
17	Internal Audit - Office Supplies		(1,067)	
18	Internal Audit - Mileage, Parking & Tolls		(250)	
19	Internal Audit - Institutes, Conferences & Meetings		(1,000)	
20	Internal Audit - Computer/Business Equipment		(1,250)	
21	Legal Services - Books & Periodicals		(1,000)	
22	Legal Services - Mileage, Parking & Tolls		(100)	
23	Legal Services - Professional Dues		(100)	
24	Legal Services - Institutes, Conferences & Meetings		(2,000)	
25	Fiscal Services - Indirect Cost Recovery		(45,000)	
26	Curriculum & Instruction - Convert all 11M Curriculum Specialists to 10M		(42,644)	
27	Curriculum & Instruction - Eliminate 4.0 FTE Curriculum Specialists	(4.0)	(296,388)	
28	Curriculum & Instruction - Temporary Help		(26,913)	
29	Curriculum & Instruction - Professional development days		(45,087)	
30	Curriculum & Instruction - Staff development substitutes		(60,482)	
31	Curriculum & Instruction - Institutes, Conferences & Meetings		(11,483)	
32	Curriculum & Instruction - Computers/Business Equipment		(8,063)	
33	Office of Accountability - Temporary Help		(6,459)	
34	Office of Professional Development - Eliminate 1.0 Teacher Specialist	(1.0)	(70,690)	
35	Office of Professional Development - Professional development substitutes		(10,905)	
36	Career & Technology - Textbooks		(20,793)	
37	Career & Technology - Mileage, Parking & Tolls		(3,000)	
38	Career & Technology - Institutes, Conferences & Meetings		(7,800)	
39	Intervention Services - Extended Day Professional salaries		(225,660)	
40	Intervention Services - Eliminate 1.0 FTE Intervention Paraeducator	(1.0)	(33,869)	

(Continued the next page).

Base Budget Reductions and Cost Savings Measures				
<i>Line</i>	<i>Description</i>	<i>FTE</i>	<i>Amount</i>	<i>Amount</i>
Cost Saving Measures				
41	Education Services - Eliminate 1.0 FTE 12M Clerical support	(1.0)	(50,297)	
42	Education Services - Eliminate 1.0 FTE 12M School Based Clerical Support	(1.0)	(57,899)	
43	Other Special Programs = Home & Hospital salaries		(6,459)	
44	Regular Programs - Eliminate 30.0 FTE Mentor Teachers	(30.0)	(2,261,854)	
45	Regular Programs - Transfer 10.0 FTE Elementary Teachers to the operating budget from Title II	10.0	575,194	
46	Regular Programs - Eliminate 2.0 FTE Work Experience Coordinators	(2.0)	(137,064)	
47	Regular Programs - Reduce Dept. Chair, TIC summer days		(153,548)	
48	School Library Media - Reduce 15.5 FTE Media Techs	(15.5)	(535,212)	
49	School Library Media - Eliminate Media Tech substitutes		(7,056)	
50	School Library Media - Eliminate Summer Media days		(52,674)	
51	Communications - Office Supplies		(406)	
52	Communications - Books & Periodicals		(500)	
53	Communications - Audio/Visual Supplies		(1,000)	
54	Communications - Mileage/ Parking & Tolls		(500)	
55	Communications - Institutes, Conferences & Meetings		(1,500)	
56	Communications - Other Salaries		(3,875)	
57	Communications - Postage/Courier Service		(4,883)	
58	Equity & Cultural Diversity - Other Salaries		(4,306)	
59	Equity & Cultural Diversity - Training Supplies		(1,000)	
60	Equity & Cultural Diversity - Professional Development		(3,393)	
61	Executive Administration - Mileage, Parking & Tolls		(6,000)	
62	Executive Administration - Institutes, Conferences & Meetings		(1,500)	
63	Executive Administration - Eliminate .5 FTE Governmental Liaison	(0.5)	(59,024)	
64	Extra-Curricular - Reduce Athletic Director Summer Pay		(17,158)	
65	Human Resources - Legal Fees		(38,000)	
66	Human Resources - Consultants		(8,200)	
67	Human Resources - Bids/Notices/Advertising		(1,000)	
68	Human Resources - Employee Background Checks		(3,000)	
69	Human Resources - Medical Services		(500)	
70	Human Resources - Mileage, Parking, Tolls		(800)	
71	Human Resources - Recruitment		(6,700)	
72	Human Resources - Institutes, Conferences, & Meetings		(2,500)	
73	Human Resources - Computers/Business Equipment		(2,000)	
74	Human Resources - Office Furniture/Equipment		(1,500)	
75	Safety & Security - Security Cameras		(21,109)	
76	Health Services - Staff Development Salaries		(10,765)	
77	Psychological Services - Consultants		(6,000)	
78	Pupil Personnel - DSS Liaison salaries		(11,842)	
79	School Counseling - Summer Counseling days		(53,335)	
80	Office of Technology - Communications		(10,000)	

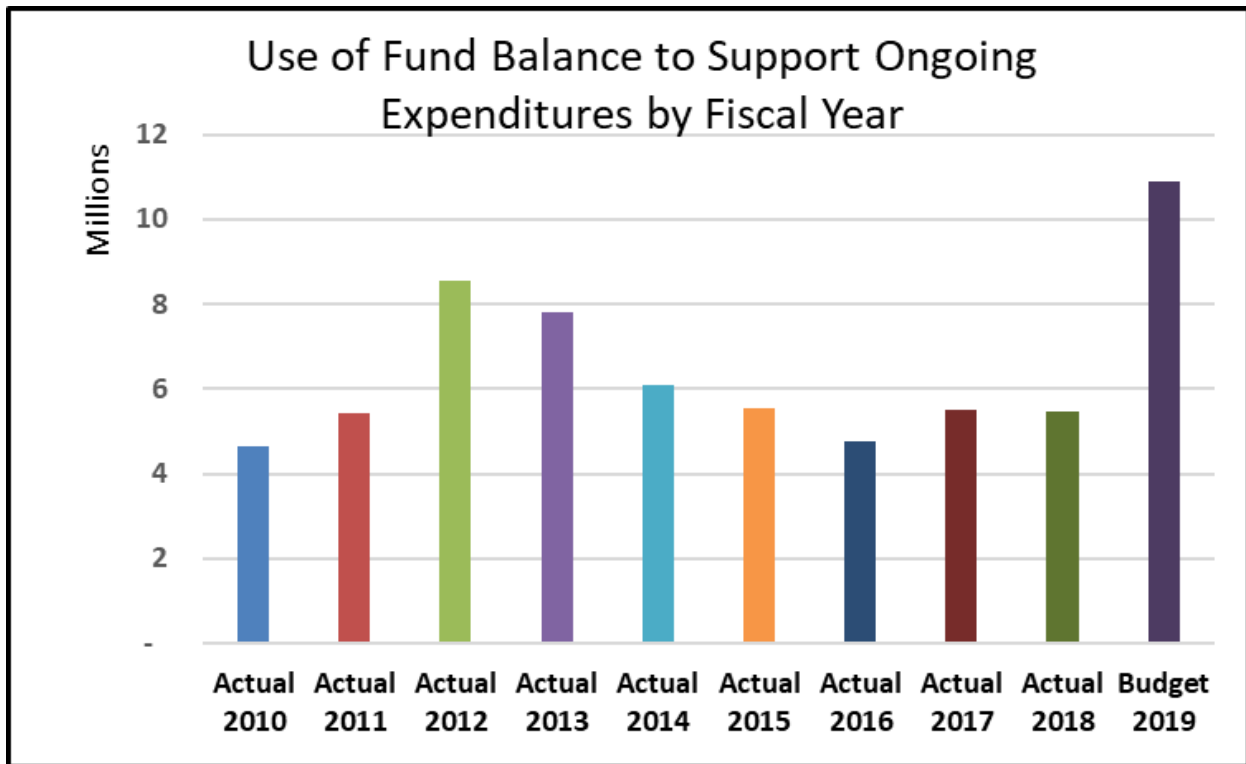
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Base Budget Reductions and Cost Savings Measures				
<i>Line</i>	<i>Description</i>	<i>FTE</i>	<i>Amount</i>	<i>Amount</i>
Cost Saving Measures				
81	Office of Technology - Internet Access Fee		(70,000)	
82	Office of Technology - Materials of Instruction - Software		(100,000)	
83	Office of Technology - Software Maintenance		(60,000)	
84	Operations & Maintenance - Eliminate 2.5 FTE Custodians	(2.5)	(118,986)	
85	Operations & Maintenance - Custodial Extra Hours		(3,723)	
86	Planning & Construction - Other Contracted Service		(28,382)	
87	Utility Resource Management - Contracted Service		(139,619)	
88	Utility Resource Management - Supplies		(12,015)	
89	Utility Resource Management - Utilities		(445,025)	
90	Utility Resource Management - Equipment Maintenance Contract		(15,355)	
91	Special Education - Eliminate 31.0 FTE Inclusion Helpers	(31.0)	(959,840)	
92	Special Education - Add 6.0 FTE Teachers	6.0	474,860	
93	Special Education - Add 8.0 FTE Paraeducators	8.0	280,648	
94	Special Education - Reduce Non-Public expense		(180,000)	
	Total Cost Saving Measures	(65.5)		(5,282,355)
Total Base Budget Reductions and Cost Saving Measures		(71.5)		(6,141,261)

Cost of Doing Business and Other Budget Adjustments continued

Harford County Public Schools continue to face ongoing budget challenges as revenue has not kept pace with system demands, legal mandates and cost drivers such as pension and health care costs for employees and retirees. It is important to note that HCPS employees did not receive a wage increase for five years since fiscal year 2010. Since fiscal year 2016 there has been a commitment to include a wage increase in each budget. In fact, the budget increases each year since fiscal 2016 have been largely due to salaries and benefits. In addition, employees, if eligible, received one make-up step in fiscal years 2017 through fiscal year 2019. Two make-up steps remain to be funded for eligible employees.

HCPS has an ongoing structural deficit created by spending one-time year-end funds (fund balance) for ongoing expenditures. The use of \$10.9 million of fund balance in fiscal 2019 to support ongoing operations is the largest amount ever allocated. As of June 30, 2018, the HCPS the projected, unassigned fund balance totaled \$4.1 million. We are optimistic that improved economic conditions will allow for additional support from Harford County Government and eliminate the use of fund balance to support ongoing operations in the near future.



The long-term structural deficit issue can only be addressed by:

- Increasing revenue, and/or
- Permanent reductions to ongoing expenditures

Summary of Fiscal 2019 Unrestricted Operating Changes

The following table “Summary of Fiscal Year 2019 Unrestricted Operating Budget Changes” reflects expenditure changes by program. Changes are identified in the expenditure categories of: Wages & Benefits, Base Budget Adjustments and Reductions, and Cost of Doing Business.

HARFORD COUNTY PUBLIC SCHOOLS Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
Board of Education				
<i>Board Services</i>				
Salary and Wage Adjustments	4,586			4,586
Reduce legal fees		(5,000)		(5,000)
Reduce books & periodicals		(250)		(250)
Reduce other charges		(1,000)		(1,000)
Reduce institutes, conferences & meetings		(6,000)		(6,000)
Reduce consultants		(5,000)		(5,000)
Reduce professional dues		(6,700)		(6,700)
Board Services	4,586	(23,950)	-	(19,364)
<i>Internal Audit Services</i>				
Salary and Wage Adjustments	8,898			8,898
Reduce software maintenance		(1,500)		(1,500)
Reduce office supplies		(1,067)		(1,067)
Reduce mileage, parking, tolls		(250)		(250)
Reduce institutes, conferences & meetings		(1,000)		(1,000)
Reduce computer/business equipment		(1,250)		(1,250)
Internal Audit Services	8,898	(5,067)	-	3,831
<i>Legal Services</i>				
Salary and Wage Adjustments	6,035			6,035
Increase books, subscriptions, periodicals		3,350		3,350
Reduce mileage, parking, tolls		(100)		(100)
Reduce professional dues		(100)		(100)
Reduce institutes, conferences & meetings		(2,000)		(2,000)
Reduce other expenses		(4,350)		(4,350)
Legal Services	6,035	(3,200)	-	2,835
Total Board of Education				
	\$19,519	(\$32,217)	\$0	(\$12,698)

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HARFORD COUNTY PUBLIC SCHOOLS				
Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
<u>Business Services</u>				
<u>Fiscal Services</u>				
Salary and Wage Adjustments	79,804			79,804
Transfer funds to bank fees from other contracted services		(37,000)		(37,000)
Bank Fees expense		40,000		40,000
Reduce office supplies		(3,000)		(3,000)
Transfer other expense to professional dues		(1,500)		(1,500)
Professional dues expense		1,500		1,500
Increase indirect cost recovery		(45,000)		(45,000)
Increase in liability insurance			28,621	28,621
Increase in retirement expense		15,025	332,304	347,329
Increase in social security expense	873,839	(197,783)	3,901	679,957
Increase in workers compensation expense	90,241	(95,472)	4,346	(885)
Reduce debt service interest payment		(17,730)		(17,730)
Increase debt service principal payment		17,730		17,730
<i>Fiscal Services</i>	1,043,884	(323,230)	369,172	1,089,826
<u>Purchasing</u>				
Salary and Wage Adjustments	32,900			32,900
Transfer contracted services funds to energy management for Enernoc energy contract		(19,996)		(19,996)
Increase equipment repairs		700		700
Reduce other supplies		(3,000)		(3,000)
Reduce printing supplies		(450)		(450)
Increase uniforms expense		2,300		2,300
Reduce mileage, parking, tolls		(550)		(550)
Increase institutes, conferences, meetings		1,000		1,000
<i>Purchasing</i>	32,900	(19,996)	-	12,904
Total Business Services	\$1,076,784	(\$343,226)	\$369,172	1,102,730

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HARFORD COUNTY PUBLIC SCHOOLS				
Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
Curriculum & Instruction				
<i>Curriculum Development</i>				
Salary and Wage Adjustments	160,744			160,744
Turnover Savings	(30,462)			(30,462)
Eliminate 4.0 FTE Curriculum Specialists		(251,574)		(251,574)
Reduce temporary help		(25,000)		(25,000)
Increase consultants expense		1,000		1,000
Reduce printing expense		(1,000)		(1,000)
Reduce mileage, parking, tolls		(14,000)		(14,000)
Reduce institutes, conferences, meetings		(11,483)		(11,483)
Transfer other equipment to business/computer equipment		(24,063)		(24,063)
Reduce staff development substitutes		(56,184)		(56,184)
Increase business/computer equipment expense		30,000		30,000
Reduce professional development professional salaries		(33,248)		(33,248)
Transfer other professional development salaries to professional salaries		(13,635)		(13,635)
Curriculum Development	130,282	(399,187)	-	(268,905)
<i>Office of Accountability</i>				
Salary and Wage Adjustments	32,001			32,001
Reduce temporary help		(6,000)		(6,000)
Increase printing supplies		(400)		(400)
Increase office supplies		400		400
Reduce mileage, parking, tolls		(1,000)		(1,000)
Reduce institutes, conferences, meetings		(1,250)		(1,250)
Office of Accountability	32,001	(8,250)	-	23,751
<i>Professional Development</i>				
Salary and Wage Adjustments	15,681			15,681
Eliminate 1.0 FTE Teacher Specialist Prof Dev		(52,990)		(52,990)
Reduce multicultural professional development		(111)		(111)
Reduce new teacher staff development substitutes		(10,130)		(10,130)
Transfer other contracted services to consultants		(20,000)		(20,000)
Consultants expense transferred from other contracted services		20,000		20,000
Eliminate equipment maintenance contract expense		(3,000)		(3,000)
Transfer other equipment to computer/business equipment		(2,760)		(2,760)
Computer/business equipment transferred from other equipment		2,760		2,760
Eliminate school improvement other contracted services		(2,000)		(2,000)
Professional Development	15,681	(68,231)	-	(52,550)
Total Curriculum and Instruction	\$177,964	(\$475,668)	\$0	(\$297,704)

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HARFORD COUNTY PUBLIC SCHOOLS				
Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
Education Services				
Career & Technology				
Salary and Wage Adjustments	429,413			429,413
Increase C&T Office of the Principal mileage, parking, tolls		1,000		1,000
Reduce commencement expense		(2,915)		(2,915)
Reduce office supplies		(2,970)		(2,970)
Reduce printing expense		(223)		(223)
Increase postage/courier expense		1,004		1,004
Reduce other supplies		(27,000)		(27,000)
Reduce textbook expense		(20,793)		(20,793)
Reduce training supplies		(100)		(100)
Reduce professional library supplies		(500)		(500)
Increase contracted program evaluation expense		4,750		4,750
Reduce other expense		(400)		(400)
Reduce C&T mileage, parking, tolls		(5,500)		(5,500)
Increase institutes, conferences, meetings		3,200		3,200
Transfer family consumer science other equipment to trades/industry instructional equipment		(5,500)		(5,500)
Transfer trades/industry other equipment to trades/industry instructional equipment		(19,834)		(19,834)
Trades/Industry instructional equipment transferred from other equipment accounts		45,334		45,334
Career & Technology	429,413	(30,447)	-	398,966
Gifted & Talented				
Salary and Wage Adjustments	33,303			33,303
Reversal of year end transfer from Materials of Instruction		100,000		100,000
Transfer salary funds for college & career readiness contracted expense		(9,000)		(9,000)
Transfer other supplies to summer laureate		(1,500)		(1,500)
Summer Laureate supplies from other supplies		1,500		1,500
Gifted & Talented	33,303	91,000	-	124,303
Intervention Services				
Salary and Wage Adjustments	(9,719)			(9,719)
Eliminate 1.0 FTE Intervention Paraeducator		(18,865)		(18,865)
Eliminate extended day intervention funds		(209,624)		(209,624)
Reduce multicultural training expense		(1,000)		(1,000)
Increase high school bridge plan salaries		4,216		4,216
Eliminate intervention professional development		(12,678)		(12,678)
Intervention Services	(9,719)	(237,951)	-	(247,670)

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HARFORD COUNTY PUBLIC SCHOOLS				
Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
<i>Magnet Programs</i>				
Salary and Wage Adjustments	50,312			50,312
Transfer IB other supplies to materials of instruction		(10,790)		(10,790)
IB materials of instruction from other supplies		10,790		10,790
Increase materials of instruction for Math/Science Academy		1,000		1,000
Reduce Math/Science textbooks expense		(1,000)		(1,000)
Natural Resource other salaries increase transferred from professional salaries		4,000		4,000
Transferred natural resources professional salaries to other salaries		(4,000)		(4,000)
Increase contracted testing expense for IB		5,300		5,300
Reduce IB other equipment expense		(300)		(300)
<i>Magnet Programs</i>	50,312	5,000	-	55,312
<i>Office of Elementary, Middle & High School Performance</i>				
Salary and Wage Adjustments	27,649			27,649
Turnover savings	(13,309)			(13,309)
Eliminate 1.0 FTE 12 month clerical support		(34,165)		(34,165)
Reduce mileage, parking, tolls		(4,000)		(4,000)
Reduce other equipment expense		(1,230)		(1,230)
Reduce office furniture & equipment expense		(270)		(270)
<i>Total Office of Elem, Mid & High School</i>	14,340	(39,665)	-	(25,325)
<i>Other Special Programs</i>				
Salary and Wage Adjustments	112,694			112,694
Reduce home and hospital salaries		(6,000)		(6,000)
Transfer Pre-K other supplies to materials of instruction		(7,969)		(7,969)
Pre-K materials of instruction from other supplies		7,969		7,969
Increase contracted instruction for college/career readiness		9,000		9,000
Transfer home and hospital other contracted service expense to contracted instruction		(25,539)		(25,539)
Home and hospital contracted instruction expense from other contracted service		25,539		25,539
Reduce home and hospital mileage, parking, tolls		(5,000)		(5,000)
<i>Other Special Programs</i>	112,694	(2,000)	-	110,694

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HARFORD COUNTY PUBLIC SCHOOLS Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
<i>Regular Programs</i>				
Salary and Wage Adjustments	8,322,053			8,322,053
Turnover Adjustment	(2,607,026)			(2,607,026)
Eliminate 1.0 FTE 12 month clerical support		(38,355)		(38,355)
Eliminate 29.0 Regular Program Mentors		(1,673,006)		(1,673,006)
Eliminate 2.0 FTE Cooperative Education Teachers		(101,980)		(101,980)
Transfer 10.0 FTE Elementary Teachers from Title II Grant to the operating budget		493,892		493,892
Increase commencement expense		2,915		2,915
Increase office supplies		900		900
Increase printing supplies		1,289		1,289
Reduce department chair, teacher specialist summer days funding		(167,636)		(167,636)
Reversal of year end transfer from Office of the Principal salaries		200,000		200,000
Reversal of year end transfer from Regular Program salaries		400,000		400,000
Reversal of year end transfer from materials of instruction		150,000		150,000
Reversal of year end transfer from textbooks		150,000		150,000
Reduce Office of the Principal mileage, parking, tolls		(5,000)		(5,000)
Transfer other equipment to office furniture/equipment		(45,000)		(45,000)
Increase office furniture/equipment expense		56,500		56,500
Harford Glen equipment repairs expense from other expense		5,500		5,500
Transfer funds from other expense to Harford Glen equipment repairs		(5,500)		(5,500)
Reversal of year end transfer to instructional equipment		(500,000)		(500,000)
Other science equipment transferred to instructional equipment		(27,609)		(27,609)
Science instructional equipment transferred from other equipment		27,609		27,609
<i>Regular Programs</i>	5,715,027	(1,075,481)	-	4,639,546
<i>School Library Media Programs</i>				
Salary and Wage Adjustments	247,788			247,788
Eliminate 15.5 FTE Media Technicians		(301,897)		(301,897)
Eliminate Media Technician substitute expense		(6,555)		(6,555)
Eliminate summer library program		(48,931)		(48,931)
Transfer other equipment to computer/business equipment		(10,654)		(10,654)
Computer/business equipment transferred from other equipment		10,654		10,654
<i>School Library Media Programs</i>	247,788	(357,383)	-	(109,595)
<i>Summer School</i>				
Salary and Wage Adjustments		(4,216)		(4,216)
Transfer funds from summer music salaries to music camp supplies		(1,000)		(1,000)
Music camp supplies transferred from salaries		1,000		1,000
Transfer summer swim other supplies to materials of instruction		(14,196)		(14,196)
Materials of instruction expense for summer swim transferred from other supplies		14,196		14,196
<i>Summer School</i>	-	(4,216)	-	(4,216)
Total Education Services	\$6,593,158	(\$1,651,143)	\$0	\$4,942,015

(Continued the next page).

HARFORD COUNTY PUBLIC SCHOOLS				
Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
<u>Executive Administration</u>				
<u>Communications</u>				
Salary and Wage Adjustments	20,637			20,637
Reduce additional maintenance hours		(100)		(100)
Reduce other salaries expense		(3,600)		(3,600)
Reduce other contracted services		(22,720)		(22,720)
Reduce postage/courier supplies		(4,883)		(4,883)
Reduce books & periodicals		(500)		(500)
Reduce institutes, conferences & meetings		(1,500)		(1,500)
Printing supplies transferred from other contracted services		20,000		20,000
Reduce audio/visual supplies expense		(3,000)		(3,000)
Reduce other expense		(1,000)		(1,000)
Reduce mileage, parking, tolls		(906)		(906)
Communications	20,637	(18,209)	-	2,428
<u>Equity & Cultural Proficiency</u>				
Salary and Wage Adjustments	13,015			13,015
Reduce other salaries expense		(4,000)		(4,000)
Transfer other salaries to professional development		(3,041)		(3,041)
Reduce mileage, parking, tolls		(1,745)		(1,745)
Increase institutes, conferences, meetings		1,745		1,745
Community Engagement Office	13,015	(7,041)	-	5,974
<u>Executive Administration Office</u>				
Salary and Wage Adjustments	27,194			27,194
Turnover savings	(18,307)			(18,307)
Eliminate .5 FTE Governmental Liaison		(48,440)		(48,440)
Reduce office supplies		(2,000)		(2,000)
Reduce mileage, parking, tolls		(7,500)		(7,500)
Reduce professional dues		(1,500)		(1,500)
Reduce institutes, conferences & meetings		(1,500)		(1,500)
Transfer other equipment to computer/business equipment		(500)		(500)
Computer/business equipment transferred from other equipment		500		500
Executive Administration Office	8,887	(60,940)	-	(52,053)
Total Executive Administration				
	\$42,539	(\$86,190)	\$0	(\$43,651)
<u>Extra-Curricular Activities</u>				
<u>Interscholastic Athletics</u>				
Reduce contracted expense for interscholastic officials and judges		(10,000)		(10,000)
Reduce compensation for Athletic Director summer work		(15,939)		(15,939)
Reduce contracted training expense		(5,000)		(5,000)
Interscholastic Athletics	-	(30,939)	-	(30,939)
<u>Student Activities</u>				
Salary and Wage Adjustments	64,232			64,232
Increase music consultants		2,000		2,000
Reduce travel for music consultants		(2,000)		(2,000)
Student Activities	64,232	-	-	64,232
Total Extra-Curricular				
	\$64,232	(\$30,939)	\$0	\$33,293

(Continued the next page).

HARFORD COUNTY PUBLIC SCHOOLS Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
Human Resources				
Salary and Wage Adjustments	83,344			83,344
Turnover savings	(18,990)			(18,990)
Reduce legal fees		(54,400)		(54,400)
Increase consulting fees		(5,500)		(5,500)
Reduce bids, notices and advertising		(1,000)		(1,000)
Reduce background checks expense		(3,000)		(3,000)
Increase copier/machine rental expense		1,758		1,758
Increase office supplies		1,000		1,000
Reduce ID badge expense		(758)		(758)
Transfer other expense to employee recognition dinner expense		(21,250)		(21,250)
Employee recognition dinner expense		21,250		21,250
Reduce mileage, parking, tolls		(800)		(800)
Increase professional dues expense		1,000		1,000
Increase recruitment expense		2,500		2,500
Reduce institutes, conferences & meetings		(2,500)		(2,500)
Reduce computer/business equipment		(2,000)		(2,000)
Reduce office furniture/equipment expense		(500)		(500)
Reversal of year end OPEB transfer		(1,436,387)		(1,436,387)
Health insurance 10% cost increase			7,441,105	7,441,105
Health insurance adjustments due to position changes		(995,108)	12,856	(982,252)
Reversal of year end transfer to health insurance		(600,000)		(600,000)
Dental insurance adjustments due to position changes		(52,907)	658	(52,249)
Life insurance adjustments due to wage increases	28,558			28,558
Life insurance adjustments due to position changes		(4,164)	127	(4,037)
Total Human Resources	92,912	(3,152,766)	7,454,746	\$4,394,892

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HARFORD COUNTY PUBLIC SCHOOLS				
Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
<u>Operations & Maintenance</u>				
<u>Facilities Management</u>				
Salary and Wage Adjustments	835,745			835,745
Turnover savings	(65,379)			(65,379)
Eliminate 2.5 FTE Custodians		(99,131)		(99,131)
Reduce additional maintenance hours		(3,458)		(3,458)
Reversal of year end transfer to custodial and maintenance salaries		100,000		100,000
Reduce rent expense		(1,900)		(1,900)
Increase Operation of Plant office supplies		2,885		2,885
Reduce Operation of Plant printing supplies		(250)		(250)
Reduce postage supplies		(2,635)		(2,635)
Property insurance increase			60,706	60,706
Reduce contracted service for FACS equipment		(4,100)		(4,100)
Reduce contracted service for Industrial Arts equipment		(10,000)		(10,000)
Increase contracted service for Vocational Ed equipment		14,100		14,100
Environmental Compliance repairs and equipment			234,956	234,956
Increase Maintenance of Plant office supplies		3,108		3,108
Reduce Maintenance of Plant printing supplies		(1,500)		(1,500)
Reduce Maintenance of Plant postage supplies		(1,608)		(1,608)
Increase Maintenance of Plant science supplies		1,000		1,000
HVAC equipment for aging systems			150,000	150,000
Reduce FACS maintenance supplies		(543)		(543)
Reduce Industrial Arts maintenance supplies		(2,449)		(2,449)
Increase Vocational Education maintenance supplies		2,992		2,992
Reduce community service custodial additional hours		(40,774)		(40,774)
Transfer community service salary funds to supplies		(2,744)		(2,744)
Reduce custodial salaries for daycare transfer		(90,000)		(90,000)
Adjust other salaries for daycare custodial services transferred from custodial salary account		90,000		90,000
Community service custodial supplies increase offset by salary reduction		4,644		4,644
Facilities Management	770,366	(42,363)	445,662	1,173,665
<u>Planning and Construction</u>				
Salary and Wage Adjustments	30,483			30,483
Transfer other contracted service to consultants		(31,500)		(31,500)
Consultant expense from other contracted service		31,500		31,500
Reduce consultant expense		(28,382)		(28,382)
Reduce bids, notices and advertising		(5,000)		(5,000)
Reduce mileage, parking, tolls		(5,000)		(5,000)
Legal fees expense		10,000		10,000
Planning and Construction	30,483	(28,382)	-	2,101

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HARFORD COUNTY PUBLIC SCHOOLS				
Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
<i>Transportation</i>				
Salary and Wage Adjustments	296,302			296,302
Turnover savings	(27,210)			(27,210)
Reversal of year end transfer to contracted bus service		(600,000)		(600,000)
Transfer other contracted service to software maintenance		(30,000)		(30,000)
Software maintenance expense		46,000		46,000
Bus contract increase			1,054,548	1,054,548
Reduce McKinney Vento bus contract expense		(51,000)		(51,000)
Increase Special Education bus contract expense		40,000		40,000
Increase Science transportation expense		22,498		22,498
Increase Music transportation expense		15,000		15,000
Increase HTHS nursing program transportation expense		5,000		5,000
Increase vehicle inspection expense		1,000		1,000
Reduce fuel/oil for regular transportation		(13,000)		(13,000)
Reduce special ed transportation vehicle maintenance expense		(50,000)		(50,000)
Reduce fuel/oil for special ed transportation		(95,000)		(95,000)
Reduce transportation vehicle maintenance repairs expense		(7,000)		(7,000)
Reduce professional dues expense		(1,100)		(1,100)
Increase institutes, conferences, meetings expense		10,000		10,000
Transfer other equipment to office furniture/equipment expense		(679)		(679)
Increase in software expense		39,000		39,000
Office furniture/equipment expense increase		1,779		1,779
Increase other contracted service for vehicle maintenance		60,000		60,000
Increase other supplies for vehicle maintenance		10,000		10,000
Reduce vehicle repairs/maintenance		(10,000)		(10,000)
Grounds equipment supplies expense		45,000		45,000
<i>Transportation</i>	269,092	(562,502)	1,054,548	761,138
<i>Utility Resource Management</i>				
Salary and Wage Adjustments	4,102			4,102
Reduce other contracted service expense		(136,920)		(136,920)
Consultant expense transferred from Purchasing		19,996		19,996
Reduction in contracted fire systems expense		(450)		(450)
Reduction in contracted environmental services		(1,649)		(1,649)
Reduce consultants		(600)		(600)
Reduce other supplies		(525)		(525)
Reduce environmental services supplies		(11,490)		(11,490)
Reversal of year end transfer from electricity		700,000		700,000
Reduce electricity expense		(265,970)		(265,970)
Reduce gas expense		(51,089)		(51,089)
Reduce oil expense		(116,890)		(116,890)
Reduce sewage-front foot expense		(810)		(810)
Reduce water expense		(10,266)		(10,266)
Reduce equipment maintenance contract		(15,355)		(15,355)
Reduction in Energy Performance contract expense		(659,791)		(659,791)
<i>Utility Resource Management</i>	4,102	(551,809)	-	(547,707)
Total Operations & Maintenance				
	\$1,074,043	(\$1,185,056)	\$1,500,210	\$1,389,197

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HARFORD COUNTY PUBLIC SCHOOLS				
Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
<u>Safety and Security</u>				
Salary and Wage Adjustments	20,481			20,481
Reduce additional maintenance hours		(1,000)		(1,000)
Transfer other contracted service expense to equipment maintenance contract		(175,240)		(175,240)
Transfer safety and security contracted expense to equipment maintenance contract		(99,189)		(99,189)
Equipment maintenance contract expense		257,429		257,429
Reduce safety and security supplies		(1,000)		(1,000)
Reduce mileage, parking, tolls		(50)		(50)
Increase other equipment expense		4,000		4,000
Transfer safety and security equipment to security systems		(7,000)		(7,000)
Reduce security camera equipment expense		(21,109)		(21,109)
Security systems equipment increased due to realignment of accounts within Safety & Security		22,050		22,050
Total Safety and Security	\$20,481	(\$21,109)	\$0	(\$628)
<u>Special Education</u>				
Salary and Wage Adjustments	2,332,217			2,332,217
Base budget position realignment includes a reduction to Inclusion Helpers and an increase in teachers and paraeducators		97,000		97,000
Reduction of Inclusion Helpers offset by an increase in teachers and paraeducators		27,707		27,707
Eliminate 1.0 FTE Special Education Mentor		(52,990)		(52,990)
Transfer funds from John Archer ESY program to Cluster Programs ESY		10,000		10,000
Transfer funds to Cluster Programs ESY and John Archer Commencement expense		(10,400)		(10,400)
Transfer Non Public other contracted service expense to contracted instruction		(6,990,792)		(6,990,792)
Contracted instruction expense from other contracted service expense		6,990,792		6,990,792
Reduce Non Public contracted instruction		(180,000)		(180,000)
Cluster Program materials of instruction transferred from other supplies		5,000		5,000
Other supplies transferred to cluster programs		(5,000)		(5,000)
Commencement expense for John Archer from ESY salaries		400		400
Reduce printing expense		(500)		(500)
Increase postage/courier expense		500		500
Increase related services mileage, parking, tolls		8,800		8,800
Assistive Technology equipment transferred from other equipment		44,266		44,266
Other equipment transferred to AT equipment		(44,266)		(44,266)
Reduce other expense		(3,800)		(3,800)
Reduce administrative services mileage, parking, tolls expense		(5,000)		(5,000)
Total Special Education	\$2,332,217	(\$108,283)	\$0	\$2,223,934

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HARFORD COUNTY PUBLIC SCHOOLS				
Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
Student Services				
Health Services				
Salary and Wage Adjustments	116,066			116,066
Turnover Savings	(8,463)			(8,463)
Reduce staff development expense		(10,000)		(10,000)
Health supplies transferred from other supplies		20		20
Transfer other supplies to health supplies		(20)		(20)
Transfer other equipment to office furniture/equipment		(12,175)		(12,175)
Office furniture/equipment from other equipment		12,175		12,175
Total Health Services	107,603	(10,000)	-	97,603
Psychological Services				
Salary and Wage Adjustments	150,354			150,354
Reduce consultant expense		(6,000)		(6,000)
Increase institutes, conferences, meetings		2,000		2,000
Transfer other supplies to testing supplies		(44,700)		(44,700)
Testing supplies from other supplies		44,700		44,700
Total Psychological Services	150,354	(4,000)	-	146,354
Pupil Personnel Services				
Salary and Wage Adjustments	74,007			74,007
Turnover Savings	(10,854)			(10,854)
Reduction in DSS Liaison expense		(11,000)		(11,000)
Reduce printing supplies		(1,000)		(1,000)
Reduce mileage, parking, tolls		(2,000)		(2,000)
Increase institutes, conferences, meetings		3,000		3,000
Increase office equipment		3,000		3,000
Total Pupil Personnel Services	63,153	(8,000)	-	55,153
School Counseling				
Salary and Wage Adjustments	395,039			395,039
1.0 FTE Elementary School Counselor			50,990	50,990
Reduction to summer guidance expense		(49,545)		(49,545)
Transfer other equipment to computer/business equipment		(500)		(500)
Computers/business equipment from other equipment		500		500
Additional computer equipment for new School Counselor			1,000	1,000
Total School Counseling	395,039	(49,545)	51,990	397,484
Total Student Services	\$716,149	(\$71,545)	\$51,990	\$696,594

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HARFORD COUNTY PUBLIC SCHOOLS				
Summary of Fiscal 2019 Unrestricted Operating Budget Changes				
Fiscal 2018 Adjusted Unrestricted Operating Budget				\$447,438,447
Program	Wages & Benefits	Base Budget Adjustments & Reductions	Cost of Doing Business	Fiscal 2019 Budget
<i>Office of Technology & Information</i>				
Salary and Wage Adjustments	204,989			204,989
2.0 FTE Computer Technicians from base budget reductions		89,706		89,706
Reduce communications other expense		(10,000)		(10,000)
Reduce internet access fee expense		(70,000)		(70,000)
Reduce materials of instruction-software		(100,000)		(100,000)
Reduce software maintenance		(60,000)		(60,000)
Reduce copier/machine rental expense		(45,000)		(45,000)
Reduce other contracted services		(180,000)		(180,000)
Increase temporary help		20,000		20,000
Reduce consultants expense		(20,000)		(20,000)
Transfer professional development conferences, meetings to OTIS conference account		(7,500)		(7,500)
Institutes, conferences, meetings transferred from professional development		7,500		7,500
Other contracted service expense transferred from software maintenance		30,000		30,000
Contracted software maintenance transferred to other contracted service		(30,000)		(30,000)
Eliminate software equipment expense		(3,786)		(3,786)
Increase other equipment		14,000		14,000
Increase software maintenance contracted service		9,467		9,467
Reduce telecommunications supplies expense		(2,000)		(2,000)
Reduce telecommunications equipment		(10,000)		(10,000)
Increase audiovisual equipment		12,000		12,000
Reduce contracted service for computer repairs		(11,000)		(11,000)
Increase computer repairs supplies		11,000		11,000
Reduce printing supplies		(5,000)		(5,000)
Reduce Office of Technology professional development		(43,348)		(43,348)
Professional development substitutes transferred from professional salaries	20,000			20,000
Transfer OTIS professional development professional to professional substitutes	(20,000)			(20,000)
Total Office of Technology & Information	\$204,989	(\$403,961)	\$0	(\$198,972)
Change	\$12,414,987	(\$7,562,103)	\$9,376,118	\$14,229,002
Fiscal 2019 Board of Education's Approved Unrestricted Operating Budget				\$461,667,449