

BOARD OF EDUCATION OF HARFORD COUNTY

INFORMATIONAL REPORT

DECISION ON SUPERINTENDENT'S PROPOSED FY2021 BUDGET

FEBRUARY 10, 2020

Background Information:

The Superintendent is required to present the proposed budget each year for consideration. After reviewing input from internal and external stakeholders, the Proposed FY2021 Budget has been prepared for consideration and approval by the Board. The budget is presented in three parts: Unrestricted, Restricted and Food Service budgets.

Discussion:

The FY2021 Superintendent's Proposed Budget for Harford County Public Schools (HCPS) addresses the essential components of ESSA, the Bridge to Excellence Act, and continues to address the HCPS Strategic Plan. Meeting the educational needs of a growing and diverse community requires vision, commitment from all stakeholders, knowledge, organization, effective planning, and sufficient and coordinated resources.

Overview:

The proposed fiscal year 2021 local request to support the operating budget is \$20.5 million. The total proposed increase to the operating budget is \$24.9 million, or 5.2% higher than the current budget. Harford County Public Schools is estimating an increase of \$7.2 million in state funding and is proposing a \$3.0 million reduction in the allocation of fund balance for use in the operating budget for fiscal year 2021. The proposed budget includes \$9.9 million to restore positions and support for schools and students. A salary and wage package is included and expected to cost \$9.8 million. Insurance and pension costs are projected to be \$4.0 million higher and transportation needs are expected to increase \$1.2 million. The proposed operating budget includes an additional 124.2 FTE positions. 84.2 FTE of the total request are included to restore and enhance direct instruction or support to students. 22.0 FTE elementary and secondary teachers are also included in order to address enrollment needs.

The Restricted fund budget includes grants from the federal and state governments. The FY2021 Proposed Restricted fund is projected to be \$39.0 million.

The Food Service fund is a self-supporting special revenue fund which receives funding from the federal and state governments, as well as student sales. The FY2021 Proposed Food Service fund budget is projected to be \$18.6 million.

Superintendent's Recommendation:

The Superintendent recommends the Board of Education approve the following proposed budgets for FY2021:

- Unrestricted Fund of \$503,149,249
- Restricted Fund of \$38,990,856
- Food Service Fund \$18,638,517

Supporting documentation is located on the following four pages and in the Superintendent's Proposed FY2021 Budget book.

The revenues for the current expense fund in FY2021 are identified below:

Revenue - Current Expense Fund - By Source							
	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Budget	Change FY20 - FY21	% Change
Harford County	233,534,504	238,715,645	245,815,645	256,465,645	276,927,778	20,462,133	8.0%
State of Maryland	196,211,473	198,526,233	201,407,089	211,723,056	218,946,471	7,223,415	3.4%
Federal Government	391,653	408,977	589,519	420,000	420,000	-	0.0%
Other Sources	5,273,223	5,114,027	5,212,899	4,599,960	4,855,000	255,040	5.5%
Total - Revenue	\$ 435,410,853	\$ 442,764,881	\$ 453,025,152	\$ 473,208,661	\$ 501,149,249	27,940,588	5.9%
Fund Balance	5,523,746	5,466,052	14,680,933	5,000,000	2,000,000	(3,000,000)	-60.0%
Unrestricted Fund	\$ 440,934,599	\$ 448,230,933	\$ 467,706,085	\$ 478,208,661	\$ 503,149,249	\$ 24,940,588	5.2%
State of Maryland	8,898,221	9,039,371	9,517,875	14,097,516	18,766,633	4,669,117	33.1%
Federal Government	21,040,936	20,537,747	21,819,739	19,702,848	20,068,723	365,875	1.9%
Other Sources	412,325	273,866	329,509	153,000	155,500	2,500	1.6%
Restricted Fund	\$ 30,351,483	\$ 29,850,985	\$ 31,667,123	\$ 33,953,364	\$ 38,990,856	\$ 5,037,492	14.8%
Current Expense Fund	\$ 471,286,081	\$ 478,081,918	\$ 499,373,208	\$ 512,162,025	\$ 542,140,105	\$ 29,978,080	5.9%

The proposed current expense expenditures for FY2021 by category are listed below:

Harford County Public Schools						
Current Expense Fund - By State Category						
SUMMARY BY CATEGORY	Unrestricted		Restricted		Current Expense	
	FY 2021 Budget	FTE	FY 2021 Budget	FTE	FY 2021 Budget	FTE
Administrative Services	\$ 11,475,418	115.2	\$ 666,612	0.0	\$ 12,142,030	115.2
Mid-Level Administration	28,267,586	322.0	463,119	7.0	28,730,705	329.0
Instructional Salaries	180,472,122	2,503.5	6,058,687	76.0	186,530,809	2,579.5
Textbooks & Classroom Supplies	6,858,042	0.0	1,386,950	0.0	8,244,992	0.0
Other Instructional Costs	2,900,517	0.0	1,497,252	0.0	4,397,769	0.0
Special Education	49,985,264	899.3	19,916,047	186.2	69,901,311	1,085.5
Student Services	2,239,470	25.0	739,172	12.0	2,978,642	37.0
Health Services	4,285,211	70.4	45,712	0.0	4,330,923	70.4
Student Transportation	35,176,663	190.0	192,214	0.0	35,368,877	190.0
Operation of Plant	28,473,421	341.9	27,401	0.0	28,500,822	341.9
Maintenance of Plant	14,331,529	115.5	-	0.0	14,331,529	115.5
Fixed Charges	137,506,209	0.0	7,793,811	0.0	145,300,020	0.0
Community Services	552,135	1.6	202,689	0.0	754,824	1.6
Capital Outlay	625,662	0.0	1,190	0.0	626,852	0.0
TOTAL	\$ 503,149,249	4,584.4	\$ 38,990,856	281.2	\$ 542,140,105	4,865.6

A summary of the proposed changes to the unrestricted FY2021 budget is listed below:

Positions 4,460.2	FY 2020 Unrestricted Budget - Revised	\$ 478,208,661	
	<i>Mandatory Baseline Budget Increases</i>		
14.0	Special Education	798,381	
22.0	Education Services	1,687,684	
0.0	Safety	195,600	
4.0	Transportation	1,229,245	
0.0	Insurance and Other Fixed Charges	4,049,497	
0.0	Employee Salary/Wage Package	9,791,354	
40.0		17,751,761	3.7%
	<i>Position Restoration and Enhancement of Support</i>		
57.0	Position/Program Restoration	5,081,846	
3.0	Program Expansion	233,768	
22.2	Special Education	1,560,224	
1.0	Family and Community Partnerships	202,293	
1.0	Compliance	110,696	
84.2		7,188,827	
124.2	Total - Change FY 2020 - FY 2021	24,940,588	5.2%
4,584.4	FY 2021 Superintendent's Proposed Unrestricted Budget	\$ 503,149,249	

Details of the mandatory baseline budget increases and position restoration and enhancement of support are shown on the following two pages.

FY21 Mandatory Baseline Budget Increases

Line	Description	FTE	Total
Special Education			
1	STRIVE Program @ CMVHS (3.0 FTE Paraeducators)	3.0	116,684
2	STRIVE Program @ PMMS (1.0 FTE Teacher and 4.0 FTE Paraeducators)	5.0	232,292
3	Early Learners/Learning Together Program @ YBES (2.0 FTE Paraeducators)	2.0	77,790
4	Transfer Special Education Passthrough employees to operating budget due to projected grant shortfall	4.0	371,615
Total - Special Education		14.0	\$ 798,381
Education Services			
5	Elementary and Secondary Teachers	22.0	1,687,684
Total - Education Services		22.0	1,687,684
Safety			
6	Advanced Fire Protection - Quarterly Sprinkler Testing	0.0	90,000
7	Bus Cameras-All scheduled replacements for contractor buses	0.0	105,600
Total - Safety		0.0	195,600
Transportation			
8	Transportation - Table of rates increase for contracted buses. (Estimated Salary, M&O and Aux Pmt)	0.0	249,428
9	Transportation - Estimated replacement of 44 12-year old contracted buses (Difference in Per Vehicle Allotment \$6,635)	0.0	294,859
10	Transportation - Estimated taxes on replacement of 44 12-year old contracted buses (\$6,300)	0.0	277,200
11	Transportation - Magnet Program at Havre de Grace Middle/High (Estimated)	0.0	180,000
12	Transportation - Interscholastic Athletics	0.0	25,000
13	Transportation - STRIVE Program expansion to CMVHS and PMMS (estimated 2 drivers and two attendants) + Maint. & Fuel	4.0	202,758
Total - Transportation		4.0	\$ 1,229,245
Insurance and Other Fixed Charges			
14	Liability Insurance	0.0	100,946
15	Property Insurance	0.0	83,238
16	Workers' Compensation	0.0	209,070
17	Health Insurance	0.0	3,343,522
18	Dental Insurance	0.0	162,721
19	Teacher and Employee Pension	0.0	150,000
Total Insurance and Other Fixed Charges		0.0	\$ 4,049,497
Salary and Wage Package			
20	Salary and Wage Package (net of turnover)	0.0	9,791,354
Total Salary and Wages		0.0	\$ 9,791,354
Grand Total		40.0	\$ 17,751,761

FY 21 Position Restoration and Enhancement of Support

Line	Description	FTE	Total
Position/Expense Restoration			
1	School Counselors	2.0	155,846
2	11M Curriculum Specialists	5.0	456,759
3	Instructional Coaches	5.0	456,759
4	Move all 10M Curriculum and Teacher Specialists to 11M (excludes Special Education)	0.0	98,760
5	Secondary Assistant Principals	4.0	541,198
6	Secondary Teachers	6.0	460,279
7	Elementary Teachers	30.0	2,301,389
8	Elementary Assistant Principals	4.0	541,198
9	Office of Technology - Computer Technician	1.0	69,658
Total - Position Restoration		57.0	\$ 5,081,846
Program Expansion			
10	English as a Second Language (ESOL) Teachers	3.0	233,768
Total - Program Expansion		3.0	\$ 233,768
Special Education			
11	Cluster Program supplies	0.0	120,956
12	Speech Therapists - (2) 11 month, (2.2) ten month and conversion of (2) existing 10M positions to 11 month	4.2	375,308
13	Teacher Specialist - 11 month Childfind	1.0	88,458
14	Special Educators - Secondary	6.0	460,279
15	CSP Paraeducators (3.0 each for JOES, PMES & RPES)	9.0	350,052
16	STRIVE Teacher Specialist 11 month	1.0	88,458
17	Adaptive Physical Education Teacher	1.0	76,713
Total - Special Education		22.2	\$ 1,560,224
Family and Community Partnerships			
18	Communications & Family Outreach - to establish a departmental budget for supplies, materials and other expenses (\$41,500) and add an Audiovisual Technician (\$66,653 w/benefits)	1.0	108,153
19	Family & Community Partnerships - to establish a departmental budget for supplies, materials and other expenses	0.0	94,140
Total - Family and Community Partnerships		1.0	\$ 202,293
Compliance			
20	Staff Auditor - Internal Audit Department	1.0	110,696
Total Compliance		1.0	\$ 110,696
Grand Total		84.2	\$ 7,188,827