

**HALIFAX AREA
SCHOOL
DISTRICT**

**PROPOSED FINAL OPERATING
BUDGET FOR 2021-2022**

**SUBMITTED ON BEHALF OF THE
ADMINISTRATIVE TEAM**

APRIL 27, 2021

ADJUSTED INITIAL MARCH 2021 BUDGET PROJECTIONS

Projected Income: \$20,506,283

- Assumes the board does not raise taxes
- Accounts for proposed State Budget increase in Basic Ed and Special Ed Funding

Projected Expenses: \$21,246,886

- Zero based budgeting
- Accounts for increases to pension and salaries for HESPA, HEA, and administration
- Considers inflation and comprehensive plan initiatives
- Uses 0.15% per consortium healthcare costs
- Accounts for the “snowball effect” of savings from retirements and attritions

Proposed Budget Deficit: \$740,603

FUND BALANCE FACTS

COMMITTED FUND BALANCE

- Health Insurance & PSERS : \$1,797,108.00
- DCTS Debt Payment Fund: \$118,505.00
- Other Committed Funds \$9,166.00

TOTAL: \$1,924,779

UNASSIGNED FUND BALANCE

***TOTAL: \$1,441,607**

**Does NOT take into consideration projected 20-21 operating surplus or deficit*

FORCES IMPACTING THE 2021- 2022 BUDGET

Federal Funding: Funding for Federal Grant Programs Increased

- ESSERS II Funding \$690,167
- ESSERS III Funding \$1,377,000 (Not allocated)

State Funding:

- Projected Increase in Basic Ed and Special Ed Funding (total increase of \$229,651)
- Pension Reform

Cyber-Charter School Tuition:

- Projecting cost of \$598,000: *increase of \$18,000 from the 20-21 budget.*

Inflation: 2.6% (base index), 4.0% (adjusted index)

FORCES IMPACTING THE 2020- 2021 BUDGET

Medical Benefits: (0.15% Rate Decrease)

– Total Obligation:	\$2,492,173
• Premiums	\$2,372,173
• HSA	\$120,000
• Total increase:	\$38,111

PSERS:

– Total Obligation:	\$2,770,552
• Amount Reimbursed by State:	\$1,551,509
• Amount HASD Pays:	\$1,219,043

Technology Budget Increase:

– Increase in Technology Budget by \$175,363
• Infrastructure
• Supporting Remote Learning
• Apple iPads & Chromebooks
• Elementary Upgrades Including Smartboards

COMPREHENSIVE PLAN

- **Pandemic Response**
- **Poverty as a barrier to student achievement**
- **Facilities Improvement Plan**
- **Technology for Student Achievement**
- **Stewardship**
 - Multi-year fiscal plan to sustain financial priorities
 - Increase consortium opportunities with neighboring school districts to share resources, reduce costs, and maintain academic and athletic opportunities
 - Community Partnerships

ADJUSTED BUDGET PROPOSAL APRIL 27, 2021

Income: \$21,487,601

- Assumes the board does not raise taxes
- Accounts for proposed State Budget increase in Basic Ed and Special Ed Funding
- Expending ALL of CARES II Funding

Expenses: \$21,375,472

- Zero based budgeting.
- Accounts for increases to pension and salaries for HESPA, HEA, and administration
- Considers inflation and comprehensive plan initiatives

Proposed Budget Surplus: \$112,129

Act I Allowance: 3.0% (base index), 4.0% (adjusted index)

- 100% tax increase would generate \$293,622 in new revenue (.8995 mills)
- 50% tax increase would generate \$146,893 in new revenue (.4498 mills)

RUNNING RECORD OF CHANGES FOR 2021-2022 FINAL BUDGET

	EXPENSES	REVENUE	BALANCE
April 27, 2021 Board Meeting - Final Preliminary Budget			
OPENING BALANCE	\$ 21,246,886	\$ 20,506,283	\$ (740,603)
Bond Payment and Interest Adjustment	\$ (178,999)		
State Basic Ed Funding Increase - Govenor Budget Proposal Feb 2021		\$ 90,027	
State Special ED Funding Decrease - Govenor Budget Proposal Feb 2021		\$ 139,624	
Health Care Premium Final Rates (3.15% to 3.00%) - Updated 3/23/21	\$ (69,092)		
Budget Vo-Tech Share Change	\$ (14,369)		
CARES II Allocation Used for Roof Top Unit/BPI		\$ 161,000	
CARES II Allocation Mindy's Budget		\$ 529,167	
Additional Costs - Updated Technology Budget	\$ 230,504		
E-Rate Technology Reimbursement		\$ 61,500	
Middle School/High School Roof Top Unit	\$ 75,000		
Middle School/High School BPI	\$ 85,543		
Total Final Budget as of 04/27/2021	\$ 21,375,472	\$ 21,487,601	\$ 112,129

PROPOSED CHANGES

HALIFAX AREA SCHOOL DISTRICT
INPUT DATA FOR BUDGET PLANNING MODEL

Run ID	Pathway 1 - Future Tax = 0%				
	2020-21	2021-22	2022-23	2023-24	2024-25
BUDGET PROJECTIONS SUMMARY	Budget	Projected	Projected	Projected	Projected
TOTAL EXPENDITURES	\$ 20,430,046	\$ 21,375,472	\$ 21,645,150	\$ 22,164,972	\$ 22,686,690
TOTAL REVENUE	\$ 20,357,993	\$ 21,487,601	\$ 21,708,440	\$ 21,828,957	\$ 21,317,312
SURPLUS OR DEFICIT	\$ (72,053)	\$ 112,129	\$ 63,290	\$ (336,015)	\$ (1,369,378)
ENDING FUND BALANCE - Unassigned	\$ (72,053)	\$ 40,076	\$ 103,366	\$ (232,649)	\$ (1,602,027)
Ending % of Expenditures	-0.35%	0.19%	0.48%	-1.05%	-7.06%

PATHWAY 1 PROJECTIONS
NO TAX INCREASES

INPUT DATA FOR BUDGET PLANNING MODEL

Run ID		Pathway 1 - Future Tax = 2%				
		2020-21	2021-22	2022-23	2023-24	2024-25
BUDGET PROJECTIONS SUMMARY		Budget	Projected	Projected	Projected	Projected
TOTAL EXPENDITURES		\$ 20,430,046	\$ 21,375,472	\$ 21,645,150	\$ 22,164,972	\$ 22,686,690
TOTAL REVENUE		\$ 20,357,993	\$ 21,634,601	\$ 21,645,150	\$ 22,164,972	\$ 21,485,587
SURPLUS OR DEFICIT		\$ (72,053)	\$ 259,129	\$ 0	\$ 0	\$ (1,201,103)
ENDING FUND BALANCE - Unassigned		\$ (72,053)	\$ 187,076	\$ 187,076	\$ 187,076	\$ (1,014,027)
Ending % of Expenditures		-0.35%	0.88%	0.86%	0.84%	-4.47%

**PATHWAY 2 PROJECTIONS
50% OF THE INDEX - INCREASE 2021**

HALIFAX AREA SCHOOL DISTRICT
INPUT DATA FOR BUDGET PLANNING MODEL

Run ID	Pathway 1 - Future Tax = 2%				
	2020-21	2021-22	2022-23	2023-24	2024-25
BUDGET PROJECTIONS SUMMARY	Budget	Projected	Projected	Projected	Projected
TOTAL EXPENDITURES	\$ 20,430,046	\$ 21,375,472	\$ 21,645,150	\$ 22,164,972	\$ 22,686,690
TOTAL REVENUE	\$ 20,357,993	\$ 21,487,601	\$ 21,645,150	\$ 22,164,972	\$ 21,485,587
SURPLUS OR DEFICIT	\$ (72,053)	\$ 112,129	\$ 0	\$ 0	\$ (1,201,103)
ENDING FUND BALANCE - Unassigned	\$ (72,053)	\$ 40,076	\$ 40,076	\$ 40,077	\$ (1,161,027)
Ending % of Expenditures	-0.35%	0.19%	0.19%	0.18%	-5.12%

PATHWAY 3 PROJECTIONS
50% OF THE INDEX - INCREASE 2022

BUDGET PROCESS TIMELINE

Budget Review Period: 03/23/2021 thru 04/27/2021.

- Community submits questions to Superintendent.
- Administration continues to revise the budget.

Budget Update: Tuesday, March 23, 2021

Budget Update: Tuesday, April 27, 2021

Proposed Budget Approved: Tuesday, May 11, 2021

Final Budget Approved: Tuesday, May 25, 2021

Email questions to HatfieldD@hasd.us