

**Bethlehem Area School District  
2011-12 Proposed Preliminary Budget (Revised)  
At A Glance**

**February 7, 2011**

	<u>2009-10 Actual</u>	<u>2010-11 Budget</u>	<u>2011-12 Budget</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
<b>Total Revenue</b>	\$197,582,538	\$207,246,829	<b>\$204,863,025</b>	<b>(\$2,383,804)</b>	-1.15%
<b>Total Expenditures</b>	\$187,550,583	\$207,246,829	<b>\$212,540,516</b>	\$5,293,687	2.55%
<b>Revenue/Expenditure GAP (R/E-GAP)</b>			<b>\$7,677,491</b>		

<b>Total Revenue With Full 1.7% Index \$ 206,981,877</b>
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The projected 2.55% increase in expenditures is the smallest increase proposed in a preliminary budget in over a decade.

The projected -1.15% decline in revenue is the largest decline in over a decade and creates significant pressures on the 2011-12 budget process.

The revenue/expenditure gap (R/E-GAP) of \$7,677,491 must be resolved by June 2011 as a result of increased revenue, decreased expenditures or some combination thereof.

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Closing the R/E-GAP must occur within certain parameters:

- \* A 0% tax rate increase (-0- mill) would require the R/E-GAP of \$7,677,491 to be closed by reduced expenditures and/or increased state/federal revenue.
- \* A 1.7% tax rate increase (Act 1 Index = 0.7508 mills) would reduce the R/E-GAP by \$2,118,851 leaving \$5,558,640 in reduced expenditures and/or increased state/federal revenue.
- \* A 6.16% tax rate increase (Act 1 Index plus preliminary estimated exceptions = 1.9697 mills) would reduce the R/E-GAP by \$7,677,491 leaving (\$0) in reduced expenditures and/or increased state/federal revenue.
- \* The proposed preliminary budget qualifies for an Act 1 Exception request because the proposed tax rate increase (6.16%) is greater than the Act 1 index of 1.7%.

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**However, BASD cannot raise tax millage above the Act 1 Index plus estimated exceptions.**

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The primary cause of the reduced revenue projected for 2011-12 is the elimination of the Federal Stimulus (ARRA) funds at both the state and federal level.

Stimulus funds have created a revenue deficit from the following sources:

PA Educational Assistance Pgm	\$	(872,809.00)
PA Accountability Block Grant	\$	(1,806,167.00)
Title I ARRA	\$	(540,000.00)
Basic Education Subsidy ARRA	\$	(3,089,051.00)
IDEIA ARRA (Special Education)	\$	(1,509,830.00)
	\$	<u>(7,817,857.00)</u>

Programs funded by these revenues in 2010-11 are as follows:

<u>Area</u>	<u>Programs Funded Wholly or In-Part by State/Federal Funds</u>	<u>Funding Source</u>	<u>Funding</u>
Regular Ed K-12	Literacy & FTK Supervisor	Basic Education Funding (BEF)	\$ 109,941.00
	4Sight	Basic Education Funding (BEF)	\$ 25,000.00
	AP Training	Basic Education Funding (BEF)	\$ 22,680.00
	Assessment Development	Basic Education Funding (BEF)	\$ 15,176.84
	FHS & LHS Labs	Basic Education Funding (BEF)	\$ 35,706.00
	FOSS Science Kits	Basic Education Funding (BEF)	\$ 70,000.00
	Library Books	Basic Education Funding (BEF)	\$ 69,435.00
	New Curriculum Writing	Basic Education Funding (BEF)	\$ 49,960.00
	Professional Development	Basic Education Funding (BEF)	\$ 40,000.00
	Read 180 Computers	Basic Education Funding (BEF)	\$ 25,150.00
	Science Electives	Basic Education Funding (BEF)	\$ 65,620.00
	Science Lab Equipment	Basic Education Funding (BEF)	\$ 12,000.00
	Substitutes for Prof. Dev.	Basic Education Funding (BEF)	\$ 40,314.00
	Technology for Elem, Middle & High	Basic Education Funding (BEF)	\$ 114,693.74
	Textbooks	Basic Education Funding (BEF)	\$ 631,805.00
	Thematic Expansion	Basic Education Funding (BEF)	\$ 18,000.00
	Title I Remainder not Funded Federally	Basic Education Funding (BEF)	\$ 599,872.00
	Tuition Reimbursement	Basic Education Funding (BEF)	\$ 604,062.00
	Tutoring K-2	Basic Education Funding (BEF)	\$ 113,260.00
	Class Size Reduction	PA Accountability Block Grant	\$ 358,932.00
FT Kdg	PA Accountability Block Grant	\$ 548,388.00	
Tutoring (Gr.3-12)	PA Educational Assistance Pgm	\$ 386,115.00	
Instructional Pgms - Supplies	PA Educational Assistance Pgm	\$ 11,432.00	
Summer School (K-8)	PA Educational Assistance Pgm	\$ 234,722.00	
Instruction - Supplies	Title I ARRA	\$ 285,949.00	
Staff Development	Title I ARRA	\$ 17,885.00	
Pre-K & After School Programs	SPARK	Basic Education Funding (BEF)	\$ 543,625.00
	SPARK Custodians (1.5)	Basic Education Funding (BEF)	\$ 66,115.77
	SPARK Transportation	Basic Education Funding (BEF)	\$ 80,000.00
	Social/Health Svcs	PA Accountability Block Grant	\$ 360,998.00
	SPARK (Pre-K) (3+2))	PA Accountability Block Grant	\$ 425,397.00
	Early Childhood Education - SPARK	Title I ARRA	\$ 236,166.06
Special Education	Balance of Salaries from IDEA Flow-thru	IDEIA ARRA (Special Education)	\$ 959,957.00
	Colonial Academy 15 slots	IDEIA ARRA (Special Education)	\$ 225,000.00
	Contracted Evaluations	IDEIA ARRA (Special Education)	\$ 25,873.00
	Contracted Therapy Services	IDEIA ARRA (Special Education)	\$ 15,000.00
	New 1:1 Assistants (4) (IU)	IDEIA ARRA (Special Education)	\$ 124,000.00
	New IU Autistic Support Class	IDEIA ARRA (Special Education)	\$ 160,000.00
Transportation	Transportation-Summer School	PA Educational Assistance Pgm	\$ 37,441.00

BETHLEHEM AREA SCHOOL DISTRICT  
2011-2012 Budget Development Timeline

<i><b>MILESTONES &amp; WORKSHOPS/HEARINGS</b></i>	<b>DATES</b>	<b>R/E-GAP (\$) &amp; Mill Increase (%)</b>
<i><b>Proposed Preliminary Budget</b></i>	<b>Jan 10, 2011</b>	\$17,194,557 13.79%
Budget Workshop	Jan 26, 2011	\$11,550,858 9.27%
<i><b>PRELIMINARY BUDGET</b></i>	<b>Feb 7, 2011</b> Spec. Bd. Meeting	\$7,677,491 6.16%
Budget Workshop	Feb 23, 2011	
Budget Workshop	March 24, 2011	
Budget Workshop	April 7, 2011	
Budget Hearing #1	April 26, 2011	
<i><b>PROPOSED FINAL BUDGET</b></i>	<b>May 9, 2011</b> Spec. Bd. Meeting	\$ _____ 0% to 6.16%
Budget Hearing #2	May 25, 2011	\$ _____ 0% to 6.16%
Budget Workshop	Early June	\$ _____ 0% to 6.16%
<i><b>FINAL BUDGET</b></i>	<b>June 13, 2011</b> Spec. Bd. Meeting	\$ _____ 0% to 6.16%

**Budget Workshops: General Areas for Potential Expenditure Reductions of  
Non-Mandated Programs and Personnel**

Areas	Examples of Non-Mandated Program's Expenditures
Facilities	<ul style="list-style-type: none"> <li>• Close a smaller elementary school/re-assign students</li> <li>• Realign elementary sending areas to maintain target class size</li> <li>• Consolidate/economize summer building usage</li> <li>• Postpone/Reduce maintenance projects</li> <li>• Reduce PM lighting/electricity usage</li> </ul>
Transportation & Operations	<ul style="list-style-type: none"> <li>• Contract out all/part of transportation services</li> <li>• Increase walking distances</li> <li>• Reduce bus stops/pick-ups</li> <li>• Reduce a Transportation Dept. Supervisor</li> <li>• Postpone/Reduce new bus purchases</li> <li>• Eliminate mid-day kindergarten bus runs</li> <li>• Eliminate/Reduce after school busing</li> <li>• Close production shop/contract out production</li> <li>• Review copier leases/reduce copying and printing</li> <li>• Eliminate/Reduce PM Security</li> </ul>
Pre-K & After School Programs	<ul style="list-style-type: none"> <li>• Eliminate/Re-Purpose non- grant funded Pre-K (SPARK) and childcare programs and personnel</li> <li>• Eliminate/reduce non-grant funded family centers and after school programs/personnel</li> </ul>
Regular Education, K-12	<ul style="list-style-type: none"> <li>• Eliminate Elementary Literacy and Middle School Math Supervisors</li> <li>• Eliminate Curriculum Office Secretary</li> <li>• Reduce 15 teaching positions/increase class sizes</li> <li>• Do not replace all/some retiring teachers</li> <li>• Eliminate/reduce elementary technology program and teachers</li> <li>• Reduce/consolidate HS electives and personnel</li> <li>• Eliminate 6-day MS schedule , reduce related arts courses</li> <li>• Reduce Reading Specialists</li> <li>• Reduce one secretary at each HS</li> <li>• Reduce hall monitors/ use teachers</li> <li>• Lengthen technology refresh cycle/reduce purchases</li> <li>• Reduce textbook/book purchases</li> <li>• Eliminate/Reduce professional development conferences</li> <li>• Eliminate/Reduce field trips</li> </ul>

Special Education	<ul style="list-style-type: none"> <li>• Streamline/reduce special education teachers and staff</li> <li>• Reduce/economize IU services</li> </ul>
Student Services	<ul style="list-style-type: none"> <li>• Reduce clinical services</li> </ul>
Alternative School	<ul style="list-style-type: none"> <li>• Eliminate/reduce alternative school services</li> </ul>
Other	<ul style="list-style-type: none"> <li>• Reduce Child Accounting Staff</li> <li>• Reduce all departments'/schools'supplies account 10%</li> </ul>
Athletics/Activities	<ul style="list-style-type: none"> <li>• Reduce one Athletic Director position</li> <li>• Consolidate MS sports</li> <li>• Eliminate/reduce freshmen sports</li> <li>• Reduce clubs with least participation</li> <li>• Reduce musical performances/travel</li> </ul>
Contracted Services	
Other	