

The Board Report

Monday, April 26, 2021



Disclaimer: The Board Report is a synopsis of the Hampton Township School Board meetings and is not intended as a replacement for any official Board minutes.

~ A Tradition of Excellence ~

The Hampton Township Board of School Directors

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Mrs. Joy Midgley	Personnel Chair
Mr. Robert Shages	Board Treasurer/Policy & Legislative Affairs Chair
Mr. Greg Stein	Technology Chair
Mr. Larry Vasko	Finance Chair
Mrs. Trisha Webb	Student Affairs Chair

This Hampton Township Board Meeting was held in the Hampton Middle School Auditorium. The meeting was audio/video simulcast so that community members could watch remotely, and was also audio/video recorded.

Members of Administration in Attendance

Dr. Michael Loughead	Superintendent of Schools
Dr. Rebecca Cunningham	Assistant Superintendent of Schools
Mr. Jeff Kline	Director of Administrative Services
Dr. Ed McKaveney	Director of Technology
Mr. Rick Farino	Supervisor of Buildings and Grounds
Mr. Josh Kellogg	Technology Services Network Administrator

Monday, April 26, 2021

Special Board Meeting

A video recording of the meeting can be viewed [here](#). The time within the video that each section begins is indicated below.

Opening

00:00

Mr. Wesley opened the meeting and said there would be time for public comment at the beginning and end of the session.

Public Comment

00:22

There was no public comment this evening.

Finance

00:34

Mr. Wesley asked Mr. Vasko to present the Finance Agenda.

Mr. Vasko began by introducing Dr. Loughead to provide enrollment and staffing projections for the coming year.

Enrollment Projections and Staffing Considerations

00:43

Dr. Loughead said that the District's total enrollment increased from the 2019-20 school year to 2020-2021; however, student enrollment is expected to decline for the 2021-22 school year. There are several reasons for the drop in enrollment, including that a number of students moved to a private education this year and it is unclear how many of those students will return next year. The District is anticipating that most of the students enrolled in the Hampton Online Academy (HOA) will return to Hampton next year, depending on the pandemic. Numbers for total enrollment are preliminary at this stage and are expected to be more accurate towards the beginning of the next school year.

Looking more specifically at grade-level enrollment changes, Dr. Loughead said:

- The elementary schools saw an uptick in enrollment from 2019-20 to 2020-21
- The middle school saw a decline
- The high school saw a drop in enrollment

Middle School			
Grade Level	2019-2020	2020-2021	2021-2022
Grade 6	239	216	211
Grade 7	187	239	206
Grade 8	257	188	236
Total:	683	643	653

High School			
Grade Level	2019-2020	2020-2021	2021-2022
Grade 9	208	262	196
Grade 10	252	210	254
Grade 11	248	252	212
Grade 12	232	252	251
Total:	940	976	913

Elementary Schools			
Grade Level	2019-2020	2020-2021	2021-2022
K	152	166	164
Grade 1	203	200	189
Grade 2	184	207	186
Grade 3	211	185	199
Grade 4	201	217	185
Grade 5	211	201	212
Total:	1162	1176	1135

District Enrollment			
	2019-2020	2020-2021	2021-2022
Total:	2785	2795	2701

*2021-2022 Projected Enrollment Information

At this time, Dr. Loughead said, the District has the ability to manage the student population without the need for additional staff. The only considerations would be surprise enrollments at the elementary level, but even that can be managed. While no additional staffing is recommended based on student population, the District is recommending three positions for next year:

- A part-time middle school technology education teacher to support the change in start time. As was previously decided, some schools will have later start times during the 2021-22 school year.
- A 10-month school psychologist position to provide additional support at the elementary level.
- A 10-month technology technician support position.
- Dr. Removcik then provided a breakdown of average class sizes at the middle and high school for core classes, honor classes and elective classes. On average:
 - Core middle school classes will have 20 to 21 students; electives would be similar and Band and Physical Education classes would be slightly larger with 22 to 25 students.
 - Core eighth grade classes would range from 19 to 25 students with the variation in size stemming from the start of honors classes.
 - Core classes at the high school would average 22 to 24 students depending upon the subject; however, honors/AP and some of the fundamental classes tend to have smaller class sizes.
- Beattie enrollment is projected to increase next year.

In response to Board Member questions, Dr. Loughead commented on the following:

- There is an ongoing discussion among northern area school districts about an opportunity to collaborate to provide specific online courses. This program would be similar to ones that several District administrators have worked with previously. This online opportunity is being considered for the 2021-2022 academic year.
- Any Hampton courses would be taught by a Hampton teacher and would be provided separately from the in-person classes. Other school districts could also provide courses through this type of arrangement.
- The system could be used to support classes with interest, but low enrollment, from multiple districts.

Curriculum Resources Budget Presentation

21:12

Dr. Removcik then presented on the anticipated curriculum resources for the District:

- Elementary schools have been piloting a new English Language Arts program currently under consideration. If recommended, then this resource would replace the current ELA program, which has been retired by its publishing company. If a full replacement occurred, there would be a 3-year financing plan to pay for the new resources.
- The cost of electronic resources at the elementary level is expected to decline next year.
- The middle school is looking at changing its sixth grade math resource to one that better aligns with the curriculum and scheduling of the middle school. If that change proceeds, there would be an added curriculum materials cost, which is already included in the budget.
- The high school is considering an opportunity to replace AP Psychology textbooks and online resources, as the current textbook is out of date. The cost of replacing both the textbook and the electronic text is only slightly higher than just replacing the textbook, which is why the plan is to pursue both.
- Overall, there should be a decrease in anticipated curriculum costs next year, and that decrease should continue until additional core subjects are reviewed and replacement materials are recommended.

Technology Department Budget Presentation

28:53

Mr. Vasko introduced Dr. McKaveney to present the Technology Department needs.

Dr. McKaveney said that there is a slight increase to the technology budget because more laptops and devices need to be replaced. Additionally, there were some added expenses from additional technology including software, classroom display systems, adapters, connectors, etc. The District also saw some pandemic-related technology expenses, including online materials, streaming services, and Adobe products along with ongoing costs for services including phones, system security, and internet.

There is also interest in adding a 10-month employee to provide additional technological support.

In response to Board Member questions, Dr. McKaveney, Dr. Loughead, and Mr. Kline said:

- The insurance account set aside for one-on-one technology has about \$19,000 for future repairs and maintenance.

The current support person is someone who has provided out-sourced support for 12 months, who would instead provide in-house support for the busiest 10 months. There is an additional projected cost for the technician's salary and benefits.

- If replacement laptops are ordered early, it should be possible to receive them this summer even with the chip shortage, which has been delaying shipment of electronics.
- Approval for replacement devices should be presented at the May Voting Meeting.

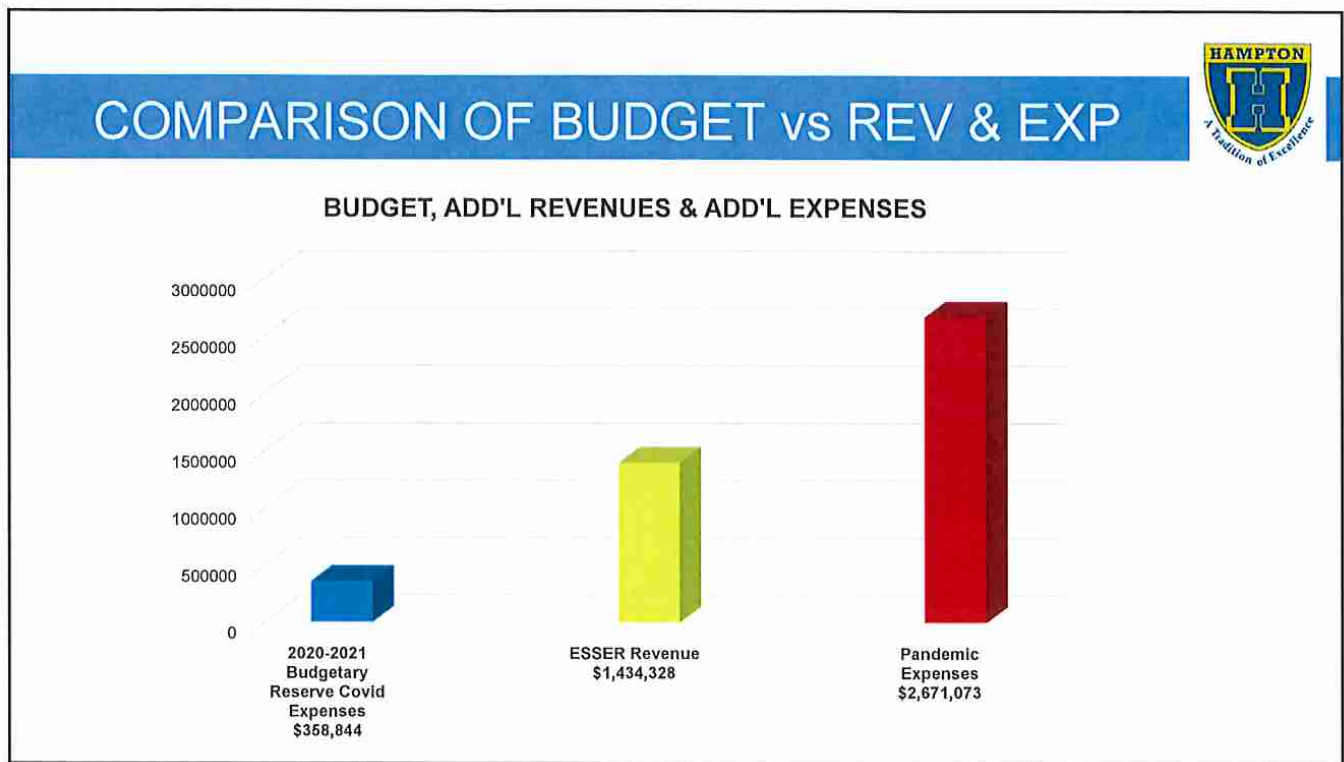
Pandemic Expenses Presentation

40:50

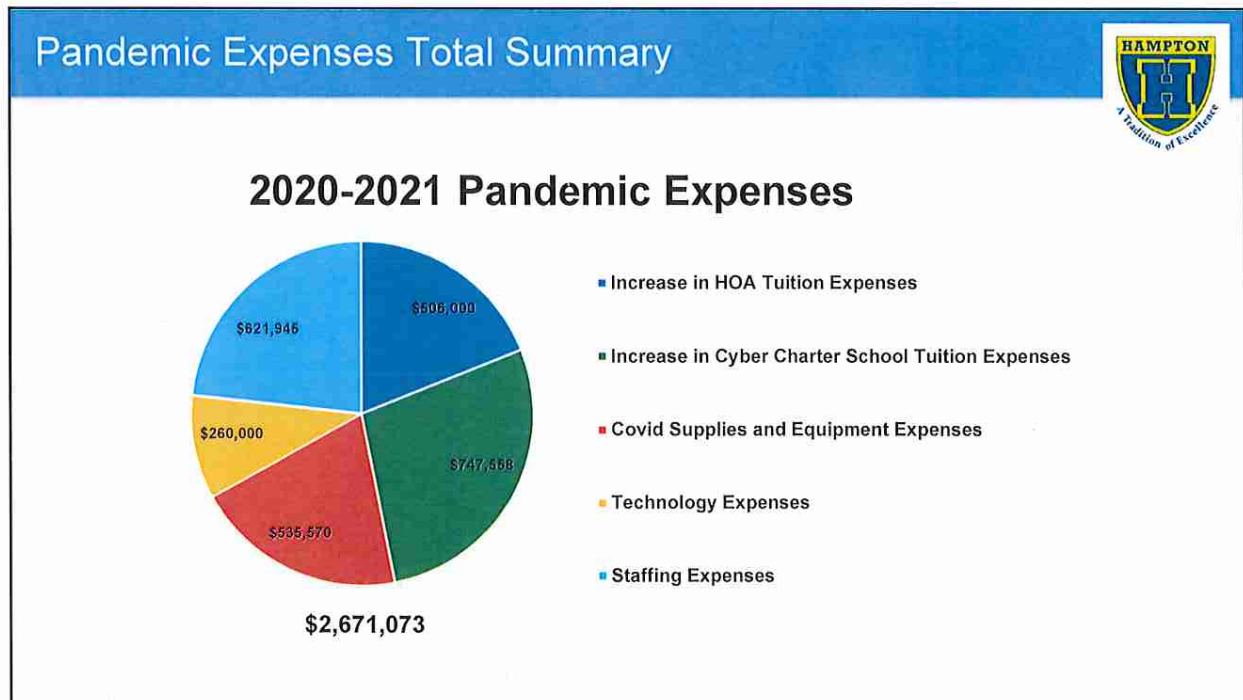
Mr. Vasko asked for a breakdown of pandemic-related expenses.

Dr. Loughead introduced Mr. Kline to give that presentation. Mr. Kline provided an overview of the expenses that the District incurred while providing instruction during the pandemic. He said:

- Overall, the District faces a budget shortfall, because expenses exceeded what had been set aside by the District in 2019-20 and the federal support funding provided.



- Federal funding was not allocated based on the measures that districts took to remain open, or the days students had in-person instruction. Using the federal allocation system, the District did not receive as much funding as some other districts did.
- Overall, Hampton will receive approximately \$1.4 million in federal funding and spent approximately \$2.67 million on pandemic-related items.
- District expenses were categorized into five categories: Additional Staffing, Additional Cyber School Tuition, Additional Hampton Online Academy Tuition, Supplies and Equipment, and Technology.



- The District added eight part-time nurses and thirteen long-term subs to support students at a cost of \$621,945
- Cyber school enrollment increased from 28 to 72 students for an additional cost of \$747,558
- Hampton Online Academy enrollment increased from 35 to 229 students for an additional cost of \$506,000
- Supply and equipment purchases totaled \$535,570
- Technology purchases totaled \$260,000

In response to Board Member questions, Mr. Kline and Dr. Loughead said:

- The summer education program is expected to cost between \$15,000 and \$20,000 for salaries and transportation.
- The District prefers to offer academic support and credit recovery programs in-person during the summer, rather than sending students to an online program

- The District also will continue to provide extended services to qualifying special education students during the summer.
- Last year the District created a stabilization fund to help fund pandemic expenses this year, but that money was not enough.
- There is a wide range of allowable expenses for districts that are receiving federal money to support COVID-related costs. Some districts will be able to spend that money over a multi-year period, but Hampton has spent all of its allocation in the 2020-21 year.
- Funds were allocated based on the Title I formula and not based on what steps school districts took to stay open.
- It is disappointing that the District did not receive funds based on the specific steps taken to provide an in-person education during the pandemic.
- This information is being shared during the budget discussions because it will affect the upcoming budget.
- In speaking with families in the District, it is anticipated that many of the students in cyber or online programs this year will return to in-person classes next year – if pandemic conditions have eased. Families are indicating that they want to come back if the pandemic conditions continue to improve.

Mr. Vasko added that this type of unexpected event is why the District has a high fund balance – to provide for “rainy days.”

Preliminary Budget Highlights and Discussion

57:57

Mr. Kline provided a first look at a preliminary budget. The document is set to be updated for the Board’s May Voting Meeting. The initial budget includes the following elements:

- An unanticipated loss of about \$891,000 from unreimbursed pandemic expenses.
- Improved revenue from real estate taxes and reduced expenditures for some fall expenses.
- Use of funds from the stabilization and unassigned funds.
- Total expenditure for the proposed budget would be \$57.2 million – an increase of 3.8% from last year’s budget.
- A net shortfall following the use of stabilization funds of \$2,079,232.
- A tax increase to the Act I limit would provide additional funding; however a shortfall of \$1,089,232 would still remain.

In response to Board Member questions, Mr. Kline and Mr. Vasko said:

- The District should not see too much decline in revenue from commercial real estate tax appeals as there is a good diversity of property types in Hampton.
- Increases in real estate tax revenue have been positive, but there is no increase in state funding, which is a challenge for the budget.

- More of the unassigned fund balance could be used – but given how much that has been taken out of the rainy-day fund, using more should be a last resort at this stage. There are really three options to close the budget gap at this stage: budget reduction, financing arrangements or using the unassigned fund balance.
- Additionally, the teacher contract will need to be renegotiated next year. And, an additional \$10 million will need to be borrowed to complete Phase I of the high school renovation project.
- Moving forward with the high school renovation project had committed the District to increasing taxes for the next few years – that process had already been established before the pandemic started. Now other expenses have been added on top of that project.
- An initial breakdown of the expenses involved in the athletics funding requests was included in preliminary budget documentation. However, a more complete assessment of the costs involved in activities can be provided at an upcoming meeting.
- Some of the funding requests for athletics were costs deferred from last school year while others were planned to be paid this year.
- School districts have been advised not to plan on increases in state funding for next year. There was no increase last year or this year and they have been told not to anticipate one next year either, which is a legislative issue.
- The amount the District spends on pension funding (PSERS) will continue to increase.
- Increased costs from more students enrolling in Beattie has already been included in the provisional budget.

Board Members also discussed assessing the potential to add an activities fee for students taking part in extracurricular programs. This fee would include sports and other programs. The idea would be to consider establishing a fee that would be equitable rather than a flat fee across all programs. However, more information on the actual costs involved is needed before this philosophical conversation occurs. A Board Member added that an activity fee could help generate revenue but it would not be able to supply enough to cover the remaining budget shortfall. This idea will be studied and presented to the Board in September or October of 2021. A decision regarding this issue will be deferred until that time and will not be instituted this school year.

Dr. Loughead said more information on revisions and adjustments to the overall proposed 2021-22 budget would be shared at the Board's second meeting in May.

Board Members added that the public should know the District has spent approximately \$2.67 million to support students through the pandemic and have only been provided \$1.4 million in support funding.

Public Comment

1:34:20

Mr. Wesley opened the floor for public comment. There were no public comments this evening.

Closing and Adjournment

1:34:34

The special budget meeting was adjourned.