

# *TULAROSA MUNICIPAL SCHOOLS*



*Annual Budget  
Fiscal Year  
2020-2021*

# AGENDA:

- Discussion of Salary/Benefit Proposals:
  - 4% Average Salary Increase
  - Increase in Health Insurance Costs
  - Increase in Basic Life Insurance Costs
- Discussion of Budget Worksheets:
  - Operational Fund
  - Transportation Fund
  - Cafeteria Fund
  - Athletic Funds
  - Instructional Material Fund
  - Federal Flow-through Funds
  - Federal Direct Funds
  - State Flow-through Funds
  - Capital Project Funds
  - Debt Service Fund
- Questions & Answers

# **SALARY BUDGET MANDATES:**

Salary schedules & budgets will reflect the following Statutory Minimums:

## **TEACHERS:**

- 22-10A-7 Minimum Salary - Level I - \$41,000
- 22-10A-10 Minimum Salary - Level II - \$50,000
- 22-10A-11 Minimum Salary - Level III - \$60,000

## **PRINCIPALS:**

- Elementary Minimum Salary - \$72,000
  - Assistant - \$66,000
- Middle School Minimum Salary - \$84,000
  - Assistant - \$69,000
- High School Minimum Salary - \$96,000
  - Assistant - \$75,000

Salary Schedules reflect 4 % Average Salary increase

## **ALL OTHER EMPLOYEES:**

- 4% Salary Increase for all other employees - does not include Superintendent - Superintendent increase requires Board Approval.

# INSURANCE INCREASES:

- **Health Insurance Cost - Increase in Premiums**
  - High Option Plans - Rates reflect an Increase of 8.7% in Premiums
    - Affects cost to both the District & employee
  - Low Option Plans - Rates reflect an Increase of 2.1% in Premiums
    - Affects cost to District only
- **Dental Insurance Cost - No Increase in Premiums this year**
- **Vision Insurance Cost - No increase in Premiums this year**
- **Basic Life Insurance Cost - Increase of 8.7% in Premiums**

# RETIREMENT CONTRIBUTION RATES:

- **Educational Retirement Board - No Increase in Contribution %**
  - Employee Contribution Rate - 10.7%
    - ERB Threshold - \$24,000
    - < \$24,000 - 7.9%
    - > \$24,000 - 10.7%
  - Employer Contribution Rate - 14.15%

# SALARY BUDGET - COSTS

## ○ Salary Cost Increases to District

### ■ Level I Teachers:

○ Wage Increase - AVG 4.03%	\$13,288	
○ ERB, RHCA, FICA & Medicare Increase	<u>\$3,162</u>	
<b>Total Increase</b>		<b>\$16,450</b>

### ■ Level II Teachers:

○ Wage Increase - AVG 4.55%	\$78,698	
○ ERB, RHCA, FICA & Medicare Increase	<u>\$18,730</u>	
<b>Total Increase</b>		<b>\$97,428</b>

### ■ Level III Teachers:

○ Wage Increase-AVG 4.41%	\$113,200	
○ ERB, RHCA, FICA & Medicare Increase	<u>\$26,941</u>	
<b>Total Increase</b>		<b>\$140,141</b>

**TEACHER/COUNSELOR/LIBRARIAN INCREASE - \$254,019**

### ■ Educational Assistants:

○ Wage Increase-AVG 4.25%	\$16,046	
○ ERB, RHCA, FICA & Medicare Increase	<u>\$3,818</u>	
<b>Total Increase</b>		<b>\$19,864</b>

### ■ Cafeteria:

○ Wage Increase-AVG 4.00%	\$1,884	
○ ERB, RHCA, FICA & Medicare Increase	<u>\$133</u>	
<b>Total Increase</b>		<b>\$2,017</b>

# SALARY BUDGET - COSTS - CON'T

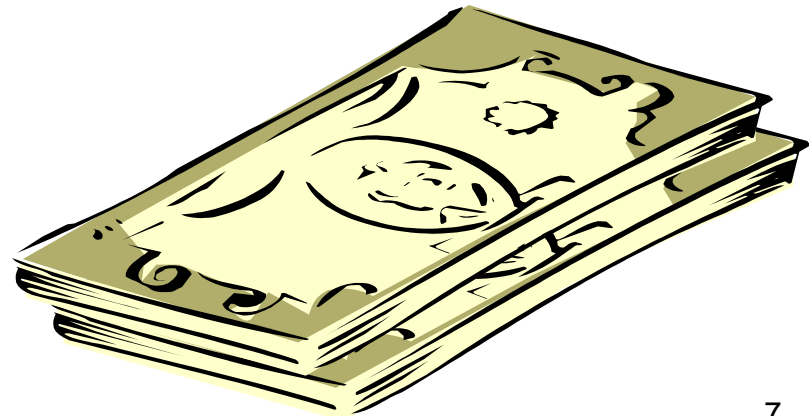
<ul style="list-style-type: none"> <li>▪ <b>Administration:</b> <ul style="list-style-type: none"> <li>○ Wage Increase - AVG 4.00% \$28,681</li> <li>○ ERB, RHCA, FICA &amp; Medicare Increase <u>\$6,826</u></li> <li>    <b>Total Increase</b> \$35,507</li> </ul> </li> </ul>		
<ul style="list-style-type: none"> <li>▪ <b>Central Office:</b> <ul style="list-style-type: none"> <li>○ Wage Increase - AVG 4.00% \$5,559</li> <li>○ ERB, RHCA, FICA &amp; Medicare Increase <u>\$1,323</u></li> <li>    <b>Total Increase</b> \$6,882</li> </ul> </li> </ul>		
<ul style="list-style-type: none"> <li>▪ <b>Custodians &amp; Maintenance:</b> <ul style="list-style-type: none"> <li>○ Wage Increase-AVG 4.00% \$14,144</li> <li>○ ERB, RHCA, FICA &amp; Medicare Increase <u>\$3,367</u></li> <li>    <b>Total Increase</b> \$17,511</li> </ul> </li> </ul>		
<ul style="list-style-type: none"> <li>▪ <b>Secretaries:</b> <ul style="list-style-type: none"> <li>○ Wage Increase-AVG 4.20% \$5,444</li> <li>○ ERB, RHCA, FICA &amp; Medicare Increase <u>\$1,295</u></li> <li>    <b>Total Increase</b> \$6,739</li> </ul> </li> </ul>		
<ul style="list-style-type: none"> <li>▪ <b>Nurse:</b> <ul style="list-style-type: none"> <li>○ Wage Increase-AVG 6.0% \$2,097</li> <li>○ ERB, RHCA, FICA &amp; Medicare Increase <u>\$498</u></li> <li>    <b>Total Increase</b> \$2,595</li> </ul> </li> </ul>		

ED ASST/CAFETERIA/ADMIN/CO/C&M/SEC/NURSE INCREASE - \$91,115

**TOTAL ALL SALARY & TAX COST INCREASE TO DISTRICT - \$345,134**

# OPERATIONAL FUND REVENUE:

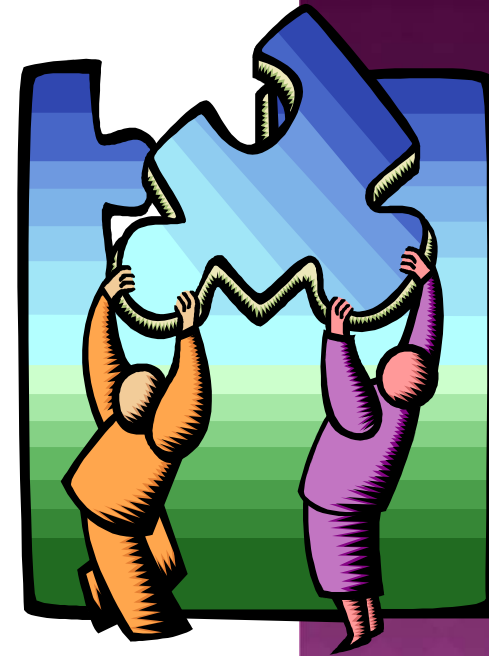
- ◉ Local sources - **.43%** - based on .809 mill levy rate and 104,689,460 assessed property valuations and bank & investment interest.
- ◉ Federal Sources - **1.97%** - consists of Impact Aid, & Admin Overhead charged to Federal Grants.
- ◉ State Equalization Guarantee - **89.85%** - the **largest** portion of the general fund - based on form PED910B-5 SEG formula.
- ◉ Cash Balance - **7.72%**
- ◉ Restricted Cash - **.03%**



# STATE EQUALIZATION MAJOR COMPONENTS OF A STUDENT DRIVEN FORMULA

- Basic Program Units - Grades K-12
  - 1,033.474 from 989.681 units
- Training and Experience Index
  - 1.142 from 1.158
- TCI (Teacher Cost) Index
  - 1.138 from 1.150
- Staffing Cost Multiplier (SCM)
  - 1.140 from 1.156
- Special Education Units -C,D,DD,& A/B Membership
  - 278.55 from 257.6 units
- Fine Arts Program Units
  - 24.1 from 22.7 units
- Elementary PE Units
  - 30.36 from 30.9 units
- School Size Adjustment Units
  - 198.395 from 226.154 units
- District Size Adjustment Units
  - 101.008 from 98.16 units
- Rural Population Program Units
  - 35.326 from 16.988
- At-Risk Index Units
  - 217.678 from 185.456 units
- Growth Units
  - 13.928 from 32.228 units

**TOTAL PROGRAM UNITS: 2,077.505 from 2,014.257**





# NEW PROGRAM CODE

## ○ 4020 AT-RISK PROGRAMS

Includes at-risk education programs, such as research-based or evidence-based social, emotional or academic interventions and services such as:

### ONLY USED IN FUNCTION 1000- INSTRUCTION

*Should facilitate comparisons to units and amounts generated for at-risk programs under the SEG funding formula and should also track to items submitted in the education plan to qualify for at-risk units.*

### *Tularosa FY 2020-2021 AT-RISK*

*217.678 units X \$4,758.10 =  
\$1,035,734*

*A school district (and charter school) is eligible for additional program units if it establishes within its department approved educational plan identified SERVICES to assist students to reach their full academic potential.*

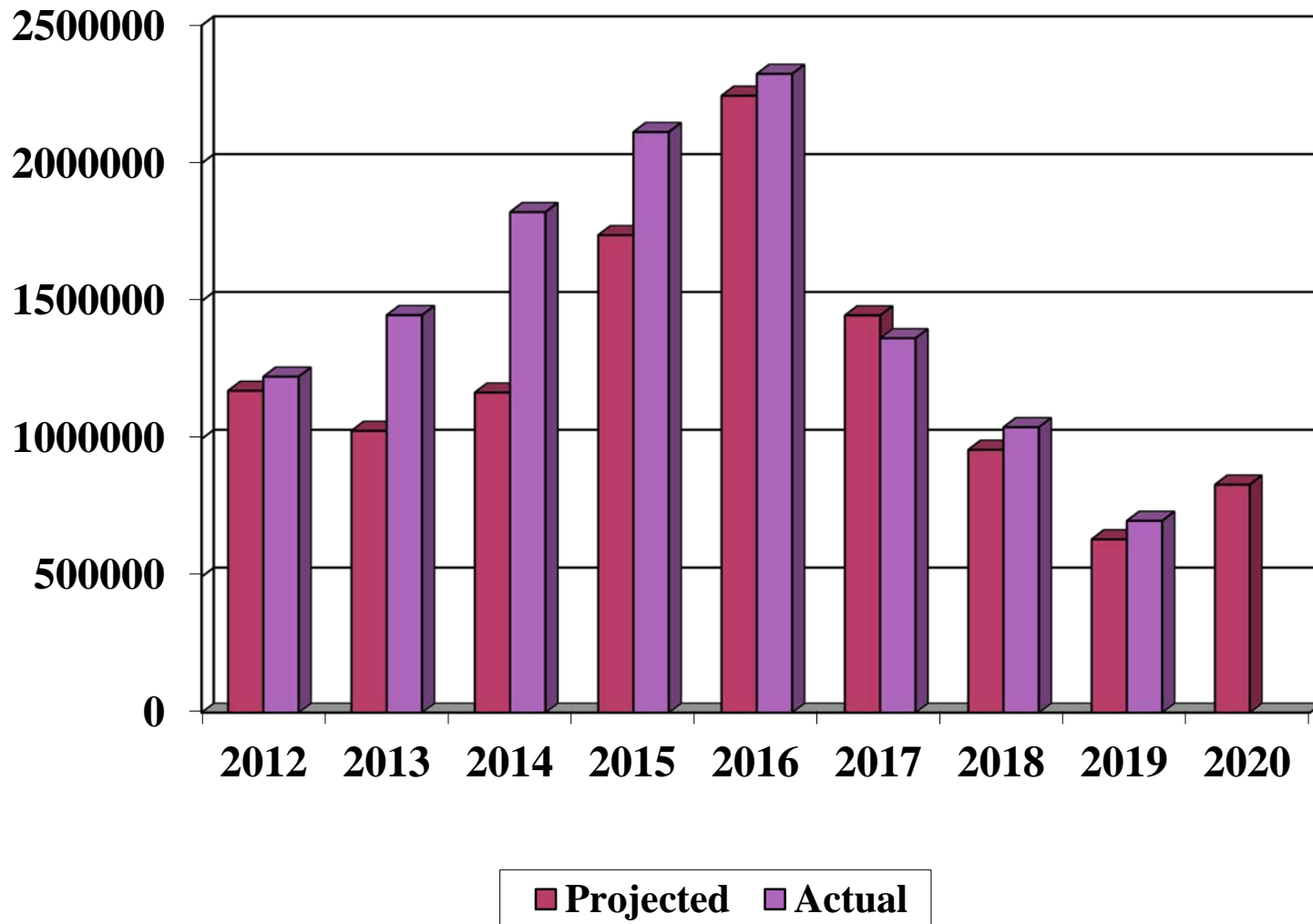
- Case management, tutoring, reading interventions and after-school programs that are delivered by social workers, counselors, teachers, or other professional staff;
- Culturally relevant professional and curriculum development, including those necessary to support language acquisition, bilingual and multicultural education;
- Additional compensation strategies for high-need schools;
- Whole school interventions, including school-based health centers and community schools;
- Educational programming intended to improve career and college readiness of at-risk students, including dual or concurrent enrollment, career and technical education, guidance counseling services and coordination with post-secondary institutions; and
- Services to engage and support parents and families in the education of students.

# INITIAL ENROLLMENT/UNIT VALUE COMPARISON:

<b>Funded</b>	<b>2018-19 Final</b>	<b>2019-20 Final</b>	<b>2020-21 Initial</b>
Membership:	837.25	989.681	1,033.474
Total Units:	1,909.689	1,984.230	2,077.505
Unit Value:	\$4,190.85	\$4,602.27	\$4,758.10
SEG	\$7,763,509	\$9,131,956	\$9,884,977

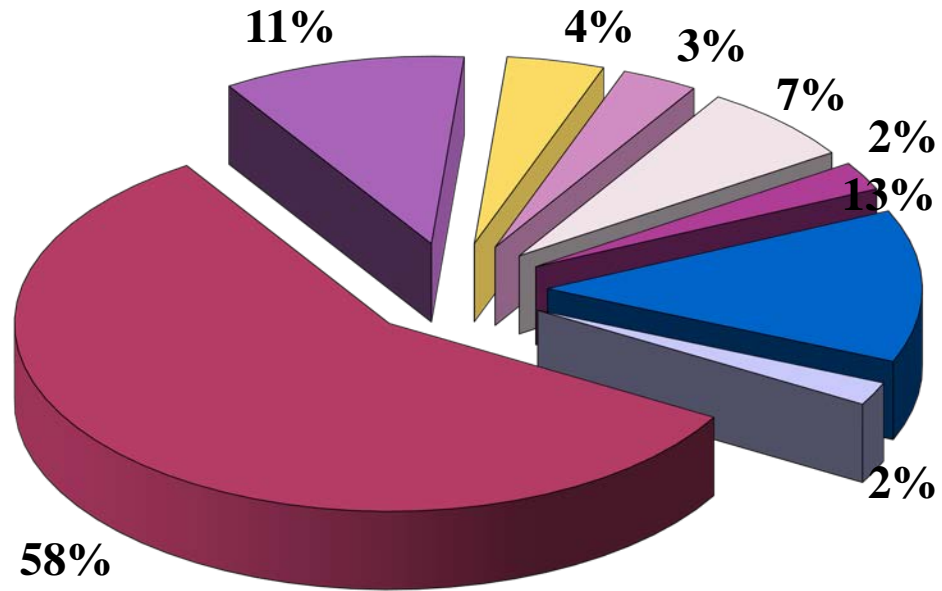
Comparing 19-20 Final to 20-21 Initial  
 Increase in unit value: \$155.83 per unit  
 Increase in total units: 93.275 units  
 Increase in SEG \$: \$753,021

# CASH BALANCE TREND:



# OPERATIONAL BUDGET EXPENDITURE LEVELS & PRIMARY FUNCTIONS

- 1000 Direct Instruction  
58.50%
- 2100 Inst. Sup Students  
11.79%
- 2200 Inst. Sup Instruct  
4.05%
- 2300 Administration  
3.11%
- 2400 School Admin  
6.30%
- 2500 Business Support  
2.37%
- 2600 Maintenance of Plant  
11.97%
- 2900 Other  
1.92%



# OPERATIONAL EXPENDITURES

## FY 2019-2020 Expenditure Categories:

Wages	\$5,670,001
Benefits	\$2,176,736
Textbooks	\$61,500
Software	\$49,000
Student Travel	\$45,500
Professional Development	\$34,500
RIS Ancillary Services	\$588,000
Other Contract Services	\$15,000
General Supplies & Materials	\$199,500
Supply Assets (under \$5000)	\$21,000
Fixed Assets (over \$5000)	\$0.00
Utilities	\$375,000
Liability Insurance	\$314,354
Litigation Fees	\$80,000
Emergency Reserve	\$14,829
ALL Other	<u>\$194,024</u>

## FY 2020-2021 Expenditure Categories:

Wages	\$5,958,916
Benefits	\$2,223,586
Textbooks	\$141,500
Software	\$59,000
Student Travel	\$45,500
Professional Development	\$64,500
RIS Ancillary Services	\$830,000
Other Contract Services	\$15,000
General Supplies & Materials	\$214,500
Supply Assets (under \$5000)	\$21,000
Fixed Assets (over \$5000)	\$0.00
Utilities	\$375,000
Liability Insurance	\$317,878
Litigation Fees	\$80,000
Emergency Reserve	\$124,066
ALL Other	<u>\$338,040</u>

**TOTAL BUDGETED  
EXPENDITURES \$9,838,944**

**TOTAL BUDGETED  
EXPENDITURES \$10,808,486**

# TRANSPORTATION ALLOCATION:



- Allocation based on statutory funding formula and legislative appropriation for school transportation - data reported on the 80<sup>th</sup> & 120<sup>th</sup> day. Must submit ridership (students eligible & riding), miles, per capita miles, buses & number of school days.

<u>Allocation</u>	<u>2019-2020</u>		<u>2020-2021</u>	
	<u>Initial</u>	<u>Final</u>	<u>Initial</u>	<u>Final</u>
To/From Operations:	\$577,062	\$577,062		
Rents/Leases:	\$82,226	\$82,226		

## Summary of Changes in To/From Amount Allocated:

\$ - FY 19/20 Final vs FY 20/21 Initial

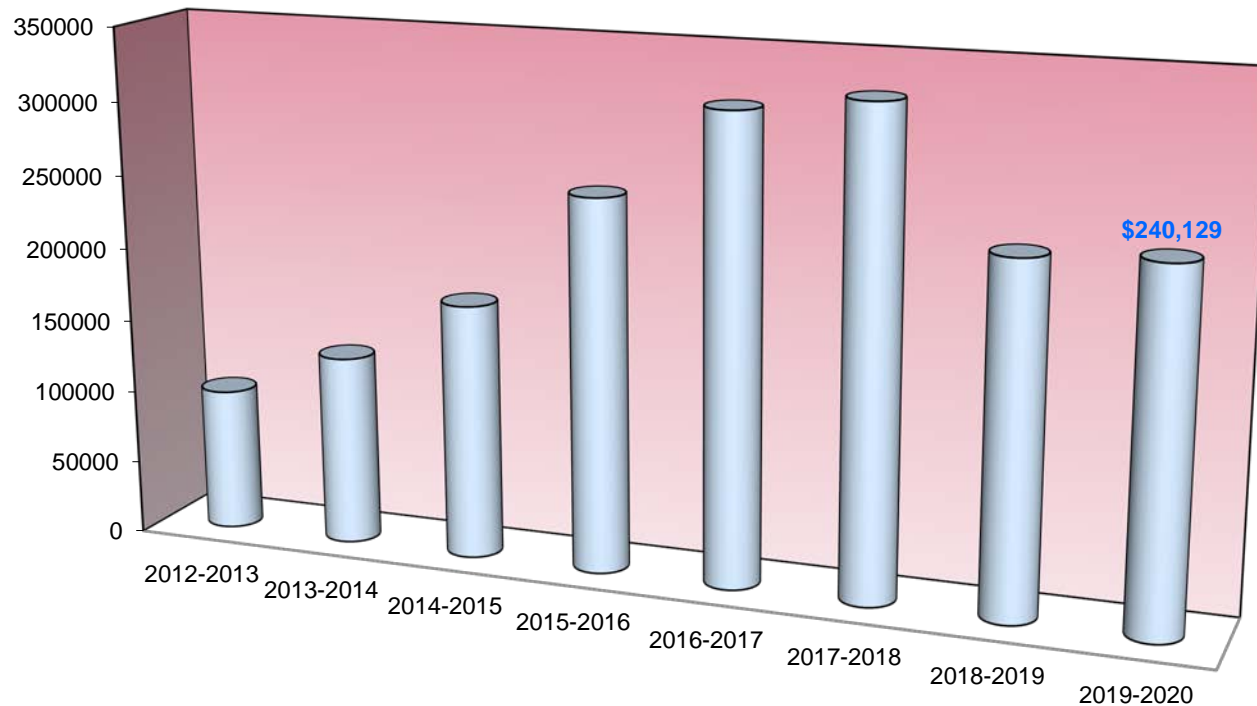
Rents/leases allocation based on bus replacements needed by Contractor

# CAFETERIA FUND

- A'VIANDS, LLC:
- Contract For FY 2020-2021 - Year 3 of 3
- No Increase in Management Fee
- Profit & Loss Statement



CASH BALANCE HISTORY



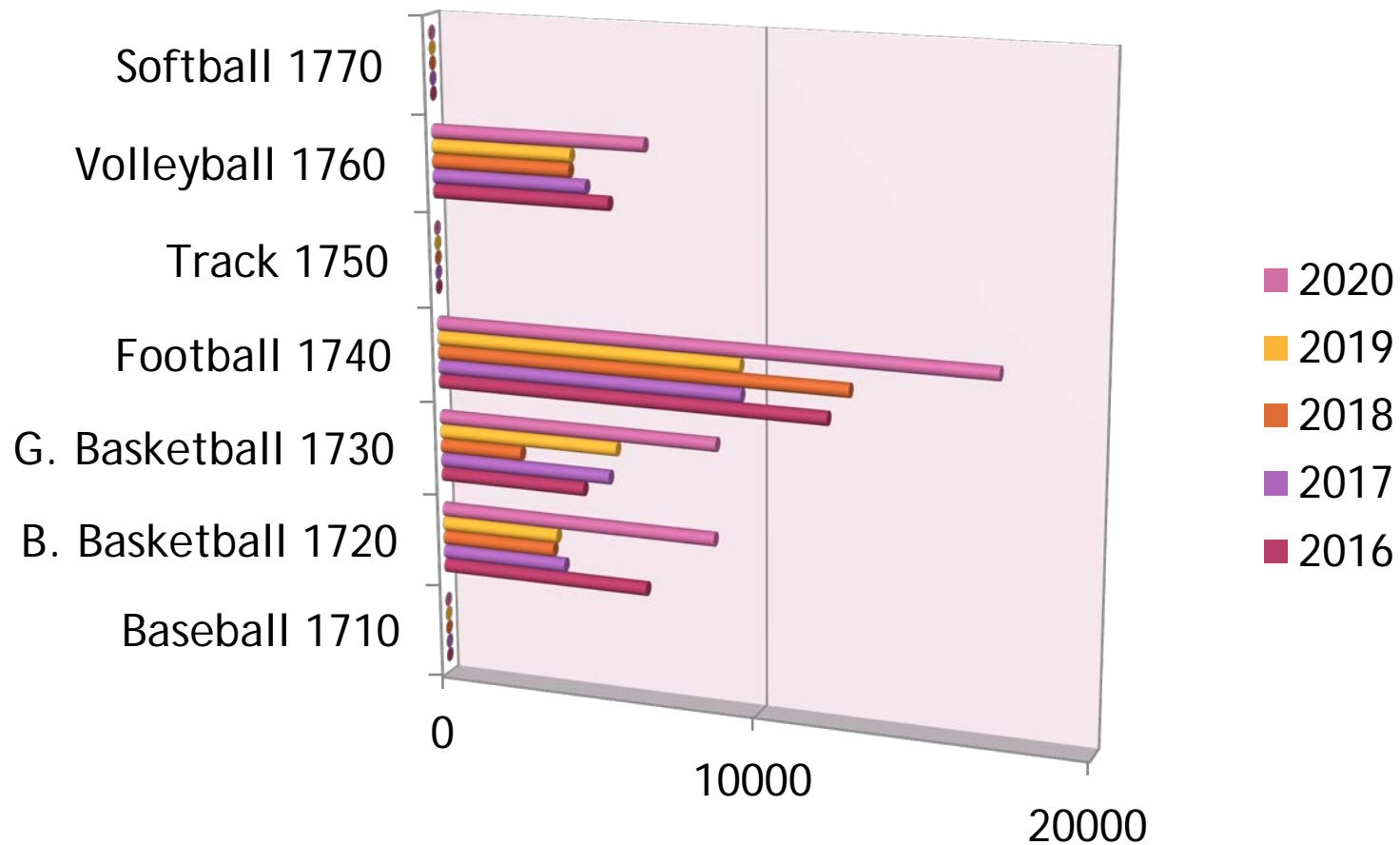
# ATHLETIC FUND



- Gate Receipts Fund #22000

- Projected Cash Carryover \$11,367

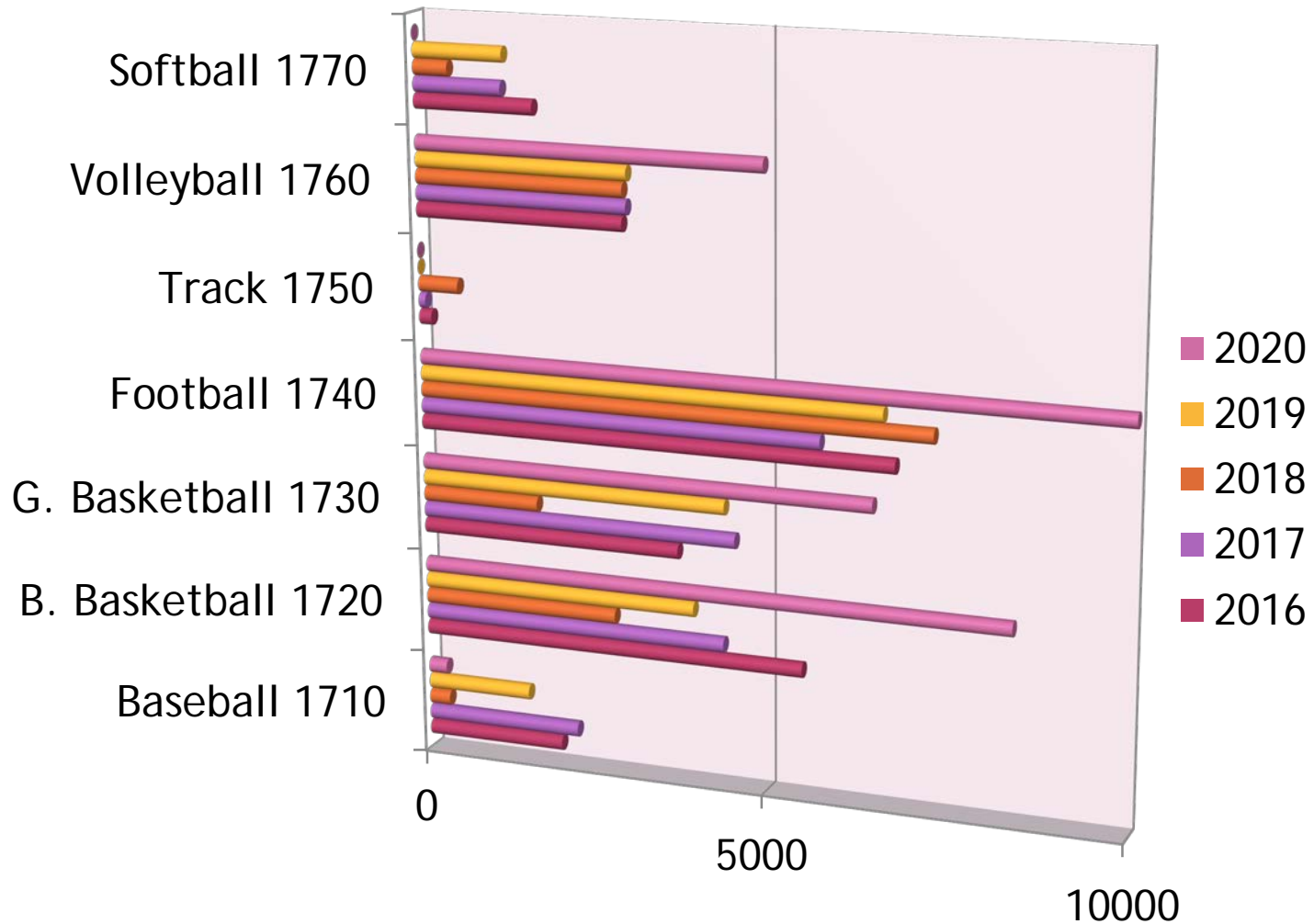
## 5 YEAR REVENUE HISTORY





# ATHLETIC FUND

## 5 Year Expenditure History



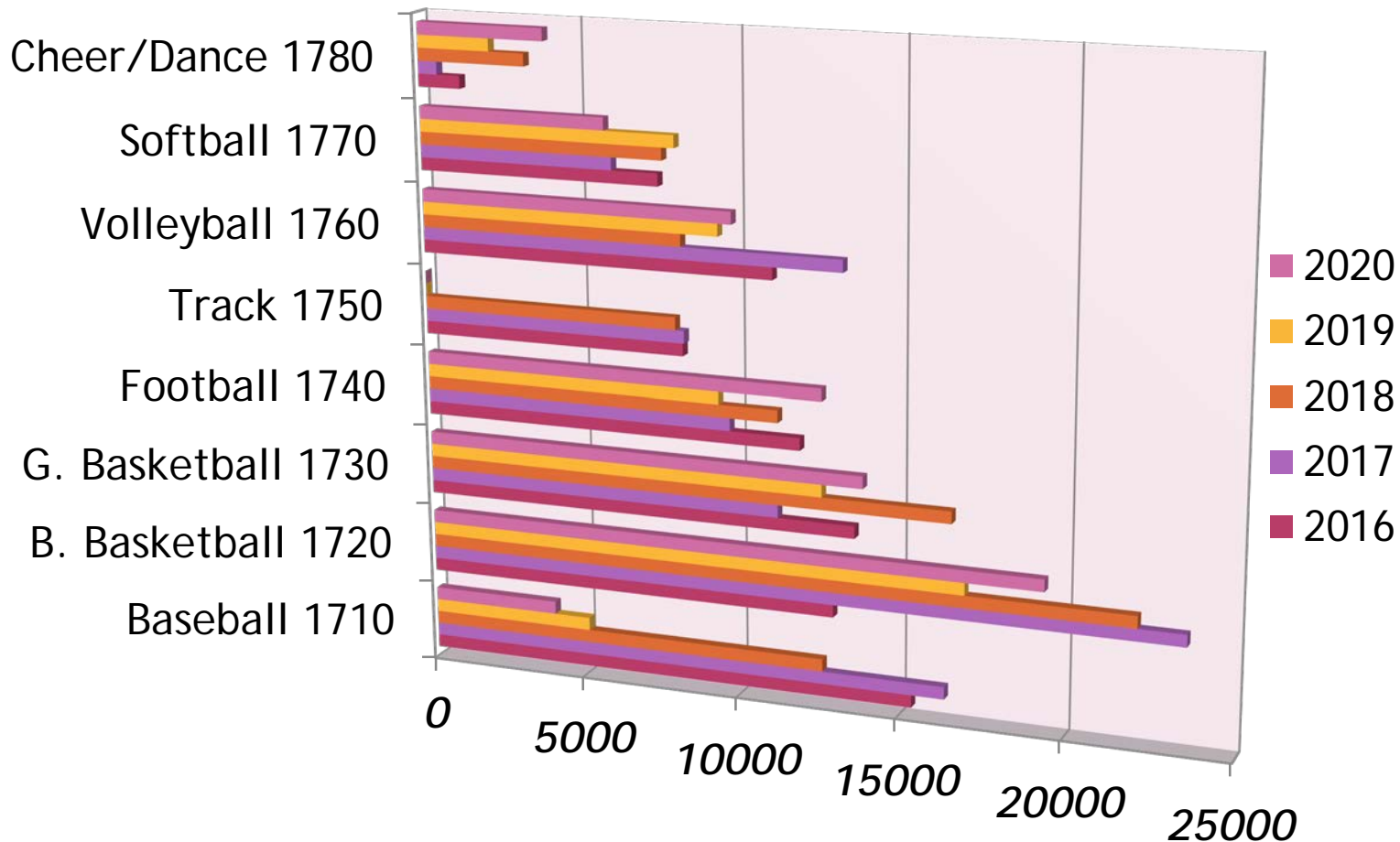
# NISF FUND

- Coaches Fund #23000

- Projected cash carryover \$30,990

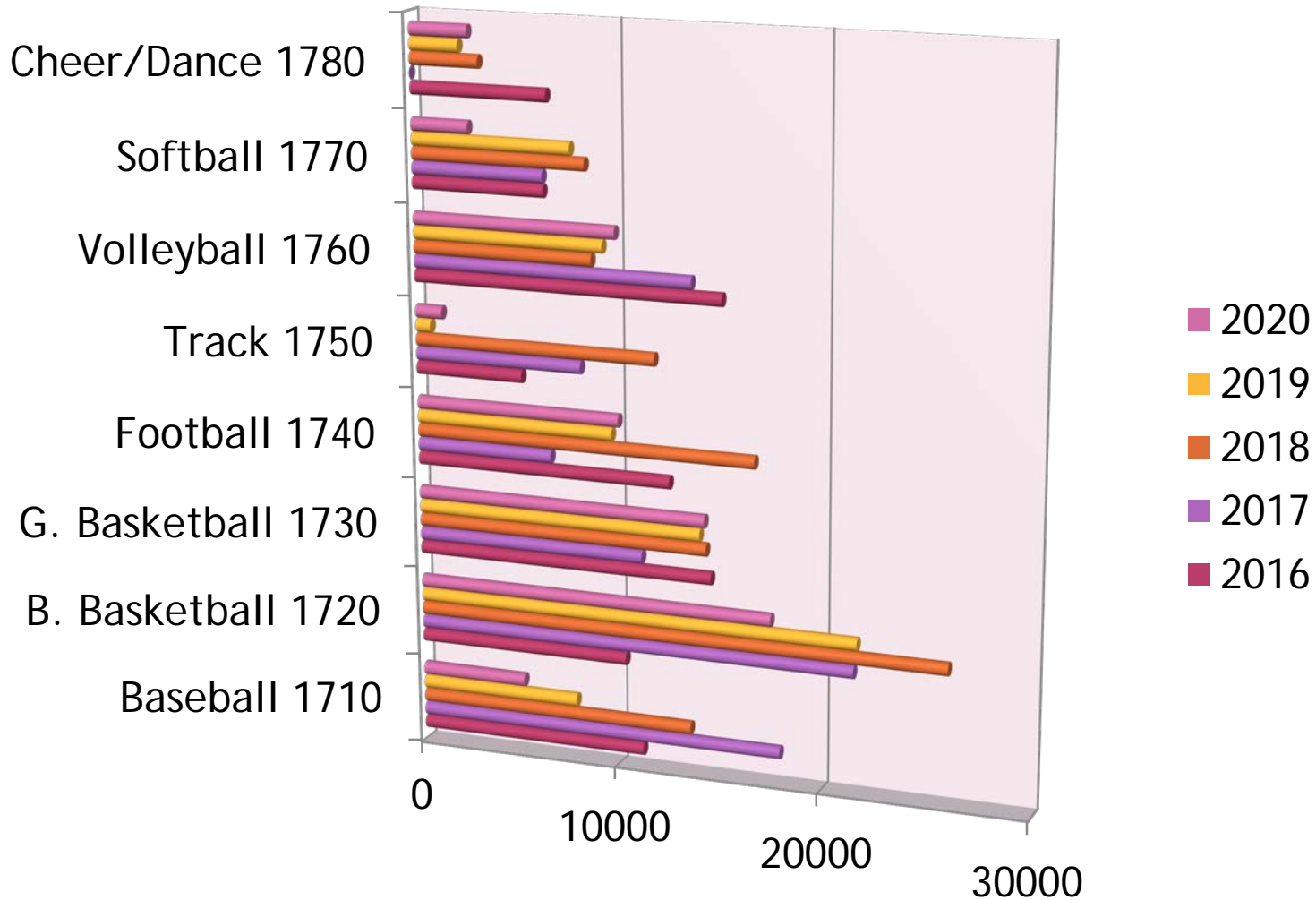


## 5 YEAR REVENUE HISTORY



# NISF FUND

## 5 YEAR EXPENDITURE HISTORY



# FEDERAL FUND PLANNING ALLOCATIONS:



## Allocations

## 19-20 - Final

## 20-21 - Initial

**Title I - #24101**

*APPROVED CASH CARRYOVER*

**\$584,753**

*\$39,653*

**\$584,753**

*\$0*

**IDEA-B - #24106**

*APPROVED CASH CARRYOVER*

**\$263,393**

*\$161,387*

**\$0**

*\$0*

**IDEA-B - #24109**

*APPROVED CASH CARRYOVER*

**\$8,688**

*\$0*

**\$0**

*\$0*

**Title II - #24154**

*APPROVED CASH CARRYOVER*

**\$73,477**

*\$3,525*

**\$65,336**

*\$0*

**Title IV - #24189**

*APPROVED CASH CARRYOVER*

**\$41,464**

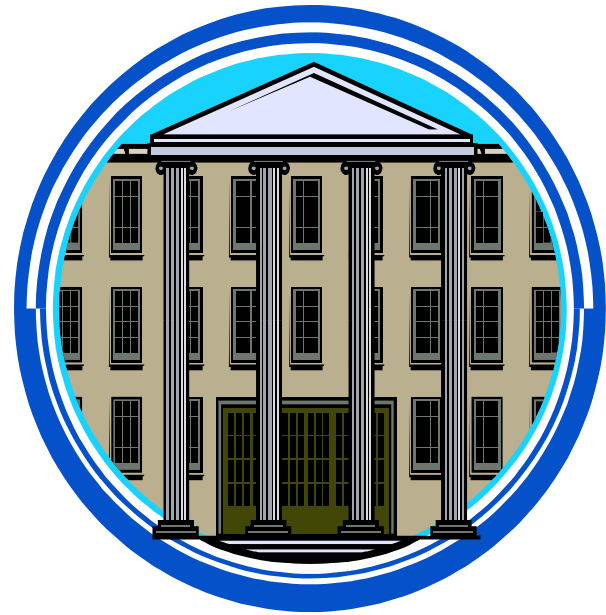
*\$0*

**\$0**

*\$0*

# FEDERAL DIRECT GRANTS:

- Impact Aid - Special Education - #25145 - Budget is based on the current fiscal year IMPACT AID revenue received and any PROJECTED cash carryover.
  - *AID: \$25,515 CC: \$75,122*
- Impact Aid - Indian Education - #25147 - Budget is based on the current fiscal year IMPACT AID revenue received and any PROJECTED cash carryover.
  - *AID: \$38,907 CC: \$36,316*
- Medicaid - #25153 - Budget is based on projected cash carryover and revenue received from Region IX Education Cooperative who submits quarterly Medicaid reports and distributes revenue to school districts.
  - *RIX: \$30,000 CC: \$78,400*
- Indian Education Formula Grant - #25184 - Reimbursed based fund - Submit expenditures for reimbursement up to the amount of Federal Award.
  - *FA: \$44,642 CC: None*



- ***FEDERAL DIRECT GRANTS DO NOT FLOWTHROUGH THE STATE PUBLIC EDUCATION DEPARTMENT - REVENUE IS RECEIVED DIRECTLY FROM THE FEDERAL GOVERNMENT***

# STATE & LOCAL FUNDS

- Grants usually awarded during school year -  
Initial budget created through BAR process.
- Anticipated Grant Awards:



- Breakfast After the Bell #27155 - Reimbursement based fund - Submit expenditures for reimbursement up to the amount of State Award - An elementary/intermediate school breakfast program in which food shall be served or consumed, at no charge, after the instructional day has begun, provided that instruction occurs simultaneously - in which 85% or more of the enrolled students are eligible for free or reduced lunch the prior school year.

FY 2019-2020 Award: \$21,499

- 2016 GOP Library Resources #27107 - Reimbursement based fund - Submit expenditures for reimbursement up to the amount of State Award - Funds to be used to acquire library books and library resources and must be approved by PED prior to purchase - has a reversion date.

Balance of 2016 Award: \$11,345 - reverts 6/30/2021

Balance of 2018 Award: \$13,862 - reverts 6/30/2023

- Dual Credit Instructional Material #27103 - Reimbursement based fund - Submit expenditures for reimbursement up to the amount of State Award - Must be used for high school students acquiring early college credit hours - issued in two installments - if first installment is not used, the second one goes away.

FY 2019-2020 Award: \$1,829

# INSTRUCTIONAL MATERIAL ALLOCATIONS:

Initial allocation - based upon 40<sup>th</sup> day enrollment numbers from prior school year

Final allocation - adjusted at end of school year based on current school year 40<sup>th</sup> day enrollment

	<u>2019-2020</u>		<u>2020-2021</u>	
	<u>Initial</u>	<u>Final</u>	<u>Initial</u>	<u>Final</u>
Allocation:	\$73,325	- \$81,472	\$??????	- ??????

## Summary of Changes in Amount Allocated:

\$?,??? Increase - FY 19/20 Final vs FY 20/21 Initial

- Cash Carryover Projection - **\$11,139.**
- FUND CHANGED FROM 14000 TO 27109



# CAPITAL OUTLAY - BOND FUND PRIORITIES FOR 2019-2020

## ❖ *Construction Projects Priorities*

- |  |                  |
|--|------------------|
| ■ <i>Roofing Project - TES Cafeteria</i>               | <i>\$200,000</i> |
| ■ <i>Roofing Project - THS Gym</i>                     | <i>\$200,000</i> |
| ■ <i>Roofing Project - THS AG Building</i>             | <i>\$100,000</i> |
| ■ <i>Roofing Project - CO Building</i>                 | <i>\$200,000</i> |
| ■ <i>Design &amp; Planning - Middle School</i>         | <i>\$200,000</i> |
| ■ <i>Athletic Fields - THS Softball/Baseball Field</i> | <i>\$700,000</i> |
| ■ <i>Re-stucco Project - CO Outside Walls</i>          | <i>\$200,000</i> |

## ❖ *Non-Construction Projects*

- *Improvements to Phone System*
- *Software Purchases*
- *Purchase/Upgrade School Technology Equipment*
- *Provide Continuous Facilities Maintenance*





# CAPITAL OUTLAY-CAPITAL IMPROVEMENTS ACT SB-9 (LOCAL) - #31701

- Fund created by PED to separate reimbursed portion of revenue from revenue received from local sources
- Local revenue source is ONLY property taxes
  - ❖ 1.986 residential mill rate
  - ❖ 2.000 non-residential mill rate

**Projected tax revenue**  
**\$208,607**

**Projected Cash Carryover**  
**\$75,626**



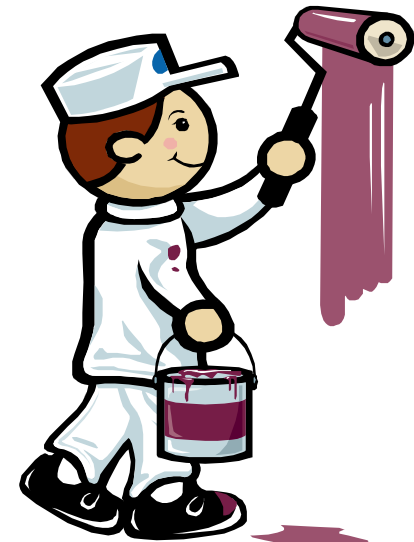
The funds are less restricted as to their use but School districts shall give priority to maintenance projects.

# CAPITAL OUTLAY-CAPITAL IMPROVEMENTS ACT SB-9 - #31703 (FORMERLY #31700)

Funding mechanism that allows districts to ask local voters to approve a property levy of up to two mills for a maximum of 6 years - Act contains provisions to provide a school district with a minimum guaranteed level of funding - If the revenue generated by the local two-mill levy is less than the program guarantee, the state funds the difference in the form of “guaranteed matching” funds. The funds are restricted as to their use and School districts shall give priority to maintenance projects.

Reimbursed based fund (#31700) changed to a non-reimbursed fund (#31703)

- ◉ Balance of 2018-2019 Fund #31700 reimbursed-based Award - **\$127,080** - will be drawn down by fiscal year end.
- ◉ Balance of 2019-2020 Fund #31703 non-reimbursed award - **\$130,406**



# DEBT SERVICE FUND:



- 2020-2021 Scheduled Payments:

<i>Principal:</i>	\$745,000
<i>Interest:</i>	\$75,786
- No bond issues are scheduled to retire.
- Outstanding Bond Indebtedness at 07/01/2020  
**7 Issues - \$4,055,000 Principal & \$797,763 Interest**
- \$1,000,000 Bond Sale - July/August 2020
- Cash Carryover is *restricted* for payment of debt  
*Amount included in 2020-2021 budget is \$837,906.*