

PUBLIC SCHOOL SUPPORT

2013 Legislative Session

Department/Program:	Transportation
Required Funding:	\$73,759.7 Maintenance & Operations
	\$13,546.4 Fuel
	\$ 587.6 ERB Employer-Employee Swap (1.75%)
	\$ 293.8 Increase in Employer ERB Contribution (.75%)
	<u>\$11,700.2 Rental Fees (Contractor-Owned Buses)</u>
	\$99,887.7 Total

Executive Summary

The transportation program provides a safe and cost effective means of transporting students to and from school. Given the rural nature of our state and the great distances students must travel just to get to school, many students would not be able to attend school without this service.

Transportation funds are distributed through the Transportation Funding Formula established in Section 22-8-29.1 NMSA 1978. Funds are received annually through a categorical legislative appropriation. Categorical funding is intended to supplement operational funds provided to districts through the state's funding formula and provide funding to districts for specific programs or services.

For FY12, approximately 184,339 students used school transportation services daily in all 89 school districts. In addition, a limited number of locally authorized charter schools and four state authorized charter schools provide transportation services. A total of 30,792,843 miles were traveled by these buses.

The FY14 request includes funding to accommodate a sustained increased price for diesel fuel that is not expected to decrease significantly.

The request also includes funding for the 1.75 percent employer-employee swap and the 0.75 percent increase in the employer cost of ERB contributions.

State statute also provides for funding the replacement cost of buses for both district-owned and contractor-owned buses based on criteria established by the Public Education Department. Of note is that this request only includes rental fees for contractors and excludes a capital outlay or special appropriation request of \$20 million to replace 237 school-owned buses.

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2013-2014 PROJECTED NEED FOR SCHOOL TRANSPORTATION

OPERATION AND MAINTENANCE

2011-2012 Actuals

PURCHASE SERVICES (53000, 54000 & 55000) (less rent and leases (54620) (less fuel and sal. and ben. for contractors)	\$20,373,709
SUPPLIES AND MATERIALS (56000) (Less Fuel, Objects 56210,56211,56212)	\$1,958,020
PROPERTY (57000) (Less school owned buses, Object 57312)	\$699,042

OPERATION AND MAINTENANCE BASE (FY2012) \$ 23,030,771

Estimated Increase Current Year CPI	2.00%	\$	460,615
Following Year Projected CPI	1.90%	\$	437,585

2013-2014 O & M NEED \$ 23,928,971

FUEL

2011-2012 Actuals

Average diesel fuel price (FY12)	\$3.42	
District Purchase (FY12)		\$4,746,643
Contractor Purchase (FY12)		\$8,428,341

FUEL BASE (FY2011) \$ 13,174,984

Projected (FY13) Wholesale projected price	\$3.52	\$	371,433
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2013-2014 FUEL NEED \$ 13,546,417

SALARY AND BENEFITS

2011-2012 Actuals

CONTRACT ACTUAL (FY12) REPORTED	\$21,928,315
SCHOOL DISTRICT (FY12) REPORTED	\$27,902,377
BUDGETED SALARY INCREASE (FY12)	\$0
ERA	\$0

SALARY AND BENEFITS BASE (FY11) \$ 49,830,692

OPERATIONAL NEED \$ 87,306,100

OPERATIONAL APPROPRIATION (FY11) \$ 84,125,803

TOTAL INCREASE	\$	3,180,297
PERCENT OF INCREASE		3.78%

EQUIPMENT

RENTAL FEES (RENTS & LEASES)

Obligation For Existing Equipment	\$9,660,249
102 Normal Cycle Replacements @ \$20,000	2,040,000

\$ 11,700,200

CONTRACTOR EQUIPMENT NEED \$ 11,700,200

OPERATIONAL NEED & RENTAL FEES \$ 99,006,300

TOTAL APPROPRIATION (FY13) \$ 96,876,000

TOTAL INCREASE	\$	2,330,300
PERCENT OF INCREASE		2.41%