# NOTICE OF PUBLIC MEETING KINGMAN UNIFIED SCHOOL DISTRICT #20 GOVERNING BOARD MINUTES BUDGET 6/14/21

1)	Call to Order @ 10:05			(Action)
2)	Pledge of Allegiance was said			(Action)
3)	Roll Call: Dr. Charles Lucero, Absent Mrs. Jen Shumway, ZOOM	Mr. Roger Jacks, Present Mrs. Carole Young, ZOOM	Mrs. Beth Weisser, Present	(Action)

(Discussion/Action)

Approve proposed FY21/22 M&O and District Additional Assistance expenditure budgets. 4) Ahron- Mr. Vice President, members of the board. We're here today with the proposed FY 22 budget, as many of us know, the state has not formally passed its own budget they are still in deliberations, but some information related to school finance did come out and so the state was able to issue its budget forms, there is a general idea that in September school districts will potentially have to revise their budgets to meet the needs of whatever budget, the state actually finalizes but that's where we are currently so a couple things. Prior to the adopted budget that needs to happen in the next couple of weeks, we still need to set our tax rates officially, so the tax rates that are on this proposed form are placeholders, of a flat tax rate I don't expect any substantial growth. So, I'm happy with those numbers but I'll turn around in the next couple of weeks and finalize those with the county, and the final tax rates will be on the adopted budget. What needs to happen is our federal grant revenue needs to be reported more accurately I'll work with our grants manager to get that done before the adopted, and lastly the teacher salary increases through the teacher compensation fund that has yet to been finalized as well. I do know that it's a maximum of 1.25%. The hope is that in the next couple of weeks I'll be able to finalize that and get that money set in stone and then move toward actual payment. Lastly on things that still need to happen. The effect of the propositions from last year. Those aren't seen on our proposed budget we don't know what those propositions are going to do, and that's largely what's tying up the budget process now at the state, there is a little bit of, I guess a shell game going on where they're trying to offset the impact of that tax revenue through some other tax cuts and so that's what the state is locked into now, so we won't know what that proposition money will look like until they know what it looks like. So, before I move into the next piece you guys have any questions on what still needs to happen. Mr. Jacks- Any board members have any questions? Okay, none, let's move forward.

Ahron- Can you bring up my shared document please just leave it on that enrollment. So the next piece here is enrollment. We are assuming a 5% increase to enrollment when considering our current year, you can see on that chart that FYI 20 Our ADM was 6512 That's pre-pandemic, you see current year at 1697, that's the effect of your pandemic, and then you see 6371, that is our assumption of recovery and growth. We believe that's a conservative number, but you have to be aware that if that comes up short, our budget gets decreased, if that if we come up above that, then we'll have increased revenue so, decreased if we don't get that many students increased if we get more than that. Any questions on that? Really good news out of 301 they increased per student allocation to \$733.00 it was at \$490.00, in the current year, that's all based on sales tax projections. Careful business managers we may have over assumed how much money we're going to get, but currently based on our numbers, that's a chunk of \$4.5 million we can expect next year for 301. The other piece of 301 is that the rules are changed. No longer is it in three buckets, no longer do you have to tie 20% to performance, and it's opened the district up to other types of expenditures including staff at the 2100 level, capital expenses, it's opened up, district discretion. So, for this next year the district would like to keep us standard, keep us status quo as we've been, and let us use committee work to decide how 301 is going to look moving forward because it needs big changes and I think we'd be remiss if we tried to slam those through in the next couple of weeks. Lastly the current base rate provided by the state is \$4305, per pupil, that is a slight increase that accounts for inflation, only nothing else, that could go up based on the when they come to terms on their budget. So then now I move into the actual like the money part of it, we hit this right on the head, our M&O budgets at \$49 million, I told you guys to be around \$50 million, our capital budgets going be at \$6.3 million, that's exactly where I said it would be. We are down in our cash reserves to \$2.5 million, that is a concern if we are to ignore our spending, I want to say this is the tightest \$49 million we've ever had I have decreased in every area where I thought I was over budgeting too much and so we should see at the end of this year how this served us that I tighten it too much, or is this more of a self-serving budget moving forward that allows us to make better decisions because you know we walked that line. Don't tie it too much because now we can't make a decision.

Don't spend too much because now we really can't make a decision, so, please keep in mind ESSER, and the \$7 million we should expect to see this next year as a way to fund our supplemental activities and additional things we want to do in a way to make sure that M&O and capital don't get destroyed during this pandemic recovery. This will be the last piece I talked about average teacher salaries, without considering 301 for next year are up 25% since 2018. In 2018 Our teacher salary average was \$36,019.00. This next year it'll be \$44,924.00, that is without considering any sort of 301. We are still working on coming up with a uniform policy for our stipends and the way they pay out based on work and equity, but just so you have an idea of the type of compensation our employees are actually receiving in this current year. This chart shows every classification of a salaried employee, what their base rate is and what they're making, on average, with stipends considered. So, you see in our current year, our teachers with stipends make an average salary of \$52,347.00 and if you look at their average salary without stipends, they're at \$44,338.00 so we can assume that about \$7000.00 On average, each teacher earns above their base salary, and so we knew the board was interested in some numbers like that. There's more to come when we move into stipends, but that's what our compensation is looking like. I'll take any questions.

Mr. Jacks- I thought it was interesting comparison when you look at 2018 versus where we are now. That's just a huge change in salaries for pretty much everyone across the board.

Mr. Jacks- Any comments or question from other board members?

Mrs. Weisser- It's a reflection of the good staff and all the good work you've been doing here.

Ahron- We have a great team.

Mr. Jacks- I would have to say exactly the same thing. The work that's been done by you and your staff and the district staff, schools, everybody's worked together to really put us in a very, very favorable situation financial

Mrs. Shumway- I think it's important also to notice that a lot of the things that KUSD can get done is because these people are going above and beyond and doing real work, and we're compensating them with stipends, but this just shows you the difference between the base pay and we're getting from stipends tells you how much extra they are doing for our district so as to be commended as well.

Ahron- Some stipends aren't attached to extra work, though many of them are and you're absolutely correct. There are some large chunks of stipend compensation that's only tied to employees showing up. 301, mainly, it's good to note that moving forward with the new 301 rules we can actually discuss tying into their salaries for real, and coming up with numbers that we want to tie to teacher salaries on a regular basis instead of through a stipend, but that's the next year.

Ahron's presentation-

To: KUSD Governing Board From: Ahron Sherman, KUSD Finance Director RE: Proposed FY22 Expenditure Budget

### FOR AGENDA

Approve FY22 KUSD expenditure budget.

## FOR PACKET

First thing to consider here is that at the time of writing this, the state has yet to approve its budget. However, several key aspects of school finance have emerged, and the state finally provided its budget form two weeks ago. Things that still need to be finalized prior to adopted budget approval in July:

- 1. We still need to officially set our tax rates; that will happen in the next couple of weeks. We do not expect any sort of substantial increase or decrease, so we have set the rates flat for the proposed budget.
- 2. Federal grant revenue needs to be reported; currently the numbers reported are placeholders.
- 3. Still need to finalize teacher salary increases, a max of 1.25 percent, through the Teacher Compensation Fund. We hope to have that officially approved and finalized by the July meeting, but are prepared to use a revision to finalize in September if needed.

Enrollment:

1. The proposed budget assumes a five percent increase to enrollment. You can see here the trend from prepandemic to now, and where our assumption comes from. If we come up short, revenue and budget capacity decreases. If reality exceeds our expectations, revenue will increase.

1. Average Daily Membership:		Prior Year	Budget Year	
	2020 ADM	2021 ADM	2022 ADM	
Attending	6,512.428	6,097.484	6,371.000	

- 2. In relation to revenue, there is currently an increase to the Classroom Site Fund (301) from just over \$400 per student ADM to \$733 per student ADM. In addition, the new rules to 301 combine all the buckets into one, and free up funds for expenses that we not allowed in the past. The district recommends a year of stakeholder led conversation and strategy work to come up with a new Classroom Site Fund plan. For the current year, we recommend maintaining the status quo of prior years. Expect extensive communication on this area moving forward.
- 3. Lastly, the current base rate provided is \$4,305 per pupil ADM. The slight increase here is related to inflation.

### Budget

1. Based on our last revision, we nailed the numbers moving into the new year. Reserve cash is down to \$2.5 million, as we already reported, and the budgets line up with all discussions of the past few months.

Please keep in mind that this is a much tighter budget than the last few years, but it's also much more direct in multiple areas. Also, our ESSER funds will supplement and grow our district objectives for the next couple of years.

#### **Teacher Salaries**

- 1. Average teacher salaries without considering 301, are up 25 percent in since 2018 currently standing at \$44,924, up from \$36,019 in 2018.
- 2. The district is still working on its uniform stipend plans for the future, but it's important to report here that if you consider all stipends paid to staff along with their salaries, district compensation tells an even more lucrative story.

AVERAGE SALARY INCLUDING STIPENDS BY CLASSIFICATION							
Classification	202	0-2021 BASE	20	20-2021 AV G	Dail	y Rate	
Teachers	\$	37,075.00	\$	52,347.58	\$	353.70	
Teachers on Assignment	\$	50,000.00	\$	55,708.84	\$	368.93	
Dean of Students	\$	57,923.00	\$	61,885.00	\$	409.83	
Instructional Coaches	\$	47,075.00	\$	61,289.19	\$	405.89	
Counselors	\$	46,065.00	\$	62,748.28	\$	387.34	
Coordinators (School Lvl)	\$	55,000.00	\$	67,300.00	\$	410.37	
Assistant Principals	\$	57,923.00	\$	67,994.56	\$	395.32	
Principals	\$	69,300.00	\$	82,904.06	\$	460.58	
Manager Ones	\$	48,426.00	\$	51,910.00	\$	198.89	
Manager Twos	\$	60,000.00	\$	64,450.00	\$	245.99	
Coordinators (District Lvl)	\$	65,000.00	\$	69,110.21	\$	383.95	
Speech Pathologists	\$	62,000.00	\$	73,081.56	\$	483.98	
Psychologists	\$	65,000.00	\$	70,335.81	\$	423.71	
Directors	\$	80,000.00	\$	85,894.01	\$	329.10	
Assistant Superintendent	\$	90,000.00	\$	112,520.42	\$	431.11	
Superintendent		100,000.00	\$	126,484.22	\$	484.61	

Motion to approve proposed FY21/22 M&O and District Additional Assistance expenditure budgets was made by Mrs. Weisser Motion was seconded by Mrs. Young

Motion passed in favor 4-0

 Adjourn @ 10:18 am Motion to adjourn was made by Mr. Jacks Motion was seconded by Mrs. Young (Action)