

Budget Update 05/07/24

2024/2025 OPERATING BUDGET

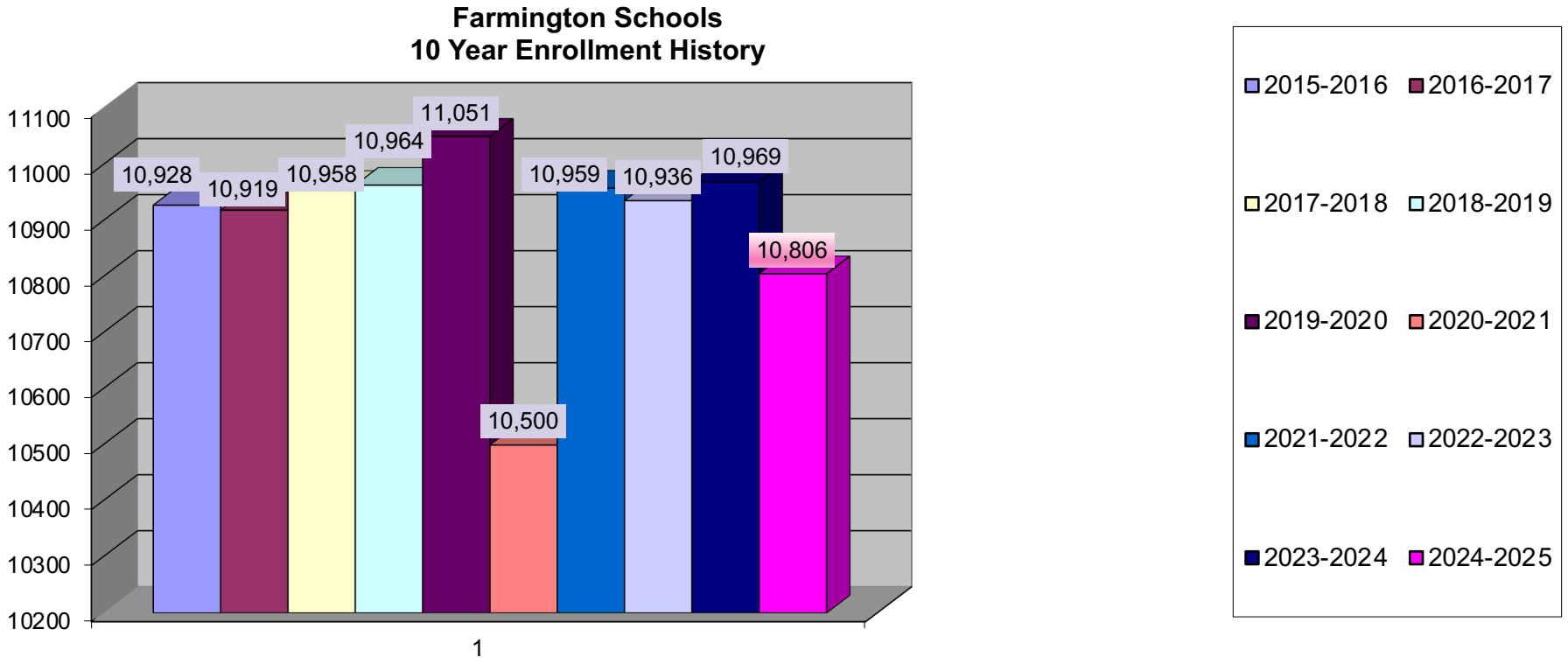
Budget Calendar 24/25

Date	Activity	Responsibility
3/20-3/22/24	Budget Workshop - Albuquerque	Administrators
5/07/24	Board of Education Work Session to review Budget Committee Recommendations	Superintendent & CFO
5/07/24	Board of Education approval of preliminary budget submitted to PED	Board of Education
5/10/24	Submit preliminary Operating Budget to PED	CFO
6/11/24	Budget formally adopted by Local Board during a public hearing	Board of Education
6/12/24	Submit final Operating budget to PED	CFO
6/30/24	Last day for PED to approve the final budget	PED

Funding Updates for 24/25

- Unit value announced at $6,442.55 (an increase of $200.88 or 3.12% over final 23-24 unit value of $6,241.67)
- Mandated employee raises of 3%
- Multiple insurance increases
- Risk insurance increase of 31.86% average
- K-12+ units added to funding formula for school calendar days over 180
- Unit Value x Program Units = SEG (State Equalization Guarantee)
- FMS 24-25 SEG is $126,680,298.74 million

Operational Funded Enrollment



24/25 Program Units – SEG Impact

Farmington Municipal Schools State Equalization Guarantee Changes in Program Units				
	FY23-24 Funding Units	FY23-24 80/120 day Avg	Diff	$000 Impact
Total MEM FTE 80/120 Day Average	10969.25	10805.50	-163.75	N/A
Membership Units Basic Education	13216.206	13004.661	-211.55	($1,362.9)
Training & Experience /TCI	792.972	598.214	-194.76	($1,254.7)
At Risk Index Unit-Multiplier	1897.680	1934.185	36.50	$235.2
Bilingual Mulitplier	180.750	180.375	-0.38	($2.4)
Special Education including Ancillary	2993.200	2913.550	-79.65	($513.1)
Fine Arts	297.110	292.628	-4.48	($28.9)
Elementary PE	296.160	287.310	-8.85	($55.2)
Growth Units	0.000	0.000	0.00	$0.0
National Board Certified	49.500	49.500	0.00	$0.0
K-12+	0.000	391.320	391.32	$2,442.5
Home School / Charter Students	10.725	11.325	0.60	$3.9
Total Program units	19734.303	19663.068	-71.23	($458.9)
Unit value change	123,175.0	126,680.3		3.51
Total SEG Impact				($455.4)
23/24 unit value	$ 6,241.67			
24/25 unit value	$ 6,442.55			
Difference	$ 200.88			
	3.12%			
24/25 Estimated SEG	$ 126,680,298.74			

Unit Calculation 24/25

- **The changes in units:**
- At Risk index from 0.173 to 0.179
  - An increase in funding of $235,153.08
- A decrease of 163.75 students
  - A decrease in funding of $1,362,889.24
- The Teacher Cost Index weight decreased 1.060 to 1.046.
  - A decrease in funding of $1,254,738.15
- One instructional day replacing one professional day on the 24/25 calendar
  - An increase in funding of $847,865.35
- 2 family engagement days added to the 24/25 calendar to compensate staff for events throughout the year
  - An increase in funding of $1,673,233.32

Cost of Mandates 24/25

- FMS Employee Raises 3% - salary increase
  - $2,164,376.20
- Medical Insurance Employer and Employee contribution 15.53%
  - $1,165,068.68
- Dental Insurance increase 5%
  - $19,117.61
- Vision Insurance increase 3%
  - $2,098.53
- Risk Insurance 31.86% average increase
  - $686,351.00
- Instructional Materials increase
  - $148,896.78
- Tier Movement
  - $200,000.00
- Vacant FTEs
  - $4,480,000.00
- T**otal cost of 24/25 Mandated Expenses**

  $8,865,908.80

24/25 Employee Compensation

- Salaries - $82,992,673.74 - 24/25 budget
  - $54,314,802.60 YTD expenses as of 03/31/24
  - $20,876,447.06 encumbrances for the remainder of the year 06/30/24
  - $2,164,376.20 3% salary increase for all employees – mandated expense
  - $200,000.00 tier movement
  - $4,480,000.00 for vacant positions – includes benefits
  - $800,000.00 added for two contract days to compensate for family engagement in 24/25
  - $100,000.00 added for Data Tech position
  - $57,047.88 – 1/3 salary and benefits for grant funded position
  - Includes substitute expense

24/25 Overtime and Stipends

- Overtime
  - $135,068.91 - 24/25 budget based on 23/24 YTD overtime expense.

- Stipends
  - $1,807,544.23 for 24/25 stipends includes YTD expense plus year end encumbrances for 23/24.

24/25 Benefits

- Benefits - $30,616,189.38 24/25 budget
  - $21,533,476.47 23/24 YTD expenses
  - $7,896,428.09 encumbrances for remainder of the year
  - $2,098.53 Vision insurance 3% increase - mandated expense
  - $19,117.61 Dental insurance 5% increase – mandated expense
  - $1,165,068.68 15.53% Medical insurance increase – mandated expense

24/25 Professional Educational Services

- Contracted Ancillary Providers
- $1,537,482.20 - 24/25 budget based on 23/24 YTD expenses plus end of year encumbrances
- Services include SLPs, Diags, Psychologist, Therapists provided by outside vendors

24/25 Professional Development

- $153,381.78 - 23/24 professional development budget
- $344,454.95 - 23/24 YTD expense plus encumbrances for the end of year
- $504,202.24 - 23/24 estimated carryover for fund 15200
- $700,493.37 - 24/25 projected revenue for fund 15200
- $1,204,695.61 - available budget in 15200 for all district professional development
- Includes HRS summit and new teacher onboarding expense

24/25 Audit and Legal

- $130,397.19 - 24/25 legal budget based on 23/24 YTD expense plus end of year encumbrance for 23/24
- $75,370.00 budget for annual audit

24/25 Purchased Services

- $133,748.30 - 23/24 YTD expenses plus end of year remaining encumbrances
- $145,000.00 reduction in budget for 23/24 from 22/23
- $163,000.00 reduction in budget for 24/25 from 23/24
- Software subscriptions expense moved to program appropriate grants, HB-33
- 24/25 budget allocated for NMAA, NMSBA, and other district memberships

24/25 Utilities

- $3,789,696.64 - 24/25 utility budget based on 23/24 YTD expense plus end of year encumbrance.

24/25 Rent and Liability Insurance

- $87,514.00 - 24/25 rent budget
- One full year of SJ College facility use for SJCHS

- $4,382,476.00 - 24/25 Liability Insurance budget
- $686,351.00 – 31.86% statewide average rate increase – mandated expense added to 23/24 liability expense of $3,613,125.00
- $83,000.00 - one year of student accident insurance.

24/25 Travel

- $557,225.34 - 24/25 travel budget
- $497,619.68 - 23/24 YTD expense plus $59,606.66 end of year encumbrances (95% student travel expense)

24/25 Contract Services

- $1,915,429.89 - 24/25 Contract Service budget
- Based on 23/24 YTD expense plus end of year encumbrances
- Used for Custodial expenses from outside vendor

24/25 Instructional Material

- $1,698,788,60 - 24/25 Instructional Material award from PED

  Of that 24/25 award $375,000.00 is budgeted for dual credit expense

24/25 Supplies and Misc.

- $671,448.45 - 24/25 supply budget
- $270,125.00 for school allocations at $25 per students

- $21,578.15 - 24/25 misc. expense budget
  - $6k 24/25 Medicaid Match
  - $15k 24/25 Tax Liability

24/25 Operating Budget

- $130,552,631.01 24/25 Operating Budget Total (Projected Expenses)
- $124,159,200.08 24/25 SEG without K-12+ units
- One Professional day changed to an instructional day will add $847k to SEG
- 2 family engagement days added to the end of the calendar to compensate for activities throughout the year will add $1.673 million to SEG
- $126,680,298,74 24/25 SEG with the professional to instructional day change and 2 family engagement calendar days added
- $3,827,856.37 23/24 cost savings added to the 24/25 Operating Budget moving salary and benefit expenses into ARP in 23/24

23/24 End of Year Cash Carryover

- $119,256,870.89 23/24 Estimated Expense made up of
  - $85,896,293.68 YTD expenses
  - $33,360,577.21 EOY encumbrances

- $123,175,007.01 23/24 final SEG
- $3,981,136.12 estimated SEG left after EOY 23/24 expenses
- $192,567.58 added revenue for indirect costs, rental income
- $6,920,247.00 22/23 cash carryover
- $11,030,950.70 estimated 23/24 cash carryover to be budgeted for 24/25

23/24 end of Year Cash Carryover

- $3,679,764.69 of the estimated 23/24 carryover is budgeted for mandated salary and benefit expense increases in 24/25
- $7,351,186.01 carryover balance budgeted into restrictive expenditures line item

Questions and Comments

- May 10th submitted budget to PED
- June 11th ask for board approval final 24/25 district operational budget