

# Albuquerque Public Schools Fiscal Year 2017 Budget

APS & APS Charter Schools

Presented to the Albuquerque Public Schools Board of Education,  
Finance Committee – May 16<sup>th</sup>, 2016

Presenters: Tami Coleman, Interim Chief Financial Officer

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# FY17 BUDGET PLANNING PROCESS

- In December, a Budget Committee was formed to seek a 2-3 year solution to address declining enrollment, streamline expenditures and enhance revenues
- In February, APS' legislative staff communicated that a significant revenue shortfall would occur at the state level due to plummeting oil prices
- Based on this information the Budget Committee conducted possible state funding scenarios in order to establish expenditure targets
- Administration presented four state funding planning scenarios to the Board for consideration
- The Board directed the administration to assume a 1.2% SEG funding cut for budget development purposes
- The 1.2% SEG reduction was anticipated as part of a special session that would occur after July 1, 2016

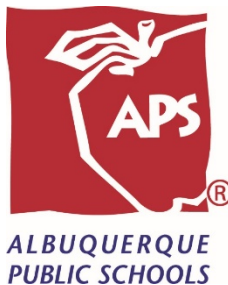
<b>APS Operational Budget Planning Process</b>	
<b>FY16 to FY17 Reconciliation</b>	
<b>GOOD NEWS/(BAD NEWS) to BUDGET</b>	
	<b>FY17</b>
	<b><u>Operational Budget (\$M)</u></b>
FY16 Projected Surplus	\$5.0
Revenue Changes FY16 to FY17 (Primarily due to enrollment decline)	(\$3.2)
Expenditure Changes FY16 to FY17 (Includes HS schedule change)	(\$3.7)
<b>Projected Surplus/(Shortfall) before the anticipated unit value adjustment</b>	<b>(\$1.9)</b>
Anticipated mid-year unit value adjustment	(\$7.6)
<b>Projected Surplus/(Shortfall) inclusive of anticipated unit value change</b>	<b>(\$9.5)</b>

APS is planning for an anticipated mid-year adjustment. A total of \$7.6M is set aside in the budget to address this reduction.

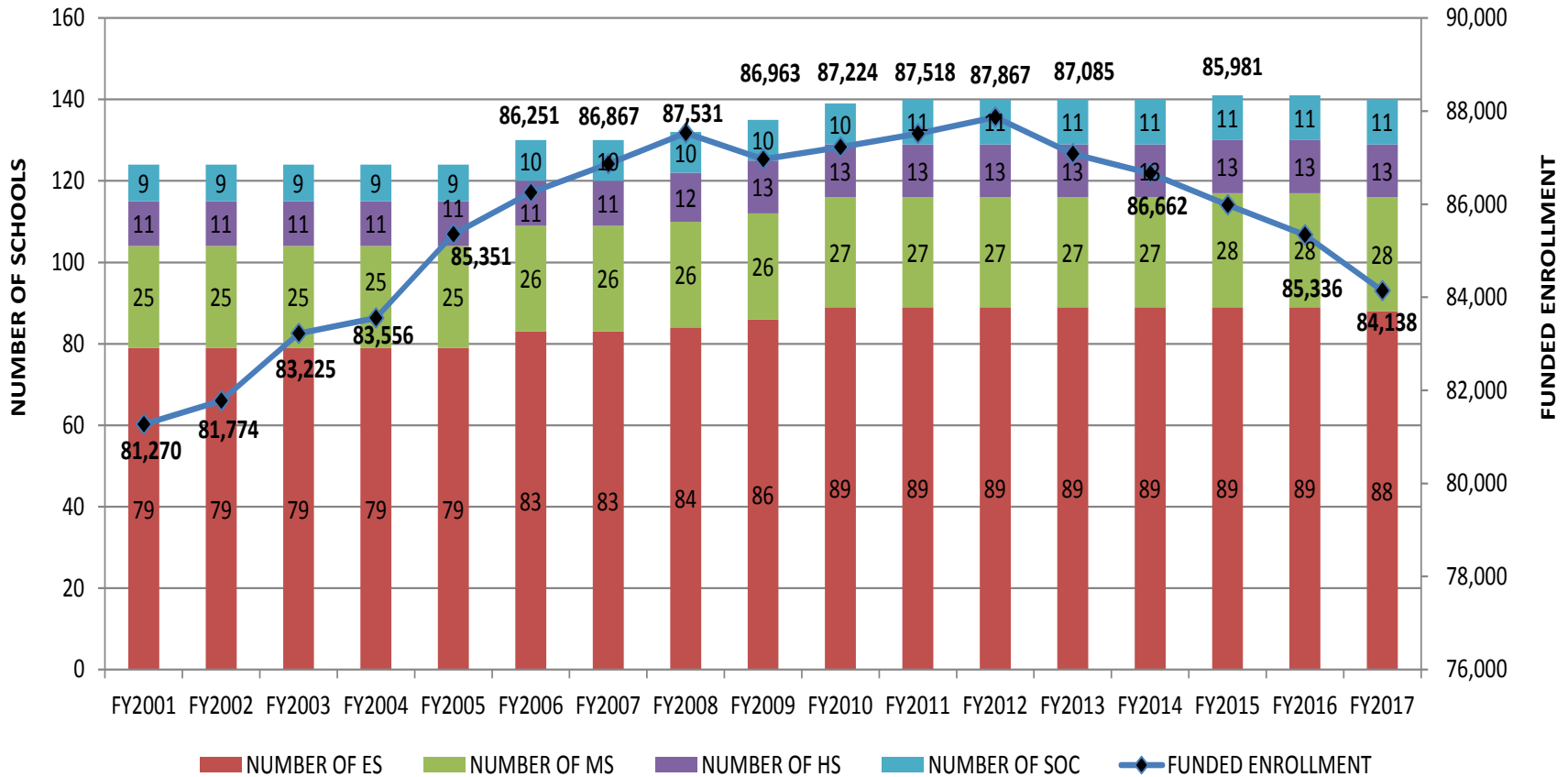


# How did we get here?

- Declining enrollment
- Flat/no growth in funding
- More schools/square footage to support
- Increased fixed costs
- Greater academic demands and expectations



## NUMBER OF SCHOOLS VS. FUNDED ENROLLMENT BY YEAR

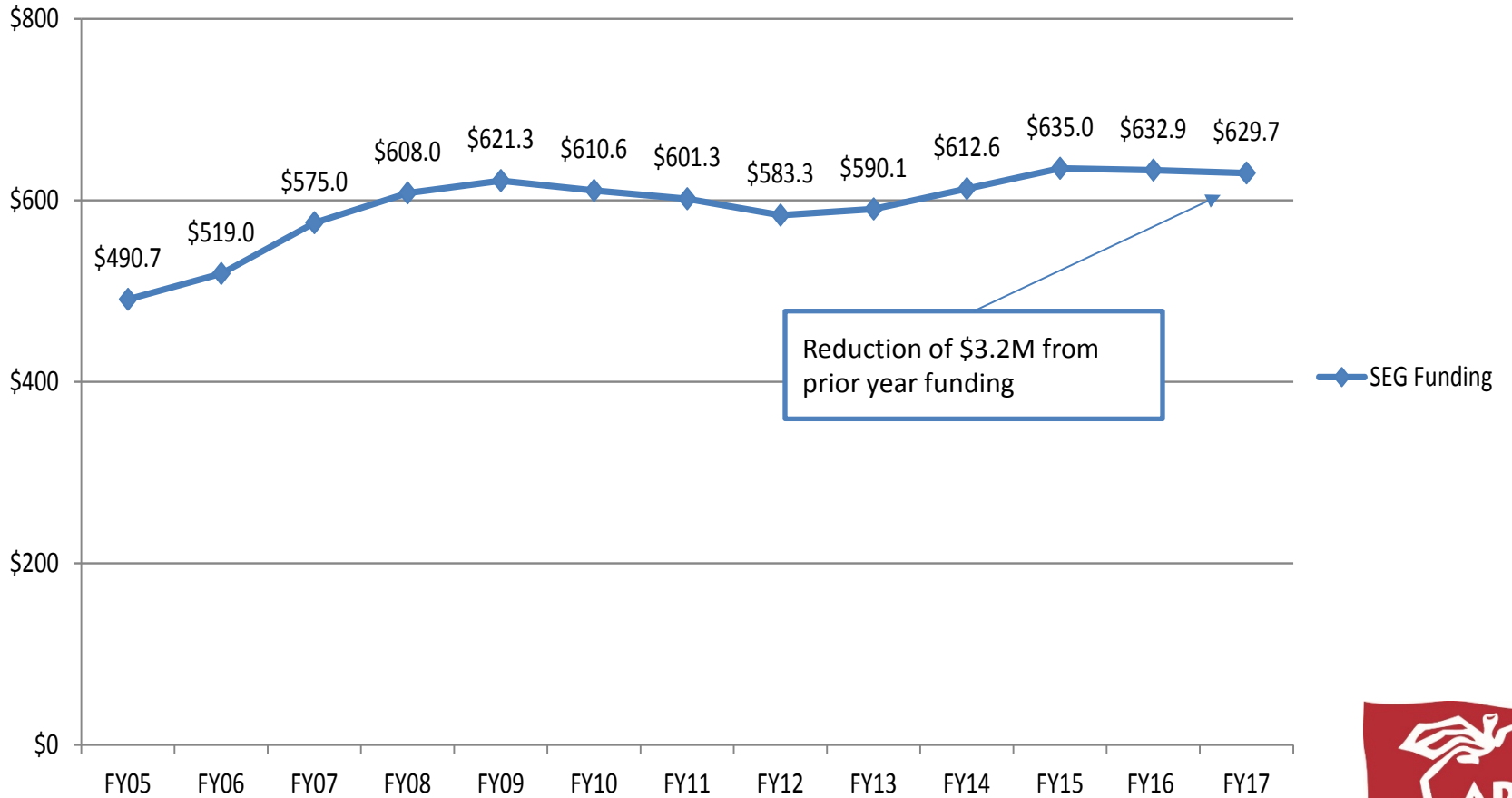


FY17 enrollment decreased nearly 1,200 students from the previous year. Elementary schools will be reduced by one school with the consolidation of Acoma and Onate Elementary Schools.



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# APS SEG Funding (\$M's)



# How Did We Balance the Budget?

	<u>Budget Savings</u>
• Staffing Formula Efficiencies	\$3.0M
• Allocation Reduction for School Support Staff	\$1.2M
• Department Review Process	\$4.4M
• All Other Items	\$0.9M
• <b>TOTAL SAVINGS</b>	<b>\$9.5M</b>



# Budget Highlights

The work to consolidate and repurpose funds through department reviews this year will help to accumulate funds for those initiatives that will be brought forth through the Academic Master Plan.

## Some Major Changes:

- Reassign reading coaches to the classroom
- Move EAP Services to Student, Family, Community Support
- Consolidate management in M&O
- Consolidate parent and workplace concerns into one office
- Outsource Risk Management
- Optimize federal funds
- Move fingerprinting/background checks to APS Police

In addition to these changes, all departments were reviewed, and many were able to find efficiencies.



# District Initiatives

- The budget includes funding for the new Blended Online Model at eCademy
- The budget includes the consolidation of Acoma and Onate Elementary Schools
- The redesign efforts for Emerson and Janet Kahn School of Integrated Arts (formerly Eubank ES) are continued in the FY17 budget
- The restructuring of Hayes and Garfield will continue
- Nex+Gen Academy expects growth in the senior class next year

# Contingency/Savings

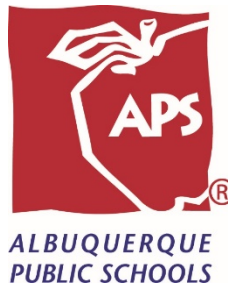
- A total of \$7.6M is set aside in the budget to address a probable mid-year unit value adjustment
- Contingency funds in the amount of \$2.5M are set aside to address unforeseen expenditure items, initiatives or program changes
- School staffing reserves of \$3.0M are set aside to address enrollment changes
- Funds in the amount of \$0.5M are budgeted to assist with startup costs for the new Desert Willow Family School and expansion of George I Sanchez K-8



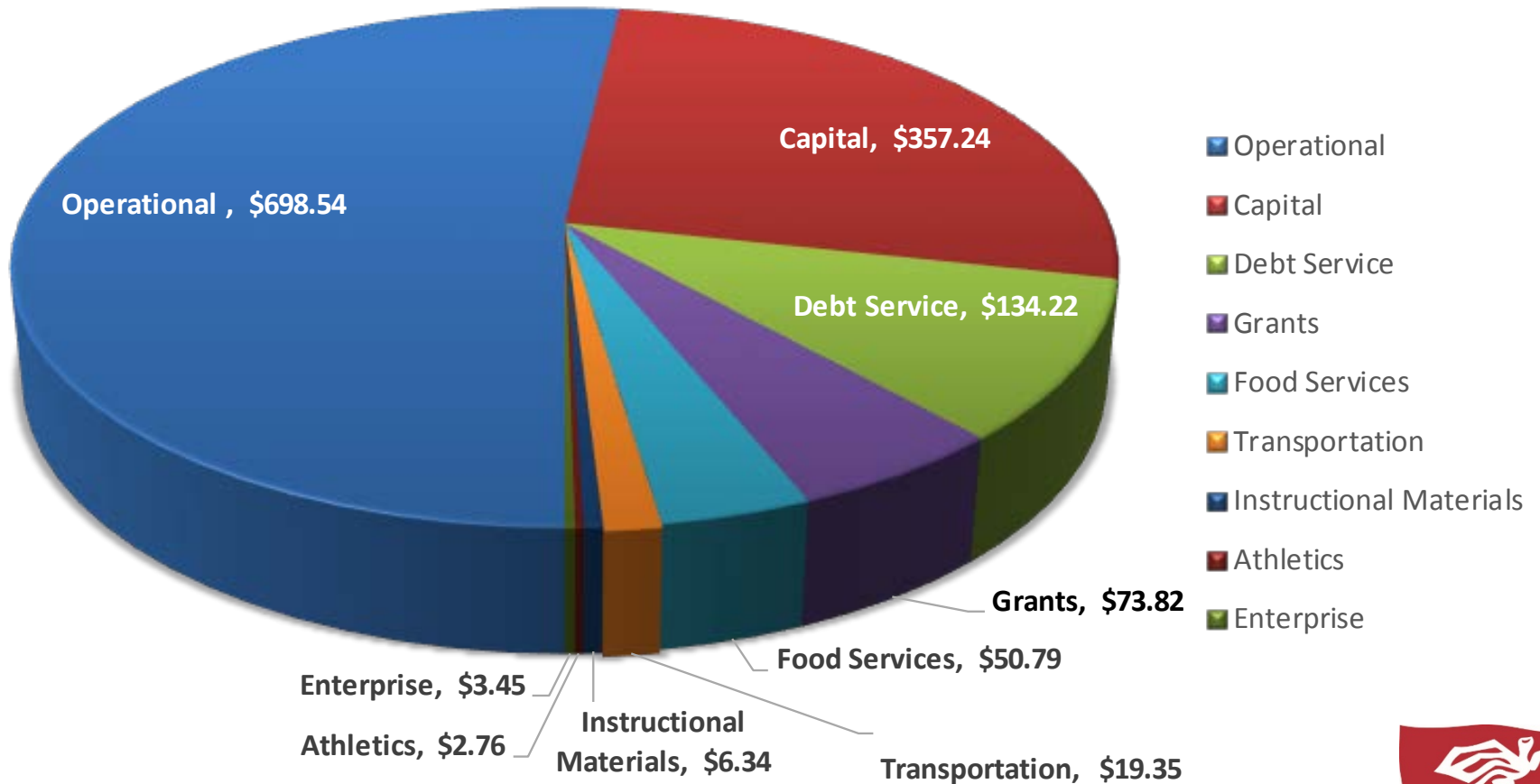
# OPERATING SURPLUS (SHORTFALL) TREND

	Operational Fund: Current Operating Surplus/(Shortfall) Trend (\$M)									
	FY08 ACTUAL	FY09 ACTUAL*	FY10 ACTUAL	FY11 ACTUAL	FY12 ACTUAL	FY13 ACTUAL	FY14 ACTUAL	FY15 ACTUAL	FY16 ESTIMATED ACTUAL	FY17 BUDGET
<b>Beginning Cash Balance</b>	\$13.2	\$41.7	\$33.7	\$17.6	\$25.1	\$29.3	\$36.0	\$41.5	\$49.8	\$54.8
<b>Revenues:</b>										
SEG (incl. ARRA + Job Ed Funds)	\$607.7	\$621.3	\$612.0	\$601.5	\$583.4	\$590.2	\$612.6	\$634.9	\$632.9	\$629.7
Miscellaneous Revenues	\$14.2	\$10.2	\$20.0	\$13.0	\$14.0	\$16.3	\$13.5	\$15.2	\$13.1	\$14.0
<b>TOTAL REVENUE</b>	\$621.9	\$631.5	\$632.0	\$614.5	\$597.4	\$606.5	\$626.1	\$650.1	\$646.0	\$643.7
<b>TOTAL RESOURCES (including cash)</b>	\$635.1	\$673.2	\$665.7	\$632.1	\$622.5	\$635.8	\$662.1	\$691.6	\$695.8	\$698.5
<b>Expenditures:</b>										
Salaries	\$417.3	\$442.8	\$440.0	\$419.5	\$413.1	\$407.4	\$414.0	\$429.3	\$429.0	\$426.3
Benefits	\$124.5	\$135.7	\$140.9	\$134.0	\$124.1	\$131.4	\$146.8	\$150.5	\$149.0	\$147.9
Other Non-Salary	\$67.8	\$61.0	\$67.2	\$53.5	\$56.0	\$61.0	\$59.8	\$62.0	\$63.0	\$66.9
Set Aside for Possible Unit Value Adjustment	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$7.6
<b>TOTAL EXPENDITURES</b>	\$609.6	\$639.5	\$648.1	\$607.0	\$593.2	\$599.8	\$620.6	\$641.8	\$641.0	\$648.7
<b>Revenues over Expenditures Surplus/ (Shortfall)</b>	\$12.3	(\$8.0)	(\$16.1)	\$7.5	\$4.2	\$6.7	\$5.5	\$8.3	\$5.0	(\$5.0)
<b>Ending Cash Balance</b>	\$25.5	\$33.7	\$17.6	\$25.1	\$29.3	\$36.0	\$41.5	\$49.8	\$54.8	\$49.8
	*FY09 Includes resources reclassified as cash									

A minimum \$5M surplus is projected to carryover from FY16 to the FY17 budget



## APS FY16-17 Original Budget by Fund Type (\$M)



The Total Albuquerque Public Schools Fiscal Year 2017 Budget is \$1.35 Billion, including Enterprise Funds.

## Operational Expenditures by Function Trend (%)

FUNCTION	FY08 ACT	FY09 ACT	FY10 ACT	FY11 ACT	FY12 ACT	FY13 ACT	FY14 ACT		w/o Cash	w/o Cash
								FY15 ACT	FY16 EST	FY17 BUD
<b>1000 - Direct Instruction</b>	<b>63.6%</b>	<b>64.7%</b>	<b>64.3%</b>	<b>65.6%</b>	<b>65.7%</b>	<b>65.9%</b>	<b>65.6%</b>	<b>65.3%</b>	<b>65.1%</b>	<b>63.2%</b>
2100 - Student Support	11.2%	10.7%	10.5%	9.8%	10.1%	9.0%	9.6%	9.6%	<b>9.8%</b>	10.6%
2200 - Instructional Support	3.9%	3.8%	4.1%	3.4%	3.4%	3.4%	3.4%	3.5%	<b>3.5%</b>	3.5%
2300 - Central Admin	0.8%	0.7%	0.6%	0.8%	0.7%	0.7%	0.7%	0.7%	<b>0.7%</b>	1.0%
2400 - School Admin	4.9%	5.3%	5.4%	5.3%	5.3%	5.4%	5.5%	5.7%	<b>5.5%</b>	5.3%
2500 - Central Services	3.5%	3.2%	3.3%	3.0%	2.6%	2.6%	2.8%	2.8%	<b>2.8%</b>	3.1%
2600 - Maintenance and Ops	11.5%	11.4%	11.7%	12.0%	12.0%	12.7%	12.2%	12.1%	<b>12.2%</b>	12.9%
2700 - Student Transportation	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	<b>0.1%</b>	0.1%
2900 - Other Support Services	0.0%	0.0%	0.0%	0.1%	0.2%	0.2%	0.0%	0.0%	<b>0.1%</b>	0.1%
3100 - Food Services: Ops	0.5%	0.1%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	<b>0.1%</b>	0.0%
3300 - Community Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	<b>0.0%</b>	0.0%
4000 - Capital Outlay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	<b>0.0%</b>	0.0%
<b>GRAND TOTAL</b>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%



**ALBUQUERQUE  
PUBLIC SCHOOLS**

## FY17 Operational Fund FTE by Function: Year over Year Comparison

			<u>1 Year Change</u>	
			<u>INCR/(DECR)</u>	<u>(% Change)</u>
	<u>FY16 BUD</u>	<u>FY17 BUD</u>	<u>FY16 to FY17</u>	<u>FY16 to FY17</u>
<b>1000 - INSTRUCTION</b>				
<b>SUBTOTAL TEACHERS</b>	5,646	5,565	(82)	-1.5%
<b>SUBTOTAL EDUCATIONAL ASSISTANTS</b>	1,527	1,454	(73)	-5.0%
<b>SUBTOTAL ACTIV DIRECTORS/AD's/ ATH TRAINERS</b>	39	39	(0)	-0.8%
<b>SUBTOTAL INSTRUCTION</b>	7,213	7,057	(155)	-2.2%
<b>2100 - STUDENT SUPPORT</b>	985	982	(3)	-0.3%
<b>2200 - INSTRUCTION SUPPORT</b>	322	316	(7)	-2.1%
<b>2300 - CENTRAL ADMIN</b>	35	36	1	2.8%
<b>2400 - SCHOOL ADMIN</b>	630	620	(11)	-1.7%
<b>2500 - CENTRAL SERVICES</b>	284	273	(11)	-3.9%
<b>2600 - MAINTENANCE &amp; OPERATIONS</b>	1,014	1,011	(3)	-0.2%
<b>2700 - STUDENT TRANSPORTATION</b>	3	3	0	0.0%
<b>3100 - FOOD SERVICES</b>	7	0	(7)	-100.0%
<b>SUBTOTAL NON-INSTRUCTION</b>	3,280	3,240	(40)	-1.2%
<b>GRAND TOTAL FTE</b>	10,493	10,297	(195)	-1.9%



**APS Charter Schools**  
**Charter School Enrollment Comparison**  
**Fiscal Year 2016-2017**

CHARTER SCHOOL NAME	FY 2015-2016	FY 2016-2017	PROPOSED
	STUDENT MEMBERSHIP BUDGET	STUDENT MEMBERSHIP BUDGET	GROWTH (LOSS) IN STUDENTS
21st Century Charter School	251.5	251.0	(0.50)
ABQ Charter Academy	285.0	297.0	12.00
Albuquerque Talent Development	159.5	180.5	21.00
Alice King Community School	332.0	361.5	29.50
Christine Duncan's Heritage Academy	221.0	228.5	7.50
Corrales International School	250.5	239.5	(11.00)
Digital Arts & Technology Academy	319.5	299.0	(20.50)
East Mountain High School	361.5	357.5	(4.00)
El Camino Real Academy	336.5	303.0	(33.50)
Gordon Bernell Charter School	379.5	390.0	10.50
La Academia de Esperanza	373.5	371.5	(2.00)
Los Puentes Charter School	195.0	200.0	5.00
Montessori of the Rio Grande	217.5	217.5	0.00
Mountain Mahogany Community School	206.5	200.0	(6.50)
Native American Community Academy	376.0	422.5	46.50
New Mexico International School	204.0	208.5	4.50
Nuestros Valores Charter School	127.5	132.0	4.50
Public Academy for Performing Arts	366.5	380.0	13.50
Robert F. Kennedy High School	271.5	292.0	20.50
Siembra Leadership High School	0.0	75.0	75.00
South Valley Academy	547.0	587.0	40.00
<b>TOTALS</b>	<b>5,781.50</b>	<b>5,993.50</b>	<b>212.00</b>
*Avg 2nd & 3rd Reporting Period Count			

**APS Charter Schools  
Operational SEG Comparison  
Fiscal Year 2016-2017**

<b>Charter School Name</b>	<b>FY 2015-2016 Operational SEG Revenue</b>	<b>FY 2016-2017 Operational SEG Revenue</b>	<b>Increase (Decrease)</b>	<b>%</b>	<b>Explanation for Major Fluctuation</b>
21st Century Charter School	1,673,019	1,704,474	31,455	1.88%	Increase in T&E Index
ABQ Charter Academy	2,635,593	2,626,091	(9,502)	-0.36%	
Albuquerque Talent Development	1,670,248	1,728,974	58,726	3.52%	Increase of 21 students
Alice King Community School	2,156,222	2,895,020	738,798	34.26%	Increase of 29.5 students + 128 Growth Units
Christine Duncan's Heritage Academy	2,006,040	2,000,128	(5,912)	-0.29%	
Corrales International School	2,308,999	2,321,777	12,778	0.55%	
Digital Arts & Technology Academy	2,392,580	2,463,628	71,048	2.97%	Increase in T&E Index
East Mountain High School	2,589,478	2,711,869	122,391	4.73%	Increase of T&E Index
El Camino Real Academy	2,774,606	2,518,830	(255,776)	-9.22%	Decrease of 33.5 students
Gordon Bernell Charter School	2,665,501	2,748,137	82,636	3.10%	Increase of T&E Index
La Academia de Esperanza	3,930,767	3,993,787	63,020	1.60%	Increase in Special Education Units
Los Puentes Charter School	1,983,252	2,283,949	300,697	15.16%	Increase of 4.5 students & T&E Index
Montessori of the Rio Grande	1,374,271	1,375,460	1,189	0.09%	
Mountain Mahogany Community School	1,574,145	1,465,823	(108,323)	-6.88%	Decrease of 6.5 students & T&E Index
Native American Community Academy	2,766,372	3,072,423	306,051	11.06%	Increase of 46.5 students & 53 Growth Units
New Mexico International School	1,474,452	1,541,076	66,624	4.52%	Increase of 4.5 students
Nuestros Valores Charter School	1,434,142	1,472,213	38,071	2.65%	Increase of 4.5 students & T&E Index
Public Academy for Performing Arts	2,896,199	2,801,285	(94,914)	-3.28%	Decrease in T&E Index
Robert F Kennedy High School	2,835,621	3,162,227	326,605	11.52%	39 Growth Unit 16-17
Siembra High School	-	805,571	805,571	0.00%	New Charter 2016-2017
South Valley Academy	4,345,645	4,618,380	272,735	6.28%	Increase of 40 students
<b>Totals</b>	<b>\$ 47,487,153</b>	<b>\$ 50,311,122</b>	<b>\$ 2,823,969</b>		



**APS Charter Schools  
Operational Budget Documents  
Fiscal Year 2016-2017**

<b>CHARTER SCHOOL NAME</b>	<b>FY 2016-2017 SEG Fund 11000 PED 910B5</b>	<b>FY 2016-2017 Operational SEG Revenue</b>	<b>FY 2016-2017 2% of SEG</b>	<b>FY 2016-2017 Checklist of Budget Documents</b>	<b>FY 2016-2017 GC Approval (2 Originals) PED 910BCS-10</b>	<b>Status of Budget Documents</b>
21st Century Charter School	X	1,704,474	34,785	X	X	Complete
ABQ Charter Academy	X	2,626,091	53,594	X	X	Complete
Albuquerque Talent Development	X	1,728,974	35,285	X	X	Complete
Alice King Community School	X	2,895,020	59,082	X	X	Complete
Christine Duncan's Heritage Academy	X	2,000,128	40,819	X	X	Complete
Corrales International School	X	2,321,777	47,383	X	X	Complete
Digital Arts & Technology Academy	X	2,463,628	50,278	X	X	Complete
East Mountain High School	X	2,711,869	55,344	X	X	Complete
El Camino Real Academy	X	2,518,830	51,405	X	X	Complete
Gordon Bernell Charter School	X	2,748,137	56,084	X	X	Complete
La Academia de Esperanza	X	3,993,787	81,506	X	X	Complete
Los Puentes Charter School	X	2,283,949	46,611	X	X	Complete
Montessori of the Rio Grande	X	1,375,460	28,071	X	X	Complete
Mountain Mahogany Community School	X	1,465,823	29,915	X	X	Complete
Native American Community Academy	X	3,072,423	62,703	X	X	Complete
New Mexico International School	X	1,541,076	31,451	X	X	Complete
Nuestros Valores Charter School	X	1,472,213	30,045	X	X	Complete
Public Academy for Performing Arts	X	2,801,285	57,169	X	X	Complete
Robert F Kennedy High School	X	3,162,227	64,535	X	X	Complete
Siembra Leadership High School	X	805,571	16,440	X	X	Complete
South Valley Academy	X	4,618,380	94,253	X	X	Complete
<b>Totals</b>		<b>\$ 50,311,122</b>	<b>\$ 1,026,758</b>			

# 2016-2017 Budget Resolution

BE IT RESOLVED by the Board of Education of Albuquerque Public Schools, subject to any technical adjustments by APS and the Public Education Department and approval by the Public Education Department of the State of New Mexico, that the amounts shown in the following schedule be appropriated to each fund as specified for the ensuing fiscal year beginning July 1, 2016, and ending June 30, 2017.

FUND	AMOUNT
Operational	\$ 698,538,202
Pupil Transportation	\$ 19,348,200
Instructional Materials	\$ 6,340,347
Food Services	\$ 50,788,022
Athletics	\$ 2,757,071
Federal Grants	\$ 70,554,493
State and Local Grants	\$ 3,261,889
General Obligation Bonds	\$ 121,496,038
Special Capital Outlay-Local	\$ 15,809,513
Special Capital Outlay-State	\$ 8,810,879
Special Capital Outlay-Federal	\$ 8,569,678
House Bill 33	\$ 119,703,405
Senate Bill 9	\$ 63,429,174
Educational Technology Equipment	\$ 19,419,520
GO Bond Debt Service	\$ 122,825,398
Educational Technology Debt Service	\$ 11,391,844
<b>Sub-Total PED Approved Funds</b>	<b>\$ 1,343,043,673</b>
Enterprise Fund-KANW Radio Station	\$ 515,411
Enterprise Fund-Graphics Enterprise Services	\$ 412,976
Enterprise Fund- Charter School Business Services	\$ 181,461
Enterprise Fund- Transportation Enterprise Fund	\$ 2,338,114
<b>Sub-Total Enterprise Funds</b>	<b>\$ 3,447,962</b>
<b>Total All Funds</b>	<b>\$ 1,346,491,635</b>

