

SPECIAL BOARD MEETING
 May 28, 2020
 SCHOOL ADMINISTRATION OFFICE

A special meeting of the Board of Trustees of Mountain Home School District No. 193 was convened at 7:35 p.m., May 28, 2020, via Zoom (District Administration Office, 470 North 3rd East), Mountain Home, Idaho, in said district, pursuant to authority provided by Title 74, Chapter 2, Section 74-202(4)(c)(6)(b) – Special Meeting of the Board of Trustees, Idaho Code, and pursuant to affirmation by the Clerk that notice of the special meeting had been given to each trustee and had been announced via electronic mail and posted public notice as required by law. A copy of the Notice of a Special Meeting of School Trustees so posted follows:

AMENDED
May 28, 2020
NOTICE OF SPECIAL MEETING
BUDGET WORKSHOP OF THE BOARD OF TRUSTEES
MOUNTAIN HOME SCHOOL DISTRICT NO. 193
Mountain Home, Elmore County, Idaho

NOTICE IS HEREBY GIVEN that a special meeting – Budget Workshop, of the Board of Trustees of Mountain Home School District No. 193, will be held on Thursday, May 28, 2020, at 7:30 p.m., via Zoom, to discuss the budget, Mountain Home, Idaho, in said District, during which the following business will be conducted:

Join Zoom Meeting:

<https://zoom.us/j/96230724171?pwd=N3MlWVBFNi8wOHRBdzZwenVoNjBXUT09>

Meeting ID: 962 3072 4171

Password: 320070

Dial by your location

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 669 900 9128 US (San Jose)

+1 301 715 8592 US (Germantown)

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

Meeting ID: 962 3072 4171

Password: 320070

Find your local number: <https://zoom.us/u/acclKkO85b>

- I. BUDGET WORKSHOP**
- II. RESCHEDULE STUDENT AND BUDGET HEARINGS (ACTION)**
- III. ADJOURN**

This Special Meeting of the Board of Trustees of Mountain Home School District No. 193 is called pursuant to Title 74, Chapter 2, Section 74-202(4)(c)(6)(b) – Opening Meeting (Special Meeting), Section 74-204(2) – Open Meeting Law (Special Meetings), ***Section 74-204(4)(B) – Amending a Published Agenda, Idaho Code.***

Dated the 19th day of May 2020.



Sharon M. Whitman
 Clerk, School District No. 193
 Mountain Home, Elmore, Idaho

At 7:35 p.m., Chairman Abrego convened the special meeting of the Board of Trustees – Budget Workshop to review, discuss, and conceivably determine a proposed budget for FY21. Prior to the first agenda item, Chairman Abrego motioned to amend the agenda to add an action item, agenda item #2 – Reschedule the Student and Budget Hearings to a different day no later than June 24, 2020. A motion by Trustee Monasterio to amend the agenda to add an agenda item to reschedule the student meal price hearing and budget hearing received a second from Trustee Donahue. Motion Passed.

- I. BUDGET WORK SESSION** – Chairman Abrego asked Mr. Vick to present his proposed 2020-2021 budget. Mr. Vick reminded everyone that this proposed budget was drafted using assumptions and projections. He added that this budget description is a work in progress and is just a preliminary estimation and not the final budget. Mr. Vick reviewed the preliminary budget as follows:

ASSUMPTIONS

- There are many unknowns with COVID-19.
 - * *Including what will happen in the fall.*
- Enrollment is budgeted at 3,810.
 - * *It is a 3% reduction in enrollment over last year's numbers.*
 - * *The State is allowing us to go no lower than a 3% reduction.*
- Support Units are budgeted at 184.0.
 - * *The May foundation payment was for 185.10, but budgeted lower due to the unknown factors come fall.*
- Impact Aid will be budgeted without adequate civilians to be counted.
- There is no budgeted Emergency Levy money added in to budgeted revenue for FY 2021.
 - * *Emergency Levy money is not certain and cannot be used to budget expenses.*
- Anticipated 0% Health benefit increase.
- Utility expenses have decreased with COVID-19.
 - * *Will be budgeted the same as last school year.*
- Fuel prices have decreased in Idaho.
 - * *Fuel prices are starting to go back up.*
- Building Supplies will be based on enrollment and previous year numbers.
- Classified salary scale is unchanged.
- Certified salary, benefits, and coach's salary table are not negotiated and are not final for FY 21.
- Certified staff will not be cut if possible.
 - * *Certified staff will not exceed 1.1 certified staff per support unit.*

FINANCIALS**Financial Statement**

Mtn Home School District # 193						
Financial Report for						
Fund 100						
		Audited	Mar-20			
Balance Sheet		Jun-19	Y-T-D	Mar-20		
		Balance	Activity	Balance		
Assets						
Cash		93,682	83,006	176,688		
Investments		5,000,000	5,525,904	10,525,904		
Receivables		2,093,999	8,596	2,102,595		
Inventories		35,220	0	35,220		
Prepaid Expenses		0	79,891	79,891		
Total Assets		<u>7,222,901</u>	<u>5,697,397</u>	<u>12,920,298</u>		
Liabilities						
Trade Accounts Payable		77,085	23,662	100,747		
Salaries Payable		2,634,751	0	2,634,751		
Taxes Payable		95,424	(96,328)	(904)		
Benefits Payable		0	0	0		
Note Payable		0	0	0		
Reserves		0	0	0		
Deferred Tax Revenue		4,496	91,420	95,916		
Total Liabilities		<u>2,811,756</u>	<u>18,754</u>	<u>2,830,510</u>		
Fund Balance		<u>4,411,144</u>	<u>5,678,644</u>	<u>10,089,788</u>		
Total Liabilities & Fund Balance		<u>7,222,900</u>	<u>5,697,398</u>	<u>12,920,298</u>		
Mtn Home School District # 193						
Financial Report for						
Fund 100						
			Mar-20	Remaining		FY 20
Income Statement		June-20	Y-T-D	Remaining	Budget	Year-end
		Budget	Activity	Budget	Percentage	estimate
Revenues						
Local Revenue		40,600	5,490	35,110	86.48%	40,600
County Revenue		2,735,000	2,725,253	9,748	0.36%	2,735,000
State Revenue - Base support		20,645,360	18,809,645	1,835,715	8.89%	20,645,360
State Revenue - Other		1,609,800	1,250,807	358,993	22.30%	1,609,800
Federal revenue		1,000,000	992,228	7,772	0.78%	1,000,000
Interest on earnings		60,000	165,326	(105,326)	-175.54%	60,000
Other Revenue		9,400	47,008	(37,608)	-400.08%	9,400
Total Revenue		<u>26,100,160</u>	<u>23,995,757</u>	<u>2,104,403</u>	<u>8.06%</u>	<u>26,100,160</u>
Expenses						
Salaries		14,913,154	10,679,689	4,233,465	28.39%	14,913,154
Benefits		5,572,988	3,789,514	1,783,474	32.00%	5,572,988
Purchased Services		3,888,650	2,733,081	1,155,569	29.72%	3,888,650
Supplies		1,148,500	843,759	304,741	26.53%	1,148,500
Capital		32,000	26,007.75	5,992	18.73%	32,000
Other		242,000	245,064	(3,064)	-1.27%	242,000
Total Expenses		<u>25,797,292</u>	<u>18,317,114</u>	<u>7,480,178</u>	<u>29.00%</u>	<u>25,797,292</u>
Revenues over (under) expenses		<u>302,868</u>	<u>5,678,642</u>			<u>302,868</u>
						Budgeted
			FY 2020			FY 2020
FY 19 Fund Balance			4,411,144			4,411,144
FY 20 Activity			5,678,642			302,868
Estimated June 30, 2020 Fund Balance			10,089,786			4,714,012

Financial Statement Overview

The Financial Statement above is included in the board packet every month. It consists of two reports that are for the General Fund only. The first report is the Balance Sheet. This lists the major categories of assets and liabilities that the district has. Assets are; cash (cash in bank), investments (money that is in the State Investment Pool), receivables (money that the district is to get between the end of the year and 60-days after), inventories (paper and supplies), and prepaid expenses (Insurance premiums that are paid at the beginning of the year). Liabilities are trade account payable (vendor invoices unpaid), Salaries Payable (the amount of contracted salaries the district owes at the end of June for the remaining two months of contract), Benefits Payable (benefits associated with salaries for remaining two months of contract), Note Payable and Reserves (both are other liabilities), and Deferred Tax Revenue (tax revenue that we will receive by August 31). *Fund Balance is the amount of Assets in excess of Liabilities should we close the doors March 31.*

The first column shows the audited June 30th balance, the middle column shows the year-to-date activity, and the last column shows the current month's balance.

The second report is the Income Statement. This shows all the Income and Expenses that the district has had since the beginning of the fiscal year. This report shows the revenue at the top and expenses below. Revenues over (under) Expenses are listed at the bottom. Revenue is broken out into income by major revenue sources. Local Revenue (miscellaneous revenue from local activities), County Revenue (levy money collected by the county), State Revenue base support (foundation payments), State Revenue Other (special distributions), Federal Revenue (impact aid), Interest on Earnings (interest at the state pool and checking accounts), Other Revenue (miscellaneous revenue).

The first column shows the current year's budget approved by the Board of Trustees. The second column shows the Revenue and Expenses so far, this fiscal year. The remaining budget is showing the variance between budget and the year-to-date activity.

Fund Balance in the year-to-date column on the balance sheet will tie into the income statement year-to-date activity column of Revenue over (under) Expenses (there is a \$2 discrepancy due to rounding).

We currently have a Fund Balance of \$4,411,144, as of June of 2019. The amount exceeds a month's expenditures. This fund balance is targeted at an 8.5% figure of all funds and would be about \$2,800,000. Now that the district has achieved this targeted goal, I would recommend the district implementing a policy for a contingent fund that can only be touched with board approval.

OPERATIONS

Enrollment is what drives staffing (thus salaries and benefits) as well as funding. The true determinate of revenue and expenses is not the actual enrollment, but rather the Average Daily Attendance (ADA) that we have based on the enrollment. Absences decrease revenue but have no corresponding effect on expenses. The state foundation payments are driven by the first reporting period ADA and the Impact Aid voucher uses the prior fiscal year's ADA in its calculating mixture. Salaries are committed for the most part in May of the proceeding school year by the *Collective Bargaining Agreement (AKA master agreement)*. We hire based on enrollment, which is the maximum number of children in the classroom. If children are absent, the staffing remains the same. ADA is most important during the first reporting period to the state which ends in early November.

SUPPORT UNIT CALCULATIONS

The State Department of Education gives support units based on ADA and there are different Attendance Divisor's based on grade level.

		<i>How Support Units are Calculated</i>			
<u>Grade Level</u>	<u>Attendance Divisor</u>	<i>Grade</i>	<i>ADA</i>	<i>Attendance Divisor</i>	<i>Support Units</i>
Kindergarten	40.0	<i>Kindergarten</i>	<i>325.00</i>	<i>40.00</i>	<i>8.13</i>
Elementary 1-3	20.0	<i>Elementary 1-3</i>	<i>910.79</i>	<i>20.00</i>	<i>45.54</i>
Elementary 4-6	23.0	<i>Elementary 4-6</i>	<i>850.58</i>	<i>23.00</i>	<i>36.98</i>
Secondary	18.5	<i>Secondary</i>	<i>1523.52</i>	<i>18.50</i>	<i>82.35</i>
Special Education	14.5	<i>TOTAL SUPPORT UNITS</i>			
Alternative	12.0				

PUBLIC SCHOOL SUPPORT UNIT (33-1002)
CALCULATION TABLES

COMPUTATION OF KINDERGARTEN SUPPORT UNITS

Average Daily Attendance	Attendance Divisor	Units Allowed
41 or more ...	40	1 or more as computed
31 - 40.99 ADA	-	1
26 - 30.99 ADA	-	0.85
21 - 25.99 ADA	-	0.75
16 - 20.99 ADA	-	0.6
8 - 15.99 ADA	-	0.5
1 - 7.99 ADA..	-	count as elementary

COMPUTATION OF ELEMENTARY SUPPORT UNITS

Average Daily Attendance	Attendance Divisor	Minimum Units Allowed
300 or more ADA		15
	23... grades 4,5 & 6....	
	20... grades 1,2 & 3....	
160 to 299.99 ADA.	20	8.4
110 to 159.99 ADA.	19	6.8
71.1 to 109.99 ADA	16	4.7
51.7 to 71.0 ADA..	15..	4
33.6 to 51.6 ADA..	13..	2.8
16.6 to 33.5 ADA..	12..	1.4
1.0 to 16.5 ADA...	n/a...	1

COMPUTATION OF SECONDARY SUPPORT UNITS

Average Daily Attendance	Attendance Divisor	Minimum Units Allowed
750 or more.....	18.5.....	47
400 - 749.99 ADA	16.....	28
300 - 399.99 ADA	14.5.....	22
200 - 299.99 ADA	13.5.....	17
100 - 199.99 ADA	12.....	9
99.99 or fewer	Units allowed as follows:	
Grades 7-12	8
Grades 9-12	6
Grades 7-9	1 per 14 ADA
Grades 7-8	1 per 16 ADA

COMPUTATION OF EXCEPTIONAL EDUCATION SUPPORT UNITS

Average Daily Attendance	Attendance Divisor	Minimum Units Allowed
14 or more	14.5	1 or more ascomputed
12 -13.99	1
8 - 11.99.	0.75
4 - 7.99	0.5
1 - 3.99	0.25

COMPUTATION OF ALTERNATIVE SCHOOL SUPPORT UNITS

Pupils in Attendance	Attendance Divisor	Minimum Units Allowed
12 or more	12	1 or more as computed

Support Unit Apportionments

	STATE ALLOWANCE	STATE ALLOWANCE
PER SUPPORT UNIT	FY21	FY20
Administrative	0.075	0.075
Certified/Instructional	1.021	1.021
Pupil Services	0.079	0.079
Non-Certified/Classified	0.375	0.375

Salary Based Apportionments

Year	Entitlement Funding	Admin Base	Certified Base	Classified Base
FY2021	27,556	37,272	See Certified Career Ladder	22,315
FY2020	28,416	37,272		22,315
FY2019	27,481	36,186		21,665
FY2018	26,748	35,132		21,034
FY2017	25,696	34,109		20,421
FY2016	23,868	33,116	24,055	19,826
FY2015	22,401	32,151	23,354	19,249
FY2014	20,000	31,883	23,123	19,058
FY2013	19,706	31,883	23,123	19,058
FY2012	19,626	31,883	23,123	18,684
FY2011	21,795	32,441	23,565	19,041
FY2010	25,459	34,705	24,567	19,840
FY2009	25,696	36,532	25,231	20,376
FY2008	25,442	35,816	24,623	19,783
FY2007	25,436	34,776	23,906	19,207

Certified Career Ladder

NOTE: Only RP 1, 2, & 3 will receive a salary increase of 3.9%; all others are frozen by the State

		FY20	FY21	\$ Change	% Change
RP 1	RP 1	38,500	40,000	1,500	3.90%
RP 2	RP 2	39,000	40,500	1,500	3.85%
RP 3	RP 3	39,500	41,000	1,500	3.80%
P1	P1	42,500	42,500	-	0.00%
P2	P2	44,375	44,375	-	0.00%
P3					
P4	P3	46,250	46,250	-	0.00%
P5					
P6	P4	48,125	48,125	-	0.00%
P7				-	0.00%
P8				-	0.00%
P9				-	0.00%
P10	P5	50,000	50,000	-	0.00%

REVENUE

The largest revenue source is the foundation payments by the State Department of Education. We get five payments per year and they vary widely in amounts. ADA drives support units and support units bring in revenue. Support units are used to determine the entitlement amount and allowable staff in the foundation payment calculation. Each support unit in FY 20 is worth \$105,628. The entitlement amount for FY 20 is \$28,090 per support unit. The allowable salaries are \$77,538 per support unit including benefits.

Administration and Classified (non-teachers) Staff have their own calculations. In FY 2021, all Certificated (teachers) Staff are reimbursed through the Career Ladder calculation discussed earlier. The base reimbursement rate for administration increased 0% from \$37,272 to \$37,272 or \$0 total revenue increase. Classified base reimbursement increased 0% from \$22,315 to \$22,315, or \$0 total revenue increase. The Career Ladder calculation increased revenue on the bottom three rows, but all other rows are frozen.

In addition to the Entitlement and Apportionments, we received \$23,331 for Tuition Equivalencies, District to Agency Contracts and Serious Emotional Disturbance. Transportation from the previous fiscal year was \$1,127,591. These reimbursements are not tied to ADA or support units.

NOTE: The State has a committee looking at ADA and possible waivers should COVID still exist and social distancing is required.

<u>Entitlement</u>	<u>Administration</u>	<u>Classified</u>
<p><i>Base Reimbursement per unit</i></p> <ul style="list-style-type: none"> • <i>FY20 is \$28,416 pu</i> • <i>COVID FY20 is \$28,090 pu</i> • <i>FY21 is \$27,556 pu</i> <p><i>Decrease of 3.0%</i></p> <p><i>\$15,478 is to be used at discretion of district</i></p> <p><i>\$12,078 is dedicated to help offset costs of health, vision, and dental insurance offered to employees</i></p>	<p><i>Base Reimbursement per unit</i></p> <ul style="list-style-type: none"> • <i>FY20 is \$37,272 pu</i> • <i>FY21 is \$37,272 pu</i> <p><i>0% change</i></p>	<p><i>Base Reimbursement per unit</i></p> <ul style="list-style-type: none"> • <i>FY20 is \$22,315 pu</i> • <i>FY21 is \$22,315 pu</i> <p><i>0% change</i></p>

**FOUNDATION PROGRAM CALCULATION
MAY 15, 2020**

Mountain Home School District # 193

1. SUPPORT UNITS	185.10
2. ENTITLEMENT @ \$28,090.00 per unit	\$5,199,459.00
3. SALARY APPORTIONMENT	12,001,255.84
4. BENEFIT APPORTIONMENT	2,351,046.02
5. BORDER CONTRACTS	0.00
6. EXCEPTIONAL CONTRACTS, TUITION EQUIVALENCY, SED	23,331.00
7. TRANSPORTATION	1,127,591.00
8. ADJUSTMENTS	0.00
9. TOTAL SUPPORT (lines 2 through 8)	\$20,702,682.86
10. TOTAL PAID TO DATE INCLUDING THIS PAYMENT	\$19,983,186.10
11. CHARTER SCHOOL JULY ADVANCE PAYMENT	\$0.00
12. AUGUST 15 PAYMENT (General Funds)	9,999,043.00
13. NOVEMBER 15 PAYMENT (General Funds)	3,999,258.00
14. FEBRUARY 15 PAYMENT (General Funds / Dedicated)	3,977,894.14
15. MAY 15 PAYMENT (General Funds / Dedicated)	0.00
16. PAID-TO-DATE	\$17,946,165.14
17. AMOUNT DUE THIS PAYMENT	\$2,037,020.96
18. OTHER STATE SUPPORT PAID TO DATE (not included in above payments)	
Bond Levy Equalization Support Program	\$0.00
Charter School Facilities	0.00
College and Career Advisors and Student Mentors	75,731.00
Content and Curriculum	13,893.00
Continuous Improvement Plans and Training	2,331.93
Early Graduation Scholarship	0.00
English Language	58,009.00
English Language Grant	0.00
Fast Forward	23,490.00
Gifted / Talented	0.00
Innovation Schools	0.00
IT Staffing	69,870.00
Leadership Premiums	0.00
Literacy	403,991.00
Master Educator Premium	4,783.60
Mastery Based System Development	0.00
Math and Science Requirement	0.00
National Board Certification	0.00
Professional Development	150,786.00
Remediation	75,038.00
Safe & Drug-Free	28,981.80
School Buildings Maintenance (lottery)	290,003.00
School Buildings Maintenance Match	0.00
Technology (Classroom, Wireless, Instructional Management System)	333,847.00
Unemployment Insurance (paid directly to DOL)	8,262.47
TOTAL OTHER STATE SUPPORT	\$1,538,787.80
19. RATIO	0.0117887002
MAY1520 Support	5/13/2020 6:33 PM

Other Support Paid to Date (Special Distributions – restricted)

Number 18 on the foundation payment lists Other State Revenue (*all are restricted to specific areas*) that has been paid to date. These are special distributions that have Idaho Codes attached to them preventing the district from spending them on anything besides the intended purpose such as IT staffing, Professional Development, Safe & Drug Free, Technology, Gifted & Talented, Remediation, etc. – all restricted. The end of this handout will explain the individual funds.

APPORTIONMENT

Apportionment Computation

NOTE: the district pays \$1,768,549 above allowable salaries plus \$346,459 for FICA and PERSI

Effective Date :	Idaho State Department of Education					5/1/2020 10:59:02 AM					
Page: 1	Basic Education Staffing System										
Salary Based Apportionment and Benefit Apportionment Computation											
School Year: 2019 - 2020											
District	193 MOUNTAIN HOME DISTRICT										
Statewide Information:				District Information:							
Statewide Administrative Staff Index	1.83862			District Administrative Staff Index		1.73820					
Statewide Administrative Staff Index Cap	1.86643			100.00%		District Admin. Staff Index (adjusted for cap)		1.73820			
PERSI, FICA, MEDICARE Rate	19.59%					District Mid-Term Support Units:		185.10			
						Instructional / Pupil Service Staffing Percent		6.5%			
Staff Allowance Ratio	Staff Allowance FTE	< 40 Units then + 0.5	< 20 Units then + 0.5	Separate Secondary School Allowance	Adjusted Staff Allowance	Actual FTE	Staff Allowance	Staff Index	Base Salary	Average Salary	Certified Preliminary Salary Based Apportionment
a	(Units x a) b	c	d	e	(b + c + d + e) f	g	h	i	j	(i x j) k	(h x k) l
Administrative	0.075	13.88250	0.00000		13.88250	14.15000	13.88250	1.73820	37,272.00	64,786.12	899,393.25
Instructional	1.021	188.98710	0.00000	0.00000	188.98710	193.72000	188.98710			47,111.05	8,903,380.13
Pupil Services	0.079	14.62290			14.62290	8.59000	14.62290			48,793.36	713,500.49
Subtotal Instructional and Pupil Services					203.61000	202.31000	203.61000				
Non-Certified	0.375	69.41250			69.41250	75.34220	69.41250		22,315.00		
TOTAL:					286.90500	291.80220	286.90500				

Noncertified Preliminary Salary Based Apportionment	Preliminary Salary Based Apportionment	Actual Total Salary	Salary Based Apportionment Eligible for Benefits	Benefit Apportionment	Virtual Allowance	Ancillary Allowance	Salary Based Apportionment Plus Waivers	Maximum Salary Apportionment	Salary Based Apportionment & Allowances
(h x j) m	(l + m + n) o	q	Smaller: o or q r	r x 19.59% s	(Max 15%) t	u	v	w	x
Administrative	899,393.25	1,107,564.06					899,393.25	899,393.25	899,393.25
Instructional	8,903,380.13	9,704,648.25			0.00	0.00	8,903,380.13	8,903,380.13	8,903,380.13
Pupil Services	713,500.49	458,010.00				0.00	713,500.49	713,500.49	713,500.49
Subtotal Instructional and Pupil Services	9,616,880.61	10,162,658.25			0.00	0.00	9,616,880.61	(f X k) + n	Smaller: v or w
Non-Certified	1,548,939.94	2,563,540.73					1,548,939.94	1,548,939.94	1,548,939.94
TOTAL:	12,065,213.81	13,833,763.04	12,065,213.81	2,363,575.39	0.00	0.00		col (o)	col (w)

The allowable staff is not what we are limited to hire, but what the State Department of Education uses to uniformly allocate the legislative apportionment between districts (*what the state reimburses to our district and not what the district actually pays*). The district is currently 1.30 FTE's under the allowance in certified staff, 5.93 FTE's over the allowance in classified staff, and 1.12 over the allowance for administration. Salaries are substantially higher than the allowance. Salaries are \$545,778 over the allowance for certified staff, \$208,171 over the allowance for administration, and \$1,014,601 over the allowance for classified staff. If we hire above the allowable level or pay above the allowance, then the funding must come out of entitlement or other funding sources. The SDE only pays FICA, Medicare, and PERSI (19.59%) on the allowable salary. Benefits on the salary above the allowable amount including; workers compensation, healthcare, and sick leave retirement must be paid from entitlement or other sources.

Impact Aid

U.S. DEPARTMENT OF EDUCATION OFFICE OF ELEMENTARY AND SECONDARY EDUCATION IMPACT AID PROGRAM WASHINGTON, D.C. 20202-6244 VOUCHER FOR IMPACT AID SECTION 8003 PAYMENTS (TITLE VIII of the Elementary and Secondary Education Act)				Voucher Numbers	377559 2020-2	Fiscal Year	Date
				Total ADA	Total Membership	Total Current yr mem	Application Number
				3,675.31		3,933	22-ID-2020-0201
				LCR		TCE	
					\$6,268.50		\$25,985,000.00
Duns Number: PR/Award#: Pay Type: Initial County							
Negotiated Ratio	Attendance Ratio=	Prior-Year A	Prior-Year Membership	LOT%	=	TCE%	Membership %
	0.93110	3662	/	3933		34.97%	12.04%
							22.93%
SECTION 8003(b) BASIC SUPPORT PAYMENT							
						LOT Percent Paid	90.00%
Category	Membership	ADA	Weight	WSU	Max BSP	Full LOT	Prorated LOT
(A) (i) -Live on Work On Civ		0.00	1.00				
(A) (ii)- Live on For. Mil Official		0.00	1.00				
(B) - Live on Uni	444	413.41	1.00	413.41	\$2,591,460.59	\$906,233.77	\$815,610.39
(C)- Indian Lands		0.00	1.25				
(D) (i) -Live Off	461	429.24	0.20	85.85	\$538,150.73	\$188,191.31	\$169,372.18
(D) (ii)- Live off f	0	0.00	0.20				
(E) - Low Rent Housing		0.00	0.10				
(F) - Live On Fed. Property		0.00	0.05				
(G) (i) - Work on	0	0.00	0.05				
(G) (ii) - Work or	0	0.00	0.05				
8003(b) Total	905	842.65		499.26	3,129,611.32	1,094,425.08	984,982.57
(A) (ii)- Live on For. Mil Official		0.00	1.00				
(B) - Live on Uni	33	30.73	1.00	30.73			\$32,266.50
(C)- Indian Lands		0.00	1.00				
(D) (i) -Live Off	23	21.42	0.50	10.71			\$11,245.50
(D) (ii)- Live off For. Mil Official		0.00	0.50				
8003(d) Total	56	52.15		41.44	CWD Rate Paid/ W \$	1,050.00	\$43,512.00

The number of students with military connections drives the federal revenue. This can include students whose parents work at a non-military Federal property such as Gowen Field, post office, or at the bombing range. Students are categorized into three groups, “A” students are students whose parents live and work on a military installation; “B” students are students whose parents work on federal property but live in a civilian location; “C” student are Civilian students are children of non-military parents who work on federally owned “dirt” regardless of location (*Gowen Field, Anderson Dam Reservoir, Forrest Service, etc.*). *We don’t anticipate any “C” students and we haven’t had any for several years.*

Impact Aid has been a fluctuating source of funding over the past few years. The Impact Aid revenue has been as high as \$4,350,000 in FY 2005 to a low of \$892,464 in FY 2016. Some of the change is due to a decline in students reduced Federal Program appropriations, privatized housing forcing staff to move off base, altered mission objectives, and reduced base staffing mix, have all contributed to the revenue decline. FY 20 we have received \$1,080,334, but some of this amount is from FY 19 final payment. For FY 21 I have budgeted \$1,000,000.

EXPENSES**Certified Salary Schedule**

Salaries and benefits make up approximately 79.41% of the district's budget. Below is the certified career ladder for the district. It is based on the career ladder that the SDE has implemented in prior years. The district gives incentives for continuing education past a bachelor's degree.

2019-2020 MHSD Certified Salary Schedule	
RP1	38,500
RP2	39,000
RP3	39,500
P1	42,500
P2	44,375
P3	46,250
P4	48,125
P5	50,000
BA6	52,000
BA7	54,000
BA8	57,000
MA9	58,580
MA10	61,750

Below is the certified placement.

2019-2020 Schedule Placement	
RP1	23
RP2	29
RP3	1
P1	41
P2	2
P3	4
P4	5
P5	9
BA6	4
BA7	5
BA8	20
MA9	-
MA10	68
Total	211

Benefits

While I anticipate an increase of 0% in healthcare premiums it's still a large expenditure for benefits. The state reimburses the district 19.59% for PERSI and FICA based on the allowable amount. Anything over the allowable amount is up to the district to cover at 19.59%. PERSI is currently 11.94%. PERSI Sick Leave is re-evaluating the program and there are no payments until July 2021. This is an estimated savings of \$170,000. Workers compensation insurance is budgeted at \$130,000.

Purchased Services

Purchased services are made up from several categories. Repairs consist of maintenance to buildings and equipment. Contracted services are comprised of services performed by outside agencies to do the services we cannot do within the District. Other is for miscellaneous costs such as professional & technical services, shredding services, etc. Therapy services are for special needs students. Utilities are for power, water, gas, etc. Travel is for athletics competitions, extracurricular activities, and in lieu of transportation.

	FY 19	FY 20	FY 20	FY 21
	Actual	Y-T-D	Budget	Budget
Repairs	220,526	155,601	264,450	268,500
Contract services	1,497,899	885,610	1,400,000	1,379,000
Other	185,989	129,224	265,800	226,800
Therapy services	1,151,963	683,316	1,065,000	1,065,000
Utilities	643,196	379,989	782,900	784,150
Travel	111,224	72,177	110,500	103,000
	3,810,797	2,305,917	3,888,650	3,826,450

NOTE: Maintenance Equipment is budgeted at \$32,000

Supplies

Supplies are consumable materials used by the district during the year. There are five main areas of supply expenses. Maintenance is the cost for supplies in the maintenance of buildings and equipment. Fuel is for student transportation and district vehicles. We are required to maintain bussing routes for safety issues and for students living outside a 1½-mile radius from their school. Building supplies are all supplies associated with day-to-day operations. Copier supplies are for all supplies associated with the copiers throughout the district. Textbook supplies textbooks and curriculum. Other is other supplies used to operate the district.

	FY 19	FY 20	FY 20	FY 21
Type	Actual	Y-T-D	Budget	Budget
maintenance	178,212.52	89,127.55	148,000.00	144,000.00
fuel	133,143.69	98,008.40	168,000.00	168,000.00
Building supplies	263,106.45	133,593.31	289,200.00	266,300.00
Copier supplies	64,586.83	39,355.91	70,800.00	60,000.00
Textbooks	241,175.98	365,541.43	403,000.00	360,500.00
other	35,821.30	43,199.13	69,500.00	78,500.00
	916,046.77	768,825.73	1,148,500.00	1,077,300.00

Transfers

Transfers were budgeted in FY 21 for Food Service Benefits, which we are required by Federal and State law. We must transfer revenue into the Food Service Fund for the FICA and PERSI benefits of our food service personnel. This is a federal requirement. The transfer shows as an expense in the General Fund of \$35,000.

PROPOSED FY 21 BUDGET

NOTE: The State cut \$920,613, which is 5% the State cut from our budget

NOTE: The FY21 proposed budget includes the hopeful passing of the Supplemental Levy.

NOTE: The SDE has frozen all movement (salary schedules); the district plans to follow the State.

Mtn Home School District #193			
Financial Report			
Fund 100			
			Previous year
		Proposed	Proposed
		Budget	Budget
		FY 20/21	FY 19/20
		6/30/2021	6/30/2020
Mtn Home School District #193			
Income Statement			
Fund 100			
Revenues			
Local Revenue		50,000	50,000
County Revenue		2,735,000	2,735,000
State Revenue (inc. rev in lieu of Taxes)		20,088,547	20,645,360
Other State Revenue		1,246,000	1,609,800
Federal Revenue		1,000,000	1,000,000
Earnings on Investments / other rev		60,000	60,000
Transfers		0	0
	Total Revenue	25,179,547	26,100,160
Expenses			
Salaries		14,677,597	14,913,154
Benefits		5,317,163	5,572,988
Purchased Services		3,826,450	3,888,650
Supplies		1,077,300	1,148,500
Capital		32,000	32,000
Other		207,000	207,000
Transfers		35,000	35,000
	Total Expenses	25,172,511	25,797,292
Revenues over (under) expenses		7,036	302,868

NOTE: The goal is for the district to have an 8.5% Fund Balance (about \$2.8 million).

NOTE: Mr. Vick recommends the board have a Contingency Fund that can only be used with board approval, now that we know that the State will implement cutbacks at any moment costing the district over \$1 million preventing us from being able to fund necessary areas.

Special Revenue Funds

Below is a brief discussion of all the Special Revenue Funds that are outside the scope of the General Fund as discussed above. These funds are either Board restricted or the use is restricted by either State or Federal regulations

Federal Forest Funds – Fund 220

These are funds that we received through the Craig-Wyden Act in lieu of the funds we would have received had the logging restriction not been imposed. We also receive Department of Defense money that is placed in this fund. The Federal Forest Funding has been cut drastically. In FY 2014, we received \$213,000; in FY 2018, we received \$20,000. The money from the Department of Defense was not appropriated one year, so it is a year-by-year option. This fund is restricted by the Board for technology purchases that include software, internet, and hardware replacement.

Department of Defense Education Activity – Federal Grant – Fund 230

This fund is used for the DoDEA grants. We currently have three grants, a math grant that is ending this year and managed by Mr. Johnson, the emotional grant for special education that is in year four and managed by Mr. Longhurst, and the technology grant that is in year three and managed by Mrs. Vick.

Drivers Education – Fund 241

This fund received its funding from two sources. One source is student fees, and the other source is the State of Idaho. The State caps its reimbursement on the lesser of costs in excess of student fees, or \$150.00 per student. All funds are restricted to this fund for Drivers Education expenses only.

Vocational Education – State of Idaho – Fund 243

This fund receives money from the State of Idaho for the vocational classes at the high school and junior high. It is used to pay for salaries and benefits of the additional duties of the staff, as well as equipment used in class. These funds help with the welding and automotive classes. These funds are restricted for the vocational classes for purchases above the normal classroom costs. We budget this to spend all the money received each year and be at zero at the end of the year.

Technology Fund – Fund 245

This fund is used to pay for some salaries and equipment. The State of Idaho makes payments to assist with technology in the classroom. The money can be used for several purposes, but it must be technology driven. We are paid based on the number of Support Units in the District. We budget this to spend all the money received each year and be at zero at the end of the year.

Safe and Drug Free School – Fund 246

This fund is used for security purposes within the District. Vandalism has cost the District thousands of dollars of reimbursable damage. We are looking at purchasing an updated security system for the high school, but the payment each year will only pay for a fraction of the cost of the desired system. This fund is restricted for security purchases only.

Title I-Basic – Fund 251

Improving Basic Programs is a federal program that helps students who are most at risk meet state academic standards and be proficient on state assessments. This program provides funding to districts and schools that can be used for professional development, extended-time programs, and other strategies to help raise achievement levels. Title I-A laws hold states, districts, and schools accountable for improving the academic achievement of all students. The money can be used for salaries, benefits, and other costs related to reading improvement in the schools. Restrictions apply as to how the funds can be used, how much any school is allotted, and whether a school is eligible to use the money. 10% of the money in one year can be carried over to the next year if needed, but any deficits must be reimbursed from the General Fund.

Migrant Education – Fund 253

This is a Federal program with the money being restricted for the betterment of migrant children. We currently use this fund for staffing costs and training of staff who assists Hispanic children and their families. This fund is restricted for migrant education purposes only. The Migrant Summer School program is funded by this grant. We budget this to spend all the money received each year and be at zero at the end of the year.

Title I-D – Fund 255

This fund is a federally restricted fund and a part of the Title I Program described above. The money for this is administered by the District but is restricted for use by the Sequel TSI Therapeutic Residential Treatment Center for adjudicated and non-adjudicated adolescent males, ages 10-18 years of age, with sexually maladaptive behavior that is located up on the hill for the betterment of their students. Bennett receives half of this grant for the Drop-Out prevention program.

IDEA School-age – Fund 257

This is a federally restricted program to reimburse the expenses above and beyond normal classroom expenditures for children with special needs. This fund is flexible in the category of expenses, but they must be above and beyond what is normally spent for a child. This fund is restricted for special needs staff and expenses only. This fund allows 15% of the money in one year to be carried over to the next year if needed, but any deficits must be reimbursed from the General Fund. We budget this to spend all the money received each year and be at zero at the end of the year.

IDEA Pre-school – Fund 258

This fund is a federally restricted fund for the purpose of identifying special needs students and providing services to them before they enter kindergarten. This fund is flexible in the category of expenses, but they must be used for special needs services for children younger than school age. This fund is restricted for special needs staff and expenses only. This fund allows 15% of the money in one year to be carried over to the next year if needed, but any deficits must be

reimbursed from the General Fund. We budget this to spend all the money received each year and be at zero at the end of the year.

Rural and Low-Income Schools Program – Fund 262

This is a federally restricted grant to provide services to schools in rural setting with more than 20% poverty; the Mountain Home School District is about 20.4% in the community. It is a year by year assessment of whether we qualify or not for this grant appropriation. We do not qualify for this fund any longer.

Title III Federal LEP Language Instruction – Fund 270

This is a federally restricted grant to provide services and reading improvement to English Language Learners (ELL). We budget this to spend all the money received each year and be at zero at the end of the year.

Teacher and Principal Quality – Fund 271

This is a federally restricted grant to provided Professional Development to staff. This grant allows 25% of the money in one year to be carried over to the next year if needed, but any deficits must be reimbursed from the General Fund. We budget this to spend all the money received each year and be at zero at the end of the year.

P-L 874 Fund – Fund 279

This fund gets its revenue from payments on the Impact Aid vouchers. The revenue for Special Needs students is placed in this fund and the salaries and benefits of the staff who educate these students are charged against this fund. All expenses are restricted for the services provided to special needs students.

Plant Facility Fund – Fund 420

This fund is where the Plant Facility Levy taxes from the County were placed to pay the construction, renovation, and equipment needs of the District. This levy was generously renewed by the patrons of Mountain Home, in May of 2015, for \$1,000,000 per year for each of the next five years. The levy will be going to the ballot in calendar year 2020. This fund is restricted for the purposes outlined in the levy ballot at each taxpayer approved levy election.

NO SUPPLEMENTAL LEVY

Mr. Vick explained that the Supplemental Levy is \$2.7 million dollars, which is 10.72% of the revenue for the budget. *Salaries and Benefits makes up 79.41%. The proposed FY21 Budget includes Other State Revenue that is for special distributions and those special distributions are required by state and federal government to spend on only those specific purposes and for nothing else. If we take the proposed budget and subtract 10.72% for the failing levy and then subtract 7.41% for Salaries and Benefits, subtract 4.95% for special distribution (Other State Revenue) that leaves 4.92% or \$1,238,787 million dollars and Special Education and Transportation eats most of the remainder of the \$1,238,787. We still must pay for utilities, liability insurance, etc., we do not have the funds to pay for everything.* Should the Supplemental Levy fail the following could come to fruition:

- Reduction in purchased services
- Reduction in supplies
- Capital is \$0
- Furlough days for staff
 - ~ Reduction in salaries
 - ~ Reduction in benefits

Concluded proposed FY21 budget workshop.

Chairman Abrego mentioned that someone questioned him on the Fund Balance being at \$4.4 million and why we were pushing to get the Supplemental Levy passed; he then asked to explain the reason for the Fund Balance and why the Supplemental Levy was needed. Superintendent Gilbert replied the big thing is to think of this as a personal account and you don't want to run on a \$0 budget every month and hope that financially things work out once a month. The Board has been very good to build the Fund Balance to the level that the auditors recommended. This issue going forward is with the current 5% holdback from the State and we (superintendents) are already being told to prepare for additional holdbacks. The second issue is if we lose additional ADA, we are only protected at 97% for just one year and would cause us to dig into the fund balance the following year. If the levy doesn't pass, it would be substantial. Reduction in salaries means a minimum of 10-furlough days for staff, which greatly decreases the amount of student contact time. The purpose for the Fund Balance to help withstand the

financial insecurities that come. The governor has informed superintendents that there could be another 3% cut come October. Superintendent Gilbert stated that he appreciated Mr. Vick being conservative with the budget and we need to remember that we had a \$0 increase to health insurance this year and not to expect \$0 increase next year.

Trustee Monasterio asked for clarification on what areas would sustain cuts should the levy fail. Mr. Vick responded that he cut Supplies as much as he could, he cut Capital, and he cut some Purchased Services, but things such as Transportation must be paid and that is a cost of about \$1 million per year; we do get reimbursed for most of it but that isn't until the following year. He added that we had about three months of transportation that we didn't use this year so that helped in our expenses, but we will not be reimbursed for those three months either and that is a reduction in Revenue. Mr. Vick also informed everyone that one of the expenses that we have every year is Special Education because we are required to pay the same if not more for Maintenance of Effort and that cannot be changed. The only things that can be changed in addition to the aforementioned cuts is Salaries and Benefits because it is almost 80% of our budget.

NOTE: Maintenance of Effort for Special Education is an expense that is required of all school districts to pay the same or more money from General Funds that Special Education spends from special education funds and can never decrease.

Trustee Binion asked if there would be cuts in extracurricular activities. Superintendent Gilbert replied that there would be cuts to extracurricular activities. It is only fair that if we ask the Board to cut in areas across the board that it also includes extracurricular activities.

Trustee Donahue recognized Mr. Vick doing a great job with the budget and hopefully the levy will pass.

Chairman Abrego concurred.

- II. APPROVAL OF AGENDA ADDENDUM – RESCHEDULE STUDENT AND BUDGET HEARINGS (ACTION)** – Chairman Abrego/Levi Vick. Mr. Vick informed the Board that regarding Student Meals Fee increases, the USDA made a decision that if the Food Service account has a positive fund balance, we do not need to increase the meals fees, so he recommended that the Board not increase the costs of student meals thus eliminating having to hold a Student Meals Fees Increase Hearing. Mr. Vick also informed the board that due to the COVID19, the extension date to the return of absentee ballots, and the delay of the state releasing the Idaho school districts' budgets, there is a delay to adequately draft a 2020-2021 budget in time for the June 16, 2020, regular board meeting. He requested the board reschedule the student and budget hearings no later than June 24, 2020. Trustee Binion moved not to increase the costs of student meals and cancelling the Student Meals Fees Increase Hearing, received a second from Trustee Donahue. Motion Passed.

The Board discussed when to hold the budget hearing.

Trustee Binion moved to hold the Budget Hearing on Tuesday, June 23, 2020, at 7:00 p.m. Trustee Donahue seconded the motion. Motion granted.

- III. Adjourn** – All business of the Board having been completed, Chairman Abrego called for a motion to adjourn. A motion from Trustee Monasterio to adjourn was seconded by Trustee Binion. Motion approved. Budget Workshop adjourned at 8:15 p.m.

Chairman Abrego

Clerk Whitman