



*Catalina Foothills Unified School District #16
Tucson, Arizona*

March 17, 2026

To: CFSD Governing Board
From: Denise Bartlett, Superintendent
Re: 2026-2027 (FY27) Maintenance and Operations (M & O) Budget

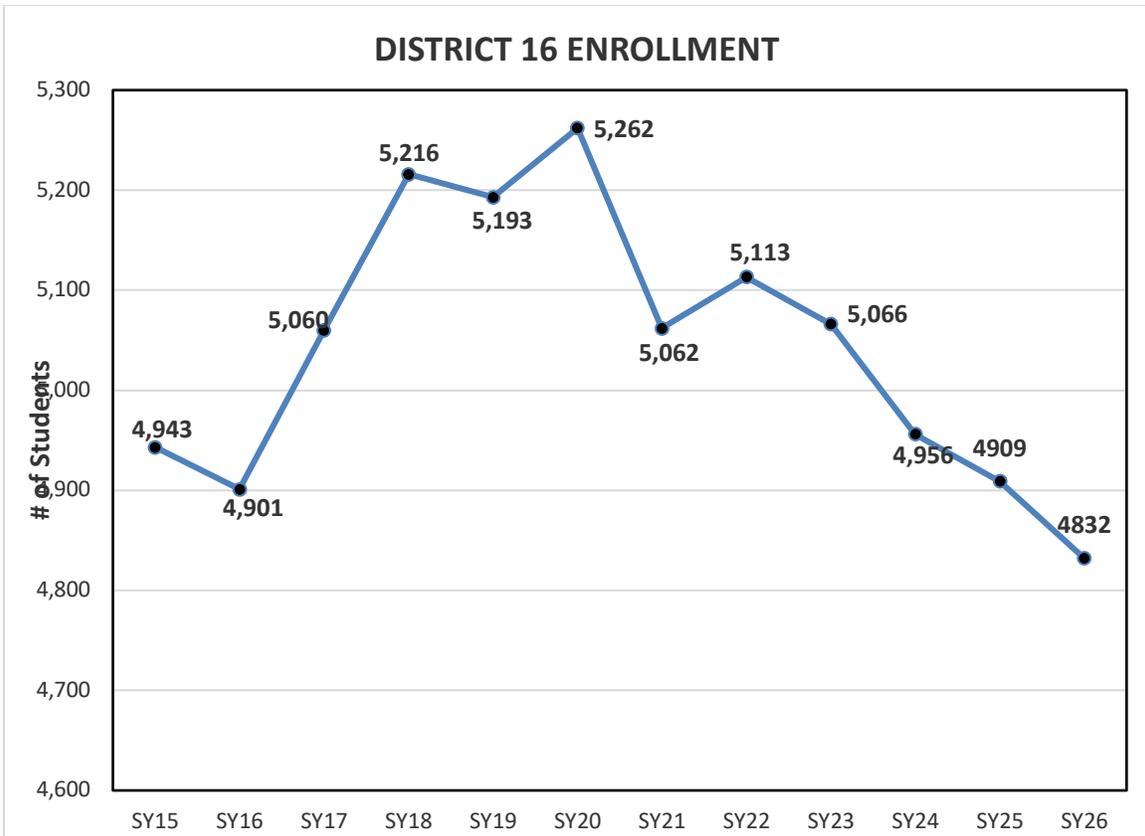
This budget proposal for the 2027 fiscal year sustains all student programs and services, and their staffing support. Other than miscellaneous adjustments to other areas of the budget, the new significant expenses are related to employee compensation and additional staffing.

Successful recruitment and retention of employees is a critical function correlated with the quality of our education programs on behalf of our students. Compensation is an important consideration when individuals decide to join CFSD or stay employed here.

Revenue Assumptions

Assumption #1: We use our current Average Daily Membership (ADM) of 4,627 as the basis for a per pupil funding assumption for next year. Our 100th day enrollment on January 16, 2026 was 4,832 students.

Actual enrollment or the number of total students (4,832) is higher than ADM. ADM means the average enrollment of fractional students and full-time students through the first 100 days of the calendar, minus withdrawals. As examples: a student enrolls the first day of the school year = $100/100 = 1.0$ ADM, a student who enrolls 5 days after the start of the school year = $95/100 = .95$ ADM, and a kindergarten student who attends school for a half-day program = $.50$ ADM.



Assumption #2: Basic state funding will increase by 2%. The Legislature is required to increase public school funding each year by the inflation rate or 2%, whichever is less. The inflation rate will be higher than 2%. Therefore, we assume this legally required increase applied to the base level support.

Assumption #3: We propose a transfer of \$1,073,010 of District Additional Assistance (DAA) funds to M & O. These dollars are needed to help pay for employee salary, wage, and benefit increases for FY27. For the current year of FY26, the we were able us to transfer \$1,451,314 back to DAA. Unspent DAA will be transferred back to M&O if available for FY27. This will be done at the December revision to the budget.

This is the revenue line used to balance the budget. It will adjust based on any changes that may result in increases to M & O expense without a corresponding offset in revenue.

Note: Although funding for the Classroom Site Fund (CSF) is not M & O revenue, we do include it on the revenue page of the straw budget. Next year's per pupil amount is \$880 which is an increase from \$842 in FY26.

This additional \$38 per pupil allocation will be used in part to pay for the FY27 teacher salary increase. Since these dollars are primarily spent on teacher compensation, we typically move about 20% of teacher salary expense to the Classroom Site Fund to reduce our M & O obligation.

FY26 Budget Priorities

- **Sustain student programs and services, and staffing support for enrollment needs.**
- **Maintain current staffing ratios.**
- **Increase employee compensation.**
- **Increase Math FTE at middle schools and high school.**
- **Add reading tutor.**
- **Add part-time office clerk.**

Expenditure Assumptions

Assumption #1: We are committed to sustaining student programs and services.

We will always try to sustain a rich array of student offerings at all levels of our school system. Our community expects a variety of curricula to engage our students. This FY27 budget proposal continues to support all of our student programs and services.

Assumption #2: We will maintain our current staffing ratio.

We are sensitive to the student-to-teacher ratio and its impact on the ability of our faculty to differentiate learning experiences for a variety of student needs. This budget proposal does not alter our current staffing formula.

Assumption #3: We propose funding salary/wage increases for all employees and maintaining the district's contribution for medical insurance premiums.

For the 2026-2027 school year, we recommend that the first step of our professional/certified teacher salary schedule increase by \$1,000 to \$54,000. This is a first-year teacher's base salary. We recommend that each teacher receive a vertical step movement on the current salary schedule. Together, the base increase and the step movement would provide an increase to

overall compensation within our funding limits. This is a permanent increase between 2.13% and 3.48%, with an average of 2.70%.

Additionally, we recommend that each teacher hired before December 1, 2025, receive a one-time \$1,000 longevity addendum to their contract. The longevity stipend is a one-year addendum and not a permanent salary increase. It is not guaranteed in future years. It is pro-rated based on FTE. All eligible teachers will receive an increase of \$2,910, a combination of the \$910 for one vertical step on the revised salary schedule and the \$1,000 longevity addendum. This is an overall 3.22%-5.20% increase with the revised schedule, one step movement and addendum are considered together, with the average compensation increase at 4.06%.

We propose an 4% increase to the hourly wages for classified/support staff on a revised wage schedule. This results in our minimum wage increasing to \$16.42 for an individual without experience who starts on step 1 of the wage schedule. We need to be as competitive as possible in the labor market to keep our quality support staff, and recruit and hire successfully.

We recommend adding 4% to the wage pool for classified exempt employees and 4% to the salary pool for administrators. These dollars are distributed based on performance and the wage/salary comparability of like positions.

The current district contribution for medical insurance cost is \$6,084 for an eligible 1.0 employee, and a proration of that cost that matches the part-time FTE of an employee working .75 and above. There will be a 6.0% increase to our premium costs next year, but no changes to the plans themselves. We recommend maintaining the district contribution of \$6,084, which will continue to fully cover the cost of one of the offered medical plans.

Assumption #4: We propose adding 1.5 certified FTE for math teachers to decrease the class size in middle school and high school standard math classes.

The projected cost is \$116,353.79 based on an average teacher's salary of \$59,460 plus fixed costs of 20.224% (i.e., district obligation for ASRS, FICA, Worker's Compensation, Unemployment Compensation, Medicare). It also includes dental and vision benefits totaling 9,126.00.

Assumption #5: We propose adding a .5 FTE reading tutor at Manzanita Elementary.

Manzanita is the only elementary school that does not have Title I funding or excess staffing to provide reading intervention to its students. Adding this reading tutor would ensure that the elementary schools have comparable services for their students. The cost of this position is \$16,993.00.

Assumption #6: We propose adding a .5 FTE office clerk at Orange Grove Middle School.

The scope of the work in the front office of Orange Grove has increased with the increase in enrollment and increased security. Adding this .5 FTE will enable the office staff to complete tasks within the workday and eliminate the need for overtime. The cost of this position is \$18,910.00.

The projected new costs associated with these recommendations:

Certified teacher salaries, stipends, addendums, and benefits	\$1,007,573
Classified hourly personnel wages and benefits	\$199,206
Exempt classified salaries and benefits	\$28,679
Administrator salaries and benefits	\$97,504
1.5 FTE math teachers	\$116,354
Reading Tutor	\$16,993
Office Clerk	\$18,910
Total	\$1,485,219
Available Budget Balance	\$412,209
DAA Transfer to M&O	\$1,073,010

Assumption #7: We will experience numerous other miscellaneous expenditure adjustments, both deletions and additions, to the proposed FY27 budget.

Each year, there are expense adjustments for utilities, property and liability insurances, and technological licenses and subscriptions. Costs for outsourced services like student transportation, food service, custodial, and

groundskeeping adjust per the terms of our contracts with providers. We also do an annual reconciliation of budgeted salary and wage costs to the actuals.

Conclusion

Attached is an at-a-glance budget summary of revenues and expenditures that highlights anticipated changes to large budget categories. The summary offers a comparison of the FY26 adopted budget approved by the CFSD Governing Board in June 2025 and the FY27 proposed budget.

Also attached are spreadsheets that reflect the total projected M & O, Classroom Site Fund, and Instructional Improvement Fund revenues and expenditures as of March 12, 2026.