

Submitted by: Chairman of the Assembly
at the request of the
School Board

Prepared by: Anchorage School District
For Reading: March 16, 2004

CLERK'S OFFICE

APPROVED

Date: 3-16-04
IMMEDIATE RECONSIDERATION

FAILED 3-16-04

ANCHORAGE, ALASKA
AO NO. 2004-28(S)

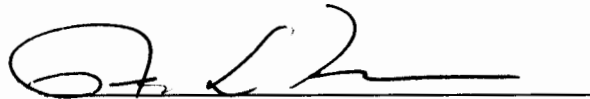
AN ORDINANCE DETERMINING AND APPROVING THE TOTAL AMOUNT
OF THE ANNUAL OPERATING BUDGET OF THE ANCHORAGE SCHOOL
DISTRICT FOR ITS FISCAL YEAR 2004-2005 AND DETERMINING AND
APPROPRIATING THE PORTION OF THE ASSEMBLY APPROVED BUDGET
AMOUNT TO BE MADE AVAILABLE FROM LOCAL SOURCES

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. That the FY 2004-2005 Proposed Anchorage School District
budget in the amount of \$499,816,482 has been approved by the Anchorage
Assembly and that, of said amount, the amount of \$163,748,007 shall be the
amount of money to be appropriated from local property taxes or other local
sources for school purposes to fund the School District for its 2004-2005 fiscal year.

Section 2. That this ordinance is effective upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly, this 16th day of
March 2004.



Chair of the Assembly

ATTEST


Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM 80-2004(A)

March 16, 2004

1 FROM: ANCHORAGE SCHOOL DISTRICT

2
3 SUBJECT: AO 2004-28(S) ANCHORAGE SCHOOL DISTRICT FINANCIAL
4 PLAN
5

6 **PROPOSED FINANCIAL PLAN REVISION**
7

8 On March 16, 2004, the Municipality of Anchorage's Office of Management and
9 Budget confirmed a decrease in the new construction and property improvement
10 value, a significant factor in computing the tax cap limitation. The value of the
11 new construction and property improvement was decreased from \$694.8 million
12 to \$471.6 million. Under the tax cap calculation, the decrease in the new
13 construction and property improvement value provides a tax decrease for the
14 Anchorage School District of \$1,645,399 from what was submitted on AO NO.
15 2004-28.
16

17 Also on March 16, 2004 the District received written confirmation that the Mayor
18 is transferring \$1 million of Municipal taxing authority to the District under the
19 property tax limitation. As part of the approval of the 2004 Municipal operating
20 budget, the Assembly approved a change in the calculation method related to the
21 funding that the Municipality receives from the Municipal utilities. The
22 Municipality anticipates receiving more funding from the Municipal utilities
23 using the new calculation method. The Mayor is sharing a portion of the
24 increased funding with the District by transferring funds to the District's tax base
25 under the property tax limitation formula.
26

27 The School Board requested that the FY 2004-2005 Proposed Financial Plan be
28 introduced to the Municipality of Anchorage Assembly on March 2, 2004
29 (scheduled for Public Hearing on March 16, 2004). The accompanying
30 memorandum AM 80-2004 provided the assumptions taken into consideration in
31 preparation of the FY 2004-2005 Proposed Financial Plan. However, as a result of
32 the timing of the notification of adjustments to the new construction and
33 property improvement value not being finalized, and not having received
34 written confirmation pertaining to the \$1 million transfer, the upper limit of the
35 budget and tax request was not adjusted prior to submission of AO NO. 2004-28
36 and AM 80-2004 on March 2, 2004.
37

AO 2004-28(S)

The District is submitting the attached "S" version to AO NO. 2004-28 to reflect the above change in new construction and property improvement value and the \$1 million transfer. AO NO. 2004-28(S) decreases the upper limit of the School District's budget from \$500,461,881 to \$499,816,482, a decrease of \$645,399 and also decreases the local tax contribution from \$164,393,406 to \$163,748,007, a net decrease of \$645,399. Upon approval, of AO NO. 2004-28(S), the District will make the necessary adjustments to the FY 2004-2005 Proposed Financial Plan in June when final funding is received from the State and/or any other funding agencies.

FISCAL YEAR BUDGET COMPARISON

The following schedule compares by fund the revised FY 2004-2005 Proposed Financial Plan with the FY 2003-2004 Revised Financial Plan.

REVENUE/EXPENDITURE BUDGETS

FUND	March 8, 2004 Revised Budget FY 2003-2004	March 2, 2004 Proposed Budget FY 2004-2005	Requested Revision	March 16, 2004 Proposed Budget FY 2004-2005	% Over/ (Under) Prior Year
General	\$367,595,037	\$377,417,071	\$(645,399)	\$376,771,672	2.50%
Food Service	13,362,550	13,785,312	-0-	13,785,312	3.16%
Debt Service	61,908,094	68,259,498	-0-	68,259,498	10.26%
Local/State/Federal Projects	41,000,000	41,000,000	-0-	41,000,000	
Contingency	<u>1,328,054</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	(100.00%)
All Funds	<u>\$485,193,735</u>	<u>\$500,461,881</u>	<u>\$(645,399)</u>	<u>\$499,816,482</u>	3.01%

TAXES

	Revised FY 2003-2004	Proposed FY 2004-2005	Tax Contribution (Decrease)	Proposed FY 2004-2005	Amount Over/(Under) Prior Year
General Fund	\$121,490,634	\$134,451,301	\$(645,399)	\$133,805,902	\$12,315,268
Debt Service	<u>23,493,024</u>	<u>29,942,105</u>	<u>-0-</u>	<u>29,942,105</u>	<u>6,449,081</u>
All Funds	<u>\$144,983,658</u>	<u>\$164,393,406</u>	<u>\$(645,399)</u>	<u>\$163,748,007</u>	<u>\$18,764,349</u>

Based on the estimated 2004 assessed valuation total of \$21.3 billion confirmed by the Municipality on March 16, 2004, it is anticipated that the mill levy will be reduced from 7.37 in 2003 to 7.26 in 2004. The increase of \$18,764,349 of overall taxes being requested for FY 2004-2005 will still result in an \$11 reduction in taxes per \$100,000 of assessed valuation.

1 **STUDENT ENROLLMENT PROJECTIONS**

2

	FY 2003-2004	FY 2004-2005	Change
	Actuals	Projected	Over Prior
	<u>Sept. 30, 2003</u>	<u>Sept. 30, 2004</u>	<u>Year's Actual</u>
7 Enrollment	49,663	49,499	(164)
8 Full Time Equivalent (FTE)	49,431	49,274	(157)

9

10

11 **SUMMARY**

12

13 **We request your approval of AO NO. 2004-28(S)**, the ordinance determining
14 and approving the total amount of the annual operating budget of the
15 Anchorage School District for FY 2004-2005 and appropriating the portion of
16 local taxes in support of the School District's budget.

17

18 Students in the Anchorage School District receive a quality education because of
19 the commitment of parents, community, staff, School Board, Assembly, the
20 District and Municipal administration, State elected officials and the adults in
21 this community. Please continue to show support for **all** Anchorage children by
22 adopting the District's budget as proposed. Please show all our students and
23 staff that you care about their tomorrows—their future depends on **all** of us.

24

25

26 Respectfully submitted,

27 *Carol Comeau*

28
29 Carol Comeau
30 Superintendent
31
32

33 CC/JS/MSL

Municipality of Anchorage



P.O. Box 196650
Anchorage, Alaska 99519-6650
Telephone: (907) 343-6610
Fax: (907) 343-6616
<http://www.muni.org>

Mark Begich, Mayor

DEPARTMENT OF FINANCE

March 16, 2004

Carol Comeau
Superintendent
Anchorage School District
P.O. Box 196614
Anchorage, AK 99519-6614

Dear Carol:

This letter is to confirm the transfer of one million dollars (\$1,000,000) in taxing authority from the Municipality to the School District to support the district's 2004-2005 fiscal year budget. The adjustment is consistent with your earlier discussion with Mayor Begich.

To accomplish this, the district should adjust the tax cap calculation appearing on page V-7 of your 2004-2005 Financial Plan by adding \$1,000,000 as an adjustment somewhere after the population and CPI adjustments so as to increase the tax limitation for your general fund by the full \$1,000,000. This adjustment would flow through to page V-1 allowing for a \$1,000,000 increase in your total 2004-2005 budget. The actual funding would be provided through an additional \$500,000 in the first half of your 2004-2005 fiscal year from tax year 2004, and an additional \$500,000 in the second half of your 2004-2005 fiscal year from tax year 2005.

The Municipality will show a net \$500,000 reduction in our tax cap calculation for calendar year 2004 and an additional \$500,000 reduction in calendar 2005 to complete the full \$1,000,000 transfer.

These adjustments have been discussed with Janet Stokesbary. Please contact me at 343-6619 if you have any questions or require additional information.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jeffrey E. Sinz', is written over a horizontal line.

Jeffrey E. Sinz
Chief Fiscal Officer

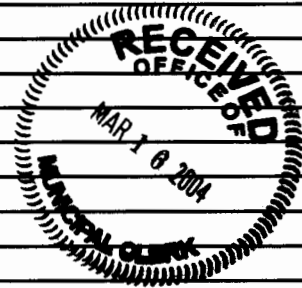
cc: Janet Stokesbary, Business Management, ASD
Diana Percy, OMB Director, MOA

Municipality of Anchorage
MUNICIPAL CLERK'S OFFICE
Agenda Document Control Sheet

AO 2004-28/53

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT An ordinance determining and approving the total amount of the annual operating budget of the Anchorage School District for its fiscal year 2004-2005 and determining and appropriating the portion of the Assembly approved budget amount to be made from local sources.	DATE PREPARED <p style="text-align: center;">March 16, 2004</p> Indicate Documents Attached <input checked="" type="checkbox"/> AO <input type="checkbox"/> AR <input checked="" type="checkbox"/> AM <input type="checkbox"/> AIM
	*This is a Substitute version of AO 2004-28 and AM 80-2004	
2	DEPARTMENT NAME Chief Financial Officer	DIRECTOR'S NAME Janet Stokesbary, Chief Financial Officer
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Janet Stokesbary, Chief Financial Officer	HIS/HER PHONE NUMBER 907-742-4369
4	COORDINATED WITH AND REVIEWED BY	INITIALS
	Mayor	
	Heritage Land Bank	
	Merrill Field Airport	
	Municipal Light & Power	
	Port of Anchorage	
	Solid Waste Services	
	Water & Wastewater Utility	
	Municipal Manager	
	Cultural & Recreational Services	
	Employee Relations	
	Finance, Chief Fiscal Officer	
	Fire	
	Health & Human Services	
	Office of Management and Budget	
	Management Information Services	
	Police	
	Planning, Development & Public Works	
	Development Services	
	Facility Management	
	Planning	
	Project Management & Engineering	
	Street Maintenance	
	Traffic	
	Public Transportation Department	
	Purchasing	
	Municipal Attorney	
	Municipal Clerk	
	Other: Anchorage School District	
	Carol Comeau, Superintendent	<i>Carol Comeau</i>
	Janet Stokesbary, Chief Financial Officer	<i>Janet Stokesbary</i>
5	Special Instructions/Comments <div style="text-align: center; font-family: cursive; font-size: 1.2em; margin-top: 20px;"> <i>Find on the Table below</i> </div>	
6	ASSEMBLY HEARING DATE REQUESTED March 2, 2004	7
		PUBLIC HEARING DATE REQUESTED March 16, 2004



See AO 2004-28(S)

ANCHORAGE SCHOOL DISTRICT
ANCHORAGE, ALASKA

AIM 29-2004

MEMORANDUM

MARCH 16, 2004

TO: THE HONORABLE MARK BEGICH
ANCHORAGE ASSEMBLY

FROM: OFFICE OF THE SUPERINTENDENT

Carol Comence

SUBJECT: ANCHORAGE SCHOOL DISTRICT SIX-YEAR CAPITAL
IMPROVEMENT PROGRAM: JULY 1, 2004 THROUGH JUNE 30,
2010

On March 8, 2004 the Anchorage School Board approved the Anchorage School District Six-Year Capital Improvement Plan (CIP) for the period July 1, 2004 through June 30, 2010. As required by Municipal Charter, the CIP (attached) is being submitted to the Municipal Assembly. It was reviewed in a work session on February 23, 2004, by the Planning and Zoning Commission, and the Commission took action on March 8, 2004 to recommend its adoption to the Anchorage School Board.

School Board Policy 741.12 establishes the requirement for an annual update of the Six-Year Capital Improvement Plan (CIP), including student membership projections; classroom utilization; and recommendations for renovation or major maintenance of existing facilities or construction of new facilities.

The CIP Recommendations are in Tables 1-3. Tables 4-12 provide information on historical membership and other factors affecting future enrollment. Tables 13-23 summarize membership projections and facilities. Detailed projection and facilities utilization information for each individual school is listed alphabetically, by level of instruction, in Appendix A. Appendix B provides additional information regarding the demographics of the District, in table and graph format. Appendix C is a summary description of the District's Educational Specifications. Appendix D describes the site selection process.

The recommendations included in Table 1 are based on the following inputs:

- Detailed six-year enrollment projections
- Input from the District's Capital Request Advisory Committee
- Prior facility audits
- Maintenance issues identified by the individual units and by the Facilities/Maintenance staff
- Projects identified in prior year CIP recommendations

Enrollment Projections: The overall student enrollment during the coming six-year period is projected to remain quite stable, with elementary enrollment holding at a constant level, high school enrollment increasing slightly, and

1 middle school enrollment declining slightly. The recent trend of births and
2 kindergarten enrollment (See Tables 4 and 7 and Chart 2) has been downward,
3 with what appears to be a leveling off in the past three years. Therefore, current
4 and projected kindergarten classes are smaller than those of prior years. As
5 these smaller classes work their way through the elementary grades over the
6 coming years, the average enrollment in each of the succeeding grades will
7 reflect the smaller kindergarten class size. This shows up very clearly in Table
8 13, Projections by Grade. For example, grade 4 enrollment is projected to begin
9 dropping off in 2004-2005, with a decline from the current enrollment of 3,829 to
10 a projected level in 2004-2005 of 3,649. Enrollment in higher grades begins
11 dropping off in later years, as the smaller primary grade classes progress to those
12 grades.

13

14 Middle school enrollments are projected to begin a slow, but steady decline, over
15 the next 6 years, as the smaller classes from the elementary grades make their
16 way into the middle school level. High school enrollments are projected to
17 increase steadily until 2006-2007, when they are also projected to decline.

18

19 **Review of Six-Year CIP Projects:** The 2004-2005 projects are the same as those
20 included in the proposed April 2004 Municipal Bond. Beyond 2004-2005, this CIP
21 continues the phasing of high school projects from prior years. If funding is
22 available according to the schedule in this CIP, the high school projects will be
23 completely funded by the end of this six-year period. Major improvements are
24 scheduled each year for districtwide roofs, mechanical systems, electrical
25 systems, and other facility components. Building code issues are being
26 addressed in each year of the CIP, as well as various minor building
27 improvements, traffic safety upgrades, and security system upgrades. At the
28 middle school level, Clark is scheduled for replacement beginning in 2005-2006,
29 while Gruening, Hanshew and Romig are included for design and construction
30 of major renovations.

31

32 Alternative and districtwide schools included for renovation or construction are
33 Steller, Whaley Center, and a new ABC Elementary School. Elementary schools
34 included for planning/design and renovation or additions are Abbott Loop,
35 Airport Heights, Bayshore, Bear Valley, Birchwood ABC, Chester Valley, Eagle
36 River, Fire Lake, Homestead, Huffman, Inlet View, Klatt, Mountain View,
37 O'Malley, Ptarmigan, Rabbit Creek, Ravenwood, Rogers Park, Sand Lake, Spring
38 Hill, Susitna, Turnagain, Tudor, and Gladys Wood.

39

40 The total cost over all years of the projects included in the CIP is \$638,200,200.

Municipality of Anchorage
MUNICIPAL CLERK'S OFFICE
Agenda Document Control Sheet

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT Anchorage School District Six-Year Capital Improvement	DATE PREPARED <div style="text-align: right;">3/16/04</div>	
	Program: July 1, 2004 Through June 20, 2010	Indicate Documents Attached <input type="checkbox"/> AO <input type="checkbox"/> AR <input type="checkbox"/> AM <input checked="" type="checkbox"/> HIM	
2	DEPARTMENT NAME ASD FACILITIES DEPT.	DIRECTOR'S NAME RAY AMSDEN	
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY RAY AMSDEN	HIS/HER PHONE NUMBER 348-5156	
4	COORDINATED WITH AND REVIEWED BY	INITIALS	DATE
	Mayor		
	Municipal Clerk		
	Municipal Attorney		
	Employee Relations		
	Municipal Manager		
	Cultural & Recreational Services		
	Fire		
	Health & Human Services		
	Merrill Field Airport		
	Municipal Light & Power		
	Office of Management and Budget		
	Police		
	Port of Anchorage		
	Public Works		
	Solid Waste Services		
	Transit		
	Water & Wastewater Utility		
	Executive Manager		
	Community Planning & Development		
	Finance, Chief Fiscal Officer		
	Heritage Land Bank		
	Management Information Services		
	Property & Facility Management		
	Purchasing		
	Other		
	Carol Comeau, Superintendent, ASD <i>Carol Comeau</i>		
5	Special Instructions/Comments		
6	ASSEMBLY HEARING DATE REQUESTED 3/16/04	7	PUBLIC HEARING DATE REQUESTED 3/16/04

