

CLERK'S OFFICE
APPROVED
Date: 6-24-08

Submitted by: Chairman of the Assembly
at the request of the
School Board
Prepared by: Anchorage School District
For Reading: June 10, 2008

ANCHORAGE, ALASKA
AR NO. 2008-94

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE PROVIDING FOR
A REVISION OF THE ANCHORAGE SCHOOL DISTRICT FINANCIAL PLAN
FOR FY 2007-2008

WHEREAS, increased funding for K-12 education was a high priority for both the Anchorage School Board and the Anchorage Assembly; and

WHEREAS, there was unified support for increased funding through the many efforts of the School Board Members, Anchorage School District's staff, and many partners in the community—parent groups, Assembly, Mayor, Legislature, and Governor; and

WHEREAS, the Second Session of the Twenty-fifth Alaska State Legislature passed Senate Bill 221, which provides one-time funding for energy relief; and

WHEREAS, the Second Session of the Twenty-fifth Alaska State Legislature passed various non-construction legislative grants included in Senate Bill 221; and

WHEREAS, in April 2008, the District received notification from the Department of Education and Early Development of the amount the District will receive in Teachers' Retirement System (TRS) supplemental funding in FY 2007-2008 which is a set dollar amount and not based on a percentage of TRS salaries paid; and

WHEREAS, the Anchorage School Board approved on May 29, 2008 the revision to the FY 2007-2008 Financial Plan; and

WHEREAS, the Anchorage School District's FY 2007-2008 Financial Plan is being increased by \$29,071,127 which requires no additional local taxes;

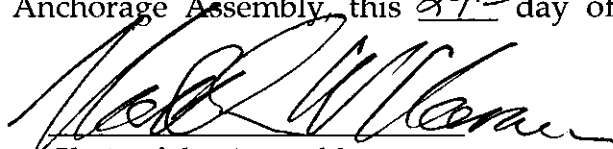
NOW THEREFORE, The Anchorage Assembly resolves:

Section 1: That the following revisions in total are approved:

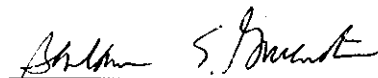
	FY 2007-2008		FY 2007-2008
	Revised Budget		Revised Budget
	as of 5/01/07	Requested	as of 6/24/08
<u>Fund Description</u>	<u>AR 2007-91(S)</u>	<u>Revision</u>	<u>AR 2008-94</u>
General	\$546,162,511	\$29,966,319	\$576,128,830
Food Service	16,322,000	(338,278)	15,983,722
Debt Service	80,435,739	(450,000)	79,985,739
Local/State/ Federal Grants	<u>55,735,000</u>	<u>(106,914)</u>	<u>55,628,086</u>
TOTAL ANCHORAGE SCHOOL DISTRICT APPROPRIATION	<u>\$698,655,250</u>	<u>\$29,071,127</u>	<u>\$727,726,377</u>
<u>Local Taxes</u>			
	Approved Taxes		Approved Taxes
	as of 5/01/07	Requested	as of 6/24/08
<u>Fund Description</u>	<u>AR 2007-91(S)</u>	<u>Revision</u>	<u>AR 2008-94</u>
General Fund	\$169,197,819	\$-0-	\$169,197,819
Debt Service Fund	<u>37,162,042</u>	<u>-0-</u>	<u>37,162,042</u>
TOTAL LOCAL TAX CONTRIBUTION	<u>\$206,359,861</u>	<u>\$-0-</u>	<u>\$206,359,861</u>

Section 2: That this resolution is effective upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly, this 24th day of
June 2008.


Chair of the Assembly

ATTEST


Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM 309-2008

Meeting Date: June 10, 2008

FROM: ANCHORAGE SCHOOL DISTRICT

SUBJECT: ANCHORAGE SCHOOL DISTRICT REVISED FINANCIAL PLAN
– FY 2007-2008

The Anchorage School District's FY 2007-2008 Financial Plan, as adopted by the Anchorage Assembly on May 1, 2007, per Assembly Ordinance 2007-91(S), provided a spending authority level of \$698,655,250. This included \$546,162,511 for the General Fund, \$16,322,000 for the Food Service Fund, \$80,435,739 for the Debt Service Fund, and \$55,735,000 for the Local, State, and Federal Grants Fund.

On May 29, 2008 the School Board approved a revision to the School District's FY 2007-2008 Financial Plan as set forth in the Assembly Resolution 2008-94. Through the many efforts of our School Board, staff, and many partners in the community—parent groups, school business partnerships, Assembly, Mayor, Legislature and Governor—the second session of the Twenty-fifth Alaska State Legislature passed Senate Bill 221 which provides one-time funding for energy relief in the amount of \$6.7 million and various legislative grants in the amount of \$1.6 million to the District with effective dates prior to June 30, 2008. At the time of the writing of this memorandum, the final grant amount may be subject to further action by the Legislature.

In addition, during the first session of the Twenty-fifth Legislature in 2007, the Legislature provided financial relief for FY 2007-2008 by making direct appropriations to the Teachers' Retirement System/Public Employees' Retirement System (TRS/PERS) plans and reducing the rates required to be paid by participating entities. In April 2008, the District received notification from the Department of Education and Early Development (DEED) of the amount the District will receive in TRS supplemental funding in FY 2007-2008 which is a set dollar amount of \$86.6 million and not based on a percentage of TRS salaries paid which is \$23.3 million more than originally anticipated.

The combination of the late notification and receipt of additional funds in the current fiscal year requires the District to increase the General Fund budget for

FY 2007-2008 so late in the year. A review of the Food Service, Debt Service and Local/State/Federal Grants Funds indicate that the total amount of each of these funds will not be fully expended at year end so that each can be reduced.

SUMMARY:

The following schedule summarizes the District's FY 2007-2008 Revised Financial Plan by fund, the adjustments that have been approved by the School Board.

Revenues

	Revised Budget As of 5/01/07 <u>AR 2007-91(S)</u>	Requested Revision	Revised Budget as of 6/24/08 <u>AR 2008-94</u>
<u>Fund Description</u>			
General	\$546,162,511	\$ 29,966,319	\$576,128,830
Food Service	16,322,000	(338,278)	15,983,722
Debt Service	80,435,739	(450,000)	79,985,739
Local/State/ Federal Grants	<u>55,735,000</u>	<u>(106,914)</u>	<u>55,628,086</u>
TOTAL ANCHORAGE SCHOOL DISTRICT REVENUES	<u>\$698,655,250</u>	<u>\$ 29,071,127</u>	<u>\$727,726,377</u>

Local Taxes

	Revised Budget As of 5/01/07 <u>AO 2007-91(S)</u>	Requested Revision	Revised Budget as of 6/24/08 <u>AR 2008-94</u>
<u>Fund Description</u>			
General Fund	\$169,197,819	\$-0-	\$169,197,819
Debt Service Fund	<u>37,162,042</u>	<u>-0-</u>	<u>37,162,042</u>
TOTAL LOCAL TAX CONTRIBUTION	<u>\$206,359,861</u>	<u>\$-0-</u>	<u>\$206,359,861</u>

The total School District FY 2007-2008 Financial Plan request represents an increase to the current budget by \$29,071,127 that will result in an overall budget total of \$727,726,377. The revision is supported by State funding from the amount the District will receive in TRS supplemental funding and the approval

1 of Senate Bill 221 which appropriates one-time funding for energy relief and
2 various legislative grants. **No additional local property taxes are being**
3 **requested to support this budget increase.**

4
5 Respectfully submitted,

6 *Carol Comeau*
7

8
9 Carol Comeau
10 Superintendent
11

12 CC/JS/MSL

ATTACHMENT A

ANCHORAGE SCHOOL DISTRICT
ANCHORAGE, ALASKA

ASD MEMORANDUM #292 (2007-2008)

May 29, 2008

TO: SCHOOL BOARD

FROM: OFFICE OF THE SUPERINTENDENT *Coral Comeau*

SUBJECT: REVISION TO FY 2007-2008 FINANCIAL PLAN

ASD Goals: *Ensure public accountability through continued preparation of the budget; and effective communications with students, staff, parents, community and government at all levels.*

RECOMMENDATION:

It is the Administration's recommendation that the School Board appropriate an additional \$29,966,319 to the General Fund. In addition, it is recommended that the appropriations to the Food Service Fund be reduced by \$338,278, the Debt Service Fund be reduced by \$450,000, and the Local/State/Federal Grants Fund be reduced by \$106,914 for a total revised budget of \$727,726,377. The District's FY 2007-2008 revised budget by individual fund will be in the following amounts:

	FY 2007-2008 <u>Financial Plan</u>
General Fund	\$576,128,830
Food Service Fund	15,983,722
Debt Service Fund	79,985,739
Local/State/Federal Grants Fund	<u>55,628,086</u>
Total - All Funds	<u>\$727,726,377</u>

It is also the Administration's recommendation that the School Board authorize the Superintendent to request the Anchorage Assembly to increase the upper limit of the Anchorage School District's FY 2007-2008 budget by \$29,071,127 since the overall budget, as revised, will exceed the approved upper limit of the budget. **No additional taxes are being requested to support this increase.**

PERTINENT FACTS:**Anchorage Assembly Actions**

On March 27, 2007 the Anchorage Assembly approved AO No. 2007-35(S), to adopt and approve the Anchorage School District's FY 2007-2008 Financial Plan with an upper limit spending authority of \$697,425,525 and the amount of \$206,525,828 to be appropriated from local property taxes.

On May 1, 2007 the Anchorage Assembly approved AR No. 2007-91(S) increasing the Debt Service Fund by \$1,229,725 to reflect the bond sale in July 2007 related to the two education-related bond propositions, Propositions 4 and 5, approved by the qualified voters of the Municipality of Anchorage on April 3, 2007. In addition, the amount of taxes in the Debt Service Fund were reduced by \$165,967 to reflect the tax savings resulting from the issuance of a refunding bond issue that more than offset the tax increase related to the July 2007 bond sale. The Revised FY 2007-2008 Financial Plan provides for an upper limit spending authority of \$698,655,250 and local taxes in the amount of \$206,359,861.

Alaska Legislative Actions

During the first session of the Twenty-fifth Legislature, the Legislature provided financial relief for FY 2007-2008 by making direct appropriations to the TRS/PERS plans and reducing the rates required to be paid by participating entities. In April 2008, the District received notification from the Department of Education and Early Development (DEED) of the amount the District will receive in TRS (Teachers' Retirement System) supplemental funding in FY 2007-2008 which is a flat dollar amount and not based on a percentage of TRS salaries paid. The District also received guidance on the financial reporting requirements for both the TRS and PERS (Public Employees' Retirement System) on-behalf supplemental funding. In addition, during the second Legislative session this year, the Legislature approved Senate Bill 221 (subject to approval by the Governor) which provides one-time funding for energy relief and various legislative grants to the District with effective dates prior to June 30, 2008.

The combination of the late notification and receipt of funds in the current fiscal year requires the District to increase the General Fund budget for FY 2007-2008 so late in the year. A review of the Food Service, Debt Service and Local/State/Federal Grants Funds indicate that the total amount of each of these funds will not be fully expended at year end so that each can be reduced. The attached schedule summarizes by fund the reason for the revisions. The overall increase requires approval by the Anchorage Assembly prior to June 30, 2008. Increasing the upper limit spending authorization is scheduled for introduction before the Anchorage Assembly on June 10, 2008 and public hearing on June 24,

2008. In addition, further action by the School Board is required on another memorandum being brought forward on May 29, 2008 in order to comply with State requirements.

FISCAL YEAR BUDGET COMPARISON

Upon approval of this request, the District's FY 2007-2008 Revised Financial Plan will be \$727,726,377 and is summarized as follows:

REVENUE/EXPENDITURE BUDGETS

<u>Fund Description</u>	<u>Assembly Approved Budget As of 5/01/07</u>	<u>Requested Revision</u>	<u>Revised Budget As of 5/29/08</u>
General	\$546,162,511	\$29,966,319	\$576,128,830
Food Service	16,322,000	(338,278)	15,983,722
Debt Service	80,435,739	(450,000)	79,985,739
Local/State/Federal Projects	<u>55,735,000</u>	<u>(106,914)</u>	<u>55,628,086</u>
All Funds	<u>\$698,655,250</u>	<u>\$29,071,127</u>	<u>\$727,726,377</u>

Local Taxes

<u>Fund Description</u>	<u>Assembly Approved Taxes As of 5/01/07</u>	<u>Requested Revision</u>	<u>Revised Budget As of 5/29/08</u>
General	\$169,197,819	\$ -	\$169,197,819
Debt Service	<u>37,162,042</u>	<u>-</u>	<u>37,162,042</u>
Total Local Tax Contribution	<u>\$206,359,861</u>	<u>\$ -</u>	<u>\$206,359,861</u>

Attachment

CC/JS/MSL

Prepared by: Marie S. Laule, Budget Director
Chad Stiteler, Controller
Janet Stokesbary, Chief Financial Officer

Approved by: Janet Stokesbary, Chief Financial Officer

**ANCHORAGE SCHOOL DISTRICT
CALCULATION OF ESTIMATED UPPER LIMIT SPENDING AUTHORIZATION INCREASE
FISCAL YEAR 2007-2008**

	General Fund	Local/State/Federal Grants Fund	Food Service Fund	Debt Service Fund	Total All Funds
TRS Supplemental Funding (State Notification 4/7/08)	\$ 81,590,074	\$ 4,962,958	\$ -	\$ -	\$ 86,553,032
PERS Supplemental Funding (State Notification 4/7/08)	7,109,064	635,728	453,722	-	8,198,514
Total Estimated TRS/PERS Supplemental Funding	88,699,138	5,598,686	453,722	-	94,751,546
Less: Budgeted TRS/PERS Supplemental Funding or Contingency	(65,389,421)	(7,300,000)	(792,000)	(450,000)	(73,931,421)
Additional Required for TRS/PERS Supplemental Funding	23,309,717	(1,701,314)	(338,278)	(450,000)	20,820,125
Energy Relief Funding - SB 221 (Subject to Governor's Approval)	6,656,602	-	-	-	6,656,602
SB 221 Grants (non-construction) (Subject to Governor's Approval)	-	1,594,400	-	-	1,594,400
Total Estimated Required Spending Limit Increase	\$ 29,966,319	\$ (106,914)	\$ (338,278)	\$ (450,000)	\$ 29,071,127

5/21/2008

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

AR 2008-94

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT A resolution of the Municipality of Anchorage providing for a revision of the Anchorage School District Financial Plan for FY 2007-2008.	DATE PREPARED June 2, 2008
		Indicate Documents Attached <input type="checkbox"/> AO <input checked="" type="checkbox"/> AR <input checked="" type="checkbox"/> AM <input type="checkbox"/> AIM
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> June 2, 2008
	Janet Stokesbary, Chief Financial Officer	<i>Janet Stokesbary</i> June 2, 2008
5	Special Instructions/Comments	
	<i>Consent Agenda - Introduction</i>	
6	ASSEMBLY HEARING DATE REQUESTED June 10, 2008	7
		PUBLIC HEARING DATE REQUESTED June 24, 2008