

Clerk's Note: AO 2009-17(S) was amended and approved on March 24, 2009. Acting Mayor Claman vetoed the Assembly's action pursuant to Home Rule Charter 5.02(c) and 7.02(c) on March 30, 2009. No further Assembly action was taken, so (per AMC 6.10.080 D) the total amount of the budget as Submitted by: Chairman of the Assembly originally submitted (AO 2009-17) was automatic- at the request of the School Board
ally approved without further action of
the Assembly.

Prepared by: Anchorage School District
For Reading: March 3, 2009

ANCHORAGE, ALASKA
AO NO. 2009-17

AN ORDINANCE DETERMINING AND APPROVING THE TOTAL AMOUNT OF THE ANNUAL OPERATING BUDGET OF THE ANCHORAGE SCHOOL DISTRICT FOR ITS FISCAL YEAR 2009-2010 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 2009-2010 Proposed Anchorage School District Financial Plan in the amount of \$762,833,890 has been approved by the Anchorage Assembly and that, of said amount, the amount of \$232,947,582 is the amount of money to be contributed from local property taxes or other local sources and is hereby appropriated for school purposes to fund the School District for its 2009-2010 fiscal year.

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

PASSED AND APPROVED by the Anchorage Assembly, this _____ day of _____ 2009.

Chair of the Assembly

ATTEST

Municipal Clerk

1 MUNICIPALITY OF ANCHORAGE

2
3 ASSEMBLY MEMORANDUM

4
5 AM 73-2009

6
7 Meeting Date: March 3, 2009

8
9 FROM: ANCHORAGE SCHOOL DISTRICT

10
11 SUBJECT: AO 2009-17 ANCHORAGE SCHOOL DISTRICT
12 FY 2009-2010 FINANCIAL PLAN

13
14 **PROPOSED FINANCIAL PLAN**

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16 The Anchorage School Board has approved the Proposed Financial Plan for
17 FY 2009-2010 in the amount of \$762,833,890. This includes individual fund
18 budgets currently projected as follows:

| | Proposed FY 2009-2010 <u>Financial Plan</u> |
|---------------------------------|---|
| General Fund | \$ 598,467,232 |
| Food Service Fund | 16,259,000 |
| Debt Service Fund | 85,907,658 |
| Local/State/Federal Grants Fund | <u>62,200,000</u> |
| Total – All Funds | <u>\$ 762,833,890</u> |

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29 It is requested that the Anchorage Assembly approve local property taxes in the
30 amount of \$232,947,582 and the upper limit spending authorization of
31 \$762,833,890 for FY 2009-2010.

32
33 **THE BUDGETING PHILOSOPHY**

34
35 The budget provides a financial blueprint for the Anchorage School District's
36 educational goals. When developing the budget, the Anchorage School District
37 has an obligation to its many stakeholders—the students, parents, employees,
38 and community members—to consider each group's priorities and balance them
39 with the district's stated mission of "educating all students for success in life."
40 The FY 2009-2010 budget projections reflect the district's on-going efforts to
41 achieve this balance, maximize performance and contain costs. The budget
42 development process is mindful of the district's Six-Year Instructional Plan with
43 the responsibility of designating financial and human resources within
44 projected revenues.

1 Over the last couple of months, the administration presented the FY 2009-2010
2 Preliminary Financial Plan to the School Board and the public at first and
3 second readings of the district's FY 2009-2010 Financial Plan. At the end of the
4 second reading on February 5, 2009, the School Board approved the Proposed
5 FY 2009-2010 Financial Plan of \$762,833,890 by unanimous vote. Attached
6 Exhibit 1 is a copy of ASD Memorandum #198 (2008-2009) that outlines the
7 budgeting process for all funds taken by the School Board and Administration
8 for FY 2009-2010 as of February 5, 2009.

9 10 **GENERAL FUND**

11
12 With direction from the School Board, the administration developed the General
13 Fund budget using the Joint Legislative Education Funding Task Force
14 recommendations to the Alaska Public School Funding formula. In addition, the
15 School Board approved using a portion of the undesignated fund balance as a
16 funding source while still maintaining an undesignated fund balance of
17 approximately 3.25 percent of the FY 2009-2010 projected budget. This also
18 maintains the required amount agreed to with the Municipality of Anchorage for
19 bond rating purposes.

20
21 Exhibit 1 details all of the revenue and expenditure categories and the
22 assumptions taken in preparing the FY 2009-2010 Financial Plan as of
23 February 5, 2009. Exhibit 1 and the attachments primarily focus on the General
24 Fund as this is the main fund supporting the educational needs of our students.

25
26 Attachments to Exhibit 1 include:

- 27
- 28 • Revenue and Expenditure schedules at the time of School Board approval
29 (Attachment A)
 - 30
 - 31 • Summary of Major Budgeted Revenue Increases and Reductions
32 Summary of Major Budgeted Expenditure Increases and Reductions
33 (Attachment B)
 - 34

35 **Subsequent to School Board Approval**

36
37 The American Recovery and Reinvestment Act of 2009

38
39 On February 17, 2009 the President of the United States signed into law a \$787
40 billion economic stimulus bill. At this time the Alaska Department of Education
41 and Early Development is ascertaining the size and scope of any potential
42 education funding from this bill, with the funds ultimately being administered
43 by the State's individual school districts.

1 To ensure that solid education programs continue with the funding from the
2 stimulus package, ASD administrators are currently looking at the funding
3 requirements, reviewing options available and creating a preliminary plan.
4 When the district has a better idea of the funding amounts that will go to the
5 Anchorage public schools, the administration will take all adjustments back to
6 the School Board for approval and the increases to the upper limit spending back
7 to the Assembly for approval.

8 9 **OTHER FUNDS**

10
11 **Food Service Fund**— This fund is used to budget and account for operations of
12 the Student Nutrition Program. The budget for this fund covers both the direct
13 and indirect cost of providing meals to students and is self-supporting. These
14 projections do not include any increases in meal prices and it is projected that no
15 local tax support will be required for the Food Service Fund in FY 2009-2010.

16
17 **Debt Service Fund**—This fund is used to budget and account for principal and
18 interest payments on existing school bonds as well as the revenues necessary to
19 fund these expenditures. Some of the district's bonds receive state debt
20 reimbursement which varies depending on the year the bond proposition was
21 approved. The two April 2009 bond propositions for: 1.) Service High addition
22 and renewal and other renewal and design projects; and 2.) districtwide building
23 systems renewal projects and future site selection approved by the Assembly on
24 February 3, 2009, have not been included in the projections. If the bond(s) are
25 approved by the voters in April, the district will bring back a request for an
26 increase to the upper limit spending authorization.

27
28 **Local/State/Federal Projects Fund**—Expenditures in the Local/State/Federal
29 Projects Fund are offset by matching revenues. Revenues available through
30 grants for these projects include competitively awarded grant funds, most of
31 which are subject to annual federal and state appropriations. Ongoing
32 monitoring between March and June 2009 of these grants including the economic
33 stimulus package, will help determine if adjustments should be made.

34 35 **FISCAL YEAR BUDGET COMPARISON**

36
37 The following schedule compares by fund the FY 2009-2010 projected
38 revenue/expenditures with those currently approved for FY 2008-2009. At this
39 time, unknowns still remain such as contract negotiations, mandated services,
40 April elections, and the effects of the economic stimulus bill that will require
41 further action by the School Board and Anchorage Assembly.

REVENUE/EXPENDITURE BUDGETS

| <u>Fund</u> | <u>Revised Budget FY 2008-2009</u> | <u>Proposed Budget FY 2009-2010</u> | <u>% Over /(Under) Prior Year</u> |
|------------------------------|--|---|---|
| General | \$580,915,706 | \$598,467,232 | 3.02% |
| Food Service | 16,567,000 | 16,259,000 | (1.86)% |
| Debt Service | 84,326,284 | 85,907,658 | 1.88% |
| Local/State/Federal Projects | <u>55,710,000</u> | <u>62,200,000</u> | 11.65% |
| All Funds | <u>\$737,518,990</u> | <u>\$762,833,890</u> | 3.43% |

| TAXES | <u>Approved Taxes FY 2008-2009</u> | <u>Requested Taxes FY 2009-2010</u> | <u>Increase</u> |
|--------------|--|---|---------------------|
| General Fund | \$178,556,242 | \$191,913,748 | \$13,357,506 |
| Debt Service | <u>39,415,466</u> | <u>41,033,834</u> | <u>1,618,368</u> |
| All Funds | <u>\$217,971,708</u> | <u>\$232,947,582</u> | <u>\$14,975,874</u> |

STUDENT ENROLLMENT PROJECTIONS

| | <u>FY 2008-2009 Actuals Sept. 30, 2008</u> | <u>FY 2009-2010 Projected Sept. 30, 2009</u> | <u>Change Over Prior Year's Actual</u> |
|----------------------------|--|--|--|
| Enrollment | 48,440 | 48,548 | 108 |
| Full Time Equivalent (FTE) | 48,169 | 48,280 | 111 |

SUMMARY

The FY 2009-2010 Proposed Financial Plan is consistent with the Anchorage School Board's continuing commitment to providing the best possible educational program for all students using available resources. **The Anchorage School District requests the full support of the Anchorage Assembly for this budget.** Our community's students deserve an excellent education, which can only be achieved by consistently meeting their needs and setting high standards. The district's programs require continued improvement and our workforce needs the stability of attracting and retaining the best quality employees we can recruit. The district understands student success is the community's highest

1 priority, and has incorporated citizen and agency concerns in this budget by
2 directing funds to those programs that directly and effectively enhance student
3 achievement. We are grateful for the community and staff support that
4 contributed to the development of this budget and look forward to approval by
5 the Anchorage Assembly.

6
7 Respectfully submitted,

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11 Carol Comeau
12 Superintendent
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16 Attachments
17 CC/JS/MS

ANCHORAGE SCHOOL DISTRICT
ANCHORAGE, ALASKA

ASD MEMORANDUM #198 (2008-2009)

February 5, 2009

TO: SCHOOL BOARD

FROM: OFFICE OF THE SUPERINTENDENT

Carol Comenau

SUBJECT: FY 2009-2010 PROPOSED FINANCIAL PLAN (Second Reading)

ASD Goals: Ensure public accountability through continued preparation and publication of budget basics, and 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 approve and authorize the Superintendent to prepare the Anchorage School District's FY 2009-2010 Proposed Financial Plan as set forth in the projected revenue and expenditure schedules in the memorandum (Attachments A and B). The total budget recommendation is \$762,833,890. This includes individual fund budgets currently projected as follows:

| | <u>FY 2009-2010 Financial Plan</u> |
|---------------------------------|--|
| General Fund | \$598,467,232 |
| Food Service Fund | 16,259,000 |
| Debt Service Fund | 85,907,658 |
| Local/State/Federal Grants Fund | <u>62,200,000</u> |
| Total - All Funds | <u>\$762,833,890</u> |

The total of local tax contribution to be requested is \$232,947,582.

It is further recommended that the School Board authorize the Superintendent to adjust the budget expenditure ceiling and the tax amount in accordance with any adjustment to changes in charter schools, enrollment adjustments, and voter approval of the April 2009 ballot propositions.

PERTINENT FACTS:

UPDATED INFORMATION

As mentioned during the Superintendent's presentation during the School Board work session on January 20, 2009, the U.S. Department of Labor, Bureau of Labor Statistics announced the official 2008 Consumer Price Index (CPI) for Anchorage, a major component in the local property tax cap calculation. The updated rate of 4.6 percent was more than the 3.1 percent that was used in the preliminary projections. The new CPI allowed an additional \$2.7 million under the local property tax cap calculation formula, reducing the amount of expenditure reductions necessary to bring the expenditures in balance with the revenues. However, the local property tax cap calculation has not been finalized. The official five-year average population change and the new construction property improvement amount, two other components in the property tax cap calculation formula, have not been finalized and may change as the budgetary process continues. In addition there are still other various unknown factors that may impact the ASD FY 2009-2010 Financial Plan. **They include as mentioned above the finalization of the tax cap calculation, the ongoing education funding discussions by the Legislature and interested parties, and the outcome of the economic stimulus package that may have an impact on the district, or any mandated expenditures brought to our attention such as the English Language Proficiency Assessment Scoring (ELPA) which cannot be charged to the Title I grant as in the past. Until these unknown factors are finalized it is recommended that the School Board not make any expenditure adjustments at this time. As updated information is provided, it will be included in the FY 2009-2010 Financial Plan before submittal to the Assembly.**

THE BUDGETING PROCESS

The budget provides a blueprint for the Anchorage School District's educational goals. When developing the budget, the Anchorage School District has an obligation to its many stakeholders—the students, parents, employees, and community members—to consider each group's priorities and balance them with the district's stated mission of educating all students for success in life. The FY 2009-2010 budget projections reflect the district's on-going efforts to achieve this balance, maximize performance, and contain costs.

These projections for FY 2009-2010 are prepared using the most current information available. Existing funds and cost savings are directed to district programs to ensure that progress is made in achieving the current School Board goals. The budget development process is mindful of the district's Six-Year Instructional Plan with the responsibility of designating financial and human resources within projected revenues.

BUDGET DEVELOPMENT

The budget development process for the district is an ongoing process that encompasses over six months of gathering and analyzing information. The budget continues to realign the district's priorities, as budgeting is a progressive process. The balanced budget concept, Alaska Public School Funding, and the local property tax limitation necessitate early predictions of both revenues and expenditures. Federal, state or local mandates may necessitate the district to incorporate additional responsibilities and/or initiate new programs within the district. Various demographic and economic factors must be evaluated for their impact on the budget. Then, the total of all school and department budgets plus any new facilities or change in program requirements are compared to anticipated revenues.

Departments and schools review their programs and responsibilities; assess what is being done during the current fiscal year and what progress is being made; begin making plans for next year and future years; and then prepare budget requests based on their program requirements and how they support the School Board Goals and Mission of "educating all students for success in life."

Input from community members, parents, students, and staff resulted in change or elimination of existing programs or implementation of new ones. In spite of all the uncertainties the focus still remains on evaluating the need for additional staff, supplies, and other operating expenses. It may be determined that efficiencies can be achieved through better resource management or teaming with other agencies.

On November 3, 2008, a School Board FY 2009-2010 financial planning work session was held. The revenue projections were based on the Governor and Legislature's adjustments to the Alaska School Public Funding formula approved during the Twenty-fifth Legislative session. The adjustments to the Alaska School Public Funding formula include an increase to the base student allocation in FY 2009-2010 from \$5,480 to \$5,580, an increase in the intensive needs student population (Level III) funding level from 9 times to 11 times, and a provision for an annual Consumer Price Index (CPI) adjustment to pupil transportation funding. The use of 3.1 percent for the CPI, estimated at that time, meant an estimated increase from \$384 in the current year to \$396 for FY 2009-2010. This amount is then multiplied by the school district's ADM, less the ADM for the district's correspondence programs to calculate the pupil transportation revenues.

The administration was also continuing to include in the projections the Teachers' Retirement System (TRS) and Public Employees' Retirement System (PERS) multi-employer cost-sharing plans. These plans provide the mechanism

of allocating the annual payments made by the state on behalf of the district for the unfunded past service and current normal cost rates in excess of levels specified in statute of 12.56 percent for TRS and 22.00 percent for PERS. The projections presented assumed the rate decreases to TRS and PERS adopted by the Alaska Retirement Management Board (ARMB) for 2010. The TRS rate decreased from the current FY 2008-2009 rate of 44.17 percent to 39.53 percent; and for PERS from the current rate of 35.22 percent to 27.65 percent.

At that time using the approved adjustments made in the Alaska School Funding formula, the district faced a \$7.5 million fiscal gap for FY 2009-2010. Assumptions used for projection purposes were reviewed with the School Board. The administration gathered suggestions and changes that the School Board members wanted the administration to further investigate.

Guidance was given that directed the administration to build the FY 2009-2010 Financial Plan in accordance with the financial projections set forth at that time using approved adjustments to the Alaska School Public Funding formula. In addition, the School Board directed the administration to use a portion of the undesignated fund balance as a funding source and still maintain an undesignated fund balance of approximately 3.5 percent of the FY 2009-2010 projected budget after honoring the required amount agreed to with the Municipality of Anchorage for bond rating purposes.

On November 13, 2008, the School Board authorized the Superintendent to prepare the Anchorage School District's FY 2009-2010 Preliminary Financial Plan. Even direction from the School Board at the work session on November 3, 2008 to use \$3.9 million of the undesignated fund balance to help eliminate the fiscal gap, a \$3.4 million fiscal gap still remained.

During the past two months as the administration proceeded forward in preparing a FY 2009-2010 Preliminary Financial Plan in which expenditures would equal revenues, the District's mission of educating all students for success in life was always at the forefront. It was also recognized that this could not be accomplished without support and maintenance departments. Review and reassessment of assumptions and parameters were made again. Assessment of workload and reorganization within departments to improve efficiencies were made. As late as January 16, 2009 updated and new information was incorporated. The U.S. Department of Labor released on its website that the CPI for Anchorage for 2008 is 4.6 percent allowing at this time for \$2.7 million of additional local tax revenues to close the still pending fiscal gap.

After a great deal of review, consideration and discussion, the Superintendent presented to the School Board a balanced FY 2009-2010 Preliminary Financial Plan totaling \$762,833,980. Expenditures were brought into balance with

revenues. Some reductions were made as a result of efficiencies through better resource management, some were made due to one-time expenditures in the current year, and some were made to bring the expenditures in balance with revenues. All of the reductions kept in mind the Six-Year Instructional Plan and School Board Goals.

The administration presented the FY 2009-2010 Preliminary Financial Plan to the School Board on January 20 and 21, 2009. The Superintendent gave a general overview and then each administrator presented their department's budget identifying any major changes, including program realignments. In addition, each administrator reviewed their program enhancements and indicated which enhancement was their number one priority.

First Reading of FY 2009-2010 Proposed Financial Plan (1/29/2009)

The School Board considered the FY 2009-2010 Proposed Financial Plan at a special meeting on January 29, 2009. After ongoing discussion pertaining to the more than usual economic uncertainties still facing the district, the School Board decided to wait until later in the FY 2009-2010 budgetary cycle to make any adjustments to the FY 2009-2010 Proposed Financial Plan. Therefore, the total revenues and expenditures remain unchanged in the General, Food Service, Debt Service and Local/State/Federal Projects Funds. The Financial Plan for FY 2009-2010 at this time totals \$762,833,890.

Student enrollment, revenues, and expenditures are projected on a preliminary basis. The following sections on Student Enrollment Projections, General Fund Revenues and Expenditures, and Other Funds summarize the principal financial planning factors involved in preparing these initial FY 2009-2010 projections. Major revenue and expenditure considerations and budget development criteria are also included.

STUDENT ENROLLMENT PROJECTIONS

Student Enrollment—The most significant factor in the budget development process is the number of students served. Enrollment projections are based on enrollment history, profile, and both demographic and economic considerations. The General Fund budget is developed using the FTE (full-time equivalent) student count, weighing half-day kindergarten at one-half and preschool students at one-half, one-quarter or three-quarters FTE, which is consistent with their programs.

In order to project student enrollment, district staff works closely with the municipality in utilizing the Municipality's Geographic Information System. The following schedule summarizes the actual and projected student enrollment

information for FY 2006-2007 through FY 2009-2010 on both a full count and FTE basis.

| | Actuals 2006-2007 <u>9/30/06</u> | Actuals 2007-2008 <u>9/30/07</u> | Actuals 2008-2009 <u>9/30/08</u> | Projected 2009-2010 <u>9/30/09</u> |
|----------------------------|--|--|--|--|
| Total Number | 49,068 | 48,457 | 48,440 | 48,548 |
| Change over previous year | (521) | (611) | (17) | 108 |
| FTE (Full-Time Equivalent) | 48,816 | 48,211 | 48,169 | 48,280 |

Variable General Fund expenditures will be revised periodically for changes in enrollment projections. We will continue to review projected enrollment to determine if we need to make adjustments.

GENERAL FUND

The General Fund, consisting of each school's and department's budgets, accounts for the majority of the district's operations and activities. Therefore, this memorandum and most of the subsequent discussion and decisions on balancing the budget for next year will focus primarily on estimated revenues and expenditures of the General Fund.

Revenues

Alaska Public School Funding Program—The largest single revenue source to the district comes from the Alaska Public School Funding Program. The School Board and the administration greatly appreciate the Governor's and Legislature's early actions to approve forward funding for education and to increase K-12 education funding. Support for higher fuel costs, utility rates, insurance and other expenses affected by inflation, and funding to assist with meeting adequate yearly progress as defined by state and federal regulations requires legislative recognition and action. During this upcoming legislative session, the district will continue to advocate for all students in our communities. Early passage of additional educational funding will ensure solid education programs continue.

The Alaska Public School Funding Program is based on the average daily membership (ADM)—determined by the district's enrollment and special education intensive count—processed through a school size factor and special needs formula to establish the district's "basic need." The required local contribution and a percentage of the Federal Impact Aid funding that the district receives for Federally-connected students is then subtracted from the "basic need" to determine revenue. The Alaska Public School Funding formula defines the required local share as being the lesser of 45 percent of "basic need" or 4 mills times one-half of the annual increase in assessed valuation compared to the 1999

base year of total state assessed full and true valuation of local real estate, inventory and other taxed personal property for the second preceding year, added to the prior year's calculated assessed valuation. **An increase to the assessed valuation reduces the potential amount of Public School Funding revenue.** The Alaska Department of Community and Economic Development notified the district that the assessed valuation for Anchorage has increased from \$33.080 billion to \$34.912 billion.

This program is expected to provide approximately 55.8 percent of the district's General Fund revenues excluding the TRS and PERS projected \$66.5 million annual payment by the state on behalf of the district for the unfunded past service liability in excess of levels specified in statute.

Based on current enrollment projections, the estimated amount of funding from the Alaska Public School Funding Program for FY 2009-2010 is \$297.031 million, which is \$16.279 million more than the current FY 2008-2009 budget. The following factors contribute to the \$16.279 million increase:

| | |
|--|-------------------------|
| • \$100 increase to the Base Student Allocation (BSA) from \$5,480 to \$5,580 | \$ 6.983 million |
| • Increase special education intensive factor from nine times to eleven times (including \$100 BSA increase) for the intensive needs student population (Level III) of 809 | 7.873 million |
| • Enrollment increase including Quality Schools (47,944 to 48,548) | 5.459 million |
| • Increase from \$33.080 billion to \$34.912 billion in state assessed valuation | (3.663) million |
| • Federal Impact Aid | <u>(.373) million</u> |
| Alaska Public School Funding Increase | <u>\$16.279 million</u> |

Local Property Taxes—The local property tax contribution is the district's second largest General Fund revenue source. **Projected local property tax revenue for FY 2009-2010 is based on requesting the full amount of taxes available under the local property tax limitation independent of the municipality's share of the tax cap.** The amount requested is \$1.9 million under the maximum allowable local contribution permitted by the Alaska Public School Funding Program.

The local property tax limitation provides for an annual adjustment for inflation, five-year Anchorage population change, operation and maintenance on new voter-approved facilities, and new construction.

The U.S. Department of Labor released that the CPI for Anchorage is 4.6 percent, with confirmation by the Alaska Department of Labor. This rate is being used by District and will be used by the Municipality of Anchorage in the

property tax limitation calculation. The CPI used in the attached planning document therefore is 4.6 percent, up from the preliminary estimate of 3.1 percent. As determined by the State Department of Commerce, Community and Economic Development, the five-year Anchorage municipal population change used for planning purposes is 1.1 percent, with the official percentage growth not available until later in the budgetary process. The projected combined rate of 5.7 percent for FY 2009-2010 is 2.3 percent more than the current rate of 3.40 percent for FY 2008-2009.

Included in the revenue projections are voter-approved taxes associated with the operation and maintenance costs for the re-opening of Clark Middle School.

Approximately \$13.4 million of increased taxes is available in the General Fund at this time; final numbers may not be available until April when increased taxes allowed on new construction or property improvement will become finalized. **However, the Anchorage Assembly must first consider and approve the district's local property tax request.**

Federal Impact Aid—The initial revenue projection for Federal Impact Aid has been projected at 100 percent of projected entitlement, an anticipated \$13.0 million. Uncertain at this time is any student enrollment adjustment as a result of the deployment of military personnel and the relocation of their families. The outcome of these military decisions will have an impact on future funding.

The amount of Federal Impact Aid revenue each year is uncertain because it is subject to pro-ration based on the annual funding appropriated by Congress. In addition, the percentage of the total number of federally-connected students to the total number of students for whom the state has direct responsibility—including military students and children educated at Mt. Edgecumbe—and potential formula changes, could result in fluctuations in Federal Impact Aid funding to the district. This coupled with the fluctuation from year-to-year in the number of students living on military land, which can partially result from on base/post housing renovations, adds to the uncertainty of Federal Impact Aid revenue during the budget process. We also do not know if the district will receive prior year adjustment payments during FY 2009-2010.

Federal Impact Aid is subject to annual Congressional appropriation and other uncertainties and will be monitored.

Fund Balance—The district's undesignated fund balance for the General Fund is a potential one-time source of revenue. Determining the appropriate level of fund balance required for a contingency reserve requires an exercise of judgment. Industry standards recommend a portion of the unreserved

undesignated fund balance or contingency reserves remain between 3 to 5 percent of the budget. The undesignated fund balance needs to be maintained to protect against shortfalls in revenue collection, to allow for adequate cash flow management, and to provide the financial ability to meet emergencies.

With approval of ASD Memorandum #16 Fiscal Year 2009-2010 Financial Planning, dated November 10, 2008, the School Board gave the administration authorization to use \$3.9 million of undesignated fund balance. The \$3.9 million is being used in the General Fund as a revenue source to support one-time expenditures. The School Board recommended that the fund balance not be used for on-going expenses so that if the district needed to scale back or stop funding the program, it would not feel like there was a program cut or elimination.

Based on the General Fund undesignated fund balance as of June 30, 2008, using \$3.9 million of fund balance will provide an undesignated fund balance of approximately 3.25 percent of the FY 2009-2010 projected budget. In addition, the district has designated the amount to uphold the agreement with the municipality to maintain a fund balance in the General Fund at year end in an amount equal to or greater than 8.25 percent of total revenues from local tax appropriations to enhance the municipality's bond rating.

Pupil Transportation Reimbursement—The preliminary FY 2009-2010 revenue projection for Pupil Transportation is based on the provision under HB 273 that allows an annual CPI adjustment to pupil transportation funding for FY 2009-2010. The use of 4.6 percent for the CPI (as confirmed by Alaska Department of Labor) means an estimated increase from \$384 in the current year to \$402 for FY 2009-2010. This amount is then used to multiply the school district's ADM, less the ADM for the district's correspondence programs to calculate the pupil transportation revenues. The CPI provision allows for approximately \$850,000 more in pupil transportation revenues.

User Charges and Fees— Fees will continue to be assessed for musical instrument usage, ASD documents, high school and middle level student activity fees, high school parking fees, summer school, credit recovery courses, training fees, and rental fees.

Due to the concerns by community members using the fields and neighborhood families, the administration recommends contracting services for portable sanitary facilities at all school sites where outside field areas are rented. The addition of portable facilities will be of great benefit to user groups who rent our outside spaces. These facilities will be available to all ASD user groups and community members during the months of May through September. In order to recover the cost of this service, the administration proposes to increase facility

rental fees for FY 2009-2010. The increase in the fee structure will span all user categories and space types; however the primary focus of the increase will be to space types relating to outdoor areas. The administration is working on updating the rate structure with the emphasis on generating revenues of \$60,000 to offset the expense of contracting services for the portable sanitary facilities. The administration will bring forward an updated recommended rental rate structure once the final analysis has been completed.

The rates in this memorandum are those in place for FY 2008-2009 and are as follows:

| | |
|------------------------------|---|
| Summer School | \$85 per course (Elementary and Middle) |
| Summer School | \$90 per course (High School) |
| Music Instrument Usage Fee | \$40 per instrument |
| Credit Recovery Course Fee | \$85 per course |
| Middle Level Activity Fees | \$80 per activity |
| High School Activity Fees | \$160 per activity |
| High School Parking Fees | \$50 per semester |
| Family Cap for Activity Fees | \$330 |
| Facility Rental Fees | \$635,000 includes portable sanitary facilities |

E-Rate—The district has not yet received the funding commitment letter from the Universal Service Administrative Company (USAC) for FY 2008-2009; however, the district has been working with the Program Integrity Assurance group of USAC and anticipates a funding commitment letter later this year. There are no significant program changes that would materially alter FY 2009-2010 revenue projections from those of FY 2008-2009. The district receives all eligible revenues based on all eligible expenditures.

Expenditures

Student and program needs and a commitment to use the funds economically drive expenditure projections. Recommendations received from interested community members, staff, students, and the administration were considered and incorporated into the budget where appropriate, always keeping in mind the District's core focus of providing educational services. **Both revenue enhancements and expenditure reductions were incorporated to bring the budget into balance.**

Salaries and Benefits—Employee salaries, wages, and benefits are projected to be over 87 percent of the operating cost of the district. The projections include consideration for contract negotiations for ACE (Anchorage Council of Education), TOTEM (Association of Educational Support Personnel), Local 959 (Bus Drivers and Attendants) and Exempt personnel. Compensation provisions for completed contracts and payroll tax adjustments known at this time are also included in the expenditure projections. The on-behalf payments by the state

and the district's contribution for mandatory certificated retirement and classified retirement have been included.

Staffing—Staffing requirements have been adjusted based on the official projections set forth for September 30, 2009. Official projections are based on actual enrollment as of September 30, 2008.

Certificated Teaching Positions—Budgeted teaching staff is based on the FY 2008-2009 PTR (pupil to classroom teacher staff ratios). Adjustments have been included for staffing based on enrollment changes, program realignment, and for staff requirements based on rural-urban transitioning. Over 90 languages, other than English, are spoken in the Anchorage schools; further adjustments have been made to meet the challenges arising from this language diversity.

| | |
|--------------------|---|
| Kindergarten (FTE) | 20.50 to 1 |
| Grade 1 | 21.00 to 1 |
| Grades 2-3 | 24.00 to 1 |
| Grades 4-6 | 27.00 to 1 |
| Grades 7-8 | 25.54 to 1 |
| Grades 9-12 | 27.08 to 1 |
| Special Education | Staffing is based upon demonstrated need and program (consistent with current year) |

Indirect Cost—In addition to charging eligible grants, the administration plans to continue the practice of charging the Food Service Fund using the state-approved indirect cost rate. This practice more accurately reflects the cost of services provided to the Food Service Fund by various departments budgeted in the General Fund. It is anticipated that by early spring 2009 the district will be appraised of the approved indirect cost rate for FY 2009-2010.

Contracted Services—Where appropriate, an inflationary or vendor rate adjustment to contracts has been incorporated. Very close reviews of actual contracted services determine if inflationary or vendor increases are warranted. If other known rate increases are warranted, they were included in the budget. What is more challenging for the future is the unpredictability of energy costs which can somewhat be attributable to the fluctuation of oil prices. Utilities are budgeted based on analysis of usage and cost saving measures being taken, and are then adjusted according to projected rate increases and/or decreases as recommended by the utility agencies. With rate adjustments occurring mid-year FY 2008-2009, following review of actual projected expenditures for this year, approximately 5 percent to 15 percent increases for the utilities are projected over the current year utility budgets.

Pupil Transportation—Expenditures for contracted pupil transportation routes for FY 2009-2010 include an estimated increase based on COLA of 4.6 percent as

provided in the contract. At this time there are no anticipated route increases. The COLA adjustment also has an impact on cost of trips pertaining to student activities.

Major Maintenance Projects/Maintenance Department—The administration recommended maintaining the funding level for district major maintenance projects of \$2.483 million to support more than 95 schools and facilities. As our facilities continue to age, periodic maintenance must take place on a regular basis to keep the buildings in good repair for optimum safety and efficiency. However due to the projected revenue shortfall, departments were asked to review areas that could be reduced with minimal impact. After this review, it was determined that the major maintenance area could be reduced by \$50,000 for a new funding level at \$2.433 million with minimal impact on district facilities.

In addition, the district has approximately \$20.6 million in the Maintenance Department that provides leadership and supervision over district wide electrical, building, heat and ventilation, and grounds operations. This department is very pro-active in continuing our state-approved preventative maintenance program.

Supplies—Departments may show an adjustment in supplies based on departmental need to service the total district program requirements (i.e., maintenance/vehicle repair parts and postage). The fuel account has been reduced based on current information; however, the fuel account will be monitored to ensure adequate funding is in place to meet district requirements during the various upcoming stages of the budget development process between January and June 2009.

The current projections include a 4 percent inflationary increase to the per pupil allocation for school supplies and equipment. Even with this 4 percent increase over the current year, the allocation is still less than the allocation for FY 1999-2000. In addition, the FY 2009-2010 supply and equipment allocation for Clark Middle School is four times the regular rate of existing middle schools to help offset some of the extra expenditures of re-opening a school.

Equipment—The FY 2009-2010 Proposed Financial Plan includes \$4.9 million to continue the process of technology/computer replacement across the district. The computer replacement is supported by \$3.9 million of the fund balance in these projections and \$1.0 million being available in lieu of lease/purchase computer payments which are fully paid; however, it is recommended being a standard budgetary item from year to year. Other replacement equipment purchases between \$5,000 and \$50,000 will be purchased from the Equipment Replacement Fund.

The following are some of the major increases and decreases in the FY 2009-2010 Proposed Financial. A more detailed listing of revenues and expenditures can be found in Attachment B.

The following are the major expenditure increases:

Native Education Program—\$394,843 In December 2008, the School Board added the Native Education program in the General Fund. With the additional immigration and mobility created by the current economic situation, the needs of these students and their families continue to grow. The program which includes 10 tutors (8.75 FTE) to serve 20 schools is being carried forward.

Re-opening Clark Middle School—\$1,495,000 Included in the expenditure projections are costs associated with the operation and maintenance costs for re-opening Clark Middle School. This includes custodial, maintenance, technology, and special services' staff, as well as utilities, insurance and supplies. (13.0 FTE)

Staffing/Supplies/Equipment Increases due to Higher Enrollment - \$5,028,200 Staffing and supply/equipment allocation increases at the Elementary and Middle Level due to increased enrollment. (71.788 FTE)

Other major expenditure increases:

- Assessment & Evaluation Data Coordinator (1.0 FTE) - \$99,300
- Curriculum & Instructional Support Health/PE Support Teacher (1.0 FTE) - \$81,350
- High School Education Nine Star Program (1.0 FTE) - \$85,277
- Contracted activity/ field trips high school level - \$142,625
- Charter School Supervisor increase from .49 FTE to 1.0 FTE - \$57,406
- Elementary Education Counselor (1.0 FTE) - \$85,277
- World Language Teacher for Girdwood (.6 FTE) - \$51,166
- Previously settled employee contracts - \$17,478,000
- Technology refresh - \$4,954,800
- Pending negotiations - \$3,200,000
- Utilities - \$1,154,050
- Property Insurance - \$185,000
- Recruitment Incentive - \$225,682
- Technology licenses and software - \$535,300
- Oil, grease, lube, tires and garage supplies - \$190,850
- Contracted transportation - \$138,800
- Legal fees - \$100,000
- Portable sanitary facilities - \$60,000
- Bus attendants and extra help (.875 FTE) - \$60,675

The following are some of the major expenditure reductions:

Staffing/Supplies/Equipment Reductions due to Lower Enrollment - \$631,539

Staffing and supply/equipment allocation reductions at the High School Level due to declining enrollment (7.0 FTE)

Elementary Level - \$355,000 Reading, writing, math academic improvement, creating successful futures, training for culturally responsive schools, positive school wide discipline and the foster grandparent program

Middle Level - \$261,000 Summer school enrichment, learning intervention and remediation, building initiatives, math training and writing program, curriculum development, database, software, web-based resources and support, internet safety, six-year plan goals

High School Level – \$383,850 Summer school enrichment, HSGQE remediation, computer equipment, supplies, student activity funds, and hearing officers

Other major expenditure reductions:

- Incremental TRS & PERS rate decrease - \$12,411,500
- Five-year computer lease/purchase contract fully paid off - \$1,054,800
- Student Information System (Zangle) – \$685,000
- Workers' Compensation rate decrease - \$625,600
- 403(b) program compliance consultation fees - \$125,000
- Sign language interpreters (ASSDHH) - \$120,000
- Fuel - \$366,600
- Administration – Extra help and added duty - \$132,500
- Legislative lobbying - \$15,000

Reduction of one-time FY 2008-2009 expenditures are as follows:

- Middle Level language arts materials acquisition/adoption – \$500,000
- Wireless Phase I for four high schools - \$247,300
- Equipment for the 1:1 high access project - \$200,000
- Training for Everyday Math - \$140,200
- 1:1 Laptop Initiative at Wendler (supplies and equipment) - \$105,000
- PE equipment for classes and computer equipment - \$100,000
- Content Management System - \$70,000
- Music supplies, equipment and repair - \$86,000
- Sea Train - \$35,000

OTHER FUNDS

Food Service Fund— This fund is used to budget and account for operations of the Student Nutrition Program. The budget for this fund covers both the direct and indirect cost of providing meals to students. These costs include all payroll costs, including staff, food costs, the cost of support services, equipment repair and replacement costs, and overhead charges. Compensation provisions for completed contracts and upward movement in food costs have been included in the projections. The FY 2009-2010 budget has been decreased from \$16,567,000 to \$16,259,000 or 1.86 percent less as compared to FY 2008-2009. The reduction in the PERS rate for FY 2009-2010 approved by ARMB is the primary reason for the decrease in the total budget.

The revenue sources for the Food Service Fund budget include revenue from meal sales and federal reimbursement for meals served. These projections also continue with the State's annual PERS payment on behalf of the district.

The use of undesignated fund balance is not recommended to support the FY 2009-2010 Food Service Budget as presented in this memorandum. **These projections do not reflect any increase in elementary, middle, and high school breakfast and lunch full price meals.** It is projected that no local tax support will be required for the Food Service Fund in FY 2009-2010. As more analysis and information becomes available, the administration will make adjustments and refinements during the various upcoming stages of the budget development process between February and June 2009.

Debt Service Fund—This fund is used to budget and account for principal and interest payments on existing school bonds as well as the revenues necessary to fund these expenditures. Some of the district's bonds receive state debt reimbursement, which varies depending on the year in which the bond proposition was approved. Sales related to authorized unissued bonds, or future bond propositions for April 2009, have not been included in the projections.

Local / State / Federal Grants Fund—Expenditures in the Local/State/Federal Grants Fund are offset by matching revenues. The district continues to be successful in increasing grant funding from various state and federal agencies and other sources. Revenues available through grants for these projects include competitively awarded grant funds—most of which are subject to annual federal and state appropriations. It is projected that budgets for these grants for FY 2009-2010 may increase approximately \$6.49 million based on discussion with grant writers and current year grant awards. In addition, the projections include the State PERS/TRS reimbursement on behalf of the district. Ongoing monitoring of these grants will help determine if adjustments should be made

during the upcoming stages of the budget development process between February and June 2009. Ongoing monitoring is especially important in light of the economic stimulus package where the district may realize additional funding opportunities.

FISCAL YEAR BUDGET COMPARISON

The following schedule compares by fund the FY 2009-2010 projected revenues/expenditures with those currently approved for FY 2008-2009. At this time, unknowns still remain such as contract negotiations and mandated services that may require additional funding.

REVENUE/EXPENDITURE BUDGETS

| | Revised Budget <u>FY 2008-2009</u> | Proposed Budget <u>FY 2009-2010</u> | % Over /(Under) <u>Prior Year</u> |
|----------------------------|--|---|---|
| General | \$580,915,706 | \$598,467,232 | 3.02% |
| Food Service | 16,567,000 | 16,259,000 | (1.86)% |
| Debt Service | 84,326,284 | 85,907,658 | 1.88% |
| Local/State/Federal Grants | <u>55,710,000</u> | <u>62,200,000</u> | 11.65% |
| All Funds | <u>\$737,518,990</u> | <u>\$762,833,890</u> | 3.43% |

TAXES

| | Revised <u>FY 2008-2009</u> | Proposed Budget <u>FY 2009-2010</u> | <u>Increase</u> |
|--------------|--------------------------------|---|---------------------|
| General Fund | \$178,556,242 | \$191,913,748 | \$13,357,506 |
| Debt Service | <u>39,415,466</u> | <u>41,033,834</u> | <u>1,618,368</u> |
| All Funds | <u>\$217,971,708</u> | <u>\$232,947,582</u> | <u>\$14,975,874</u> |

STUDENT ENROLLMENT PROJECTIONS

| | FY 2008-2009 Actuals <u>Sept. 30, 2008</u> | FY 2009-2010 Projected <u>Sept. 30, 2009</u> | Change Over Prior <u>Year's Actual</u> |
|----------------------------|--|--|--|
| Enrollment | 48,440 | 48,548 | 108 |
| Full Time Equivalent (FTE) | 48,169 | 48,280 | 111 |

In preparing the FY 2009-2010 Financial Plan, many budget development uncertainties face the district.

- Legislative action
- Economic stimulus package
- School Board areas of interest
- Projected enrollment
- Contract negotiations for Local 959 (Bus Drivers and Attendants), ACE (Anchorage Council of Education), TOTEM (Association of Educational Support Personnel) and consideration for Exempt
- PreK-12 graduation/dropout reduction plan
- Rate increase notifications from outside agencies
- ESEA-No Child Left Behind requirements
- Further evaluation of current/new fees
- Six-Year Instructional Plan
- Assessment/Testing Impact
- Deployment of military personnel and the relocation of their families
- 5-year average population growth used for local tax limitation not finalized
- New construction amount used for the local tax limitation and the assessed valuation used in setting the mill levy will not be finalized until March/April 2009
- Federal Impact Aid subject to annual appropriation
- Housing for charter schools
- Fluctuation of oil prices

SUMMARY

Our assumptions in preparing the FY 2009-2010 Proposed Financial Plan are based on, but not limited to, the following criteria:

- Alaska Public School Funding Program—BSA from \$5,480 to \$5,580, increase in the special education intensive needs factor from nine times to eleven times
- Quality Schools Grant—no increase to per pupil amount of \$16
- Pupil transportation funding to include CPI adjustment – \$384 to \$402
- State reimbursement funding for the ARMB approved percentage rates to the Certificated (between 12.56 percent and 39.53 percent) and Classified (between 22 percent and 27.65 percent) Retirement Systems
- Balanced budget for presentation to the Anchorage Assembly—expenditures equal revenues

- Local Property Taxes—full amount available under the property tax limitation
- Use of Fund Balance as a revenue source—using \$3.90 million of undesignated fund balance will bring the undesignated fund balance to approximately 3.25 percent
- Potential adoption or expansion of programs must be funded within existing resources

Attachments

CC/JS/MSL

Prepared by: Marie S. Laule, Budget Director
Approved by: Janet Stokesbary, Chief Financial Officer

Anchorage School District
Fiscal Year 2009-2010

PROJECTED REVENUES AND EXPENDITURES SUMMARY
Second Reading

| Fund | Revenues and Fund Balance | | | | 2009-2010 Revenue/Source Projections | 2009-2010 Expenditure Projections |
|---|---------------------------|---------------|----------------|---------------|--|---|
| | Taxes | Local | Other | State | Federal | |
| General | \$ 191,913,748 | \$ 9,706,000 | \$ 383,067,484 | \$ 13,780,000 | \$ 598,467,232 | \$ 598,467,232 |
| Food Service | | | 5,607,803 | 300,000 | 10,351,197 | 16,259,000 |
| Debt Service | 41,033,834 | | | 44,873,824 | | 85,907,658 |
| | 232,947,582 | | 15,313,803 | 428,241,308 | 24,131,197 | 700,633,890 |
| Local, State and Federal Grants | | | 1,000,000 | 8,200,000 | 53,000,000 | 62,200,000 |
| TOTAL | \$ 232,947,582 | \$ 16,313,803 | \$ 436,441,308 | \$ 77,131,197 | \$ 762,833,890 | \$ 762,833,890 |
| Percentage of Revenue Sources to Total Revenue Projections | 30.54% | 2.14% | 57.21% | 10.11% | 100.00% | |

Computation of Total Taxes
for Calendar Year 2009

| | General Fund | Debt Service Fund |
|--|-------------------|-------------------|
| Amount required to fund second half of Adopted FY 2008-2009 Budget: January 1, 2009/June 30, 2009 | 89,278,121 | 19,707,733 |
| | \$ 95,956,874 | \$ 20,516,917 |
| Amount required to fund first half of Adopted FY 2009-2010 Budget: July 1, 2009/December 31, 2009 | \$ 185,234,995 | \$ 40,224,650 |
| TOTAL Taxes for Calendar Year 2009 | \$ 185,234,995 | \$ 40,224,650 |
| Total Taxes for Calendar Year 2009 | | |
| 1) Total Taxes 2009 | \$ 225,459,645 | \$ 40,224,650 |
| Assessed Valuation | \$ 31,652,617,659 | \$ 31,652,617,659 |
| | 5.85 mills | 1.27 mills |

1) The preliminary 2009 mill rate is based on a assessed valuation provided by the Municipality of Anchorage Office of Management and Budget. (January 2009) The final assessed valuation will not be available until April 2009.

Anchorage School District
Fiscal Year 2009-2010

PROJECTED REVENUES SUMMARY BY FUND
FISCAL YEARS 2007-2008 TO 2009-2010

| Fund | FY 2007-2008 Revised 6/24/2008 | FY 2008-2009 Projections | FY 2009-2010 Projections | FY 2009-2010 Change over FY 2008-2009 Revised | |
|--------------------------------|--------------------------------------|-----------------------------|-----------------------------|---|---------|
| | | | | Amount | Percent |
| General | \$ 576,128,830 | \$ 580,915,706 | \$ 598,467,232 | \$ 17,551,526 | 3.02% |
| Food Service | 15,983,722 | 16,567,000 | 16,259,000 | (308,000) | (1.86%) |
| Debt Service | 79,985,739 | 84,326,284 | 85,907,658 | 1,581,374 | 1.88% |
| Local/State/ Federal Grants | 55,628,086 | 55,710,000 | 62,200,000 | 6,490,000 | 11.65% |
| TOTAL | \$ 727,726,377 (A), (B) | \$ 737,518,990 (B) | \$ 762,833,890 (B) | \$ 25,314,900 | 3.43% |
| Taxes | | | | | |
| General | \$ 169,197,819 | \$ 178,556,242 | \$ 191,913,748 | \$ 13,357,506 | 7.48% |
| Debt Service | 37,162,042 | 39,415,466 | 41,033,834 | 1,618,368 | 4.11% |
| TOTAL | \$ 206,359,861 | \$ 217,971,708 | \$ 232,947,582 | \$ 14,975,874 | 6.87% |

(A) The revised budget (6/24/2008) includes energy relief and State retirement system employer relief funds approved by the Legislature and Governor in April, 2008.

(B) FY 2007-2008, FY 2008-2009 and FY 2009-2010 include estimated State funded incremental costs for certificated and classified retirement. The base student allocation of \$5,580, increase in the special education intensive factor from nine to eleven times and the continuation of the recalibration of pupil transportation funding recommended by Joint Legislative Education Task Force (JLETF) was used for FY 2009-2010.

REVENUE and FUND BALANCE SUMMARY BY FUND AND SOURCE

| | FY 2007-2008 Audited Actual | FY 2007-2008 Revised 7/1/2007 | FY 2007-2008 6/24/2008 | 2008-2009 Projections | 2009-2010 Projections | 2009-2010 Inc/(Dec) over FY 2008-2009 Revised Budget |
|---|-----------------------------------|-------------------------------------|---------------------------|--------------------------|--------------------------|---|
| General Fund | | | | | | |
| Local Revenue/Fund Balance | \$ 169,197,819 | \$ 169,197,819 | \$ 169,197,819 | \$ 178,556,242 | \$ 191,913,748 | \$ 13,357,506 |
| Local Taxes | 4,115,914 | 2,235,000 | 2,235,000 | 3,800,000 | 2,215,000 | (1,585,000) |
| Interest | 4,820,546 | 3,887,125 | 3,887,125 | 3,479,500 | 3,991,000 | 111,500 |
| Fund Balance | 178,134,279 | 175,319,944 | 175,319,944 | 3,959,000 | 3,900,000 | (59,000) |
| | | | | 189,794,742 | 201,619,748 | 11,825,006 |
| State Revenue | | | | | | |
| Alaska Public School Funding Program | 264,718,682 | 266,023,500 | 266,023,500 | 280,751,745 | 297,031,000 | 16,279,255 |
| School Improvement Grant | 7,890,604 | 7,890,604 | 7,890,604 | | | |
| Pupil Transportation | 16,877,496 | 17,064,000 | 17,064,000 | 18,005,000 | 19,081,000 | 1,076,000 |
| Fund Transfer to Debt Service | (167,000) | (167,000) | (167,000) | (167,000) | | 167,000 |
| Fund Transfer to Internal Service | (600,000) | | | | | |
| TRS/PERS Employer Relief | 88,473,209 | 65,389,421 | 88,699,138 | 78,947,735 | 66,547,000 | (12,400,735) |
| Energy Relief Funding | 6,656,602 | | 6,656,602 | | | |
| Supplemental State Funding | 946,771 | 942,042 | 942,042 | | | |
| | 384,796,364 | 357,142,567 | 387,108,886 | 377,945,964 | 408,484 | 5,121,520 |
| Federal Revenue | | | | | | |
| Federal Impact Aid | 13,668,868 | 12,000,000 | 12,000,000 | 12,500,000 | 13,000,000 | 500,000 |
| Medicaid Reimbursement | 1,317,328 | 1,000,000 | 1,000,000 | | | |
| R.O.T.C. | 695,831 | 700,000 | 700,000 | 675,000 | 780,000 | 105,000 |
| | 15,682,027 | 13,700,000 | 13,700,000 | 13,175,000 | 13,780,000 | 605,000 |
| Total General Fund | 578,612,670 | 546,162,511 | 576,128,830 | 580,915,706 | 598,467,232 | 17,551,526 |
| Food Service Fund | | | | | | |
| Sales | | | | | | |
| Fund Balance | 5,105,780 | 6,170,291 | 6,170,291 | 5,382,290 | 5,607,803 | 225,513 |
| PERS Employer Relief | 511,603 | 193,160 | 193,160 | 400,000 | 400,000 | (400,000) |
| Federal Reimbursement | 9,629,018 | 822,000 | 483,722 | 720,000 | 300,000 | (420,000) |
| | | 9,136,549 | 9,136,549 | 10,084,710 | 10,351,197 | 286,487 |
| Total Food Service | 15,246,401 | 16,322,000 | 15,983,722 | 16,567,000 | 16,259,000 | (308,000) |
| Debt Service Fund | | | | | | |
| Local Revenue/Fund Balance | 37,162,042 | 37,162,042 | 37,162,042 | 39,415,466 | 41,033,834 | 1,618,368 |
| Local Taxes | 2,140 | 2,611,919 | 2,611,919 | 1,000,000 | | (1,000,000) |
| Fund Balance | 2,432,339 | | | | | |
| Other Financing Sources | 6,003 | | | | | |
| Fund Transfer | 167,000 | 167,000 | 167,000 | 167,000 | 41,033,834 | (167,000) |
| | 39,769,524 | 39,940,961 | 39,940,961 | 40,582,466 | | 451,368 |
| State Sources | | | | | | |
| Debt Service | 40,206,933 | 40,494,778 | 40,494,778 | 43,743,818 | 44,873,824 | 1,130,006 |
| | 40,206,933 | 40,494,778 | 40,494,778 | 43,743,818 | 44,873,824 | 1,130,006 |
| Total Debt Service | 79,976,457 | 80,435,739 | 79,985,739 | 84,326,284 | 85,907,658 | 1,581,374 |
| Local/State/Federal Grants | | | | | | |
| Local Grants | 990,344 | 551,700 | 551,700 | 778,720 | 999,685 | 220,965 |
| State Grants | 1,532,773 | 1,987,300 | 3,581,700 | 1,518,000 | 1,598,719 | 80,719 |
| Federal Grants | 36,458,965 | 47,461,000 | 47,461,000 | 48,503,280 | 53,801,596 | 5,298,316 |
| TRS/PERS Employer Relief | 6,308,744 | 5,735,000 | 4,033,686 | 4,910,000 | 5,800,000 | 890,000 |
| Total Local/State/Federal Grants | 45,290,826 | 55,735,000 | 55,628,086 | 55,710,000 | 62,200,000 | 6,490,000 |
| Total Revenues | \$ 719,126,354 | \$ 698,655,250 | \$ 727,726,377 | \$ 737,518,990 | \$ 762,833,890 | \$ 25,314,900 |
| Total Expenditures | \$ 719,126,354 | \$ 698,655,250 | \$ 727,726,377 | \$ 737,518,990 | \$ 762,833,890 | \$ 25,314,900 |
| Total Taxes - Fiscal Year | \$ 206,359,861 | \$ 206,359,861 | \$ 206,359,861 | \$ 217,971,708 | \$ 232,947,582 | \$ 14,975,874 |

FY 2009-2010 continues to include the estimated State retirement system employer relief funding for certificated (26.97%) and classified (5.65%) retirement. The base student allocation of \$5,580, increase in the special education intensive factor from nine to eleven times and the continuation of the recalibration of the pupil transportation funding recommended by Joint Legislative Education Task Force (JLETF) was used for FY 2009-2010.

SUMMARY OF GENERAL FUND REVENUES

| | FY 2007-2008 Audited Actual | Percent | FY 2007-2008 Revised 6/24/2008 | Percent | FY 2008-2009 Revised | Percent | FY 2009-2010 Projections | Percent |
|---------------------------------------|-----------------------------------|---------|--------------------------------------|---------|-------------------------|---------|-----------------------------|---------|
| Local Sources | | | | | | | | |
| Local Property Taxes | \$ 169,197,819 | 29.30% | \$ 169,197,819 | 29.37% | \$ 178,556,242 | 30.74% | \$ 191,913,748 | 32.07% |
| Other Local | 8,936,460 | 1.55% | 6,122,125 | 1.06% | 7,279,500 | 1.25% | 6,091,000 | 1.02% |
| Fund Balance | | | | | 3,959,000 | 0.68% | 3,900,000 | 0.65% |
| State Sources (A) | 385,563,364 | 66.77% | 387,275,886 | 67.22% | 378,112,964 | 65.09% | 382,782,484 | 63.96% |
| Fund Transfer to Debt Service (B) | (167,000) | (0.03%) | (167,000) | (0.03%) | (167,000) | (0.03%) | | |
| Fund Transfer to Internal Service (C) | (600,000) | (0.10%) | | | | | | |
| Fund Transfer to Food Service (D) | (1,125,000) | (0.19%) | | | | | | |
| Federal Sources | 15,682,027 | 2.72% | 13,700,000 | 2.38% | 13,175,000 | 2.27% | 13,780,000 | 2.30% |
| TOTAL | \$ 577,487,670 | 100.00% | \$ 576,128,830 | 100.00% | \$ 580,915,706 | 100.00% | \$ 598,467,232 | 100.00% |

(A) FY 2007-2008 includes energy relief and State retirement system employer relief funds approved by the Legislature and Governor in April, 2008. FY 2008-2009 and FY 2009-2010 includes projected State retirement system employer relief funding.

(B) A fund transfer to the Debt Service Fund from Pupil Transportation revenues was made to meet the obligation of paying for 20 buses funded by the April 2002 and April 2003 bonds

(C) A fund transfer to the Internal Service Fund from the General Fund was made to supplement the needs for equipment replacement.

(D) A fund transfer to the Food Service Fund from the General Fund was made to supplement the needs for increased fuel and food supply costs and a revenue shortfall partially due to the closure of Clark Middle School and menu changes to healthy foods.

Anchorage School District
Fiscal Year 2009-2010

SCHEDULE OF GENERAL FUND REVENUES FROM LOCAL SOURCES/FUND BALANCE

| Local Sources | FY 2007-2008 | | FY 2007-2008 | | FY 2008-2009 | | FY 2009-2010 | |
|---|----------------|----------------|----------------|----|----------------|--|----------------|-------------|
| | Audited | Actual | Revised | | Revised | | Projections | |
| Municipality of Anchorage Appropriation of Taxes | | \$ 169,197,819 | \$ 169,197,819 | \$ | \$ 178,556,242 | | \$ | 191,913,748 |
| Other Local | | | | | | | | |
| Career Center Instructional Projects | 62,319 | | 81,000 | | 76,000 | | 71,000 | |
| Facilities Rentals (A) | 849,453 | | 652,000 | | 629,000 | | 635,000 | |
| Nonresident Tuition | 42,847 | | 1,000 | | 2,500 | | 15,000 | |
| Credit Recovery Fees (B) | 48,911 | | 10,000 | | 10,000 | | 50,000 | |
| Summer School - Elementary (C) | 24,281 | | 33,000 | | 26,500 | | 25,000 | |
| Summer School - Special Education (C) | | | 1,500 | | | | | |
| Summer School - Middle Level (C) | 37,457 | | 43,000 | | 40,000 | | 39,500 | |
| Summer School - Secondary (D) | 254,796 | | 220,000 | | 265,000 | | 250,000 | |
| Musical Instrument Usage Fee (E) | 23,516 | | 26,600 | | 25,000 | | 25,000 | |
| Middle School Activity Fees (F) | 230,388 | | 225,000 | | 232,000 | | 235,000 | |
| High School Activity Fees (G) | 708,856 | | 1,042,525 | | 750,000 | | 715,000 | |
| High School Parking Fees (H) | 203,461 | | 215,000 | | 197,000 | | 199,000 | |
| Other Fees (Training Fees, Documents) (I) | 137,440 | | 81,500 | | 81,500 | | 85,000 | |
| Property Sales, Insurance Proceeds, and Miscellaneous | 203,785 | | 355,000 | | 245,000 | | 246,500 | |
| Interest Earnings | 4,115,914 | | 2,235,000 | | 3,800,000 | | 2,215,000 | |
| E-rate (I) | 2,044,567 | | 900,000 | | 900,000 | | 1,000,000 | |
| Fund Balance | | | | | 3,959,000 | | 3,900,000 | |
| | 8,987,991 | | 6,122,125 | | 11,238,500 | | 9,706,000 | |
| TOTAL | \$ 178,185,810 | | \$ 175,319,944 | \$ | \$ 189,794,742 | | \$ 201,619,748 | |

(A) Facilities Rentals-projections reflect reduction of one-time usage

(B) Credit Recovery Course Fee - \$85/course

(C) Summer School - \$85 with continuation in FY 2009-2010

(D) Summer School - \$90 with continuation in FY 2009-2010

(E) Musical Instrument Usage Fee - \$40 with continuation in FY 2009-2010

(F) Middle Level Activity Fees - \$80 with continuation in FY 2009-2010, Family Cap \$330 (Middle and High combined)

(G) High School Activity Fees - \$160 with continuation in FY 2009-2010, Fam Cap \$330 (Middle & High combined)

(H) High School Parking Fees - \$50/semester

(I) Training Fees - \$25 per course with continuation for FY 2009-2010

(J) E-rate established by Congress to provide funding to K-12 schools for telecommunications, Internet access and internal connections (Network Infrastructure).

Anchorage School District
Fiscal Year 2009-2010

COMPUTATION OF MUNICIPAL TAX LIMITATION

Taxes Projected—Anchorage School District FY 2008-2009 \$ 217,971,708
Less: Prior Year Taxes Required for Debt Service 39,415,466

Net Taxes Approved for General Fund 178,556,242

Adjustment Factors

Population 5 year Average 1.1 %
CPI—Anchorage Urban 4.6
5.7 %

10,177,706

Basic Tax Limitation

188,733,948

Plus Exclusions: Taxes for Operations and Maintenance on New Voter Approved Facilities (1)

425,000

Taxes Requested on New Construction/Property Improvements (2)

2,754,800

Tax Limitation—General Fund

191,913,748

Taxes Requested for Debt Service

41,033,834

TAX LIMITATION FY 2009-2010

General Fund 191,913,748

Debt Service Fund 41,033,834

232,947,582

TAXES PROJECTED IN FINANCIAL PLAN—FY 2008-2009

232,947,582

AMOUNT (OVER) LESS THAN TAX LIMITATION (3)

\$ 0

Note:

- (1) The taxes approved for debt service are for sold bonds approved by the qualified voters.
- (2) Taxes on new construction or property improvements, excluded from the limitation the first year, are computed as follows: 6.94 mills x \$396,945,272 (2008 Preliminary new construction/property improvement value verified by the Municipality of Anchorage's Office of Management and Budget, January 2009) = \$2,754,800.
- (3) The Anchorage Assembly may approve more or less taxes than this within the combined total of the tax limitations for the Municipality of Anchorage and the Anchorage School District.

SCHEDULE OF GENERAL FUND REVENUES FROM STATE SOURCES

| State Sources | FY 2007-2008 Audited Actual | FY 2007-2008 Revised 6/24/2008 | FY 2008-2009 Revised | FY 2009-2010 Projections |
|---|-----------------------------------|--------------------------------------|-------------------------|-----------------------------|
| Alaska Public School Funding Program (A) | \$ 264,718,682 | \$ 266,023,500 | \$ 280,751,745 | \$ 297,031,000 |
| School Improvement Grant - One Time Revenues (B) | 7,890,604 | 7,890,604 | | |
| Pupil Transportation Transfer to Debt Service Fund (C) | 17,044,496 (167,000) | 17,064,000 (167,000) | 18,005,000 (167,000) | 19,081,000 |
| <u>Supplemental State Funding and Grants:</u> | | | | |
| On-Base Schools (D) | 408,484 | 408,484 | 408,484 | 408,484 |
| McLaughlin Youth Detention Grant (E) | 393,287 | 388,558 | | |
| Providence Heights Grant (E) | 145,000 | 145,000 | | |
| Retirement System Employer Relief - TRS (F) | 81,021,479 | 81,590,074 | 69,137,387 | 62,183,000 |
| Retirement System Employer Relief - PERS (F) | 7,451,730 | 7,109,064 | 9,810,348 | 4,364,000 |
| Energy Relief Funding (G) | 6,656,602 | 6,656,602 | | |
| TOTAL | \$ 385,563,364 (H) | \$ 387,108,886 (H) | \$ 377,945,964 | \$ 383,067,484 |

Notes:

(A) Alaska Public School Funding Program - FY 2009-2010

Basic Need Equals 72,212.81 Adjusted ADM x \$5,580 Student Allocation and 11 times for Level III \$
Minus 4 Mills x Foundation Defined Anchorage Assessed Valuation of \$25.286 billion
Minus Deductible Portion of Federal Impact Aid
Add \$16/ adjusted ADM for Quality Schools
Total Alaska Public School Funding Program Aid \$

402,947,480
(101,145,807)
(5,926,078)
1,155,405
297,031,000

(B) School Improvement Grant (House Bill 13) - Approved as one time revenues by the Legislature and Governor, May 2006. No projected amount for FY 2009-2010 based on Legislative discussions. The FY 2007-2008 amount was two times the FY 2006-2007 actual revenue received based on actual ADM enrollment, as approved by the Governor and Legislature, May 2007.

(C) Pupil Transportation - Using the amended JLETF recommendation, the reimbursement is estimated based on FY 2006-2007 actual expenditures/number of FY 2006-2007 actual ADM less Correspondence Programs times the estimated ADM less Correspondence Programs for FY 2008-2009. The \$167,000 transfer to the Debt Service Fund is authorized 2002 and 2003 bond propositions approving the purchase of 20 buses as presented through FY 2008-2009.

(D) State of Alaska supplemental grant to partially fund this program.

(E) State of Alaska supplemental grant funding transferred to the Local/State/Federal Grants Program.

(F) Supplemental State funding for the Certificated and Classified Retirement Systems.

(G) One-time energy relief funding approved by the State Legislature and Governor in April, 2008.

Anchorage School District
Fiscal Year 2009-2010

SCHEDULE OF GENERAL FUND REVENUES FROM FEDERAL SOURCES

| Federal Sources | FY 2007-2008 | FY 2007-2008 | FY 2008-2009 | FY 2009-2010 |
|------------------------|----------------------|----------------------|----------------------|----------------------|
| | Audited Actual | Revised | Revised | Projections |
| Federal Impact Aid (A) | \$ 13,668,868 | \$ 12,000,000 | \$ 12,500,000 | \$ 13,000,000 |
| Medicaid (B) | 1,317,328 | 1,000,000 | | |
| R.O.T.C. (C) | 695,831 | 700,000 | 675,000 | 780,000 |
| TOTAL | \$ 15,682,027 | \$ 13,700,000 | \$ 13,175,000 | \$ 13,780,000 |

(A) Federal Impact Aid revenue is received for students living on military land and for other federally-connected students and reflect trend data of revenue receipts.

(B) The U. S. Department of Health and Human Services (Centers for Medicare and Medicaid Services) ruled to eliminate the Medicaid reimbursement for school-based administrative costs.

(C) Revenues for FY 2009-2010 reflect trend data of revenue receipts.

ANCHORAGE SCHOOL DISTRICT
GENERAL FUND
SUMMARY OF MAJOR BUDGETED REVENUE INCREASES AND REDUCTIONS
FY 2008-2009 COMPARED TO FY 2009-2010

FY 2008-2009 Revised Revenue Budget \$ 580,915,706

Major Budgeted Revenue Reductions:

| | |
|---|--------------|
| TRS/PERS Incremental | (12,400,735) |
| Interest earnings | (1,585,000) |
| Fund Balance | (59,000) |
| School Activity Fees | (32,000) |
| Property Sales, Insurance Proceeds, and Miscellaneous | (2,500) |
| Total Major Budgeted Revenue Reductions: | (14,079,235) |

Adjusted Revenues After Reductions: 566,836,471

Major Budgeted Revenue Increases:

| | |
|---|------------|
| Alaska Public School Funding Program | 16,279,255 |
| Tax Appropriation | 13,357,506 |
| Pupil Transportation | 1,243,000 |
| Federal Impact Aid | 500,000 |
| R.O.T.C. | 105,000 |
| E-rate | 100,000 |
| Credit Recovery Fees | 40,000 |
| Facilities Rentals | 6,000 |
| Total Major Budgeted Revenue Increases: | 31,630,761 |

Net Change: 17,551,526

FY 2009-2010 PROPOSED REVENUE BUDGET

\$ 598,467,232

Revisions are marked with an *

ANCHORAGE SCHOOL DISTRICT
GENERAL FUND
SUMMARY OF MAJOR BUDGETED EXPENDITURE INCREASES AND REDUCTIONS
FY 2008-2009 COMPARED TO FY 2009-2010

| | | |
|---|-----------|---------------------|
| FY 2008-2009 Revised Budget | \$ | 580,915,706 |
| Major Expenditure Increases & Reductions: | | |
| <u>Districtwide</u> | | |
| Previously settled employee contracts | | 17,478,000 * |
| Technology refresh | | 4,954,800 |
| Pending negotiations | | 3,200,000 |
| Utilities (heat, water, electricity, telephone, refuse) | | 1,154,050 |
| Property insurance | | 185,000 |
| Insurance brokerage administration fees | | 53,500 |
| Equipment replacement fund | | 34,100 |
| ASD Educational Center lease | | 30,100 |
| Liability insurance | | 14,000 |
| Total Districtwide Increases: | | 27,103,550 |
| Incremental TRS & PERS rate decrease | | (12,411,500) |
| Decrease in workers' compensation rate for all employees | | (625,600) |
| Contingency | | (353,689) |
| 403(b) program compliance consultation fees | | (125,000) |
| Settlements | | (121,000) |
| Advertising and copier lease | | (37,575) |
| Mileage | | (28,469) |
| Sick Leave Bank | | (22,031) |
| Total Districtwide Decreases: | | (13,724,864) |
| Total Districtwide Changes: | | 13,378,686 |
| <u>Elementary</u> | | |
| Elementary Classroom Teachers (31.5 FTE) due to increased enrollment | | 2,686,226 |
| Teacher Assistants - Kindergarten (8.188 FTE) due to increased enrollment | | 229,142 |
| 4.0% supply and equipment allocation increase/increased enrollment | | 138,000 |
| Counselor (1.0 FTE) | | 85,277 |
| World Language Teacher for Girdwood (.6 FTE) | | 51,166 |
| Secondary Classroom Teachers (.5 FTE) due to increased enrollment | | 42,639 |
| Total Elementary Increases: | | 3,232,449 |
| Funding to provide additional opportunities for reading/writing/math academic achievement improvement | | (200,000) |
| Funds to support the School Board goals on reading | | (50,000) |
| Creating Successful Futures | | (45,000) |
| Training for Culturally Responsive Schools | | (25,000) |
| Funding for "Positive Schoolwide Discipline" | | (25,000) |
| Foster Grandparent program | | (10,000) |
| Total Elementary Decreases: | | (355,000) |
| Total Elementary Changes: | | 2,877,449 |

Charter Schools

| | |
|---|---------|
| Charter School enrollment adjustment | 641,792 |
| Increased Charter School Supervisor from .49 FTE to 1.0 FTE | 57,406 |
| Total Charter School Changes: | 699,198 |

Special Education

| | |
|--|-------------|
| Teacher Assistants - Sp. Ed. Elementary for enrollment (12.0 FTE) | 517,287 |
| Recruitment Incentive - Unallocated Special Education Resources | 225,682 |
| Added Days Certificated/Classified for Summer School | 185,000 * |
| Nurse (1.0 FTE) based on program need | 85,277 * |
| Extra Help Certificated - Health Services for immunization records review during summer registration | 46,129 * |
| Special Service Teacher (1.0 FTE) converted from Special Education Program Specialist (1.0 FTE) | 20,860 |
| Total Special Education Increases: | 1,080,235 |
| Special Education Summer School - Contracted transportation | (140,000) * |
| Alaska State School for Deaf and Hard of Hearing - sign language interpreters | (120,000) |
| Whaley - Converted five Special Service Teachers to five Special Education Program Specialists | (116,046) |
| Special Education Elementary - Conversion of four Teachers (4.0 FTE) to Program Specialists (2.0 FTE) and Behavior Strategists (2.0 FTE) | (62,420) |
| Health Treatment Specialist (.870 FTE) reduced for Extra Help Certificated | (61,936) * |
| Special Schools Program - reduce one 6-hour (.75 FTE) Teacher Assistant | (34,069) |
| Special Education High School - Conversion of one Teacher (1.0 FTE) to Program Specialist (1.0 FTE) | (27,897) |
| Conversion of Special Service Teacher (1.0 FTE) to Special Education Program Specialist (1.0 FTE) | (24,525) * |
| Total Special Education Decreases: | (586,893) |
| Total Special Education Changes: | 493,342 |

Gifted Education

| | |
|--|----------|
| Special Service Teacher (1.0 FTE) for increased enrollment | 85,277 |
| Total Gifted Program Increases: | 85,277 |
| Textbooks & teaching supplies | (20,000) |
| Reduced one 3.5 hour Teacher Assistant (.438 FTE) | (12,370) |
| Total Gifted Program Decreases: | (32,370) |
| Total Gifted Program Changes: | 52,907 |

English Language Learner

| | |
|--|----------|
| Special Service Teachers (6.0 FTE: 1.0 for Clark, 2.0 from grants, 3.0 for enrollment) | 511,662 |
| Tutors added for increased enrollment (3.5 FTE) | 149,072 |
| Counselor (1.0 FTE for Clark) | 85,277 |
| Total English Language Learner Increases: | 746,011 |
| Supplies (will be paid for with grant funds) | (28,000) |
| Total English Language Learner Decreases: | (28,000) |
| Total English Language Learner Program Changes: | 718,011 |

Native Education

| | |
|-------------------------------------|---------|
| Native Education program (8.75 FTE) | 394,843 |
| Total Native Education Changes: | 394,843 |

Middle Schools

| | |
|---|------------------|
| O&M utilities and custodians (9.0 FTE) for Clark Middle School | 847,900 |
| Elementary & Secondary Teachers for enrollment (12.1 FTE) | 1,031,852 |
| Clark Middle School - triple allocation for supplies/equipment | 315,315 |
| Supply and equipment allocation increase due to increased enrollment | 30,890 |
| Added Duty - Certificated for re-opening Clark (\$11,100) and zero-hour math (\$38,100) | 56,531 |
| 4.0% supply and equipment allocation increase | 32,141 |
| Total Middle School Increases: | 2,314,629 |

| | |
|---|------------------|
| Summer School Enrichment | (123,000) |
| Building initiatives, math training and writing program, curriculum development support (summer school) | (87,000) |
| Database, software, web-based resources & support, internet safety & responsibility implementation | (40,000) |
| Student activities supplies | (6,000) |
| Contracted Services - School Board & six year plan goals | (5,000) |
| Total Middle School Decreases: | (261,000) |
| Total Middle School Changes: | 2,053,629 |

High Schools

| | |
|--|----------------|
| Activity/field trips - contracted transportation | 142,625 |
| Extra help for custodial coverage for summer school transferred from other summer school addenda | 139,600 * |
| Nine Star Program (1.0 FTE) | 85,277 |
| Net 4.0% supply and equipment allocation increase/enrollment decrease | 54,972 * |
| Total High School Increases: | 422,474 |

| | |
|--|--------------------|
| High School Teachers due to enrollment (-7.0 FTE) | (596,939) |
| Servers/printers for remediation work stations for on-line HSGQE learning centers | (128,500) |
| Added Days Certified for summer school transferred to extra help | (114,900) |
| Added Days Certified for remediation | (57,450) |
| High School Graduation Qualifying Exam reading, writing and mathematics program allocated to the schools | (50,000) |
| Supply and equipment allocation due to reduced enrollment | (34,394) * |
| Student Activity Funds | (25,000) |
| Hearing Officers | (8,000) |
| Total High School Decreases: | (1,015,183) |
| Total High School Changes: | (592,709) |

Instructional Support

| | |
|---|----------------|
| Assessment & Evaluation Data Coordinator (1.0 FTE) | 99,300 |
| Curriculum & Evaluation Health/PE Support Teacher (1.0 FTE) | 81,350 |
| Mail machine rental and postage | 28,000 |
| SIRSI licensing agreement, online worldbook reference fee, OCLC and Firstsearch connections for ASD Library index | 14,717 |
| Instructional Support Increases: | 223,367 |

| | |
|---|-----------------|
| Added Duty Certificated for targeted math trainings | (19,920) |
| Training of the 1:1 AASB computer grant | (15,257) |
| Instructional Support Decreases: | (35,177) |
| Total Instructional Support Changes: | 188,190 |

Informational Technology

| | |
|--|--------------------|
| Anti-Spam and anti-virus licenses | 223,300 |
| Training Specialists for the Student Information project (Zangle) (3.0 FTE) | 205,952 |
| Exchange archiving | 80,000 |
| Technology Support Specialist I for Clark Middle School support (1.0 FTE) | 69,906 |
| Document Management System & implementation for purchasing, accounting & rentals | 62,412 |
| Data domain | 37,000 |
| CISCO software maintenance | 27,200 |
| Bi-Tech (IFAS) software licenses | 24,500 |
| Replacement servers, computers, other equipment | 11,500 |
| Total Informational Technology Increases: | 741,770 |
| Computer lease contract | (1,054,800) |
| Student Information System (Zangle) implementation | (685,000) |
| Internet Bandwidth | (50,000) |
| Supplies | (50,000) |
| Total Informational Technology Decreases: | (1,839,800) |
| Total Informational Technology Changes: | (1,098,030) |

Administration/Support Services/Rentals, Community Resources

| | |
|---|------------------|
| Oil, grease, lube, tires, garage supplies | 190,850 |
| Contracted Transportation | 138,800 |
| Legal fees | 100,000 |
| Craft Specialist for Clark O&M (1.0 FTE) | 80,259 |
| Portable sanitary facilities | 60,000 |
| Equipment for Maintenance department | 47,379 |
| Maintenance Added Duty for electrical/mechanical/weekend/holiday administrator services | 38,301 |
| Bus Attendants (.875 FTE) | 32,260 |
| Bus Driver - Extra Help | 28,415 |
| Total Administration/Support Services/Rentals, Community Resources Increases: | 716,264 |
| Fuel | (336,566) |
| Extra help, added duty | (132,500) |
| Transfer - field/activity trips | (100,000) |
| Printing services and supplies for projects across the District | (50,170) |
| Maintenance - Contracted Services | (50,000) |
| Supplies | (44,563) |
| Custodial Extra Help for facility rental opening, supervision and closing | (27,130) |
| Maintenance Extra Help - Warehouse | (17,048) |
| Superintendent - Legislative lobbying | (15,000) |
| School Board - travel out of district | (10,000) |
| Total Administration/Support Services/Rentals, Community Resources Decreases: | (782,977) |
| Total Administration/Support Services/Rentals, Community Resources Changes: | (66,713) |

One Time Expenditures

| | |
|---|-------------|
| Middle Level language arts materials acquisition/adoption | (500,000) |
| Wireless Phase I for four high schools | (247,304) |
| Equipment for the 1:1 High Access project | (200,000) |
| Training for Everyday Math | (140,184) |
| 1:1 Laptop Initiative at Wendler (supplies and equipment) | (105,000) |
| Physical education equipment for increased PE classes, computers in schools | (100,000) |
| Content Management System | (70,000) |
| New band and orchestra books, instructional supplies, etc. | (50,000) |
| Upgrades and site licenses for 13 IGNITE locations, professional development consulting | (41,000) |
| Music instrument repair | (36,000) |
| Sea Train | (35,000) |
| Supply & equipment allocation for High School Graduation Support Coordinators | (26,000) |
| Northwood ABC program | (25,000) |
| Workforce development | (3,000) |
| Total One Time Expenditures: | (1,578,488) |

| | |
|--|--------------|
| Total Major Budgeted Expenditure Increases: | 37,760,066 |
| Total Major Budgeted Expenditure Reductions: | (18,661,264) |
| Net Change: | 19,098,802 |
| Minor Adjustments and Rounding: | 31,212 * |

FY 2009-2010 PROPOSED EXPENDITURE BUDGET

\$ 598,467,232

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

Ad 2009-17

(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 2009-2010 and determining and appropriating the portion of the assembly approved budget amount to be made available from local sources | DATE PREPARED |
| | | Indicate Documents Attached <input checked="" type="checkbox"/> AO <input type="checkbox"/> AR <input checked="" type="checkbox"/> M <input type="checkbox"/> IM |
| 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>CS</i> |
| | Janet Stokesbary, Chief Financial Officer | <i>Janet Stokesbary</i> |
| 5 | Special Instructions/Comments | |
| | | |
| | | |
| | | |
| 6 | ASSEMBLY HEARING DATE REQUESTED <i>3/3/09</i> | 7 |
| | | PUBLIC HEARING DATE REQUESTED <i>3/24/09</i> |

