

ANCHORAGE SCHOOL DISTRICT
ANCHORAGE, ALASKA

ASD MEMORANDUM #166 (2004-2005)

January 24, 2004

TO: SCHOOL BOARD

FROM: OFFICE OF THE SUPERINTENDENT

SUBJECT: FY 2004-2005 BUDGET REVISION TO LOCAL/STATE/FEDERAL
PROJECTS FUND

RECOMMENDATION:

It is the Administration's recommendation that the School Board authorize a budget increase of \$1,500,000 to the Local/State/Federal Projects Fund. It is further recommended that the School Board also authorize budget decreases in the General Fund of \$605,000 and in the Debt Service Fund of \$895,000. The overall revision will not impact the upper limit spending authority approved by the Anchorage Assembly; therefore, no approval from the Anchorage Assembly is required. The District's FY 2004-2005 revised budget by individual fund will be in the following amounts:

General Fund	\$398,107,237
Food Service Fund	13,785,312
Debt Service Fund	69,568,617
Local/State/Federal Projects Fund	<u>44,500,000</u>
Total All Funds	<u>\$525,961,166</u>

PERTINENT FACTS:

The FY 2004-2005 budget was approved on March 16, 2004 by the Anchorage Assembly on AO NO. 2004-28(S). The total upper limit spending authority of \$499,816,482 was established with \$376,771,672 for the General Fund, \$13,785,312 for the Food Service Fund, \$68,259,498 for the Debt Service Fund and \$41,000,000 for the Local/State/Federal Projects Fund.

On April 27, 2004, the Assembly approved a revision to the District's financial plan for FY 2004-2005 on AR NO. 2004-88 that established the budget at \$502,127,421. The General Fund was increased from \$376,771,672 to \$376,878,492

due to a revision in the new construction amount used in the tax limitation calculation since the Assembly approval in March allowing for an increase of \$106,820 in taxes. The Debt Service Fund was increased \$2,204,119 from \$68,259,498 to \$70,463,617 as a result of the qualified voters of Anchorage approving education-related bond Proposition 4 - Major Repairs, Renewals, Equipment at the Municipal Election held on April 6, 2004. The Food Service Fund remained at \$13,785,312 and the Local/State/Federal Projects Fund remained at \$41,000,000.

On June 22, 2004, the Assembly approved a revision to the District's FY 2004-2005 financial plan on AR NO. 2004-143 that established the budget at \$525,961,166. The General Fund was increased \$21,833,745 from \$376,878,492 to \$398,712,237 resulting from the passage of House Bill 233, which provided for an increase in the Alaska Public School Funding Program. This allowed the District to reinstate many of the reductions that were required to be made during the budget development process and to address critical needs in areas such as school safety, class size reduction, increased efforts in school maintenance/operations, and for providing resources to supplement student instructional programs to improve student performance on State-mandated exit and benchmark exams. In addition, the Local/State/Federal Projects Fund was increased \$2,000,000 from \$41,000,000 to \$43,000,000. The Food Service Fund remained at \$13,785,312 and the Debt Service Fund remained at \$70,463,617.

The revised total amount of the FY 2004-2005 budget, as approved by the Anchorage Assembly, is \$525,961,166 for the General Fund, Food Service Fund, Debt Service Fund, and Local/State/Federal Projects Fund. (Attachment A)

Local/State/Federal Projects Fund

The FY 2004-2005 Local/State/Federal Projects budget, as revised by the Anchorage Assembly, is currently \$43,000,000. Approximately \$42,752,000 in grants has been received, including approval of ASD Memorandum #165 - Acceptance of Grant Award: Carl Perkins by the School Board on January 24, 2005. An additional \$1,235,000 of grants or grant increases has been applied for and may potentially be received by yearend. In order to allow for acceptance of these grants and to give some leeway for additional growth, it is recommended that the Local/State/Federal Projects Fund be increased \$1,500,000 from \$43,000,000 to \$44,500,000. (Attachment B)

Debt Service Fund

The Debt Service Fund has excess spending authority in the FY 2004-2005 budget of approximately \$895,000. The District was able to reduce its expenditures by

refinancing bonds through issuing \$80,735,000 of refunding bonds in September 2004 (2004 General Obligation Refunding Bonds, Series B - Schools) and issuing \$86,240,000 of general obligation bonds in October 2004 (2004 General Obligation Bonds, Series D - Schools) at a lower than anticipated interest rate. It is recommended that the Debt Service Fund be decreased \$895,000 from \$70,463,617 to \$69,568,617.

General Fund

Approximately 85 percent of the General Fund budget is for salaries and benefits. It is anticipated that due to positions not being filled as a result of student enrollment being less than budgeted, employee turnover and temporary staff vacancies throughout the year, the actual expenditures for salaries and benefits in FY 2004-2005 will be less than budgeted. It is recommended that the General Fund be decreased \$605,000 from \$398,712,237 to \$398,107,237.

Summary:

Upon approval of this request, the District's FY 2004-2005 revised budget will be \$525,961,166 and is summarized as follows:

<u>Fund</u>	FY 2004-2005 <u>Revised Budget</u>	Requested <u>Revision</u>	FY 2004-2005 <u>Revised Budget</u>
General	\$398,712,237	\$ (605,000)	\$398,107,237
Food Service	13,785,312		13,785,312
Debt Service	70,463,617	(895,000)	69,568,617
Local/State/Federal Projects	<u>43,000,000</u>	<u>1,500,000</u>	<u>44,500,000</u>
	<u>\$525,961,166</u>	<u>-0-</u>	<u>\$525,961,166</u>

Attachments
CC/JS

Prepared and approved by: Janet Stokesbary, Chief Financial Officer

Anchorage School District
Anchorage, Alaska

BUDGET REVISIONS SUMMARY BY FUND
FY 2004-2005

Version	Date & Documents		General Fund	Food Service Fund	Debt Service Fund	Special Projects Funds	Totals All Funds
Preliminary	January 21, 2004 ASD Memo #188 First Reading	(1)	<u>\$376,846,065</u>	<u>\$13,785,312</u>	<u>\$68,259,498</u>	<u>\$41,000,000</u>	<u>\$499,890,875</u>
	January 29, 2004 ASD Memo #188 Second Reading	(2)	<u>\$377,417,071</u>	<u>\$13,785,312</u>	<u>\$68,259,498</u>	<u>\$41,000,000</u>	<u>\$500,461,881</u>
Proposed	March 1, 2004 AO NO. 2004-28 AM NO. 80-2004	(3)	<u>\$377,417,071</u>	<u>\$13,785,312</u>	<u>\$68,259,498</u>	<u>\$41,000,000</u>	<u>\$500,461,881</u>
Adopted	March 16, 2004 AO NO. 2004-28(S) AM NO. 80-2004(A) Amended	(4)	(\$645,399) <u>\$376,771,672</u>	<u>\$13,785,312</u>	<u>\$68,259,498</u>	<u>\$41,000,000</u>	<u>\$499,816,482</u>
Revised Adopted Original	April 13, 2004 AR NO. 2004-88 AM NO. 300-2004	(5)	\$106,820 <u>\$376,878,492</u>	<u>\$13,785,312</u>	\$2,204,119 <u>\$70,463,617</u>	<u>\$41,000,000</u>	<u>\$502,127,421</u>
Revised	May 24, 2004 ASD Memo #326	(6)	\$21,833,745 <u>\$398,712,237</u>	<u>\$13,785,312</u>	<u>\$70,463,617</u>	\$2,000,000 <u>\$43,000,000</u>	<u>\$525,961,166</u>
Revised	June 22, 2004 AR NO. 2004-13 AM NO. 440-2004	(7)	<u>\$398,712,237</u>	<u>\$13,785,312</u>	<u>\$70,463,617</u>	<u>\$43,000,000</u>	<u>\$525,961,166</u>

- Notes:**
- (1) Preliminary Financial Plan as presented to School Board by the Superintendent at the First Public Hearing.
 - (2) School Board adjustments made during First and Second Readings.
 - (3) Submitted FY 2004-2005 Proposed Financial Plan to the Assembly.
 - (4) Assembly approved net adjustment due to a reduction in new construction and property improvement value (\$1,645,399) and a \$1 million transfer from the Municipality resulting in a net decrease available under the local tax limitation compared to the amount requested.
 - (5) Assembly approved increase to the General Fund due to a revision in the new construction amount, and the Debt Service Fund requirement as a result of the qualified voters of Anchorage approving education related bond Proposition 4 at the Municipal Election on April 6, 2004.
 - (6) School Board Adjustments approved based on Alaska Legislative Action of providing additional revenues by increasing the student base allocation by \$407, from \$4,169 to \$4,576.
 - (7) Assembly approved revision as submitted by the Anchorage School District.

ANCHORAGE SCHOOL DISTRICT
 LOCAL/STATE/FEDERAL PROJECTS FUND
 SCHEDULE OF ESTIMATED CATEGORICAL GRANTS FOR EDUCATIONAL PURPOSES
 FOR FISCAL YEAR ENDING JUNE 30, 2005

	FY 2004-2005 Adopted Budget	Grant Awards Received 1/19/05	Grant Awards Anticipated	Total	Variance
Local Grants					
ACEA Healthy Kids	\$ 23,190	\$ 23,190	\$ 0	\$ 23,190	\$ 0
Alaska Initiative for Community Engagement	186,985	248,071	0	248,071	61,086
Alaska Initiative for Community Engagement II	88,402	0	0	0	(88,402)
Alaska Railroad Grant	27,817	28,000	0	28,000	183
Buddy Bear Peer	51,520	81,000	0	81,000	29,480
Chugiak High Environmental		1,000	0	1,000	1,000
Community Schools Bear Valley Childcare	36,209	0	0	0	(36,209)
Community Schools Rabbit Creek Childcare	51,370	0	0	0	(51,370)
Follow the Leader	70,000	70,000	0	70,000	0
Foundations	20,000	0	0	0	(20,000)
Fred Myers Donation	0	10,882	0	10,882	10,882
Fred Myers Ursa Minor	0	2,500	0	2,500	2,500
McLaughlin Bus Shelter		31,900	0	31,900	31,900
Partners in Homeless Education	0	9,600	0	9,600	9,600
Reading is Fundamental (PTA)	5,816	6,480	0	6,480	664
Toyota TAPESTRY	10,000	0	0	0	(10,000)
WAC Boys Scouts of America	5,224	678	0	678	(4,546)
YWCA of Anchorage	6,513	5,970	0	5,970	(543)
Contingency Fund	160,000	0	100,000	100,000	(60,000)
Total Local Grants	743,046	519,271	100,000	619,271	(123,775)
State Grants					
Alaska State Program for the Deaf	428,849	319,000	0	319,000	(109,849)
Fetal Alcohol Specter Disorder (FASD)	30,838	50,000	0	50,000	19,162
Governor's Grants for Drug/Violence	39,335		0	0	(39,335)
Recruitment and Retention	167,213	0	0	0	(167,213)
Senate Bill 283 Legislative Grants	0	266,000	0	266,000	266,000
Teacher Mentor	228,100	228,100	0	228,100	0
WEB Based IEP	0	120,000	0	120,000	120,000
Contingency - State	400,000	0	100,000	100,000	(300,000)
Total State Grants	1,294,335	983,100	100,000	1,083,100	(211,235)
Federal Grants					

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Alaska Community Learning Centers	1,484,210	1,594,765	0	1,594,765	110,555
Alaska Native Education	500,000	15,000	0	15,000	(485,000)
APTE University of Alaska	0	61,868	0	61,868	61,868
ASSDHH Federal	0	73,400	0	73,400	73,400
Bilingual Education - BETA	29,195	29,965	0	29,965	770
Bureau Land Management	150,432	150,000	0	150,000	(432)
Capacity Building Improvement Grant	109,923	69,059	0	69,059	(40,864)
Carl Perkins Basic	939,615	946,092	0	946,092	6,477
DVR alternative Career Ed Program	0	24,000	0	24,000	24,000
Elementary Counseling	100,000		0	0	(100,000)
Foreign Language Incentive	100,000		0	0	(100,000)
Frontier Charter School Implement	75,000	75,000	0	75,000	0
Fund for Improvement of Ed. FIE (Bilingual)	0	497,050	0	497,050	497,050
Fund for Improvement of Ed. FIE (Secondary)	0	497,050	0	497,050	497,050
Gear Up Alaska	0	62,800	0	62,800	62,800
Governor's Grants for Drug/Violence	0	39,335	0	39,335	39,335
Healthy Marriages Initiatives		49,889	0	49,889	49,889
HIV/AIDS Prevention Program	20,810	20,810	0	20,810	0
Highland Tech Charter School Implement	75,000	75,000	0	75,000	0
Indian Education	1,609,444	1,609,444	0	1,609,444	0
Math Science Partnership	20,000	0	0	0	(20,000)
McKinney Homeless	0	62,334	0	62,334	62,334
Migrant Education Parent Advisory	0	5,000	0	5,000	5,000
Minority Languag Literacy Project		13,750	0	13,750	13,750
Mirror Lake	0	999	0	999	999
Mission is Russian	154,793	161,245	0	161,245	6,452
NWREL North Star Year 5	0	5,000	0	5,000	5,000
Peer Ed Media Initiatives	160,897	0	0	0	(160,897)
Preschool Disabled	360,859	474,630	0	474,630	113,771
Reading First	666,291	1,060,457	0	1,060,457	394,166
Reading First Carryforward	0	174,820	0	174,820	174,820
Reading is Fundamental	17,448	17,448	0	17,448	0
Right Start	0	133,636	0	133,636	133,636
Standards and Assessment	0	4,246	0	4,246	4,246
Title I - Summer School	0	815,816	0	815,816	815,816
Title I - School Improvement (Various)	0	135,608	0	135,608	135,608
Title I - Transition Classroom	0	130,687	0	130,687	130,687

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Title I A - Basic	9,792,411	11,313,119	0	11,313,119	1,520,708
Title I A - Highly Qualified	0	525,215	0	525,215	525,215
Title I A - School Improvement	0	76,805	0	76,805	76,805
Title I C - Migrant Education	719,111	725,741	0	725,741	6,630
Title I D - State N & D - MYC	148,116	161,141	0	161,141	13,025
Title II A - Teacher/Principal Trng/Recruitment	4,939,302	4,709,736	0	4,709,736	(229,566)
Title II D - Enhance Ed/Technology (1)	567,983	560,419	0	560,419	(7,564)
Title II D - Enhance Ed/Technology (2)	134,942	7,110	0	7,110	(127,832)
Title III English Language Acquisition	306,580	473,502	0	473,502	166,922
Title IV - Safe & Drug Free Schools	688,197	670,160	0	670,160	(18,037)
Title V - Innovative Programs	675,868	904,945	0	904,945	229,077
Title VI-B	10,551,380	11,955,395	0	11,955,395	1,404,015
Transition to Teaching	200,000	0	0	0	(200,000)
WIA School Youth Program	80,000	80,000	0	80,000	0
Contingency - Federal	5,584,812	0	1,548,138	1,548,138	(4,036,674)
Total Federal Grants	<u>40,962,619</u>	<u>41,249,491</u>	<u>1,548,138</u>	<u>42,797,629</u>	<u>1,835,010</u>
Total Local/State/Federal Projects Fund	<u>\$ 43,000,000</u>	<u>\$ 42,751,862</u>	<u>\$ 1,748,138</u>	<u>\$ 44,500,000</u>	<u>\$ 1,500,000</u>