



Anchorage School District

Joint Assembly - School Board Meeting
March 22, 2013



Anchorage School District
Educating All Students for Success in Life



Destination 2020: ASD's Strategic Plan

- 90% proficiency in reading, writing and math
- 90% graduation rate
- Every child attends school at least 90% of the time
- 90% of parents recommend their child's school
- 100% of staff and students feel safe at school



Every child. At least one year's growth. Every year.

Changes at ASD

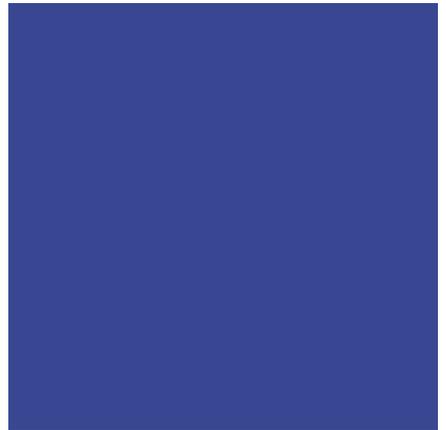
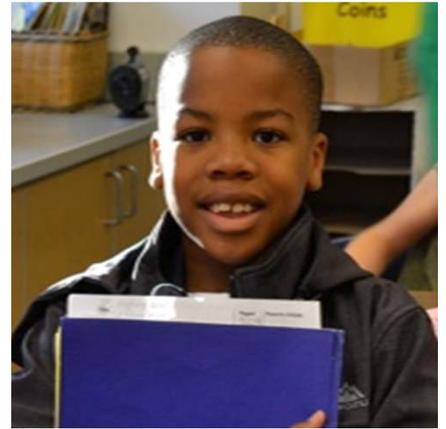
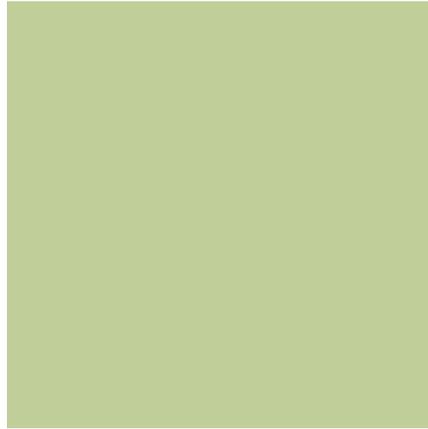
- Adopted Common Core State Standards (CCSS)
- Curriculum alignment; new math & biology texts
- Long-range fiscal planning with cost-driver modeling
- Focus resources on the classroom
- CIP process; new facility assessments
- Response to Instruction – year 2
- Organizational review recommendations
- Managed attrition
- Attendance effort
- Automated lottery



Still to come

- Study school choice model
- Refine professional development delivery
- Revise teacher evaluation system
- Expand dual enrollment with UA system
- Improve student meal program
- Investigate shared services
- Explore opportunities for efficiencies



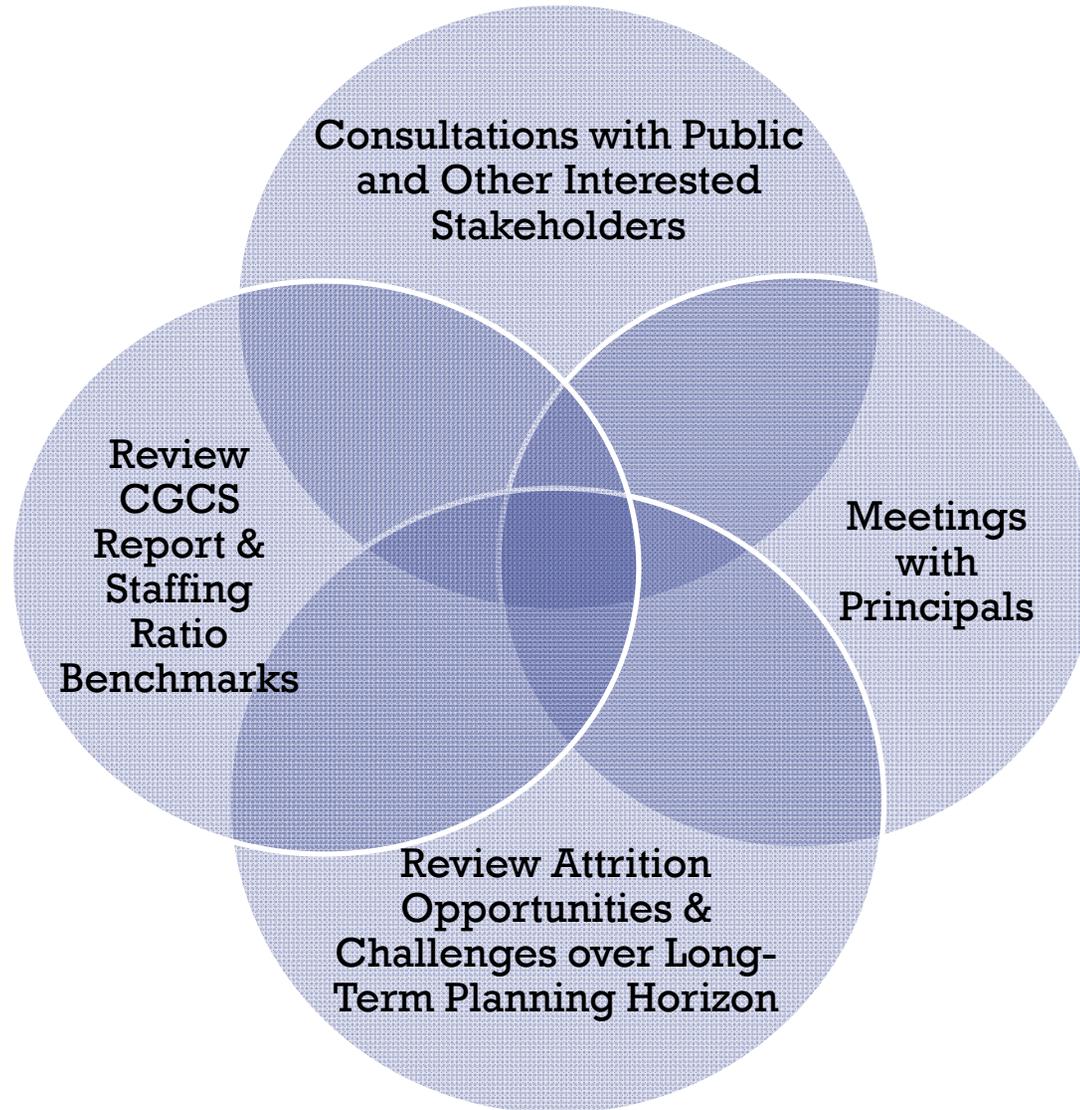


ASD Budget Presentation



Anchorage School District
Educating All Students for Success in Life

Developing the 2013-14 Budget



Benchmarking

EXHIBIT 26. Staffing Categories as a Percentage of Total Staff in Anchorage, selected LEAs, Great City Schools, and School Districts with 15,000 or more Students

Description	Anchorage	Great City Schools	Pct Difference
Library & media support	0.58%	0.09%	644%
Instructional coordinators & supervisors	0.97%	0.46%	211%
Librarians & media specialists	1.24%	0.83%	149%
Instructional Aides	15.31%	10.76%	142%
Guidance Counselors	2.02%	1.67%	121%
School Administrative Support	4.78%	3.97%	120%
Student support and all support services	23.01%	23.40%	98%
Total Teachers	47.95%	50.24%	95%
School Administrators	2.25%	2.69%	84%

Source: Council of Great City Schools, Final Draft, Anchorage School District Review, June 25, 2012

Exhibit 26 FTE Gap Analysis [Anchorage vs. GCS Median]

Description	Anchorage FTE (Feb 2012)	Anchorage FTE at CGCS Median Pct	Difference
Library & media support	39	6	(33)
Instructional coordinators & supervisors	65	31	(34)
Librarians & media specialists	122	82	(40)
Instructional Aides	1023	719	(304)
Guidance Counselors	135	112	(23)
School Administrative Support	319	265	(54)
Student support and all support services			
Total Teachers			
School Administrators			

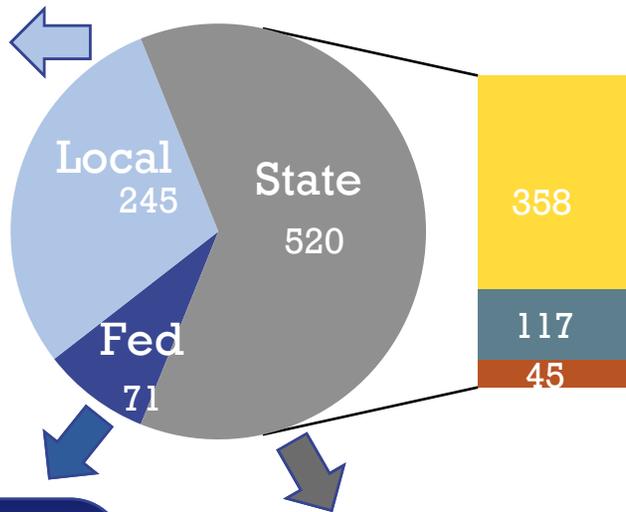
Source: Exhibit 26 Gap Analysis Applied to ASD HR Data Extract (All Funds) Provided to Council of Great City Schools, February 17, 2012



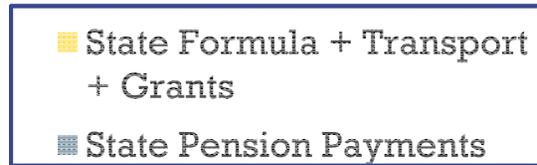
Long-Term Financial Outlook

Where our money comes from

Local contribution cap from SOA; Local economic impact of sequestration + expiration of tax reductions



- Federal Grants & Programs
- Local Taxes and Revenue
- State Formula + Transport + Grants
- State Pension Payments
- State Debt Service



Sequestration + expiration of tax reductions = reduced federal revenue + local economic impact



SOA expenditures exceed unrestricted general fund revenue by 60% by FY2020



Long-Term Financial Outlook (November)

Flat to declining revenue + *trend line* expenses = **growing budget gap**

SUMMARY		Millions of Nominal \$						
Flat Local + State Base Allocation Funding	FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018	FY 2018-2019	
Federal Sequestration (-8% Federal + Local Economic Impact + Enrollment)	Approved Budget	Projection						
REVENUES								
LOCAL REVENUES	\$ 204.95	\$ 198.84	\$ 198.84	\$ 196.95	\$ 195.09	\$ 193.28	\$ 191.50	
Local Taxes	\$ 192.22	\$ 192.60	\$ 192.60	\$ 190.71	\$ 188.85	\$ 187.03	\$ 185.24	
Other	\$ 12.73	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.25	\$ 6.25	\$ 6.26	
STATE REVENUES	\$ 466.28	\$ 470.54	\$ 487.57	\$ 502.59	\$ 503.14	\$ 507.67	\$ 512.19	
FEDERAL REVENUES	\$ 19.10	\$ 17.84	\$ 17.84	\$ 17.84	\$ 17.84	\$ 17.84	\$ 17.84	
TOTAL GENERAL FUND REVENUE	\$ 690.33	\$ 687.22	\$ 704.26	\$ 717.38	\$ 716.08	\$ 718.79	\$ 721.53	
Food Service	\$ 19.24	\$ 17.70	\$ 17.70	\$ 17.70	\$ 17.70	\$ 17.70	\$ 17.70	
Debt Service	\$ 86.09	\$ 85.20	\$ 83.07	\$ 77.84	\$ 72.87	\$ 67.47	\$ 62.47	
Grants	\$ 44.52	\$ 41.88	\$ 41.88	\$ 41.88	\$ 41.88	\$ 41.88	\$ 41.88	
TOTAL REVENUE	\$ 840.18	\$ 832.00	\$ 846.91	\$ 854.80	\$ 848.53	\$ 845.84	\$ 843.58	
*TREND LINE EXPENSE PROJECTION								
EXPENDITURES								
GENERAL FUND	\$ 689.28	\$ 711.01	\$ 733.48	\$ 769.26	\$ 803.45	\$ 830.53	\$ 858.54	
Food Service	\$ 19.24	\$ 19.72	\$ 20.22	\$ 20.72	\$ 21.24	\$ 21.77	\$ 22.31	
Debt Service	\$ 86.09	\$ 84.42	\$ 83.07	\$ 77.84	\$ 72.87	\$ 67.47	\$ 62.47	
Grants	\$ 44.52	\$ 41.88	\$ 41.88	\$ 41.88	\$ 41.88	\$ 41.88	\$ 41.88	
TOTAL EXPENDITURES	\$ 839.13	\$ 857.03	\$ 878.65	\$ 909.70	\$ 939.44	\$ 961.65	\$ 985.20	
CUMULATIVE SHORTFALL	\$ 1.0	\$ (25.03)	\$ (31.74)	\$ (54.90)	\$ (90.91)	\$ (115.81)	\$ (141.62)	
CUMULATIVE Personnel Reductions Required to Balance Budget		(306)	(377)	(632)	(1,016)	(1,255)	(1,489)	

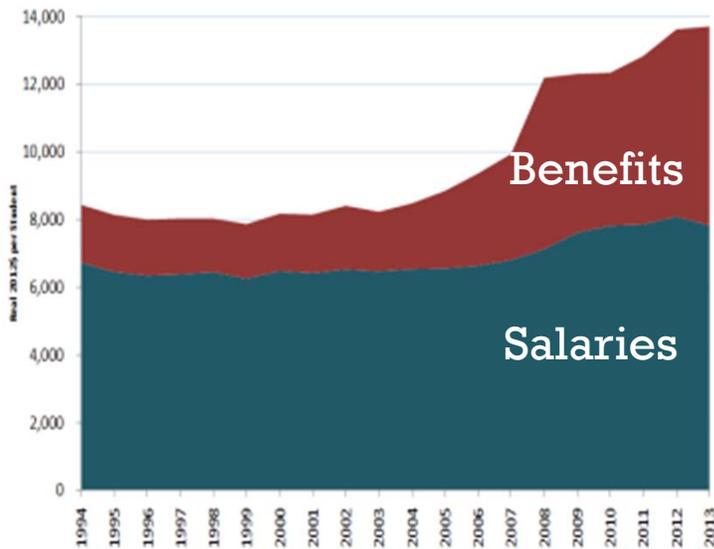


Long-Term Financial Outlook

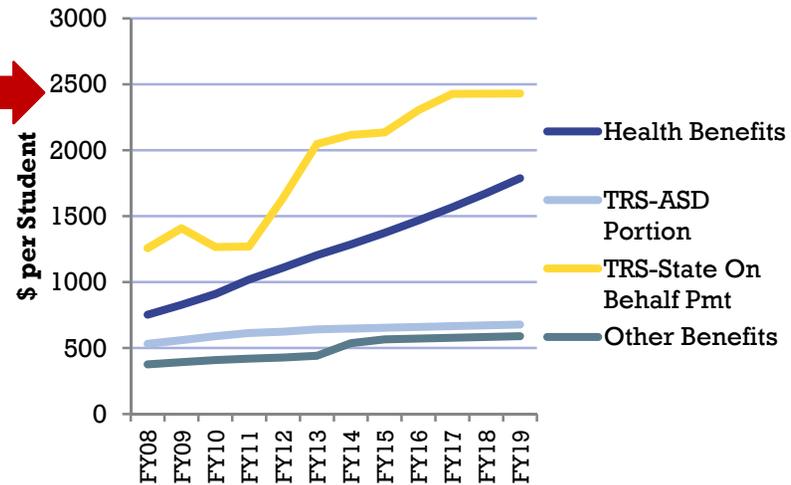
Biggest challenges with expenses – health + pensions

Salaries and benefits make up 86-89% of ASD costs; benefit cost growth continues to outstrip inflation

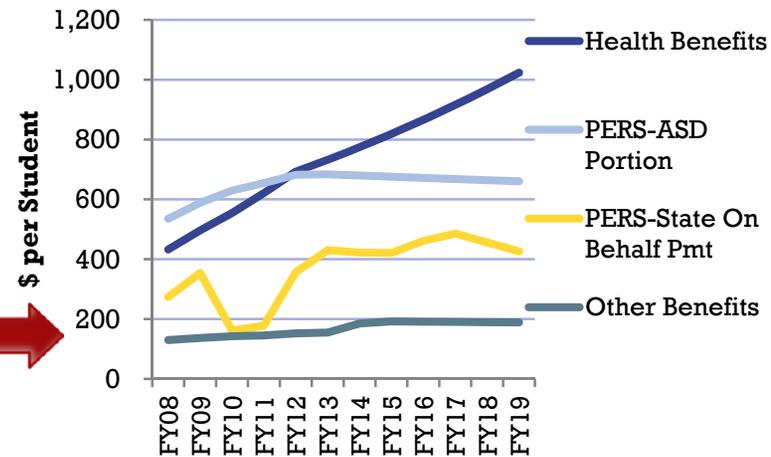
ASD total salary and benefits



TRS benefit history & outlook

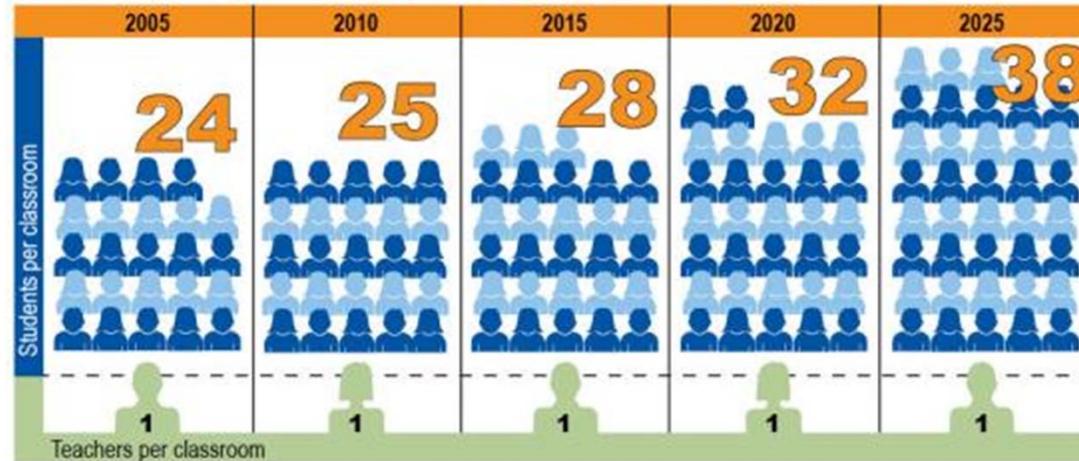
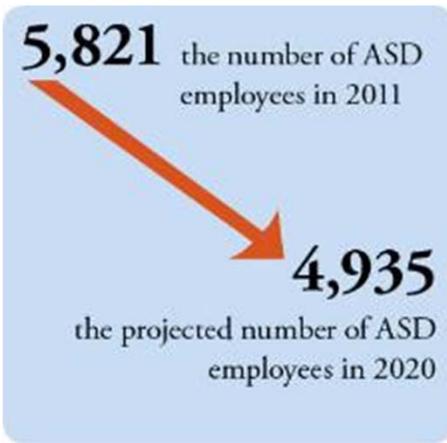


PERS benefit history & outlook



ASD's Long-Term Fiscal Gap

Class size outlook based on current trends
ASD's Long-Range Financial Plan is exploring ways to break the trend

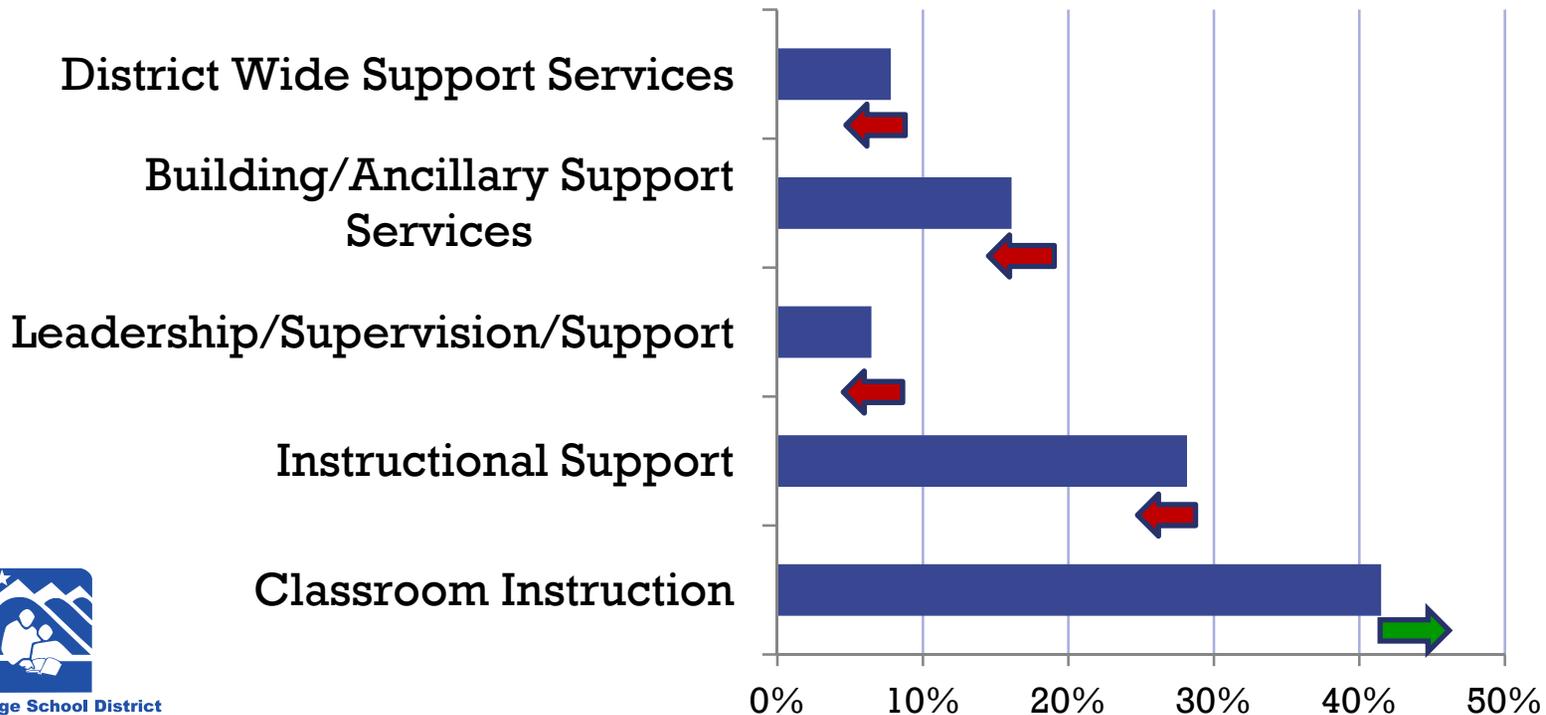


- Rebalance and strategically reduce staffing levels
- Explore salary and benefit combinations that sustain/create incentives to attract and retain quality teachers

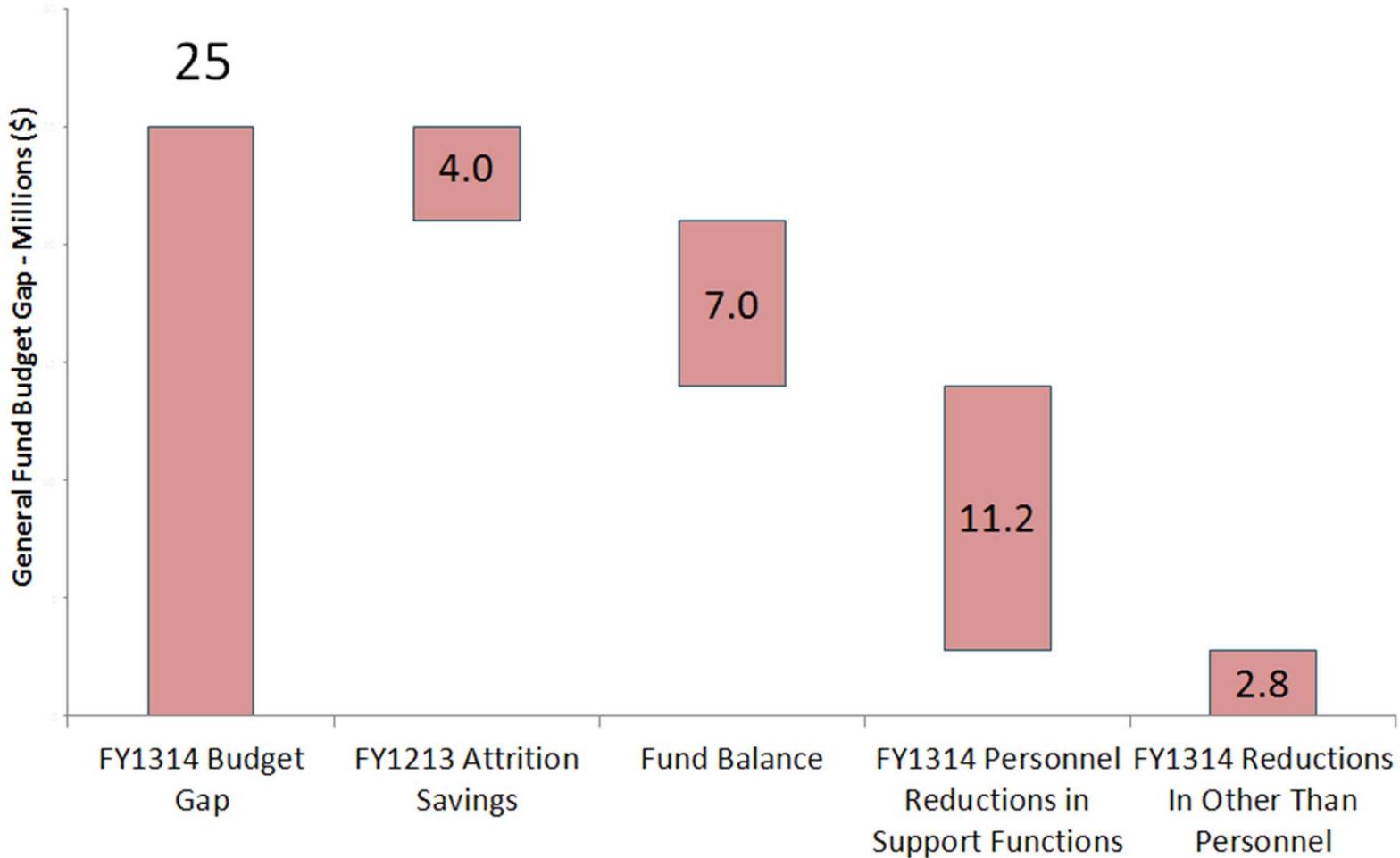


Closing the Long-Term Fiscal Gap

1. Realign resources to strategic plan
2. Realign staffing levels to focus on the classroom
3. Work with employees to slow rate of benefit cost growth



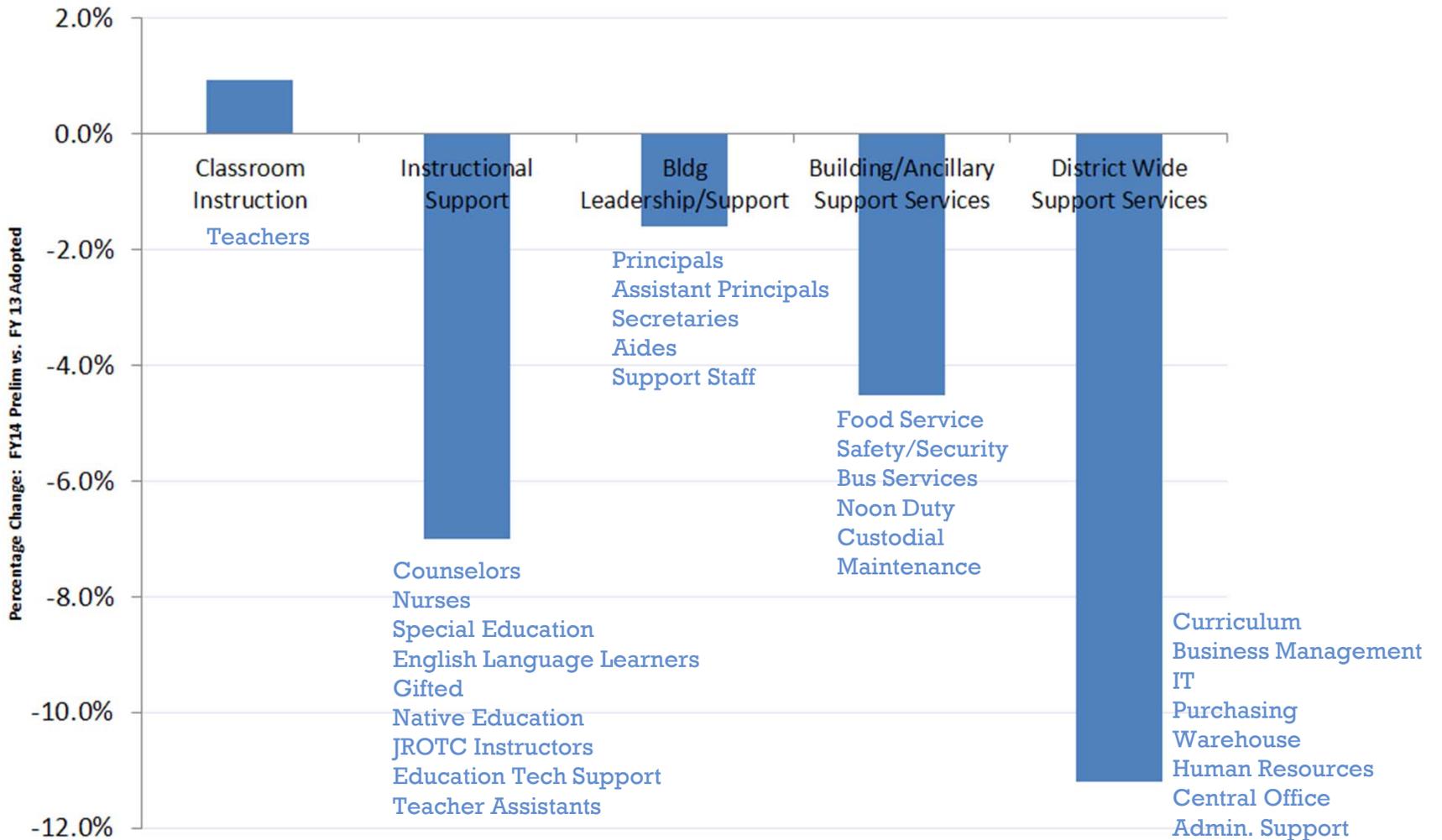
Closing the FY13-14 Budget Gap



Our Financial Plan and Outlook

focus on classroom, reduce support

FY14 Prelim Budget vs. FY 13 Budget: Change in FTE Staffing Levels



FY13-14 Balanced Budget

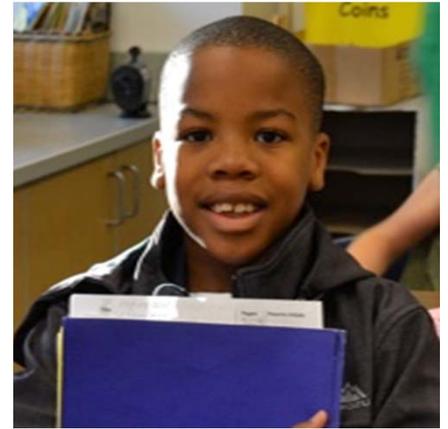
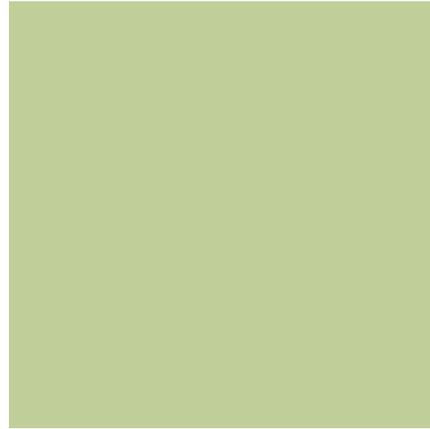
Fiscal Year Budget Comparison	<i>(millions of \$)</i>			Trend
	FY1112	FY1213	FY1314	
General Fund	\$ 564.043	\$ 577.995	\$ 572.624	
Food Service	\$ 19.242	\$ 19.043	\$ 19.418	
Debt Service	\$ 87.665	\$ 86.611	\$ 86.314	
L/S/F Grants	<u>\$ 68.133</u>	<u>\$ 81.500</u>	<u>\$ 41.742</u>	
Total District Budget	\$ 739.083	\$ 765.149	\$ 720.098	
State Pension On-Behalf Allocation	\$ 91.649	\$ 105.773	\$ 117.000	
All Funds Upper Limit	\$ 830.732	\$ 870.922	\$ 837.098	
Total Municipal Support (FY)	\$ 236.173	\$ 239.963	\$ 233.420	
Est. Assessed Valuation (CY)	\$ 31,429.790	\$ 31,529.300	\$ 32,252.920	
Est. Mill Rate (CY)	7.52	7.57	7.30	



Continue Aligning to Strategic Plan

- Measure and manage academic and financial performance
- Focus on high standards, differentiated instruction
- Leverage new technology opportunities
- Redirect support staff toward direct classroom instruction
- Manage attrition and reduce positions to balance future budgets
- **Reduce local tax mill rate by 3.6%**





Questions



Anchorage School District
Educating All Students for Success in Life



Capital Improvement Plan

- Six-year plan
- \$52 million less than previous CIP
- New assessment tools
 - Facility Condition Index
 - Educational Adequacy Assessment

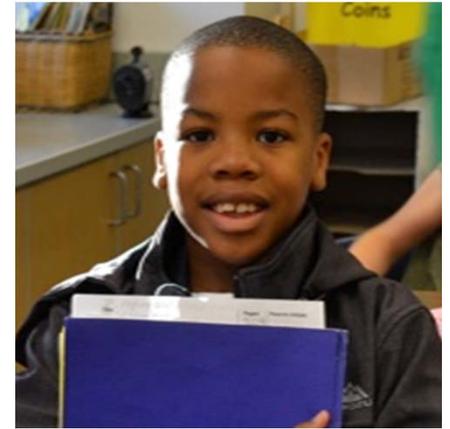
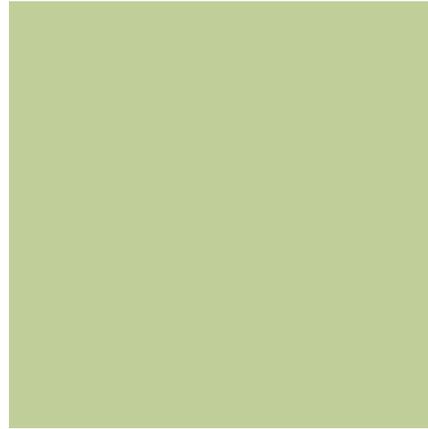




School Bond Proposition 1

- \$54.8 million
- Improvements to 27 schools
 - Girdwood K-8 School construction—\$23 million
 - Aurora Elementary School gym addition—\$5.75 million
 - Bartlett High School cafeteria and kitchen renovation—\$4.7 million
 - Building improvement planning and design projects—\$10.7 million
 - Districtwide building life extension projects—\$10.65 million





Questions



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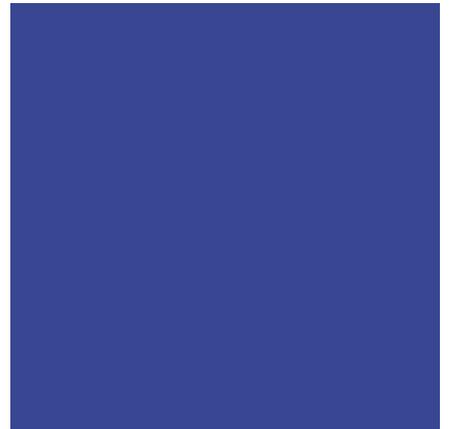
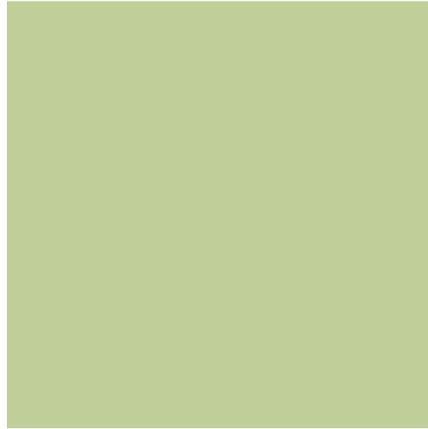


School Safety and Security

- Review of all schools
- Current lockdown capability is effective
- \$8.6 million in recommended improvements:
 - Duress alarms in every building
 - Electronic front door locks
 - Two-way communication in all rooms
 - More video surveillance capabilities
 - Enhance lockdown hardware

Remodel front doors for active monitoring





Questions



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