



## FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT 2012-13 SCHOOL YEAR

### WHAT BUDGET ESTIMATES GIVE RISE TO THE DISTRICT'S SHORTFALL?

#### Revenue:

Loss of state one-time energy funding	\$ 2,137,890
Loss of unassigned fund balance <sup>(1)</sup>	<u>229,820</u>
Shortfall due to loss of revenue/financing sources	\$ 2,367,710

#### Expenditure:

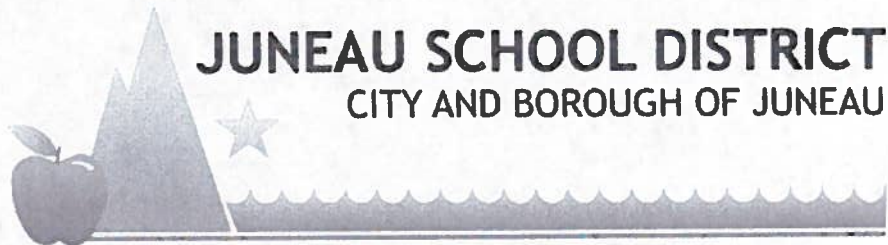
Increased costs due to adding back in "jobs bill" teachers	\$ 2,155,000
Increased costs for curriculum materials purchase	<u>1,484,370</u>
Increased subsidy to Pupil Transportation	<u>1,246,990</u>
Increased utility costs	<u>335,700</u>
Increased support for special education	<u>2,433,170</u>
Increased employee costs	<u>3,852,150</u>
Increased costs in other areas	<u>722,290</u>
Shortfall due to increased costs	\$ 12,229,670

Estimated 2012-13 budget shortfall as of January \$ 14,597,380

### BUDGET ASSUMPTIONS

- Student enrollments increase slightly and our military student population remains steady.
- The local contribution to education is flat funded, unchanged from the current year.
- The district loses \$2.1m in one-time State energy funding provided for in the current year.
- The base student allocation amount (BSA) of \$5,680 remains unchanged from the current year.
- The State continues to provide supplemental funding for retirement system contributions and the employer contribution rates remain unchanged from the current year.
- Pupil Transportation will continue to be funded at rates unchanged from the current year.

<sup>(1)</sup> The district had \$ -0- unassigned audited fund balance at June 30, 2011. The district is estimating that with some additional foundation funding in the current year, along with savings from unfilled reserve teaching positions, that we will have \$1.85m in fund balance available to supplement next year's budget. This can change depending on the high variability of current utility, health care, and other costs.



## FY 2013 Juneau School District Budget Information January 17, 2012

### HOW DID THE SCHOOL DISTRICT GET HERE?

Loss of one-time aid to school districts from the State of Alaska	\$ 737,000
Elimination of federal jobs funding	460,000
Use of fund balance (reserve) last year	1,687,000
Grants expiring	865,000
Increased energy costs	221,000
Less indirect cost recovery from grants	207,000
Increased employee costs	900,000
Instructional and Technology needs	587,000
Other increases	123,445
	<u>\$5,787,445</u>

### WHAT THE DISTRICT KNOWS:

- The Governor of Alaska has not included any increase in the amount school districts receive as part of the funding formula.
- Utility rates will increase.

### ASSUMPTIONS USED TO DEVELOP THE FY 2013 BUDGET:

- The Base Student Allocation (BSA) will remain at \$5,680.
- JSD student enrollment will decrease by 26 students to 4,916 next year.
- Juneau students will continue to benefit from the same level of generous support from the City and Borough of Juneau.
- Pupil transportation will continue to be funded at the same level as FY 12 by the State of Alaska.

### WHAT THE DISTRICT DOESN'T YET KNOW:

- What level of funding the Legislature will approve.
- Outcomes of the collective bargaining process.

**DISTRICT:** Yukon Koyukuk

	<u>FY12</u>	<u>% Change</u>	<u>FY13</u>	<u>NOTES</u>
Local Revenues (011-042)	35,000	0.0%	35,000	
E-Rate (047)	1,291,500	0.0%	1,291,500	
State Revenues (050)	11,523,238	FLAT	11,523,238	
TRS/PERS On-Behalf (056/7)	1,653,498	2.0%	1,686,568	
Federal Revenues (100-190)	1,377,927	0.0%	1,377,927	
Other (200)	-		-	
Transfers In (250)	100,000	0.0%	100,000	
<b>Total Revenue</b>	<b>\$ 15,981,163</b>		<b>\$ 16,014,233</b>	
Certif Salaries (310)	3,876,563	2.0%	3,954,094	
Non-Certif Salaries (320)	1,644,749	2.0%	1,677,644	
Employee Benefits (360)	3,893,053	5.0%	4,087,706	
Housing Allowance (380)	-		-	
Transportation Allowance (390)	-		-	
<b>Subtotal: Payroll</b>	<b>\$ 9,414,365</b>		<b>\$ 9,719,444</b>	
Professional Svcs (41X)	1,292,350	1.0%	1,305,274	
Staff Travel (420)	250,800	1.0%	253,308	
Student Travel (425)	51,345	1.0%	51,858	
Utilities (430)	1,777,000	5.0%	1,865,850	
Energy (435)	1,053,000	5.0%	1,105,650	
Purchased Svcs (440)	262,100	1.0%	264,721	
Insurance (445)	200,600	5.0%	210,630	
Supplies (450)	1,533,054	2.0%	1,563,715	
Tuition (480)	-		-	
Other (490)	51,549	1.0%	52,064	
Indirect Cost (495)	(130,000)	-5.0%	(123,500)	
Capital (500)	-		-	
Equipment (510)	-		-	
Other Transfers Out (55X)			246,750	
Transfers to Pupil Transp			-	
Transfers to Food Service	125,000	5.0%	131,250	
Other Special Revenue	110,000	5.0%	115,500	CIP & Teacher Housing
<b>Subtotal: Non-Payroll</b>	<b>\$ 6,341,798</b>		<b>\$ 6,796,321</b>	
<b>Total Expenses</b>	<b>\$ 15,756,163</b>		<b>\$ 16,515,764</b>	
<b>NET TOTAL</b>	<b>\$ 225,000</b>		<b>\$ (501,531)</b>	

**QUESTIONS:**

1) Are your salary projections based on negotiated agreements already in place for FY13? Please explain below.  
NO ON PAST PRACTICE

2) What % increase are you expecting for health benefit costs?  
5%

## FY2013 Count Impact and Budget Estimates

January 18, 2012

		FY2011-2012	FY2012-2013	Difference
	<i>Estimated Number of Students</i>	<b>1306</b>	<b>1295</b>	<b>-11</b>
<b>Revenues</b>				
A	2013 City/Boro Appropriation	5,026,975	5,026,975	0
B	Misc Local Revenue	30,000	30,000	0
C	E-Rate	130,000	130,000	0
D	Quality Schools	43,883	43,720	-163
E	HB108 Allocation	220,639	0	-220,639
F	Foundation	12,039,137	11,920,556	-118,581
G	Impact Aid	30,000	30,000	0
H	Federal Secure Rural Schools	517,912	0	-517,912
	<b>Total Revenues</b>	<b>18,038,546</b>	<b>17,181,251</b>	<b>-857,295</b>
<b>Expenditures</b>				
I	Salaries and Benefits	14,617,231	14,941,382	324,151
J	Maintenance	1,583,716	1,664,660	80,944
K	School/Program	649,988	647,595	-2,393
	District Administration	518,181	466,803	-51,378
L	Technology	394,200	427,200	33,000
	Prof/Tech/Contract Services	157,700	138,100	-19,600
	School Board	57,100	47,100	-10,000
M	Student Activities	158,645	111,402	-47,243
	Transfers Out	53,000	28,000	-25,000
	<b>Total Expenditures</b>	<b>18,189,761</b>	<b>18,472,242</b>	<b>282,481</b>
	<b>Total Gain/(Loss)</b>	<b>-151,215</b>	<b>-1,290,991</b>	

### Assumptions:

#### **Revenues:**

- A City and Borough Appropriation remains unchanged from FY2012 to FY2013
- B Misc Local Revenue remains unchanged from FY2012 to FY2013
- C E-Rate reimbursement remains unchanged from FY2012 to FY2013
- D Quality Schools is adjusted to reflect the decrease in enrollment, 34 intensive students, and the final ISER incre
- E State of AK HB108 Allocation is reduced to zero assuming it will not be reauthorized
- F Foundation is adjusted to reflect the decrease in enrollment, 34 intensive students, and the final ISER increase
- G Federal Impact Aid remains unchanged from FY2012 to FY2013
- H Federal Secure Rural Schools funding is reduced to zero assuming it will not be reauthorized

#### **Expenditures:**

- I Salaries and related benefits are adjusted to account for current employees rolled into the FY2013 negotiated agreement scales. Health Insurance premiums remain unchanged from FY2012 to FY2013. Workers Compensation Insurance is increased by 12.5% and all others insurances (non-health) are increased by 2.5% based on estimates from agents
- J Heating fuel costs are increased by \$20,000 as fuel prices are currently forecasted to drop in FY2013. The increase is from the anticipation of using more diesel fuel vs. heating electricity. Electricity is increased by \$15,035 to prepare for anticipated increases from the City Electric Department. The custodial contract is increased by 5% from FY2012
- K School and Program discretionary budgets remain unchanged from FY2012 to FY2013
- L Technology includes a \$75,000 increase to continue the School Board's 5 year plan
- M Activities budgets are set at the FY2012 budget process level (reduced by \$50,000 from FY2011)

**Note: The \$1.29MM anticipated deficit for FY2013 equates to 14.26 full time certified teaching positons**