

# HB 313

Application of  
Average Daily Membership (ADM)  
to  
Base Student Allocation (BSA)

# Application of ADM to BSA

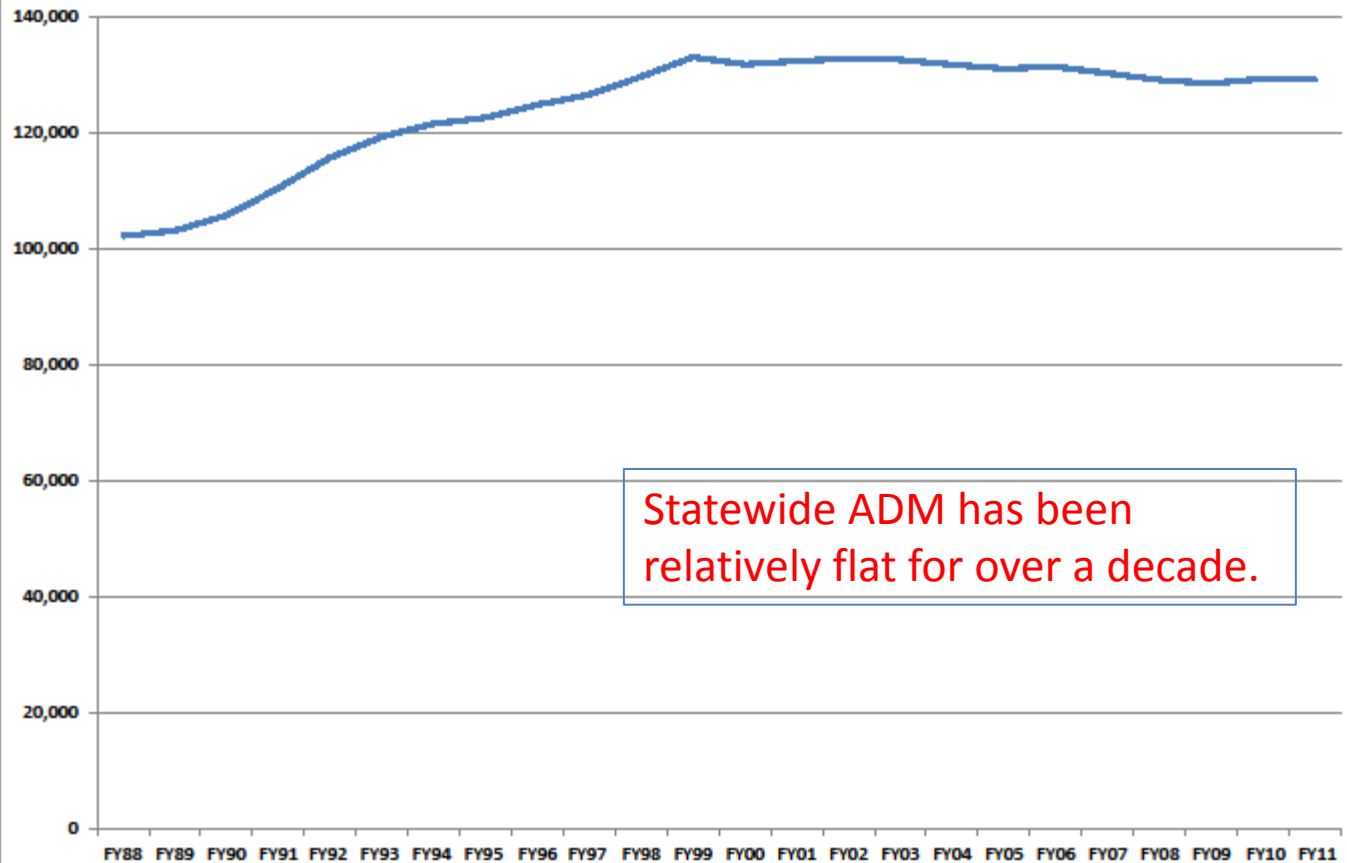
Estimate	Budget Period	ADM Count	ADM Confirmation	Expenditure Year	Payment Schedule
Jan 2011	Spring 2011	Oct. 2011	Jan. 2012	FY 11-12	Jul-Mar Estimate Apr-Jun Adjusted
	Spring 2014	Oct. 2013	Jan. 2014	FY 14-15	Jul-Mar Actual Apr-Jun Actual *w/Supplemental

\*If hold harmless applies

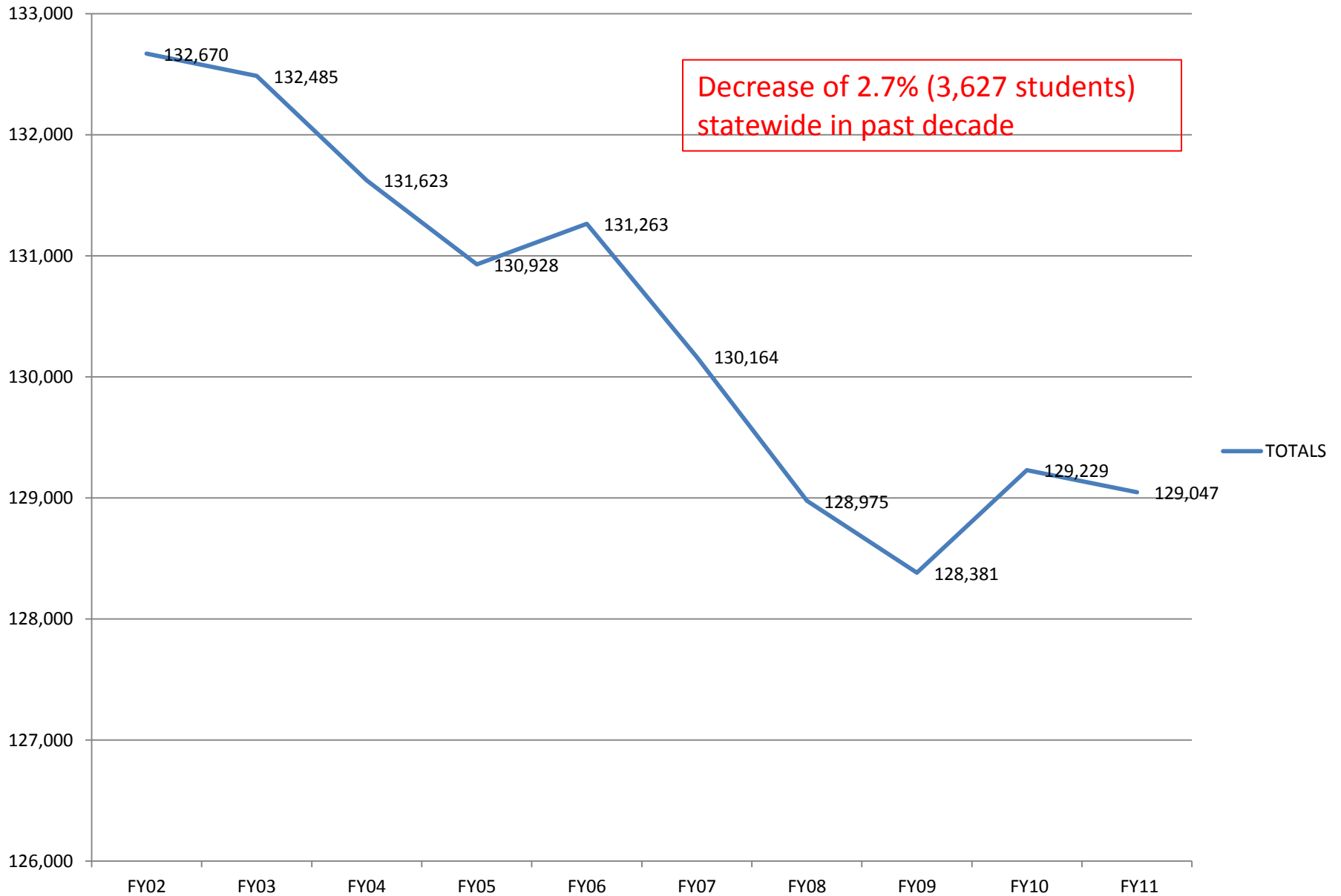
# Variations in ADM Projections

- For FY 2011, Variations ranged from
  - 743 students too high (1.5%) to
  - 192 students too low (0.84%)
  - 9.8% too high (3.35 students)
  - 15.8% too low (16.25 students)
  - Based upon unadjusted ADM

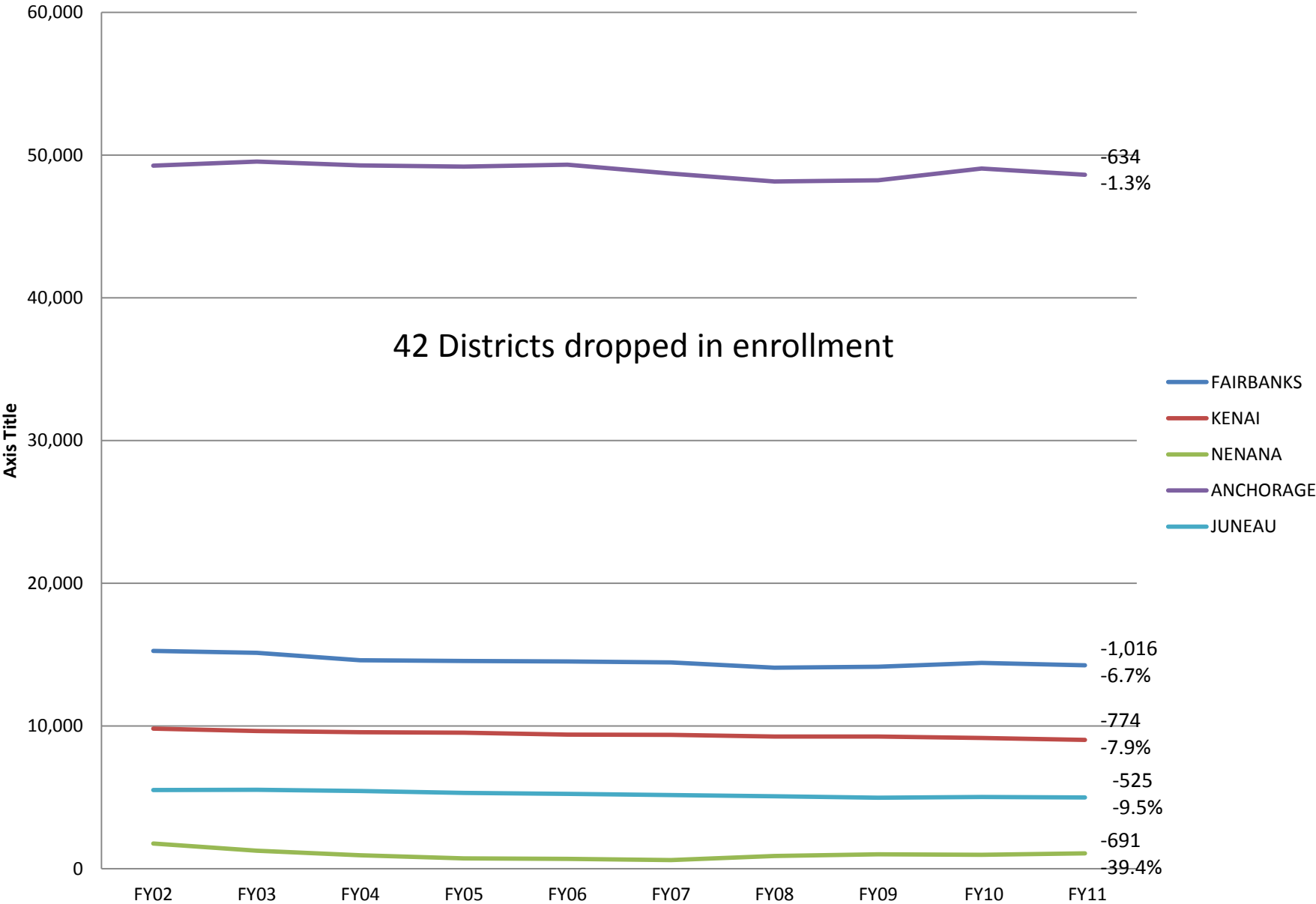
**Statewide Average Daily Membership Fiscal Year 1988-2011**



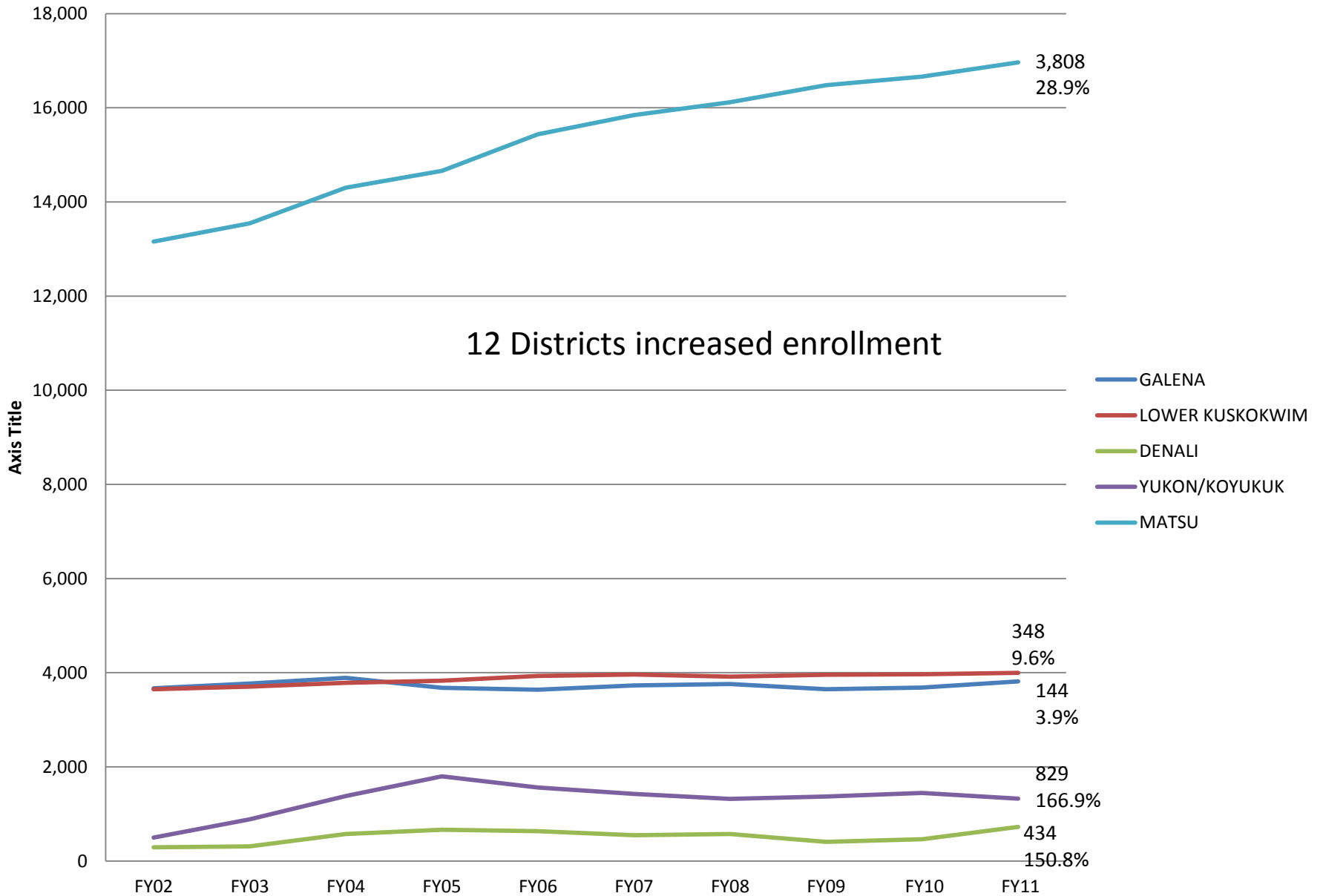
## Statewide ADM FY 2002-2011



# The Biggest Losers



## The Biggest Gains



# Returned Funds

- Fairbanks North Star Borough School District
  - FY 2010 \$2.1 million
  - FY 2011 \$1.2 million
- Mat-Su Borough School District
  - FY 2010 \$1.3 million
  - FY 2011 \$268 thousand





## Best Fund Balance: Best Practices

➤ **CURRENT = \$ 1,400,935**

- In 2002 The Government Financial Officers Association (GFOA) published Best Practice: Replenishing Fund Balance in the General Fund (2002). In that document it is recommended that governmental bodies should ***“maintain unreserved fund balance...of no less than five to 15 percent of regular general fund revenues.”***

➤ **5% = \$10,570,799**

➤ **10% = \$21,141,598 – State Law Allowable Maximum is 10%**

➤ **15% = \$31,712,397**

- In 2011 the GFOA , due to the change in the financial climate, revised that recommendation. In Best Practice: Replenishing Fund Balance in the General Fund (2011) it is now recommended that governmental bodies should ***“incorporate in its financial policies that unrestricted fund balance in their general fund be no less than two months of regular general fund operating revenues or regular general fund operating expenditures.”***

➤ **2 Months = \$35,235,997**