

Anchorage School District Fund Balance Categories, Accumulation, and Planned Uses

April 23, 2025



Fund Balance Remaining

Misconception: ASD has \$121 million in savings that can be used.

Reality: The vast majority of those funds already have a planned usage.

June 30, 2024 Ending Unreserved Fund Balance	\$ 121.6 million
FY 2024-2025 Spending Plan	\$ -37.2 million
FY 2025-2026 Spending Plan	\$ -49.8 million
Bond Debt Rating Reserve	\$ -26.7 million
Unreserved Fund Balance Remaining	\$ 7.9 million



For the Year Ended June 30, 2024

GENERAL FUND UNRESERVED FUND BALANCE

General Fund fund balance (all classifications)	\$ 194,716,753
Less reserves for:	
Encumbrances	36,210,185
Inventory	1,410,363
Prepaid items	1,417,796
Self-insurance	18,430,652
Impact Aid	13,547,715
Student Allotment	2,075,529
Total reserves	<u>73,092,240</u>
General Fund unreserved fund balance subject to ten percent limit	121,624,513
Current year expenditures on GAAP basis	<u>659,273,630</u>
General fund unreserved fund balance as a percent of current year expenditures	18.45%

Note 1 - Waiver of 10% Fund Limitation

On March 11, 2020, a Public Health Disaster Emergency was declared under AS 26.23.020. The State of Alaska issued a notice to suspend the requirements of 4 AAC 09.160, a requirement that school districts retain only 10% of their operating funds for the following year. The suspension is effective until July 1, 2025. Anchorage School District has elected to present this schedule.

**CROSSWALK OF SOA GENERAL FUND UNRESERVED TO GASB 54 UNRESTRICTED FUND BALANCE
RECONCILIATION OF SOA SUPPLEMENTAL TO CAFR EXPENDITURES
PERCENT OF UNRESERVED/UNRESTRICTED FUND BALANCE TO EXPENDITURES**

For the Year ended June 30, 2024

CROSSWALK OF FUND BALANCES:

Description	SOA	GASB 54	SOA Category [1]	GASB Category [2]	GASB Category [3]
Encumbrances	\$ 36,210,185	\$ -	Reserved	Unrestricted	Committed/Assigned
Inventory	1,410,363	1,410,363	Reserved	Restricted	Non-spendable
Prepaid	1,417,796	1,417,796	Reserved	Restricted	Non-spendable
Self-insurance	18,430,652	-	Reserved	Unrestricted	Assigned
Federal Impact Aid	13,547,715	1,838,141	Reserved	Restricted	Restricted
Bond rating	-	26,394,477	Reserved	Restricted	Restricted
Student Allotment	2,075,529	2,075,529	Reserved	Restricted	Restricted
Total reserved/restricted [A]	73,092,240	33,136,306			
Encumbrances	-	-	Reserved	Unrestricted	Committed
Federal Impact Aid - 8003(b) only	-	11,709,574	Reserved	Unrestricted	Assigned
Self-insurance	-	18,430,652	Reserved	Unrestricted	Assigned
Subsequent year's expenditures	37,173,974	37,173,974	Unreserved	Unrestricted	Assigned
Encumbrances	-	36,210,185	Reserved	Unrestricted	Assigned
Bond rating	26,394,477	-	Unreserved	Restricted	Restricted
Other	58,056,062	58,056,062	Unreserved	Unrestricted	Unassigned
Total unreserved/unrestricted [B]	121,624,513	161,580,447			
Total fund balances [A+B]	\$ 194,716,753	\$ 194,716,753			

RECONCILIATION OF EXPENDITURES:

Total GF Expenditures GAAP (CAFR)	\$ 659,273,630	\$ 659,273,630
PERS/TRS on-behalf from all other funds [4]	-	-
Total expenditures [C]	\$ 659,273,630	\$ 659,273,630

PERCENT OF UNRESERVED/UNRESTRICTED TO EXPENDITURES:

Unreserved/Unrestricted FB as % of XP [B/C]	18.45%	24.51%
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FY 25 One-time Funding

Misconception: ASD did not spend any of the one-time funds for FY 2024-2025.

Reality: ASD fully incorporated the \$49 million, \$680 BSA equivalent into its FY 2024-2025 budget, in addition to spending \$37 million in fund balance.



Revenue Summary

The total General Fund Revenues are shown in the chart below.

General Fund Revenue	Actual	Actual	Actual	Adopted	Adopted	FY24 Adopted vs.	
	FY 2020-21	FY 2021-23	FY 2022-24	Budget	Budget	FY25 Adopted	
				FY 2023-24	FY 2024-25	\$	%
Local Revenue							
Property taxes	\$ 208,597,527	\$ 212,628,241	\$ 212,394,716	\$ 221,038,822	\$ 220,771,992	\$ (266,830)	-0.12%
Fund balance	-	-	-	32,445,308	37,173,974	4,728,666	14.57%
E-rate	1,125,371	811,570	737,861	715,000	-	(715,000)	-100.00%
Interest earnings	1,034,525	(2,937,715)	5,926,145	2,000,000	7,000,000	5,000,000	250.00%
Facility rentals	238,073	496,263	652,874	750,000	850,000	100,000	13.33%
User fees	834,491	1,417,388	1,406,039	2,075,000	2,000,000	(75,000)	-3.61%
Other local revenue	280,249	837,782	430,877	335,000	335,000	-	0.00%
Total local revenue	212,110,236	213,253,529	221,548,512	259,359,130	268,130,966	8,771,836	3.38%
State Revenue							
Foundation funding	320,734,341	317,078,916	319,018,259	309,018,140	301,827,862	(7,190,278)	-2.33%
Operating grants outside BSA	-	-	16,228,911	24,894,521	49,110,954	24,216,433	97.28%
Quality School Grant	1,177,668	1,174,171	1,179,938	1,171,945	1,152,095	(19,850)	-1.69%
State education raffle	136,412	124,634	124,511	150,000	150,000	-	0.00%
State tuition reimbursement	408,484	408,484	408,484	408,484	408,484	-	0.00%
State disaster assistance	-	3,415,751	(2,442,303)	-	-	-	0.00%
Total State revenue	322,456,905	322,201,956	334,517,800	335,643,090	352,649,395	17,006,305	5.07%
Federal Revenue							
Federal Impact Aid	14,841,265	12,133,964	14,395,035	14,441,918	15,464,459	1,022,541	7.08%
JROTC instructor reimbursement	837,062	794,426	799,821	800,000	825,000	25,000	3.13%
Medicaid reimbursement	476,161	368,567	434,296	750,000	750,000	-	0.00%
Emergency Connectivity Fund	-	-	2,939,295	-	-	-	0.00%
Federal disaster assistance	-	10,247,252	8,285,050	-	-	-	0.00%
Total Federal revenue	16,154,488	23,544,209	26,853,497	15,991,918	17,039,459	1,047,541	6.55%
Total Revenue	\$ 550,721,629	\$ 558,999,694	\$ 582,919,809	\$ 610,994,138	\$ 637,819,820	\$ 26,825,682	4.39%

Attrition

Misconception: ASD has \$41 million in funds from overestimating salaries.

Reality: ASD has estimated that \$41 million will go unspent due to vacancies and turnover and has budgeted that money to prevent more reductions.

Simple example of attrition budgeting:

**You expect \$100 in revenue, however, not everyone has historically spent all of their budgeted funds.*

Revenue = \$100

Expense = \$100

→ **\$105 Budgeted Accounts**

→ **\$-5 attrition**



Anchorage School District
 General Fund Budget Variance
 For the Year Ending June 30, 2025
 Data as of 4/15/2025

General Fund (in millions \$)	FY 2024-25 Budget	FY 2024-25 Projection	Variance	
			Amount	Percent
Revenue				
Local Sources				
Property taxes	\$ 220.772	\$ 220.772	\$ -	0.00%
Student fees	2.000	1.492	(0.508)	-25.38%
Interest earnings	7.000	11.847	4.847	69.24%
E-rate	-	0.841	0.841	100.00%
Other local revenues [1]	38.359	1.578	(36.781)	-95.89%
Total local revenues	268.131	236.530	(31.601)	-11.79%
State Sources				
Foundation funding	352.091	347.193	(4.898)	-1.39%
State supplemental funding	0.408	0.408	-	0.00%
State PFD Raffle Funds	0.150	0.140	(0.010)	-6.67%
State earthquake reimbursement	-	-	-	100.00%
PERS/TRS on-behalf payments [2]	51.202	51.202	-	0.00%
Total state revenues	403.851	398.943	(4.908)	-1.22%
Federal Sources				
Federal Impact Aid	15.464	15.473	0.009	0.06%
Medicaid	0.750	0.300	(0.450)	-60.00%
JROTC	0.825	0.962	0.137	16.61%
FEMA reimbursement	-	-	-	100.00%
Emergency Connectivity Fund	-	-	-	100.00%
Total federal revenues	17.039	16.735	(0.304)	-1.78%
Total Revenue	\$ 689.022	\$ 652.209	\$ (36.813)	-5.34%

[1] Includes the use of \$37.2 million in fund balance

[2] Budgets for PERS/TRS on-behalf have been added to provide clarity on the total variance

Anchorage School District
 General Fund Budget Variance
 For the Year Ending June 30, 2025
 Data as of 4/15/2025

General Fund (in millions \$)	FY 2024-25 Budget	FY 2024-25 Projection	Variance	
			Amount	Percent
Expenditures and Encumbrances [1]				
Salaries				
District administration	\$ 9.827	\$ 9.882	\$ (0.055)	-0.56%
Professional/technical	24.550	23.379	1.171	4.77%
Clerical	14.727	14.270	0.457	3.10%
Paraprofessionals	26.491	21.899	4.592	17.33%
Substitutes	9.278	16.755	(7.477)	-80.59%
Certificated (teachers, nurses, counselors, librarians)	242.327	234.891	7.436	3.07%
Principals	18.076	17.859	0.217	1.20%
Operations and maintenance	26.027	24.973	1.054	4.05%
Added duty/extra help	15.981	15.364	0.617	3.86%
Other	11.674	8.629	3.045	26.08%
Attrition	(14.231)	-	(14.231)	100.00%
Total salaries and wages	384.726	387.900	(3.174)	-0.82%
Benefits				
Medical	110.254	86.349	23.905	21.68%
PERS/TRS	56.819	53.130	3.689	6.49%
PERS/TRS on-behalf [2]	51.202	51.202	-	0.00%
Other benefits	19.111	16.700	2.411	12.62%
Benefit attrition	(26.060)	-	(26.060)	100.00%
Total benefits	211.325	207.381	3.945	1.87%
Services				
Utilities	22.369	21.473	0.895	4.00%
Rent/leases	12.826	12.331	0.495	3.86%
Travel/registrations	2.733	2.611	0.122	4.47%
Unallocated	23.915	21.582	2.333	9.76%
Indirect cost recovery	(5.000)	(4.698)	(0.302)	6.04%
Other contracted services	47.233	45.246	1.987	4.21%
Total contracted services	104.076	98.546	5.530	5.31%
Supplies	13.473	12.381	1.091	8.10%
Equipment	8.346	8.313	0.033	0.40%
General liability insurance/claims	4.899	3.961	0.938	19.15%
Other expenditures	0.463	0.410	0.053	11.50%
Total budget basis expenditures and encumbrances	727.308	718.891	8.417	1.16%
Budget to GAAP basis reconciliation				
Total expenditures and encumbrances	\$ 727.308	\$ 718.891		
Less: encumbrances	(38.286)	(38.022)		
Less: PERS/TRS on-behalf budgets	(51.202)	-		
Transfers to/(from) other funds	-	7.120		
Total GAAP basis expenditures and other uses	\$ 637.820	\$ 687.989		

[1] Includes prior year encumbrances

[2] Budgets for PERS/TRS on-behalf have been added to provide clarity on the total variance

Summary of GAAP Basis Projected Revenues, Expenditures, Undesignated Fund Balance and Allowable State Carryover (in millions \$)
 For the Year Ending June 30, 2025
 Data as of 4/15/2025

Beginning undesignated fund balance		
Unassigned	\$	58.06
Bond rating		26.39
Subsequent year's expenditures		37.17
Total undesignated		<u>121.62</u>
Current revenue, expenditures and other sources and uses projection		
Revenues and other sources		652.21
Expenditures and other uses		687.99
Revenues over (under) expenditures		<u>(35.78)</u>
Change in designated fund balances		(1.79)
Projected ending undesignated fund balance		
Unassigned		7.52
Bond rating		26.73
Subsequent year's expenditures		49.80
Projected undesignated fund balance	\$	<u><u>84.06</u></u>

SOA 10% fund balance calculation		
Expenditures and other uses	\$	687.99
less: other uses		(7.12)
Projected expenditures for the purpose of 10% calculation	\$	<u>680.87</u>
State fund balance % of expenditures		12.35%
Amount above/(below) 10% state cap	\$	15.97
Amount above/(below) 9.0%	\$	22.78
Amount above/(below) 8% board minimum	\$	29.59
Amount above/(below) 5%	\$	50.02

Revenue Summary

The total General Fund Revenues are shown in the chart below.

General Fund Revenue

	Actual	Actual	Actual	Adopted	Proposed	FY25 Adopted vs.	
	FY 2021-22	FY 2022-23	FY 2023-24	Budget FY 2024-25	Budget FY 2025-26	FY26 Proposed	
						\$	%
Local Revenue							
Property taxes	\$ 212,628,241	\$ 212,394,716	\$ 221,038,822	\$ 220,771,992	\$ 225,508,510	\$ 4,736,518	2.15%
Fund balance	-	-	-	37,173,974	49,802,497	12,628,523	33.97%
E-rate	811,570	737,861	620,979	-	-	-	0.00%
Interest earnings	(2,937,715)	5,926,145	12,875,915	7,000,000	8,000,000	1,000,000	14.29%
Facility rentals	496,263	652,874	739,349	850,000	850,000	-	0.00%
User fees	1,417,388	1,406,039	1,158,437	2,000,000	1,460,000	(540,000)	-27.00%
Other local revenue	837,782	430,877	592,363	335,000	335,000	-	0.00%
Total local revenue	213,253,529	221,548,512	237,025,865	268,130,966	285,956,007	17,825,041	6.65%
State Revenue							
Foundation funding	317,078,916	319,018,259	303,854,489	301,827,862	289,890,361	(11,937,501)	-3.96%
Operating grants outside BSA	-	16,228,911	24,583,913	49,110,954	-	(49,110,954)	-100.00%
Quality School Grant	1,174,171	1,179,938	1,156,701	1,152,095	1,138,565	(13,530)	-1.17%
State education raffle	124,634	124,511	140,070	150,000	150,000	-	0.00%
State tuition reimbursement	408,484	408,484	408,484	408,484	408,484	-	0.00%
State disaster assistance	3,415,751	(2,442,303)	610,899	-	-	-	0.00%
Total State revenue	322,201,956	334,517,800	330,754,556	352,649,395	291,587,410	(61,061,985)	-17.32%
Federal Revenue							
Federal Impact Aid	12,133,964	14,395,035	18,249,529	15,464,459	15,500,412	35,953	0.23%
JROTC instructor reimbursement	794,426	799,821	753,307	825,000	825,000	-	0.00%
Medicaid reimbursement	368,567	434,296	209,358	750,000	750,000	-	0.00%
Emergency Connectivity Fund	-	2,939,295	-	-	-	-	0.00%
Federal disaster assistance	10,247,252	8,285,050	5,498,094	-	-	-	0.00%
Total Federal revenue	23,544,209	26,853,497	24,710,288	17,039,459	17,075,412	35,953	0.21%
Total Revenue	\$ 558,999,694	\$ 582,919,809	\$ 592,490,709	\$ 637,819,820	\$ 594,618,829	\$ (43,200,991)	-6.77%

Questions/Comments

