

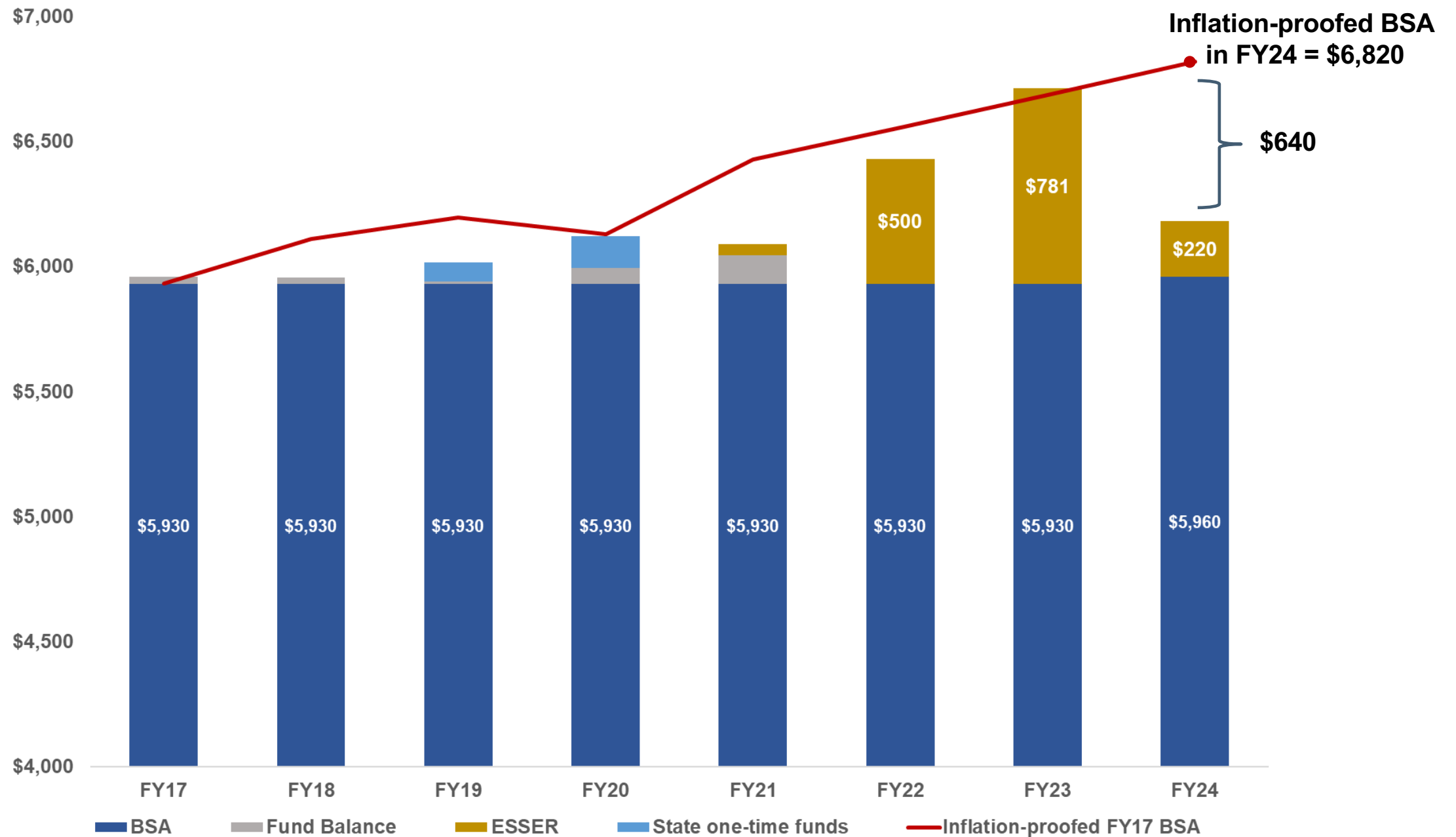
# FY 24 Budget Solutions

**Jim Anderson (CFO) & Andy Ratliff (OMB)**

**August 16<sup>th</sup>, 2022**



# ASD School Funding since 2017



- ASD revenue is depicted in BSA-equivalent dollars
- This chart will be updated in Aug 22 when FY22's General Fund & ESSER Grant Fund are closed out



# School Board Discussion on One-Time Funding

## Operating Funds (≈ \$16 million)

- Preserve as fund balance to soften FY 24 deficit
- Spend a portion, or all, on FY23 priorities
  - \* Straw Poll at Aug 10<sup>th</sup> Finance Mtg indicated the board is leaning toward preserving it for the FY24 deficit

## Major Maintenance (≈ \$9.5 million)

- Preserve in Capital Fund for unplanned emergency capital needs
- Spend on other FY 23 major maintenance priorities
  - \* These could include: patching roofs, replacing wood playgrounds, replacing/repairing floors & carpet, repair sewer lines, paint, etc.

## SBDR Reimbursement (≈ \$90 million)

- ✓ Reimburse \$3.7 million in General Fund for FY17
- Preserve all or a portion of \$86.6 million in Debt Service Fund to reduce future taxes for capital debt
- Spend all or a portion of \$86.6 million toward ASD capital shortfalls
- Consider a bond holiday in April 2023 if any of the funds are used toward ASD capital priorities
- Preserve for other School Board priorities

\* Straw Poll at Aug 10<sup>th</sup> Finance Mtg indicated the board wants a prioritized list of needs for this discussion



# State Bond Debt Reimbursement

Fiscal Year	SBDR Veto-ASD Shortfall	ASD General Fund Transfer	Debt Service Fund Balance used	Muni Additional Tax assessed	HB 281 FY 23 State Reimbursement
2017	9,007,587	5,648,542	3,359,045		9,007,496
2018		(1,920,859)	1,920,859		
2019					
2020	21,123,634		4,582,527	16,541,107	21,123,632
2021	39,676,825		1,890,739	37,786,086	39,676,819
2022	20,555,444			20,318,014	20,436,724
	\$ 90,363,490	\$ 3,727,683	\$ 11,753,170	\$ 74,645,207	\$ 90,244,671

*\* Numbers in green represent MOA and State funds that have been disbursed to ASD*

- HB 281 restored State Bond Debt Reimbursement (SBDR) for FYs 17, 20-22
- ASD used operational fund balance to offset the deficit in FY17
- ASD used Debt Service fund balance to offset the deficits in FYs 17, 20 & 21
- The MOA increased property taxes to pay shortfall for FYs 20-22
- The bond language allows municipality/boroughs broad flexibility for these funds

## HB 281 language:

...is appropriated from the general fund to the Department of Education and Early Development for state aid for costs of school construction under AS 14.11.100

# ASD Prioritized Capital Needs

Project	Amount	Cumulative	SBDR (\$86,516,988)
Secure Vestibules, Security and Camera Improvements	\$19,530,000	\$19,530,000	\$66,986,988
1990 Prototypical Roof Improvements (Kasuun & Kincaid)	\$11,750,000	\$31,280,000	\$55,236,988
Chinook ES Roof Replacement and seismic/structural upgrades	\$7,080,000	\$38,360,000	\$48,156,988
Campbell ES Roof Replacement and seismic/structural upgrades	\$6,751,000	\$45,111,000	\$41,405,988
College Gate ES Roof Replacement and	\$6,383,000	\$51,494,000	\$35,022,988
Maintenance Building Roof Restoration	\$2,551,000	\$54,045,000	\$32,471,988
Ursa Minor ES Roof Restoration	\$1,703,000	\$55,748,000	\$30,768,988

- The list above represents a portion of the priorities in the District's FY22 Capital Improvement Plan (CIP)
- CP&C is refining a proposed list of capital projects that goes beyond those listed above



# FY 24 Budget Solutions Timeline (Aug – Oct 22)

## Public Tasks/Events

- ★ Leadership Summit:
  - Brief FY23 funding & FY24 projected deficit
- School Board meetings:
  - Brief projected FY24 deficit
  - Provide timeline for FY24 budget cycle
  - Provide FY23 enrollment updates weekly after school start

★ Aug 18<sup>th</sup>: Classes begin

## Public Tasks/Events

- ★ Survey(s) posted in early September
- School Board meetings:
  - Refined timeline focusing on public events/info
  - # of schools being analyzed for potential closure or repurposing
  - Initial list of programs and costs that are being assessed and prioritized

## Public Tasks/Events

- Community/staff survey after first board meeting
- School Board meetings:
  - ★ list of top X schools being considered for potential closure or repurpose
  - Updated list of programs and costs that are being assessed and prioritized
- ★ Community Town Halls as needed
- ★ 20-day OASIS Count to finalize FY23 AADM

Aug

Sep

Oct

## Communications

- Develop FY 24 Budget Solutions Web Page
- Assist in developing/posting/tracking survey(s) for release in early September
- Assist with marketing critically short positions
- Develop communications plans for school opening and ASD's plans to address critical personnel vacancies (Bus, Nutrition, etc.)

## Communications

- Update website after new information is briefed to the School Board
- Assist with opening/closing surveys and preparing the next survey for release in early October
- Assist with planning/resourcing town halls starting in October
- Continue to help market the availability of critically short ASD positions

## Communications

- Promote the importance of enrolling students prior to and during the OASIS count period
- Assist with advertising, promoting and conducting community town halls
- Continue to help market critically short ASD positions

## Key Staff Tasks:

- Brief School Board (Aug 2<sup>nd</sup>): projected deficit, fund balance, initial timeline for budget development
- Develop initial list of schools for possible closure/repurpose; conduct staff analysis on impacts
- ID possible options with the district's leases for FYs 24/25
- ID programs that need to be assessed
- Develop framework for analyzing Admin structure
- Develop surveys

## Key Staff Tasks:

- ★ Mid-month: brief leadership involved with possible schools that may be impacted by closure/repurpose
- Plan and resource town halls starting in October
- Assist school leadership with staff meetings as required
- Analyze public survey and develop communications plan
- Develop talking points for potential school closures

## Key Staff Tasks:

- ★ Conduct community town halls as needed
- Develop talking points for Admin, School Board, and Principals for potential school closures/repurposing
- Continue detailed analysis (cost, student outcome analysis, and school consolidation/closures)
- Assist planning efforts for Dec Legislative Lunch



The star indicates significant staff or School Board events

# FY 24 Budget Solutions Timeline (Nov 22 – Jan 23)

Public Tasks/Events	Public Tasks/Events	Public Tasks/Events
<ul style="list-style-type: none"> <li>- Community/staff survey after first board meeting</li> <li>★ Zoom town hall(s) to provide overview of deficit, options being considered, and receive feedback</li> <li>- School Board meetings:               <ul style="list-style-type: none"> <li>- Summary of potential options to reduce deficit</li> <li>- Updated info on school closures/repurpose</li> <li>- Dedicated time to receive board input</li> <li>- Initial Admin staff analysis</li> </ul> </li> <li>★ Nov 8<sup>th</sup>: Election Day (Asynchronous Learning)</li> </ul>	<ul style="list-style-type: none"> <li>★ Last public town hall</li> <li>- School Board meetings:               <ul style="list-style-type: none"> <li>- Brief results from community/staff surveys</li> <li>- Final brief on potential options to reduce deficit</li> <li>- Proforma</li> <li>- Board provides guidance to Administration</li> </ul> </li> <li>★ Legislative Luncheon (Dec. 2<sup>nd</sup>)</li> <li>★ Winter Break (December 23<sup>rd</sup> – January 6<sup>th</sup>)</li> </ul>	<p>TBD</p>

Nov	Dec	Jan
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<p><u>Communications</u></p> <ul style="list-style-type: none"> <li>- TBD</li> </ul>	<p><u>Communications</u></p> <ul style="list-style-type: none"> <li>- TBD</li> </ul>	<p><u>Communications</u></p> <ul style="list-style-type: none"> <li>- TBD</li> </ul>
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<p><u>Key Staff Tasks:</u></p> <ul style="list-style-type: none"> <li>- Plan and resource final town halls</li> <li>- Continue assessment of potential cost reductions</li> <li>- Prepare products &amp; information for December School Board meetings</li> <li>- Develop products/information required to support the Legislative Luncheon (Dec. 2<sup>nd</sup>)</li> </ul>	<p><u>Key Staff Tasks:</u></p> <ul style="list-style-type: none"> <li>★ Support School Board’s Legislative Luncheon (Dec. 2<sup>nd</sup>)</li> <li>- Build/brief FY24 Proforma</li> <li>- Compile board input/feedback/guidance</li> <li>- Compile staff analysis for budget build in January</li> </ul>	<p><u>Key Staff Tasks:</u></p> <ul style="list-style-type: none"> <li>- Develop Preliminary FY24 budget</li> <li>- Start building contingency plans for potential state funding increases</li> <li>- Brief School Board members (one-on-one) on the Preliminary Budget prior to the February 7<sup>th</sup> Board Meeting</li> <li>- Brief Principals and Senior Leaders prior to the February 7<sup>th</sup> Board Meeting</li> </ul>
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# **School Board Comments/Guidance**

