

# **Fairbanks North Star Borough School District**

## **2016-2017 Budget Process**

**Citizen's Budget Review Committee**  
**Thursday, October 1, 2015 5:30 pm**  
**ADC Board Room**



**FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT**

520 Fifth Avenue Fairbanks, Alaska 99701-4756 (907) 452-2000



# Agenda

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1. Introductions
2. Committee purpose/time commitment
3. Board Strategic Plan
4. 2015-16 Budget review
5. 2016-17 assumptions and starting point
6. Future meeting topics
7. Set meeting times
8. Other topics of interest

# Board Strategic Plan

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- Process Overview
- Strategic Goals
  - **Personalized Learning**
  - **Effective Communication**
  - **Parent & Community Engagement**
  - **Organizational Support**
  - **Technology Integration**
- Roadmap
- District Objectives

# 2015-16 Budget Review

## Revenue Adjustments

<i>Local Borough Contribution Increase</i>	\$	4,500,000	
<i>Borough Offset for Property Valuation</i>	\$	963,000	
<i>Increase of Fund Balance Utilization</i>	\$	950,846	
	\$	<b>6,413,846</b>	3.33%
<b>Final Revenue Variance</b>	\$	<b>(1,375,065)</b>	-0.71%

## Expense Increases

<i>Contractual Salary &amp; Benefit Increases</i>	\$	3,997,949
<i>Instructional Non-Personnel Increases</i> <i>(Program, curriculum, facilities, equipment)</i>	\$	2,156,606
<b>Fund Balance Increase</b>	\$	<b>1,145,300</b>



[K12NORTHSTAR.ORG/BUDGET](http://K12NORTHSTAR.ORG/BUDGET)

**Final Expense/Fund Balance Variance** \$ 7,299,855

**TOTAL BUDGET ADJUSTMENT** \$ 8,674,920

% Change  
-3.53% from 2014-15

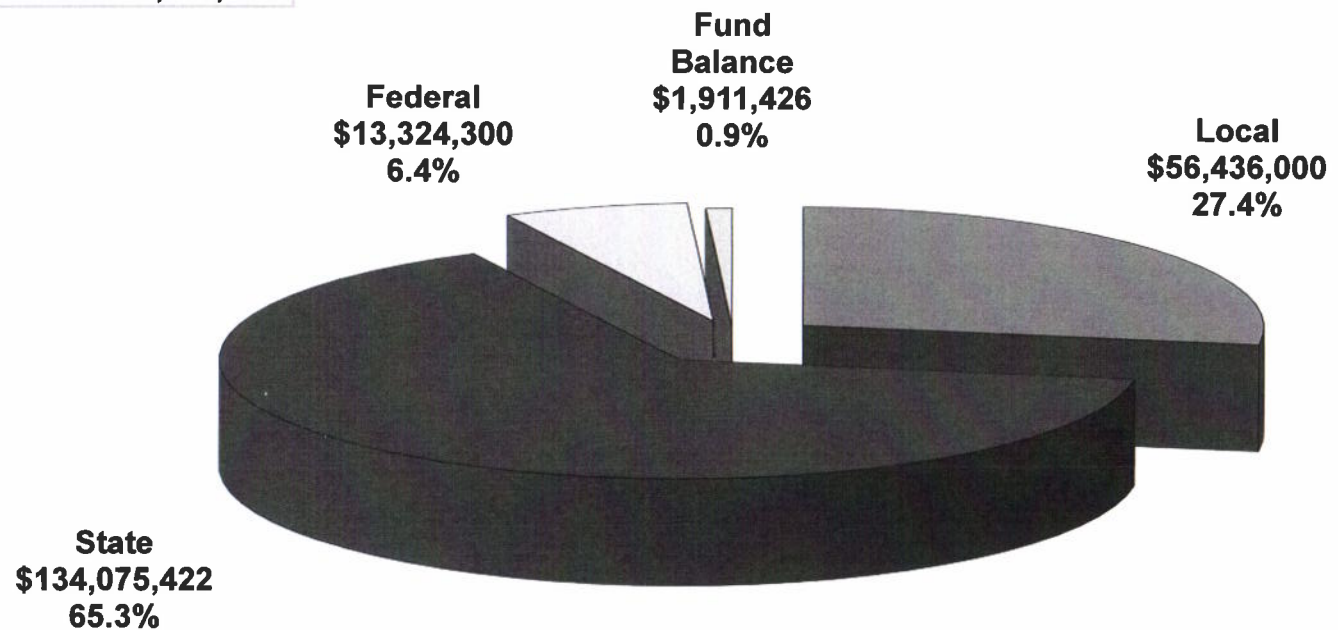
# 2015-16 Budget Adjustments

2015-16			2015-16		
<u>Classroom Instruction</u>	<u>FTE</u>	<u>Adjustment</u>	<u>FTE</u>	<u>Adjustment</u>	
Teachers - Reg Ed - Decreased Enrollment	Enrollment (13.5)	(\$1,503,225)			
Teachers - Reg Ed - Increased Enrollment - gr 7-12	Enrollment 2.0	\$222,700			
Principals - Salcha/Two Rivers	Reduction (2.0)	(\$275,700)			
Teachers - Head Teacher Salch/Two Rivers .5 each	Reduction 1.0	\$111,350			
Teachers - DW Art	Reduction (1.0)	(\$111,350)			
Teachers - General Music	Reduction (1.0)	(\$111,350)			
Teacher - Guidance Counselor	Reduction (3.0)	(\$334,050)			
Teachers - ITT	Reduction (4.0)	(\$445,400)			
Non-Personnel Supplies/Prof Tech 15% decrease	Reduction	(\$188,925)			
	(21.5)	(\$2,635,950)			
	Enrollment (11.5)				
	Reduction (10.0)				
<u>Elementary Response to Intervention (RTI)</u>					
RTI Assistants	Reduction (7.5)	(\$363,045)			
RTI Assistants - Additional	Reduction (8.5)	(\$411,451)			
RTI Scale Back of Building Level Intervention Plans	Reduction	(\$636,955)			
RTI Assistants - ADD BACK	9.5	\$459,857			
RTI Delivery Model Adjustment - ADD BACK		\$18,210			
RTI Delivery Model Adjustment - ADD BACK	6.0	\$668,100			
	(0.5)	(265,284.0)			
<u>Student Activities</u>					
Activities Coordinator - Teacher	(1.5)	(\$167,025)			
Activities Coord - Exempt (1 remain DW)	(1.0)	(\$111,350)			
Activities State Travel		(\$75,000)			
Activities Coordinator - Teacher - ADD BACK	1.5	\$167,025			
Activities Coord - Exempt (1 remain DW) - ADD BACK	1.0	\$111,350			
SDA/SAS Allocations 10% decrease		(\$166,292)			
	0.0	(\$241,292)			
<u>Administrative Center/Districtwide Instruction</u>					
ELL Tutor	(1.0)	(\$30,270)			
Exec Director of Research & Accountability	(1.0)	(\$205,539)			
Exempt Secretary	(0.5)	(\$46,554)			
Facilities Management Admin Secretary	(1.0)	(\$86,806)			
BEST Leadership	1.0	\$153,495			
Computer Technician	(1.0)	(\$98,993)			
Library Media Services Director	(1.0)	(\$145,494)			
Library Media Secretary	(1.0)	(\$88,900)			
Payroll Clerk	1.0	\$69,918			
Additional Non-personnel decrease (10%)		(\$640,000)			
Scale Back Travel to PY level		(\$103,600)			
Additional Staff Travel Reduction		(\$100,000)			
BEST Allotments		(\$100,000)			
Curriculum - Materials		(\$1,061,000)			
Curriculum - PD Tracking system		\$50,000			
Elimination of Terra Nova & DW standardized testing		(\$98,285)			
Facilities Management Temporaries		\$195,000			
FMD Restructure		(\$250,000)			
Reduce Utilities		(\$670,749)			
Reduce Utilities - Shut Off Laptops		(\$125,000)			
Reserve Teaching Position		(\$111,350)			
Technology - Teacher Computer Replacement		(\$460,000)			
Technology - Chromebook Carts		\$100,000			
	(4.5)	(\$3,854,127)			
<u>Charter Schools</u>					
Charter School Reduction					
CEC Intersession					
			1.0	(\$301,315)	
<u>Human Resources Department</u>					
Exempt Secretary			1.0	\$93,108	
Investigation Specialist			1.0	\$132,149	
Sr. HR Technician			1.0	\$96,522	
Training Specialist			1.0	\$132,149	
Reserve Board of Education				(\$411,600)	
Reserve Board of Education - ADD BACK				\$150,000	
HR Department Reduction				(\$123,480)	
			4.0	\$68,848	
<u>Non-Departmental</u>					
Reduce Nutrition Services Subsidy				(\$100,000)	
			0.0	(\$100,000)	
<u>Special Education Instruction</u>					
Program Secretary			(1.0)	(\$63,255)	
Secretary			(1.0)	(\$50,100)	
Sign Language Interpreter			0.4	\$24,548	
Speech/Language Pathologist Assistant			0.4	\$24,548	
Non-personnel decrease				(\$160,000)	
			(1.4)	(\$224,259)	
<u>Student Support Services</u>					
Classroom Aides OPTIONS			(3.0)	(\$138,591)	
Elementary Attendance Secretary Grade 5 - Location TBD			(1.0)	(\$54,673)	
Secondary Secretary Grade 5 - Location TBD			(4.0)	(\$223,980)	
Intervention Room Aides			(8.5)	(\$414,137)	
Behavior Intervention Aides			(9.0)	(\$443,970)	
Nurses - .5 ea at Anderson Crawford Hutchison Salcha			(2.0)	(\$158,768)	
School Safety Liasons			(2.0)	(\$155,372)	
Department Heads				(\$275,000)	
Secondary Secretary Grade 5 - Location TBD - ADD BACK			4.0	\$223,980	
Behavior Intervention Aides - ADD BACK			9.0	\$443,970	
Department Heads - ADD BACK				\$275,000	
				(\$200,000)	
SRO Contract with City			(16.5)	(\$1,121,541)	
<b>TOTAL BUDGET ADJUSTMENT</b>	<b>(39.4)</b>	<b>(8,674,920)</b>			

# 2015-16 BUDGETED REVENUE

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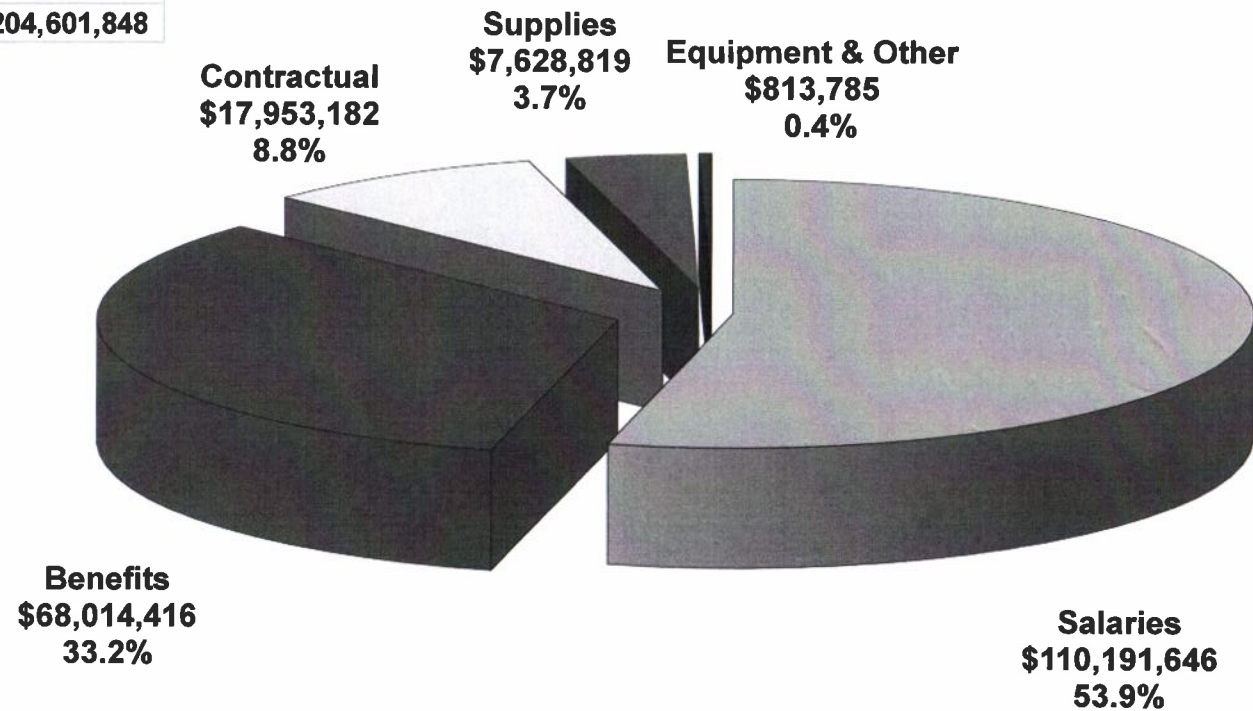
<u>Revenue Source</u>	<u>Operating Fund</u>
Local	\$ 56,436,000
State	\$ 134,075,422
Federal	\$ 13,324,300
Other	\$ 1,911,426
	\$ 205,747,148





# 2015-16 BUDGETED EXPENSE by Object

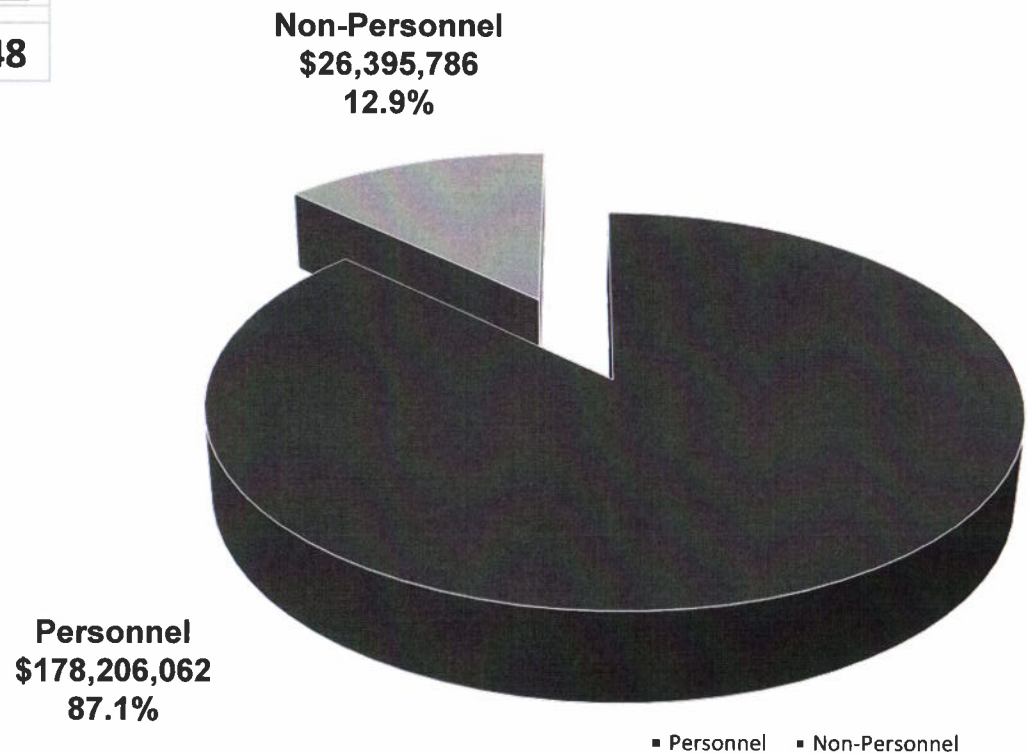
<u>Expense Object</u>	<u>Operating Fund</u>
Salaries	\$ 110,191,646
Benefits	\$ 68,014,416
Contractual	\$ 17,953,182
Supplies	\$ 7,628,819
Equipment & Other	\$ 813,785
	\$ 204,601,848



# 2015-16 BUDGETED EXPENSE by Category

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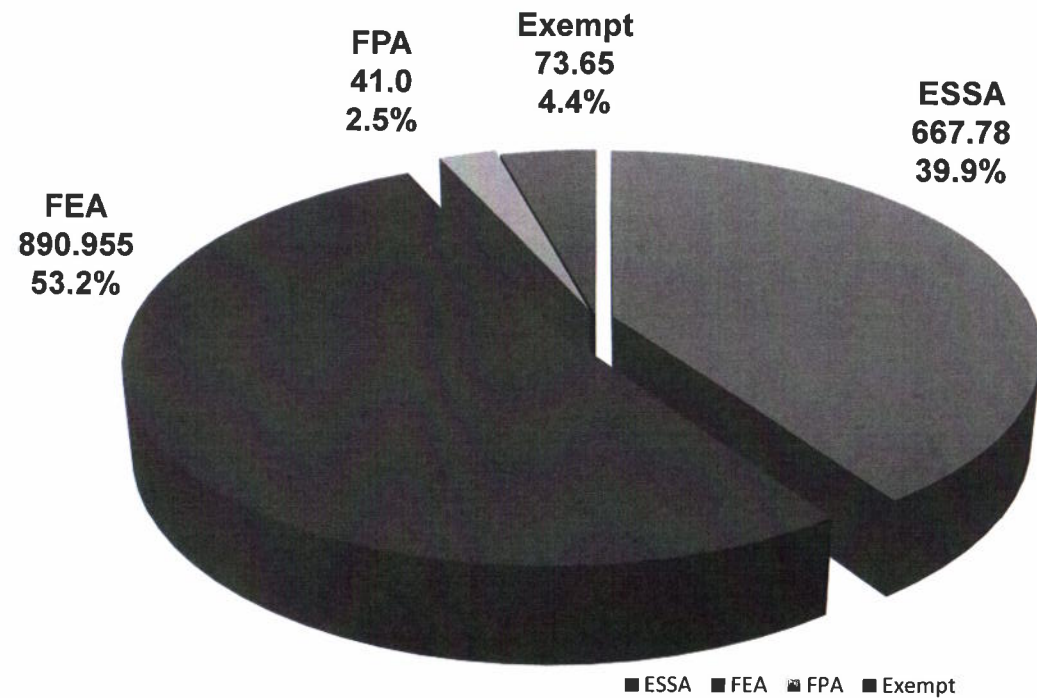
Personnel	\$ 178,206,062
Non-Personnel	\$ 26,395,786
	<b>\$ 204,601,848</b>





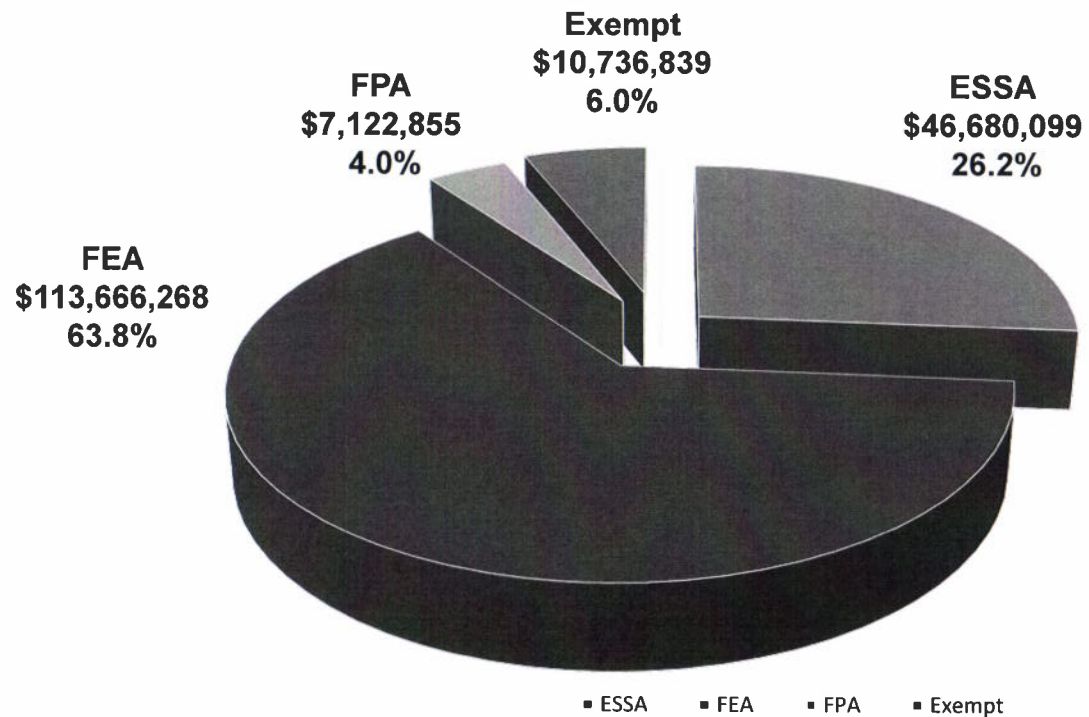
# 2015-16 FTE Summary by Employee Group

<u>Employee Group</u>	<u>FTE</u>
ESSA	667.78
FEA	890.95
FPA	41.00
Exempt	<u>73.65</u>
	1673.38



# 2015-16 Cost Summary by Employee Group

<u>Employee Group</u>	<u>S&amp;B</u>
ESSA	\$ 46,680,099
FEA	\$ 113,666,268
FPA	\$ 7,122,855
Exempt	\$ 10,736,839
	\$ 178,206,061



# 2016-17 Initial Budget

## Assumptions as of October 1, 2015

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- Estimated Enrollment Increased by 140
- Static Local Funding Level (\$55,639,000 + \$1,067,000)
- 10% Reduction in State Foundation funding
- Increase in Impact Aid based on identified students 2016 Application (estimate 4% increase from FY16)
- Static Fund Balance Contribution

# 2016-17 Initial Budget

## Revenue Adjustments

<i>Projected Enrollment Increase</i> (Based on 10 day count with 10 year trend data +140)	\$	2,294,961	
<i>State Foundation Decrease</i> (10% Estimate decrease to BSA)	\$	(15,436,160)	
<i>Impact Aid Funding Increase</i> (Estimate 4% increase from 2015-16)	\$	408,213	
	\$	(12,732,986)	Reduction of Operating Revenue -6.19% from 2015-16

## Expense Adjustments

<i>Salary &amp; Benefit Increases</i>	(Negotiations TBD)	\$	-
<i>Estimated Increase in Health Rate</i>	Preliminary Rate Adjustment 2.0%	\$	(2,203,838)
<i>Non-Personnel Costs</i>		\$	-

**Fund Balance Increase** Budgeted in 2015-16 remove for 2016-17 \$ 1,145,300

**Final Expense/Fund Balance Variance** \$ (1,058,538)

**TOTAL BUDGET ADJUSTMENT** \$ (13,791,524)



K12NORTHSTAR.ORG/BUDGET

% Change  
6.70% from 2015-16

# What does (\$13,791,524) look like?

## **Flat 6.7% Reduction across Budget**

6.70% FEA = 60 Teachers	60.0 FTE	\$	7,534,724
6.70% ESSA = 45 Staff	45.0 FTE	\$	3,145,500
6.70% FPA = 3 Principals	3.0 FTE	\$	521,175
6.70% Exempt = 5 Staff	5.0 FTE	\$	728,750
6.70% Non-Personnel Expenses		\$	1,768,518
		\$	<b>13,698,667</b>

<b><u>Class Size Target Worksheet</u></b>						Adjusted	
<u>Grade Band</u>	<u>2015-16 Target</u>	<u>PTR Adjust</u>	<u>2016-17 Adjusted PTR Target</u>	<u>Adjusted FTE</u>	<u>Savings</u>	<u>Lower</u>	<u>Upper</u>
<b>K</b>	22.5	3.0	25.5	-5.0	-\$556,750	15.5	31.0
<b>1-3</b>	24.0	3.5	27.5	-15.0	-\$1,670,250	16.5	33.0
<b>4-6</b>	26.0	3.5	29.5	-10.0	-\$1,113,500	17.5	35.0
<b>7-8</b>	26.5	4.0	30.5	-11.5	-\$1,280,525		
<b>9-12</b>	28.5	4.0	32.5	-18.0	-\$2,004,300		
				-59.5	<b>-\$6,625,325</b>		



# What does (\$13,791,524) look like?

## Add Back Items from 2015-16 Budget

High School Activities Coordinators	2.5 FTE	\$	278,375
Department Heads		\$	275,000
RTI Assistants	9.5 FTE	\$	459,857
Certified staff	6.0 FTE	\$	668,100
AIMSWEB		\$	18,210
Secondary Grade 5 Secretaries	4.0 FTE	\$	223,980
Behavior Intervention Aides	9.0 FTE	\$	443,970
		\$	<b>2,367,492</b>

## 2015-16 Reduction Considerations

OPTIONS Program	3.0 FTE	\$	178,019
DW Art	4.0 FTE	\$	445,400
Elem Music 50%	8.5 FTE	\$	946,475
ITT	4.0 FTE	\$	445,400
		\$	<b>2,015,294</b>

## 10% Reduction Non-Personnel

**\$ 2,639,579**

## Class Size Based on 2015-16 ADM - PROPOSED Budget

PTR	K +0.5 to 23.0	2.0 FTE	\$	222,700
	1-3 +1.0 to 25.0	3.0 FTE	\$	334,050
	4-6 +1.0 to 27.0	5.0 FTE	\$	556,750
	7-8 +1.5 to 28.0	4.5 FTE	\$	501,075
	9-12 +2.0 to	9.0 FTE	\$	1,002,150
			\$	<b>2,616,725</b>

## School of Choice Considerations

Reduce Magnet supplemental			
Exploratory (+2)	1.0 FTE	\$	111,350
Secretarial Support (+1)	0.5 FTE	\$	29,500
		\$	<b>140,850</b>
6.70% Charter Schools		\$	<b>513,267</b>

## Student Activities (net 1 DW AD's and ASAA Dues)

Elementary SDA & SAS	\$	206,620
MS SDA & SAS	\$	253,600
Jr/Sr High SDA & SAS	\$	246,381
HS SDA & SAS	\$	1,235,332
	\$	<b>1,941,933</b>

**\$1,556,384 cuts still needed**



# 2016-17 Unresolved Issues

- Legislative Outcomes
  - Governor's proposed budget anticipated by early December
  - State Revenue Challenge
- Local Contribution TBD
  - Borough commitment (April/May)
  - Ketchikan ruling
- FEA, ESSA, FPA Negotiations
- Transportation Contract – (Likely subsidy required)

# Future Meeting Topics

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- State Funding Formula Review
- Establish Community Values
  - Cut list priorities
- In-depth Review of 2015-16 Approved Budget
- Program presentations
  - Class Size scenarios
  - Technology
  - Curriculum
  - Facilities
  - Transportation
- Anything Else?

# Set Meeting Schedule