

# **ASD Budget Update**

Prepared for MECAC January 30, 2014

Prepared by Finance

### **ASD Budget Process**

Financial Outlook

#### What does the future look like?

Data analysis, expenditure & revenue projections.

Financial reports, student count, economic factors, etc.

Revenues will fall short of expenditures by \$23 million.

What framework do we set for ourselves?

School board provides budget guidance.

Maintaining the student experience and providing a high quality education.

Guidelines, Direction & Policy

Who do we talk to about our plan?

Stakeholder input: community, students, parents, staff, etc.

Administration develops financial plan (budget).

Developmen

Does anyone else need to agree with your spending plan?

School board approves administration's budget.

Assembly approves spending authority.

**Approval** 

## **ASD Budget Cycle**

AdePtn.

Prior year financial reports are completed.

Current year enrollment is determined.

Next year budget shortfall/surplus is established.

Board provides direction.

Admin develops balanced budget for the next year.

Admin develops final budget.

Legislature approves current year funding for AK districts.

Admin updates current year final budget.

ASD fiscal year ends.

Next year budgeting process begins.

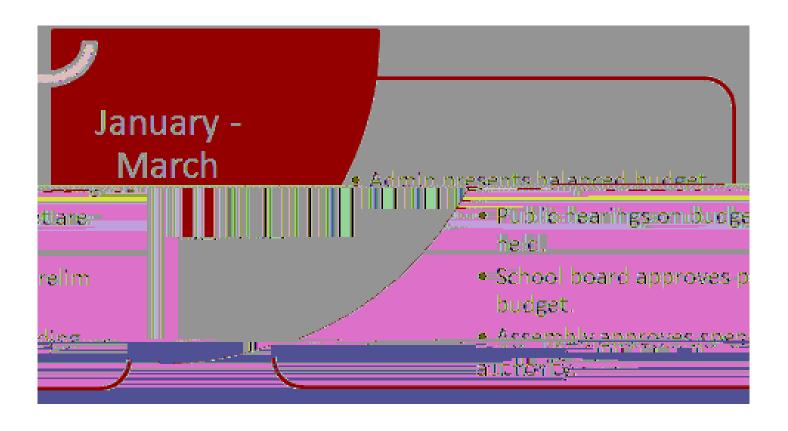
Admin presents balanced budget. Public hearings on budget are

held.

School board approves prelim budget.

Assembly approves spending authority.

#### Where We Are Now



### What Did Our Stakeholders Tell Us?

- Cuts should be evenly spread; but if cuts need to be made, cut non-instructional staff.
- No preference for which programs are most important (everything is equally important).
- Class size is an important factor in maintaining quality education.
- Activities (sports and clubs) are important.
- Fees should be increased.

### \$23 Million: How Did We Get Here?

- BSA has remained flat (annual growth of BSA = 0.00% since the 2011 school year).
- Healthcare costs continue to rise (annual growth = 6.88% since the 2011 school year).
- Large annual deficits have become the norm:

# Closing the Gap











