

FUSD Governing Board

Goals – Budgets – Positive Results – Challenges
FY 2011 through FY 2015 Budget

September – November 2014

Governing Board Goals Adopted in February 2013

Goals:

- Maintain and Improve Comprehensive Student Opportunities and Services
- Recruit and Retain Highly Qualified, Motivated, and Excelling Staff
- Improve Student Preparedness and Mastery
- Research and Create Desirable and Relevant Educational Opportunities and Services
- Increase Public Engagement and Support for FUSD
- Develop Diversified Partnerships and Revenue Opportunities

Flagstaff Unified School District

There Are Some Really Positive Results For FUSD in the Last Few Years:

1. Loyal staff have performed at an admirable level, and 2014 AIMS scores have improved substantially and all schools now have a grade of “C” or better.
2. The District experienced increased enrollment in each of the last three years. On 40th Day - an increase of 134 in 2012-13, an increase of 162 in 2013-14, and a projected 50 increase for 2014-15.
3. Magnet Programs and many other Academic Programs in the District have improved our image and brought Students and Parents back to FUSD.
4. Class size averages (25 overall for all grade levels) for Arizona, are uniquely IDEAL; specialists in Art, Music, P.E. (Fit Kids addition) remain at Elementary level; and Special Needs Students are served at a quality level in the District.
5. Budgets and financial conditions have improved. Increased enrollment helps immensely and, for the last two years (2013-14 and 2014-15) we received inflationary increases on the Base Support Level.
6. The District has received very positive support from the community. Reference - Override success in March 2010 and 64% YES Vote for 2012 Bond Election.
7. Aging facilities have been refurbished with Bond Funds; and Safety/Security for Students and Staff have been enhanced. Bond Funds have also upgraded Technology and Communications Infrastructure and now Classroom Technology.
8. The District was able to provide a Salary Addendum in 2012-13 and Salary Schedule increases in both 2013-14 and 2014-15, an overall average base Salary/Benefit Increase in excess of 6%. The District has throughout all of the years covered Employee Health Insurance and Retirement Contribution increases.

Flagstaff Unified School District #1

Comparison of Overall Budgets FY 2011, FY 2012, FY 2013, FY 2014 & FY 2015

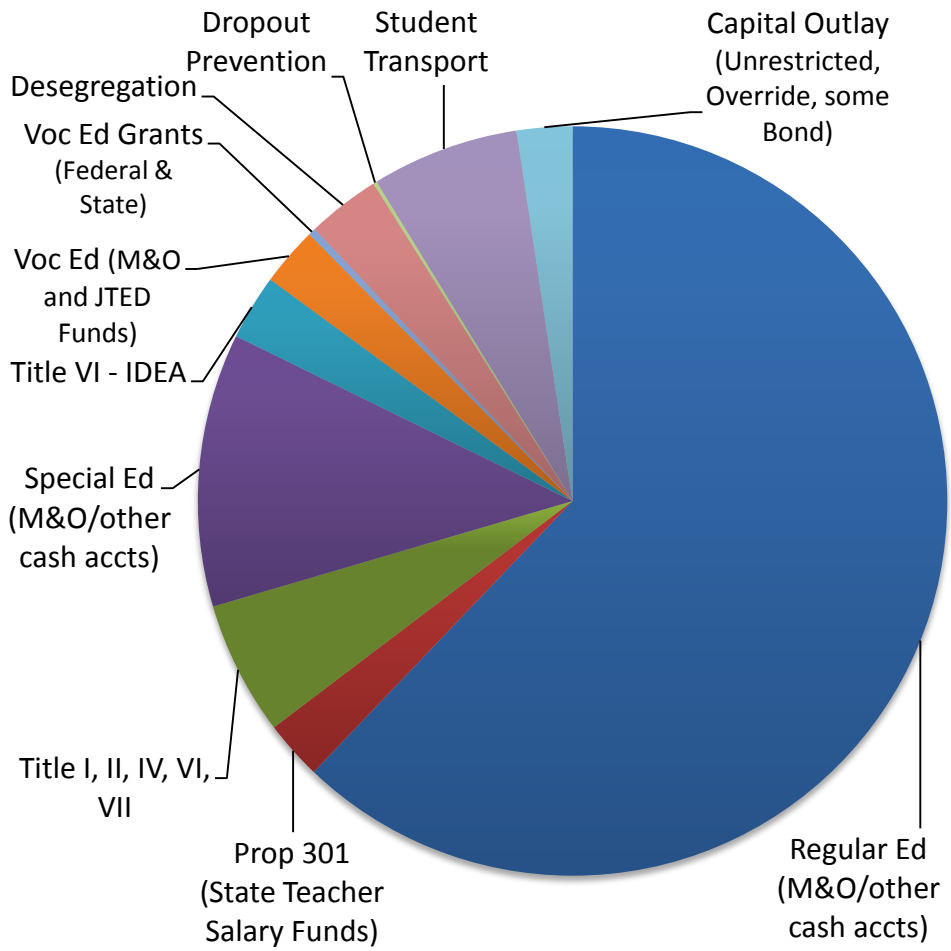
Budget Area	FY 2011 Amt.	FY 2012 Amt.	FY 2013 Amt.	FY 2014 Amt.	FY 2015 (Est.)
I. Total M&O Budget	\$67,000,000	\$63,600,000	\$61,200,000	\$61,210,000	\$61,880,000
II. Vocational JTED Fund (596-Tchr cost only)	400,000	500,000	700,000	700,000	700,000
III. Prop 301 Funds	1,200,000	1,300,000	1,500,000	1,800,000	2,700,000
IV. Instructional Improvement Fund	350,000	300,000	450,000	150,000	400,000
V. Major Federal Grants	7,000,000	6,100,000	4,700,000	4,600,000	4,600,000
VI. Capital Outlay Budgets					
A. DAA* & Bond \$ for Clsrm Tech.	4,100,000	1,950,000	1,400,000	**1,700,000	**1,700,000
B. Capital Outlay Override (611)	2,700,000	1,300,000	650,000	520,000	900,000
C. Soft Capital (625)	800,000	200,000	260,000	0	0
VII. Adjacent Ways	320,000	660,000	100,000	250,000	550,000
Sub Total for General & Capital Outlay	\$83,870,000	\$75,910,000	\$70,960,000	\$70,930,000	\$73,430,000
VIII. Debt Service	5,400,000	5,700,000	5,100,000	5,700,000	6,400,000
Grand Totals	\$89,270,000	\$81,610,000	\$76,060,000	\$76,630,000	\$79,830,000

*DAA is District Additional Assistance, which encompasses what was formerly Unrestricted Capital Outlay and Soft Capital.

**Includes funds out of Bond Revenues for Classroom Technology.

Flagstaff Unified School District

How FUSD's 2013-14 Operational Budget was Spent by Major Category



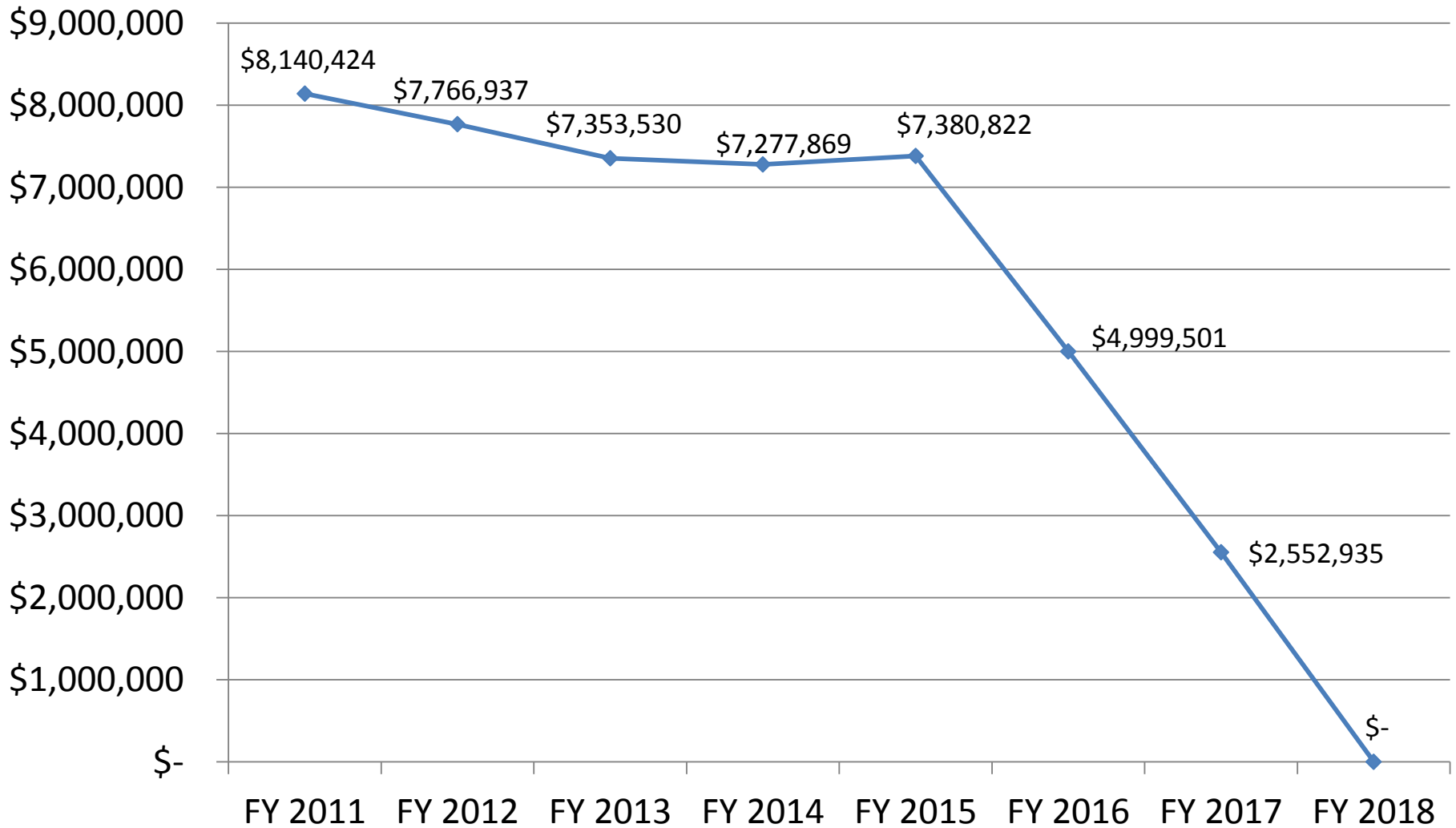
Regular Education (M&O/other cash accts)	\$ 44,073,285.00	62.14%
Proposition 301 (State tax money)	\$ 1,800,000.00	2.54%
Title I, II, IV, VI, VII	\$ 4,100,000.00	5.78%
Special Education (M&O/other cash accts)	\$ 8,363,200.00	11.79%
Title VI - Special Ed IDEA	\$ 2,000,000.00	2.82%
Vocational Education (M&O and JTED Funds)	\$ 1,800,000.00	2.54%
Federal & State Voc Ed Grants	\$ 225,523.00	0.32%
Desegregation	\$ 2,241,322.00	3.16%
Dropout Prevention	\$ 115,870.00	0.16%
Student Transportation	\$ 4,510,800.00	6.36%
Capital Outlay - Unrestricted, Override and some Technology Bond Funds	<u>\$ 1,700,000.00</u>	2.40%
Total	\$ 70,930,000.00	100.00%

FUSD Budget Beyond FY 2015 and FY 2016

What does \$7,300,000 Provide in FUSD?

1. Maintains class sizes designed to maximize student achievement
2. Maintains remedial/intervention for students in Reading/Writing/Math
3. Continues quality programs in Technology, Career and Technical Education, Music, Art, Drama, Foreign Languages, Physical Education, and all Gifted and Advanced Placement electives (Magnet programs)
4. Maintains comprehensive extracurricular and athletic programs
5. Maintains full-day kindergarten for all students! (only 1/2-day is supported by regular State M&O formula)
6. Maintains specialized programs for a variety of student needs
7. Promotes a safe and healthy school environment
8. Supports competitive compensation to attract and retain highly qualified teachers and staff

**Flagstaff Unified School District
Phase Out Schedule
for March 2010 M&O Election Override Authorization
FY 2011 - FY 2018**



Unconfirmed Rumors Concerning District Funding

I. Inflationary Lawsuit Ruled on by Judge Concerning Additional Funding to School Districts

THE TRUTH:

- A. We are NOT about to receive a large disbursement of funds. This is a complicated process involving an even more complicated school finance formula. The State will delay/appeal during all of 2014-15 and most likely settle sometime in 2015-16, which means some Additional Funds could be possible in 2015-16. However, the State funding for this is NOT available without new taxes.
- B. This funding should NOT and WILL NOT replace our need for local support.

II. News has occurred about a \$1,000,000 payback of property tax to the Transwestern Pipeline Co.

THE TRUTH:

- A. Yes, we do have to return \$896,100 to Transwestern from the District's Cash Balances. The payback will be offset by \$344,512 of State Aid adjustment we are projected to receive by March 2015.
- B. It will not cause a serious tax rate increase. In fact, we have a tax rate decrease for 2014-15 and will most likely have a small decrease in 2015-16.
- C. The payback of these tax funds does not decrease the District Budget Capacity. It does affect the collection of taxes and means that the tax burden shifts from Transwestern to the remaining taxpayers. The shift however is less than \$10 per year for a house valued at \$100,000.