

**Flagstaff Unified School District #1**  
**for Governing Board Meeting**  
**Preliminary FUSD Budget for FY 2015**  
**April 22, 2014**

I. This analysis for FY 2015 is based on 100th day ADM for FY 2014 issued by ADE on March 17, 2014. The major factors in determining the next year's budget are consideration of the Average Daily Membership (ADM) at the 100th day and the State's Base Support Level. **The analyses below, with a State Budget approved, provides a realistic projection for FY 2015.** Changes can still occur, but it is less likely that major State funding changes will happen. The State has also improved the timeline on 100th day ADM, so these numbers for the 2015 Budget are more likely to be close to the final 2014 ADM numbers.

II. What are the prospects for FY 2015? Using a basic support level (inflation factor projected at 1.4%), and the increase in ADM, the following is projected for FY 2015:

A. Adjustments Upward in Budget Capacity

1. Changed enrollment numbers (256 weighted ADM additional projected)		
FY 2015: $[\$3449 \times 1.0110] \times 12,433 \approx \$43,353,113$		
less FY 2014: $[\$3436 \times 1.0194] \times 12,177 \approx \$42,651,871$	\$	701,242
2. Loss of tuition students	\$	(20,000)
3. Override increase because of increased RCL.	\$	106,700
4. Unknown or undetermined reductions		?
5. Legislature/State Budget		?
<b>Total Projected Adjustment</b>	\$	<b>787,942</b>

B. Increased Costs Presently Known for FY 2015

1. Increased State Retirement Percentage (.06%)	\$	(26,000)
2. Increased Health Insurance Cost (Affordable Care Act est.) (Reg. Insurance premiums increasing 6.8% - increase all discounted)	\$	(80,000)
3. Increased Teaching Staff (5) - enrollment increase	\$	(275,000)
4. Cost of ACT Test - All 11th Graders (732)	\$	(26,000)
5. Increased Compensation Considerations (includes ASRS costs)	\$	(1,000,000)
6. Utility Rate Increases		?
<b>Total Cost Increases</b>	\$	<b>(1,407,000)</b>

<b>SECTION A &amp; B TOTAL</b>	\$	<b>(619,058)</b>
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**Flagstaff Unified School District #1**  
**Possible Budget Adjustments for FY 2015 budget**  
**April 22, 2014**

C. Possible Adjustments to Balance FY 2015 Budget

1. Career Ladder reduction	\$ 450,000
2. Additional Funding from Student Success Program	\$ 169,058
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<b>TOTAL POSSIBLE BUDGET ADJUSTMENTS</b>	<b>\$ 619,058</b>
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