



## NORTH SLOPE BOROUGH SCHOOL DISTRICT

### MEMORANDUM

**TO:** Qaiyaan Harcharek, President  
Members of the School Board

**FROM:** Peggy Cowan, Chief Executive Officer

**DATE:** April 16, 2017

**SUBJECT:** **Balancing the FY18 Budget**

**MEMO#: SB17-132**  
**(Action Item)**

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#### **NSBSD Strategic Plan Goal:**

5. FINANCIAL & OPERATIONAL STEWARDSHIP: Effectively employ our operational and financial resources to support our strategic goals and long-term stability of the district.

#### **Recommendation:**

Board members will study and prioritize areas to cut from our FY18 Budget in preparation for passing a balanced FY18 budget soon after the Borough Assembly considers our supplemental requests and the Governor signs the State Budget.

#### **Issue Summary:**

On March 7, 2017 the Board of Education passed a budget with revenue expectations of \$81,837,786. The Board will need to employ a strategy that will allow the Board to cut this budget by as much as \$5.25M.

#### **Background:**

On March 7, 2017 the Board of Education passed a budget with revenue expectations of \$81,837,786. On March 24, 2017, the Borough Assembly increased the funding to the District by an additional \$1,160,000, instead of by the \$6,929,750 our budget was balanced on. This is a \$5,769,750 decrease in revenue. Currently the State Senate Bill 96 is proposing cuts to the Foundation Formula that would decrease our revenue expectation by around \$1,777,921. The SB96 cut and the Borough Assembly cut could add up to a \$7,547,671 revenue gap for our original March 7<sup>th</sup> BOE Approved \$81,837,786 Budget. The administration recommends using a combination of additional resources for FY18 which equals \$2,294,149. These efforts would reduce the possible budget gap to \$5,253,522.

CEO Cowan has presented an appropriation request to the Mayor's office for Assembly support to fund our revenue gap through appropriations that the Assembly will consider on June 6, 2017.

The District’s Administrators and Principals have met, brainstormed together and have submitted a tremendous list of areas for saving funds and generating revenues.

**Motion:**

“I move that the NSBSD Board of Education direct the administration to prepare a balanced budget based on the priorities the Board established at the Board meeting in May 1, 2017.”

Motion by \_\_\_\_\_ Seconded by \_\_\_\_\_

Advisory Vote \_\_\_\_\_ Vote \_\_\_\_\_