

To: ANCS Governing Board of Directors

c: Ryan Camp
Kari Lovell
Matt Underwood

From: Mitch White

Date: April 17, 2015

In re: FY16 Budget

The Business Operations Committee has been working on the FY16 budget for the past two months. We expect to present a final budget for a Board vote at the May meeting. The draft budget you are looking at today:

- Includes most of our “desired” or required assumptions, including increased TRS funding, class size reductions in grades K-2 as described in “class size reduction” proposal presented to board in March, the hiring of a Spanish teacher, increased resources for ESOL and technology, and hiring a full-time receptionist (allowing the nurse role to become full time between both campuses). See “**FY 16 INCOME and EXPENSE assumptions.**”
- Calls for a net operating loss of **-\$4,038**, essentially break-even on a \$8.2 million budget. (Final budget will be break-even.)
- Does NOT yet include two additional annual funding sources that will be finalized by the May Board meeting:
 - Approximately \$50,000 in increased QBE funding based on the mid-term adjustments made by the GA DOE last week.
 - Approximately \$77,000 in increased annual funding based on APS’s decision (to be finalized at the 4/20/15 APS Board meeting) to fully fund the Beltline shortfall, either through receipt of that income from the City of Atlanta or from APS reserves. (Note we expect to receive this payment for FY15 as well, which will be a one-time windfall we can add to reserves.)

If you are interested in the detailed budget items, I encourage you to come to the BOC committee meeting in advance of the May Board meeting. This is the best place to take a “deep dive” into individual budget items.

Discussion Item (10 minutes)

The draft budget does NOT include any salary increases. Each 1% across-the-board salary increase will cost the school approximately \$53,000. We expect the final budget will include a salary increase of 0-2%, or possibly employee bonuses in this range. Matt and Lia will research what other schools and districts are doing before we finalize our budget recommendation.