
CCSD Superintendent Report

March 2026

CCSD Appreciations

- Maintenance Worker Appreciation Day was on Friday, March 6, 2026. On behalf of CCSD, I would like to thank Mr. Zack Cross and Mr. Brent O'Connor for their hard work and dedication to our facilities. Zack has already made a strong impact since starting his new position on March 16th!
- As CCSD's extracurricular activities wrap up, I extend sincere thanks to all Class Advisors and Coaches for the time and dedication you give our students. Your efforts make a lasting impact, thank you for all you do!

CCSD Finances/Budget

- Each year, the Department of Education & Early Development (DEED) conducts a "disparity test" to ensure school districts receive the correct amount of state funding. This process compares the actual state aid received in the prior fiscal year (2024–2025) with a recalculated amount based on audited local revenue figures. Given local revenue directly impacts a district's state funding entitlement, differences between estimated and audited figures can result in an adjustment. Unfortunately, in this case, in accordance with 4 AAC 09.010(f)(4), CCSD is required to remit a payment of **\$24,059** immediately to DEED. The official letter from DEED, along with the worksheet detailing the calculation and amount owed, is included in the Correspondence Section of this month's Board Packet.
- As an update, House Bill 261 (HB 261) is under consideration. Recent bill amendments indicate that seven (7) districts, one of which includes CCSD, would see a reduction in foundation funding/state aid if the bill passes as written. Updated estimates project a loss of approximately **\$55,000** for CCSD in FY27. The fiscal impact is driven by several factors, including changes to the school size factor, consolidation of schools, adjustments to the intensive needs factor, and the removal of the Hold Harmless provision. Right now, CCSD's projected loss is largely tied to Hold Harmless funding. This provision temporarily supports districts with significant enrollment declines (typically 5% or more) for up to three (3) years. CCSD is currently in year two (2) of this support, making the district more vulnerable to funding reductions if it is eliminated. For reference, without Hold Harmless, CCSD would have received \$5,523,126 in State Aid for FY2026 under the current formula (a loss of **\$142,072** in state aid this year). If passed, HB 261 would take effect July 1, 2026; hence, it remains an important issue for FY2027 budget planning.
- Please make note that CCSD has received the following payments from the City of Craig:
 - **CEMS Rehabilitation Participating Share: \$1,838,523**
 - **FY26 Required Local Contribution: \$480,413**
 - **Proposition 2 Sales Tax Payment: \$80,280.25**
- These payments reflect ongoing collaboration between the District and the City to support both capital projects and operational funding. The CEMS Rehabilitation payment will continue to fund the planned rehabilitation work at Craig Elementary Middle School. The Required Local Contribution ensures the City of Craig meets state funding obligations, while the Proposition 2 payment represents revenue allocated from local sales tax for educational purposes.
- As the Board is aware, CCSD's **Time Deposit** at First Bank is set to mature on **April 9, 2026**. This upcoming maturity is the reason for both the **Board Investment Resolution (Agenda Item 10e)** and the consideration of **CCSD's Investment Board Policy 3430** this month. Currently, the Time Deposit earns an interest rate of **0.27%**, generating approximately **\$2,700 annually on \$1 Million**. Clearly, this return is well below what the

District could earn through other conservative investment options. With that said, the **Alaska Municipal League Investment Pool (AMLIP)** provides a highly conservative alternative with significantly higher returns. AMLIP Series I, in particular, invests in short-term, high-quality instruments such as U.S. Treasury bills, U.S. agencies like Fannie Mae and Freddie Mac, short-term corporate debt, CDs, and other government-backed loans. Series I is **AAAm-rated**, the highest money market rating, and operates under strict oversight - a Board of Directors governs the pool, KeyBank manages and custodies the investments, and APCM performs monthly transaction reviews and annual compliance audits. AMLIP is governed by Alaska Statute 37.23 and is audited annually by a third party. Unlike the current Time Deposit, AMLIP allows for multiple accounts and direct access to funds, offering flexibility for grants, capital projects, or operational needs without waiting for a maturity date.

- **Financial Comparisons:**

- **Time Deposit at 0.27%:** ~\$2,700 annual earnings
- **AMLIP Series I at 3.46%:** ~\$34,600 annual earnings
- While Time Deposits are insured, AMLIP is not FDIC-insured; however, its investments are very low risk and conservative, similar to a government money market fund. Moving some or all of CCSD's Time Deposit funds to AMLIP would generate roughly **\$30,000-\$35,000 per year**, while maintaining a highly conservative investment approach, increasing both returns and liquidity for the District.
- Attachments included for Board review will be included under the New Business section in our Board Packet this month and include the following: AMLIP Series I Investment Policies & Restrictions, AMLIP's Participant List, Series I Quarterly Holdings as of 12/31/25. If there are any other questions I can answer for the Board regarding this Board Agenda item and investment recommendation, please don't hesitate to ask at the Board meeting.

Human Resources/Staff Updates

- Please join me in welcoming the following staff to CCSD: Ms. Nora Lindquist (CES Special Education), Mr. Zack Cross (CCSD Maintenance Director & Bus Driver), Mr. Luke Dinon (CMS Mathematics), Ms. Jessica Becker (K-12 Health & PE), & Mr. Christopher Demmert (CCSD Part-time Bus Driver).
- CCSD currently has the following positions posted: PACE Contact Teacher, CHS & PACE Principal, & CHS Science.

CCSD Curriculum/Instruction & Professional Development/PLC Committee Updates

- In the coming weeks, CCSD staff will continue their work through Professional Learning Communities (PLCs), which serve as collaborative teams focused on improving instruction, supporting student learning, and addressing key District priorities. As a reminder, CCSD's PLCs concentrate on School Safety, updating CCSD's Emergency Operating Procedures, and revising the Teacher Evaluation Handbook to ensure alignment with current practices and state requirements. PLC and related meetings are scheduled as follows: April 10th, April 17th, & May 8th.
- Of additional note Monday, April 20, 2026 is our final In-Service Day for the school year. Tentatively, this day will feature professional development with James Nottingham via Zoom, focused on the Learning Pit Challenge, further supporting staff in collaborative problem-solving and instructional growth.

CCSD Special Programs

- Included on our Board Agenda as Memo 10f is CCSD's SERRC POW Merge Contract for Related Services for the 2026-2027 school year. Please review the details and know that I'll be happy to answer any questions once we reach that item during our meeting.

CCSD Federal Programs

- The District's Federal Program monitoring is ongoing and progressing as required by the Alaska Department of Education and Early Development (DEED). CCSD's ESEA (Elementary and Secondary Education Act) monitoring is still in progress, and I have completed the fourth review in accordance with DEED's requirements. These reviews examine compliance with federal program guidelines, ensuring proper use of funds, accurate reporting, and alignment with educational goals.
- In addition, CCSD's Carl Perkins Monitoring and site visit are underway. The site visit is scheduled for April 28-29, 2026, during which DEED will review our Career and Technical Education (CTE) program. I am compiling all required documentation and scheduling interviews with staff as part of this process.
- It is important to note that these federal/state monitoring activities represent significant administrative responsibilities, and administratively speaking, are nothing short of a burden. In a small district like CCSD, only a handful of individuals manage these tasks in addition to their full day-to-day responsibilities. I would like to thank our Business Manager, Ms. Melinda Bass, both Principals, Ms. Christy House and Mr. Josh Andrews, as well as our CTE Teacher, Earl Jeffrey, for their support in ensuring that CCSD remains compliant with these federal/state requirements.

CCSD Projects

CHS New Shop/Biomass Project

- Due to heavy snowfall the week of March 9, the stack on the CHS New Shop fell over. Initially, as the District did not have a Maintenance Director at the time, I contacted CBC (CHS New Shop contractor). CBC inspected the stack, but with continued snow, no repairs could be made. As a precaution, the heat was turned off while the stack remained folded over. On March 23, after conditions improved, CCSD's newly hired Maintenance Director and crew used a lift to reform, reassemble, and upright the stack. During this process, it was observed that the guy lines (stabilizers) had been installed incorrectly, reportedly in a parallel configuration, which contributed to the failure. Additionally, a rectangular plate to which the support arm is bolted (with two distinct bolts) was missing both bolts entirely. The absence of these bolts is believed to have contributed significantly to the stack being blown over and failing. Our maintenance team (Mr. Zack Cross and Mr. Brent O'Conner) corrected the installation, properly securing the guy lines and ensuring the stack was stabilized.
- Regarding the dust collector, CBC identified several loose connections; however, this did not resolve the faulty phase issue. Our maintenance department will continue to address this issue.

CEMS Rehabilitation Project

- At CMS, construction continues to progress at a strong pace. Many interior elements are now complete, including window sills, ceiling grids, bathroom partitions, and accessories. Classroom carpet and most flooring have been installed, with crews wrapping up the final VCT sections this week, followed by rubber base installation. Mechanical and electrical teams are completing final trims, heaters, insulation, and

system tie-ins, while remaining items such as the Home Ec sink and ventilation connections will be finished as flooring and final components are completed. Exterior work, including siding and concrete, is scheduled to begin soon.

- On Wednesday, March 18th - Friday, March 20th, CCSD was pleased to host CCSD School Board Members, City Council Members, CCSD Staff, and CMS Students for guided tours. Feedback was overwhelmingly positive, and our students were particularly excited about the new space, so much so that a few 8th graders joked about wanting to be retained to enjoy another year in the building, a comment I've never heard in more than 20 years in education!
- The Change Orders for the CMS Roof Patching and Boiler Stack Reduction have been signed and McG is moving forward accordingly. CCSD is still awaiting guidance on potential perimeter drainage improvements. According to McG, the installation of temporary rain gutters has significantly reduced flooding at CMS. However, the District wants to ensure a permanent solution is in place to prevent any future flooding issues.
- The Testing and Balancing Report for the CEMS Rehabilitation Project is expected to be available on April 21, 2026. Shortly thereafter, CCSD will move forward with Substantial Completion and conduct a final walkthrough with Architect Alaska and RESPEC. This process will include the development of a Punch List, which identifies any remaining items that must be corrected or completed before the project can be officially turned over to the District and final payment is issued.

Current/Upcoming District Events

- March 27-April 1st: Supt. Hanson & Board Sec/Treas. Trish Conatser @ ACSA Legislative Fly-In
- March 30th: AK Star Testing Window Opens
- April 1st: CCSD School Board Meeting (March Meeting) @ 7pm
- April 7th: CCSD FY27 Budget Committee Meeting @ 5:15pm
- April 14th: CCSD Indigenous Education Committee Meeting @ 4pm
- April 15th: Joint City & CCSD School Board FY27 Budget Work Session @ 6pm (tentative)
- April 15th: CEMS Rehabilitation Project Substantial Completion Date
- April 20th: CCSD In-service (No School)
- April 21st: CEMS Rehabilitation Project (Testing & Balancing Report Available)
- April 23-24th: CEMS Rehabilitation Project (Substantial Completion Site Visit)
- April 28-29th: Federal Programs - Carl Perkins Monitoring / Site Visit
- May 1st:: AK Star Testing Window Closes

*Please be sure to check CCSD's Website for specific dates of events and activities at CES, CMS, and CHS.