

## **NWABSD Budget Committee Meeting**

Tuesday, February 7, 2023 8:30 AM

District Office Boardroom, 744 Third Ave., Kotzebue, AK 99752

1. **I. FY24 Preliminary Budget**
2. **II. Projected FY24 Foundation Funding**
3. **III. Projected FY24 Foundation Funding with  
\$6960 BSA -SB52**
4. **IV. Future Business**
  - FY24 Budget Worksession
  - Wells Fargo Investment Options

# FY24 PRELIMINARY BUDGET

The 2023-2024 Preliminary Budget was built based on:

## Revenue-

- State Foundation & Quality Schools Projected by student count & other estimated revenues
- Borough Appropriation based on 2022 Full Value Determination (property value) & rent
- Impact Aid rough estimate
- E-Rate based on projected expenditures
- Other Local & Earnings on Investment based on average funds received in prior year

## Expenditures-

- Same budgeted supply expenditures as FY23
- Salary & benefits increased at projected % & negotiated increases, will change by proposed budget.



# FY24 PRELIMINARY BUDGET

	FY22	FY23	FY24	Changes FY23-24
	Actual	Current	Preliminary	
	<u>Transactions</u>	<u>Budget</u>	<u>Budget</u>	
<b>REVENUE</b>				
Other Local Revenue	\$555,433	\$450,000	\$450,000	\$0
Earnings on Investments	\$13,734	\$230,000	\$300,000	\$70,000
Donations/Contributions	\$0	\$0	\$0	\$0
Borough Appropriation	\$4,151,951	\$6,540,579	\$6,645,111	\$104,532
E-rate Program	\$7,293,845	\$7,456,903	\$7,456,903	\$0
State Foundation	\$37,363,786	\$38,969,601	\$37,282,180	(\$1,687,421)
Quality Schools	\$107,204	\$108,384	\$109,952	\$1,568
TRS On-behalf	\$2,699,733	\$1,789,996	\$1,789,996	(\$0)
PERS On-behalf	\$678,360	\$222,108	\$222,108	\$0
Revenue - Other State Sources	\$16,960	\$11,157	\$15,000	\$3,843
Impact Aid Program	\$1,647,184	\$6,216,361	\$5,000,000	(\$1,216,361)
<b>TOTAL REVENUES</b>	<b>\$54,528,190</b>	<b>\$61,995,089</b>	<b>\$59,271,250</b>	<b>(\$2,723,839)</b>



<b><u>TRANSFERS IN</u></b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>Changes FY23-24</b>
District Technology Fund	0	0	0	
Locally Funded Maintenance CIP Fund	0	0	0	
Teacher housing CIP Fund	0	0	0	
Kivalina District Contribution	0	0	0	
NW Magnet School Expansion	0	0	0	
Magnet School Dormitory	0	0	0	
ATC Capital Reserve	0	0	0	
CIP Reserved Local Share	0	0	0	
<b>TOTAL TRANSFERS IN</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

<b>EXPENSES</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>Changes FY23-24</b>
Certificated Salaries	\$13,149,886	\$15,519,124	\$16,465,348	\$946,224
Non-Certificated Salaries	\$8,034,015	\$8,986,020	\$9,647,197	\$661,176
Leave Pay Out	\$311,155	\$206,510	\$200,000	(\$6,510)
Board Stipends	\$90,118	\$79,000	\$79,000	\$0
Employee Benefits	\$10,328,426	\$11,490,062	\$11,774,761	\$284,699
TRS On-behalf	\$2,699,733	\$1,789,996	\$1,789,996	(\$0)
PERS On-behalf	\$678,360	\$222,108	\$222,108	\$0
SUBTOTAL: Personnel	\$35,291,693	\$38,292,821	\$40,178,410	\$1,885,588
Professional & Technical Services	\$2,827,354	\$3,564,671	\$3,359,006	(\$205,665)
Staff Travel	\$299,976	\$569,565	\$623,800	\$54,235
Board Travel	\$84,781	\$89,379	\$89,379	\$0
Student Travel	\$600,625	\$1,133,275	\$1,133,275	\$0
Utility Services	\$8,594,279	\$8,970,476	\$8,957,238	(\$13,239)
Energy-includes electricity & fuel	\$3,635,386	\$4,754,978	\$4,723,195	(\$31,783)
Other Purchased Services	\$2,328,294	\$4,492,906	\$4,426,906	(\$66,000)
Property & Liability Insurance	\$953,044	\$1,002,689	\$1,000,159	(\$2,530)
Supplies, Materials & Media	\$1,085,591	\$1,633,932	\$1,470,108	(\$163,824)
Tuition	\$9,951	\$10,620	\$34,000	\$23,380
Dues & Fees	\$156,999	\$134,637	\$134,494	(\$143)
Inventoried Equipment	\$61,273	\$51,593	\$25,000	(\$26,593)
Indirect Cost Recovery	(\$465,557)	(\$300,000)	(\$300,000)	\$0
SUBTOTAL: Non-Personnel	\$20,171,996	\$26,108,721	\$25,676,560	(\$432,161)
<b>TOTAL EXPENSES</b>	<b>\$55,463,690</b>	<b>\$64,401,543</b>	<b>\$63,842,866</b>	<b>(\$558,677)</b>

<b>TRANSFERS OUT</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>Changes FY23-24</b>
Food Service Fund	\$0	\$0	\$0	\$0
ATC	\$604,162	\$0	\$0	\$0
Star of the Northwest - Magnet School	\$188,882	\$0	\$0	\$0
Teacher Housing Fund	\$489,891	\$350,000	\$450,000	\$100,000
Special Revenue Fund	\$170,201	\$150,000	\$150,000	\$0
<b>TOTAL TRANSFERS OUT</b>	<b>\$1,453,136</b>	<b>\$500,000</b>	<b>\$600,000</b>	<b>\$100,000</b>
<b>Total Fund Balance- Beginning of Yr</b>	<b>\$9,930,390</b>	<b>\$7,541,586</b>	<b>\$4,635,133</b>	
<b>Reserved Fund Balance</b>	<b>\$1,243,036</b>	<b>\$2,829,890</b>	<b>\$1,250,000</b>	
<b>Unreserved Fund Balance</b>	<b>\$8,687,354</b>	<b>\$4,711,696</b>	<b>\$3,385,133</b>	
<b>TOTAL REVENUES</b>	<b>(\$54,528,190)</b>	<b>(\$61,995,089)</b>	<b>(\$59,271,250)</b>	
<b>TOTAL EXPENSES</b>	<b>\$55,463,690</b>	<b>\$64,401,543</b>	<b>\$65,854,970</b>	
<b>TOTAL TRANSFERS OUT</b>	<b>\$1,453,136</b>	<b>\$500,000</b>	<b>\$600,000</b>	
<b>INCREASE (DECREASE)-FUND BALANCE</b>	<b>(\$2,388,635)</b>	<b>(\$2,906,453)</b>	<b>(\$7,183,720)</b>	
<b>End of year Fund Balance</b>	<b>\$7,541,755</b>	<b>\$4,635,133</b>	<b>(\$2,548,587)</b>	
			<b>DEFICIT</b>	

# FY24 PRELIMINARY BUDGET

## Remaining to-do:

### Revenue-

- Update amounts when more accurate information is received

### Expenditures-

- Project Fuel costs based on yearly bid & historical costs
- Health Insurance cost out based on 18-month average expenditures
- Property & Liability Insurance based on yearly renewal (normally receive in May)
- PERS/TRS on-behalf cost out – does not have effect on finances overall
- Leave payout projection
- Other expenses based on the needs of the District

### Next steps-

Admin review of preliminary budget for  
Submit request for funding to Borough  
FY24 budget worksession with full Board  
FY24 Proposed Operating Budget



## NWABSD Foundation Formula Spreadsheet

School Size (number of students)	Formula
10-19.99	39.6
20-29.99	39.60+(1.62*(ADM-20))
30-74.99	55.80+(1.49*(ADM-30))
75-149.99	122.85+(1.27*(ADM-75))
150-249.99	218.10+(1.08*(ADM-150))
250-399.99	326.10+(.97*(ADM-250))
400-749.99	471.60+(.92*(ADM-400))
Over 750	793.60+(.84*(ADM-750))

ADM= Average Daily Membership (from Oct count)

School Name	Elementary PK-6	Secondary 7-12	ADM	Elem. Adj	Sec. Adj	One Site Adj	Total Adj ADM	Cost Factor (1.823)	Special Needs	Career Tech & Ed	Intensive	Correspondence
				ADM	ADM	ADM			Funding 20%	1.5%		
Ambler	36.00	25.00	61.00	0.00	0.00	101.99	101.99	185.93	223.11	226.46	2	0
Aqqaq - Noorvik	116.00	81.00	197.00	174.92	130.47	0.00	305.39	556.73	668.07	678.09	4	0
Buckland	104.00	91.00	195.00	159.68	143.17	0.00	302.85	552.10	662.51	672.45	4	0
Davis-Ramoth - Selawik	137.00	116.00	253.00	201.59	174.92	0.00	376.51	686.38	823.65	836.01	10	0
Deering	30.00	23.00	53.00	0.00	0.00	90.07	90.07	164.20	197.04	199.99	3	0
JNES	253.00	0.00	253.00	0.00	0.00	329.01	329.01	599.79	719.74	730.54	11	0
Kiana	56.00	47.00	103.00	94.54	81.13	0.00	175.67	320.25	384.30	390.06	1	0
Kobuk	22.00	15.00	37.00	0.00	0.00	66.23	66.23	120.74	144.88	147.06	0	0
KMHS	49.00	288.00	337.00	0.00	0.00	410.49	410.49	748.32	897.99	911.46	8	27
McQueen - Kivalina	72.00	82.00	154.00	118.38	131.74	0.00	250.12	455.97	547.16	555.37	2	0
Napaqtugmiut - Noatak	71.00	80.00	151.00	116.89	129.20	0.00	246.09	448.62	538.35	546.42	5	0
Shungnak	54.00	32.00	86.00	0.00	0.00	136.82	136.82	249.42	299.31	303.80	0	0
	<b>1000.00</b>	<b>880.00</b>	<b>1880</b>				<b>2791.24</b>	<b>5088.43</b>	<b>6106.12</b>	<b>6197.71</b>	<b>50</b>	<b>27</b>
											<b>650</b>	
											<b>6847.71</b>	<b>24.30</b>

**District Adjusted ADM: 6,872.01**  
**Base Allocation: \$ 5,930.00**  
**Basic Need: \$ 40,751,009.65**

Number of Intensive Students multiplied by 13  
 Correspondence Students multiplied by .90  
 School size of 10-100 adjusted elem + secondary.

**NWAB Minimum Required Local Contributio:** \$2,381,205.00  
**Maximum Allowed Local Contribution:** \$11,753,576.00

Impact Aid:	
Total Voucher/Impact aid \$\$	\$ 5,000,000
1/5 Indian Land deduction	1,200,000
SPED Deduction	100,000
3 & 4 Year old exemption	-
Construction/Other deduction	-
<b>Amount eligible to State</b>	<b>\$ 3,700,000</b>
<b>Calculating Impact Aid %:</b>	
Required Local Amount	\$ 2,381,205
Total of Budgeted Local Sources	7,290,579

Four sources are pulled from the district's budget submitted on 7/15 and include:

Borough Appropriation	\$ 6,540,579
Borough In-Kind	-
Earnings on Investments	300,000
Other local	450,000
<b>Total Budget Local Sources</b>	<b>\$ 7,290,579</b>

Deductible Impact Aide

= 1,087,625

### NSBSD State Aide

Basic Need	\$ 40,751,009.65
Required Local Contribution (from NWAB)	(\$2,381,205.00)
Eligible Impact Aid Deduction	\$ (1,087,624.54)
State Aid	\$ 37,282,180.11

### Quality Schools Grant

District adjusted ADM x \$16	6,872.01
	\$16
	<u>109,952</u>

### Components of State Aide

State Aid	\$ 37,282,180
Quality Schools Grant	\$ 109,952
<b>TOTAL STATE AID ENTITLEMENT</b>	<b>\$ 37,392,132</b>
<b>STATE REPORTED ENTITLEMENT</b>	
DIFFERENCE (**Due to State's projection)	\$ (37,392,132)

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10-19.99	39.6
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Deductible  
Impact Aide  
**1,087,625**

#### NSBSD State Aide

Basic Need	\$ 47,829,178.28
Required Local Contribution (from NWAB)	(\$2,381,205.00)
Eligible Impact Aid Deduction	\$ (1,087,624.54)
State Aid	\$ 44,360,348.74

#### Quality Schools Grant

District adjusted ADM x \$16	6,872.01
	\$16
	<b>109,952</b>

#### Components of State Aide

State Aid	\$ 44,360,349
Quality Schools Grant	\$ 109,952
<b>TOTAL STATE AID ENTITLEMENT</b>	<b>\$ 44,470,301</b>
STATE REPORTED ENTITLEMENT	
DIFFERENCE (**Due to State's projection)	\$ (44,470,301)