

NWABSD Worksession

Monday, March 20, 2023 1:00 PM

Microsoft Teams, 744 Third Ave., Kotzebue, AK 99752

1. **FY24 Budget Worksession**

FY24 Projected Deficit \$8,203,569.00

Administrative recommendation for reductions to the FY24 proposed budget

-\$285,658.00	Move Staff Inservice costs to ESSER Funding
-\$130,402.00	Estimated Internet cost decrease
-\$1,400,000.00	Programs/positions moved to ESSER
-\$1,353,705.97	Use of Fund Balance
-\$500,000.00	Student Activities travel
-\$3,873,742.40	Positions & Benefits - 31.42 FTE based on higher student to teacher ratio and Administrative reductions
-\$134,893.00	10% of Supply budgets
-\$330,042.63	DO Department cuts - Supplies, Travel, Prof & Tech Services, Temps, etc.
-\$195,125.00	7% Heating Fuel cost decrease - Based on decrease of fuel surcharge from 17.5% to 10.5%

\$0.00

Depending on an increase to State BSA, Impact Aid payments, and Borough additional contribution, the list below prioritizes budget items to be reinstated.

1	\$ 500,000.00	Student Activities
2	\$ 1,353,705.97	Use of Fund Balance
3	\$ 1,400,000.00	Programs/Positions moved to ESSER

The District has reached out to the Borough to request additional funding for the 2023-2024 School Year (See attached).

The Board President reached out to Murkowski's Office and Sullivan's Offices to request assistance with Impact Aid payments.

SB 52 currently increases the Base Student Allocation by \$1030 and would increase NWABSD's State Foundation revenue by approximately \$6.9 million if passed.



NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Ambler · Buckland · Deering · Kiana · Kivalina · Kobuk · Kotzebue · Noatak · Noorvik · Selawik · Shungnak
PO Box 51 · Kotzebue, Alaska 99752 · Phone (907) 442-1800

March 12, 2023

Northwest Arctic Borough
P.O. Box 1110
Kotzebue, AK 99752

RE: Request for Local Funding for NWABSD FY24 Operating Budget

Dear Mayor Moto & Assembly,

Pursuant to Borough Code 6.04.090 Disbursement of Funds- That by May 1st the School District shall advise the Assembly.

Local Contribution Request:

Required Local Contribution	\$ 2,381,205	– Included in Projected 2023-2024 budget
Borough Usage Fee	\$ 4,263,906	– Returned to Borough in lieu of rent resolution #22-34
Additional Support Request	\$ 5,108,465	
Total	\$ 11,753,576	– maximum local contribution
Rents returned	-\$ 4,263,906	
Total Local Contribution	\$ 7,489,670	

The School District is looking at a large deficit for the 2023-2024 School Year. With the Borough’s additional contribution of \$5,108,465.00, NWABSD will still have to make reductions of \$2.2 million to the 2023-2024 General Operating Fund Budget.

This deficit does not include the cost of Pre-K, Food Service, Counselors, and the Career & Technical Education program, as they were removed from NWABSD’s General Operating Budget in prior years.

Each year, NWABSD spends approximately \$12 million (20%) of General Operating Funds on the operations and maintenance of the Borough-owned school facilities. General Operating Funds support student learning.

Without an increase in revenue, NWABSD is going to have to reduce student activities and will have drastic reductions to district-wide staffing and programs, which will lead to increased class sizes.

Quyanna,

Terri Walker
Superintendent



NORTHWEST ARCTIC BOROUGH FY24 LOCAL CONTRIBUTION

Northwest Arctic Borough 2022 Full Value Determination
\$898,567,999

Required Local Contribution Calculation		
Lessor of 2.650 mills or 45% of prior year Basic Need		
2.650 mills of 2021 Full Value Determination	0.002650	\$2,381,205
OR		
45% of Prior Year Basic Need	FY23 Basic Need	\$40,169,820
	45% of FY23 Basic Need	\$18,076,419

Required Local Effort FY2022-2023	\$2,276,673
Minimum Required Local Effort FY2023-2024	\$2,381,205
Increase of Required Local Effort from FY23	\$104,532

What is the Maximum amount the Borough is allowed to contribute to the School District to support the education of the region's children in FY2023-2024?	
Required Local Effort	\$2,381,205
FY23 Quality Schools	\$108,384
23% percent of the Basic Need plus Quality Schools AADM	\$9,263,987
Maximum Amount	\$11,753,576



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

**Department of Commerce, Community,
and Economic Development**

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

550 West Seventh Avenue, Suite 1640
Anchorage, AK 99501
Main: 907.269.4501 / 907.269.4581
Programs fax: 907.269.4539

September 30, 2022

Northwest Arctic Borough School District
District Superintendent
PO Box 51
Kotzebue, AK 99752

Re: 2022 Full Value Determination

Dear Sir or Madam,

As required by AS 14.17.510 (Public Schools Foundation Program), the Department of Commerce, Community, and Economic Development has determined that, as of January 1st of the current year, the full and true value of taxable real and personal property within your municipality is as follows:

Real Property:	\$747,197,218
Personal Property:	\$151,370,781
State Assessed Property (AS 43.56):	\$
Total:	<hr/> \$898,567,999

This full value determination is a final determination of the Department of Commerce, Community, and Economic Development. Pursuant to AS 14.17.510(a) and Alaska Rule of Appellate Procedure 602(a)(2), you have thirty days to appeal this determination to superior court. If you have any questions concerning this full value determination, please contact our office at (907) 269-4605.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joe Caissie".

Joseph Caissie,
State Assessor