



NORTH SLOPE BOROUGH SCHOOL DISTRICT
M E M O R A N D U M

TO: Qaiyaan Harcharek, President
Members of the School Board

THROUGH: Pauline Harvey, Superintendent

FROM: Fadil Limani, Chief Financial Officer

DATE: June 25, 2021

SUBJECT: FY2022 North Slope Borough School District Proposed Budget

Memo No: SB21-191

(Action Item)

2020-2025 STRATEGIC PLAN SUMMARY

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

4.2 FINANCIAL STEWARDSHIP/MANAGEMENT: Ensure financial management based on what is best for our students.

Issue Summary:

In accordance with BP 3100, the School Board shall establish and maintain a balanced budget. The Board shall adopt an annual budget by board resolution that is compatible with district goals and objectives. The District budget shall be prepared annually from the best possible estimates of revenues and expenditures.

Budget Assumptions and Considerations:

Operating Revenues

Overall operating revenues from prior year has a net decrease of approx. \$2.1 million for FY2022. This is mainly attributed to the following:

Local Resources-Borough Appropriation decreased by \$1.9 million as a result of overall reduction in Borough operating revenues.

State of Alaska Intergovernmental Revenues-Overall net increase of \$750 thousand. The primary increase is Foundation Program Funding as a result of higher enrollment figures from prior year. PERS and TERS on behalf payments collectively increased by \$274 thousand as a result of increased contribution rates and overall higher wages from prior year.

Federal Intergovernmental Revenues- Overall net decrease of \$1.1 million. The projection for FY22 is based on the actual cash receipt of the impact aid funding in FY21.

E-Rate-The projection for FY22 is the same as FY21. The eligibility for FY22 is expected at 70%. In consideration of the Global Pandemic, USAC and the FCC have allowed for participants to utilize FY21 data to ensure there is no disruption in funding as a result of the pandemic.

Investment Income- Consistent with prior year. This is attributed to a conservative modeling of the Districts Operating cash and the Equity Account with Charles Schwab.

Operating Transfers- Overall decrease of \$3.1 million. This is mainly attributed to the reduction in funding available for the following operating transfers: Community Schools (\$125K), Food Service (\$1 Million), RLC (\$1 million) and Charter School \$1.5 million).

Operating Expenses- Overall net increase of \$963K or 1.4% from prior year. Salaries and Benefits across the board increased by \$750K. All other operating expenditures including Professional and Technical, Travel, Utilities, Other Purchases Services, Supplies, and Equipment net increase of \$212K.

Special Revenue Funds- Overall decreased by \$3.5 million. The decrease is due to Food Service of approx. \$1.4 million, RLC and VOCED \$1 million, Charter School \$1.9 million. Teacher Housing increased by \$320K and Student Transportation by \$585K.

Proposed Motion:

“I move that the NSBSD Board of Education approve the FY2022 Proposed Budget.”

Moved by _____ Seconded by _____

Vote _____