



# Craig City School District

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## Memorandum Item 9a

FOR: School Board Members  
FROM: Chris Reitan  
DATE: June 14, 2023  
SUBJECT: CCSD FY 24 Budget Approval

Enclosed is the proposed FY 24 budget that was adopted by the CCSD Board during the April 25, 2023 Board meeting. During the spring legislative session, the legislature approved an increase in one-time-funding of \$680 to the Base Student Allocation which serves as the foundation for the majority of CCSD's annual revenues. As of the writing of this memo, the Governor still has not signed off on this funding increase for public education for next school year and we are anxiously waiting for his final determination. Additionally, the City of Craig chose to increase their local funding for CCSD during their May 18, 2023 City Council meeting by \$135,000 for a total cash contribution of \$685,000. When this cash contribution is coupled with the City's in-kind and supplemental contribution of \$81,977 the City of Craig is providing CCSD a total local contribution of \$766,977.

As such, the CCSD Board needs to update our FY 24 budget noting the increase of \$135,000 in funding from the City of Craig and reduce the transfer amount from the CCSD Capital Projects Fund to \$531,928. Based on the final determination by Governor Dunleavy on the increase of one-time funding of \$680 to the Base Student Allocation, CCSD will need to adjust our FY 24 budget one more time during our August 2023 CCSD Board meeting.

As a reminder the CCSD FY 24 Budget was developed on the following assumptions:

- State aid is based on our estimated FY 24 student count that was submitted on October 10, 2022.
- State aid is also based on BSA funding of \$5960 Base Student Allocation. Legislation has been moved to the Governor increasing state funding through the Base Student Allocation by \$680. As of the writing of this memo the Governor has not signed off on this legislation.
- CCSD's projected enrollment for FY 24 is slightly increased from our actual FY 23 enrollment based on the assumption that our PACE enrollment will continue to see some growth.
- All certified raises have been accounted for our returning staff members as well as our increases in medical, vision, and dental insurance, however, we are not sure yet of the final salaries for our new certified staff members until we receive their verification of service forms and official transcripts for final placement within our negotiated agreement.
- CCSD has experienced significant increases in our fixed costs that include certified salaries, employee insurance, heating fuel, transportation costs, lodging, etc.
- CCSD has also had to move some salaries back into the general fund that were covered by previous grants.
- Classified raises have not been accounted for yet; negotiations with CCSD's Classified Hourly group on a successor agreement started on April 17, 2023.

- Unknowns that remain related to CCSD's FY 24 budget are the following:
  - Impact of classified hourly raises on the total FY 24 budget
  - Amount of state funding for schools through the Base Student Allocation
  - Next steps for CCSD's major maintenance projects
    - CHS Biomass Project
    - CMS and CES Rehabilitation Projects

Suggested motion: Move to approve the presented CCSD FY 24 budget with a \$531,928 transfer from CCSD's Capital Projects Fund.