

Northwest Arctic Borough School District

FISCAL YEAR 2025 BUDGET HEARING

April 24, 2024



FY25 Operating Budget

The Northwest Arctic Borough School District preliminarily started with a \$14,090,189 million deficit in the FY25 Operating Budget.

District Administration reduced the deficit for FY25 by \$4.7 million to **\$9,348,488**.

The School Board must adopt a balanced budget by **May 1st**.

BUDGET PROCESS

January- April:

- 1) District Administration work together to develop a preliminary budget;
- 2) Board Budget Committee reviews the preliminary budget and makes recommendations;
- 3) District Administration makes necessary adjustments
- 4) The Board reviews the budget at a Budget Worksession;
- 5) District Administration receives input via staff meetings, community meetings, and through a public survey;
- 6) Board reviews public input and makes budget recommendations at a Budget Worksession;
- 7) The Proposed Budget will be posted for public viewing on the District website;
- 8) **School Board will hold a public hearing at the April 24th, 2024, worksession;**
- 9) Board will vote to adopt the budget at the regular April 30th, 2024, meeting;

FY25 Reductions Made

The **\$4.7** million in cuts below have already been made and reduced the District's deficit from \$14,090,189 million to \$9,348,488

FY25 Budget Cuts:

1. Overall reduction in 22.5 General Fund positions:

- 6 Positions moved from operating funds into grant funds
- 6 District office positions cut & 1 added
- 10 Teaching positions cut & 1 added - aligned student to teacher ratio to include CTE
- 1 ATC position cut & 1.5 ATC positions moved to grants

2. Grant supplies & travel reduced to fund positions:

- Grant-funded professional development reduced:
 - Safe & Civil Schools, Response to Intervention (RTI), Alaska Statewide Leadership Institute (ALSI), and Alaska Society for Technology in Education (ASTE)
- Extra Duty Contracts
- Staff Travel
- Supplies & Software

3. District Health Plan costs - Offering stipend to staff that opt out of the District Health Insurance plan

FY25 General Fund Budget

REVENUE	
Other Local Revenue	\$600,000
Earnings on Investments	\$770,000
Borough Appropriation	\$6,645,111
E-Rate Program	\$7,205,220
State Foundation	\$37,806,494
Other State Revenue	\$125,278
TRS On-Behalf	\$2,505,160
PERS On-Behalf	\$447,788
Impact Aid Program	\$4,206,505
TOTAL:	\$60,311,556

EXPENDITURES	
Salaries & Benefits	\$40,687,404
Professional & Technical Services	\$4,502,827
Travel	\$1,677,627
Utilities	\$12,734,446
Other Purchased Services	\$4,470,556
Property & Liability Insurance	\$1,350,000
Supplies, Materials & Media	\$1,736,504
Tuition, Dues & Fees & Equipment	182,680
Indirect Cost Recovery	(\$250,000)
TOTAL:	\$67,092,044

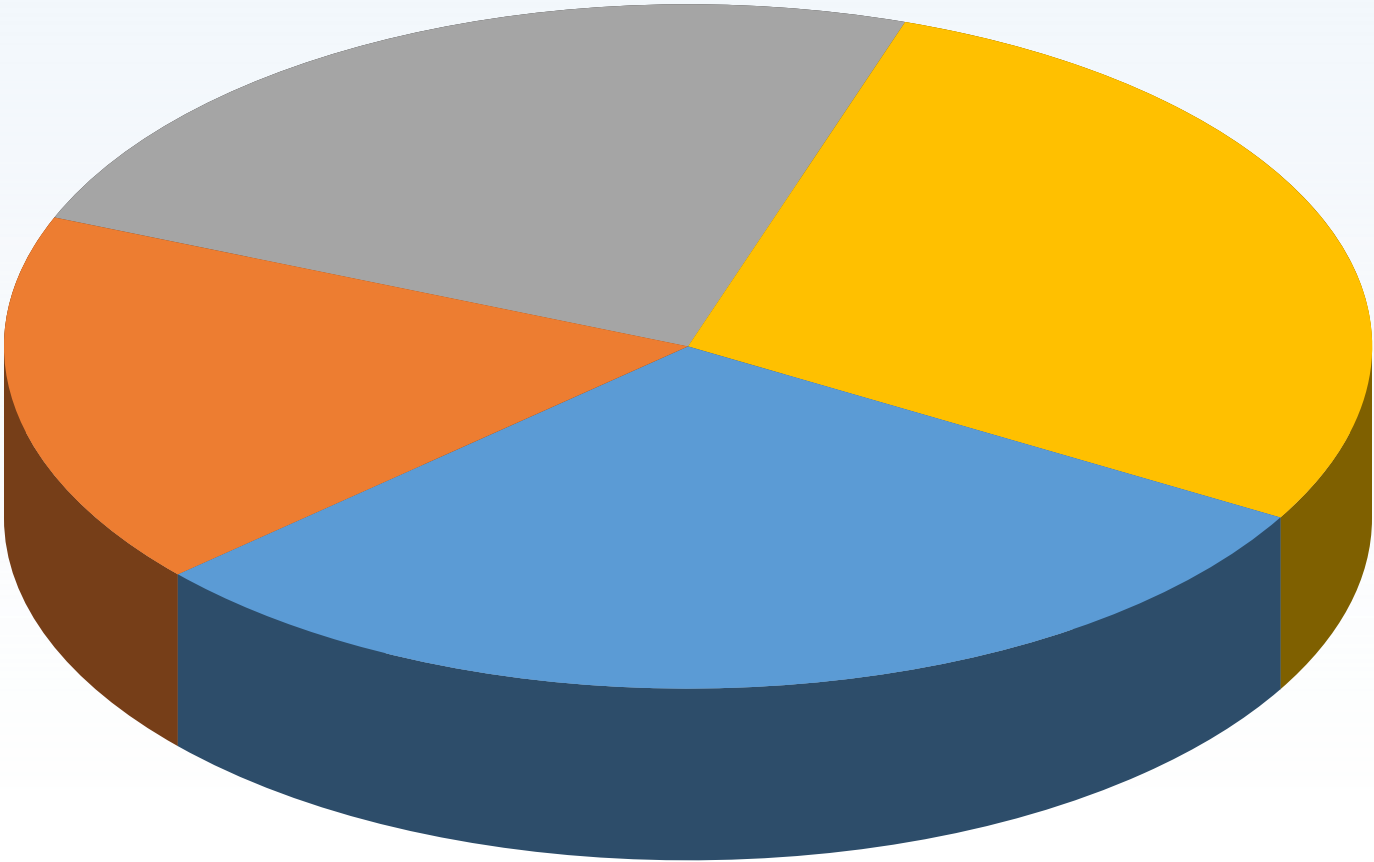
TRANSFERS OUT	
Food Service	\$1,200,000
Alaska Technical Center	\$668,000
Star Magnet School	\$100,000
Teacher Housing	\$450,000
Student Transportation	\$150,000
TOTAL:	\$2,568,000

EXPENSE OVER REVENUE	
Deficit	\$9,348,488

A survey went out after the March 20th Board Budget Worksession to receive input and community priorities in reference to the District's FY25 Budget Deficit.

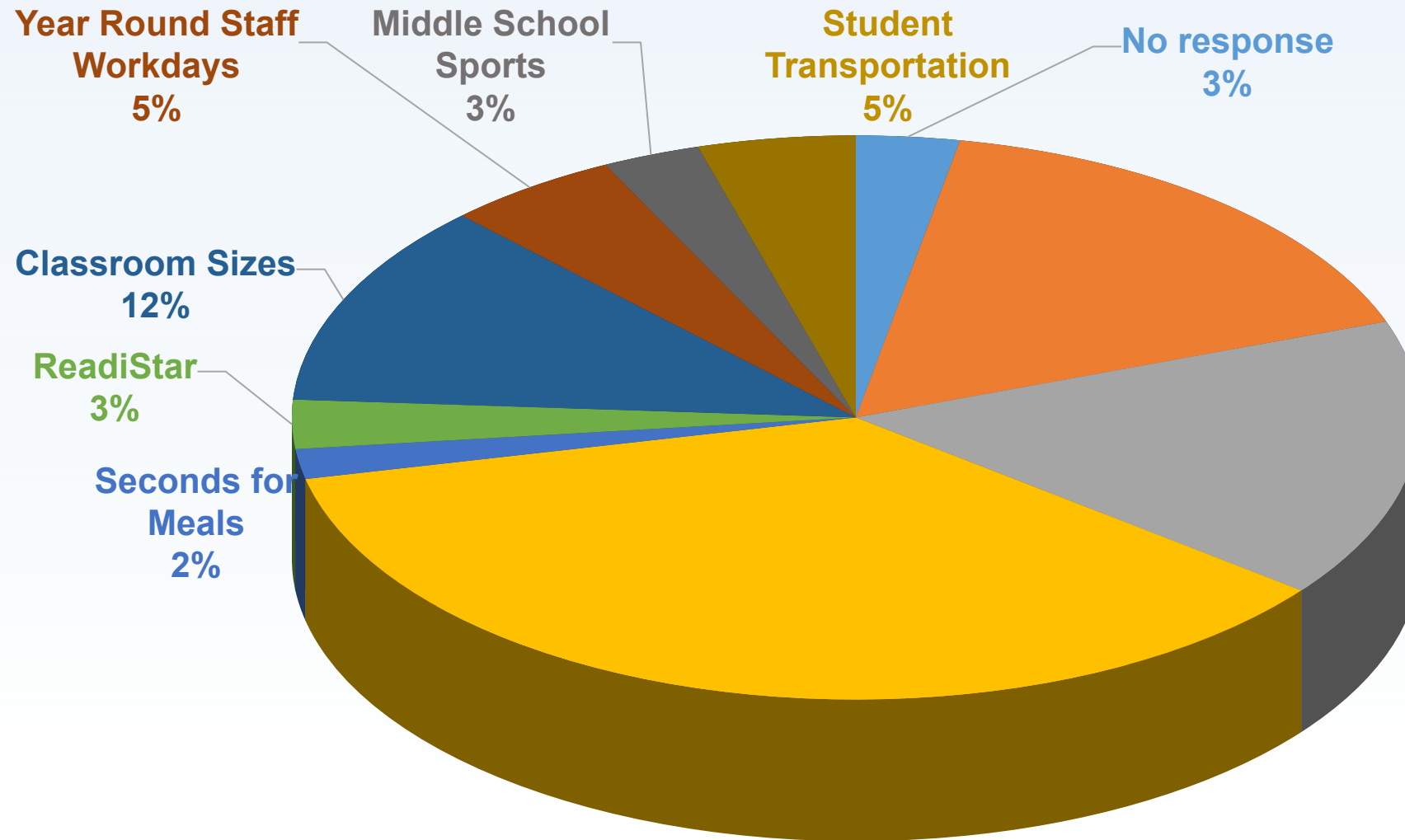
FY25 Budget Survey Participants

A total of
642 Surveys
were
completed

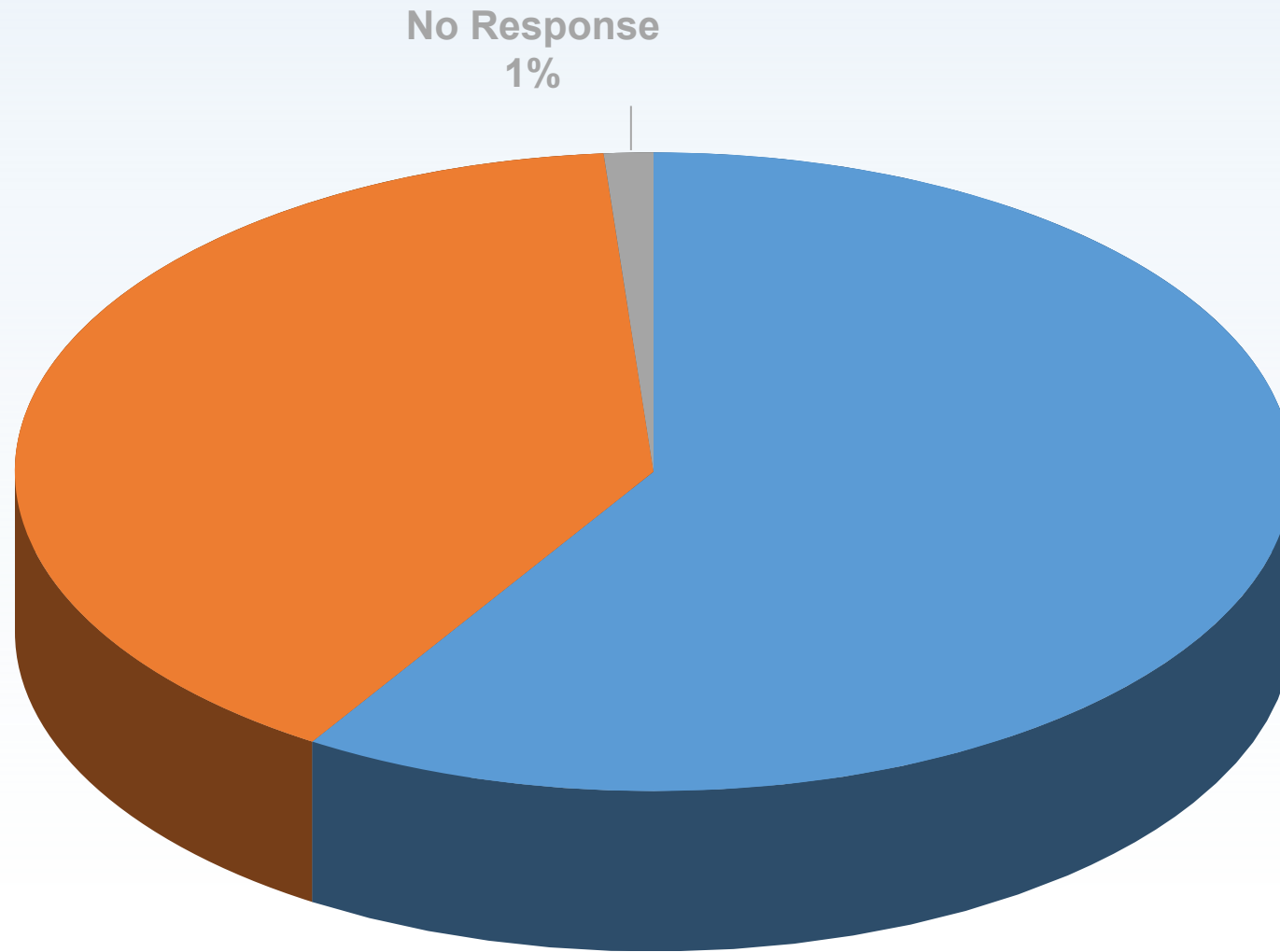


Student Participation by Site	
ABL	81
BKC	14
DRG	9
IAN	22
KVL	1
OBU	0
OTZ	40
WTK	3
ORV	9
WLK	2
SHG	0
TOTAL	181

Survey Participant #1 Priority



Use of Fund Balance(s)



**\$4.9 million
is estimated
at year end
for use in
FY25**

Actions Based on survey results to balance the FY25 Operating Budget without an increase in funding.

Budget items for reduction:

1. Seconds for meals = \$251,840
2. Middle School Sports = \$252,000
3. Reduce staff workdays = \$272,208
4. Curriculum Supplies = \$32,241

Use of other funds:

1. A projected \$300 increase to Base Student Allocation (BSA) = \$2,067,704
2. General Fund Balance (estimate) = \$4,972,495
3. Nana contribution = \$1,500,000

At this time, the Board of Education has built the budget to include the items below:

- Breakfast and Lunch provided to all students
- High School Student Activities district wide
- Classroom sizes will remain the same

Further reductions may be needed if revenue and fund balance actuals differ from projections

FY25 Proposed General Fund Budget

REVENUE	
Other Local Revenue	\$2,100,000
Earnings on Investments	\$770,000
Borough Appropriation	\$6,645,111
E-Rate Program	\$7,205,220
State Foundation	\$39,874,198
Other State Revenue	\$125,278
TRS On-Behalf	\$2,505,160
PERS On-Behalf	\$447,788
Impact Aid Program	\$4,206,505
TOTAL:	\$63,879,260

EXPENDITURES	
Salaries & Benefits	\$40,415,196
Professional & Technical Services	\$4,502,827
Travel	\$1,425,627
Utilities	\$12,734,446
Other Purchased Services	\$4,470,556
Property & Liability Insurance	\$1,350,000
Supplies, Materials & Media	\$1,704,263
Tuition, Dues & Fees & Equipment	182,680
Indirect Cost Recovery	(\$250,000)
TOTAL:	\$66,535,595

TRANSFERS OUT	
Food Service	\$948,160
Alaska Technical Center	\$668,000
Star Magnet School	\$100,000
Teacher Housing	\$450,000
Student Transportation	\$150,000
TOTAL:	\$2,316,160

EXPENSE OVER REVENUE	
Use of Fund Balance	\$4,972,495

