



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

NWABSD BOARD OF EDUCATION

Budget Committee Meeting

Conducted via Teleconference

Call 1-833-682-3239, enter code: 416 413 144#

Agenda

April 28, 2025

2:00 p.m.

- I. FY25 Financial Report as of March 31, 2025
- II. Action Items with Budget impact:
 - 25-121 Approval of Purchase, Lovevery INC.
 - 25-122 Approval of Purchase Follett Content Solutions
 - 25-123 FY26 Heating Fuel
 - 25-125 Approval of Design Funding Deering Replacement School
 - 25-126 Approval of Budget Transfer to Design Contract Davis-Ramoth K-12 School Renovation
 - 25-127 Approval to Amend AHFC Grant for Buckland to add a unit & additional funding
 - 25-128 Adoption of proposed FY26 Operating Fund Budget
- III. Future Business:
 - FY25 Operating Fund Budget Revision #3
 - FY25 Audited Financial Statement

Director of Administrative Services: Natalie Dickey

MISSION: To provide a learning environment that inspires and challenges students and employees to excel.
VISION: To graduate all students with the knowledge, skills, and attitudes necessary for a successful future.

**Northwest Arctic Borough School District
Financial Narrative
For Month Ending March 31, 2025**

Included in the attached report are the reports for General Fund Revenue & Expenditures, Board Expenditures, and the Investment Account balance for month ending 3/31/2025. The Board last received a report February 24, 2025 with expenditures and revenue through December 31, 2024.

For the purposes of this report, we are approximately 67% through the fiscal year and have expended 61% of our general operating budget, as well as received 71% of our budgeted general fund revenue. 80% of our General Fund budget is expended and encumbered.

Northwest Arctic Borough School District
General Fund Revenue
For Month Ending March 31, 2025

| | | <u>Approved Budgeted</u> | <u>Year to Date Exp</u> | <u>Encumbrance</u> | <u>Variance</u> | <u>% of Budget</u> |
|----------------------------|------------------------|------------------------------|-------------------------|--------------------|-------------------|--------------------|
| Revenues By Object: | | | | | | |
| 011 | Other Borough Revenue | 8,068,263 | 5,588,489 | - | 2,479,775 | 69% |
| 012 | In-Kind Contribution | - | - | - | - | NA |
| 030 | Interest Income | 770,000 | 516,569 | - | 253,431 | 67% |
| 040 | Other Local Revenue | 2,100,000 | 836,600 | - | 1,263,400 | 40% |
| 047 | E-Rate Program Revenue | 19,452,945 | 13,000,666 | 5,019,315 | 1,432,965 | 67% |
| 051 | Foundation Program | 36,379,653 | 28,361,916 | - | 8,017,737 | 78% |
| 090 | Other State Funding | 4,796,196 | 4,171,138 | - | 625,058 | 87% |
| 056 | TRS On-Behalf | 2,505,160 | - | - | 2,505,160 | 0% |
| 057 | PERS On-Behalf | 447,788 | - | - | 447,788 | 0% |
| 111 | Impact Aid | 3,441,882 | 2,166,115 | - | 1,275,767 | 63% |
| 250 | Transfers In | (1,500,000) | - | - | (1,500,000) | 0% |
| Revenue Totals | | 76,461,887 | 54,641,492 | 5,019,315 | 16,801,080 | 71% |
| | | | 71% % Received to date | | | |

| | |
|---|--------|
| Percentage of All Funds Total Budget Expended: | 61.16% |
| Percentage of Year Passed: | 66.67% |

| | |
|---|-----------------|
| General Checking Account Ending Balance | \$9,229,807.63 |
| Wells Fargo IILD Account | \$15,727,942.53 |
| JNES Scholarship Account | \$4,186.77 |

| | |
|--------------------------------|----------------------------|
| Month End Cash In Bank Account | <u><u>\$24,961,937</u></u> |
|--------------------------------|----------------------------|

Northwest Arctic Borough School District
General Fund Expenditures by Object & Function
For Month Ending March 31, 2025

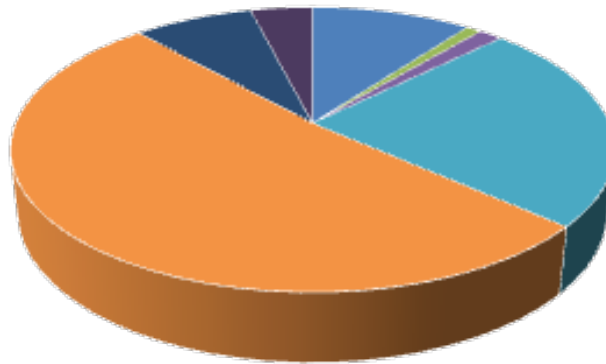
| | | Approved | | | | |
|---------------------------------|------------------------------------|------------------------|--------------------------------|---------------------------|------------------------|---------------------------|
| | | <u>Budget</u> | <u>Year to Date Exp</u> | <u>Encumbrance</u> | <u>Variance</u> | <u>% of Budget</u> |
| Expenditures By Object: | | | | | | |
| 310 | Certificated Salaries | 15,562,577 | 10,215,571 | 4,760,683 | 586,322 | 66% |
| 320 | Non-Certificated Salaries | 9,285,028 | 5,801,461 | 1,990,562 | 1,493,005 | 62% |
| 331 | Leave Pay Out | 300,000 | 86,890 | 403 | 212,707 | 29% |
| 333 | Stipends | 99,750 | 95,750 | 3,250 | 750 | 96% |
| 360 | Employee Benefits | 12,659,639 | 7,818,741 | 896,596 | 3,944,301 | 62% |
| 367 | TRS On-behalf | 2,505,160 | - | - | 2,505,160 | 0% |
| 368 | PERS On-behalf | 447,788 | - | - | 447,788 | 0% |
| | SUBTOTAL: Personnel | 40,859,942 | 24,018,414 | 7,651,495 | 9,190,033 | 59% |
| 410 | Professional & Technical Services | 4,909,047 | 2,440,792 | 563,292 | 1,904,964 | 50% |
| 420 | Staff Travel | 435,000 | 223,508 | 4,385 | 207,107 | 51% |
| 420 | Board Travel | 83,852 | 50,615 | 1,472 | 31,764 | 60% |
| 425 | Student Travel | 1,193,775 | 1,079,008 | 63,447 | 51,320 | 90% |
| 430 | Utility Services | 21,696,384 | 14,861,972 | 5,698,420 | 1,135,991 | 68% |
| 435 | Energy-includes electricity & fuel | 4,323,719 | 3,967,561 | 700,807 | (344,648) | 92% |
| 440 | Other Purchased Services | 4,469,056 | 2,250,998 | 1,166,864 | 1,051,194 | 50% |
| 445 | Property & Liability Insurance | 1,396,452 | 1,397,451 | - | (999) | 100% |
| 450 | Supplies, Materials & Media | 1,757,358 | 1,169,668 | 162,926 | 424,764 | 67% |
| 480 | Tuition | 40,000 | 27,119 | 8,984 | 3,897 | 68% |
| 490 | Dues & Fees | 79,280 | 70,283 | 8,357 | 640 | 89% |
| 510 | Inventoried Equipment | 55,000 | 26,776 | - | 55,000 | 49% |
| 495 | Indirect Cost Recovery | (250,000) | (175,734) | - | (248,211) | 70% |
| | SUBTOTAL: Non-Personnel | 40,188,923 | 27,390,017 | 8,378,954 | 4,272,783 | 68% |
| 550 | Transfer Out | 3,005,214 | - | - | 3,005,214 | 0% |
| Expense Totals | | 84,054,078 | 51,408,431 | 16,030,448 | 16,468,030 | 80% |
| | | 61% Expended to date | | | | |
| | | <u>Budgeted</u> | <u>Year to Date Exp</u> | <u>Encumbrance</u> | <u>Variance</u> | <u>% of Budget</u> |
| Expenditures by Function | | | | | | |
| 100 | Regular Instruction | 18,045,307 | 10,748,791 | 3,767,486 | 3,529,029 | 60% |
| 200 | Special Education | 8,627,583 | 4,678,053 | 1,285,262 | 2,664,269 | 54% |
| 220 | Special Education Support Services | 1,260,998 | 723,046 | 361,195 | 176,756 | 57% |
| 300 | Student Support Services | 297,660 | 5,688 | - | 291,973 | 2% |
| 350 | Instructional Support | 23,650,260 | 16,058,674 | 5,887,929 | 1,703,656 | 68% |
| 400 | School Administration | 3,334,747 | 2,097,730 | 842,106 | 394,911 | 63% |
| 450 | School Admin Support Staff | 1,459,652 | 824,111 | 226,702 | 408,838 | 56% |
| 510 | District Administration | 1,258,159 | 699,674 | 223,718 | 334,768 | 56% |
| 511 | Board of Education | 642,793 | 359,386 | 27,110 | 256,297 | 56% |
| 550 | District Admin Support | 3,143,276 | 2,317,921 | 475,694 | 349,660 | 74% |
| 600 | Maintenance & Operations | 17,414,241 | 11,345,560 | 2,782,660 | 3,286,021 | 65% |
| 700 | Student Activity | 1,914,189 | 1,549,907 | 150,586 | 213,696 | 81% |
| 900 | Transfer Out | 3,005,214 | - | - | 3,005,214 | 0% |
| Total Expenditures | | 84,054,078 | 51,408,540 | 16,030,448 | 16,615,090 | 80% |

Northwest Arctic Borough School District

General Fund Revenue & Expenditures by Function

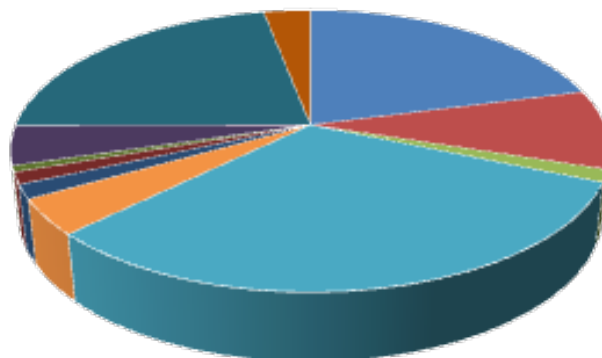
For Month Ending March 31, 2025

Revenue



- | | | | |
|--------------------------|------------------------|-----------------------|-----------------------|
| ■ Other Borough Revenue | ■ In-Kind Contribution | ■ Interest Income | ■ Other Local Revenue |
| ■ E-Rate Program Revenue | ■ Foundation Program | ■ Other State Funding | ■ TRS On-Behalf |
| ■ PERS On-Behalf | ■ Impact Aid | ■ Transfers In | |

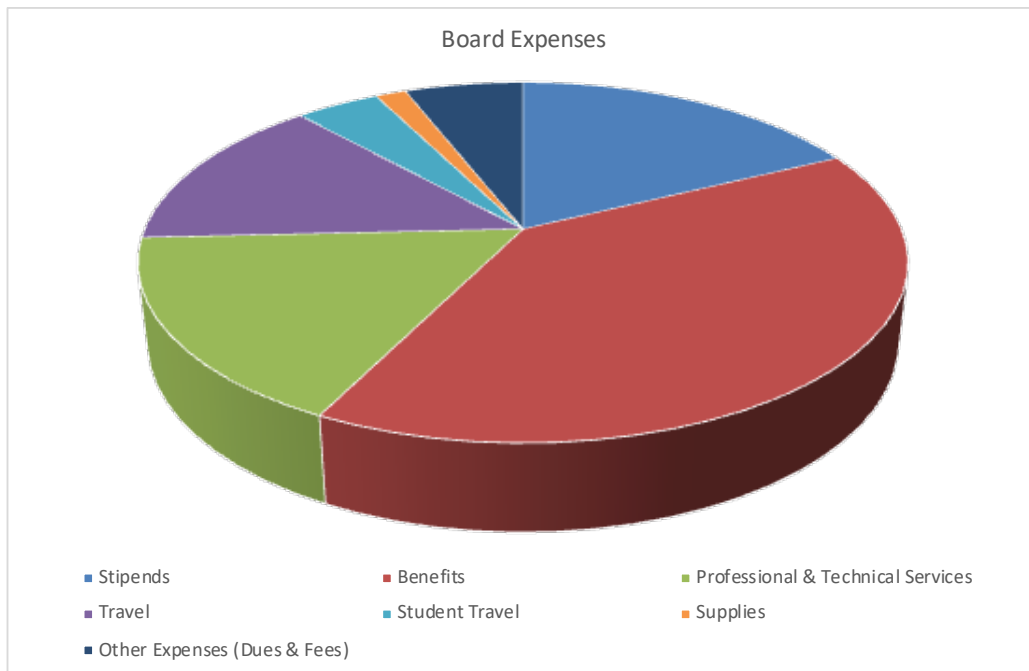
Expenditures



- | | | |
|------------------------------|----------------------------|--------------------------------------|
| ■ Regular Instruction | ■ Special Education | ■ Special Education Support Services |
| ■ Student Support Services | ■ Instructional Support | ■ School Administration |
| ■ School Admin Support Staff | ■ District Administration | ■ Board of Education |
| ■ District Admin Support | ■ Maintenance & Operations | ■ Student Activity |
| ■ Transfer Out | | |

**Northwest Arctic Borough School District
Board Expenditures
For Month Ending March 31, 2025**

| | | <u>Approved Budgeted</u> | <u>Year to Date Exp</u> | <u>Variance</u> | <u>% of Budget</u> |
|-------------------------------|-----------------------------------|------------------------------|-------------------------|-------------------|--------------------|
| Expenditures by Object | | | | | |
| 333 | Stipends | 87,750 | 63,750 | 24,000 | 73% |
| 36? | Benefits | 290,511 | 142,535 | 147,976 | 49% |
| 410 | Professional & Technical Services | 109,000 | 60,482 | 48,518 | 55% |
| 420 | Travel | 83,852 | 50,615 | 33,237 | 60% |
| 425 | Student Travel | 25,000 | 15,109 | 9,891 | 60% |
| 450 | Supplies | 6,000 | 5,521 | 479 | 92% |
| 490 | Other Expenses (Dues & Fees) | 40,680 | 21,375 | 19,305 | 53% |
| Total Expenditures | | \$ 642,793 | \$ 359,386 | \$ 283,407 | 56% |



**Northwest Arctic Borough School District
Investment Account Earnings
For Month Ending March 31, 2025**

| | Fiscal Year | IILD GF Earnings | IILD CIP Earnings | Total Earnings | |
|---|--------------------|-------------------------|--------------------------|------------------------|---------------------|
| 1 | FY19 | \$ 112,675.74 | \$ - | \$ 112,675.74 | |
| 2 | FY20 | \$ 134,699.78 | \$ - | \$ 134,699.78 | |
| 3 | FY21 | \$ 1,694.94 | \$ 2,564.11 | \$ 4,259.05 | |
| 4 | FY22 | \$ 13,734.29 | \$ 12,012.88 | \$ 25,747.17 | |
| 5 | FY23 | \$ 316,919.38 | \$ 17,754.50 | \$ 334,673.88 | |
| 6 | FY24 | \$ 692,319.01 | \$ - | \$ 692,319.01 | |
| 7 | FY25 | \$ 546,561.80 | \$ - | \$ 546,561.80 | Year to date |
| | | \$ 1,818,604.94 | \$ 32,331.49 | \$ 1,850,936.43 | |

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: April 29, 2025

NUMBER: 25-121

FR: Office of the Superintendent

SUBJECT: Approval of Purchase,
Lovevery INC.

ABSTRACT:

Board approval is required for purchases that exceed \$50,000.

ISSUE:

At issue is the Board's approval of the purchases of Science of Reading Learning Kits from Lovevery INC for an amount not to exceed \$90,000

BACKGROUND AND/OR PERTINENT INFORMATION:

The Reading Skill Sets from Lovevery are based on The Science of Reading. The Science of Reading is a body of research that identifies the most effective methods of teaching children how to read. The Reading Skill Sets combines this research—and Montessori principles—with motivating games and books and are designed to be easy to follow for parents and children alike.

As part of the Innovations in Literacy grant, we have been encouraged to spend down some of the carryover funds this budget period. As part of the spend down plan we are purchasing Reading Skill Sets for PreK through 2nd grade. Our Literacy Specialists will be presenting these kits to parents during Literacy Nights starting next school year and students will receive a kit of their own to take home.

Funding: Literacy Connections (LIT) Fund 353

ALTERNATIVES:

1. Approval of the purchase of Science of Reading Learning Kits from Lovevery INC for an amount not to exceed \$90,000 as presented.
2. Disapproval of purchase of Science of Reading Learning Kits from Lovevery INC for an amount not to exceed \$90,000 as presented.
3. Take no final action.

ADMINISTRATION'S RECOMMENDATION:

The administration recommends board approval of the purchase of Science of Reading Learning Kits from Lovevery INC for an amount not to exceed \$90,000 as presented.

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: April 29, 2025

NUMBER: 25-122

FR: Office of the Superintendent

SUBJECT: Approval of Purchase
Follett Content Solutions

ABSTRACT:

Board approval is required for purchases that exceed \$50,000.

ISSUE:

At issue is the Board's approval of the purchase of library books for schools from Follett Content Solutions for an amount not to exceed \$675,000

BACKGROUND AND/OR PERTINENT INFORMATION:

As part of the Innovations in Literacy grant, we have been encouraged to spend down most of the carryover funds this budget period. As part of the spend down plan submitted to our federal grant program manager, we are purchasing a refresh of library books district wide. Follett will create customized lists for each school based on our needs and will process the books with laminated covers, label for Lexile reading levels and for Accelerated Reading Program. Books will be delivered on the barge in July and will be shipped to sites with the fall curriculum shipments.

Follett Content Solutions is considered a sole source for Titlewave Books.

Funding: Literacy Connections (LIT) Fund 353

ALTERNATIVES:

1. Approval of the purchase of library books for schools from Follett Content Solutions for an amount not to exceed \$675,00 as presented.
2. Disapproval of purchase of library books for schools from Follett Content Solutions for an amount not to exceed \$675,000 as presented.
3. Take no final action.

ADMINISTRATION'S RECOMMENDATION:

The administration recommends board approval of the purchase of library books for schools from Follett Content Solutions for an amount not to exceed \$750,000 as presented.

MEMORANDUM

TO: NWABSD Board of Education

DATE: April 29, 2025

NUMBER: 25-123

FR: Office of the Superintendent

SUBJECT: FY26 Heating Fuel

ABSTRACT:

Board approval is required for expenditures that exceed \$50,000.

ISSUE:

At issue is board approval to award the Northwest Arctic Borough School District's FY26 heating fuel order to the lowest bidder by site.

BACKGROUND AND/OR PERTINENT INFORMATION:

On April 16, 2025, the Property Services department issued an RFP to fuel vendors for the purchase and delivery of approximately 333,000 gallons of #1 heating fuel and 4000 gallons of unleaded gasoline, to ten (10) NWABSD school sites in summer 2025. The RFP was sent to the two vendors that deliver fuel within the Northwest Arctic Borough, Crowley Petroleum Distribution and Vitus Fuel Services. The deadline for submitting bids is Friday, May 2, 2025, at 4:00 p.m. The lowest bidder by site will be awarded the fuel bid(s).

The administration is recommending the approval of this proposal.

ALTERNATIVES:

1. Approve the administration's request to award the NWABSD FY26 heating fuel order to the lowest bidder by site.
2. Disapprove the administration's request to award the NWABSD FY26 heating fuel order to the lowest bidder by site.
3. Take no final action.

ADMINISTRATION'S RECOMMENDATION:

The Administration recommends Board approval to award the NWABSD FY26 heating fuel order to the lowest bidder by site.

RFP MEMORANDUM

TO: Crowley Petroleum Distribution
Vitus Terminals

FR: Mark A. Moore: Director, NWABSD Property Services

DATE: April 16, 2025

RE: Summer 2025 Fuel Bid

The Northwest Arctic Borough School District is soliciting bids for the purchase and delivery of approximately 333,000 gallons of #1 heating fuel during the 2025 summer barge season as well as approximately 4,000 gallons of unleaded gasoline to Kivalina. The fuel should be delivered to the attached ten (10) sites in the corresponding estimated quantities. Kivalina schools fuel should be delivered to the new site located 7 miles inland. Bidders should bid on the ten (10) fuel orders/sites separately. Bids should include all non-exempt taxes and will be awarded to the lowest bidder by site. Interested bidders should email or fax bids to Mark A. Moore at the NWABSD Property Services department by 4:00 p.m., Friday May2, 2025.

Mark A. Moore
Northwest Arctic Borough School District
Property Services Department
P.O. Box 51
Kotzebue, Alaska 99752
Phone: (907) 442-1871
Fax: (907) 442-2391
Email: mmoore@nwarctic.org

SUMMER 2025 ESTIMATED HEATING FUEL ORDER

| | <u>NWABSD Order</u> | <u>ANTHC Order</u> |
|-----------------|---------------------|--------------------|
| Ambler | 15,000 | 6,000 |
| Buckland | 22,000 | 11,000 |
| Deering | 10,000 | 14,000 |
| Kiana | 25,000 | 7,000 |
| Kivalina | 38,000 | 5,000 |
| Kobuk | 17,000 | 1,000 |
| Kotzebue | 110,000 | 0 |
| Noorvik | 44,000 | 24,000 |
| Selawik | 35,000 | 22,400 |
| Shungnak | 17,000 | 1,000 |
| Total | 333,000 | 91,400 |

Kivalina unleaded gasoline 4000 gallons

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: April 16, 2025

NUMBER: 25-125

FR: Office of the Superintendent

SUBJECT: Approval of
Design Funding Deering
Replacement School

ABSTRACT:

Board approval is required to expend \$50,000.00 and higher.

ISSUE:

At issue is board approval of additional funding for the contract with Burkhart Croft Architects for Pre-Design, Off-Site Utility and Gravel Stockpiling design for the Deering Replacement School in an amount not to exceed \$190,000.

BACKGROUND AND/OR PERTINENT INFORMATION:

Deering K-12 Replacement School is ranked #3 on DEED's FY26 School Construction list. The project total is \$56,872,139 with \$11,374,428 as local share. This project is not included in the Governor's budget, and it is not expected to be fully funded in FY 26. However, District has lobbied for sitework funding of \$10M.

There are two significant infrastructure projects in addition to the school project that are pending for Deering. Alaska Department of Transportation (DOT) will bid their new evacuation road this summer. Alaska Native Tribal Health Consortium is in the design phase, and seeking funding, for replacement and extension of the water and sewer systems. Both projects impact the school project both physically and in construction timing.

In order to be ready for school construction once funding is received, and to coordinate with these two projects, there are several Pre-Design efforts that need to begin. These include Cultural Resources impact evaluation, permitting, and surveying. Project needs to secure site control with NANA which requires various surveys, NANA Committee meetings, and Non-Objection letters from the Village and City of Deering, etc. Permits from both the Corp of Engineers and the Borough are needed. \$100,000 is needed for Pre-Design.

In addition, DEED does not pay for work off the school site such as utility extensions. Therefore, we need to do pre-design for these extensions in order to pursue other grants to fund this future work. \$35,000 is needed for preliminary off-site utility design.

DOT's road project will bid this summer. If the replacement school project is at least partially funded either this summer or next, we would be able to at least stockpile gravel on our site while DOT's contractor is still in the community, thus saving significant costs. Site control and permits, secured through Pre-Design efforts above, are required for us to stockpile gravel. Documentation of how much gravel and the type of gravel needed, where to put it, etc. is required to be able to procure gravel stockpiling. This design work can be completed now, so that we are ready to execute this work once construction funding is secured. Gravel Stockpile design needs \$55,000 in funding.

Minimum requested funding is \$135,000 for Pre-Design and Off-site utility work. Administration recommends including the gravel stockpiling design as to not delay time sensitive work once there is construction funding. Total requested funding is therefore \$190,000.

The district will continue to utilize the Burkhart Croft Architects and their engineers as the design team of record for the project. BCA was selected for this work under a competitive term contract procurement.

ALTERNATIVES:

1. Approve the allocation of \$190,000 to the Deering Replacement School Project and the delegation of authority to the Superintendent to contract with Burkhart Croft Architects, as presented.
2. Disapprove the allocation of \$190,000 to the Deering Replacement School Project and the delegation of authority to the Superintendent to contract with Burkhart Croft Architects, as presented.
3. Take no final action.

RECOMMENDATION:

The administration recommends the Board approve the allocation of \$190,000 to the Deering Replacement School Project and the delegation of authority to the Superintendent to contract with Burkhart Croft Architects, as presented.

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: April 17, 2025

NUMBER: 25-126

FR: Office of the Superintendent

SUBJECT: Approval of Budget Transfer
to Design Contract Davis-
Ramoith K-12 School
Renovation

ABSTRACT:

Board approval is required to expend \$50,000.00 and higher.

ISSUE:

At issue is budget reallocation to Burkhart Croft Architects design contract for bidding assistance and construction administration services of the Davis-Ramoith K-12 School Renovation.

BACKGROUND AND/OR PERTINENT INFORMATION:

Davis-Ramoith K-12 School Renovation is an FY25 executed grant agreement with Department of Education for a project total of \$9,424,172. \$7,539,339 is from the state and \$1,884,834 is local match. This project has reached 65% design completion, is working toward 95% design and will be bid in late summer or early fall.

In anticipation of the project bidding and moving into construction, the Administration recommends reallocating \$200,000 of granted funds for bidding and construction phase services to be provided by the design team. No additional funding is being requested from the Board, this is only moving money within the existing budget of granted funds. This is an expected move and does not lower the amount available for construction.

It is recommended that the Superintendent be delegated contracting authority for the design team's work through project completion. The requested budget reallocation should cover all remaining contract fees for the design team.

ALTERNATIVES:

1. Approve the budget reallocation of \$200,000 for the Davis-Ramoith K-12 School Renovation Project and the delegation of authority to the Superintendent to contract with Burkhart Croft Architects, as presented.
2. Disapprove the budget reallocation of \$200,000 for the Davis-Ramoith K-12 School Renovation Project and the delegation of authority to the Superintendent to contract with Burkhart Croft Architects, as presented.
3. Take no final action.

RECOMMENDATION:

The administration recommends the Board approve the budget reallocation of \$200,000 for the Davis-Ramoth K-12 School Renovation Project and the delegation of authority to the Superintendent to contract with Burkhardt Croft Architects, within this budget.

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: April 16, 2025,

NUMBER: 25-127

FR: Office of the Superintendent

SUBJECT: Approval to Amend
AHFC Grant for Buckland
to add a unit & additional
funding

ABSTRACT:

The administration requests approval of the School Board to request Alaska Housing Finance Corporation (AHFC) to add construction of an additional unit, for an additional \$140,000 of local match, to the district's current teacher, health and safety professional housing grant at Buckland.

ISSUE:

The efficiency of simultaneous construction of multiple housing units will allow the District to construct an additional, standalone unit in Buckland. Board approval is needed to request AHFC to amend grant THP-23-NAB-1 to add an additional housing unit with two bedrooms.

BACKGROUND AND/OR PERTINENT INFORMATION:

The Alaska Housing Finance Corporation (AHFC) has a program available to encourage the development of housing for teachers, health professionals and public safety in rural areas. In October 2023 AHFC awarded a \$500,000 grant to the District for the construction of a duplex in Buckland with the District providing a match of \$250,297. AHFC also awarded the same amount for a joint District and Borough duplex in Buckland. The District manages the shared grant and the Borough reimburses half of the matching share for the shared duplex only. Overages of the shared unit are shared 50/50 between the District and Borough.

The current duplexes are each estimated to cost \$750,000. For an additional \$140,000 a fifth unit can be completed. Through the efficiency of constructing multiple buildings and careful utilization of materials and labor, the District anticipates that an additional housing unit can be completed. The overage is spread across all units in the project and is not isolated to any specific structure. This is an incredible savings compared to construction of a separate housing project. District will gain another much needed unit in Buckland, for a total of four units with two bedrooms each.

AHFC approval is required to add an additional unit to the scope of the grant. AHFC has told the District that it is receptive to adding additional housing to the grant without additional grant funding.

As It is a much simpler process to amend the District's grant than to modify the joint grant, the Superintendent recommends that AHFC be requested to amend the District only grant.

After grant closeout, actual occupancy of specific units can be jointly determined by the District and the Borough. It is an AHFC requirement that all units constructed under this grant program be used exclusively for teacher, healthcare or public safety professionals for ten years after project completion. Both the District and the Borough sign agreements to this effect. Occupancy and management responsibilities of the units can be worked out between the District and Borough as long as each unit serves the intended purpose.

ALTERNATIVES

1. Approve request to AHFC to add an additional housing unit for \$140,000 of local funding to District's grant THP-23-NAB-1
2. Do not approve request to AHFC to add an additional housing unit for \$140,000 of local funding to District's grant THP-23-NAB-1
3. Take no action.

ADMINISTRATION'S RECOMMENDATION

The administration recommends the Board approve request to AHFC to add an additional housing unit for \$140,000 of local funding to District's grant THP-23-NAB-1.

MEMORANDUM

TO: NWABSD Board of Education Members

DATE: April 28, 2025

NUMBER: 25-128

FR: Office of the Superintendent

SUBJECT: Adoption of FY26 Proposed Operating Fund Budget

ABSTRACT:

The School Board shall establish and maintain a balanced budget.

ISSUE:

At issue is the adoption of the Fiscal Year 2025-2026 Proposed Operating Fund Budget.

BACKGROUND AND/OR PERTINENT INFORMATION:

The FY26 Proposed Operating Fund Budget is being presented for adoption. Proposed actions to balance the FY26 Budget were presented and discussed in detail at the budget work sessions on Monday, March 24, 2025, and Wednesday, April 9, 2025. The Board of Education and Superintendent created the FY26 Proposed Operating Fund Budget based off estimated increases to expenditures and decrease to revenues.

Presented to you for adoption is the FY26 Proposed Operating Fund Budget, which includes:

- Revenue Plan of \$65,877,405
- Expenditure Plan of \$70,782,957
- Transfers Out to Other Funds in the amount of \$675,000
- Transfers In from CIP Local Share in the amount of \$2,300,000
- Use of Fund balance in the amount of \$3,280,552

The FY26 Proposed Operating Budget includes the following reductions:

- Food Service program
- Student Activities
- REDIStar program
- supply and travel
- Pupil Transportation
- Alaska Technical Center
- STAR of the Northwest
- Board of Education

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

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

- Classroom sizes will remain the same
- No reduction of certified or classified staff district-wide in response to funding shortage.

The District Administration will continue to look for revenue sources to pay for these important programs.

ALTERNATIVES:

1. Adopt the FY26 Proposed Operating Fund Budget as presented;
2. Disapprove the FY26 Proposed Operating Fund Budget as presented;
3. Take no action.

ADMINISTRATION'S RECOMMENDATION:

The administration recommends the Board adopt the FY26 Proposed Operating Fund Budget as presented.

**Northwest Arctic Borough School District
FY26 PROPOSED Operating Budget**

| | FY25 REVISION #2 | FY26 PROPOSED |
|-----------------------------------|-----------------------------|--------------------------|
| <u>REVENUE</u> | | |
| Other Local Revenue | \$2,100,000 | \$3,000,000 |
| Earnings on Investments | \$770,000 | \$770,000 |
| Donations/Contributions | \$0 | \$0 |
| Borough Appropriation | \$8,068,263 | \$6,568,263 |
| E-rate Program | \$19,452,945 | \$11,609,460 |
| State Foundation | \$41,069,924 | \$36,194,559 |
| Quality Schools | \$105,925 | \$106,133 |
| TRS On-behalf | \$2,505,160 | \$2,404,313 |
| PERS On-behalf | \$447,788 | \$461,615 |
| Revenue-Other State Sources | \$1,649,524 | \$821,180 |
| Impact Aid Program | \$3,441,882 | \$3,941,882 |
| TOTAL REVENUES | \$79,611,411 | \$65,877,405 |
| <u>TRANSFERS IN</u> | | |
| CIP Reserved Local Share | \$1,500,000 | \$2,300,000 |
| TOTAL TRANSFERS IN | \$1,500,000 | \$2,300,000 |
| <u>EXPENSES</u> | | |
| Certificated Salaries | \$15,544,407 | \$14,759,259 |
| Non-Certificated Salaries | \$9,312,698 | \$8,986,365 |
| Leave Pay Out | \$285,000 | \$275,074 |
| Stipends | \$87,750 | \$109,750 |
| Employee Benefits | \$12,662,084 | \$11,503,548 |
| TRS On-behalf | \$2,505,160 | \$2,404,313 |
| PERS On-behalf | \$447,788 | \$461,615 |
| SUBTOTAL: Personnel | \$40,844,887 | \$38,499,923 |
| Prof & Technical Services | \$4,840,647 | \$4,301,720 |
| Staff Travel | \$428,000 | \$360,101 |
| Board Travel | \$83,852 | \$83,852 |
| Student Travel | \$1,169,775 | \$36,000 |
| Utility Services | \$21,696,384 | \$13,790,503 |
| Energy (w/ electricity & fuel) | \$4,323,719 | \$6,195,600 |
| Other Purchased Services | \$4,470,556 | \$4,500,262 |
| Property & Liability Insurance | \$1,396,452 | \$1,489,641 |
| Supplies, Materials & Media | \$1,765,266 | \$1,607,682 |
| Tuition | \$40,000 | \$40,000 |
| Dues & Fees | \$88,680 | \$72,675 |
| Inventoried Equipment | \$55,000 | \$55,000 |
| Indirect Cost Recovery | (\$250,000) | (\$250,000) |
| SUBTOTAL: Non-Personnel | \$40,108,331 | \$32,283,034 |
| TOTAL EXPENSES | \$80,953,218 | \$70,782,957 |
| <u>TRANSFERS OUT</u> | | |
| Food Service Fund | \$1,200,000 | \$0 |
| ATC | \$1,105,214 | \$0 |
| Star of the NW-Magnet School | \$100,000 | \$0 |
| Teacher Housing Fund | \$450,000 | \$675,000 |
| Special Revenue Fund | \$150,000 | \$0 |
| TOTAL TRANSFERS OUT | \$3,005,214 | \$675,000 |
| INC/(DEC)-UNRESERVED FB | (\$2,847,021) | (\$3,280,552) |
| Projected EOY Fund Balance | \$10,927,573 | \$5,280,552 |
| Decrease in Fund Balance | \$2,847,021 | \$3,280,552 |
| Est. Prepaid & Inventory | \$2,800,000 | \$2,000,000 |
| Projected BOY Fund Balance | \$5,280,552 | (\$0) |