

Northwest Arctic Borough School District

FISCAL YEAR 2025 BUDGET WORKSESSION POSSIBLE ACTIONS TO BALANCE THE BUDGET

March 20, 2024



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

The purpose of this Budget Worksession is to Balance our FY25 Operating Budget

Proposed Actions to Balance the FY25 Operating Budget

With no increase in funding, the School District has to make large programmatic cuts to balance the budget.

The list of reductions for FY25 will have a major impact on Northwest Arctic Borough communities.

PROPOSED CUTS	
FY25 Deficit	\$9,348,488
Meal Program – Request to Nana	\$1,200,000
Reduce Year Round Staff work days	\$272,208
Cut Readistar Program	\$292,000
Cut Student Activities	\$1,795,224
Increase Student:Teacher Ratio	\$1,055,349
Use of Fund Balance	\$4,733,707
TOTAL	\$0

Proposed Action: Increase Student to Teacher Ratio

CURRENT STUDENT:TEACHER RATIO

Elementary

- Average of 17 Students to 1 Teacher
- No Classroom with more than 3 grade levels

Middle/High School

- Average of 23 Students to 1 Teacher
- Minimum of 2 teachers

INCREASED STUDENT:TEACHER RATIO

Elementary

- Average of 18 Students to 1 Teacher
- Minimum of 2 teachers

Middle/High School

- Average of 25 Students to 1 Teacher
- Minimum of 1 teacher

This option could potentially decrease our teaching staff district wide by 9 FTE and our FY25 budget by \$1,055,349

Proposed Action: Use of Fund Balance

In previous years the District has budgeted to transfer funds into the General Operating Budget from Capital Improvement Project Funds. Only funds that were previously transferred from the General fund can be transferred back. Estimated General Fund Balance amount available for use below.

General Fund

Estimated year end UNRESERVED balance - \$4,972,495

This estimate is 8% of the FY24 budgeted expenditures and will change. Actual expenditures, including health insurance costs, will not be known until after 6/30/2024.

With the proposed used of \$4,733,707 of the District's estimated year end fund balance, the estimated unrestricted fund balance available for use in FY25 will be \$238,778

