

KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICT  
BOARD OF EDUCATION  
AGENDA STATEMENT

No. 10 a

MEETING OF September 25, 2019

Reviewed By

Item Title:

NEW BUSINESS

Motion to approve Resolution #20-02, a joint resolution with the Ketchikan Gateway Borough

☒ Superintendent  
☒ Finance

SUBMITTED BY Beth Lougee, Superintendent

Contact Person/Telephone

Superintendent Lougee  
Name

247-2109  
Phone

APPROVED FOR SUBMITTAL

Beth Lougee  
Superintendent

SUMMARY STATEMENT:

The Board of Education is being asked to approve Resolution #20-02, a joint resolution with the Ketchikan Gateway Borough.

BACKGROUND:

The Ketchikan Gateway Borough adopted Resolution 2817 on September 3, 2019, to be a joint resolution with School District.

ISSUE:

(See summary sheet from the Borough Assembly meeting packet of 9/3/2019).

RECOMMENDATION:

FISCAL NOTE

☒ N/A

EXPENDITURE  
REQUIRED \$ \_\_\_\_\_

AMOUNT  
BUDGETED \$ \_\_\_\_\_

ATTACHMENTS:

- Summary sheet from Borough Assembly meeting of September 3, 2019.
- Resolution #20-02 with Borough

RECOMMENDED ACTION:

"I move that the Board of Education adopt Resolution #20-02, a joint resolution with the Ketchikan Gateway Borough Assembly, addressing actions of the state regarding education funding."



**Assembly - Regular**

**9. a.**

**Meeting Date:** 09/03/2019

**Submitted By:** Kacie Paxton

**Department:** Clerk

**Approved for Submittal:** Cynna Gubatayao, Finance Director  
Deanna Thomas, Asst Manager  
Ruben Duran, Manager

**Approved as to form:** Glenn  
Brown,  
Borough  
Attorney

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**Information**

**TITLE**

Resolution 2817, a Joint Resolution with the Ketchikan Gateway Borough School Board, Opposing Actions by the State of Alaska to Shift the Costs of its Constitutional Obligation to Maintain a System of Public Schools Open to all Children of the State

**RECOMMENDED ACTION**

"I move to adopt Resolution 2817, a joint resolution with the School Board, opposing actions of the State that shift the costs of education funding to local municipalities."

**SUMMARY OF ISSUE**

Resolution 2817, a joint resolution with the Ketchikan Gateway Borough School Board, opposes actions of the State that shift the costs of education funding to local municipalities. The State of Alaska has certain obligations for maintaining public schools and the funding of those schools. Resolution 2817 outlines the State obligations for maintaining public schools and urges the Governor and Legislature to oppose any legislation that would shift responsibilities and costs to municipalities.

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**Fiscal Impact**

**Attachments**

Resolution 2817

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**KETCHIKAN GATEWAY BOROUGH  
AND  
KETCHIKAN GATEWAY BOROUGH SCHOOL BOARD**

**ASSEMBLY RESOLUTION NO. 2817  
SCHOOL BOARD RESOLUTION NO. 20-02**

**A Resolution of the Ketchikan Gateway Borough Assembly and the Ketchikan Gateway Borough School Board, Opposing Actions by the State of Alaska to Shift the Costs of its Constitutional Obligation to Maintain a System of Public Schools Open to all Children of the State**

**RECITALS**

- A. WHEREAS**, Article VII, §1 of the Alaska Constitution commands that the Legislature "shall by general law establish and maintain a system of public schools open to all children of the state", a provision that obligates the legislature in equal measure to provide for all 53 school districts in the State of Alaska; and
- B. WHEREAS**, in support of this mandate of the Constitution, the Legislature enacted AS 14.17.410 which provides the formula by which the adequate funding for each school district is calculated, commonly referred to as the Base Student Allocation or BSA; and
- C. WHEREAS**, the calculation set forth in AS 14.17.410 imposes an additional requirement on only 34 of the state's 53 jurisdictions, to wit: a Required Local Contribution (RLC) equivalent to a 2.65 mill tax levy on the full and true value of the taxable real and personal property in those selected school districts; and
- D. WHEREAS**, the RLC operates functionally as a tax levied on residents of incorporated boroughs, home rule municipalities, and first class cities, and it arbitrarily permits residents within the 19 Regional Educational Attendance Areas (REAA's) to bear no responsibility whatsoever for the funding of their schools; and
- E. WHEREAS**, the State of Alaska (State) has broad authority over public education in Alaska, a Constitutional duty shared by no other unit of government in Alaska; and
- F. WHEREAS**, in the exercise of its authority over public education, the State established a Teachers Retirement System (TRS) and statutorily requires that all teachers in public schools be included in that system; and
- G. WHEREAS**, the State established the Public Employee Retirement System (PERS) in 1961; and

- H. **WHEREAS**, in recognition of the State's responsibility for the majority of the unfunded pension and health benefit liability, in 2008 the State amended its Statutes regarding employer contributions to PERS and TRS, placing a cap on employer contributions to PERS at 22 percent of payroll, and on TRS contributions at 12.56 percent of payroll, with the State accepting responsibility for any costs in excess of this amount; and
- I. **WHEREAS**, in partial recognition of the State's obligation to provide a system of public schools which includes the facilities required to carry out this obligation, the State, in AS 14.11.100, established the School Bond Debt Reimbursement Program, providing assistance to municipalities for the payment of principal and interest costs related to the construction and major maintenance of school facilities; and
- J. **WHEREAS**, municipalities have, in good faith, incurred debt to assist the State in carrying out its obligation to provide a system of public schools; and such debt represents a substantial portion of the total debt load borne by municipalities; and
- K. **WHEREAS**, any change in the School Bond Debt Reimbursement rate imperils the finances of municipalities that have developed responsible, long-term debt management plans in reliance upon the State answering its Constitutional obligation; and
- L. **WHEREAS**, the State has additionally created the formula in AS 14.17.400, et seq., to determine the necessary level of per pupil State funding for basic and special education, a formula that municipalities properly rely upon to ensure appropriate, predictable funding of the schools they operate.

**NOW, THEREFORE, IN CONSIDERATION OF THE ABOVE FACTS, IT IS RESOLVED BY THE ASSEMBLY OF THE KETCHIKAN GATEWAY BOROUGH** as follows:

**Section 1.** The Assembly and the School Board find the Required Local Contribution is an invidious and unconstitutional measure, contrary to the mandate of the Alaska Constitution's Public Schools Clause, that its selective imposition has no rational basis in law, and opposes any effort by the State to increase the RLC.

**Section 2.** The Assembly and the School Board oppose any legislation which would increase the burden on PERS and TRS employers beyond the current employer contribution limits of 22 percent for PERS and 12.56 percent for TRS, including reducing on-behalf rates, imposition of termination study costs, and efforts to shift more of the net pension liability for PERS or TRS onto municipalities.

**Section 3.** The Assembly and the School Board oppose any efforts to reduce School Bond Debt Reimbursement payments for approved debt incurred by municipalities under the promise of State assistance and prior to the moratorium enacted in 14.11.100(s).

**Section 4.** The Assembly and the School Board oppose any effort by the State to shift its responsibilities for education to municipalities by reducing the base student allocation, the method of calculation of average daily membership (ADM), or the multipliers set forth in the public school funding formula contained in AS 14.17.410, et seq.

**Section 5.** Effective Date. This resolution shall be effective upon adoption by the Assembly and the School Board, whichever occurs later.

ADOPTED by the Assembly this 3<sup>rd</sup> day of September, 2019.

ADOPTED by the School Board this 11<sup>th</sup> day of September, 2019.

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Matt Eisenhower, Board President

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Sonya Skan, Board Vice President

  
\_\_\_\_\_  
David Landis, Borough Mayor

ATTEST:

  
\_\_\_\_\_  
Kacie Paxton, Borough Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Glenn Brown, Borough Attorney