

KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICT  
BOARD OF EDUCATION  
AGENDA STATEMENT

No 11 c

MEETING OF March 9, 2022

Item Title

Reviewed By

**NEW BUSINESS**

Motion to approve a joint resolution with the Ketchikan Gateway Borough advocating for an increase in the base student allocation (BSA)

Superintendent  
 Finance

SUBMITTED BY Board of Education

Contact Person/Telephone

APPROVED FOR SUBMITTAL

Melissa Johnson, Superintendent

Name

Phone

**SUMMARY STATEMENT:**

The Board of Education is being asked to approve Resolution No. 22-02, a joint resolution with Ketchikan Gateway Borough regarding public education funding.

**ISSUE:**

The Base Student Allocation (BSA) was last adjusted for FY2017, and the foundation formula does not currently have any mechanisms to adjust for inflation. Flat state funding to public education is unsustainable for school districts who are experiencing record setting fixed cost increases and a recruitment and retention crisis for qualified teachers and para-educators. Flat funding has resulted in a loss of \$1,385 per ADM enrollment since 2007 when adjusted for inflation, which would equal almost \$7.5 million in FY22 had funding matched inflation rates. In order to maintain our educational programming, the State of Alaska must provide adequate and timely funding to schools. Legislative advocacy is required to make this happen.

**BACKGROUND:**

Board Members Mattson, Gubatayao and Sanderson volunteered for an ad hoc Board committee to advocate for school funding and to work on a joint resolution with the Ketchikan Gateway Borough. The resolution idea was proposed at the Assembly/School Board Liaison meeting of February 23, 2022.

The Borough Assembly is scheduled to consider the joint resolution at its March 7, 2022 meeting.

**EXHIBITS ATTACHED**

- Assembly Resolution No. 2929/School Board Resolution No. 22-02

**RECOMMENDED ACTION:**

"I move that the Board of Education approve Resolution No. 22-02, a joint resolution with the Ketchikan Gateway Borough Assembly, calling on the governor and the legislature of the State of Alaska to increase the base student allocation (BSA)."

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

**ASSEMBLY RESOLUTION NO. 2929  
SCHOOL BOARD RESOLUTION NO. 22-02**

**A Resolution of the Ketchikan Gateway Borough Assembly and the Ketchikan Gateway Borough School Board Calling on the Governor and Legislature of the State of Alaska to Increase the Base Student Allocation (BSA)**

**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 based on a base student allocation (“BSA”) by which the adequate funding for each school district is calculated; and
- C. WHEREAS**, established data show that seven years of flat funding of the BSA has resulted in Alaska school districts losing \$1,385 per enrollment since 2007 due to inflation, equaling a total loss of \$7,479,325 in FY2022 for Ketchikan schools and reduced spending power at pre-2009 levels; and
- D. WHEREAS**, Ketchikan Gateway Borough School District has experienced record increases in property and liability insurance costs of double-digit percentages; and
- E. WHEREAS**, district health insurance costs have doubled in ten years, exacerbated by the COVID pandemic, amounting to 15% of the district’s operating budget in FY2022; and
- F. WHEREAS**, Ketchikan’s critical revenue source derived from the tourism industry, the Ketchikan Gateway Borough has suffered two years of deep revenue loss due to the pandemic, the Borough capacity to compensate for inadequate state education funding is severely impacted; and
- G. WHEREAS**, Alaska is facing a teacher shortage and hiring crisis, with the KGBSD currently trying to fill over 40 open positions district-wide, and Alaska school districts’ wages and benefits are no longer competitive compared to prevailing wages provided in other neighboring states; and
- H. WHEREAS**, continued flat funding will require the Ketchikan Gateway Borough School District to cut instructional positions that would equal approximately 10 teaching positions, 30 classified positions, and/or elimination of entire programs in FY2023; and

- I. **WHEREAS**, in FY 2022, the Ketchikan Gateway Borough expects to collect \$7,791,933 in property taxes dedicated to education, but because of flat funding of the BSA, the Borough cannot make up the erosion of funding without raising the local mill levy from 5.2 mills to 10.2 mills; and Ketchikan Gateway Borough School District operates with the lowest administration costs of any district in Alaska at 3% of total expenditures in FY2021 such that flat funding would directly impact the classroom since cuts to administrative costs are no longer feasible; and
- J. **WHEREAS**, in recent years, supplemental appropriations to public education have often been provided and later vetoed, a phenomenon that frustrates district needs for timely, reliable and predictable funding that enables districts to ability to conduct necessary long-term educational planning; and
- K. **WHEREAS**, these challenges persist in spite of the large need for districts to enhance programs designed to address the achievement gap and an upcoming fiscal cliff due to exhausted COVID relief funds the Ketchikan Gateway Borough School District utilized to pay down \$2 million in COVID-specific health insurance costs and to operate on-site instruction at 100% capacity throughout the pandemic.

**NOW, THEREFORE, IT IS JOINTLY RESOLVED BY THE KETCHIKAN GATEWAY BOROUGH AND THE KETCHIKAN SCHOOL DISTRICT**, as follows:

**Section 1.** The Assembly and the School Board find the multi-year failure to increase the base student allocation to be a failure of the State to meet its constitutional obligation by undermining the ability of districts statewide to provide the level of funding required to operate a comprehensive K-12 educational system; and

**Section 2.** The Assembly and the School Board strongly urge the Alaska Legislature and the Governor to significantly increase the Base Student Allocation to adequately fund education for all Alaska students, and to support districts with long term stable and predictable funding.

**Section 3.** Effective Date. This resolution shall be effective upon adoption by the Assembly and the School Board, whichever occurs later.

ADOPTED by the Assembly this 7<sup>th</sup> day of March, 2022.

ADOPTED by the School Board this 9<sup>th</sup> day of March, 2022.

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Stephen Bradford, Board President

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Bridget Mattson, Board Clerk-Treasurer

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Rodney Dial, Borough Mayor

*ATTEST:*

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Kacie Paxton, Borough Clerk

*APPROVED AS TO FORM:*

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Glenn Brown, Borough Attorney