### KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICTBOARD OF EDUCATION AGENDA STATEMENT

No 8 e.

MEETING OF February 8, 2023

#### **NEW BUSINESS**

Motion to approve School Board Resolution 23-01, a joint resolution with the Borough Assembly Calling on the Governor and Legislature of the State of Alaska to Increase the Base Student Allocation (BSA.)

#### Reviewed By

[X] Superintendent[X] Finance

SUBMITTED BY Board of Education



#### SUMMARY STATEMENT:

The Board of Education is being asked to approve School Board Resolution No. 23-01, 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 \$1433 per enrollment since 2012 when adjusted for inflation, which would equal a total loss of \$7, 313, 101 in state funding for FY2023. 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 Gubatayao and Sanderson initiated the discussion about working on another joint resolution with the Borough regarding the BSA in a regular meeting of the School Board on November 9, 2022. After more discussion at the Assembly/School Board Liaison meetings in November and December 2022 regarding the district budget and Health Insurance Fund Deficit, it was apparent that a request to the Governor and Legislature for an increase in BSA was needed. At the January 11, 2023 meeting Member Gubatayao volunteered to work with the Borough to revise the resolution and submit for Board approval at the regular meeting of February 8, 2023.

The Borough Assembly is scheduled to consider the joint resolution at its February 6, 2023 meeting.

#### **EXHIBITS ATTACHED**

Assembly Resolution No. 2982/School Board Resolution No. 23-01

#### RECOMMENDED ACTION:

"I move that the Board of Education approve School Board Resolution No. 23-01, 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."

# KETCHIKAN GATEWAY BOROUGH AND KETCHIKAN GATEWAY BOROUGH SCHOOL BOARD

## ASSEMBLY RESOLUTION NO. 2982 SCHOOL BOARD RESOLUTION NO. 23-01

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 years of flat funding of the BSA has resulted in Alaska school districts losing \$1,433 per enrollment since 2012 due to inflation, equaling a total loss of \$7,313,101 in State funding during FY2023 for Ketchikan schools and reduced spending power at pre-2012 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 more than doubled, exacerbated by the COVID pandemic, and current year health care claims are now close to 20% of the total District budget; and
- **F. WHEREAS,** Alaska is facing a teacher shortage and hiring crisis, and Alaska school districts' wages and benefits are no longer competitive compared to prevailing wages provided in other neighboring states; and
- **G. WHEREAS**, continued flat funding will require the Ketchikan Gateway Borough School District to cut approximately 57 various positions, and/or elimination of entire programs in FY2024; and
- **H. WHEREAS**, given the maximum local contribution limit of \$12,465,729 which the

Borough currently funds, even if the Borough's mill rate or other funding sources were increased, there are no more options for the Borough to provide additional funding to the District; and

- WHEREAS, in recent years, supplemental appropriations by the Legislature 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
- **J. WHEREAS**, the Alaska Association of School Boards notes that from 2012 to 2022, the BSA has only increased by \$250 per student, which is a 4.2% increase, while inflation has increased by at least 24%; and
- **K. WHEREAS**, in order for the State to meet its constitutional obligation of maintaining its public schools, the BSA must be increased by an amount such as the \$860 recommended by AASB analysis, that provides adequate funding for each school district, that makes up for past erosion, and offsets historically high current inflation.

### 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.
- <u>Section 3.</u> <u>Effective Date</u>. This resolution shall be effective upon adoption by the Assembly and the School Board, whichever occurs later.

Glenn Brown, Borough Attorney	_
APPROVED AS TO FORM:	
Kacie Paxton, Borough Clerk	
ATTEST:	
Rodney Dial, Borough Mayor	
Stephen Bradiord, Board Fresident	Nicole Aliderson, Doard Clerk-Treasurer
 Stephen Bradford, Board President	 Nicole Anderson, Board Clerk-Treasurer
ADOPTED by the School Board this day of, 2023.	
ADOPTED by the Assembly this day of, 2023.	