

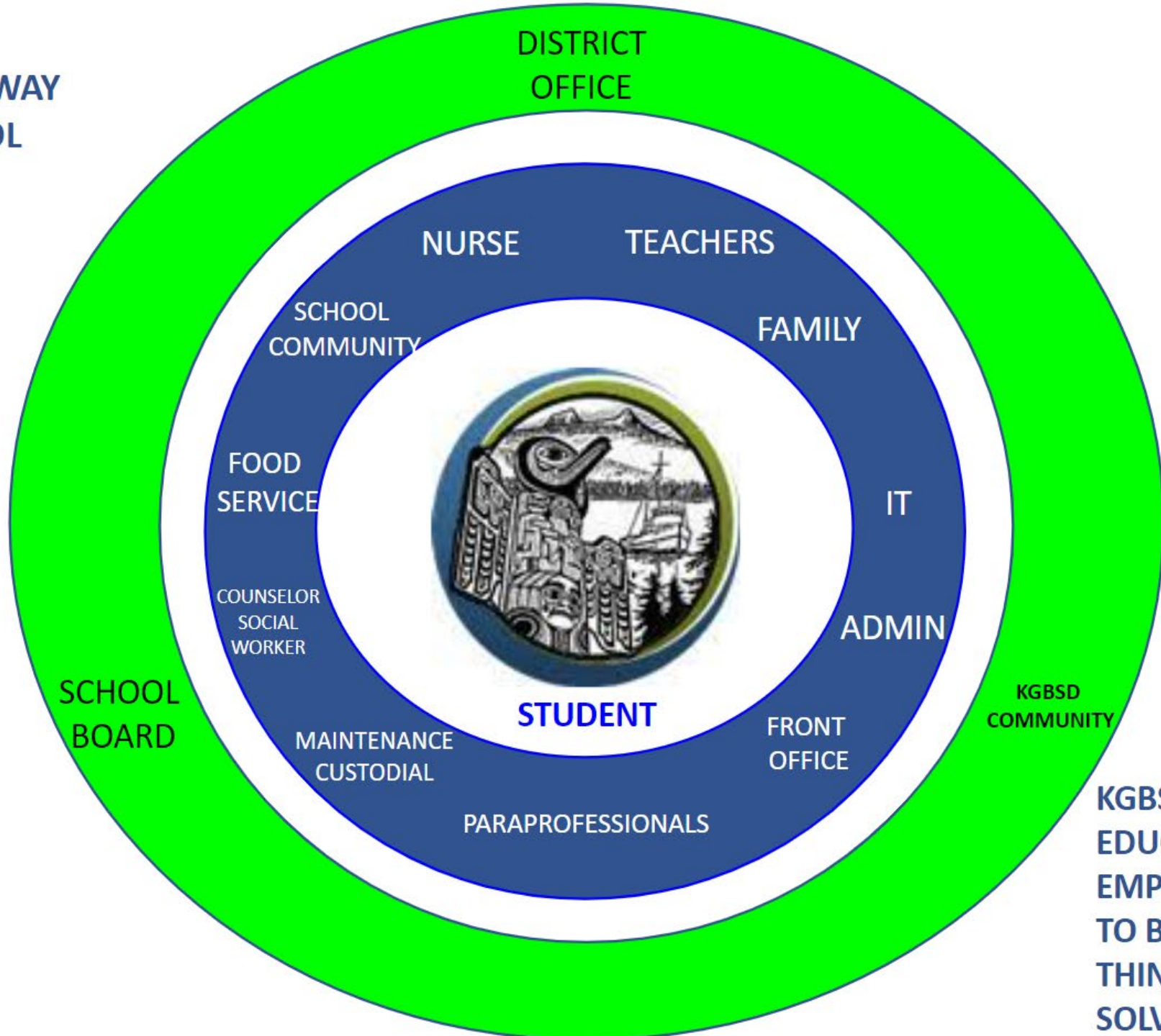


Ketchikan Gateway Borough School District

FY25 Budget

Relationships – Engagement – Student Centered

**KETCHIKAN GATEWAY
BOROUGH SCHOOL
DISTRICT**



**KGBSD GRADUATE:
EDUCATING AND
EMPOWERING STUDENTS
TO BE LEADERS, CRITICAL
THINKERS AND PROBLEM
SOLVERS.**



Increased Graduation Rate



Decrease Drop Out Rate



Special Education Compliance



Mental Wellness Program



Multi-Tiered System of Support



READS Act Implementation



Graduation Plan for all students who are off track



Career and Technical Education

KGBSD Achievements





Credit Recovery Program



AVID Program



New Code of Conduct based on Trauma Engaged Practices



Reduction of Suspension Rates



Professional Development on Trauma Engaged Practices



Strategic Planning and Policy Development



Community and Tribal Relationships



Leadership Development Program

KGBSD
Achievements





FY2024-2025 Board of Education Strategic Goals

- Goal #1 – Graduation Rate

KGBSD will increase student graduation rate to 90%.

- Goal #2 – Growth

50% of students in grades 3 through 9 are expected to achieve their targeted growth scores in both reading and math assessments.

- Goal #3 – Proficiency

60% students in 4th and 8th grades who have been students in the KGBSD for five or more years or will score proficient in reading and math.



FY2024-2025 Board of Education Strategic Goals

- Goal #4 – Communication
Establish and implement a comprehensive communication plan with standardized processes and tools.
- Goal #5 – Social-Emotional Goal
Students will respond with average % positive ratings on questions regarding on Socio-Emotional Learning.
- Goal #6 – Career & Technical Ed. (CTE)
Create fully-developed pathways in the current CTE areas.



Initial FY2024-2025 Budget Assumptions

The overarching budget assumption for FY2024-2025 is to create a spending plan designed to continue the successful educational programming detailed in the preceding slides.

At issue with doing so is that the funding side of the equation of building a balanced budget is essentially outside the control of the KGBSD Board of Education and Administration. While the Board and the Administration, as well as the Borough Assembly, KGBSD staff and Ketchikan community members, have made efforts for their voices to be heard in Juneau that the children of Ketchikan, as well as all other communities across the State of Alaska, deserve to have the same opportunities as other departments funded by the State of Alaska (SOA) as seen in the next slide.



Initial FY2024-2025 Budget Assumptions

SOA Changes Since 2017

| | FY17 | FY25 | \$ Change | % Change |
|------------------------------|----------------------|----------------------|---------------------|--------------|
| Department of Corrections | 315,917,400 | 450,652,700 | 134,735,300 | 42.6% |
| Governor's Office | 25,880,400 | 31,917,900 | 6,037,500 | 23.3% |
| Legislature | 65,549,200 | 82,416,100 | 16,866,900 | 25.7% |
| EED Total | 1,614,209,100 | 1,635,793,300 | 21,584,200 | 1.3% |
| <i>K-12 Aid to Districts</i> | <i>1,281,045,300</i> | <i>1,237,612,700</i> | <i>(43,432,600)</i> | <i>-3.4%</i> |
| <i>Other DEED operations</i> | <i>333,163,800</i> | <i>398,180,600</i> | <i>65,016,800</i> | <i>19.5%</i> |
| Public Safety | 189,033,400 | 321,332,400 | 132,299,000 | 70.0% |
| Fish and Game | 203,720,200 | 248,279,100 | 44,558,900 | 21.9% |
| Natural Resources | 155,984,600 | 209,100,500 | 53,115,900 | 34.1% |

<https://omb.alaska.gov/fiscal-year-2017-enacted-budget/>

<https://omb.alaska.gov/fiscal-year-2025-amended-budget/>



FY2024-2025 Budget Assumptions - UPDATED

- During the April 10th Board of Education Workshop on the initial pass of the FY2024-2025 Budget document, the Board of Education was provided information on a spending plan designed to keep in place the current educational programming and provide funding for two additional items: repayment of the existing health insurance liability to the Borough and the restoration of an unrestricted fund balance in the Operating Fund.
- Additionally, information was provided on what the imbalance would look like with respect to being funded by the SOA Foundation Formula with a Base Student Allocation of \$5,960 while assuming a full funding of the Foundation Formula maximum local contribution from the Borough.



FY2024-2025 Budget Assumptions – UPDATED FURTHER!

After the Board's direction on April 10th, the Borough/School Board Liaison Committee held a meeting on April 16th and the School Board Finance Committee met on April 17th.

- At the Liaison Committee meeting, the Borough indicated a plan for funding the Local Education Fund (LEF) using a portion of the maximum local contribution allowed under the Foundation Formula as a draw down on the health insurance liability
and
- At the Finance Committee, the Board provided additional direction to the Administration to implement the Borough planned funding of the LEF in the FY2024-2025 Proposed Budget



FY2024-2025 Budget Assumptions – UPDATED FURTHER!

Projected Foundation Formula Calculation – District Adjusted ADM (Based on BSA of \$5,960)

| School | Numbers | | SPED | Average Daily Membership | | | School Size |
|--|---------|--------|--------------------|--------------------------|-----------------|-----------------|-----------------|
| | KGBSD | DEED | Intensive FY 25 | FY23 | FY24 | FY 25 | ADM |
| Fast Track | 191 | 258010 | | 78.85 | 78.85 | 86.00 | |
| Fawn Mountain Elementary | 113 | 250050 | 27 | 226.75 | 226.75 | 205.44 | 277.97 |
| Houghtaling Elementary | 111 | 250010 | 29 | 304.10 | 304.10 | 272.15 | 347.58 |
| Ketchikan Charter School | 115 | 259010 | 14 | 198.10 | 198.10 | 180.82 | 251.39 |
| Ketchikan High School | 130 | 250020 | 22 | 499.58 | 499.58 | 528.62 | 589.93 |
| Point Higgins School | 114 | 250100 | 17 | 229.95 | 229.95 | 216.38 | 289.79 |
| Revilla Jr/Sr High School | 139 | 257010 | 2 | 100.85 | 100.85 | 97.29 | 89.51 |
| Schoenbar Middle School | 120 | 250040 | 7 | 269.00 | 269.00 | 263.27 | 338.97 |
| Tongass School of Arts and Sciences Charter School | 116 | 259020 | 5 | 135.90 | 135.90 | 123.48 | 179.05 |
| Totals | | | 123 | 2,043.08 | 2,043.08 | 1,973.46 | 2,364.19 |

| | Factors | Adjusted ADM |
|---|---------|-----------------|
| Adjusted ADM based on school size factors | | 2,364.19 |
| Hold Harmless | | 0.00 |
| Adjusted ADM and Hold Harmless | | 2,364.19 |
| Adjustments to District ADM - Multipliers: | | |
| District Cost Factor | | 1.170 |
| Voc Ed, Special Ed, and ESL | | 1.200 |
| Career Technology | | 1.015 |
| Other Adjustments to District ADM: | | |
| Plus Students Qualifying for Intensive Needs | 123 | 13.000 |
| Plus Correspondence (Fast Track) | | 86.00 |
| Pre-School | | 0.900 |
| District Adjusted ADM | | 5,045.51 |



FY2024-2025 Budget Assumptions – UPDATED FURTHER!

Projected Foundation Formula Calculation – District Adjusted ADM (Based on BSA of \$5,960)

REVENUE

| | | |
|---|-------|-----------------------------|
| Basic Need (District Adjusted ADM times Base Student Allocation) | 5,960 | Revenue 30,071,240 |
| Less Required Local Effort (2.65 mills of assessed valuation [2,166,605,376] as of 1/1/23 per state assessor) | | <u>5,741,504</u> |
| State Foundation Funding | | <u><u>24,329,736</u></u> |
| Quality Schools' Funding | 16 | <u>80,728</u> |
| READS Act Multiplier | | <u> </u> |
| <u>Maximum Local Funding</u> | | |
| Required Local Effort | | <u>5,741,504</u> |
| Plus 23% of | | |
| Basic Need | 23% | 6,916,385 |
| Quality Schools' | 23% | 18,567 |
| Legislative Opportunity Grant | 23% | 0 |
| <i>Total Discretionary Local Funding</i> | | <u>6,934,952</u> |
| Maximum Local Funding | | <u><u>12,676,456</u></u> |
| <u>In-Kind Contribution</u> | | |
| Estimated Liability and Property Insurance (A District expenditure) | | 355,000 |
| Estimate for Fire Protection and Pool Use (Not a District expenditure) | | <u>186,000</u> |
| <i>Total In-Kind</i> | | 541,000 |
| Maximum Local Direct Borough Appropriation | | <u><u>12,135,456</u></u> |
| <u>Recap</u> | | |
| Required Local Effort | | 5,741,504 |
| Maximum Discretionary Contribution | | <u>6,393,952</u> |
| Maximum Local Direct Borough Appropriation | | 12,135,456 |
| In-Kind Borough Appropriation | | <u>355,000</u> |
| Total Request from Borough | | <u><u>12,490,456</u></u> |



FY2024-2025 Budget Assumptions – UPDATED FURTHER!

Projected Foundation Formula Resulting Local Borough Appropriations Funded to Cap/with Health Insurance Debt Repayment (Based on BSA of \$5,960)

| <i>Description</i> | <i>FY2022-2023 Actuals Per Annual Audit</i> | <i>FY2023-2024 Approved Budget</i> | <i>FY2024-2025 Proposed Budget</i> | <i>Increase or Decrease over FY2023-2024</i> | <i>%\$</i> |
|--|---|--|--|--|---------------|
| Borough Cash Appropriation: | | | | | |
| Required Local Effort | 5,318,687 | 5,584,814 | 5,741,504 | 156,690 | 2.81% |
| (based on 2.65 mills of assessed value as determined by the state assessor) (source: Department of Education & Early Development) | | | | | |
| Discretionary Contribution | 6,094,926 | 6,925,327 | 6,393,952 | (531,375) | -7.67% |
| | | | Less: KGBSD Debt Forgiveness | (700,000) | |
| Total Borough Cash Appropriation | 11,413,613 | 12,510,141 | 11,435,456 | (1,074,685) | -8.59% |
| In-Kind Appropriation: | 957,015 | 273,000 | 355,000 | 82,000 | 30.04% |
| Total Borough Local Appropriations | \$ 12,370,628 | \$ 12,783,141 | \$ 11,790,456 | \$ (992,685) | -7.77% |

Projected FY2024-2025 Local Education Fund Appropriations Request to the Ketchikan Gateway Borough (includes in-kind appropriation for property insurance)

\$ 11,790,456



FY2024-2025 Budget Assumptions – UPDATED FURTHER!

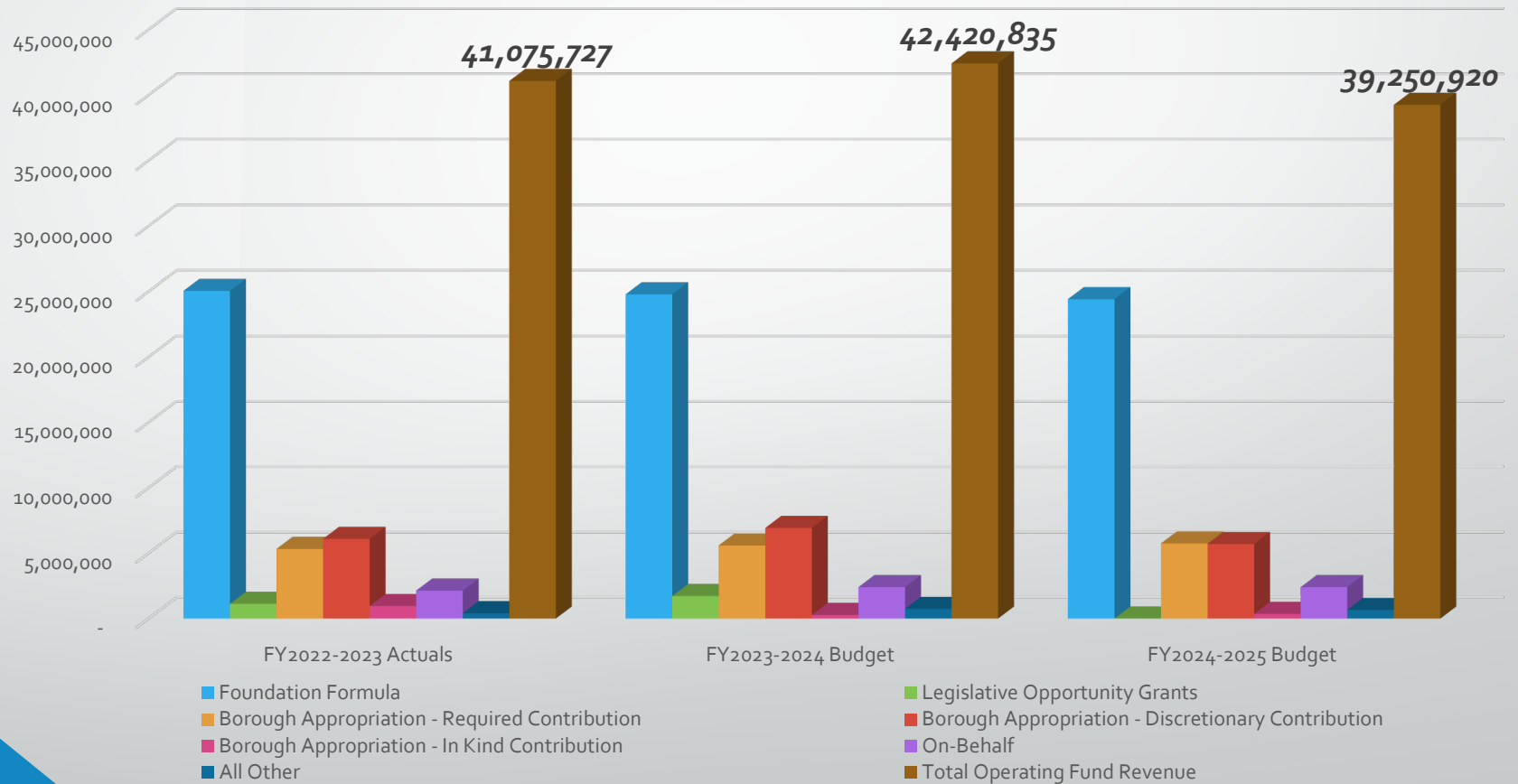
Projected Operating Fund Revenues – District Adjusted ADM (Based on BSA of \$5,960) **& Borough Projected Local Education Fund**

| Description | FY2022-2023 Actual Revenues (Per Annual Audit) | FY2023-2024 Revised Budget | FY2024-2025 Proposed Budget | Increase or Decrease over FY2023-2024 | % Change |
|---|---|---------------------------------------|--|--|-----------------|
| Borough Direct Appropriations | 11,413,613 | 12,510,141 | 11,435,456 | (1,074,685) | (8.59%) |
| Borough In-kind Services Appropriations | 957,015 | 273,000 | 355,000 | 82,000 | 30.04% |
| Interest Income | 0 | 0 | 185,000 | 185,000 | 0.00% |
| Other Local Revenues | 65,616 | 60,000 | 75,000 | 15,000 | 25.00% |
| E-rate Revenue | 205,670 | 110,000 | 214,000 | 104,000 | 94.55% |
| Foundation Program | 24,958,707 | 24,698,125 | 24,329,736 | (287,661) | (1.16%) |
| Quality Schools | 81,693 | 79,954 | 80,728 | 774 | 0.97% |
| Legislative Opportunity Grants | 1,123,067 | 1,723,559 | 0 | (1,723,559) | (100.00%) |
| TRS Revenue On-behalf | 1,925,306 | 2,181,300 | 2,181,300 | 0 | 0.00% |
| PERS Revenue On-behalf | 206,794 | 214,700 | 214,700 | 0 | 0.00% |
| Other State Revenues | 8,630 | 10,000 | 15,000 | 5,000 | 50.00% |
| Medicaid Reimbursement | 0 | 100,000 | 150,000 | 50,000 | 50.00% |
| Other Fed Sources | 129,616 | 460,056 | 15,000 | (445,056) | (96.74%) |
| Total Revenues | 41,075,727 | 42,420,835 | 39,250,920 | (3,089,187) | (7.28%) |



FY2024-2025 Budget Assumptions – UPDATED FURTHER!

FY2024-2025 Proposed Budget - Estimated Operating Fund Revenues BSA 5960





FY2024-2025 Budget Assumptions – UPDATED FURTHER!

As a result of the direction provided by the Board of Education, the District has provided a menu of areas for the Board's consideration as to where expenditure reductions could occur in the FY2024-2025 Proposed Budget.

With salaries, associated employee benefits and utilities composing over 92% of the spending plan, there are limited options from which to draw upon to recommend expenditure reductions. Those options are as follows:

- Certificated/Classified/Administrative Salaries (FTE reductions)
- Associated Employee Benefits (Health & Welfare Insurance; Payroll Taxes; Pension Contributions)
- Extra Duty Stipends
- Athletics
- Non-Student Travel
- Borough Health Insurance Liability Repayment (now included in the reduction of revenue, thereby increasing expenditure side cuts)
- Operating Fund Restoration of Unrestricted Fund Balance (possibly achieved by the size of other expenditure cuts)

FY2024-2025 Budget Assumptions – UPDATED FURTHER!

| Description | FY2020-2021 Actual | FY2021-2022 Actual | FY2022-2023 Actual | FY2023-2024 Original Budget | FY2023-2024 Budget Revisions | FY2023-2024 Revised Budget | FY2024-2025 Proposed Budget | Budget FY2021-2022 FTE | Budget FY2022-2023 FTE | Budget FY2023-2024 FTE | Proposed FY2024-2025 FTE |
|---|-----------------------|-----------------------|-----------------------|-----------------------------------|------------------------------------|----------------------------------|-----------------------------------|------------------------------|------------------------------|------------------------------|--------------------------------|
| Salaries | | | | | | | | | | | |
| Certified Salaries | 15,612,562 | 15,922,998 | 16,600,919 | 15,818,535 | 304,000 | 16,122,535 | 16,652,200 | 188.02 | 195.95 | 176.95 | 180.27 |
| <i>Certified Salaries CUTS</i> | | | | | | | (2,471,512) | | | | (31.00) |
| Classified Salaries | 7,196,557 | 6,811,030 | 7,326,713 | 6,565,041 | 754,956 | 7,319,997 | 7,438,482 | 197.31 | 190.31 | 163.81 | 169.81 |
| <i>Classified Salaries CUTS</i> | | | | | | | (418,217) | | | | (9.50) |
| <i>Administrative CUTS</i> | | | | | | | (407,737) | | | | (4.00) |
| Total Salaries | 22,809,120 | 22,734,028 | 23,927,632 | 22,383,576 | 1,058,956 | 23,442,532 | 20,793,216 | 385.33 | 386.26 | 340.76 | 305.58 |
| Employee Benefits | | | | | | | | | | | |
| Insurance - Life and Health | 5,318,361 | 4,423,076 | 5,634,950 | 6,698,817 | 462,150 | 7,160,967 | 7,869,906 | - | - | - | - |
| <i>Insurance - Life and Health CUTS</i> | | | | | | | (935,550) | | | | |
| On Behalf Retirement Payments | 3,471,264 | 3,582,898 | 2,132,100 | 2,396,000 | - | 2,396,000 | 2,396,000 | - | - | - | - |
| Other Employee Benefits | 4,475,120 | 4,361,647 | 4,635,197 | 4,475,022 | 41,330 | 4,516,352 | 4,824,479 | - | - | - | - |
| <i>Other Employee Benefits CUTS</i> | | | | | | | (540,763) | | | | |
| Total Employee Benefits | 13,264,746 | 12,367,621 | 12,402,248 | 13,569,839 | 503,480 | 14,073,319 | 13,614,072 | 0.00 | 0.00 | 0.00 | 0.00 |
| Utilities | 1,670,024 | 1,896,405 | 2,018,562 | 1,787,400 | - | 1,787,400 | 1,775,750 | - | - | - | - |
| Services | 1,487,756 | 2,405,065 | 2,549,510 | 1,811,600 | 133,998 | 1,945,598 | 2,400,250 | - | - | - | - |
| <i>Activities CUTS</i> | | | | | | | (619,911) | | | | |
| <i>Extra Duties CUTS</i> | | | | | | | (140,499) | | | | |
| <i>Non-student travel CUTS</i> | | | | | | | (60,500) | | | | |
| Supplies and Equipment | 1,674,139 | 1,524,658 | 1,661,842 | 560,874 | 611,112 | 1,171,986 | 1,551,902 | - | - | - | - |
| <i>Borough Health Insurance Repayment (CUT)</i> | | | | | | | (500,000) | | | | |
| <i>Operating Fund Restoration of Fund Balance (CUT)</i> | | | | | | | (315,730) | | | | |
| Total Services, Supplies & Equipment | 4,831,919 | 5,826,129 | 6,229,914 | 4,159,874 | 745,110 | 4,904,984 | 4,091,263 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Expenditures | 40,905,784 | 40,927,777 | 42,559,794 | 40,113,289 | 2,307,546 | 42,420,835 | 38,498,551 | 385.33 | 386.26 | 340.76 | 305.58 |