

MEMORANDUM

TO: NWABSD Board of Education Members **DATE:** June 23, 2026
NUMBER: 26-201
FR: Office of the Superintendent **SUBJECT:** Approval of FY27 General
Fund Operating Budget
Revision #1

ABSTRACT:

The School Board shall establish and maintain a balanced budget.

ISSUE:

At issue is the approval of the FY26 General Fund Operating Budget Revision #1.

BACKGROUND AND/OR PERTINENT INFORMATION:

The FY27 General Fund Operating Budget was approved and adopted at the May 1, 2026 special meeting, which includes:

- Revenue Plan of \$73,049,040
- Expenditure Plan of \$72,046,090
- Transfer In from Investment Account in the amount of \$3,000,000
- Transfers Out to Other Funds in the amount of \$1,753,000

Presented to you is Budget Revision #1 for the FY27 Operating Fund Budget:

- Revenues: \$73,302,780
- Expenditures: \$72,046,090
- Transfer In from Investment Account in the amount of \$3,000,000
- Transfers Out to Other Funds in the amount of \$1,753,000

Changes to the approved FY27 budget reflect the approved Borough Appropriation for FY27 and anticipated additional K-12 funding approved by Alaska legislation.

ALTERNATIVES:

1. Approve Revision #1 of the FY27 District Operating Fund Budget as presented;
2. Disapprove Revision #1 of the FY27 District Operating Fund Budget as presented;
3. Take no action.

ADMINISTRATION'S RECOMMENDATION:

The administration recommends the Board approval of the FY27 General Fund Operating Budget, Revision #1 as presented.

Northwest Arctic Borough School District
FY27 Budget

	FY27	FY27	CHANGES	NOTES
	(0) BUDGET	REVISION #1		
REVENUE				
Other Local Revenue	\$1,500,000	\$1,500,000	\$0	
Earnings on Investments	\$770,000	\$770,000	\$0	
Borough Appropriation	\$9,395,239	\$6,718,129	(\$2,677,110)	
E-rate Program	\$11,609,460	\$11,609,460	\$0	
State Foundation	\$39,460,270	\$42,391,070	\$2,930,800	assumed add'l K-12 funding
Quality Schools	\$102,350	\$102,350	\$0	
TRS On-behalf	\$3,214,972	\$3,214,972	\$0	
PERS On-behalf	\$664,905	\$664,905	\$0	
Revenue-Other State Sources	\$2,671,180	\$2,671,180	\$0	
Impact Aid Program	\$3,660,714	\$3,660,714	\$0	
TOTAL REVENUES	\$73,049,090	\$73,302,780	\$253,690	
TRANSFERS IN				
CIP Reserved Local Share	\$0	\$0		
Investment Account	\$3,000,000	\$3,000,000	\$0	
TOTAL TRANSFERS IN	\$3,000,000	\$3,000,000	\$0	
EXPENSES				
Certificated Salaries	\$14,600,729	\$14,650,729	\$50,000	correction
Non-Certificated Salaries	\$8,189,145	\$8,189,145	\$0	
Leave Pay Out	\$364,000	\$364,000	\$0	
Stipends	\$87,750	\$87,750	\$0	
Employee Benefits	\$10,039,267	\$10,039,267	\$0	
TRS On-behalf	\$3,214,972	\$3,214,972	\$0	
PERS On-behalf	\$664,905	\$664,905	\$0	
SUBTOTAL: Personnel	\$37,160,767	\$37,210,767	\$50,000	
Prof & Technical Services	\$5,264,474	\$5,214,474	(\$50,000)	correction
Staff Travel	\$324,900	\$324,900	\$0	
Board Travel	\$49,930	\$49,930	\$0	
Student Travel	\$866,000	\$866,000	\$0	
Utility Services	\$13,740,402	\$13,740,402	\$0	
Energy (w/ electricity & fuel)	\$6,652,600	\$6,652,600	\$0	
Other Purchased Services	\$4,506,556	\$4,506,556	\$0	
Property & Liability Insurance	\$1,481,641	\$1,481,641	\$0	
Supplies, Materials & Media	\$2,025,785	\$2,025,785	\$0	
Tuition	\$40,000	\$40,000	\$0	
Dues & Fees	\$128,035	\$128,035	\$0	
Inventoried Equipment	\$130,000	\$130,000	\$0	
Indirect Cost Recovery	(\$325,000)	(\$325,000)	\$0	
SUBTOTAL: Non-Personnel	\$34,885,323	\$34,835,323	(\$50,000)	
TOTAL EXPENSES	\$72,046,090	\$72,046,090	\$0	
TRANSFERS OUT				
Food Service Fund	\$0	\$0	\$0	
ATC	\$1,103,000	\$1,103,000	\$0	
Star of the NW-Magnet School	\$250,000	\$250,000	\$0	
Teacher Housing Fund	\$400,000	\$400,000	\$0	
Capital Projects	\$0	\$0	\$0	
Special Revenue Fund	\$0	\$0	\$0	
TOTAL TRANSFERS OUT	\$1,753,000	\$1,753,000	\$0	
INC/(DEC)-UNRESERVED FB	\$2,250,000	\$2,503,690	\$253,690	
FY26 Fund Balance	\$0	\$0		
Decrease in Fund Balance	(\$2,250,000)	(\$2,503,690)		
Est. FY 26 Prepaid & Inventory	\$2,250,000	\$2,250,000		
Projected FY27 Fund Balance	(\$0)	\$253,690		

**NORTHWEST ARCTIC BOROUGH ASSEMBLY
RESOLUTION 26-23**

**A RESOLUTION OF THE NORTHWEST ARCTIC
BOROUGH ASSEMBLY PROVIDING FOR THE FY27
LOCAL CONTRIBUTION TO EDUCATION.**

WHEREAS: as a home rule borough, the Northwest Arctic Borough is required to provide a local contribution to education; and

WHEREAS: the State of Alaska requires that the Borough contribute a minimum of \$2,454,223 toward education for FY27 based on 2.65 mils of the Borough's full-value determination; and

WHEREAS: the Northwest Arctic Borough wishes to support education with a total general fund appropriation in the amount of \$6,718,129 for FY27; and

WHEREAS: the Northwest Arctic Borough proposes a general fund appropriation for educational support in the amount of \$6,718,129 through Ordinance 26-06, Account #9004, adopting and approving the Borough's FY27 line-item budget.


NOW THEREFORE BE IT RESOLVED: that the Northwest Arctic Borough Assembly hereby adopts the local contribution in aid of education in the amount of \$6,718,129 for FY27.

PASSED AND ADOPTED THIS 27th DAY OF MAY 2026.



Craig McConnell, Assembly President

PASSED AND APPROVED THIS 27th DAY OF MAY 2026.



Dickie Moto, Sr., Mayor

SIGNED AND ATTESTED TO THIS 27th DAY OF MAY 2026.



Stella Atoruk, Borough Clerk

ATTEST:





NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Ambler · Buckland · Deering · Kiana · Kivalina · Kobuk · Kotzebue · Noatak · Noorvik · Selawik · Shungnak
PO Box 51 · Kotzebue, Alaska 99752 · Phone (907) 442-1800

April 29, 2026

Northwest Arctic Borough
P.O. Box 1110
Kotzebue, AK 99752

RE: Request for Local Funding for NWABSD FY27 Operating Budget

Dear Mayor Moto & Assembly,

The Northwest Arctic Borough School District is requesting a maximum local contribution of \$12,334,023.

The School District is looking at a large deficit for the 2026-2027 School Year. Without an increase in revenue, NWABSD will have to make substantial reductions to district-wide staffing and programs.

Local Contribution Request:

Required Local Contribution	\$ 2,454,223	— Included in Projected 2026-2027 budget
Borough Usage Fee	\$ 4,263,906	— Returned to Borough in lieu of rent
Additional Support Request	<u>\$ 5,615,894</u>	
Total	\$ 12,334,023	— maximum local contribution (Jan. 2026 OASIS report)

Each year, NWABSD spends approximately \$12 million (20%) of General Operating Funds on the operations and maintenance of the Borough-owned school facilities, as well as leasing the buildings from the Borough for \$4,263,906.

On behalf of the School Board of Education, staff and students of Northwest Arctic Borough School District, thank you for your consideration in providing the maximum local contribution our communities.

Quyaana,

Terri Walker

Terri Walker

Superintendent

MISSION: To provide a learning environment that inspires and challenges students and employees to excel
VISION: To graduate all students with the knowledge, skills, and attitudes necessary for a successful future

MEMORANDUM

TO: NWABSD Board of Education Members **DATE:** May 1, 2026
NUMBER: 26-157
FR: Office of the Superintendent **SUBJECT:** Adoption of FY27 Operating Fund Budget

ABSTRACT:

The School Board shall establish and maintain a balanced budget.

ISSUE:

At issue is the adoption of the Fiscal Year 2026-2027 Operating Fund Budget.

BACKGROUND AND/OR PERTINENT INFORMATION:

The FY27 Operating Fund Budget is being presented for adoption. Proposed actions to balance the budget were presented and discussed at the budget work session on March 23, 2026. The Board of Education and Superintendent created the FY27 Operating Fund Budget based off estimated increases to expenditures and decrease to revenues.

Presented to you for adoption is the FY27 Operating Fund Budget, which includes:

- Revenue Plan of \$73,049,090
- Expenditure Plan of \$72,046,090
- Transfer In from Investment Account in the amount of \$3,000,000
- Transfers Out to Other Funds in the amount of \$1,753,000

The FY27 Operating Budget includes the following:

- Increase targeted student:teacher ratio
- Reduce DO Administrator contracts
- Reduce Student Activities
- Reduce Board of Education budget
- Reduce Property Services budget

Further reductions may be needed if revenue and fund balance actuals differ from projections

The District Administration will continue to look for revenue sources to pay for these important programs.

ALTERNATIVES:

1. Adopt the FY27 Operating Fund Budget as presented;
2. Disapprove the FY27 Operating Fund Budget as presented;
3. Take no action.

ADMINISTRATION'S RECOMMENDATION:

The administration recommends adoption of the FY27 Operating Fund Budget as presented.

Northwest Arctic Borough School District
FY27 Budget - Preliminary

	FY26	FY27
	<u>REVISION #4</u>	(0) BUDGET
<u>REVENUE</u>		
Other Local Revenue	\$1,500,000	\$1,500,000
Earnings on Investments	\$770,000	\$770,000
Borough Appropriation	\$10,216,250	\$9,395,239
E-rate Program	\$11,609,460	\$11,609,460
State Foundation	\$39,931,648	\$39,460,270
Quality Schools	\$105,427	\$102,350
TRS On-behalf	\$2,939,737	\$3,214,972
PERS On-behalf	\$568,837	\$664,905
Revenue-Other State Sources	\$821,180	\$2,671,180
Impact Aid Program	\$3,941,882	\$3,660,714
TOTAL REVENUES	\$72,404,421	\$73,049,090
<u>TRANSFERS IN</u>		
CIP Reserved Local Share	\$2,300,000	\$0
Investment Account	\$0	\$3,000,000
TOTAL TRANSFERS IN	\$2,300,000	\$3,000,000
<u>EXPENSES</u>		
Certificated Salaries	\$15,391,061	\$14,600,729
Non-Certificated Salaries	\$9,069,172	\$8,189,145
Leave Pay Out	\$325,807	\$364,000
Stipends	\$107,750	\$87,750
Employee Benefits	\$10,444,372	\$10,039,267
TRS On-behalf	\$2,939,737	\$3,214,972
PERS On-behalf	\$568,837	\$664,905
SUBTOTAL: Personnel	\$38,846,737	\$37,160,767
Prof & Technical Services	\$5,234,299	\$5,264,474
Staff Travel	\$556,404	\$324,900
Board Travel	\$83,852	\$49,930
Student Travel	\$1,365,775	\$866,000
Utility Services	\$13,791,802	\$13,740,402
Energy (w/ electricity & fuel)	\$6,086,200	\$6,652,600
Other Purchased Services	\$4,510,276	\$4,506,556
Property & Liability Insurance	\$1,430,168	\$1,481,641
Supplies, Materials & Media	\$2,041,373	\$2,025,785
Tuition	\$40,000	\$40,000
Dues & Fees	\$257,255	\$128,035
Inventoried Equipment	\$55,000	\$130,000
Indirect Cost Recovery	(\$250,000)	(\$325,000)
SUBTOTAL: Non-Personnel	\$35,202,404	\$34,885,323
TOTAL EXPENSES	\$74,049,141	\$72,046,090
<u>TRANSFERS OUT</u>		
Food Service Fund	\$1,200,000	\$0
ATC	\$500,000	\$1,103,000
Star of the NW-Magnet School	\$0	\$250,000
Teacher Housing Fund	\$675,000	\$400,000
Capital Projects	\$440,000	\$0
Special Revenue Fund	\$0	\$0
TOTAL TRANSFERS OUT	\$2,815,000	\$1,753,000
INC/(DEC)-UNRESERVED FB	(\$2,159,719)	\$2,250,000
FY25 Fund Balance	\$4,550,874	
Decrease in Fund Balance	\$2,159,719	(\$2,250,000)
Est. FY 25 Prepaid & Inventory	\$2,000,000	\$2,250,000
Projected FY26 Fund Balance	\$391,155	(\$0)

FY27 BUDGET ADJUSTMENTS	
Increased target Student:Teacher ratio (20:1/27:1) 19 certified, 11 classified positions. Reduce overtime & subs/temps	\$2,827,757
Positions moved to grants	\$848,136
Food Service to be paid by NANA donation	\$1,200,000
Reduced Director, Assistant Director, Coordinator/Specialist/Manager contracts by 10 days (4%)	\$108,522
Reduction of Student Activities	\$696,817
Reductions to Board budget	\$383,852
Reduced anticipated FY 27 increase to Property Services budget (move ATC utilities to ATC Transfer Out= \$353,000)	\$961,260
Reduced anticipated Pre-Paid and Inventory	\$550,000
Total Reductions	\$7,576,344