

Budget Work Session

March 10th, 2026

Board Priorities for Budget
Development

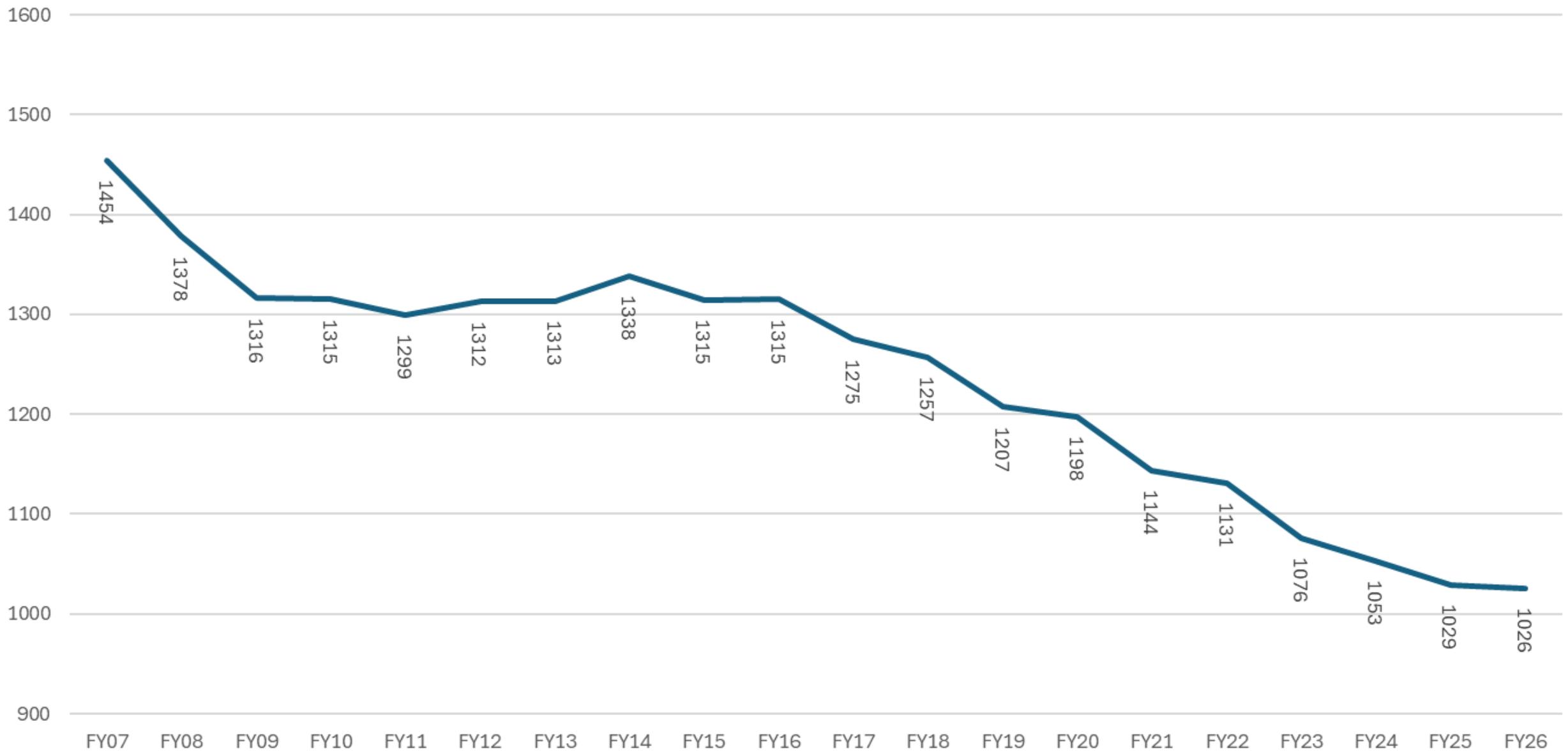
Goals

- 1. Fund Balance discussion (including Secure Rural Schools)**
- 2. Review of foundation formula (revenue)**
- 3. Distribution of expenses (required expenses, staffing, grants, larger budgeted items, etc.)**
- 4. Discuss budget scenarios/considerations: school consolidation, status quo, staff reductions budget, possible health insurance increases,**
- 5. Select dates for staff and public hearings**
- 6. Question development for staff and public hearings**
- 7. Advocacy; what actions/resolutions should we do?**

Goal 1: Fund Balance discussion (including Secure Rural Schools)

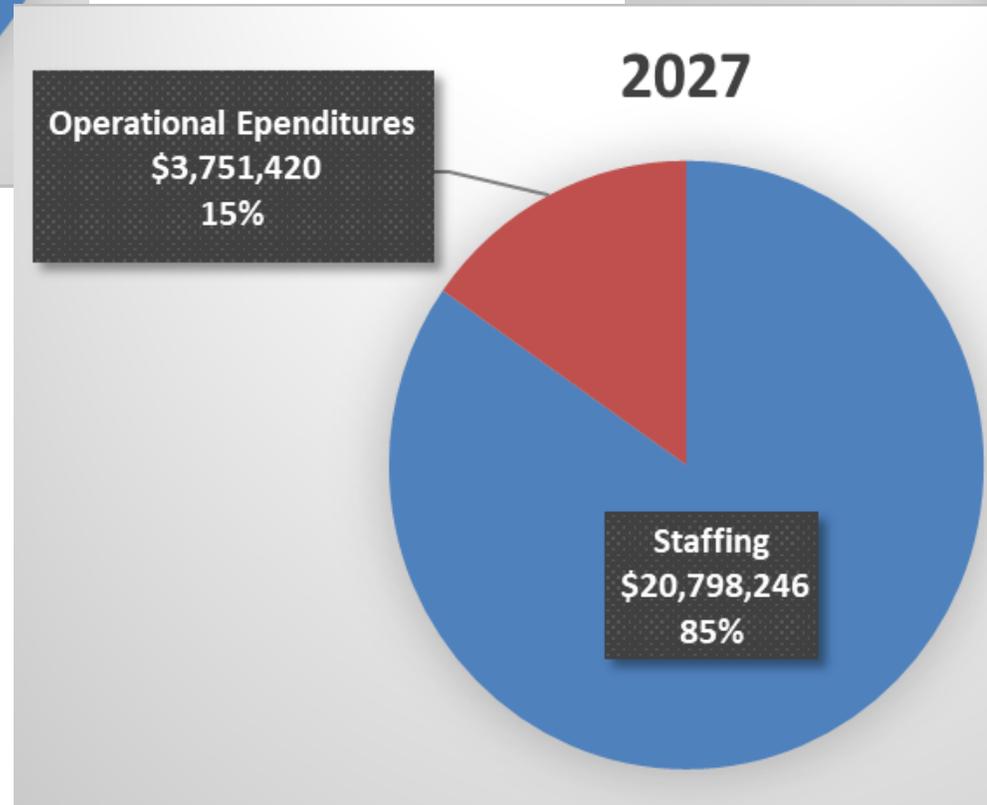
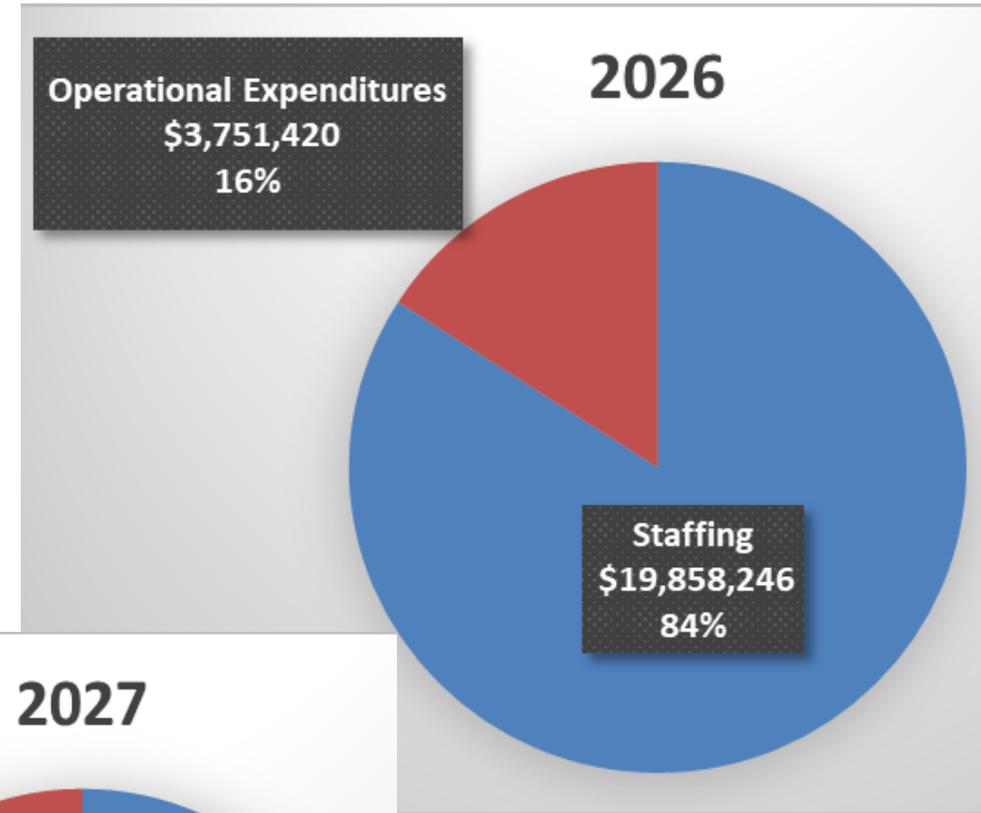
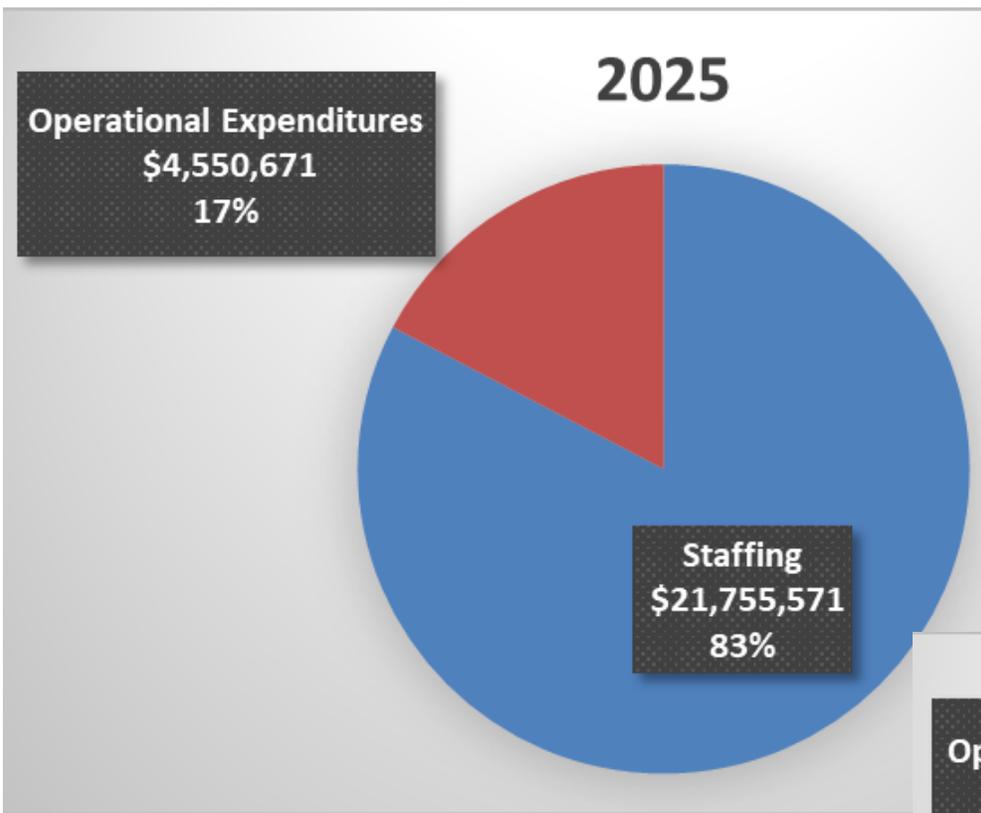
- Budgeted ending FY26 with \$230,817,
- Spending Freeze additional \$250,000
- Anticipated fund balance ending FY26 \$480,817
- Secure Rural Schools –
 - Assembly discussion; save for one-time needs, provide stability.
 - How much do we anticipate? The city received 25% of SRS for FY24=\$14,715. That means if the city receives \$300,000 for FY24 and FY25, we will get \$585,285.
 - FY26 and 27, possibly 1.2M if it's comparable to previous amounts.
 - What if any do we put toward the deficit? Do we use it for one-time expense i.e tech refresh/curriculum?
 - *Possibly* leaving us \$1,785,285. We may know this amount by March 25th.
 - What of the anticipated fund balance (if any)?

Enrollment History



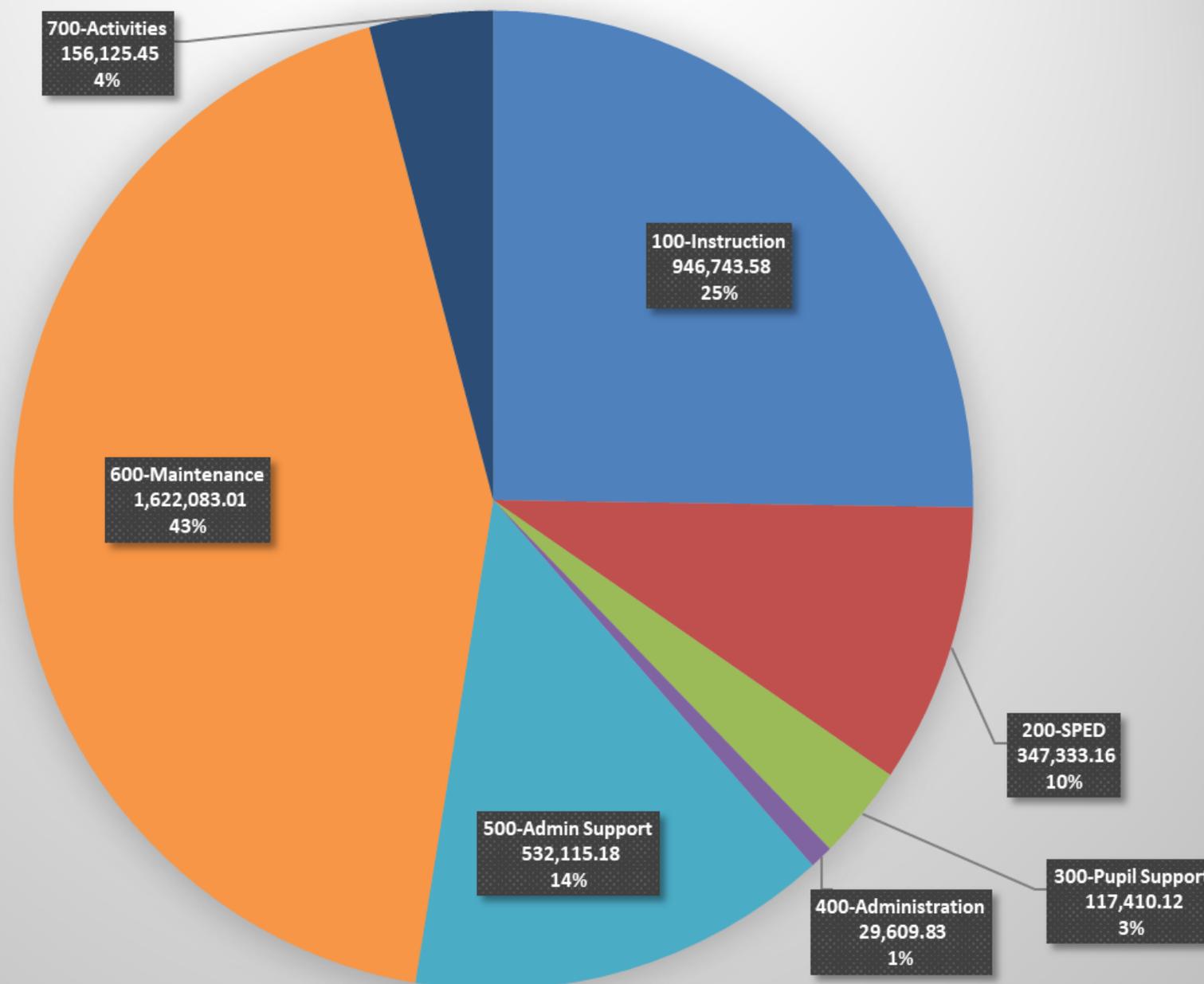
Year	Enrollment	Certified Teachers	Teachers paid by grant funding	Specialists	Special Education Teachers	Admin	Teachers in Director's role	Counsellors
2001	1589							
2002	1609							
2003	1549							
2004	1467							
2005	1478							
2006	1477							
2007	1454							
2008	1378							
2009	1316							
2010	1315							
2011	1399							
2012	1312							
2013	1313							
2014	1338	102	5	4	14	10		5
2015	1315	102	5	4	14	11		5
2016	1315	101	5	4	14	11		5
2017	1376	100	6	4	14	12		6
2018	1257	101	6	4	13	12		6
2019	1189	93	6	4	13	12		6
2020	1184	94	5	4	13	12		5
2021	1066	98.5	5	4	12	10		5
2022	1130	97.5	6	4	14	9		5
2023	1112	90.5	6	5	15	9		6
2024	1053	86	6	5	15	11		6
2025	1031	70	6	5	16	10	2	6
2026	1027	97	7	5	16	9	3	6

Goal 3 Distribution of expenses (required expenses, staffing, grants, larger budgeted items, etc.)



Goal 3 Distribution of expenses (required expenses, staffing, grants, larger budgeted items, etc.) **Operational expenses broken down:**

Operational Expenditures Distribution



100: 40 Extra Duty Contracts=
\$112,000

Teaching Supplies
Equipment Rentals (CTE)
Curriculum

200: SPED Supplies
Student Transportation

300: Guidance, Library Services
Staff Travel (\$40,000 per CBA)
Communication
Cold Water Survival Program
Dues/Fees

400: Office Supplies/Postage
Substitutes

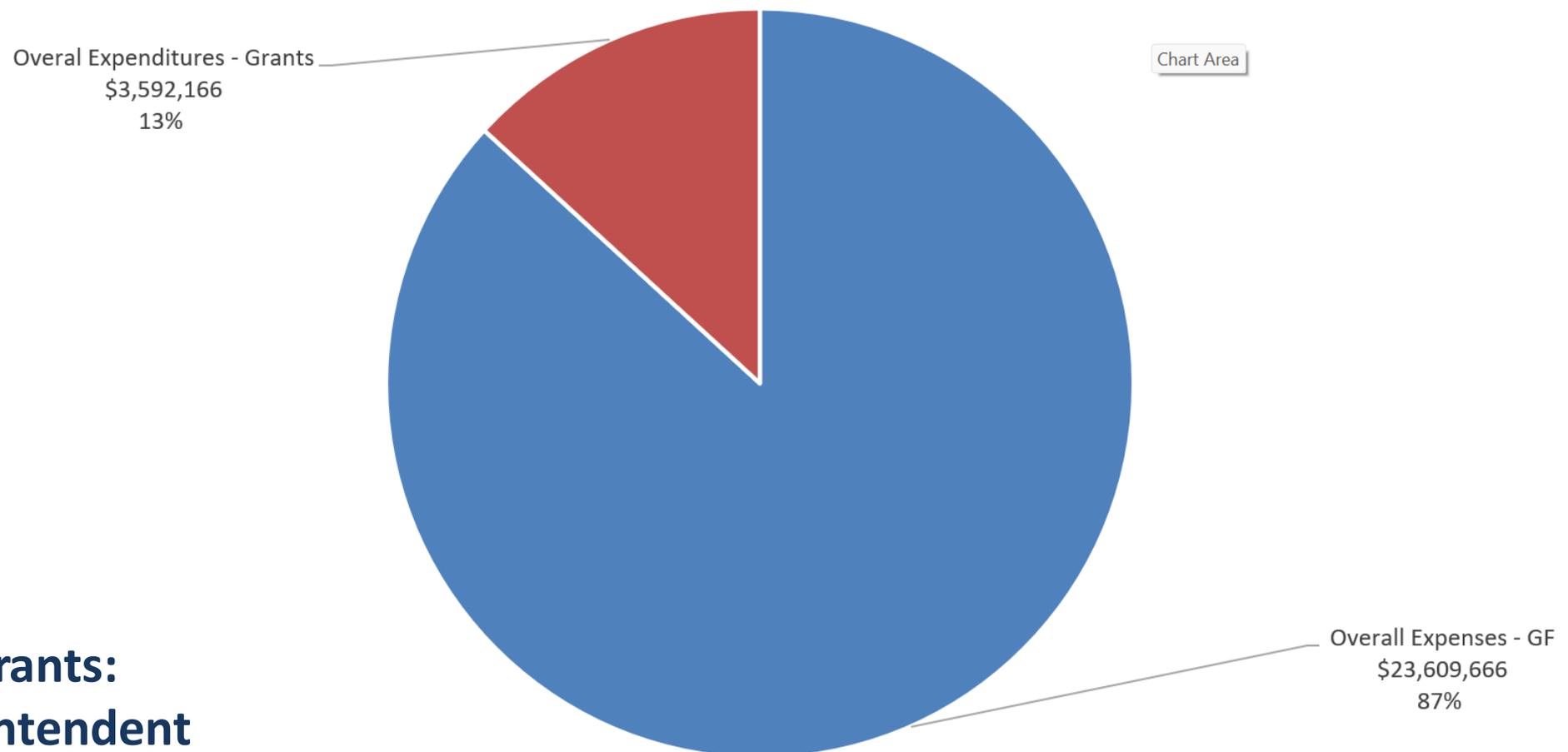
500: Audit/Finance System
School Board Travel/Student Rep
Office Supplies/Postage
Liability Insurance

600: Utilities
Janitorial Contract & Supplies
Property Insurance
Gas/Oil

700: Student Activities Support

Goal 3 Distribution of expenses (required expenses, staffing, grants, larger budgeted items, etc.)

GF vs Grant Funded Expenditures



Staffing covered by Grants:

- .4 Assistant Superintendent
- Almost 7 FTE teachers (1 sped at KGH, .15 counsellor at KGH, .88 intervention at KGH, .85 at PHS and .5 virtual learning, .5 intervention at XTS, 1.0 at SHS, 2.0 ACT (cultural) at XTS and KGH)
- Losing 1 FTE in grant funding going into next year (not included in the above 7)
- 8.5 Classified staff

Goal 4: Discuss budget scenarios/considerations

***School Closures: has been considered the last two years: FY25**

Why Not Buildings?

- **Merging Xoots Elementary and Keet Gooshi Heen Elementary would result in a loss of 73.6 FTE in adjusted enrollment (\$-675k in Foundation Funding)**

AS 14.17.450. School Size Factor.

(a) For purposes of calculating a school's ADM to determine state aid, the ADM of each school in a district shall be computed by applying the following formula:

If the student count in a school is		The adjusted student count is	
At least	But less than	Base	Multiplier
10	- 20	39.6	
20	- 30	39.6 + (1.62 x 20)	
30	- 75	55.8 + (1.49 x 30)	
75	- 150	122.85 + (1.27 x 75)	
150	- 250	218.1 + (1.08 x 150)	
250	- 400	326.1 + (0.97 x 250)	
400	- 750	471.6 + (0.92 x 400)	
750 or over		793.6 + (0.84 x 750)	

Sitka School District

Fiscal Year 2024-2025 Projected

Basic Need Calculation

Base	ADM
Xoots Elementary	150.00
Blatchley Middle School	241.00
Keet Gooshi Heen Elementary	270.00
Pacific High School <i>(ADM Combined with SHS)</i>	-
Sitka High School	373.00
Total	1,034.00

(b) If the ADM in a school is less than 10, those students shall be included in the ADM of the school in that district with the lowest ADM as determined by the most recent student count data for that district

Goal 4: Discuss budget scenarios/considerations

*School Closures: has been considered the last two years: FY26

Goal 4

Does the Board want to close Schools?

		BSA Amt.>	\$ 5,960
School District	FY2026 Proj. ADM	District Adjusted ADM	FY2026 Projected BASIC NEED
Sitka Borough (Using FY2026 Projected ADM ORIGINAL)	1000.00	2,532.56	15,094,058
Sitka Borough (Close Blatchley School) Proceed with phase 2 HH	1000.00	2,468.52	14,712,379
Sitka Borough (Close Blatchley School) Restart HH	1000.00	2,435.59	14,516,116
Sitka Borough (Combine Xoots with KGH)	1000.00	2,486.17	14,817,573
Sitka Borough (PHS Join SHS)	1000.00	2,532.56	15,094,058

Projected Revenue based off 1000 students

Decreased revenue of \$381,679

Decreased revenue of \$577,942

Decreased revenue of \$276,485

No increase or decrease.

Goal 4: Discuss budget scenarios/considerations: school: status quo

- **If we budget status quo we have \$1.2 Million deficit**
- **The average staff member costs approximately \$85,000 - \$120,000**
- **If we reduce approximately the equivalent of 10 positions we will be close to a balanced budget.**

Health Insurance Increases: If we have an increase in 10% health insurance, we have approximately a \$2.1 Million deficit

- **We have gathered a committee together to consider options that would reduce insurance costs**
- **Our broker is planning on coming the end of March to share options with staff and give us our preliminary numbers**

Goal 5: Select dates for staff and public hearings

- **Elementary Staff hearing:**
- **Secondary Staff hearing:**
- **Naa Kahídi: March 4th**
- **Chamber:**
- **School/Parent:**
- **Other:**

Goal 6: Question development for staff and public hearings

Questions: Staff

Questions: Community

Goal 7: Advocacy; what actions/resolutions should we do?

Questions?