

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2023-14

A RESOLUTION OF THE UNALASKA CITY COUNCIL ESTABLISHING THE SUM TO BE MADE AVAILABLE FROM THE CITY OF UNALASKA TO THE UNALASKA CITY SCHOOL DISTRICT FOR FISCAL YEAR 2024

WHEREAS, the Unalaska City School District Fiscal Year 2024 Budget was received by the City of Unalaska by the April 1 deadline in accordance with UCO 2.98.090; and

WHEREAS, within 30 days after receipt of the school budget, the City of Unalaska is required by UCO 2.98.090 to determine the total amount of money to be made available from local sources for school purposes and make available to the Unalaska City School District Board of Education a statement of the sum to be made available; and

WHEREAS, failure to furnish the Board of Education with a statement of the sum to be available would automatically approve the amount requested in the budget by the Unalaska City School District; and

WHEREAS, by June 30 the City Council shall appropriate the amount of funds to be made available from local sources to the Unalaska City School District for educational purposes.

NOW THEREFORE BE IT RESOLVED that the City of Unalaska has established the sum to be made available for local funding of school purposes for fiscal year 2024 to be \$5,495,242, which includes \$4,150,242 for the maximum allowable local contribution and \$1,345,000 in funding beyond the set funding cap.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on April 25, 2023.


Alejandro Tungul
Mayor Pro Tem

ATTEST:


Estkaflen P. Magdaong
Acting City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Clay Darnell, Interim Finance Director
Through: William Homka, Acting City Manager
Date: April 25, 2023
Re: Resolution 2023-14: A Resolution of the Unalaska City Council establishing the sum to be made available from the City of Unalaska to the Unalaska City School District for Fiscal Year 2024

SUMMARY: Unalaska City Code 2.98.090 states that the School Board shall submit the school budget to the City Council by April 1 each year. Within 30 days after receipt of the budget, the City Council must decide on the total to be made available from local sources for school purposes and provide the School Board notice of the amount to be made available. By submitting its budget on March 27, 2023, the school district met the requirements of code. Through Resolution 2023-14, Council will establish the level at which the City will fund the school district for FY24.

PREVIOUS COUNCIL ACTION: Each year Council adopts a resolution indicating the local contribution rate to be made to the School District for the upcoming fiscal year.

BACKGROUND: UCSD is basing their FY24 budget request on the Governor's proposed Base Student Allocation of \$5,960 which represents a \$30 increase from what it has been since 2017. At the time of this writing, the Legislature is in session and there is a chance the BSA could change, in which case the Local Contribution Amount could also change, and only that amount would be paid to the Unalaska City School.

DISCUSSION: The School District submitted their budget on March 27, 2023 and presented their budget to Council on April 11, 2023. Council must indicate the level at which it intends to fund the District by May 1, the 30-day deadline set out in Title 2. Therefore, Council should adopt a resolution indicating the rate (Minimum Required Local Contribution or Maximum Allowable Local Contribution) at which they plan to authorize funding. For several years, the School District has requested funding at the Maximum Allowable Contribution rate plus additional funding. In the past, Council has approved UCSD's requests for the maximum allowed by the cap and for funding that falls outside of the cap.

ALTERNATIVES: The Council has four alternatives:

1. If Council wishes to fund the full request that includes \$4,150,242 for the maximum contribution and \$1,345,000 in funding outside the cap, for a total of \$5,495,242. Resolution 2023-14 will be approved as presented.
2. If Council wishes to fund only at the minimum required local contribution rate, Resolution 2023-14 must be amended to reflect the minimum required level of \$2,365,192 in local funding.

3. If Council wishes to fund only the request for funding at the allowable maximum level, Resolution 2023-14 must be amended to reflect the maximum local contribution level of \$4,150,242.
4. If Council wishes to fund the District's request at a level beyond the minimum required level but less than the maximum amount, Resolution 2023-14 must be amended to reflect that amount at which Council chooses to fund the district.

FINANCIAL IMPLICATIONS: The School District's FY24 Maximum Local Contribution request is \$4,150,242, a 3.89% increase from the amount for FY23. The maximum local request for FY24 has been increased by \$155,332 due to an increase in this year's assessed valuation. The funding level requested for FY 2024 (and shown in the resolution) includes separate appropriations for community schools, preschool, food services, and student activities. The additional funding that falls outside the cap totals \$1,345,000.

LEGAL: Not applicable.

STAFF RECOMMENDATION: Staff recommends that Council adopt Resolution 2023-14 establishing USCD's funding level for FY2024

PROPOSED MOTION: I move to adopt Resolution 2024-14.

CITY MANAGER COMMENTS: I support staff recommendation.

FY24 LOCAL SCHOOL FUNDING
CALCULATION
(4.65 MILS)

REQUIRED LOCAL (2.65 MILS):	\$2,365,192
2.00 MILS TRUE & FULL VALUE:	<u>1,785,050</u>
TOTAL	<u>\$4,150,242</u>