

CITY OF SOLDOTNA
RESOLUTION 2025-006

A RESOLUTION REQUESTING THAT THE STATE OF ALASKA MAKE A MEANINGFUL
INCREASE TO THE BASE STUDENT ALLOCATION (BSA) FOR PUBLIC SCHOOLS

WHEREAS, the State of Alaska is constitutionally obligated to establish and maintain a system of public schools; and

WHEREAS, as per AS 29.35.160, the Kenai Peninsula Borough is required to constitute a borough school district and establish, maintain, and operate a system of public schools on an areawide basis; and

WHEREAS, AS 14.17.470 currently states that the base student allocation, provided by the State, is \$5,960; and

WHEREAS, the State is currently providing about 58% of Kenai Peninsula Borough School District education funding and local, Kenai Peninsula Borough contributions make up a majority of the outstanding balance; and

WHEREAS, education is the single largest budgetary item for the Kenai Peninsula Borough; and

WHEREAS, the base student allocation amount per student has slowly degraded due to an upward inflationary trend in the cost of student education; and

WHEREAS, requiring the Kenai Peninsula Borough to continually increase local contributions to keep pace with rising costs resulting in decreased spending on other essential programs; and

WHEREAS, the Kenai Peninsula Borough School District is facing a budget deficit of just under \$17 million for FY26 which will likely lead to consolidation of schools, significant increases in class sizes, and elimination of programs important to our students and community members; and

WHEREAS, a stagnant BSA amount coupled with a constant upward inflationary trend has eroded away the effectiveness of the formulated Basic Need amount; and

WHEREAS, the Kenai Peninsula Borough has continually increased local contributions to keep pace with these rising costs and has reached the maximum allowable amount resulting in a need to decrease school district spending on programs essential to our students' growth for this upcoming fiscal year; and

WHEREAS, the dollar amount of the BSA directly affects, not only, how much the State will fund the Kenai Peninsula Borough School District, but how much the Kenai Peninsula Borough is allowed to contribute as well; and

WHEREAS, the State has not made meaningful base student allocation increases since fiscal years 2015 through 2017 totaling an additional amount per student of \$250 per student, with the Alaska Reads Act providing an additional \$30 increase in fiscal year 2024; and

WHEREAS, the State has given, much needed one-time funding to Alaska's schools for the past several years which has provided short-term relief, but impedes the ability of school districts to effectively develop annual budgets due to year-to-year funding uncertainties; and

WHEREAS, these one-time funds do truly help relieve budget deficits for a current year, they in no way contribute to a permanent solution, effectively "kicking the can down the road" to be discussed again each year; and

WHEREAS, on February 28, 2023, the Legislative Finance Division Director stated to the House Finance Committee that "today, the base student allocation is the lowest it's been in the last 20 years — adjusted for inflation"; and

WHEREAS, the FY12 value of the BSA in today's dollars would be approximately \$1,800 more than Alaska school districts are currently receiving; and

WHEREAS, an inflationary increase matching this amount would ensure Alaska school districts could continue current educational programs with no anticipated cuts; and

WHEREAS, last legislative session the Alaska State Senate and House members proposed bills to begin addressing this inflationary deficit with increases to the BSA; and

WHEREAS, on March 14, 2024 Governor Dunleavy vetoed SB 140 stating that he could not support the bill because Alaska legislators failed to address teacher recruitment and retention and enhancing charter school opportunities; and

WHEREAS, the 33rd Alaska State Legislature failed to override the veto of SB 140 by one vote; and

WHEREAS, the 34th Alaska State Legislature will now have the opportunity to consider a BSA increase in HB 69 and Governor Dunleavy's education priorities in HB 76 and SB 82; and

WHEREAS, any long-term education package must provide both stable, predictable funding increases and strategic improvements in student achievement and school operations; and

WHEREAS, if passed by the legislature, Governor Dunleavy will be in the position to accept or veto the proposed increases to the base student allocation;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOLDOTNA, ALASKA:

Section 1. That the Council requests a meaningful increase to the base student allocation for Alaskan students in an effort to bridge the fiscal gap created by a lack of inflationary increases to the BSA over the last several years. Additionally, the BSA will be adjusted every year in an amount equivalent to the annual percentage change in the Consumer Price Index for Urban Alaska (CPI) for the December ending previous to the fiscal funding year.

Section 2. That the Council petitions Governor Dunleavy to implement a permanent increase to the base student allocation, to include an annual inflationary adjustment, as brought forth by the Alaska Legislature with no vetoes exercised that would reduce or eliminate the State budget funds needed to successfully make the increase a reality.

Section 2. That copies of this resolution be sent to Governor Dunleavy and the Kenai Peninsula legislative delegation, the President and all members of the Kenai Peninsula Borough School District Board of Education, the President and all members of the Kenai Peninsula Borough Assembly, all members of the Alaska State Senate and all members of the Alaska House of Representatives.

Section 3. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE CITY COUNCIL THIS 26TH DAY OF FEBRUARY 2025.

ATTEST:


John Blankenship, MMC, City Clerk


Paul J. Whitney, Mayor

Yes: Carey, Chilson, Hutchings, Nelson, Parker, Wackler
No: None