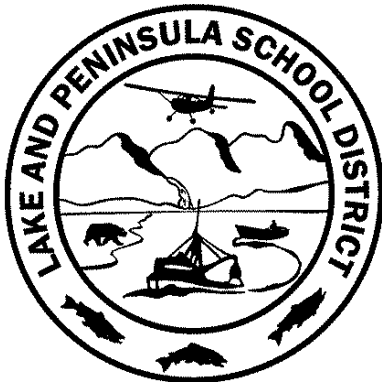


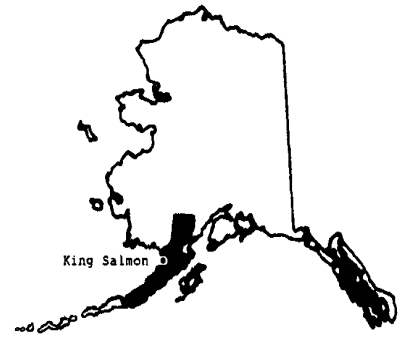
THE LAKE AND PENINSULA SCHOOL DISTRICT
Work Session AGENDA
April 7, 2015, 10:00 AM

Agenda

- | | |
|---|----|
| 1. Budget: 10:00-10:30 | 2 |
| 2. Future Focus: 10:30-11:00 | |
| a. Documents to be given at meeting | |
| 3. Review Small School Processes: 11:00-11:30 | |
| a. Documents to be given at meeting | |
| 4. Clerk Report: 11:30-12:00 | 24 |



THE
LAKE AND PENINSULA
SCHOOL DISTRICT
101 Jensen Drive
P.O. Box 498
King Salmon, Alaska 99613
Phone (907) 246-4280 / Fax (907)
246-4473



Lake and Peninsula School District
FY2016 Projected Budget
July 1, 2015 through June 30, 2016

Submitted for Second Reading – April 8, 2015

Based upon the current available information, estimating State Foundation Revenue and Impact Aid entitlements, overall FY2016 revenue projections (including teacher housing) are as follows:

Borough Appropriation	1,347,423
Local Revenue	451,617
State Foundation	8,956,186
State Broadband Support*	253,812
TRS On Behalf of	669,824
PERS On Behalf of	102,511
Federal Sources	2,812,087
Fund Balance	<u>82,144</u>
Total	\$14,675,604

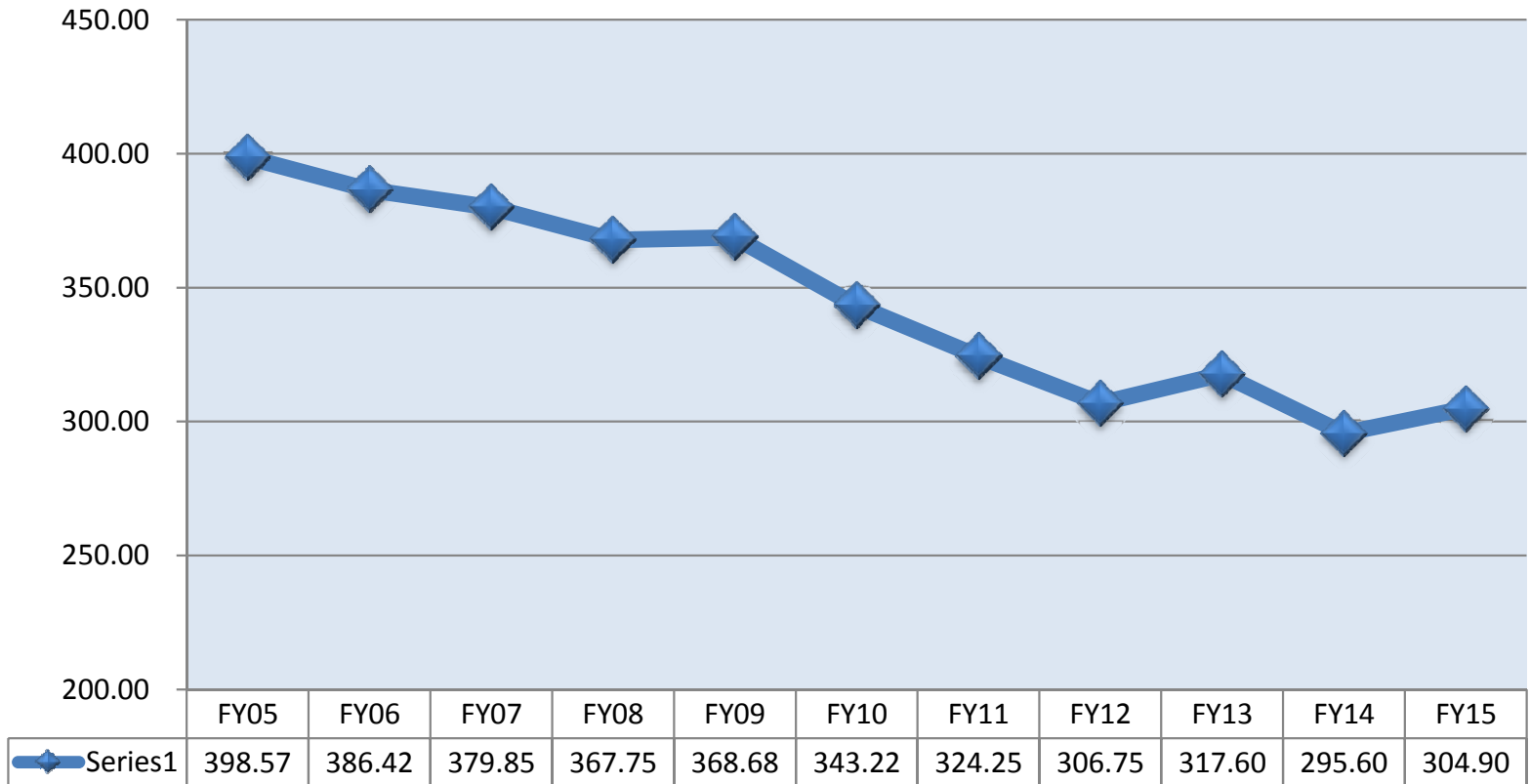
The School District has prepared a projected expenditure budget in the amount of \$14,675,604 in anticipated expenditures and transfers. The budget provides expenditures in the instruction categories of 68.9%. The District requested and received a waiver of the statutory provision that 70% of the general fund budget (excluding transfers) for all school districts be spent on instructional categories.

Due to SB53, the State is contributing directly to the retirement system an amount equal to the difference between our actuarially set contribution rate and the actual set by SB53 for FY2016. For LPSD the TRS is 29.27% vs. 12.56% and for the PERS 27.19% vs. 22%. The revenue amounts listed above for on behalf of contributions reflect management's estimate of this contribution. The estimated expenses are recorded in this budget by function.

The Alaska State Board of Education adopted a new Chart of Accounts for Alaska School Districts which was effective July 1, 2002. This may limit the usefulness of the historical information for comparison. This reclassification does not represent any change in actual programs but simply a re-ordering of expenditures in some of the functional categories.

*State Broadband support is in the Governor's budget and was removed by House Finance.

LPSD Foundation Average Daily Membership October Count



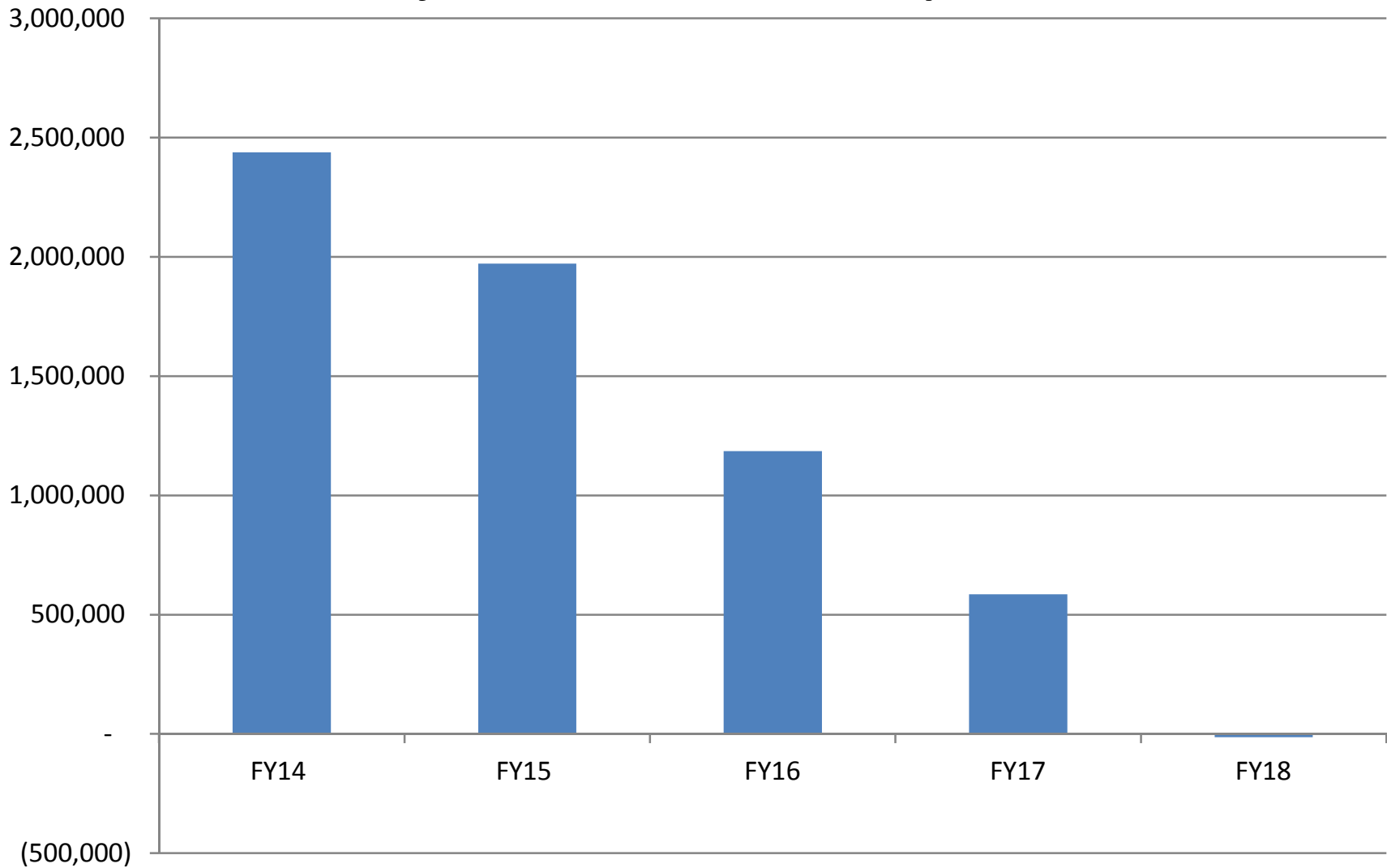
FY2016

Budget Assumption Changes from First Reading

- 1) First reading opened all schools, second reading closes one school. Only a 2% drop in ADM does not re-start the hold harmless, still includes 25% hold harmless for close of Chignik Bay (last year of hold harmless)
- 2) Increase in Borough Appropriation from \$722,423 to \$1,347,423
- 3) Creates a \$100,000 transfer to Preschool fund
- 4) Includes temporary opening of closed school, short staffing, and reduced operating costs
- 5) Increase in estimates for electricity with install of electric boiler in Chignik Lagoon's hydro project, expected to keep fuel usage from increasing due to the loss of recovery heat.
- 6) Increase in maintenance materials for shut down of one school
- 7) Increase in Special Education Related Service providers due to IEP changes

Local Revenue	FY14	FY15	FY16 revised 2nd reading	FY16 increase Borough Appropriation
Borough Appropriation	735,594	722,423	722,423	1,347,423
Interest	29,616	20,000	20,000	20,000
T/H Rent & misc	312,710	305,617	350,617	350,617
CTE - restricted	81,000	81,000	81,000	81,000
Pebble	252,291	-	-	-
	<u>1,411,211</u>	<u>1,129,040</u>	<u>1,174,040</u>	<u>1,799,040</u>
Deducted for Impact Aid	415,810	317,092	226,828	148,031
State Foundation	8,352,401	8,880,427	8,877,389	8,956,186
All other Revenue	4,167,611	5,357,792	3,838,234	3,838,234
Total Revenue	13,931,223	15,367,259	13,889,663	14,593,460
Expense	14,537,350	15,833,431	14,675,604	14,675,604
Deficit	(606,127)	(466,172)	(785,941)	(82,144)

Projected Fund Balance Depletion



* Based on status quo spending and no change in local contribution.

**Based on a 3-year budget deficit average of \$619,410.

THE LAKE AND PENINSULA SCHOOL DISTRICT
BUDGET INFORMATION

DESCRIPTION	Revised FY15	Projected FY16	Difference
BOROUGH APPROPRIATION	\$722,423	\$1,347,423	\$625,000
INTEREST	\$20,000	\$20,000	\$0
ERATE	\$697,088	\$1,526,965	\$829,877
OTHER LOCAL	\$386,617	\$431,617	\$0
STATE FOUNDATION	\$8,903,382	\$8,956,186	\$52,804
OTHER STATE	\$340,074	\$0	(\$340,074)
OTHER STATE - RETIRE OB TRS	\$2,197,177	\$669,824	(\$1,527,353)
OTHER STATE - RETIRE OB PERS	\$276,483	\$102,511	(\$173,972)
OTHER STATE - BROADBAND	\$358,992	\$253,812	(\$105,180)
IMPACT AID	\$1,465,023	\$1,285,122	(\$179,901)
TOTAL	\$15,367,259	\$14,593,460	\$90,457
TOTAL BUDGETED REVENUES	\$15,367,259	\$14,593,460	\$90,457

THE LAKE AND PENINSULA SCHOOL DISTRICT
BUDGET INFORMATION

DESCRIPTION	Revised FY15	Projected FY16	Difference
GENERAL INSTRUCTION			
CERTIFICATED SALARIES	\$2,495,100	\$2,237,423	(\$257,677)
NON-CERTIFICATED	\$268,242	\$367,100	\$98,858
EMPLOYEE BENEFITS	\$1,314,300	\$946,019	(\$368,281)
PERS OB	\$43,955	\$17,654	(\$26,301)
TRS OB	\$1,418,110	\$404,624	(\$1,013,486)
HOUSING SUBSIDY	\$304,500	\$290,482	(\$14,018)
TRAVEL ALLOWANCE	\$36,000	\$28,400	(\$7,600)
PROF AND TECH SERVICES	\$75,200	\$75,200	\$0
STAFF TRAVEL	\$60,000	\$65,000	\$5,000
STUDENT TRAVEL	\$123,000	\$122,000	(\$1,000)
COMMUNICATIONS	\$499,037	\$388,777	(\$110,260)
SUPPLIES & MATERIALS	\$163,000	\$184,490	\$21,490
OTHER AND INDIRECT COSTS	\$0	\$1,500	\$1,500
EQUIPMENT	\$10,000	\$0	(\$10,000)
TOTAL GENERAL INSTRUCTION	\$6,810,444	\$5,128,669	(\$1,681,775)
SPECIAL EDUCATION			
CERTIFICATED SALARIES	\$361,300	\$371,800	\$10,500
NON-CERTIFICATED	\$195,000	\$189,900	(\$5,100)
EMPLOYEE BENEFITS	\$248,900	\$194,200	(\$54,700)
PERS OB	\$20,690	\$7,550	(\$13,140)
TRS OB	\$210,212	\$71,301	(\$138,911)
HOUSING SUBSIDY	\$52,000	\$51,000	(\$1,000)
TRAVEL ALLOWANCE	\$1,200	\$3,786	\$2,586
STAFF TRAVEL	\$46,000	\$63,000	\$17,000
SUPPLIES & MATERIALS	\$4,000	\$4,000	\$0
TOTAL SPECIAL EDUCATION	\$1,139,302	\$956,537	(\$182,765)
SPECIAL ED-SUPPORT SERV.			
PROF AND TECH SERVICES	\$46,250	\$133,500	\$87,250
STAFF TRAVEL	\$4,000	\$4,000	\$0
COMMUNICATION	\$200	\$200	\$0
TOTAL SPECIAL ED-SUPPORT SERV.	\$50,450	\$137,700	\$87,250
SUPPORT SERVICES-PUPILS			
CERTIFICATED SALARIES	\$113,300	\$144,700	\$31,400
EMPLOYEE BENEFITS	\$41,900	\$43,000	\$1,100
PERS OB	\$28,245	\$10,307	(\$17,938)
TRS OB	\$84,098	\$27,344	(\$56,754)
HOUSING SUBSIDY	\$10,500	\$10,200	(\$300)
TRAVEL ALLOWANCE	\$1,600	\$1,200	(\$400)
STAFF TRAVEL	\$12,000	\$12,000	\$0
COMMUNICATIONS	\$100	\$100	\$0
TOTAL SUPPORT SERVICES-PUPILS	\$291,743	\$248,851	(\$42,892)
SUPPORT SERV.-INSTRUCTION			
CERTIFICATED SALARIES	\$103,900	\$428,700	\$324,800
NON-CERTIFICATED	\$223,000	\$152,300	(\$70,700)
EMPLOYEE BENEFITS	\$146,500	\$220,100	\$73,600
PERS OB	\$45,249	\$16,513	(\$28,736)
TRS OB	\$105,798	\$51,169	(\$54,629)
HOUSING SUBSIDY	\$15,000	\$30,800	\$15,800
TRAVEL ALLOWANCE	\$1,200	\$8,500	\$7,300
PROF AND TECH SERVICES	\$65,000	\$38,400	(\$26,600)
STAFF TRAVEL	\$100,000	\$90,000	(\$10,000)
COMMUNICATIONS	\$697,088	\$1,526,965	\$829,877
SUPPLIES & MATERIALS	\$50,000	\$35,000	(\$15,000)

THE LAKE AND PENINSULA SCHOOL DISTRICT
BUDGET INFORMATION

<u>DESCRIPTION</u>	<u>Revised FY15</u>	<u>Projected FY16</u>	<u>Difference</u>
OTHER AND INDIRECT COSTS	\$1,000	\$1,000	\$0
TOTAL SUPPORT SERV.-INSTRUCTION	\$1,553,735	\$2,599,447	\$1,045,712
SCHOOL ADMINISTRATION			
CERTIFICATED SALARIES	\$349,600	\$403,600	\$54,000
EMPLOYEE BENEFITS	\$143,900	\$127,020	(\$16,880)
TRS OB	\$228,484	\$83,708	(\$144,776)
HOUSING SUBSIDY	\$25,000	\$20,400	(\$4,600)
TRAVEL ALLOWANCE	\$4,000	\$2,000	(\$2,000)
STAFF TRAVEL	\$60,000	\$60,000	\$0
SUPPLIES & MATERIALS	\$1,000	\$1,000	\$0
TOTAL SCHOOL ADMINISTRATION	\$811,984	\$697,728	(\$114,256)
SCHOOL ADMIN SUPPORT			
NON-CERTIFICATED	\$36,850	\$35,000	(\$1,850)
EMPLOYEE BENEFITS	\$18,400	\$17,500	(\$900)
PERS OB	\$3,353	\$1,224	(\$2,129)
COMMUNICATIONS	\$4,000	\$4,000	\$0
SUPPLIES & MATERIALS	\$500	\$500	\$0
TOTAL SCHOOL ADMIN SUPPORT	\$63,103	\$58,224	(\$4,879)
BOARD & ADMINISTRATION			
CERTIFICATED SALARIES	\$172,445	\$201,637	\$29,192
EMPLOYEE BENEFITS	\$202,735	\$197,902	(\$4,833)
TRS OB	\$100,334	\$22,992	(\$77,342)
TRAVEL ALLOWANCE	\$1,000	\$1,000	\$0
PROF AND TECH SERVICES	\$10,000	\$12,000	\$2,000
STAFF TRAVEL	\$75,000	\$75,000	\$0
COMMUNICATIONS	\$9,500	\$4,000	(\$5,500)
PURCHASED SERV AND INSURANCE	\$3,500	\$3,500	\$0
SUPPLIES & MATERIALS	\$18,000	\$15,000	(\$3,000)
TUITION AND STIPENDS	\$14,000	\$15,000	\$1,000
OTHER AND INDIRECT COSTS	\$12,000	\$12,000	\$0
TOTAL BOARD & ADMINISTRATION	\$618,514	\$560,031	(\$58,483)
DISTRICT ADMIN SUPPORT SERV.			
NON-CERTIFICATED	\$318,500	\$334,106	\$15,606
EMPLOYEE BENEFITS	\$146,100	\$166,800	\$20,700
PERS OB	\$42,852	\$15,638	(\$27,214)
TRAVEL ALLOWANCE	\$1,000	\$1,000	\$0
PROF AND TECH SERVICES	\$28,000	\$29,000	\$1,000
STAFF TRAVEL	\$15,000	\$15,000	\$0
COMMUNICATIONS	\$600	\$500	(\$100)
PURCHASED SERV AND INSURANCE	\$3,500	\$3,500	\$0
PURCHASED SERV AND INSURANCE	\$32,200	\$35,420	\$3,220
SUPPLIES & MATERIALS	\$20,000	\$20,000	\$0
OTHER AND INDIRECT COSTS	(\$54,400)	(\$49,428)	\$4,972
EQUIPMENT	\$0	\$5,000	\$5,000
TOTAL DISTRICT ADMIN SUPPORT SERV.	\$553,352	\$576,536	\$23,184
MAINTENANCE			
NON-CERTIFICATED	\$867,000	\$727,970	(\$139,030)
EMPLOYEE BENEFITS	\$360,200	\$302,000	(\$58,200)
PERS OB	\$91,033	\$33,221	(\$57,812)
TRAVEL ALLOWANCE	\$500	\$500	\$0
PROF AND TECH SERVICES	\$25,000	\$37,000	\$12,000
STAFF TRAVEL	\$150,000	\$150,000	\$0
UTILITY SERVICES	\$85,000	\$80,000	(\$5,000)
UTILITY SERVICES	\$675,000	\$640,000	(\$35,000)

THE LAKE AND PENINSULA SCHOOL DISTRICT
BUDGET INFORMATION

<u>DESCRIPTION</u>	<u>Revised FY15</u>	<u>Projected FY16</u>	<u>Difference</u>
UTILITY SERVICES	\$460,000	\$395,000	(\$65,000)
PURCHASED SERV AND INSURANCE	\$35,000	\$27,800	(\$7,200)
PURCHASED SERV AND INSURANCE	\$107,400	\$150,000	\$42,600
SUPPLIES & MATERIALS	\$180,000	\$200,000	\$20,000
TOTAL OPERATION AND MAINTENANCE OF	\$3,036,133	\$2,743,491	(\$292,642)
PUPIL ACTIVITIES			
CERTIFICATED SALARIES	\$90,084	\$91,850	\$1,766
NON-CERTIFICATED	\$36,850	\$36,850	\$0
EMPLOYEE BENEFITS	\$49,500	\$53,500	\$4,000
PERS OB	\$1,106	\$404	(\$702)
TRS OB	\$50,141	\$8,686	(\$41,455)
STUDENT TRAVEL	\$266,000	\$266,000	\$0
PURCHASED SERV AND INSURANCE	\$800	\$800	\$0
PURCHASED SERV AND INSURANCE	\$1,190	\$1,300	\$110
SUPPLIES & MATERIALS	\$3,000	\$3,000	\$0
OTHER AND INDIRECT COSTS	\$6,000	\$6,000	\$0
TOTAL PUPIL ACTIVITIES	\$504,671	\$468,390	(\$36,281)
TRANSFERS			
TRANSFERS	\$400,000	\$500,000	\$100,000
TOTAL TRANSFERS	\$400,000	\$500,000	\$100,000
TOTAL BUDGETED EXPENDITURES	\$15,833,431	\$14,675,604	(\$1,157,827)

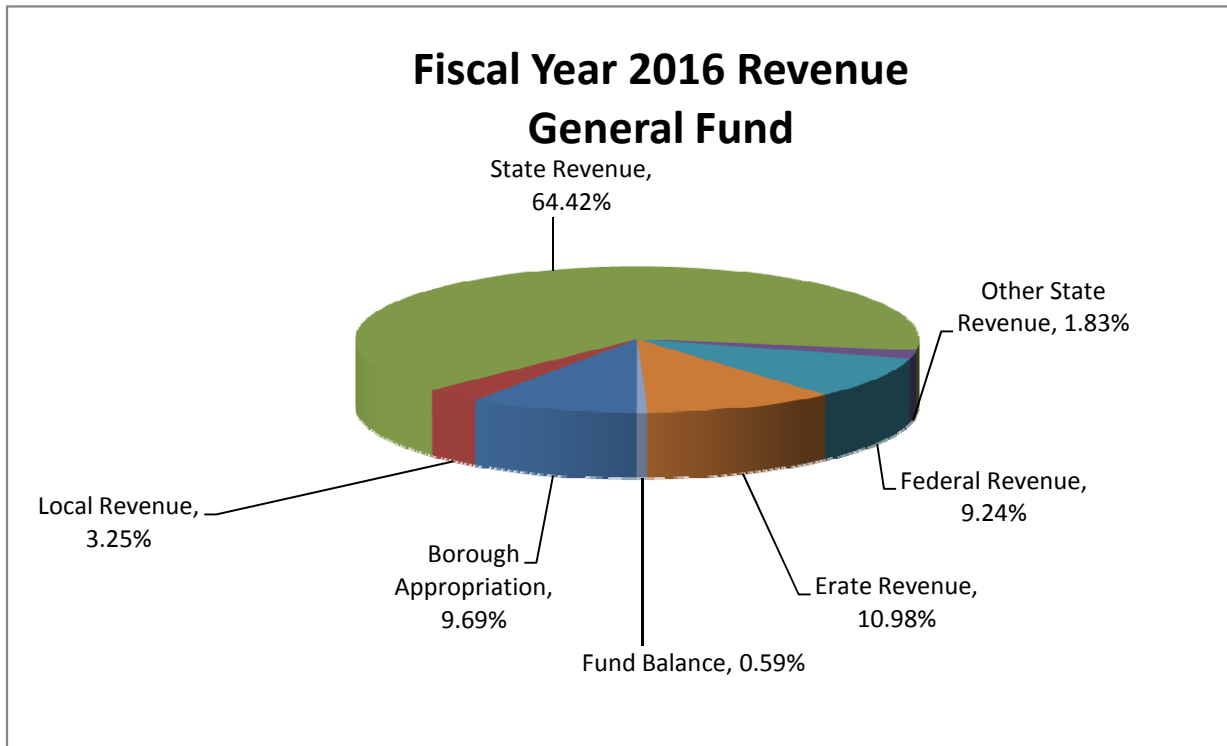
Lake and Peninsula Borough School District

General Fund FY16 Budget
Without PERS & TRS On-Behalf

Revenue

Borough Appropriation	\$ 1,347,423	9.69%
Local Revenue	451,617	3.25%
State Revenue	8,956,186	64.42%
Other State Revenue	253,812	1.83%
Federal Revenue	1,285,122	9.24%
Erate Revenue	1,526,965	10.98%
Fund Balance	<u>82,144</u>	<u>0.59%</u>
Total Revenue Budget	<u>\$ 13,903,269</u>	<u>100.00%</u>

As this chart illustrates, the primary source of funding for the Lake and Peninsula Borough School District is the State of Alaska. The Lake and Peninsula Borough funds the District's local contribution, through a funding appropriation. An amount comes from the federal government in the form of Impact Aid.

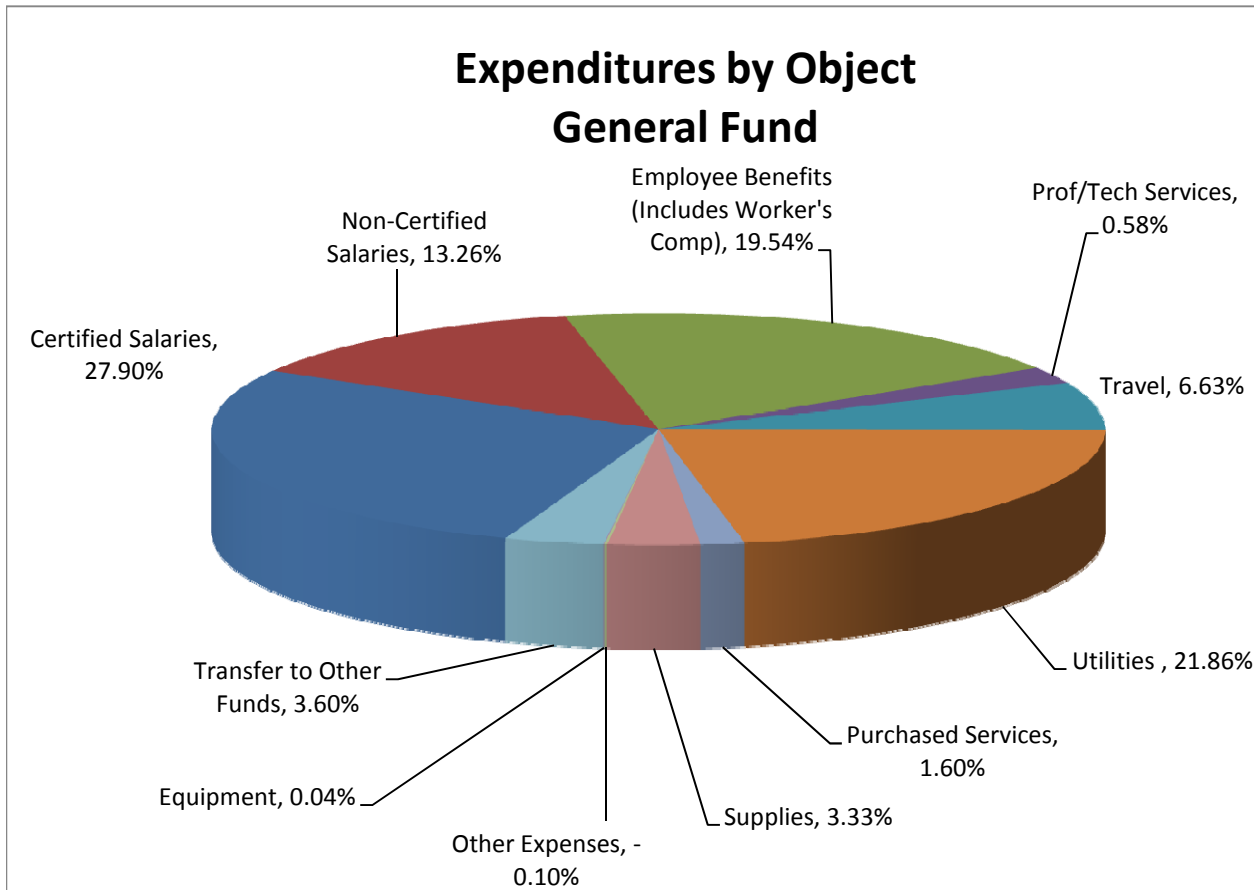


Lake and Peninsula Borough School District

General Fund FY16 Budget
Without PERS & TRS On-Behalf

Expenditures by Object

Certified Salaries	\$ 3,879,710	27.90%
Non-Certified Salaries	1,843,226	13.26%
Employee Benefits (Includes Worker's Comp)	2,717,309	19.54%
Professional/Technical Services	325,100	2.34%
Travel	922,000	6.63%
Utilities	3,039,542	21.86%
Purchased Services	222,320	1.60%
Supplies	462,990	3.33%
Other Expenses	(13,928)	-0.10%
Equipment	5,000	0.04%
Transfer to Other Funds	500,000	3.60%
	<u>\$ 13,903,269</u>	<u>100.00%</u>



Lake and Peninsula School District's Budget Report

Thoughts on the future...

State Finance

Expenses

- Oil Production Tax Credits
- Education
- Medicaid
- Retirement
- Debit Service
- Other Non-formula Expenses
- State Agencies
- Capital Budget

Total \$5.7 Billion

Revenues

2016 Oil Revenues are predicted at
\$2.1 to 2.2 Billion dollars

= \$3.5 Billion Dollar Deficit

State Funding

- Governor's budget removed the one-time funding of \$217,445, this budget includes it,
- Governor's budget has \$3 million in support for 10 megabits/second download speed for internet services, this budget includes internet at 10x2 service and represents LPSD's share of the cost after ERATE of \$390,576.73 maybe offset by \$253,812 reducing LPSD cost to \$122,628 for internet and telecom
- So far the Governor and the legislature have budgeted for the BSA increase of \$50

Other Highs and Lows from Juneau

HIGHS

- LPSD is recognized across the State as a leader in student achievement, collaborative efforts and innovation
- PERS funding floor may go away (leg. Intro.)
- Broadband Assistance Grant looks sustainable
- Mandates lessened

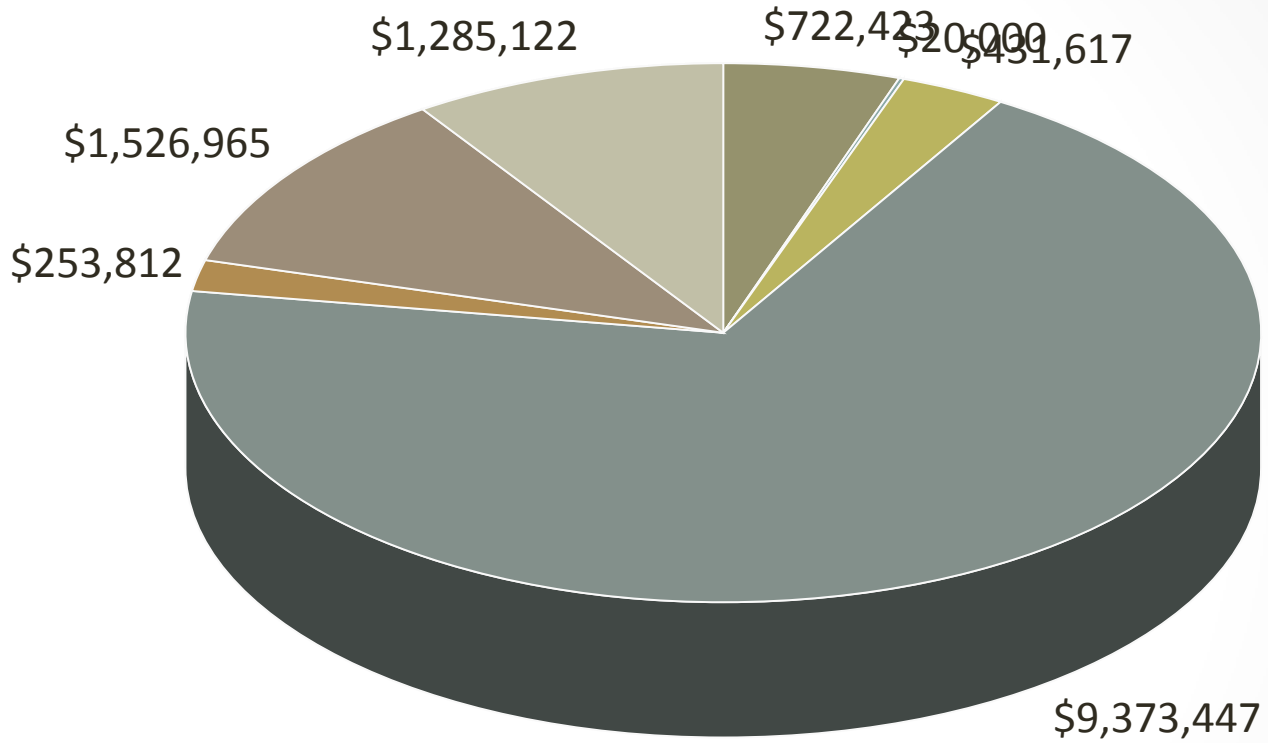
LOWS

- One time funding most likely cut (along with many programs)
- Serious talk of consolidation
- Serious talk of minimum ADM for school funding being raised from 10 to 25
- NO hope in sight until 2023 when gas pipeline is predicted to come online
- Department of Labor is also taking major cuts (CTE)

Revenues

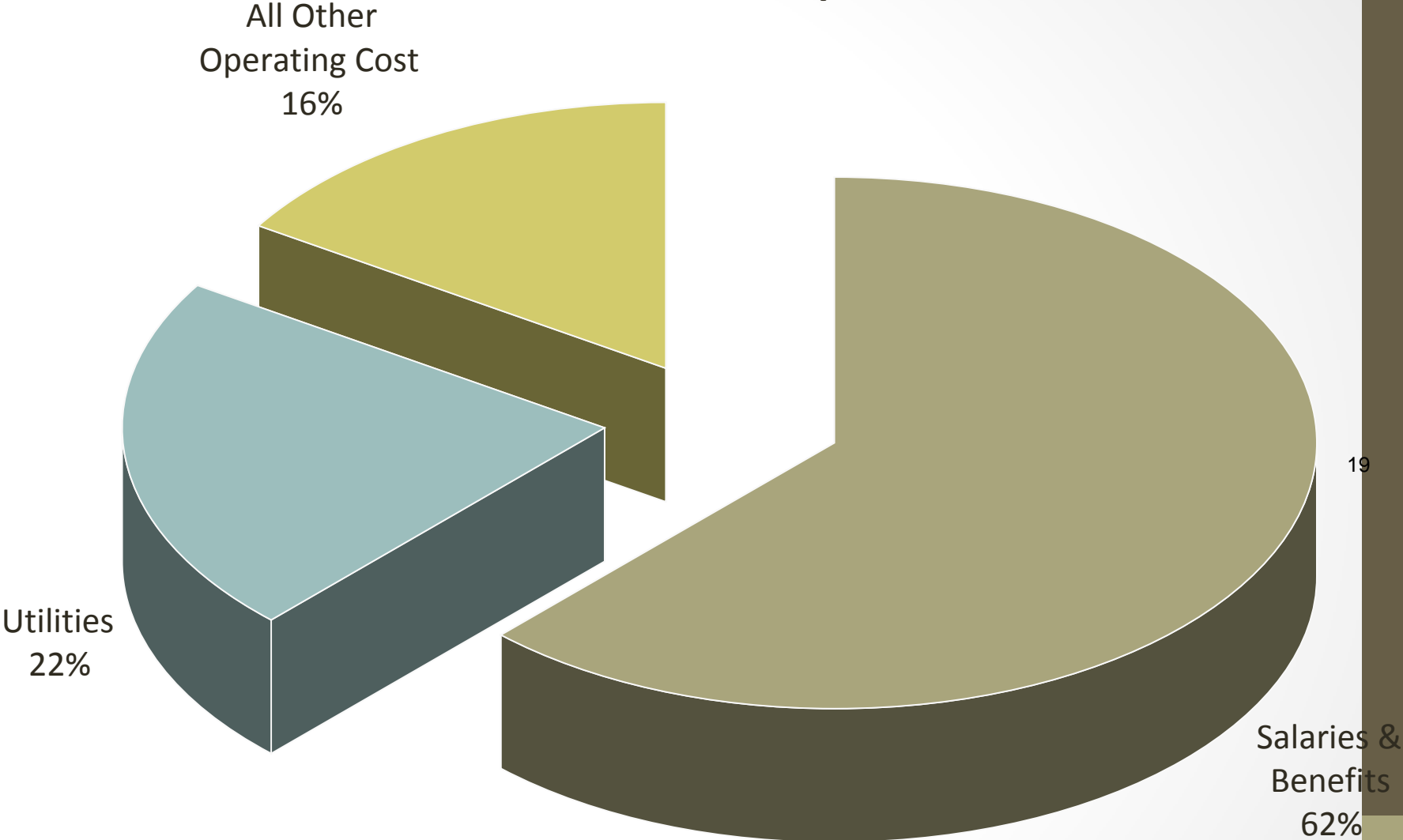
- ONE TIME FUNDING – DOWN
- BOROUGH APPROPRIATION – DOWN
- IMPACT AIDE – DOWN
- MIGRANT MONIES – DOWN
- STUDENT ENROLLMENT – DOWN
- PEBBLE MONIES – DOWN
- FEDERAL GRANT FUNDING - DOWN

Revenue by Source FY2016 Projected



- Borough Appropriation
 - State Foundation
 - Impact Aid
- Interest
 - Other State
- Other Local
 - Erate Revenue

FY2016 Revised Expenses



Deficit Estimate

	Revised FY15	Projected FY16 without energy funding	Projected FY16 close one school	Projected FY16 close two schools
Revenue	\$12,893,599	\$13,613,386	\$13,209,568	\$13,072,310
Total Expenses	\$13,359,771	\$13,995,079	\$13,995,079	\$13,995,079
Projected Deficit	(\$466,172)	(\$381,693)	(\$785,511)	(\$922,769)

Fund Balance Summary

6-30-14

	General	Capital Project	Special	Total
Non-spendable:				
Inventory	216,637	-	42,222	258,859
Prepaid Items	20,955	-	-	20,955
Restricted:				
Career & Technical education	130,608	-	-	130,608
Committed:				21
Student transportation	-	-	108,461	108,461
Vehicle replacement	-	312,223	-	312,223
Capital grant match and other purposes	-	1,248,891	-	1,248,891
Insurance	150,000	-	-	150,000
Assigned	980,317	-	-	980,317
Unassigned	2,437,937	-	(39,768)	2,398,169
Total fund balances	3,936,454	1,561,114	110,915	5,608,483

Our Plan

Collaborate!

- w/ University Systems (instructional resources)
- w/ Bristol Bay SD (cost savings measures)
- w/ Lake and Pen Borough (sustainable financial assistance)
- w/ LPEA and Administration (affordable health care, housing costs, etc.)

Our “Ask” – Lake and Pen Borough

- Our current appropriation is \$722,423 (previous \$1,172,513)
- Subtract our rent contribution - \$343,668
- Actual dollar amount of borough contribution = \$378,755 or approximately \$1,085 a student
- We respectfully ask that we discontinue our rent contribution to the Borough – currently these dollars don’t even cover the utilities that the district pays
- We respectfully ask to continue CTE and and Bond reimbursement support (thank you)
- We respectfully ask for LPB to take responsibility of AKN building cost (\$120,000 a year for fuel, electric, janitorial)
- We respectfully ask for the School Endowment Fund to be opened up to help support preschool and CTE programs (long term)
- We respectfully ask for LPB to explore a school tax on sporting industry to support student activities

Nuts & Bolts
April 8th, 2015

Technology:

First Class App for Phone or Ipad

Organizing Your First Class

Graduation Salutations:

**We will be signing the cards for our 2015 Graduates!

What a proud day!	What an impressive achievement!	Caps off to you, Graduate! Well Done!
Good luck in all your future endeavors	Congratulations or Congrats!	Way to go! You did it!
Here's to a bright future!	Warmest wishes on your graduation day!	Congratulations and BRAVO!