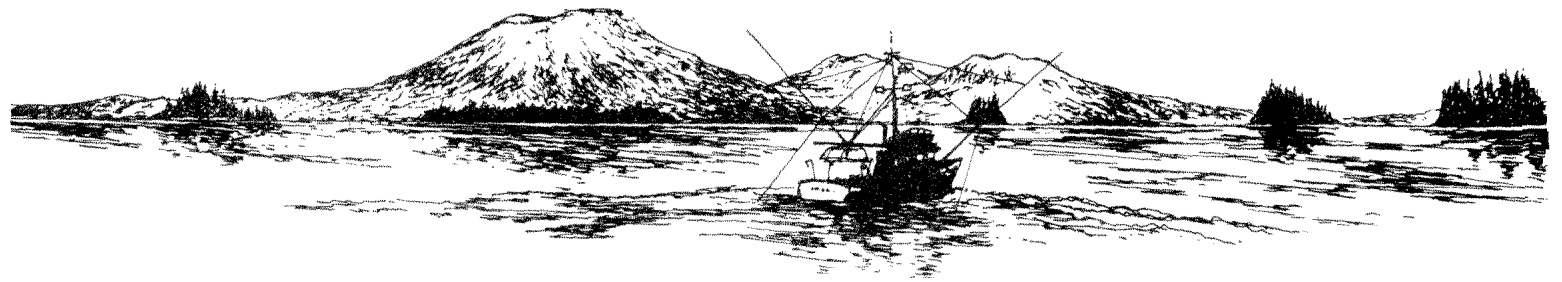


SITKA SCHOOL DISTRICT

PRELIMINARY FY2016 OPERATING BUDGET



Sitka School District & City and Borough of Sitka Work Session

Held at:
Keet Gooshi Heen Multi-Purpose Room
Wednesday, February 11, 2015 from 6 – 8pm

Sitka School District
FY2016 Operating Fund
FY15 First Revision Budget vs FY16 Original Budget
Summary Page

Title	FY2015 First Rev. Budget		2016 Original Budget		
	Original Budget	% Of Budget	First Revision	% Of Budget	Difference From Original
City/Borough Appropriation	5,283,762	28.23%	5,283,762	28.23%	0
Misc Local Revenue	30,000	0.16%	30,000	0.16%	0
E-Rate	118,865	0.64%	118,865	0.64%	0
Quality Schools	45,841	0.24%	44,589	0.24%	-1,252
Foundation	13,616,180	72.76%	13,207,096	70.57%	-409,084
HB 278 One-Time Funding	494,616	2.64%	0	0.00%	-494,616
Impact Aid	30,000	0.16%	30,000	0.16%	0
Other Direct Fed. Rev (Secure Rural Schools)	500,000	2.67%	0	0.00%	-500,000
Revenue Before FB Transfer	20,119,264		18,714,312		-1,404,952
Transfer from Operating Fund Balance	400,000	2.14%	0	0.00%	-400,000
Transfer from Transportation Fund	19,000	0.10%	0	0.00%	-19,000
Transfer from Recycling Fund	20,978	0.11%	0	0.00%	-20,978
Total Revenue and FB Transfer	20,559,242		18,714,312		-1,804,952
Expense					
Salaries and Wages	11,647,678	55.61%	11,905,617	56.84%	257,939
Benefits	4,884,435	23.32%	4,994,578	23.84%	110,144
Maintenance	1,773,294	8.47%	1,789,339	8.54%	16,045
<i>Supplies</i>	139,000		139,000		0
<i>Utilities</i>	1,041,430		1,041,430		0
<i>Property Insurance</i>	139,579		146,558		6,979
<i>Custodial Contract</i>	453,285		462,351		9,066
Schools & Programs	782,123	3.73%	782,123	3.73%	0
District Administration	727,575	3.47%	730,432	3.49%	2,857
<i>Travel</i>	140,490		140,490		0
<i>Communications</i>	198,108		198,108		0
<i>Insurance and Bonding</i>	57,144		60,001		2,857
<i>Audit & Legal Fees</i>	64,828		64,828		0
<i>Health Services</i>	7,805		7,805		0
<i>Districtwide Programming</i>	329,200		329,200		0
<i>Indirect Costs</i>	-70,000		-70,000		0
Technology	427,200	2.04%	427,200	2.04%	0
Prof/Tech/Contract Services	132,000	0.63%	132,000	0.63%	0
School Board	65,100	0.31%	65,100	0.31%	0
Student Activities	119,837	0.57%	119,837	0.57%	0
Transfers	0	0.00%	0	0.00%	0
Total Before On Behalf	20,559,242		20,946,227		386,985
Revenue (w/o tsfrs) vs. Expenditure	0		(2,231,915)	Revenue (w FB tsfr) vs. Expenditure	
Final Total Fund Balance July 1, 2014	1,967,658		1,457,725	Final Total Fund Balance July 1, 2015	
Est. Total Fund Balance July 1, 2015	1,567,658		1,457,725	Est. Total Fund Balance July 1, 2016	
Non-Spendable Fund Balance	(109,933)		(109,933)	Non-Spendable Fund Balance	
Unassigned Fund Balance	1,457,725		1,347,792	Unassigned Fund Balance	
<i>On Behalf TRS & PERS</i>	<i>6,087,334</i>		<i>6,221,827</i>	<i>On Behalf TRS & PERS</i>	
Final Expense Total	26,646,576		27,168,054		

**SITKA SCHOOL DISTRICT
FY2016 PRELIMINARY BUDGET
ASSUMPTIONS**

Revenue Elements include:

- Full Time Enrollment decreases from 1314 to 1305
 - 37 Intensive Needs Students
 - 30 Correspondence Students
 - 8 Raven's Way Students

- The Foundation formula:
 - BSA = Increases to \$5,880
 - ISER Multiplier = Remains at 1.195
 - Correspondence Multiplier = Increases to .90

- The annual City and Borough appropriation remains flat - \$5,717,521
 - Operational Funding 5,283,762
 - Pool Operations 44,529
 - Pool Utilities 77,147
 - Community Schools Janitorial 29,067
 - Community Schools Appropriation 150,796
 - Student Activity Travel/Intramural 132,220

- FY2015 funding from HB278 one-time funding, which was funded through last year's legislation, has currently been removed per Gov. Walker's State of the Budget document. This causes a decrease to our budget of \$362,505

- Secure Rural Schools funding is reduced to zero anticipating it will not be reauthorized

- ERate remains at \$118,865, Miscellaneous Revenue increases to \$30,000, and Impact Aid Revenue remains at \$30,000

Expense Elements include:

- 2 paraprofessional positions reduced to offset the estimated reduction in intensive needs students. All other current Full Time Employee levels remain unchanged as compared to the FY2015 First Revision

- Salaries and wages roll up to FY2016 negotiated agreement levels.

- Benefits:
 - Health Insurance premiums came in with a rate pass, but due to current negotiated agreements, the district will be taking on more of the premiums.
 - TRS (12.56%), PERS (22%), FICA (1.45%), SBS (6.13%), Workmen's Compensation (15%) all remain unchanged

- Property/Liability/D&O Insurances are increased by 5%

- Utilities:
 - Heating Fuel, Electricity, Water/Sewage/Garbage, Communications, and Other Utilities are equal to the FY2015 First Revision

- School and Program budgets remain unchanged

- Custodial contract increases by 2%

- Indirect Cost Rate will remain the same at 4.44%

Explanation of the revenue categories as presented in the budget:

State Funding

Foundation – The formula appropriation of State funding for school districts based on enrollment

Quality Schools Grant – State funds, based on enrollment, to be used for professional development

HB278 Allocation – A one-time appropriation from the State out of their operating budget for school districts through the HB278 legislation that passed in 2014.

Local Funding

Borough Appropriation – Local support from the City and Borough for education

Miscellaneous Local Revenue – Refunds from previous years, COBRA insurance payments, restitution payments, reconciliation adjustments, other local revenue

E Rate Revenue – The discounted refund of telecommunications and internet access fees

Federal Funding

Title VIII Impact Aid – Federal Impact Aid paid to districts for the impact that Federal property has on local property tax of the community

Secure Rural Schools – Federal funds to communities to support schools and roads

Fund Balance

Fund Transfers – Operating Account Fund Balance funds the Board has approved in advance to be used to balance the budget

**SITKA SCHOOL DISTRICT
OPERATING BUDGET
2010-2014 Actuals, 2015 Revised
2016 Projected**

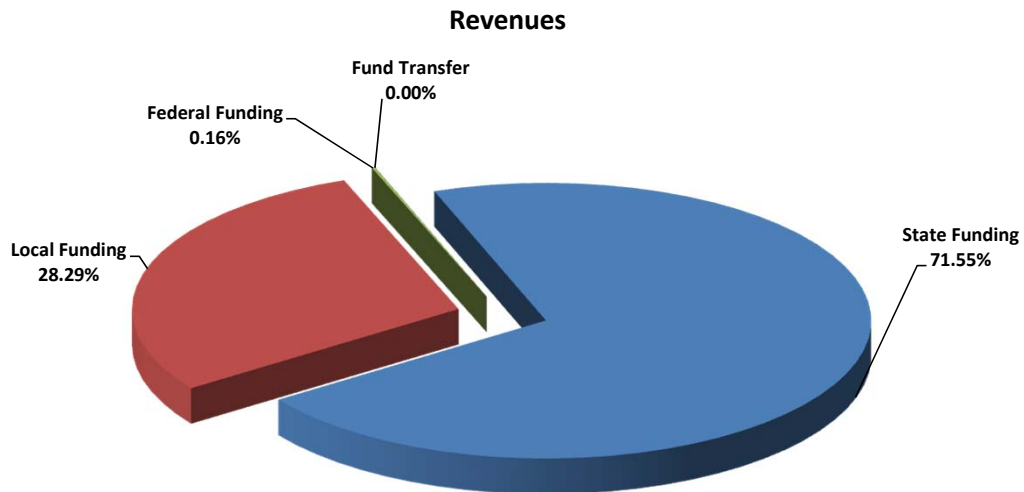
Revenues

	2010 Actual Revenue	2011 Actual Revenue	2012 Actual Revenue	2013 Actual Revenue	2014 Actual Revenue	2015 First Revision	2016 Projected Revenue
Students (Foundation Count)	1,309	1,291	1,306	1,313	1,338	1,314	1,305
State Funding							
Foundation	10,491,138	11,165,994	12,043,983	13,184,663	13,339,742	13,616,180	13,207,096
Quality Schools Grant	40,477	41,727	43,879	45,780	46,399	45,841	44,589
SB 160 Allocation	0	0	0	287,811	0	0	0
HB 108 Allocation	0	0	225,269	0	0	0	0
SB 18 Allocation	0	0	0	0	245,129	0	0
HB 266 Allocation	0	0	0	0	291,821	0	0
HB 278 Allocation	0	0	0	0	0	494,616	0
Other State Resources	0	0	0	0	4,641	0	0
Total State Funding	10,531,615	11,207,721	12,313,131	13,518,254	13,927,732	14,156,637	13,251,685
Local Funding							
Borough Appropriation	5,439,582	5,138,459	5,026,975	4,765,758	5,093,762	5,283,762	5,283,762
Misc Local Revenue	19,250	23,824	25,349	33,496	30,484	30,000	30,000
E-Rate Revenue	115,663	81,076	150,940	143,653	126,751	118,865	118,865
Total Local Funding	5,574,495	5,243,359	5,203,264	4,942,907	5,250,997	5,432,627	5,432,627
Federal Funding							
Impact Aid	29,873	36,925	36,028	22,791	16,775	30,000	30,000
Secure Rural Schools	728,800	575,457	536,675	488,322	400,254	500,000	0
Total Federal Funding	758,673	612,382	572,703	511,113	417,029	530,000	30,000
Total Revenues	16,864,783	17,063,462	18,089,098	18,972,274	19,595,758	20,119,264	18,714,312

Fund Transfers	87,000	31,498	25,369	81,000	-53,408	439,978	0
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Total Revenues and Transfers	16,951,783	17,094,960	18,114,467	19,053,274	19,542,350	20,559,242	18,714,312
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Fund Balance - End of Year	1,362,476	1,387,845	1,729,732	1,602,960	1,967,658	1,457,725	1,347,792
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Explanation of the employee expense categories as presented in the budget:

Teachers' and Coaches' Salaries

Teachers Salaries – Salaries and extra duty contracts for all non-administrative, certified staff (Teachers, Special Education Teachers, Librarians, Counselors, Therapists, etc)

Coaching Contracts – Extra duty contracts paid to activities coaches

Administrators' Salaries

Superintendent & Asst Superintendent – Salaries for the Superintendent and Assistant Superintendent

Certified Administrators – Salaries for the Special Education Director, School Principals, and Assistant Principals

Non-Certified Administrators – Salaries for the Business Manager, Maintenance Director, Information Technology Director, and Cultural Program Director

Classified Staff Wages

Accounting & Secretarial – Wages for the Accounting, Secretarial and other Support staff

Paraprofessionals – Wages for Paraprofessionals

Maintenance – Wages for Maintenance staff

Benefits

Health Insurance and Physicals – The District's portion of health insurance charges and reimbursements to employees for mandatory physicals

TRS/PERS/SBS/FICA – The District's portion for retirement and taxes; TRS (12.56%), PERS (22%), SBS (6.13%), and FICAMED (1.45%)

Workers Compensation – Premiums paid for Workers Compensation insurance

Unemployment Insurance – Premiums paid for unemployment insurance

Substitutes – Wages paid to all certified and non-certified substitutes

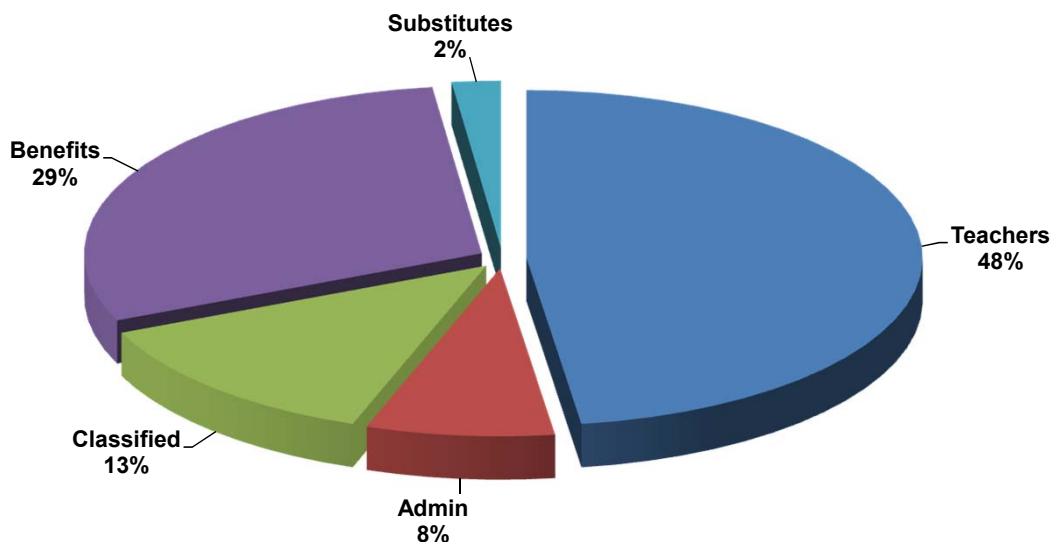
Salary Adjustments – Money set aside for certified employee lane changes and end of year leave buyouts

**SITKA SCHOOL DISTRICT
OPERATING BUDGET
2010-2014 Actuals, 2015 Revised
2016 Projected**

Employee Expenditures

	2010 Actual Expense	2011 Actual Expense	2012 Actual Expense	2013 Actual Expense	2014 Actual Expense	2015 First Revision	2016 Projected Expense
Teachers' And Coaches' Salaries							
Teachers	6,880,437	6,966,254	7,181,590	7,498,227	7,728,996	7,766,198	7,870,121
Coaching Contracts	113,807	107,489	105,840	112,998	115,474	131,924	131,924
Total Teachers and Coaches	6,994,244	7,073,743	7,287,430	7,611,225	7,844,470	7,898,122	8,002,045
Administrators' Salaries							
Superintendent & Asst Super	224,170	211,475	219,954	247,314	247,060	225,900	229,600
Certified Administrators	737,909	694,412	716,090	746,185	715,746	715,600	727,108
Non-Certified Administrators	217,154	283,863	281,390	325,056	296,539	327,793	335,687
Total Administrators	1,179,233	1,189,750	1,217,434	1,318,555	1,259,345	1,269,293	1,292,395
Classified Staff Wages							
Accounting & Secretarial	641,804	659,559	643,673	652,702	690,216	723,119	739,606
Paraprofessionals	721,572	717,707	882,176	961,401	1,043,277	1,182,537	1,215,803
Maintenance	231,733	216,818	223,067	227,324	249,743	238,107	244,269
Total Classified Staff	1,595,109	1,594,084	1,748,916	1,841,427	1,983,236	2,143,763	2,199,678
Benefits							
Health Insurance and Physicals	1,490,716	1,780,733	1,729,347	2,231,798	2,090,565	2,760,973	2,818,111
TRS/PERS/SBS/FICA	1,649,229	1,562,073	1,737,528	1,832,514	1,897,629	1,981,575	2,027,484
Workers Compensation Insurance	144,760	133,144	84,128	91,797	115,349	126,136	132,445
Unemployment Insurance and Other	16,887	15,700	22,621	31,019	16,382	15,750	16,538
Total Benefits	3,301,592	3,491,650	3,573,624	4,187,128	4,119,925	4,884,435	4,994,578
Substitutes	350,007	386,191	332,483	368,077	414,431	336,500	336,500
Salary Adjustments							75,000
Total Employee Costs	13,420,185	13,735,418	14,159,887	15,326,412	15,621,407	16,532,113	16,900,196

Employee Expenditures



Explanation of the non-employee expense categories as presented in the budget:

School and Program Budgets

Baranof, Keet Gooshi Heen, Blatchley, Sitka High, Pacific High – Discretionary funds allocated to each school

REACH – Materials, curriculum, textbooks, and equipment for the District operated correspondence program

Special Education – Expenditures for contracted services, supplies, equipment, and travel for the District's regular special education program and the summer ESY program

SHS Vocational Discretionary – Funds allocated to the Sitka High School Vocational Education department for discretionary purchases

Cultural Program Discretionary – Funds allocated to the District cultural program for discretionary purchases

Maintenance

Supplies – Funds for general maintenance, services, supplies, gasoline, and equipment for the District

Property Insurance – Premiums paid for property insurance

Utilities – Electric, Heating Fuel and Heating Electric, Water/Sewage/Gas, and other utility services

Custodial Contract – Fees paid to NANA Corporation for contract custodial services

District Administration

Travel/Professional Development – Expenditures for District approved travel and Staff Professional Development

Telephone/Communication – Charges for communications including phones and network services

Liability Insurance & Bonding – Premiums for Directors and Officers and the Errors and Omissions policies

Audit/Legal Fees – General legal consultation fees and expenses associated with the annual audit

Health Services – Equipment and supplies for the District Nurse and charges associated with wellness plan

Districtwide Programming and Supplies – Fees for financial software support, postage, copier maintenance, professional association dues, testing supplies, etc required for general District operations

Indirect Cost Rate Revenue – Revenue generated by the Federal Programs Indirect Cost rate

- *Technically a revenue but the State requires that it is represented as a negative expense*

Technology – Services (anti-virus, firewall, etc), supplies, and equipment funds for technology

Professional/Technical Contract Services – Expenses for professional services used by the District.

Examples are: Cold Water Survival, OmniCorp (403b), Library Network (OCLC), First Aid training, Strategic Planning, Improvement Instruction, Schoolmaster/Pinnacle/Phonemaster fees

School Board – Expenses associated with the operations of the Board and Board Meetings

Examples are: Board travel expenses, fees for media services, advertising, and legal notices

Student Activities – These are District expenditures directed to sporting programs and athletic association membership fees, also included here are the charges for the auditorium management company

Transfers

SNEP – The District's annual allocation to support the Sitka Native Education Program, none anticipated in FY2016

AmeriCorp – Transfers to the Community Schools operated AmeriCorp program, none anticipated in FY2016

Community Schools – Transfers to the Community Schools Program, none anticipated in FY2016

Pool – Transfers to operate and maintain the Blatchley pool, none anticipated in FY2016

Ventures – Transfers to the Community Schools operated before and after school latch key program, none anticipated in FY2016

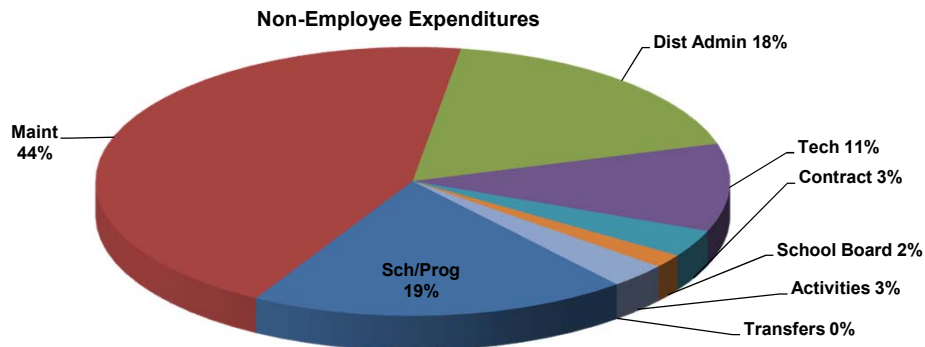
SEACC – The District contribution to the Sitka Education Consortium, the program was discontinued in FY2012

Hames – Transfers to assist with the daily operations of the Hames PE Center. The District discontinued supporting the program in FY2012

**SITKA SCHOOL DISTRICT
OPERATING BUDGET
2010-2014 Actuals, 2015 Revised
2016 Projected**

Non-Employee Expenditures

	2010 Actual Expense	2011 Actual Expense	2012 Actual Expense	2013 Actual Expense	2014 Actual Expense	2015 First Revision	2016 Projected Expense
School/Program Budgets							
Baranoff Elementary	57,640	48,309	47,849	51,335	43,837	49,500	49,500
Keet Gooshi Heen Elementary	80,680	75,099	83,447	73,116	72,630	78,860	78,860
Blatchley Middle School	133,837	105,611	88,947	61,028	70,315	73,545	73,545
Sitka High School	138,881	94,878	96,070	93,952	82,435	93,770	93,770
Pacific High School	16,535	16,693	10,167	11,523	8,006	14,638	14,638
REACH	48,632	83,768	50,970	68,579	68,266	60,710	60,710
Special Education	305,102	260,440	356,652	304,745	303,382	328,100	328,100
Library Discretionary	14,606	0	0	0	0	0	0
SHS Vocational Discretionary	0	0	0	38,718	34,338	40,000	40,000
Cultural Program Discretionary	0	0	8,126	0	16,065	43,000	43,000
Total School/Program	795,913	684,798	742,228	702,996	699,274	782,123	782,123
Maintenance Expense							
Supplies	217,518	132,347	130,408	140,273	146,668	139,000	139,000
Property Insurance	127,880	128,849	120,600	120,867	130,326	139,579	146,558
Utilities	849,634	901,441	997,099	958,578	962,143	1,041,430	1,041,430
Custodial Contract	340,123	356,355	360,646	418,799	434,893	453,285	462,351
Total Maintenance	1,535,155	1,518,992	1,608,753	1,638,517	1,674,030	1,773,294	1,789,339
District Administration							
Travel/Professional Development	27,464	26,011	36,386	85,162	38,367	140,490	140,490
Telephone/Communication/Fiber	139,184	200,257	222,451	210,370	267,764	198,108	198,108
Liability Insurance & Bonding	38,220	40,159	44,166	31,848	52,303	57,144	60,001
Audit/Legal Fees	36,468	47,890	69,694	57,871	102,861	64,828	64,828
Health Services	3,909	2,488	1,927	961	3,121	7,805	7,805
Districtwide Programming/Supplies	101,065	104,776	144,546	156,198	127,704	329,200	329,200
Indirect Cost Rate Revenue	-41,613	-60,996	-64,175	-79,726	-81,401	-70,000	-70,000
Total District Administration	304,697	360,585	454,995	462,684	510,719	727,575	730,432
Technology	104,501	324,982	391,918	412,103	419,585	427,200	427,200
Prof/Tech/Contract Services	81,403	74,951	109,044	104,829	163,558	132,000	132,000
School Board	41,946	37,327	49,000	45,068	63,870	65,100	65,100
Student Activities	147,843	166,164	203,385	164,791	179,624	119,837	119,837
Transfers							
SNEP	28,000	28,000	28,000	28,000	0	0	0
AmeriCorp	15,000	0	0	0	0	0	0
Community Schools	95,000	0	0	0	47,330	0	0
Pool	0	0	0	0	0	0	0
Ventures	82,705	103,953	0	0	43,852	0	0
SEACC	0	40,000	0	0	0	0	0
Hames	27,000	0	0	0	0	0	0
Total Transfers	247,705	171,953	28,000	28,000	91,182	0	0
TOTAL NON-EMPLOYEE COSTS	3,259,163	3,339,752	3,587,323	3,558,988	3,801,842	4,027,129	4,046,031



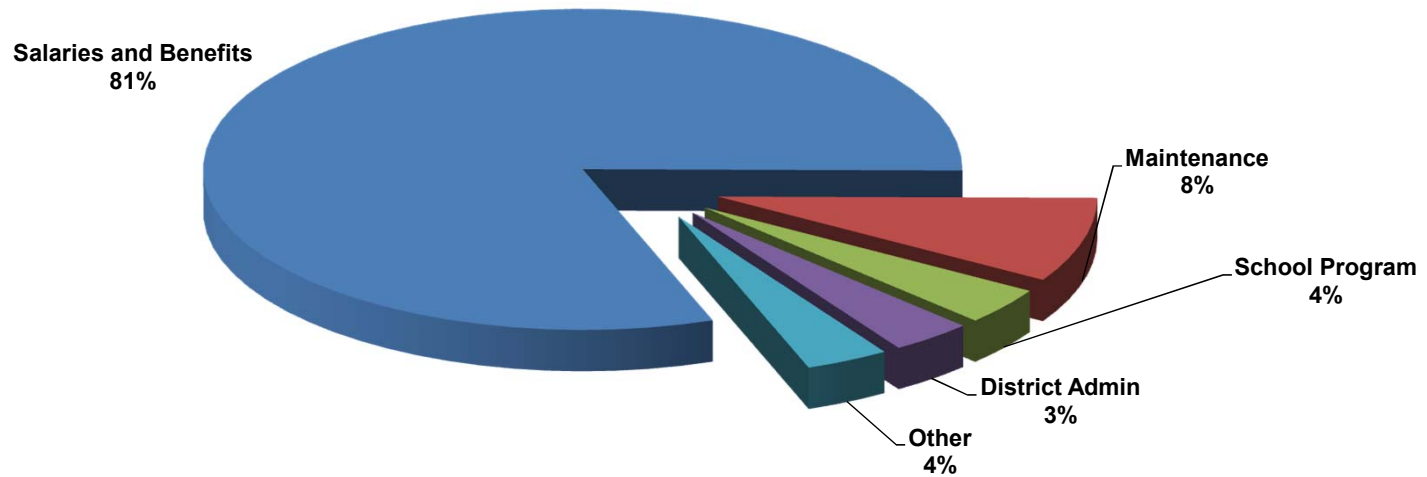
**SITKA SCHOOL DISTRICT
FY2016 BUDGET SUMMARY & FY2010-2014 EXPENDITURE SUMMARY**

Revenue	18,714,312	
Employee Expenditures	16,900,196	
Non-Employee Expenditures	4,046,031	
Total Expenditures	20,946,227	
Difference	-2,231,915	
Board approved transfer from Fund Balance	0	
	-2,231,915	Necessary expense reduction to balance budget

Unrestricted Fund Balance June 30, 2015 (est) 1,457,725
Unrestricted Fund Balance June 30, 2016 (est) 1,347,792

Expenditure	FY2016 Budgeted	% Of Total	FY2015 Revision	% Of Total	FY2014 Actual	% Of Total	FY2013 Actual	% Of Total	FY2012 Actual	% Of Total	FY2011 Actual	% Of Total
Salaries and Benefits	16,900,196	80.68%	16,532,113	80.41%	15,621,407	82.72%	15,326,412	81.15%	14,159,887	79.79%	13,735,418	80.44%
Maintenance	1,789,339	8.54%	1,773,294	8.63%	1,674,030	8.86%	1,638,517	8.68%	1,608,753	9.06%	1,518,992	8.90%
School/Program	782,123	3.73%	782,123	3.80%	699,274	3.70%	702,996	3.72%	742,228	4.18%	684,798	4.01%
District Administration	730,432	3.49%	727,575	3.54%	510,719	2.70%	462,684	2.45%	454,995	2.56%	360,585	2.11%
Technology	427,200	2.04%	427,200	2.08%	419,585	2.22%	412,103	2.18%	391,918	2.21%	324,982	1.90%
Prof/Tech/Contract Services	132,000	0.63%	132,000	0.64%	163,558	0.87%	104,829	0.56%	109,044	0.61%	74,951	0.44%
School Board	65,100	0.31%	65,100	0.32%	63,870	0.34%	45,068	0.24%	49,000	0.28%	37,327	0.22%
Student Activities	119,837	0.57%	119,837	0.58%	179,624	0.95%	164,791	0.87%	203,385	1.15%	166,164	0.97%
Transfers Out	0	0.00%	0	0.00%	91,182	0.48%	28,000	0.15%	28,000	0.16%	171,953	1.01%
	<u>20,946,227</u>	<u>100.00%</u>	<u>20,559,242</u>	<u>100.00%</u>	<u>19,423,249</u>	<u>102.85%</u>	<u>18,885,400</u>	<u>100.00%</u>	<u>17,747,210</u>	<u>100.00%</u>	<u>17,075,170</u>	<u>100.00%</u>

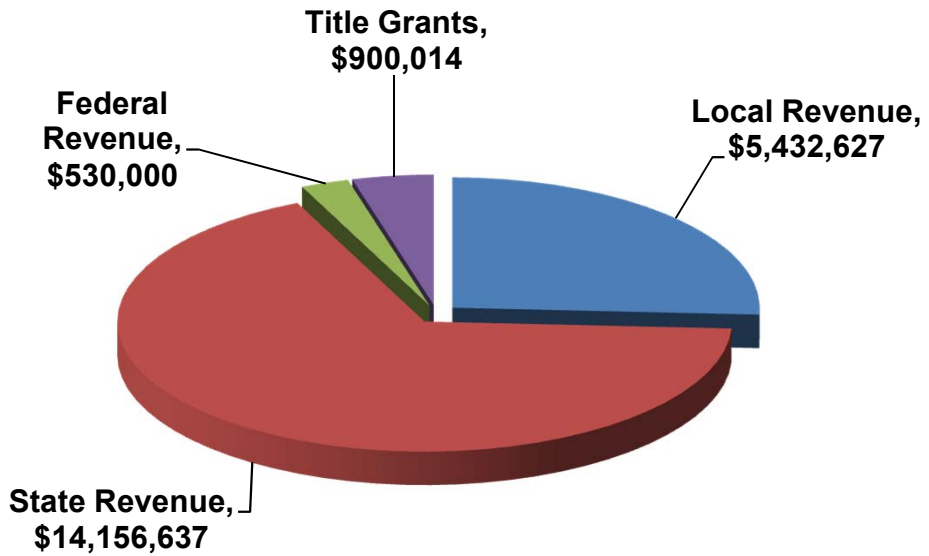
FY2016 Total Expenditures



**Title Grants
Awards and FTE Summary
FY2015**

Fund	Title	Full Time Employees	2015 Award
258	Title I-A	2.59	347,448
261	Title VI-B	6.00	353,568
263	Preschool (619)	0.50	18,381
269	Title I-C (Migrant Education)	0.50	45,076
275	Carl Perkins	0.00	23,777
283	Title II-A (Classroom Reduction)	1.17	111,764
Total Title Grants		10.76	900,014

FY2015 Revenue with Title Grants



Total 2015 Revenues (w/ Title Grants) \$21,019,278