



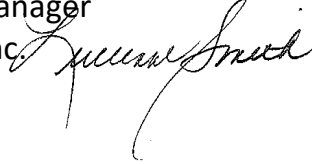
SOUTHEAST ISLAND SCHOOL DISTRICT

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M E M O R A N D U M

TO: SISD BOARD OF EDUCATION

THRU: Rodney Morrison, Superintendent

FROM: Lucienne Smith, Contracted Business Manager
Alaska Education & Business Services, Inc. 

Date: March 18, 2025

SUBJECT: BUSINESS MANAGER'S REPORT NARRATIVE
Goal #3: Increase Communication District and Community Wide

FY 2026 INSURANCE – District administration attended a meeting with the Health Insurance broker regarding our upcoming 2026 health insurance renewal. We expect to receive the actual quotes for the various carriers in early April.

The recent increase in natural disasters, including wildfires, hurricanes, and flooding, will lead to higher premiums for General Liability and Property insurance in the U.S. This is primarily due to the increased frequency and severity of such events, which heighten the risk for insurers. As a result, insurers will likely be adjusting their rates to compensate for higher payouts and greater exposure to claims.

The recent surge in cyberattacks, particularly those targeting employers' data, is a driver of potential increases in Cyber Attack Insurance premiums. As cyber threats become more sophisticated and frequent, businesses face greater risks of data breaches, ransomware, and system outages. Insurers are responding to this heightened risk by raising premiums to cover the potential costs of these attacks, including data recovery, legal fees, and reputational damage.

FY 2026 FUNDING – The 1st Proposed FY 2026 Budget will be reviewed during the work session. This will continue to be a work in progress while we await the final outcome of

the legislative session and the Governor's approval.

FY 2025 AUDIT – The **annual audit** for the 2025 records will take place during the week of **September 1st, 2025**. This audit reviews the company's financial statements and overall financial health for the entire year. It ensures accuracy and compliance with accounting standards and regulations, providing stakeholders with a clear and transparent picture of the organization's financial performance.

The **interim audit**, scheduled for the last week of June 2025, will mainly focus on the test of controls and will address any issues or discrepancies early on, allowing the District to make necessary adjustments before the annual audit.

Please feel free to ask questions.

Mission: *Students are equipped to achieve their dreams and aspirations*

Vision: *Set a foundation by cultivating experiences for students to develop goals and thrive in an ever-changing world.*