

Date: June 16, 2025  
 To: LPSD School Board  
 From: Laura Hylton, Finance Director  
 RE: June Board Report

## Budget

With the Governor's veto of \$200 of the BSA increase, it is a \$180 reduction from the FY25 funding and is a 27% cut to the modest BSA increase approved by the legislature. HB57 included several items in addition to the \$700 BSA increase, CTE factor increases from 1.015 to 1.023 a small increment which changes the Adjusted Average Daily Membership from 1,470.83 to 1,481.88. The budget the board adopted was based on \$680 one-time funding, the veto reduces foundation by \$180 to \$500 resulting in a **\$193,189** additional shortfall. Updated revenue estimates below:

LAKE AND PENINSULA SCHOOL DISTRICT				
BUDGET INFORMATION				
FY26 Revenue Estimates 6.16.25				
			CTE 1.015 to 1.023	
Adjusted ADM	1,440.62	1,470.83	1,481.88	1,481.88
DESCRIPTION	Revised FY25 SB140 Budget add \$680 BSA \$6,640	FY26 Adopted Statute BSA + \$680,\$6,640	FY26 HB57 new Statute BSA + \$700,\$6,660	FY26 VETO minus (\$200) = \$500, \$6,460
Borough Appropriation	\$ 1,372,707	\$ 1,372,707	\$ 1,372,707	\$ 1,372,707
Borough Added Contribution	\$ 315,000	\$ -	\$ -	\$ -
Interest	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Other Local - CTE	\$ 892,407	\$ 699,500	\$ 699,500	\$ 699,500
Foundation	\$ 7,910,619	\$ 8,157,787	\$ 9,261,138	\$ 8,964,762
State - one-time foundation increase	\$ 979,622	\$ 1,000,164	\$ -	\$ -
TRS On-Behalf	\$ 582,032	\$ 729,526	\$ 729,526	\$ 729,526
PERS On-Behalf	\$ 82,058	\$ 143,349	\$ 143,349	\$ 143,349
Other State - Raffle	\$ 2,637	\$ 2,882	\$ 2,882	\$ 2,882
Federal ERATE	\$ 917,731	\$ 331,995	\$ 331,995	\$ 331,995
Federal Impact Aid	\$ 1,497,147	\$ 1,057,825	\$ 1,057,825	\$ 1,057,825
Total	\$ 14,576,960	\$ 13,520,735	\$ 13,623,922	\$ 13,327,546
Total	\$ 14,576,960	\$ 13,520,735	\$ 13,623,922	\$ 13,327,546
Budgeted Expenditures	\$ 15,106,956	\$ 13,960,516	\$ 13,960,516	\$ 13,960,517
	\$ (529,996)	\$ (439,781)	\$ (336,594)	\$ (632,971)
Beginning Fund Balance	\$ 531,613	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 1,617			

## Grants

DEED provided an update on federal funding below and the referenced summary of the Presidents proposed FY26 budget and the FY25 continuing resolution is attached.

**June 4, 2025**

## **ESEA News & Notes this Week**

### **Federal Fiscal Year 2026 Budget Proposal**

Commissioner Bishop recently sent an email to district Superintendents regarding the [Trump Administration's federal FY2026 budget proposal](#). This is funding districts will receive July 1, 2026. This email contained important information and clarifications. Please see the [attached summary](#) from the Council of Chief State School Officers (CCSSO) summarizing the U.S. Department of Education-related provisions in the Trump Administration's proposed federal FY2026 budget proposal (corresponding to Alaska's state FY2027). The House Appropriations Subcommittee plans to mark up the education funding bill on July 21. DEED will continue to monitor and share updates as the process unfolds.

### **Federal Fiscal Year 2025 Update (Current Fiscal Year)**

As outlined in the [attached summary](#) from the Council of Chief State School Officers (CCSSO), Congress passed a continuing resolution extending current-year (federal FY2025) funding through September 30, 2025. Preliminary allocations for several formula grants have been released. However, allocations for Title I, Part C (Migrant Education), Title II, Part A (Supporting Effective Instruction), and Title III, Part A (English Language Acquisition) are still pending. These funds are expected to be distributed to States on July 1, 2025, but the final amounts remain unknown at this time.

## **Insurance Renewal**

LPSD's overall renewal is favorable with APRA, a 5% Broker Services Credit is provided for utilizing a broker capped at \$50,000 LPSD generated a \$23K credit reducing the cost of broker services to \$10K. The renewal is an 11.9% decrease over the prior year. Due to improved coverage for environmental and cleanup in the event of a total building loss such as fire closed schools and the King Salmon office are listed at agreed amounts rather than full replacement value. The estimated FY26 renewal was \$526,700 with the APRA renewal the actual is \$486,299.23 a \$40K savings. I am recommending joining the APRA cyber insurance coverage this year and not purchasing standalone coverage with a \$10 million pool aggregate and low loss history in both AML and APEI.

The APRA Participation Agreement is under review and will be ready for Ms. Luke's signature later today per the board's vote to approve the consolidation.

## **Premium Summary:**

<b>Net Premium</b>	<b>2024/25</b>	<b>2025/26</b>	<b>Change</b>	<b>2025 at 10%*</b>
<b>APRA Program</b>				
Property	\$372,372.52	\$338,076.85	-9.2%	\$363,525.94
Mobile Equip	0	\$694.10	100%	\$0
Liability	\$73,944.45	\$80,389.58	8.7%	\$81,542.03
Auto	\$7,303.82	\$7,580.75	3.8%	\$8,034.20
Workers Compensation (Alaska)	\$52,103.13	\$47,271.59	-9.3%	\$57,355.49
Workers Compensation (Out-of-State)	\$2,439.00	\$1,987.00	-18.5%	\$2,768.37
Crime	\$1,188.16	\$0.00	-100.0%	\$1,306.98
Broker Services Credit		(\$23,700.64)		
<b>Total APRA Program</b>	<b>\$509,351.08</b>	<b>\$452,299.23</b>	<b>-11.2%</b>	<b>\$514,533.01</b>
<b>Ancillary Coverages</b>	<b>2024/25</b>	<b>2025/26</b>	<b>Change</b>	
Cyber Liability	\$14,097.13	\$10,405.88	-26.2%	
Travel Accident (3-Year)	\$8,311.30	\$0.00	-100.0%	
Broker Fee	\$32,000.00	\$34,000.00	6.7%	
<b>TOTAL NET PREMIUM</b>	<b>\$563,759.51</b>	<b>\$496,705.11</b>	<b>-11.9%</b>	

\* APRA advised 2025/26 overall program rates would not be increased by more than 10%. The above column for '2025 at 10%' provides premium generated using a 10% rate increase.

### **Pupil Transportation**

The pupil transportation contract for Newhalen School is expiring and a Request for Proposal is under way. Proposals are due on July 24, 2025 and any new contract will be presented to the board for approval as soon as practical after proposals are due.

Pupil Transportation services are funded entirely by the SOA pupil transportation block grant, a 10% increase to the funding is included in HB57.

### **Housing**

Summer use of housing for community projects increased this year, Levelock, Perryville, and Chignik Lake all have projects and LPSD is providing housing as requested by communities.

A draft administration regulation for the use of teacher housing will be presented to the board in the fall, this will clarify short-term vs. long-term utilization, fees and use of funds.

**Financial Report attached.**

Impact Aid has issued the final FY25 payments at 94.64% proration for a total of \$1,491,428 in basic support, \$38,590 in Children with Disabilities and \$29,158 in construction funds. Impact Aid is level funded in the FY26 proposed federal budget.

**Lake and Peninsula School District**

**100 Board Report**

From Date: 7/1/2024

To Date: 6/16/2025

**Fiscal Year: 2024-2025**

Account Description	Account Number	GL Budget	YTD	Balance	Encumbrance	Budget Balance	% Budget
Instruction	100.000.100.000.000	\$4,766,824	\$4,354,058	\$ 412,765	\$ 14,760	\$ 398,006	8.35%
Lake View Home School	100.000.140.000.000	\$ 33,381	\$ 31,385	\$ 1,996	\$ 0	\$ 1,996	5.98%
CTE	100.000.160.000.000	\$ 525,807	\$ 485,094	\$ 40,713	\$ 799	\$ 39,914	7.59%
SPED direct instruction	100.000.200.000.000	\$1,081,090	\$ 969,963	\$ 111,127	\$ 1,865	\$ 109,262	10.11%
SPED special services	100.000.220.000.000	\$ 280,134	\$ 283,974	-\$ 3,841	\$ 113	-\$ 3,953	-1.41%
Student support	100.000.300.000.000	\$ 32,600	\$ 20,530	\$ 12,070	\$ 0	\$ 12,070	37.02%
Instructional Support	100.000.350.000.000	\$ 657,785	\$ 601,506	\$ 56,279	\$ 1,439	\$ 54,840	8.34%
Instructional Technology	100.000.360.000.000	\$1,518,206	\$1,387,411	\$ 130,796	\$ 92,993	\$ 37,803	2.49%
School Admin - Principals	100.000.400.000.000	\$1,034,893	\$1,006,897	\$ 27,997	\$ 5,943	\$ 22,054	2.13%
School Support - Secretaries	100.000.450.000.000	\$ 108,820	\$ 96,880	\$ 11,940	\$ 0	\$ 11,940	10.97%
District Admin - Superintendent and Board	100.000.510.000.000	\$ 620,863	\$ 620,419	\$ 444	\$ 2,644	-\$ 2,199	-0.35%
District Admin - Business Services	100.000.550.000.000	\$ 819,315	\$ 805,136	\$ 14,179	\$ 40,539	-\$ 26,360	-3.22%
Maintenance and Operations	100.000.600.000.000	\$3,080,359	\$3,363,121	-\$ 282,762	\$ 212,229	-\$ 494,991	-16.07%
Student Activities	100.000.700.000.000	\$ 469,300	\$ 482,968	-\$ 13,668	\$ 1,650	-\$ 15,318	-3.26%
Other Fund TRS & PERS OB	100.000.760.000.000	\$ 0	\$ 687	-\$ 687	\$ 25	-\$ 712	0.00%
Other Fund TRS & PERS OB	100.000.790.000.000	\$ 0	\$ 6,148	-\$ 6,148	\$ 78	-\$ 6,226	0.00%
Debt Service - leases	100.000.850.000.000	\$ 70,080	\$ 0	\$ 70,080	\$ 0	\$ 70,080	0.00%
Transfer Other	100.000.900.000.000	\$ 7,500	\$ 7,500	\$ 0	\$ 0	\$ 0	0.00%
Grand Total:		\$15,106,956	\$14,523,677.60	\$ 583,278.66	\$ 375,075.77	\$ 208,202.89	1.38%

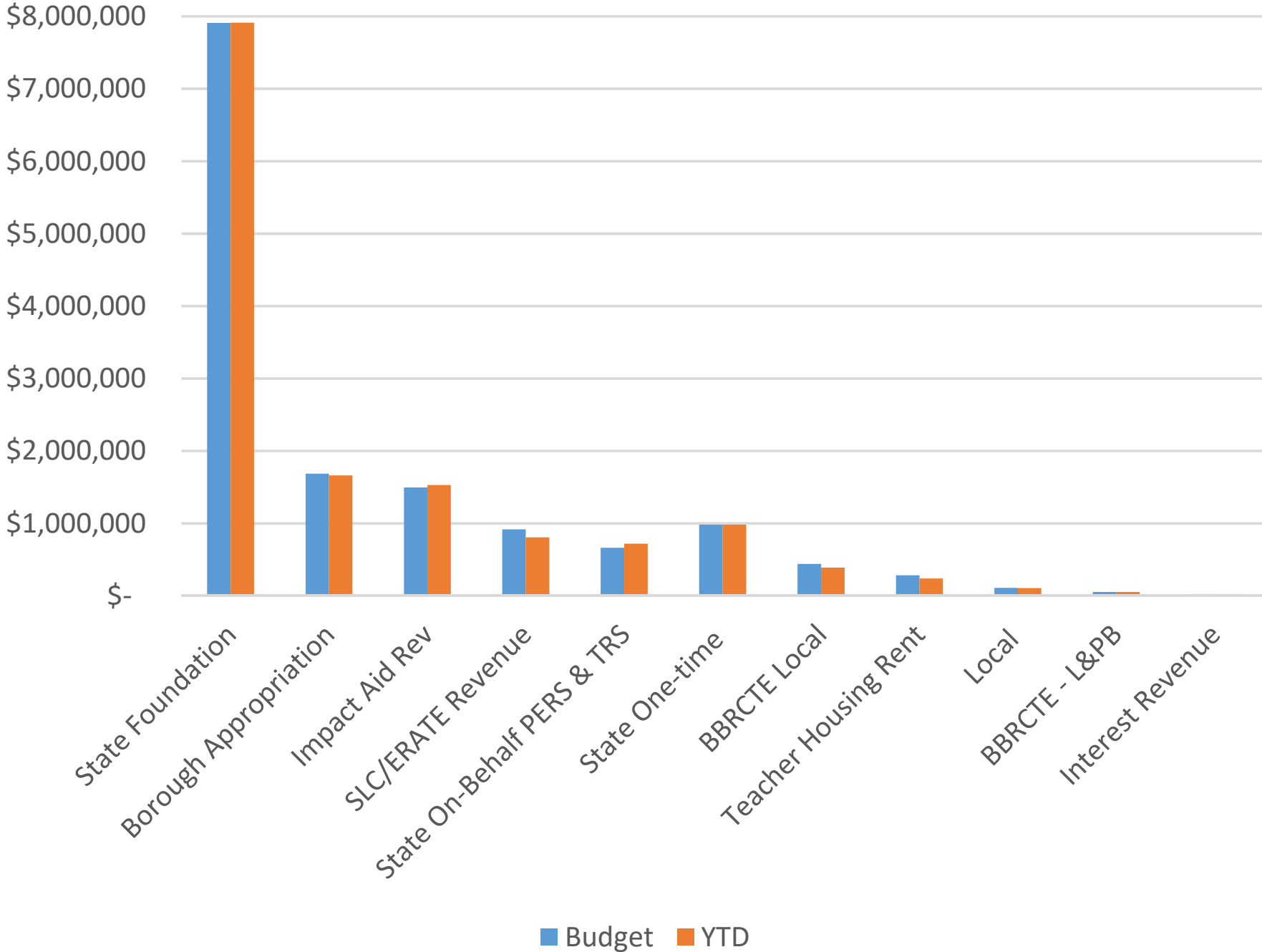
**Notes:**

Maintenance and Operation is always over budget this time of year until the excess cost of teacher housing is transferred to Housing Allowance benefit and rent/lease payments are transferred to debt service. Adjustments for fuel inventory are not final.

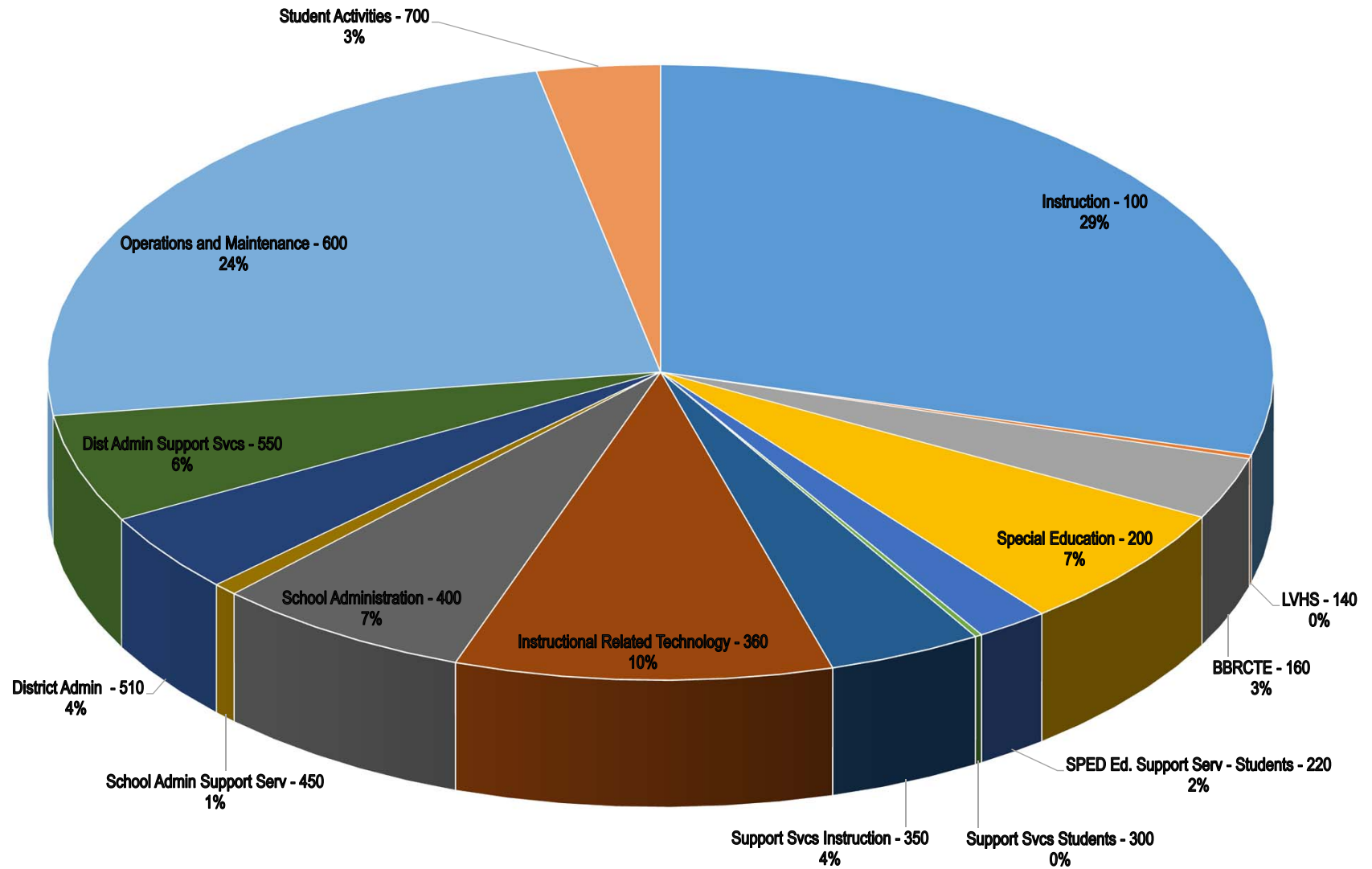
District Admin - Business Services will be reduced once final grant indirect costs are posted.

Student Activities - basketball expenses are not yet complete.

# Revenue Budget and Actual



General Fund Expended and Encumbered by Department



## Budgeted General Fund Expense by Type

