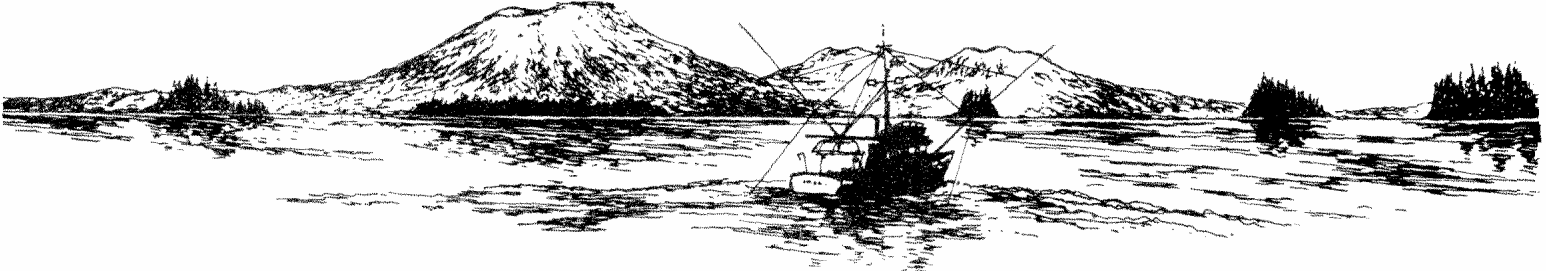


# SITKA SCHOOL DISTRICT

## PRELIMINARY FY2011 OPERATING BUDGET



### **Staff Hearing**

Keet Gooshi Heen Multi-Purpose Room  
Wednesday, February 3 @ 3:45PM

### **Community Hearing**

Keet Gooshi Heen Multi Purpose Room  
Wednesday, February 17 @ 7:00PM

### **Final Budget Work Session**

District Office Board Room  
Monday, March 1 @ 7:00PM

### **Final Budget Hearing**

District Office Board Room  
Monday, March 15 @ 7:00PM

**"Educating Today's Children to Become Tomorrow's Leaders"**



**SITKA SCHOOL DISTRICT  
FY2011 PRELIMINARY BUDGET  
ASSUMPTIONS**

**Revenue Elements include:**

- Full Time Enrollment decreases from 1309 to 1285
  - 32 Intensive Needs Students
  - 30 Correspondence Students
  - 8 Raven's Way Students
  
- The Foundation formula will increase to:
  - BSA = From \$5,580 to \$5,680
  - Intensive Multiplier = From 11/1 to 13/1
  - ISER Multiplier = From 1.123 to 1.148
  
- The City and Borough anticipates a 5% funding reduction in the annual appropriation (full reduction absorbed by Operating Budget) - \$5,579,678
  - Operational Funding 5,145,919
  - Pool Operations 44,529
  - Pool Utilities 77,147
  - Community Schools Janitorial 29,067
  - Community Schools Appropriation 150,796
  - Student Activity Travel/Intramural 132,220
  
- The Secure Rural Schools funding package is in its third year. The total allocation to the CBS and SSD is reduced to \$1,543,341. The anticipated allocation to the District will be \$655,920, which is 50% of the total allocation after the 15% decrease for Title II requirements has been removed
  
- ERate will remain at \$80,000, Miscellaneous Revenue and Impact Aid Revenue will remain at \$30,000

**Expense Elements include:**

- Current Full Time Employee status remains unchanged
  
- Salaries and wages roll up to estimated FY2011 negotiated agreement levels
  
- Benefits:
  - Health Insurance increases 15%
  - Workers Compensation Insurance increases by 2%
  - TRS (12.56%), PERS (22%), FICA (1.45%), SBS (6.13%) all unchanged
  
- Property/Liability/D&O Insurances increase by 2%
  
- Utilities:
  - Heating Fuel, Water/Sewage/Garbage, Communications, and Other utilities are equal to the FY2010 revised budget.
  - Electric increases by 5%
  
- Technology increases by \$150,000 for computer lease package
  
- School and Program budgets remain flat
  
- Custodial contract increases by 15%
  
- Indirect Cost Rate will increase from 2.42% to 3.13%

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

**School Improvement Grant** – State grant based on enrollment – will not be receiving in FY2011

**Energy Relief** – State grant to assist with energy costs – will not be receiving in FY2011

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

**Miscellaneous State Revenue** – Reimbursements from the State for various expenditures – do not anticipate receiving in FY2011

**ISER** – State funding formula that allocates a cost factor into the Foundation formula – rolled into Foundation for FY2011

Local Funding

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

**Miscellaneous** – 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

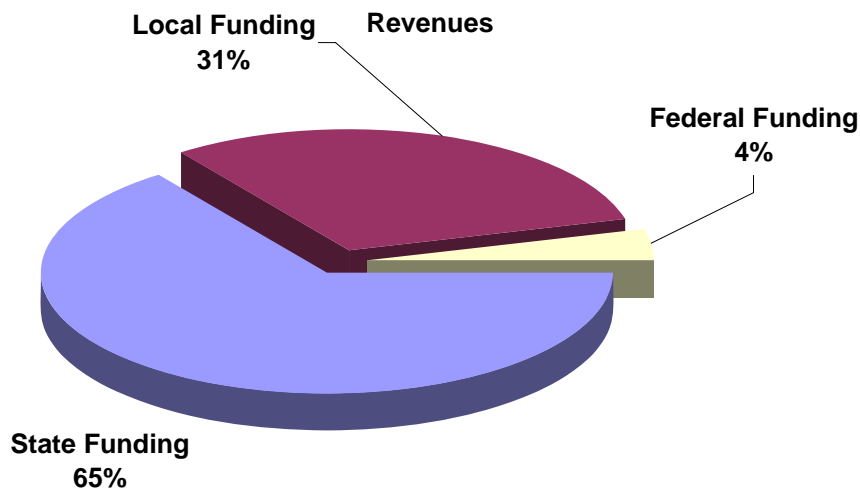
**Medicaid** – Funds for District provided services which are reimbursed by Medicaid – do not anticipate receiving in FY2011

**SITKA SCHOOL DISTRICT  
OPERATING BUDGET  
2007-2009 Actuals, 2010 Revised  
2011 PROJECTED**

**Revenues**

	2007 Actual Revenue	2008 Actual Revenue	2009 Actual Revenue	2010 Revised Budgeted Revenue	2011 Projected Revenue
<b>Students (Foundation Count)</b>	1,447	1,372	1,309	1309 (Budget 1270)	1,285
<b>State Funding</b>					
Foundation	9,803,607	8,421,036	9,741,669	10,495,236	10,971,892
School Improvement Grant	117,761	235,522	0	0	0
Energy Relief	0	216,098	0	0	0
Quality Schools Grant	37,745	34,576	38,428	40,498	41,189
Misc State Revenue	0	0	2,189	0	0
Iser (in Foundation 07, 10, & 11)	0	1,083,948	0	0	0
<b>Total State Funding</b>	9,959,113	9,991,180	9,782,286	10,535,734	11,013,081
<b>Local Funding</b>					
Borough Appropriation	5,167,940	5,338,751	5,498,913	5,439,587	5,145,919
Miscellaneous	13,143	19,024	52,951	30,000	30,000
E-Rate Revenue	22,119	32,457	87,378	80,000	80,000
<b>Total Local Funding</b>	5,203,202	5,390,232	5,639,242	5,549,587	5,255,919
<b>Federal Funding</b>					
Impact Aid	43,019	39,712	53,612	30,000	30,000
Secure Rural Schools	525,772	525,767	809,778	728,800	655,920
Medicaid	40,763	49,249	16,759	0	0
<b>Total Federal Funding</b>	609,554	614,728	880,149	758,800	685,920
<b>Total Revenues</b>	<b>15,771,869</b>	<b>15,996,140</b>	<b>16,301,677</b>	<b>16,844,121</b>	<b>16,954,920</b>
<b>Fund Transfers</b>	0	19,911	0	355,547	0
<b>Total Revenues and Transfers</b>	<b>15,771,869</b>	<b>16,016,051</b>	<b>16,301,677</b>	<b>17,199,668</b>	<b>16,954,920</b>

<b>Fund Balance - End of Year</b>	359,835	800,106	1,070,250	769,703	769,703
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Explanation of the employee expense categories as presented in the budget:

Teachers' and Coaches' Salaries

**Teachers Salaries** – Salaries for all non-administrative, certified staff (Teachers, Special Ed 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 Business Manager, Maintenance Director, and Technology Director

Classified Staff Wages

**Accounting & Secretarial** – Wages for Accounting and Secretarial 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

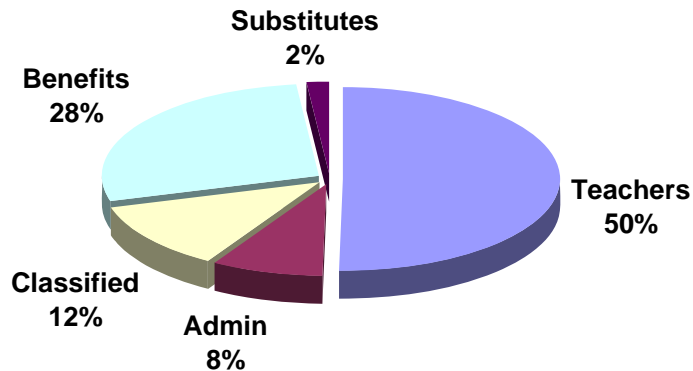
Salary Adjustments – Money set aside for certified employee lane changes and leave buyouts

**SITKA SCHOOL DISTRICT  
OPERATING BUDGET  
2007-2009 Actuals, 2010 Revised  
2011 Projected**

**Employee Expenditures**

	2007 Actual Expense	2008 Actual Expense	2009 Actual Expense	2010 First Revision	2011 Projected Expense
<b>Teachers' And Coaches' Salaries</b>					
Teachers	6,710,300	6,889,606	6,772,432	6,780,821	7,004,836
Coaching Contracts	104,464	111,065	116,996	111,498	111,498
<b>Total Teachers and Coaches</b>	<b>6,814,764</b>	<b>7,000,671</b>	<b>6,889,428</b>	<b>6,892,319</b>	<b>7,116,334</b>
<b>Administrators' Salaries</b>					
Superintendent & Asst Super	194,802	199,100	209,192	214,069	220,349
Certified Administrators	584,396	683,179	724,852	736,074	747,495
Non-Certified Administrators	194,028	207,793	209,381	217,454	225,062
<b>Total Administrators</b>	<b>973,226</b>	<b>1,090,072</b>	<b>1,143,425</b>	<b>1,167,597</b>	<b>1,192,906</b>
<b>Classified Staff Wages</b>					
Accounting & Secretarial	597,611	562,101	634,224	667,365	667,097
Paraprofessionals	559,303	596,739	683,325	778,303	804,935
Maintenance	168,811	190,213	203,000	224,550	238,576
<b>Total Classified Staff</b>	<b>1,325,725</b>	<b>1,349,053</b>	<b>1,520,549</b>	<b>1,670,219</b>	<b>1,710,609</b>
<b>Benefits</b>					
Health Insurance and Physicals	1,360,752	1,532,302	1,663,541	1,856,018	2,078,140
TRS/PERS/SBS/FICA	2,525,985	1,552,250	1,604,250	1,683,382	1,730,696
Workers Compensation Insurance	197,894	159,213	135,000	158,060	161,221
Unemployment Insurance	2,282	4,413	2,823	10,000	10,000
<b>Total Benefits</b>	<b>4,086,913</b>	<b>3,248,178</b>	<b>3,405,614</b>	<b>3,707,459</b>	<b>3,980,058</b>
<b>Substitutes</b>	<b>201,984</b>	<b>214,013</b>	<b>257,700</b>	<b>250,000</b>	<b>250,000</b>
<b>Salary Adjustments</b>				<b>75,000</b>	<b>75,000</b>
<b>Total Employee Costs</b>	<b>13,402,612</b>	<b>12,901,987</b>	<b>13,216,716</b>	<b>13,762,593</b>	<b>14,324,906</b>

**Employee Expenditures**



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

School and Program Budgets

**Baranoff, 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 services, supplies, equipment, and travel for the District's regular special education program and the summer ESY program

**Library Discretionary** – Funds allocated to the District libraries for discretionary purchases. One time allocation in FY2010, do not anticipate a recurring expenditure in FY2011.

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 our contract custodial services

District Administration

**Travel** – Expenditures for District approved travel

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

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

**Legal Settlement** – Fees for resolving legal disputes, none since FY2007

**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, CPI Common Remitter Services (403b), SMART Program, 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 include 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

**Community Schools** – Transfers to the Community Schools Program, none anticipated in FY2011

**SEACC** – The District's contribution to the Sitka Education Consortium

**Pool** – Transfers to operate and maintain the Blatchley pool, none anticipated in FY2011

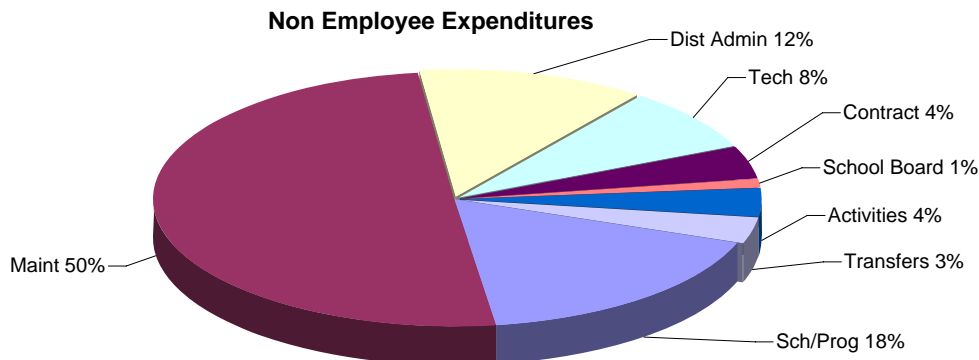
**Hames** – Transfers to assist with the daily operations of the Hames PE Center, none anticipated in FY2011



**SITKA SCHOOL DISTRICT  
OPERATING BUDGET  
2007-2009 Actuals, 2010 Revised  
2011 Projected**

**Non-Employee Expenditures**

	2007 Actual Expense	2008 Actual Expense	2009 Actual Expense	2010 First Revision	2011 Projected Expense
<b>School/Program Budgets</b>					
Baranoff Elementary	49,499	46,358	47,149	62,073	47,500
Keet Gooshi Heen Elementary	90,652	72,732	85,099	85,982	74,860
Blatchley Middle School	80,785	70,083	71,454	173,098	71,545
Sitka High School	99,997	106,862	86,536	143,315	91,770
Pacific High School	10,862	12,027	11,787	22,316	11,310
REACH	45,738	44,038	43,083	42,710	42,210
Special Education	78,400	89,460	160,453	241,880	241,880
Library Discretionary	0	0	0	15,000	0
<b>Total School/Program</b>	<b>455,933</b>	<b>441,560</b>	<b>505,561</b>	<b>786,374</b>	<b>581,075</b>
<b>Maintenance Expense</b>					
Supplies	158,325	162,558	134,884	199,000	139,000
Property Insurance	127,454	134,142	133,575	125,357	127,864
Utilities	774,672	1,036,536	871,485	998,050	1,017,815
Custodial Contract	305,331	327,441	334,436	345,250	397,038
<b>Total Maintenance</b>	<b>1,365,782</b>	<b>1,660,677</b>	<b>1,474,380</b>	<b>1,667,657</b>	<b>1,681,717</b>
<b>District Administration</b>					
Travel	18,122	21,910	24,231	34,305	34,305
Telephone/Communication	101,144	160,678	142,310	165,200	165,200
Liability Insurance & Bonding	40,316	40,220	40,194	38,220	39,100
Legal Settlement	135,000	0	0	0	0
Audit/Legal Fees	135,469	31,026	35,157	88,000	88,000
Health Services	10,132	2,462	4,118	20,955	20,955
Districtwide Programming/Supplies	174,899	78,810	113,858	102,558	104,000
Indirect Cost Rate Revenue	-83,186	-79,050	-56,779	-30,000	-45,000
<b>Total District Administration</b>	<b>531,896</b>	<b>256,056</b>	<b>303,089</b>	<b>419,238</b>	<b>406,560</b>
<b>Technology</b>	<b>35,443</b>	<b>42,385</b>	<b>52,543</b>	<b>127,200</b>	<b>277,200</b>
<b>Prof/Tech/Contract Services</b>	<b>74,428</b>	<b>76,315</b>	<b>69,257</b>	<b>136,500</b>	<b>132,000</b>
<b>School Board</b>	<b>29,205</b>	<b>36,121</b>	<b>33,401</b>	<b>41,600</b>	<b>41,600</b>
<b>Student Activities</b>	<b>58,163</b>	<b>91,974</b>	<b>116,180</b>	<b>120,801</b>	<b>120,801</b>
<b>Transfers</b>					
SNEP	28,000	28,000	28,000	28,000	28,000
Community Schools	22,450	0	103,000	0	0
Pool	0	0	56,700	0	0
SEACC	40,705	40,705	72,705	82,705	82,705
Hames	0	0	0	27,000	0
<b>Total Transfers</b>	<b>91,155</b>	<b>68,705</b>	<b>260,405</b>	<b>137,705</b>	<b>110,705</b>
<b>TOTAL NON-EMPLOYEE COSTS</b>	<b>2,642,005</b>	<b>2,673,793</b>	<b>2,814,816</b>	<b>3,437,075</b>	<b>3,351,658</b>



**SITKA SCHOOL DISTRICT  
FY2011 BUDGET SUMMARY & FY2007-2011 EXPENDITURE SUMMARY**

<b>Revenue</b>	<b>16,954,920</b>
Employee Expenditures	14,324,906
Non-Employee Expenditures	3,351,658
<b>Total Expenditures</b>	<b><u>17,676,564</u></b>
Difference	-721,644
Board approved transfer from Fund Balance	<u>0</u>
	<b>-721,644 Necessary expense reduction to balance budget</b>

**Fund Balance June 30, 2010 (est) 769,703**  
**Fund Balance June 30, 2011 (est) 769,703**

Expenditure	FY2011 Budgeted	% Of Total	FY2010 Revision	% Of Total	FY2009 Actual	% Of Total	FY2008 Actual	% Of Total	FY2007 Actual	% Of Total
Salaries and Benefits	14,324,906	81.04%	13,762,593	80.02%	13,216,716	82.44%	12,901,987	82.83%	13,402,612	83.53%
Maintenance	1,681,717	9.51%	1,667,657	9.70%	1,474,380	9.20%	1,660,677	10.66%	1,365,782	8.51%
School/Program	581,075	3.29%	786,374	4.57%	505,561	3.15%	441,560	2.83%	455,933	2.84%
District Administration	406,560	2.30%	419,238	2.44%	303,089	1.89%	256,056	1.64%	531,896	3.32%
Techology	277,200	1.57%	127,200	0.74%	52,543	0.33%	42,385	0.27%	35,443	0.22%
Prof/Tech/Contract Services	132,000	0.75%	136,500	0.79%	69,257	0.43%	76,315	0.49%	74,428	0.46%
School Board	41,600	0.24%	41,600	0.24%	33,401	0.21%	36,121	0.23%	29,205	0.18%
Student Activities	120,801	0.68%	120,801	0.70%	116,180	0.72%	91,974	0.59%	58,163	0.36%
Transfers Out	110,705	0.63%	137,705	0.80%	260,405	1.62%	68,705	0.44%	91,155	0.57%
	<u>17,676,564</u>	<u>100.00%</u>	<u>17,199,668</u>	<u>100.00%</u>	<u>16,031,532</u>	<u>100.00%</u>	<u>15,575,780</u>	<u>100.00%</u>	<u>16,044,617</u>	<u>100.00%</u>

**FY2011 Total Expenditures**

