Lake and Peninsula School District

2026-2027 Proposed Budget

Second Reading April 9, 2026

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Levels of Education Provided

LPSD provides preschool programs and K-12 education in 10 schools. In addition, the partnership with Bristol Bay Regional Career and Technical Education (BBRCTE) consortium allows myriad CTE program tracks for students to gain knowledge and experience.

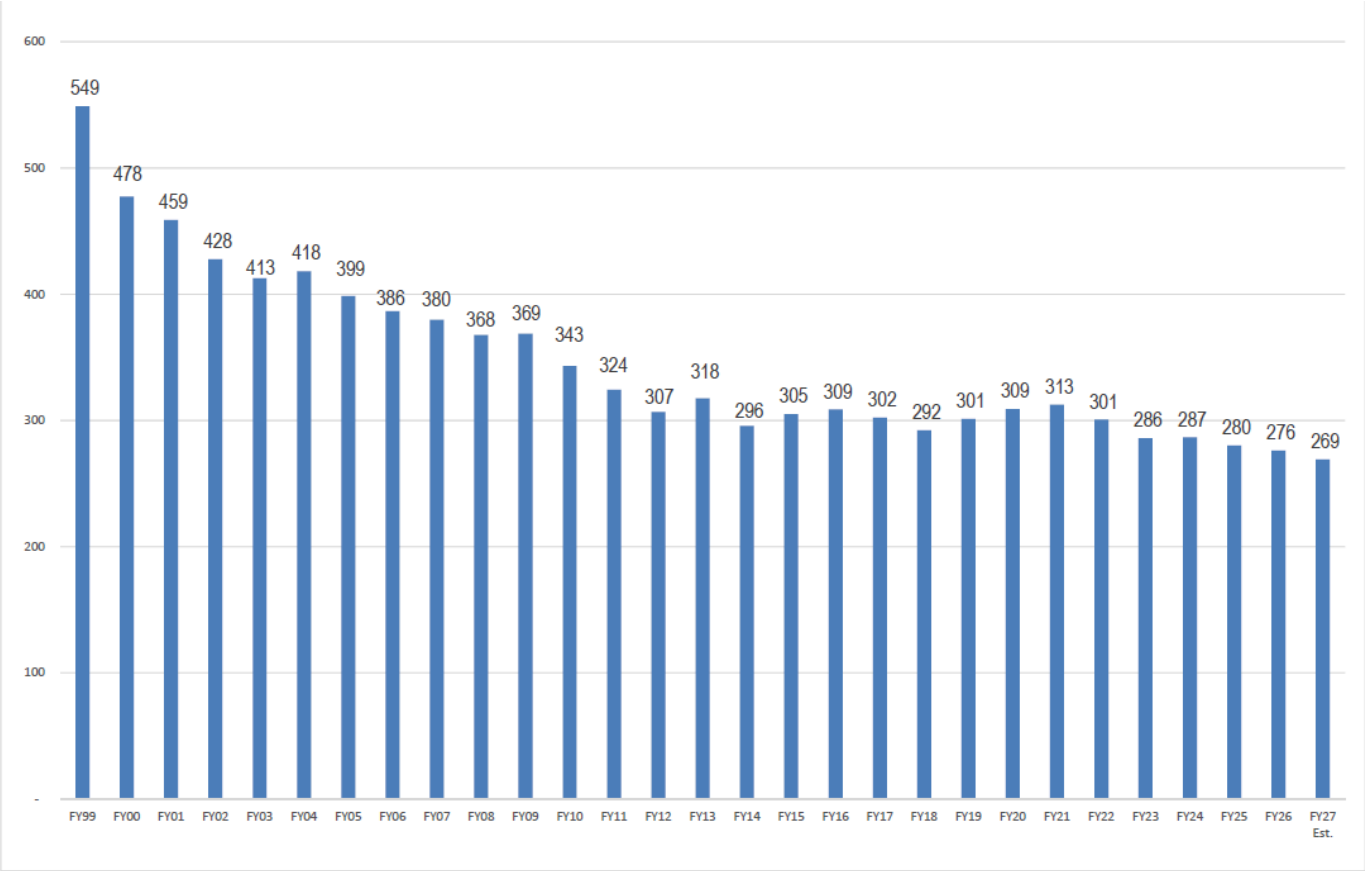
School/Student Analysis

LPSD Average Daily Membership

October Count Decline in enrollment of 273 FY99 to FY26

US Census Population 1999 1,814 - 2022 1,381

Decline in population of 433

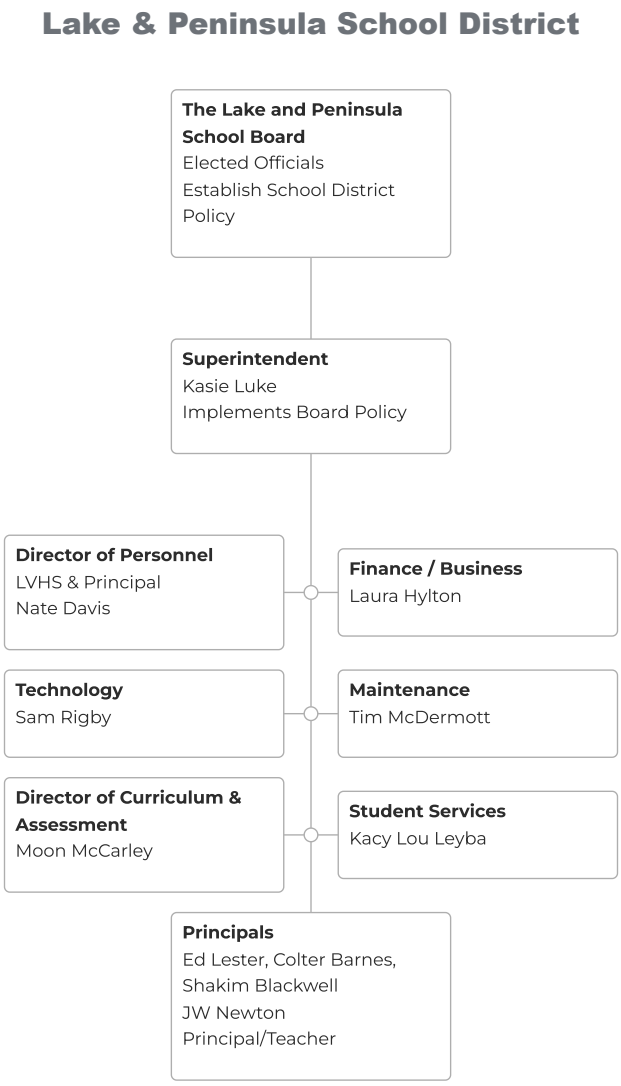




In order left to right:

1. Margie Olympic - Newhalen
2. Amber Christensen - Fox - Port Heiden
3. Beth Hill - Kokhanok - Clerk
4. Gerda Kosbruk - Port Heiden - President
5. Austin Shangin - Perryville - Vice President
6. Harry Ricci - Kokhanok
7. Sarah Armstrong - Iliamna

Organizational Chart



2023 2028

Lake and Peninsula School District

Vision: We grow self-directed, life-long learners who are grounded in their culture and contribute to their communities

Mission: We will nourish student growth by investing in partnerships and implementing culturally responsive, place-based education

FOCUS AREAS:

STUDENT FOCUSED READINESS

SUPPORTING STAFF

CULTURALLY RELEVANT, PROJECT AND PLACE BASED LEARNING

BUILDING AND SUSTAINING PARTNERSHIPS

Budget Timeline

Alaska requires school district budgets to be submitted to boroughs and cities by May 1st each year. The final budget is due to the Alaska Department of Education and Early Development by July 15th annually.

Budget Assumptions

As of February 28th, the endowment fund balance is $4,515,473.36 million.

- The Preschool Grant expires at the end of FY26 and Mrs. Kresl is working on an application for the current PK competition. We are hopeful grant funding will be awarded to continue our PK program. Basic program options are under review in the event grant funding is not awarded, PK funding will be an endowment draw.
- Potential bills affecting state funding include HB261, the 3-year average AADM, and HB374 Base Student Allocation increase of $630.
- 9 schools open, with an estimated enrollment of 269 with LVHS 19 students and 4 intensives.
- The closure of Levelock school did not trigger the foundation formula hold harmless clause due to fluctuations in enrollments at other schools.
- Includes technologies estimated needs for teacher computer replacements. Computers are replaced on a 4-year estimated life.
- The health insurance cost trend for Alaska continues to run between a 10-15% increase in claims costs annually.
- Fuel cost drives heat, electricity, transportation of goods and staff. FY26 extended below zero temps increase fuel and electrical usage to keep schools and housing from freezing.
- Assumes Impact Aid at the 90% payment proration. The 90% proration has been consistent for two fiscal years and an increase for the program is included in the Federal budget.
- School internet is provided under Microcom utilizing Starlink Business.

Staffing:

The staffing budget includes the new LPEA Agreement from July 1, 2026, to June 30, 2029. The new agreement includes salary schedule increases, M.ED program incentives, new retention incentives and service incentives.

This budget includes the proposed 2% increase to classified salary schedules for 2026-2027, 2027-2028, 2028-2029, 2029-2030.

1 less full-time admin 1 less Principal/Admin combine Curriculum, Principal and student data positions	~164,000.00 ~169,064.00
Classroom teacher FTE expected 37.5, 4 head teachers, 3.5 principals, .75 special ed itinerants, 2.5 school/student support, .75 board support. 1 FTE increase over FY26 due to increased enrollment at Chignik Lake.	
Classified staff is budgeted as status quo with a slight increase for special education aides to align with IEPs and a 10-month maintenance position.	

Food Service – Cook Estimate

Estimated endowment draw for cook salary and benefits for FY27:

The following total for cooks is not included in this first reading of the budget. If the board chooses to maintain cooks, this would be an endowment fund draw as in FY24, FY25 and FY26.

Salary	$188,900
Health	$109,800
Benefits — other	$ 49,500
Total	$348,200

Subs potentially add another $10,000.

Local Contribution Minimum and Maximum contribution

The annual Endowment withdrawal is based on the Borough Ordinance. The State Statute allows the difference between the minimum and maximum local contribution as defined in the foundation formula without reducing foundation revenue.

- Minimum Required Local Contribution by Foundation formula
  - $458,131
- Maximum Allowable Contribution
  - $2,483,307

Revenue Sources

LPSD revenue is based on the number of students enrolled in our schools and the State and Federal funding programs. The State of Alaska legislature is responsible for funding public education as provided in the state constitution. The foundation formula determines the amount of State funding and sets the required local contribution for the borough and the maximum contribution the borough is allowed to make. Contributions in excess of the maximum allowable contribution reduce the state foundation payments.

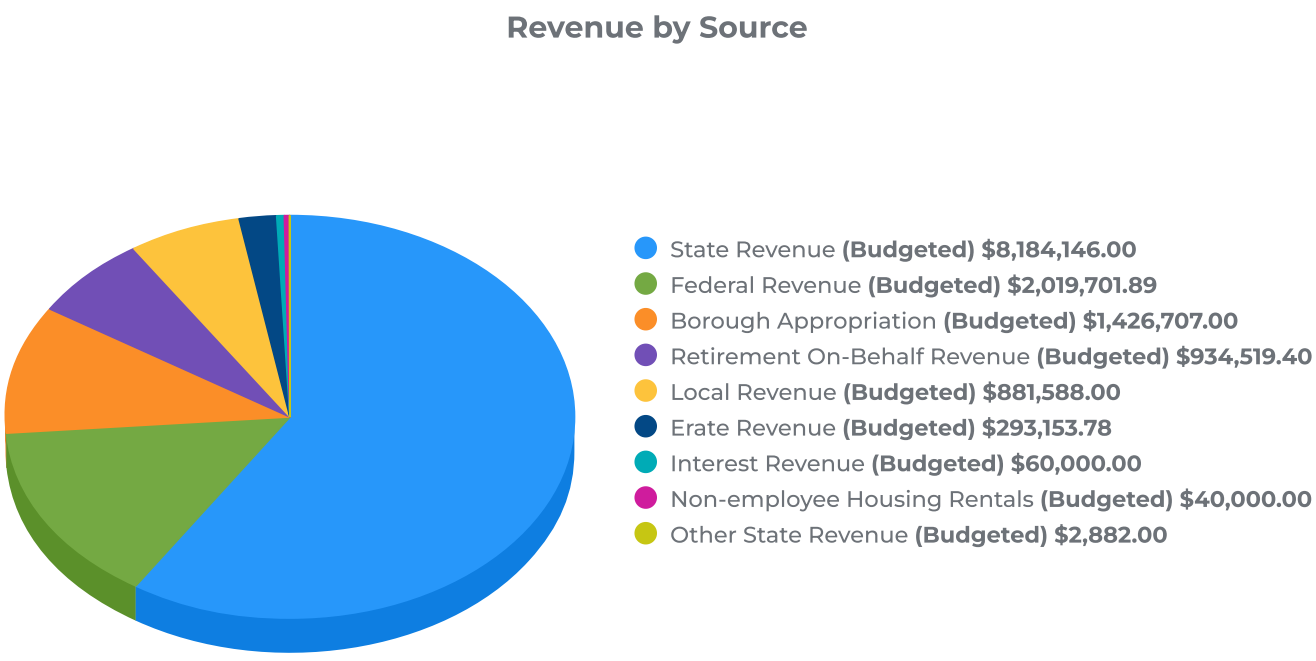
Federal Impact Aid is payment in lieu of taxes for non-taxable Indian and Federal lands. LPSD surveys all families in the district to determine where they reside and what type of property they live on. Native allotments, Alaska Native Claims Settlement Act (ANCSA) lands, Restricted Deeds and some HUD properties are eligible properties.

Erate revenue directly offsets the cost of the internet for the district. Currently, LPSD qualifies at the 90% level for most schools, without USDA lunch income surveys are needed to determine discounts for each school. Igiugig is 70%, Port Alsworth and Chignik Lake are at 80%. The overall district average is 90%.

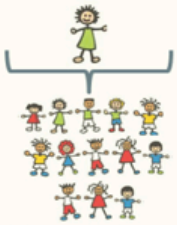
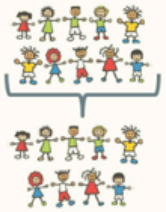
Retirement On-Behalf revenue is funded by the State of Alaska directly into the PERS and TRS systems for the systems' unfunded liabilities. LPSD is required to report both expense and revenue by Governmental Accounting Standards Board (GASB) reporting standards.

Local revenue consists of local entity contributions to BBRCTE, service contracts and miscellaneous property sales and small items.

Interest is generated on deposits in excess of $750,000 with Wells Fargo and the scholarship funds principal.



State Foundation Formula and Local Contribution

Step 1 School Size Adjustment	Step 2 District Cost Factor	Step 3 Special Needs Factor	Step 4 CTE Factor	Step 5 Intensive Needs Factor	Step 6 Corespondence Factor
 The school size factor table is used to calculate the adjusted ADM for each school.	 The district's school size adjusted ADM is multiplied by the district cost factor	*Bilingual Education* *Special Education* *Gifted & Talented* *Vocational Education* The previously adjusted ADM is multiplied by 1.20, providing an additional 20%.	*Career Technical Education*  The previously adjusted ADM is multiplied by 1.015, providing an additional 1.5%.	 The intensive needs count is multiplied by 13 to determine the final Adjusted ADM.	 The district's correspondence count is added in and multiplied by .90
269 → 514.61	514.61 → 1,026.13	1,026.13 → 1,231.36	1,231.36 → 1,249.83	1,249.83 → 1,301.83	1,301.83 → 1,318.92

FY 2027-26 Projected State/Local Revenue for LPSD

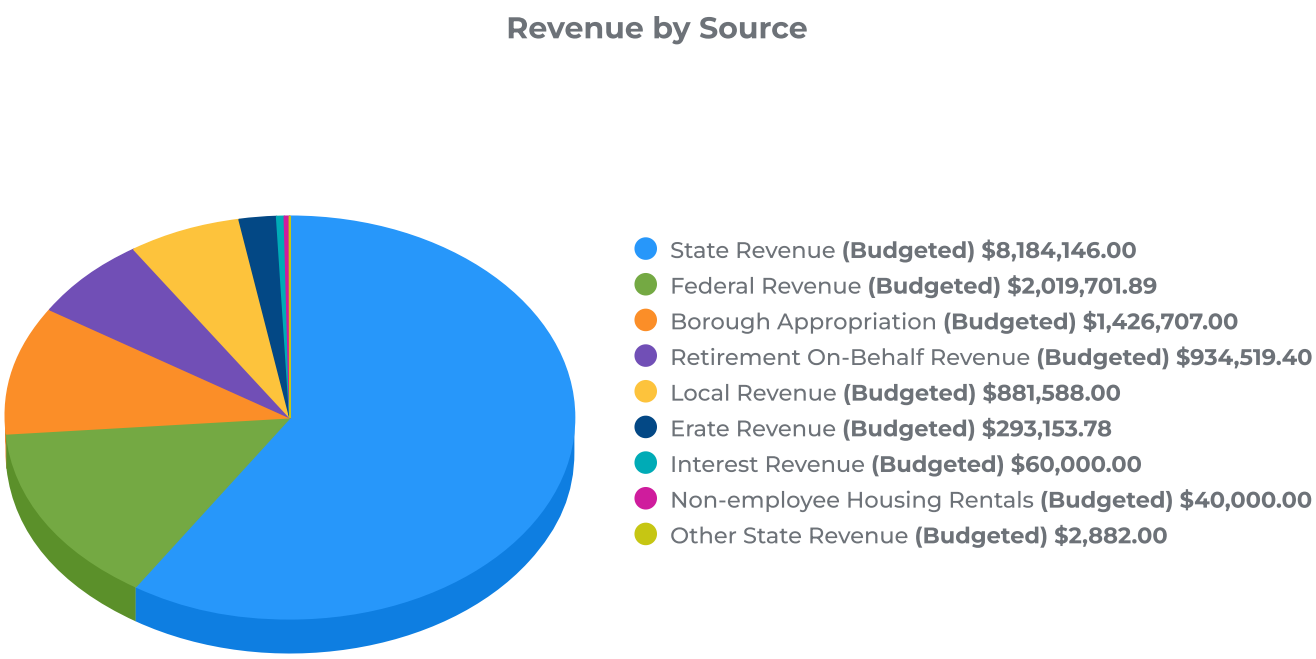
District adjusted ADM		1,318.92		
Base Student Allocation	$	6,660		
Basic need (BSA x ADM)	$	8,784,007		
Required local effort (borough contribution)	$	(458,131)	172,879,789	L&BP Property Value
State Reduction for Federal Impact Aid Receivec	$	(162,833)	x 2.65	Mills
State Fondation Revenue	$	8,163,043	458,131	Total Required Contribution
State Quality Schools Grant	$	21,103		
Total State Revenue	$	8,184,146		
Basic Need	$	8,784,007		
Additional Allowable Borough Contribution				
(23% of Basic Need + Quality Schools)	$	2,025,175		
Total Allowable Local Contribution	$	2,483,306.28		

Financial Section



Summary Data for General Fund

General Fund Revenue

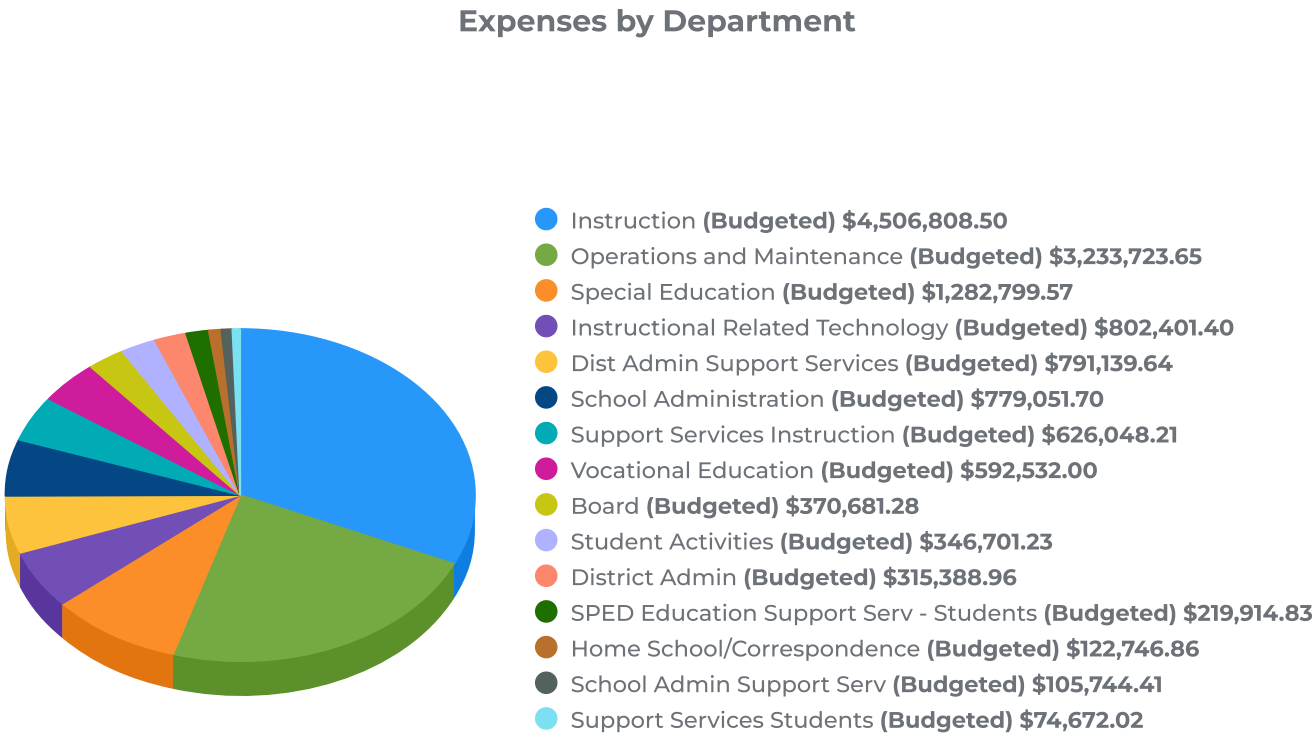


FY 27 Revenue Updated FY26 Estimates

As of March 2026

DESCRIPTION	FY26 Adopted Budget	FY26 Revised BSA $6,660	FY27 Projected BSA $6,660	DIFFERENCE
Borough Appropriation	$ 1,372,707	$ 1,372,707	$ 1,372,707	$ -
Borough Added Contribution		$ -		$ -
Interest	$ 25,000	$ 60,000	$ 60,000	$ -
Other Local - Misc. & Rent	$ 387,000	$ 387,000	$ 426,000	$ 39,000
Other Local - CTE	$ 366,500	$ 658,332	$ 549,588	$ (108,744)
Foundation	$ 8,157,787	$ 8,239,777	$ 8,184,146	$ (55,631)
SOA one-time	$ 1,000,164	$ -	$ -	$ -
TRS On-Behalf	$ 729,526	$ 729,526	$ 748,357	$ 18,831
PERS On-Behalf	$ 143,349	$ 143,349	$ 192,977	$ 49,628
Other State - Raffle	$ 2,882	$ 2,882	$ 2,882	$ -
Federal ERATE	$ 331,995	$ 331,995	$ 293,154	$ (38,841)
Federal Impact Aid 90% prorated	$ 1,057,825	$ 1,901,755	$ 2,019,702	$ 117,947
Total	$ 13,574,735	$ 13,827,323	$ 13,849,513	$ 22,190

Expense By Department



Expenditures		FY26 adopted	FY26 Actual	FY27 Budgeted
Instruction		$4,408,876.90	$2,538,103.09	$4,506,808.50
Lake View Home School		$19,541.20	$21,287.62	$122,746.86
BBRCTE		$441,750.65	$222,125.11	$592,532.00
SPED direct instruction		$1,258,005.87	$731,470.14	$1,282,799.57
SPED special services		$274,969.61	$118,277.24	$219,914.83
Student support		$61,245.01	$30,857.82	$74,672.06
Instructional Support		$693,427.11	$481,326.22	$626,048.21
Instructional Technology		$843,986.77	$670,402.18	$802,401.40
School Admin - Principals		$877,504.86	$498,241.44	$779,051.70
School Support - Secretaries		$100,069.21	$80,200.19	$105,744.41
District Admin - Superintendent & Board		$584,728.80	$450,775.23	$686,070.24
District Admin - Business Services		$810,515.77	$682,465.37	$791,139.64
Maintenance and Operations		$3,076,646.00	$2,718,996.62	$3,233,723.65
Student Activities		$439,168.29	$375,790.93	$346,701.23
Debt Service - leases		$70,080.00	$ -	$52,302.00
Total Expenditures		$13,960,516.05	$ 9,620,319.20	$14,222,656.30

Summary Data for Individual Funds



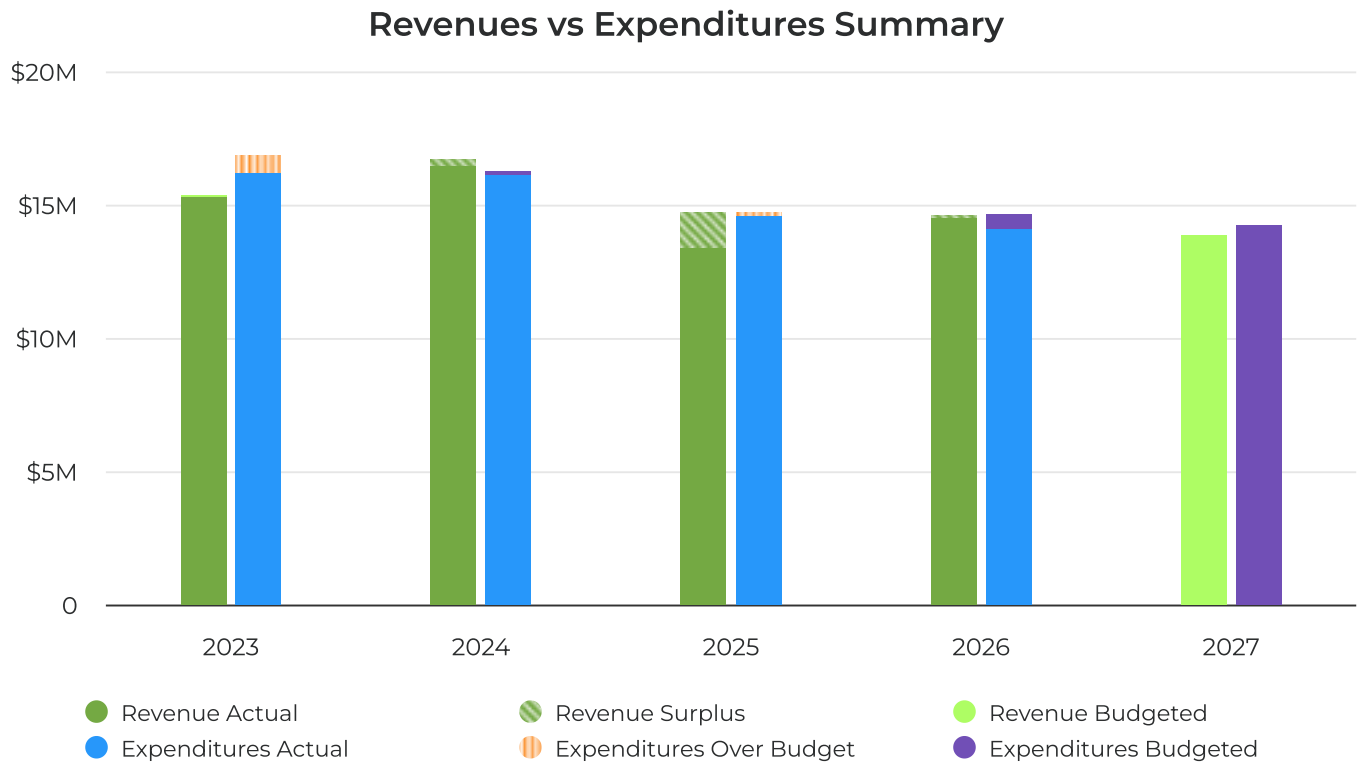
General Fund (100)

The General Fund is the primary operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund. The Board's General Fund primarily receives revenues from the State of Alaska Foundation Formula Funding, appropriated by the Alaska Legislature, Impact Aid funding payment in lieu of taxes, ERATE funding for the Internet and BBRCTE program donations.

Actual FY26 Expenditures as of April 2, 2026

Summary

Actual Data for FY2022 through FY2025, year-to-date data as of April 2, 2026 for FY2026 and Projected Budget for FY2027.



General Fund Comprehensive Fund Summary

FY26 Actual Information as of April 2, 2026

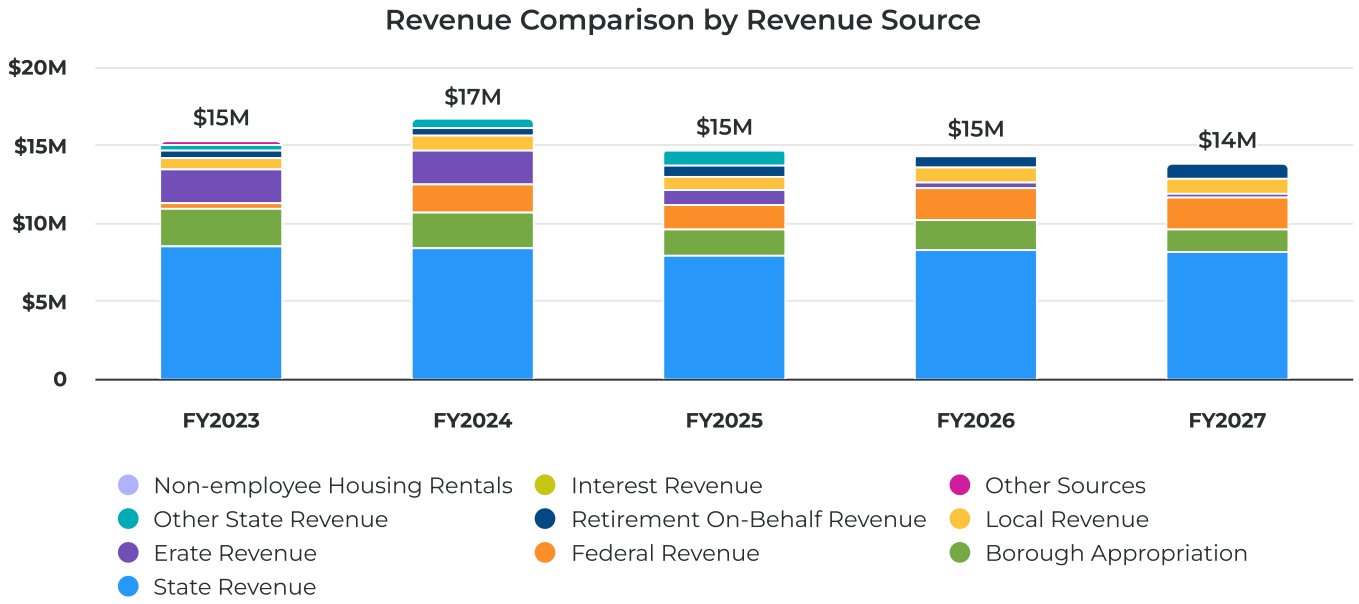
Comprehensive Fund Summary

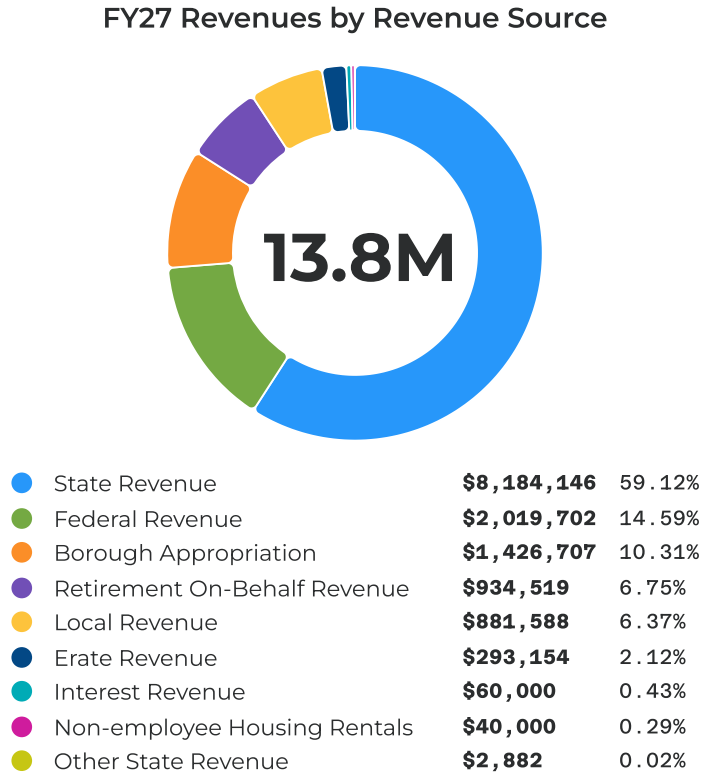
Category	FY 2026 Adopted	FY 2026 Actual	FY 2027 Budgeted
Beginning Fund Balance	**$557,180.00**	**$557,180.00**	**$971,597.00**
Revenues			
Borough Appropriation	$1,934,707.00	$1,934,707.00	$1,426,707.00
Local Revenue	$885,332.26	$953,964.37	$881,588.00

Category	FY 2026 Adopted	FY 2026 Actual	FY 2027 Budgeted
State Revenue	$8,248,815.00	$8,251,449.00	$8,184,146.00
Other State Revenue	$2,635.00	-	$2,882.00
Federal Revenue	$1,901,755.00	$2,033,224.00	$2,019,701.89
Erate Revenue	$341,000.00	$322,096.26	$293,153.78
Interest Revenue	$63,700.00	$59,376.03	$60,000.00
Retirement On-Behalf Revenue	$878,410.40	$755,162.02	$934,519.40
Other Sources	$130,320.06	$130,320.06	-
Non-employee Housing Rentals	$100,000.00	$102,116.22	$40,000.00
Total Revenues	**$14,486,674.72**	**$14,542,414.96**	**$13,842,698.07**
Expenditures			
Certified Salaries	$3,732,821.47	$3,752,455.59	$3,757,572.35
Non Certified Salary	$2,053,572.98	$1,901,381.44	$2,140,258.81
Fringe Benefits	$3,365,761.01	$3,562,376.65	$3,122,696.35
On-Behalf Retirement	$876,915.51	$755,162.02	$934,519.30
Housing Allowance/Subsidy	$453,500.00	$482,831.38	$454,500.00
Professional/Technical Services	$309,121.00	$299,999.89	$415,611.00
Transportation Allowance	$58,869.53	$45,328.35	$59,200.00
Staff Travel	$719,868.87	$616,683.01	$675,709.00
Utilities	$1,701,725.15	$1,671,254.40	$1,613,099.23
Other Purchased Services	$530,836.36	$354,577.31	$569,580.23
Supplies, Materials, + Media	$639,498.75	$506,662.85	$470,100.00
Other Expense & Indirect	-$13,899.41	-$23,042.16	-$42,492.01
Capital Outlay	$147,569.08	$130,320.06	-
Debt Service	$57,068.00	$57,068.00	$52,302.00
Total Expenditures	**$14,633,228.30**	**$14,113,058.79**	**$14,222,656.26**
Total Revenues Less Expenditures	**-$146,553.58**	**$429,356.17**	**-$379,958.19**
Ending Fund Balance	**$410,626.42**	**$986,536.17**	**$591,638.81**

Revenues by Revenue Source

Actual Data for FY2023 through FY2025, year-to-date data as of April 2, for FY2026 and Projected Budget for FY2027.

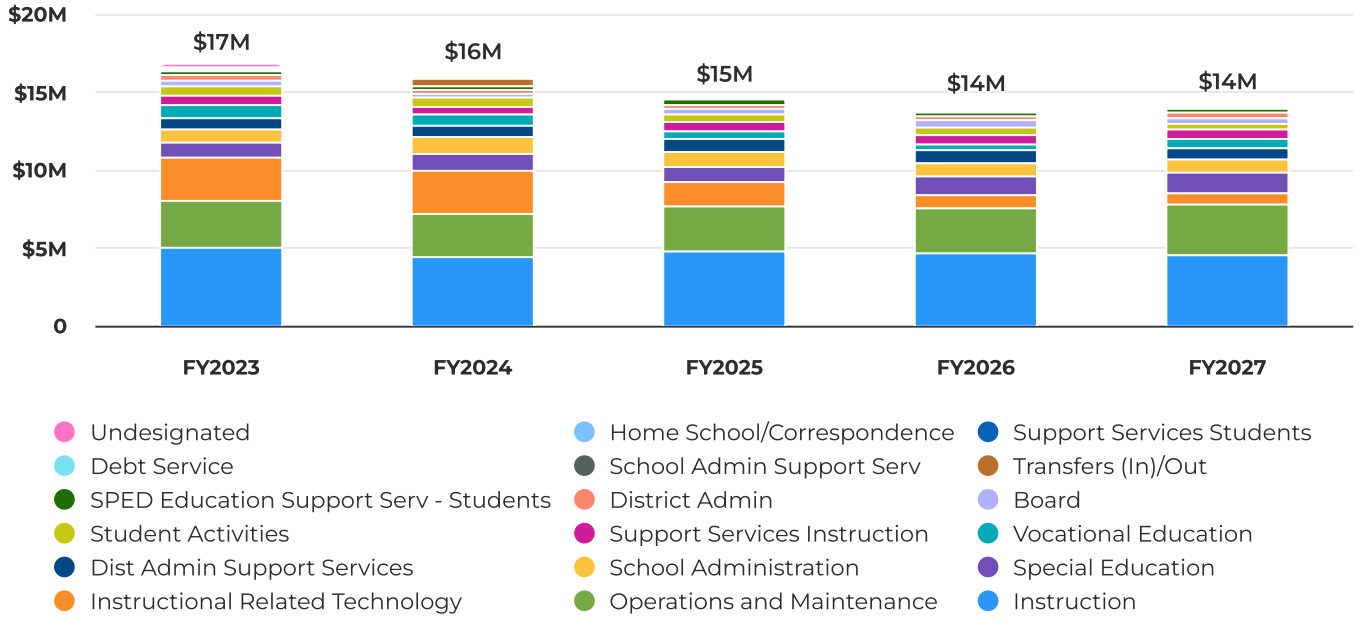




Expenditures by Department

Actual Data for FY2023 through FY2025, year-to-date data as of April 2, for FY2026 and Projected Budget for FY2027.

Comparison of Expenditures by Department



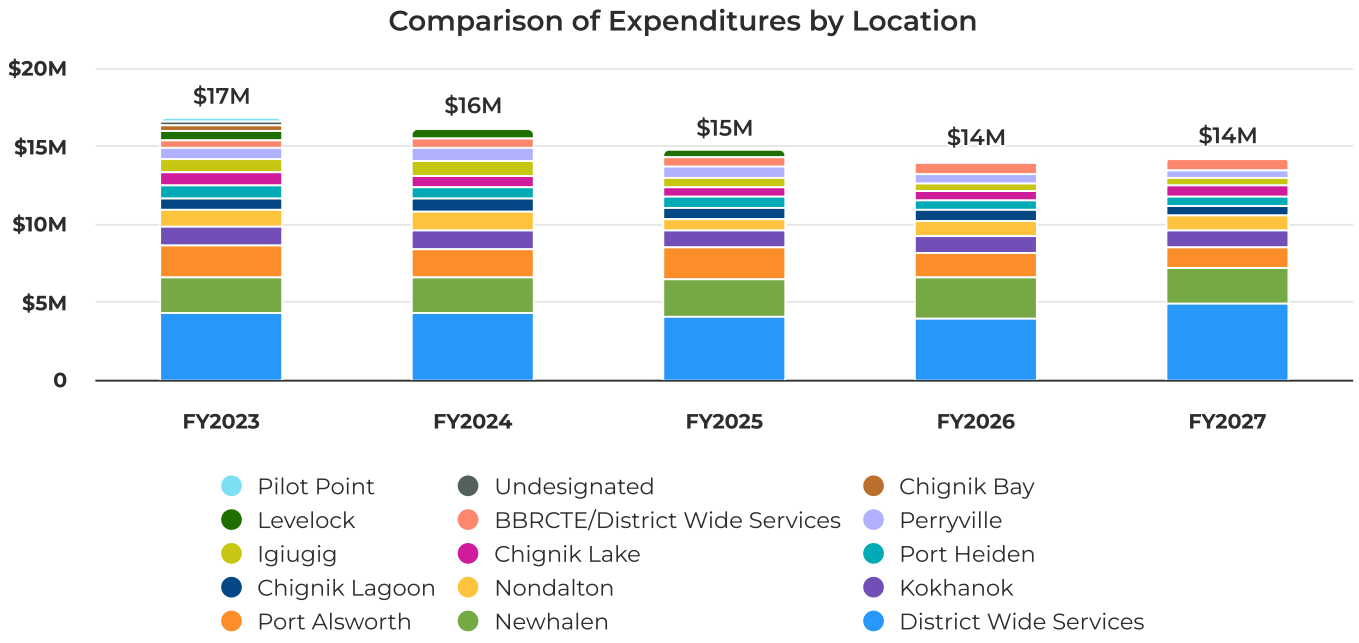
FY27 Expenditures by Department



Instruction	**$4,506,809**	31.69%
Operations and Maintenance	**$3,233,724**	22.74%
Special Education	**$1,282,800**	9.02%
Instructional Related Technology	**$802,401**	5.64%
Dist Admin Support Services	**$791,140**	5.56%
School Administration	**$779,052**	5.48%
Support Services Instruction	**$626,048**	4.40%
Vocational Education	**$592,532**	4.17%
Board	**$370,681**	2.61%
Student Activities	**$346,701**	2.44%
District Admin	**$315,389**	2.22%
SPED Education Support Serv - Students	**$219,915**	1.55%
Home School/Correspondence	**$122,747**	0.86%
School Admin Support Serv	**$105,744**	0.74%
Support Services Students	**$74,672**	0.53%
Debt Service	**$52,302**	0.37%

Expenditures by Location

Actual Data for FY2023 through FY2025, year-to-date data as of April 2, for FY2026 and Projected Budget for FY2027.





District Wide Services	$4,901,549	34.46%
Newhalen	$2,285,574	16.07%
Port Alsworth	$1,358,129	9.55%
Kokhanok	$1,073,356	7.55%
Nondalton	$929,967	6.54%
Chignik Lake	$695,693	4.89%
BBRCTE/District Wide Services	$655,822	4.61%
Chignik Lagoon	$623,224	4.38%
Port Heiden	$600,352	4.22%
Igiugig	$512,719	3.60%
Perryville	$510,749	3.59%
Chignik Bay	$51,954	0.37%
Levelock	$20,917	0.15%
Pilot Point	$2,650	0.02%

Expenditures by Location

Category	FY 2026 Adopted	FY 2026 Actual	FY 2027 Budgeted	FY 2026 Projected vs. FY 2027 Budgeted (% Change)
Chignik Bay	$20,665.32	$24,326.23	$51,954.40	795.77%
Chignik Lagoon	$636,384.38	$666,101.55	$623,224.44	-13.37%
Chignik Lake	$656,246.91	$685,343.06	$695,692.92	19.03%
Igiugig	$490,821.56	$504,455.19	$512,719.41	1.77%
Kokhanok	$1,011,936.12	$1,094,731.89	$1,073,355.88	5.00%
Newhalen	$2,229,843.79	$2,570,256.47	$2,285,573.63	18.61%
Nondalton	$825,637.70	$911,099.38	$929,966.70	32.85%
Port Alsworth	$1,518,671.42	$1,652,572.61	$1,358,129.13	-7.94%
Perryville	$521,845.97	$532,029.03	$510,749.47	6.28%
Pilot Point	-	$180.14	$2,650.00	-
Port Heiden	$548,552.51	$602,133.82	$600,352.38	11.34%
Levelock	$148,834.06	$135,124.67	$20,916.98	-95.33%
District Wide Services	$5,258,951.47	$3,954,228.24	$4,901,549.13	0.80%
BBRCTE/District Wide Services	$764,837.09	$780,476.51	$655,821.79	-1.72%
Total Expenditures	**$14,633,228.30**	**$14,113,058.79**	**$14,222,656.26**	**2.06%**

Expenditures by Expense Type

Actual Data for FY2023 through FY2025, year-to-date data as of April 2, for FY2026 and Projected Budget for FY2027.

FY27 Expenditures by Expense Type



Certified Salaries	**$3,757,572**	26.42%
Fringe Benefits	**$3,122,696**	21.96%
Non Certified Salary	**$2,140,259**	15.05%
Utilities	**$1,613,099**	11.34%
On-Behalf Retirement	**$934,519**	6.57%
Staff Travel	**$675,709**	4.75%
Other Purchased Services	**$569,580**	4.00%
Supplies, Materials, + Media	**$470,100**	3.31%
Housing Allowance/Subsidy	**$454,500**	3.20%
Professional/Technical Services	**$415,611**	2.92%
Transportation Allowance	**$59,200**	0.42%
Debt Service	**$52,302**	0.37%
Other Expense & Indirect	**-$42,492**	-0.30%

Expenditures by Expense Type

Category	FY 2026 Adopted	FY 2026 Actual	FY 2027 Budgeted	FY 2026 Projected vs. FY 2027 Budgeted (% Change)
Certified Salaries	$3,732,821	$3,752,456	$3,757,572	-0.82%
Non Certified Salary	$2,053,573	$1,901,381	$2,140,259	12.42%
Fringe Benefits	$3,365,761	$3,562,377	$3,122,696	-0.01%
On-Behalf Retirement	$876,916	$755,162	$934,519	7.56%
Housing Allowance/Subsidy	$453,500	$482,831	$454,500	-7.06%
Professional/Technical Services	$309,121	$300,000	$415,611	49.81%
Transportation Allowance	$58,870	$45,328	$59,200	60.62%
Staff Travel	$719,869	$616,683	$675,709	-7.57%
Utilities	$1,701,725	$1,671,254	$1,613,099	3.92%
Other Purchased Services	$530,836	$354,577	$569,580	-10.78%
Supplies, Materials, + Media	$639,499	$506,663	$470,100	5.39%
Other Expense & Indirect	-$13,899	-$23,042	-$42,492	-558.83%
Capital Outlay	$147,569	$130,320	-	-
Debt Service	$57,068	$57,068	$52,302	-25.37%

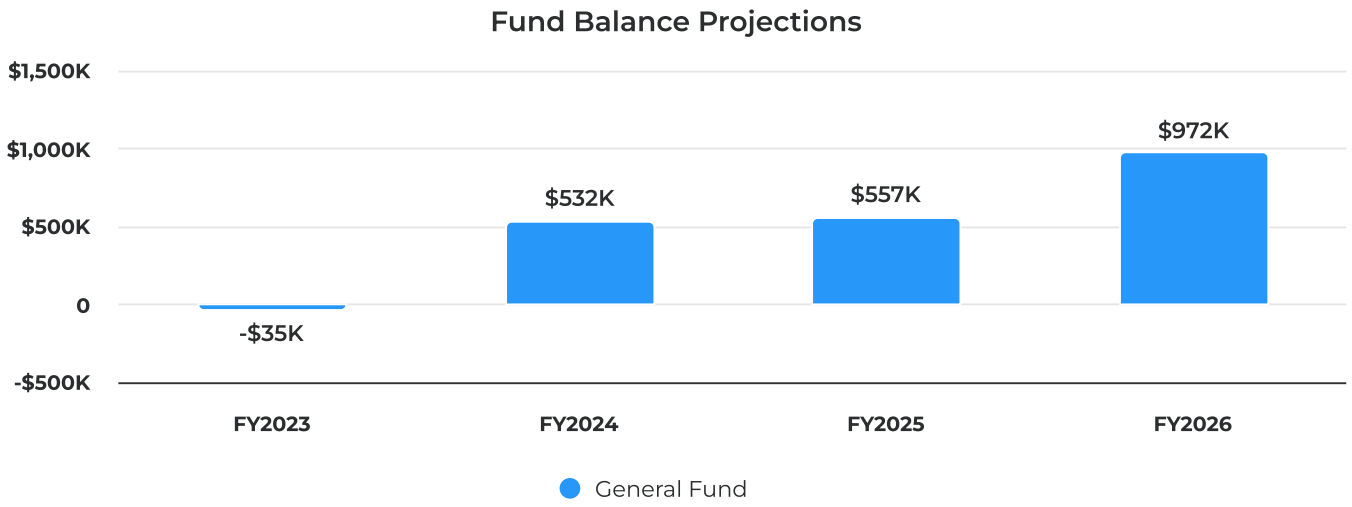
Category	FY 2026 Adopted	FY 2026 Actual	FY 2027 Budgeted	FY 2026 Projected vs. FY 2027 Budgeted (% Change)
Total Expenditures	**$14,633,228**	**$14,113,059**	**$14,222,656**	**2.06%**

Fund Balance

Fund balance is categorized into six types: Non-Spendable, Restricted, Committed, Assigned and Unassigned.

Examples of items in each category are:

Non-Spendable	Retricted	Committed	Assigned	Unassigned
Inventory	Scholarship Principal	Capital Grant Match	Encumbrances	Spendable
Prepaid items — used in a future year	BBRCTE Donations	Food Service and Pupil Transportation	Purchase orders issued but not received at year-end	Available for future years' use



Spendable Fund balance in FY25 is $53,566. The goal is to utilize surplus amounts to reduce Endowment Fund drawdown to the minimum possible each year.

In FY26, the closing of Levelock school, a boiler failure in Chignik Lagoon, a water system outage in Nondalton, extended below zero temperatures and the increased cost of fuel due to the war will all reduce LPSD's ability to save funds for future expenses.