



City and Borough of Wrangell
Work Session & SPECIAL Borough Assembly Meeting
AGENDA

Thursday, April 16, 2020
5:30 PM (Work Session) / **5:45 PM (Special meeting)**

Location: Borough Assembly Chambers
City Hall

Resolution No. 03-20-1520 allows for the temporary suspension of in-person Assembly Meetings and allows for teleconference meetings, due to COVID-19, until further notice.

Teleconference Information for anyone wishing to call into the meeting and speak under
Persons to be Heard

If you wish to call into the meeting to speak under Persons to be Heard, please contact the Borough Clerk at 907-874-2381 or email: clerk@wrangell.com no later than Thursday, April 16th at 5:00 p.m. so that you can be added to the Sign-Up sheet.

You will be called in the order that your request is received.

Please note that KSTK is still broadcasting the Borough Assembly meetings. Therefore, if you wish only to listen in, you may do so by tuning into KTSK!

Here is the Call-in information for Persons to be Heard:

To Join by Computer:

<https://zoom.us/j/9078742381?pwd=MTNqSEdncjRyakh2UCtMVUNxMndYUT09>

And Enter the Meeting ID: 907 874 2381

Then Enter Password: 99929

OR

To use your phone, call one of the following numbers:

+1 669 900 9128 US

+1 346 248 7799 US

+1 301 715 8592 US

+1 312 626 6799 US

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+1 253 215 8782 US

And enter the Meeting ID: 907 874 2381

Then enter the Password: 99929

WORK SESSION

- a. COVID-19 Borough Manager Update

1. CALL TO ORDER

2. ROLL CALL

3. PERSONS TO BE HEARD

4. CONFLICT OF INTEREST

5. NEW BUSINESS

a. Approval of the FY 2021 Wrangell Public School Local Contribution

6. ADJOURNMENT

**CITY & BOROUGH OF WRANGELL, ALASKA
SPECIAL BOROUGH ASSEMBLY AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	April 16, 2020
	<u>Agenda Section</u>	5

Approval of the FY 2021 Wrangell Public School Local Contribution

SUBMITTED BY:

Lisa Von Bargaen, Borough Manager

FISCAL NOTE:

Expenditure Required: See Agenda Statement

FY 20: \$	FY 21: \$	FY22: \$
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Amount Budgeted:

FY20 \$XXX

Account Number(s):

XXXXXX XXX XXXX

Account Name(s):

Enter Text Here

Unencumbered Balance(s) (prior to expenditure):

\$XXX

Reviews/Approvals/Recommendations

<input type="checkbox"/>	Commission, Board or Committee
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. FY 2021 School Budget

RECOMMENDATION MOTION:
Move to Approve FY 2021 Wrangell Public Schools Local Contribution.

SUMMARY STATEMENT:
Wrangell Public Schools submitted the FY 2021 District Budget to the City & Borough of Wrangell on March 17, 2021. The submittal was two weeks prior to the Target date outlined in the adopted

Budget Calendar, and six weeks prior to the Statutory deadline of May 1st. Alaska Statutes also require a Borough to respond to a school district with a local contribution number within 30 days of the district’s submittal. That puts the Assembly’s deadline for action on April 17th.

Borough Administration apologizes to the Assembly and the School District for the lateness in which this information is being provided. Nearly every waking moment, seven days a week, since March 11th, has been spent managing the COVID-19 Emergency. What follows is a compilation of information the Assembly will need to make a decision regarding funding for the school district.

Statutory Local Contribution Minimum/Maximum:

The City & Borough of Wrangell is required to provide the equivalent of 2.65 Mills of the Full Value Determination (total assessed property value) in the Borough. Wrangell’s Full Value Determination is \$220,313,378. When multiplied by 2.65 Mills (.00265) the minimum local contribution is \$583,830. In addition to the local contribution, a city or borough school district in a fiscal year may make a local contribution of not more than the greater of

- (1) the equivalent of a two mill tax levy on the full and true value of the taxable real and personal property in the district as of January 1 of the second preceding fiscal year, or
- (2) 23 percent of the total of the district’s basic need for the fiscal year under (b)(1) of this section and any additional funding distributed to the district in a fiscal year according to (b) of this section.

The maximum allowable statutory local contribution is \$1,611,238.

WPS Budget Request:

The school district has requested a total of \$1,300,000 for FY 2021. This includes the minimum statutory required contribution of \$583,830 and \$716,170 in Secure Rural Schools funding.

Prior Year Contributions:

FY2020:	\$1,300,000 (Operating)	SRS Current Payment & Reserves
	<u>\$ 100,000 (Maintenance)</u>	SRS Reserves
	\$1,400,000	Total
FY2019	\$ 583,800	Sales Tax Fund
	<u>\$ 848,488</u>	SRS Current & Reserves
	\$1,432,288	Total
FY2018	\$ 667,800	Sales Tax Fund
	<u>\$ 848,488</u>	SRS Current & Reserves
	\$1,516,288	Total

Funding Options:

The City & Borough of Wrangell has two different “pots” of money from which school funding has traditionally come. Those are the Sales Tax Fund and the Secure Rural Schools Fund.

Sales Tax Fund: By Code 28% of annual sales tax revenue is dedicated to Education, Health and Sanitation. It is from this percentage of annual sales tax revenue that the annual local contribution has come (except for 2020). The 28% portion of annual sales tax revenue reserved

for Education, Health and Sanitation can also be used to help cover the cost of health and sanitation expenditures – like a new baler – for example.

Secure Rural Schools Fund: By federal standards the traditional split of SRS funds is 85% education and 15% roads. By policy, Wrangell has annually reserved 94% for education and 6% for roads. Last year it was clarified that SRS funding can be used as local contribution, but it must be the entire amount of the SRS payment for the year. It cannot be split into partial local and partial federal contribution. Last year the Borough gave the full amount of the annual SRS payment (\$986,580), and then added to it from SRS reserves to fund up to \$1.4 Million.

Sales Tax Fund (Education, Health & Sanitation):

*FY20/21 Estimated Revenue has been reduced significantly to account for the anticipated loss in sales tax revenue.

FY20 Revenues:	
FY20 Beginning Reserve Balance	\$ 609,032
FY20 Estimated Tax Revenue (28%)	<u>\$ 695,638</u>
Total Funding:	\$1,304,670

FY20 Expenditures:	
School Bond Debt	\$ 268,250
Pool/School	<u>\$ 29,000</u>
Total Expenditures	\$ 297,250

FY21 Revenues:	
FY21 Beginning Reserve Balance	\$1,007,420
FY21 Estimated Revenue (28%)	<u>\$ 687,590</u>
Total Funding:	\$1,695,010

FY21 Expenditures:	
School Bond Debt	\$ 268,250
Pool/School	\$ 30,000
Sales Tax Audit	\$ 5,000
Baler Purchase Match (20%)	<u>\$ 70,000</u>
Total Expenditures:	\$ 373,250

Total Available Balance in Education, Health & Sanitation in FY21 = **\$1,321,760**

Secure Rural Schools Fund on Next Page

Secure Rural School Fund:

FY20 Revenue:		
FY20 Beginning Reserve Balance	\$3,358,864	
FY20 Estimated SRS Payment	<u>\$ 950,000</u>	
Total Revenue	\$4,308,864	
6% Road Allocation	(\$ 258,532)	
FY20 Expenditures:		
FY20 School Contribution	\$1,300,000	
FY20 School Maintenance	\$ 100,000	
FY20 School CIP (Sidewalk Repairs)	<u>\$ 65,000</u>	
Total Expenditures	(\$1,465,000)	
FY21 Revenues:		
FY21 Estimated Reserve Balance	\$2,585,332	
FY21 Estimated SRS Payment	<u>\$ 893,000</u>	(Less 6% for roads)
Total Revenues	\$3,478,332	

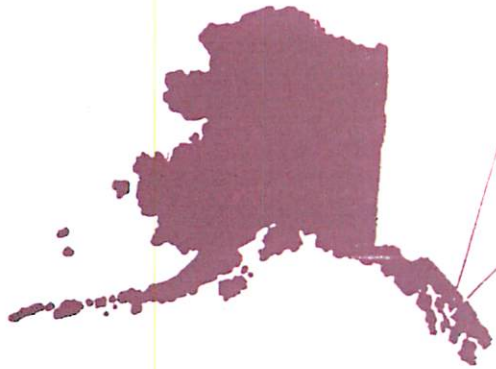
Total Available Balance in FY21 = **\$3,478,332**

If the full request for school funding were taken from the SRS Fund, the remaining balance for FY22 would be \$2,178,332.

Some important considerations:

1. SRS is only funded through FY21. There is no guarantee of funding beyond the upcoming fiscal year.
2. WPS is projecting to have a fund balance of only \$121,567 at the end of FY21.

Administration is recommending the Assembly make the motion as written and once the funding discussion has taken place, amend the motion as necessary.



**WRANGELL
PUBLIC SCHOOLS**
DISTRICT OFFICE

GATEWAY TO THE STIKINE

P.O. BOX 2319
WRANGELL, ALASKA 99929
Telephone (907) 874-2347
Fax # (907) 874-3137

March 17, 2020

Stephen Prysunka, Mayor
City & Borough of Wrangell, Alaska
P.O. Box 531
Wrangell, AK 99929-0531

Dear Mayor Prysunka & Assembly Members:

Please find attached the Fiscal Year 2021 school budget adopted by the School Board during their regular meeting on Monday, March 16, 2020.

Please feel free to contact me if you have questions or need clarification on any parts of the budget.

Sincerely,

Dr. Debbe Lancaster
Superintendent

DL:kjp

Wrangell Public Schools
General (School Operating) Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
FY 2021

		FY18	FY19	FY20	FY21	Difference
<i>Period Ended June 30,</i>		<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Budget</i>	<i>In Budgets</i>
Revenues						
Local sources:						
100-000-010	Borough appropriation - City and Borough of Wrangell	\$ 667,799	\$ 583,619	\$ 610,329	\$ 583,830	\$ (26,499)
100-000-030	Earnings on investments	715	462	701	701	-
100-000-040	Other local revenues	48,742	129,457	41,114	60,000	18,886
100-000-047	E-Rate	75,952	85,697	76,569	84,454	7,885
Total local sources		793,208	799,235	728,713	728,985	272
State of Alaska:						
100-000-050	Foundation	3,612,769	3,879,785	3,756,369	3,882,367	125,998
100-550-056	TRS on behalf	273,489	273,674	300,844	300,000	(844)
100-000-057	PERS on behalf	32,523	51,022	55,000	55,000	-
Total State of Alaska		3,918,781	4,204,481	4,112,213	4,237,367	125,154
Federal sources:						
100-000-190	Timber receipts passed through City and Borough of Wrangell	848,489	848,488	689,671	716,170	26,499
100-000-100	Direct educational grants - federal impact aid	2,890	2,928	-	-	-
Total federal sources		851,379	851,416	689,671	716,170	26,499
Total Revenues		5,563,368	5,855,132	5,530,597	5,682,522	151,925
Expenditures						
Instruction:						
100-100-310	Certificated salaries	1,345,202	1,499,390	1,575,802	1,616,829	41,027
100-100-320	Noncertificated salaries	71,144	79,139	71,469	125,904	54,435
100-100-350	Employee benefits	702,472	824,027	931,118	1,011,604	80,486
100-100-410	Professional and technical services	80	125	5,000	-	(5,000)
100-100-420	Staff travel	2,153	2,758	5,000	3,000	(2,000)
100-100-425	Student travel	4,475	1,160	6,000	5,000	(1,000)
100-100-440	Other purchased services	5,565	7,171	7,300	7,500	200
100-100-450	Supplies, materials and media	107,699	126,066	126,648	100,000	(26,648)
100-100-490	Other expenditures	17,544	60	739	500	(239)
100-100-510	Equipment	28,604	8,134	13,762	10,000	(3,762)
Total Instruction		2,284,938	2,548,030	2,742,838	2,880,337	137,499
				1,314.22	1,182.80	
				175.00	175.00	
				229,988.50	206,990.00	

Item a.

Wrangell Public Schools

General (School Operating) Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual, continued
 FY 2021

<i>Period Ended June 30,</i>		FY18	FY19	FY20	FY21	Difference	
		Actual	Actual	Budget	Budget	in Budgets	
Expenditures, continued							
Special education instruction:							
100-200-310	Certificated salaries	\$ 146,178	\$ 125,215	\$ 125,250	\$ 129,244	\$ 3,994	
100-200-320	Noncertificated salaries	188,154	153,477	199,916	217,444	17,528	less \$15K
100-200-350	Employee benefits	142,444	126,070	153,327	180,552	27,225	less \$10K
100-200-410	Professional and technical services	-	30,792	29,953	35,000	5,047	
100-200-420	Staff travel	122	300	10,000	500	(9,500)	
100-200-425	Student travel	-	57	-	-	-	
100-200-450	Supplies, materials and media	5,313	4,152	8,696	6,000	(2,696)	
100-200-490	Other expenditures	83	-	-	-	-	
100-200-510	Equipment	2,028	-	619	-	(619)	
Total special education instruction		484,322	440,063	527,761	568,740	40,979	
Special education support services - students:							
100-220-320	Noncertificated salaries	16,914	15,126	46,089	12,614	(33,475)	
100-220-350	Employee benefits	17,839	11,912	20,704	8,175	(12,529)	
100-220-410	Professional and technical services	32,493	43,835	-	30,000	30,000	
100-220-450	Supplies, materials and media	-	-	870	1,000	130	
100-220-490	Other expenditures	181	-	-	-	-	
100-220-510	Equipment	-	-	500	-	(500)	
Total special education support services - students		67,427	70,873	68,163	51,790	(16,373)	
Support services - students:							
100-300-310	Certificated salaries	81,043	79,207	12,333	16,125	3,792	
100-300-320	Noncertificated salaries	530	-	-	-	-	
100-300-350	Employee benefits	48,656	40,775	3,667	8,530	4,863	
100-300-410	Professional and technical services	8,237	50,000	-	20,000	20,000	
100-300-420	Staff travel	-	-	-	-	-	
100-300-450	Supplies, materials and media	636	559	250	600	350	
100-300-490	Other expenditures	-	1,758	-	1,000	1,000	
Total support services - students		139,102	172,299	16,250	46,255	30,005	

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Wrangell Public Schools

General (School Operating) Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual, continued
 FY 2021

<i>Period Ended June 30,</i>		FY18	FY19	FY20	FY21	Difference
		Actual	Actual	Budget	Budget	In Budgets
Expenditures, continued						
Support services - Instruction:						
100-350-320	Noncertificated salaries	\$ 133,731	\$ 143,559	\$ 134,971	\$ 59,252	\$ (75,719)
100-350-350	Employee benefits	90,858	109,799	112,349	91,505	(20,844)
100-350-410	Professional and technical services	7,546	5,212	19,200	30,000	10,800
100-350-420	Staff travel	1,818	3,001	2,000	3,000	1,000
100-350-430	Utility services	125,038	113,355	116,535	127,000	10,465
100-350-440	Other purchased services	-	-	3,000	-	(3,000)
100-350-450	Supplies, materials and media	12,409	11,250	23,082	20,000	(3,082)
100-350-490	Other expenditures	2,406	410	500	1,000	500
100-350-510	Equipment	3,664	-	5,000	-	(5,000)
Total support services - Instruction		377,470	386,586	416,637	331,757	(84,880)
School administration:						
100-400-310	Certificated salaries	181,405	186,522	127,411	122,470	(4,941)
100-400-320	Noncertificated salaries	9,356	3,940	-	-	-
100-400-350	Employee benefits	84,030	81,674	96,773	68,250	(28,523)
100-400-420	Staff travel	4,398	5,828	8,000	8,000	-
100-400-430	Utility services	3,850	3,345	4,690	5,000	310
100-400-440	Other purchased services	228	72	1,039	500	(539)
100-400-450	Supplies, materials and media	3,045	1,856	1,500	15,000	13,500
100-400-490	Other expenditures	1,214	1,596	1,500	1,000	(500)
100-400-510	Equipment	3,598	-	-	-	-
Total school administration		291,124	284,833	240,913	220,220	(20,693)
School administration support services:						
100-450-320	Noncertificated salaries	117,045	99,428	105,735	87,997	(17,738)
100-450-350	Employee benefits	84,743	64,448	76,308	83,464	7,156
100-450-410	Professional and technical services	-	-	1,000	-	(1,000)
100-450-430	Utility services	5,748	5,308	5,840	6,500	660
100-450-440	Other purchased services	5,565	5,379	8,400	5,000	(3,400)
100-450-450	Supplies, materials and media	2,098	1,580	9,000	1,500	(7,500)
100-450-490	Other expenditures	99	-	100	-	(100)
100-450-510	Equipment	679	-	-	-	-
Total school administration support services		215,977	176,143	206,383	184,461	(21,922)

Item a.

Wrangell Public Schools

General (School Operating) Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual, continued
 FY 2021

<i>Period Ended June 30,</i>		FY18	FY19	FY20	FY21	Difference
		Actual	Actual	Budget	Budget	in Budgets
Expenditures, continued						
District administration:						
100-510-310	Certificated salaries	\$ 118,397	\$ 107,000	\$ 104,860	\$ 90,950	\$ (13,910)
100-510-350	Employee benefits	54,945	42,247	47,264	37,685	(9,579)
100-510-390	Transportation allowance	5,000	-	-	-	-
100-510-410	Professional and technical services	41,646	7,178	8,600	25,000	16,400
100-510-420	Staff travel	23,740	21,511	32,005	25,000	(7,005)
100-510-430	Utility services	2,467	1,396	2,500	5,000	2,500
100-510-450	Supplies, materials and media	3,798	9,734	7,000	5,000	(2,000)
100-510-490	Other expenditures	10,643	7,773	4,608	7,000	2,392
100-510-510	Equipment	1,249	-	-	-	-
Total district administration		261,885	196,839	206,837	195,635	(11,202)
District administration support services:						
100-550-320	Noncertificated salaries	177,202	179,236	208,372	203,701	(4,671) less \$25K
100-550-350	Employee benefits	108,340	117,023	140,539	163,076	22,537
100-550-410	Professional and technical services	82,865	148,115	106,900	115,000	8,100
100-550-420	Staff travel	5,569	4,904	6,495	5,000	(1,495)
100-550-430	Utility services	4,169	2,503	4,100	2,500	(1,600)
100-550-440	Other purchased services	2,915	4,028	4,300	4,000	(300)
100-550-445	Insurance and bond premiums	10,563	16,213	89,662	89,000	(662)
100-550-450	Supplies, materials and media	3,952	9,140	56,107	25,000	(31,107)
100-550-490	Other expenditures	20,902	15,600	13,224	15,000	1,776
100-550-495	Indirect costs	(34,193)	(26,983)	(35,183)	(35,318)	(135)
100-550-510	Equipment	-	-	2,619	-	(2,619)
Total district administration support services		382,284	469,779	597,135	586,959	(10,176)

Item a.

Wrangell Public Schools

General (School Operating) Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual, continued
 FY 2021

<u>Period Ended June 30,</u>		FY18	FY19	FY20	FY21	Difference
		Actual	Actual	Budget	Budget	In Budgets
Expenditures, continued						
Operations and maintenance of plant:						
100-600-320	Noncertificated salaries	\$ 240,151	\$ 238,404	\$ 190,716	\$ 193,642	\$ 2,926 less \$25K
100-600-350	Employee benefits	144,082	169,091	171,604	225,965	54,361
100-600-410	Professional and technical services	20,385	12,710	84,847	34,800	(50,047)
100-600-420	Staff travel	-	1,280	2,000	2,000	-
100-600-430	Utility services	30,334	31,146	40,970	30,600	(10,370)
100-600-435	Energy	208,414	247,991	247,168	240,000	(7,168)
100-600-440	Other purchased services	3,079	4,117	28,000	18,000	(10,000)
100-600-445	Insurance and bond premiums	38,504	43,065	-	-	-
100-600-450	Supplies, materials and media	22,059	37,066	54,283	35,000	(19,283)
100-600-510	Equipment	2,418	6,818	2,000	-	(2,000)
Total operations and maintenance of plant		709,426	791,688	821,588	780,007	(41,581)
Student activities:						
100-700-310	Certificated salaries	20,408	21,266	27,951	20,000	(7,951) plus \$75K
100-700-320	Noncertificated salaries	64,875	53,389	47,694	40,000	(7,694)
100-700-350	Employee benefits	15,598	11,820	15,443	15,000	(443)
100-700-410	Professional and technical services	6,671	4,950	500	3,000	2,500
100-700-420	Staff travel	5,807	3,151	5,000	3,500	(1,500)
100-700-425	Student travel	105,111	126,607	140,675	125,000	(15,675)
100-700-440	Other purchased services	-	150	346	300	(46)
100-700-450	Supplies, materials and media	13,780	54,804	20,000	20,000	-
100-700-490	Other expenditures	3,799	4,171	6,600	5,000	(1,600)
Total student activities		236,049	280,308	264,209	231,800	(32,409)
100-790-350	Food services - employee benefits	657	1,340	-	-	-
Total Expenditures		5,450,661	5,818,781	6,108,714	6,077,960	(30,754)
Excess (Deficiency) of Revenues Over Expenditures		112,707	36,351	(578,117)	(395,438)	182,679
Other Financing Sources (Uses)						
Transfers in		-	-	668,117	-	(668,117)
Transfers to		(120,000)	-	(90,000)	(61,994)	28,006
Net Change in Fund Balance		(7,293)	36,351	-	(457,432)	(457,432)
Fund Balance, beginning of year		549,941	542,648	578,999	578,999	-
Fund Balance, end of year		\$ 542,648	\$ 578,999	\$ 578,999	\$ 121,567	\$ (457,432)