

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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SCHOOL BOARD COMMUNICATION

Title:	FY13 Budget Revision		
Date:	May 23, 2013	Item Number:	10b.
Administrator:	Dave Jones, Assistant Superintendent <i>Dave Jones</i>		
Attachments:	FY13 Budget Revision Details		

Action Needed For Discussion Information Other: _____

BACKGROUND INFORMATION

General Fund

As discussed earlier in the year, this budget revision reflects final changes to FY13 State revenue amounts and revised expenditure estimates after completion of negotiations.

Revenue Budget

In FY13, the district submitted 144 students for inclusion in intensive needs funding, of which 39 were new students. After additional State review and consideration of supplemental materials, 35 of the new students were approved. Since all 39 were included in previous funding estimates, this change results in a loss of \$295,360. An additional reduction from Foundation funding of \$165,571 and a reduction to Quality Schools funding in the amount of \$415, brings the total reduction in State funding to \$461,346.

Previously, the anticipated use of fund balance was \$2,267,868. This revision includes a reduction in the use of fund balance in the amount of \$608,002, bringing use of fund balance to \$1,659,866. The current FY13 General Fund revenue budget of \$147,045,264 less the \$461,346 reduction in state revenue, and including the decreased use of fund balance brings the total revised FY13 General Fund revenue budget to \$145,975,916.

Expenditure Budget

An amount commensurate with the district offer in negotiations was budgeted in location 82, so this revision includes a re-allocation of those funds to the appropriate locations and accounts. The State has requested we adjust our general fund expenditure budget to account for the receipt of Indirect Cost from grants. Indirect Cost is the amount the district is allowed to recover for administrative services from certain grants. The percentage allowed is authorized by the state and re-calculated each year. For FY13, the Indirect Cost rate is 4.80%. The additional anticipated recovery from Indirect Cost is \$434,136.

Another reduction to the expenditure budget comes from unspent salaries and benefits due to unfilled positions, totaling \$385,212. Finally, we are able to reduce the expenditure budget by \$250,000 from unexpended funds in certain supply accounts.

The current FY13 General Fund expenditure budget total of \$147,045,264, adjusted by the changes totaling \$1,069,348 stated above, brings the FY13 General Fund expenditure budget to a total of \$145,975,916.

FY13 GENERAL FUND BUDGET REVISION SUMMARY:

General Fund Revenue Budget

FY13 General Fund Revenue Budget	\$ 144,777,396
FY13 Anticipated Use of Fund Balance	<u>2,267,868</u>
Current FY13 General Fund Revenue, Transfers and Use of Fund Balance	147,045,264

Changes

Decrease in State Foundation from OASIS reconciliation	(165,571)
Decrease in State Foundation from Intensive Needs Changes	(295,360)
Decrease in Quality Schools Grant	<u>(415)</u>
Total State Funding Decrease to General Fund	(461,346)

Decrease in Use of Fund Balance	<u>(608,002)</u>
Total General Fund Revenue Budget Changes	(1,069,348)

Revised FY13 General Fund Revenue Budget \$ 145,975,916

General Fund Expenditure Budget

Current FY13 General Fund Expenditure Budget	<u>\$ 147,045,264</u>
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Changes

Obligated for Negotiations - Salaries and Benefits District wide	(2,991,536)
Adjust Salaries and Benefits for Negotiations by Location	2,991,536
Adjust Indirect Cost Budgets	(434,136)
Salaries and Benefits Unfilled Positions	(385,212)
Decrease Supply Budgets	<u>(250,000)</u>
Total General Fund Expenditure Budget Changes	(1,069,348)

Revised FY13 General Fund Expenditure Budget \$ 145,975,916

Special Revenue Funds

Revisions to the Pupil Transportation and Food Service budgets are needed to adjust for the changes to FY13 revenue and expenditure budgets.

Pupil Transportation Fund

The FY13 Pupil Transportation revenue from the state increased \$13,816 to a total of \$7,604,516. Adjustments to the FY13 Pupil Transportation expenditure budget included an increase of \$38,288 for salaries and benefits and a decrease in \$24,472 in purchased services. These changes total \$13,816 and bring the FY13 Pupil Transportation expenditure budget to a total of \$7,604,516.

FY13 PUPIL TRANSPORTATION FUND BUDGET REVISION SUMMARY:

Pupil Transportation Fund Revenue Budget

Current FY13 Pupil Transportation Fund Revenue Budget	<u>\$ 7,590,700</u>
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Changes

Increase in Pupil Transportation Revenue	<u>13,816</u>
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Revised FY13 Pupil Transportation Fund Revenue Budget	<u>\$ 7,604,516</u>
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Pupil Transportation Fund Expenditure Budget

Current FY13 Pupil Transportation Fund Expenditure Budget	\$ 7,590,700
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Changes

Adjust Salaries and Benefits after Negotiations	38,288
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Decrease in Purchased Services	<u>(24,472)</u>
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Total Pupil Transportation Fund Expenditure Budget Changes	13,816
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Revised FY13 General Fund Expenditure Budget	<u>\$ 7,604,516</u>
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Food Service Fund

The additional transfer from the General Fund to Food Service in the amount of \$225,000 is recognized at this time as a part of the funding available for the Food Service program. This increase brings the FY13 Food Service revenue budget from \$3,879,606 to a total of \$4,104,606.

The changes to salaries and benefits from negotiations and adjustments due to unfilled positions total an increase of \$29,421, bringing the FY13 Food Service expenditure budget to \$4,104,606.

FY13 FOOD SERVICE FUND BUDGET REVISION SUMMARY:

Food Service Fund Revenue Budget

Current FY13 Revenue Budget	\$ 3,879,606
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Changes

Increase in Transfer In	225,000
Total Revenue Budget Changes	225,000

Revised FY13 Food Service Fund Revenue Budget	\$ 4,104,606
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Food Service Fund Expenditure Budget

Current FY13 Expenditure Budget	\$ 4,075,185
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Changes

Adjust Salaries and Benefits after Negotiations	29,421
Total Expenditure Budget Changes	29,421

Revised FY13 Food Service Fund Expenditure Budget	\$ 4,104,606
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ADMINISTRATIVE RECOMMENDATION

The Administration recommends approval of these FY13 Budget Revisions.