

Quarterly Update to the Kenai Peninsula Borough Assembly

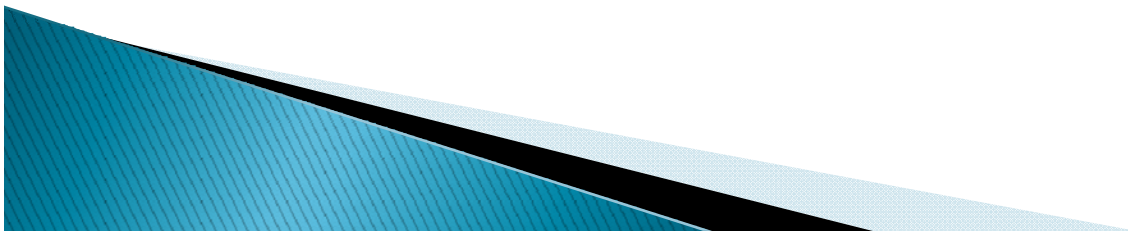
May 18, 2010

Joe Arness, Board President
Steve Atwater, Superintendent



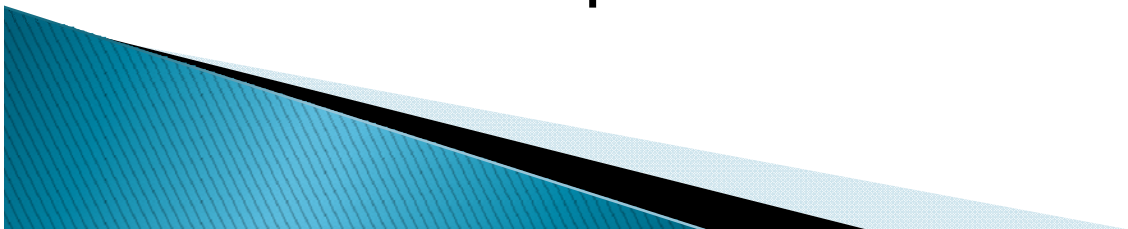
Three Areas to Cover Tonight

- ▶ Celebrating Our School Year
- ▶ Looking Ahead to August
- ▶ Funding Conversation and Next Steps



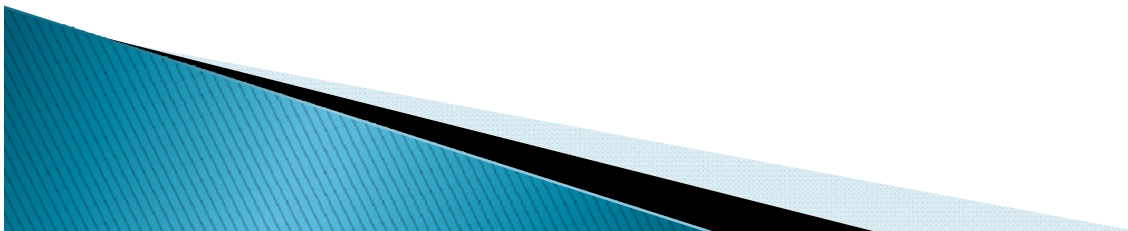
Highlights of the year

- ▶ Graduating ? Seniors in next ? Days
(Kenai Alternative will have ? Graduates–its most ever)
- ▶ Completed negotiations with principals, teachers and support staff– we are now ending year 1 of 3
- ▶ Increase in the level of collaboration among our schools and teachers
- ▶ Curriculum Audit took a close look at the District– report due back to us in July



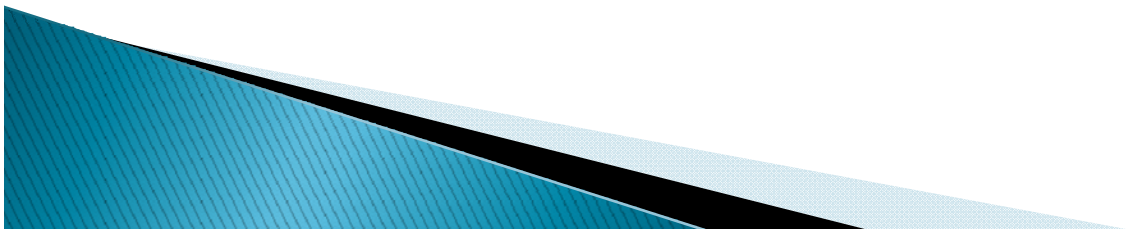
Expanding our Technology

- ▶ Significant increase in our technology– our students now have far greater access to technology (6,000 computers) wireless connections change the dynamic of connectivity in our schools
- ▶ our ? new Smartboards allow our instruction to go to a new dimension



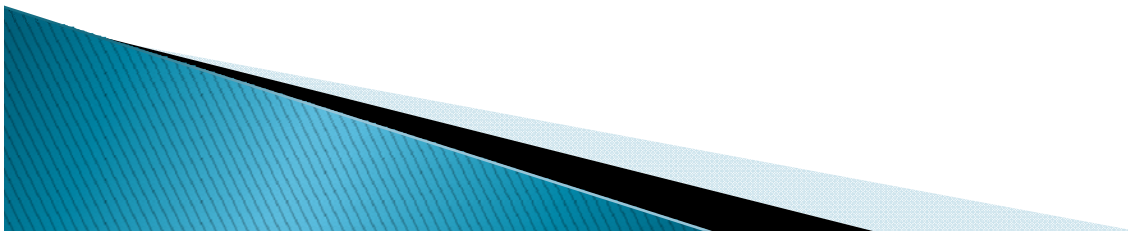
Looking Ahead to Next Year

- ▶ We are expecting 9,075 Students (down ?)
- ▶ Due to enrollment decline, our staff is reduced by 17?? teachers when compared to this year
- ▶ We will offer more professional development support
- ▶ Will evaluate our secondary programs– is what we are doing the most effective?
- ▶ We will host an employer summit in September to gain feedback on what we need to do to better prepare our students for life after school



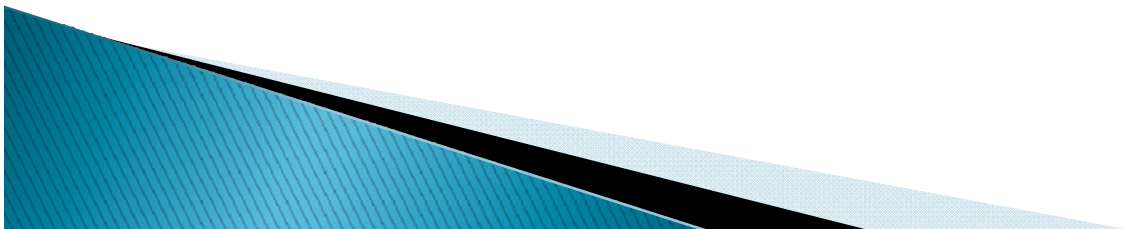
Funding Conversation

- ▶ Fund Balance
- ▶ Equipment Fund
- ▶ Next Steps



Fund Balance, A Necessary Part of our Budget

- ▶ The District's operational approach is conservative and focused on sustainability of current programs and staffing.
- ▶ Level of state funding isn't certain beyond FY12, Borough revenue is in decline with proposed reduction in mill rate
- ▶ On-behalf of retirement payment—\$15 million.
- ▶ With the pending shortfall of revenue on the Borough's side, we positioned ourselves to slowly draw down our fund balance to get us through 2013 when we realize receipt of full cost differential – we want to avoid using it in large chunks

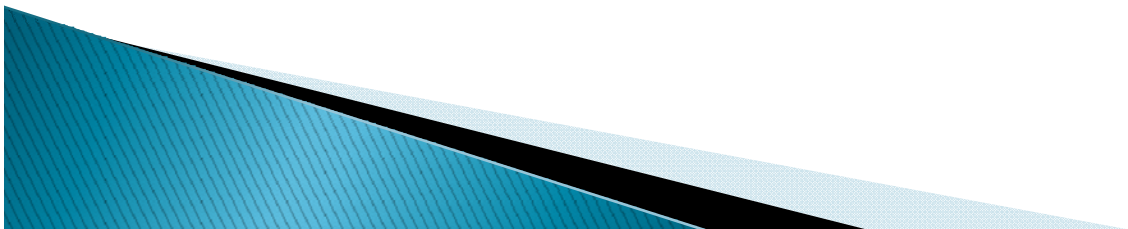


Fund Balance

- ▶ State Statute–Amount of undesignated unreserved carried over into fund balance cannot exceed 10% of operating fund
- ▶ In April, District adopted a fund balance policy that limits this amount to 5%
- ▶ *It is the policy of the District to maintain a General Fund Unreserved Undesignated Fund Balance which does not exceed 5 percent of the prior year's General Fund expenditures. Any amount in excess of this 5 percent will be utilized to reduce the School District request for local effort funding for the subsequent year.*

Equipment Fund

- ▶ Special revenue fund established in 2000
- ▶ The Equipment Fund is a special revenue fund
- ▶ Estimated available Equipment Fund to District at end of year= 4.3 million
- ▶ District will revise our existing Equipment Fund Policy
- ▶ Beginning in July, 2011, Board will have to determine the dedicated source of revenue for this fund



Improving the Local Funding Process

- ▶ District's budgeting process begins in October
- ▶ Meet in September before sitting Assembly members leave
- ▶ Meet in November with new members to sketch out a plan
- ▶ Goal of the District is for Borough to maintain its children as its number one priority and to arrive at a funding level soon after the new year.
- ▶ Deciding school funding at the end of May or June is disruptive– this decision should happen earlier in the school year.

