



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Assistant Superintendent

Dave Jones

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MEMORANDUM

TO: Board of Education

FROM: Dave Jones, Assistant Superintendent

THROUGH: Steve Atwater, Superintendent

SUBJECT: Preliminary FY 11 Budget Information

I have included three attachments related to the General Fund FY11 Budget for your review. These budget figures were created with the assumption that existing FY10 programs and staffing would be carried forward to FY11. No additional programs or staffing beyond the current staffing formulas have been added.

Salary increases reached through the negotiations process for FY11 were implemented as per the relevant salary schedules. A two percent increase was assumed for property, casualty and liability insurances received as in-kind services from the Kenai Peninsula Borough. Funding formulas for school building supplies and custodial supplies was increased by ten percent, based on an overall expressed need from our school buildings and an extended period of time since they were last increased. State revenues were projected at the FY11 levels indicated in the legislative three year plan. Borough revenues were calculated at the maximum amounts allowed by state statute.

The first attachment summarizes the preliminary General Fund FY11 revenue and expenditure information and compares it to the most recent FY 10 budget information. As you can see, the result is an overall increase of \$2,613,676 over the FY 10 amount which is a 2.07 percent increase. The second attachment summarizes the major revenue sources and provides a pie chart illustration of the revenue sources. The third attachment summarizes the expenditures into the major expenditure categories and provides a pie chart illustration of those categories as well.

We will discuss these attachments and the information contained therein at your work session.

Attachments

Kenai Peninsula Borough School District
General Fund Revenue and Expenditure Comparison
FY10 Adjusted Budget with FY11 Preliminary Budget
as of January 25, 2010

<u>Revenue Source</u>	<u>FY10 Revised Budget</u>	<u>FY11 Preliminary Budget</u>	<u>Change</u>	<u>% of Chg</u>
Borough In-Kind	\$ 9,170,034	\$ 9,222,015	\$ 51,981	1
Borough Appropriation	33,813,342	36,029,120	2,215,778	7
Earnings on Investments	420,000	420,000	-	-
E-Rate	646,000	646,000	-	-
Rentals	30,000	30,000	-	-
Other Revenues	50,000	50,000	-	-
Allocation of Fund Balance	4,524,843	2,531,115	(1,993,728)	(44)
Total Local Revenue	48,654,219	48,928,250	274,031	1
Foundation Program	64,087,845	66,422,006	2,334,161	4
TRS On-Behalf Payment	12,116,503	12,116,503	-	-
PERS On-Behalf Payment	811,329	811,329	-	-
Learning Opportunity Grant/Quality Schools	250,266	255,750	5,484	2
Total State Revenue	77,265,943	79,605,588	2,339,645	3
Medicaid	450,000	450,000	-	-
Total Federal Revenue	450,000	450,000	-	-
Total General Fund Revenue	126,370,162	128,983,838	2,613,676	2

<u>General Fund Expenditures by Object</u>	<u>FY10 Revised Budget</u>	<u>FY11 Preliminary Budget</u>	<u>Change</u>	<u>% of Chg</u>
Certified Salaries	\$ 46,850,911	\$ 48,373,056	\$ 1,522,145	3
Non-Certified Salaries	14,652,758	14,712,896	60,138	0
Employee Benefits (includes Worker's Comp)	38,137,754	38,549,489	411,735	1
Professional/Technical Services	850,771	850,771	-	-
Travel	733,779	733,779	-	-
Utilities (includes In-Kind Utilities)	7,062,786	7,062,786	-	-
Purchased Services	10,387,273	10,420,969	33,696	0
Supplies	4,146,414	4,640,941	494,527	12
Other Expenses	1,895,942	1,895,942	-	-
Equipment	977,678	977,678	-	-
Transfer to Other Funds	674,096	765,531	91,435	14
Total General Fund Expenditures	\$ 126,370,162	\$ 128,983,838	\$ 2,613,676	2

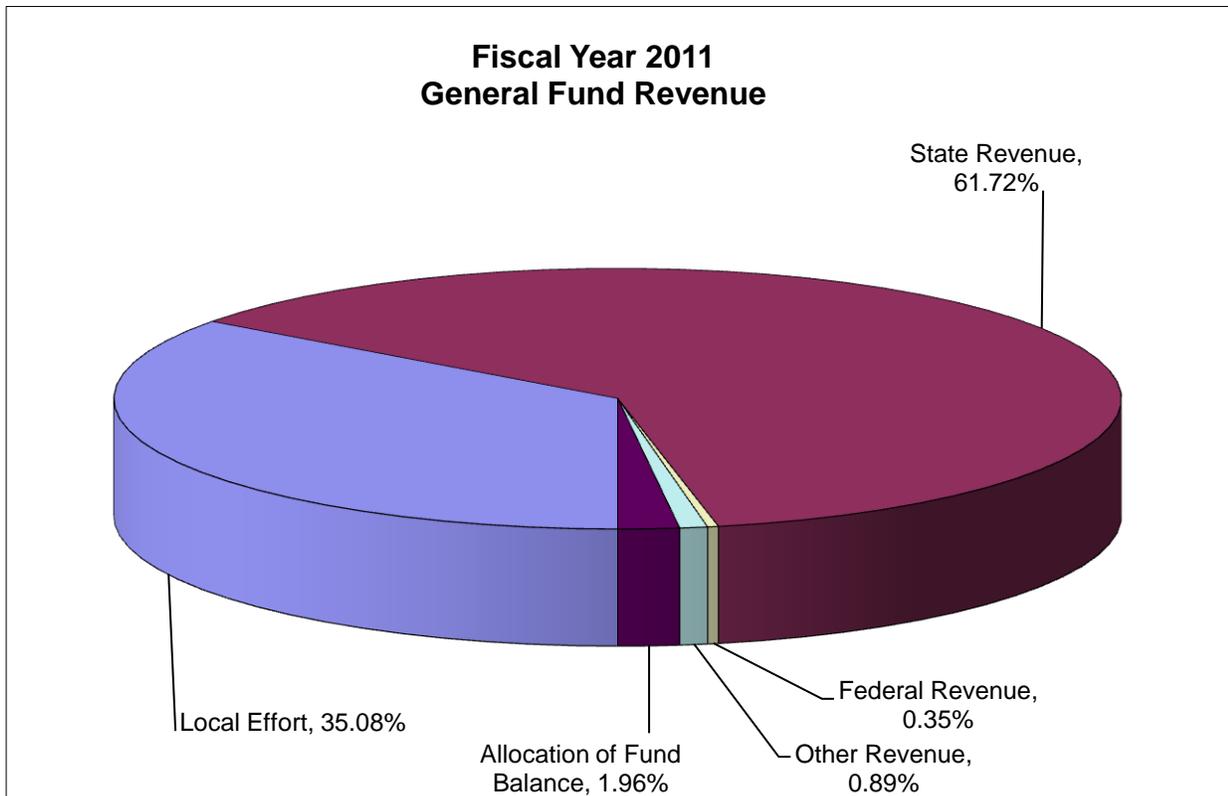
Kenai Peninsula Borough School District

Preliminary General Fund FY11 Budget

Revenue

Local Effort	\$ 45,251,135	35.08%
State Revenue	79,605,588	61.72%
Federal Revenue	450,000	0.35%
Other Revenue	1,146,000	0.89%
Allocation of Fund Balance	2,531,115	1.96%
Total Revenue Budget	\$ 128,983,838	100.00%

As this chart illustrates, the primary source of funding for the Kenai Peninsula Borough School District is the state of Alaska, in the form of the base student allocation and district cost factor. The Kenai Peninsula Borough is the next largest contributor and has historically funded the District to the full extent allowed by the state, through a funding appropriation and in-kind services. A small amount comes from the federal government in the form of a Medicare reimbursement. The category of "Other Revenue" includes investment earnings and E-Rate revenue.



Kenai Peninsula Borough School District

Preliminary General Fund FY11 Budget

Expenditures by Object

Certified Salaries	\$ 48,373,056	37.49%	
Non-Certified Salaries	14,712,896	11.41%	
Employee Benefits (Includes Worker's Comp)	38,549,489	29.89%	78.79%
Professional/Technical Services	850,771	0.66%	
Travel	733,779	0.57%	
Utilities (includes In-Kind Utilities)	7,062,786	5.48%	
Purchased Services	10,420,969	8.08%	14.79%
Supplies	4,640,941	3.60%	
Other Expenses	1,895,942	1.47%	
Equipment	977,678	0.76%	5.83%
Transfer to Other Funds	765,531	0.59%	0.59%
Total Expenditure Budget	\$ 128,983,838	100.00%	100.00%

