



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Office of Superintendent

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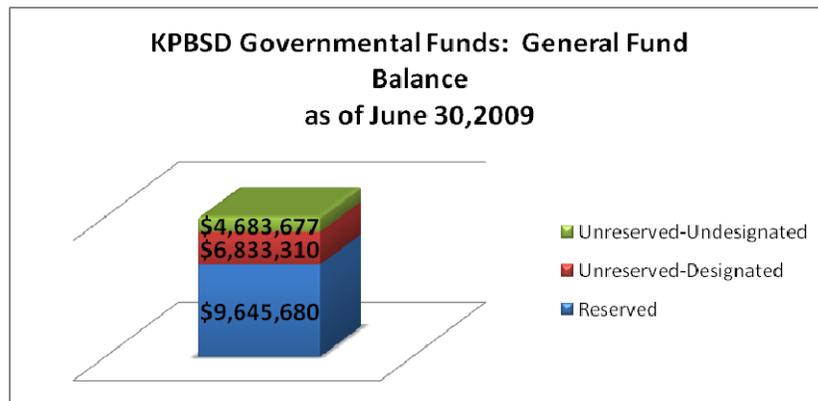
M E M O R A N D U M

DATE: April 26, 2010
TO: Members, Board of Education
FROM: Steve Atwater, Ph.D. *Steve Atwater*
 Superintendent of Schools
RE: Funding Challenges in Response to Assembly Funding Floor

Background: At their April 20 meeting, the Borough Assembly passed by resolution, a funding level of \$41,231,000. This is four million dollars less than the requested amount that is listed in the budget that you approved on April 5. In response to this resolution, the District has created a plan that will both draw down reserves and reduce the level of service that we offer our students. The following table illustrates these changes.

Item	Proposed Change	Change from Approved Budget
District Office	Eliminate 1 Special Education Coordinator	115,000
Pupil-Teacher Ratio	Increase by 1, loss of 14.5 FTE	1,160,000
Custodians	Change Square footage, loss of 4.5 FTE	180,000
Extra Staff (Connections)	.5 Homer HS and .5 Soldotna HS	80,000
Supply Budgets	Freeze at FY10 levels	200,000
Fund Balance	Expend further 2.265 million	2,265,000
Total		4,000,000

One of the main concerns expressed by the Assembly is our reserve accounts. Specifically, the amounts in our fund balance and in our equipment fund. The following two graphs detail the components of these two accounts



Reason for this Worksession. To discuss the implications of a revenue shortfall and to explain the District's approach for how to respond to the current fiscal climate.

