



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Assistant Superintendent

Dave Jones

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March 29, 2011

MEMORANDUM

TO: Board of Education

FROM: Dave Jones, Assistant Superintendent

THROUGH: Steve Atwater, Superintendent

SUBJECT: FY12 Budget Approval

BUDGET PROCESS

I am including a calendar below of all the meetings regarding the KPBSD FY12 Budget that have been or will be held:

October 12, 2010	Joint Work Session – School Board and Borough Assembly
November 10, 2010	Budget Development Committee Meeting, Assembly Chambers
February 21, 2011	FY12 Preliminary Budget Work Session – Board of Education
February 21, 2011	Board Meeting – Presentation of FY12 Preliminary Summary Budget
February 24, 2011	Public Budget Meeting – Homer High Library, 6:00 p.m.
March 1, 2011	Joint Work Session – School Board and Borough Assembly
March 1, 2011	Public Budget Meeting – Soldotna High Library, 6:00 p.m.
March 3, 2011	Public Budget Meeting – Seward High Library, 6:00 p.m.
March 7, 2011	Board Meeting – Presentation of FY12 Preliminary Detailed Budget
April 4, 2011	Board Meeting – FY12 Preliminary Budget Presented for Approval

The summary budget information was intended to provide a big picture look at the budget, and the detailed budget information was intended to provide a more in-depth look for the School Board and community members.

PERTINENT INFORMATION

The FY12 General Fund Budget numbers remain the same as previously presented. These budget figures were created with the assumption that all existing FY11 programs and staffing would be carried forward to FY12. With the exception of the intensive needs staffing added for special education purposes, no additional programs or staffing beyond the current staffing formulas were added.

State revenues were projected using the same BSA level as FY11, and the District Cost Factor was increased from 1.13 to 1.151 as scheduled for the fourth year of the five year planned increase. Borough revenues were calculated at the same total amount as provided in FY11.

Principal inquiries to families affected by the LNG plant closure do not indicate a student loss from this event that would require a recalculation of enrollment numbers at this time. We will continue to monitor this area of concern.

At this time, total revenue and expenditure amounts for Special Revenue Funds in FY12 are estimated to be \$20,784,071.

A copy of the FY12 Preliminary Budget was distributed at the March 4, 2011 School Board meeting and is included as reference material for your review.

RECOMMENDATION

The General Fund FY12 Budget amounts include local In-Kind funding in the amount of \$9,394,362 and local Appropriation of \$33,856,773. This amounts to a total Borough support of \$43,251,135. This recommendation also includes an allocation of fund balance usage in the amount of \$3,524,030. Such a large usage of fund balance creates potential future budget challenges if additional revenue does not become available or expenditure reductions are not made.

The administration recommends the Board of Education approve a General Fund FY12 Budget of \$137,311,226 and a Special Revenue Funds FY12 Budget of \$20,784,071 for a total FY12 Budget for all funds of \$158,095,297.