

# **FY11 Financial Update to Kenai Peninsula Borough Assembly**

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# Reason for tonight's presentation

- Review school district's FY11 budget to explain why revenue exceeded expenditures

# FY11 Budget

- In July 2010, the School Board adopted its FY11 budget that scheduled use of \$4.92M fund balance
- In December 2010, the budget was revised to reflect an unanticipated increase in Intensive Needs students and the resulting increase in State Foundation funds by \$2.95M
- December reduced scheduled use of fund balance to \$1.97M
- During the remainder of the fiscal year, revenues exceeded expenditures to the point that no fund balance was used

# So what happened? FY11 big picture of revenue

The District received more than anticipated amount of revenue

Revenue	Description	Excess
State funding	Increase in Intensive Needs funding	2,953,600
State funding	Small increase in student enrollment and Quality Schools grant	18,758
Local funding	Appropriation was more than expected	220,469
Local funding	Increase to In-Kind Maintenance fund balance	81,394
Investment earnings		134,610
Other earnings	Medicaid School Based Services	86,913
Other earnings	Medicaid Administrative Claiming Survey	56,582
Other earnings	Rental of facilities, Procurement card rebate	65,012

# Expenditures less than expected

Expenditures	Description	Amount
Salaries and benefits	Unfilled positions	433,975
Salaries and benefits	Unallocated	599,757
Salaries and benefits	Substitutes not used	77,616
Salaries and benefits	Leave not cashed out	217,105
Utility services		51,756
Supplies		331,389
In-Kind Insurance	Work Comp reduction	220,469
In-Kind Maintenance		81,394

# Other Considerations

- Stimulus Funds provided funding for salaries and benefits for 30.68 FTE Aides and 2.25 FTE Teachers for Intensive Needs staffing in FY11
- Stimulus Funds provided for some purchases of supplies and equipment during FY11
- Unallocated salaries and benefits totaling \$480,000 for 6.0 FTE removed from FY12 budget

# Bottom Line

- District did not expend all of its FY11 revenue
- Year end non-exempt fund balance will exceed 10% allowable by about \$663,000
- This amount will be withheld from the final payment of the Borough appropriation

**QUESTIONS?**