

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

148 North Binkley Street Soldotna, Alaska 99669-7553

Phone (907) 714-8888 Fax (907) 262-9132

www.kpbsd.k12.ak.us

SCHOOL BOARD COMMUNICATION

Title: FY12 Budget Revision

Date: March 27, 2012

Item Number: 11d.

Administrator: Dave Jones, Assistant Superintendent *Dave Jones*

Attachments: FY12 Budget Revision Details

☒ Action Needed ☐ For Discussion ☐ Information ☐ Other: _____

BACKGROUND INFORMATION

Final information about state funding has been received; there is an increase in the final numbers for Foundation and Quality Schools funding and a reduction in the one-time additional funding. Final FY12 student ADM reported from the State of Alaska was 8,969.57. Final Foundation funding increased \$333,186 to \$71,080,959 and Quality Schools funding increased \$77 to \$270,389. One-time funding was reduced by \$16,441 to \$1,388,134. There was no change in the \$831,389 for High School Vocational Education or Career and Technical Education (CTE). The increase in state funding totals \$316,822.

The prior revenue budget included use of fund balance in the amount of \$2,405,708. Due to additional funding from the state and other cost saving measures that have been realized during the school year, the use of fund balance will be decreased by \$1,334,009 to a total of \$1,071,699. The current FY12 General Fund revenue budget of \$139,930,278, plus the \$316,822 increase in state revenue, less the decreased use of fund balance brings the total revised FY12 Revenue budget to \$138,913,091.

Adjustments to the expenditure budget include an overall reduction to the Charter School expenditure budgets totaling \$280,979 to reflect actual enrollment for FY12. Specifically, the changes are as follows:

| | <u>Current Balance</u> | <u>Revision</u> | <u>Adjusted Balance</u> |
|---------------------|------------------------|---------------------|-------------------------|
| Aurora Borealis | \$ 2,013,246 | \$ 70,523 | \$ 2,083,769 |
| Fireweed | 1,789,909 | (434,503) | 1,355,406 |
| Kaleidoscope | 2,580,794 | (27,158) | 2,553,636 |
| Soldotna Montessori | 1,817,822 | 110,159 | 1,927,981 |
| | <u>\$ 8,201,771</u> | <u>\$ (280,979)</u> | <u>\$ 7,920,792</u> |

With the additional state funding and overall reduction in Charter School budgets, Math Intervention curriculum materials in the amount of \$205,979 will be purchased to assist students who are struggling in math. There will also be a transfer to the Community Theater Fund in the amount of \$75,000, in anticipation of the need at year-end. Some unfilled positions and late-hires have left salary and benefit budgets unencumbered. Salary and benefit reductions of \$482,823 and \$308,364, respectively, total \$791,187. Hiring Speech/Language Pathologists as employees reduced use of Professional/Technical Services budgets for those services by \$226,000. These additional reductions total \$1,017,187.

The current FY12 expenditure budget total of \$139,930,278, adjusted by the changes mentioned above, bring the expenditure budget to a total of \$138,913,091.

FY12 GENERAL FUND BUDGET REVISION SUMMARY:

Revenue Budget

| | |
|-------------------------------------|-----------------------|
| Current FY12 Revenue Budget | \$ 139,930,278 |
| Increase in Foundation Funding | 333,186 |
| Increase in Quality Schools Funding | 77 |
| Decrease in One-time State Funding | (16,441) |
| Total State Funding Change | 316,762 |
| Decreased Use of Fund Balance | (1,334,009) |
| Revised FY12 Revenue Budget | <u>\$ 138,913,091</u> |

Expenditure Budget

| | |
|---|-----------------------|
| Current FY12 Expenditure Budget | \$ 139,930,278 |
| Decrease in Charter School Expenditure budgets | (280,979) |
| Transfer to Community Theater Fund | 75,000 |
| Math Intervention Curriculum Materials | 205,979 |
| Unfilled/Late hired salary and benefit reductions | (791,187) |
| Unused Professional/Technical contracts | (226,000) |
| Total Expenditure Changes | (1,017,187) |
| Revised FY12 Expenditure Budget | <u>\$ 138,913,091</u> |

ADMINISTRATIVE RECOMMENDATION

The Administration recommends approval of the FY12 Budget Revision. An additional revision is possible if ongoing review of expenditures warrants it.