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KENAI PENINSULA BOROUGH SCHOOL DISTRICT

NEWS RELEASE

Proposed reduction to education funding in Alaska

Soldotna, April 3, 2015—The Senate Finance Committee has amended [HB 72](#), proposing a 4.1 percent reduction to the *Foundation Formula* educational funding. The reduction to the state contribution also impacts the maximum allowable contribution the Kenai Peninsula Borough (KPB) can contribute to the school district. KPBSD is analyzing the potential impact of this additional reduction in revenue to our 2015-2016 budget, together with our commitment to provide stability for our students, staff, and community within the changing fiscal climate. The impact of the unanticipated [HB 72](#) reductions to the KPBSD budget are:

Senate Finance Committee proposed education *Foundation Formula* reduction of 4.1 percent:

- Reduces state contribution to KPBSD: \$4,238,432
- Reduces local (borough) contribution to KPBSD: \$977,007

Governor Walker's proposed operating budget reduction of educational *One-Time Funding*:

- Reduces state contribution to KPBSD: \$2,262,989
- Reduces local (borough) contribution to KPBSD: \$520,487

Potential FY16 revenue loss: \$7,998,915

Total possible reduction in state funding to KPBSD: \$6,501,421

Total possible reduction in local (borough) funding to KPBSD: \$1,497,494

"I'm very concerned that the legislature is proposing these further reductions to education funding, particularly this late in our process of budgeting and staffing for next year," said Superintendent Sean Dusek. "KPBSD is committed to deliver a quality education to our students, and provide stability for our staff and communities. These reductions compromise our ability to prepare our students for their future. We will discuss the budget and potential ramifications with the school board during a previously scheduled worksession on Monday, April 6, 2015."

Over 80 percent of the 2015-2016 budget is related to staff (salary and benefits). An \$8 million reduction translates into the potential loss of up to 100 positions.

KPBSD: ONE DISTRICT, FORTY-FOUR DIVERSE SCHOOLS

The mission of the Kenai Peninsula Borough School District is to develop productive, responsible citizens who are prepared to be successful in a dynamic world.

ANCHOR POINT COOPER LANDING HOMER HOPE KACHEMAK SELO KENAI MOOSE PASS NANWALEK NIKISKI NIKOLAEVSK NINILCHIK PORT GRAHAM
RAZDOLNA SELDOVIA SEWARD SOLDOTNA STERLING TUSTUMENA TYONEK VOZNESENKA

Links

[HB 72](#)

[KPBSD and the Legislature webpage](#)

[The Alaska State Legislature webpage](#)

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FOR RELEASE APRIL 3, 2015

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