

Kenai Peninsula Borough School District

COMMUNITY BUDGET MEETINGS

February 2020



Introductions

Ms. Elizabeth Hayes, Director of Finance

Mr. Dave Jones, Assistant Superintendent of Instructional Support

Agenda

I. Budget

- a. Expenditures and Reductions History FY15 – FY20
- b. FY21 Preliminary Budget Revenue
- c. FY21 Preliminary Budget Expenditures
- d. FY21 Preliminary Budget Overview and Use of Fund Balance
- e. Fund Balance History
- f. State Legislative Process
- g. KPB Process

II. Questions

Expenditure Reductions since FY15 (\$11,091,048)

- **FY15 Budget Reductions** (\$1,254,000)

- Increase certified PTR .5 FTE and reduce unallocated for school size by 3.0 FTE
- Reduce District Office staffing
- Technology expenditures
- Supplies expenditures
- Software expenditures
- Utilities (convert to natural gas)
- School Board Travel

- **FY16 Budget Reductions** (\$1,375,000)

- Restructuring pool operations & Distance Ed – 2.0 FTE
- PTR reductions – Elementary shift 2.50 FTE and secondary PTR increase .5 FTE
- Curriculum
- Utilities
- Student Travel

Expenditure Reductions since FY15, continued

- **FY17 Budget Reductions** (\$3,436,829)
 - District Office staffing
 - District Office Supplies, Travel, Pro-tech, Software and Equipment
 - 12.15 FTE Certified teachers (due to enrollment), 1.0 FTE Counselor, 2.0 FTE Administration
 - Reduce transfer to Student Nutrition Services
 - 2% Reduction in estimated salary and benefits due to change in budgeting
- **FY18 Budget Reductions** (\$1,869,308)
 - Reduce unallocated for school size adjustment 5.0 FTE
 - Pupil services coordinator 1.0 FTE
 - Accounting Specialist
 - Extra Curricular Safety money
 - ELL Tutors
 - Custodial

Expenditure Reductions since FY15, continued

- **FY19 Budget Reductions** (\$522,787)
 - District Office travel 10% reduction
 - School Administration travel 10% reduction
 - State Tournament travel
 - Extra Curricular travel
 - Connection supplies
 - Extra Curricular safety equipment
 - Art Specialist
 - Purchasing Supervisor
 - School Administration
 - Extra Curricular stipends
- **FY20 Budget Reductions** (\$2,633,124)
 - Regional Administration Adjustment
 - Soldotna Prep/Soldotna High Consolidation
 - PTR reductions – High School PTR increase +5 = 15 FTE
 - Supplies
 - Extra Curricular – State Travel and Safety Equipment
- **Total Budget Expenditure Reductions** (\$11,091,048)

Preliminary FY21

General Fund Budget – State of Alaska Revenue

	FY19 Actual	FY20 Revised	FY21 Preliminary
State of Alaska Foundation \$5,930 BSA	\$79,011,273	78,773,326	\$77,652,172
State of Alaska One-Time funding	1,389,955	2,072,133	-
State of Alaska Quality Schools	288,080	286,749	285,929
State of Alaska TRS/ PERS On-Behalf	<u>9,803,790</u>	<u>10,048,289</u>	<u>10,626,356</u>
Total	\$90,493,098	\$91,180,497	\$88,564,457

- State of Alaska – Base Student Allocation at same levels as FY17, FY18, FY19, FY20 and FY21 - \$5,930

Preliminary FY21 General Fund Budget – KPB Revenue

	FY19 Actual	FY20 Revised	FY21 Preliminary
KPB Appropriation	\$38,883,797	\$41,463,667	\$41,728,049
KPB In-Kind	<u>10,854,635</u>	<u>11,048,424</u>	<u>11,048,424</u>
Total	\$49,738,432	\$52,512,091	\$52,776,473

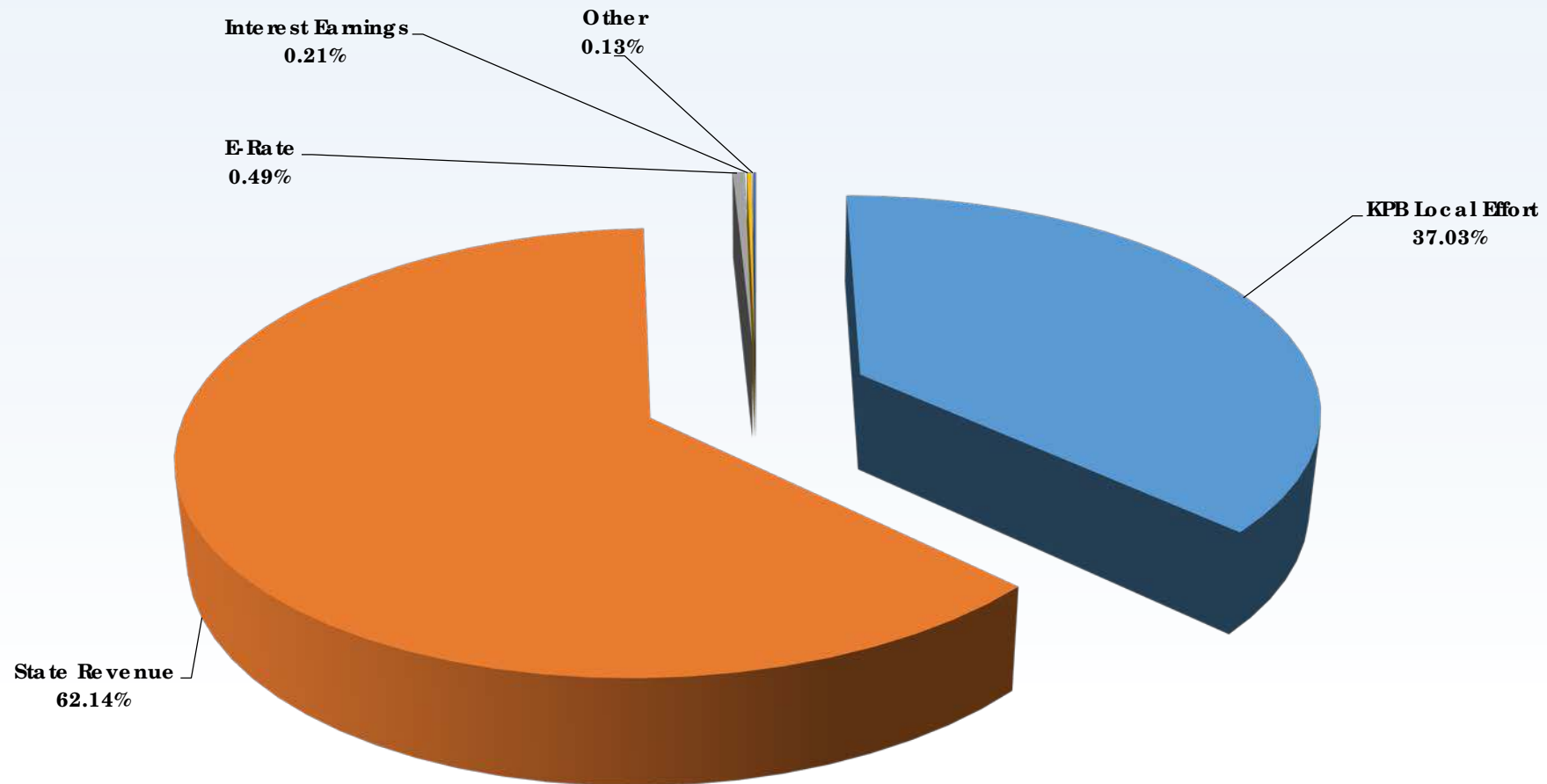
- KPB Support – FY20 is slightly under the maximum allowable and FY21 Preliminary is budgeted at maximum allowable.

Preliminary FY21 General Fund Budget – Total Revenue

	FY19 Actual	FY20 Revised	FY21 Preliminary
State Of Alaska	\$90,493,098	\$91,180,497	\$88,564,457
Kenai Peninsula Borough	49,738,432	52,512,091	52,776,473
Other Revenue	<u>2,131,654</u>	<u>1,405,000</u>	<u>1,180,000</u>
Total Revenue	\$142,363,184	\$145,097,588	\$142,520,930

- Other Revenue: E-rate, Medicaid, Interest Earnings and Other Miscellaneous.

Preliminary FY21 Revenue by Source



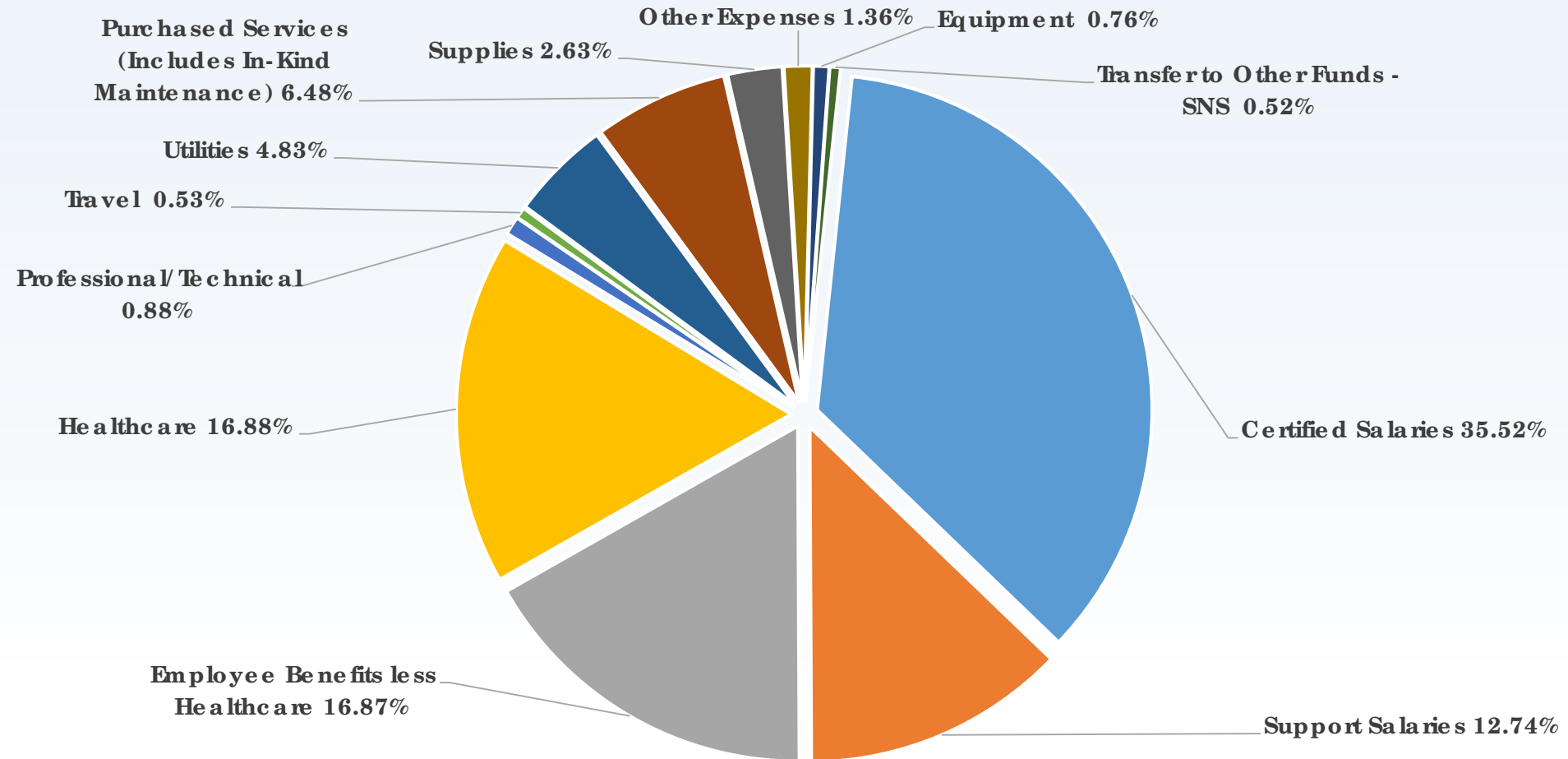
Preliminary FY21 General Fund Budget - Expenditures

Salaries – Includes Step Increases	\$69,863,715	48.26%
Benefits	47,617,574	32.89%
Workers Compensation	1,251,537	0.86%
Professional and Technical	1,269,584	0.88%
Travel (Includes Extra Curricular Travel)	760,695	0.53%
Utilities	6,996,206	4.83%
Purchased Services (Includes In-Kind Maintenance)	9,382,871	6.48%
Supplies	3,708,576	2.63%
Other Expenses (Includes Charters Schools Additional Allowable)	1,975,319	1.36%
Equipment	1,102,811	0.76%
Transfers to Other Funds – Student Nutrition	<u>750,000</u>	<u>0.52%</u>
Total Expenditures	\$144,776,830	100.00%

Preliminary FY21 General Fund Budget - Expenditures

- The employee salaries were calculated with a step increases
- The Healthcare calculation was based on FY20 HDHP rates + 7%. This amount may be updated at a later date if more information is received. The split for health care is 85/15 per the negotiated agreement.
- A lapse calculation of 2% was used for salaries and benefits.
- 6.0 FTE Elementary School Counselors included in budget.

FY21 Budgeted Expenditures by Object



FY21 Preliminary General Fund

Revenue		\$142,520,930
Expenditures	144,026,830	
Transfer to Other Fund – Student Nutrition	<u>750,000</u>	
Total GF expenditures and transfers		<u>144,776,830</u>
GF deficit		(2,255,900)
FY19 Unassigned Fund Balance		<u>3,929,885</u>
Remaining FY19 Unassigned Fund Balance		\$1,673,985

Fund Balance FY13 through FY19

	<u>FY13 Actual</u>	<u>FY14 Actual</u>	<u>FY15 Actual</u>	<u>FY16 Actual</u>	<u>FY17 Actual</u>	<u>FY18 Actual</u>	<u>FY19 Actual</u>
Nonspendable	\$1,715,712	\$1,687,933	\$707,220	\$2,064,255	\$2,212,284	\$2,074,756	\$1,932,980
Restricted	\$2,042,326	\$2,471,131	\$2,988,996	\$3,307,934	\$2,612,510	\$3,361,630	\$3,267,336
Assigned	\$9,574,744	\$8,120,850	\$5,655,347	\$3,625,958	\$1,618,721	\$2,802,979	\$1,626,718
Unassigned	\$6,290,517	\$6,116,952	\$7,897,978	\$2,671,214	\$3,954,326	\$1,671,218	\$3,929,885
Committed	=	=	=	<u>\$4,200,580</u>	<u>\$4,157,085</u>	<u>\$4,289,271</u>	<u>\$5,584,860</u>
Total	\$19,623,299	\$18,396,866	\$17,249,541	\$15,869,941	\$14,554,926	\$14,199,854	\$16,341,779

Fund Balance - History

	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
Total Fund Balance	\$19,623,299	\$18,396,866	\$17,249,541	\$15,869,941	\$14,554,926	\$14,199,854	\$16,341,779
Change in Fund Balance	\$(740,979)	\$(1,226,433)	\$(1,147,325)	\$(1,379,600)	\$(1,315,015)	\$(355,072)	\$2,141,925

Unassigned Fund Balance	\$6,290,517	\$6,116,952	\$7,897,978	\$2,671,214	\$3,954,326	\$1,671,218	\$3,929,885
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Legislative Process

90 Day Session – Statute

120 Day Session – Constitution

Possible Special Session

School Funding Passed

Possible Governor's Veto

Legislature Override of Veto 3/4's vote needed.

45 Votes needed comprised from both the Senate and the House

KPB Process

April – BOE approves budget, submits a formal request to KPB for funding

30 days after formal request is received, KPB is required to approve funding for the School District.

Questions/Discussion....

Contact your State Legislators

Senator Peter Micciche, District O

Senator.Peter.Micciche@akleg.gov

Senator Gary Stevens, District P

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Representative Ben Carpenter, District 29

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Representative Gary Knopp, District 30

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Kenai Peninsula Borough School District



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