

Office of Superintendent Dr. Steve Atwater, Superintendent of Schools 148 North Binkley Street Soldotna, Alaska 99669-7553 Phone (907) 714-8888 Fax (907) 262-9132

March 17, 2014

Representative Austerman State Capitol, Room 505 Juneau AK, 99801

Dear Representative Austerman:

I am writing on behalf of the Kenai Peninsula Borough School District (KPBSD) to encourage the House Finance Committee to increase the Base Student Allocation (BSA) amount in that section of the Governor's Omnibus Bill, HB278. After eliminating \$1.5 million of expenditures and budgeting \$2.2 million of health care fund balance, KPBSD has a deficit of \$4.5 million for its FY15 budget. A BSA increase of \$268 for next year would close this deficit. I therefore request that you amend this section of HB278 to an amount that is close to that which is needed by KPBSD.

The recent practice of adding one-time monies for energy and student safety were well received and put to good use. I feel however, that periodic increases to the BSA are necessary and that this is the year to make a BSA adjustment. The Governor's proposed \$85 increase is a start, but is not enough to help the district keep up with its fixed costs of operations. Further, smaller increases to the BSA for FY16 and FY17 would allow my district to plan and as necessary, make adjustments in response to an expected level of state revenue.

I appreciate the difficult predicament that the state is in with regard to expenditures outpacing revenue. The state's constitutional obligation to maintain our school systems should however, cause the legislature to place school funding as one of utmost importance.

Thank you for considering.

Sincerely,

She Aturate

Steve Atwater, Ph.D. Superintendent of Schools