

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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SCHOOL BOARD COMMUNICATION

Title:	FY12 Budget Revision		
Date:	March 27, 2012	Item Number:	11d.
Administrator:	Dave Jones, Assistant Superintendent <i>Dave Jones</i>		
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
	\$ 8,201,771	\$ (280,979)	\$ 7,920,792

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	<u>(16,441)</u>
Total State Funding Change	316,762
Decreased Use of Fund Balance	(1,334,009)
Revised FY12 Revenue Budget	<u><u>\$ 138,913,091</u></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	<u>(226,000)</u>
Total Expenditure Changes	(1,017,187)
Revised FY12 Expenditure Budget	<u><u>\$ 138,913,091</u></u>

ADMINISTRATIVE RECOMMENDATION

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