

Kenai Peninsula Borough School District

FY18 BUDGET WORKSESSION

February 6, 2017



Preliminary FY18 General Fund Budget – Status Quo

As of 1/16/2017 Status Quo

Revenue	\$ 137,381,321
Expenditures	140,833,901
Deficit	<hr/> (3,452,580)
Use of 1/3 Unassigned Fund Balance	1,132,338
Status Quo Remaining Deficit	<hr/> \$ (2,320,242)

Preliminary FY18 General Fund Budget

As of 1/31/2017 Status Quo

Revenue		\$ 137,381,321
Expenditures	140,833,901	
Administration Expenditure Reductions - 1/23/2017	(660,399)	
Administration Expenditure Reductions - 1/31/2017	(1,824,302)	
Adjusted Expenditures		<u>138,349,200</u>
Deficit		(967,879)
Use of 1/3 Unassigned Fund Balance		<u>1,132,338</u>
Status Quo Remaining Excess (Deficit)		\$ 164,459

1/23/2017 ADMINISTRATON REDUCTIONS

5.0 FTE Unallocated for Class Size adjustment	(\$500,000)
1.0 FTE Pupil Services Coordinator	(140,696)
One Accounting Specialist from 12 to 10 months	(9,703)
Extra Curricular Safety funds	<u>(10,000)</u>
<u>Total Administration Reductions 1/23/17</u>	(\$660,399)

1/31/2017 ADMINISTRATION REDUCTIONS

ELL Tutors	(\$624,302)
Custodial	(500,000)
6.50 FTE Reductions from High Schools with an increase of +2 PTR	(650,000)
10 Month Accounting Specialist position eliminated	<u>(50,000)</u>
Total Administration Reductions 1/31/2017	(\$1,824,302)

State of Alaska Revenue Reduction Scenarios

- Status Quo Base Student Allocation (BSA)
 - Revenue = \$79,228,895
 - 1% Reduction to BSA = (\$1,055,166)
 - 3% Reduction to BSA = (\$3,183,381)
 - 5% Reduction to BSA = (\$5,293,712)

Possible State Revenue Loss Scenario

- 1% Cut to the BSA = \$1,055,166
- Items under consideration
 - 1.0 FTE Reduction from Middle schools with an increase of +1 PTR
 - 3.5 FTE Reduction from Elementary schools over 250 with an increase of +1 PTR
 - 2.0 FTE Reduction from Elementary schools under 250 with an increase of +1 PTR

Kenai Peninsula Borough Revenue – Status Quo

- KPB Appropriation \$37,583,417
- KPB In-Kind Services \$10,655,015
- KPB Borough Funding \$48,238,432

State of Alaska and KPB Revenue

Revenue	Status Quo	1% Reduction	3% Reduction	5% Reduction
Base Student Allocation	\$ 5,930	\$ 5,871	\$ 5,752	\$ 5,634
State Foundation Funding	\$ 79,228,895	\$ 78,173,729	\$ 76,045,514	\$ 73,935,183
Reduction from Status quo		(1,055,166)	(3,183,381)	(5,293,712)
KPB Maximum Allowable	51,282,194	51,039,506	50,550,016	50,064,640
KPB - Status Quo	48,238,435	48,238,435	48,238,435	48,238,435
Room to Maximum Allowable	3,043,759	2,801,071	2,311,581	1,826,205
Adjusted deficit	2,792,181	3,847,347	5,975,562	8,085,893
Use of 1/3 fund balance	(1,132,338)	(1,132,338)	(1,132,338)	(1,132,338)
Adjusted status quo remaining deficit	1,659,843	2,715,009	4,843,224	6,953,555
Deficit if funded at Maximum Allowable and using 1/3 fund balance	\$ 1,383,916	\$ 86,062	\$ (2,531,643)	\$ (5,127,350)

History of KPB Full Taxable Value

- 2011 -\$8,338,641,710 (Used for FY13)
- 2012 -\$8,573,591,170 (Used for FY14)
- 2013 -\$8,910,264,290 (Used for FY15)
- 2014 -\$9,186,472,890 (Used for FY16)
- 2015 -\$9,349,916,890 (Used for FY17)
- 2016 -\$10,122,329,820 (Used for FY18)

KPB Full Tax Value

	Assessed Value <u>Increase</u>	Increased Revenue From Current <u>4.5 Mills</u>	Support To <u>KPBSD</u>
<u>KPB Full Tax Value Increase Information</u>			
2014 Full Tax Value (Used for \$ 9,186,472,890			\$ 48,238,432
2015 Full Tax Value (Used for \$ 9,349,916,890	\$ 163,444,000	\$ 735,498	\$ 48,238,432
2016 Full Tax Value (Used for \$ 10,122,329,820	<u>\$ 772,412,930</u>	<u>\$ 3,475,858</u>	\$ 48,238,432
Totals Related to Full Tax Value Increase	\$ 935,856,930	\$ 4,211,356	
Support For KPB To Fund At Maximum Allowable		<u>\$ 3,043,759</u>	
Remainder After Maximum Allowable Funding		\$ 1,167,597	

FY 15 Budget Reduction Detail

Change PTR certificated staffing formulas by .5	(\$650,000)
District Office staffing	(150,000)
Technology expenditures	(50,000)
Supplies expenditures	(50,000)
Software expenditures	(100,000)
Utilities (convert to Natural gas)	(250,000)
School Board travel	<u>(4,000)</u>
Total Reductions	(\$1,254,000)

FY16 Budget Reduction Detail

Student Travel State Competitions	(\$25,000)
Curriculum supplies	(50,000)
Utilities	(550,000)
Restructuring Pool operations & Distance Ed 2.0 FTE	(200,000)
PTR Reductions of 2.5 FTE Elementary & 4.38 Secondary	<u>(550,000)</u>
Total Reductions	(\$1,375,000)

FY17 Budget Reduction Detail

5.26 FTE at District Office	(\$642,348)
Supplies, Travel, Pro/Tech, Software, Equipment at D/O	(415,050)
12.15 FTE Teachers, 1.0 FTE Counselor, 2.0 FTE School Admin	(1,376,995)
Transfer to Food Service	(100,000)
2% Reduction in Estimates Salary/Benefits due to change in budget process	<u>(902,436)</u>
Total Reductions	(\$3,436,829)

FY18 Budget Reduction Detail

5.0 FTE Unallocated for Class Size adjustment	(\$500,000)
1.0 FTE Pupil Services Coordinator	(140,696)
1.0 FTE Accounting Specialist position	(59,703)
Extra Curricular Safety funds	(10,000)
ELL Tutors	(624,302)
Custodial	(500,000)
6.50 FTE Reductions from High Schools with an increase of +1 PTR	<u>(650,000)</u>
Total Reductions	(\$2,484,701)

Total Budget Reductions FY15-FY18

FY15 Budget Reductions	(\$1,254,000)
FY16 Budget Reductions	(1,375,000)
FY17 Budget Reductions	(3,436,829)
FY18 Budget Reductions	<u>(2,484,701)</u>
Total Budget Reductions	(\$8,550,530)

Community Budget Meetings

February 14th, Seward High School Library, 5:30 p.m.

February 15th, Soldotna High School Library, 5:30 p.m.

February 21st, Homer High School Library, 5:30 p.m.

The KPBSD FY18 Budget is a Work in Progress.

Kenai Peninsula Borough School District

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.

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