

FY24 General Fund Budget – Review

At the April board meeting the FY23 General Fund budget was approved as follows:

- FY24 preliminary revenue budget is \$134,925,873.
- FY24 preliminary expenditure budget and transfers total \$135,747,454.

*Budget Cuts were made to balance the budget. Details of cuts are provided.

Use of Fund Balance

Revenue from all sources for the FY24 Preliminary General Fund Budget totals \$134,925,873 and since expenditures and transfers total \$135,747,454, it is necessary to use fund balance in the amount of \$821,581, as previously discussed by the Board. The amount of unassigned fund balance available at the end of FY22 was \$2,354,271.

Additional Information

Kenai Peninsula Borough

On 5/2/23 the Kenai Peninsula passed resolution 2023-035 setting the floor for local education funding. The amount approved in the resolution was the preliminary maximum allowable amount of \$54,753,114.

<u>In-Kind Service</u>	<u>Preliminary Budgeted</u>	<u>Per Resolution 2023-035</u>	<u>Difference</u>
Audit	100,773.00	125,000.00	24,227.00
Custodial	132,564.00	133,652.00	1,088.00
Maintenance	8,683,359.00	9,450,291.00	766,932.00
Utilities	81,600.00	81,600.00	0.00
Liability Ins	1,205,797.00	1,488,736.00	282,939.00
Property Ins	905,572.00	1,051,227.00	145,655.00
W/C - Certified	1,201,370.00	1,491,117.00	289,747.00
W/C - Support	396,636.00	364,929.00	-31,707.00
W/C - Custodial	115,225.00	105,899.00	-9,326.00
Total In-Kind	12,822,896.00	14,292,451.00	1,469,555.00
Appropriation	41,930,218.00	40,460,663.00	-1,469,555.00
Total KPB Support	54,753,114.00	54,753,114.00	0.00

As a result of the KPB resolution 2023-035, the shift from budgeted appropriation funds to budgeted in-kind of \$1,469,555 which results in an increased deficit in the general fund for operations.

State of Alaska

The State of Alaska legislature passed HB39 which includes one-time funding outside the Base Student Allocation (BSA) for FY24. The one-time funding is equivalent to approximately a \$680 increase to the BSA. Based on our projected enrollment, our one-time funding would be \$11,713,088.

Once HB39 is transmitted to the Governor, he has 20 days to approve or make vetoes to the budget.

Next Steps

Based on the funding from all sources, a budget revision to the preliminary general fund budget will be brought to the July board meeting for approval and then transmittal to the State by July 15th.

A prioritization of reinstating the budget reductions is requested.