

# Kenai Peninsula Borough School District

## FY27 BUDGET SCENARIO 2 BOROUGH AND STATE FUNDING

June 2026



Fiscal Year 2026-2027 Preliminary Budget

Add the following language to KPBSD 2026-2027 Preliminary Budget as guidance from the Board to the Administration to amend the 2026-27 (FY27) Budget once the Kenai Peninsula Borough successfully increases the Local Contribution as detailed below.

It is the intent of the Kenai Peninsula Borough School District Board of Education that the FY2026–2027 (FY27) budget provide the highest quality learning environments for all students and support the KPBSD Strategic Plan in supporting students in life success.

For FY26, the Borough initially budgeted \$57,634,015 in support of the Kenai Peninsula Borough School District; however, the final approved amount was \$62,359,080, exceeding the original budget.

For FY27, District Administration has projected Borough support at \$59,074,865 based on anticipated funding levels, representing a 2.5% increase over the FY26 initial budget.

It is our request that the Kenai Peninsula Borough Assembly and Borough Mayor successfully approve appropriation of at least \$62,359,080, to the Kenai Peninsula Borough School District for operational purposes and in-kind services. This action would provide at least \$3.28 million in essential funding to support the District’s mission.

We are committed to using this revenue in alignment with Board goals and policies to reduce class sizes, retain our highly regarded educators, and support the effective, valued programs our community relies on.

In closing, the Kenai Peninsula Borough School District Board of Education respectfully appeals to the Kenai Peninsula Borough Assembly to approve a local contribution of at least \$62,359,080 prior to the July 15, 2026 deadline for submission of a finalized budget to the Alaska Department of Education and Early Development. Should this action be taken, District Administration will amend the FY2026–2027 (FY27) budget to include the investments outlined in Attachment A.

Attachment A

Description
Reverse – Elimination of Librarian-Certified Salaries/Benefits
Reverse – High School PTR increase (PTR 1:33 = Plus 1)
Reverse – Middle School PTR increase (PTR 1:28 = Plus 1)
Reverse – Elementary Schools K-6 (>=250 students) PTR increase (PTR Plus 2)
Reverse – Elementary Schools K-6 (100-250 students) PTR increase (PTR 1:23.5 = Plus 2)
Reverse – Small Schools (<200 students) PTR increase (PTR Plus 2)

# FY27 Budget Resolution

# FY27 Budget Scenario 2

## Borough Funding at \$62,359,080

Expenditures Previously Approved by the Board of Education Through Resolution and District Administration's Recommendation Due to the KPB Funding Increase to \$62,359,080:

1. Programmatic Staffing Salaries/Benefits reduction by 50%.
2. Librarians-Certified Salaries/Benefits elimination.
3. High School PTR increase (PTR 1:33 = Plus 1).
4. Middle School PTR increase (PTR 1:28 = Plus 1).
5. Elementary Schools K-6 ( $\geq 250$  students) PTR increase (PTR Plus 2).
6. Elementary Schools K-6 (100-250 students) PTR increase (PTR 1:23.5 = Plus 2).
7. Small Schools ( $< 200$  students) PTR increase (PTR Plus 2).

Kenai Peninsula Borough School District FY27 Budget Reduction Scenario - 04/06/2026 - BoE Regular Meeting		RESOLUTION VERSION Scenario 2 KPB Appropriation FY26 level funding \$62,359,080	
	Adjustments		
<b>Revenue</b>			
KPB Appropriation		46,878,229	
KPB In-Kind		15,480,851	
SOA - Foundation		71,827,973	
Increase SPED Intensive funding	346,320	346,320	
Nikolaevsk Charter School revenue adjustments	915,950	915,950	
SOA - Quality Schools		266,597	
Increase SPED Intensive funding	832	832	
SOA - On-Behalf		8,615,811	
Other Revenue		1,180,000	
Increase Interest Revenue	450,000	450,000	
<b>Total Revenue</b>		<b>145,962,563</b>	
<b>Expenditures</b>		149,573,959	
Distance Ed Certified Salaries/Benefits reduction by 50%	(268,085)		
Distance Ed Certified Salaries/Benefits elimination	(536,169)	(536,169)	
Middle School Reading Certified Salaries/Benefits elimination	(475,650)	(475,650)	
Programmatic Staffing Salaries/Benefits reduction by 50%	(683,747)		Additional Borough Funding Received-Admin recommendation
Librarians - Certified Salaries/Benefits elimination	(416,192)		Additional Borough Funding Received-Resolution
High School PTR increase (PTR 1:33 = Plus 1)	(297,280)		Additional Borough Funding Received-Resolution
Middle School PTR increase (PTR 1:28 = Plus 1)	(178,368)		Additional Borough Funding Received-Resolution
Elementary Schools K-6 (>=250 students) PTR increase (PTR Plus 2)	(297,280)		Additional Borough Funding Received-Resolution
Elementary Schools K-6 (100-250 students) PTR increase (PTR 1:23.5 = Plus 2)	(654,016)		Additional Borough Funding Received-Resolution
Small Schools (<200 students) PTR increase (PTR Plus 2)	(178,368)		Additional Borough Funding Received-Resolution
Custodians reductions (206 to 199 and 195 to 192 work calendars)	(65,892)	(65,892)	
Library Aides elimination	(628,967)	(628,967)	Pending State Funding
Library Aides with Librarians elimination	(219,877)		
Theater Techs/Manager reduce by 1 FTE	(105,076)	(105,076)	
English Language Learners reduce by 50%	(328,981)	(328,981)	
Extra-Curricular Middle School Activity Fee Increase to cover the cost of stipends	(190,957)	(190,957)	Pending State Funding
Extra-Curricular High School Activity Fee Increase to cover the cost of stipends	(773,481)	(773,481)	Pending State Funding
Extra-Curricular transfer elimination	(145,000)	(145,000)	
District Office Certified Salaries/Benefits reduction by 5% (Comms Specialist reduction at \$139,407)	(107,474)	(139,407)	
District Office Operating Accounts reduction by 10%	(51,937)	(51,937)	
Middle College reduction by 50%	(116,250)	(116,250)	Pending State Funding
Curriculum reduction by 50%	(357,050)	(357,050)	
School Sites Supplies reduction by 10%	(106,848)	(106,848)	
Transportation transfer elimination	(200,000)	(200,000)	
School Closures - River City Academy	(323,856)	(323,856)	
School Consolidation - Seward Middle	(405,796)	(405,796)	
School Consolidation - Sterling to Soldotna Elementary	(802,709)	(802,709)	
School Consolidation - Tustumena Elementary	(416,842)	(416,842)	
Pool Closures	(1,517,047)	(1,517,047)	
Tech Plan Computers reduce by 50%	(265,008)	(265,008)	
Districtwide travel reduce by 50%	(145,845)	(145,845)	
Student Support Services reduction	(500,000)	(500,000)	
Health Services reduction	(100,000)	(100,000)	
FY27 Negotiations offer - 2% increase (2/25/26 and 2/26/26 District Offers)	2,984,177	2,984,177	
Charter Schools expenditure adjustments (Scenario 2)	317,459	317,459	
Nikolaevsk Charter School expenditure adjustment	1,080,269	1,080,269	
<b>Total Expenditures</b>	(33,432,394)	<b>145,257,098</b>	
<b>Excess (Deficiency) of Revenue over Expenditures</b>		<b>705,466</b>	

# FY27 Budget Scenario 2 Borough Funding at \$62,359,080

# FY27 Budget Scenario 2

## Borough Funding at \$62,359,080

<b>PREVIOUSLY APPROVED</b>	
<b>RESTORED BY KPB FUNDING INCREASE</b>	
Programmatic Staffing Salaries/Benefits reduction by 50%	(683,747)
Librarians-Certified Salaries/Benefits elimination	(416,192)
High School PTR increase (PTR 1:33 = Plus 1)	(297,280)
Middle School PTR increase (PTR 1:28 = Plus 1)	(178,368)
Elementary Schools K-6 (>=250 students) PTR increase (PTR Plus 2)	(297,280)
Elementary Schools K-6 (100-250 students) PTR increase (PTR 1:23.5 = Plus 2)	(654,016)
Small Schools (<200 students) PTR increase (PTR Plus 2)	(178,368)
Restored Cost	(2,705,251)

# FY27 Budget Scenario 2

## Potential One-Time State Funding

Should the proposed State one-time funding be approved and received by the District, the Board of Education may consider reinstating the following expenditures, programs, and staffing allocations previously reduced or eliminated as part of the District's budget balancing measures:

1. Custodians reductions (206 to 199 and 195 to 192 work calendars).
2. Library Aides elimination – Reclassification from Range 4 to 7.
3. Theater Techs/Manager reduce by 1 FTE.
4. Extra-Curricular Middle School stipends.
5. Extra-Curricular High School stipends.
6. Extra-Curricular transfer elimination.
7. Middle College reduction by 50%.

Kenal Peninsula Borough School District		6/1/2026	
FY27 Budget Reduction Scenario - 06/01/2026 - Finance Committee Meeting - WORKING DRAFT		RESOLUTION VERSION	
		Scenario 2	
		KPB Appropriation	
		FY26 level funding	
		\$62,359,080	
		Adjustments	
<b>Revenue</b>			
KPB Appropriation		46,878,229	
KPB In-Kind		15,480,851	
SOA - Foundation		71,827,973	
Increase SPED Intensive funding	346,320	346,320	
Nikolaevsk Charter School revenue adjustments	915,950	915,950	
SOA - Quality Schools		266,597	
Increase SPED Intensive funding	832	832	
SOA - On-Behalf		8,615,811	
Other Revenue		1,180,000	
Increase Interest Revenue	450,000	450,000	
<b>Total Revenue</b>		<b>145,962,563</b>	
<b>Expenditures</b>		<b>149,573,959</b>	
Distance Ed Certified Salaries/Benefits reduction by 50%	(268,085)		
Distance Ed Certified Salaries/Benefits elimination	(536,169)	(536,169)	
Middle School Reading Certified Salaries/Benefits elimination	(475,650)	(475,650)	
Programmatic Staffing Salaries/Benefits reduction by 50%	(683,747)		Additional Borough Funding Received-Admin recommendation
Librarians-Certified Salaries/Benefits elimination	(416,192)		Additional Borough Funding Received-Resolution
High School PTR increase (PTR 1:33 = Plus 1)	(297,280)		Additional Borough Funding Received-Resolution
Middle School PTR increase (PTR 1:28 = Plus 1)	(178,368)		Additional Borough Funding Received-Resolution
Elementary Schools K-6 (>=250 students) PTR increase (PTR Plus 2)	(297,280)		Additional Borough Funding Received-Resolution
Elementary Schools K-6 (100-250 students) PTR increase (PTR 1:23.5 = Plus 2)	(654,016)		Additional Borough Funding Received-Resolution
Small Schools (<200 students) PTR increase (PTR Plus 2)	(178,368)		Additional Borough Funding Received-Resolution
Custodians reductions (206 to 199 and 195 to 192 work calendars)	(65,892)	(65,892)	Pending State Funding
Library Aides elimination - Reclassification from Range 4 to 7	(628,967)	(628,967)	***\$679,645 (with add'l reclass costs) Pending State Funding
Library Aides with Librarians elimination - Reclassification from Range 4 to 7	(235,409)		
Theater Techs/Manager reduce by 1 FTE	(105,076)	(105,076)	Pending State Funding
English Language Learners reduce by 50%	(328,981)	(328,981)	
Extra-Curricular Middle School Activity Fee Increase to cover the cost of stipends	(190,957)	(190,957)	Pending State Funding
Extra-Curricular High School Activity Fee Increase to cover the cost os stipends	(773,481)	(773,481)	Pending State Funding
Extra-Curricular transfer elimination	(145,000)	(145,000)	Pending State Funding
District Office Certified Salaries/Benefits reduction by 5% (Comms Specialist reduction at \$139,407)	(107,474)	(139,407)	
District Office Operating Accounts reduction by 10%	(51,937)	(51,937)	
Middle College reduction by 50%	(116,250)	(116,250)	Pending State Funding
Curriculum reduction by 50%	(357,050)	(357,050)	
School Sites Supplies reduction by 10%	(106,848)	(106,848)	
Transportation transfer elimination	(200,000)	(200,000)	
School Closures - River City Academy	(323,856)	(323,856)	
School Constidation - Seward Middle	(405,796)	(405,796)	
School Constidation - Sterling to Soldotna Elementary	(802,709)	(802,709)	
School Constidation - Tustumena Elementary	(416,842)	(416,842)	
Pool Closures	(1,517,047)	(1,517,047)	
Tech Plan Computers reduce by 50%	(265,008)	(265,008)	
Districtwide travel reduce by 50%	(145,845)	(145,845)	
Student Support Services reduction	(500,000)	(500,000)	
Health Services reduction	(100,000)	(100,000)	
FY27 Negotiations offer - Current District offer	3,524,471	3,524,471	
Charter Schools expenditure adjustments (Scenario 2)	317,459	317,459	
Nikolaevsk Charter School expenditure adjustment	1,080,269	1,080,269	
<b>Total Expenditures</b>	<b>(32,907,632)</b>	<b>145,797,392</b>	
<b>Excess (Deficiency) of Revenue over Expenditures</b>		<b>165,172</b>	

# FY27 Budget Scenario 2 Potential One-Time State Funding

# FY27 Budget Scenario 2

## Potential One-Time State Funding

<b>DISTRICT ADMINISTRATION RECOMMENDATION</b>	
<b>RESTORED BY POTENTIAL STATE FUNDING INCREASE - <span style="color: red;">WORKING DRAFT</span></b>	
RESTORE Custodians reductions (206 to 199 and 195 to 192 work calendars)	(65,892)
RESTORE Library Aides (reclassification Range 4 to 7)	(679,645)
RESTORE Theater Techs/Manager Position	(105,076)
RESTORE Extra-Curricular Middle School Stipends	(190,957)
RESTORE Extra-Curricular High School Stipends	(773,481)
RESTORE Funding for Middle College by 50%	(116,250)
RESTORE Extra-Curricular transfer funding	(145,000)
Middle School Reading Program *Returns to reduction list in FY28	(475,650)
<b>Total Cost of Restorations</b>	<b>(2,551,951)</b>
Potential One Time State Funding	7,611,500
Potential One Time Energy Relief Funding	1,885,500
Fund Balance	6,945,049

# Kenai Peninsula Borough School District

*The mission of the Kenai Peninsula Borough School District is  
Supporting Students in Life Success.*

[www.kpbsd.org](http://www.kpbsd.org)

