

Kenai Peninsula Borough School District

FY26 COMMUNITY BUDGET MEETINGS

February 2025



Preliminary FY26 General Fund Budget Summary – Original

Revenue *	\$134,965,394
Expenditures	151,206,148
Transfer to Other Fund – Student Transportation & Extra-Curricular Travel	<u>695,000</u>
Total Expenditures and Transfers	151,901,148
Excess (Deficiency) of Revenues over Expenditures	\$(16,935,754)

*Includes maximum funding from KPB

FY26 Preliminary Budget Process – Projected Enrollment

The process used to project the FY26 enrollment is based on a straight-line method. The steps involved were:

1. Grades at all school sites were moved ahead one grade level with some variance based on principal input.
2. Charter school enrollment projections are in concert with the contractual agreement between the School District and the charter school.
3. AR 6183 (c) notes the enrollment staffing for Homer Flex, Kenai Alternative and Marathon locations.
4. Kindergarten enrollment was based on the average of actual enrollment, for FY23, FY24 and FY25 and administrator recommendations.
5. Sites affected by feeder schools were adjusted appropriately.

The projected enrollment for FY26 is 8,125

The District was required to submit the FY26 enrollment projections to the Department of Education and Early Development on November 4, 2024.

FY26 Preliminary Budget Process - Revenue

- State of Alaska
 - Foundation funding based on projected enrollment
 - Quality Schools funding \$16 per Adjusted Average Daily Membership (AADM)
 - TRS/PERS On-Behalf
- Kenai Peninsula Borough
 - Appropriation
 - In-Kind
- Other
 - E-rate
 - Interest Earnings
 - Other

Preliminary FY26 General Fund Budget – State of Alaska Revenue

	FY24 Actual	FY25 Original	FY25 Revised	FY26 Preliminary
State of Alaska Foundation Funding	\$70,427,148	\$66,915,412	\$68,868,325	\$64,297,274
State of Alaska Supplemental	-	-	-	-
State of Alaska Quality Schools	273,173	268,635	273,878	268,014
State of Alaska One – Time payment	5,812,774	11,418,396	11,639,812	-
State of Alaska TRS/PERS On-Behalf	<u>6,969,839</u>	<u>7,132,899</u>	<u>7,132,899</u>	<u>6,861,026</u>
Total	\$83,482,934	\$85,735,342	\$87,914,914	\$71,426,314

- State of Alaska – FY25 Base Student Allocation \$5,960
- Decrease of Foundation Funding, Quality Schools and One-Time payments reduced revenue by (\$16,216,727)

Preliminary FY26 General Fund Budget – KPB Revenue

	FY24 Actual	FY25 Original	FY25 Revised	FY26 Preliminary
KPB Appropriation	\$40,460,663	\$40,916,381	\$40,914,211	\$47,044,984
KPB In-Kind	<u>14,292,451</u>	<u>15,311,926</u>	<u>15,314,096</u>	<u>15,314,096</u>
Total	\$54,753,114	\$56,228,307	\$56,228,307	\$62,359,080

KPB maximum allowable funding is \$6.130M over FY25 due to the increase in the Full and True value of taxable real and personal property.

Preliminary FY26 General Fund Budget - Revenue

	FY24 Actual	FY25 Original	FY25 Revised	FY26 Preliminary
State Of Alaska	\$83,482,934	\$85,735,342	\$87,914,914	\$71,426,314
Kenai Peninsula Borough	54,753,114	56,228,307	56,228,307	62,359,080
Other Revenue	<u>1,927,164</u>	<u>5,857,983</u>	<u>7,366,891</u>	<u>1,180,000</u>
Total Revenue	\$140,163,212	\$147,821,632	\$151,510,112	\$134,965,394

- Other Revenue: E-rate, Interest Earnings and Other Miscellaneous.

Preliminary FY26 General Fund Budget - Expenditures

- Staffing is based on projected enrollment and the staffing formula.
- The employee salaries were calculated with step increases.
- The Healthcare calculation was based on FY25 rates + 5%. This amount may be updated at a later date if more information is received. The split for health care is 85/15 per the negotiated agreement.
- A lapse calculation of 1% was used for salaries and benefits.
- Utilities based on a 3-year average.
- Instructional/Office supply and copy budgets updated based on projected enrollment.

FY26 General Fund Budget - Expenditures

Salaries – Includes Step Increases	\$74,365,471	48.96%
Benefits	45,638,711	30.04%
Workers Compensation	2,320,906	1.53%
Professional and Technical	1,931,739	1.27%
Travel	597,342	0.39%
Utilities	7,082,122	4.66%
Purchased Services (Includes In-Kind Maintenance and Charter school rent and in-kind)	13,773,340	9.07%
Supplies	4,177,784	2.75%
Other Expenses	429,249	0.28%
Indirect	(413,631)	-0.27%
Equipment	1,303,115	0.86%
Transfers to Other Funds – Pupil Transportation & Extra-Curricular Travel	<u>695,000</u>	<u>0.46%</u>
Total Expenditures	\$151,901,148	100.00%

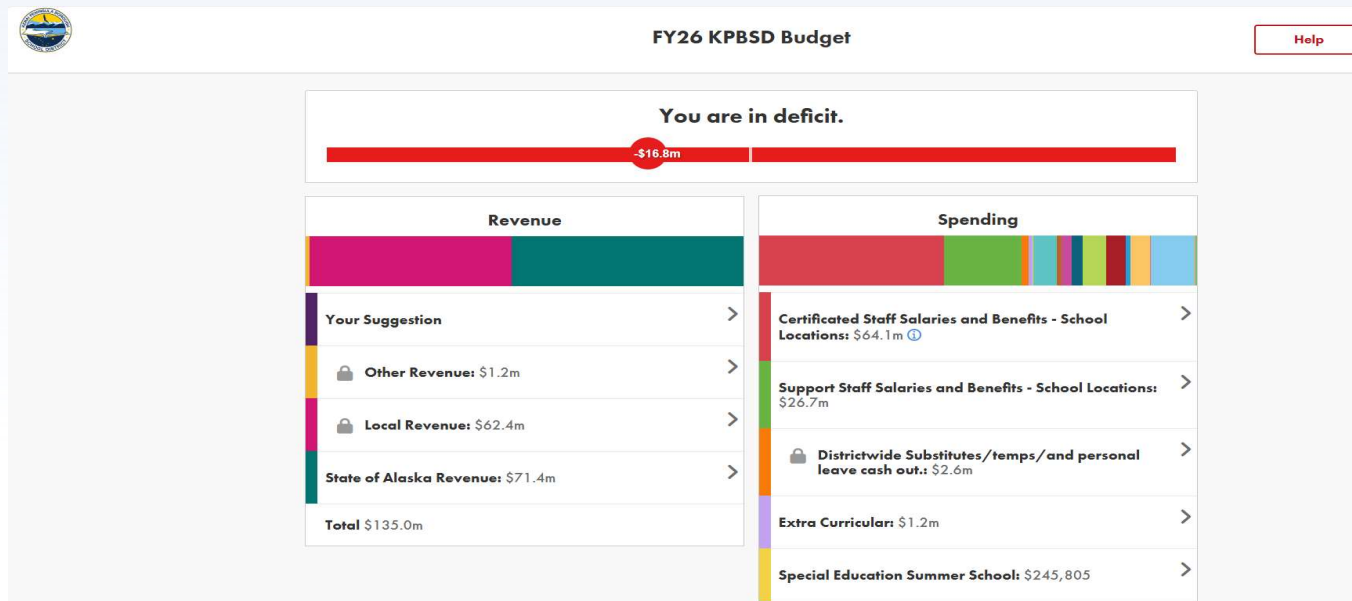
Fund Balance - FY20 through FY24

	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Actual
Fund Balance					
Nonspendable:					
Inventories	\$ 804,141	\$ 808,939	\$ 859,582	\$ 837,026	\$ 878,448
Prepaid Items	1,623,559	1,272,067	900,000	1,128,837	1,014,418
Restricted for:					
Charter Schools	-	-	-	-	-
Home School Carry-over	873,911	1,282,585	1,606,026	1,191,814	1,833,789
Facilities Maintenance	1,142,463	1,661,881	1,976,704	1,724,298	1,945,831
Committed:					
Minimum Fund Balance Policy	4,366,075	4,022,433	4,138,062	4,225,327	4,434,649
Negotiations	-	-	-	-	-
Assigned to:					
School Incentive Purchases	715,705	868,014	829,567	755,718	830,604
Property, Casualty, and Liability Insurance	750,000	-	-	-	-
Professional-Technical Services	407,021	313,517	203,500	92,793	100,933
Staff Travel	-	4,610	-	-	-
Student Travel	-	-	-	-	-
Utility Services	45,404	-	-	-	-
Purchased Services	7,793	32,692	4,086	20,237	13,113
Supplies	351,571	813,766	894,466	437,978	292,603
Other Expenses	1,174,349	1,031,032	1,077,908	948,782	755,414
Equipment	117,332	124,639	532,381	-	4,077
Subsequent Year Operations	5,791,384	2,677,222	-	61,817	4,677,983
Unassigned	1,677,222	910,504	2,354,271	5,836,963	1,794,375
Total Fund Balance	\$ 19,847,930	\$ 15,823,901	\$ 15,376,553	\$ 17,261,590	\$ 18,576,237
Change in Fund Balance	\$ 3,506,151	\$ (4,024,029)	\$ (447,348)	\$ 1,885,037	\$ 1,314,647




Balancing Act

Balancing Act is an interactive online tool to help guide the discussions surrounding the FY26 budget and to provide input to our Board of Education.

<https://go.kpbsd.org/fy26-balancingact>



Balancing Act

-  Lock Symbol – No access to make change but can review and make comments.
-  Information Symbol – Provides additional details about item.
-  Comment bubble allows you to make comments on any item.

Balancing Act – Revenue

Revenue Options

State of Alaska

No change to the BSA (currently at \$5,960)

Increase of \$680 to the BSA

Increase of \$750 to the BSA

Increase of \$1,000 to the BSA

BSA – Base Student Allocation.

All increases to the BSA require action by the legislature.

Balancing Act - Expenditures - Staff

Categories:

Certificated Staff Salaries and Benefits (School Locations)

- Distance Ed Certified Salaries and Benefits
- Middle School Reading Certified Salaries and Benefits
- Elementary School Counselors Salaries and Benefits
- Programmatic Staffing Salaries and Benefits
- Elementary Specialists Certified Salaries and Benefits
- Intervention Certified Salaries and Benefits
- Small Schools with Counselors outside formula
- Quest (Gifted and Talented) Certified Salaries and Benefits
- High School Certified Salaries and Benefits
- Middle School Certified Salaries and Benefits

Balancing Act - Expenditures - Staff

Categories:

Certificated Staff Salaries and Benefits (School Locations)

Elementary Schools K-6 (100-250 students) Certified Salaries and Benefits

Elementary Schools K-6 (100-250 students) Certified Salaries and Benefits

Elementary Schools K-6 (≥ 250 students) Certified Salaries and Benefits

Small Schools (< 200 students) Certified Salaries and Benefits

Programs – Homer Flex/Kenai Alternative/Marathon

Small Schools classrooms with more than three grades adjustments

Support Staff Salaries and Benefits

Districtwide Substitutes/temps/and personal leave cash out

Extra Curricular

Balancing Act – Expenditures

Categories:

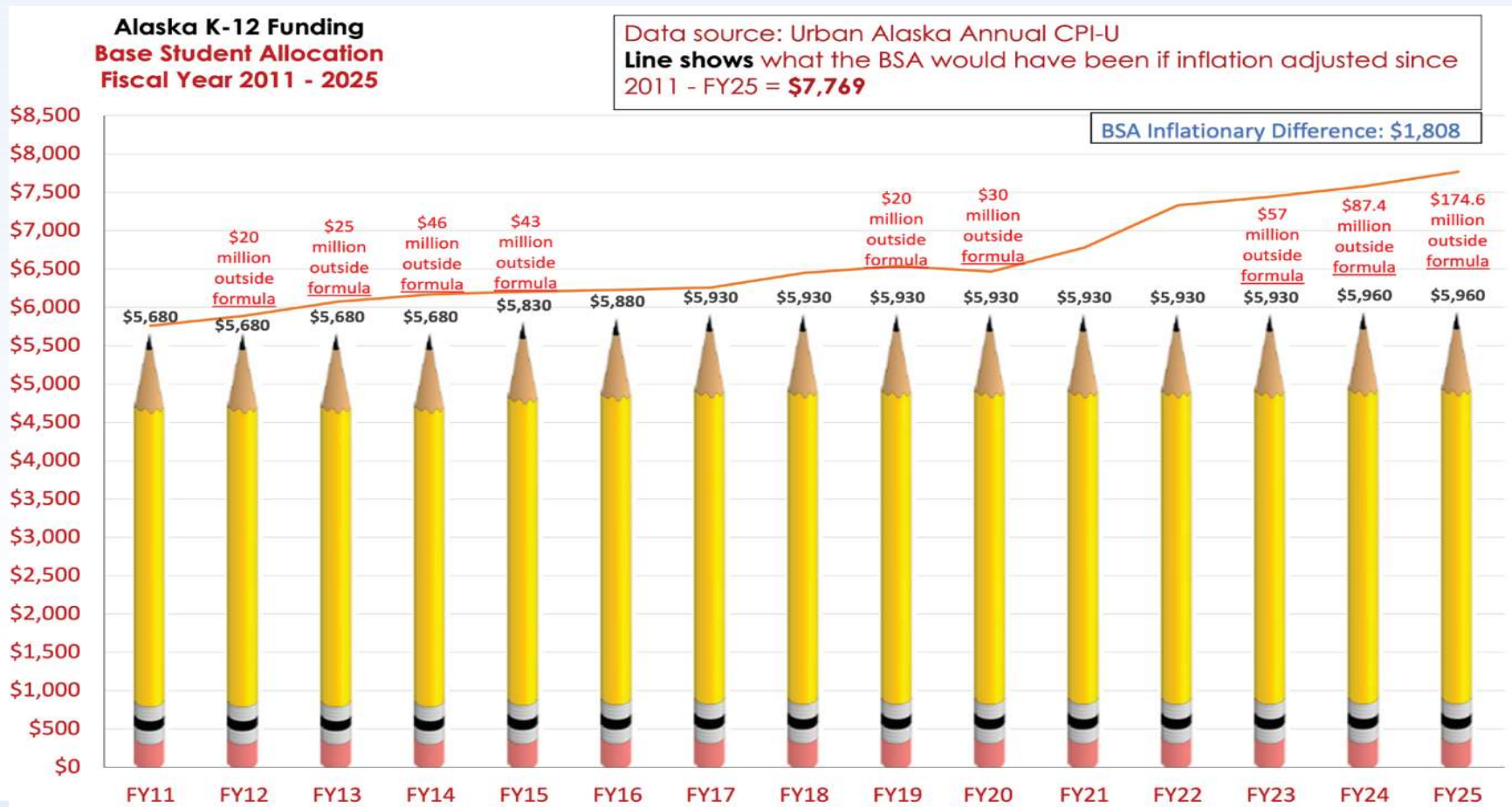
- Special Education Summer School
- Discretionary Funds – Per Collective Bargaining agreement
- District Office Salaries and Benefits
- District Office Operating accounts and Other services
- Districtwide Salaries and Benefits
- Districtwide Operating accounts and Other services
- Charter Schools
- Utilities
- School Locations
- On-Behalf Payments
- Lapse Calculation

Balancing Act – Expenditures

Categories:

- Discretionary Materials – Per Collective Bargaining Agreement (CBA)
- In-Kind Services
- Quality Schools
- Connections Homeschool Program
- Career Development
- Transfers

Base Student Allocation (BSA) Fiscal Year 2011-2025



Balancing Act – Report to the Board

March 3rd – Board of Education Meeting, Finance Work Session

The information gathered through Balancing Act will be presented during the Finance Work Session.

Please share the link – the more input we can gather the better!

Kenai Peninsula Legislators

Senators:

District C - Senator Gary Stevens, Senate President
Kodiak/Seward/Cordova/Kachemak Bay/Ninilchik/Kasilof

District D - Senator Jesse Bjorkman
Kenai/Soldotna//Northern Kenai Peninsula

Representatives:

District 37 - Representative Bryce Edgmon, Speaker of the House
Dillingham

District 6 - Representative Sarah Vance
Kachemak Bay/Ninilchik/Kasilof

District 7 – Representative Justin Ruffridge
Kenai/Soldotna

District 8 - Representative Bill Elam
Northern Kenai Peninsula

Questions?

- Email: ehayes@kpbsd.org
- cvoivedich@kpbsd.org
- **KPBSD Finance Department:** <https://kpbsd.org/finance>

Kenai Peninsula Borough School District

*The mission of the Kenai Peninsula Borough School District is
supporting students in life success.*

www.kpbsd.org

