

Introduced by:	Dunne, Smalley
Date:	04/02/19
Hearing:	04/16/19
Action:	Introduced and Set for Public Hearing
Vote:	9 Yes, 0 No, 0 Absent
Date:	04/16/19
Action:	Enacted as Amended
Vote:	5 Yes, 4 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2018-19-33**

**AN ORDINANCE APPROPRIATING SUPPLEMENTAL FUNDING OF \$2,423,955, OR
THE MAXIMUM ALLOWED PURSUANT TO AS 14.17.410(C), WHICHEVER IS LESS,
FOR THE KENAI PENINSULA BOROUGH SCHOOL DISTRICT
FISCAL YEAR 2019 BUDGET**

WHEREAS, Governor Michael Dunleavy has submitted a proposal for fiscal year 2019 that reduces education funding statewide by approximately \$20 million and has also proposed eliminating a \$30 million one-time funding increase to school funding for fiscal year 2020; and

WHEREAS, if the \$20 million reduction for fiscal year 2019 is approved the state will withhold about \$1,398,898 from the Kenai Peninsula Borough School District ("KPBSD") that was appropriated by the state legislature last session as one-time funding, and is included in KPBSD's current budget; and

WHEREAS, without this cut the KPBSD is eligible for an additional \$2,423,955 in local funding for FY 2019; and

WHEREAS, if the \$30 million decrease for fiscal year 2020 is approved the state will withhold an estimated \$2,100,012 from KPBSD in one-time funding and the state would underfund state aid under the foundation formula by \$18,857,895, which would reduce the maximum allowable local contribution by the borough to KPBSD for fiscal year 2020; and

WHEREAS, the proposed state reductions in FY 2020 funding are not expected to allow any additional funds from the borough to offset state funding restrictions, but instead are likely to decrease the allowed borough contribution as well; and

WHEREAS, these cuts to education funding will significantly impact the school district by requiring it to make changes including potentially closing six schools, eliminating or reducing some certified positions and many support staff positions, significantly increasing the pupil teacher ratios at all levels, and substantially reducing or eliminating extra-curricular support throughout the district; and

WHEREAS, KPBSD has requested that the borough increase the FY19 local contribution to the maximum allowable amount of \$52,162,387 which would provide additional funding of \$2,423,955 to the school district; and

WHEREAS, as the maximum allowable amount may prove to be less than the amount under the formula in AS 14.17.410(c) this appropriation should be for the maximum allowed by law if that is less than \$2,423,955; and

WHEREAS, this would allow KPBSD to retain some of its non-tenured staff for FY20 as well as provide a needed cushion to any potential reduction in state funding for fiscal year 2020; and

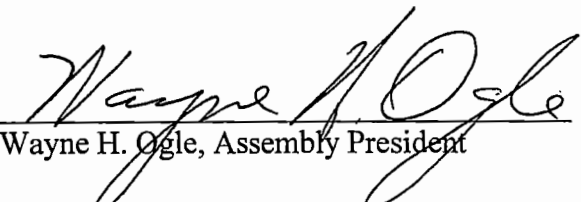
WHEREAS, education funding is a very high priority for the borough as the school district is an extremely important component of the Kenai Peninsula Borough economy and community lifestyle;

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. The sum of \$2,423,955, or the maximum allowed pursuant to AS 14.17.410(c), whichever is less, is hereby appropriated from the General Fund, fund balance, to be transferred to the School Fund, account number 241.94910.50241.

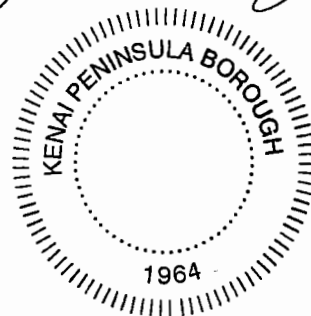
SECTION 2. That this ordinance shall become effective upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF APRIL, 2019.


Wayne H. Ogle, Assembly President

ATTEST:


John Blankenship, MMC, Borough Clerk



04/02/19 Vote on motion to introduce and set for public hearing:

Yes: Bagley, Blakeley, Carpenter, Cooper, Dunne, Fischer, Hibbert, Smalley, Ogle

No: None

Absent: None

04/16/19 Vote on motion to enact as amended:

Yes: Bagley, Cooper, Dunne, Hibbert, Smalley

No: Blakeley, Carpenter, Fischer, Ogle

Absent: None