

KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICT BOARD OF EDUCATION
AGENDA STATEMENT

No. 8 a

MEETING OF April 22, 2020

REVIEWED BY:

ITEM TITLE:

PUBLIC HEARING - BUDGET

Motion to approve Operating Fund Budget
for Fiscal Year 2021, in second reading.

Superintendent
 Personnel
 Finance

SUBMITTED BY: Beth Lougee, Superintendent

CONTACT PERSON/TELEPHONE:

APPROVED FOR SUBMITTAL:

Katie Jo Parrott 247-2116

Name

Phone

Superintendent

SUMMARY STATEMENT:

The Board is being asked to approve the operating fund budget for Fiscal Year 2021 as presented.

BACKGROUND:

The initial proposed operating fund budget was introduced on April 8th at the Board's regular meeting. This draft of the budget included all existing programming but created some efficiencies through continued work to streamline existing programming and staff assignments according to student, school, and program goals and needs. This budget included the district's portion of the \$30 million supplemental funds appropriated by the Legislature, vetoed by Governor Dunleavy. These funds were included in the budget based on statements from the Governor that the administration would replace supplemental operating funds to the districts with state relief funds.

However, information released the week of April 13th from the Department of Education and Early Development clarified that the replacement funds would not be operating fund revenue, and would need to be treated as special revenue funds. Additionally, these funds would be allocated and distributed to the districts in the current year in the form of a grant for FY20. As a result, the district's portion of the \$30 million supplemental was removed from the revenue projections for FY21, and subsequent reductions were made in the following budgeted line items to present a balanced budget:

- Certificated Teachers (\$223,177)
- Classified Aides/Paraprofessionals (\$125,000)
- Retirement Contribution TRS (\$68,002) – proportional to above budget reduction
- Retirement Contribution PERS (\$35,775) – proportional to above budget reduction
- Supplies, Materials, & Media (\$100,000)
- Equipment (\$42,600)

These reductions are made with limited impact to programming and services to students, incorporating cost savings through staff reassignments and attrition, placing on hold plans to expand portions of grant funding programming into the operating fund, and maximizing use of available grant and special revenue funds while also utilizing existing fund balance.

ISSUE:

Per Board Policy 3100, the Board shall establish and maintain a balanced budget. Adopting a budget requires two public hearings, the first having taken place on April 8th. The Board shall adopt an annual budget which is compatible with the District Strategic plan and projected revenues.

RECOMMENDATION:

Approval of the FY21 operating fund budget, as presented.

ATTACHMENTS:

- FY20 & FY21 Updated Revenue Comparison
- FY21 Updated Operating Fund Budget
- FY20 & FY21 Updated Operating Fund Budget Comparison

RECOMMENDED ACTION:

"I move that the Board of Education approve the FY21 Operating Fund Budget, in the amount of \$40,506,278, in second reading."

KGBSD OPERATING REVENUE COMPARISON

Type	FY20 Revised	FY20 Actual	FY19 Diff.	FY21 Projected	FY21 Diff.
STATE REVENUE*	25,924,800	25,354,262	(570,538)	25,396,819	42,557
<i>TRS On-Behalf</i>	2,723,729	2,880,000	156,271	2,829,019	(50,981)
<i>PERS On-Behalf</i>	424,878	450,000	25,122	460,339	10,339
One-time supplemental aid + PFD Raffle	694,024	604,228	(89,796)	9,675	(594,553)
TOTAL	29,767,431	29,288,490	(478,941)	28,695,852	(592,638)
Borough Revenue					
Local Required Contribution	4,835,185	4,835,185	-	4,915,414	80,229
Discretionary Contribution	5,746,014	5,746,014	-	5,746,014	-
In-kind Contribution	120,000	120,000	-	215,000	95,000
TOTAL	10,701,199	10,701,199	-	10,876,428	175,229
Federal Revenue					
Medicaid	150,000	100,000	(50,000)	100,000	-
TOTAL	150,000	150,000	(50,000)	150,000	-
Other Revenues					
Court checks, BMO rebate	30,000	30,000	-	30,000	-
E-rate Program*	213,556	213,556	-	115,000	(98,556)
	243,556	243,556	-	145,000	(98,556)
CARRYOVER FUNDS					
CHARTER SCHOOLS	141,665	141,665	-	432,765	291,100
	206,233	206,233	-	206,233	-
TOTAL	347,898	347,898	-	638,998	291,100
Grand Total	41,210,084	40,731,143	(478,941)	40,506,278	(224,865)

FY21 KGBSD Operating Fund Budget

Object*	Title	ACTUALS	APPROVED	PROPOSED	Difference	*Revised based on AK COA conversion NOTES
		FY19	FY20	FY21		
Personnel Expenses						
311	Certificated Superintendent	189,756	133,000	145,000	12,000	1 FTE
313	Certificated Principal/Assistant Principal	1,282,290	1,365,774	1,330,494	(35,280)	12 FTE
314	Certificated Director/Coordinator/Manager	196,365	217,889	246,452	28,563	2 FTE
315	Certificated Teacher	13,471,848	13,470,757	13,257,906	(212,851)	133 FTE Tenured, 34 FTE Non-tenured
316	Certificated Extra Duty Pay	150,745	139,400	122,400	(17,000)	
317	Certificated Substitutes/Temps	-	2,700	5,000	2,300	
318	Certificated Specialists	-	-	330,318	330,318	4 FTE SSPK
319	Teachers Part Year (Long-term Subs)	136,550	120,000	100,000	(20,000)	
321	Classified Director/Coordinator/Manager	504,052	478,331	388,000	(90,331)	4 FTE (Maint., Tech., Business Office)
322	Classified Specialists (Technical Staff)	269,987	275,352	352,860	77,508	5 FTE (Tech. & Info.), 1 FTE Nurse
323	Classified Aides/Paraprofessionals	3,125,710	3,405,687	3,199,740	(205,947)	135 FTE - reduced from current 150FTE
324	Classified Support Staff	1,228,239	1,265,134	1,122,486	(142,648)	11 FTE district; 11 FTE school-level
325	Maintenance/Custodial Staff	1,197,976	1,258,316	1,137,174	(121,142)	10 FTE Maintenance, 17 FTE Custodian
329	Classified Substitutes/Temps	376,422	329,000	329,000	-	
337	Classified Extra Duty	36,273	49,500	49,500	-	
338	Classified Stipend	16,350	18,000	18,000	-	School Board
361	Insurance-Life & Health	5,716,118	5,245,491	5,245,491	-	
362	Unemployment Insurance	7,388	44,576	25,000	(19,576)	Adjusted closer to actuals
363	Workers' Compensation	200,955	307,063	207,000	(100,063)	Adjusted closer to actuals
364	FICA Contribution	731,743	736,917	761,000	24,083	1.45% for Certified; 7.65% for Classified
365	Retirement Contribution-TRS	4,299,974	4,627,400	4,703,828	76,428	12.56% of wages; 17.91% on-behalf
366	Retirement Contribution-PERS	1,601,300	1,910,725	1,882,841	(27,884)	22% of wages; 8.85% on-behalf
367	Educational Assistance	24,359	29,300	25,600	(3,700)	\$1600 x 16
368	Physicals	2,392	14,250	7,500	(6,750)	\$250 x 30
369	Other Employee Benefits	24,729	32,500	20,000	(12,500)	Mileage & vehicle allowances
390	Transportation Allowance	-	-	12,500	12,500	Add for Relocation Reimbursement
	Object Group	34,791,521	35,477,062	35,025,090	(451,972)	
Supplies and Services						
410	Professional & Technical Services	375,543	288,500	325,000	36,500	
411	Staff Development Services	-	-	-	-	
412	Auditing	35,331	36,000	36,000	-	
413	Labor Relations Services	10,000	15,000	10,000	(5,000)	
414	Legal Services	55,878	75,000	45,000	(30,000)	
416	Engineering & Architectural Services	7,472	-	-	-	
418	Other Professional Services	-	-	-	-	
420	Staff Travel 420	83,850	50,000	30,000	(20,000)	
421	Mileage Reimbursement 420	4,693	7,600	7,600	-	
425	Student Travel	4,801	-	25,000	25,000	Swim charters, field trips, etc.
430	Utilities & Telecommunications	209,559	241,789	210,000	(31,789)	Restricted
431	Water & Sewage	223,713	252,537	264,715	12,178	Restricted
432	Garbage	120,425	118,416	120,450	2,034	Restricted
433	Postage	12,735	14,400	14,400	-	Restricted
436	Electricity	543,596	487,596	557,677	70,081	Restricted
438	Heating Fuel	469,608	529,673	529,673	-	Restricted
440	Other Purchased Services	338,576	261,700	261,700	-	
441	Rentals and Leases	71,468	80,000	80,000	-	
442	Building Repairs & Maintenance	201,803	155,000	128,000	(27,000)	
443	Equipment Repair & Maintenance	-	-	-	-	
445	Insurance & Bond Premiums	296,560	365,500	365,500	-	Restricted
450	Supplies, Materials & Media	886,053	1,039,750	939,750	(100,000)	Reduced
451	Teacher Supplies	55,164	71,800	69,200	(2,600)	Restricted
457	Small Tools & Equipment	221,983	235,000	117,500	(117,500)	Suspends 1-to-1 program purchases
480	Tuition & Stipends (Students)	61,800	50,000	60,000	10,000	Restricted
485	Stipends (Kanayama)	18,500	15,000	15,000	-	
490	Other Expenses	65,703	60,000	60,000	-	
491	Dues and Fees	24,491	23,000	23,000	-	
493	Interest	-	-	-	-	
495	Indirect Expense	-	-	(15,000)	(15,000)	
	Object Group	4,399,305	4,473,261	4,280,165	(193,096)	
		ACTUALS	Approved	INITIAL DRAFT		
Object	Title	FY19	FY20	FY21	Difference	
Other						
510	Equipment 510	7,628	166,138	107,400	(58,738)	Reduced
544	Transfer to Activities .550	611,162	536,162	536,162	-	
562	Transfer to Other Governmental Units	208,712	-	-	-	
599	Unallocated Budget 599	-	557,461	557,461	-	
	Object Group	827,502	1,259,761	1,201,023	(58,738)	
Grand Total		40,018,328	41,210,084	40,506,278	(703,806)	

FY21 KGBSD Operating Fund Budget

Object*	Title	ACTUALS	APPROVED	INITIAL	PROPOSED	FY21 Budget	FY20-21
		FY19	FY20	FY21	FY21	Difference	Difference
Personnel Expenses							
311	Certificated Superintendent	189,756	133,000	145,000	145,000	-	12,000
313	Certificated Principal/Assistant Principal	1,282,290	1,365,774	1,330,494	1,330,494	-	(35,280)
314	Certificated Director/Coordinator/Manager	196,365	217,889	246,452	246,452	-	28,563
315	Certificated Teacher	13,471,848	13,470,757	13,481,083	13,257,906	(223,177)	(212,851)
316	Certificated Extra Duty Pay	150,745	139,400	122,400	122,400	-	(17,000)
317	Certificated Substitutes/Temps	-	2,700	5,000	5,000	-	2,300
318	Certificated Specialists	-	-	330,318	330,318	-	330,318
319	Teachers Part Year (Long-term Subs)	136,550	120,000	100,000	100,000	-	(20,000)
321	Classified Director/Coordinator/Manager	504,052	478,331	388,000	388,000	-	(90,331)
322	Classified Specialists (Technical Staff)	269,987	275,352	352,860	352,860	-	77,508
323	Classified Aides/Paraprofessionals	3,125,710	3,405,687	3,324,740	3,199,740	(125,000)	(205,947)
324	Classified Support Staff	1,228,239	1,265,134	1,122,486	1,122,486	-	(142,648)
325	Maintenance/Custodial Staff	1,197,976	1,258,316	1,137,174	1,137,174	-	(121,142)
329	Classified Substitutes/Temps	376,422	329,000	329,000	329,000	-	-
337	Classified Extra Duty	36,273	49,500	49,500	49,500	-	-
338	Classified Stipend	16,350	18,000	18,000	18,000	-	-
361	Insurance-Life & Health	5,716,118	5,245,491	5,245,491	5,245,491	-	-
362	Unemployment Insurance	7,388	44,576	25,000	25,000	-	(19,576)
363	Workers' Compensation	200,955	307,063	207,000	207,000	-	(100,063)
364	FICA Contribution	731,743	736,917	761,000	761,000	-	24,083
365	Retirement Contribution-TRS	4,299,974	4,627,400	4,771,830	4,703,828	(68,002)	76,428
366	Retirement Contribution-PERS	1,601,300	1,910,725	1,918,616	1,882,841	(35,775)	(27,884)
367	Educational Assistance	24,359	29,300	25,600	25,600	-	(3,700)
368	Physicals	2,392	14,250	7,500	7,500	-	(6,750)
369	Other Employee Benefits	24,729	32,500	20,000	20,000	-	(12,500)
390	Transportation Allowance	-	-	12,500	12,500	-	12,500
	Object Group	34,791,521	35,477,062	35,477,044	35,025,090	(451,954)	(451,972)
Supplies and Services							
410	Professional & Technical Services	375,543	288,500	325,000	325,000	-	36,500
411	Staff Development Services	-	-	-	-	-	-
412	Auditing	35,331	36,000	36,000	36,000	-	-
413	Labor Relations Services	10,000	15,000	10,000	10,000	-	(5,000)
414	Legal Services	55,878	75,000	45,000	45,000	-	(30,000)
416	Engineering & Architectural Services	7,472	-	-	-	-	-
418	Other Professional Services	-	-	-	-	-	-
420	Staff Travel 420	83,850	50,000	30,000	30,000	-	(20,000)
421	Mileage Reimbursement 420	4,693	7,600	7,600	7,600	-	-
425	Student Travel	4,801	-	25,000	25,000	-	25,000
430	Utilities & Telecommunications	209,559	241,789	210,000	210,000	-	(31,789)
431	Water & Sewage	223,713	252,537	264,715	264,715	-	12,178
432	Garbage	120,425	118,416	120,450	120,450	-	2,034
433	Postage	12,735	14,400	14,400	14,400	-	-
436	Electricity	543,596	487,596	557,677	557,677	-	70,081
438	Heating Fuel	469,608	529,673	529,673	529,673	-	-
440	Other Purchased Services	338,576	261,700	261,700	261,700	-	-
441	Rentals and Leases	71,468	80,000	80,000	80,000	-	-
442	Building Repairs & Maintenance	201,803	155,000	128,000	128,000	-	(27,000)
443	Equipment Repair & Maintenance	-	-	-	-	-	-
445	Insurance & Bond Premiums	296,560	365,500	365,500	365,500	-	-
450	Supplies, Materials & Media	886,053	1,039,750	1,039,750	939,750	(100,000)	(100,000)
451	Teacher Supplies	55,164	71,800	69,200	69,200	-	(2,600)
457	Small Tools & Equipment	221,983	235,000	117,500	117,500	-	(117,500)
480	Tuition & Stipends (Students)	61,800	50,000	60,000	60,000	-	10,000
485	Stipends (Kanayama)	18,500	15,000	15,000	15,000	-	-
490	Other Expenses	65,703	60,000	60,000	60,000	-	-
491	Dues and Fees	24,491	23,000	23,000	23,000	-	-
493	Interest	-	-	-	-	-	-
495	Indirect Expense	-	-	(15,000)	(15,000)	-	(15,000)
	Object Group	4,399,305	4,473,261	4,380,165	4,280,165	(100,000)	(193,096)
Object		ACTUALS	Approved	INITIAL	PROPOSED	FY21 Budget	FY20-FY21
		FY19	FY20	FY21	FY21	Difference	Difference
Other							
510	Equipment 510	7,628	166,138	150,000	107,400	(42,600)	(58,738)
544	Transfer to Activities. 550	611,162	536,162	536,162	536,162	-	-
562	Transfer to Other Governmental Units	208,712	-	-	-	-	-
599	Unallocated Budget 599	-	557,461	557,461	557,461	-	-
	Object Group	827,502	1,259,761	1,243,623	1,201,023	(42,600)	(58,738)
Grand Total		40,018,328	41,210,084	41,100,832	40,506,278	(594,554)	(703,806)