



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

RECEIVED

Office of Superintendent 2 AM 11:30

Dr. Donna Peterson, Superintendent of Schools

148 North Binkley Street Soldotna, Alaska 99669-7553

Phone (907) 714-8888 Fax (907) 262-9132

CLERK'S OFFICE

May 2, 2005

Mr. Gary Superman, President
Kenai Peninsula Borough Assembly
144 North Binkley Street
Soldotna, AK 99669

RE: Resolution 2005-~~019~~ 036

Dear Mr. Superman:

036

This letter requests positive action on Resolution 2005-~~019~~ 036. A Resolution Determining the Amount to be Provided From Local Sources for School Purposes During Fiscal Year 2005-2006.

The Assembly's historical support of at-the-cap local funding is appreciated; continued support at this level is essential to the District's financial plan. The Board of Education approved the FY06 budget, based on at-the cap local effort funding and a base student allocation (BSA) of \$4869, that includes a \$1.7 million allocation of fund balance to cover operating expenditures. Current legislation contains a potential BSA of \$4919; the District needs a BSA of \$4980 for a balanced budget or an increased area cost differential to avoid using fund balance.

The FY06 budget contains modest improvements in the staffing formulas targeting the classroom. You may recall the District was forced to reduce 10% of the certified staff a couple of years ago in order to balance expenditures to available revenue. Additional staff is needed to reduce class sizes to meet student needs and the goals of the No Child Left Behind federal legislation. The District feels strongly enough about this issue to allocate our limited fund balance for operations. This leaves little leeway for emergencies.

Action on this issue would be appreciated at your May 3rd Assembly Meeting because the District needs to know what revenue is available for FY06 as soon as possible. A significant portion of the District hiring process is on hold due to the uncertainty of next year's funding and as a result the District is losing viable teaching candidates to other districts because we can't issue contracts that will commit the District until we know we can pay for them.

The District is presently in unfamiliar territory with educational funding unknown for FY06 at the legislative level and the local level. The District understands the situation facing the Assembly given the District's challenging funding history at the State level. If funding isn't realized as presented in the District's budget, then our budget plan will have to be re-evaluated.

You face a difficult time in the Borough; I appreciate the tough decisions before the Assembly. Please continue your investment in the future; support education as you have in the past.

Sincerely,

Donna Peterson, Ed.D.
Superintendent

C. Dale Bagley
Board of Education