



**MATANUSKA-SUSITNA**  
BOROUGH SCHOOL DISTRICT

# **Superintendent's Budget Handbook**

## **2024 - 2025**





## From The Superintendent

Each year the administration presents to the School Board a balanced budget for the upcoming fiscal year. This budget handbook provides an opportunity to share a summary of the budget development priorities and current resource allocations with our school community.

I want to assure you that our school district will continue to strive for excellence in all aspects of education, while also being responsible stewards of the resources entrusted to us by the community. The budget development process for the 2025 fiscal year has been developed with reasonable yet modest assumptions regarding our revenue outlook and allocates resources consistent with our educational priorities.

High student achievement remains my top priority as Superintendent. The Mat-Su Borough School District is a leader in Alaska, but I have high aspirations for continued school success and student academic growth. We are proud to be a district of choice, and we have made sure that our budget continues to support the various schools, programs, and extra-curricular offerings that our families need.

We are committed to allocating resources in a way that prioritizes the needs of students. Using scalable metrics to ensure our resources follow students, allows us to have a lean and efficient operation that is adaptable to changes in both revenue and our broader educational environment.

Thank you for reading the following pages to learn more about our schools and budget. We appreciate your ongoing support and commitment to the success of our students and staff.

Yours in education,

Dr. Randy Trani  
Superintendent

## MSBSD School Board



**Mission:**  
Mat-Su Borough School District prepares all students for success.

**School Board Goals**

1. Improve student success, achievement, and performance.
2. Develop excellent educators and leaders.
3. Use innovative practices to improve the education system.
4. Include families and community members in the education of our students.
5. Promote safe and healthy environments for all.



**MATANUSKA  
SUSITNA**  
BOROUGH SCHOOL  
DISTRICT

# FAST FACTS

Educates  
**19,371**  
students

**FASTEST  
GROWING**  
area in  
**ALASKA**

Encompasses  
nearly  
**25,000**  
square miles  
(equal to West Virginia)

**48**  
schools

School Type	Schools
Elementary	17
Middle	5
High	5
Rural/Small	7
Alternative	7
Charter	7
	<b>48</b>

**33%**  
Economically  
**DISADVANTAGED**

**Student  
DIVERSITY**

Ethnicity	Percent
Caucasian	65%
Two or More Races	16%
Hispanic	8%
Alaska Native	7%
American Indian	1%
African American	1%
Asian	1%
Native Hawaiian	1%

**Students  
by  
GRADE**

Grade	ADM
PreK - 5th Grade	9,046
6th - 8th Grade	4,465
9th - 12th Grade	5,860
	<b>19,371</b>

**85%**  
**GRADUATION  
RATE**

## FY25 Budget Survey

The District seeks public input through several venues. For over ten years, the District has utilized a survey for feedback from families and stakeholders to establish spending priorities. This year had the largest level of participation from the community with 1,723 survey responses. The top three priorities, while varying in ranking, are historically School Safety, Class Size, and Career & Technical Education.

FY 2025 BUDGET PRIORITIES	
1.	School Safety
2.	Class Size
3.	Educational Programs (JROTC, STEM)
4.	Career & Technical Education
5.	Student Activities (Sports, Drama, Leadership)
6.	Facility Maintenance & Custodial
7.	Classroom Technology & Online Learning
8.	Professional Development for Teachers & Staff



## REVENUE

### Enrollment

The budget development process is centered around students, starting with the Average Daily Membership (ADM) Enrollment determining a large portion of the State Foundation Formula funding. Each November, the State requires that all districts submit a projected student ADM Enrollment for the upcoming fiscal year. The District uses a modified two-year cohort survival analysis to develop the projection, using the annual student count held every October as the starting point. The cohort survival analysis tracks the students as they move from grade to grade. It does not account for in or out-migration during times of economic uncertainty or pandemics. Using this projection methodology, the District has had an average variance of less than 1% from actual ADM Enrollment over the past ten years.

Grade	ENROLLMENT HISTORY BY YEAR & GRADE					Projected
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
PK	100	92	87	90	81	102
K	1,444	1,360	1,508	1,413	1,375	1,205
1	1,469	1,340	1,450	1,549	1,426	1,424
2	1,488	1,367	1,388	1,518	1,584	1,492
3	1,447	1,335	1,469	1,450	1,531	1,634
4	1,566	1,338	1,425	1,542	1,481	1,572
5	1,510	1,401	1,440	1,476	1,568	1,534
6	1,519	1,396	1,475	1,484	1,496	1,575
7	1,544	1,397	1,429	1,474	1,503	1,481
8	1,529	1,420	1,487	1,477	1,466	1,498
9	1,473	1,472	1,473	1,513	1,515	1,498
10	1,435	1,399	1,510	1,469	1,526	1,525
11	1,281	1,363	1,393	1,461	1,419	1,487
12	1,275	1,204	1,352	1,373	1,400	1,385
<b>TOTAL</b>	<b>19,080</b>	<b>17,885</b>	<b>18,886</b>	<b>19,286</b>	<b>19,372</b>	<b>19,412</b>

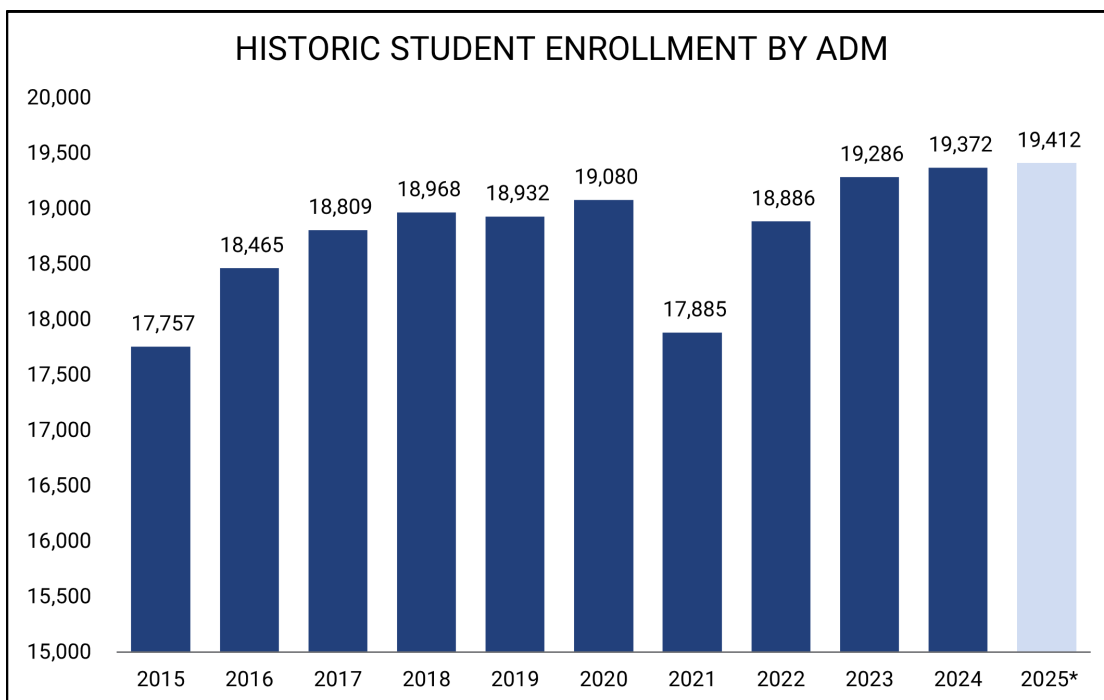
## Enrollment

Enrollment Projection Accuracy			
Fiscal Year	Projection	Count	Percent Variance
2000	12,363	12,513	-1.20%
2001	12,635	12,745	-0.86%
2002	12,967	13,065	-0.75%
2003	13,408	13,588	-1.32%
2004	14,046	14,304	1.80%
2005	14,393	14,663	1.84%
2006	15,559	15,440	-0.77%
2007	16,025	15,847	-1.12%
2008	15,969	16,115	0.91%
2009	16,218	16,481	1.60%
2010	16,555	16,663	0.65%
2011	16,839	16,964	0.74%
2012	17,409	17,338	-0.41%
2013	17,220	17,247	0.16%
2014	17,283	17,477	1.11%
2015	17,594	17,757	0.92%
2016	18,067	18,465	2.15%
2017	18,819	18,809	-0.05%
2018	19,100	18,968	-0.69%
2019	19,040	18,932	-0.57%
2020	19,074	19,080	0.03%
2021	19,285	17,885	-7.83%
2022	19,135	18,886	-1.32%
2023	19,233	19,286	0.28%
2024	19,530	19,372	-0.82%
2025*	19,412		
<b>10 Year Average Variance</b>			<b>-0.79%</b>
<b>20 Year Average Variance</b>			<b>-0.16%</b>

In the spring of 2022, the District commissioned a detailed study for student enrollment to better understand what may be expected for future growth or decline. The analysis provided some important conclusions that predicted the District's enrollment will continue to remain relatively stable, with limited growth, over the next decade.

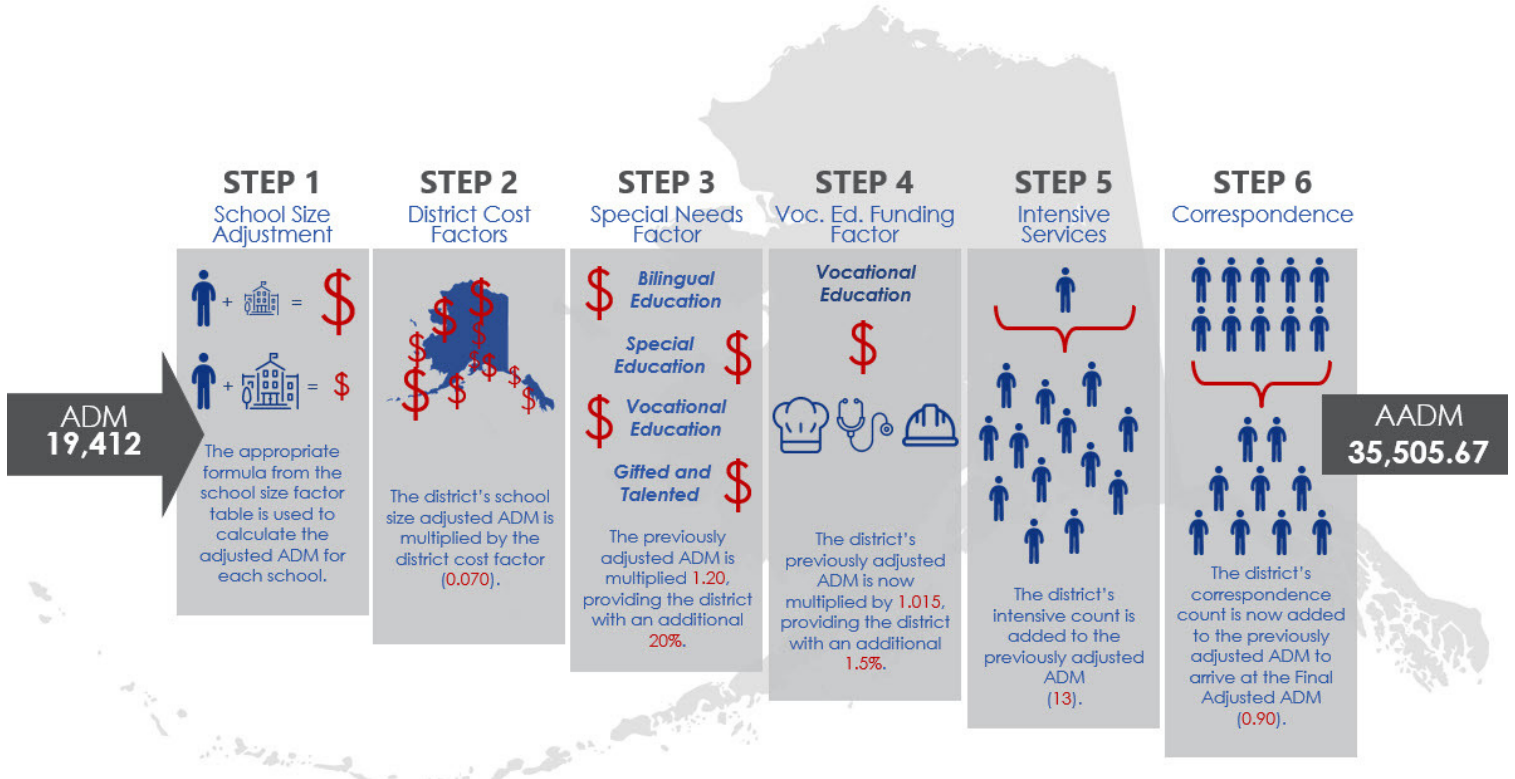
Of specific interest were a few key findings. Overall growth for neighborhood schools will be between .5% and 10.5% by 2031, there is a nearly perfect statistical relationship between job growth and enrollment growth, and a high percentage of students enrolled with the district are in rental housing.

The District is the fastest-growing area in the State, and one of the only districts in the State to return to and exceed pre-pandemic levels of ADM Enrollment. However, while the District continues to grow year over year, that growth rate has slowed significantly to an average increase of 1% per year.



State Funding

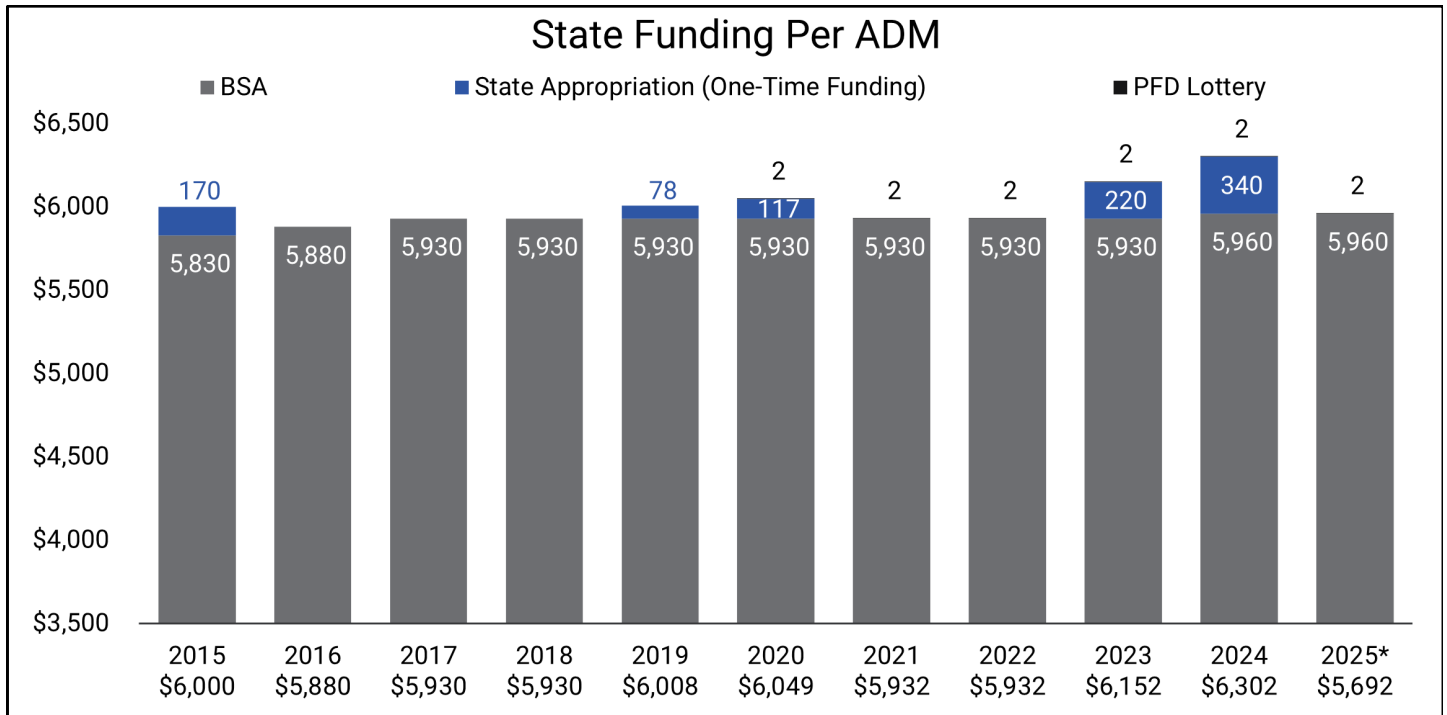
STATE FOUNDATION FORMULA



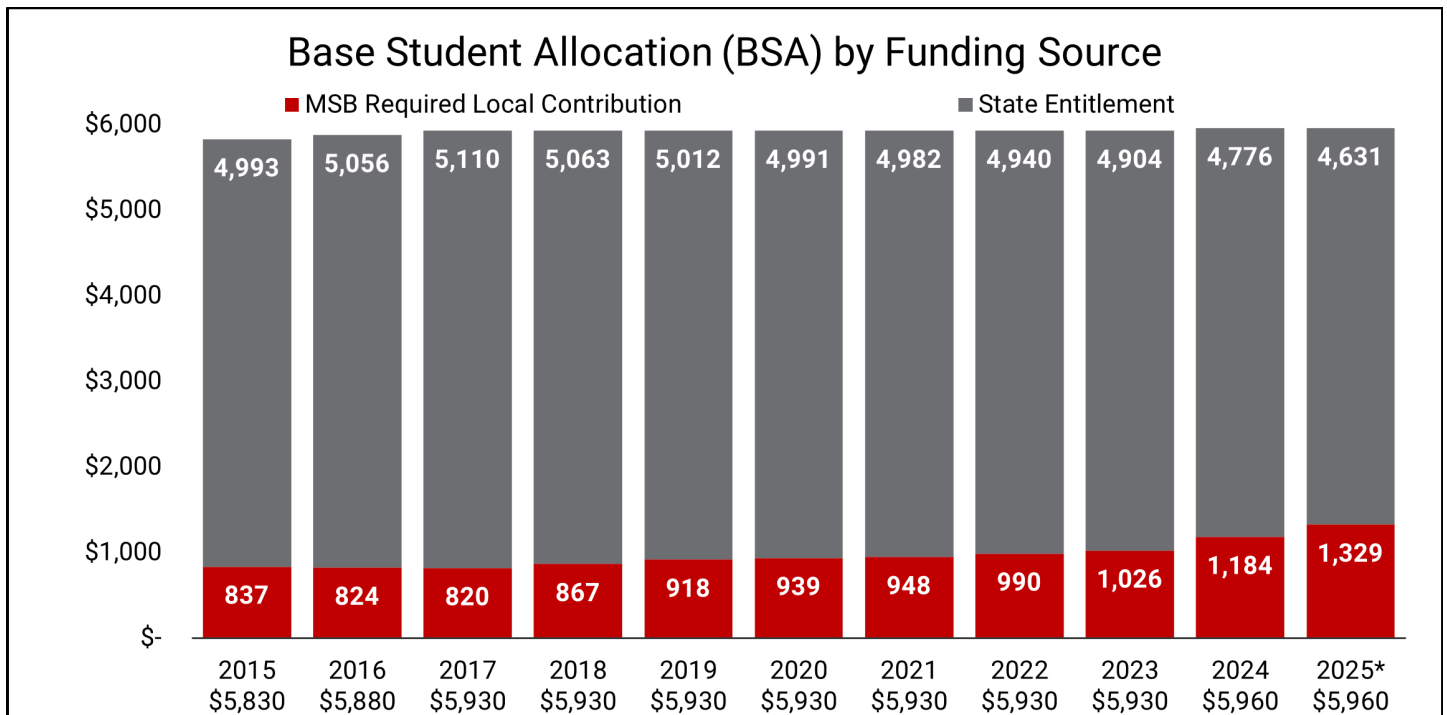
The largest proportion of General Fund revenue comes from the State of Alaska Foundation Formula (Formula). This was enacted by the passage of Senate Bill 36 in FY 1998 (AS 14.17.000). The intent of the Formula was to bring equity to the allocation of resources across the State. To accomplish this, the Formula includes factors that adjust for school size, area cost differentials, special needs programs, and additional costs associated with educating intensive needs students. Unfortunately, the Base Student Allocation (BSA), which is the per-student funding amount that is applied to the Adjusted Average Daily Membership derived by the Formula has remained relatively unchanged since FY 2018. Supplemental funding through federal COVID Relief Funds, addressed in greater detail later, and State one-time funds have been relied upon to maintain consistent operations.

For FY 2025 the State Legislature passed Senate Bill 140, which provided for the largest increase in state funding since the Formula's development in 1998. However, this bill was vetoed by the Governor and therefore, uncertainty continues to exist regarding the precise resources that will be available to the District for the upcoming school year. To address this uncertainty in a reasonable way that does not overstate the projected deficit, the Board has adopted revenue assumptions which include one-time funding from the legislature in the amount of \$340 per AADM. This funding was provided during the FY 2024 year.

## State Funding



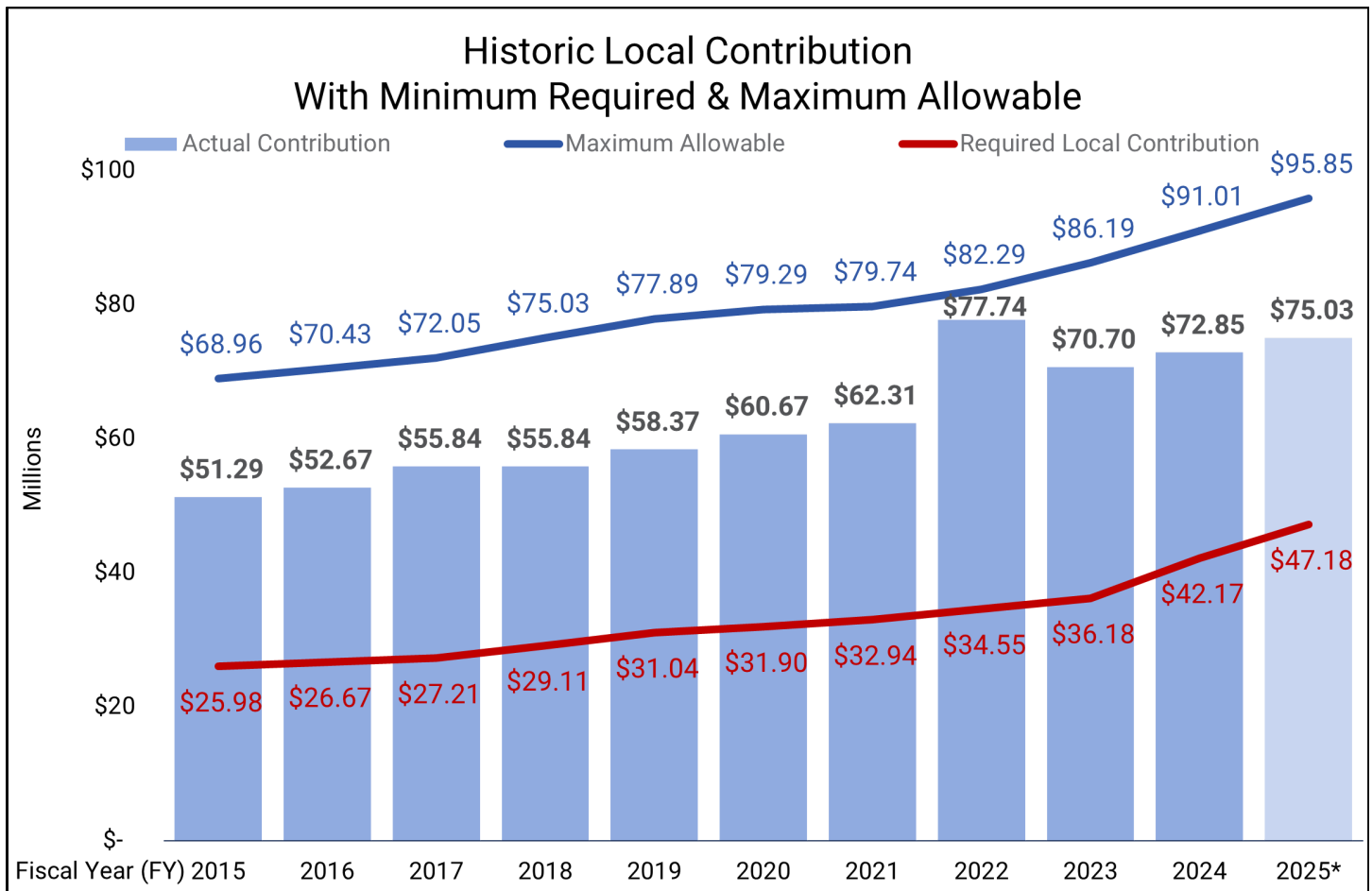
After the factors in the Formula are applied and multiplied to the base student allocation to determine basic need, the Required Local Contribution is determined and then deducted from the basic need to calculate the state entitlement. In FY 2024 and FY 2025, the Required Local Contribution for the District saw record-high increases of approximately \$6,000,000 and \$5,000,000 respectively. The below table shows the negative impact of increases in the Required Local Contribution over time and demonstrates that while the BSA remains flat, the funds provided to the District actually decrease on a per-student basis as a result.



## Local Funding

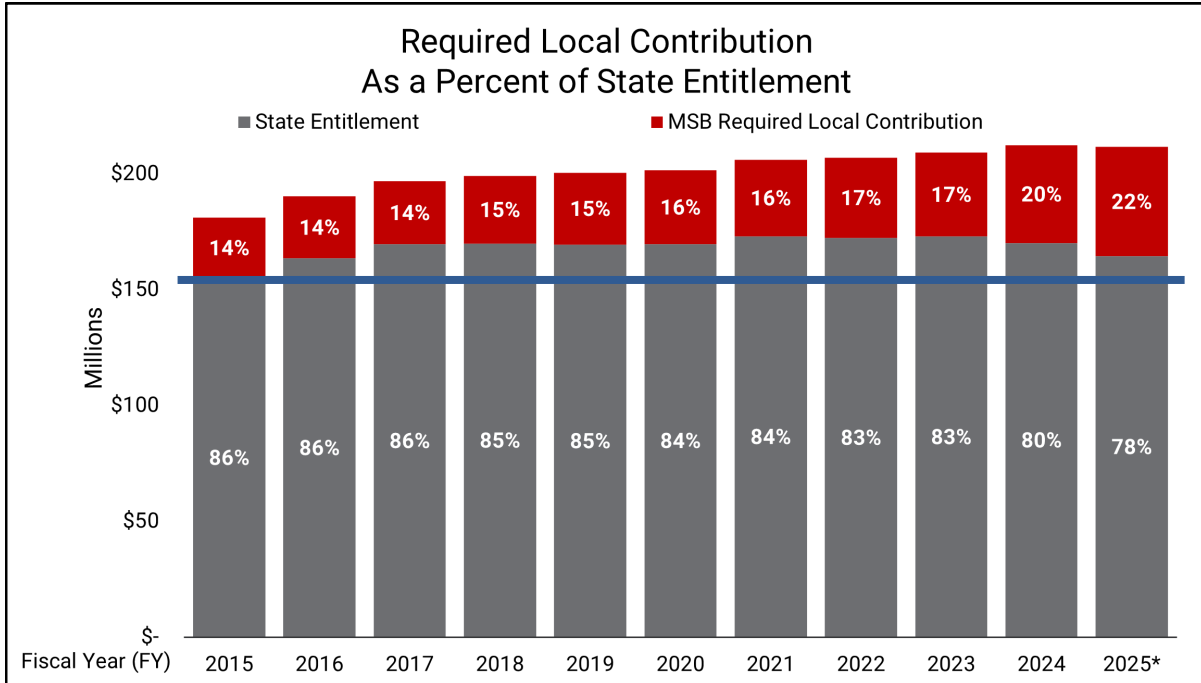
The District, as a component unit of the Mat-Su Borough receives funding called the local contribution to education which is governed by AS 14.17.410. This statute outlines the minimum and maximum amounts that can be contributed to the District by the Borough. The District has no taxing authority. The Borough is primarily dependent upon property tax revenue to finance its operations and debt obligations.

On January 30, 2024, the Borough Manager outlined in a letter that the 3% increase in local education funding outlined in Board Resolution 24-001 would be included in the Manager's Proposed Budget. In addition, the School Board and the Borough have been working collaboratively to develop a process for addressing the District's existing deferred maintenance needs. The Manager's letter also included a plan to include \$2,095,000 in the proposed capital budget.



## Local Funding

Fiscal years 2024 and 2025 have seen record-high increases in the Required Local Contribution as previously mentioned. The impact of this reduction in state revenue is a shift in the percentage of revenue coming from state and local sources. The below graph shows that a greater percentage of district revenue is locally funded.



## Other Revenue

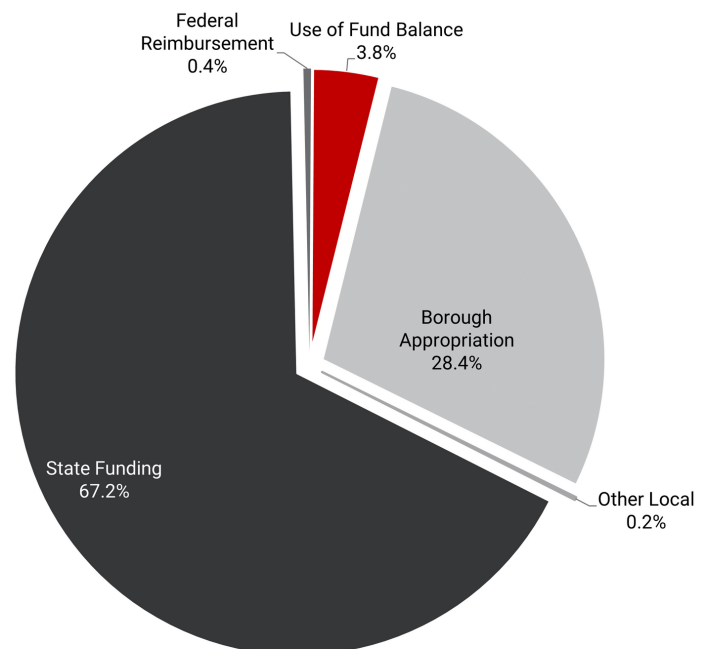
In addition to State and Local revenue, the District receives a relatively small percentage of funds from federal sources as well as other local funding. Federal sources include reimbursements for E-Rate spending and Medicaid. The E-Rate program makes internet connectivity and internal connections more affordable for schools & libraries by providing funding and discounts from the Universal Services Fund.

Other local funding sources primarily include facility use fees, surplus sales, fingerprinting fees, jury duty attendance fees, and employee badge replacements.



### REVENUE PROJECTION Excludes On-Behalf Contributions

	AMOUNT
Borough Appropriation	75,031,853
Less Renewal & Replacement	(150,000)
Other Local Funding	420,885
State Foundation	165,003,973
Other State Funds	12,125,186
Federal Reimbursement	1,135,411
<b>Revenues</b>	<b>\$253,567,308</b>
Use of Fund Balance	10,000,000



Total Proposed Revenues for FY 2025

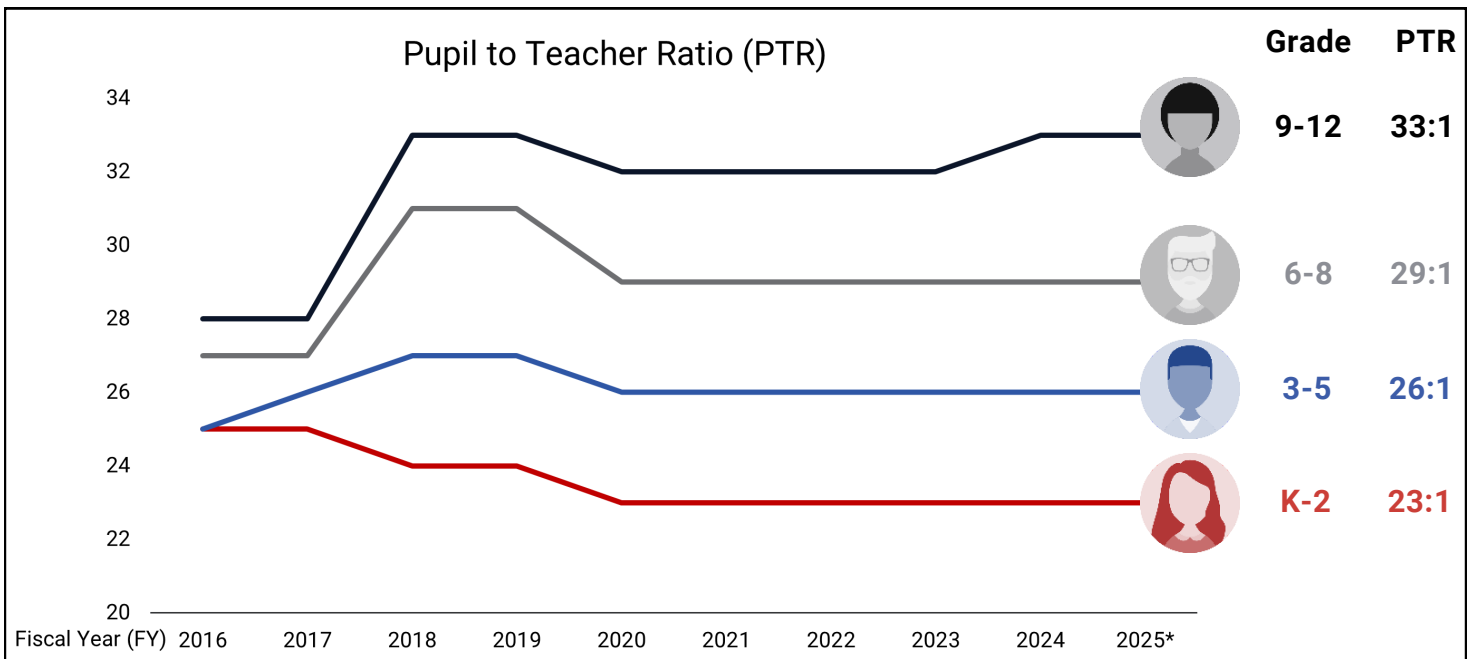
**\$263,567,308**

# EXPENDITURES

## Salaries and Benefits

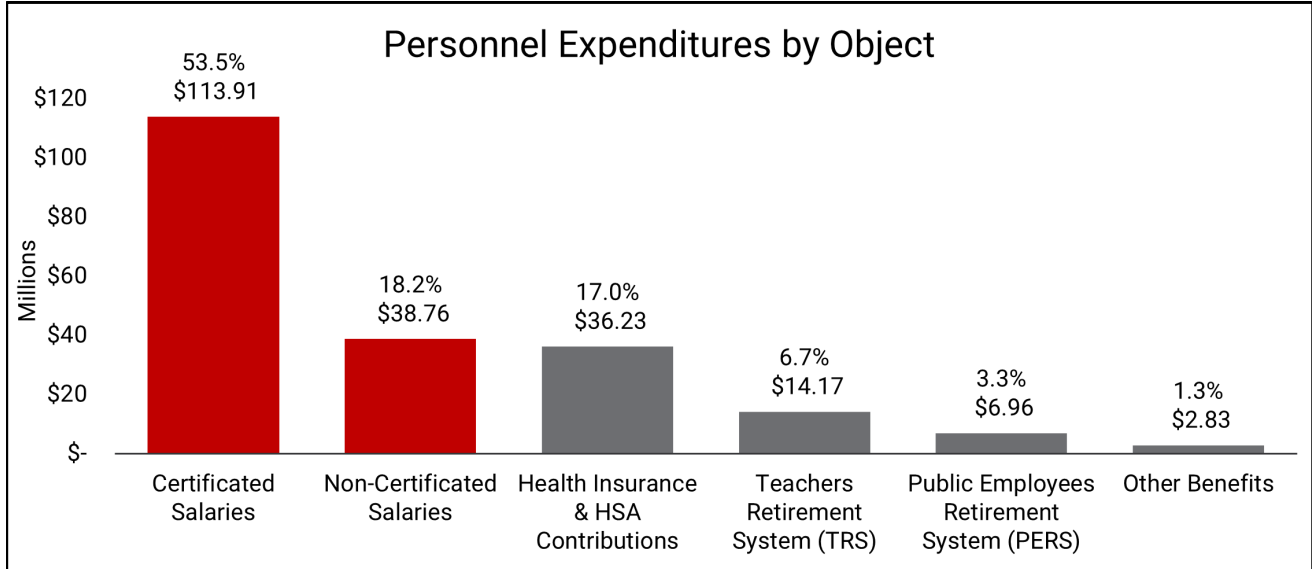
Salary and Benefit costs account for just over 80% of all expenditures for the District. Estimating the costs associated with salaries and benefits is done using a precise process that relies on real data regarding the current workforce and predicting expenditures based on trends and known increases. Positions are allocated based on a series of metrics that ensure resources follow students. The largest staffing area is classroom teachers. The metric used to allocate classroom teachers is known as PTR (Pupil Teacher Ratio). This metric has remained stable since 2020 which also reflects the communities top priority of maintaining class size.

In addition to the allocation of positions, the District estimates increases in the area of salaries and benefits based on the existing collective bargaining agreements. For the last decade, one of the largest cost drivers impacting salaries and benefits has been health insurance. This year, as a result of collective bargaining all employees have transitioned to coverage through Premera Blue Cross Blue Shield of Alaska. Claims data thus far has been positive and we estimate more limited cost increases with the current plan design. Other increases such as regular step movement, retirement costs, vacancy factors, etc. are also figured in when calculating salary and benefit costs for FY 2025.



## Salaries and Benefits

The total cost of salaries and benefits are summarized and presented by expense object below. The largest two expenditure areas are certificated salaries and non-certificated salaries. Health Insurance is the third largest expenditure area followed by the state retirement plans and other benefits.



## Proposed Staff Reductions

Certificated Staffing	FY 2024	FY 2025	Change
Director	8.00	7.10	(0.90)
School Administrator	71.15	68.65	(2.50)
Classroom Teacher	769.16	731.59	(37.57)
SPED Teacher	184.85	181.35	(3.50)
Specialist-School	137.25	128.75	(8.50)
Counselor	34.99	32.59	(2.40)
Nurse	29.20	31.75	2.55
Specialist-Department	104.82	99.82	(5.00)
<b>Total Certificated FTE</b>	<b>1,339.42</b>	<b>1,281.60</b>	<b>(57.82)</b>
Non-Certificated Staffing	FY 2024	FY 2025	Change
School Board	7.00	7.00	-
Director	7.00	7.00	-
Supervisor	44.00	40.50	(3.50)
Instructional Support	341.06	306.00	(35.06)
Administrative Support	163.27	157.35	(5.92)
Custodial	105.75	104.75	(1.00)
Specialist-Department	81.88	80.63	(1.25)
<b>Total Non-Certificated FTE</b>	<b>749.96</b>	<b>703.23</b>	<b>(46.73)</b>
<b>Total FTE</b>	<b>2,089.38</b>	<b>1,984.83</b>	<b>(104.55)</b>

The breakdown of positions included in the FY 2025 budget can be seen in the tables to the left. Prior year budgets relied upon ESSER III Funds to maintain positions which allowed for lower class sizes while enrollment dipped due to the COVID-19 Pandemic.

The FTE listed in the tables to the left for FY 2024 include positions funded out of ESSER III. This provides a more complete summary of reductions that will be experienced in FY 2025.

With the elimination of these funds, we once again must rely on the Pupil/Teacher Ratio metric to identify adjustments that bring staffing levels in alignment with these targets.

## Non-Personnel

### Metrics

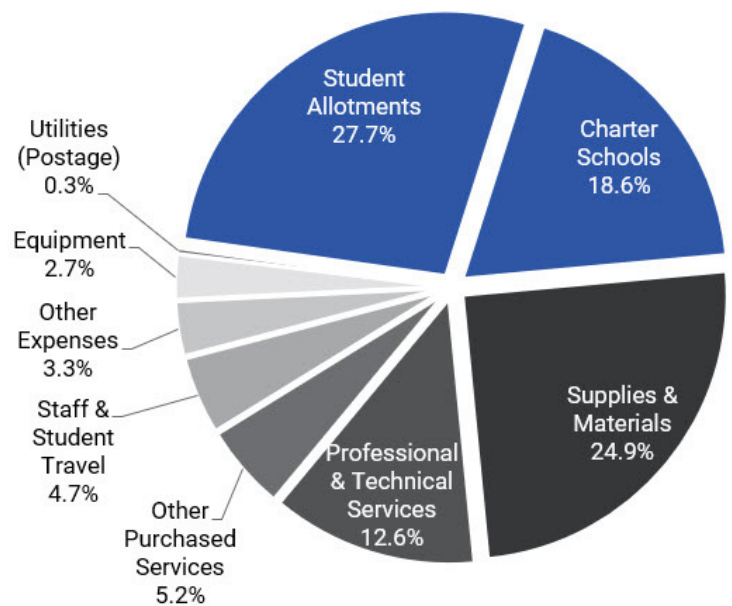
Similar to the metrics used to determine school staffing levels, school discretionary allocations are also determined on a per-student basis. This allows for the budgets to scale when enrollment changes occur. The historic and proposed non-personnel metrics are listed in the below table.

School Metric by Grade	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
K-5 Base Allocation	\$68.50	\$85.00	\$85.00	\$100.00	\$85.00
6-8 Base Allocation	77.50	85.00	85.00	100.00	85.00
9-12 Base Allocation	86.50	85.00	85.00	100.00	85.00
Postage Allocation (all)	4.25	4.00	4.00	4.00	4.00
Health Supply Allocation (all)	1.50	1.00	1.00	1.00	1.00
6-8 Class Fee Allocation	29.00	27.00	27.00	27.00	20.00
9-12 Class Fee Allocation	27.00	27.00	27.00	27.00	20.00
9-12 AP/IB Base Allocation	-	-	15,000.00	15,000.00	15,000.00
9-12 AP/IB Participation Allocation	91.00	91.00	50.00	50.00	50.00

Only 9.5% of all expenditures in the FY 2025 budget are non-personnel. Almost half of these expenditures are allocations for charter schools and student allotments for correspondence students. Leaving only 5.1% of total expenditures as uncommitted discretionary spending. The breakdown of non-personnel expenditures is outlined below.

### SCHOOL AND DEPARTMENT Non-Personnel Discretionary

	AMOUNT
Student Allotments	\$ 6,967,000
Charter Schools	4,687,772
Supplies & Materials	6,264,119
Professional & Technical Services	3,163,430
Other Purchased Services	1,302,398
Staff & Student Travel	1,184,218
Other Expenses	827,677
Equipment	678,253
Utilities (Postage)	76,822
<b>9.5% of Total Expenditures</b>	<b>\$ 25,151,689</b>
<b>5.1% is Uncommitted by Policy</b>	<b>\$ 13,496,917</b>



## Non-Personnel

### Proposed Reductions

To balance the FY 2025 budget a greater proportion of reductions is proposed for non-personnel expenditure areas. This level of reduction totaling almost \$6,000,000 or over 30% of uncommitted non-personnel budgets will not be sustainable over the long term. The focus on these spending areas is to preserve staff and positions while revenue remains uncertain. These expenditures may more easily be adjusted as additional revenue becomes available.

- \$2.25M Reduction to Department Budgets (17%)
- \$1.19M Reduction to Office of Teaching and Learning
- \$1.00M Reduction to IT Supplies & Contracts
- \$0.50M Reduction to Student Support Contracts
- \$0.40M Reduction to Co-Curricular Travel
- \$0.33M Reduction to School Non-Personnel Budgets (17%)
  - Reduction to School Base Metric
  - Reduction to Class Fee Metric and Middle and High Schools
- \$0.10M Reduction to Custodial Supplies
- \$0.10M Reduction to Compliance Supplies and Testing

### Transfer to Other Funds

The FY 2025 Budget also includes a transfer to other funds of over \$5 million. This is almost entirely the result of a subsidy required to balance the Student Transportation fund. The Student Transportation grant from the State of Alaska has not seen an increase in the per pupil amount since 2016. SB 140 included funds in support of student transportation which would help reduce this subsidy.

However, with three separate contractors transporting students over a land area the size of West Virginia, flat funding at a modest increase of \$104 does not bridge the gap completely. MSBSD's transportation system covers more live miles, meaning miles driven when students are on board, than any other school district in Alaska at over 2,347,021 miles annually.



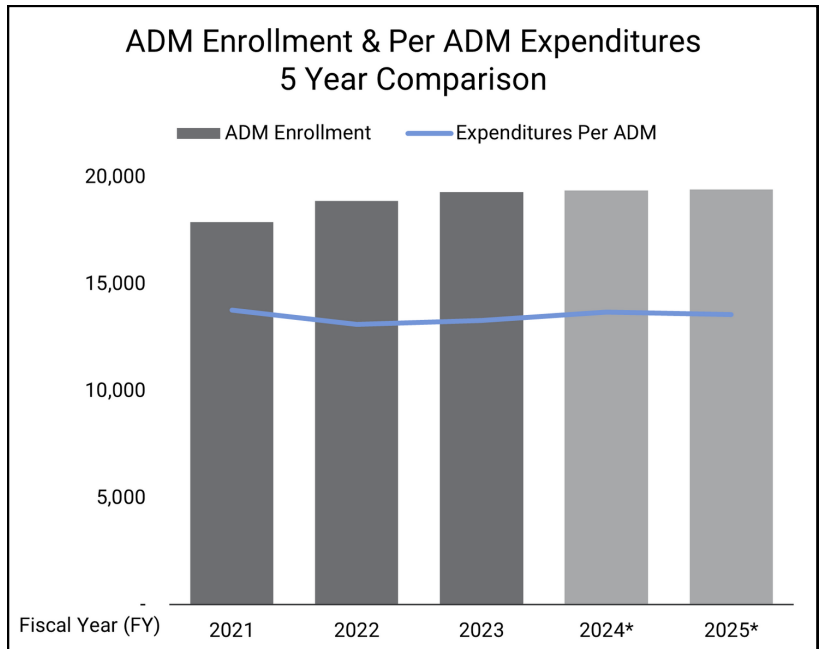
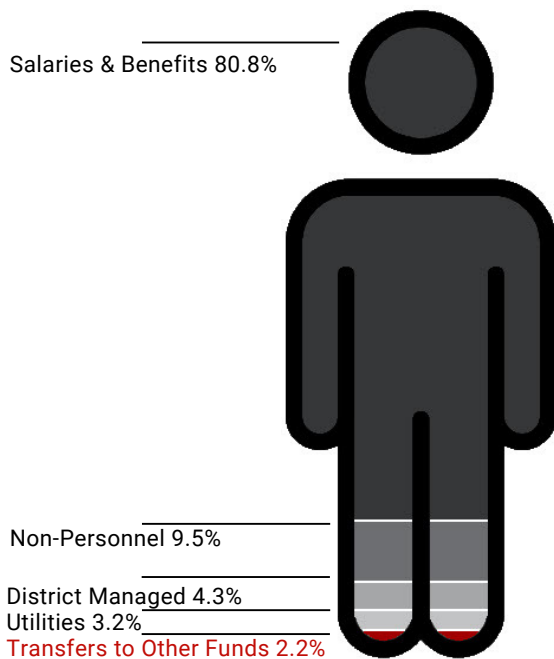
## Expense History

State Function	FY 2021 Actuals	FY 2022 Actuals	FY 2023 Actuals	FY 2024 Winter Revised	FY 2025 Superintendent's Budget	Change from FY 2024	Percent (%) Change from FY 2024
110 - Instruction	100,604,309	89,751,355	98,349,953	107,878,310	107,342,051	(536,259)	-0.50%
200 - Special Education Instruction	39,198,260	38,458,025	38,371,033	40,129,852	38,195,667	(1,934,185)	-4.82%
220 - Special Education Support Service	15,940,603	16,170,727	18,108,249	19,696,586	19,326,843	(369,743)	-1.88%
300 - Support Services - Students	9,273,930	8,461,488	9,449,448	10,871,184	11,646,460	775,276	7.13%
350 - Support Services - Instruction	8,004,903	7,448,942	8,888,230	11,064,060	12,456,424	1,392,364	12.58%
400 - School Administration	9,822,203	9,935,661	10,239,395	10,679,062	10,416,965	(262,097)	-2.45%
450 - School Admin. Support	9,605,901	10,212,837	10,567,133	11,224,299	11,534,303	310,004	2.76%
510 - District Administration	1,261,479	1,298,767	1,452,572	1,161,883	1,007,072	(154,811)	-13.32%
550 - District Admin. Support	13,440,159	12,282,220	12,385,730	14,459,218	14,458,219	(999)	-0.01%
600 - Operations & Maintenance	23,925,587	22,429,250	23,276,138	25,297,690	24,938,683	(359,007)	-1.42%
700 - Student Activities	3,296,740	3,501,948	3,847,968	3,953,552	4,431,765	478,213	12.10%
760 - Student Transportation	(75)	(567)	(1,001)	-	-	-	100.00%
780 - Community Services	142	5,257	28,211	74,269	50,597	(23,672)	-31.87%
790 - Food Services	(862)	(6,211)	(6,192)	-	-	-	100.00%
850 - Debt Service	-	1,841,675	3,027,346	1,864,981	2,029,174	164,193	8.80%
<b>Total Expenditures</b>	<b>234,373,279</b>	<b>221,791,373</b>	<b>237,984,213</b>	<b>258,354,946</b>	<b>257,834,221</b>	<b>(520,725)</b>	<b>-0.20%</b>
900 - Other Financing Uses	12,071,100	25,648,670	7,719,452	6,698,844	5,733,087	(965,757)	-14.42%
000 - Undesignated	-	-	10,500,000	73,039	-	(73,039)	-100.00%
<b>Grand Total</b>	<b>\$ 246,444,379</b>	<b>\$ 247,440,043</b>	<b>\$ 256,203,665</b>	<b>\$ 265,126,829</b>	<b>\$ 263,567,308</b>	<b>\$ (1,559,521)</b>	<b>-0.59%</b>

State Object	FY 2021 Actuals	FY 2022 Actuals	FY 2023 Actuals	FY 2024 Winter Revised	FY 2025 Superintendent's Budget	Change from FY 2024	Percent (%) Change from FY 2024
310 - Certificated Salaries	101,868,178	93,525,056	99,661,795	102,923,988	113,911,020	10,987,032	10.7%
320 - Non-Certificated Salaries	35,660,403	37,028,867	37,620,303	39,347,837	38,801,983	(545,854)	-1.4%
360 - Employee Benefits	62,655,006	58,365,174	60,758,076	62,326,868	60,049,495	(2,277,373)	-3.7%
410 - Professional & Technical Services	5,925,059	5,714,080	7,517,554	9,984,728	8,360,690	(1,624,038)	-16.3%
420 - Staff Travel	225,235	268,932	488,000	661,788	682,405	20,617	3.1%
425 - Student Travel	294,598	883,620	1,142,853	797,151	992,985	195,834	24.6%
430 - Utility Services	2,093,519	2,128,391	2,284,172	2,471,691	2,437,024	(34,667)	-1.4%
435 - Energy	5,150,148	5,410,655	5,731,696	6,006,113	6,298,639	292,526	4.9%
440 - Other Purchased Services	5,363,955	3,351,193	3,455,183	4,942,084	4,510,914	(431,170)	-8.7%
445 - Insurance Bonds & Premiums	2,671,379	2,987,140	3,466,623	4,032,539	4,408,806	376,267	9.3%
450 - Supplies & Materials	12,219,633	10,307,330	12,120,358	21,812,203	13,883,853	(7,928,350)	-36.3%
480 - Tuition & Stipends	-	-	124,097	502,128	100,000	(402,128)	-80.1%
490 - Other Expenses	602,837	870,753	1,170,684	1,431,142	1,239,677	(191,465)	-13.4%
495 - Indirect Costs	(1,148,677)	(2,383,418)	(1,477,554)	(1,939,208)	(862,697)	1,076,511	-55.5%
510 - Equipment	762,307	1,491,745	893,027	1,188,913	990,253	(198,660)	-16.7%
532 - Interest on Long-Term Debt	-	187,478	2,735,920	143,693	188,559	44,866	31.2%
533 - Principal on Long-Term Debt	-	1,654,197	291,426	1,721,288	1,840,615	119,327	6.9%
<b>Total Expenditures</b>	<b>234,373,279</b>	<b>221,791,193</b>	<b>237,984,213</b>	<b>258,354,946</b>	<b>257,834,221</b>	<b>(520,725)</b>	<b>-0.2%</b>
550 - Transfers to Other Funds	12,071,100	25,648,851	7,719,452	6,698,844	5,733,087	(965,757)	-14.4%
562 - Transfers to Other Government Units	-	-	10,500,000	73,039	-	(73,039)	-100.0%
<b>Grand Total</b>	<b>\$ 246,444,379</b>	<b>\$ 247,440,044</b>	<b>\$ 256,203,665</b>	<b>\$ 265,126,829</b>	<b>\$ 263,567,308</b>	<b>\$ (1,559,521)</b>	<b>-0.6%</b>



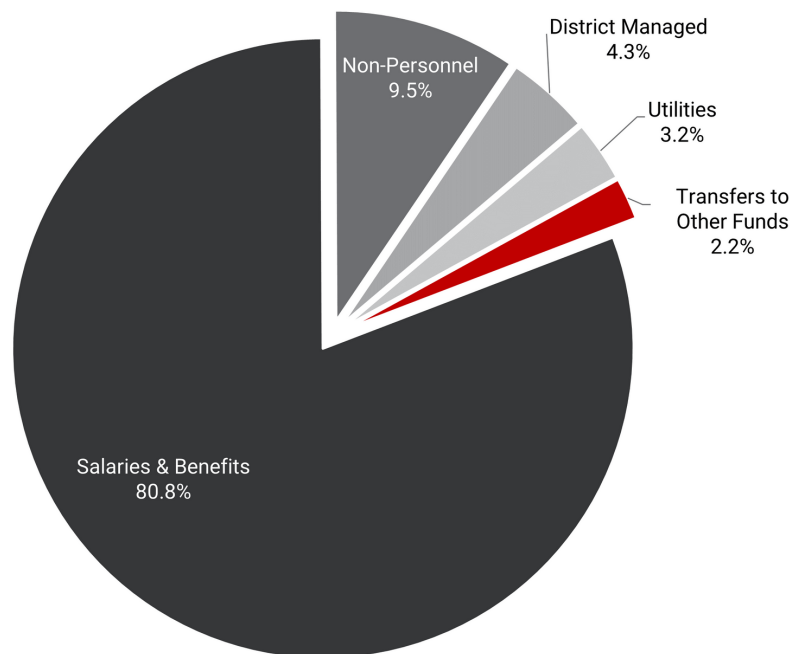
## Expense Summary



Even during years of record inflation, per pupil expenditures have remained relatively flat since 2021. The proposed expenditures in the FY 2025 budget are balanced against expected revenues. Non-Personnel spending has the largest reduction with salary and benefit reductions proposed to bring staffing levels in line with the PTR metrics after elevated levels which were maintained with expiring ESSER funds.

### EXPENDITURE PROJECTION Excludes On-Behalf Contributions

	AMOUNT
Salaries & Benefits	\$212,853,519
Non-Personnel	25,151,689
District Managed	11,469,914
Utilities	8,359,099
<b>Expenditures</b>	<b>\$257,834,221</b>
Transfers to Other Funds	5,733,087



**Total Proposed Expenditures for FY 2025**  
**\$263,567,308**

## OTHER BUDGET HIGHLIGHTS

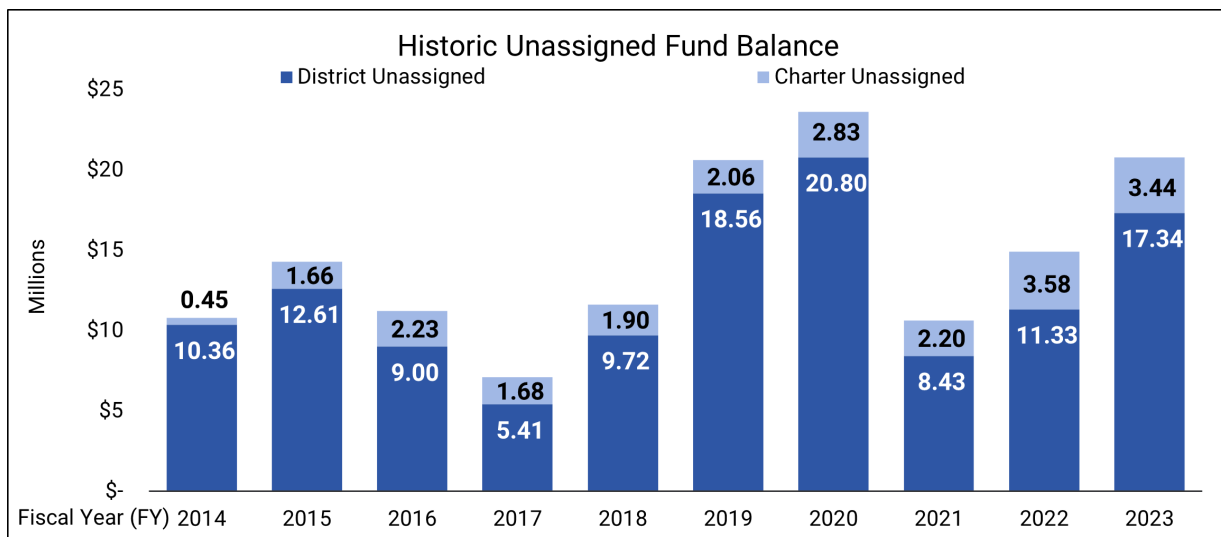
### ESSER Funds

The proposed three-year budget for ESSER III Funds for FY 2022, FY 2023, and FY 2024 was accepted by the School Board on June 2, 2021, and totaled \$35,565,364. The District's spending plan included maintaining staffing levels to address learning loss and increase student achievement, funding classroom technology, supporting before/after school programs, expanding summer learning opportunities, and providing additional custodial positions to promote safe and healthy schools. The District estimates \$17,035,201 of ESSER III funds will be available to support ongoing costs in FY 2024. ESSER Funds have been critical in the continuation of operations for MSBSD while the BSA remained relatively flat over the same period.

	CARES ESSER I	CRRSA ESSER II	ARP ESSER III
Original Award (Revenue)	\$ (3,997,351)	\$(15,835,981)	\$(35,565,364)
Charter Allocations	286,305	1,271,801	2,856,249
2020 Expenditures	193,312	-	-
2021 Expenditures	3,514,770	1,888,271	-
2022 Expenditures	2,754	6,895,190	11,097,821
2023 Expenditures	210	5,758,155	4,576,093
2024 Budgeted Expenditures	-	22,564	17,035,201
<b>Available for Future Spending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### Fund Balance

Fund balance is the net position of governmental funds and is defined as the difference between a fund's assets, liabilities, deferred outflows of resources, and deferred inflows of resources. Fund balance is divided into five separate categories: non-spendable, restricted, committed, assigned, and unassigned. With limited revenues and increasing expenditures, the management and use of fund balance have played a vital role in allowing the District to maintain important instructional programs from year to year. Fund balance has also recently been relied upon to support a collaboration between the Borough Assembly and School Board to fund a permanent facility for the District's largest and fastest-growing school, Mat-Su Central School. To balance the FY 2025 budget, without having to propose deeper reductions the School Board has elected to use \$10,000,000 of unassigned fund balance.



## Balanced Budget

	FY 2024 Revised Budget	FY 2025 Preliminary Budget	FY 2025 Superintendent's Budget	% Change
<b>Average Daily Membership (ADM)</b>	19,372	19,412	<b>19,412</b>	0.21%
<b>Revenue</b>				
Borough Appropriation	72,846,459	75,031,853	<b>75,031,853</b>	3.00%
<i>Less Renewal &amp; Replacement</i>	<i>(1,456,870)</i>	-	<i>(150,000)</i>	100.00%
Other Local Funding	406,000	420,885	<b>420,885</b>	3.67%
State Foundation	170,739,557	164,460,156	<b>165,003,973</b>	-3.36%
Other State Funds	12,166,969	12,040,988	<b>12,125,186</b>	-0.34%
Federal Sources	1,150,296	1,135,411	<b>1,135,411</b>	-1.29%
<b>Revenue</b>	<b>255,852,411</b>	<b>253,089,293</b>	<b>253,567,308</b>	<b>-0.89%</b>
Use of Fund Balance	9,201,379	10,000,000	<b>10,000,000</b>	100.00%
Transfers From Other Funds	73,039	-	-	100.00%
<b>Total Revenue</b>	<b>\$ 265,126,829</b>	<b>\$ 263,089,293</b>	<b>\$ 263,567,308</b>	<b>-0.59%</b>
<b>Expenditure</b>				
Salaries & Benefits	204,642,314	223,247,965	<b>212,853,519</b>	4.01%
Non-Personnel	34,627,453	30,901,125	<b>25,151,689</b>	-27.36%
District Managed	10,976,183	13,616,032	<b>11,469,914</b>	4.50%
Utilities	8,108,996	8,359,099	<b>8,359,099</b>	3.08%
<b>Expenditure</b>	<b>258,354,946</b>	<b>276,124,221</b>	<b>257,834,221</b>	<b>-0.20%</b>
Transfers to Other Funds	6,698,844	5,733,087	<b>5,733,087</b>	-14.42%
Transfers to Other Government Units	73,039	-	-	100.00%
<b>Total Expenditure</b>	<b>\$ 265,126,829</b>	<b>\$ 281,857,308</b>	<b>\$ 263,567,308</b>	<b>-0.59%</b>
<b>Deficit</b>	-	<b>18,768,015</b>	-	

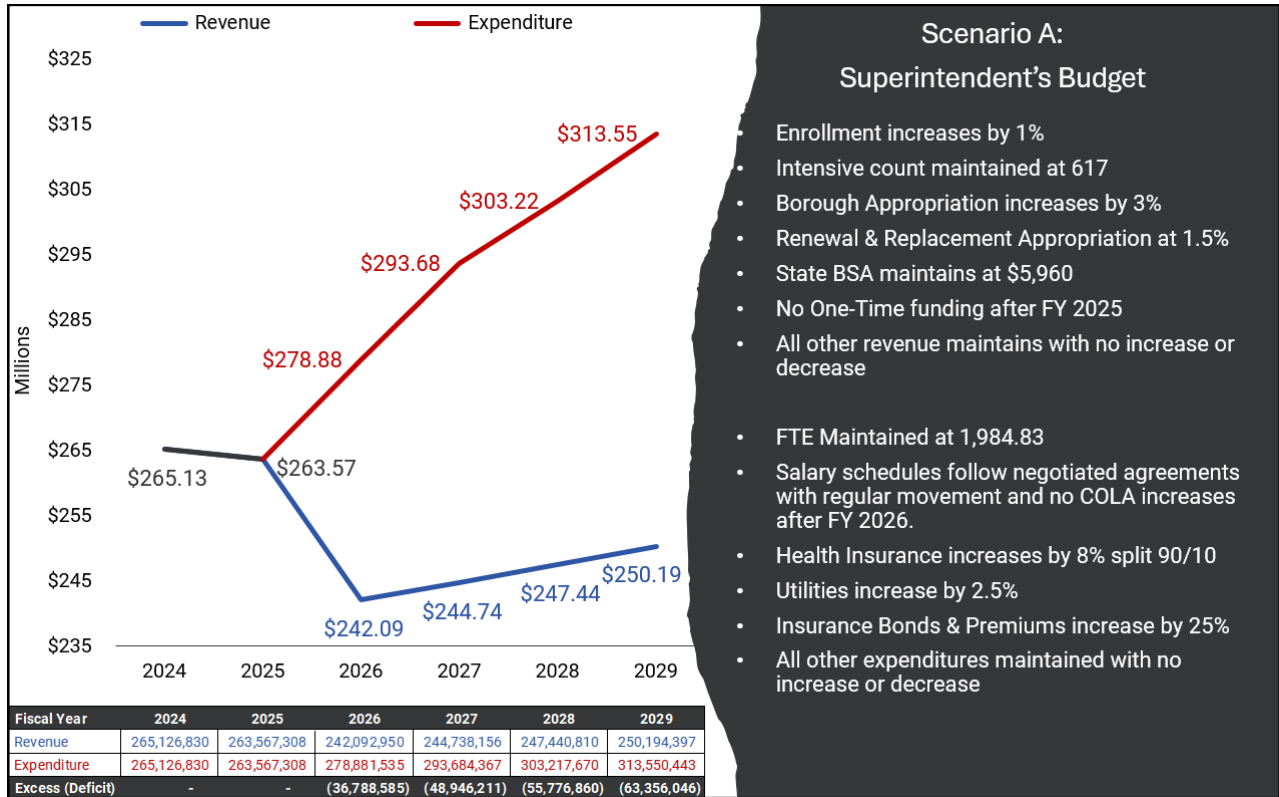
In order to prepare a balanced budget by April 1st, the District must make several assumptions to establish revenue and expenditure estimates prior to the conclusion of the State's legislative session. The District does not always know its full funding picture by April 1st. The FY 2025 budget process is no exception, uncertainty regarding the level of funding for school districts continues to exist.

The balanced budget for FY 2025 has prioritized maintaining positions and staff above discretionary spending. As funding certainty solidifies over the coming weeks and months, restoring discretionary budgets can be easily accomplished, whereas restoring teachers and other staff cannot be easily recovered. Eliminated positions, even preliminarily, impact the District's ability to issue employment contracts or engage in early hiring. These limitations significantly hamper our recruiting and retention efforts. While focusing on the discretionary cuts first is a solid strategy, when 80.8% of spending is on personnel, some position cuts are required to balance our current projected deficit.

In the future, stable and predictable funding as outlined in the Board's Legislative priorities will continue to be an important need for school districts. The ability to acquire and keep the most qualified staff, implement successful instructional strategies, and ensure efficient operations, all with the purpose of positively impacting high student achievement and performance, requires effective resource management.

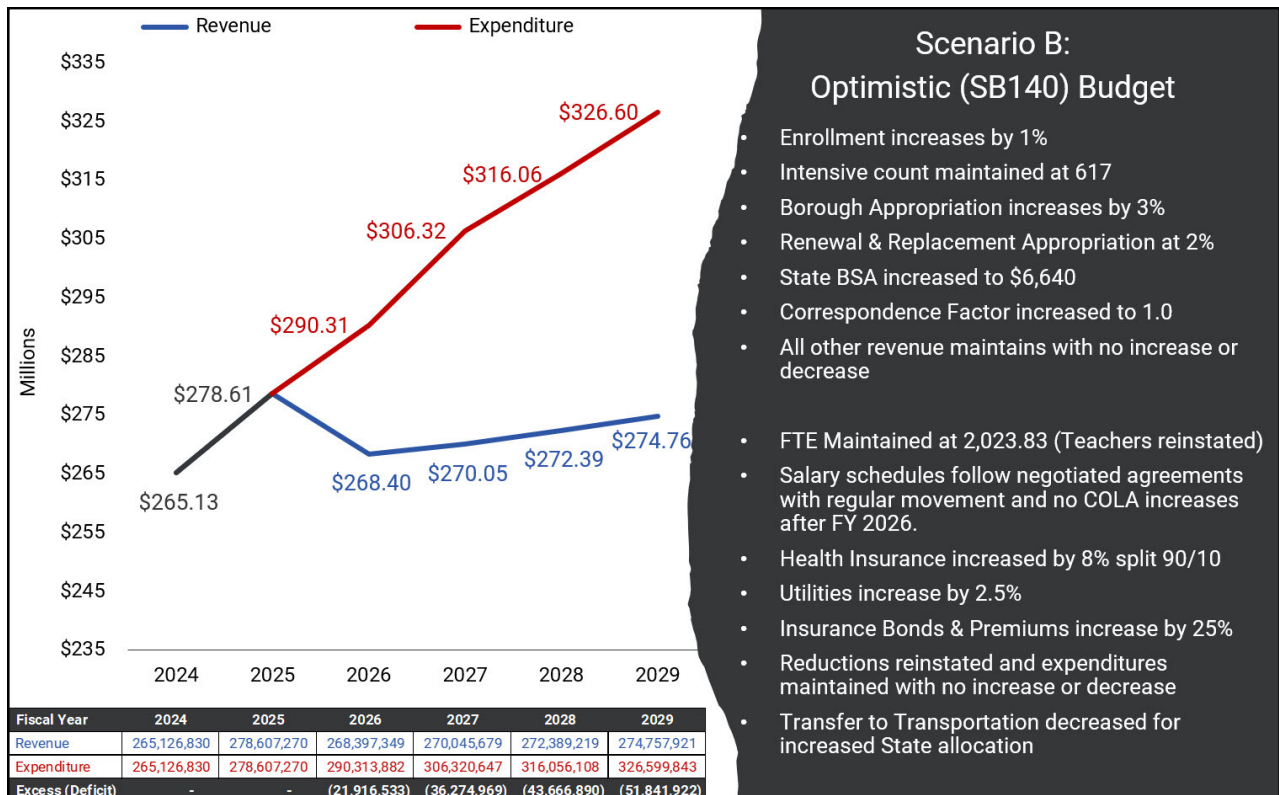
## Long-Term Forecast

The District has also prepared forecasts of financial conditions beyond FY 2025. These long-term forecasts provide important insight into the impacts that a particular assumption regarding revenue or expenditures can have on our long-range plans. Listed below are two forecast scenarios.



### Scenario A: Superintendent's Budget

- Enrollment increases by 1%
- Intensive count maintained at 617
- Borough Appropriation increases by 3%
- Renewal & Replacement Appropriation at 1.5%
- State BSA maintains at \$5,960
- No One-Time funding after FY 2025
- All other revenue maintains with no increase or decrease
- FTE Maintained at 1,984.83
- Salary schedules follow negotiated agreements with regular movement and no COLA increases after FY 2026.
- Health Insurance increases by 8% split 90/10
- Utilities increase by 2.5%
- Insurance Bonds & Premiums increase by 25%
- All other expenditures maintained with no increase or decrease



### Scenario B: Optimistic (SB140) Budget

- Enrollment increases by 1%
- Intensive count maintained at 617
- Borough Appropriation increases by 3%
- Renewal & Replacement Appropriation at 2%
- State BSA increased to \$6,640
- Correspondence Factor increased to 1.0
- All other revenue maintains with no increase or decrease
- FTE Maintained at 2,023.83 (Teachers reinstated)
- Salary schedules follow negotiated agreements with regular movement and no COLA increases after FY 2026.
- Health Insurance increased by 8% split 90/10
- Utilities increase by 2.5%
- Insurance Bonds & Premiums increase by 25%
- Reductions reinstated and expenditures maintained with no increase or decrease
- Transfer to Transportation decreased for increased State allocation

