

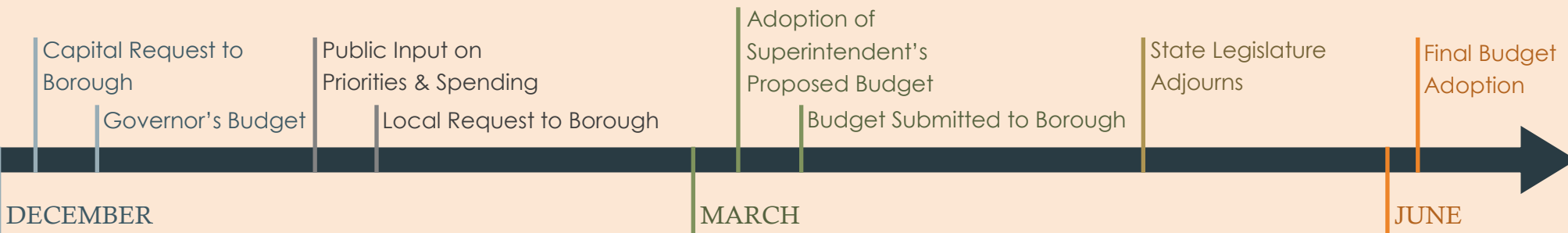


MSBSD FY 2026 PRELIMINARY BUDGET OVERVIEW

GENERAL FUND

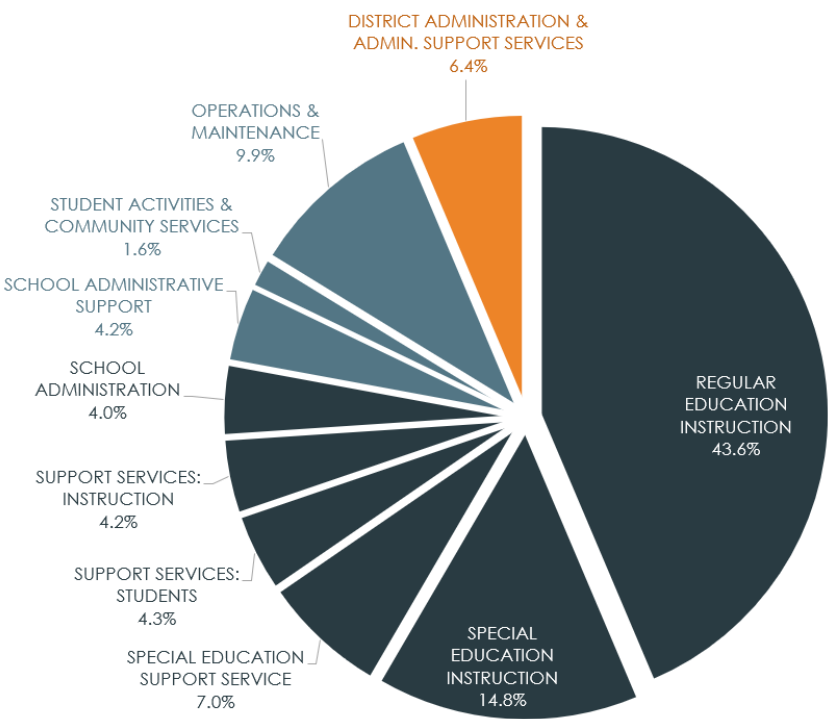
This high-level budget overview outlines the District's FY 2026 Preliminary Budget. This is a roll-over of all current programs and services with projections for increases in revenues and expenditures based on known values or other assumptions for the General Fund.

The Budget development process provides several iterations of both revenue projections and expenditure plans. The School Board has final approval at each phase of the process. Public input is gathered and considered as an important factor in the process.



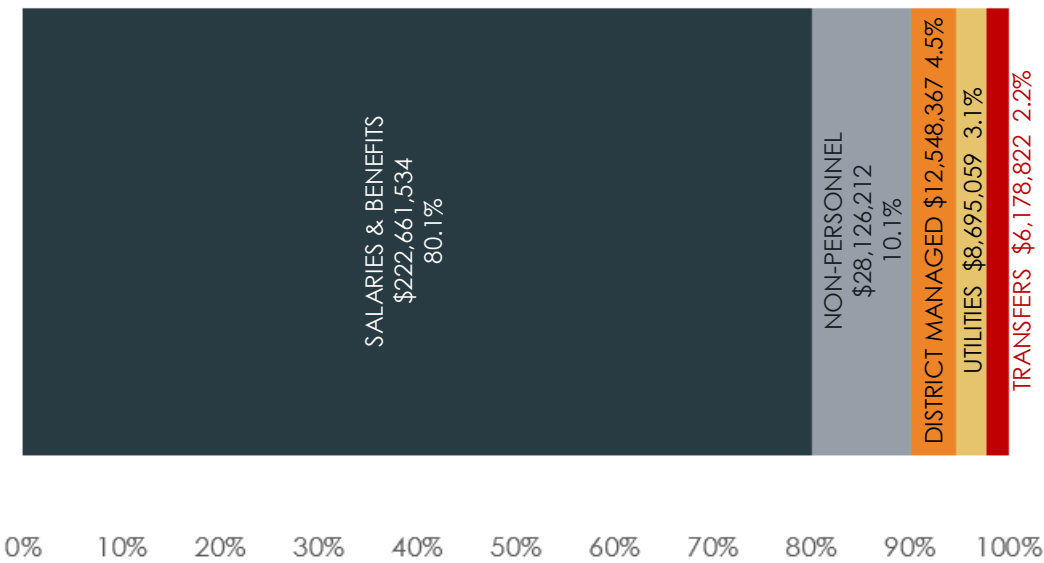
The Mat-Su Borough School District strives to ensure that resources are directed towards our students first. Each year the District evaluates feedback from stakeholders and then utilizes ratios and metrics to ensure resources are allocated to students and their education. Two ways to view these allocations in the current year is to look at spending by function and by type.

EXPENDITURES BY: FUNCTION



93.6% of the budget is allocated directly towards Instruction & Instructional Supports, **6.4%** funds District Administration & Administrative Supports

EXPENDITURES BY: TYPE



TOTAL FY 2025 EXPENDITURES*

\$278,209,994

*Excludes \$7,519,652 in Charter and Student Allotment Carryover from FY 2024

The District is the second largest district in the State, and is often grouped with the “Big 5”, which when ranked by size are Anchorage, Mat-Su, Fairbanks North Star, Kenai Peninsula, and Juneau.

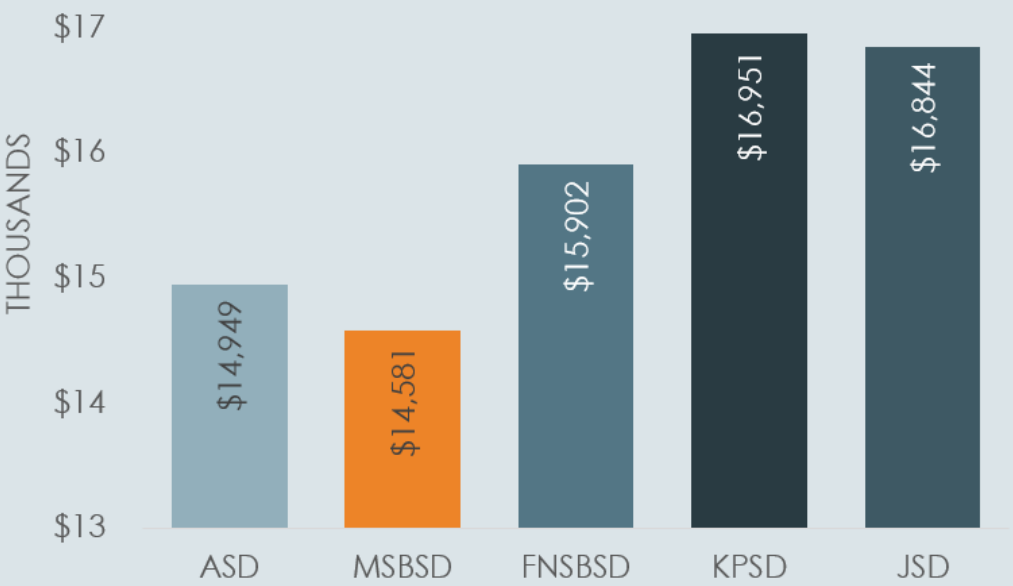
While looking at a high-level budget gives us information, it doesn't tell us how we are doing comparatively to our peers.

When looked at as part of the “Big 5”, not only does MSBSD spend less per student than the other districts in total, but a smaller percentage of total expenditures is spent on District Administration.

2024 DISTRICT ADMINISTRATION AS A PERCENT OF TOTAL AUDITED EXPENDITURES

ASD	MSBSD	FNSBSD	KPSD	JSD
0.92%	0.56%	1.50%	0.94%	N/A

“BIG 5” 2025 ADOPTED BUDGET PER PUPIL



BUDGET CHALLENGES AND OPPORTUNITIES

Each budget cycle the District faces fiscal challenges and reviews opportunities.

ENROLLMENT: In the last 37 years, the District has experienced declining enrollment 5 times. **In FY 2025, the District's enrollment dropped by about 300.**

Strategies and plans to bring students back, specifically in the correspondence program, could support increased revenues, especially as we open and operate a new facility.

INCREASES IN THE REQUIRED LOCAL CONTRIBUTION (RLC): As assessed values within the Borough increase so does the calculated RLC. This ever increasing number is deducted from the State's revenue as part of the State Foundation Formula. **Over the past 5 years the RLC has increased by \$16.7 million.**

REVENUE UNCERTAINTY: This year 71%, or \$189.5 million, of the Districts revenues come from the State. Of that **\$24.2 million and an additional \$1.6 million in the Transportation Fund are not currently provided for in the States funding formula**, and without legislative action will not be provided to MSBSD for 2026.

2024 UNASSIGNED FUND BALANCE

District Unassigned

Charter Balance

21,184,142

\$20

\$15

\$10

\$5

\$-

2024

2026 PRELIMINARY 'ROLL-OVER' COMPARISON BUDGET SUMMARY

	2025 FALL REVISED	2026 PRELIMINARY	CHANGE	% CHANGE
BOROUGH APPROPRIATION	75,031,853	77,282,809	2,400,956	3.0%
COMMITMENT TO RENEWAL & REPLACEMENT	(150,000)	-	(150,000)	100.0%
OTHER LOCAL FUNDING	420,885	420,885	-	-%
STATE FUNDING	189,473,285	186,063,980	(3,490,305)	(1.8)%
FEDERAL REIMBURSEMENTS	1,625,487	1,135,411	(490,076)	(30.1)%
USE OF FUND BALANCE*	11,808,484	-	(11,808,484)	(100.0)%
TOTAL REVENUES	\$278,209,994	\$264,903,085	\$(13,306,909)	(4.8)%
SALARIES & BENEFITS	222,661,534	231,524,838	8,863,304	4.0%
NON-PERSONNEL*	28,126,212	29,330,941	1,204,729	4.3%
DISTRICT MANAGED	12,548,367	13,150,822	602,455	4.8%
UTILITIES	8,695,059	8,765,784	70,725	0.8%
TRANSFERS*	6,178,822	5,097,224	(1,081,598)	(17.5)%
TOTAL EXPENDITURES	\$278,209,994	\$287,869,609	\$9,659,615	3.5%

*FY 2025 Excludes \$7,519,652 in Charter and Student Allotment Carryover from FY 2024

These preliminary estimates show an initial budget deficit of just under \$23 million. There is much work still to be done to improve the accuracy of estimates, secure additional revenues, and recommend spending cuts. In the end, by March, the Superintendent must have a proposed budget recommendation to the Board that is balanced.

The next step will be in January when the District seeks public input from our stakeholders on their budget priorities, and on available adjustments to balance the budget. The Budget Survey and Simulation will be active January 15th through the 31st.

2026 MAJOR MAINTENANCE REQUEST & BOROUGH DEBT SERVICES

MSBSD continues to be overlooked in the State capital and major maintenance grant application process, improving performance and pursuing alternative funding continues to be a priority for FY 2026. Borough Code 3.04.060 allows for the submission of major maintenance projects for consideration and inclusion in the Boroughs Capital Program. For 2025, the Borough supported the completion of 6 deferred maintenance projects totaling **\$2,095,000**. The requested projects for FY 2026 are listed below.

	LOCATION	PROJECT	COST
1	Finger Lake Elementary	Boiler Replacement	\$600,000
2	Snowshoe Elementary	Boiler Replacement	350,000
3	Administration Building	Boiler Replacement	450,000
4	Nutrition Services	Steam Boiler Replacement	350,000
5	Sutton Elementary	Boiler Replacement	150,000
6	Wasilla Middle School	Boiler Replacement	700,000
7	Cottonwood Creek Elementary	Boiler Replacement	350,000
8	Wasilla High School	Elevator Replacement	250,000
9	Colony High School	Elevator Replacement	250,000
10	Wasilla Middle School	Elevator Replacement	350,000

	ANNUAL DEBT RETIREMENT	ACCUMULATIVE
2024	\$2,095,000	\$2,095,0000
2025	1,654,812	3,749,812
2026	2,044,035	5,793,847
2027	3,000,454	8,794,301
2028	281	8,794,582
2029	(7,998)	8,786,584
2030	10,146	8,796,730
2031	1,376,165	10,172,892
2032	2,483,807	12,656,699
2033	6,952,257	19,608,956
2034	1,302,505	20,911,461
2035	(7,250)	20,904,211