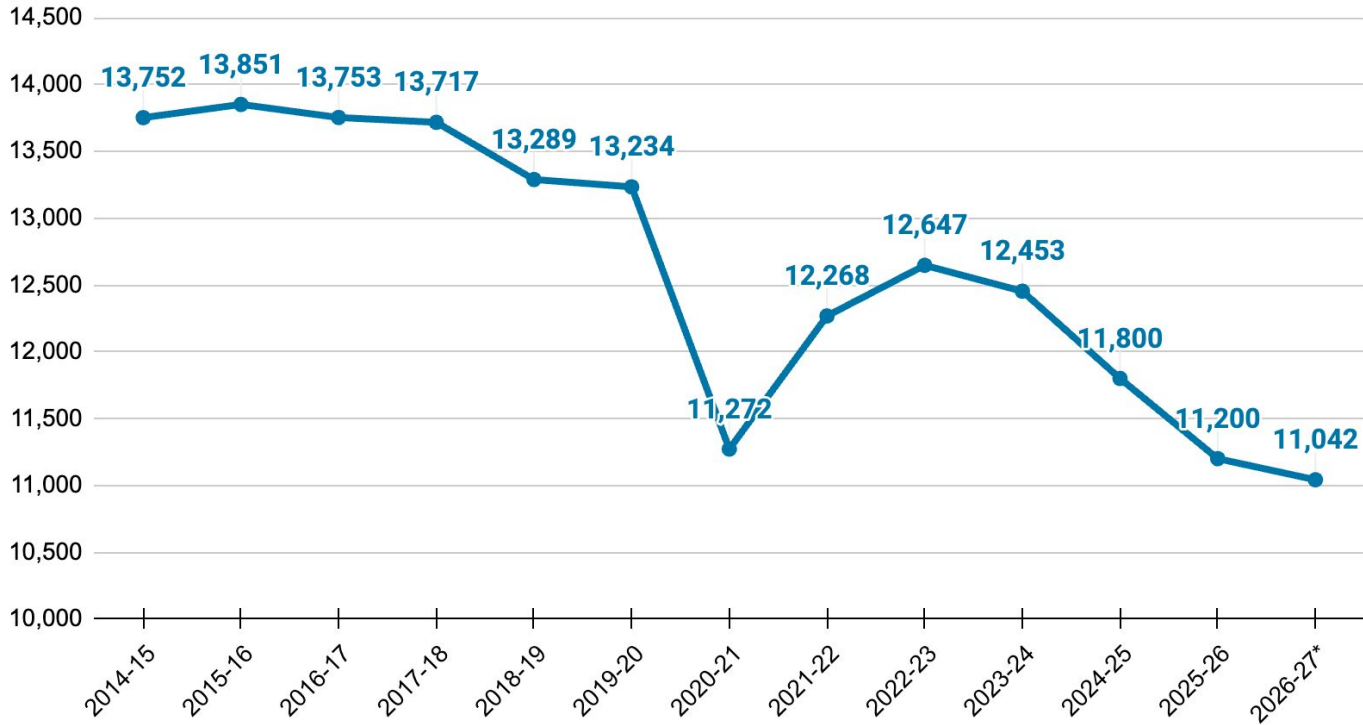




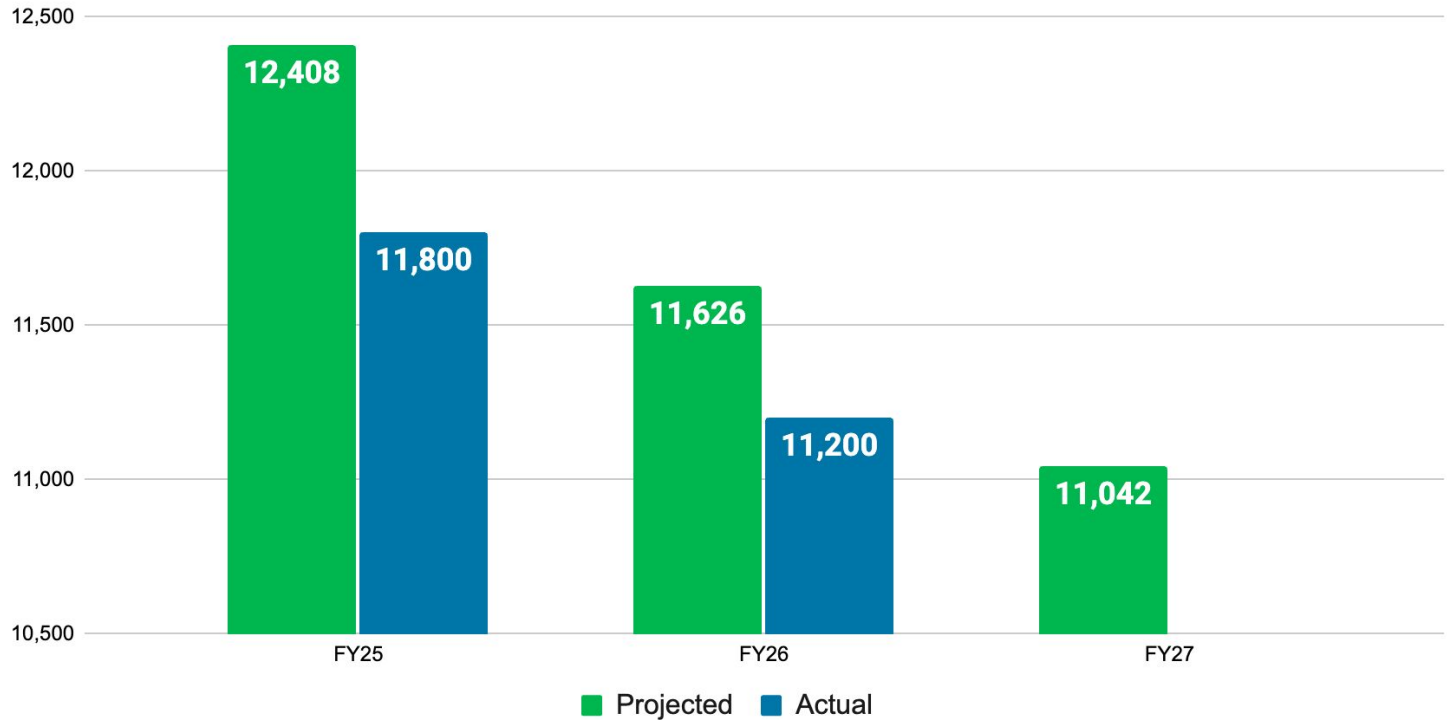
FY27 Proposed Budget

Board of Education Regular Meeting
Tuesday, February 3, 2026

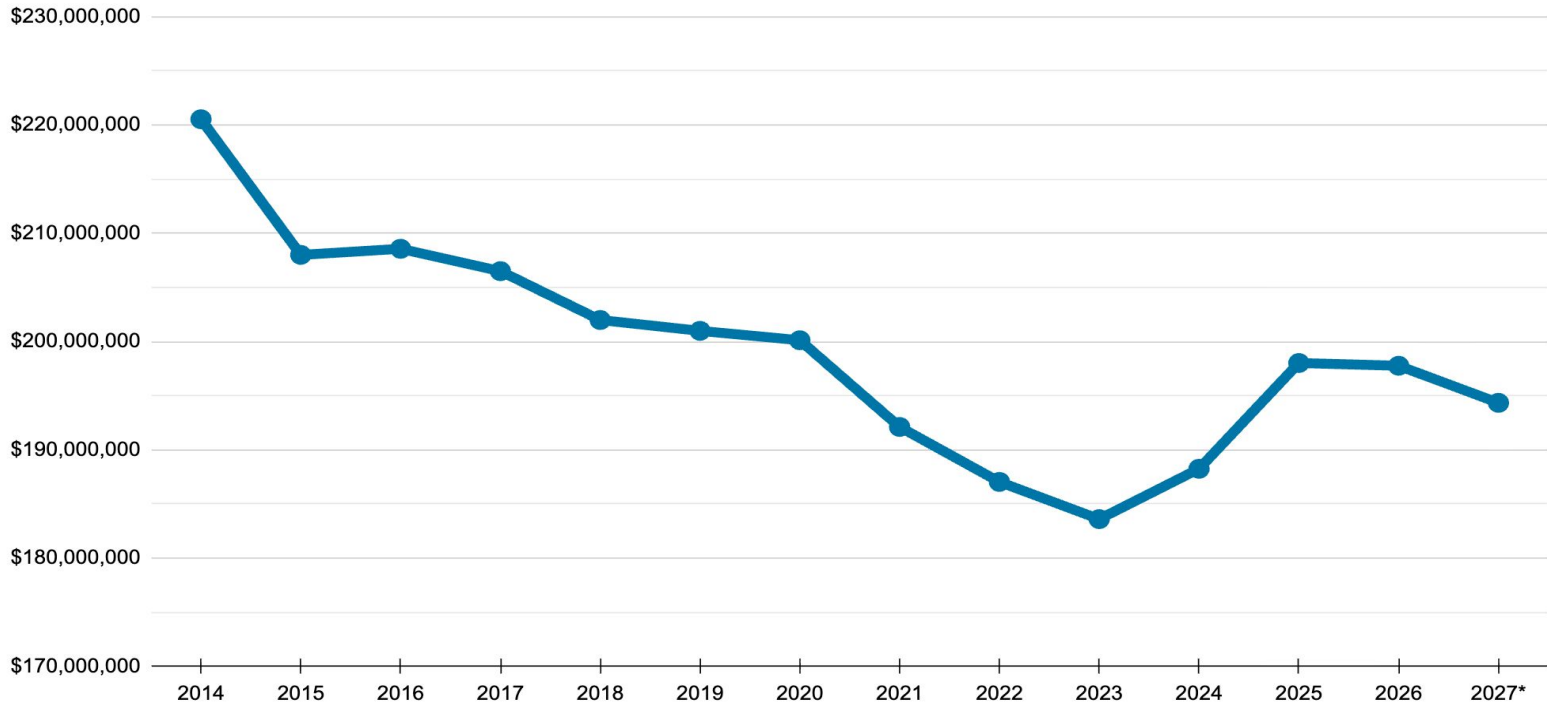
▶ Student Enrollment (*projected)



▶ Student Enrollment



General Revenue Trend



**Estimate*

Fund Balance

The District has reported a stronger-than-anticipated fund balance resulting from:

- Significant decline in health plan enrollees (**+\$5 million**)
- Higher Federal Impact Aid Funding (**+\$3 million**)
- Vacancies attributable to custodial service contracting (**+\$2 million**)

Fund Balance: State vs. Borough Calculation

State of Alaska Calculation	Fairbanks North Star Borough Calculation
Funds included: General Fund only	Funds included: General, Transportation, Nutrition, Equipment Replacement, Risk, Capital
Includes unreserved fund balance	
Impact Aid advance excluded	
Year-end encumbrances excluded	Year-end encumbrances included
Maximum allowable balance: ~\$20 million	Maximum allowable balance: \$23 million

Despite a higher dollar cap, the Borough's methodology is more restrictive than the State's and limits how district funds may be retained and used.

Fund Balance: State Calculation

▶ FY25: **\$20 Million (10.6%)**



Board Policy 3470

“....shall not fall below 6% of
General Fund expenditures”



Target Range

\$12 – 20 Million

Fund Balance: Borough Calculation

	FY25 \$34.6 M (unrestricted)
General Fund	\$22.8 M
Transportation	\$0.8 M
Food Services	\$0.0 M
Equipment Replacement	\$2.8 M
Risk Management	\$8.2 M

▶ Budget Process Timeline

September/October

Budget Committee reviews current Approved Budget and provides input to the superintendent.

November/December

School, department, and program leadership, as well as stakeholders and community members, provide input to superintendent.

Superintendent and district administrators determine administrative priorities after reviewing input, class size targets, and evaluating programs and objectives.

December/January

Superintendent, Chief Operations Officer, and Administrative Services develop Proposed Budget.

▶ Budget Process Timeline

February

Superintendent presents Proposed Budget to the Board of Education by early February.

February/March

Board of Education and superintendent receive input from community feedback, regular board meetings, and other communication channels

March

Board of Education adopts and approves Recommended Budget by the end of March.

April/May

Borough Assembly reviews Recommended Budget and determines local contribution.

June/July

If needed, Board of Education adjusts budget to match funding level from Borough Assembly and State Legislature.

Final Approved Budget submitted to Alaska Department of Education & Early Development.

“The goal of the FY27 Proposed Budget is to provide a high quality education to students through the efficient allocation of limited resources.”



▶ Proposed Budget Assumptions



Base Student
Allocation of **\$6,660**



Decrease in
enrollment of 158
students



Status Quo Local
Contribution of
\$62.78 M

FY27 Proposed Budget

▶ Contributing Factors



Revenue

Higher Impact Aid

- \$3 million

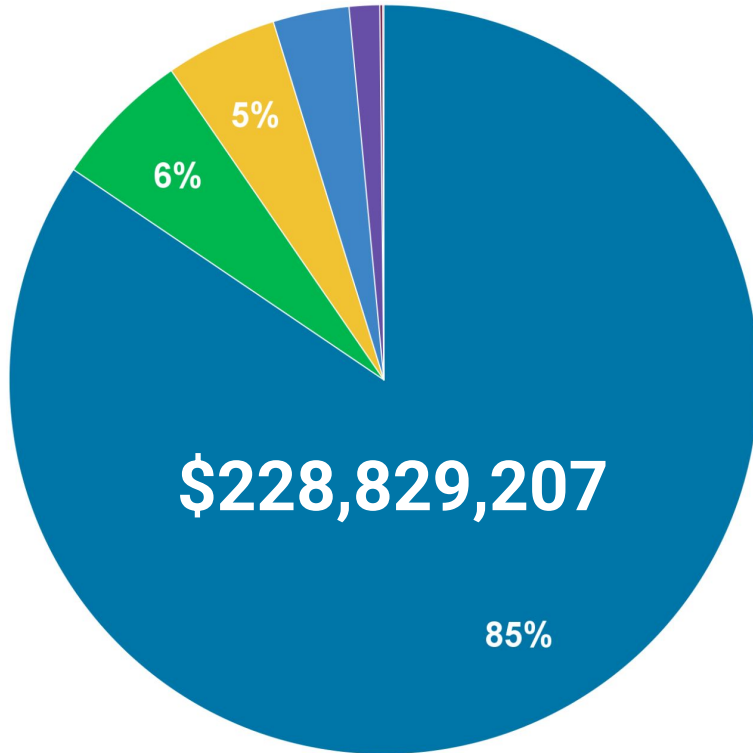


Expenditures

Reduced Benefit Rate due to lower health plan enrollment

- \$5 million

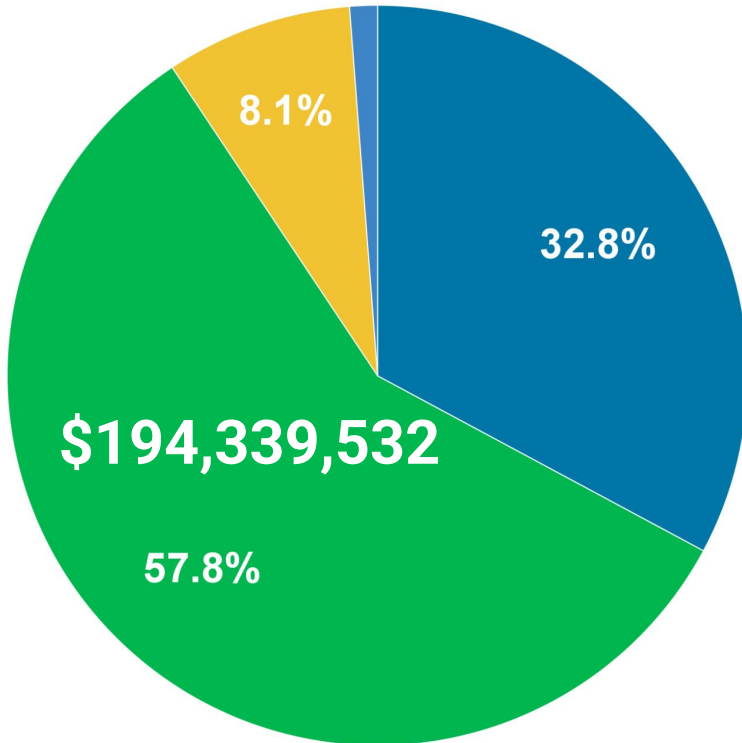
▶ FY27 Revenue – All Funds



- Operating Fund
- Transportation
- Federal Programs
- Nutrition Services
- Student Activities
- Local Programs
- State Programs

\$4.3M decrease from
FY26 Approved Budget

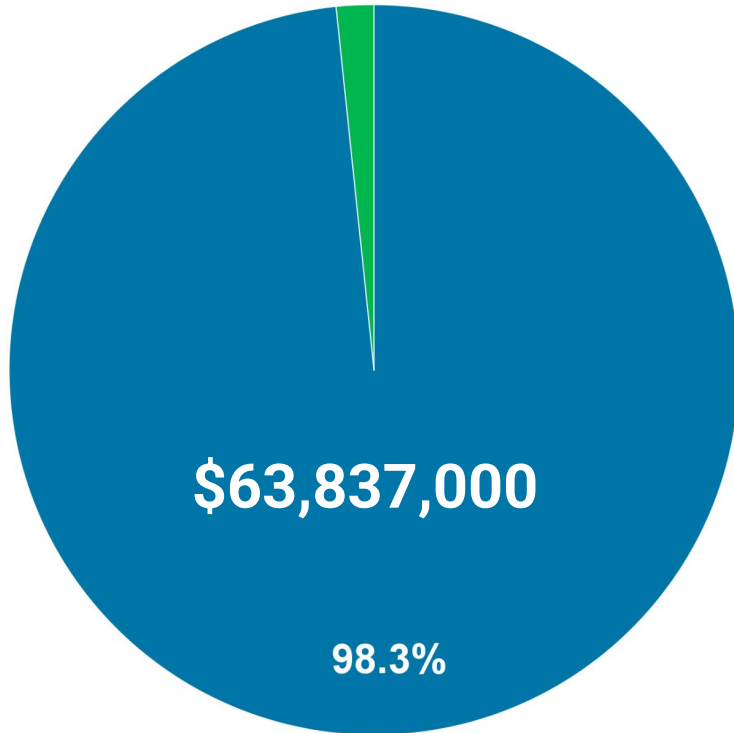
▶ FY27 General Fund Revenues



- Local Revenue
- State Revenue
- Federal Revenue
- Other Revenue

\$3.4M decrease from
FY26 Approved Budget

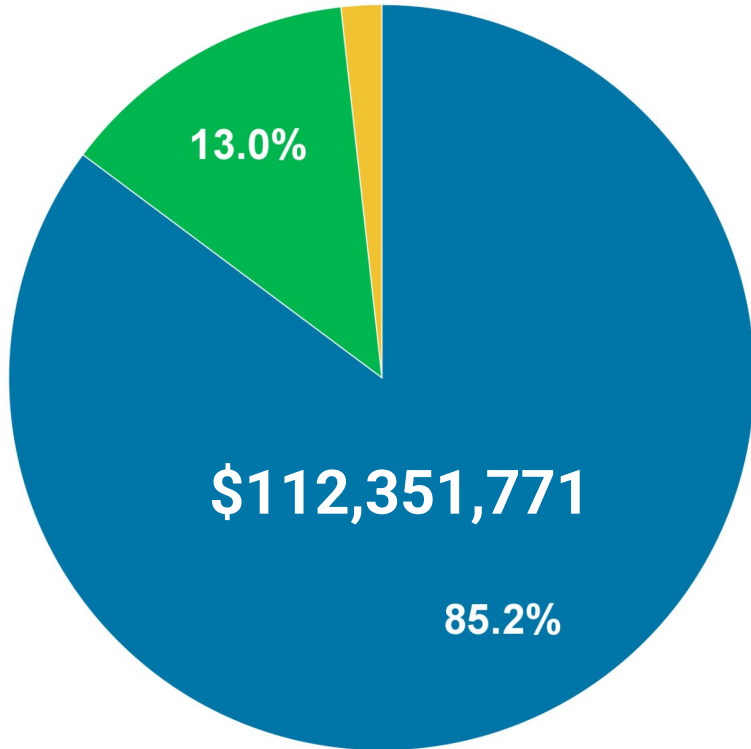
▶ General Fund – Local Revenue



- Local Contribution
- Other Local Sources

\$Status Quo from FY26
Approved Budget

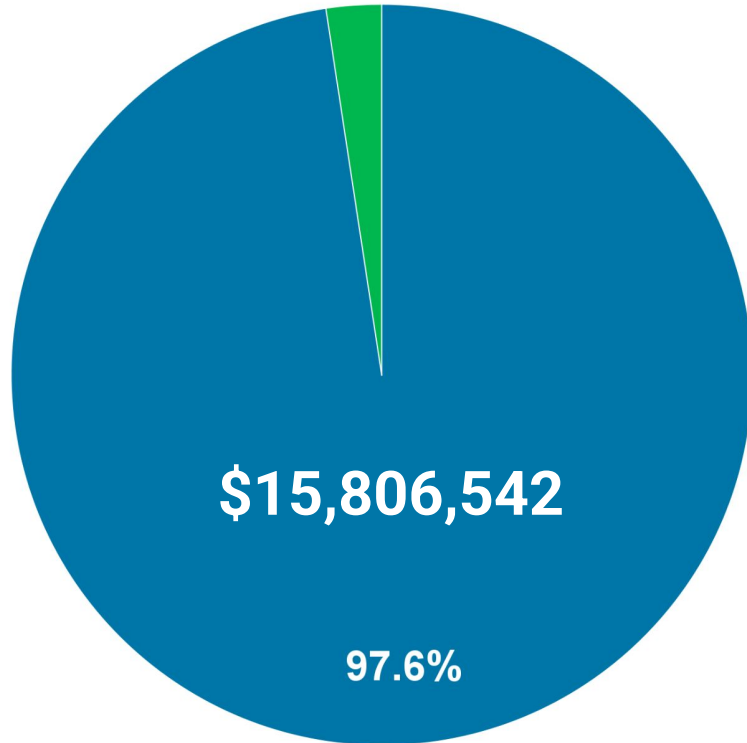
▶ General Fund – State Revenue



- Foundation Funding
- TRS/PERS On Behalf
- Other

\$8.7M decrease from
FY26 Approved Budget

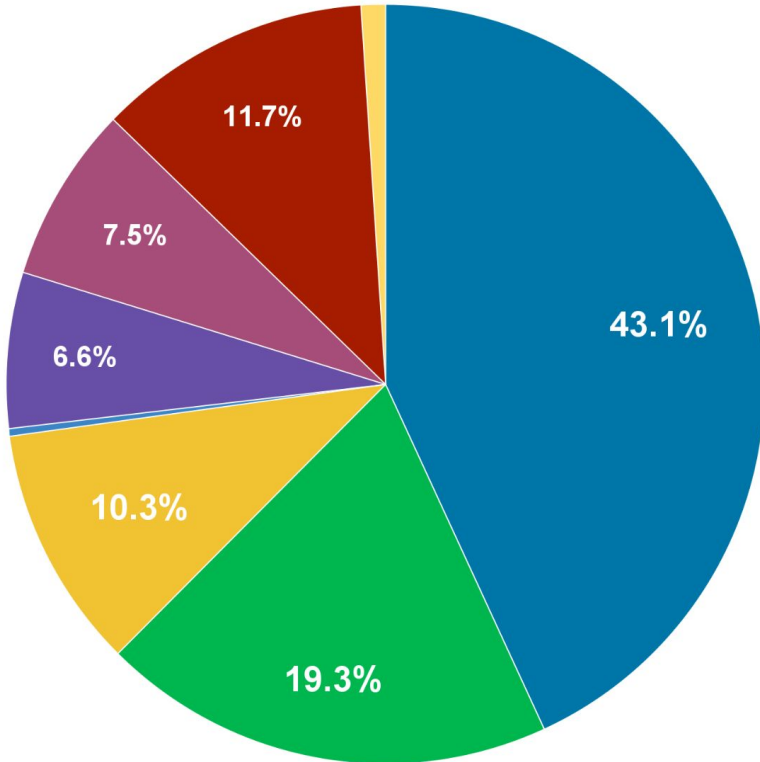
▶ General Fund – Federal Revenue



- Impact Aid
- Other

\$2.9M increase from
FY26 Approved Budget

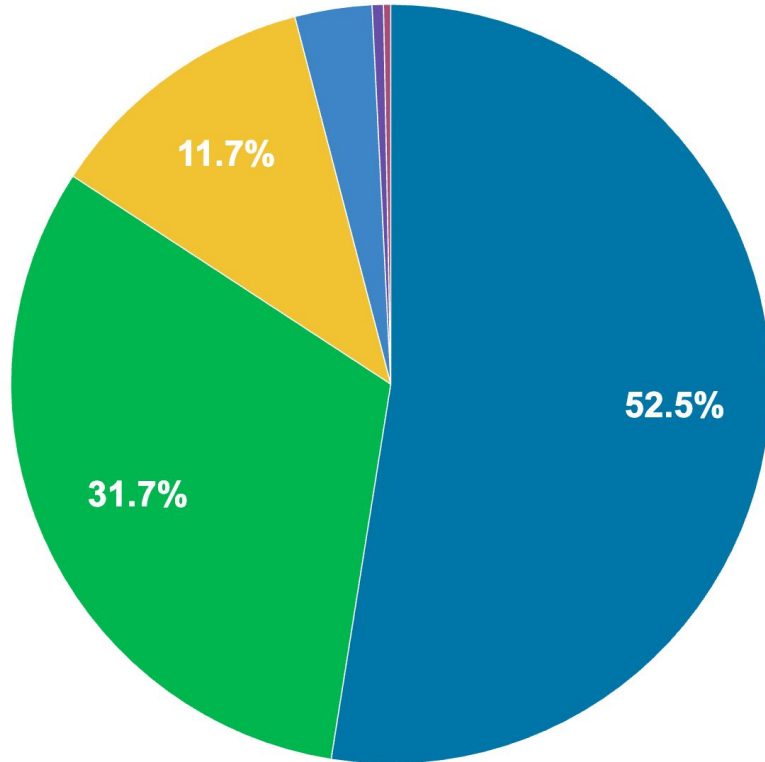
▶ General Fund – Expenditures by Function



- Instruction
- Special Education
- Student Support Services
- Instruction-related Tech (eRate)
- School Admin & Support
- District Admin & Support
- Operations & Maintenance
- Student Activities

\$3.4M decrease from
FY26 Approved Budget

▶ General Fund – Expenditures by Category



- Salaries & Wages
- Benefits
- Contracted Services
- Supplies & Materials
- Equipment
- Other

\$3.4M decrease from
FY26 Approved Budget

Summary of Investments & Restorations



FY27 Elementary Schools

Pupil-to-Teacher Ratio (PTR)

Grades K-5 decreased from **26** to **23**

FY27 Elementary Schools



Investments

- 21.0 FTE Teachers (PTR)
- 8.0 FTE Instrumental Music Teachers
- 1.0 FTE Barnette Teacher
- 1.0 FTE ELP Teacher
- 1.0 FTE Gen Ed Pre K Teacher
- 2.0 FTE Classroom Tutors
- Increased Supply Budgets
- Before School Care (\$250K)



Reductions

FY27 Secondary Schools

Pupil-to-Teacher Ratio (PTR)

Grades 6-8 decreased from **29** to **28**

Grades 9-12 decreased from **32** to **30**

FY27 Secondary Schools



Investments

- 8.6 FTE Classroom Teachers (PTR)
- Increased Supply Budgets



Reductions

FY27 Districtwide



Investments

- 1.0 FTE Health Assistant
- 0.8 FTE Military Student Support Coordinator
- Curriculum Materials (\$1.2 M)
- Transportation Subsidy (\$1.2 M)



Reductions

- Decrease to Benefit Rate (\$3.9 M)
- Budget for Vacancies (\$1.4 M)

Districtwide Personnel

Total FTE (General Fund)	
FY26 Approved Budget	1,324.61
FY27 Proposed Budget	1,345.82
Difference	21.21

Summary of Investments & Restorations

1. Reduced PTR (Elementary) \$2.6 M
2. Reduced PTR (Secondary) \$1.0 M
3. Districtwide Curriculum \$1.2 M
4. Elementary Instr Music \$980 K
5. Before School Care \$250 K
6. Barnette, ELP Teachers \$245 K
7. Pre K Teacher, Tutors \$235 K
8. Health Asst, Military Liaison \$175 K
9. School Supply Budgets \$65 K

Total \$6.75 M



Additional Potential Investments & Restorations

1. CTE Supplies
2. CTE Teachers (Hutch)
3. Barnette Magnet Teachers
4. High School Counselors
5. Tutors & SBST's
6. HR onboarding
7. Registered Apprenticeship



Financial Stability Supporting Student Success

- Difficult but responsible decisions have “reset the table”
- Provided a solid foundation from which to make targeted investments that benefit the most students possible
- Fairbanks is uniquely positioned compared to other districts in Alaska
- Provide an excellent education within the constraints of expected revenue



Questions?
