

FY 2027 SUPERINTENDENT'S PROPOSED BUDGET

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

18 MARCH 2026

2027 PRELIMINARY BUDGET SUMMARY

Flat Funding from State & Borough



TOTAL FY 2027 REVENUES

$262,828,211

TOTAL FY 2027 EXPENDITURES

$285,346,167

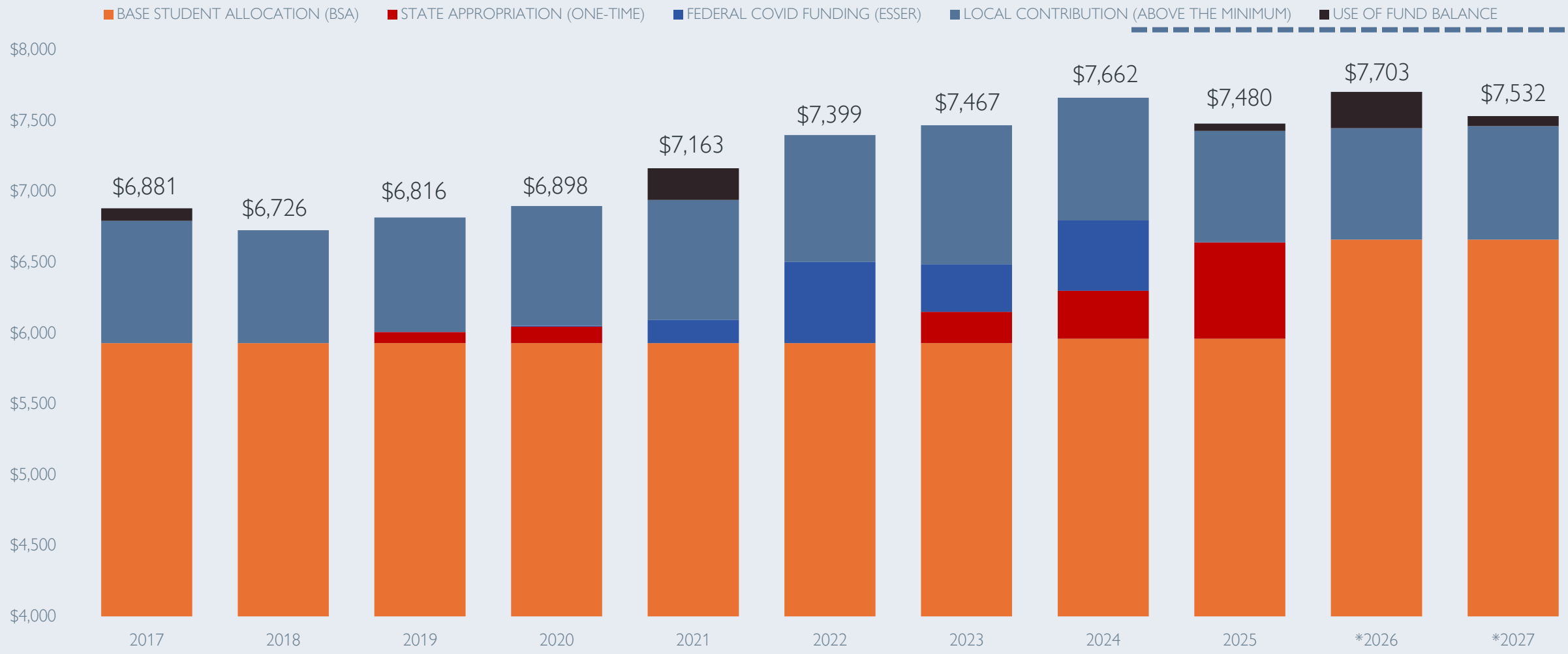
TOTAL FY 2027 PRELIMINARY DEFICIT

$(22,517,956)

Why is there a deficit?

- Costs increase year over year
  - Insurance premiums are increasing both health and property/liability.
  - Negotiated salary increases.
  - Inflationary increases occur for other goods and services.
- Revenue is declining
  - State per pupil funding is flat for FY 2027 and enrollment is declining.
  - Borough revenue is not keeping up with the state funding deduction and inflation.

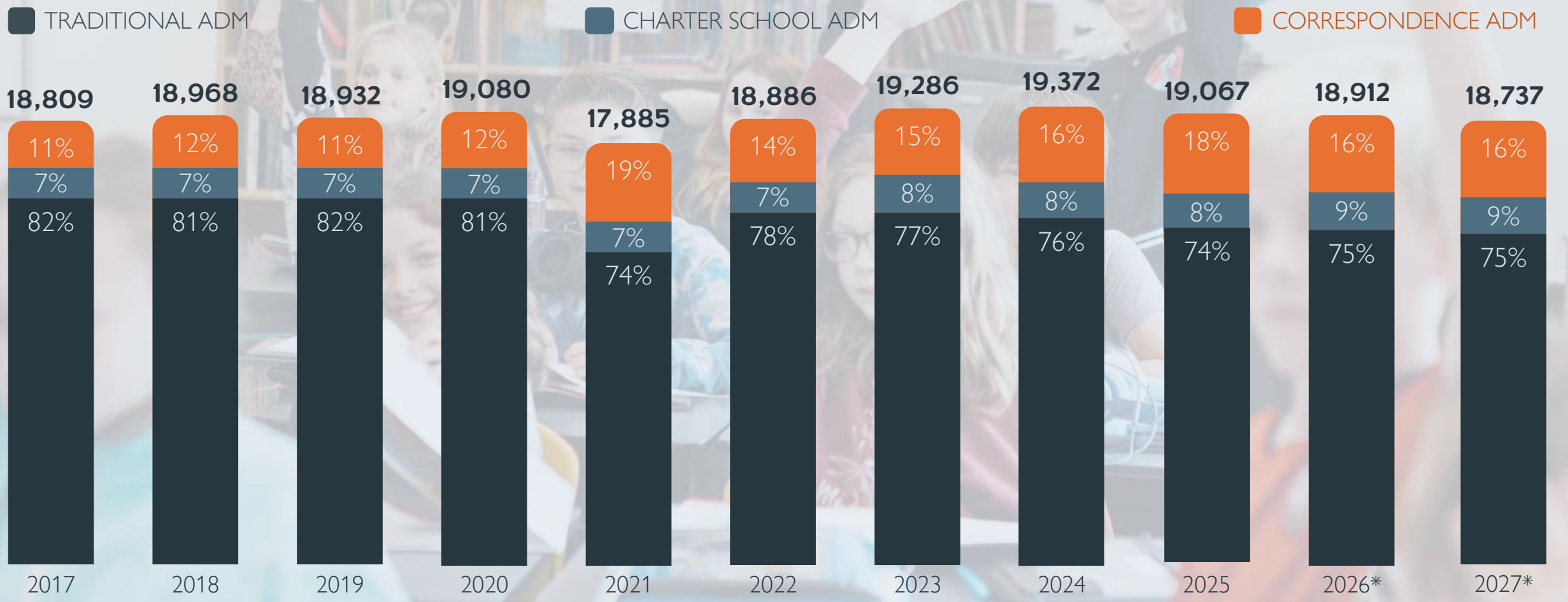
HISTORIC FUNDING BY ADJUSTED ADM



* UNAUDITED/PROJECTED

2022 EXCLUDES $11.9M IN THE RETURN OF RESOURCES BY THE BOROUGH FOR THE HOUSTON MIDDLE SCHOOL PROJECT

HISTORIC ADM ENROLLMENT



* Unaudited & Projected

BALANCING THE BUDGET

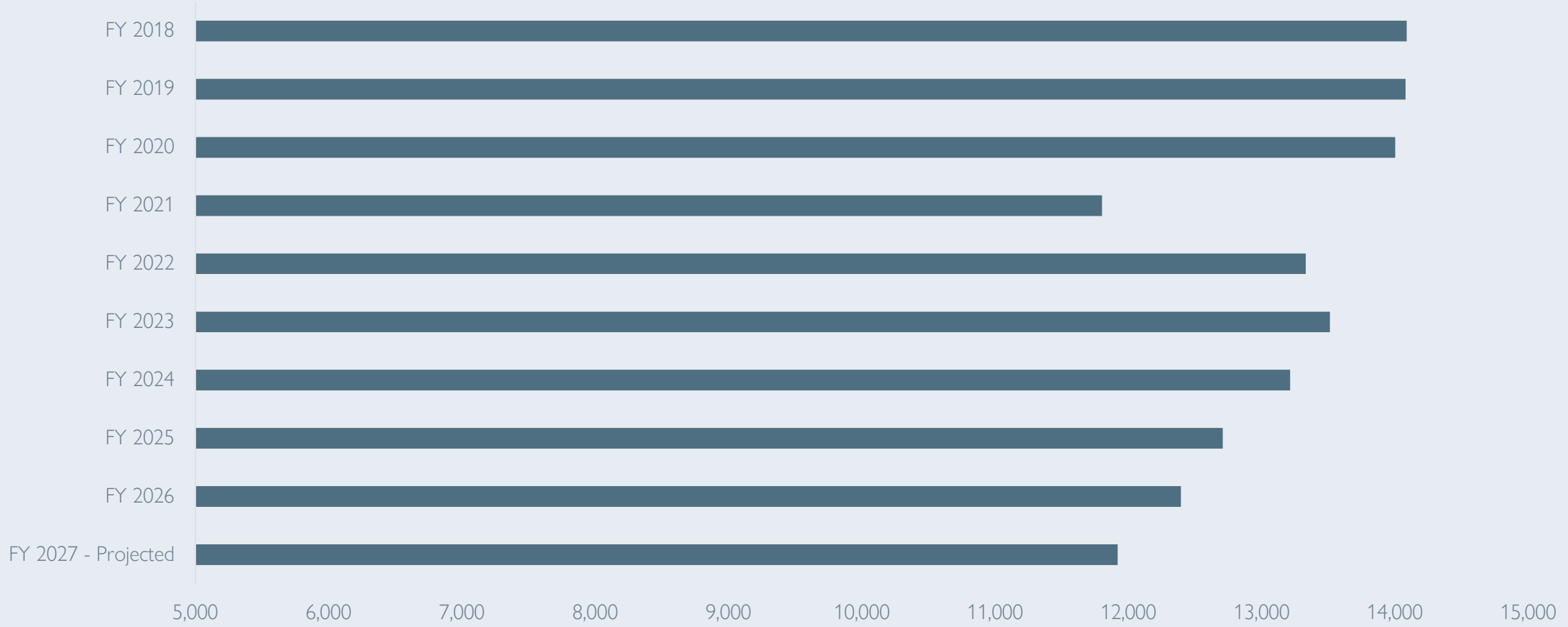
- 2026 – Revenue declined by approximately $8 million
  - Elimination of 159 FTE
  - Cut school discretionary budgets by 15%
  - Cut department discretionary budgets by 18%
- 2025 - Expiration of ESSER Funding required revenue replacement
  - State approved one-time funding of $680
  - Board used $10 million in fund balance to support expenditures
- 2024 – ESSER maintained operations
  - Enrollment continued to increase adding revenue
  - State funding increased through one-time funding of $340
  - Last year of ESSER supported $17.5 million in operating expenditures

Why is school consolidation being recommended?

- The top priority in developing the listed recommendations was to preserve classroom teachers and not increase class size.
- School consolidation provides savings without increasing class size.
- School consolidation savings come primarily from savings in administrative positions, support positions, and building infrastructure cost savings.
- Neighborhood school enrollment is declining.
- Without school consolidation additional revenue or cuts will need to be identified.

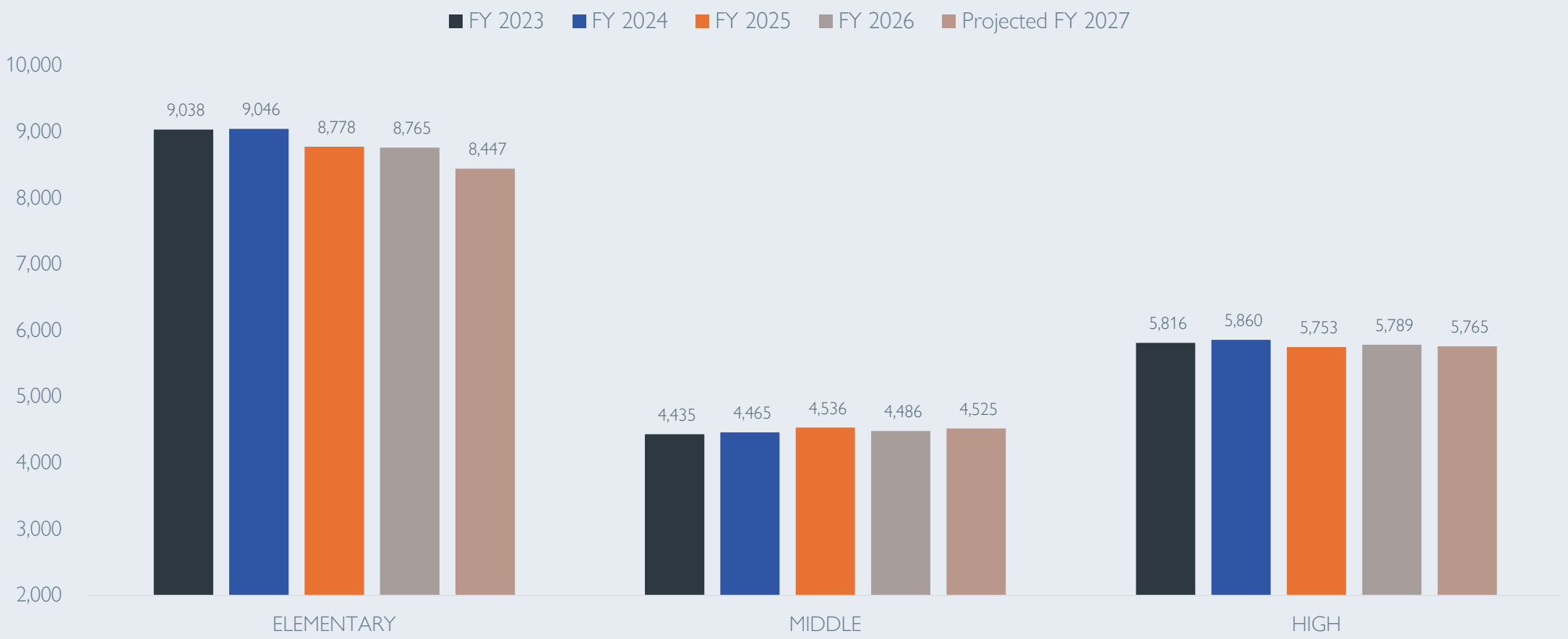
HISTORIC ADM ENROLLMENT

Enrollment Changes for Neighborhood Schools Last 10 Years



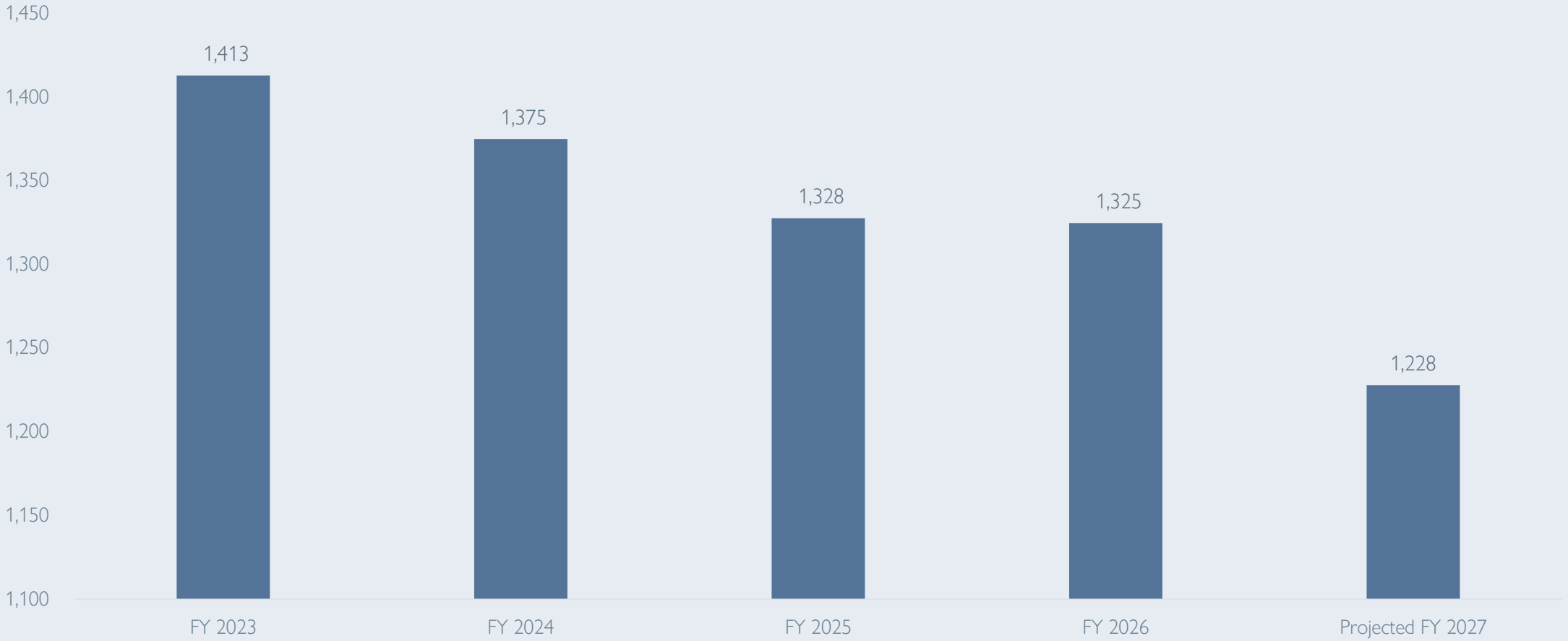
HISTORIC ADM ENROLLMENT cont.

A closer look at enrollment for Elementary Middle and High Schools



HISTORIC ADM ENROLLMENT cont.

Focusing in on enrollment at Kindergarten



REDUCTION SUMMARY

The estimated savings for each of the proposed reductions.

SCHOOL CONSOLIDATION $3,848,663	
MEADOW LAKES	**$1,545,859** *(1,863,246)*
• Staff Reductions	$1,343,784
• Utilities	$202,075
LARSON	**$1,219,022** *(1,556,941)*
• Staff Reductions	$1,039,194
• Utilities	$179,828
GLACIER VIEW	**$1,083,782**
• Staff Reductions	$616,112
• Utilities	$123,564
• Transportation	$344,106

TRANSPORTATION	$481,442
• Reduce Subsidy	$481,442

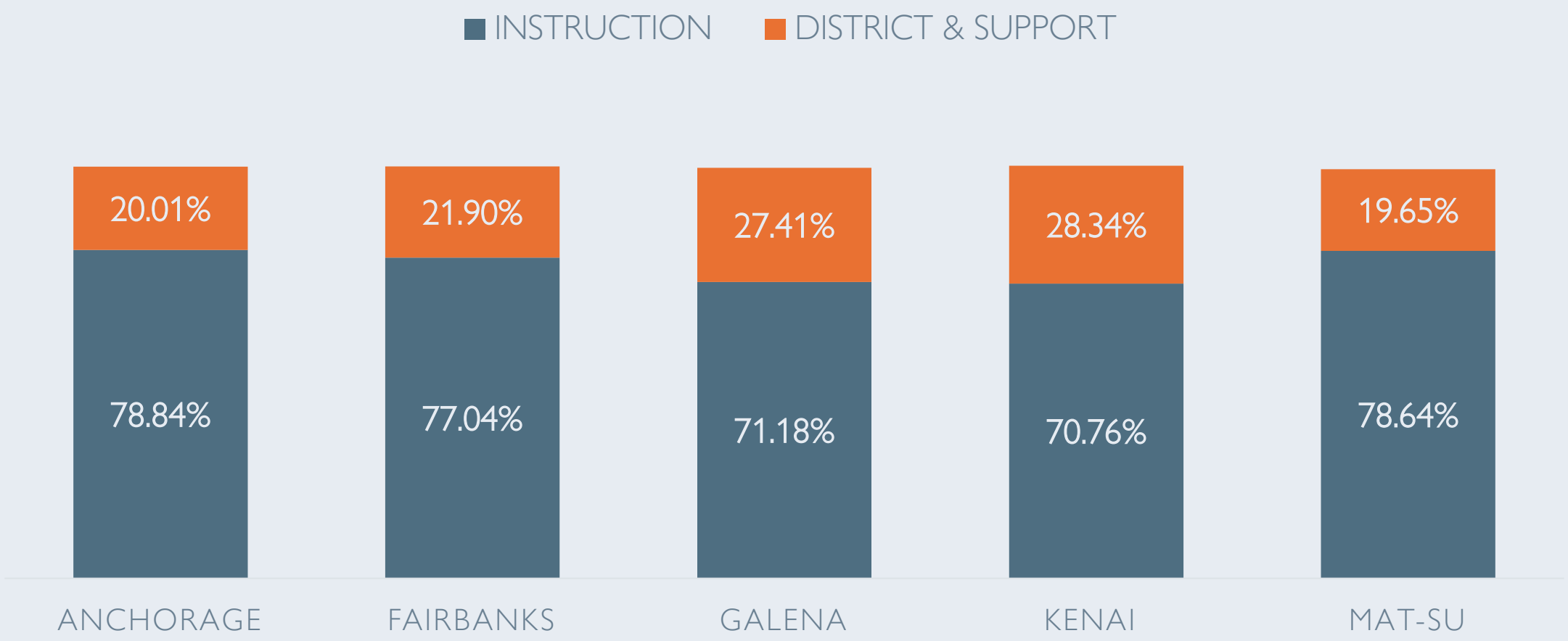
STAFF REDUCTIONS	$6,390,713
• Administration	$928,563
• Instructional Coaches	$2,072,795
• Librarians	$906,687
• Records Specialists	$475,501
• Nurses moved to Grant	$1,688,887
• Elem. Specialists	$318,280

STUDENT ACTIVITIES	$654,000
• Transportation	$454,000
• Stipends	$200,000

OTHER	$4,225,182
• District Managed Cont.	
• Misc. Staff Reductions	
• Dept. Discretionary	

SPENDING AREAS COMPARED

Largest 5 School District's in Alaska Spending by Function



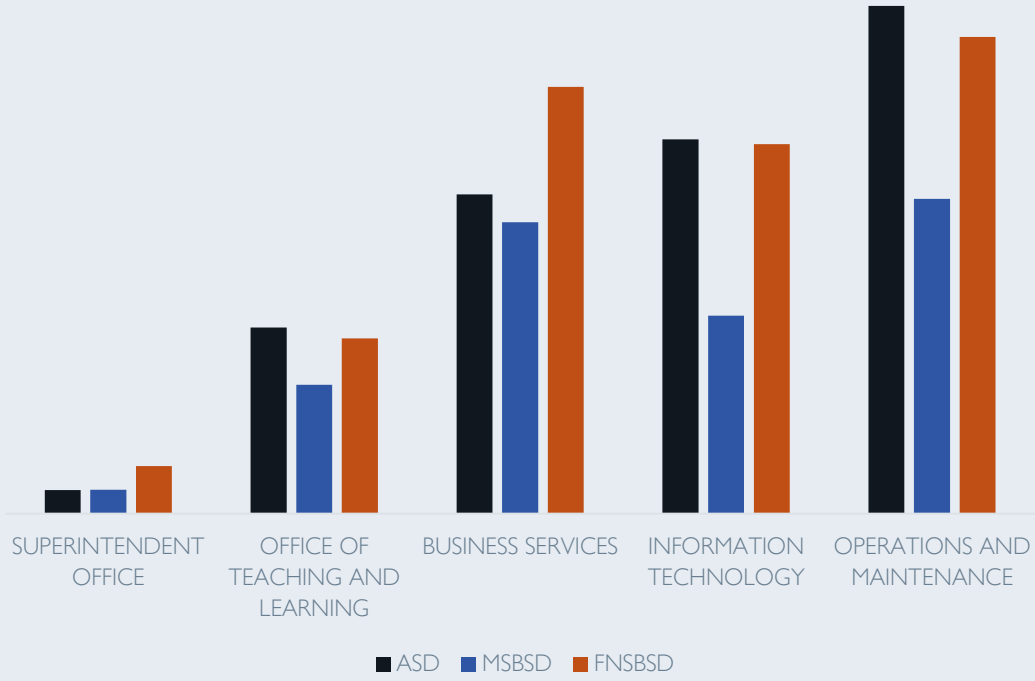
DISTRICT OFFICE COMPARED

Additional information regarding the District office staff for 2026 in Alaska's three largest districts.

FTE Staffing Comparison

DEPT	ASD	MSBSD	FNSBSD
Super/PIO	7.00	3.25	4.00
OTL	55.5	17.60	14.70
Bus Svcs	95.25	39.75	35.80
IT	111.63	27.00	31.00
O & M	151.40	42.94	40.00

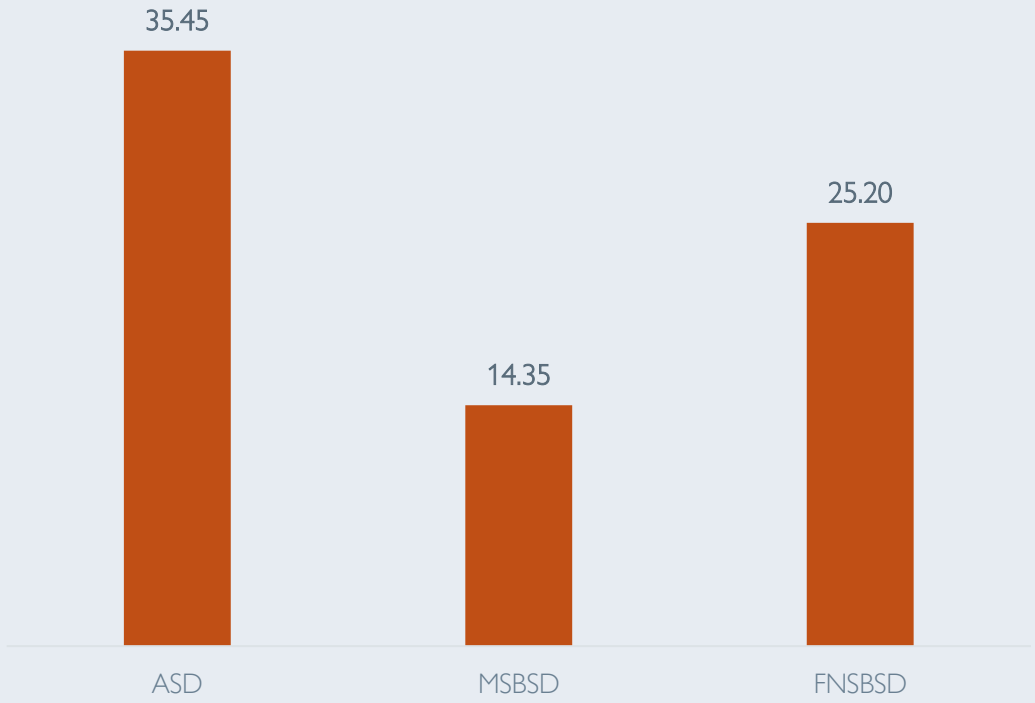
Staff Per 1,000 Students



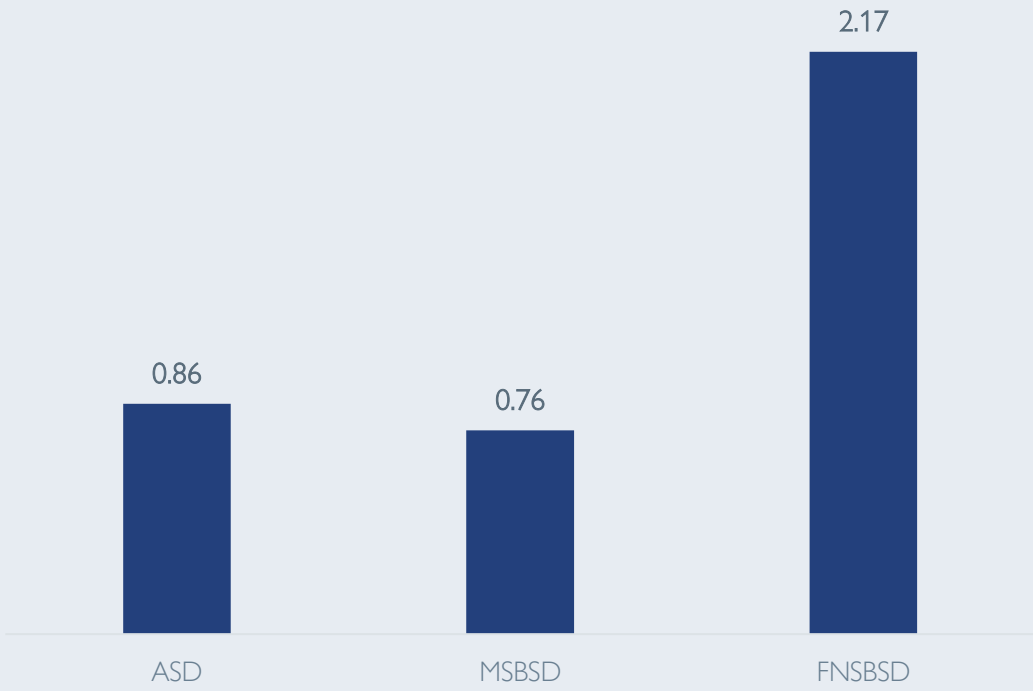
DISTRICT ADMIN COMPARED

Executive Staff Compared across the ASD, Mat-Su and Fairbanks

Total Executive FTE



Executive FTE per 1,000 students



IMPLEMENTATION TIMELINE

School Consolidation

Decision: March 18, 2026

Implementation: Immediately

Finalization: May 15, 2026

Transportation Reductions

Decision: March 18, 2026

Implementation: June 15, 2026

Finalization: July 1, 2026

Student Activities

Decision: March 18, 2026

Implementation: June 15, 2026

Finalization: July 1, 2026

Staff Reductions

Decision: March 18, 2026

Implementation: April 1, 2026

Finalization: May 21, 2026

BUDGET DEVELOPMENT TIMELINE

DECEMBER

One School Board Meeting

Preliminary Budget Presented to the School Board

Joint Borough Assembly & School Board Meeting

JANUARY

One School Board Meeting

Budget Survey Online (21 Jan – 6 Feb)

Budget Simulation Online (21 Jan – 6 Feb)

FEBRUARY

Two School Board Meetings

Public Input to the School Board

Formal Local Contribution Request Transmitted to the Borough

MARCH

Two School Board Meetings

School Board Adoption of Superintendent's Proposed Budget

Joint Borough Assembly & School Board Meeting

Superintendent's Proposed Budget Transmitted to the Borough

APRIL

Two School Board Meetings

Borough Sets Minimum Amount to be Available to the District

MAY

Two School Board Meetings

Borough Budget Deliberations with Possible Adoption

State Legislature Adjourns

JUNE

Two School Board Meetings

School Board Budget Adoption

BOARD DELIBERATIONS AND APPROVAL

- The Board must approve the proposed budget tonight.
- The proposed budget must balance.
- Changes will be noted and incorporated into the information that is shared with the Assembly.
- The Board can consider the following:
  - Adopt the proposed budget as recommended by the Administration
  - Restore reductions that have been recommended by the Administration
    - This will require reductions in other areas of the appropriate amount and/or increases in revenue assumptions with a plan to secure additional revenue.