



MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

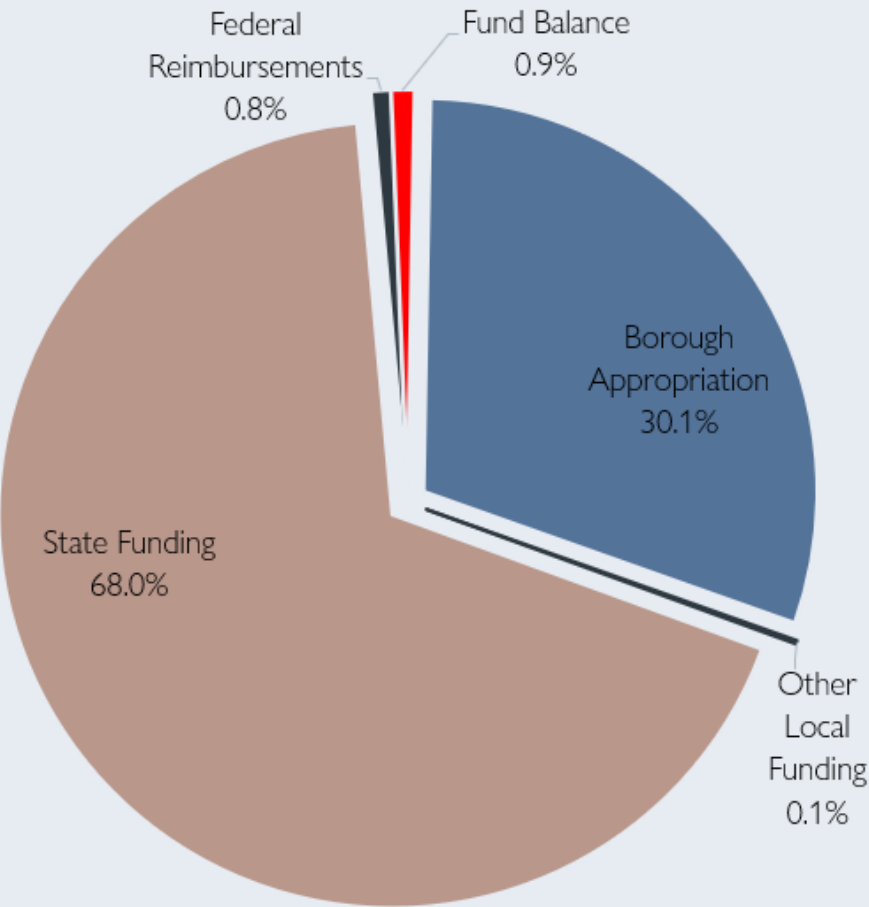
2027 SUPERINTENDENT'S PROPOSED BUDGET

04 MARCH 2026

2027 PROPOSED REVENUE SUMMARY

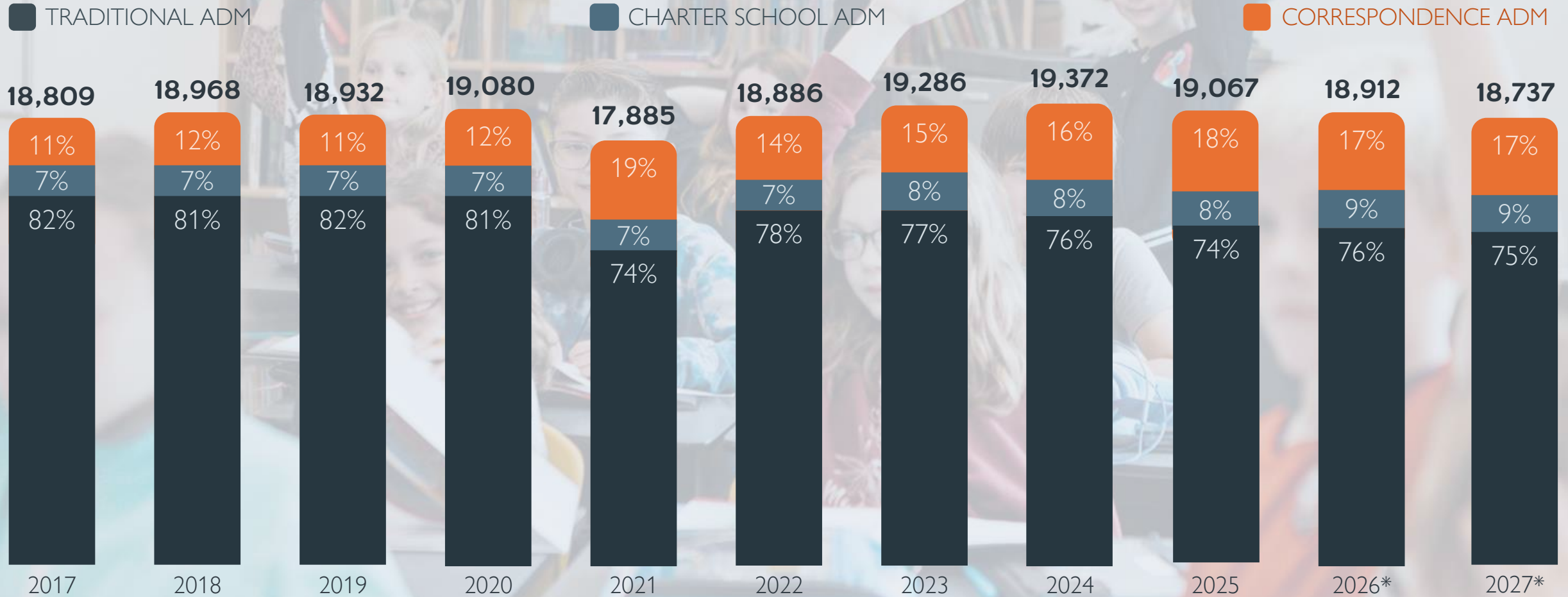
TOTAL FY 2027 REVENUES

\$269,829,118



	2026 Adopted	2027 Preliminary	2027 Proposed
Borough Appropriation	\$78,033,127	\$78,033,127	\$81,322,407
Renewal & Replacement	(150,000)	-	-
Other Local Funding	468,171	383,171	383,171
State Funding	188,365,101	182,275,471	183,505,064
Federal Reimbursements	1,974,151	2,136,443	2,118,476
REVENUES	\$268,690,550	\$262,828,212	\$267,329,118
Use of Fund Balance	3,381,777	-	2,500,000

HISTORIC ADM ENROLLMENT



* Unaudited & Projected

STATE FOUNDATION FORMULA

2027 Adjusted Average Daily Membership (AADM) Projected

Brick & Mortar ADM: **15,608**

Intensive ADM: **662** Correspondence ADM: **3,129**

STEP 1

School Size
Adjustment



The appropriate formula from the school size factor table is used to calculate the adjusted ADM for each school.

18,255.97

STEP 2

District Cost
Factor



The district's school size adjusted ADM is multiplied by the district cost factor (**0.070**).

19,533.89

STEP 3

Special Needs
Factor

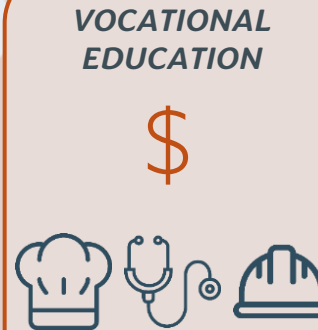


The previously adjusted ADM is multiplied **1.20**, providing the district with an additional **20%**.

23,440.67

STEP 4

Vocational
Education Factor



The district's previously adjusted ADM is now multiplied by **1.015**, providing the district with an additional **1.5%**.

23,792.28

STEP 5

Intensive Needs
Services



The district's intensive count is added to the previously adjusted ADM (**13**).

32,398.28

STEP 6

Correspondence



The district's correspondence count is now added to the previously adjusted ADM to arrive at the Final Adjusted ADM (**0.90**).

*** 35,408.91**

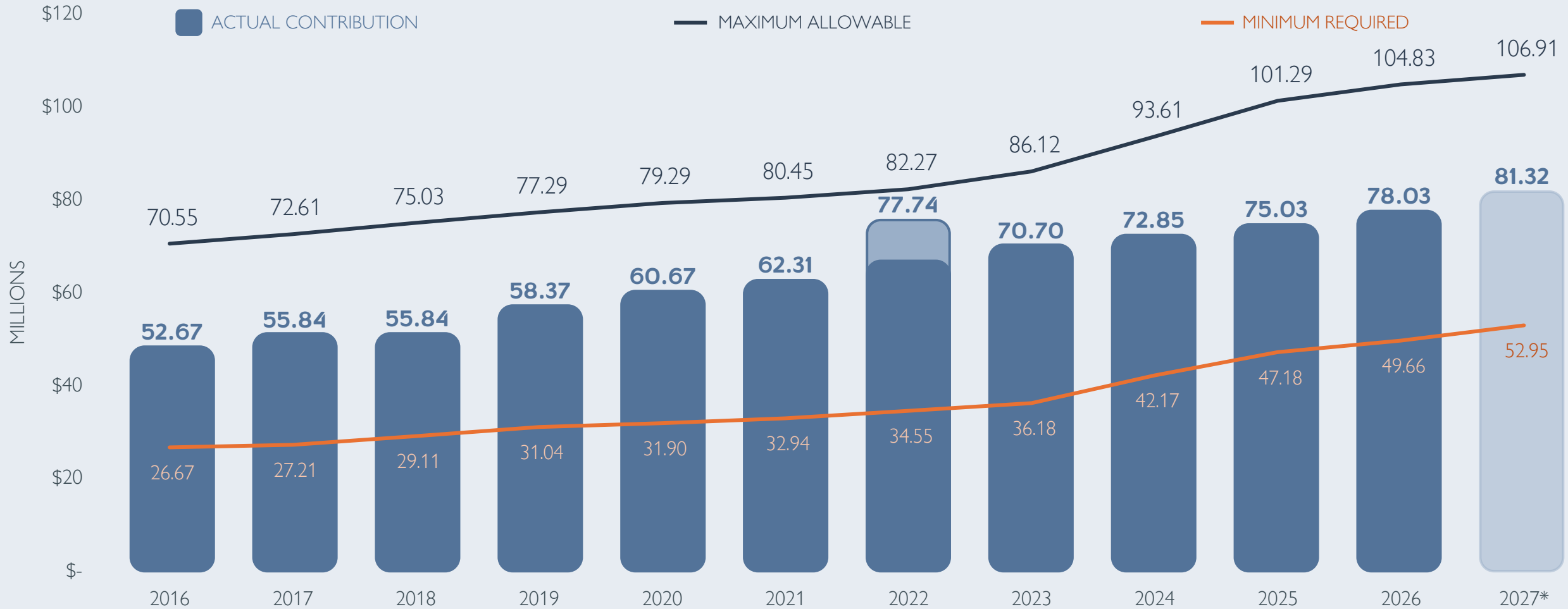
ADM
18,737

AADM
35,408.91

* An additional AADM of \$194.53 is hold harmless due to school consolidation.

BOROUGH FUNDING HISTORY

Maximum Allowable & Required Minimum Compared to Actual Contributions

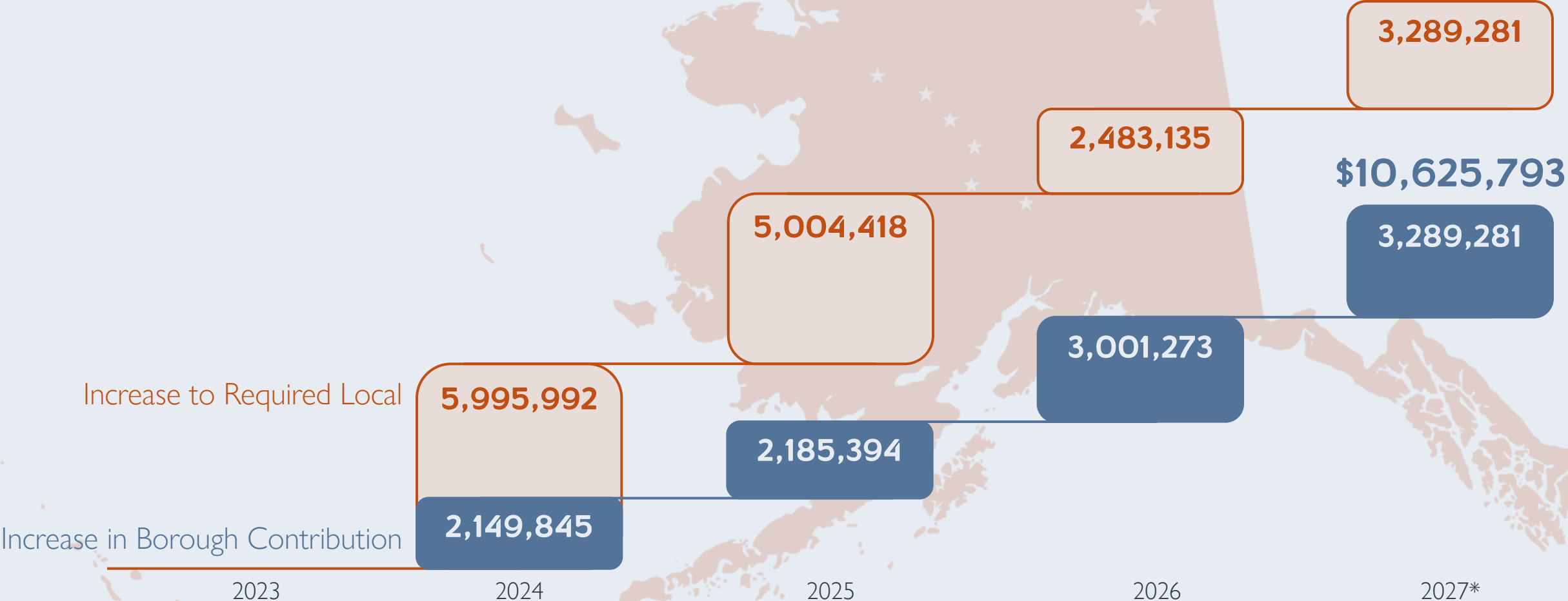


2022 Includes \$11.9M in the return of resources by the Borough for the Houston Middle School Project

REQUIRED LOCAL CONTRIBUTION COSTS

Accumulative Change – Reduced from State Entitlement

Accumulative:
\$16,772,826



SUMMARY OF ADJUSTMENTS

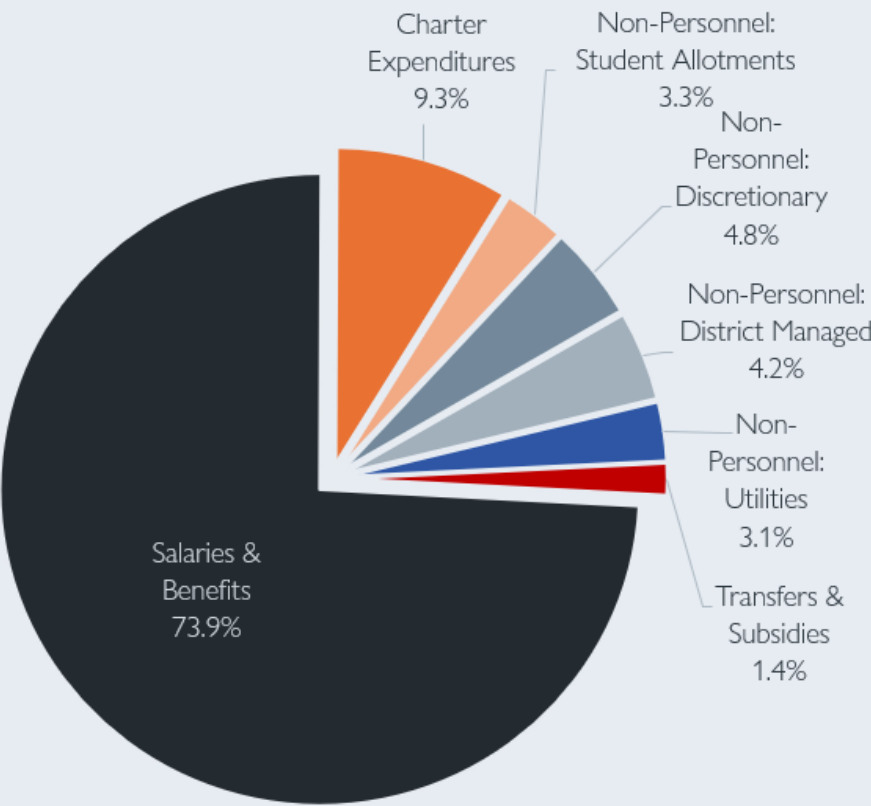
- REVENUE -

REVENUE ADJUSTMENTS	AMOUNT	
STATE FOUNDATION	1.2	M
BOROUGH APPROPRIATION INCREASE	3.2	M
FEDERAL REIMBURSEMENTS – Medicaid	0.2	M
FEDERAL REIMBURSEMENTS – E-rate	(0.2)	M
USE OF FUND BALANCE	2.5	M
TOTAL ADJUSTMENTS	\$6.9	M

2027 PROPOSED EXPENDITURE SUMMARY

TOTAL FY 2027 EXPENDITURES

\$269,829,118



	2026 Adopted	2027 Preliminary	2027 Proposed
Salaries & Benefits	\$201,198,288	\$211,816,264	\$199,326,773
Charter Expenditures	25,810,478	24,913,725	25,078,126
Non-Personnel: Discretionary	13,043,410	13,593,598	13,016,589
Non-Personnel: District Managed	11,142,283	12,987,994	11,465,376
Non-Personnel: Utilities	8,114,318	8,576,006	8,309,222
Non-Personnel: Student Allotments	7,724,600	8,848,800	8,848,800
EXPENDITURES	\$267,033,377	\$280,736,387	\$266,044,886
Transfers & Subsidies	5,038,950	4,609,780	3,784,232

CHARTER SCHOOL METHODOLOGY



Per AS 14.03.260 Charter School budgets are based around the total revenue generated by the School:

- Enrollment projections are provided by each Charter School.
- State Funding follows the State Foundation Formula.
- The Borough Appropriation is divided by the AADM for the District and then multiplied by each Charters AADM.
- Charters receive their portion of E-Rate Reimbursements.

It is assumed that Charter expenditures will balance to their revenue projections.

PERSONNEL METHODOLOGY

SALARIES

- Staffing 'rolled' to include all current budgeted permanent positions.
- Salary schedules are maintained per negotiated agreements:
 - MSPA & MLMA receive a 3% increase.
 - All other unions maintained at FY 2026 levels.
 - All eligible employees receive a step increase.
- Substitutes, extended days, co-curricular, vacancy, attrition, leave-without pay, and column movement factors are applied.

BENEFITS

- Health insurance increases by 8% with the increase split per negotiated agreements.
- All other factors are maintained.
- Excludes On-Behalf payments.

NON-PERSONNEL METHODOLOGY

DISCRETIONARY

- School metrics adjusted for projected enrollment.
- School metrics & Department budgets adjusted for CPI (2.4%).

DISTRICT MANAGED

- Property & Liability insurance increases at 15%.
- E-Rate: Category 2 maintained at FY26 rate.
- Recycling increases at 8%.
- Septic and Water Testing increases at 5%.
- All other expenditures increases at 4%.

UTILITIES

- Water increases at 1%.
- Refuse increases at 4%.
- Communications maintained.
- Energy increases at 7%.

STUDENT ALLOTMENTS

- Calculated based on enrollment projections & current allotment rates.

TRANSFERS & SUBSIDIES

- \$3,191,922 for Transportation.
- \$592,310 MCS Building to Borough.

PROPOSED EXPENDITURE SUMMARY



SCHOOL CONSOLIDATION

- Since 2018 Neighborhood School Enrollment has declined by 2,153 students
- The average elementary school capacity is 71%
- In considering school consolidation we considered the following information
 - Historic Enrollment
 - Building Capacity
 - Deferred Maintenance
 - Transportation Infrastructure
 - Enrollment Make-Up
 - Operating Costs
 - Student Demographic Information
 - Neighboring Schools

SCHOOL CONSOLIDATION cont.

2027 Projected Enrollment

School	Enrollment
Tanaina	296
Meadow Lakes	285
Larson	279
Butte	253
Knik	242
Goose Bay	225

Historic Enrollment Change

School	Change from 2018
Tanaina	-120
Meadow Lakes	-113
Larson	-112
Goose Bay	-81
Knik	-40
Butte	-26

SCHOOL CONSOLIDATION cont.

Infrastructure Support

School	Routes	Neighboring Capacity
Meadow Lakes	11	685
Larson	7	478
Tanaina	7	461
Knik	0	387
Goose Bay	7	357
Butte	7	276

Boundary Information

School	Attending Boundary	Exempted to Leave
Larson	63%	114
Goose Bay	78%	204
Tanaina	79%	200
Meadow Lakes	80%	281
Knik Elementary	84%	113
Butte	85%	170

SCHOOL CONSOLIDATION cont.

Available Capacity

School	Capacity	Enrollment	Available
Goose Bay	465	225	240
Knik	452	242	210
Butte	435	253	182
Larson	477	279	198
Meadow Lakes	477	285	192
Tanaina	477	296	181

Deferred Maintenance

School	Current	6-Year
Knik	\$2,837,898	\$6,106,752
Tanaina	\$7,155,677	\$7,155,677
Larson	\$6,443,890	\$10,630,611
Meadow Lakes	\$5,421,470	\$10,630,611
Goose Bay	\$8,998,650	\$11,950,582
Butte	\$8,528,033	\$14,417,447

SCHOOL CONSOLIDATION

Specific Rational for the Recommendation of MLE and LRE

Meadow Lakes Elementary

- Total enrollment below 300
- Large drop in enrollment since 2018
- Transportation infrastructure availability
- Large capacity in neighboring schools
- Large number of boundary exempts out of boundary

Larson Elementary

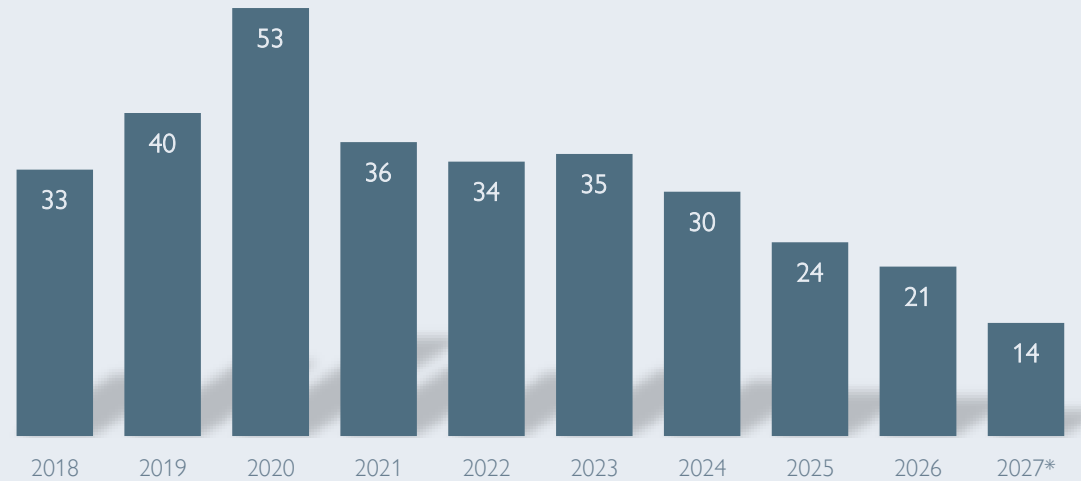
- Total enrollment below 300
- Large drop in enrollment since 2018
- Small boundary area making transportation feasible
- Large capacity in neighboring schools
- Low % of student attending from within boundary.

SCHOOL CONSOLIDATION

Understanding the recommended consolidation of Glacier View School

Student Enrollment

Glacier View School Historic Enrollment



School Costs: \$739,676

Transp. Costs: \$344,106

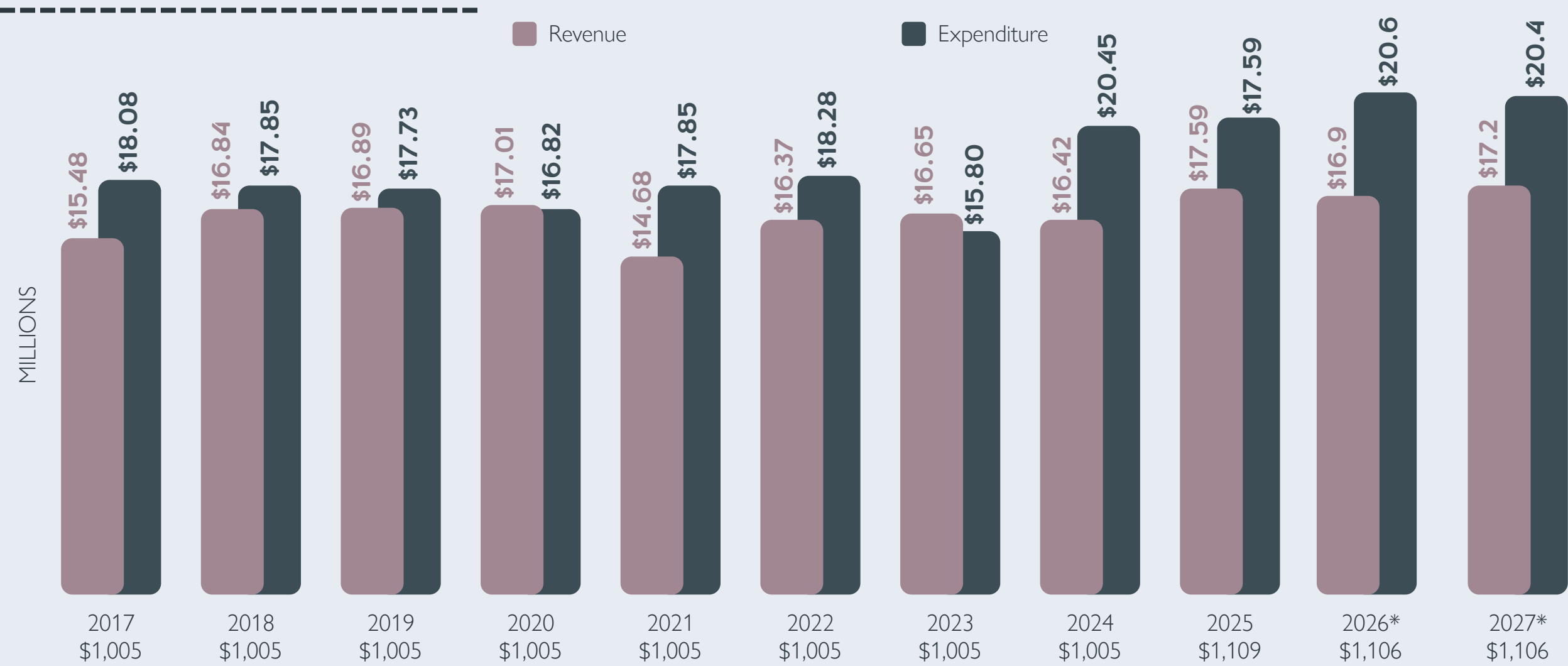
\$1,083,782

Cost Per Student \$51,609

Revenue: \$503,028

Deficit (\$580,754)

TRANSPORTATION SUBSIDY



* Unaudited & Projected

TRANSPORTATION CONTINUED

- Reduction of transportation services related to Glacier View School
- Evaluate routes across the District and coordinate re-distribution of services.
- Boundary adjustments may be needed to capture additional transportation savings.
- Rotating schedule of cancellations would be required to bring expenditures inline with current revenue level.

STAFF REDUCTIONS

- The following staff reductions are recommended in addition to positions eliminated due to school consolidation:
 - Administrative Positions
 - Elementary Instructional Coaches
 - Secondary Librarians
 - Records Specialists
 - School Nurses reduced by half
 - Elementary Specialists

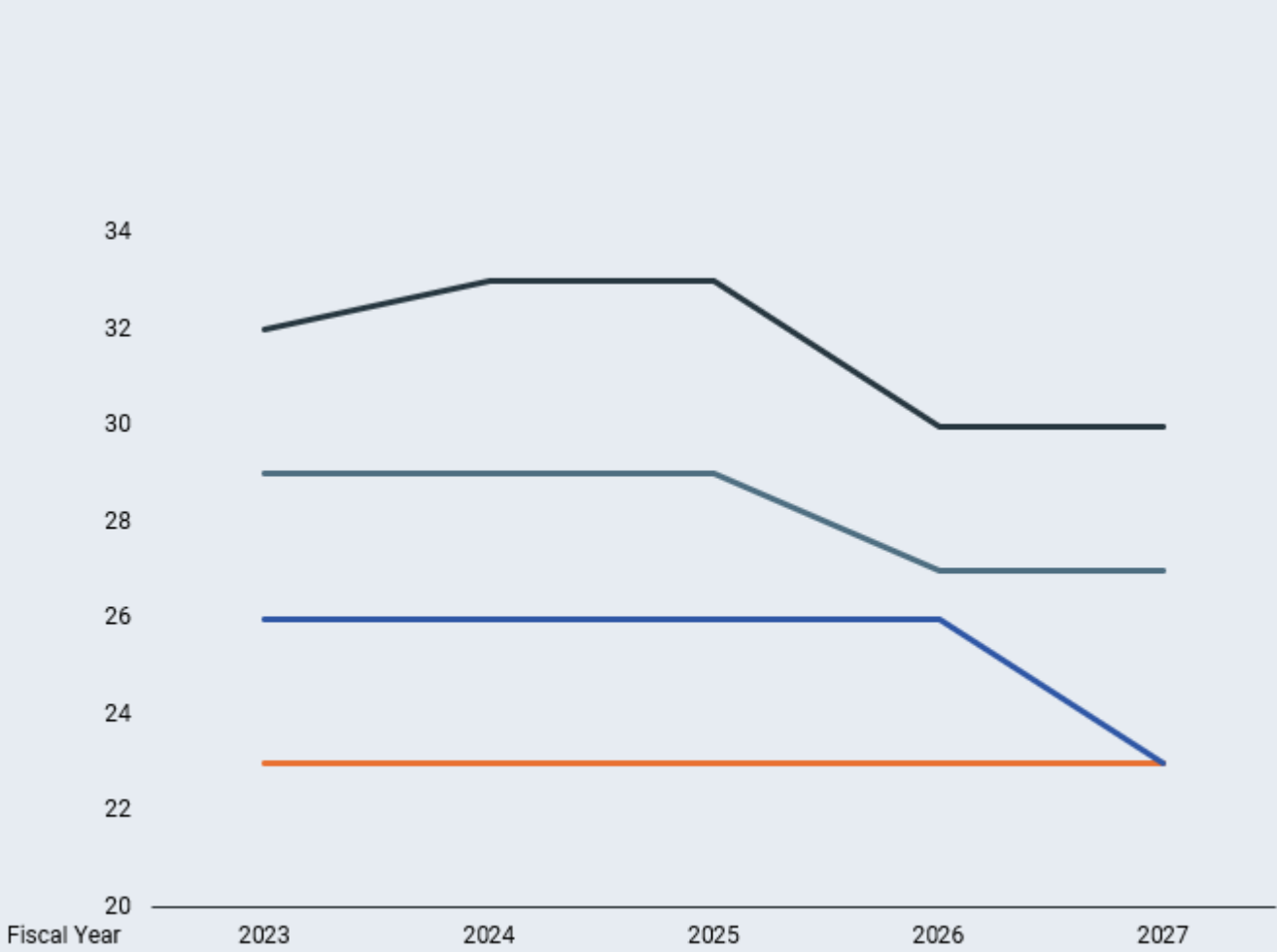
STAFFING COMPARISON

Full Time Equivalent Staff (FTE) by Classification Group Excluding Charter Schools

Certificated Staff	FY 2026	FY 2027	Non-Certificated Staff	FY 2026	FY 2027
Director	7.35	7.35	School Board	7.00	7.00
School Administrator	57.00	48.00	Director	7.00	7.00
Classroom Teacher	620.01	605.51	Supervisor	35.50	34.50
Spec Ed Teacher	175.00	167.00	Instructional Support	354.29	340.41
School Specialist	81.99	58.49	Administrative Support	123.75	111.25
Counselor	32.00	32.00	Custodian	99.25	94.25
Nurse	31.00	15.50	Specialist – Department	82.29	82.29
Department Specialist	64.04	57.04		709.08	676.70
	1,068.39	990.89			

Total Staff Reduction 109.88 FTE

RATIOS AND METRICS



GRADE PUPIL-TEACHER
RATIO (PTR)

9-12 30 : 1



6-8 27 : 1



3-5 23 : 1



K-2 23 : 1

STUDENT ACTIVITIES

- Elimination of all operating fund support for student activities transportation.
- Additional increases in student activity fees to offset possible stipend reductions.
- Fees would need to increase by approximately \$500 per fee to cover the full operating fund expenditure.

SUMMARY OF ADJUSTMENTS

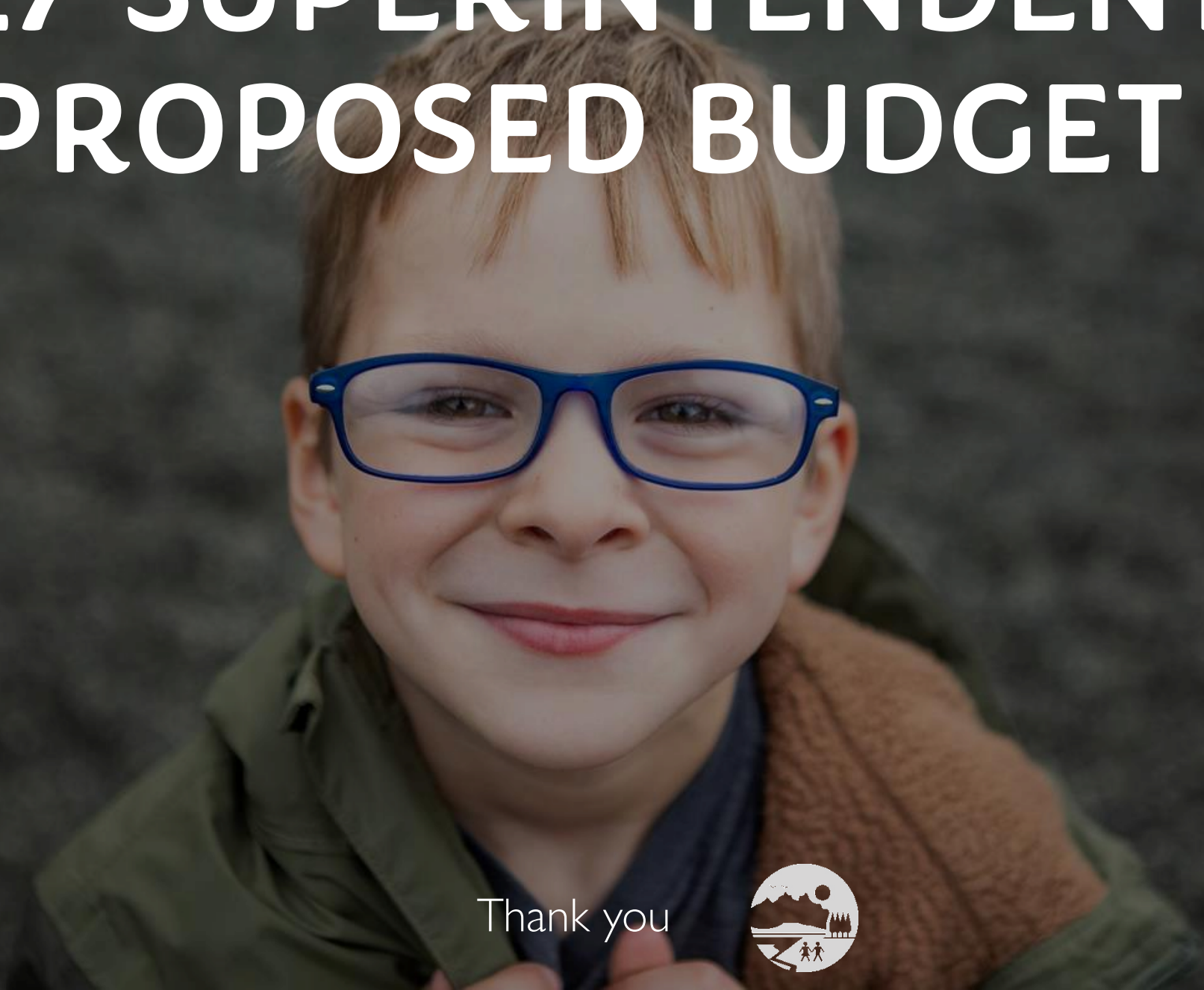
- EXPENDITURES -

EXPENDITURE ADJUSTMENTS	AMOUNT	
REDUCTION TO DISTRICT WIDE SALARIES & BENEFITS	(12.4)	M
REDUCTION TO DISTRICT MANAGED CONTRACTS	(0.5)	M
REDUCTION TO DEPARTMENT NON-PERSONNEL	(1.5)	M
REDUCTION TO UTILITIES	(0.2)	M
NET TRANSPORTATION SUBSIDY ADJUSTMENTS	(0.8)	M
TOTAL ADJUSTMENTS	\$(15.4)	M

2027 SUMMARY

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TOTAL EXPENDITURES	\$272,072,327	\$285,346,167	\$269,829,118
DEFICIT	\$-	\$(22,517,955)	\$-

2027 SUPERINTENDENT'S PROPOSED BUDGET



Thank you



2027 OUTLOOK

	2027 PRELIMINARY	2027 FLAT LOCAL
Borough Appropriation	81,322,407	78,833,127
Renewal & Replacement Appropriation	-	-
Other Local Funding	383,171	383,171
State Funding	182,275,471	182,275,471
Federal Reimbursements	2,136,443	2,136,443
REVENUES	\$266,117,492	\$263,628,212
Use of Fund Balance	-	-
TOTAL REVENUES	\$266,117,492	\$263,628,212
Salaries & Benefits	211,816,264	211,816,264
Charter Expenditures	24,913,725	24,913,725
Non-Personnel: Discretionary	13,593,598	13,593,598
Non-Personnel: District Managed	12,987,994	12,987,994
Non-Personnel: Utilities	8,576,006	8,576,006
Non-Personnel: Student Allotments	8,848,800	8,848,800
EXPENDITURES	\$280,736,387	\$280,736,387
Transfers & Subsidies	4,609,780	4,609,780
TOTAL EXPENDITURES	\$ 285,346,167	\$285,346,167
DEFICIT	\$(19,228,675)	\$(22,517,955)