

FY 2027 PRELIMINARY BUDGET

MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT



09 DECEMBER 2025

BUDGET PROCESS

PRELIMINARY BUDGET

A “rollover” budget created based on maintaining current programs and services with no adjustments to current practices

- No Board action required.
- Unbalanced.
- Direct rollover of staffing.
- Start of the public input period.
- Only includes the General Fund.

SUPERINTENDENT’S PROPOSED BUDGET

A balanced budget that takes public input into consideration as well as adjustments to the State and Borough Funding based on known information.

- Requires Board approval:
 - Submitted to the Borough by April 1st.
- Balanced.
- Adjusted for ADM. Enrollment and Pupil Teacher Ratios (PTR).
- Includes all funds with an impact on the General Fund.

ADOPTED BUDGET

The official starting, or Original budget for the next fiscal year. Submitted to the State for approval. This version moves the budget out of the development cycle and into the maintenance cycle.

- Requires Board approval:
 - Submitted to the State by July 15th.
- Balanced.
- Includes a summary of all anticipated and known funds.
- Submitted for the Meritorious Budget Award.

2027 PRELIMINARY BUDGET SUMMARY

Flat Funding from State & Borough



TOTAL FY 2027 REVENUES

\$262,628,211

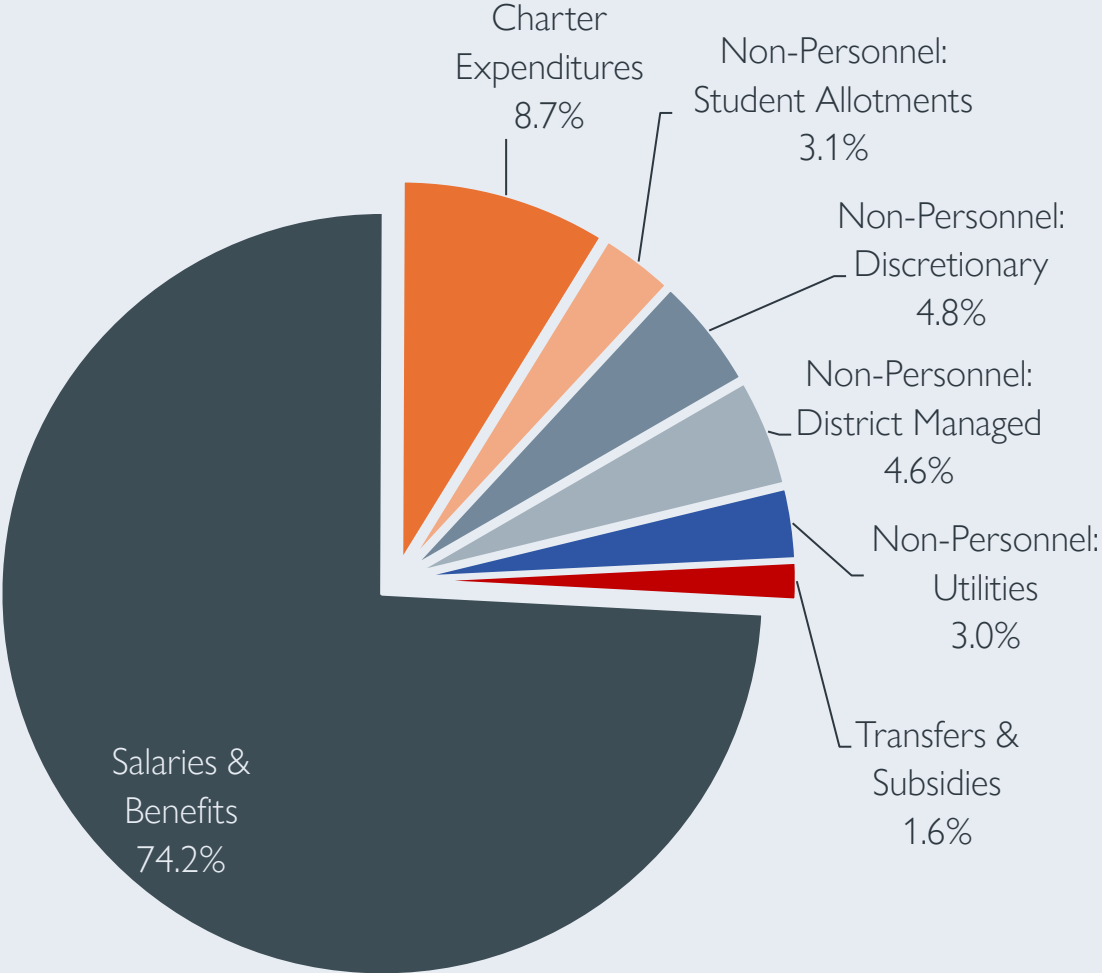
TOTAL FY 2027 EXPENDITURES

\$285,346,167

TOTAL FY 2027 PRELIMINARY DEFICIT

\$(22,517,956)

2027 PRELIMINARY EXPENSE PROJECTION



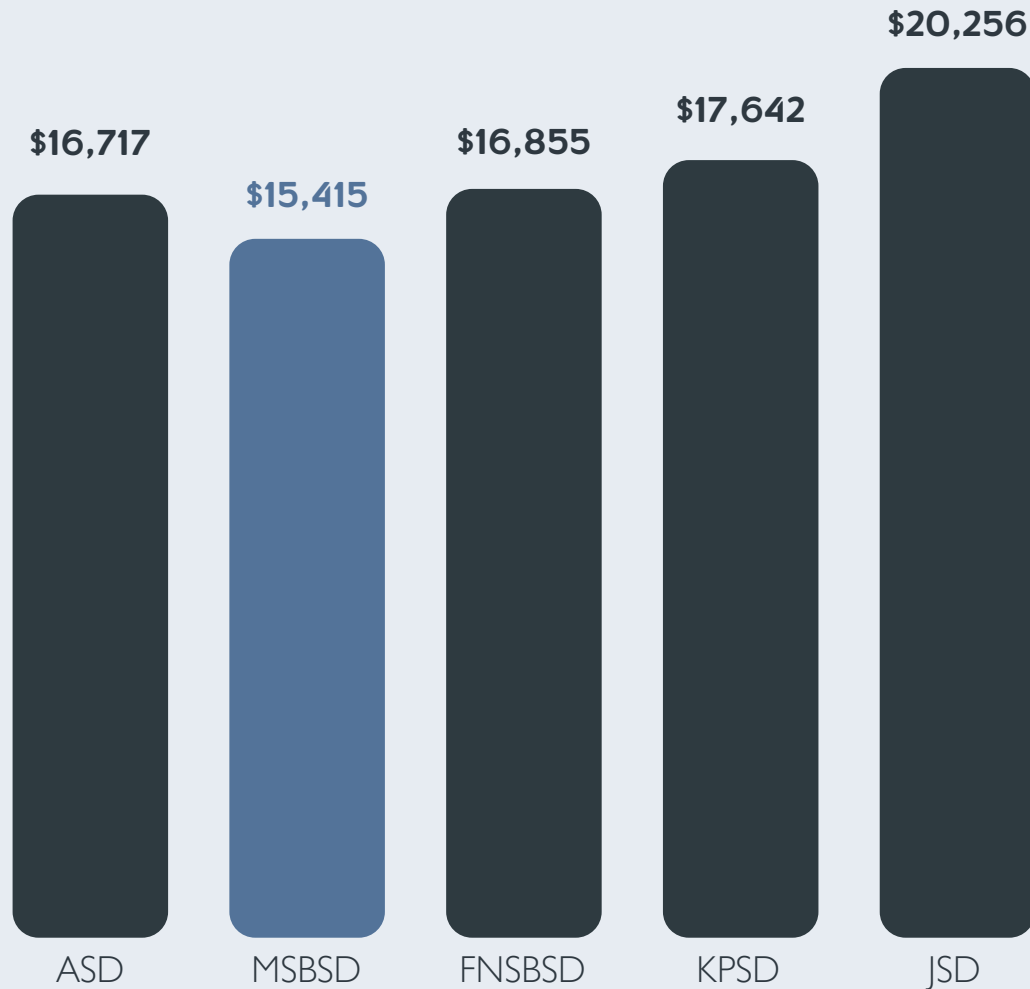
TOTAL FY 2027 EXPENDITURES

\$285,346,167

	2026	2027
Salaries & Benefits	\$201,198,288	\$211,816,264
Charter Expenditures	25,810,478	24,913,725
Non-Personnel: Discretionary	13,043,410	13,593,598
Non-Personnel: District Managed	11,142,283	12,987,994
Non-Personnel: Utilities	8,114,318	8,576,006
Non-Personnel: Student Allotments	7,724,600	8,848,800
EXPENDITURES	\$272,072,327	\$280,736,387
Transfers & Subsidies	5,038,950	4,609,780

‘BIG 5’ 2026 PER PUPIL COMPARISON

Adopted Budget as Reported to the State





PERSONNEL BY OBJECT



MILLIONS

\$104.65



Certified Salaries

\$41.85



Non-Certified Salaries

\$38.17



Health Insurance

\$12.92



Public Employee Retirement System (PERS)

\$8.33



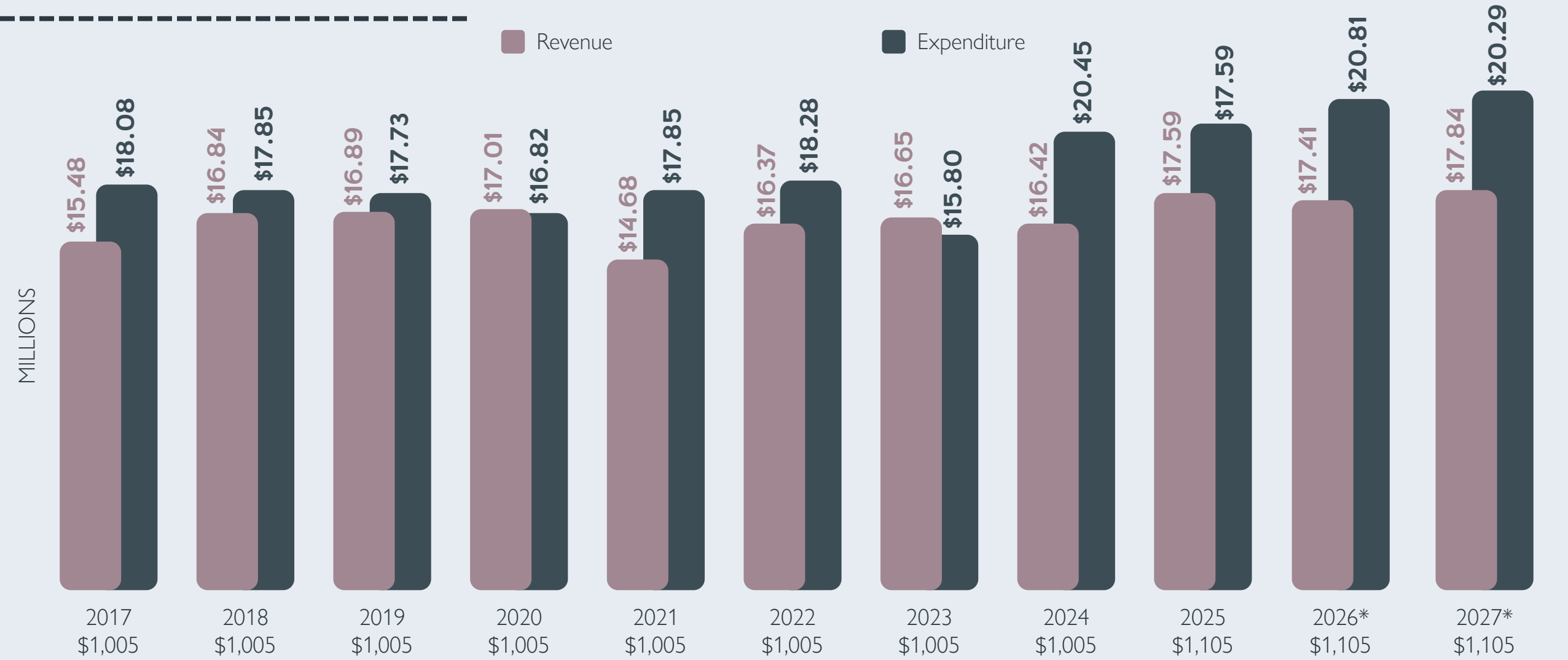
Teacher Retirement System (TRS)

\$5.90



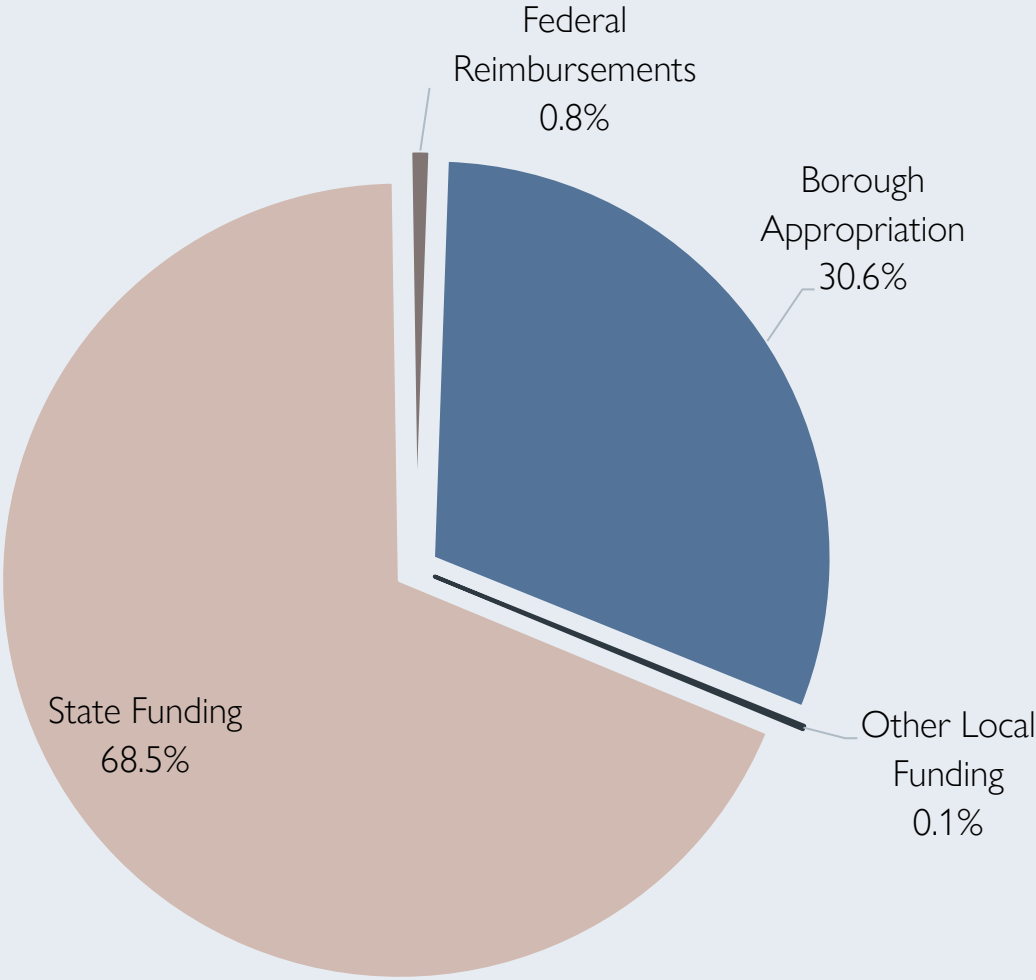
Other Employee Benefits

TRANSPORTATION SUBSIDY



* Unaudited & Projected

2027 PRELIMINARY REVENUE PROJECTION



TOTAL FY 2027 REVENUES

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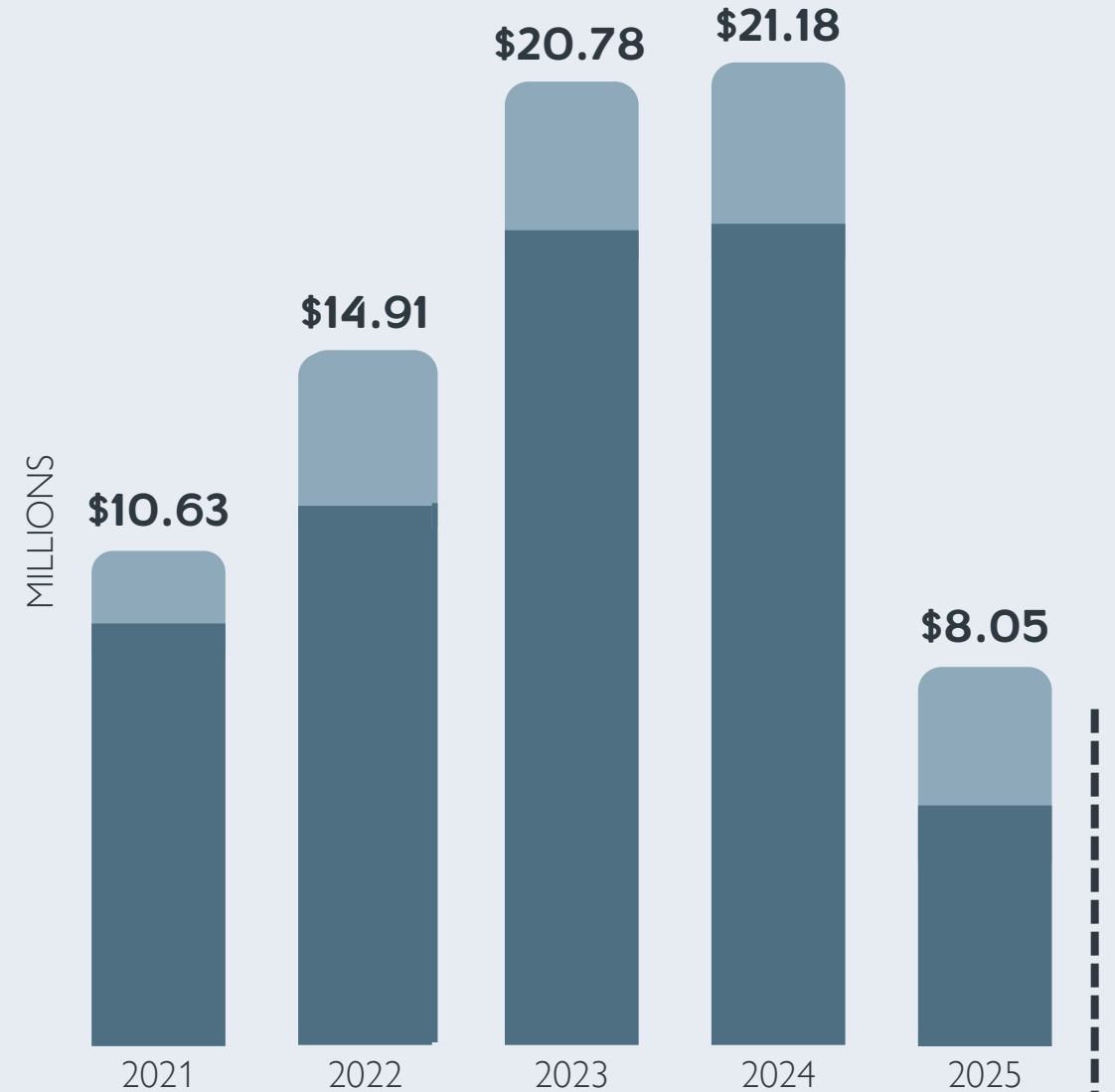
	2026	2027
Borough Appropriation	\$78,033,127	\$78,033,126
Renewal & Replacement	(150,000)	-
Other Local Funding	468,171	383,171
State Funding	188,365,101	182,275,471
Federal Reimbursements	1,974,151	2,136,443
REVENUES	\$268,690,550	\$262,628,212
Use of Fund Balance	3,381,777	-



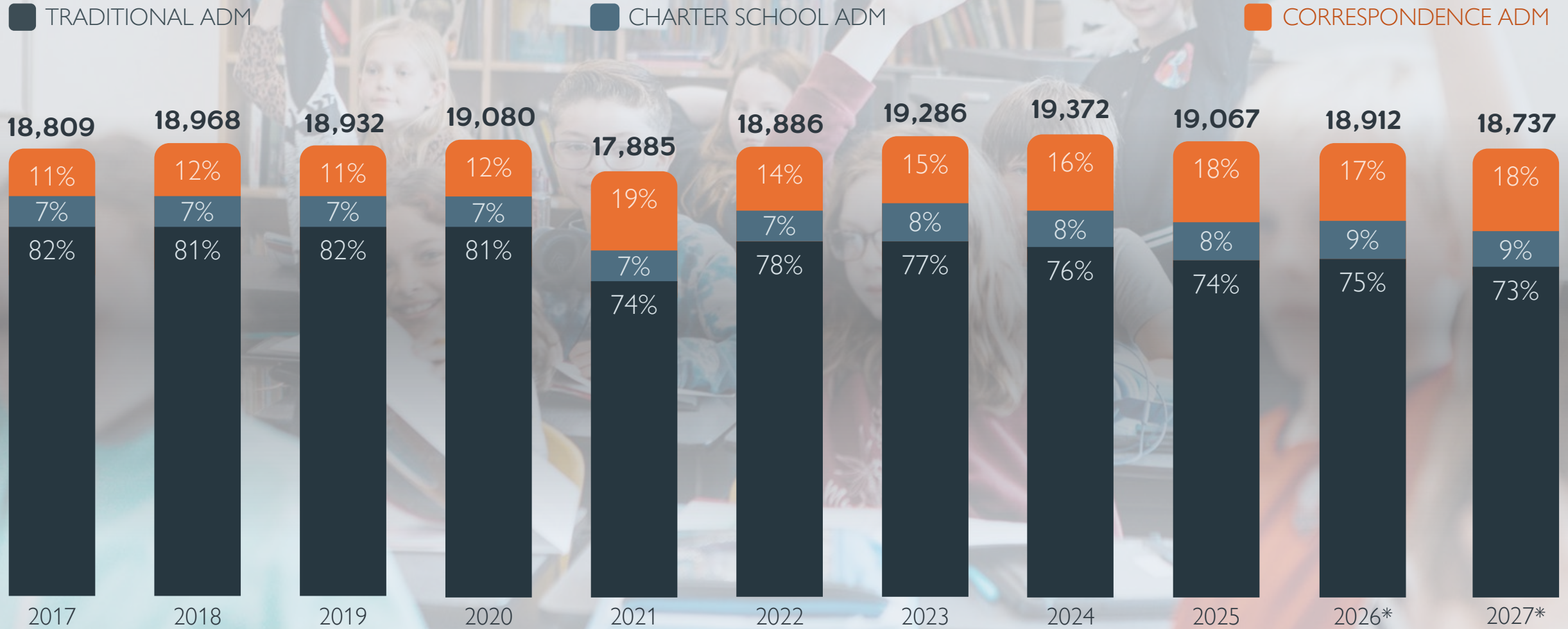
AVAILABILITY OF FUND BALANCE



- District Unassigned Fund Balance
- Charter Unassigned Fund Balance



HISTORIC ADM ENROLLMENT



* Unaudited & Projected

STATE FOUNDATION FORMULA

2027 Adjusted Average Daily Membership (AADM) Projected

Brick & Mortar ADM: **15,328**

Intensive ADM: **650** Correspondence ADM: **3,409**

STEP 1

School Size
Adjustment



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

18,190.29

STEP 2

District Cost
Factor



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

19,463.61

STEP 3

Special Needs
Factor

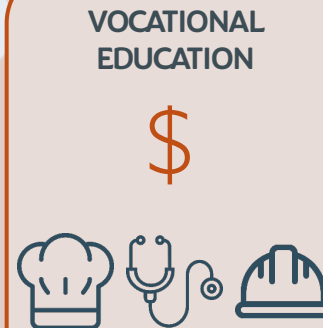


The previously adjusted ADM is multiplied **1.20**, providing the district with an additional **20%**.

23,356.33

STEP 4

Vocational
Education Factor

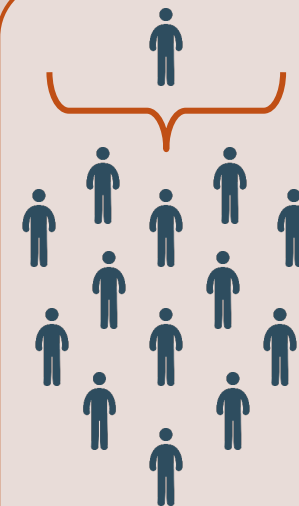


The district's previously adjusted ADM is now multiplied by **1.015**, providing the district with an additional **1.5%**.

23,706.68

STEP 5

Intensive Needs
Services



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

32,156.68

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**).

35,224.78

AADM
35,224.78

ADM
18,737

STATE FOUNDATION FORMULA

2027 Preliminary General Fund State Foundation Funding Estimate

	FACTOR	PROJECTED
Adjusted ADM (AADM Enrollment)		35,224.78
TOTAL BASIC NEED	\$6,660	\$234,597,035
Required Local Contribution		(52,950,326)
TOTAL STATE ENTITLEMENT		\$181,646,709
Quality Schools Factor	\$16.00	563,596
PFD Lottery	\$1.85	65,166
State One-Time Funds	-	-
TOTAL STATE FUNDING		\$182,275,471

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

3,289,281

2,483,135

5,004,418

\$ 7,336,512

3,001,273

Increase to Required Local

5,995,992

Increase in Borough Contribution

2,149,845

2,185,394

2023

2024

2025

2026

2027*

BOROUGH FUNDING HISTORY

Maximum Allowable & Required Minimum Compared to Actual Contributions

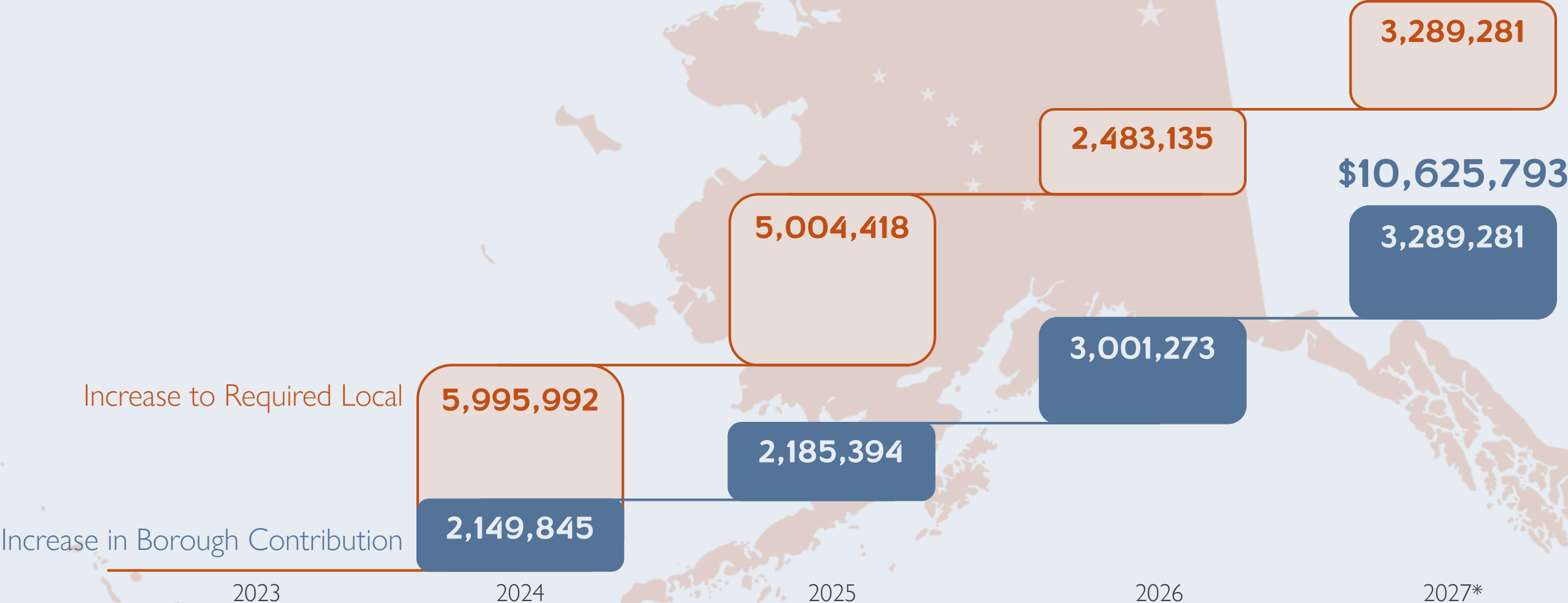


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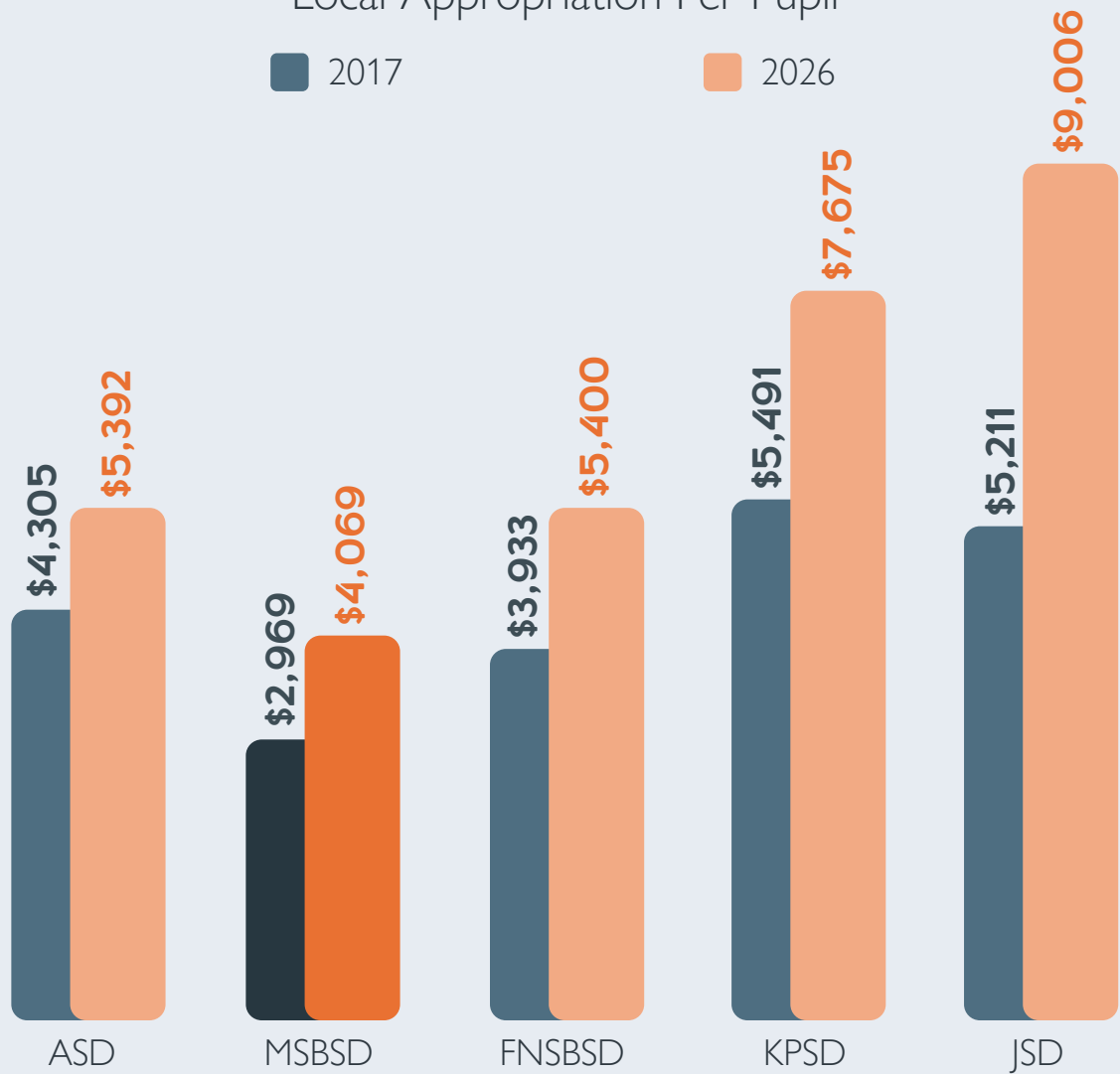


ANOTHER LOOK AT LOCAL FUNDING

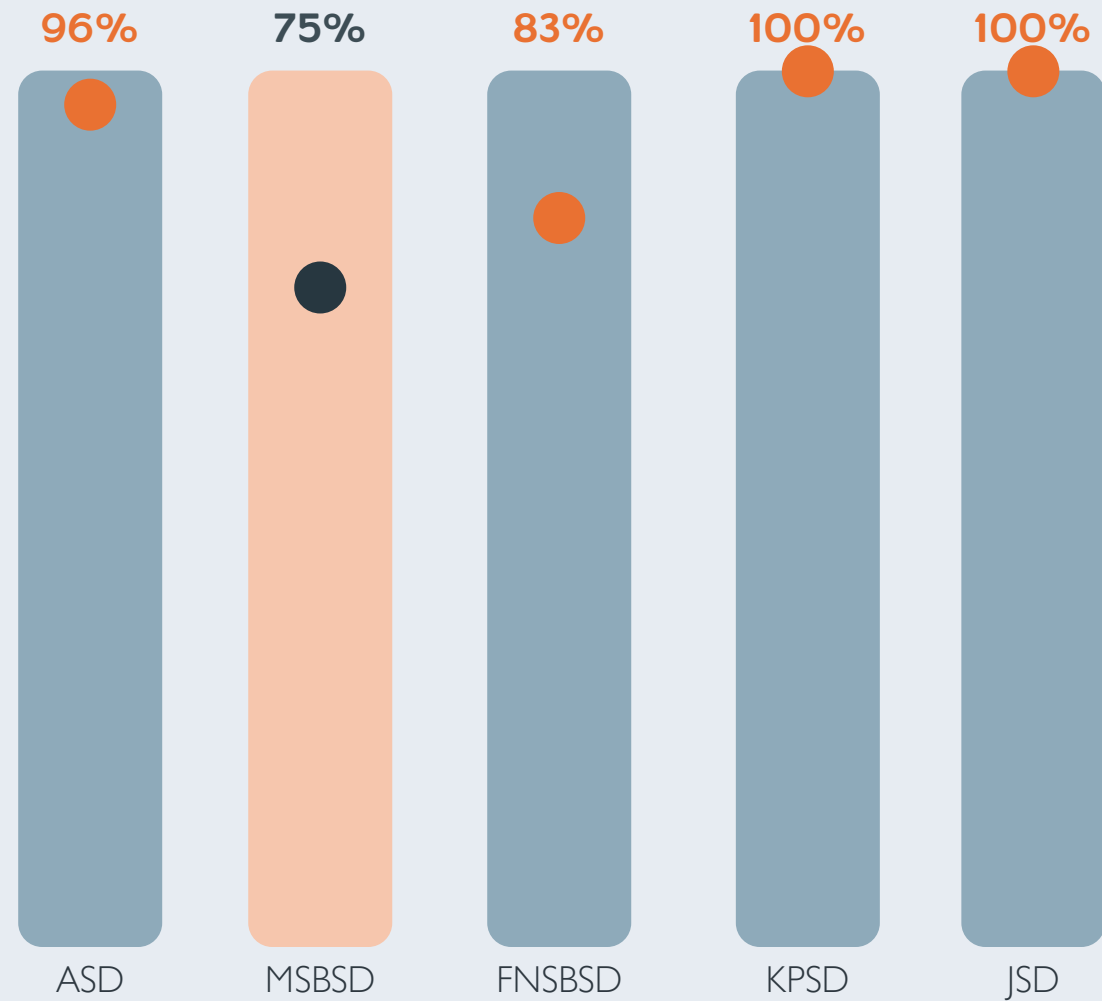
Local Appropriation Per Pupil

2017

2026

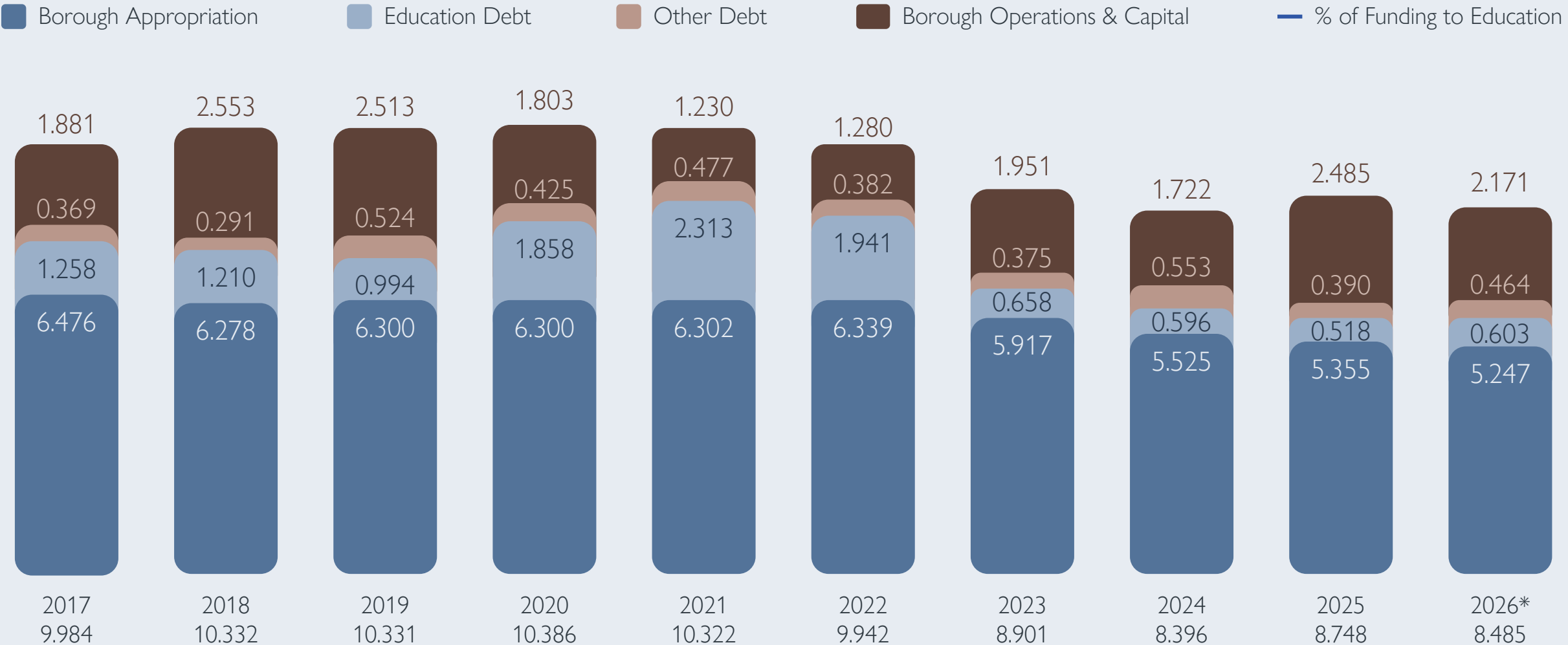


2026 Adopted Local Appropriation as a Percent of Maximum Allowable



HISTORIC BOROUGH AREAWIDE MILL RATE

Total Educational Funding as a Percent of the Total Borough Expenditures



2027 OUTLOOK

	2027 FLAT LOCAL	2027 PRELIMINARY
Borough Appropriation	78,833,126	81,322,407
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	\$263,628,211	\$266,117,492
Use of Fund Balance	-	-
TOTAL REVENUES	\$263,628,211	\$266,117,492
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	\$(22,517,956)	\$(19,228,675)

IMPACT OF FLAT LOCAL FUNDING

Examples of specific service level reductions that are approximately \$3.28 million:

- Elimination of 32 positions across the district
- Elimination of all general fund support of student activities
- Closure of core area school(s)
- Reduction of transportation services by 16%

2027 PRELIMINARY BUDGET



Thank you

