

## **FY27 General Fund Preliminary Budget**

### **General Fund Revenue**

State of Alaska revenue projections for FY27 were created using \$6,660 as the Base Student Allocation (BSA) in the State of Alaska Foundation Funding Formula.

The student enrollment projection of 8,104 for FY27 consists of brick and mortar students of 6,969 (including the .50 ADM for Early Education Program - Preschool) and correspondence homeschool program students of 1,135. These numbers were used in the Foundation Formula to calculate estimated state revenue.

State revenues include \$71,827,973 for Foundation Funding, \$266,597 for Quality Schools funding for a total of \$72,094,570. TRS and PERS On-behalf payments total \$8,615,811. These On-behalf payments are basically the difference between the employer statutory (required) rate, and the Alaska Retirement Management Board (ARMB) adopted rate for each retirement system.

The total State funding is \$80,710,381.

For FY26, the Borough initially budgeted \$57,634,015 in support of KPBSD. However, the Borough approved \$62,359,080, exceeding the original budgeted amount.

For FY27, District Administration has budgeted Borough support to KPBSD at \$59,074,865, based on projected Borough funding. This represents a 2.5% increase over the FY26 initially budgeted amount. The maximum level of support the Borough may provide to the District in FY27 is \$68,685,024, resulting in an additional allowable funding capacity of \$9,610,159 above the budgeted level.

In-kind services are budgeted at the same level as FY26, totaling \$15,480,851, with the remaining \$43,594,014 budgeted as a direct appropriation.

Other budgeted revenues include e-rate, interest earnings, and miscellaneous for a total of \$1,180,000.

Total General Fund Revenue available for FY27 is estimated to be \$140,965,246.

### **General Fund Expenditures**

The FY27 expenditure budget was developed using the same staffing formulas as FY26. Expenditure projections for salaries include step increases for current employees in the budget. Adjustments were made to healthcare based on the current number of employees

that have coverage, opted out, and a 5% increase for contribution rates. Salaries and benefits comprise approximately 80% of total expenditures.

Adjustments to instructional and custodial budgets were made based on a formula that includes projected enrollment and building size. Utilities were budgeted based on a three-year average.

Included in the primary budget is a transfer to Student Transportation in the amount of \$200,000 and \$145,000 for Extra Curricular travel. The total of all expenditures and transfers for the FY27 Preliminary General Fund budget is \$149,573,959.

Revenue from all sources for the FY27 Preliminary General Fund Budget totals \$140,965,246 and since expenditures and transfers total \$149,573,959, leaving a deficit of \$8,608,713.

### **Budget Discussion**

At the Finance Committee meeting on February 2, 2026, we will continue to discuss the financial information provided and consider next steps.