

# FY27 Consolidation Discussion

Board Work Session

3/2/26

# Current Budget Context

- The district is facing a significant FY27 budget shortfall.
- Revenue reductions combined with rising operational costs require structural solutions.
- Decisions must protect student opportunities across the district while maintaining fiscal responsibility.

# The Core Challenge

- Without consolidation, more reductions will occur across all schools.
- Primary impact will be increased Pupil Teacher Ratios (PTR) districtwide.
- Higher PTR will reduce supports, programs, and student opportunities in every building.

# If Consolidation Does Not Occur

- Districtwide PTR Increases  
Larger class sizes across schools
- Program Reductions  
Fewer electives and opportunities
- Impacts Every Community  
Changes felt in every building
- Reduced Staffing Flexibility  
Less ability to support student needs
- Without consolidation, reductions are spread across all students instead of managed through strategic planning.

# Strategic Approach

- Focus reductions where enrollment and facility capacity allow consolidation.
- Avoid spreading reductions equally across all schools.
- Preserve educational quality and stability for the greatest number of students.

# Scenario I Budget Planning

- Under the current FY27 budget scenario, significant consolidation is necessary.
- Goal: Avoid more districtwide increases to PTR or cut to programs that will impact all schools in the district.
- Consolidation allows resources to remain focused on student learning.

# Scenario I: Schools Identified for Consolidation (2026–2027)

- Seward Middle School
- River City Academy
- Sterling Elementary School Consolidation into Soldotna Elementary
- Tustumena Elementary School Consolidation into Redoubt Elementary

# Scenario II Budget Planning

- Scenario II assumes borough funding equivalent to the prior year.
- This level of funding reduces immediate reductions required.
- A phased consolidation approach becomes possible.

# Scenario II Recommendation: 2026–2027 School Year

- Move forward with consolidation of Seward Middle School.
- Move forward with consolidation of River City Academy.
- Limit immediate disruption while addressing structural budget needs.

# Scenario II Budget Recommendation: 2027– 2028 School Year

- Consolidate Paul Banks Elementary with West Homer Elementary.
- Consolidate Tustumena Elementary and Sterling Elementary into a Soldotna-area elementary school.
- Allows MOA with Firweed/West Homer to be fulfilled
- Allows work on Soldotna Area consolidation to take place

# Future Planning Considerations

- Nikiski Jr/Sr High School should remain in consideration for future consolidation discussions.
- Future decisions will depend on enrollment trends, facility utilization, and fiscal sustainability.
- No future action would occur without Board review and community engagement.

# Board Considerations

- Educational programming and opportunities for students.
- Transportation logistics and community impact.
- Balancing fiscal responsibility with educational quality across the district.

# Next Steps

- Board discussion and direction during work session.
- Approach Borough about In-Kind funding based on school consolidations.
- Refinement of FY27 budget based on Board guidance.
- Final decisions occur through formal Board action.