



OFFICE OF THE SUPERINTENDENT

April 20, 2022

The Honorable Robert Myers
Alaska State Senate
Senate Transportation Committee Chair

Re: Letter of Reference Regarding Mat-Su Borough School District Capital Construction Proposal

Dear Senator Myers,

I am writing to you in my capacity as the Superintendent of the Mat-Su Borough School District. First, I want to apologize for the last minute nature of this request for support from the Legislature. The MSBSD prides itself on running a well-organized, efficient operation and normally a request of this nature would have been communicated well ahead of the opening of the legislative session. In this case, rapidly changing conditions with regard to construction costs have prompted us to reach out for legislative support many months after we normally would have requested this type of support. Thank you for considering this request under these unique circumstances.

The MSBSD has pressing facility needs with regard to four of our schools. We are seeking a 50% match from the Legislature to build permanent facilities for Mat-Su Central School, the largest school in our district, Birchtree Charter, and American Charter School. The 50% match would also help the fourth school, Academy Charter School, our highest performing K-8 school, expand to include 250 students in grades 9-12.

The District has been paying for leases on the first three schools for many years. In the case of Mat-Su Central School it has been leasing its current space for more than 30 years. Rather than continue paying recurring and ever increasing lease payments, we plan to repurpose those operating dollars to support construction of permanent facilities. Towards that end, the District has worked with the Mat-Su Borough over the last five years to find property for each school to build a permanent home. Unfortunately, despite having established sites and a funding plan, recent dramatic price escalations for construction make it impossible for the three charter schools and the District to be able to afford to build the required square footage to house more than 3,000 students.

We are attaching a thorough description of each project, the total costs, and the 50% match requested. This is a creative solution to a problem that impacts so many students. Thank you for considering our request. If you have any questions, or clarifications we are more than happy to provide clarification.

Sincerely,

Dr. Randy Trani
Superintendent

MSBSD BOND PROJECT CONCEPT

Current dollar amount for all projects by school:



Mat-Su Central School

Project Estimate (millions) = \$20.8

50% State match: \$10.4



Birchtree Charter School

Project Estimate (millions) = \$23

50% State match: \$11.5



American Charter Academy School

Project Estimate (millions) = \$10.4

50% State match: \$5.2



*Academy Charter School**

Project Estimate (millions) = \$16.0

50% State match: \$8.0

Total Project Estimate (millions) = \$70.2

*Pending AK State Board of Education approval of charter amendment to serve grades 9-12.

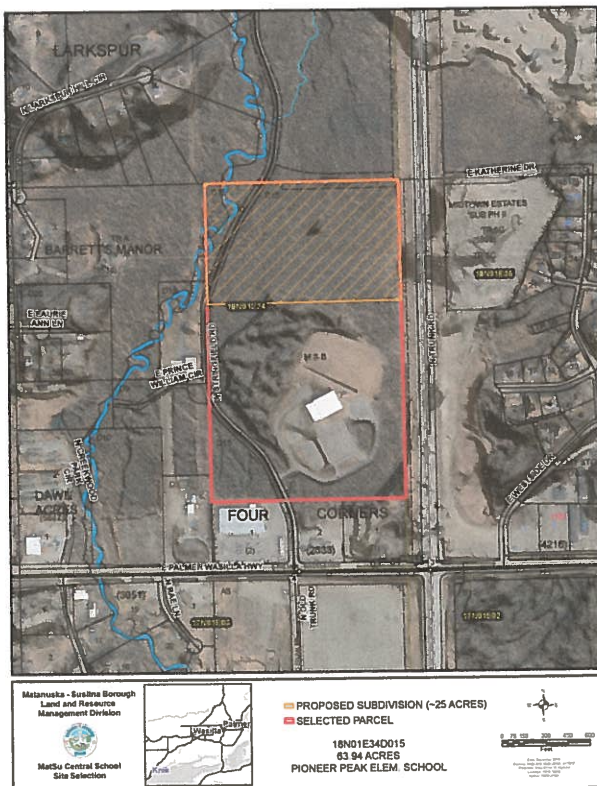
MAT-SU CENTRAL SCHOOL

OVERVIEW:

- Founded in 1972 (formerly Correspondence Study School).
- No permanent school home or location in 50-year history.
- Largest school in the district with 2,200 K-12 students currently enrolled.
- Offers a hybrid homeschool program.

NEW SITE BENEFITS:

- Consolidation of current leases at both Mat-Su Central campuses (Wasilla and Palmer).
- Centrally located for Mat-Su Central families.
- Roadway access from major arterial transportation corridors.
- Adjacent to Mat-Su College supporting dual high school/college credit classes for high school students.



**SITE LOCATION:
STRINGFIELD
SUBDIVISION**
North Stringfield Road
and Trunk Road;
Pioneer Peak
Elementary

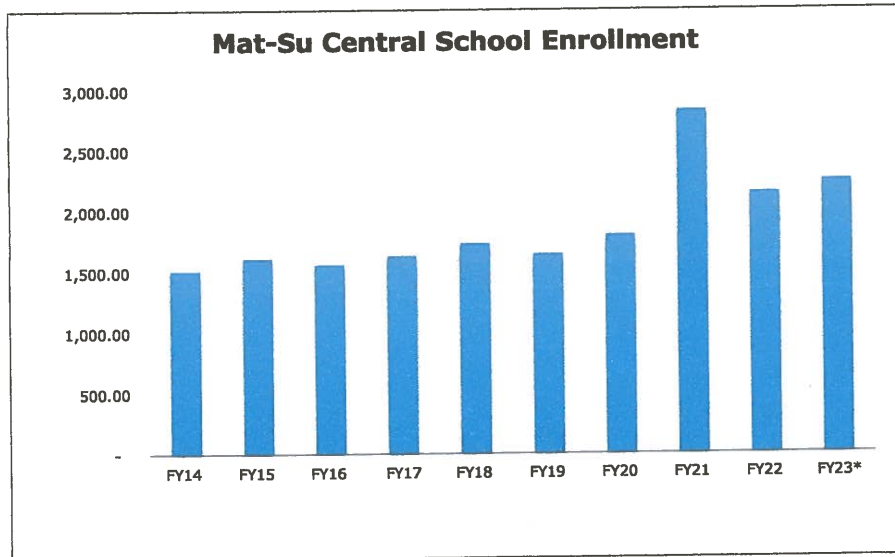


MAT-SU CENTRAL SCHOOL

Fund: 100 General Fund
 Location: 091 Mat-Su Central School
 Date: 3/16/2022

	2018-19 Actual (A)	2019-20 Actual (B)	2020-21 Actual (C)	Original 2021-22 Budget (D)	Current 2021-22 Budget (E)	2022-23 Budget (F)	Change (F-E)	% of Change
PERSONNEL EXPENDITURE								
310 Certificated Salaries	\$ 2,368,156	\$ 2,439,331	\$ 2,856,863	\$ 2,741,721	\$ 2,515,446	\$ 2,576,285	\$ 60,839	2%
320 Non-Certificated Salaries	554,796	584,146	678,559	669,906	607,753	614,008	6,255	1%
360 Employee Benefits	1,220,985	1,209,559	1,416,354	1,477,184	1,346,084	1,365,590	19,506	1%
Total Personnel	4,143,938	4,233,036	4,951,775	4,888,811	4,469,283	4,555,883	86,600	2%
NON-PERSONNEL EXPENDITURE								
410 Professional & Technical Svc	798,515	865,421	1,696,425	1,080,000	1,660,389	1,554,387	(106,002)	-6%
420 Staff Travel	6,550	5,647	3,754	8,485	8,968	7,960	(1,008)	-11%
425 Student Travel	198,891	223,662	60,143	275,000	275,070	388,583	113,513	41%
430 Utilities	345,955	385,632	521,331	447,154	452,194	63,581	(388,613)	-86%
435 Energy	46,705	48,741	46,085	40,437	40,437	45,449	5,012	12%
440 Purchased Services	1,184,317	1,256,949	896,765	1,332,680	1,398,154	1,532,357	134,203	10%
445 Insurance & Bond Premiums	-	-	-	-	-	-	-	0%
450 Supplies & Materials	1,206,336	1,384,355	2,257,853	2,302,500	3,755,727	2,374,630	(1,381,097)	-37%
480 Tuition	-	-	-	-	-	-	-	0%
490 Other Expenses	258,108	258,608	351,582	306,550	327,190	7,300	(319,890)	-98%
495 Indirect Cost	-	-	-	-	-	-	-	0%
500 Capital Outlay	-	-	-	-	-	-	-	0%
510 Equipment	6,248	-	-	-	-	-	-	0%
532 Interest on Long-Term Debt	-	-	-	-	-	-	-	0%
540 Other Capital Outlay	-	-	-	-	-	-	-	0%
Total Non-Personnel	4,051,625	4,429,016	5,833,938	5,792,806	7,918,129	5,974,247	(1,943,882)	-25%
550 Transfers to Other Funds	-	-	-	-	-	-	-	0%
LOCATION TOTALS	\$ 8,195,563	\$ 8,662,052	\$ 10,785,713	\$ 10,681,617	\$ 12,387,412	\$ 10,530,130	\$ (1,857,282)	-15%

Mat-Su Central School lease payments are expected to be \$586,255 in FY23. This cost represents 5.6% of total expenditures.



*Projected enrollment
 Mat-Su Central does not have a waitlist; however, 311 new students have enrolled since October 2021.



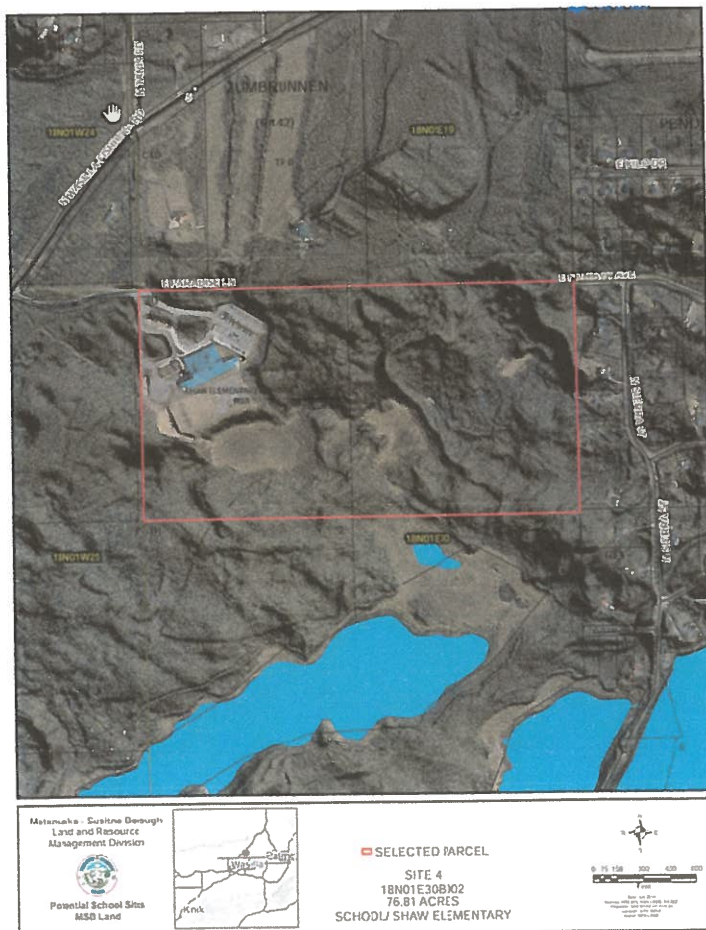
BIRCHTREE CHARTER SCHOOL

OVERVIEW:

- Birchtree Charter School is a Waldorf philosophy-based charter school.
- Currently serves about 400 students, similar in size to a district elementary school.
- In operation for 10 years without a permanent site.

NEW SITE BENEFITS:

- Centrally located between Wasilla and Palmer.
- Located near Birchtree's current enrollment.
- Ample open space to allow for Birchtree's unique learning experience.



SITE LOCATION:
SHAW
ELEMENTARY
East Paradise Lane;
Shaw Elementary

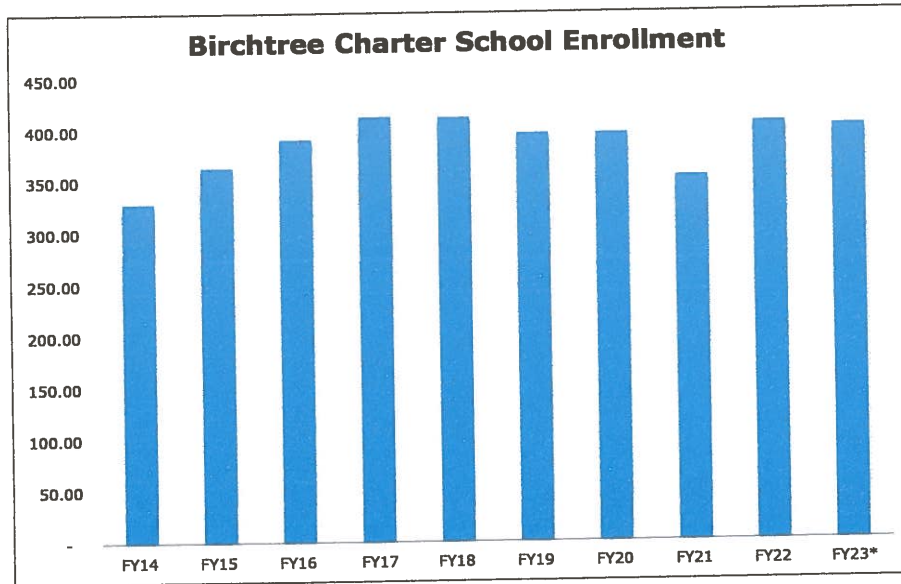


BIRCHTREE CHARTER SCHOOL

Fund: 100 General Fund
 Location: 066 Birchtree Charter School
 Date: 3/16/2022

	2018-19 Actual (A)	2019-20 Actual (B)	2020-21 Actual (C)	Original 2021-22 Budget (D)	Current 2021-22 Budget (E)	2022-23 Budget (F)	Change (F-E)	% of Change
PERSONNEL EXPENDITURE								
310 Certificated Salaries	\$ 2,113,632	\$ 1,967,345	\$ 2,003,186	\$ 1,909,758	\$ 1,963,758	\$ 1,878,692	\$ (85,066)	-4%
320 Non-Certificated Salaries	428,632	441,327	436,517	371,212	428,212	283,529	(144,683)	-34%
360 Employee Benefits	1,029,016	969,169	1,065,201	1,148,015	1,125,015	1,085,981	(39,034)	-3%
Total Personnel	3,571,280	3,377,841	3,504,904	3,428,985	3,516,985	3,248,202	(268,783)	-8%
NON-PERSONNEL EXPENDITURE								
410 Professional & Technical Svc	700	-	5,068	-	400	-	(400)	-100%
420 Staff Travel	10,674	1,460	1,440	1,073	1,073	1,073	-	0%
425 Student Travel	264	1,111	-	-	-	-	-	0%
430 Utilities	24,316	21,913	11,895	-	32,733	16,269	(16,464)	-50%
435 Energy	64,523	64,372	68,621	70,916	70,916	70,000	(916)	-1%
440 Purchased Services	627,988	497,851	619,664	586,200	594,100	606,200	12,100	2%
445 Insurance & Bond Premiums	815	-	2,272	-	-	-	-	0%
450 Supplies & Materials	70,035	59,479	70,156	96,327	194,095	258,419	64,324	33%
480 Tuition	-	-	-	-	-	-	-	0%
490 Other Expenses	1,129	1,050	-	-	-	-	-	0%
495 Indirect Cost	176,897	137,010	142,620	146,933	211,570	143,327	(68,243)	-32%
500 Capital Outlay	-	-	-	-	-	-	-	0%
510 Equipment	-	-	-	-	-	-	-	0%
532 Interest on Long-Term Debt	-	-	-	-	-	-	-	0%
540 Other Capital Outlay	-	-	-	-	-	-	-	0%
Total Non-Personnel	977,342	784,246	921,735	901,449	1,104,887	1,095,288	(9,599)	-1%
550 Transfers to Other Funds	-	-	-	-	-	-	-	0%
LOCATION TOTALS	\$ 4,548,622	\$ 4,162,087	\$ 4,426,639	\$ 4,330,434	\$ 4,621,872	\$ 4,343,490	\$ (278,382)	-6%

Birchtree Charter School's lease payments are expected to be \$586,200 in FY23. This cost represents 13.5% of total expenditures.



*Projected enrollment
 Current waitlist: 133



AMERICAN CHARTER ACADEMY SCHOOL

OVERVIEW:

- American Charter Academy School has operated for 8 years.
- Currently located in a strip-mall type building.
- Uses a standards-based education model with a blended learning environment.
- Primarily serves the the Meadow Lakes, Big Lake, and Wasilla areas.
- Trending in increased enrollment

NEW SITE BENEFITS:

- Located within the area of American Charter Academy families.
- Location has roadway access.



SITE LOCATION:
**SELDON/
CHURCH**
West Seldon Road
and North Church
Road

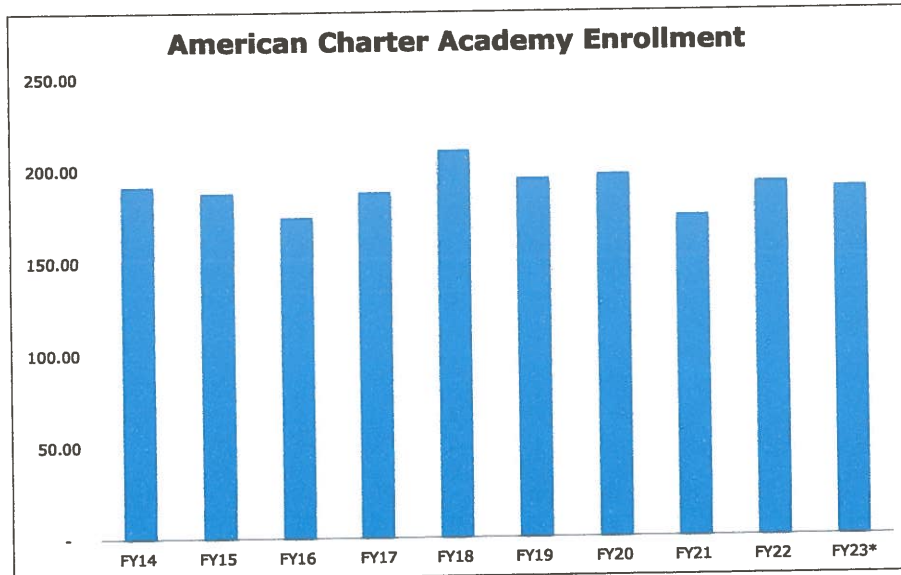


AMERICAN CHARTER ACADEMY SCHOOL

Fund: 100 General Fund
 Location: 067 American Charter Academy
 Date: 3/16/2022

	2018-19 Actual (A)	2019-20 Actual (B)	2020-21 Actual (C)	Original 2021-22 Budget (D)	Current 2021-22 Budget (E)	2022-23 Budget (F)	Change (F-E)	% of Change
PERSONNEL EXPENDITURE								
310 Certificated Salaries	\$ 956,581	\$ 945,605	\$ 1,054,574	\$ 873,981	\$ 813,476	\$ 904,114	\$ 90,638	11%
320 Non-Certificated Salaries	303,715	237,603	240,058	309,440	259,912	286,876	26,964	10%
360 Employee Benefits	667,225	553,150	617,012	683,116	705,716	652,829	(52,887)	-7%
Total Personnel	1,927,521	1,736,357	1,911,644	1,866,537	1,779,104	1,843,819	64,715	4%
NON-PERSONNEL EXPENDITURE								
410 Professional & Technical Svc	-	-	31,569	-	-	-	-	0%
420 Staff Travel	1,320	1,320	2,640	2,720	3,320	720	(2,600)	-78%
425 Student Travel	-	934	-	3,900	3,900	3,000	(900)	-23%
430 Utilities	24,351	24,624	17,056	5,000	49,808	73,495	23,687	48%
435 Energy	65,878	64,410	63,573	98,000	103,040	-	(103,040)	-100%
440 Purchased Services	247,344	246,110	249,945	229,400	242,643	236,800	(5,843)	-2%
445 Insurance & Bond Premiums	117	-	422	-	-	-	-	0%
450 Supplies & Materials	51,697	44,266	31,664	76,214	125,271	153,780	28,509	23%
480 Tuition	-	-	-	-	-	-	-	0%
490 Other Expenses	841	868	50	8,441	8,441	-	(8,441)	-100%
495 Indirect Cost	92,763	70,129	75,522	76,834	131,873	78,468	(53,405)	-40%
500 Capital Outlay	-	-	-	-	-	-	-	0%
510 Equipment	-	-	-	-	-	-	-	0%
532 Interest on Long-Term Debt	-	-	-	-	-	-	-	0%
540 Other Capital Outlay	-	-	-	-	-	-	-	0%
Total Non-Personnel	484,310	452,661	472,440	500,509	668,296	546,263	(122,033)	-18%
550 Transfers to Other Funds	-	-	-	-	427,889	-	(427,889)	-100%
LOCATION TOTALS	\$ 2,411,831	\$ 2,189,018	\$ 2,384,084	\$ 2,367,046	\$ 2,875,289	\$ 2,390,082	\$ (485,207)	-17%

American Charter Academy's lease payments are expected to be \$231,336 in FY23. This cost represents 9.7% of total expenditures.



*Projected enrollment
 Current waitlist: 23

ACADEMY CHARTER SCHOOL

OVERVIEW:

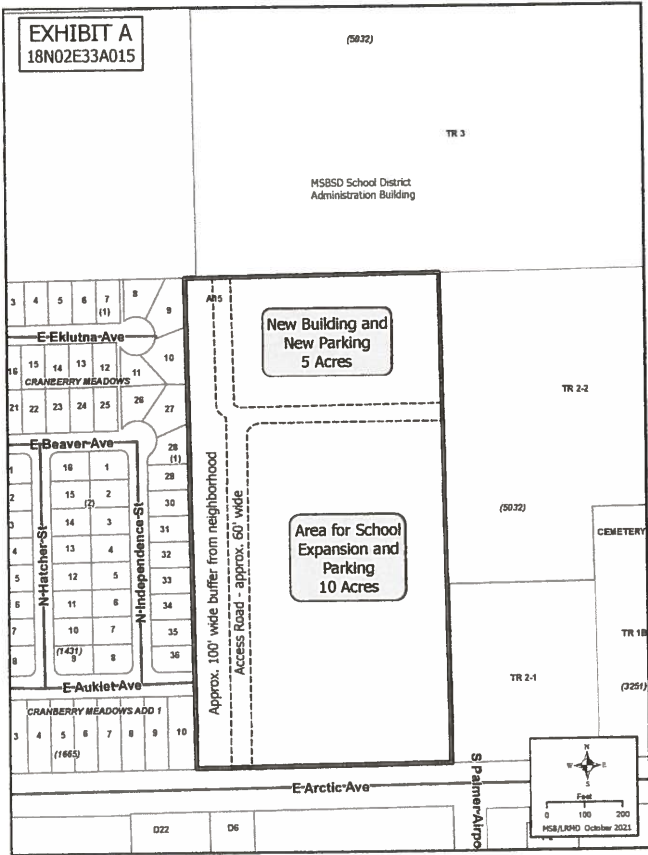
- In October 2021, The Academy Advisory Board, the governing board of Academy Charter School, unanimously approved the expansion of Academy Chart School to include grades 9th thru 12th grade with one grade level added each subsequent school year.**

- 9th grade 2023-24 School Year
- 10th grade 2024-25 School Year
- 11th grade 2025-26 School Year
- 12th grade 2026-27 School Year

**Pending AK State Board of Education approval of charter amendment to serve grades 9-12.

SITE BENEFITS:

- Property is adjacent to Academy Charter School facility.
- Close proximity to parks, trails, and other schools.



SITE LOCATION:
ACADEMY
CHARTER SCHOOL
801 E. Arctic

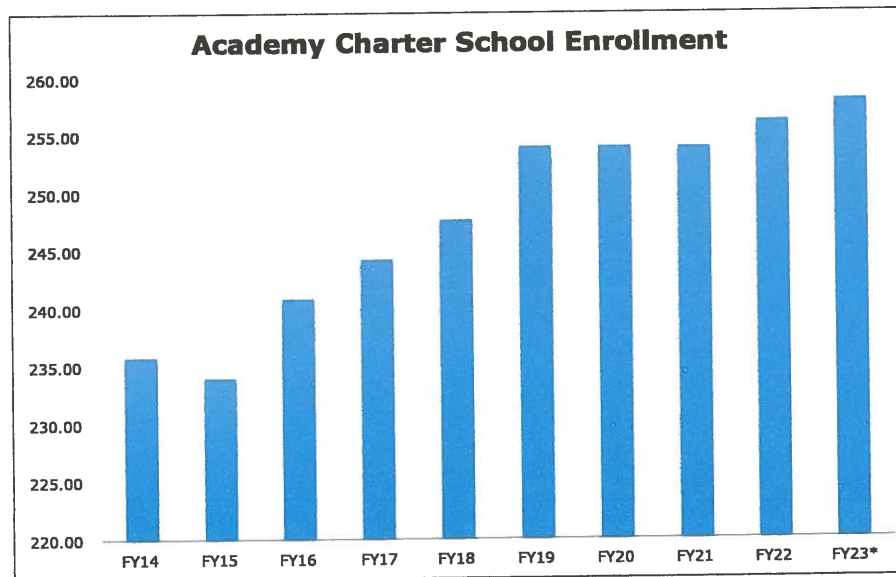


ACADEMY CHARTER SCHOOL

Fund: 100 General Fund
 Location: 062 Academy Charter School
 Date: 3/16/2022

	2018-19 Actual (A)	2019-20 Actual (B)	2020-21 Actual (C)	Original 2021-22 Budget (D)	Current 2021-22 Budget (E)	2022-23 Budget (F)	Change (F-E)	% of Change
PERSONNEL EXPENDITURE								
310 Certificated Salaries	\$ 1,437,292	\$ 1,413,717	\$ 1,583,378	\$ 1,518,269	\$ 1,583,265	\$ 1,517,271	\$ (65,994)	-4%
320 Non-Certificated Salaries	199,133	180,253	179,999	163,199	115,569	160,790	45,221	39%
360 Employee Benefits	748,407	680,405	793,223	782,072	686,900	804,596	117,696	17%
Total Personnel	2,384,831	2,274,375	2,556,599	2,463,540	2,385,734	2,482,657	96,923	4%
NON-PERSONNEL EXPENDITURE								
410 Professional & Technical Svc	240	450	149	17,500	33,445	15,450	(17,995)	-54%
420 Staff Travel	30,959	33,268	1,740	12,460	13,379	2,584	(10,795)	-81%
425 Student Travel	106,599	90,082	18,911	30,000	30,000	-	(30,000)	-100%
430 Utilities	35,311	35,993	17,783	36,429	88,080	40,241	(47,839)	-54%
435 Energy	45,599	48,422	47,376	50,000	50,000	55,000	5,000	10%
440 Purchased Services	69,841	15,442	39,175	44,500	44,500	44,500	-	0%
445 Insurance & Bond Premiums	24,217	-	21,672	26,571	26,571	26,571	-	0%
450 Supplies & Materials	108,993	160,953	238,349	155,298	474,787	229,125	(245,662)	-52%
480 Tuition	-	-	-	-	-	-	-	0%
490 Other Expenses	5,711	369	369	500	697	-	(697)	-100%
495 Indirect Cost	112,492	101,222	108,391	110,395	138,336	110,873	(27,463)	-20%
500 Capital Outlay	-	-	-	-	-	-	-	0%
510 Equipment	-	-	9,278	-	11,928	10,000	(1,928)	-16%
532 Interest on Long-Term Debt	-	-	-	-	-	-	-	0%
540 Other Capital Outlay	-	-	-	-	-	-	-	0%
Total Non-Personnel	539,963	486,201	503,193	483,653	911,723	534,344	(377,379)	-41%
550 Transfers to Other Funds	-	-	-	-	40,000	-	(40,000)	-100%
LOCATION TOTALS	\$ 2,924,795	\$ 2,760,576	\$ 3,059,792	\$ 2,947,193	\$ 3,337,457	\$ 3,017,001	\$ (320,456)	-10%

Academy Charter School's current expenditures do not include lease payments. Academy Charter School's annual debt service is projected to be \$458,319, or 15.2% of total expenditures.



*Projected enrollment
 Current waitlist: 241





**MATANUSKA
SUSITNA**
BOROUGH SCHOOL
DISTRICT