



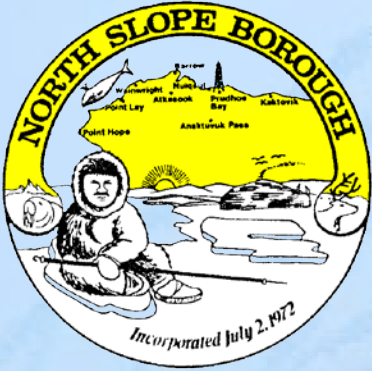
# NORTH SLOPE BOROUGH AND NORTH SLOPE BOROUGH SCHOOL DISTRICT

Presentation to the House Finance  
Committee March 5, 2019



**NORTH SLOPE**  
BOROUGH SCHOOL DISTRICT

*Striving For Excellence*

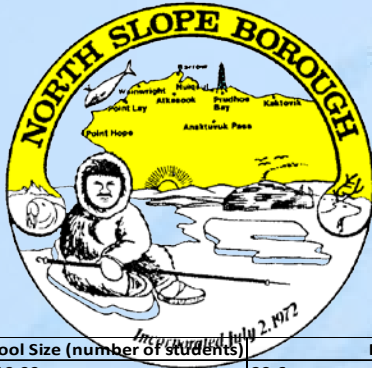


# NSBSD Mission

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Learning in our schools is rooted in the values, history and language of the Iñupiat. Students develop the academic and cultural skills and knowledge to be:

- Critical and creative thinkers able to adapt in a changing environment and world;
- Active, responsible, contributing members of their communities; and
- Confident, healthy young adults, able to envision, plan and take control of their destiny.



# NSBSD Foundation Formula

School Size (number of students)	Formula
10-19.99	39.6
20-29.99	39.60+(1.62*(ADM-20))
30-74.99	55.80+(1.49*(ADM-30))
75-149.99	122.85+(1.27*(ADM-75))
150-249.99	218.10+(1.08*(ADM-150))
250-399.99	326.10+(.97*(ADM-250))
400-749.99	471.60+(.92*(ADM-400))
Over 750	793.60+(.84*(ADM-750))

ADM= Average Daily Membership (from Oct count)

School Name	Elementary K-6	Secondary 7-12	ADM	Elem. Adj ADM	Sec. Adj ADM	One Site Adj ADM	Total Adj ADM	Cost Factor (1.791)	Special Needs Funding 20%	Career Tech & Ed 1.5%	Intensive	Correspondence
Alak School	89.00	79.00	168.00	140.63	127.93	0.00	268.56	480.99	577.19	585.85	0	0
Barrow High School	0.00	269.00	269.00	0.00	344.53	0.00	344.53	617.05	740.46	751.57	4	0
Eben Hopson Middle School**	98.00	172.00	270.00	0.00	0.00	345.50	345.50	618.79	742.55	753.69	2	0
Fred Ipalook Elementary*	549.00	0.00	549.00	608.68	0.00	0.00	608.68	1090.15	1308.18	1327.80	4	0
Harold Kavelook School	32.00	19.00	51.00	0.00	0.00	87.09	87.09	155.98	187.17	189.98	0	0
Kali School	57.00	40.00	97.00	0.00	0.00	150.79	150.79	270.06	324.08	328.94	0	0
Meade River School	40.00	32.00	72.00	0.00	0.00	118.38	118.38	212.02	254.42	258.24	1	0
Nuiqsut Trapper School	106.00	52.00	158.00	162.22	88.58	0.00	250.80	449.18	539.02	547.10	2	0
Nunamiut School	56.00	53.00	109.00	94.54	90.07	0.00	184.61	330.64	396.76	402.72	1	0
Tikigaq School	127.00	113.00	240.00	188.89	171.11	0.00	360.00	644.76	773.71	785.32	3	0
	<b>1154.00</b>	<b>829.00</b>	<b>1983</b>				<b>2718.94</b>	<b>4869.62154</b>	<b>5843.545848</b>	<b>5931.199036</b>	<b>17</b>	<b>0</b>

\*Kiita's student numbers added to IPK

Number of Intensive Students multiplied by 13

Correspondence Students multiplied by .90

School size of 10-100 adjusted elem + secondary.

\*\*HMS Adjusted as one site because Utqiaġvik is over 425 ADM

221  
6152.199036  
District Adjusted ADM: 6,152.20  
Base Allocation: \$ 5,930.00  
Basic Need: \$ 36,482,540.28

NSB Minimum Required Local Contributio: \$15,590,658.00 45% of Prior year Basic Need  
Maximum Allowed Local Contribution: \$59,649,347.00 Per DEED

## LOCAL CONTRIBUTION TO OPERATIONAL BUDGET

STATE MAXIMUM ALLOWED LOCAL CONTRIBUTION	\$ 59,649,347.00
NSB APPROPRIATION	\$ (35,375,626.00)
NSB IN-KIND	\$ (2,500,000.00)
NSB SUPPLEMENTAL FUNDING	\$ (3,060,000.00)
FUNDING BELOW THE AMOUNT ALLOWABLE FOR OPERATIONAL BUDGET	\$ <b>18,713,721.00</b>

## NSBSD State Aide

Basic Need	\$ 36,482,540.28
Required Local Contribution (from NSB)	\$ (15,590,658.00)
Eligible Impact Aid	\$ (1,527,405.00)
State Aid	\$ 19,364,477.28

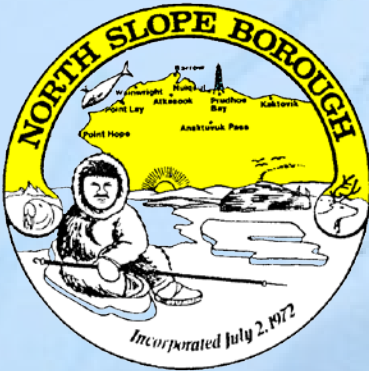
## Quality Schools Grant

District adjusted ADM x \$16	6,152.20
	\$16
	98,435

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## Components of State Aide

State Aid	\$ 19,364,477
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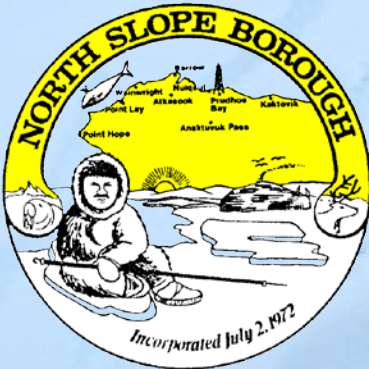


# North Slope Borough Funding

	Proposed FY19-20	FY18-19	FY17-18	FY16-17	FY15-16
Base Line Support	31,838,063	35,375,626	36,535,626	35,375,626	34,375,626
Base Line Support as a % of Total NSB Budget	7.9%	9.2%	9.0%	9.2 %	8.5%
Base Line Support in Mills*	1.52 mills	1.62 mills	1.66 mills	1.65 mills	1.65 mills
NSB Total Mill rate	17.99	17.99	17.99	18.50	18.50

\* Does not include mill rate associated with Debt Service for School Related Bonds



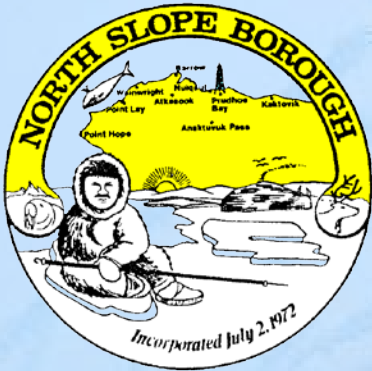


# FY20 Legislative Impacts

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- House Bill 59-Repealing the levy of tax by municipality on oil and gas exploration, production, and pipeline transportation property.
- 95-97% of NSB Tax Base is Oil and Gas Infrastructure
- NSB Pledges Ad valorem taxes on property within the Borough to pay for principal and interest on bonds
  - Current outstanding debt (P+I) \$251,431,154
  - Services Provided by the Borough on the State's behalf
    - Education, Public Safety, Fire, Search and Rescue, Health, Permitting. Roads and etc. Approx. \$175 million annually in operating funds.\*

\*Does not include capital infrastructure

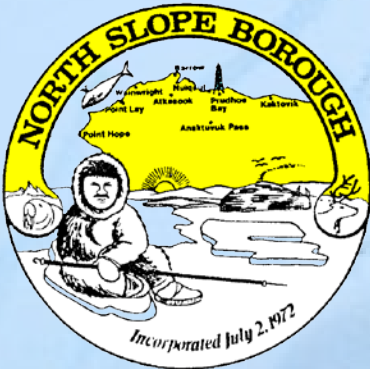


## FY20 Legislative Impacts Continued

- If House Bill 59 went into effect, the Borough's budget will be significantly impacted as projected below:

Projected Revenues	
Property Tax – Local	\$14,392,000
Federal Grants	\$1,275,787
State Grants	\$2,243,989
Charges for Services	\$9,359,008
Investment Income	\$2,500,000
Other Revenue	\$8,490,000
Total	\$38,260,784

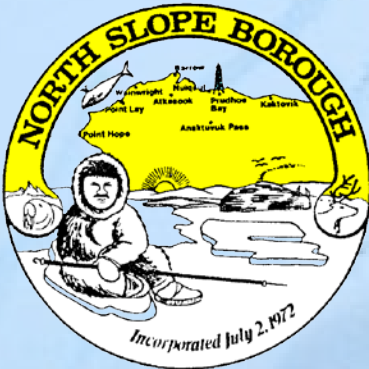
- The minimum required Borough Contribution \$15,375,626



## FY20 Legislative Impacts Continued

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- Governor's proposal surrounding the reduction in Baseline Student Allocation
  - Reduction of \$4,511,923 or 6.2%
- North Slope Borough reduction in local contribution
  - Reduction of \$3,537,563 or 10%
  - Decrease is mainly due to operating budget reduction as a result of population decline in the oil patch.

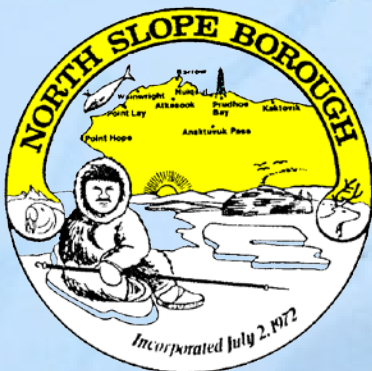


## FY20 Legislative Impacts Continued

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- Senate Bill 64/HB 66-Repealing state aid for costs of school construction debt
  - Currently DEED reimburses the Borough on one project.
    - Project Cost \$1 million for Design work Meade River School. 2014B Bonds
  - Eligible School Projects Subject to reimbursement prior to 5yr suspension
    - Project Cost \$65,979,000
    - No reimbursement by DEED
  - School Project and related Bonds since suspension of DEED reimbursement
    - \$65,530,000
- Total cost to the NSB \$131,509,000





# Questions?

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