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Copper River School District

Superintendent's Office
Box 108
Glennallen, Alaska 99588
(907) 822-2234

January 23, 1980

Honorable H. Pappy Moss
Alaska State House of Representatives
Pouch V
Juneau, Alaska 99811

RE: Area Differential

Dear Representative Moss:

In 1976-77, the first year of our existence as a school district, this district was tied with Delta-Greeley and Alaska Gateway districts with an area differential of 115% in our foundation program.

During the legislative session beginning in January of 1977, the district supported a bill in the legislature that raised the area differential for this group to 120%. At a critical time in the life of this legislation, one of our legislators accepted an appointment from the governor and left the legislature. When the legislature adjourned, the bill had passed the legislature, but the Copper River School District had been removed from the bill and we changed to a new group including Cordova, Haines and Valdez.

Subsequent efforts to achieve a rational explanation for this turn of events have been unproductive. I am inclined to believe that there were none. Gathering data to support our justification for being re-admitted to our original group has not been very productive either. Market basket surveys give support, but clearly on energy consumption alone, we are mis-matched when placed with coastal climates. Fuel costs alone have more than tripled since our first year of operation in 1976-77.

In reviewing the 1977 study made by the Center for Northern Educational Research entitled Alaska Interregional Cost Differentials p.p. 90, 98, 104 the study indicates that our cost differential is actually higher than for Delta-Greeley and Alaska Gateway. The harsh reality of the matter is that under our present formula we are struggling to end the year with a balanced budget. Increased transportation costs and energy costs are placing a severe strain on our budget. The warm spell that just ended was a blessing, but if Winter lingers, we are in trouble.

We specifically ask your help in introducing or supporting legislation that restores us to the group that has a greater commonality with us in area cost factors. I know that legislation is being introduced that has as one of its components a study of differentials every two years commencing in FY 82, but

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we need relief now. We've already waited two years. If an independent agency refutes such a move at a later date, we certainly would cooperate with the findings; but we think that an injustice has been done that should be corrected immediately for the next fiscal year and we solicit your support. Thank you for all of your help.

Sincerely,



Dr. Alfred Krinke, Superintendent
Copper River School District

AK:pm

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 246
 Title An Act relating to instructional unit allotments for school districts.
 Requested by Rep. Cato Date 3/3/81

II. FISCAL DETAIL

Agency Affected Education
 Program Category Affected Elementary and Secondary
 BRU, Program, or Subprogram(s) Affected Foundation Support Districts

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		176.6	194.3	213.7	235.1	258.6

TOTAL

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		176.6	*194.3	213.7	235.1	258.6
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		N/A				
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

FY 82

Basic Need
 $76 \text{ IU} \times 38,590 \times 115\% = 3,372,804$
 $76 \text{ IU} \times 38,590 \times 120\% = 3,519,408$
 Impact 146,604

Supplemental Equalization
 $983.14 \times 115\% \times 610 = 689,673$
 $983.14 \times 120\% \times 610 = 719,658$
 Impact 29,985

Total fiscal impact \$176.6

* Assumes annual inflation of 10%.

IV. DATE 3/4/81 PREPARED BY  Steve Hole
 AGENCY Department of Education
 PHONE 465-2800

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)