

SB

36

(File 1)

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 2, 1998

FURTHER REFERRALS:

Date of Committee Action: 5/11/98

The FINANCE Committee considered:

CSSB 36(FIN) am

CS FOR SENATE BILL NO. 36(FIN) am

PUBLIC SCHOOL FUNDING

"An Act relating to public schools; relating to the definition of a school district, to the transportation of students, to employment of chief school administrators, to school district layoff plans, to the special education service agency, and to the child care grant program; and providing for an effective date."

recommends it be replaced with the following committee substitute HCS CSSB 36 (FIN) [] the same title
[] a new title

[] additional referral to _____ Committee
[] attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

[✓] fiscal note(s) _____

[] fiscal note(s) _____

(5) DOE

[] zero fiscal note(s) _____

[✓] zero fiscal note(s) _____

Labin 3/10/98

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Gene Theriault</i> Theriault	X			
<i>Terri Martin</i> Martin	X			
<i>Mark Hanley</i> Hanley	X			
<i>John Mulder</i> Mulder	X			
<i>Vic Kohring</i> Kohring		X		
<i>J. Daves</i> J. Daves				X
<i>Ben Grissindart</i> Grissindart				X
<i>Al Davis</i> Davis	X			
<i>Kelly</i> Kelly	X			
<i>Moses</i> Moses				X
<i>D. Foster</i> Foster	X			

CO CHAIR'S SIGNATURE

Gene Theriault
Theriault

Mark Hanley
Hanley

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 36(FIN)

Revision Date: _____ Dept. Affected: EDUCATION
 Title: An act relating to public schools; BRU: K - 12 Support
 Component: Foundation Formula
 Sponsor: Senators Phillips, Taylor, Wilken, Torgerson
 Requester: House Finance **COMPONENT SERIAL NO.** 141

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY99	FY00	FY01	FY02	FY03	FY04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	16,492.5	26,553.6	26,880.6	26,880.6	26,880.6	26,880.6
MISCELLANEOUS						
TOTAL OPERATING	16,492.5	26,553.6	26,880.6	26,880.6	26,880.6	26,880.6

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF		26,553.6	26,880.6	26,880.6	26,880.6	26,880.6
1103 AHFC Receipts	10,632.1					
Other: FY98 Carryforward	5,860.4					
TOTAL	16,492.5	26,553.6	26,880.6	26,880.6	26,880.6	26,880.6

Estimate of current year (FY98) cost: \$

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Fiscal note for the foundation formula to implement HCS CSSB 36(FIN) at 60% of the increased entitlement.
 Fiscal year 2000 has been adjusted for the centralized correspondence transition section, and for 100% of entitlement.
 Fiscal year 2001 has been adjusted for the centralized correspondence transition section.
 This fiscal note does not project enrollment increases.
 See attached analysis of FY99 entitlements.
 FY98 Carryforward: SB 231, Sec. 45

Prepared by: Eddy Jeans, School Finance Manager
 Division: Education Support Services
 Approved by Commissioner: Shirley J. Holloway, Ph.D.
 Agency: Department of Education

Phone: 465-8678
 Date: _____
 Date: 5/11/98

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	B	D	E	F	G	H	I	J	K
1	Alaska Department of Education								
2	Foundation Program; CSSB 36(FIN) am								
3	Schools Split @ 100 ADM								
4	May 11, 1998								
5	FY99	D - E			May 6th Alternative				
6		CS SB36	Existing		@ 100%	F + G			
7	School	Proposed	Foundation	Difference:	Floor	Net Change	Quality	Net	% Chang
8	District:	State Aid:	State Aid:			State Aid	Grant	Change	in
						Plus Floor:	\$16		State Alc
9	Alaska Gateway	4,727,792	4,988,882	(261,090)	261,090	-	20,590	20,590	0.41%
10	Aleutian Region	1,109,926	1,294,229	(184,303)	184,303	-	4,716	4,716	0.36%
11	Aleutians East	3,601,930	3,514,644	87,286	-	52,372	17,068	69,439	2.97%
12	Anchorage	196,915,180	188,038,815	8,876,365	-	5,325,819	1,044,945	6,370,764	5.28%
13	Annette Island	1,675,533	1,730,838	(55,305)	55,305	-	10,519	10,519	0.61%
14	Bering Strait	17,848,423	17,449,778	398,645	-	239,187	85,109	324,296	2.77%
15	Bristol Bay	1,820,011	1,654,521	165,490	-	99,294	11,443	110,737	10.69%
16	Chatham	2,467,831	2,337,557	130,274	-	78,164	12,403	90,567	6.10%
17	Chugach	1,081,051	1,515,697	(434,646)	434,646	-	4,848	4,848	0.32%
18	Copper River	5,912,456	6,225,778	(313,322)	313,322	-	24,304	24,304	0.39%
19	Cordova	2,887,179	2,868,602	18,577	-	11,146	14,507	25,654	1.15%
20	Craig	2,445,588	2,502,192	(56,604)	56,604	-	11,460	11,460	0.46%
21	Delta/Greely	4,720,078	4,790,289	(70,211)	70,211	-	22,443	22,443	0.47%
22	Denali	2,938,753	2,659,400	279,353	-	167,612	13,847	181,459	11.03%
23	Dillingham	3,880,569	3,977,867	(97,298)	97,298	-	18,882	18,882	0.47%
24	Fairbanks	67,654,084	64,607,118	3,046,966	-	1,828,180	362,222	2,190,402	5.28%
25	Galena	5,773,675	6,649,592	(875,917)	875,917	-	23,855	23,855	0.36%
26	Haines	2,291,657	2,141,312	150,245	-	90,147	12,089	102,236	7.58%
27	Hoonah	2,004,297	2,044,737	(40,440)	40,440	-	8,704	8,704	0.43%
28	Hydaburg	1,062,473	1,191,627	(129,154)	129,154	-	4,422	4,422	0.37%
29	Iditarod	4,982,528	5,278,870	(296,342)	296,342	-	22,356	22,356	0.42%
30	Juneau	21,243,189	20,166,492	1,076,697	-	646,018	124,398	770,416	5.96%
31	Kake	1,329,374	1,466,725	(137,351)	137,351	-	5,915	5,915	0.40%
32	Kashunamiut	2,523,867	2,395,395	128,472	-	77,033	11,242	88,225	5.83%
33	Kenai Peninsula	44,730,990	42,073,799	2,657,191	-	1,594,315	245,784	1,840,098	6.90%
34	Ketchikan	10,219,095	8,752,133	1,465,962	-	879,577	60,002	939,579	17.44%
35	Klawock	1,236,992	1,580,522	(343,530)	343,530	-	5,709	5,709	0.36%
36	Kodiak Island	14,257,508	13,876,822	380,686	-	228,412	74,966	303,378	3.28%
37	Kuspuk	5,350,499	5,513,829	(163,330)	163,330	-	23,759	23,759	0.43%
38	Lake & Peninsula	6,673,557	6,743,387	(69,830)	69,830	-	29,019	29,019	0.43%
39	Lower Kuskokwim	33,577,523	38,671,330	(5,093,807)	5,093,807	-	153,213	153,213	0.40%
40	Lower Yukon	16,206,754	14,928,605	1,278,149	-	766,800	77,792	844,682	9.08%
41	Mat-Su	58,563,778	58,161,852	401,926	-	241,156	278,142	519,298	1.17%
42	Nenana	1,539,711	1,916,854	(377,143)	377,143	-	6,534	6,534	0.34%
43	Nome	5,182,515	5,466,779	(284,264)	284,264	-	23,652	23,652	0.43%
44	North Slope	9,987,057	11,686,868	(1,699,811)	-	(1,699,811)	79,334	(1,620,477)	-13.87%
45	Northwest Arctic	20,711,305	18,530,116	2,181,189	-	1,308,713	94,694	1,403,407	12.28%
46	Pelican	359,656	605,426	(245,770)	245,770	-	1,677	1,677	0.28%
47	Petersburg	3,800,994	3,385,160	415,834	-	249,500	19,314	268,814	12.85%
48	Pribilof	1,867,245	1,883,539	(16,294)	16,294	-	8,944	8,944	0.47%
49	Sitka	7,069,003	6,142,485	926,518	-	555,911	39,203	595,114	15.72%
50	Skagway	641,692	796,690	(154,998)	154,998	-	4,738	4,738	0.59%
51	Southeast Island	2,385,577	2,765,941	(380,364)	380,364	-	11,372	11,372	0.41%
52	Southwest Region	7,576,635	7,597,531	(20,896)	20,896	-	34,702	34,702	0.46%
53	St. Mary's	1,254,355	1,555,616	(301,261)	301,261	-	5,368	5,368	0.35%
54	Tanana	1,280,212	1,381,184	(100,972)	100,972	-	5,414	5,414	0.39%
55	Unalaska	1,737,443	2,111,386	(373,943)	373,943	0	12,830	12,831	0.61%
56	Valdez	3,170,394	3,670,718	(500,324)	500,324	0	23,615	23,615	0.64%
57	Wrangell	2,557,661	2,509,373	48,288	-	28,973	13,035	42,008	2.44%
58	Yakutat	1,415,453	1,429,670	(14,217)	14,217	-	6,378	6,378	0.45%
59	Yukon Flats	5,360,367	6,158,915	(798,548)	798,548	-	24,078	24,078	0.39%
60	Yukon/Koyukuk	5,966,075	6,788,379	(822,304)	822,304	-	27,883	27,883	0.41%
61	Yupit	3,930,995	4,250,129	(319,134)	319,134	-	19,125	19,125	0.45%
62	ACS	4,573,828	3,996,324	577,504	-	346,502	18,574	365,076	14.92%
63	Mt. Edgecumbe	1,798,610	1,717,150	81,460	-	48,876	7,304	56,180	5.17%
64	Other	26,096,071	26,096,071	-	-	-	-	-	0.00%
66	TOTAL:	\$673,975,994	\$664,235,640	\$9,740,354	\$13,332,912	\$13,164,035	\$3,328,443	\$16,492,479	

	B	C	D	E	F	G	H	I	
1	Alaska Department of Education								
2	Foundation Program: CSSB 36(FIN) am								
3	C + E + F								
4	May 11, 1993	Correspondence				Adj. For			
5	FY99	In		Out	School		District		
6	School	Projected	Students	Students	Total	Size	Cost		
7	District:	ADM:	ADM:	ADM:	ADM:	ADM:	Factor:	Prot.	
8									
9	Alaska Gateway	494.00		23.00		522.00	800.07	1.291	
10	Aleutian Region	67.00				67.00	141.48	1.736	
11	Aleutians East	345.00				345.00	615.92	1.423	
12	Anchorage	47,832.75				47,832.75	51,565.90	1.000	
13	Annette Island	389.00		2.00		391.00	532.32	1.011	
14	Bering Strait	1,809.41				1,809.41	2,895.79	1.525	
15	Bristol Bay	304.00				308.00	465.64	1.262	
16	Chatham	297.00				297.00	569.34	1.120	
17	Chugach	81.00	45.00	20.00		146.00	161.63	1.294	
18	Copper River	606.50	37.00	186.00		829.50	942.91	1.176	
19	Cordova	530.00				530.00	678.00	1.096	
20	Craig	408.00	30.00	9.00		447.00	552.84	1.010	
21	Delta/Greely	734.00	90.00			824.00	980.04	1.106	
22	Denali	352.00	3.00			355.00	547.76	1.313	
23	Dillingham	619.00				619.00	767.63	1.254	
24	Fairbanks	15,957.50	490.00			16,447.50	17,129.37	1.039	
25	Galena	222.00			1,157.00	1,379.00	337.14	1.348	
26	Haines	429.00	9.00			438.00	602.16	1.008	
27	Hoonah	270.00				270.00	398.10	1.055	
28	Hydaburg	125.00				125.00	208.45	1.085	
29	Iditarod	436.00				436.00	777.92	1.470	
30	Juneau	5,721.00	29.00			5,750.00	6,112.51	1.005	
31	Kake	190.00				190.00	296.50	1.025	
32	Kashunamiut	279.00				279.00	409.53	1.389	
33	Kenal Peninsula	10,243.96	98.00			10,341.96	12,452.76	1.004	
34	Ketchikan	2,650.00	69.00			2,719.00	3,029.12	1.000	
35	Kizwick	215.00				215.00	288.30	1.017	
36	Kodiak Island	2,819.00	78.00			2,897.00	3,478.96	1.093	
37	Kuspuk	510.00				510.00	854.21	1.434	
38	Lake & Peninsula	513.00	5.00			518.00	965.27	1.558	
39	Lower Kuskokwim	3,642.00				3,642.00	5,282.14	1.491	
40	Lower Yukon	1,850.60				1,850.60	2,811.79	1.438	
41	Mat-Su	12,045.00	596.00			12,641.00	13,330.94	1.010	
42	Nenana	135.00	20.00	65.00		220.00	223.35	1.270	
43	Nome	789.00				789.00	930.78	1.319	
44	North Slope	2,037.00				2,037.00	2,736.26	1.504	
45	Northwest Arctic	2,233.00	15.00			2,248.00	3,169.44	1.549	
46	Pelican	38.00				38.00	67.72	1.290	
47	Petersburg	775.00				775.00	993.42	1.000	
48	Pribilof	196.00				196.00	325.34	1.419	
49	Sitka	1,680.00	70.00			1,750.00	1,953.50	1.000	
50	Skagway	130.00				130.00	215.90	1.143	
51	Southeast Island	259.00	10.00			269.00	521.03	1.124	
52	Southwest Region	779.20				779.20	1,261.36	1.423	
53	St. Mary's	133.00				133.00	206.96	1.351	
54	Tanana	111.00	2.00			113.00	187.59	1.496	
55	Unalaska	390.00				390.00	533.40	1.245	
56	Valdez	895.00				895.00	1,100.43	1.095	
57	Wrangell	498.25	10.00	6.00		514.25	647.42	1.000	
58	Yakutat	178.00				178.00	305.62	1.046	
59	Yukon Flats	409.00	35.00			444.00	737.84	1.668	
60	Yukon/Koyukuk	554.00				554.00	947.44	1.502	
61	Yupik	412.00				412.00	675.24	1.469	
62	ACS	0.00		1,658.38		1,658.38		1.000	
63	Mt. Edgecumbe	306.00				306.00	380.42	1.000	
64	Other								
66	TOTALS:	125,928.17	1,771.00	3,101.38		130,800.55	149,102.89	68.00	164,771.39

	B	K	M	O	P	Q	S	
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3		J x 1.20		M x 5		K + O	E x .80	F x .80
4	May 11, 1998	Special	Special		Adjusted	Correspondence		
5	FY99	Education	Education	Adj.	Students +	In	Out	
6	School	Factor	Intensive:	Intensive	Special	District	District	A
7	District:	1.20	5.00	Education:	Education:	80%	80%	A
8								
9	Alaska Gateway	1,239.47	5.00	25.00	1,264.47	22.40	0.00	
10	Alutian Region	294.73	0.00	0.00	294.73	0.00	0.00	
11	Alutians East	1,051.74	3.00	15.00	1,066.74	0.00	0.00	1.00
12	Anchorage	61,879.08	686.00	3,430.00	65,309.08	0.00	0.00	65,309.08
13	Annette Island	645.82	2.00	10.00	655.82	1.60	0.00	655.82
14	Bering Strait	5,299.30	4.00	20.00	5,319.30	0.00	0.00	5,319.30
15	Bristol Bay	705.17	2.00	10.00	715.17	0.00	0.00	715.17
16	Chatham	765.19	2.00	10.00	775.19	0.00	0.00	775.19
17	Chugach	250.98	0.00	0.00	250.98	36.00	16.00	302.98
18	Copper River	1,330.63	2.00	10.00	1,340.63	29.60	148.80	1,519.03
19	Cordova	891.71	3.00	15.00	906.71	0.00	0.00	906.71
20	Craig	670.04	3.00	15.00	685.04	24.00	7.20	716.24
21	Delta/Greely	1,300.70	6.00	30.00	1,330.70	72.00	0.00	1,402.70
22	Denali	863.05	0.00	0.00	863.05	2.40	0.00	865.45
23	Dillingham	1,155.13	5.00	25.00	1,180.13	0.00	0.00	1,180.13
24	Fairbanks	21,356.90	178.00	890.00	22,246.90	392.00	0.00	22,638.90
25	Galena	545.35	4.00	20.00	565.35	0.00	925.60	1,490.95
26	Haines	728.38	4.00	20.00	748.38	7.20	0.00	755.58
27	Hoonah	504.00	8.00	40.00	544.00	0.00	0.00	544.00
28	Hydaburg	271.40	1.00	5.00	276.40	0.00	0.00	276.40
29	Iditarod	1,372.25	5.00	25.00	1,397.25	0.00	0.00	1,397.25
30	Juneau	7,371.68	76.00	380.00	7,751.68	23.20	0.00	7,774.88
31	Kake	364.69	1.00	5.00	369.69	0.00	0.00	369.69
32	Kashunamiut	682.61	4.00	20.00	702.61	0.00	0.00	702.61
33	Kanal Peninsula	15,003.08	56.00	280.00	15,283.08	78.40	0.00	15,361.48
34	Ketchikan	3,634.94	12.00	60.00	3,694.94	55.20	0.00	3,750.14
35	Klawock	351.84	1.00	5.00	356.84	0.00	0.00	356.84
36	Kodiak Island	4,563.00	12.00	60.00	4,623.00	62.40	0.00	4,685.40
37	Kuspuk	1,469.93	3.00	15.00	1,484.93	0.00	0.00	1,484.93
38	Lake & Peninsula	1,804.67	1.00	5.00	1,809.67	4.00	0.00	1,813.67
39	Lower Kuskokwim	9,450.80	25.00	125.00	9,575.80	0.00	0.00	9,575.80
40	Lower Yukon	4,852.02	2.00	10.00	4,862.02	0.00	0.00	4,862.02
41	Mat-Su	16,157.10	150.00	750.00	16,907.10	476.00	0.00	17,383.90
42	Nenana	340.38	0.00	0.00	340.38	0.00	52.00	408.38
43	Nome	1,473.24	1.00	5.00	1,478.24	0.00	0.00	1,478.24
44	North Slope	4,938.40	4.00	20.00	4,958.40	0.00	0.00	4,958.40
45	Northwest Arctic	5,891.35	3.00	15.00	5,906.35	12.00	0.00	5,918.35
46	Pelican	104.83	0.00	0.00	104.83	0.00	0.00	104.83
47	Petersburg	1,192.10	3.00	15.00	1,207.10	0.00	0.00	1,207.10
48	Pribilof	553.99	1.00	5.00	558.99	0.00	0.00	558.99
49	Sitka	2,344.20	10.00	50.00	2,394.20	56.00	0.00	2,450.20
50	Skagway	296.12	0.00	0.00	296.12	0.00	0.00	296.12
51	Southeast Island	702.77	0.00	0.00	702.77	8.00	0.00	710.77
52	Southwest Region	2,153.86	3.00	15.00	2,168.89	0.00	0.00	2,168.89
53	St. Mary's	335.52	0.00	0.00	335.52	0.00	0.00	335.52
54	Tanana	336.76	0.00	0.00	336.76	1.60	0.00	338.36
55	Unalaska	796.90	1.00	5.00	801.90	0.00	0.00	801.90
56	Valdez	1,445.96	6.00	30.00	1,475.96	0.00	0.00	1,475.96
57	Wrangell	776.90	5.00	25.00	801.90	8.00	4.80	814.70
58	Yakutat	383.62	3.00	15.00	398.62	0.00	0.00	398.62
59	Yukon Flats	1,476.86	0.00	0.00	1,476.86	28.00	0.00	1,504.86
60	Yukon/Koyukuk	1,707.66	7.00	35.00	1,742.66	0.00	0.00	1,742.66
61	Yupitit	1,190.30	1.00	5.00	1,195.30	0.00	0.00	1,195.30
62	ACS	0.00	0.00	0.00	0.00	0.00	1,160.87	1,160.87
63	Mt. Edgecumbe	456.50	0.00	0.00	456.50	0.00	0.00	456.50
64	Other							
66	TOTALS:	197,725.63	1,314.00	6,570.00	204,295.63	1,416.80	2,315.27	208,027.70

	B	U	V	W	X	Y	Z	
1	Alaska Department of Education						16,446,000	45.7
2	Foundation Program; CSSB 36(FIN) am						16,492,479	
3		T x	AS 14,17,470	\$3,940			U - V - Y	
4	May 11, 1998	\$3,940						
5	FY99							
6	School	Basic	Required	Federal	Impact	Deductible		
7	District:	Need:	Local:	Aid:	Aid	Aid	State	
8					Percent:	90.0%	Aid:	
9	Alaska Gateway	5,070,268	-	380,529	100.00%	342,476	4,727,799	
10	Aleutian Region	1,161,236	-	57,011	100.00%	51,310	1,109,925	
11	Aleutians East	4,202,956	365,761	509,562	51.30%	235,265	3,601,930	
12	Anchorage	257,317,775	55,828,890	8,314,618	61.12%	4,573,705	196,915,180	
13	Annatte Island	2,590,235	-	1,016,335	100.00%	914,702	1,675,533	
14	Bering Strait	20,958,042	-	3,455,132	100.00%	3,109,619	17,848,420	
15	Bristol Bay	2,817,770	860,657	240,580	63.32%	137,102	1,820,011	
16	Chatham	3,054,249	-	651,576	100.00%	506,418	2,467,831	
17	Chugach	1,193,741	-	125,211	100.00%	112,690	1,081,051	
18	Copper River	5,984,978	-	80,580	100.00%	72,572	5,912,406	
19	Cordova	3,572,437	674,900	19,032	62.22%	10,658	2,887,179	
20	Craig	2,821,986	367,686	16,690	58.00%	8,712	2,445,588	
21	Delta/Greely	5,526,638	-	896,178	100.00%	806,560	4,720,078	
22	Denali	3,409,873	459,758	27,613	45.72%	11,362	2,938,753	
23	Dillingham	4,649,712	608,522	335,087	53.26%	160,621	3,880,569	
24	Fairbanks	89,197,266	17,779,142	6,593,515	63.43%	3,764,040	67,654,084	
25	Galena	5,874,343	70,412	314,774	10.68%	30,256	5,773,675	
26	Haines	2,976,985	674,832	18,985	61.43%	10,496	2,291,657	
27	Hoonah	2,143,360	98,904	238,998	18.67%	40,159	2,004,297	
28	Hydaburg	1,089,016	23,809	17,039	17.83%	2,734	1,062,473	
29	Iditarod	5,505,165	-	580,708	100.00%	522,637	4,982,528	
30	Juneau	30,633,027	9,380,326	16,954	62.34%	9,512	21,243,189	
31	Kake	1,456,579	69,431	281,523	22.77%	57,774	1,329,374	
32	Kashunamiut	2,768,283	-	271,573	100.00%	244,416	2,523,867	
33	Kanai Peninsula	60,524,231	15,751,444	83,078	55.90%	41,797	44,730,990	
34	Ketchikan	14,775,552	4,552,513	8,986	61.13%	4,944	10,218,095	
35	Kliwuk	1,405,950	62,627	274,629	43.02%	106,331	1,236,992	
36	Kodiak Island	18,460,476	3,588,780	1,081,508	63.10%	614,188	14,257,508	
37	Kuspuk	5,850,624	-	555,694	100.00%	500,125	5,350,499	
38	Lake & Peninsula	7,145,860	268,776	1,028,381	21.99%	203,527	6,673,557	
39	Lower Kuskokwim	37,728,652	-	4,612,365	100.00%	4,151,129	33,577,523	
40	Lower Yukon	19,156,359	-	3,277,339	100.00%	2,949,605	16,206,754	
41	Mat-Su	68,492,566	9,922,903	14,639	44.67%	5,885	58,563,778	
42	Nenana	1,609,017	66,968	2,926	88.79%	2,338	1,539,711	
43	Nome	5,824,266	626,146	43,424	39.93%	15,605	5,182,515	
44	North Slope	19,536,096	8,791,243.20	2,648,619	31.79%	757,796	9,987,057	
45	Northwest Arctic	23,318,299	1,484,493	2,240,789	55.66%	1,122,501	20,711,305	
46	Pelican	413,030	53,374	-	85.72%	-	359,656	
47	Petersburg	4,755,974	947,600	15,861	51.70%	7,380	3,800,994	
48	Pribilof	2,202,421	-	372,418	100.00%	335,176	1,867,245	
49	Sitka	9,653,788	2,500,230	158,779	59.17%	84,555	7,069,003	
50	Skagway	1,168,713	525,020.85	-	69.80%	-	641,692	
51	Southeast Island	2,800,434	-	460,952	100.00%	414,857	2,385,577	
52	Southwest Region	8,545,427	-	1,076,436	100.00%	968,792	7,576,635	
53	St. Mary's	1,321,949	17,993	122,527	44.98%	49,601	1,254,355	
54	Tanana	1,333,138	23,286	178,213	18.48%	29,640	1,280,212	
55	Unalaska	3,159,486	1,421,768.70	363	83.78%	274	1,737,443	
56	Valdez	5,815,282	2,616,876.90	43,787	71.08%	28,011	3,170,394	
57	Wrangell	3,209,918	651,476	1,812	47.88%	781	2,557,661	
58	Yakutat	1,570,563	144,356	39,086	30.57%	10,754	1,415,453	
59	Yukon Flats	5,929,148	-	631,979	100.00%	568,781	5,360,367	
60	Yukon/Koyukuk	6,866,080	-	1,000,006	100.00%	900,005	5,966,075	
61	Yuplit	4,709,482	-	864,985	100.00%	778,487	3,930,995	
62	ACS	5,573,828	-	-	100.00%	-	4,573,828	
63	Mt. Edgecumbe	1,798,610	-	-	100.00%	-	1,798,610	
64	Other						26,096,071	
66	TOTALS:	\$819,629,139	\$141,280,605	\$45,299,784		\$30,468,611	\$673,975,994	

	A	B	D	G
1	Alaska Department of Education			
2	Foundation Program; CSSB 36(FIN) am			
3	Required Local Effort Calculation			
4	May 11, 1998			
5	FY99		G X .004	
6		Required		
7		Local	Mill Rate	1997 Full
8	School District:	Effort:	0.0040	Determination:
9	Alaska Gateway	-	-	-
10	Aleutian Region	-	-	-
11	Aleutians East	365,761	365,761	91,440,300
12	Anchorage	55,828,890	55,828,890	13,957,222,570
13	Annette Island	-	-	-
14	Bering Strait	-	-	-
15	Bristol Bay	860,657	860,657	215,164,218
16	Chatham	-	-	-
17	Chugach	-	-	-
18	Copper River	-	-	-
19	Cordova	674,600	674,600	168,650,100
20	Craig	367,686	367,686	91,921,400
21	Delta/Greely	-	-	-
22	Denali	459,758	459,758	114,939,500
23	Dillingham	608,522	608,522	152,130,600
24	Fairbanks	17,779,142	17,779,142	4,444,785,400
25	Galena	70,412	70,412	17,603,000
26	Haines	674,832	674,832	168,708,000
27	Hoonah	98,904	98,904	24,725,900
28	Hydaburg	23,809	23,809	5,952,200
29	Iditarod	-	-	-
30	Juneau	9,380,326	9,380,326	2,345,081,400
31	Kake	69,431	69,431	17,357,800
32	Kashunamiut	-	-	-
33	Kenai Peninsula	15,751,444	15,751,444	3,937,860,920
34	Ketchikan	4,552,513	4,552,513	1,138,128,200
35	Klawock	62,627	62,627	15,656,700
36	Kodiak Island	3,588,780	3,588,780	897,194,900
37	Kuspuk	-	-	-
38	Lake & Peninsula	268,776	268,776	67,193,900
39	Lower Kuskokwim	-	-	-
40	Lower Yukon	-	-	-
41	Mat-Su	9,922,903	9,922,903	2,480,725,800
42	Nenana	66,968	66,968	16,742,100
43	Nome	626,146	626,146	158,536,400
44	North Slope	8,791,243.20	19,536,096	11,749,014,490
45	Northwest Arctic	1,484,493	1,484,493	371,123,200
46	Pelican	53,374	53,374	13,343,500
47	Petersburg	947,600	947,600	236,900,000
48	Pribilof	-	-	-
49	Sitka	2,500,230	2,500,230	625,057,600
50	Skagway	525,020.85	559,358	139,839,400
51	Southeast Island	-	-	-
52	Southwest Region	-	-	-
53	St. Mary's	17,993	17,993	4,498,200
54	Tanana	23,286	23,286	5,821,600
55	Unalaska	1,421,768.70	1,511,123	377,780,800
56	Valdez	2,616,876.90	3,774,555	943,638,760
57	Wrangell	651,476	651,476	162,869,100
58	Yakutat	144,356	144,356	36,089,000
59	Yukon Flats	-	-	-
60	Yukon/Koyukuk	-	-	-
61	Yup'it	-	-	-
62	ACS	-	-	-
63	Mt. Edgecumbe	-	-	-
64	Other	-	-	-
66	TOTAL:	\$141,280,605	\$153,306,827	\$45,191,696,998

	B	D	E	F	G	H	I	K
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	Transition Calculation							
4	May 11, 1998							
5	FY99		E + F			G - H		
6			Additional	Foundati	SB36			
7		Mill	Total	District	Plus	State		Floor
8	School District:	Rate:	Foundation:	Support:	Single Site:	Aid:	Difference:	Adjustment
9	Alaska Gateway	4.000	4,988,882		4,988,882	4,727,792	261,090	261,090
10	Aleutian Region	4.000	1,176,499	117,730	1,294,229	1,109,926	184,303	184,303
11	Aleutians East	7.700	3,514,644		3,514,644	3,601,930	(87,286)	-
12	Anchorage	6.500	188,038,815		188,038,815	196,915,180	(8,876,365)	-
13	Annette Island	4.000	1,569,188	161,650	1,730,838	1,675,533	55,305	55,305
14	Bering Strait	4.000	17,449,778		17,449,778	17,848,423	(398,645)	-
15	Bristol Bay	6.200	1,654,521		1,654,521	1,820,011	(165,490)	-
16	Chatham	4.000	2,337,557		2,337,557	2,467,831	(130,274)	-
17	Chugach	4.000	1,515,697		1,515,697	1,081,051	434,646	434,646
18	Copper River	4.000	6,225,778		6,225,778	5,912,456	313,322	313,322
19	Cordova	6.400	2,702,072	166,530	2,868,602	2,887,179	(18,577)	-
20	Craig	6.600	2,322,242	179,950	2,502,192	2,445,588	56,604	56,604
21	Delta/Greely	4.000	4,790,289		4,790,289	4,720,078	70,211	70,211
22	Denali	8.700	2,659,400		2,659,400	2,938,753	(279,353)	-
23	Dillingham	7.000	3,757,667	220,200	3,977,867	3,890,569	97,298	97,298
24	Fairbanks	6.600	64,607,118		64,607,118	67,654,084	(3,046,966)	-
25	Galena	34.600	6,649,592		6,649,592	5,773,675	875,917	875,917
26	Haines	6.600	2,141,412		2,141,412	2,291,657	(150,245)	-
27	Hoonah	21.600	1,918,467	126,270	2,044,737	2,004,297	40,440	40,440
28	Hydaburg	6.400	1,083,657	107,970	1,191,627	1,062,473	129,154	129,154
29	Iditarod	4.000	5,278,870		5,278,870	4,982,528	296,342	296,342
30	Juneau	6.400	20,166,492		20,166,492	21,243,189	(1,076,697)	-
31	Kake	9.800	1,325,815	140,910	1,466,725	1,329,374	137,351	137,351
32	Kashunamiut	4.000	2,235,575	159,820	2,395,395	2,523,867	(128,472)	-
33	Kenai Peninsula	7.200	42,073,799		42,073,799	44,730,990	(2,657,191)	-
34	Ketchikan	6.500	8,752,133		8,752,133	10,218,095	(1,465,962)	-
35	Klawock	5.500	1,427,412	153,110	1,580,522	1,236,992	343,530	343,530
36	Kodiak Island	6.300	13,876,822		13,876,822	14,257,508	(380,686)	-
37	Kuspuk	4.000	5,513,829		5,513,829	5,350,499	163,330	163,330
38	Lake & Peninsula	17.900	6,743,387		6,743,387	6,673,557	69,830	69,830
39	Lower Kuskokwim	4.000	38,671,330		38,671,330	33,577,523	5,093,807	5,093,807
40	Lower Yukon	4.000	14,928,605		14,928,605	16,206,754	(1,278,149)	-
41	Mat-Su	8.900	58,161,852		58,161,852	58,563,778	(401,926)	-
42	Nenana	4.200	1,735,074	181,780	1,916,854	1,539,711	377,143	377,143
43	Nome	8.400	5,181,309	285,470	5,466,779	5,182,515	284,264	284,264
44	North Slope	2.300	11,686,868		11,686,868	9,987,057	1,699,811	-
45	Northwest Arctic	6.200	18,530,116		18,530,116	20,711,305	(2,181,189)	-
46	Pelican	4.700	556,016	49,410	605,426	359,656	245,770	245,770
47	Petersburg	7.800	3,173,500	211,660	3,385,160	3,800,994	(415,834)	-
48	Pribilof	4.000	1,883,539		1,883,539	1,867,245	16,294	16,294
49	Sitka	6.800	6,142,485		6,142,485	7,069,003	(926,518)	-
50	Skagway	5.400	683,840	112,850	796,690	641,692	154,998	154,998
51	Southeast Island	4.000	2,765,941		2,765,941	2,385,577	380,364	380,364
52	Southwest Region	4.000	7,597,531		7,597,531	7,576,635	20,896	20,896
53	St. Mary's	8.800	1,414,706	140,910	1,555,616	1,254,355	301,261	301,261
54	Tanana	23.700	1,253,694	127,490	1,381,184	1,280,212	100,972	100,972
55	T. Alaska	4.500	1,913,136	198,250	2,111,386	1,737,443	373,943	373,943
56	Valdez	4.000	3,404,750	265,960	3,670,718	3,170,394	500,324	500,324
57	Wrangell	8.200	2,312,953	196,420	2,509,373	2,557,661	(48,288)	-
58	Yakutat	12.400	1,429,670		1,429,670	1,415,453	14,217	14,217
59	Yukon Flats	4.000	6,158,915		6,158,915	5,360,367	798,548	798,548
60	Yukon/Koyukuk	4.000	6,788,379		6,788,379	5,956,075	822,304	822,304
61	Yupitit	4.000	4,250,129		4,250,129	3,930,995	319,134	319,134
62	ACS	4.000	3,996,324		3,996,324	4,573,828	(577,504)	-
63	Mt. Edgecumbe	4.000	1,717,150		1,717,150	1,798,610	(81,460)	-
64	Other		26,096,071		26,096,071	26,096,071	-	-
66			\$660,931,300	\$3,304,340	\$664,235,640	\$673,975,994	(\$9,740,354)	\$13,332,912

	A	B	C	D	E	F	G	H
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	Required Local Effort & Maximum							
4	May 11, 1998							
5	FY99		23% or		Tax & In-kind			
6			2 Mills		FY98			
7		Required	Allowable	Maximum	Budgeted	Amount to	Amount	Room
8	School District:	Effort	Excess	Local	Local	Meet Req.	Over	Under
							Excess	Local Cap
9	Alaska Gateway	-	1,166,162	1,166,162	-	-	-	-
10	Aleutian Region	-	267,084	267,084	-	-	-	-
11	Aleutians East	365,761	966,680	1,332,441	708,000	-	-	624,441
12	Anchorage	55,828,890	59,183,088	115,011,978	87,682,805	-	-	27,329,173
13	Annette Island	-	595,754	595,754	-	-	-	-
14	Bering Strait	-	4,820,350	4,820,350	-	-	-	-
15	Bristol Bay	860,657	648,087	1,508,744	1,324,152	-	-	184,592
16	Chatham	-	702,477	702,477	-	-	-	-
17	Chugach	-	274,560	274,560	-	-	-	-
18	Copper River	-	1,376,545	1,376,545	-	-	-	-
19	Cordova	674,600	821,861	1,496,261	1,052,000	-	-	444,261
20	Craig	367,886	649,057	1,016,743	584,728	-	-	432,015
21	Delta/Greely	-	1,271,127	1,271,127	-	-	-	-
22	Denali	459,758	784,271	1,244,029	981,736	-	-	262,293
23	Dillingham	608,522	1,069,434	1,677,956	942,500	-	-	735,456
24	Fairbanks	17,779,142	20,515,371	38,294,513	27,680,000	-	-	10,614,513
25	Galena	70,412	1,351,099	1,421,511	556,527	-	-	864,984
26	Haines	674,872	684,707	1,359,539	1,080,455	-	-	279,084
27	Hoonah	98,304	492,973	591,877	454,727	-	-	137,150
28	Hydaburg	23,809	250,474	274,283	34,000	-	-	240,283
29	Iditarod	-	1,266,188	1,266,188	-	-	-	-
30	Juneau	3,380,326	7,045,596	16,425,922	14,953,000	-	-	1,472,922
31	Kake	69,431	335,013	404,444	150,000	-	-	254,444
32	Kashunamiut	-	636,705	636,705	-	-	-	-
33	Kenai Peninsula	15,751,444	13,320,573	29,672,017	28,055,197	-	-	1,576,820
34	Ketchikan	4,552,513	3,398,377	7,950,890	7,358,058	-	-	592,832
35	Klavock	62,627	323,369	385,996	51,125	11,502	-	334,871
36	Kodiak Island	3,588,780	4,245,909	7,834,689	5,603,980	-	-	2,230,709
37	Kuspuk	-	1,345,644	1,345,644	-	-	-	-
38	Lake & Peninsula	268,776	1,643,548	1,912,324	1,026,500	-	-	885,824
39	Lower Kuskokwim	-	8,677,590	8,677,590	-	-	-	-
40	Lower Yukon	-	4,405,963	4,405,963	-	-	-	-
41	Mat-Su	9,922,903	15,751,290	25,676,193	22,139,480	-	-	3,536,713
42	Nanana	66,968	370,074	437,042	66,120	848	-	370,922
43	Nome	626,146	1,339,581	1,965,727	1,251,731	-	-	713,996
44	North Slope	8,791,243	23,498,029	32,289,272	27,600,068	-	-	4,689,204
45	Northwest Arctic	1,484,493	5,363,209	6,847,702	1,984,920	-	-	4,862,782
46	Pelican	53,374	94,997	148,371	62,266	-	-	86,105
47	Petersburg	947,600	1,093,874	2,041,474	1,807,361	-	-	234,113
48	Pribilof	-	506,557	506,557	-	-	-	-
49	Sitka	2,500,230	2,220,371	4,720,601	4,210,656	-	-	509,945
50	Skagway	525,021	279,679	804,700	746,630	-	-	58,010
51	Southeast Island	-	644,100	644,100	-	-	-	-
52	Southwest Region	-	1,965,448	1,965,448	-	-	-	-
53	St. Mary's	17,993	304,048	322,041	25,000	-	-	297,041
54	Tanana	23,286	306,622	329,908	115,000	-	-	214,908
55	Unalaska	1,421,769	755,562	2,177,331	1,660,932	-	-	516,399
56	Valdez	2,616,877	1,887,278	4,504,155	3,579,727	-	-	924,428
57	Wrangell	651,476	738,281	1,389,757	1,329,000	-	-	60,757
58	Yakutat	144,356	361,229	505,585	432,150	-	-	73,435
59	Yukon Flats	-	1,363,704	1,363,704	-	-	-	-
60	Yukon/Koyukuk	-	1,579,198	1,579,198	-	-	-	-
61	Yupik	-	1,083,181	1,083,181	-	-	-	-
64	TOTALS	\$141,280,605	\$206,643,748	\$347,924,353	\$247,330,591	\$12,350	\$0	\$66,645,425

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 36(FIN)

Revision Date: _____
 Title: An act relating to public schools;

Dept. Affected: EDUCATION
 BRU: K - 12 Support
 Component: Foundation Formula

Sponsor: Senators Phillips, Taylor, Wilken, Torgerson
 Requester: House Finance

COMPONENT SERIAL NO. 141

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY99	FY00	FY01	FY02	FY03	FY04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	3,304.4	3,304.4	3,304.4	3,304.4	3,304.4	3,304.4
MISCELLANEOUS						
TOTAL OPERATING	3,304.4	3,304.4	3,304.4	3,304.4	3,304.4	3,304.4

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
-----------------------------	------------	------------	------------	------------	------------	------------

CHANGES IN REVENUES						
----------------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF		3,304.4	3,304.4	3,304.4	3,304.4	3,304.4
1005 GF/Program Receipts						
1103 AHFC Receipts	3,304.4					
TOTAL	3,304.4	3,304.4	3,304.4	3,304.4	3,304.4	3,304.4

Estimate of current year (FY98) cost: \$

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This fiscal note represents including the Additional District Support funding in the Foundation Program beginning in FY99.

Prepared by: Karen J. Rehfeld, Director
 Division: Education Support Services

Phone: 465-8650

Date: _____

Approved by Commissioner: Shirley J. Holloway, Ph.D.

Date: 5/11/98

Agency: Department of Education

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FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 36(FIN)

Revision Date: _____ Dept. Affected: EDUCATION
 Title: An act relating to public schools; BRU: K - 12 Support
 Component: Pupil Transportation
 Sponsor: Senators Phillips, Taylor, Wilken, Torgerson
 Requester: House Finance COMPONENT SERIAL NO. 144

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY99	FY00	FY01	FY02	FY03	FY04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1,461.5	1,505.3	1,550.5	1,597.0	1,644.9	1,694.3
MISCELLANEOUS						
TOTAL OPERATING	1,461.5	1,505.3	1,550.5	1,597.0	1,644.9	1,694.3
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0

CHANGES IN REVENUES						
----------------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF		1,505.3	1,550.5	1,597.0	1,644.9	1,694.3
1103 AHFC Receipts	1,461.5					
Other:						
TOTAL	1,461.5	1,505.3	1,550.5	1,597.0	1,644.9	1,694.3

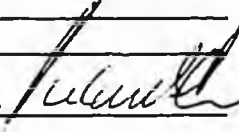
Estimate of current year (FY98) cost: \$

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The fiscal impact noted above is based on the assumption that Anchorage School District would be reimbursed for 90% of all costs associated with district-operated school transportation. An inflation factor of 3% is assumed for FY00 through FY04.

Prepared by: Eddy Jeans, School Finance Manager
 Division: Education Support Services
 Approved by Commissioner: Shirley J. Holloway, Ph.D. 
 Agency: Department of Education

Phone: 465-8678
 Date: _____
 Date: 5/11/98

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DEPARTMENT OF EDUCATION

HCS CSSB 36(FIN) (Amended to 90%)

Anchorage S.D.---FY97 Statement of Operations

90% Reimbursement under proposed method (90% of total costs as stated on the district's transportation statement of operations for district-operated services: \$5,945,555)	\$5,350,999
--	-------------

Less: Reimbursement under current method (66.83% of total costs: \$5,945,555)	<u>(3,973,414)</u>
--	--------------------

Difference Between Current and Proposed Method	<u>\$1,377,585</u>
--	--------------------

FY98 3% increase	\$1,418,513
FY99 3% increase	\$1,461,480
FY00 3% increase	\$1,505,324
FY01 3% increase	\$1,550,484
FY02 3% increase	\$1,596,999
FY03 3% increase	\$1,644,909
FY04 3% increase	\$1,694,256

revised 5/8/96

file: p:\97-98leg\Sb_036\Sb36 Amended FN.doc

FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSB 36(FIN) am

1998 LEGISLATIVE SESSION

Revision Date: March 25, 1998

Department Affected: Education

Title: An Act relating to transportation of public school students; relating to school construction grants; etc.

BRU: K-12 Support

Sponsor: Senator Phillips

Component: Pupil Transportation

Requester: House HESS

COMPONENT SERIAL NO. 144

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3
MISCELLANEOUS						
TOTAL OPERATING	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3

CAPITAL EXPENDITURES	0.0					
-----------------------------	-----	--	--	--	--	--

CHANGE IN REVENUES	0.0					
---------------------------	-----	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3

POSITIONS:

FULL-TIME	0					
PART-TIME	0					
TEMPORARY	0					

Estimate of current year (FY98) impact: \$ 0

ANALYSIS: (Attach a separate page if necessary.)

The fiscal impact noted above is based on the assumption that Anchorage School District would be reimbursed for 90% of all costs associated with district-operated school transportation, including contract administration costs of approximately \$204,000, and 100% of costs associated with contracted to/from school transportation, but not including deducts from contracted transportation for hazardous or kindergarten routes. An inflation factor of 3% is assumed for FY00 through FY04.

Prepared by: Eddy Jeans, School Finance Director

Phone: 465-8687

Division: Education Support Services

Date: 3/25/98

Approved by Commissioner: Shirley J. Holloway, Ph. D.

[Signature]

Agency: Department of Education

Date: 3/25/98

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DEPARTMENT OF EDUCATION

CSSB 36(FIN) am. Sec. 11 (Amended to 90%)

Anchorage S.D.---FY97 Statement of Operations

90% Reimbursement under proposed method (90% of total costs as stated on the district's transportation statement of operations for district-operated services: \$5,945,555)	\$5,350,999
--	-------------

Less: Reimbursement under current method (66.83% of total costs: \$5,945,555)	<u>(3,973,414)</u>
--	--------------------

Difference Between Current and Proposed Method	<u>\$1,377,585</u>
--	--------------------

FY98 3% increase	\$1,418,913
FY99 3% increase	\$1,461,480
FY00 3% increase	\$1,505,324
FY01 3% increase	\$1,550,484
FY02 3% increase	\$1,596,999
FY03 3% increase	\$1,644,909
FY04 3% increase	\$1,694,256

Department of Education CSSB 36(FIN) am

Following is a list by page and line number of technical issues regarding CSSB 36(FIN) am.

1. The terms "state support" and "state share" are similar and therefore confusing. Recommended changes are as follows:
 - Page 2, line 9, delete [funding], insert "aid"
 - Page 2, line 14, delete [state share], insert "basic need"
 - Page 2, line 17, delete [state funding], insert "basic need"
 - Page 2, line 22, delete [share and a], insert "aid, the required"
 - Page 2, line 23, insert before determination, "and deductible Impact Aid"
 - Page 2, line 24, delete [state share], insert "state aid"
 - Page 2, line 24, delete [state support], insert "basic need"
 - Page 2, line 24, delete [a], insert "the required"
 - Page 2, line 25, delete [state support], insert "basic need"
 - Page 3, line 7, insert after, (2) the "required"Other sections of the bill may need to be amended for consistency.
2. Page 3, line ? – does not provide transitional language for newly formed boroughs. Current law provides a four year transition to the four mill required local effort.
3. Page 4, line 5 – should delete [ADM] and insert "intensive student count."
4. Page 4, lines 6 through 9 – requires districts to have on file with the department a plan of service for special education, gifted and talented education, vocational education, and bilingual education to qualify for the 20% special needs adjustment. Currently Aleutian Region, Hydaburg, Mt. Edgecumbe and Tanana do not have gifted and talented plans on file with DOE. Mt. Edgecumbe, Skagway and Southeast Island do not have bilingual education plans on file with DOE. Therefore, these districts will not qualify for the 20% special needs adjustment. This loss is not reflected in the department's spreadsheets.
5. Page 5, line 11 – school size table begins with 1 ADM. This is inconsistent with the transition language on page 21, line 15. The school size table is very aggressive in applying multipliers for adjusted ADM. Depending on the definition of "school" the table raises many issues.
6. Page 5, line ? – current foundation program has a three year hold harmless for school districts that experience a drop in enrollment of 10% or more from one year to the next. This proposed legislation does not contain a similar safety net.
7. Page 7, lines 16 through 20 – requires the department to adjust district cost factors by the Anchorage consumer price index and submit proposed district cost factors to the legislature every other year. The department contacted the McDowell Group for advice in meeting this requirement. McDowell Group stated the Anchorage CPI has no relationship to district cost factors and that inflationary adjustments should occur

Department of Education
CSSB 36(FIN) am

elsewhere in this legislation. McDowell Group also indicated that DOE could not apply the same methodology they used in determining the proposed district cost factors in CS SB36. McDowell did not suggest an alternative methodology to determine district cost factors.

8. Page 9, line 2 – minimum expenditure for instruction. Most districts can not meet this requirement due to fixed costs to operate facilities. Only school districts with large student populations and larger schools can meet this requirement.
9. Page 9, line 30 - the definition of “instructional component” is incomplete.
10. Page 12, line 4 – need to include a definition of eligible Impact Aid. DOE is revising the definition of eligible Impact Aid to conform to the law following reauthorization.
11. Page 17, lines 6 through 12 – Funding for Special Education Service Agency (SESA). This section can not be applied as CS SB36 is currently written. The funding formula no longer requires special education students to be identified and does not make an allocation specific for special education.
12. Page 21, line 4 – subsection(b) requires department to define “school.” Current regulation 4 AAC 05.900(5) defines a school as a program of instruction. There is a lack of data to support a consistent definition of “school.” As the definition is clarified a significant reallocation of dollars will occur.
13. Page 21, lines 6 through 9 – Transition for proposed district cost factors. Requires the department to submit to the legislature proposed districts cost factors by January 15, 2001. As previously stated the McDowell Group has informed DOE that their methodology can not be used to update proposed district cost factors.
14. Page 21, lines 15 through 19 – Transition for small schools. Need to clarify intent with the school size table on page 5 and include appropriate language on page 5.
15. Page 21, lines 19 through 24 – Transition for minimum expenditure for instruction. As previously mentioned only school districts with large student populations and larger schools can meet this requirement.
16. Page 14, line 14 – removes the requirement to employ a chief school administrator. If districts hire a non-certified administrator to run the school district, the administrator would not be subject to the ethic requirements of the PTPC.

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 36(FIN)

Revision Date: _____ Dept. Affected: EDUCATION
 Title: An act relating to public schools; BRU: School Finance
 Component: District Support Services
 Sponsor: Senators Phillips, Taylor, Wilken, Torgerson
 Requester: House Finance COMPONENT SERIAL NO. 155

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY99	FY00	FY01	FY02	FY03	FY04
PERSONAL SERVICES	54.0	137.4	137.4	137.4	137.4	137.4
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	100.0	270.0	370.0	270.0	370.0	270.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	154.0	407.4	507.4	407.4	507.4	407.4
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0

CHANGES IN REVENUES						
----------------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF		407.4	507.4	407.4	507.4	407.4
1005 CF/Program Receipts						
1103 AHFC Receipts	154.0					
TOTAL	154.0	407.4	507.4	407.4	507.4	407.4

Estimate of current year (FY98) cost: \$

POSITIONS:

FULL-TIME	2.0					
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Please see attached analysis

Prepared by: Karen J. Rehfeld, Director
 Division: Education Support Services
 Approved by Commissioner: Shirley J. Holloway, Ph.D.
 Agency: Department of Education

Phone: 465-8650
 Date: _____
 Date: 5/11/98

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Additional Analysis

The legislation requires that the Department of Education update the District Cost Factors (DCF), developed by the McDowell Group's 1998 study, by January 15 every other year. This will require the DOE to repeat the research process for the building blocks that McDowell used to develop the DCF's. This research will include an analysis of updated instructional, administrative and non-personal services costs.

In the course of their study, the McDowell Group found that the expenditure data available was inadequate and not comparable. To improve the validity of school district data will require greater involvement from the DOE in the application and reporting of expenditures in accordance with the school district chart of accounts and closer scrutiny of school district audits and expenditures. The DOE does not have the resources available for this activity and the costs represented in this fiscal note are estimates of the required staff and other support that would be necessary to implement the requirements of the legislation.

The resources identified in the fiscal note include two new full-time auditors. These auditors will work with school districts to ensure uniform and consistent application of the state chart of accounts for reporting expenditure information. To ensure that procedures are implemented and followed, staff will provide training to school district business officials and work with independent auditors to develop standard reporting of information. The fiscal note includes funding for the state to conduct management audits of schools districts on a rotational basis, every three years (approximately 18 districts per year), to determine compliance with these requirements. These management audits will supplement the required annual audits that are contracted independently by the school districts. In addition, the fiscal note includes resources to contract for updating the District Cost Factors, as required in the legislation. The external research and review of the DCF's will lend credibility to updates as they occur.

Personal Services - \$54.0

This will provide funding for two new full-time positions: an Internal Auditor IV, range 21, @ \$72.7; and an Internal Auditor III, range 19, @ \$64.7. This team of auditors will work with school districts to ensure consistent application of the school district chart of accounts, provide training to school district business officials on appropriate accounting procedures and work with independent audit firms in conducting management audits of school districts. The FY99 cost is reduced based on a January start for the new positions.

Contractual - \$100.0

This will provide funding for developing procedures manuals for schools districts, training for school districts in uniform application of the state chart of accounts, and contracting for the updating the District Cost Factors (beginning in FY99 and then every other year). Beginning in FY00, the DOE will begin contracting for management audits of schools districts (18 districts @ \$15.0 each). This also provides funding for telephone, fax, and printing costs.

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 36(FIN)

Revision Date: _____ Dept. Affected: EDUCATION
 Title: An act relating to public schools; BRU: Teaching and Learning Support
 Component: Quality Schools
 Sponsor: Senators Phillips, Taylor, Wilken, Torgerson
 Requester: House Finance **COMPONENT SERIAL NO.** 2147

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY99	FY00	FY01	FY02	FY03	FY04
PERSONAL SERVICES	32.0	74.4	74.4	74.4	74.4	74.4
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	1,860.0	1,860.0	1,060.0	1,060.0	1,060.0	1,060.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1,892.0	1,934.4	1,134.4	1,134.4	1,134.4	1,134.4
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGES IN REVENUES						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF		1,934.4	1,134.4	1,134.4	1,134.4	1,134.4
1005 GF/Program Receipts						
1103 AHFC Receipts	1,892.0					
TOTAL	1,892.0	1,934.4	1,134.4	1,134.4	1,134.4	1,134.4

Estimate of current year (FY98) cost: \$

POSITIONS:

FULL-TIME	1.0					
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Please see attached analysis

Prepared by: Barbara Thompson, Director
 Division: Teaching and Learning Support
 Approved by Commissioner: Shirley J. Holloway, Ph.D.
 Agency: Department of Education

Phone: 465-8727
 Date: _____
 Date: 5/11/98

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Additional Analysis

The legislation requires that schools complete developmental profiles for each entering kindergarten or first grade student. Standards in reading, writing, and mathematics will be mandated. A comprehensive assessment system will be provided to conduct frequent and meaningful testing at multiple age levels to prepare students for the High School Graduation Qualifying Exam and identify those students who need assistance. The legislation also requires that schools be held accountable for student performance. Each school will be classified as distinguished, successful, deficient, or in crisis. Distinguished or successful schools will receive state accreditation. A school determined to be deficient or in crisis will receive assistance from the state in preparing a locally developed and approved school improvement plan. If a school fails to improve after two years, the state will have the authority to implement emergency measures as necessary or appropriate to manage the school's academic or fiscal affairs.

The following represents estimated costs to implement the specific elements of the legislation.

State Report Card - \$25.0

Contractual - \$25.0

The legislation makes changes to the existing *Report Card to the Public* that expands the requirements to report information at the individual school level and reporting on the measurement of school performance against state standards. This will require changes in the current data collection methodology, reformatting of the presentation of the data, and interaction between the department and the school districts to ensure that the required information is collected and reported. These funds will provide for professional resources necessary to modify existing data collection systems, communication between districts, and printing of materials.

Multiple Age-Level Assessment - \$1,832.0

Personal Services - \$71.7

This will provide funding for one full-time position; an Education Specialist II, Range 21, at \$74.4. The Education Specialist II position will work closely with the testing contractor in developing multiple age level assessments. Major duties include monitoring and reviewing the work of the contractor and providing an interface between the contractor and the department. The Education Specialist II will also be responsible for managing the assessment system, record keeping, training district personnel, scheduling, data analysis, reporting results, test review and revision, and public information relating to the assessment program. This position will be responsible for arranging the meetings of the assessment evaluation committees, dissemination of information regarding the Alaska comprehensive student assessment system, and preparation of periodic status reports on the development of the comprehensive assessment system. First year funding is reduced based on a January start date for the new position.

Contractual - \$1,800.0

The legislation requires development of a statewide student assessment system based on Alaska standards in reading, writing, and math. The comprehensive assessment system will include the High School Graduation Qualifying Exam and three additional benchmark assessments. Included in this fiscal note are the costs associated with the development of the three additional benchmark assessments. The assessment system will be developed in three phases. The first phase, beginning in FY99, will include finalization of the student performance standards at the three additional benchmark points, development of test items and tasks, item/task tryouts, and the field testing of the test forms. The three additional benchmarks are: (1) ages 5-7; (2) ages 8-10; and (3) ages 11-14. The fourth benchmark in the comprehensive assessment system is the High School Graduation Qualifying Exam. The department will seek professional services to develop the test for each of the three additional benchmark levels. The test will include a combination of multiple-choice and constructed-response questions. The first-year cost per the three additional benchmarks is estimated at \$600.0 each, for a total of \$1,800.0.

Developmental Profile - \$35.0

Contractual - \$35.0

Development of the developmental profile for schools to use will require involvement of parents, teachers, school district personnel and others from the education community. This funding will provide the resources to access national experts, research, curriculum and models, audio conferences, communication with advisory groups, printed materials, mailing and fax costs.

FY00 Costs

The Alaska school accreditation process and the developmental profile should be completed by FY00. However, the ongoing costs of implementation and the level of support necessary to implement these processes are not known at this time. The equipment line includes the ongoing upgrade and replacement costs of computer equipment for staff.

The continuing funding for Phase II of the comprehensive assessment program is critical to complete the technical studies of test bias, reliability and validity along with the procedures for administering, scoring and reporting the results of the assessments.

FY01-04 Costs

Although the ongoing costs of administering, scoring and reporting the results of the comprehensive student assessments based on state standards in reading, writing, and math will not be known until the assessments are actually developed, it is estimated that the costs will be approximately \$1,000.0 annually. In FY01, the fiscal note for assessment is reduced in the travel line by \$80.0 based on the assumption that the test will be fully developed and the review committees will no longer need to meet. Funding for assessment in the contractual line is reduced by \$250.0 based on test development being completed and the remaining funds will support test administration, scoring and reporting. \$600.0 in contractual funds will be redirected to technical assistance to support the school improvement process that will be in place for schools designated as deficient or in-crisis based on the assessment program.

#1

0-1.S0070J.3 -
Ford
5/8/98

adopted N/O
A M E N D M E N T |

OFFERED IN THE HOUSE

TO: HCS CSSB 36(FIN). Draft Version "J"

- 1 Page 9, line 3, following "1998":
- 2 Insert ", and additional district support appropriated by the legislature for fiscal year
- 3 1998"

5/10/98am #2
TRANSITION FOR
BASIC NEED

O-LS0070J.4 -
Ford
5/8/98

NO OBJ

AMENDMENT

OFFERED IN THE HOUSE

TO: HCS CSSB 36(FLN), Draft Version "J"

- 1 Page 26, following line 12:
- 2 Insert a new bill section to read:
- 3 "* Sec. 45. TRANSITION: BASIC NEED. Notwithstanding AS 14.17.410(b)(2), enacted
- 4 in sec. 2 of this Act, for fiscal year 1999, the Department of Education shall determine basic
- 5 need for purposes of calculating the required contribution of a city or borough school district
- 6 under AS 14.17.410(b)(2) by using projected data."
- 7 Renumber the following bill sections accordingly.

#3

QUALITY SCHOOL
GRANTS

O-I.50070J.1
Ford
5/8/98

NO OBJ

adopted

AMENDMENT

OFFERED IN THE HOUSE

TO: IICS CSSB 36(FIN), Draft Version "J"

1 Page 8, line 11, following "funding.":

2 Insert "(a)"

3 Page 8, line 14:

4 Delete "competitive"

5 Page 8, following line 14:

6 Insert a new subsection to read:

7 "(b) For purposes of the reduction required under AS 14.17.400(b), funding
8 authorized under (a) of this section is treated the same as the state share of public
9 school funding under AS 14.17.410."

#4

CORRESPONDENCE
CLEANUP

O-LS007(V.9
Ford
5/9/98

adopted N/O
AMENDMENT

OFFERED IN THE HOUSE

TO: HCS CSSB 36(FIN), Draft Version "J"

- 1 Page 5, line 7:
- 2 Delete "the base student allocation and multiplying that product by"

adopted NO JOB #15
QUALITY SCHOOL
DELETE ACCREDITATION
INSERT ACCOUNTABILITY

0-LS00707.10
Ford
5/9/98

AMENDMENT

OFFERED IN THE HOUSE

TO: HCS CSSB 36(FIN), Draft Version "J"

1 Page 15, line 21, through page 16, line 3:

2 Delete all material and insert:

3 Sec. 14.03.123. School accountability. (a) Beginning in August 2002, and
4 during each of the following 12-month periods, the department shall assign each
5 public school in each district the performance designation of distinguished, successful,
6 deficient, or in crisis based on multiple student measures, including student
7 achievement. The state board of education shall establish this process by regulation.

8 (b) A public school assigned a performance designation of deficient or in
9 crisis shall develop a school improvement plan under (c) of this section. The
10 department shall inform the governing body of each district of the performance
11 designation assigned to each public school in the district."

12 Page 16, line 8, through line 30:

13 Delete all material and insert:

14 "(e) A public school that receives a designation of deficient or in crisis shall
15 prepare a school improvement plan to improve student performance based on a
16 process established by the state board of education. The public school shall undertake
17 an improvement process under that plan to lead to a designation of successful or
18 distinguished. The school improvement plan must be prepared with the maximum
19 feasible public participation of the community, including, if appropriate, interested
20 individuals, teachers, parents, parent organizations, students, tribal organizations, local
21 government representatives, and other community groups. The district shall consult
22 with and assist the public school in the preparation of the school improvement plan.
23 The school improvement plan must be approved by the local school board. The
24 commissioner may provide technical assistance to a public school or the district at any

0-LS0070V.10

1 time during the preparation and implementation of the school improvement plan on
2 the request of an interested person and the approval of the district.

3 (f) Beginning August 1, 2002, and periodically during each of the following
4 12-month periods, the department shall monitor the progress of the implementation
5 of each school improvement plan prepared under (e) of this section.

6 (g) The department may use existing staff or contract with one or more
7 qualified persons to assist a public school that is deficient or in crisis under this
8 section to improve student performance. Qualified persons to provide assistance under
9 this section include educators, business leaders, members of the governing body of
10 that district, and community leaders. The provisions of AS 36.30 do not apply to a
11 contract awarded under this subsection."

5/11/98

0-LS0070J.18
Ford
5/10/98

Amend 3-8

AMENDMENT to amend #6

OFFERED IN THE HOUSE

TO: HCS CSSB 36(FIN), Draft Version "J"

1 Page 12, following line 31:

2 Insert a new section to read:

3 "Sec. 14.17.905. Facilities constituting a school. For purposes of this
4 chapter, the determination of the number of schools in a district is subject to the
5 following:

6 (1) a community with an ADM of at least 10, but not more than 100,
7 shall be counted as one school;

8 (2) a community with an ADM of at least 101, but not more than 750,
9 shall be counted as

10 (A) one elementary school, which includes those students in
11 grades kindergarten through 6; and

12 (B) one secondary school, which includes students in grades
13 7 through 12;

14 (3) in a community with an ADM of greater than 750, each facility
15 that is administered as a separate school or a facility the department determines is
16 used as a result of overcrowding shall be counted as one school, except that each
17 alternative school with an ADM of less than 200 shall be counted as a part of the
18 school in the district with the highest ADM unless the alternative school

19 (A) is a charter school; or

20 (B) has a separate administration."

DEFINITION #6
OF SCHOOL

0-I.S0070U.16
Ford
5/9/98

PASSCD 6-5

AMENDMENT

adopted

OFFERED IN THE HOUSE

TO: HCS CSSB 36(FIN), Draft Version "J"

1 Page 12, following line 31:

2 Insert a new section to read:

3 "Sec. 14.17.905. Facilities constituting a school. (a) For purposes of this
4 chapter, the determination of the number of schools in a district is subject to the
5 following:

6 (1) a community with an ADM of at least 10, but not more than 100,
7 shall be counted as one school;

8 (2) a community with an ADM of at least 101, but not more than 750,
9 shall be counted as

10 (A) one elementary school, which includes those students in
11 grades kindergarten through 6; and

12 (B) one secondary school, which includes students in grades
13 7 through 12;

14 (3) in a community with an ADM of greater than 750, each facility
15 that is administered as a separate school shall be counted as one school, except that
16 each alternative school with an ADM of less than 200 shall be counted as a part of
17 the school in the district with the highest ADM."

#7
adopted
ND (BJ) TWO YEAR
PHASE IN
AMENDMENT

0-I.S0070V.2
Ford
5/8/98

Yr 1 - 60%
Yr 2 - ~~100%~~ 100%

OFFERED IN THE HOUSE

TO: HCS CSSB 36(FIN), Draft Version "J"

1 Page 26, following line 12:

2 Insert a new bill section to read:

3 *** Sec. 45. TRANSITION: PUBLIC SCHOOL FUNDING.** (a) If, in fiscal year 1999,
4 a city or borough school district or a regional educational attendance area would receive more
5 public school funding under AS 14.17.410, enacted in sec. 2 of this Act, than the district or
6 area would have received as state aid in fiscal year 1999, the district or area may not receive
7 state funding that exceeds the amount the district or area would be eligible to receive in state
8 aid in fiscal year 1999 and 60 percent of the difference between the state aid the district or
9 area would have received in fiscal year 1999 and the state funding the district or area was
10 eligible to receive under AS 14.17.410, enacted in sec. 2 of this Act, in fiscal year 1999.

11 (b) For purposes of this section, "state aid" means state aid distributed under the
12 provisions of AS 14.17, as those provisions read on January 1, 1998, and additional district
13 support appropriated by the legislature."

14 Renumber the following bill sections accordingly.

#8

Failed 3-7

AMENDMENT

OFFERED IN THE HOUSE

BY DAVIES

TO: HCS CSSB 36 (FIN)

Page 11 line 13+14 delete all material

Page 10, line 14, delete through page 11, line 9:

Insert "Sec. 14.17.520. Expenditures for instruction. (a) The department shall have each school audited annually to ensure that each school uses accounting procedures established by the department. The department shall provide oversight to ensure that administrative costs are minimized with the goal that 70 percent of the budget be dedicated to instructional components."

~~the largest amount feasible~~

Renumber following subsections accordingly.

ROLL CALL: HOUSE FINANCE COMMITTEE

DATE

5/9/98

SUBJECT

SB 36 Amend # 8

MEMBER	YES	NO
FOSTER		✓
GRUSSENDORF	✓	
KELLY		✓
KOHRING		✓
MARTIN		✓
MOSES	✓	
MULDER		✓
DAVIES JOHN	✓	
DAVIS GARY		✓
HANLEY	—	
TERRIAULT		✓

TOTAL

3	7
---	---

PASSED _____

FAILED _____

5/11/98

9

failed 3-7

AMENDMENT

OFFERED IN THE HOUSE

By : Rep. Ben Grussendorf

TO: HCS CSSB 36 (FIN)

Page 3, line 13 add a new subsection to read:

"(1) The prior year's actual local contribution in excess of the required local effort;
or"

Re-number remaining subsections as c(2) and c(3).

adopted

5/11/98

0-LS0070V.17

Ford

5/10/98

AMENDMENT

* amended - NO OBJ

OFFERED IN THE HOUSE

TO: HCS CSSB 36(FIN), Draft Version "J"

1 Page 8, line 16:

2 Delete "(b) and (c)"

3 Insert "(b) - (e)"

4 Page 9, following line 1:

5 Insert new subsections to read:

passed
7-4

6 "(d) Beginning in fiscal year 2000, if a district receives more public school
7 funding under AS 14.17.410 than the district received in the preceding fiscal year, any
8 amount received by the district under this section shall be reduced. The amount of
9 the reduction required under this subsection is equal to the amount of increase from
10 the preceding fiscal year in public school funding multiplied by ~~75~~⁴⁰ percent. In this
11 subsection, "public school funding" does not include funding under this section.

(a)

12 (e) Beginning in fiscal year 2000, in each fiscal year, the department shall
13 compare each district's ADM with the district's ADM in fiscal year 1999. If the
14 current fiscal year ADM is less than ⁷⁵ percent of the district's ADM in fiscal year
15 1999, the department shall reduce the district's public school funding calculated under
16 (a) of this section by a percentage equal to the percentage of decrease in the district's
17 ADM."

(b)

passed
7-4

18 Reletter the following subsection accordingly.

5/11/98

AMENDMENT

11

Failed 4-7

OFFERED IN THE HOUSE

BY: REP. DAVIES

TO: HCS CSSB 36 (FIN)

Page 8, line 9, following "allocation."

Insert "(a)"

Page 8, following line 10:

Insert "(b) For a state fiscal year beginning on or after July 1, 1999, the base student allocation is equal to the previous year's base student allocation multiplied by 1.01."

0-1.S0070J.20
Ford
5/10/98

found 3-7
AMENDMENT # 12

OFFERED IN THE HOUSE

TO: HCS CSSB 36(FIN). Draft Version "J"

- 1 Page 5, lines 2 - 7:
- 2 Delete all material and insert:
- 3 "Sec. 14.17.430. State funding for correspondence study. Except as
- 4 provided in AS 14.17.400(b), funding for
- 5 (1) the state centralized correspondence study program or a district that
- 6 offers a statewide correspondence study program includes an allocation from the
- 7 public school account in an amount calculated by multiplying the ADM of the
- 8 correspondence program by the base student allocation and multiplying that product
- 9 by 80 percent; and
- 10 (2) a district correspondence program includes an allocation from the
- 11 public school account in an amount calculated by multiplying the ADM of the district
- 12 correspondence program by the base student allocation and multiplying that product
- 13 by 90 percent."

Failed 4-7

AMENDMENT

13

OFFERED IN THE HOUSE
TO: HCS CSSB 36(FIN), VERSION "T"

p. 28
following line 8

Insert a new section to read:

"Sec. 28 Intent. It is the intent of the Legislature to address shortfalls in funding due to miscalculations in the public school funding formula, incorrect data, or unaddressed student enrollment increases through a supplemental appropriation."

Failed - 7-10

AMENDMENT

#14

OFFERED IN THE HOUSE

TO: HCS CSSB 36(FIN), VERSION "J"

Insert a new section to read:

Sec. 14.17.907 Temporary Overcrowding Emergency Assessment and Funding

- (a) By January 1 of each year, the department shall identify schools with an ADM equal to or greater than 125% of design capacity. If the voters have authorized bonds for an additional school or schools, the Department shall request supplemental funding to mitigate costs associated with the overcrowding, including year round schools, double shifting, leased facilities, and portables. The amount of supplemental requested shall be calculated accordingly to the formula as if ADM in excess of 100% were in attendance at the additional school or schools authorized by the voters.

Withdrawn

AMENDMENT

#15

§ DAVIES

Page 9, following line 1:

Insert a new subsection to read:

(d) For a state fiscal year beginning July 1, 1999, or thereafter, if the base student allocation under AS 14.17.470 is increased then the supplementary public school funding floor of each district, as calculated under (a) of this section, shall be reduced by an amount calculated as the base student allocation increase, multiplied by the district adjusted ADM, multiplied by 40 percent.

HOUSE CS FOR CS FOR SENATE BILL NO. 36(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): **SENATORS PHILLIPS, Taylor, Halford, Wilken, Torgerson**

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to public schools; relating to the definition of a school district,
2 to the transportation of students, to employment of chief school administrators, to
3 school district layoff plans, to the special education service agency, and to the
4 child care grant program; and providing for an effective date."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1. PURPOSE.** The purposes of sec. 2 of this Act are to

7 (1) provide a level of funding through the public school funding program that
8 allows for an equitable level of educational opportunities for those students attending the
9 public schools of the state; and

10 (2) provide an equitable level of funding to each school within a school
11 district.

12 * **Sec. 2.** AS 14.17 is amended by adding new sections to read:

13 **Article 1. State Aid to Public Schools.**

14 **Sec. 14.17.300. Public school account.** (a) The public school account is

1 established. The account consists of appropriations for distribution to school districts,
2 the state boarding school, and for centralized correspondence study under this chapter.

3 (b) The money in the account may be used only in aid of public schools,
4 including community school programs, and for centralized correspondence study
5 programs under this chapter.

6 **Sec. 14.17.400. State aid for districts.** (a) The state aid for which a school
7 district is eligible in a fiscal year is equal to the amount for which a district qualifies
8 under AS 14.17.410.

9 (b) If the amount in the public school account is insufficient to meet the
10 amounts authorized under (a) of this section for a fiscal year, the department shall
11 reduce pro rata each district's basic need by the necessary percentage as determined
12 by the department. If the basic need of each district is reduced under this subsection,
13 the department shall also reduce state funding for centralized correspondence study and
14 the state boarding school by the same percentage.

15 **Sec. 14.17.410. Public school funding.** (a) A district is eligible for public
16 school funding in an amount equal to the sum calculated under (b) and (c) of this
17 section.

18 (b) Public school funding consists of state aid, a required local contribution,
19 and eligible federal impact aid determined as follows:

20 (1) state aid equals basic need minus a required local contribution and
21 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
22 obtained under (D) of this paragraph, multiplied by the base student allocation set out
23 in AS 14.17.470; district adjusted ADM is calculated as follows:

24 (A) the ADM of each school in the district is calculated by
25 applying the school size factor to the student count as set out in AS 14.17.450;

26 (B) the number obtained under (A) of this paragraph is
27 multiplied by the district cost factor described in AS 14.17.460;

28 (C) the ADMs of each school in a district, as adjusted according
29 to (A) and (B) of this paragraph, are added; the sum is then multiplied by the
30 special needs factor set out in AS 14.17.420(a)(1);

31 (D) the number obtained for intensive services under

1 AS 14.17.420(a)(2) and the number obtained for correspondence study under
2 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

3 (2) the required local contribution of a city or borough school district
4 is the equivalent of a four mill tax levy on the full and true value of the taxable real
5 and personal property in the district as of January 1 of the second preceding fiscal
6 year, as determined by the Department of Community and Regional Affairs under
7 AS 14.17.510 and AS 29.45.110, not to exceed ___ percent of a district's basic need
8 for the preceding fiscal year as determined under (1) of this subsection.

9 (c) In addition to the local contribution required under (b)(2) of this section,
10 a city or borough school district in a fiscal year may make a local contribution of not
11 more than the greater of

12 (1) the equivalent of a two mill tax levy on the full and true value of
13 the taxable real and personal property in the district as of January 1 of the second
14 preceding fiscal year, as determined by the Department of Community and Regional
15 Affairs under AS 14.17.510 and AS 29.45.110; or

16 (2) 23 percent of the district's basic need for the fiscal year under
17 (b)(1) of this section.

18 (d) State aid may not be provided to a city or borough school district if the
19 local contributions required under (b)(2) of this section have not been made.

20 (e) If a city or borough school district is established after July 1, 1998, for the
21 first three fiscal years in which the city or borough school district operates schools,
22 local contributions may be less than the amount that would otherwise be required
23 under (b)(2) of this section, except that

24 (1) in the second fiscal year of operations, local contributions must be
25 at least the greater of

26 (A) the local contributions, excluding federal impact aid, for the
27 previous fiscal year; or

28 (B) the sum of 10 percent of the district's eligible federal
29 impact aid for that year and the equivalent of a two mill tax levy on the full
30 and true value of the taxable real and personal property in the city or borough
31 school district as of January 1 of the second preceding fiscal year, as

1 determined by the Department of Community and Regional Affairs under
2 AS 14.17.510 and AS 29.45.110; and

3 (2) in the third year of operation, local contributions must be at least
4 the greater of

5 (A) the local contributions, excluding federal impact aid, for the
6 previous fiscal year; or

7 (B) the sum of 10 percent of the district's eligible federal
8 impact aid for that year and the equivalent of a three mill tax levy on the full
9 and true value of the taxable real and personal property in the district as of
10 January 1 of the second preceding fiscal year, as determined by the Department
11 of Community and Regional Affairs under AS 14.17.510 and AS 29.45.110.

12 (f) A school district is eligible for additional state aid in the amount by which
13 the local contributions that would otherwise have been required under (b)(2) of this
14 section exceed the district's actual local contributions under (e) of this section.

15 **Sec. 14.17.420. Special needs and intensive services funding.** (a) As a
16 component of public school funding, a district is eligible for special needs funding and
17 may be eligible for intensive services funding as follows:

18 (1) special needs funding is available to a district to assist the district
19 providing special education, gifted and talented education, vocational education, and
20 bilingual education services to its students; a special needs funding factor of 1.20 shall
21 be applied as set out in AS 14.17.410(b)(1);

22 (2) in addition to the special needs funding for which a district is
23 eligible under (1) of this subsection, a district is eligible for intensive services funding
24 for each special education student who needs and receives intensive services and is
25 enrolled on the last day of the count period; for each such student, intensive services
26 funding is equal to the intensive student count multiplied by five.

27 (b) If a district offers special education, gifted and talented education,
28 vocational education, or bilingual education services, in order to receive funding under
29 (a)(1) of this section, the district must file with the department a plan that indicates the
30 services that will be provided to students who receive these services.

31 (c) In this section, "intensive services" has the meaning given by the

1 department by regulation adopted under AS 14.30.180 - 14.30.350.

2 **Sec. 14.17.430. State funding for correspondence study.** Except as provided
 3 in AS 14.17.400(b), funding for the state centralized correspondence study program or
 4 a district correspondence program, including a district that offers a statewide
 5 correspondence study program. includes an allocation from the public school account
 6 in an amount calculated by multiplying the ADM of the correspondence program by
 7 80 percent.

8 **Sec. 14.17.440. State funding for state boarding schools.** (a) Except as
 9 provided in AS 14.17.400(b), funding for state boarding schools established under
 10 AS 14.16.010 includes an allocation from the public school account in an amount
 11 calculated by

12 (1) determining the ADM of state boarding schools by applying the
 13 school size factor to the student count as described in AS 14.17.450;

14 (2) multiplying the number obtained under (1) of this subsection by the
 15 special needs factor in AS 14.17.420(a)(1) and multiplying that product by the base
 16 student allocation; and

17 (3) multiplying the product determined under (2) of this subsection by
 18 the district cost factor that is applicable to calculation of the state aid for the adjacent
 19 school district under AS 14.17.460.

20 (b) State boarding schools are also eligible for intensive services funding under
 21 AS 14.17.420(a)(2).

22 **Sec. 14.17.450. School size factor.** (a) For purposes of calculating a school's
 23 ADM to determine state aid, the ADM of each school in a district shall be computed
 24 by applying the following formula:

	If the student count		The adjusted student count is				
	in a school is						The number of
							students in
	At least	But less than	Base	Multiplier			excess of
	10	- 20	39.6				
	20	- 30	39.6	+ (1.62	x	20)	
	30	- 75	55.8	+ (1.49	x	30)	

1	75	-	150	122.85	+	(1.27	x	75)
2	150	-	250	218.1	+	(1.08	x	150)
3	250	-	400	326.1	+	(0.97	x	250)
4	400	-	750	471.6	+	(0.92	x	400)
5	750 or over			793.6	+	(0.84	x	750).

(b) If the ADM in a school is less than 10, those students shall be included in the ADM of the school in that district with the lowest ADM as determined by the most recent student count data for that district.

Sec. 14.17.460. District cost factors. (a) For purposes of calculating a district's adjusted ADM under AS 14.17.410(b)(1), the district cost factor for a school district is as follows:

DISTRICT	DISTRICT COST FACTOR
Alaska Gateway	1.291
Aleutians East	1.423
Aleutians Region	1.736
Alyeska Central School	1.000
Anchorage	1.000
Annette Island	1.011
Bering Strait	1.525
Bristol Bay	1.262
Chatham	1.120
Chugach	1.294
Copper River	1.176
Cordova	1.096
Craig	1.010
Delta/Greely	1.106
Denali	1.313
Dillingham	1.254
Fairbanks	1.039
Galena	1.348
Haines	1.008

1	Hoonah	1.055
2	Hydaburg	1.085
3	Iditarod	1.470
4	Juneau	1.005
5	Kake	1.025
6	Kashunamiut	1.389
7	Kerai Peninsula	1.004
8	Ketchikan	1.000
9	Klawock	1.017
10	Kodiak Island	1.093
11	Kuspuk	1.434
12	Lake and Peninsula	1.558
13	Lower Kuskokwim	1.491
14	Lower Yukon	1.438
15	Matanuska-Susitna	1.010
16	Mt. Edgecumbe	1.000
17	Nenana	1.270
18	Nome	1.319
19	North Slope	1.504
20	Northwest Arctic	1.549
21	Pelican	1.290
22	Petersburg	1.000
23	Pribilof	1.419
24	Sitka	1.000
25	Skagway	1.143
26	Southeast Island	1.124
27	Southwest Region	1.423
28	St. Mary's	1.351
29	Tanana	1.496
30	Unalaska	1.245
31	Valdez	1.095

1	Wrangell	1.000
2	Yakutat	1.046
3	Yukon Flats	1.668
4	Yukon/Koyukuk	1.502
5	Yupiit	1.469.

6 (b) The department shall monitor the cost factors established under (a) of this
7 section and shall prepare and submit to the legislature by January 15 of every other
8 fiscal year proposed district cost factors.

9 **Sec. 14.17.470. Base student allocation.** The base student allocation is
10 \$_____.

11 **Sec. 14.17.480. Quality school funding.** (a) As a component of public
12 school funding, a district is eligible to receive a quality school funding grant not to
13 exceed the district's adjusted ADM multiplied by \$16. The department shall by
14 regulation establish a grant process to implement this section.

15 (b) For purposes of the reduction required under AS 14.17.400(b), funding
16 authorized under (a) of this section is treated the same as the state share of public
17 school funding under AS 14.17.410.

18 **Sec. 14.17.490. Supplementary public school funding floor.** (a) Except as
19 provided in (b) and (c) of this section, if, in fiscal year 1999, a city or borough school
20 district or a regional educational attendance area would receive less public school
21 funding under AS 14.17.410 than the district or area would have received as state aid,
22 the district or area is, in each fiscal year, eligible to receive additional public school
23 funding equal to the difference between the public school funding the district or area
24 was eligible to receive under AS 14.17.410 in fiscal year 1999 and the state aid the
25 district or area would have received in fiscal year 1999.

26 (b) A city or borough school district is not eligible for additional funding
27 authorized under (a) of this section unless, during the fiscal year in which the district
28 receives funding under (a) of this section, the district received a local contribution
29 equal to at least the equivalent of a four mill tax levy on the full and true value of the
30 taxable real and personal property in the district as of January 1 of the second
31 preceding fiscal year as determined by the Department of Community and Regional

1 Affairs under AS 14.17.510 and AS 29.45.110.

2 (c) For the purposes of the reduction required under AS 14.17.400(b), funding
3 authorized under (a) of this section is treated the same as the state share of public
4 school funding under AS 14.17.410.

5 (d) For purposes of this section, "state aid" means state aid distributed under
6 the provisions of AS 14.17, as those provisions read on January 1, 1998, and additional
7 district support appropriated by the legislature for fiscal year 1998.

8 **Article 2. Preparation of Public School Funding Budget.**

9 **Sec. 14.17.500. Student count estimate.** (a) A district shall prepare and
10 submit to the department by November 5 of each fiscal year, in the manner and on
11 forms prescribed by the department, an estimate of its ADM and other student count
12 data, including per school student count data, for the succeeding fiscal year upon
13 which computations can be made to estimate the amount of state aid for which the
14 district may be eligible under AS 14.17.400 in the succeeding fiscal year. In making
15 its report, the district shall consider its ADM, other student count data, the pattern of
16 growth or decline of the student population in preceding years, and other pertinent
17 information available to the district.

18 (b) Part-time students shall be included in the student count data in accordance
19 with regulations adopted by the department.

20 **Sec. 14.17.505. Fund balance in school operating fund.** (a) A district may
21 not accumulate in a fiscal year an unreserved portion of its year-end fund balance in
22 its school operating fund, as defined by department regulations, that is greater than 10
23 percent of its expenditures for that fiscal year.

24 (b) The department shall review each district's annual audit under
25 AS 14.14.050 for the preceding fiscal year to ascertain its year-end operating fund
26 balance. The amount by which the unreserved portion of that balance exceeds the
27 amount permitted in (a) of this section shall be deducted from the state aid that would
28 otherwise be paid to the district in the current fiscal year.

29 **Sec. 14.17.510. Determination of full and true value by Department of**
30 **Community and Regional Affairs.** (a) To determine the amount of required local
31 contribution under AS 14.17.410(b)(2) and to aid the department and the legislature

1 in planning, the Department of Community and Regional Affairs, in consultation with
2 the assessor for each district in a city or borough, shall determine the full and true
3 value of the taxable real and personal property in each district in a city or borough.
4 If there is no local assessor or current local assessment for a city or borough school
5 district, then the Department of Community and Regional Affairs shall make the
6 determination of full and true value from information available. In making the
7 determination, the Department of Community and Regional Affairs shall be guided by
8 AS 29.45.110. The determination of full and true value shall be made by October 1
9 and sent by certified mail, return receipt requested, on or before that date to the
10 president of the school board in each city or borough school district. Duplicate copies
11 shall be sent to the commissioner. The governing body of a city or borough that is a
12 school district may obtain judicial review of the determination. The superior court
13 may modify the determination of the Department of Community and Regional Affairs
14 only upon a finding of abuse of discretion or upon a finding that there is no substantial
15 evidence to support the determination.

16 (b) Motor vehicles subject to the motor vehicle registration tax under
17 AS 28.10.431 shall be treated as taxable property under this section.

18 **Sec. 14.17.520. Minimum expenditure for instruction.** (a) A district shall
19 budget for and spend a minimum of 70 percent of its school operating expenditures in
20 each fiscal year on the instructional component of the district budget.

21 (b) The commissioner shall reject a district budget that does not comply with
22 (a) of this section and, unless a waiver has been granted by the board under (d) of this
23 section, shall withhold payments of state aid from that district, beginning with the
24 payment for the second full month after rejection and continuing until the school board
25 of the district revises the district budget to comply with (a) of this section.

26 (c) The commissioner shall review the annual audit of each district for
27 compliance with the expenditure requirements of (a) of this section. If the
28 commissioner determines that a district does not meet those requirements, the
29 commissioner shall advise the district of the determination, calculate the amount of the
30 deficiency, and deduct that amount from state aid paid to the district for the current
31 fiscal year. A deduction in state aid required under this subsection begins with the

1 payment for the second full month after the determination, unless a waiver has been
2 granted by the board under (d) of this section.

3 (d) A district that has been determined by the commissioner to be out of
4 compliance with the requirements of this section may, within 20 days of the
5 commissioner's determination, request a waiver by the board of the imposition by the
6 commissioner of any reduction in state aid payments under (b) or (c) of this section.
7 The request must be in writing and must include an analysis of the reasons and causes
8 for the district's inability to comply with the requirements of this section. The board
9 may grant the waiver if the board determines that the district's failure to meet the
10 expenditure requirements of this section was due to circumstances beyond the control
11 of the district. The request must also be submitted to the Legislative Budget and Audit
12 Committee, which shall review the district's request and forward the committee's
13 recommendations on it to the board.

14 (e) The commissioner shall submit an annual report on actions taken by the
15 commissioner or the board under this section to the Legislative Budget and Audit
16 Committee by April 15 of each year.

17 (f) In this section, "instructional component" includes expenditures for teachers
18 and for pupil support services.

19 Article 3. Procedure for Payments of State Aid.

20 Sec. 14.17.600. Student counting periods. (a) Within two weeks after the
21 end of the 20-school-day period ending the fourth Friday in October, each district shall
22 transmit a report to the department that, under regulations adopted by the department,
23 reports its ADM for that counting period and other student count information that will
24 aid the department in making a determination of its state aid under the public school
25 funding program. For centralized correspondence study, the October report shall be
26 based on the period from July 1 through the fourth Friday in October, except that
27 summer school students shall be counted as a proportionate fraction as determined by
28 the department. The department may make necessary corrections in the report
29 submitted and shall notify the district of changes made. The commissioner shall notify
30 the governor of additional appropriations the commissioner estimates to be necessary
31 to fully finance the public school funding program for the current fiscal year.

1 (b) Upon written request and for good cause shown, the commissioner may
2 permit a district to use a 20-school-day counting period other than the period set out
3 in (a) of this section. However, a counting period approved under this subsection must
4 be 20 consecutive school days unless one or more alternate counting periods are
5 necessary to permit a district to implement flexible scheduling that meets the district's
6 needs and goals without jeopardizing the state aid for which the district would be
7 ordinarily be eligible under this chapter.

8 **Sec. 14.17.610. Distribution of state aid.** (a) The department shall determine
9 the state aid for each school district in a fiscal year on the basis of the district's
10 student count data reported under AS 14.17.600. On or before the 15th day of each
11 of the first nine months of each fiscal year, one-twelfth of each district's state aid shall
12 be distributed on the basis of the data reported for the preceding fiscal year. On or
13 before the 15th day of each of the last three months of each fiscal year, one-third of
14 the balance of each district's state aid shall be distributed, after the balance has been
15 recomputed on the basis of student count and other data reported for the current fiscal
16 year.

17 (b) Distribution of state aid under (a) of this section shall be made as required
18 under AS 14.17.410. If a district receives more state aid than it is entitled to receive
19 under this chapter, the district shall immediately remit the amount of overpayment to
20 the commissioner, to be returned to the public school account. The department may
21 make adjustments to a district's state aid to correct underpayments made in previous
22 fiscal years.

23 (c) Upon an adequate showing of a cash flow shortfall of a district, and in the
24 discretion of the commissioner, the department may make advance payments to a
25 district. The total of advance payments may not exceed the amount of state aid for
26 which the district is eligible for the fiscal year.

27 **Article 4. General Provisions.**

28 **Sec. 14.17.900. Construction and implementation of chapter.** (a) This
29 chapter does not create a debt of the state. Each district shall establish, maintain, and
30 operate under a balanced budget. The state is not responsible for the debts of a school
31 district.

1 (b) Money to carry out the provisions of this chapter may be appropriated
2 annually by the legislature into the public school account. If the amount in the
3 account is insufficient to meet the allocations authorized under AS 14.17.400 -
4 14.17.470 for a fiscal year, state aid shall be reduced according to AS 14.17.400(b).

5 **Sec. 14.17.910. Restrictions governing receipt and expenditure of district**
6 **money.** (a) Each district shall maintain complete financial records of the receipt and
7 disbursement of state aid, money acquired from local effort, and other money received
8 or held by the district. The records must be in the form required by the department
9 and are subject to audit by the department at a time and place designated by the
10 department.

11 (b) State aid provided under this chapter is for general operational purposes
12 of the district. All district money, including state aid, shall be received, held,
13 allocated, and expended by the district under applicable local law and state and federal
14 constitutional provisions, statutes, and regulations, including those related to ethical
15 standards and accounting principles.

16 **Sec. 14.17.920. Regulations.** The department shall adopt regulations necessary
17 to implement this chapter.

18 **Sec. 14.17.990. Definitions.** In this chapter, unless the context requires
19 otherwise,

20 (1) "ADM or average daily membership" means the aggregate number
21 of full-time equivalent students enrolled in a school district during the student count
22 period for which a determination is being made, divided by the actual number of days
23 that school is in session for the student count period for which the determination is
24 being made;

25 (2) "district" means a city or borough school district or a regional
26 educational attendance area;

27 (3) "district adjusted ADM" means the number resulting from the
28 calculations under AS 14.17.410(b)(1);

29 (4) "district ADM" means the sum of the ADMs in a district;

30 (5) "eligible federal impact aid" means the amount of federal impact
31 aid received by a district as of March 1 of the fiscal year as a result of an application

1 submitted in the preceding fiscal year, including advance payments and adjustments
2 received since March 1 of the preceding fiscal year from prior year applications, under
3 20 U.S.C. 7701 - 7714, except payments received under 20 U.S.C. 7703(f)(2)(B), to
4 the extent the state may consider that aid as local resources under federal law;

5 (6) "local contribution" means appropriations and the value of in-kind
6 services made by a district;

7 (7) "taxable real and personal property" means all real and personal
8 property taxable under the laws of the state.

9 * Sec. 3. AS 14.03.120(d) is repealed and reenacted to read:

10 (d) Annually, before the date set by the district under (e) of this section, each
11 public school shall provide, in a public meeting of parents, students, and community
12 members, a report on the school's performance and the performance of the school's
13 students. The report shall be prepared on a form prescribed by the department and
14 must include

15 (1) information on accreditation;

16 (2) results of norm-referenced achievement tests;

17 (3) results of state standards-based assessments in reading, writing, and
18 mathematics;

19 (4) a description, including quantitative and qualitative measures, of
20 student, parent, community, and business involvement in student learning;

21 (5) a description of the school's attendance, retention, dropout, and
22 graduation rates as specified by the state board; and

23 (6) the annual percent of enrollment change, regardless of reason, and
24 the annual percent of enrollment change due to student transfers into and out of the
25 school district.

26 * Sec. 4. AS 14.03.120(e) is repealed and reenacted to read:

27 (e) By a date set by the district, each public school in the district shall provide
28 the report described in (d) of this section to the district's governing body. Along with
29 the report, each public school shall submit a summary of comments made on the report
30 by parents, students, and community members. By July 1 of each year, beginning in
31 2000, each district shall provide to the department a report on the performance of each

1 public school and the public school students in the district. The district's report must

2 (1) be entitled "School District Report Card to the Public"; and

3 (2) include

4 (A) copies of the reports and summaries of comments submitted
5 under this section by each public school in the district; and

6 (B) a compilation of the material described in (A) of this
7 paragraph by each public school in the district.

8 * **Sec. 5.** AS 14.03.120(f) is repealed and reenacted to read:

9 (f) By January 15 of each year, beginning in 2001, the department shall
10 provide to the governor and make available to the public and the legislature a report
11 on the performance of public schools in this state. The report must be entitled
12 "Alaska's Public Schools: A Report Card to the Public." The report must include

13 (1) comprehensive information on each public school compiled,
14 collected, and reported under (d) and (e) of this section for the prior school year;

15 (2) a summary of the information described in (1) of this subsection;
16 the summary must be prepared in a manner that allows school performance to be
17 measured against established state education standards; and

18 (3) for a report due by or after January 15, 2003, the performance
19 designation under AS 14.03.123(b) received by each public school during the prior
20 school year.

21 * **Sec. 6.** AS 14.03.120(g) is amended to read:

22 (g) In this section, "district" has the meaning given in AS 14.17.990
23 [AS 14.17.250].

24 * **Sec. 7.** AS 14.03 is amended by adding a new section to read:

25 **Sec. 14.03.123. School accountability.** (a) Beginning in August 2002, and
26 during each of the following 12-month periods, the department shall assign each public
27 school in each district the performance designation of distinguished, successful,
28 deficient, or in crisis based on multiple student measures, including student
29 achievement. The state board of education shall establish this process by regulation.

30 (b) A public school assigned a performance designation of deficient or in crisis
31 shall develop a school improvement plan under (e) of this section. The department

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shall inform the governing body of each district of the performance designation assigned to each public school in the district.

(c) The state board shall adopt regulations to allow a district to appeal the performance designation assigned to a public school in that district.

(d) The department may establish a program of special recognition for those public schools that achieve a distinguished performance designation.

(e) A public school that receives a designation of deficient or in crisis shall prepare a school improvement plan to improve student performance based on a process established by the state board of education. The public school shall undertake an improvement process under that plan to lead to a designation of successful or distinguished. The school improvement plan must be prepared with the maximum feasible public participation of the community, including, if appropriate, interested individuals, teachers, parents, parent organizations, students, tribal organizations, local government representatives, and other community groups. The district shall consult with and assist the public school in the preparation of the school improvement plan. The school improvement plan must be approved by the local school board. The commissioner may provide technical assistance to a public school or the district at any time during the preparation and implementation of the school improvement plan on the request of an interested person and the approval of the district.

(f) Beginning August 1, 2002, and periodically during each of the following 12-month periods, the department shall monitor the progress of the implementation of each school improvement plan prepared under (e) of this section.

(g) The department may use existing staff or contract with one or more qualified persons to assist a public school that is deficient or in crisis under this section to improve student performance. Qualified persons to provide assistance under this section include educators, business leaders, members of the governing body of that district, and community leaders. The provisions of AS 36.30 do not apply to a contract awarded under this subsection.

(h) Notwithstanding any other provisions in this title, if the performance designation of a public school has continued to be deficient or in crisis for two consecutive school years, the chief school administrator, if the district employs a chief

1 school administrator, the president of the governing body, and the principal of the
2 public school shall, at a public meeting of the state board of education, present a
3 written report on the performance of that public school.

4 (i) The state board of education shall develop, by regulation, measures that
5 may be progressively implemented by the commissioner to assist a public school to
6 improve student performance in accordance with this section.

7 (j) In this section, "district" has the meaning given in AS 14.17.990.

8 * Sec. 8. AS 14.03.125(e) is amended to read:

9 (e) In this section, "district" has the meaning given in AS 14.17.990
10 [AS 14.17.250].

11 * Sec. 9. AS 14.03.150(c) is amended to read:

12 (c) The department may not award a school construction or major maintenance
13 grant under AS 14.11 to a municipality that is a school district or a regional
14 educational attendance area that is not in compliance with (a) of this section. The
15 department shall reduce the amount of state [FOUNDATION] under AS 14.17.400
16 [AS 14.17.021] for which a school district may qualify [,] by the amount, if any, paid
17 by the department under (b) of this section.

18 * Sec. 10. AS 14.03.160(f)(2) is amended to read:

19 (2) "district" has the meaning given in AS 14.17.990 [AS 14.17.250].

20 * Sec. 11. AS 14.03.260(c) is amended to read:

21 (c) The charter school shall provide the financial and accounting information
22 requested by the local school board or the Department of Education [,] and shall
23 cooperate with the local school district or the department in complying with the
24 requirements of AS 14.17.910 [AS 14.17.190].

25 * Sec. 12. AS 14.07.020 is amended by adding a new subsection to read:

26 (c) In implementing its duties under (a)(2) of this section, the department shall
27 develop

28 (1) performance standards in reading, writing, and mathematics to be
29 met at designated age levels by each student in public schools in the state; and

30 (2) a comprehensive system of student assessments, composed of
31 multiple indicators of proficiency in reading, writing, and mathematics; this

1 comprehensive system must

2 (A) be made available to all districts and regional educational
3 attendance areas;

4 (B) include a developmental profile for students entering
5 kindergarten or first grade; and

6 (C) include performance standards in reading, writing, and
7 mathematics for students in age groups five through seven, eight through 10,
8 and 11 - 14.

9 * **Sec. 13.** AS 14.08.101 is amended by adding a new paragraph to read:

10 (11) employ a chief school administrator.

11 * **Sec. 14.** AS 14.08.111(3) is amended to read:

12 (3) [EMPLOY A CHIEF SCHOOL ADMINISTRATOR AND] approve
13 the employment of the professional administrators, teachers, and noncertificated
14 personnel necessary to operate its schools;

15 * **Sec. 15.** AS 14.09.010(b) is repealed and reenacted to read:

16 (b) A school district that enters into a contract described under (a)(1) of this
17 section shall be reimbursed for

18 (1) at least 90 percent of the cost of operating the student transportation
19 system if the transportation is provided by the school district; and

20 (2) 100 percent of the cost of operating the student transportation
21 system when the transportation is provided under a contract with the school district.

22 * **Sec. 16.** AS 14.09.010 is amended by adding a new subsection to read:

23 (d) The department shall apply the same criteria in determining eligibility for
24 reimbursement under (b)(1) or (2) of this section.

25 * **Sec. 17.** AS 14.11.008(b) is amended to read:

26 (b) The required participating share for a municipal school district is based on
27 the district's full value per average daily membership (ADM), which is calculated
28 by dividing the full and true value of the taxable real and personal property in the
29 district, calculated as described in AS 14.17.510 [AS 14.17.025(a)(1),] by the district
30 ADM [AVERAGE DAILY MEMBERSHIP (ADM)] as defined in AS 14.17.990
31 [AS 14.17.250], for the same fiscal year for which the valuation was made. The

1 municipal district's full value per ADM determines the district's required participating
2 share, as follows:

Full Value Per ADM		District Participating Share
\$1 - \$100,000		5 percent
100,001 - 200,000		10 percent
200,001 - 600,000		30 percent
over 600,000		35 percent.

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8 * Sec. 18. AS 14.14.115(c)(2) is amended to read:

9 (2) "district" has the meaning given in AS 14.17.990 [AS 14.17.250].

10 * Sec. 19. AS 14.14.130(a) is amended to read:

11 (a) A [EACH] school board may [SHALL] select and employ a qualified
12 person as the chief school administrator for the district. In this subsection, "employ"
13 includes employment by contract.

14 * Sec. 20. AS 14.14.130(b) is amended to read:

15 (b) If the district employs a [THE] chief school administrator, the
16 administrator [OF THE DISTRICT] shall administer the district in accordance with
17 the policies that the school board prescribes by bylaw.

18 * Sec. 21. AS 14.14.130(c) is amended to read:

19 (c) If the district employs a [THE] chief school administrator, the
20 administrator shall select, appoint, and otherwise control all school district employees
21 that serve under the chief school administrator subject to the approval of the school
22 board.

23 * Sec. 22. AS 14.16.020(2) is amended to read:

24 (2) [EMPLOY CHIEF SCHOOL ADMINISTRATORS AND] approve
25 the employment of [OTHER] personnel necessary to operate state boarding schools;

26 * Sec. 23. AS 14.16.050(a)(2) is amended to read:

27 (2) requirements relating to the public school funding program
28 [STATE FINANCIAL ASSISTANCE FOR EDUCATION] and the receipt and
29 expenditure of that funding [ASSISTANCE]:

30 (A) AS 14.17.500 [AS 14.17.080] (relating to student count
31 estimates);

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(B) AS 14.17.505 [AS 14.17.082] (relating to school operating fund balances);

(C) AS 14.17.500 - 14.17.910 [AS 14.17.160 - 14.17.220] (setting out the procedure for payment of public school funding [FINANCIAL ASSISTANCE,] and imposing general requirements and limits on money paid);

* Sec. 24. AS 14.16.080(a) is amended to read:

(a) AS 14.17.440 [AS 14.17.024] applies to the calculation of public school funding [STATE AID] payable for operation of a state boarding school.

* Sec. 25. AS 14.20.025 is amended to read:

Sec. 14.20.025. Limited teacher certificates. Notwithstanding AS 14.20.020(b), a person may be issued a limited certificate, valid only in the area of expertise for which it is issued, to teach Alaska Native language or culture, military science, or a vocational or technical course for which the board determines by regulation that baccalaureate degree training is not sufficiently available. A limited certificate may be issued under this section only if the school board of the district or regional educational attendance area in which the person will be teaching [, THROUGH THE CHIEF SCHOOL ADMINISTRATOR,] has requested its issuance. A person who applies for a limited certificate shall demonstrate, as required by regulations adopted by the board, instructional skills and subject matter expertise sufficient to ensure the public that the person is competent as a teacher. The board may require a person issued a limited certificate to undertake academic training as may be required by the board by regulation and make satisfactory progress in the academic training.

* Sec. 26. AS 14.20.147(a) is amended to read:

(a) When an attendance area is transferred from a currently operating district to, or absorbed into, a new or existing school district, the teachers for the attendance area also shall be transferred unless otherwise mutually agreed by the teacher or teachers and the chief school administrator of the new district if the district employs a chief school administrator. Accumulated or earned benefits, including [BUT NOT LIMITED TO,] seniority, salary level, tenure, leave, and retirement, accompany the teacher who is transferred.

1 * **Sec. 27.** AS 14.20.148 is amended to read:

2 **Sec. 14.20.148. Intradistrict teacher reassignments.** When a teacher is
3 involuntarily transferred or reassigned to a position for which the teacher is qualified,
4 within the district, the teacher's moving expenses shall be paid unless the one-way
5 driving distance is 20 miles or less from the teacher's present place of residence, or
6 unless otherwise mutually agreed by the teacher and chief school administrator of the
7 district **if the district employs a chief school administrator.**

8 * **Sec. 28.** AS 14.20.177(a) is amended to read:

9 (a) A school district may implement a layoff plan under this section if it is
10 necessary for the district to reduce the number of tenured teachers because

11 (1) school attendance in the district has decreased; or

12 (2) the basic need of the school district determined under
13 **AS 14.17.410(b)(1)** [AS 14.17.021(c) AND ADJUSTED UNDER AS 14.17.225(b)]
14 decreases by three percent or more from the previous year.

15 * **Sec. 29.** AS 14.30.305 is amended to read:

16 **Sec. 14.30.305. State support of programs for children hospitalized or**
17 **confined to their homes.** A child who is hospitalized or confined to home and who
18 receives at least 10 hours of special education and related services per week may be
19 counted as a pupil in average daily membership when computing state support under
20 the public school **funding** [FOUNDATION] program.

21 * **Sec. 30.** AS 14.30.347 is amended to read:

22 **Sec. 14.30.347. Transportation of exceptional children.** When transportation
23 is required to be provided as related services, **an** exceptional **child** [CHILDREN] shall
24 be carried with other children **if the district provides transportation to other**
25 **children in the district** [,] except when the nature of **the** [THEIR] physical or mental
26 **disability** [DISABILITIES] is such that it is in the best interest of the exceptional
27 **child** [CHILDREN], as determined by the school district, that **the child** [THEY] be
28 transported separately. State reimbursement for transportation of exceptional children
29 shall be as provided for transportation of all other pupils except that eligibility for
30 reimbursement is not subject to restriction based on the minimum distance between the
31 school and the residence of the exceptional child.

1	(AS 29.60.010 - 29.60.080)	\$
2	PRIORITY REVENUE SHARING FOR	
3	MUNICIPAL SERVICES (AS 29.60.100 - 29.60.180)	\$
4	REVENUE SHARING FOR SAFE COMMUNITIES	
5	(AS 29.60.350 - 29.60.375)	\$
6	TOTAL AID	\$

7 The millage equivalent of this state aid, based on the dollar value of a mill in the
 8 municipality during the current assessment year and for the preceding assessment year,
 9 is:

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
12 PUBLIC SCHOOL <u>FUNDING</u>		
13 [FOUNDATION] PROGRAM		
14 ASSISTANCE MILLS MILLS
15 STATE AID FOR RETIREMENT		
16 OF SCHOOL CONSTRUCTION		
17 DEBTMILLSMILLS
18 MUNICIPAL TAX RESOURCE		
19 EQUALIZATIONMILLSMILLS
20 PRIORITY REVENUE FOR SHARING		
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22 REVENUE SHARING FOR SAFE		
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26 Notice shall be provided by

27 (1) [BY] furnishing a copy of the notice with tax statements mailed for
 28 the fiscal year for which aid is received; or

29 (2) [BY] publishing in a newspaper of general circulation in the
 30 municipality a copy of the notice once each week for a period of three successive
 31 weeks, with publication to occur not later than 45 days after the final adoption of the

1 municipality's budget.

2 * Sec. 34. AS 29.60.030(d) is amended to read:

3 (d) The full and true assessed property value shall be determined by the
4 department in the manner provided for the computation of state aid to education under
5 AS 14.17.510 [AS 14.17.140]. When the determination of locally generated revenue
6 includes revenue of a utility received under AS 29.60.010(c)(1)(E), the full and true
7 assessed property value must include the computed assessed value of the utility,
8 determined by dividing the amount of the payment in place of taxes made by the
9 utility by the millage rate that would apply to the utility if the utility were subject to
10 levy and collection of taxes under AS 29.45.

11 * Sec. 35. AS 36.10.090(b) is amended to read:

12 (b) A local government or school district covered by the provisions of this
13 chapter that is found to be in violation of these provisions may be required to forfeit
14 all or part of the state aid made available for the project in which the violation occurs
15 and in addition may be denied up to 12 months of state revenue sharing or public
16 school funding [FOUNDATION MONEY]. A state department or agency head found
17 to be in violation of this chapter may be required to forfeit the position of department
18 or agency head.

19 * Sec. 36. AS 36.10.125(c) is amended to read:

20 (c) In an action brought under (b) of this section, the court may, in its
21 discretion, order denial of state revenue sharing or public school funding
22 [FOUNDATION MONEY], forfeiture of office or position, or injunctive or other
23 relief. If the court finds for the plaintiff in an action brought under (b) of this section,
24 it may award the plaintiff an amount equal to the actual costs and attorney fees
25 incurred by the plaintiff.

26 * Sec. 37. AS 36.30.850(b) is amended by adding a new paragraph to read:

27 (38) contracts of the Department of Education under AS 14.03.123(g).

28 * Sec. 38. AS 44.47.305(c) is amended to read:

29 (c) A grant under (a) of this section may not exceed \$50 per month for each
30 child the child care facility cares for, or for each full-time equivalent, as determined
31 by the department. The grant shall be adjusted on a geographic basis by the same

1 factor [PERCENTAGES] as funding for a school district is [INSTRUCTIONAL
2 UNIT ALLOTMENTS ARE] adjusted under AS 14.17.460 [AS 14.17.051].

3 * **Sec. 39.** AS 14.16.050(a)(1)(G); AS 14.17.010, 14.17.021, 14.17.022, 14.17.024,
4 14.17.025, 14.17.026, 14.17.031, 14.17.041, 14.17.043, 14.17.045, 14.17.047, 14.17.051,
5 14.17.056, 14.17.080, 14.17.082, 14.17.140, 14.17.160, 14.17.170, 14.17.190, 14.17.200,
6 14.17.210, 14.17.220, 14.17.225, 14.17.250; and AS 14.30.315(a) are repealed.

7 * **Sec. 40.** TRANSITION: REGULATIONS. (a) To the extent the regulations are not
8 inconsistent with the language and purposes of this Act, regulations relating to state aid for
9 public schools adopted by the Department of Education before the effective date of this
10 section remain in effect as valid regulations implementing this Act; all other regulations
11 relating to state aid for public schools adopted by the Department of Education before the
12 effective date of this section are annulled. The Department of Education may administer and
13 enforce those previously adopted regulations relating to state foundation aid for public schools.

14 (b) The Department of Education shall, by regulation, define the term "school" for
15 purposes of AS 14.17.

16 * **Sec. 41.** TRANSITION: PROPOSED DISTRICT COST FACTORS. The Department
17 of Education shall submit the initial proposed district cost factors, required under
18 AS 14.17.460(b), enacted in sec. 2 of this Act, to the Alaska State Legislature by January 15,
19 2001.

20 * **Sec. 42.** TRANSITION: CENTRALIZED CORRESPONDENCE FUNDING.
21 Notwithstanding AS 14.17.430, as enacted by sec. 2 of this Act, funding for a correspondence
22 study program includes an allocation from the public school account in an amount calculated
23 by multiplying the ADM of the correspondence program by a percentage as follows:

24	For the fiscal year beginning	Percentage
25	July 1, 1998	70 percent
26	July 1, 1999	75 percent

27 * **Sec. 43.** TRANSITION: MINIMUM EXPENDITURE FOR INSTRUCTION.
28 Notwithstanding AS 14.17.520, enacted in sec. 2 of this Act, the minimum expenditure for the
29 instructional component of the school district budget is as follows:

30	For the fiscal year beginning	Minimum expenditure
31	July 1, 1998	60 percent

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July 1, 1999

65 percent

* **Sec. 44. TRANSITION: SPECIAL EDUCATION FUNDING.** If, for fiscal year 1999, the special education service agency would receive less funding under AS 14.30.650, as amended by sec. 31 of this Act, than the agency would have received for fiscal year 1999 under AS 14.30.650 as that provision read before the effective date of this Act, the agency is eligible to receive additional state funding for fiscal year 1999 equal to the difference between the state funding the agency is eligible to receive under AS 14.30.650, as amended by sec. 31 of this Act, and the state funding the agency is eligible to receive on the day before the effective date of this Act.

* **Sec. 45. TRANSITION: BASIC NEED.** Notwithstanding AS 14.17.410(b)(2), enacted in sec. 2 of this Act, for fiscal year 1999, the Department of Education shall determine basic need for purposes of calculating the required contribution of a city or borough school district under AS 14.17.410(b)(2) by using projected data.

* **Sec. 46. TRANSITION: PUBLIC SCHOOL FUNDING.** (a) If, in fiscal year 1999, a city or borough school district or a regional educational attendance area would receive more public school funding under AS 14.17.410, enacted in sec. 2 of this Act, than the district or area would have received as state aid in fiscal year 1999, the district or area may not receive state funding that exceeds the amount the district or area would be eligible to receive in state aid in fiscal year 1999 and 60 percent of the difference between the state aid the district or area would have received in fiscal year 1999 and the state funding the district or area was eligible to receive under AS 14.17.410, enacted in sec. 2 of this Act, in fiscal year 1999.

(b) For purposes of this section, "state aid" means state aid distributed under the provisions of AS 14.17, as those provisions read on January 1, 1998, and additional district support appropriated by the legislature.

* **Sec. 47. REQUIRED REPORT.** The Department of Education shall compare the use of per school funding required under this Act to the use of funding communities required in AS 14.17 before the effective date of this Act and submit a report to the Alaska State Legislature by January 15, 2001.

* **Sec. 48.** This Act takes effect July 1, 1998.

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

4/29/98 PM

TONY KNOWLES, GOVERNOR

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April 29, 1998

The Honorable Gene Therriault
Alaska State Legislature
House Finance Committee
State Capitol, Room 511
Juneau, Alaska 99801-1182

Dear Representative Therriault,

You have asked a number of questions about the implementation of AS 43.56, the Oil and Gas Exploration, Production and Pipeline Transportation Property Tax. Your letter focuses on some issues that have been the subject of a good deal of review over the years.

We understand the property tax methodology used by the two boroughs in question to be as follows.¹ Both the North Slope Borough and Valdez use the limitation set out in AS 43.56.010(c) (which is the same as the limitation set out in AS 29.45.080) to calculate the operating portion of their respective property taxes. These taxes technically apply only to the tax base included in the "225% limit."² Since the limitations set out in AS 29.45.080 (and, therefore, in AS 43.56.010) do not apply to taxes levied or pledged to secure bonds, the portion of the property tax levied for debt service on bonds applies to the entire tax base. Since a part of the tax applies to only a portion of the tax base, and a part of the tax applies to the entire tax base, the mill rate for the former is converted to an "as if" mill rate and applied to the entire tax base.

Since 1978, the method for determining the property within the 225% limit has been as set out in the attached letter from Deputy Commissioner of Revenue John Messenger to Mayor Eben Hopson at the North Slope Borough. That letter provides "[i]f the entire assessed valuation of property taxable by the municipality does exceed the '225 percent limitation' ... the Department will require a pro-rata reduction in the assessed value of all property in the municipality so that it comes within the limitation." While there has been controversy over the years over whether the proration should apply to the locally assessed property, the methodology first set out in 1978 has been

¹ The North Slope Borough and Valdez are the only boroughs in which the total value of assessed property exceeds 225% of the average per capita full and true value of property in the state multiplied by the number of residents in the municipality.

² The "225% limit" is set out in footnote 1, above.

approved by the Attorney General in 1985 and again by the Senate Select Advisory Committee on Municipal Taxation of Oil and Gas Properties in 1989. It is the method currently used by this department and by the pertinent municipalities.

Your specific questions are addressed below.

- 1. What is the Department's process used to determine the portion of the oil and gas property tax base taxable by a municipality under AS 43.56.010©? Who is the person responsible for making the determination?**

The process for determining the portion of the tax base taxable under AS 43.56.010(c) involves obtaining values from several sources. The Department of Community and Regional Affairs determines both the average statewide per capita value and the municipal population. The municipality, subject to review by the State Assessor, determines the value of locally assessed property. The Department of Revenue determines the value of the oil and gas property in a municipality. Once those numbers are known, the calculation of the taxable tax base is a straightforward mathematical exercise. The person responsible for the Department of Revenue's portion of the administration of AS 43.56 is Richard Brewer, Assistant Director of the Oil and Gas Audit Division.

- 2. Which of the two methods in AS 29.45.080 have Valdez and the North Slope Borough informed the Department will be used for 1998? What methods were selected by each of the two municipalities in the prior 10 years?**

Both the North Slope Borough and Valdez have used the method set out in AS 29.45.080(c) to calculate the operating expenditures portion of their property tax for the last ten years. As far as we know, neither has formally notified this department of its choice. The choice has been known to the department and records in both the Departments of Revenue and Community and Regional Affairs clearly acknowledge the choice made by each of these municipalities.

- 3. If either or both municipalities informed the Department that the method in AS 29.45.080(c) would be used, what portion of the oil and gas property tax base was designated by your department for taxation by the local governments? Please provide me with the announcements of the portions identified which were sent to all municipalities using the method in AS 29.45.080(c) for 1998 and the prior 10 years.**

Since the designation of the portion of the tax base subject to tax under the method set out in AS 29.45.080(c) is a simple mathematical calculation, as set out in Paragraph 1 above, the Department of Revenue has not issued a formal announcement of the calculation. The department notifies each municipality of the value of the oil and gas property within its borders on March 1 of each year; the values are certified by June 1 of that year.

4. **If a portion of the oil and gas property is required to be designated under AS 43.56.010(c) for local taxation purposes, what was the sum of that portion plus "the value of property otherwise taxable by the municipality" for the prior 10 years?**

The attached table sets out locally assessed values, total values, and values within the 225% limit for each municipality for the last ten years.

5. **What mill rates were applied by the North Slope Borough and Valdez against Oil and Gas Property in 1997 and in the prior 10 years? What mill rates are expected to be applied against AS 43.56 property for 1998?**

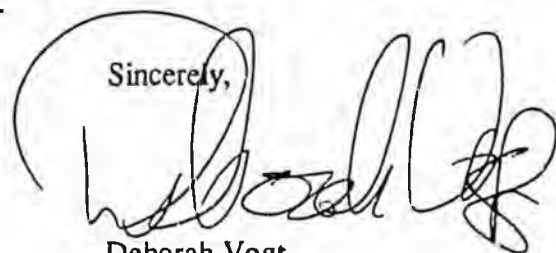
The mill rates used by the two municipalities for the last ten years are also shown in the attached table. Mill rates must be set by June 15 each year, and have not yet been set for 1998.

6. **Against what portion of the oil and gas property were the mill rates of the North Slope Borough and Valdez applied in 1997 and prior years?**

The mill rates for operating expenses were applied, by both Valdez and the North Slope Borough, against the property tax base within the 225% limit. The mill rates were, however, converted to the equivalent mill rates applicable to the entire property tax base. The mill rates for bonded indebtedness were applied against the entire tax base.

I hope that the material we are providing answers your questions. Please let me know if any clarification is required.

Sincerely,



Deborah Vogt
Deputy Commissioner

4/29/98 pm

Alaska State Legislature

REPRESENTATIVE
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House District 31

House Of Representatives

April 28, 1998

Memorandum

To: Rick Cross, Deputy Commissioner
Department of Education

From: Representative Pete Kelly *Pete*

Re: SB 36, "school size definition" as a function of funding.

Please provide House Finance Committee with two runs of data to clarify the "size of school definition" issue you have raised with regard to SB 36.

First, I need a run of all schools with the small K-12 schools divided into two entities, an elementary school and a secondary school. This run must include columns with the number of students, the dollars per student, dollars per school under SB 36, the net change dollars increased or decreased over the current funding formula, and any other information you feel the committee needs to know to understand the workings of SB 36. I would prefer a sort of this information by district, largest to smallest, but will trust your judgement.

The Second run needs to combine specialty "internal" schools within larger districts. I understand, from your testimony, that there are subsets of students within some of the larger schools that are subdivided out and given separate school names or designations. To understand the workings of SB 36 I need to see the dollar information described above with the artificial subsets of students recombined into the actual school facilities.

If you can recommend additional information that will demonstrate the "size of school" issue please consider this a request for such information. Is it possible, for example, to use the McDowell study in terms of "student community"?

PRESENTATION OF KETCHIKAN GATEWAY BOROUGH CONCERNING ENHANCEMENT OF STATE REVENUE FOR EDUCATION

I am Scott Brandt-Erichsen. I am the Borough Attorney for the Ketchikan Gateway Borough. I am here because Don Bullock and I have been asked to make a presentation to the House Finance Committee regarding the state's revenues from oil and gas property taxes.

Why are we making this presentation? I am involved because the Ketchikan Gateway Borough School District is severely impacted by the current school funding formula. You are probably all aware that, despite providing the maximum amount allowed by the state funding formula cap, Ketchikan has had to cut 53 positions over the last 7 years, including school nurses, librarians, school counselors, art, music, maintenance and support staff and classroom teachers, and is facing more cuts next year. I have received numerous calls from parents who are discussing filing a public interest lawsuit challenging the current formula if equitable adjustments are not made.

But this is not only about Ketchikan. It is about all districts who are inequitably funded under the current program. It is about Juneau, Sitka, Kenai and Ketchikan who are funding the maximum allowed by law and yet must cut programs and services as inflation reduces the buying power of that funding ceiling.

It is also about the rural districts without a significant tax base. Districts like the Northwest Arctic Borough which has more students than the North Slope Borough but has a per capita income so low (\$8,328 from DCRA Median household income and size off internet) that it would take a person almost three year's total income to earn enough to pay one year worth of the per capita property taxes collected by the North Slope Borough (\$24,369 p. 17 1997 Alaska Taxable). There are countless others too. Every community which has seen reduced municipal assistance and revenue sharing, and every community which is concerned about the level of transitional funding available for SB36, each of them has a vested interest in seeing that the State gets every dollar of revenue to which it is entitled so that the communities who rely upon transfer payments from the state don't have to face cuts or inequitable levels of funding just because some people in the State and the North Slope say "we've always done it this way."

Against this background, any potential increase in state revenues which could make funds available to restore educational equity is an option worth considering. The phrase "leaving no stone unturned" comes to mind.

So we are here to talk about increasing revenues. Specifically, the state's share of oil and gas property tax. The relationship between this tax and potential fund sources came to light in the Senate hearings when it was noticed that the North Slope seemed to be working off of two widely different tax base values. One about 2.2 billion and the other 11.7 billion. This apparent conflict came to the attention of Don Bullock.

Don Bullock works for the legislative liaison for the Ketchikan Gateway Borough. He has 17 year's experience with the Department of Revenue and has done extensive research into the legislative history and the application of the oil and gas tax property tax. He has also researched the implementation of that tax by the State Departments of Revenue, Community and Regional Affairs and the affected municipalities.

The history of the issue is this:

In an effort to avoid huge disparities in wealth between municipalities and to use the proceeds from the development of natural resources owned by all residents for the benefit of all residents, the legislature, in 1973, established a state property tax on oil and gas properties of 20 mills.

[Slide of AS 43.56.010(a) SLIDE #1]

At the time the Senate Committee on Community and Regional Affairs expressed its concern over the creation of fabulously rich communities which have oil and gas development adjacent to fabulously poor communities which do not. Through the state level tax and a specifically limited delegation of authority to municipalities to tax only part of the oil and gas property, the legislature sought to prevent such disparities, particularly where the resources which bring about the wealth belong to the people of the state as a whole. The limits selected were of two types. One on the total amount of revenue per resident which could be raised and the other on the portion of oil and gas property over which the local communities would have the jurisdiction to tax. Each community must select one of these two limiting methods by February 1st of each year.

The Senate committee recognized that allowing communities to tax was the same as if the state levied the tax itself and then appropriated the funds to the local government for its purposes. The Committee noted that the state legislature itself would not vote to appropriate \$3000 per person to the community of Fort Yukon and vote a state per person revenue sharing of only \$25 to Koyukuk. Such a result would, in the words of the Senate committee "be unfair and unconscionable." Senate Journal Nov. 3, 1973 at 81.

Here we are 25 years later and the result which the Senate in 1973 called unfair and unconscionable is exactly what we have. As you will see, the North Slope Borough and Valdez are "fabulously rich" while their neighbors are "fabulously poor". And the state's failure to properly implement the protections that the legislature enacted in 1973 is the chief cause.

According to Alaska Taxable 1997, the value of all oil and gas properties in the state as of January 1, 1997 was fourteen billion six hundred twenty-three million four hundred thirty-six thousand two hundred ten dollars. At a tax rate of 20 mills, this generates the state tax of approximately Two hundred ninety-two million four hundred seventy-thousand dollars.

[3 SLIDES NET TO STATE]

The state does not get all of this revenue, however. At the time AS 43.56 was enacted, the legislature realized that there would also be some impacts from oil and gas development on local municipalities. The state tax was imposed because of the strong belief that when the oil and gas resources which belong to all of Alaskans are being developed and shou'd benefit from that development. In drafting the legislation, a compromise was struck between maximizing the revenue from the tax for needs throughout Alaska and ensuring local governments had the revenues to meet local impacts.

The tax is:

authorized by AS 43.56.010(b) [SLIDE #3]

Limitations:

1. The tax is in lieu of all other ad valorem taxes on oil and gas property which is covered by AS 43.56. AS 43.56.010(b) and AS 29.45.080(a). [SLIDE #4 TEXT OF 43.56.030]

2. The rate of taxation must be at a rate no higher than the rate which applies to other property in the municipality. AS 43.56.010(b). [BACK TO SLIDE #3]
3. The maximum tax is limited by one of the two methods:
[SLIDE #5 TEXT OF AS 29.45.080(a)]
[SLIDE #6 FULL TEXT OF 29.45.080]
 1. Amount - AS 29.45.080(b). [SLIDE #7]
 2. Proportion of value - AS 29.45.080(c)
3. The taxes levied by municipalities are counted as a credit against the amount received by the state. AS 43.56.010(d).

The amount limitation is a calculated number. It is determined by taking the population as determined by the Department of Community and Regional Affairs and multiplying that by \$1500. For the North Slope, this would be \$ 19,407,000. For Valdez, it would be \$ 6,381,000.

[SLIDE #9]

The proration of value limitation is also a calculated number. The Department of Community and Regional Affairs is responsible for designating the portion of the oil and gas property tax base which may be subject to the municipal tax. AS 43.56.010(c). The state assessor provides this calculation each year in Alaska Taxable. For 1998, the figures for the North Slope are as follows:

[SLIDE #10 Explanation of millage rates]

Each municipality must decide by February 1 of each year which method it will use as a limitation. Over the years there have been some disputes about how these limitations are applied.

In a 1978 Alaska Supreme Court case, there was an issue about how the credit against the state mill levy would apply. This case also addressed the impact of AS 29.45.100 which waives the statewide 30 mill tax rate limit and the \$1500 per resident amount limit as they apply to taxes needed to pay debt service (bonds).

The court said that taxes for bonds may exceed the 30 mill limit. It also held that the credit applies on a statewide basis. Thus, a municipal levy which exceeds 20 mills will create a credit for the taxpayer which could be applied against state taxes on oil and gas property which the taxpayer owns elsewhere in the state.

The debt service exception in AS 29.45.100 says that taxes to pay bonds may be levied without limitation as to rate or amount.

[SLIDE #11 AS 29.45.100]

The term rate is obviously the mill rate. The mill rate limitation referred to in AS 29.45.090(a) (30 mills).

[SLIDE #12 AS 29.45.090(a)]

The amount limitation refers to the total revenue cap in AS 29.45.080(b) and AS 29.45.090(b)(1) [SLIDE #6 AS 29.45.080] This amount is \$1500 per year per resident.

Three important things to realize about this debt limitation statute make it clear that it is not carte blanche authority to tax at will. First, the debt limitation statute has been on the books since 1960. And since 1960 the same phrase has remained unchanged: "Without limitation as to rate or amount." This was in place long before there was any statute relating to taxation of oil and gas property, and long before the concept of apportioning shares of the oil and gas property tax base.

Second, stepping back and looking at the concept of the \$1500 per resident limit and the proration of value limit, you realize that if you were to read AS 29.45.100 as providing an exception to proration then the per person limit has no meaning once the statewide per person assessed value exceeds \$22,222. Doing the math, \$1500 per person is the same as 30 mills per person on a \$50,000 assessed value. Thus, if the statewide per person assessed value exceeds \$22,222, and the method applied by the North Slope is used, then the proration of value method will always give the local government more money without any increase in the mill rate. It is unreasonable, illogical, and contrary to the statutes to effectively eviscerate the \$1500 per person limit in this manner.

Third, the North Slope method, which I will step you through shortly, effectively repeals the \$1500 limit in AS 29.45.080(b).

Lets look at the errors.

At about the same time as the court was looking at the bond payment limit, the Department of Revenue responded to a question on the prorated value calculation. In a March 6, 1978 letter to North Slope Borough Mayor Eben Hobson, the Department of Revenue set out the method for calculating the prorated value under AS 29.45.080(c).

[SLIDES 13a,b,c 1978 Letter]

This letter contained a couple of errors. First, there was a simple arithmetic error. This is not significant as it is not carried through. Second, it erroneously prorated the non-oil and gas property.

This method effectively nullifies the \$1500 limit. The ratio of local property to Oil and Gas property end up the same under both methods. You can do the math and figure it out. With:
Total property values of \$11,728,282,009;
Oil and Gas property value of \$ 11,465,052,290; and
Local property values of \$ 283,962,200

The local property is 2.42% of the total assessed value.

Thus, under the \$1500 per person method the local property bears only 2.42% of the cost.

Then under the proration of value method If, as the North Slope does, you prorate both the local and the oil and gas property, then the ratio of 2.42% is preserved and even though the mill rate may increase, the true dollar tax burden stays the same, only the amount ceiling of \$1500 per person is removed.

Looking at the statute it was interpreting, the error is clear. AS 29.45.080(c) has the key phrases which show the proper method.

[SLIDE #6 AS 29.45.080(c)]

First the statute says that a municipality can levy and collect a tax on the full and true value of "that portion of taxable property taxable under AS 43.56 [oil and gas property] as assessed by the Department of Revenue which value" and here's the second clause "when combined with the value of the property otherwise taxable by the municipality" does not exceed the limit. Thus, the statute calls for prorating the value of the oil and gas property only, not houses and commercial buildings.

Despite the error, the 1978 letter is helpful in explaining proration of value. Putting the 1998 numbers in this format for the North Slope Borough shows that the North Slope Borough tax base is limited to taxing 18.5% of the full and true value of oil and gas property in the Borough if it elects the prorated value method.

[SLIDE #14 a and b]

In this slide, the difference in the tax base is due to rounding of the percentage to three significant digits.

You can compare this to the calculation from Alaska Taxable put out by the state assessor, and you will find that they are the same.

[SLIDE #10]

Two other Supreme Court cases addressed the oil and gas property tax, but are not as significant for the issues here. A 1986 decision upheld the method used to calculate population. You notice that the North Slope population used in the formula is 12,938 people. The actual Borough Population is listed as 9,189 on page 17 of 1997 Alaska Taxable. This includes an adjustment which counts remote site workers whose primary residence is elsewhere. This higher population figure benefits the North Slope Borough because it increases the \$1500 per person amount.

The second in 1990 rejected an effort by Valdez to set up a special taxing district comprised of oil and gas property.

Now we get to the crux of the issue. How the oil and gas property tax base gets converted to revenues. The calculation in Alaska Taxable does not follow the statutes on this point.

[SLIDE #15 DEVELOPMENT OF OVERALL RATE]

When the assessor calculates the impact of the mill levy, he overlooks the fact that the Borough elected the prorated value method. Instead of using the tax base permitted under AS 29.45.080(c) and AS 43.56.010(c), he uses the entire assessed value for the Borough. In effect, he switches methods without reverting to the total tax amount limitation of \$1500 per person.

In order to reach the entire assessed value, the Borough would need to use the \$1500 per person method. If they elect the prorated value method, then their tax base is only 18.5% of oil and gas property - about 2,167,000,000 for the North Slope.

How costly is this error? For the state, it reduces revenues by over 43 million a year under the \$1500 method or over \$18 million per year under the value method.

AS 43.56.010. Levy of Tax. (a) An annual tax of 20 mills is levied each tax year beginning January 1, 1974, on the full and true value of taxable property taxable under this chapter.

Gross State Tax on AS 43.56 Property, Municipal Taxation of AS 43.56 Property, and Net to the State

(Alaska Taxable 1997)

State Taxable Full Value of AS 43.56 Property as of January 1, 1997	\$14,623,436,210
Value of AS 43.56 Property within Taxing Municipalities	\$13,095,322,770
State Tax, Before Municipal Tax Credits	\$292,468,724
Total Municipal Taxes on AS 43.56 Property, Credited Against State Tax	\$245,306,676
Net Property Tax Revenue to State from AS 43.56	\$47,162,048

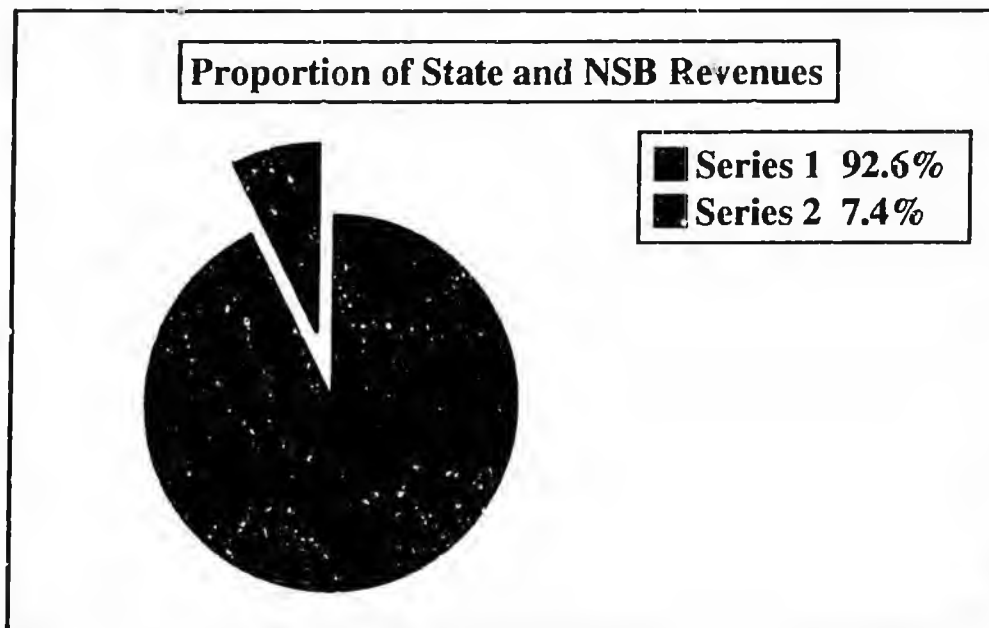
Proportion State Tax Collection on AS 43.56 Property

■ Series 1 ■ Series 2



**Similar Calculation but for Property
Located in the North Slope Borough
(Using Method in Alaska Taxable)**

State Taxable Full Value of AS 43.56 Property in North Slope Borough as of January 1, 1997	\$11,465,052,290
State Tax, Before Municipal Tax Credits	\$229,301,046
Total North Slope Borough Taxes on AS 43.56 Property, Credited Against State Tax	\$212,218,118
Net Property Tax Revenue to State from AS 43.56	\$17,082,928
North Slope's Mill Rate	18.510
Effective States Mill Rate	1.490



**Similar Calculation but for Property
 Located in Valdez**
 (Using Method in Alaska Taxable)

State Taxable Full Value of AS 43.56 Property in Valdez as of January 1, 1997	\$692,583,260
State Tax, Before Municipal Tax Credits	\$13,851,665
Total Valdez Taxes on AS 43.56 Property, Credited Against State Tax	\$14,378,028
Net Property Tax Revenue to State from AS 43.56	-\$526,363
Mill Rate for Valdez	20.760
Effective Mill Rate for State	-0.760

In this situation, an AS 43.56 taxpayer may take the balance of the credit against the tax due to the state for property located outside of Valdez. AS 43.56.010(d) does not limit the tax credit to the state tax due from property located in a taxing municipality

The Power of a Municipality to Tax AS 43.56 Property in AS 43.56.010 and AS 43.56.030

AS 43.56.010. Levy of Tax.

*** * ***

(b) A municipality may levy and collect a tax under AS 29.45.080 at the rate of taxation that applies to other property taxed by the municipality. The tax shall be levied at a rate no higher than the rate applicable to other property taxable by the municipality. A municipality may not exempt from taxation property authorized to be taxed under this chapter. Exemptions shall be limited to those in AS 29.45.030, 29.45.050, and AS 43.56.020.

*** * * ***

Slide Number:

The only taxes a municipality may impose on AS 43.56 property are those authorized in AS 43.56.010(b):

AS 43.56.030. In place of other taxes. Except for those taxes imposed under AS 43.55 and AS 43.57, the taxes levied or authorized under AS 43.56.010 (b) are in place of

(1) all other ad valorem taxes or other taxes imposed by a municipality on property subject to tax under this chapter or exempted from taxation by AS 43.56.020 , and

(2) all other taxes imposed by a municipality on or with respect to the property subject to tax under this chapter or exempted from taxation by AS 43.56.020 , including, but not limited to,

(A) taxes on the retail sale or use of the property except for the retail sales tax on the first \$1,000 of each sale;

(B) taxes on the sale or use of gas or unrefined oil;

(C) taxes on the sale or use of services used in or associated with the property or in its maintenance or operation except for the sales tax on the first \$1,000 of each sale;

(D) taxes on or measured by gross or net income from the property, including income from the exploration for, production of, or pipeline transportation of gas or unrefined oil or property; and

(E) any license, excise, fee, charge or other tax on or pertaining to the property or services.

Slide Number:

AS 29.45.080. Tax on oil and gas production and pipeline property. (a) A municipality may levy and collect taxes on taxable property taxable under AS 43.56 only by using one of the methods set out in (b) or (c) of this section.

Slide Number:

AS 29.45.080. Tax on oil and gas production and pipeline property. (a) A municipality may levy and collect taxes on taxable property taxable under AS 43.56 only by using one of the methods set out in (b) or (c) of this section.

(b) A municipality may levy and collect a tax on the full and true value of taxable property taxable under AS 43.56 as valued by the Department of Revenue at a rate not to exceed that which produces an amount of revenue from the total municipal property tax equivalent to \$1,500 a year for each person residing in its boundaries.

(c) A municipality may levy and collect a tax on the full and true value of that portion of taxable property taxable under AS 43.56 as assessed by the Department of Revenue which value, when combined with the value of property otherwise taxable by the municipality, does not exceed the product of 225 percent of the average per capita assessed full and true value of property in the state multiplied by the number of residents of the taxing municipality.

(d) By February 1 of each assessment year a taxing municipality shall inform the Department of Revenue which method of taxation the municipality will use.

(e) For purposes of this section, population shall be determined by the commissioner based on the latest statistics of the United States Bureau of the Census or on other reliable population data, and the commissioner shall advise each municipality of its population by January 15 of each year.

Slide Number:

Under the method in AS 29.45.080 (b), a municipality may

- 1.levy and collect a tax**
- 2.on the full and true value**
- 3.of taxable property taxable under AS 43.56 as
valued by the Department of Revenue**
- 4.at a rate not to exceed that which produces an
amount of revenue**
- 5.from the total municipal property tax**
- 6.equivalent to \$1,500 a year for each person
residing in its boundaries.**

Amount of AS 43.56 property taxed by the municipality: **All**

Amount of locally assessed property taxed by the municipality: **All**

Slide Number:

Under the method in AS 29.45.080(c), a municipality may

- 1. Levy and collect a tax**
- 2. On the full and true value**
- 3. Of that portion of taxable property taxable under AS 43.56 as assessed by the Department of Revenue**
- 4. Which value**
- 5. When combined with the value of property otherwise taxable by the municipality**
- 6. Does not exceed the product of**
- 7. 225 percent**
- 8. Of the average per capita assessed full and true value of property in the state**
- 9. Multiplied by the number of residents of the taxing municipality.**

Slide Number:

Under AS 29.45.080(c), the municipality applies its tax to the value of:

ALL Locally Assessed Property

Plus

A PORTION of the AS 43.56 Property

The TOTAL VALUE on which the municipality levies its tax may not exceed the VALUE calculated under the 225% formula.

The Department of Revenue determines the PORTION of AS 43.56 property which the municipality may tax under this method. AS 43.56.010(c).

Slide Number:

Municipal Taxation of Oil and Gas Property
AS 29.45.080, AS 43.56

Application of Formula For Determining Tax Base Cap
AS 43.56.010(c), AS 29.45.080(b), AS 29.45.080(c)

Limits on Revenue From Property Taxes For Operations

Table 1

FY98	North Slope Borough	Valdez
Population	12,038	4,254
Operating Revenue Cap @ \$1500/resident AS 29.45.080(b), AS 29.45.090(b)(1)	\$19,407,000	\$6,381,000
Municipality's Operating Budget	\$60,009,558	\$15,679,396
Municipality's Operating Budget Above Revenue Cap in AS 29.45.080(b)	\$40,602,558	\$9,298,396

DEVELOPMENT OF ACTUAL OVERALL RATE

FY 98 projected budget for debt service (payment of bonds): \$157,100,000

Actual assessed value: \$11,728,282,099

$$\frac{\$157,100,000}{\$11,728,282,099} = 13.39 \text{ mills (levy to satisfy debt service)}$$

$$\frac{\$60,009,558}{\$11,728,282,099} = 5.12 \text{ mills (levy to satisfy operating budget)}$$

$$13.39 + 5.12 = 18.51 \text{ mills (actual overall rate)}$$

1/Note: for FY 99, this calculation will be:

$$\$76,907 \times 2.25 \times 12,938 = \$2,238,801,223$$

Note: The population used here is different from the population used in other areas of this publication due to the fact that the North Slope Borough is allowed to use a larger portion of the workforce in Prudhoe Bay to count in the tax cap formula. The revenue sharing calculation uses a smaller population count.

North Slope Borough

EXPLANATION OF MILLAGE RATES:

AS 29.45.090(a) restricts the millage rate for the municipal operating budget to a maximum of 3% or 30 mills. (There is no limit on taxes to pay bonds.)

The 30 mill limit on operating revenues is levied against an assessed value no to exceed that produced by the following formula:

Average Per Capita Full Value X 225% X municipal population, or, for FY 98:

$$74,474 \times 2.25 \times 12,938 = \$ 2,167,975,377^1 \text{ (Assessed Value Limit for operating budget)}$$

$$\$ 2,167,975,377 \times 30 \text{ mills} = \$ 65,039,261 \text{ (FY 98 statutory limit for operating budget)}$$

FY 98 projected operating budget: ~~\$54,432,482~~ **\$60,009,558**

$$\frac{\$65,039,261}{\$2,167,975,377} = 30.00 \text{ mills (operating budget rate)}$$

City of Valdez

EXPLANATION OF MILLAGE RATES

AS 29.45.090(a) restricts the millage rate for the municipal operating budget to a maximum of 3% or 30 mills. (There is no limit on taxes to pay bonds.)

The 30 mill limit on operating revenues is levied against an assessed value not to exceed that produced by the following formula:

Average Per Capita Full Value X 225% X municipal population, or , for FY 98:

$\$74,474 \times 2.25 \times 4,254 = \$712,827,891$ (Assessed Value Limit for operating budget)

$\$712,827,891 \times 30 \text{ mills} = \$21,384,837$ (FY 98 statutory limit for operating budget)

FY 98 operating budget: $\$15,679,396$ (property tax portion)

$\frac{\$ 15,679,396}{\$ 712,827,891} = 22.00 \text{ mills}$ (effective operating rate)

City of Valdez

EXPLANATION OF MILLAGE RATES

AS 29.45.090(a) restricts the millage rate for the municipal operating budget to a maximum of 3% or 30 mills. (There is no limit on taxes to pay bonds.)

The 30 mill limit on operating revenues is levied against an assessed value not to exceed that produced by the following formula:

Average Per Capita Full Value X 225% X municipal population, or , for FY 98:

$\$74,474 \times 2.25 \times 4,254 = \$712,827,891$ (Assessed Value Limit for operating budget)

$\$712,827,891 \times 30 \text{ mills} = \$21,384,837$ (FY 98 statutory limit for operating budget)

FY 98 operating budget: \$15,679,396 (property tax portion)

$\frac{\$ 15,679,396}{\$ 712,827,891} = 22.00 \text{ mills}$ (effective operating rate)

AS 29.45.100. No limitations on taxes to pay bonds. The limitations provided for in AS 29.45.080 - 29.45.090 do not apply to taxes levied or pledged to pay or secure the payment of the principal and interest on bonds. Taxes to pay or secure the payment of principal and interest on bonds may be levied without limitation as to rate or amount, regardless of whether the bonds are in default or in danger of default.

Slide Number:

AS 29.45.090. Tax limitation. (a) A municipality may not, during a year, levy an ad valorem tax for any purpose in excess of three percent of the assessed value of property in the municipality. All property on which an ad valorem tax is levied shall be taxed at the same rate during the year.

Slide Number:

March 6, 1978

Calculation

1. $(\$30,000) \times (225 \text{ percent}) \times (10,000) = \$675,000,000$

(\$675,000,000 is the total assessed value of property in the North Slope Borough that can be taxed.)

2. $3,000,000,000 > 675,000,000$

(Apportionment of the tax base is necessary.)

3. $\frac{3,000,000,000}{675,000,000} = .225$

(The entire tax base must be reduced to 22.5 percent of its full value to come within the 675,000,000 limit.)

4. $2,500,000,000 \times .225 = 562,500,000$

(Value of AS 43.56 property that can be taxed)

$500,000,000 \times .225 = 112,500,000$

(Value of other property that can be taxed)

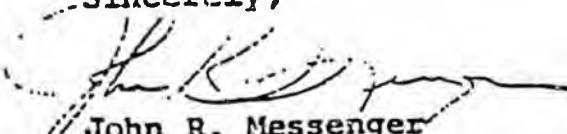
675,000,000

5. $(675,000,000) \times (30 \text{ mills}) = \$ 20,250,00$

(This is the total property tax revenues that can be raised. Obviously the North Slope Borough could use any millage rate it wanted up to a maximum of 30 mills on the apportioned value and the rate for AS 43.56 property can not be any higher than that applied to other property.)

We plan to formalize this ruling in a form of a regulation in the near future. If you have any further questions please let me know.

Sincerely,


John R. Messenger
Deputy Commissioner

cc: Thomas K. Williams, Director
Petroleum Revenue Division

Joseph K. Donahue, Esq
Assistant Attorney General

Calculation

1. $(\$30,000) \times (225 \text{ percent}) \times (10,000) = \$675,000,000$

($\$675,000,000$ is the total assessed value of property in the North Slope Borough that can be taxed.)

2. $3,000,000,000 > 675,000,000$

(Apportionment of the tax base is necessary.)

3. $\frac{3,000,000,000}{675,000,000} = .225$

(The entire tax base must be reduced to 22.5 percent of its full value to come within the $675,000,000$ limit.)

4. $2,500,000,000 \times .225 = 562,500,000$

(Value of AS 43.56 property that can be taxed)

$500,000,000 \times .225 = 112,500,000$

(Value of other property that can be taxed)

675,000,000

5. (675,000,000) x (30 mills) = \$ 20,250,00

(This is the total property tax revenues that can be raised. Obviously the North Slope Borough could use any millage rate it wanted up to a maximum of 30 mills on the apportioned value and the rate for AS. 43.56 property can not be any higher than that applied to other property.)

We plan to formalize this ruling in a form of a regulation in the near future. If you have any further questions please let me know.

Sincerely,



John R. Messenger
Deputy Commissioner

cc: Thomas K. Williams, Director
Petroleum Revenue Division

Joseph K. Donahue, Esq
Assistant Attorney General

**Application of the Department of Revenue's 1978
Method for the 225% Formula Tax Base
AS 29.45.080(c)**

This application uses the calculations set out in the 1978 letter, but
substitutes current information from Alaska Taxable 1997

Assumptions

Average per capita assessed full and true value of property in Alaska	\$74,474
North Slope Borough Residents	12,000
Assessed Value of AS 43.56 property within North Slope Borough	\$11,465,052,290
Assessed Value of non-AS 43.56 property within North Slope Borough	\$283,962,200
Total assessed value of all property within North Slope Borough	\$11,749,014,490

Sources: Average per capita assessed full and true value and
borough population is from Alaska Taxable 1997, p. 26.
Assessed value information is from Alaska Taxable 1997, p. 44.
Note that the total assessed value within the borough is lower in
the calculation set out on page 26 of Alaska Taxable 1997.

Calculation

1. $(\$74,474) \times (225 \text{ percent}) \times (12,938) = \$2,167,975,377$

(\$2,167,975,377 is the total assessed value of property in the North Slope Borough that can be taxed.)

2. $\$11,749,014,490 > \$2,167,975,377$

(Apportionment of the tax base is necessary.)

3. $\$2,167,975,377$ divided by $\$11,749,014,490 = 0.185$

(The entire tax base must be reduced to 18.5% of its full value to come within the \$2,167,975,377 limit.)

4. $\$11,455,052,290 \times .185 =$ $\$2,121,034,674$

(Value of AS 43.56 property that can be taxed)

5. $\$283,962,200 \times .185 =$ $\$52,533,007$

(Value of other property that can be taxed)

$\$2,173,567,681^1$

6. $(\$2,167,975,377) \times (30 \text{ mills}) =$ $\$65,039,261.31$

(This is the total property tax revenues that can be raised. Obviously the North Slope Borough could use any millage rate it wanted up to the maximum of 30 mills on the apportioned value and rate for AS 43.56 property can not be any higher than that applied to other property.)

1978 Letter from Department of Revenue using current numbers.

¹ This amount is inflated because of the rounding of the actual ratio between the 225% cap amount and the total amount of property in the borough.

DEVELOPMENT OF ACTUAL OVERALL RATE

FY 98 projected budget for debt service (payment of bonds): \$157,100,000

Actual assessed value: \$11,728,282,099

$$\frac{\$157,100,000}{\$11,728,282,099} = 13.39 \text{ mills (levy to satisfy debt service)}$$

$$\frac{\$60,009,558}{\$11,728,282,099} = 5.12 \text{ mills (levy to satisfy operating budget)}$$

$$13.39 + 5.12 = 18.51 \text{ mills (actual overall rate)}$$

1/Note: for FY 99, this calculation will be:

$$\$76,907 \times 2.25 \times 12,938 = \$2,238,801,223$$

† Note: The population used here is different from the population used in other areas of this publication due to the fact that the North Slope Borough is allowed to use a larger portion of the workforce in Prudhoe Bay to count in the tax cap formula. The revenue sharing calculation uses a smaller population count.

DEVELOPMENT OF ACTUAL OVERALL RATE:

FY 98 budget for debt service (payment of bonds): \$1,919,736

Actual assessed value: \$847,954,097

$$\frac{\$ 1,919,736}{\$ 847,954,097} = 2.264 \text{ mills} \quad (\text{levy to satisfy debt service})$$

$$\frac{\$ 15,679,396}{\$ 847,954,097} = 18.491 \text{ mills} \quad (\text{levy to satisfy operating budget})$$

$$2.264 + 18.491 = 20.76^* \text{ mills} \quad (\text{actual overall rate for operating \& debt service only})$$

* varies from actual mill rate due to estimated assessed value used by municipality at time levy needed to be set

1/Note: For FY 99, this calculation will be:

$$\$76,907 \times 2.25 \times 4,486 = \$776,260,805$$

Municipal Taxation of Oil and Gas Property
AS 29.45.080, AS 43.56

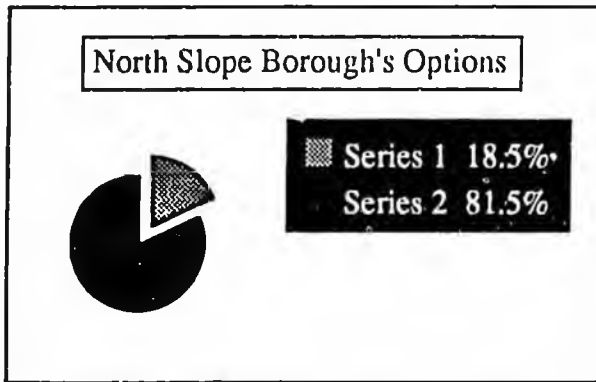
Application of Formula For Determining Tax Base Cap

AS 43.56.010(c), AS 29.45.080(b), AS 29.45.080(c)

Limits On Value Of Property Subject to Tax By A Municipality

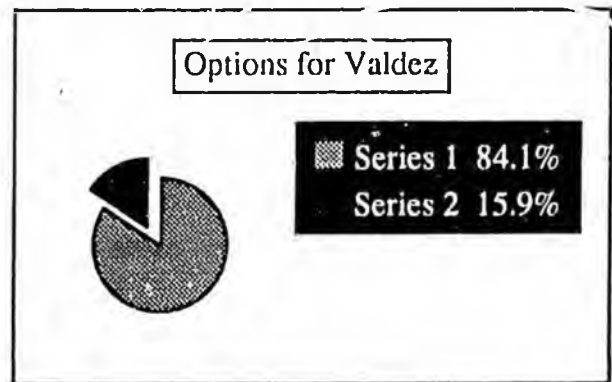
Table 2

FY98	North Slope Borough	Valdez
Population	12,938	4,254
Total Value of Taxable Property Within Municipality, Including All AS 43.56 Property	\$11,728,282,009	\$847,954,097
Property Value Cap, 225% Statewide Average Per Capita Assessed Value Multiplied by Municipal Population, AS 43.56.010(c), AS 29.45.080(c), AS 29.45.090(b)(2)	\$2,167,975,377	\$712,827,891
Excess AS 43.56 Property Above The Value Cap in AS 29.45.080(c)	\$9,560,306,632	\$135,126,206



Series 1 = 225% formula value cap taxable by municipality

Series 2 = Portion of value exempt from local tax



	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education								
5	Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
6	School	School		District	Funding	Funding	School		Daily membership
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	Adjusted ADM School:
9	7	ALASKA GATEWAY		522.00				748.97	
11		Dot Lake School			DOT LAKE	15.00	15.00		39.60
12		Eagle Community School			EAGLE	23.00	23.00		44.46
13		Menastla Lake School			MENTASTA	52.00	52.00		88.58
14		Walter Northway School			NORTHWAY	90.00	90.00		141.90
15		Tanacross School			TANACROSS	20.00	20.00		39.60
16		Tellin School			TETLIN	29.00	29.00		54.18
17		Tok School				293.00	265.00		340.55
18		Out of District Correspondence					28.00		
20	3	ALEUTIAN REGION		67.00				141.48	
21		Nikolski School			NIKOLSKI	13.00	13.00		39.60
22		Yakov E. Nesvetov School			ATKA	27.00	27.00		50.94
23		Adak School			ADAK	27.00	27.00		50.94
25	6	ALEUTIANS EAST		345.00				566.44	
26		Akutan School			AKUTAN	23.00	23.00		44.46
27		Cold Bay School			COLD BAY	13.00	13.00		39.60
28		False Pass School			FALSE PASS	20.00	20.00		39.60
29		King Cove School			KING COVE	140.00	140.00		205.40
30		Nelson Lagoon School			NELSON LAGOON	15.00	15.00		39.60
31		Sand Point School			SAND POINT	134.00	134.00		197.78
33	93	ANCHORAGE		47,832.75				52,208.39	
34		Abbot Loop Elementary			ANCHORAGE	41,284.50	540.00		600.40
35		Airport Heights Elementary					336.00		409.52
36		Aurora Elementary					455.00		522.20
37		Baxter Elementary					461.50		530.94
38		Bayshore Elementary					527.00		588.44
39		Bear Valley Elementary					468.50		534.62
40		Bowman Elementary					551.00		610.52
41		Campbell Elementary					493.00		557.16
42		Chester Valley Elementary					301.50		376.06
43		Chinook Elementary					491.50		555.78
44		Chugach Optional Elementary					230.00		304
45		College Gate Elementary					491.00		555.00
46		Creekside Park					369.00		441.53
47		Denali School					509.00		571.88
48		Fairview Elementary					430.00		499.20
49		Family Partnership Charter School					451.00		518.52
50		Gladys Wood Elementary					497.00		560.84
51		Government Hill Elementary					426.00		495.52
52		Huffman Elementary					461.00		527.72
53		Inlet View Elementary					240.00		315.30
54		Kasun Elementary					596.50		652.38
55		Kennedy Elementary					225.00		299.10
56		Kincaid Elementary					448.00		515.76
57		Klatt Elementary					525.00		586.60
58		Lake Hood Elementary					480.00		545.20
59		Lake Otis Elementary					566.00		624.32
60		McMurtain View Elementary					425.00		494.60
61		Mt. Spurr Elementary					265.00		325.65
62		Muldoon Elementary					414.00		484.48
63		North Star Elementary					498.00		561.76
64		Northwood Elementary					349.50		422.62

4-20-98 AM

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education								
	Foundation Program; School Districts, Funding Communities and Schools								
5	4/17/98								
6	School	School		District	Funding	Funding	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
65			Nunaka Valley Elementary				365.00		437.65
66			Ocean View Elementary				376.50		448.81
67			O'Malley Elementary				469.00		535.08
68			Orion Elementary				426.00		495.52
69			Ptarmigan Elementary				355.50		428.44
70			Rabbit Creek Elementary				423.50		493.22
71			Rogers Park Elementary				443.50		511.62
72			Russian Jack Elementary				386.00		458.02
73			Sand Lake Elementary				553.50		612.82
74			Scenic Park Elementary				507.00		570.04
75			Spring Hill Elementary				579.50		636.74
76			Susitna Elementary				581.50		638.58
77			Taku Elementary				396.50		468.21
78			Turnagain Elementary				374.50		446.97
79			Ursa Major Elementary				209.90		281.82
80			Ursa Minor Elementary				216.00		289.38
81			William Tyson Elementary				361.00		439.77
82			Williwaw Elementary				611.00		695.72
83			Willow Crest Elementary				467.00		533.24
84			Wonder Park Elementary				518.00		580.16
85			Northern Lights ABC Elementary				507.00		570.04
86			Tudor Elementary				502.50		565.90
87			Central Middle				800.00		835.60
88			Clark Middle				834.00		864.16
89			Denali JR High				57.00		96.03
90			Golden View Middle				775.00		814.60
91			Hanshaw Middle				895.00		915.40
92			Mears Middle School				1054.00		1048.96
93			Romig Middle				726.00		771.52
94			Wendler Middle				971.00		979.24
95			Dimond High				2147.00		1967.03
96			East High				1923.00		1778.92
97			Service High				2335.00		2131.72
98			West High				1621.00		1525.24
99			Bartlett High				1825.00		1696.60
100			Steller Secondary				314.00		388.18
101			Benny Benson Secondary/S.E.A.R.C.H.				337.00		410.49
102			*Charter North Hospital				8.00		0.00
103			Booth Memorial Home				18.00		39.60
104			Maplewood Group Home				14.00		39.60
105			McLaughlin Youth Center				167.00		236.46
106			Jesse Lee Home				18.00		39.60
107			North Star Hospital				10.00		39.60
108			Polaris K-12				458.50		525.42
109			Providence Heights				10.00		39.60
110			S.A.V.E.				263.00		338.71
111			Walden Pond Charter				140.00		205.40
112			Whaley Center				173.00		242.94
113			Aquarian Charter				120.00		180.00
114			ACE/ACT				54.00		91.56
115			A.V.A.I.L.				64.00		106.46
116			Alaska School for the Deaf		ALASKA SCHOOL FOR THE DEAF		43.00		75.17
117			Mirror Lake Elementary		EAGLE RIVER		6,361.75		310.98

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education								
2	Foundation Program; School Districts, Funding Communities and Schools								
3	4/17/98								
5						Funding			
6	School	School	District	Funding	Funding	School	Adjusted ADM		
7	Totals:	District:	School:	ADM:	Community:	ADM:	District:	School:	
8									
118			Eagle River Elementary				367.00		439.59
119			Alpenglow Elementary				540.00		600.40
120			Birchwood Elementary				339.00		412.43
121			Chuglak Elementary				511.00		573.72
122			Fire Lake Elementary				337.50		410.98
123			Homestead Elementary				443.00		511.16
124			Ravenwood Elementary				401.00		472.52
125			Gruening Middle School				612.00		666.64
126			Mirror Lake Middle				510.00		572.80
127			Chuglak High				2065.25		1898.41
128			Girdwood School		GIRDWOOD	143.50	143.50		209.85
129									
130	3	ANNETTE ISLANDS		391.00					572.46
131			Mellakalla High School		ANNETTE	391.00	125.00		186.35
132			R. J. Elementary				173.00		242.94
133			Leask Middle School				91.00		143.17
134			In District Correspondence				2.00		
135									
136	15	BERING STRAIT		1,809.41					2,657.55
137			Aniguin School		ELIM	103.87	103.87		159.51
138			Anthony B. Andrews School		ST. MICHAELS	123.00	123.00		183.81
139			Brevig Mission School		PREVIG MISSION	103.00	103.00		158.41
140			Diomedea School		DIOMEDE	61.00	61.00		101.99
141			Gambell School		GAMBELL	201.10	201.10		273.29
142			Golovin School		GOLOVIN	60.14	60.14		100.71
143			James C. Isabell School		TELLER	81.00	81.00		130.47
144			Koyuk Malemute School		KOYUK	90.48	90.48		142.51
145			Savoonga School		SAVOONGA	166.91	166.91		236.36
146			Shaktolik School		SHAKTOOLIK	72.00	72.00		118.38
147			Shismaref School		SHISMAREF	185.00	185.00		255.90
148			Stebbins School		STEBBINS	185.00	185.00		255.90
149			Unalakleet School		UNALAKLEET	242.91	242.91		318.44
150			Wales School		WALES	60.00	60.00		100.50
151			White Mountain School		WHITE MOUNTAIN	74.00	74.00		121.36
152									
153	2	BRISTOL BAY		308.00					406.44
154			Bristol Bay School		BRISTOL BAY	292.00	292.00		366.84
155			South Naknek School		SOUTH NAKNEK	16.00	16.00		39.60
156									
157	7	CHATHAM		297.00					542.62
158			Angoon School		ANGOON	146.00	146.00		213.02
159			Cube Cove School		CUBE COVE	30.00	30.00		55.80
160			Ellin Cove School		ELFIN COVE	11.00	11.00		39.60
161			Gustavus School		GUSTAVUS	70.00	70.00		115.40
162			Hobart Bay School		HOBART BAY	10.00	10.00		39.60
163			Klukwan School		KLUKWAN	15.00	15.00		39.60
164			Tenakee Springs School		TENAKEE SPRINGS	15.00	15.00		39.60
165									
166	3	CHUGACH		146.00					161.63
167			Chenega Bay School		CHENEGA BAY	14.00	14.00		39.60
168			Tatitlek Community School		TATITLIK	30.00	30.00		55.80
169			Whittier Community School		WHITTIER	102.00	37.00		66.23
170			In District Correspondence				45.00		
171			Out of District Correspondence				20.00		
172									
173	8	COPPER RIVER		829.50					920.15
174			*Chistochina School		CHISTOCHINA	9.00	0.00		0.00

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5						Funding Community ADM:	School ADM:	Adjusted ADM District:	School:
6	School	School	District	Funding					
7	Totals:	District:	School:	ADM:	Community:				
8									
175		Copper Center Elementary School			COPPER CENTER	53.00	53.00		90.07
176		Gakona Elementary School			GAKONA	27.00	27.00		50.94
177		Glennallen School			GLENNALLEN	584.50	234.00		308.82
178		Glennallen School K-6					136.50		200.96
179		Kenny Lake School			KENNY LAKE	128.00	128.00		190.16
180		Lottie Sparks School			LOTTIE SPARKS	12.00	12.00		39.60
181		Slana School			SLANA	16.00	16.00		39.60
182		In District Correspondence					37.00		
183		Out of District Correspondence					186.00		
184									
185	2	CORDOVA		530.00				678.00	
186		Cordova School			CORDOVA	530.00	220.00		293.70
187		Mt. Eccles Elementary					310.00		384.30
188									
189	3	CRAIG		447.00				577.32	
190		Craig Elementary			CRAIG	447.00	219.00		292.62
191		Craig High School					175.00		245.10
192		Alternative High School					14.00		39.50
193		In District Correspondence					30.00		
194		Out of District Correspondence					9.00		
195									
196	6	DELTA/GREELY		824.00				1,110.31	
197		Charter School			DELTA JUNCTION	808.00	65.00		107.95
198		Delta Junction Elementary School					190.00		261.30
199		Delta Junction High School					220.00		293.70
200		Fort Greely School					280.00		355.20
201		Alternative High School					28.00		52.56
202		Healy Lake School			HEALY LAKE	16.00	16.00		39.60
203		In District Correspondence					25.00		
204									
205	3	DENALI		355.00				504.20	
206		Anderson School			ANDERSON	87.00	87.00		138.09
207		Cantwell School			CANTWELL	31.00	31.00		57.29
208		Tri-Valley School			HEALY	237.00	234.00		338.82
209		In District Correspondence					3.00		
210									
211	2	DILLINGHAM		619.00				767.63	
212		Dillingham Elementary			DILLINGHAM	619.00	336.00		409.52
213		Dillingham High School					283.00		358.11
214									
215	30	FAIRBANKS		16,447.50				17,376.43	
216		Anderson Elementary School			EIELSON	1,662.50	480.50		545.66
217		Ben Eielson Jr/Sr High School					613.00		667.56
218		Crawford Elementary School					569.00		627.08
219		Anne Wien Elementary School			FAIRBANKS	11,404.50	516.00		578.32
220		Joy Elementary School					480.00		545.20
221		Lathrop High School					1472.00		1400.08
222		Pearl Creek Elementary School					572.50		630.30
223		Ryan Middle School					869.00		893.56
224		University Park Elementary School					553.50		612.82
225		West Valley High School					1218.00		1186.72
226		Wood River Elementary School					543.50		603.62
227		Chinook Charter School					94.00		146.98
228		Denali Elementary School					456.50		523.58
229		Fairbanks Youth Academy					72.00		118.38
230		Howard Luke Alternative Sr. High School					169.00		238.62
231		Hunter Elementary School					354.50		427.47

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5									
6	School	School	District	Funding	Funding	School	Adjusted ADM		
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
232			Ladd Elementary School				518.00		580.16
233			Barnette Elementary School				509.50		572.34
234			New Beginnings Charter				18.00		39.60
235			Nordale Elementary School				435.50		504.26
236			Tanana Middle School				881.00		903.64
237			Arctic Light Elementary School				636.50		689.18
238			Weller Elementary School				545.50		605.46
239			Saicha Elementary School		SALCHA	86.50	86.50		137.46
240			North Pole Elementary School		NORTH POLE	3,161.00	438.50		527.02
241			North Pole High School				1012.00		1013.68
242			North Pole Middle School				791.00		828.04
243			Badger Road Elementary School				477.50		542.90
244			Ticasuk Brown Elementary School				442.00		510.24
245			Two Rivers Elementary School		TWO RIVERS	133.00	133.00		196.51
246			In District Correspondence				490.00		
248	3	GALENA		1,379.00				356.60	
249			Galena Elementary School		GALENA	1,379.00	101.00		155.87
250			Galena High School				83.00		133.01
251			Galena Charter School				38.00		67.72
252			Out of District Correspondence				1157.00		
254	4	HAINES		438.00				644.20	
255					HAINES	426.00			
256			Haines High School				150.00		218.10
257			Haines Junior High School				76.00		124.12
258			Haines Elementary School				191.00		262.38
259			Mosquito Lake Elementary School		MOSQUITO LAKE	12.00	12.00		39.60
260			In District Correspondence				9.00		
262	2	HOONAH		270.00				398.10	
263			Hoonah Elementary		HOONAH	140.00	140.00		205.40
264			Hoonah High School			130.00	130.00		192.70
266	2			125.00				208.45	
267		HYDABURG	Hydaburg Elementary		HYDABURG	62.00	62.00		103.48
268			Hydaburg Jr/Sr. High School			63.00	63.00		104.97
270	10	IDITAROD		436.00				760.58	
271			Blackwell School		ANVIK	21.00	21.00		41.22
272			David-Louis Memorial School		GRAYLING	73.00	73.00		119.87
273			Holy Cross School		HOLY CROSS	72.00	72.00		118.38
274			Innoko River School		SHAGELUK	43.00	43.00		75.17
275			Lime Village School		LIME VILLAGE	19.00	19.00		39.60
276			McGrath School		MCGRATH	142.00	142.00		207.94
277			Minchumina Community School		LAKE MINCHUMINA	12.00	12.00		39.60
278			Takotna Community School		TAKOTNA	40.00	20.00		39.60
279			Takotna Charter School				20.00		39.60
280			Top of the Kuskokwim School		NIKOLAI	14.00	14.00		39.60
282	11	JUNEAU		5,750.00				6,218.92	
283			Auke Bay Elementary School		JUNEAU	5,750.00	424.00		493.68
284			Charter School				40.00		70.70
285			Dzanik'I Heeni Middle School				717.00		763.24
286			Floyd Dryden Middle School				665.00		715.40
287			Gastineau Elementary School				353.00		426.01
288			Glacier Valley Elementary School				394.00		465.78

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5									
6	School	School		District	Funding	Funding	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	Community	ADM:	District:	School:
8									
289			Harborview Elementary School				462.00		528.84
290			Juneau Douglas High School				1620.00		1524.40
291			Mendenhall River Elementary School				484.00		548.88
292			Riverbend Elementary School				465.00		531.40
293			Ya Koos Alternative High School				97.00		150.79
294			In District Correspondence				29.00		
295									
296	3	KAKE		190.00				312.22	
297			Kake Elementary School		KAKE	190.00	94.00		146.98
298			Kake Jr. High				30.00		55.80
299			Kake High School				66.00		109.44
300									
301	1	KASHUNAMIUT		279.00				354.23	
302			Chevak School		CHEVAK	279.00	279.00		354.23
303									
304	41	KENAI PENINSULA		10,341.96				12,548.19	
305			Chapman Elementary School		ANCHOR POINT	244.46	244.46		320.12
306			Cooper Landing School		COOPER LANDING	36.77	36.77		65.89
307			Homer Charter		HOMER	1,413.11	22.86		44.23
308			Homer Flex				29.81		55.49
309			Homer Intermediate School				331.91		405.55
310			Homer Junior High School				237.51		312.61
311			Homer Senior High School				557.49		616.49
312			Paul Banks Elementary School				233.53		308.31
313			Hope School		HOPE	17.89	17.89		39.60
314			Kachemak Selo School		KACHEMAK SELO	68.57	68.57		113.27
315			Tustumena Elementary School		KASILOF	279.24	279.24		354.46
316			Kenai Central High School		KENAI	1,789.75	530.66		591.81
317			Kenai Junior High School				425.33		494.90
318			Kenai Alternative School				45.71		79.21
319			Mountain View Elementary				393.53		465.32
320			Sears Elementary				394.52		466.28
321			McNeil Canyon Elementary		MCNEIL CANYON	149.06	149.06		216.91
322			Moose Pass School		MOOSE PASS	33.79	33.79		61.45
323			Nanwalek School		NANWALEK	58.63	58.63		98.46
324			Nikiski Elementary School		NIKISKI	1,164.68	278.25		353.50
325			Nikiski Middle/High School				550.54		610.10
326			North Star Elementary School				335.89		409.41
327			Nikolaevsk School		NIKOLAEVSK	152.04	152.04		220.30
328			Ninilchik School		NINILCHIK	228.56	228.56		302.94
329			Port Graham School		PORT GRAHAM	37.76	37.76		67.36
330			Razdolna Elementary School		RAZDOLNA	37.76	37.76		67.36
331			Susan B. English School		SELDOVIA	94.41	94.41		147.50
332			Bayview Charter School		SEWARD	854.63	19.88		39.60
333			Seward Elementary School				395.51		467.24
334			Seward Jr/Sr High School				439.24		507.70
335			Alternative School		SOLDOTNA	3,178.01	97.37		151.26
336			Aurora Borealis Charter				99.38		153.81
337			Kalifornsky Branch Elementary				424.33		493.98
338			Redoubt Elementary School				441.23		509.53
339			Skyview High School				620.10		674.09
340			Soldotna Elementary School				365.70		438.33
341			Soldotna High School				563.46		621.98
342			Soldotna Middle School				468.44		534.56
343			Sterling Elementary School		STERLING	342.84	342.84		416.15
344			Bartlett School		TYONEK	41.74	41.74		73.29

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5						Funding			
6	School	School		District	Funding	Community	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
345			Voznesenka School		VOZNESENKA	118.26	118.26		177.79
346			In District Correspondence				98.00		
347	8	KETCHIKAN		2,719.00				3,160.98	
348			Houghtaling Elementary School		KETCHIKAN	2,719.00	488.00		552.56
350			Ketchikan Charter School				69.00		113.91
351			Ketchikan High School				725.00		770.60
352			Point Higgins Elementary School				282.00		357.14
353			Revilla High School				117.00		176.19
354			Schoenbar Middle School				403.00		474.36
355			Valley Park Elementary School				278.00		353.26
356			White Cliff Elementary School				288.00		362.96
357			In District Correspondence				69.00		
358									
359	1	KLAWOCK		215.00				288.30	
360			Klawock School		KLAWOCK	215.00	215.00		288.30
361									
362	15	KODIAK ISLAND		2,897.00				3,478.96	
363			Akhiok School		AKHIOK	37.66	37.66		67.22
364			Big Sandy Lake School		BIG SANDY LAKE	23.41	23.41		45.13
365			Chiniak School		CHINIAK	26.47	26.47		50.07
366			Danger Bay School		DANGER BAY	15.27	15.27		39.60
367			*Karluk School		KARLUK	9.16	0.00		0.00
368			East Elementary School		KODIAK	2,565.16	451.96		519.40
369			Kodiak Middle School				393.93		465.72
370			Kodiak High School				667.12		717.35
371			Main Elementary School				279.93		355.13
372			North Star Elementary School -- Kodiak				293.16		367.97
373			Peterson Elementary				410.22		481.00
374			Larsen Bay School		LARSEN BAY	34.61	34.61		62.67
375			Old Harbor School		OLD HARBOR	82.45	82.45		132.31
376			Ouzinkie School		OUZINKIE	42.75	42.75		74.80
377			Port Lions School		PORT LION	60.06	60.06		100.59
378			In District Correspondence				78.00		
379									
380	11	KUSPUK		510.00				891.15	
381			Auntie Mary Nicoli Elementary		ANIAK	195.00	84.00		134.28
382			Aniak Middle School				48.00		82.62
383			Aniak High School				63.00		104.97
384			Crow Village Sam School		CHUATHJALUK	43.00	43.00		75.17
385			Johnnie John Sr School		CROOKED CREEK	43.00	43.00		75.17
386			Zackar Levi Elementary School		LOWER KALSKAG	75.00	75.00		122.85
387			George Willis School		RED DEVIL	14.00	14.00		39.60
388			Jack Egnaty Sr. School		SLEETMUTE	21.00	21.00		41.22
389			Gusty Michael School		STONY RIVER	16.00	16.00		39.60
390			George Morgan Sr. High School		UPPER KALSKAG	103.00	72.00		118.38
391			Joseph & Olinga Gregory School				31.00		57.29
392									
393	15	LAKE & PENINSULA		518.00				965.27	
394			Chignik Bay School		CHIGNIK BAY	17.00	17.00		39.60
395			Chignik Lagoon School		CHIGNIK LAGOON	31.00	31.00		57.29
396			Chignik Lake School		CHIGNIK LAKE	46.00	46.00		79.64
397			Egegik School		EGEGIUK	22.00	22.00		42.84
398			Igugig School		IGIUGIG	16.00	16.00		32.60
399			Ivanof Bay School		IVANOF BAY	11.00	11.00		39.60
400			Kokhanok School		KOKHANOK	64.00	59.00		99.01

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5									
6	School	School		District	Funding	Funding	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
401			Levelok School		LEVELOK	23.00	23.00		44.46
402			Newhalen School		NEWHALEN	89.00	89.00		140.63
403			Nondalton School		NONDALTON	73.00	73.00		119.87
404			Pedro Bay School		PEDRO BAY	12.00	12.00		39.60
405			Perryville School		PERRYVILLE	39.00	39.00		69.21
406			Pilot Point School		PILOT POINT	28.00	28.00		52.56
407			Port Alsworth School		PORT ALSWORTH	13.00	13.00		39.60
408			Port Heiden School		PORT HEIDEN	34.00	34.00		61.76
409			In District Correspondance				5.00		
410									
411	26	LOWER KUSKOKWIM		3,642.00				5,045.00	
412			Akiuk Memorial School		AKIUK	73.00	73.00		119.87
413			Akula Eliinauvik School		AKULA	89.00	89.00		140.63
414			Joann A. Alexie Memeorial School		ATMAUTLAUK	79.00	79.00		127.93
415			Bethel Regional High School		BETHEL	1,375.00	464.73		531.15
416			Bethel Youth Facility				24.52		46.92
417			Bethel-Kilbuck Elementary				486.05		550.76
418			Bethel-Mikelnguut Eliinaurviat				399.71		471.32
419			Chapinquaak School		CHEFORNAK	132.00	132.00		195.24
420			Eek School		EEK	89.00	89.00		140.63
421			Rocky Mountain School		GOODNEWS	82.00	82.00		131.74
422			Chief Paul Memorial		KIPNUK	197.00	197.00		268.86
423			Dick R Klunya		KONGIGANAK	114.00	114.00		172.38
424			Kwethluk Community School		KWETHLUK	208.00	208.00		280.74
425			Kwigillingok School		KWIGILLINGOK	93.00	93.00		145.71
426			Nelson Island School		TOKSOOK BAY	171.00	171.00		240.78
427			Nuniwaarmiut School		MEKORYUK	50.00	50.00		85.60
428			William N Miller Meml		NAPAKIAK	108.00	108.00		164.76
429			Z. John Williams Memorial School		NAPASKIAK	126.00	126.00		187.62
430			Ayaprun High School		NEWTOK	86.00	86.00		136.82
431			Nightmute School		NIGHTMUTE	62.00	62.00		103.48
432			Anna Tobeluk Memorial School		NUNAPITCHUK	139.00	139.00		204.13
433			Ougcuun Memorial School		OSCARVILLE	15.00	15.00		39.60
434			Arviq School		PLATINUM	10.00	10.00		39.60
435			Quinhagak School		QUINHAGAK	155.00	155.00		223.50
436			Lewis Angapak Memorial School		TUNTUTULIAK	87.00	87.00		138.09
437			Paul T. Albert Memorial School		TUNUNAK	102.00	102.00		157.14
438									
439	11	LOWER YUKON		1,850.60				2,520.67	
440			Alakanak School		ALAKANAK	178.90	178.90		249.31
441			Emmonak School		EMMONAK	264.75	264.75		340.41
442			Hooper Bay School		HOOPER BAY	392.55	392.55		464.37
443			Kotlik School		KOTLIK	186.75	186.75		257.79
444			Marshall School		MARSHALL	93.90	93.90		146.85
445			Mountain Village School		MOUNTAIN VILLAGE	248.85	248.85		324.86
446			Pilot Station School		PILOT STATION	173.05	173.05		242.99
447			Pitkas Point School		PITKAS POINT	44.15	44.15		76.88
448			Russian Mission		RUSSIAN MISSION	92.25	92.25		144.76
449			Scammon Bay School		SCAMMON BAY	125.80	125.80		187.37
450			Sheldon Point School		SHELDON POINT	49.65	49.65		85.08
451									
452	30	MAT-SU		12,641.00				13,549.15	
453			Palmer High School		PALMER	3,168.70	941.92		954.81
454			Palmer Junior High				745.80		789.74
455			Sherrod				423.14		492.89
456			Academy Charter School				81.15		130.66

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education								
	Foundation Program: School Districts, Funding Communities and Schools								
5	4/17/98								
6	School	School		District	Funding	Funding	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
457			Swanson				380.63		452.81
458			Wasilla High School		WASILLA	3,338.73	977.66		984.84
459			Alternative				169.06		238.69
460			Wasilla Middle School				863.66		889.08
461			Iditarod				458.88		525.77
462			Snowshoe				377.73		450.00
463			Tanana				491.73		555.99
464			Colony High School		COLONY	3,384.14	1127.40		1110.62
465			Colony Middle School				875.26		898.82
466			Cottonwood Creek				446.32		514.22
467			Pioneer Peak				393.19		464.99
468			Finger Lake				541.96		602.21
469			Su Valley		MAT-SU VALLEY	234.75	234.75		309.63
470			Houston		HOUSTON	571.91	571.91		629.76
471			Big Lake		BIG LAKE	626.01	472.41		538.21
472			Midnight Sun Community School				89.84		141.70
473			Big Lake Anr				63.76		106.10
474			Glacier View		GLACIER VIEW	61.83	61.83		103.22
475			Talkeetna		TALKEETNA	114.00	114.00		172.37
476			Trapper Creek		TRAPPER CREEK	39.61	39.61		70.12
477			Willow		WILLOW	208.67	208.67		281.46
478			Skwentna		SKWENTNA	21.25	21.25		41.63
479			Butte		BUTTE	325.56	325.56		399.40
480			Sutton		SUTTON	111.10	111.10		168.69
481			Goose Bay		GOOSE BAY	421.21	421.21		491.11
482			Beryozava		BERYOZAVA	13.52	13.52		39.60
483			In District Correspondence				596.06		
485	1	NENANA		220.00				199.05	
486			Nenana K-12 School		NENANA	220.00	135.00		199.05
487			In District Correspondence				20.00		
488			Out of District Correspondence				65.00		
490	3	NOME		789.00				956.83	
491			Alternative High School		NOME	789.00	29.00		54.18
492			Nome Elementary School				435.00		503.80
493			Nome /Beltz Jr/Sr High				325.00		398.85
495	10	NORTH SLOPE		2,037.00				2,629.23	
496			Nunamiut School		ANAKTUVUK PASS	77.54	77.54		126.07
497			Meade River School		ATQASUK	69.33	69.33		114.40
498			Barrow High School		BARROW	1,175.86	203.43		275.80
499			Fred Ipalook				712.45		759.05
500			Ebin Hopon Middle				259.98		335.78
501			Harold Kaveolook School		KAKTOVIK	67.50	67.50		111.68
502			Nuigsul Trapper School		NUIQSUT	145.04	145.04		211.81
503			Tikigaaq School		POINT HOPE	260.90	260.90		336.67
504			Cully School		POINT LAY	74.80	74.80		122.56
505			Alak School		WAINWRIGHT	166.03	166.03		235.41
507	12	NORTHWEST ARCTIC		2,248.00				2,950.50	
508			Ambler School		AMBLER	115.00	115.00		173.65
509			Buckland School		BUCKLAND	157.00	157.00		225.00
510			Deering School		DEERING	44.00	44.00		76.66

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1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98									
5										
6	School	School		District	Funding	Funding	School	Adjusted ADM		
7	Totals:	District:	School:	ADM:	Community:	Community	ADM:	ADM:	District:	School:
8										
511			Kiana School		KIANA	123.00	123.00			183.81
512			McQueen School		KIVALINA	147.00	147.00			214.29
513			Kobuk School		KOBUK	28.00	28.00			52.56
514			Kotzebue Elementary School		KOTZEBUE	904.00	485.00			549.80
515			Kotzebue Jr/Sr High School				404.00			475.28
516			Napaaglugmiut School		NOATAK	150.00	150.00			218.10
517			Aggeluk School		NOORVIK	219.00	219.00			292.62
518			Selawik		SELAWIK	272.00	272.00			347.44
519			Shungnak		SHUNGNAK	89.00	89.00			140.63
520			In District Correspondence				15.00			
522	1	PELICAN		38.00					67.72	
523			Pelican School		PELICAN	38.00	38.00			67.72
525	3	PETERSBURG		775.00					993.42	
526			Petersburg Elementary School		PETERSBURG	775.00	358.00			430.86
527			Petersburg High School				233.00			307.74
528			Petersburg Middle School				184.00			254.82
530	2	PRIBILOF		196.00					299.06	
531			Saint George Island School		ST. GEORGE	52.00	52.00			88.58
532			St. Paul Island School		ST. PAUL	144.00	144.00			210.48
534	5	SITKA		1,750.00					1,993.10	
535			Baranof Elementary School		SITKA	1,750.00	285.00			360.05
536			Blatchely Jr High School				385.00			457.05
537			Pacific Alternative				50.00			85.60
538			Sitka High School				505.00			568.20
539			Verstovia Elementary School				455.00			522.20
540			In District Correspondence				70.00			
542	1	SKAGWAY		130.00	SKAGWAY				192.70	
543			Skagway School			130.00	130.00			192.70
545	12	SOUTHEAST ISLAND		269.00					500.47	
546			*Craik Logging School		CRAIK	8.00	0.00			0.00
547			*Edna Bay School		EDNA BAY	9.00	0.00			0.00
548			JR Gildersleeve		JR. GILDERSLEEVE	12.00	12.00			39.00
549			Hollis School		HOLLIS	23.00	23.00			44.46
550			Howard Valentine		HOWARD VALENTINE	27.00	27.00			50.94
551			*Kassan		KASAAN	8.00	0.00			0.00
552			Naukati School		NAUKATI	39.00	39.00			69.21
553			*Polk Inlet School		POLK INLET	7.00	0.00			0.00
554			Port Alexander School		PORT ALEXANDER	10.00	10.00			39.60
555			Port Protection School		PORT PROTECTION	19.00	19.00			39.60
556			Thorne Bay School		THORNE BAY	96.00	118.00			177.46
557			Whale Pass School		WHALE PASS	11.00	11.00			39.60
558			In District Correspondence				10.00			
560	9	SOUTHWEST REGION		779.20					1,147.70	
561			*Portage Creek		PORTAGE CREEK	8.00	0.00			0.00
562			Aleknagik North School		ALEKNAGIK NORTH	39.65	39.65			70.18
563			Clarks Point School		CLARKS POINT	16.25	16.25			39.60
564			Koliganek School		KOLIGANEK	82.90	82.90			132.88
565			Manokotak School		MANOKOTAK	144.90	144.90			211.62
566			Chief Ivan Blunka		NEW STUYAHOK	162.70	162.70			231.82
567			Toqiak School		TOGIAK	277.20	285.20			360.24

	B	D	F	G	H	I	J	M	N	
1	Alaska Department of Education									
	Foundation Program; School Districts, Funding Communities and Schools									
5	4/17/98									
6	School	School		District	Funding	Funding	School	Adjusted ADM		
7	Totals:	District:	School:	ADM:	Community:	Community	ADM:	ADM:	District:	School:
568			Twin Hills School		TWIN HILLS	13.60	13.60			39.60
569			William "Sonny" Nelson School		EKWOK	34.00	34.00			61.76
571	1	ST. MARY'S		133.00					185.08	
572			St. Mary's School		ST. MARY'S	133.00	124.00			185.08
573			Out of District Correspondence				9.00			
575	1	TANANA		113.00					168.57	
576			Tanana School		TANANA	113.00	111.00			168.57
577			In District Correspondence				2.00			
579	3	UNALASKA		390.00					533.40	
580			Unalaska Elementary		UNALASKA	390.00	164.00			233.22
581			*Alternative High School				0.00			0.00
582			Unalaska High School				226.00			300.18
584	3	VALDEZ		895.00					1,100.43	
585			George H. Gilson Jr. High		VALDEZ	895.00	143.00			209.21
586			Herman Hutchins Elementary				504.00			567.2R
587			Valdez High School				248.00			323.94
589	3	WRANGELL		514.25					701.14	
590			Wrangell Elementary School		WRANGELL	514.25	222.00			295.86
591			Wrangell High School				154.00			222.42
592			Stikine Middle School				122.25			182.86
593			In District Correspondence				10.00			
594			Out of District Correspondence				6.00			
596	2	YAKUTAT		178.00					274.98	
597			Yakutat School K thru 12		YAKUTAT	166.00	166.00			235.38
598			Icy Bay		ICY BAY	12.00	12.00			39.60
600	11	YUKON FLATS		444.00					712.00	
601			Arctic Village School		ARCTIC VILLAGE	48.00	48.00			82.02
602			Beaver "Cruikshank" School		BEAVER	23.00	23.00			44.46
603			*Birch Creek School		BIRCH CREEK	9.00	0.00			0.00
604			Chalkyitsik School		CHALKYITSIK	20.00	20.00			39.60
605			Circle School		CENTRAL	28.00	28.00			52.56
606			Far North School		CIRCLE	20.00	20.00			39.60
607			Fort Yukon School		FORT YUKON	168.00	142.00			207.94
608			Northern Lights School		NORTHERN LIGHTS	28.00	28.00			52.56
609			Rampart School		RAMPART	12.00	12.00			39.60
610			Stevens Village School		STEVENS VILLAGE	28.00	28.00			52.56
611			Venetie School		VENETIE	60.00	60.00			100.50
612			In District Correspondence				35.00			
614	10	YUKON/KOYUKUK		554.00					923.58	
615			Allakaket School		ALLAKAKET	58.00	58.00			97.52
616			Andrew K. Demonski School		NULATO	126.00	133.00			196.51
617			*Bettles Field School		BETTLES	7.00	0.00			0.00
618			Johnny Oldman School		HUGHES	12.00	12.00			39.60
619			Jimmy Huntington School		HUSLIA	74.00	74.00			121.36
620			Kaltag School		KALTAG	73.00	73.00			119.87
621			Ella B. Vernetli		KOYUKUK	31.00	31.00			57.29
622			MHS Gladys Dart School		MANLEY HOT SPRINGS	18.00	18.00			39.60
623			Merrelaine A. Kangas School		RUBY	74.00	74.00			121.36
624			Minto		MINTO	81.00	81.00			130.47

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5									
6	School	School		District	Funding	Funding	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
8									
626	3	YUPIIT		412.00				601.48	
627			Akiachak School		AKIACHAK	174.00	174.00		244.02
628			Akiak School		AKIAK	122.00	122.00		182.54
629			Tuluksak School		TULUKSAK	116.00	116.00		174.92
630									
631									
632	1	ACS		1,658.38					
633			Out of District Correspondance		ACS	1,658.38	1658.38		
634									
635	1	MT.EDGE CUMBE		306.00				380.42	
636			Mt Edgecumbe School		MT EDGE CUMBE	306.00	306.00		380.42
638	478	TOTALS:		130,800.55		130,800.55	130,800.55	149,151.85	149,151.85
639			*Combined with the largest school within their respective districts.						

Daily News - Miner

"Independent in All Things . . . Neutral in None"
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CHARLES L. GRAY
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PAUL J. MASSEY
Publisher

KELLY BOSTIAN
Managing Editor

SAM BISHOP
Editorial Page Editor

Education's real issues

Public forums and the media lately have been full of tales about lawmakers in Juneau taking money from poor rural school districts simply because: a) urban legislators are in power, and b) they don't recognize that small, remote schools cost more. A more enlightening context is available to those who would pause and consider it.

First, discard the inaccurate generalities. Not all rural areas lose under the proposed rewrite of the state's education funding formula. And small remote school districts rightfully would still receive more than twice as much money per student as large urban school districts—no one is trying to equalize per student funding across every community.

The reality is that certain kinds of rural districts would lose under SB-36, and they would lose for very specific reasons having little to do with their geography.

They would lose most because some of their costs, while high, are not as high as the current formula reflects. The McDowell Group study, on which the revised formula is based, found that teacher pay rates in Bush schools are essentially the same as in urban schools. So the study recommended Bush schools no longer be given any extra money for that category of expense. The study did recommend that remote districts continue to be given substantial adjustments for administrative expenses and nonpersonnel expenses such as fuel and supplies. However, since teacher pay accounts for about 65 percent of the average district's expenses, removing the remote area cost adjustment from that category would cause a substantial cut in state aid to many remote districts. At least it is a cut based on what their real teacher expenses are, though.

The authors of SB 36 also decided to no longer give districts different adjustments based on how many kids are in special education categories such as bilingual and gifted-talented programs. This was because both urban and rural districts were playing definitional games as a way to rope off more money at the expense of everyone else. For example, the Lower Kuskokwim District's claim on bilingual funding doubled between fiscal years 1994 and 1996, netting it an extra \$4 million. (No increase was claimed by other nearby Yup'ik-speaking districts.) Some also claim that the Juneau district defined every student in band as gifted and talented, boosting its take in that category.

Still, not all remote, small districts would lose under SB 36, because another factor in the proposed formula favors some of them, particularly those in Southeast Alaska. The McDowell Group suggested, and SB 36 authors incorporated, a new way of adjusting funding based on school size. Under current law, graduated cost adjustments for size are applied to an entire "funding community." That means a district with 600 students in three schools of 200 each gets a much smaller adjustment than a district with a single school of 200. The McDowell Group decided this was inappropriate because it deprives the children in the larger community for no objective reason. The McDowell formula gives more to small schools, regardless of whether they are in large or small communities.

Deputy Commissioner of Education Rick Cross argues that the McDowell Group's approach wrongly rewards districts that built several schools where one might have done. Communities like Annette Island, Craig and Wrangell in Southeast, for example, are big winners under SB 36 for this reason. Cross also says the McDowell Group approach requires the state to define "a school" for funding purposes, which he considers an impossible job.

Andy Warwick, a former Fairbanks school board member and one of four panelists on the McDowell Group, counters by noting that the state education department has some control over construction of future schools. Also, his report said defining "a school" should be less trouble than defining a "funding community." After all, a school is something you can touch and walk around. The report noted that some districts, such as Mat-Su, have redefined new "funding communities" out of thin air to boost their funding.

These are the real issues with which legislators are struggling. They're complex and not so easily understood as a simple urban vs. rural fight. But all Alaskans owe it to each other to try before they start hollering.



Compliments of...

GARY WILKEN

Senator, West Fairbanks

4/19/98



ALASKA STATE LEGISLATURE

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Sponsor Statement SB 36

Alaska's public school foundation formula is broken and needs to be fixed this year. Alaska's five largest school districts serve almost 75% of Alaska's students. These five districts receive 57% of the state general fund support in the foundation program. The remaining school districts, which serve 25% of the school age students, receive 43% of the state aid for operating schools. At the same time, the five largest school districts contribute approximately 72% of the local tax revenue that goes to operate schools in Alaska. The current formula provides neither education equity for students nor taxpayer equity between school districts.

For the past ten years, state funding for public schools in Alaska has been distributed based on a formula that provides a disproportionate share of funding to small rural school districts at the expense of larger districts. The current formula makes size adjustments by gathering students into "instructional units" within "funding communities," and makes geographical cost adjustments based on household cost of living differences between school districts. Alaska is only one of seven states that use instructional units instead of a per student allocation. The Alaska School Operating Cost Study (McDowell Report) done for the Legislative Budget and Audit Committee found that the definition of funding communities is not consistent and that costs can better be compared at the school level. Senate Bill 36 adopts these changes.

There are two major components to the cost of providing a public school education that must be accounted for in any formula that seeks to provide equity in funding between school districts. Instructional costs (approximately 70% of spending), which consist primarily of teacher salaries, vary based on the size of individual schools. Administrative and non-personal services costs (such as supplies, books, utilities) vary based on the size of a district, the district's location and the unique circumstances of that district.

Senate Bill 36 distributes school funding based on the actual costs of providing instruction to students and the actual current costs of operating school districts.

- Funding is allocated based on a per student rather than an instructional unit value. The public is better able to understand a per student than a unit value.
- Size adjustment in formula is based on individual schools instead of "funding communities." Funding communities under the current formula are not well defined, and a fair comparison of instructional costs can be made at the school level.
- Adjustments for geographical cost differences are based on a study (1998 McDowell) of the actual costs of operating school districts instead of household cost of living. (This is the first study of actual school operating costs done for the Legislature since statehood.)
- The required local contribution for municipal districts is set at four mills of assessed value or 100% of district state support. (current limit is 35%) Taxpayer equity is improved.
- Categorical funding is set at 20% of state support plus funding for intensive needs students. This will remove any incentive in the current formula to identify students as special ed in order to qualify for additional funding.

- Funding for statewide correspondence study programs offered by a district is set at .65 times ADM, the same as the state operated program. At least one school district has several times as many students enrolled in their statewide correspondence program than live in their district, this provision is intended to prevent districts from being in the business of providing programs to finance their operations.
- Provides reimbursement for district operated pupil transportation at 90% of actual cost. Currently districts that contract for their school buses are reimbursed 100% of their costs, Anchorage School District is reimbursed for only 66% of the costs of its district provided bussing.
- Districts are required to spend at least 70% of school funding on instructional costs. The Education Week "report card" earlier this year criticized Alaska for spending too much money on school administration and not enough on instruction. Overall in Alaska, approximately 70% of public school funding is spent on instruction, with some districts spending about 75% on instruction and some spending closer to 39%.

These changes to Alaska's public school foundation formula benefit school districts that serve 84% of Alaska's children. Following is an example of per student state aid under the current formula and under SB 36 for six school districts.

<u>School District</u>	<u>Current Formula</u>	<u>SB 36 Formula</u>
Aleutian Region S.D.	\$17,560/student	\$16,584/student
Ketchikan S.D.	\$3,219/student	\$4,105/student
Anchorage S.D.	\$3,931/student	\$4,178/student
Cordova S.D.	\$5,098/student	\$5,475/student
Galena S.D.	\$4,822/student	\$3,695/student
Lower Kuskokwim S.D.	\$10,618/student	\$8,615/student

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School bill reasonable

Despite the impression one might gather from all the criticism, school spending cuts proposed by the state Senate's new formula are not based on a district's rural geography or the racial composition of its citizens. They are based on an objective assessment of the cost of operating and on the number of students served.

That's why, for example, schools on Annette Island, Alaska's lone Native reservation located on an island south of Ketchikan, wouldn't be cut at all. They would receive 19.3 percent more money in the year 2001 compared to what they would have under the current formula.

Craig, another remote southeast island town, would see an extra 11.3 percent. Hoonah, similarly situated, would see an extra 4.6 percent.

The Delta-Greely area, 100 miles southeast of Fairbanks, would see an extra 9.2 percent. The Denali Borough, covering the Healy-to-Cantwell area, .5 percent.

The Northwest Arctic Borough, covering Kotzebue and beyond? An extra 3.3 percent. Nome? The same.

Of course, some urban schools would cash in at an even greater rate—Ketchikan, with a whopping 24.7 percent for example.

But the biggest, most urban districts would not reap any great windfall on a percentage basis. Anchorage would get an extra 6.5 percent. Fairbanks, whose Sen. Gary Wilken who put this plan together, would get a modest 7.3 percent extra. Juneau could expect an extra 8.1 percent and the Kenai area could expect 7.72 percent more.

It's true, though, that someone would lose a lot, but for widely disparate reasons having nothing to do with a rural nature or a particular racial make-up.

Unalaska would be hammered because the taxable property value of its fish-landing facilities and hotels make it rich on a per-capita basis. So, too, Skagway with its tourist facilities and Valdez with its oil pipeline terminal. None compare, however, to the North Slope Borough, where the Prudhoe Bay oil fields give the 9,000 residents an incomparable taxable resource. The Senate plan would make the North Slope pick up all its school costs.

Some relatively poor areas of the state would also be hit hard, though. The Yukon Flats and Yukon-Koyukuk districts, covering much of Interior Alaska, would lose 15.7 percent and 14.5 percent respectively. Nenana would lose 20.9 percent. The Tok area, 11 percent. Galena, 21.5 percent because its new correspondence students would be funded at a much lower level. And the largest district in the Yukon-Kuskokwim Delta, the Lower Kuskokwim, would lose 17.4 percent.

These poor areas lose mostly because they will get the same amount of money for bilingual, gifted-talented and other "special education" categories as other communities in the state. The Senate adopted this flat rate because the state has not been able to police the definition of such students. Both urban and rural areas were defining the categories to their advantages and thereby reaping large amounts of extra money.

At the bottom line, though, Alaska's poor, remote communities would still be treated very well under the Senate's education funding reform bill. In the year 2001, for example, the Yukon-Koyukuk district's 550 (projected) students would receive state funding of about \$10,500 apiece. Lower Kuskokwim's 3,650 students would receive about \$8,800 apiece. In comparison, Fairbanks' 16,000 students would receive about \$4,350, and Anchorage's 47,800 students about \$4,250.

Providing more than twice as much money for students in undeveloped areas of the state as those in developed areas is necessary. You'd never know it from the hype, but the Senate's bill recognizes that necessity and provides the formula to accomplish it fairly.

Fairbanks Daily News Miner
4/2/98



ALASKA STATE LEGISLATURE

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Juneau, Alaska 99801-2105

MEMORANDUM

March 19, 1998

SUBJECT: Sectional Summary of CSSB 36(FIN)am (version "R.a")

TO: Senator Randy Phillips
Aitn: Jerry Burnett

FROM: Michael F. Ford 
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Purpose section.

Section 2. Enacts new sections providing state funding for public schools.

Sec. 14.17.300 - Establishes the public school account and provides that money in the account can only be used for public schools, community school programs or centralized correspondence study.

Sec. 14.17.400 - Provides that state funding for a school district is the amount calculated under AS 14.17.410. Provides for a pro rata reduction in state funding if the amount appropriated is insufficient to meet the authorized amounts.

Sec. 14.17.410 - Establishes a formula for funding public schools. Under subsection (b) public school funding consists of a state share and a local contribution from city or borough school districts. Subsection (b)(1) is the state share and subsection (b)(2) is city or borough local contribution. Subsection (c) establishes an optional local contribution for city or borough school districts. Subsection (d) prohibits state funding for a city or borough school district that does not make the local contribution required under subsection(b)(2).

Sec. 14.17.420 - Provides state funding for special needs children and for intensive services.

Sec. 14.17.430 - Provides state funding for: the state centralized correspondence study program, for district state-wide correspondence programs and for district-only correspondence study programs.

Senator Randy Phillips

March 19, 1998

Page 2

Sec. 14.17.440 - Provides state funding for state boarding schools.

Sec. 14.17.450 - Establishes the school size factor for purposes of determining a school's public school funding.

Sec. 14.17.460 - Establishes a district cost factor for purposes of determining a district's adjusted ADM. Also requires the department to monitor the cost factors and provide proposed new factors to the legislature beginning January 15, 2001.

Sec. 14.17.470 - Establishes the base student allocation for purposes of determining a district's public school funding.

Sec. 14.17.500 - Requires certain student count data be reported to the department.

Sec. 14.17.505 - Establishes requirements concerning year-end fund balances for a school district. Establishes a penalty for violating this section.

Sec. 14.17.510 - Requires the Department of Community and Regional Affairs to determine the value of taxable real and personal property for purposes of calculating a city or borough school district's local contribution.

Sec. 14.17.520 - Imposes a minimum expenditure for instruction requirement on school districts.

Sec. 14.17.600 - Establishes student count reporting deadlines for school districts.

Sec. 14.17.610 - Establishes a payment schedule for state funding for school districts. Requires excess funding be returned to the state and provides for advance payments at the discretion of the commissioner.

Sec. 14.17.900 - Provides that AS 14.17 does not create a debt of the state. Requires each district to operate under a balanced budget. Provides for pro rata reduction of state funding.

Sec. 14.17.910 - Establishes requirements regarding receipt and expenditure of district public school funding.

Sec. 14.17.920 - Requires the department to adopt regulations to implement AS 14.17.

Sec. 14.17.990 - Definitions.

Section 3. Repeals a provision requiring a report be provided to the chief school administrator.

Section 4. Technical amendment.

Senator Randy Phillips

March 19, 1998

Page 3

Section 5. Technical amendment.

Section 6. Technical amendment.

Section 7. Technical amendment.

Section 8. Technical amendment.

Section 9. Provides that R.E.A.A.'s may employ a chief school administrator.

Section 10. Repeals a requirement that the an R.E.A.A. school board employ a chief school administrator.

Section 11. Requires school districts be reimbursed for student transportation system costs at certain percentages.

Section 12. Technical amendment.

Section 13. Technical amendment.

Section 14. Provides that a city or borough school district may employ a chief school administrator.

Section 15. Requires a chief school administrator to follow school board policy.

Section 16. Requires that employees hired by a chief school administrator are subject to school board approval.

Section 17. Repeals a requirement that state boarding schools hire a chief school administrator.

Section 18. Technical amendment.

Section 19. Technical amendment.

Section 20. Repeals a requirement that limited teacher certificates be requested through the chief school administrator.

Section 21. Amends a provision relating to chief school administrator approval of transfers of teachers.

Section 22. Amends a provision relating to intra district teacher assignments.

Section 23. Allows a district to implement a tenured teacher layoff plan if state funding decreases by three percent or more between fiscal years.

Section 24. Technical amendment.

Section 25. Provides that an exceptional child shall be transported with other children if the district provides transportation to other children in the district.

Section 26. Provides that if certain special education appropriations are insufficient, the allocation described in this section shall be reduced on a pro rata basis.

Section 27. Technical amendment.

Section 28. Technical amendment.

Section 29. Technical amendment.

Section 30. Technical amendment.

Section 31. Technical amendment.

Section 32. Provides that child care facility grants shall be adjusted by the same factor as school district funding under AS 14.17.460.

Section 33. Repealers.

Section 34. Establishes a two year transition period for public school funding.

Section 35. Provides that regulations adopted before the effective date of this Act remain in effect if consistent with the provisions of this Act. Requires the department to define by regulation, the term "school".

Section 36. Requires the initial proposed district cost factors be submitted to the department by January 15, 2001.

Section 37. Imposes a two year transition period for the base student allocation.

Section 38. Requires that certain small schools be included in the largest school in the district for purposes of calculating the school size factor under AS 14.17.450.

Section 39. Establishes a two year transition period for the minimum expenditure for instruction requirement imposed under AS 14.17.520.

Section 40. Effective date.

State Funding Per ADM Selected School Districts

School District	ADM	Existing State Aid	SB 36 State Aid	FY 98 Local Contrib	Existing plus \$50 million	SB 36 plus \$50 million
Alaska Gateway	522	\$ 9,577.00	\$ 8,511.00	\$ -	\$ 10,191.00	\$ 9,083.00
Total		\$ 4,999,194.00	\$ 4,442,742.00	\$ -	\$ 5,319,702.00	\$ 4,741,326.00
Aleutian Region	67	\$ 17,560.00	\$ 16,584.00	\$ -	\$ 18,695.00	\$ 17,666.00
Total		\$ 1,176,520.00	\$ 1,111,128.00	\$ -	\$ 1,252,565.00	\$ 1,183,622.00
Anchorage	47832.75	\$ 3,931.00	\$ 4,178.00	\$ 1,910.00	\$ 4,255.00	\$ 4,517.00
Total		\$ 188,030,540.25	\$ 199,845,229.50	\$ 91,360,552.50	\$ 203,528,351.25	\$ 216,060,531.75
Delta/Grceely	834	\$ 5,813.00	\$ 6,415.00	\$ 59.00	\$ 6,237.00	\$ 6,877.00
Total		\$ 4,848,042.00	\$ 5,350,110.00	\$ 49,206.00	\$ 5,201,658.00	\$ 5,735,418.00
Fairbanks	16447.5	\$ 3,928.00	\$ 4,216.00	\$ 1,704.00	\$ 4,254.00	\$ 4,501.00
Total		\$ 64,605,780.00	\$ 69,342,660.00	\$ 28,026,540.00	\$ 69,967,665.00	\$ 75,017,077.50
Galena	1379	\$ 4,822.00	\$ 3,695.00	\$ 478.00	\$ 5,127.00	\$ 3,570.00
Total		\$ 6,649,538.00	\$ 5,095,405.00	\$ 659,162.00	\$ 7,070,133.00	\$ 5,419,470.00
Kenai	10341.96	\$ 4,068.00	\$ 4,382.00	\$ 2,725.00	\$ 4,417.00	\$ 4,751.00
Total		\$ 42,071,093.28	\$ 45,318,468.72	\$ 28,181,841.00	\$ 45,680,437.32	\$ 49,134,651.96
Ketchikan	2719	\$ 3,219.00	\$ 4,105.00	\$ 27,398.00	\$ 3,524.00	\$ 4,426.00
Total		\$ 8,752,461.00	\$ 11,161,495.00	\$ 74,495,162.00	\$ 9,581,756.00	\$ 12,034,294.00
Kodiak	2897	\$ 4,790.00	\$ 5,005.00	\$ 1,963.00	\$ 5,179.00	\$ 5,407.00
Total		\$ 13,876,630.00	\$ 14,499,485.00	\$ 5,686,811.00	\$ 15,003,563.00	\$ 15,664,079.00
Lower Kuskokwim	3642	\$ 10,618.00	\$ 8,615.00	\$ -	\$ 11,350.00	\$ 9,223.00
Total		\$ 38,670,756.00	\$ 31,375,830.00	\$ -	\$ 41,336,700.00	\$ 33,590,166.00
Mat-Su	12641	\$ 4,601.00	\$ 4,742.00	\$ 1,757.00	\$ 4,937.00	\$ 5,086.00
Total		\$ 58,161,241.00	\$ 59,943,622.00	\$ 22,210,237.00	\$ 62,408,617.00	\$ 64,292,126.00
North Slope	2037	\$ 5,737.00	\$ -	\$ 13,574.00	\$ 6,301.00	\$ -
Total		\$ 11,686,269.00	\$ -	\$ 27,650,238.00	\$ 12,835,137.00	\$ -
Petersburg	775	\$ 4,095.00	\$ 4,911.00	\$ 2,365.00	\$ 4,427.00	\$ 5,294.00
Total		\$ 3,173,625.00	\$ 3,806,025.00	\$ 1,832,875.00	\$ 3,430,925.00	\$ 4,102,850.00
Sitka	1750	\$ 3,510.00	\$ 4,184.00	\$ 2,415.00	\$ 3,821.00	\$ 4,537.00
Total		\$ 6,142,500.00	\$ 7,322,000.00	\$ 4,226,250.00	\$ 6,686,750.00	\$ 7,939,750.00
Skagway	130	\$ 5,260.00	\$ 3,716.00	\$ 5,786.00	\$ 5,772.00	\$ 4,216.00
Total		\$ 683,800.00	\$ 483,080.00	\$ 752,180.00	\$ 750,360.00	\$ 548,080.00
Tanana	113	\$ 11,095.00	\$ 9,552.00	\$ 1,115.00	\$ 11,815.00	\$ -
Total		\$ 1,253,735.00	\$ 1,090,676.00	\$ 125,995.00	\$ 1,335,095.00	\$ -
Wrangell	514	\$ 4,498.00	\$ 4,996.00	\$ 2,646.00	\$ 4,857.00	\$ 5,387.00
Total		\$ 2,311,972.00	\$ 2,567,944.00	\$ 1,360,044.00	\$ 2,496,498.00	\$ 2,768,918.00
Yukon Flats	444	\$ 13,871.00	\$ 12,190.00	\$ -	\$ 14,813.00	\$ 13,030.00
Total		\$ 6,158,724.00	\$ 5,412,360.00	\$ -	\$ 6,576,972.00	\$ 5,785,320.00

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF EDUCATION OFFICE OF THE COMMISSIONER

GOLDBELT PLACE
801 WEST 10TH STREET, SUITE 200
JUNEAU, ALASKA 99801-1894

(907) 465-2800
FAX (907) 465-4156

March 25, 1998

The Honorable Con Bunde, Chair
Health, Education and Social Services Committee
Alaska State Legislature
State Capitol, Room 104
Juneau, AK 99801-1182

Dear Representative Bunde:

The Department of Education (DOE) has prepared the enclosed analysis of CSSB 36(FIN) am, relating to the public school funding program. This analysis updates information previously provided to the Senate Finance Committee and includes:

- spreadsheets for each of three fiscal years, FY99 to FY01;
- a fiscal note for the Pupil Transportation Program; and
- a two page analysis of technical issues with the bill.

To prepare the updated analysis, DOE contacted each school district to verify the average daily membership (ADM) data by school. Corrections were made based on responses from school districts in the following areas:

- Schools of less than 10 ADM that were run through the size table in error;
- ADM overstated by the number of correspondence students;
- Programs that were separately run through the size table are combined in the appropriate facility;
- Breaking out separate middle school and alternative high school facilities; and
- Correcting the distribution of ADM's between schools within school districts.

Based on the department's updated spreadsheets, the base student allocation needs to be updated as follows:

FY00 - Page 21, line 14 - \$3,889, and
FY99 - Page 21, line 13 - \$3,856

Please contact me if you have any questions.

Sincerely,


Richard S. Cross
Deputy Commissioner

Enclosures

1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN) am						
3	Comparison						
4	March 25, 1998						
5	FY99			D - E	@ 75%	F + G	
6		CS SB36	Existing			Net Change	% Change
7	School	Proposed	Foundation		Transition	State Aid	In
8	District:	State Aid:	State Aid:	Difference:	Funding:	Plus Transition:	State Aid
9	Alaska Gateway	4,336,009	4,988,882	(652,873)	489,655	(163,218)	-3.27%
10	Aleutian Region	1,085,169	1,176,499	(91,330)	156,795	65,465	5.56%
11	Aleutians East	3,186,530	3,514,644	(328,114)	246,086	(82,028)	-2.33%
12	Anchorage	194,402,155	188,038,815	6,363,340	-	6,363,340	3.38%
13	Annette Island	1,809,601	1,569,188	240,413	-	240,413	15.32%
14	Bering Strait	15,720,424	17,449,778	(1,729,354)	1,297,016	(432,338)	-2.48%
15	Bristol Bay	1,414,246	1,654,521	(240,275)	180,206	(60,069)	-3.63%
16	Chatham	2,264,246	2,337,557	(73,311)	54,983	(18,328)	-0.78%
17	Chugach	1,078,737	1,515,697	(436,960)	327,720	(109,240)	-7.21%
18	Copper River	5,581,994	6,225,778	(643,784)	482,838	(160,945)	-2.59%
19	Cordova	2,811,016	2,702,072	108,944	-	108,944	4.03%
20	Craig	2,517,761	2,322,242	195,519	-	195,519	8.42%
21	Delta/Greely	5,087,722	4,790,289	297,433	-	297,433	6.21%
22	Denali	2,603,693	2,659,400	(55,707)	41,780	(13,927)	-0.52%
23	Dillingham	3,781,438	3,757,667	23,771	-	23,771	0.63%
24	Fairbanks	67,313,068	64,607,118	2,710,950	-	2,710,950	4.20%
25	Galena	5,100,652	6,649,592	(1,548,940)	1,161,705	(387,235)	-5.82%
26	Haines	2,431,168	2,141,412	289,756	-	289,756	13.53%
27	Hoonah	1,958,601	1,918,467	40,134	-	40,134	2.09%
28	Hydaburg	1,039,255	1,083,657	(44,402)	114,279	69,877	6.45%
29	Iditarod	4,747,204	5,278,870	(531,666)	398,750	(132,916)	-2.52%
30	Juneau	21,107,305	20,166,492	940,813	-	940,813	4.67%
31	Kake	1,372,933	1,325,815	47,118	-	47,118	3.55%
32	Kashunamiut	2,109,441	2,235,575	(126,134)	214,466	88,332	3.95%
33	Kenai Peninsula	43,959,566	42,073,799	1,885,767	-	1,885,767	4.48%
34	Ketchikan	10,566,469	8,752,133	1,814,336	-	1,814,336	20.73%
35	Klawock	1,207,017	1,427,412	(220,395)	280,129	59,734	4.18%
36	Kodiak Island	13,924,088	13,876,822	47,266	-	47,266	0.34%
37	Kuspuk	5,470,852	5,513,829	(42,977)	32,233	(10,744)	-0.19%
38	Lake & Peninsula	6,525,065	6,743,387	(218,322)	163,742	(54,580)	-0.81%
39	Lower Kuskokwim	31,137,132	38,671,330	(7,534,198)	5,650,649	(1,883,549)	-4.87%
40	Lower Yukon	13,861,244	14,928,605	(1,067,361)	800,521	(266,840)	-1.79%
41	Mat-Su	58,582,962	58,161,852	421,110	-	421,110	0.72%
42	Nenana	1,340,448	1,735,074	(394,626)	432,305	37,679	2.17%
43	Nome	5,217,325	5,181,309	36,016	-	36,016	0.70%
44	North Slope	-	11,686,868	(11,686,868)	-	(11,686,868)	-100.00%
45	Northwest Arctic	18,656,455	18,530,116	126,339	-	126,339	0.68%
46	Pelican	350,850	556,016	(205,166)	190,932	(14,234)	-2.56%
47	Petersburg	3,699,598	3,173,500	526,098	-	526,098	16.58%
48	Pribilof	1,647,733	1,883,539	(235,806)	176,855	(58,951)	-3.13%
49	Sitka	7,100,407	6,142,485	957,922	-	957,922	15.60%
50	Skagway	459,821	683,840	(224,019)	252,652	28,633	4.19%
51	Southeast Island	2,226,657	2,765,941	(539,284)	404,463	(134,821)	-4.87%
52	Southwest Region	6,646,114	7,597,531	(951,417)	713,563	(237,854)	-3.13%
53	St. Mary's	1,089,399	1,414,706	(325,307)	349,663	24,356	1.72%
54	Tanana	1,121,689	1,253,694	(132,005)	194,621	62,616	4.99%
55	Unalaska	1,580,712	1,913,136	(332,424)	398,006	65,582	3.43%
56	Valdez	1,877,339	3,404,758	(1,527,419)	-	(1,527,419)	-44.86%
57	Wrangell	2,742,064	2,312,953	429,111	-	429,111	18.55%
58	Yakutat	1,233,667	1,429,670	(196,003)	147,002	(49,001)	-3.43%
59	Yukon Flats	5,061,519	6,158,915	(1,097,396)	823,047	(274,349)	-4.45%
60	Yukon/Koyukuk	5,653,884	6,788,379	(1,134,495)	850,871	(283,624)	-4.18%
61	Yupik	3,329,233	4,250,129	(920,896)	690,672	(230,224)	-5.42%
62	ACS	4,156,575	3,996,324	160,251	-	160,251	4.01%
63	Mt. Edgecumbe	1,760,264	1,717,150	43,114	-	43,114	2.51%
64	Other	26,096,071	26,096,071	-	-	-	0.00%
66	TOTAL:	\$643,147,567	\$660,931,300	(\$17,783,713)	\$17,718,205	(\$65,508)	

1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3				C + E + F			H x I	
4	March 25, 1998							
5	FY99							
6	School	Projected ADM:	Correspondence In Students ADM:	Out Students ADM:	Total ADM:	Adj. For School Size ADM:	District Cost Factor:	Adj for Cost Product:
7	District:							
8								
9	Alaska Gateway	494.00	28.00		522.00	748.97	1.291	966.92
10	Aleutian Region	67.00			67.00	141.48	1.736	245.61
11	Aleutians East	345.00			345.00	566.44	1.423	806.04
12	Anchorage	47,832.75			47,832.75	52,208.39	1.000	52,208.39
13	Annette Island	389.00	2.00		391.00	572.46	1.011	578.76
14	Bering Strait	1,809.41			1,809.41	2,657.55	1.525	4,052.76
15	Bristol Bay	308.00			308.00	406.44	1.262	512.93
16	Chatham	297.00			297.00	542.62	1.120	607.73
17	Chugach	81.00	45.00	20.00	146.00	161.63	1.294	209.15
18	Copper River	606.50	57.00	186.00	829.50	920.15	1.176	1,082.10
19	Cordova	530.00			530.00	678.00	1.036	743.09
20	Craig	408.00	30.00	9.00	447.00	577.32	1.010	583.09
21	Delta/Greely	799.00	25.00		824.00	1,110.31	1.106	1,228.00
22	Denali	352.00	3.00		355.00	504.20	1.313	52.01
23	Dillingham	619.00			619.00	767.63	1.254	562.61
24	Fairbanks	15,957.50	490.00		16,447.50	17,376.43	1.039	18,054.11
25	Galena	222.00		1,157.00	1,379.00	356.60	1.348	480.70
26	Haines	429.00	9.00		438.00	644.20	1.008	649.35
27	Hoonah	270.00			270.00	398.10	1.055	420.00
28	Hydaburg	125.00			125.00	208.45	1.085	226.17
29	Iditarod	436.00			436.00	760.58	1.470	1,118.05
30	Juneau	5,721.00	29.00		5,750.00	6,218.92	1.005	6,250.01
31	Kake	190.00			190.00	312.22	1.025	320.03
32	Kashunamiut	279.00			279.00	354.23	1.389	492.03
33	Kenai Peninsula	10,243.96	98.00		10,341.96	12,548.19	1.004	12,598.38
34	Ketchikan	2,650.00	69.00		2,719.00	3,160.98	1.000	3,160.98
35	Klawock	215.00			215.00	288.30	1.017	293.20
36	Kodiak Island	2,819.00	78.00		2,897.00	3,478.96	1.093	3,802.50
37	Kuspuk	510.00			510.00	891.15	1.434	1,277.91
38	Lake & Peninsula	513.00	5.00		518.00	965.27	1.558	1,503.89
39	Lower Kuskokwim	3,642.00			3,642.00	5,045.00	1.491	7,522.10
40	Lower Yukon	1,850.60			1,850.60	2,520.67	1.438	3,624.72
41	Mat-Su	12,045.00	596.00		12,641.00	13,549.15	1.010	13,684.64
42	Nenana	135.00	20.00	65.00	220.00	199.05	1.270	252.79
43	Nome	789.00			789.00	956.83	1.319	1,262.06
44	North Slope	2,037.00			2,037.00	2,629.23	1.504	3,954.36
45	Northwest Arctic	2,233.00	15.00		2,248.00	2,950.50	1.549	4,570.32
46	Pelican	38.00			38.00	67.72	1.290	87.36
47	Petersburg	775.00			775.00	993.42	1.000	993.42
48	Pribilof	196.00			196.00	299.06	1.419	424.37
49	Sitka	1,680.00	70.00		1,750.00	1,993.10	1.000	1,993.10
50	Skagway	130.00			130.00	192.70	1.143	220.26
51	Southeast Island	259.00	10.00		269.00	500.47	1.124	562.53
52	Southwest Region	779.20			779.20	1,147.70	1.423	1,633.18
53	St. Mary's	133.00			133.00	185.08	1.351	250.04
54	Tanana	111.00	2.00		113.00	168.57	1.496	252.18
55	Unalaska	390.00			390.00	533.40	1.245	664.08
56	Valdez	895.00			895.00	1,100.43	1.095	1,204.97
57	Wrangell	498.25	10.00	6.00	514.25	701.14	1.000	701.14
58	Yakutat	178.00			178.00	274.98	1.046	287.63
59	Yukon Flats	409.00	35.00		444.00	712.00	1.668	1,187.62
60	Yukon/Koyukuk	554.00			554.00	923.58	1.502	1,387.22
61	Yupik	412.00			412.00	601.48	1.469	883.57
62	ACS	0.00		1,658.38	1,658.38	0.00	1.000	0.00
63	Mt. Edgecumbe	306.00			306.00	380.42	1.000	380.42
64	Other							
66	TOTALS:	125,993.17	1,706.00	3,101.38	130,800.55	149,151.85	68.00	164,080.58

1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3		J x 1.20	M x 5	K + O	Ex 1	F x .65	P + Q + S	
4	March 25, 1998	Special	Special	Adjusted	Correspondence			
5	FY99	Education	Education	Students +	In	Out	District	
6	School	Factor	Intensive:	Special	District	District	Adjusted	
7	District:	1.20	5.00	Education:	1.00	0.65	ADM:	
8								
9	Alaska Gateway	1,160.30	5.00	25.00	1,185.30	28.00	0.00	1,213.30
10	Aleutian Region	294.73	0.00	0.00	294.73	0.00	0.00	294.73
11	Aleutians East	967.25	3.00	15.00	982.25	0.00	0.00	982.25
12	Anchorage	62,650.07	686.00	3,430.00	66,080.07	0.00	0.00	66,080.07
13	Annette Island	694.51	2.00	10.00	704.51	2.00	0.00	706.51
14	Bering Strait	4,863.31	4.00	20.00	4,883.31	0.00	0.00	4,883.31
15	Bristol Bay	615.52	2.00	10.00	625.52	0.00	0.00	625.52
16	Chatham	729.28	2.00	10.00	739.28	0.00	0.00	739.28
17	Chugach	250.98	0.00	0.00	250.98	45.00	13.00	308.98
18	Copper River	1,298.52	2.00	10.00	1,308.52	37.00	120.90	1,466.42
19	Cordova	891.71	3.00	15.00	906.71	0.00	0.00	906.71
20	Craig	699.71	3.00	15.00	714.71	30.00	5.85	750.56
21	Delta/Greely	1,473.60	6.00	30.00	1,503.60	25.00	0.00	1,528.60
22	Denali	794.41	0.00	0.00	794.41	3.00	0.00	797.41
23	Dillingham	1,155.13	5.00	25.00	1,180.13	0.00	0.00	1,180.13
24	Fairbanks	21,664.93	178.00	890.00	22,554.93	490.00	0.00	23,044.93
25	Galena	576.84	4.00	20.00	596.84	0.00	752.05	1,348.89
26	Haines	779.22	4.00	20.00	799.22	9.00	0.00	808.22
27	Hoonah	504.00	8.00	40.00	544.00	0.00	0.00	544.00
28	Hydaburg	271.40	1.00	5.00	276.40	0.00	0.00	276.40
29	Iditarod	1,341.66	5.00	25.00	1,366.66	0.00	0.00	1,366.66
30	Juneau	7,500.01	76.00	380.00	7,880.01	29.00	0.00	7,909.01
31	Kake	384.04	1.00	5.00	389.04	0.00	0.00	389.04
32	Kashunamiut	590.44	4.00	20.00	610.44	0.00	0.00	610.44
33	Kenai Peninsula	15,118.06	56.00	280.00	15,398.06	98.00	0.00	15,496.06
34	Ketchikan	3,793.18	12.00	60.00	3,853.18	69.00	0.00	3,922.18
35	Klawock	351.84	1.00	5.00	356.84	0.00	0.00	356.84
36	Kodiak Island	4,563.00	12.00	60.00	4,623.00	78.00	0.00	4,701.00
37	Kuspuk	1,533.49	3.00	15.00	1,548.49	0.00	0.00	1,548.49
38	Lake & Peninsula	1,804.67	1.00	5.00	1,809.67	5.00	0.00	1,814.67
39	Lower Kuskokwim	9,026.52	25.00	125.00	9,151.52	0.00	0.00	9,151.52
40	Lower Yukon	4,349.66	2.00	10.00	4,359.66	0.00	0.00	4,359.66
41	Mat-Su	16,421.57	150.00	750.00	17,171.57	596.00	0.00	17,767.57
42	Nenana	303.35	0.00	0.00	303.35	20.00	42.25	365.60
43	Norro	1,514.47	1.00	5.00	1,519.47	0.00	0.00	1,519.47
44	North Slope	4,745.23	4.00	20.00	4,765.23	0.00	0.00	4,765.23
45	Northwest Arctic	5,484.38	3.00	15.00	5,499.38	15.00	0.00	5,514.38
46	Pelican	104.83	0.00	0.00	104.83	0.00	0.00	104.83
47	Petersburg	1,192.10	3.00	15.00	1,207.10	0.00	0.00	1,207.10
48	Pribilof	509.24	1.00	5.00	514.24	0.00	0.00	514.24
49	Sitka	2,391.72	10.00	50.00	2,441.72	70.00	0.00	2,511.72
50	Skagway	264.31	0.00	0.00	264.31	0.00	0.00	264.31
51	Southeast Island	675.04	0.00	0.00	675.04	10.00	0.00	685.04
52	Southwest Region	1,959.82	3.00	15.00	1,974.82	0.00	0.00	1,974.82
53	St. Mary's	300.05	0.00	0.00	300.05	0.00	0.00	300.05
54	Tanana	302.62	0.00	0.00	302.62	2.00	0.00	304.62
55	Unalaska	796.90	1.00	5.00	801.90	0.00	0.00	801.90
56	Valdez	1,445.96	6.00	30.00	1,475.96	0.00	0.00	1,475.96
57	Wrangell	841.37	5.00	25.00	866.37	10.00	3.90	880.27
58	Yakutat	345.16	3.00	15.00	360.16	0.00	0.00	360.16
59	Yukon Flats	1,425.14	0.00	0.00	1,425.14	35.00	0.00	1,460.14
60	Yukon/Koyukuk	1,664.66	7.00	35.00	1,699.66	0.00	0.00	1,699.66
61	Yupik	1,060.28	1.00	5.00	1,065.28	0.00	0.00	1,065.28
62	ACS	0.00	0.00	0.00	0.00	0.00	1,077.95	1,077.95
63	Mt. Edgecumbe	456.50	0.00	0.00	456.50	0.00	0.00	456.50
64	Other							
66	TOTALS:	196,896.69	1,314.00	6,570.00	203,466.69	1,706.00	2,015.90	207,188.59

1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN) am			Base Student Allocation			
3		T x	AS 14.17.470	\$3,856			U - V - Y
4	March 25, 1998	\$3,856					
5	FY99						
6	School	State	Required	Federal	Impact	Deductible	
7	District:	Support:	Local:	Impact	Aid	Impact	State
8				Aid:	Percent:	Aid	Share:
						90.0%	
9	Alaska Gateway	4,678,485	-	380,529	100.00%	342,476	4,336,009
10	Aleutian Region	1,136,479	-	57,011	100.00%	51,310	1,085,169
11	Aleutians East	3,787,556	365,761	509,562	51.30%	235,265	3,186,530
12	Anchorage	254,804,750	55,828,890	8,314,618	61.12%	4,573,705	194,402,155
13	Annette Island	2,724,303	-	1,016,335	100.00%	914,702	1,809,601
14	Bering Strait	18,830,043	-	3,455,132	100.00%	3,109,619	15,720,424
15	Bristol Bay	2,412,005	860,657	240,580	63.32%	137,102	1,414,246
16	Chatham	2,850,664	-	651,576	100.00%	586,418	2,264,246
17	Chugach	1,191,427	-	125,211	100.00%	112,690	1,078,737
18	Copper River	5,654,516	-	80,580	100.00%	72,522	5,581,994
19	Cordova	3,496,274	674,600	19,032	62.22%	10,658	2,811,016
20	Craig	2,894,159	367,686	16,690	58.00%	8,712	2,517,761
21	Delta/Greely	5,894,282	-	896,178	100.00%	806,560	5,087,722
22	Denali	3,074,813	459,758	27,613	45.72%	11,362	2,603,693
23	Dillingham	4,550,581	608,522	335,087	53.26%	160,621	3,781,438
24	Fairbanks	88,861,250	17,779,142	6,593,515	63.43%	3,764,040	67,318,068
25	Galena	5,201,320	70,412	314,774	10.68%	30,256	5,100,652
26	Haines	3,116,496	674,832	18,985	61.43%	10,496	2,431,168
27	Hoonah	2,097,664	98,904	238,998	18.67%	40,159	1,958,601
28	Hydaburg	1,065,798	23,809	17,039	17.83%	2,734	1,039,255
29	Iditarod	5,269,841	-	580,708	100.00%	522,637	4,747,204
30	Juneau	30,497,143	9,380,326	16,954	62.34%	9,512	21,107,305
31	Kake	1,500,138	69,431	281,923	22.77%	57,774	1,372,933
32	Kashunamiut	2,353,857	-	271,573	100.00%	244,416	2,109,441
33	Kenai Peninsula	59,752,807	15,751,444	83,078	55.90%	41,797	43,959,566
34	Ketchikan	15,123,926	4,552,513	8,986	61.13%	4,944	10,566,469
35	Klawock	1,375,975	62,627	274,629	43.02%	106,331	1,207,017
36	Kodiak Island	18,127,056	3,588,780	1,081,508	63.10%	614,188	13,924,088
37	Kuspuk	5,970,977	-	555,694	100.00%	500,125	5,470,852
38	Lake & Peninsula	6,997,368	268,776	1,028,381	21.99%	203,527	6,525,065
39	Lower Kuskokwim	35,288,261	-	4,612,365	100.00%	4,151,129	31,137,132
40	Lower Yukon	16,810,849	-	3,277,339	100.00%	2,949,605	13,861,244
41	Mat-Su	68,511,750	9,922,903	14,639	44.67%	5,885	58,582,962
42	Nenana	1,409,754	66,968	2,926	88.79%	2,338	1,340,448
43	Nome	5,859,076	626,146	43,424	39.93%	15,605	5,217,325
44	North Slope	18,374,727	18,374,727	2,648,619	66.45%	1,584,007	-
45	Northwest Arctic	21,263,449	1,484,493	2,240,789	55.66%	1,122,501	18,656,455
46	Pelican	404,224	53,374	-	85.72%	-	350,850
47	Petersburg	4,654,578	947,600	15,861	51.70%	7,380	3,699,598
48	Pribilof	1,982,909	-	372,418	100.00%	335,176	1,647,733
49	Sitka	9,685,192	2,500,230	158,779	59.17%	84,555	7,100,407
50	Skagway	1,019,179	559,358	-	74.36%	-	459,821
51	Southeast Island	2,641,514	-	460,952	100.00%	414,857	2,226,657
52	Southwest Region	7,614,906	-	1,076,436	100.00%	968,792	6,646,114
53	St. Mary's	1,156,993	17,993	122,527	44.98%	49,601	1,089,399
54	Tanana	1,174,615	23,286	178,213	18.48%	29,640	1,121,689
55	Unalaska	3,092,126	1,511,123	363	89.05%	291	1,580,712
56	Valdez	5,691,302	3,774,555	43,787	100.00%	39,408	1,877,339
57	Wrangell	3,394,321	651,476	1,812	47.88%	781	2,742,064
58	Yakutat	1,388,777	144,356	39,086	30.57%	10,754	1,233,667
59	Yukon Flats	5,630,300	-	631,979	100.00%	568,781	5,061,519
60	Yukon/Koyukuk	6,553,889	-	1,000,006	100.00%	900,005	5,653,884
61	Yupik	4,107,720	-	864,985	100.00%	778,487	3,329,233
62	ACS	4,156,575	-	-	100.00%	-	4,156,575
63	Mt. Edgecumbe	1,760,264	-	-	100.00%	-	1,760,264
64	Other						26,096,071
66	TOTALS:	\$798,919,203	\$152,145,458	\$45,299,784		\$31,306,236	\$643,147,587

1	Alaska Department of Education		
2	Foundation Program; CSSB 36(FIN) am		
3	Required Local Effort Calculation		
4	March 25, 1998		
5	FY99	G X .004	
6		Required	
7		Local	Mill Rate
8	School District:	Effort:	0.004
9	Alaska Gateway	-	-
10	Aleutian Region	-	-
11	Aleutians East	365,761	91,440,300
12	Anchorage	55,828,890	13,957,222,570
13	Annette Island	-	-
14	Bering Strait	-	-
15	Bristol Bay	860,657	215,164,218
16	Chatham	-	-
17	Chugach	-	-
18	Copper River	-	-
19	Cordova	674,600	168,650,100
20	Craig	367,686	91,921,400
21	Delta/Greely	-	-
22	Denali	459,758	114,939,500
23	Dillingham	608,522	152,130,600
24	Fairbanks	17,779,142	4,444,785,400
25	Galena	70,412	17,603,000
26	Haines	674,832	168,708,000
27	Hoonah	98,904	24,725,900
28	Hydaburg	23,809	5,952,200
29	Iditarod	-	-
30	Juneau	9,380,326	2,345,081,400
31	Kake	69,431	17,357,800
32	Kashunamiut	-	-
33	Kenai Peninsula	15,751,444	3,937,860,920
34	Ketchikan	4,552,513	1,138,128,200
35	Klawock	62,627	15,656,700
36	Kodiak Island	3,588,780	897,194,900
37	Kuspuk	-	-
38	Lake & Peninsula	268,776	67,193,900
39	Lower Kuskokwim	-	-
40	Lower Yukon	-	-
41	Mat-Su	9,922,903	2,480,725,840
42	Nenana	66,968	16,742,100
43	Nome	626,146	156,536,400
44	North Slope	18,374,727	11,749,014,490
45	Northwest Arctic	1,484,493	371,123,200
46	Pelican	53,374	13,343,500
47	Petersburg	947,600	236,900,000
48	Pribilof	-	-
49	Sitka	2,500,230	625,057,600
50	Skagway	559,358	139,839,400
51	Southeast Island	-	-
52	Southwest Region	-	-
53	St. Mary's	17,993	4,498,200
54	Tanana	23,286	5,821,600
55	Unalaska	1,511,123	377,780,800
56	Valdez	3,774,555	943,638,760
57	Wrangell	651,476	162,869,100
58	Yakutat	144,356	36,089,000
59	Yukon Flats	-	-
60	Yukon/Koyukuk	-	-
61	Yupik	-	-
62	ACS	-	-
63	Mt. Edgecumbe	-	-
64	Other	-	-
65	TOTAL:	\$152,145,458	\$45,191,696,998

1	Alaska Department of Education								
2	Foundation Program; CSSB 36(FIN) am								
3	Transition Calculation								
4	March 25, 1998								
5	FY99		E + F			G - H		I x 75%	
6			Additional	Foundation	SB36		Difference		
7			District	Plus	State		@		
8	School District:	Mill Rate:	Total Foundation:	Support:	Single Site:	Aid:	Difference:	75.0%	Transition:
9	Alaska Gateway	4.000	4,988,882		4,988,882	4,336,009	652,873	489,655	489,655
10	Aleutian Region	4.000	1,176,499	117,730	1,294,229	1,085,169	209,060	156,795	156,795
11	Aleutians East	7.700	3,514,644		3,514,644	3,186,530	328,114	246,086	246,086
12	Anchorage	6.500	188,038,815		188,038,815	194,402,155	(6,363,340)	(4,772,505)	-
13	Annette Island	4.000	1,569,188	161,650	1,730,838	1,809,601	(78,763)	(59,072)	-
14	Bering Strait	4.000	17,449,778		17,449,778	15,720,424	1,729,354	1,297,016	1,297,016
15	Bristol Bay	6.200	1,654,521		1,654,521	1,414,246	240,275	180,206	180,206
16	Chatham	4.000	2,337,557		2,337,557	2,264,246	73,311	54,983	54,983
17	Chugach	4.000	1,515,697		1,515,697	1,078,737	436,960	327,720	327,720
18	Copper River	4.000	6,225,778		6,225,778	5,581,994	643,784	482,838	482,838
19	Cordova	6.400	2,702,072	166,530	2,868,602	2,811,016	57,586	43,190	-
20	Craig	6.600	2,322,242	179,950	2,502,192	2,517,761	(15,569)	(11,677)	-
21	Delta/Greely	4.000	4,790,289		4,790,289	5,087,722	(297,433)	(223,075)	-
22	Denali	8.700	2,659,400		2,659,400	2,603,693	55,707	41,780	41,780
23	Dillingham	7.000	3,757,667	220,200	3,977,867	3,781,438	196,429	147,322	-
24	Fairbanks	6.600	64,607,118		64,607,118	67,318,068	(2,710,950)	(2,033,213)	-
25	Galena	34.600	6,649,592		6,649,592	5,100,652	1,548,940	1,161,705	1,161,705
26	Haines	6.600	2,141,412		2,141,412	2,431,168	(289,756)	(217,317)	-
27	Hoonah	21.600	1,918,467	126,270	2,044,737	1,958,601	86,136	64,602	-
28	Hydaburg	6.400	1,083,657	107,970	1,191,627	1,039,255	152,372	114,279	114,279
29	Iditarod	4.000	5,278,870		5,278,870	4,747,204	531,666	398,750	398,750
30	Juneau	6.400	20,166,492		20,166,492	21,107,305	(940,813)	(705,610)	-
31	Kake	9.800	1,325,815	140,910	1,466,725	1,372,933	93,792	70,344	-
32	Kashunamiut	4.000	2,235,575	159,820	2,395,395	2,109,441	285,954	214,466	214,466
33	Kenai Peninsula	7.200	42,073,799		42,073,799	43,959,566	(1,885,767)	(1,414,325)	-
34	Ketchikan	6.500	8,752,133		8,752,133	10,566,469	(1,814,336)	(1,360,752)	-
35	Klawock	5.500	1,427,412	153,110	1,580,522	1,207,017	373,505	280,129	280,129
36	Kodiak Island	6.300	13,876,822		13,876,822	13,924,088	(47,266)	(35,450)	-
37	Kuspuk	4.000	5,513,829		5,513,829	5,470,852	42,977	32,233	32,233
38	Lake & Peninsula	17.900	6,743,387		6,743,387	6,525,065	218,322	163,742	163,742
39	Lower Kuskokwim	4.000	38,671,330		38,671,330	31,137,132	7,534,198	5,650,649	5,650,649
40	Lower Yukon	4.000	14,928,605		14,928,605	13,861,244	1,067,361	800,521	800,521
41	Mat-Su	8.900	58,161,852		58,161,852	58,582,962	(421,110)	(315,833)	-
42	Nenana	4.200	1,735,074	181,780	1,916,854	1,340,448	576,406	432,305	432,305
43	Nome	8.400	5,181,309	285,470	5,466,779	5,217,325	249,454	187,091	-
44	North Slope	2.300	11,686,868		11,686,868	-	11,686,868	8,765,151	-
45	Northwest Arctic	6.200	18,530,116		18,530,116	18,656,455	(126,339)	(94,754)	-
46	Pelican	4.700	556,016	49,410	605,426	350,850	254,576	190,932	190,932
47	Petersburg	7.800	3,173,500	211,660	3,385,160	3,039,598	(314,438)	(235,829)	-
48	Pribilof	4.000	1,883,539		1,883,539	1,647,733	235,806	176,855	176,855
49	Sitka	6.800	6,142,485		6,142,485	7,100,407	(957,922)	(718,442)	-
50	Skagway	5.400	683,840	112,850	796,690	459,821	336,869	252,652	252,652
51	Southeast Island	4.000	2,765,941		2,765,941	2,226,657	539,284	404,463	404,463
52	Southwest Region	4.000	7,597,531		7,597,531	6,646,114	951,417	713,563	713,563
53	St. Mary's	8.900	1,414,706	140,910	1,555,616	1,089,359	466,217	349,663	349,663
54	Tanana	23.700	1,253,694	127,490	1,381,184	1,121,689	259,495	194,621	194,621
55	Unalaska	4.500	1,913,136	198,250	2,111,386	1,580,712	530,674	398,006	398,006
56	Valdez	3.900	3,404,758	265,960	3,670,718	1,877,339	1,793,379	1,345,034	-
57	Wrangell	8.200	2,312,953	196,420	2,509,373	2,742,064	(232,691)	(174,518)	-
58	Yakutat	12.400	1,429,670		1,429,670	1,233,667	196,003	147,002	147,002
59	Yukon Flats	4.000	6,158,915		6,158,915	5,061,519	1,097,396	823,047	823,047
60	Yukon/Koyukuk	4.000	6,788,379		6,788,379	5,653,884	1,134,495	850,871	850,871
61	Yupik	4.000	4,250,129		4,250,129	3,329,233	920,896	690,672	690,672
62	ACS	4.000	3,996,324		3,996,324	4,156,575	(160,251)	(120,188)	-
63	Mt. Edgecumbe	4.000	1,717,150		1,717,150	1,760,264	(43,114)	(32,336)	-
64	Other		26,096,071		26,096,071	26,096,071	-	-	-
66			\$660,931,300	\$3,304,340	\$664,235,640	\$643,147,587	\$21,088,053	\$15,816,040	\$17,718,205

	A	B	C	D	E	F	G	H
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	Required Local Effort & Maximum							
4	March 25, 1998							
5	FY99		23% or 2 Mills	Maximum Local	Tax & In-kind FY98 Budgeted Local	B - E Amount to Meet Req.	E - D Amount Over Excess	D - E Room Under Local Cap
6		Required Effort	Allowable Excess	Maximum Local	Budgeted Local	Amount to Meet Req.	Amount Over Excess	Room Under Local Cap
7	School District:							
8								
9	Alaska Gateway	-	1,076,052	1,076,052	-	-	-	-
10	Aleutian Region	-	261,390	261,390	-	-	-	-
11	Aleutians East	365,761	871,138	1,236,899	708,000	-	-	528,899
12	Anchorage	55,828,890	58,605,093	114,433,983	87,682,805	-	-	26,751,178
13	Annette Island	-	626,590	626,590	-	-	-	-
14	Bering Strait	-	4,330,910	4,330,910	-	-	-	-
15	Bristol Bay	860,657	554,761	1,415,418	1,324,152	-	-	91,266
16	Chatham	-	655,653	655,653	-	-	-	-
17	Chugach	-	274,028	274,028	-	-	-	-
18	Copper River	-	1,300,539	1,300,539	-	-	-	-
19	Cordova	674,600	804,143	1,478,743	1,052,000	-	-	426,743
20	Craig	367,686	665,657	1,033,343	584,728	-	-	448,615
21	Delta/Grady	-	1,355,685	1,355,685	-	-	-	-
22	Denali	459,758	707,207	1,166,965	981,736	-	-	185,229
23	Dillingham	608,522	1,046,634	1,655,156	942,500	-	-	712,656
24	Fairbanks	17,779,142	20,438,088	38,217,230	27,680,000	-	-	10,537,230
25	Galena	70,412	1,196,304	1,266,716	556,527	-	-	710,189
26	Haines	674,832	716,794	1,391,626	1,080,455	-	-	311,171
27	Hoonah	98,904	482,463	581,367	454,727	-	-	126,640
28	Hydaburg	23,809	245,134	268,943	34,000	-	-	234,943
29	Iditarod	-	1,212,063	1,212,063	-	-	-	-
30	Juneau	9,380,326	7,014,343	16,394,669	14,953,000	-	-	1,441,669
31	Kake	69,431	345,032	414,463	150,000	-	-	264,463
32	Kashunamiut	-	541,387	541,387	-	-	-	-
33	Kenai Peninsula	15,751,444	13,743,146	29,494,590	28,095,197	-	-	1,399,393
34	Ketchikan	4,552,513	3,478,503	8,031,016	7,358,058	-	-	672,958
35	Klawock	62,627	316,474	379,101	51,125	11,502	-	327,976
36	Kodiak Island	3,588,780	4,169,223	7,758,003	5,603,980	-	-	2,154,023
37	Kuspuk	-	1,373,325	1,373,325	-	-	-	-
38	Lake & Peninsula	268,776	1,609,395	1,878,171	1,026,500	-	-	851,671
39	Lower Kuskokwim	-	8,116,300	8,116,300	-	-	-	-
40	Lower Yukon	-	3,866,495	3,866,495	-	-	-	-
41	Mat-Su	9,922,903	15,757,703	25,680,606	22,139,480	-	-	3,541,126
42	Nenana	66,968	324,243	391,211	66,120	848	-	325,091
43	Nome	626,146	1,347,587	1,973,733	1,251,731	-	-	722,002
44	North Slope	18,374,727	23,498,029	41,872,756	27,600,068	-	-	14,272,688
45	Northwest Arctic	1,484,493	4,890,593	6,375,086	1,984,920	-	-	4,390,166
46	Pelican	53,374	92,972	146,346	62,266	-	-	84,080
47	Petersburg	947,600	1,070,553	2,018,153	1,807,361	-	-	210,792
48	Pribilof	-	456,069	456,069	-	-	-	-
49	Sitka	2,500,230	2,227,594	4,727,824	4,210,656	-	-	517,168
50	Skagway	559,358	279,679	839,037	746,690	-	-	92,347
51	Southeast Island	-	607,548	607,548	-	-	-	-
52	Southwest Region	-	1,751,428	1,751,428	-	-	-	-
53	St. Mary's	17,993	266,108	284,101	25,000	-	-	259,101
54	Tanana	23,286	270,161	293,447	115,000	-	-	178,447
55	Unalaska	1,511,123	755,562	2,266,685	1,660,932	-	-	605,753
56	Valdez	3,774,555	1,887,278	5,661,833	3,579,727	194,828	-	2,082,106
57	Wrangell	651,476	780,694	1,432,170	1,329,000	-	-	103,170
58	Yakutat	144,356	319,419	463,775	432,150	-	-	31,625
59	Yukon Flats	-	1,294,969	1,294,969	-	-	-	-
60	Yukon/Koyukuk	-	1,507,394	1,507,394	-	-	-	-
61	Yupitit	-	944,776	944,776	-	-	-	-
64	TOTALS	\$152,145,458	\$202,330,308	\$354,475,766	\$247,330,591	\$207,178	\$0	\$75,592,574

	A	B	C	D	E	F
1	Alaska Department of Education					
2	Foundation Program; CSSB 36(FIN) am					
3	Page 2, Sec. 14.17.530 - Administrative Cap					
4	March 25, 1998					
5						
6	FY99					
7						
8		Total FY98 Budgeted Expenditures	Instructional Expenditures	Total Expend. @ 60%	Reduction in State Aid	% of Instruc. to Total Exp.
9	Alaska Gateway	6,375,467	3,816,771	3,825,280	8,509	60%
10	Aleutian Region	1,227,397	613,635	736,438	122,803	50%
11	Aleutians East	5,353,492	2,669,533	3,212,095	542,562	50%
12	Anchorage	285,848,000	209,941,815	171,508,800	0	73%
13	Annette Island	4,079,627	2,552,320	2,447,776	0	63%
14	Bering Strait	24,031,447	12,940,060	14,418,868	1,478,808	54%
15	Bristol Bay	3,451,754	2,126,224	2,071,052	0	62%
16	Chatham	3,700,057	2,645,572	2,220,034	0	72%
17	Chugach	1,639,001	880,501	983,401	102,900	54%
18	Copper River	6,245,467	4,119,378	3,747,280	0	66%
19	Cordova	4,028,281	2,529,566	2,416,969	0	63%
20	Craig	3,332,138	2,200,911	1,999,283	0	66%
21	Delta/Greely	6,239,396	3,623,965	3,743,637	119,674	58%
22	Denali	3,826,030	2,350,417	2,295,618	0	61%
23	Dillingham	5,369,398	3,643,045	3,221,639	0	68%
24	Fairbanks	105,010,000	75,832,355	63,006,000	0	72%
25	Galena	4,137,563	2,109,716	2,482,538	372,822	51%
26	Haines	3,576,694	2,392,495	2,146,016	0	67%
27	Hoonah	3,555,793	1,896,929	2,133,476	236,547	53%
28	Hydaburg	1,319,025	676,132	791,415	115,283	51%
29	Iditarod	5,825,818	3,108,838	3,495,491	386,653	53%
30	Juneau	35,823,100	26,387,712	21,493,860	0	74%
31	Kake	2,179,381	1,171,595	1,337,629	136,034	54%
32	Kashunamiut	2,754,440	1,415,373	1,652,064	237,291	51%
33	Kenai Peninsula	72,077,053	50,062,456	43,246,232	0	69%
34	Ketchikan	16,152,612	11,204,219	9,691,567	0	69%
35	Klawock	2,276,154	1,442,696	1,365,692	0	63%
36	Kodiak Island	22,289,424	15,074,760	13,373,654	0	68%
37	Kuspuk	6,208,037	3,779,987	3,724,822	0	61%
38	Lake & Peninsula	9,315,700 ²	4,519,680	5,589,420	1,069,740	49%
39	Lower Kuskokwim	45,485,933	28,968,961	27,291,560	0	64%
40	Lower Yukon	19,896,016	11,997,659	11,937,610	0	60%
41	Mat-Su	80,993,413	59,111,447	48,596,048	0	73%
42	Nenana	1,732,845	1,005,643	1,039,707	34,064	58%
43	Nome	7,013,644	4,077,783	4,208,186	130,403	58%
44	North Slope	43,150,068	20,680,500	25,890,041	5,209,541	48%
45	Northwest Arctic	23,012,977	11,993,882	13,807,786	1,813,904	52%
46	Pelican	630,278	330,120	378,167	48,047	52%
47	Petersburg	5,296,650	3,595,918	3,177,990	0	68%
48	Pribilof	2,748,600	1,547,494	1,649,160	101,666	56%
49	Sitka	11,027,597	8,303,056	6,616,558	0	75%
50	Skagway	1,462,002	838,321	877,201	38,880	57%
51	Southeast Island	4,046,750	2,615,282	2,428,050	0	65%
52	Southwest Region	9,649,489	5,837,056	5,789,693	0	60%
53	St. Mary's	1,400,000	805,900	840,000	34,100	58%
54	Tanana	1,546,500	610,600	927,900	317,300	39%
55	Unalaska	3,742,611	2,381,430	2,245,567	0	64%
56	Valdez	7,680,728	5,324,180	4,608,437	0	69%
57	Wrangell	3,878,101	2,602,696	2,326,861	0	67%
58	Yakutat	2,051,851	1,361,996	1,231,111	0	66%
59	Yukon Flats	7,166,115	3,844,906	4,299,669	454,763	54%
60	Yukon/Koyukuk	7,985,386	5,181,130	4,791,232	0	65%
61	Yupik	5,503,370	2,779,670	3,302,022	522,352	51%
62						
63	TOTALS:	954,348,670	\$643,524,288	\$572,609,202	\$13,634,646	

1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN); am						
3	Comparison						
4	March 25, 1998						
5	FY00		D - E	@ 50%	F + G		
6		CS SB36	Existing		Net Change	% Change	
7	School	Proposed	Foundation	Transition	State Aid	In	
8	District:	State Aid:	State Aid:	Funding:	Plus Transition:	State Aid	
			Difference:				
9	Alaska Gateway	4,376,048	4,988,882	(612,834)	306,417	(306,417)	-6.14%
10	Aleutian Region	1,094,895	1,176,499	(81,604)	99,667	18,063	1.54%
11	Aleutians East	3,218,944	3,514,644	(295,700)	147,850	(147,850)	-4.21%
12	Anchorage	196,582,797	188,038,815	8,543,982	-	8,543,982	4.54%
13	Annette Island	1,832,915	1,569,188	263,727	-	263,727	16.81%
14	Bering Strait	15,881,574	17,449,778	(1,568,204)	784,102	(784,102)	-4.49%
15	Bristol Bay	1,434,888	1,654,521	(219,633)	109,817	(109,816)	-6.64%
16	Chatham	2,288,642	2,337,557	(48,915)	24,459	(24,457)	-1.05%
17	Chugach	1,088,933	1,515,697	(426,764)	213,382	(213,382)	-14.08%
18	Copper River	5,630,385	6,225,778	(595,393)	297,697	(297,696)	-4.78%
19	Cordova	2,840,937	2,702,072	138,865	-	138,865	5.14%
20	Craig	2,542,530	2,322,242	220,288	-	220,288	9.49%
21	Delta/Grœly	5,138,165	4,790,289	347,876	-	347,876	7.26%
22	Denali	2,630,007	2,659,400	(29,393)	14,697	(14,696)	-0.55%
23	Dillingham	3,820,383	3,757,667	62,716	-	62,716	1.67%
24	Fairbanks	68,078,551	64,607,118	3,471,433	-	3,471,433	5.37%
25	Galena	5,145,165	6,649,592	(1,504,427)	752,214	(752,213)	-11.31%
26	Haines	2,457,840	2,141,412	316,428	-	316,428	14.78%
27	Hoonah	1,976,553	1,913,467	58,086	-	58,086	3.03%
28	Hydaburg	1,048,377	1,083,657	(35,280)	71,625	36,345	3.35%
29	Iditarod	4,792,304	5,278,870	(486,566)	243,283	(243,283)	-4.61%
30	Juneau	21,368,302	20,166,492	1,201,810	-	1,201,810	5.96%
31	Kake	1,385,772	1,325,815	59,957	-	59,957	4.52%
32	Kashunamiut	2,129,595	2,235,575	(105,990)	132,905	26,915	1.20%
33	Kenai Peninsula	44,470,936	42,073,799	2,397,137	-	2,397,137	5.70%
34	Ketchikan	10,695,901	8,752,133	1,943,768	-	1,943,768	22.21%
35	Klawock	1,218,793	1,427,412	(208,619)	180,865	(27,754)	-1.94%
36	Kodiak Island	14,079,221	13,876,822	202,399	-	202,399	1.46%
37	Kuspuk	5,521,953	5,513,829	8,124	-	8,124	0.15%
38	Lake & Peninsula	6,584,949	6,743,387	(158,438)	79,219	(79,219)	-1.17%
39	Lower Kuskokwim	31,439,132	38,671,330	(7,232,198)	3,616,099	(3,616,099)	-9.35%
40	Lower Yukon	14,005,113	14,928,805	(923,492)	461,746	(461,746)	-3.09%
41	Mat-Su	59,169,292	58,161,852	1,007,440	-	1,007,440	1.73%
42	Nenana	1,352,512	1,735,074	(382,562)	282,171	(100,391)	-5.79%
43	Nome	5,267,468	5,181,309	86,159	-	86,159	1.66%
44	North Slope	-	11,686,868	(11,686,868)	-	(11,686,868)	-100.00%
45	Northwest Arctic	18,838,430	18,530,116	308,314	-	308,314	1.66%
46	Pelican	354,310	556,016	(201,706)	125,558	(76,148)	-13.70%
47	Petersburg	3,739,432	3,173,500	565,932	-	565,932	17.83%
48	Pribilof	1,664,703	1,883,539	(218,836)	109,418	(109,418)	-5.81%
49	Sitka	7,183,294	6,142,485	1,040,809	-	1,040,809	16.94%
50	Skagway	468,544	683,840	(215,296)	164,073	(51,223)	-7.49%
51	Southeast Island	2,249,264	2,765,941	(516,677)	258,339	(258,338)	-9.34%
52	Southwest Region	6,711,283	7,597,531	(886,248)	443,124	(443,124)	-5.83%
53	St. Mary's	1,099,300	1,414,706	(315,406)	228,158	(87,248)	-6.17%
54	Tanana	1,131,741	1,253,694	(121,953)	124,722	2,769	0.22%
55	Unalaska	1,607,175	1,913,136	(305,961)	252,106	(53,855)	-2.82%
56	Valdez	1,926,045	3,404,758	(1,478,713)	-	(1,478,713)	-43.43%
57	Wrangell	2,771,113	2,312,953	458,160	-	458,160	19.81%
58	Yakutat	1,245,552	1,429,670	(184,118)	92,059	(92,059)	-6.44%
59	Yukon Flats	5,109,703	6,158,915	(1,049,212)	524,606	(524,606)	-8.52%
60	Yukon/Koyukuk	5,709,973	6,788,379	(1,078,406)	539,203	(539,203)	-7.94%
61	Yuplit	3,364,387	4,250,129	(885,742)	442,871	(442,871)	-10.42%
62	ACS	4,192,148	3,996,324	195,824	-	195,824	4.90%
63	Mt. Edgecumbe	1,775,329	1,717,150	58,179	-	58,179	3.39%
64	Other	26,096,071	26,096,071	-	-	-	0.00%
66	TOTAL:	\$649,827,559	\$660,931,300	(\$11,103,741)	\$11,122,451	\$13,710	

1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3				C + E + F			H x I	
4	March 25, 1998		Correspondence			Adj. For	District	Adj
5	FY00		In	Out		School	Cost	for
6	School	Projected	Students	Students	Total	Size	Factor:	Cost
7	District:	ADM:	ADM:	ADM:	ADM:	ADM:		Product:
8								
9	Alaska Gateway	494.00	28.00		522.00	748.97	1.291	966.92
10	Aleutian Region	67.00			67.00	141.48	1.736	245.61
11	Aleutians East	345.00			345.00	566.44	1.423	806.04
12	Anchorage	47,832.75			47,832.75	52,208.39	1.000	52,208.39
13	Annette Island	389.00	2.00		391.00	572.46	1.011	578.76
14	Bering Strait	1,809.41			1,809.41	2,657.55	1.525	4,052.76
15	Bristol Bay	308.00			308.00	406.44	1.262	512.93
16	Chatham	297.00			297.00	542.62	1.120	607.73
17	Chugach	81.00	45.00	20.00	146.00	161.63	1.294	209.15
18	Copper River	606.50	37.00	186.00	829.50	920.15	1.176	1,082.10
19	Cordova	530.00			530.00	678.00	1.096	743.09
20	Craig	408.00	30.00	9.00	447.00	577.32	1.010	583.09
21	Delta/Greasy	799.00	25.00		824.00	1,110.31	1.106	1,228.00
22	Denali	352.00	3.00		355.00	504.20	1.313	662.01
23	Dillingham	619.00			619.00	767.63	1.254	962.61
24	Fairbanks	15,957.50	490.00		16,447.50	17,376.43	1.039	18,054.11
25	Galena	222.00		1,157.00	1,379.00	356.60	1.348	480.70
26	Haines	429.00	9.00		438.00	644.20	1.008	549.35
27	Hoonah	270.00			270.00	398.10	1.055	420.00
28	Hydaburg	125.00			125.00	208.45	1.085	226.17
29	Iditarod	436.00			436.00	760.58	1.470	1,118.05
30	Juneau	5,721.00	29.00		5,750.00	6,218.92	1.005	6,250.01
31	Kake	190.00			190.00	312.22	1.025	320.03
32	Kashunamiut	279.00			279.00	354.23	1.389	492.03
33	Kenai Peninsula	10,243.96	98.00		10,341.96	12,548.19	1.004	12,598.38
34	Ketchikan	2,650.00	69.00		2,719.00	3,160.98	1.000	3,160.98
35	Klawock	215.00			215.00	288.30	1.017	293.20
36	Kodiak Island	2,819.00	78.00		2,897.00	3,478.96	1.093	3,802.50
37	Kuspuk	510.00			510.00	891.15	1.434	1,277.91
38	Lake & Peninsula	513.00	5.00		518.00	965.27	1.558	1,503.89
39	Lower Kuskokwim	3,642.00			3,642.00	5,045.00	1.491	7,522.10
40	Lower Yukon	1,850.60			1,850.60	2,520.67	1.438	3,624.72
41	Mat-Su	12,045.00	596.00		12,541.00	13,549.15	1.010	13,684.64
42	Nenana	135.00	20.00	65.00	220.00	199.05	1.270	252.79
43	Noine	789.00			789.00	956.83	1.319	1,262.06
44	North Slope	2,037.00			2,037.00	2,629.23	1.504	3,954.36
45	Northwest Arctic	2,233.00	15.00		2,248.00	2,950.50	1.549	4,570.32
46	Pelican	38.00			38.00	67.72	1.290	87.36
47	Petersburg	775.00			775.00	993.42	1.000	993.42
48	Pribilof	196.00			196.00	299.06	1.419	424.37
49	Sitka	1,680.00	70.00		1,750.00	1,993.10	1.000	1,993.10
50	Skagway	130.00			130.00	192.70	1.143	220.26
51	Southeast Island	259.00	10.00		269.00	500.47	1.124	562.53
52	Southwest Region	779.20			779.20	1,147.70	1.423	1,633.18
53	St. Mary's	133.00			133.00	185.08	1.351	250.04
54	Tanana	111.00	2.00		113.00	168.57	1.496	252.18
55	Unalaska	390.00			390.00	533.40	1.245	664.08
56	Valdez	895.00			895.00	1,100.43	1.095	1,204.97
57	Wrangell	498.25	10.00	6.00	514.25	701.14	1.000	701.14
58	Yakutat	178.00			178.00	274.98	1.046	287.63
59	Yukon Flats	409.00	35.00		444.00	712.00	1.668	1,187.62
60	Yukon/Koyukuk	554.00			554.00	923.58	1.502	1,387.22
61	Yupik	412.00			412.00	601.48	1.469	883.57
62	ACS	0.00		1,658.38	1,658.38	0.00	1.000	0.00
63	Mt. Edgecumbe	306.00			306.00	380.42	1.000	380.42
64	Other							
65								
66	TOTALS:	125,993.17	1,706.00	3,101.38	130,800.55	149,151.85	68.00	164,080.58

1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3		J x 1.20	M x 5	K + O	Ex 1	F x .65	P + Q + S	
4	March 25, 1998	Special	Special	Adjusted	Correspondence			
5	FY00	Education	Education	Adj.	Students +	In	Out	District
6	School	Factor	Intensive:	Intensive	Special	District	District	Adjusted
7	District:	1.20	5.00	Education:	Education:	1.00	0.65	ADM:
8								
9	Alaska Gateway	1,160.30	5.00	25.00	1,185.30	28.00	0.00	1,213.30
10	Aleutian Region	294.73	0.00	0.00	294.73	0.00	0.00	294.73
11	Aleutians East	967.25	3.00	15.00	982.25	0.00	0.00	982.25
12	Anchorage	62,650.07	686.00	3,430.00	66,080.07	0.00	0.00	66,080.07
13	Annette Island	694.51	2.00	10.00	704.51	2.00	0.00	706.51
14	Bering Strait	4,863.31	4.00	20.00	4,883.31	0.00	0.00	4,883.31
15	Bristol Bay	615.52	2.00	10.00	625.52	0.00	0.00	625.52
16	Chatham	729.28	2.00	10.00	739.28	0.00	0.00	739.28
17	Chugach	250.98	0.00	0.00	250.98	45.00	13.00	308.98
18	Copper River	1,298.52	2.00	10.00	1,308.52	37.00	120.90	1,466.42
19	Cordova	891.71	3.00	15.00	906.71	0.00	0.00	906.71
20	Craig	699.71	3.00	15.00	714.71	30.00	5.85	750.56
21	Delta/Greely	1,473.60	6.00	30.00	1,503.60	25.00	0.00	1,528.60
22	Denali	794.41	0.00	0.00	794.41	3.00	0.00	797.41
23	Dillingham	1,155.13	5.00	25.00	1,180.13	0.00	0.00	1,180.13
24	Fairbanks	21,664.93	178.00	890.00	22,554.93	490.00	0.00	23,044.93
25	Galena	576.84	4.00	20.00	596.84	0.00	752.05	1,348.89
26	Haines	779.22	4.00	20.00	799.22	9.00	0.00	808.22
27	Hoonah	504.00	8.00	40.00	544.00	0.00	0.00	544.00
28	Hydaburg	271.40	1.00	5.00	276.40	0.00	0.00	276.40
29	Iditarod	1,341.66	5.00	25.00	1,366.66	0.00	0.00	1,366.66
30	Juneau	7,500.01	76.00	380.00	7,880.01	29.00	0.00	7,909.01
31	Kake	384.04	1.00	5.00	389.04	0.00	0.00	389.04
32	Kashunamiut	590.44	4.00	20.00	610.44	0.00	0.00	610.44
33	Kenai Peninsula	15,118.06	56.00	280.00	15,398.06	98.00	0.00	15,496.06
34	Ketchikan	3,793.18	12.00	60.00	3,853.18	69.00	0.00	3,922.18
35	Klawock	351.84	1.00	5.00	356.84	0.00	0.00	356.84
36	Kodiak Island	4,563.00	12.00	60.00	4,623.00	78.00	0.00	4,701.00
37	Kuspuk	1,533.49	3.00	15.00	1,548.49	0.00	0.00	1,548.49
38	Lake & Peninsula	1,804.67	1.00	5.00	1,809.67	5.00	0.00	1,814.67
39	Lower Kuskokwim	9,026.52	25.00	125.00	9,151.52	0.00	0.00	9,151.52
40	Lower Yukon	4,349.66	2.00	10.00	4,359.66	0.00	0.00	4,359.66
41	Mat-Su	16,421.57	150.00	750.00	17,171.57	596.00	0.00	17,767.57
42	Nenana	303.35	0.00	0.00	303.35	20.00	42.25	365.60
43	Nome	1,514.47	1.00	5.00	1,519.47	0.00	0.00	1,519.47
44	North Slope	4,745.23	4.00	20.00	4,765.23	0.00	0.00	4,765.23
45	Northwest Arctic	5,484.38	3.00	15.00	5,499.38	15.00	0.00	5,514.38
46	Pelican	104.83	0.00	0.00	104.83	0.00	0.00	104.83
47	Petersburg	1,192.10	3.00	15.00	1,207.10	0.00	0.00	1,207.10
48	Pribilof	509.24	1.00	5.00	514.24	0.00	0.00	514.24
49	Sitka	2,391.72	10.00	50.00	2,441.72	70.00	0.00	2,511.72
50	Skagway	264.31	0.00	0.00	264.31	0.00	0.00	264.31
51	Southeast Island	675.04	0.00	0.00	675.04	10.00	0.00	685.04
52	Southwest Region	1,959.82	3.00	15.00	1,974.82	0.00	0.00	1,974.82
53	St. Mary's	300.05	0.00	0.00	300.05	0.00	0.00	300.05
54	Tanana	302.62	0.00	0.00	302.62	2.00	0.00	304.62
55	Unalaska	796.90	1.00	5.00	801.90	0.00	0.00	801.90
56	Valdez	1,445.96	6.00	30.00	1,475.96	0.00	0.00	1,475.96
57	Wrangell	841.37	5.00	25.00	866.37	10.00	3.90	880.27
58	Yakutat	345.16	3.00	15.00	360.16	0.00	0.00	360.16
59	Yukon Flats	1,425.14	0.00	0.00	1,425.14	35.00	0.00	1,460.14
60	Yukon/Koyukuk	1,664.66	7.00	35.00	1,699.66	0.00	0.00	1,699.66
61	Yup'it	1,060.28	1.00	5.00	1,065.28	0.00	0.00	1,065.28
62	ACS	0.00	0.00	0.00	0.00	0.00	1,077.95	1,077.95
63	Mt. Edgecumbe	456.50	0.00	0.00	456.50	0.00	0.00	456.50
64	Other							
65								
66	TOTALS:	196,896.69	1,314.00	6,570.00	203,466.69	1,706.00	2,015.90	207,188.59

1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN) am		Base Student Allocation				
3		T x	AS 14.17.470	\$3,889			U - V - Y
4	March 25, 1998	\$3,889					
5	FY00						
6	School District:	State Support:	Required Local:	Federal Impact Aid:	Impact Aid Percent:	Deductible Impact Aid 90.0%	State Share:
8							
9	Alaska Gateway	4,718,524	-	380,529	100.00%	342,476	4,376,048
10	Aleutian Region	1,146,205	-	57,011	100.00%	51,310	1,094,895
11	Aleutians East	3,819,970	365,761	509,562	51.30%	235,265	3,218,944
12	Anchorage	256,985,392	55,828,890	8,314,618	61.12%	4,573,705	196,582,797
13	Annette Island	2,747,617	-	1,016,335	100.00%	914,702	1,832,915
14	Bering Strait	18,991,193	-	3,455,132	100.00%	3,109,619	15,881,574
15	Bristol Bay	2,432,647	860,657	240,580	63.32%	137,102	1,434,888
16	Chatham	2,875,060	-	651,576	100.00%	586,418	2,288,642
17	Chugach	1,201,623	-	125,211	100.00%	112,690	1,088,933
18	Copper River	5,702,907	-	80,580	100.00%	72,522	5,630,385
19	Cordova	3,526,195	674,600	19,032	62.22%	10,658	2,840,937
20	Craig	2,918,928	367,686	16,690	58.00%	8,712	2,542,530
21	Delta/Greely	5,944,725	-	896,178	100.00%	806,560	5,138,165
22	Denali	3,101,127	459,758	27,613	45.72%	11,362	2,630,007
23	Dillingham	4,589,526	608,522	335,087	53.26%	160,621	3,820,383
24	Fairbanks	89,621,733	17,779,142	6,593,515	63.43%	3,764,040	68,078,551
25	Galena	5,245,833	70,412	314,774	10.68%	30,256	5,145,165
26	Haines	3,143,168	674,832	18,985	61.43%	10,496	2,457,840
27	Hoonah	2,115,616	98,904	238,998	18.67%	40,159	1,976,553
28	Hydaburg	1,074,920	23,809	17,039	17.83%	2,734	1,048,377
29	Iditarod	5,314,941	-	580,708	100.00%	522,637	4,792,304
30	Juneau	30,758,140	9,580,326	16,954	62.34%	9,512	21,368,302
31	Kake	1,512,977	69,431	281,923	22.77%	57,774	1,385,772
32	Kashunamiut	2,374,001	-	271,573	100.00%	244,416	2,129,585
33	Kenai Peninsula	60,264,177	15,751,444	83,078	55.90%	41,797	44,470,936
34	Ketchikan	15,253,358	4,552,513	8,986	61.13%	4,944	10,695,901
35	Klawock	1,387,751	62,627	274,629	43.02%	106,331	1,218,793
36	Kodiak Island	18,282,189	3,588,780	1,081,508	63.10%	614,188	14,079,221
37	Kuspuk	6,022,078	-	555,694	100.00%	500,125	5,521,953
38	Lake & Peninsula	7,057,252	268,776	1,028,381	21.99%	203,527	6,584,949
39	Lower Kuskokwim	35,590,261	-	4,612,365	100.00%	4,151,129	31,439,132
40	Lower Yukon	16,954,718	-	3,277,339	100.00%	2,949,605	14,005,113
41	Mat-Su	69,098,080	9,922,903	14,639	44.67%	5,885	59,169,292
42	Nenana	1,421,818	66,968	2,926	88.79%	2,338	1,352,512
43	Nome	5,909,219	626,146	43,424	39.93%	15,605	5,267,468
44	North Slope	18,531,979	18,531,979	2,648,619	67.02%	1,597,594	-
45	Northwest Arctic	21,445,424	1,484,493	2,240,789	55.66%	1,122,501	18,838,430
46	Pelican	407,684	53,374	-	85.72%	-	354,310
47	Petersburg	4,694,412	947,600	15,861	51.70%	7,380	3,739,432
48	Pribilof	1,999,879	-	372,418	100.00%	335,176	1,664,703
49	Sitka	9,768,079	2,500,230	158,779	59.17%	84,555	7,183,294
50	Skagway	1,027,902	559,358	-	74.36%	-	468,544
51	Southeast Island	2,664,121	-	460,952	100.00%	414,857	2,249,264
52	Southwest Region	7,680,075	-	1,076,436	100.00%	968,792	6,711,283
53	St. Mary's	1,166,894	17,993	122,527	44.98%	49,601	1,099,300
54	Tanana	1,184,667	23,286	178,213	18.48%	29,640	1,131,741
55	Unalaska	3,118,589	1,511,123	363	89.05%	291	1,607,175
56	Valdez	5,740,008	3,774,555	43,787	100.00%	39,408	1,926,045
57	Wrangell	3,423,370	651,476	1,812	47.88%	781	2,771,113
58	Yakutat	1,400,662	144,355	39,086	30.57%	10,754	1,245,552
59	Yukon Flats	5,678,484	-	631,979	100.00%	568,781	5,109,703
60	Yukon/Koyukuk	6,609,978	-	1,000,006	100.00%	900,005	5,709,973
61	Yupik	4,142,874	-	864,985	100.00%	778,487	3,364,387
62	ACS	4,192,148	-	-	100.00%	-	4,192,148
63	Mt. Edgecumbe	1,775,329	-	-	100.00%	-	1,775,329
64	Other						26,096,071
66	TOTALS:	\$805,756,427	\$152,302,710	\$45,299,784		\$31,319,823	\$649,027,559

1	Alaska Department of Education		
2	Foundation Program; CSSB 36(FIN) am		
3	Required Local Effort Calculation		
4	March 25, 1998		
5	FY00	G X .004	
6		Required	
7		Local	Mill Rate
8	School District:	Effort:	0.004
			1997 Full Determination:
9	Alaska Gateway	-	-
10	Aleutian Region	-	-
11	Aleutians East	365,761	91,440,300
12	Anchorage	55,828,890	13,957,222,570
13	Annette Island	-	-
14	Bering Strait	-	-
15	Bristol Bay	860,657	215,164,218
16	Chatham	-	-
17	Chugach	-	-
18	Copper River	-	-
19	Cordova	674,600	168,650,100
20	Craig	367,686	91,921,400
21	Delta/Greely	-	-
22	Denali	459,758	114,939,500
23	Dillingham	608,522	152,130,600
24	Fairbanks	17,779,142	4,444,785,400
25	Galena	70,412	17,603,000
26	Haines	674,832	168,709,000
27	Hoonah	98,904	24,725,900
28	Hydaburg	23,809	5,952,200
29	Iditarod	-	-
30	Juneau	9,380,326	2,345,081,400
31	Kake	69,431	17,357,800
32	Kasliunamit	-	-
33	Kenai Peninsula	15,751,444	3,937,860,920
34	Ketchikan	4,552,513	1,138,128,200
35	Klawock	62,627	15,656,700
36	Kodiak Island	3,588,780	897,194,900
37	Kuspuk	-	-
38	Lake & Peninsula	268,776	67,193,900
39	Lower Kuskokwim	-	-
40	Lower Yukon	-	-
41	Mat-Su	9,922,903	2,480,725,840
42	Nenana	66,968	16,742,100
43	Nome	626,146	156,536,400
44	North Slope	18,531,979	11,749,014,490
45	Northwest Arctic	1,484,493	371,123,200
46	Pelican	53,374	13,343,500
47	Petersburg	947,600	236,900,000
48	Pribilof	-	-
49	Sitka	2,500,230	625,057,600
50	Skagway	559,358	139,839,400
51	Southeast Island	-	-
52	Southwest Region	-	-
53	St. Mary's	17,993	4,498,200
54	Tanana	23,286	5,821,600
55	Unalaska	1,511,123	377,780,800
56	Valdez	3,774,555	943,638,760
57	Wrangell	651,476	162,869,100
58	Yakutat	144,356	36,089,000
59	Yukon Flats	-	-
60	Yukon/Koyukuk	-	-
61	Yupik	-	-
62	ACS	-	-
63	Mt. Edgecumbe	-	-
64	Other	-	-
66	TOTAL:	\$152,302,710	\$45,191,696,998

1	Alaska Department of Education								
2	Foundation Program; CSSB 36(FIN) am								
3	Transition Calculation								
4	March 25, 1998								
5	FY00		E + F			G - H		I x 50%	
6			Additional	Foundation	SB36		Difference		
7		Mill	District	Plus	State		@		
8	School District:	Rate:	Support:	Single Site:	Aid:	Difference:	50.0%	Transition:	
9	Alaska Gateway	4.000	4,988,882	4,988,882	4,376,048	612,834	306,417	306,417	
10	Aleutian Region	4.000	1,176,499	117,730	1,294,229	1,094,895	199,334	99,667	99,667
11	Aleutians East	7.700	3,514,644		3,514,644	3,218,944	295,700	147,850	147,850
12	Anchorage	6.500	188,038,815		188,038,815	196,582,797	(8,543,982)	(4,271,991)	-
13	Annette Island	4.000	1,569,188	161,650	1,730,838	1,832,915	(102,077)	(51,039)	-
14	Bering Strait	4.000	17,449,778		17,449,778	15,881,574	1,568,204	784,102	784,102
15	Bristol Bay	6.200	1,654,521		1,654,521	1,434,888	219,633	109,817	109,817
16	Chatham	4.000	2,337,557		2,337,557	2,288,642	48,915	24,458	24,458
17	Chugach	4.000	1,515,697		1,515,697	1,088,933	426,764	213,382	213,382
18	Copper River	4.000	6,225,778		6,225,778	5,630,385	595,393	297,697	297,697
19	Cordova	6.400	2,702,072	166,530	2,868,602	2,840,937	27,665	13,833	-
20	Craig	6.600	2,322,242	179,950	2,502,192	2,542,530	(40,338)	(20,169)	-
21	Delta/Greely	4.000	4,790,289		4,790,289	5,138,165	(347,876)	(173,938)	-
22	Denali	8.700	2,659,400		2,659,400	2,630,007	29,393	14,697	14,697
23	Dillingham	7.000	3,757,667	220,200	3,977,867	3,820,383	157,484	78,742	-
24	Fairbanks	6.600	64,607,118		64,607,118	68,078,551	(3,471,433)	(1,735,717)	-
25	Galena	34.600	6,649,592		6,649,592	5,145,165	1,504,427	752,214	752,214
26	Haines	6.600	2,141,412		2,141,412	2,457,840	(316,428)	(158,214)	-
27	Hoonah	21.600	1,918,467	126,270	2,044,737	1,976,553	68,184	34,092	-
28	Hydaburg	6.400	1,083,657	107,970	1,191,627	1,048,377	143,250	71,625	71,625
29	Iditarod	4.000	5,278,870		5,278,870	4,792,304	486,566	243,283	243,283
30	Juneau	6.400	20,166,492		20,166,492	21,368,302	(1,201,810)	(600,905)	-
31	Kake	9.800	1,325,815	140,910	1,466,725	1,385,772	80,953	40,477	-
32	Kashunamiu'	4.000	2,235,575	159,820	2,395,395	2,129,585	265,810	132,905	132,905
33	Kenai Peninsula	7.200	42,073,799		42,073,799	44,470,936	(2,397,137)	(1,198,569)	-
34	Ketchikan	6.500	8,752,133		8,752,133	10,695,901	(1,943,768)	(971,884)	-
35	Klawock	5.500	1,427,412	153,110	1,580,522	1,218,793	361,729	180,865	180,865
36	Kodiak Island	6.300	13,876,822		13,876,822	14,079,221	(202,399)	(101,200)	-
37	Kuspuk	4.000	5,513,829		5,513,829	5,521,953	(8,124)	(4,062)	-
38	Lake & Peninsula	17.900	6,743,387		6,743,387	6,584,949	158,438	79,219	79,219
39	Lower Kuskokwim	4.000	38,671,330		38,671,330	31,439,132	7,232,198	3,616,099	3,616,099
40	Lower Yukon	4.000	14,928,605		14,928,605	14,005,113	923,492	461,746	461,746
41	Mat-Su	8.900	58,161,852		58,161,852	59,169,292	(1,007,440)	(503,720)	-
42	Nenana	4.200	1,735,074	181,780	1,916,854	1,352,512	564,342	282,171	282,171
43	Nome	8.400	5,181,309	285,470	5,466,779	5,267,468	199,311	99,656	-
44	North Slope	2.300	11,686,868		11,686,868	-	11,686,868	5,843,434	-
45	Northwest Arctic	6.200	18,530,116		18,530,116	18,838,430	(308,314)	(154,157)	-
46	Pelican	4.700	556,016	49,410	605,426	354,310	251,116	125,558	125,558
47	Petersburg	7.800	3,173,500	211,660	3,385,160	3,739,432	(354,272)	(177,136)	-
48	Pribilof	4.000	1,883,539		1,883,539	1,664,703	218,836	109,418	109,418
49	Sitka	6.800	6,142,485		6,142,485	7,183,294	(1,040,809)	(520,405)	-
50	Skaqway	5.400	683,840	112,850	796,690	468,544	328,146	164,073	164,073
51	Southeast Island	4.000	2,765,941		2,765,941	2,249,264	516,677	258,339	258,339
52	Southwest Region	4.000	7,597,531		7,597,531	6,711,283	886,248	443,124	443,124
53	St. Mary's	8.900	1,414,706	140,910	1,555,616	1,099,300	456,316	228,158	228,158
54	Tanana	23.700	1,253,694	127,490	1,381,184	1,131,741	249,443	124,722	124,722
55	Unalaska	4.500	1,913,136	198,250	2,111,386	1,607,175	504,211	252,106	252,106
56	Valdez	3.900	3,404,753	265,960	3,670,713	1,926,045	1,744,673	872,337	-
57	Wrangell	8.200	2,312,953	196,420	2,509,373	2,771,113	(261,740)	(130,870)	-
58	Yakutat	12.400	1,429,670		1,429,670	1,245,552	184,118	92,059	92,059
59	Yukon Flats	4.000	6,158,915		6,158,915	5,109,703	1,049,212	524,606	524,606
60	Yukon/Koyukuk	4.000	6,788,379		6,788,379	5,709,973	1,078,406	539,203	539,203
61	Yupik	4.000	4,250,129		4,250,129	3,364,387	885,742	442,871	442,871
62	ACS	4.000	3,996,324		3,996,324	4,192,148	(195,824)	(97,912)	-
63	Mt. Edgecumbe	4.000	1,717,150		1,717,150	1,775,329	(58,179)	(29,090)	-
64	Other		26,096,071		26,096,071	26,096,071	-	-	-
66			\$660,931,300	\$3,304,340	\$664,235,640	\$649,827,559	\$14,408,081	\$7,204,041	\$11,122,451

	A	B	C	D	E	F	G	H
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	Required Local Effort & Maximum							
4	March 25, 1998							
5	FY00			B + C		B - E	E - D	D - E
6			23% or		Tax & In-kind			
7			2 Mills		FY98		Amount	Room
8	School District:	Required	Allowable	Maximum	Budgeted	Amount to	Over	Under
9		Effort	Excess	Local	Local	Meet Req.	Excess	Local Cap
9	Alaska Gateway	-	1,085,261	1,085,261	-	-	-	-
10	Aleutian Region	-	263,627	263,627	-	-	-	-
11	Aleutians East	365,761	878,593	1,244,354	708,000	-	-	536,354
12	Anchorage	55,828,890	59,106,640	114,935,530	87,682,805	-	-	27,252,725
13	Annette Island	-	631,952	631,952	-	-	-	-
14	Bering Strait	-	4,367,974	4,367,974	-	-	-	-
15	Bristol Bay	860,657	559,509	1,420,166	1,324,152	-	-	96,014
16	Chatham	-	661,264	661,264	-	-	-	-
17	Chugach	-	276,373	276,373	-	-	-	-
18	Copper River	-	1,311,669	1,311,669	-	-	-	-
19	Cordova	674,600	811,025	1,485,625	1,052,000	-	-	433,625
20	Craig	367,686	671,353	1,039,039	584,728	-	-	454,311
21	Delta/Greely	-	1,367,287	1,367,287	-	-	-	-
22	Denali	459,758	713,255	1,173,017	981,736	-	-	191,281
23	Dillingham	608,522	1,055,591	1,664,113	942,500	-	-	721,613
24	Fairbanks	17,779,142	20,612,999	38,392,141	27,680,000	-	-	10,712,141
25	Galena	70,412	1,206,542	1,276,954	556,527	-	-	720,427
26	Haines	674,832	722,929	1,397,761	1,080,455	-	-	317,306
27	Hoonah	98,904	486,592	585,496	454,727	-	-	130,769
28	Hydaburg	23,809	247,232	271,041	34,000	-	-	237,041
29	Iditarod	-	1,222,436	1,222,436	-	-	-	-
30	Juneau	9,380,326	7,074,372	16,454,698	14,953,000	-	-	1,501,698
31	Kenai	69,431	347,985	417,416	150,000	-	-	267,416
32	Kashunamiut	-	546,020	546,020	-	-	-	-
33	Kenai Peninsula	15,751,444	13,860,761	29,612,205	28,095,197	-	-	1,517,008
34	Ketchikan	4,552,513	3,508,272	8,060,785	7,358,056	-	-	702,727
35	Klawock	62,627	319,183	381,810	51,125	11,502	-	330,685
36	Kodiak Island	3,588,780	4,204,903	7,793,683	5,603,980	-	-	2,189,703
37	Kuspuk	-	1,385,078	1,385,078	-	-	-	-
38	Lake & Peninsula	268,776	1,623,168	1,891,944	1,026,500	-	-	865,444
39	Lower Kuskokwim	-	8,185,760	8,185,760	-	-	-	-
40	Lower Yukon	-	3,899,585	3,899,585	-	-	-	-
41	Mat-Su	9,922,903	15,892,558	25,815,461	22,139,480	-	-	3,675,981
42	Nenana	66,968	327,018	393,986	66,120	R48	-	327,866
43	Nome	626,146	1,359,120	1,985,266	1,251,731	-	-	733,535
44	North Slope	18,531,979	23,498,029	42,030,008	27,600,068	-	-	14,429,940
45	Northwest Arctic	1,484,493	4,932,448	6,416,941	1,984,920	-	-	4,432,021
46	Pelican	53,374	93,767	147,141	62,266	-	-	84,875
47	Petersburg	947,600	1,079,715	2,027,315	1,807,361	-	-	219,954
48	Pribilof	-	459,972	459,972	-	-	-	-
49	Sitka	2,500,230	2,246,658	4,746,888	4,210,656	-	-	536,232
50	Skagway	559,358	279,679	839,037	746,690	-	-	92,347
51	Southeast Island	-	612,748	612,748	-	-	-	-
52	Southwest Region	-	1,766,417	1,766,417	-	-	-	-
53	St. Mary's	17,993	268,386	286,379	25,000	-	-	261,379
54	Tanana	23,286	272,473	295,759	115,000	-	-	180,759
55	Unalaska	1,511,123	755,562	2,266,685	1,660,932	-	-	605,753
56	Valdez	3,774,555	1,887,278	5,661,833	3,779,727	194,828	-	2,082,106
57	Wrangell	651,476	787,375	1,438,851	1,329,000	-	-	109,851
58	Yakutat	144,356	322,152	466,508	432,150	-	-	34,358
59	Yukon Flats	-	1,306,051	1,306,051	-	-	-	-
60	Yukon/Koyukuk	-	1,520,295	1,520,295	-	-	-	-
61	Yupik	-	952,861	952,861	-	-	-	-
62	ACS							
63	Mt. Edgecumbe							
64	TOTALS	\$152,302,710	\$203,835,756	\$356,138,466	\$247,330,591	\$207,178	\$0	\$76,985,245

	A	B	C	D	E	F
1	Alaska Department of Education					
2	Foundation Program; CSSB 36(FIN) am					
3	Page 9, Sec. 14.17.530 - Administrative Cap					
4	March 25, 1998					
5						
6	FY00					
7		Total FY98	Instructional	Total Expend. @	Reduction in	% of Instruc.
8		Budgeted Expenditures	Expenditures	65%	State Aid	to Total Exp.
9	Alaska Gateway	6,375,467	3,816,771	4,144,054	327,283	60%
10	Aleutian Region	1,227,397	613,635	797,808	184,173	50%
11	Aleutians East	5,353,492	2,669,533	3,479,770	810,237	50%
12	Anchorage	285,348,000	209,941,815	185,801,200	0	73%
13	Annette Island	4,079,627	2,552,320	2,651,758	99,438	63%
14	Bering Strait	24,031,447	12,940,060	15,620,441	2,680,381	54%
15	Bristol Bay	3,451,754	2,126,224	2,243,640	117,416	62%
16	Chatham	3,700,057	2,645,572	2,405,037	0	72%
17	Chugach	1,639,001	880,501	1,065,351	184,850	54%
18	Copper River	6,245,467	4,119,378	4,059,554	0	66%
19	Cordova	4,028,281	2,529,566	2,618,383	88,817	63%
20	Craig	3,332,138	2,200,915	2,165,890	0	66%
21	Delta/Greely	6,239,396	3,623,963	4,055,607	431,644	58%
22	Denali	3,826,030	2,350,417	2,486,920	136,503	61%
23	Dillingham	5,369,398	3,643,045	3,490,109	0	68%
24	Fairbanks	105,010,000	75,832,355	68,256,500	0	72%
25	Galena	4,137,563	2,109,716	2,689,416	579,700	51%
26	Haines	3,576,694	2,392,495	2,324,851	0	67%
27	Hoonah	3,555,793	1,896,929	2,311,265	414,336	53%
28	Hydaburg	1,319,025	676,132	857,366	181,234	51%
29	Iditarod	5,825,818	3,108,838	3,786,782	677,944	53%
30	Juneau	35,823,100	26,387,712	23,285,015	0	74%
31	Kake	2,179,381	1,171,595	1,416,598	245,003	54%
32	Kashunamiut	2,754,440	1,415,373	1,790,386	375,013	51%
33	Kenai Peninsula	72,077,053	50,062,456	46,850,084	0	69%
34	Ketchikan	16,152,612	11,204,219	10,499,198	0	69%
35	Klawock	2,276,154	1,442,696	1,479,500	36,804	63%
36	Kodiak Island	22,289,424	15,074,760	14,488,126	0	68%
37	Kuspuk	6,208,037	3,779,987	4,035,224	255,237	61%
38	Lake & Peninsula	9,315,700	4,519,680	6,055,205	1,535,525	49%
39	Lower Kuskokwim	45,485,933	28,968,961	29,565,856	596,895	64%
40	Lower Yukon	19,896,016	11,997,659	12,932,410	934,751	60%
41	Mat-Su	80,993,413	59,111,447	52,645,718	0	73%
42	Nenana	1,732,845	1,005,643	1,126,349	120,706	58%
43	Nome	7,013,644	4,077,783	4,558,869	481,086	58%
44	North Slope	43,150,068	20,680,500	28,047,544	7,367,044	48%
45	Northwest Arctic	23,012,977	11,993,882	14,958,435	2,964,553	52%
46	Pelican	630,278	330,120	409,681	79,561	52%
47	Petersburg	5,296,650	3,595,918	3,442,823	0	68%
48	Pribilof	2,748,600	1,547,494	1,786,590	239,096	56%
49	Sitka	11,027,597	8,303,056	7,167,938	0	75%
50	Skagway	1,462,002	838,321	950,301	111,980	57%
51	Southeast Island	4,046,750	2,615,282	2,630,388	15,106	65%
52	Southwest Region	9,649,489	5,837,056	6,272,168	435,112	60%
53	St. Mary's	1,400,000	805,900	910,000	104,100	58%
54	Tanana	1,546,500	610,600	1,005,225	394,625	39%
55	Unalaska	3,742,611	2,381,430	2,432,697	51,267	64%
56	Valdez	7,680,728	5,324,180	4,992,473	0	69%
57	Wrangell	3,878,107	2,602,696	2,520,766	0	67%
58	Yakutat	2,051,851	1,361,996	1,333,703	0	66%
59	Yukon Flats	7,166,115	3,844,906	4,657,975	813,069	54%
60	Yukon/Koyukuk	7,985,386	5,181,130	5,190,501	9,371	65%
61	Yupik	5,503,370	2,779,670	3,577,191	797,521	51%
62						
63	TOTALS:	954,348,670	\$643,524,288	\$620,326,636	\$24,877,379	

1	Alaska Department of Education					
2	Foundation Program; CSSB 36(FIN) am					
3	Comparison					
4	March 25, 1998					
5	FY01		D - E		F	
6		CS SB36	Existing		Net Change	% Change
7	School	Proposed	Foundation		State Aid	In
8	District:	State Aid:	State Aid:	Difference:		State Aid
9	Alaska Gateway	4,442,779	4,988,882	(546,103)	(546,103)	-10.95%
10	Aleutian Region	1,111,105	1,176,499	(65,394)	(65,394)	-5.56%
11	Aleutians East	3,272,968	3,514,644	(241,676)	(241,676)	-6.88%
12	Anchorage	200,217,201	188,038,815	12,178,386	12,178,386	6.48%
13	Annette Island	1,871,773	1,569,188	302,585	302,585	19.28%
14	Bering Strait	16,150,156	17,449,778	(1,299,622)	(1,299,622)	-7.45%
15	Bristol Bay	1,469,292	1,654,521	(185,229)	(185,229)	-11.20%
16	Chatham	2,329,302	2,337,557	(8,255)	(8,255)	-0.35%
17	Chugach	1,105,927	1,515,697	(409,770)	(409,770)	-27.04%
18	Copper River	5,711,038	6,225,778	(514,740)	(514,740)	-8.27%
19	Cordova	2,890,806	2,702,072	188,734	188,734	6.98%
20	Craig	2,583,811	2,322,242	261,569	261,569	11.26%
21	Delta/Greely	5,222,238	4,790,289	431,949	431,949	9.02%
22	Denali	2,673,865	2,659,400	14,465	14,465	0.54%
23	Dillingham	3,885,290	3,757,667	127,623	127,623	3.40%
24	Fairbanks	69,346,022	64,607,118	4,738,904	4,738,904	7.33%
25	Galena	5,219,354	6,649,592	(1,430,238)	(1,430,238)	-21.51%
26	Haines	2,502,292	2,141,412	360,880	360,880	16.85%
27	Hoonah	2,006,473	1,918,467	88,006	88,006	4.59%
28	Hydaburg	1,063,579	1,083,657	(20,078)	(20,078)	-1.85%
29	Iditarod	4,867,470	5,278,870	(411,400)	(411,400)	-7.79%
30	Juneau	21,803,297	20,166,492	1,636,805	1,636,805	8.12%
31	Kenai	1,407,169	1,325,815	81,354	81,354	6.14%
32	Kashunamiut	2,163,159	2,235,575	(72,416)	(72,416)	-3.24%
33	Kenai Peninsula	45,323,220	42,073,799	3,249,421	3,249,421	7.72%
34	Ketchikan	10,911,621	8,752,133	2,159,488	2,159,488	24.67%
35	Klawock	1,238,419	1,427,412	(188,993)	(188,993)	-13.24%
36	Kodiak Island	14,337,776	13,876,822	460,954	460,954	3.32%
37	Kuspuk	5,607,120	5,513,829	93,291	93,291	1.69%
38	Lake & Peninsula	6,684,755	6,743,387	(58,632)	(58,632)	-0.87%
39	Lower Kuskokwim	31,942,466	38,671,330	(6,728,864)	(6,728,864)	-17.40%
40	Lower Yukon	14,244,894	14,928,605	(683,711)	(683,711)	-4.58%
41	Mat-Su	60,146,508	58,161,852	1,984,656	1,984,656	3.41%
42	Nenana	1,372,620	1,735,074	(362,454)	(362,454)	-20.89%
43	Noine	5,351,039	5,181,309	169,730	169,730	3.28%
44	North Slope	-	11,686,868	(11,686,868)	(11,686,868)	-100.00%
45	Northwest Arctic	19,141,721	18,530,116	611,605	611,605	3.30%
46	Pelican	360,076	556,016	(195,940)	(195,940)	-35.24%
47	Petersburg	3,805,822	3,173,500	632,322	632,322	19.93%
48	Pribilof	1,692,987	1,883,539	(190,552)	(190,552)	-10.12%
49	Sitka	7,321,439	6,142,485	1,178,954	1,178,954	19.19%
50	Skagway	483,081	683,840	(200,759)	(200,759)	-29.36%
51	Southeast Island	2,286,941	2,765,941	(479,000)	(479,000)	-17.32%
52	Southwest Region	6,819,898	7,597,531	(777,633)	(777,633)	-10.24%
53	St. Mary's	1,115,803	1,414,706	(298,903)	(298,903)	-21.13%
54	Tanana	1,148,495	1,253,694	(105,199)	(105,199)	-8.39%
55	Unalaska	1,651,280	1,913,136	(261,856)	(261,856)	-13.69%
56	Valdez	2,007,223	3,404,758	(1,397,535)	(1,397,535)	-41.05%
57	Wrangell	2,819,528	2,312,953	506,575	506,575	21.90%
58	Yakutat	1,265,361	1,429,670	(164,309)	(164,309)	-11.49%
59	Yukon Flats	5,190,011	6,158,915	(968,904)	(968,904)	-15.73%
60	Yukon/Koyukuk	5,803,454	6,788,379	(984,925)	(984,925)	-14.51%
61	Yup'it	5,422,977	4,250,129	(827,152)	(827,152)	-19.46%
62	ACS	4,251,435	3,996,324	255,111	255,111	6.38%
63	Mt. Edgecumbe	1,800,436	1,717,150	83,286	83,286	4.85%
64	Other	26,096,071	26,096,071	-	-	0.00%
66	TOTAL:	\$660,960,843	\$660,931,300	\$29,543	\$29,543	

1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3		C + E + F					H x I	
4	March 25, 1998	Correspondence			Adj. For		Adj	
5	FY01		In	Out	School	District	for	
6	School	Projected	Students	Students	Size	Cost	Cost	
7	District:	ADM:	ADM:	ADM:	ADM:	Factor:	Product:	
8								
9	Alaska Gateway	494.00	28.00		522.00	748.97	1.291	966.92
10	Aleutian Region	67.00			67.00	141.48	1.736	245.61
11	Aleutians East	345.00			345.00	566.44	1.423	805.04
12	Anchorage	47,832.75			47,832.75	52,208.39	1.000	52,208.39
13	Annette Island	389.00	2.00		391.00	572.46	1.011	578.76
14	Bering Strait	1,809.41			1,809.41	2,657.55	1.525	4,052.76
15	Bristol Bay	308.00			308.00	406.44	1.262	512.93
16	Chatham	297.00			297.00	542.62	1.120	607.73
17	Chugach	81.00	45.00	20.00	146.00	161.63	1.294	209.15
18	Copper River	606.50	37.00	186.00	829.50	920.15	1.176	1,082.10
19	Cordova	530.00			530.00	678.00	1.096	743.09
20	Craig	408.00	30.00	9.00	447.00	577.32	1.010	583.09
21	Delta/Greely	799.00	25.00		824.00	1,110.31	1.106	1,228.00
22	Denali	352.00	3.00		355.00	504.20	1.313	662.01
23	Dillingham	619.00			619.00	767.63	1.254	962.61
24	Fairbanks	15,957.50	490.00		16,447.50	17,376.43	1.039	18,054.11
25	Galena	222.00		1,157.00	1,379.00	356.60	1.348	480.70
26	Haines	429.00	9.00		438.00	644.20	1.008	649.35
27	Hoonah	270.00			270.00	398.10	1.055	420.00
28	Hydaburg	125.00			125.00	208.45	1.085	226.17
29	Iditarod	436.00			436.00	760.58	1.470	1,118.05
30	Juneau	5,721.00	29.00		5,750.00	6,218.92	1.005	6,250.01
31	Kake	190.00			190.00	312.22	1.025	320.03
32	Kashunamiut	279.00			279.00	354.23	1.389	492.03
33	Kenai Peninsula	10,243.96	98.00		10,341.96	12,548.19	1.004	12,598.38
34	Ketchikan	2,650.00	69.00		2,719.00	3,160.98	1.000	3,160.98
35	Klawock	215.00			215.00	288.30	1.017	293.20
36	Kodiak Island	2,819.00	78.00		2,897.00	3,478.96	1.093	3,802.50
37	Kuspuk	510.00			510.00	891.15	1.434	1,277.91
38	Lake & Peninsula	513.00	5.00		518.00	965.27	1.558	1,503.89
39	Lower Kuskokwim	3,642.00			3,642.00	5,045.00	1.491	7,522.10
40	Lower Yukon	1,850.60			1,850.60	2,520.67	1.438	3,624.72
41	Mat-Su	12,045.00	596.00		12,641.00	13,549.15	1.010	13,684.64
42	Nenana	135.00	20.00	65.00	220.00	199.05	1.270	252.79
43	Nome	789.00			789.00	956.83	1.319	1,262.06
44	North Slope	2,037.00			2,037.00	2,629.23	1.504	3,954.36
45	Northwest Arctic	2,233.00	15.00		2,248.00	2,950.50	1.549	4,570.32
46	Pelican	38.00			38.00	67.72	1.290	87.36
47	Petersburg	775.00			775.00	993.42	1.000	993.42
48	Pribilof	196.00			196.00	299.06	1.419	424.37
49	Sitka	1,680.00	70.00		1,750.00	1,993.10	1.000	1,993.10
50	Skagway	130.00			130.00	192.70	1.143	220.26
51	Southeast Island	250.00	10.00		269.00	500.47	1.124	562.53
52	Southwest Region	779.20			779.20	1,147.70	1.423	1,633.18
53	St. Mary's	133.00			133.00	185.08	1.351	250.04
54	Tanana	111.00	2.00		113.00	168.57	1.496	252.18
55	Unalaska	390.00			390.00	533.40	1.245	664.08
56	Valdez	895.00			895.00	1,100.43	1.095	1,204.97
57	Wrangell	498.25	10.00	6.00	514.25	701.14	1.000	701.14
58	Yakutat	178.00			178.00	274.98	1.046	287.63
59	Yukon Flats	409.00	35.00		444.00	712.00	1.668	1,187.62
60	Yukon/Koyukuk	554.00			554.00	923.58	1.502	1,387.22
61	Yupik	412.00			412.00	601.48	1.469	883.57
62	ACS	0.00		1,658.38	1,658.38	0.00	1.000	0.00
63	Mt. Edgecumbe	306.00			306.00	380.42	1.000	380.42
64	Other							
66	TOTALS:	125,993.17	1,706.00	3,101.38	130,800.55	149,151.85	68.00	164,080.58

1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN) am						
3		J x 1.20		M x 5	K + O	Ex 1	F x .65
4	March 25, 1998	Special	Special		Adjusted	Correspondence	
5	FY01	Education	Education	Adj.	Students +	In	Out
6	School	Factor	Intensive:	Intensive	Special	District	District
7	District:	1.20	5.00	Education:	Education:	1.00	0.65
8							
9	Alaska Gateway	1,160.30	5.00	25.00	1,185.30	28.00	0.00
10	Aleutian Region	294.73	0.00	0.00	294.73	0.00	0.00
11	Aleutians East	967.25	3.00	15.00	982.25	0.00	0.00
12	Anchorage	62,650.07	686.00	3,430.00	66,080.07	0.00	0.00
13	Annette Island	694.51	2.00	10.00	704.51	2.00	0.00
14	Bering Strait	4,863.31	4.00	20.00	4,883.31	0.00	0.00
15	Bristol Bay	615.52	2.00	10.00	625.52	0.00	0.00
16	Chatham	729.28	2.00	10.00	739.28	0.00	0.00
17	Chugach	250.98	0.00	0.00	250.98	45.00	13.00
18	Copper River	1,298.52	2.00	10.00	1,308.52	37.00	120.90
19	Cordova	891.71	3.00	15.00	906.71	0.00	0.00
20	Craig	699.71	3.00	15.00	714.71	30.00	5.85
21	Delta/Greely	1,473.60	6.00	30.00	1,503.60	25.00	0.00
22	Denali	794.41	0.00	0.00	794.41	3.00	0.00
23	Dillingham	1,155.13	5.00	25.00	1,180.13	0.00	0.00
24	Fairbanks	21,664.93	178.00	890.00	22,554.93	490.00	0.00
25	Galena	576.84	4.00	20.00	596.84	0.00	752.05
26	Haines	779.22	4.00	20.00	799.22	9.00	0.00
27	Hoonah	504.00	8.00	40.00	544.00	0.00	0.00
28	Hydaburg	271.40	1.00	5.00	276.40	0.00	0.00
29	Iditarod	1,341.66	5.00	25.00	1,366.66	0.00	0.00
30	Juneau	7,500.01	76.00	380.00	7,880.01	29.00	0.00
31	Kake	384.04	1.00	5.00	389.04	0.00	0.00
32	Kashunamiut	590.44	4.00	20.00	610.44	0.00	0.00
33	Kenai Peninsula	15,118.06	56.00	280.00	15,398.06	98.00	0.00
34	Ketchikan	3,793.18	12.00	60.00	3,853.18	69.00	0.00
35	Klawock	351.84	1.00	5.00	356.84	0.00	0.00
36	Kodiak Island	4,563.00	12.00	60.00	4,623.00	78.00	0.00
37	Kuspuk	1,533.49	3.00	15.00	1,548.49	0.00	0.00
38	Lake & Peninsula	1,804.67	1.00	5.00	1,809.67	5.00	0.00
39	Lower Kuskokwim	9,026.52	25.00	125.00	9,151.52	0.00	0.00
40	Lower Yukon	4,349.66	2.00	10.00	4,359.66	0.00	0.00
41	Mai-Su	16,421.57	150.00	750.00	17,171.57	596.00	0.00
42	Nenana	303.35	0.00	0.00	303.35	20.00	42.25
43	Nome	1,514.47	1.00	5.00	1,519.47	0.00	0.00
44	North Slope	4,745.23	4.00	20.00	4,765.23	0.00	0.00
45	Northwest Arctic	5,484.38	3.00	15.00	5,499.38	15.00	0.00
46	Pelican	104.83	0.00	0.00	104.83	0.00	0.00
47	Petersburg	1,192.10	3.00	15.00	1,207.10	0.00	0.00
48	Pribilof	509.24	1.00	5.00	514.24	0.00	0.00
49	Sitka	2,391.72	10.00	50.00	2,441.72	70.00	0.00
50	Skagway	264.31	0.00	0.00	264.31	0.00	0.00
51	Southeast Island	675.04	0.00	0.00	675.04	10.00	0.00
52	Southwest Region	1,959.82	3.00	15.00	1,974.82	0.00	0.00
53	St. Mary's	300.05	0.00	0.00	300.05	0.00	0.00
54	Tanana	302.62	0.00	0.00	302.62	2.00	0.00
55	Unalaska	796.90	1.00	5.00	801.90	0.00	0.00
56	Valdez	1,445.96	6.00	30.00	1,475.96	0.00	0.00
57	Wrangell	841.37	5.00	25.00	866.37	10.00	3.90
58	Yakutat	345.16	3.00	15.00	360.16	0.00	0.00
59	Yukon Flats	1,425.14	0.00	0.00	1,425.14	35.00	0.00
60	Yukon/Koyukuk	1,664.66	7.00	35.00	1,699.66	0.00	0.00
61	Yupik	1,060.28	1.00	5.00	1,065.28	0.00	0.00
62	ACS	0.00	0.00	0.00	0.00	0.00	1,077.95
63	Mt. Edgecumbe	456.50	0.00	0.00	456.50	0.00	0.00
64	Other						
66	TOTALS:	196,896.69	1,314.00	6,570.00	203,466.69	1,706.00	2,015.90

1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3		P + Q + S		T x	Base Student Allocation		U - V - Y	
4	March 25, 1998				AS 14,17,470	\$3,944		
5	FY01		\$3,944					
6	School	District	State	Required	Federal	Impact	Deductible	
7	District:	Adjusted	Support:	Local:	Impact	Aid	Impact	State
8		ADM:			Aid:	Percent:	Aid	Share:
							90.0%	
9	Alaska Gateway	1,213.30	4,785,255	-	380,529	100.00%	342,476	4,442,773
10	Aleutian Region	294.73	1,162,415	-	57,011	100.00%	51,310	1,111,105
11	Aleutians East	982.25	3,873,994	365,761	509,562	51.30%	235,265	3,272,568
12	Anchorage	66,080.07	260,619,796	55,828,890	8,314,618	61.12%	4,573,705	200,217,201
13	Annette Island	706.51	2,786,475	-	1,016,335	100.00%	914,702	1,871,773
14	Bering Strait	4,883.31	19,259,775	-	3,455,132	100.00%	3,109,619	16,150,150
15	Bristol Bay	625.52	2,467,051	860,657	240,580	63.32%	137,102	1,469,292
16	Chatham	739.28	2,915,720	-	651,576	100.00%	586,418	2,329,302
17	Chugach	308.98	1,218,617	-	125,211	100.00%	112,690	1,105,927
18	Copper River	1,466.42	5,783,560	-	80,580	100.00%	72,522	5,711,038
19	Cordova	906.71	3,576,064	674,600	19,032	62.22%	10,658	2,890,806
20	Craig	750.56	2,960,209	367,686	16,690	58.00%	8,712	2,583,811
21	Delta/Greely	1,528.60	6,028,798	-	896,178	100.00%	806,560	5,222,238
22	Denali	797.41	3,144,985	459,758	27,613	45.72%	11,362	2,673,865
23	Dillingham	1,180.13	4,654,433	608,522	335,087	53.26%	160,621	3,885,290
24	Fairbanks	23,044.93	90,889,204	17,779,142	6,593,515	63.43%	3,764,040	69,346,022
25	Galena	1,348.89	5,320,022	70,412	314,774	10.68%	30,256	5,219,354
26	Haines	808.22	3,187,620	674,832	18,985	61.43%	10,496	2,502,292
27	Hoonah	544.00	2,145,536	98,904	238,998	18.67%	40,159	2,006,473
28	Hydaburg	276.40	1,090,122	23,809	17,039	17.83%	2,734	1,063,579
29	Iditarod	1,366.66	5,390,107	-	580,708	100.00%	522,637	4,867,470
30	Juneau	7,909.01	31,193,135	9,380,326	16,954	62.34%	9,512	21,803,297
31	Kenai	389.04	1,534,374	69,431	281,923	22.77%	57,774	1,407,169
32	Kashunamiut	610.44	2,407,575	-	271,573	100.00%	244,416	2,163,159
33	Kenai Peninsula	15,496.06	61,116,461	15,751,444	83,078	55.90%	41,797	45,323,220
34	Ketchikan	3,922.18	15,469,078	4,552,513	8,986	61.13%	4,944	10,911,621
35	Klawock	356.84	1,407,377	62,627	274,629	43.02%	106,331	1,238,419
36	Kodiak Island	4,701.00	18,540,744	3,588,780	1,081,508	63.10%	614,188	14,337,776
37	Kuspuk	1,548.49	6,107,245	-	555,694	100.00%	500,125	5,607,120
38	Lake & Peninsula	1,814.67	7,157,058	268,776	1,028,381	21.99%	203,527	6,684,755
39	Lower Kuskokwim	9,151.52	36,093,595	-	4,612,365	100.00%	4,151,129	31,942,466
40	Lower Yukon	4,359.66	17,194,499	-	3,277,339	100.00%	2,949,605	14,244,894
41	Mat-Su	17,767.57	70,075,296	9,922,903	14,639	44.67%	5,885	60,146,508
42	Nenana	365.60	1,441,926	66,968	2,926	88.79%	2,338	1,372,620
43	Nome	1,519.47	5,992,790	626,146	43,424	39.93%	15,605	5,351,039
44	North Slope	4,765.23	18,794,067	18,794,067	2,648,619	67.97%	1,620,240	-
45	Northwest Arctic	5,514.38	21,748,715	1,484,493	2,240,789	55.66%	1,122,501	19,141,721
46	Pelican	104.83	413,450	53,374	-	85.72%	-	360,076
47	Petersburg	1,207.10	4,760,802	947,600	15,861	51.70%	7,380	3,805,822
48	Pribilof	514.24	2,028,163	-	372,418	100.00%	335,176	1,692,987
49	Sitka	2,511.72	9,906,224	2,500,230	158,779	59.17%	84,555	7,321,439
50	Skagway	264.31	1,042,439	559,358	-	74.36%	-	483,081
51	Southeast Island	685.04	2,701,798	-	460,952	100.00%	414,857	2,286,941
52	Southwest Region	1,974.82	7,788,690	-	1,076,436	100.00%	968,792	6,819,898
53	St. Mary's	300.05	1,183,397	17,993	122,527	44.98%	49,601	1,115,803
54	Tanana	304.62	1,201,421	23,286	178,213	18.48%	29,640	1,148,495
55	Unalaska	801.90	3,162,694	1,511,123	363	89.05%	291	1,651,280
56	Valdez	1,475.96	5,821,186	3,774,555	43,787	100.00%	39,408	2,007,223
57	Wrangell	880.27	3,471,785	651,476	1,812	47.88%	781	2,819,528
58	Yakutat	360.16	1,420,471	144,356	39,086	30.57%	10,754	1,265,361
59	Yukon Flats	1,460.14	5,758,792	-	631,979	100.00%	568,781	5,190,011
60	Yukon/Koyukuk	1,699.66	6,703,459	-	1,000,006	100.00%	900,005	5,803,454
61	Yupik	1,065.28	4,201,464	-	864,985	100.00%	778,487	3,422,977
62	ACS	1,077.95	4,251,435	-	-	100.00%	-	4,251,435
63	Mt. Edgecumbe	456.50	1,800,436	-	-	100.00%	-	1,800,436
64	Other							26,096,071
66	TOTALS:	207,188.59	\$817,151,799	\$152,564,798	\$45,299,784		\$31,342,469	\$660,960,843

	A	B	D	G
1	Alaska Department of Education			
2	Foundation Program; CSSB 36(FIN) um			
3	Required Local Effort Calculation			
4	March 25, 1998			
5	FY01	G X .004		
6		Required		
7		Local	Mill Rate	1997 Full
8	School District:	Effort:	0.004	Determination:
9	Alaska Gateway	-	-	-
10	Aleutian Region	-	-	-
11	Aleutians East	365,761	365,761	91,440,300
12	Anchorage	55,828,890	55,828,890	13,957,222,570
13	Annette Island	-	-	-
14	Bering Strait	-	-	-
15	Bristol Bay	860,657	860,657	215,164,218
16	Chatham	-	-	-
17	Chugach	-	-	-
18	Copper River	-	-	-
19	Cordova	674,600	674,600	168,650,100
20	Craig	367,686	367,686	91,921,400
21	Delta/Greely	-	-	-
22	Denali	459,758	459,758	114,939,500
23	Dillingham	608,522	608,522	152,130,600
24	Fairbanks	17,779,142	17,779,142	4,444,785,400
25	Galena	70,412	70,412	17,603,000
26	Haines	674,832	674,832	168,708,000
27	Hoonah	98,904	98,904	24,725,900
28	Hydaburg	23,809	23,809	5,952,200
29	Iditarod	-	-	-
30	Juneau	9,380,326	9,380,326	2,345,081,400
31	Kake	69,431	69,431	17,357,800
32	Kashunamiut	-	-	-
33	Kenai Peninsula	15,751,444	15,751,444	3,937,860,920
34	Ketchikan	4,552,513	4,552,513	1,138,128,200
35	Klawock	62,627	62,627	15,656,700
36	Kodiak Island	3,588,780	3,588,780	897,194,900
37	Kuspuk	-	-	-
38	Lake & Peninsula	268,776	268,776	67,193,900
39	Lower Kuskokwim	-	-	-
40	Lower Yukon	-	-	-
41	Mat-Su	9,922,903	9,922,903	2,480,725,840
42	Nenana	66,968	66,968	16,742,100
43	Nome	626,146	626,146	156,536,400
44	North Slope	18,794,067	18,794,067	11,749,014,490
45	Northwest Arctic	1,484,493	1,484,493	371,123,200
46	Pelican	53,374	53,374	13,343,500
47	Petersburg	947,600	947,600	236,900,000
48	Pribilof	-	-	-
49	Sitka	2,500,230	2,500,230	625,057,600
50	Skagway	559,358	559,358	139,839,400
51	Southeast Island	-	-	-
52	Southwest Region	-	-	-
53	St. Mary's	17,993	17,993	4,498,200
54	Tanana	23,286	23,286	5,821,600
55	Unalaska	1,511,123	1,511,123	377,780,800
56	Valdez	3,774,555	3,774,555	943,638,760
57	Wrangell	651,476	651,476	162,869,100
58	Yakutat	144,356	144,356	36,089,000
59	Yukon Flats	-	-	-
60	Yukon/Koyukuk	-	-	-
61	Yup'it	-	-	-
62	ACS	-	-	-
63	Mt. Edgecumbe	-	-	-
64	Other	-	-	-
65				
66	TOTAL:	\$152,564,798	\$152,564,798	\$45,191,696,998

	B	D	E	F	G	H	I
1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN) am						
3	Transition Calculation						
4	March 25, 1998						
5	FY01				E + F		G - H
6				Additional	Foundation	SB36	
7		Mill	Total	District	Plus	State	
8	School District:	Rate:	Foundation:	Support:	Single Site:	Aid:	Difference:
9	Alaska Gateway	4.000	4,988,882		4,988,882	4,442,779	546,103
10	Aleutian Region	4.000	1,176,499	117,730	1,294,229	1,111,105	183,124
11	Aleutians East	7.700	3,514,644		3,514,644	3,272,968	241,676
12	Anchorage	6.500	188,038,815		188,038,815	200,217,201	(12,178,386)
13	Annette Island	4.000	1,569,188	161,650	1,730,838	1,871,773	(140,935)
14	Bering Strait	4.000	17,449,778		17,449,778	16,150,156	1,299,622
15	Bristol Bay	6.200	1,654,521		1,654,521	1,469,292	185,229
16	Chatham	4.000	2,337,557		2,337,557	2,329,302	8,255
17	Chugach	4.000	1,515,697		1,515,697	1,105,927	409,770
18	Copper River	4.000	6,225,778		6,225,778	5,711,038	514,740
19	Cordova	6.400	2,702,072	166,530	2,868,602	2,890,806	(22,204)
20	Craig	6.600	2,322,242	179,950	2,502,192	2,583,811	(81,619)
21	Delta/Greely	4.000	4,790,289		4,790,289	5,222,238	(431,949)
22	Denali	8.700	2,659,400		2,659,400	2,673,865	(14,465)
23	Dillingham	7.000	3,757,667	220,200	3,977,867	3,885,290	92,577
24	Fairbanks	6.600	64,607,118		64,607,118	69,346,022	(4,738,904)
25	Galena	34.600	6,649,592		6,649,592	5,219,354	1,430,238
26	Haines	6.600	2,141,412		2,141,412	2,502,292	(360,880)
27	Hoonah	21.600	1,918,467	126,270	2,044,737	2,006,473	38,264
28	Hydaburg	6.400	1,083,657	107,970	1,191,627	1,063,579	128,048
29	Iditarod	4.000	5,278,870		5,278,870	4,867,470	411,400
30	Juneau	6.400	20,166,492		20,166,492	21,803,297	(1,636,805)
31	Kenai	9.800	1,325,815	140,910	1,466,725	1,407,169	59,556
32	Kashunamiut	4.000	2,235,575	159,820	2,395,395	2,163,159	232,236
33	Kenai Peninsula	7.200	42,073,799		42,073,799	45,323,220	(3,249,421)
34	Ketchikan	6.500	8,752,133		8,752,133	10,911,621	(2,159,488)
35	Klawock	5.500	1,427,412	153,110	1,580,522	1,238,419	342,103
36	Kodiak Island	6.300	13,876,822		13,876,822	14,337,776	(460,954)
37	Kuspuk	4.000	5,513,829		5,513,829	5,607,120	(93,291)
38	Lake & Peninsula	17.900	6,743,387		6,743,387	6,684,755	58,632
39	Lower Kuskokwim	4.000	38,671,330		38,671,330	31,942,466	6,728,864
40	Lower Yukon	4.000	14,928,605		14,928,605	14,244,894	683,711
41	Mat-Su	8.900	58,161,852		58,161,852	60,146,508	(1,984,656)
42	Nenana	4.200	1,735,074	181,780	1,916,854	1,372,620	544,234
43	Nome	8.400	5,181,309	285,470	5,466,779	5,351,039	115,740
44	North Slope	2.300	11,686,868		11,686,868	-	11,686,868
45	Northwest Arctic	6.200	18,530,116		18,530,116	19,141,721	(611,605)
46	Pelican	4.700	556,016	49,410	605,426	360,076	245,350
47	Petersburg	7.800	3,173,500	211,660	3,385,160	3,805,822	(420,662)
48	Pribilof	4.000	1,883,539		1,883,539	1,692,987	190,552
49	Sitka	6.800	6,142,485		6,142,485	7,321,439	(1,178,954)
50	Skagway	5.400	683,840	112,850	796,690	483,081	313,609
51	Southeast Island	4.000	2,765,941		2,765,941	2,286,941	479,000
52	Southwest Region	4.000	7,597,531		7,597,531	6,819,898	777,633
53	St. Mary's	8.900	1,414,706	140,910	1,555,616	1,115,803	439,813
54	Tanana	23.700	1,253,694	127,490	1,381,184	1,148,495	232,689
55	Unalaska	4.500	1,913,136	198,250	2,111,386	1,651,280	460,106
56	Valdez	3.900	3,404,758	265,960	3,670,718	2,007,223	1,663,495
57	Wrangell	8.200	2,312,953	196,420	2,509,373	2,819,528	(310,155)
58	Yakutat	12.400	1,429,670		1,429,670	1,265,361	164,309
59	Yukon Flats	4.000	6,158,915		6,158,915	5,190,011	968,904
60	Yukon/Koyukuk	4.000	6,788,379		6,788,379	5,803,454	984,925
61	Yupik	4.000	4,250,129		4,250,129	3,422,977	827,152
62	ACS	4.000	3,996,324		3,996,324	4,251,435	(255,111)
63	Mt. Edgecumbe	4.000	1,717,150		1,717,150	1,800,436	(83,286)
64	Other		26,096,071		26,096,071	26,096,071	-
65							
66			\$660,931,300	\$3,304,340	\$664,235,640	\$660,960,843	\$3,274,797

	A	B	C	D	E	F	G	H
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	Required Local Effort & Maximum							
4	March 25, 1998							
5	FY01		B + C			B - E	E - D	D - E
6			23% or		Tax & In-kind			
7			2 Mills		FY98			
8	School District:	Required	Allowable	Maximum	Budgeted	Amount to	Amount	Room
		Effort	Excess	Local	Local	Meet Req.	Over	Under
							Excess	Local Cap
9	Alaska Gateway	-	1,100,609	1,100,609	-	-	-	-
10	Aleutian Region	-	267,355	267,355	-	-	-	-
11	Aleutians East	365,761	891,019	1,256,780	708,000	-	-	548,780
12	Anchorage	55,828,890	59,942,553	115,771,443	87,682,805	-	-	28,088,638
13	Annette Island	-	640,889	640,889	-	-	-	-
14	Bering Strait	-	4,429,748	4,429,748	-	-	-	-
15	Bristol Bay	860,657	567,422	1,428,079	1,324,152	-	-	103,927
16	Chatham	-	670,616	670,616	-	-	-	-
17	Chugach	-	280,282	280,282	-	-	-	-
18	Copper River	-	1,330,219	1,330,219	-	-	-	-
19	Cordova	674,600	822,495	1,497,095	1,052,000	-	-	445,095
20	Craig	367,686	680,848	1,048,534	584,728	-	-	463,806
21	Delta/Greely	-	1,386,624	1,386,624	-	-	-	-
22	Denali	459,758	723,347	1,183,105	981,736	-	-	201,369
23	Dillingham	608,522	1,070,520	1,679,042	942,500	-	-	736,542
24	Fairbanks	17,779,142	20,904,517	38,683,659	27,680,000	-	-	11,003,659
25	Galena	70,412	1,223,605	1,294,017	556,527	-	-	737,490
26	Haines	674,832	733,153	1,407,985	1,080,455	-	-	327,530
27	Hoonah	98,904	493,473	592,377	454,727	-	-	137,650
28	Hydaburg	23,809	250,728	274,537	34,000	-	-	240,537
29	Iditarod	-	1,239,725	1,239,725	-	-	-	-
30	Juneau	9,380,326	7,174,421	16,554,747	14,953,000	-	-	1,601,747
31	Kake	69,431	352,906	422,337	150,000	-	-	272,337
32	Kashunamiut	-	553,742	553,742	-	-	-	-
33	Kenai Peninsula	15,751,444	14,056,786	29,808,230	28,095,197	-	-	1,713,033
34	Ketchikan	4,552,513	3,557,888	8,110,401	7,358,058	-	-	752,343
35	Klawock	62,627	323,697	386,324	51,125	11,502	-	335,199
36	Kodiak Island	3,588,780	4,254,371	7,853,151	5,603,980	-	-	2,249,171
37	Kuspuk	-	1,404,666	1,404,666	-	-	-	-
38	Lake & Peninsula	268,776	1,646,123	1,914,899	1,026,500	-	-	888,399
39	Lower Kuskokwim	-	5,301,527	8,301,527	-	-	-	-
40	Lower Yukon	-	3,954,735	3,954,735	-	-	-	-
41	Mat-Su	9,922,903	16,117,318	26,040,221	22,139,480	-	-	3,900,741
42	Nenana	66,968	331,643	398,611	66,120	848	-	332,491
43	Nome	626,146	1,378,342	2,004,488	1,251,731	-	-	752,757
44	North Slope	18,794,067	23,498,029	42,292,096	27,600,068	-	-	14,692,028
45	Northwest Arctic	1,484,493	5,002,204	6,486,697	1,984,920	-	-	4,501,777
46	Pelican	53,374	95,094	148,460	62,266	-	-	86,202
47	Petersburg	947,600	1,094,984	2,042,584	1,807,361	-	-	235,223
48	Pribilof	-	466,477	466,477	-	-	-	-
49	Sitka	2,500,230	2,278,432	4,778,662	4,210,656	-	-	568,006
50	Skagway	559,358	279,679	839,037	746,690	-	-	92,347
51	Southeast Island	-	621,414	621,414	-	-	-	-
52	Southwest Region	-	1,791,399	1,791,399	-	-	-	-
53	St. Mary's	17,993	272,181	290,174	25,000	-	-	265,174
54	Tanana	23,286	276,327	299,613	115,000	-	-	184,613
55	Unalaska	1,511,123	755,562	2,266,685	1,660,932	-	-	605,753
56	Valdez	3,774,555	1,887,278	5,661,833	3,579,727	194,828	-	2,082,106
57	Wrangell	651,476	798,511	1,449,987	1,329,000	-	-	120,987
58	Yakutat	144,356	326,708	471,064	432,150	-	-	38,914
59	Yukon Flats	-	1,324,522	1,324,522	-	-	-	-
60	Yukon/Koyukuk	-	1,541,796	1,541,796	-	-	-	-
61	Yupik	-	966,337	966,337	-	-	-	-
62	ACS							
63	Mt. Edgecumbe							
64	TOTALS	\$152,564,798	\$206,344,846	\$358,909,644	\$247,330,591	\$207,178	\$0	\$79,306,371

	A	B	C	D	E	F
1	Alaska Department of Education					
2	Four Nation Program; CSSB 36(FIN) am					
3	Page 9, Sec. 14.17.530 - Administrative Cap					
4	March 25, 1998					
5						
6	FY01					
7		Total FY98	Instructional	Total Expend. @	Reduction in	% of Instruc.
8		Budgeted Expenditures	Expenditures	70%	State Aid	to Total Exp.
9	Alaska Gateway	6,375,467	3,816,771	4,462,827	646,056	60%
10	Aleutian Region	1,227,397	613,635	859,178	245,543	50%
11	Aleutians East	5,353,492	2,669,533	3,747,444	1,077,911	50%
12	Anchorage	285,848,000	209,941,815	200,093,600	0	73%
13	Annette Island	4,079,627	2,552,320	2,855,739	303,419	63%
14	Bering Strait	24,031,447	12,940,060	16,822,013	3,881,953	54%
15	Bristol Bay	3,451,754	2,126,224	2,416,228	290,004	62%
16	Chatham	3,700,057	2,645,572	2,590,040	0	72%
17	Chugach	1,639,001	880,501	1,147,301	266,800	54%
18	Copper River	6,245,467	4,119,378	4,371,827	252,449	66%
19	Cordova	4,028,281	2,529,566	2,819,797	290,231	63%
20	Craig	3,332,138	2,200,915	2,332,497	131,582	66%
21	Delta/Greely	6,239,396	3,623,963	4,367,577	743,614	58%
22	Denali	3,826,030	2,350,417	2,678,221	327,804	61%
23	Dillingham	5,369,398	3,643,045	3,758,579	115,534	68%
24	Fairbanks	105,010,000	75,832,355	73,507,000	0	72%
25	Galena	4,137,563	2,109,716	2,896,294	786,578	51%
26	Haines	3,576,694	2,392,495	2,503,686	111,191	67%
27	Hoonah	3,555,793	1,896,929	2,489,055	592,126	53%
28	Hydaburg	1,319,025	676,132	923,318	247,186	51%
29	Iditarod	5,825,818	3,108,838	4,078,073	969,235	53%
30	Juneau	35,823,100	26,387,712	25,076,170	0	74%
31	Kenai	2,179,381	1,171,595	1,525,567	353,972	54%
32	Kashunamiut	2,754,440	1,415,373	1,928,108	512,735	51%
33	Kenai Peninsula	72,077,053	50,062,456	50,453,937	391,481	69%
34	Ketchikan	16,152,612	11,204,219	11,306,828	102,609	69%
35	Klawock	2,276,154	1,442,696	1,593,308	150,612	63%
36	Kodiak Island	22,289,424	15,074,760	15,602,597	527,837	68%
37	Kuspuk	6,208,037	3,779,987	4,345,626	565,639	61%
38	Lake & Peninsula	9,315,700	4,519,680	6,520,990	2,001,310	49%
39	Lower Kuskokwim	45,435,933	28,968,961	31,840,153	2,871,192	64%
40	Lower Yukon	19,896,016	11,997,659	13,927,211	1,929,552	60%
41	Mat-Su	80,993,413	59,111,447	56,695,389	0	73%
42	Nanana	1,732,845	1,005,643	1,212,992	207,349	58%
43	Nome	7,013,644	4,077,783	4,909,551	831,768	58%
44	North Slope	43,150,068	20,680,500	30,205,046	9,524,548	48%
45	Northwest Arctic	23,012,977	11,993,882	16,109,084	4,115,202	52%
46	Pelican	630,278	330,120	441,195	111,075	52%
47	Petersburg	5,296,650	3,595,918	3,707,655	111,737	68%
48	Pribilof	2,748,600	1,547,494	1,924,020	376,526	56%
49	Sitka	11,027,597	8,303,056	7,719,318	0	75%
50	Skegway	1,462,002	838,321	1,023,401	185,080	57%
51	Southeast Island	4,048,750	2,615,282	2,832,725	217,443	65%
52	Southwest Region	9,649,489	5,837,056	6,754,642	917,586	60%
53	St. Mary's	1,400,000	805,900	980,000	174,100	58%
54	Tanana	1,546,500	610,600	1,082,550	471,950	39%
55	Unalaska	3,742,611	2,381,430	2,619,828	238,398	64%
56	Valdez	7,680,728	5,324,180	5,376,510	52,330	69%
57	Wrangell	3,878,101	2,602,696	2,714,671	111,975	67%
58	Yakutat	2,051,951	1,361,996	1,436,296	74,300	66%
59	Yukon Flats	7,111,115	3,844,906	5,016,281	1,171,375	54%
60	Yukon/Koyukuk	7,985,386	5,181,130	5,589,770	408,640	65%
61	Yupik	5,503,370	2,779,670	3,852,359	1,072,689	51%
62						
63	TOTALS:	954,348,670	\$643,524,288	\$668,044,069	\$41,060,221	-

FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSB 36(FIN) am

1998 LEGISLATIVE SESSION

Revision Date: March 25, 1998

Department Affected: Education

Title: An Act relating to transportation of public school students; relating to school construction grants; etc.

BRU: K-12 Support

Component: Pupil Transportation

Sponsor: Senator Phillips

Requester: House HESS

COMPONENT SERIAL NO. 144

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3
MISCELLANEOUS						
TOTAL OPERATING	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3

CAPITAL EXPENDITURES	0.0					
-----------------------------	-----	--	--	--	--	--

CHANGE IN REVENUES	0.0					
---------------------------	-----	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3

POSITIONS:

FULL-TIME	0					
PART-TIME	0					
TEMPORARY	0					

Estimate of current year (FY98) impact: \$ 0

ANALYSIS: (Attach a separate page if necessary.)

The fiscal impact noted above is based on the assumption that Anchorage School District would be reimbursed for 90% of all costs associated with district-operated school transportation, including contract administration costs of approximately \$204,000, and 100% of costs associated with contracted to/from school transportation, but not including deducts from contracted transportation for hazardous or kindergarten routes. An inflation factor of 3% is assumed for FY00 through FY04.

Prepared by: Eddy Jeans, School Finance Director

Phone: 465-8687

Division: Education Support Services

Date: 3/25/98

Approved by Commissioner: Shirley J. Holloway, Ph. D.

Shirley J. Holloway

Agency: Department of Education

Date: 3/25/98

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DEPARTMENT OF EDUCATION

CSSB 36(FIN) am. Sec. 11 (Amended to 90%)

Anchorage S.D.---FY97 Statement of Operations

90% Reimbursement under proposed method \$5,350,999
(90% of total costs as stated on the district's
transportation statement of operations for
district-operated services: \$5,945,555)

Less: Reimbursement under current method (3,973,414)
(66.83% of total costs: \$5,945,555)

Difference Between Current and Proposed Method \$1,377,585

FY98 3% increase	\$1,418,913
FY99 3% increase	\$1,461,480
FY00 3% increase	\$1,505,324
FY01 3% increase	\$1,550,484
FY02 3% increase	\$1,596,999
FY03 3% increase	\$1,644,909
FY04 3% increase	\$1,694,256

Department of Education CSSB 36(FIN) am

Following is a list by page and line number of technical issues regarding CSSB 36(FIN) am.

1. The terms "state support" and "state share" are similar and therefore confusing. Recommended changes are as follows:
 - Page 2, line 9, delete [funding], insert "aid"
 - Page 2, line 14, delete [state share], insert "basic need"
 - Page 2, line 17, delete [state funding], insert "basic need"
 - Page 2, line 22, delete [share and a], insert "aid, the required"
 - Page 2, line 23, insert before determination, "and deductible Impact Aid"
 - Page 2, line 24, delete [state share], insert "state aid"
 - Page 2, line 24, delete [state support], insert "basic need"
 - Page 2, line 24, delete [a], insert "the required"
 - Page 2, line 25, delete [state support], insert "basic need"
 - Page 3, line 7, insert after, (2) the "required"Other sections of the bill may need to be amended for consistency.
2. Page 3, line ? – does not provide transitional language for newly formed boroughs. Current law provides a four year transition to the four mill required local effort.
3. Page 4, line 5 – should delete [ADM] and insert "intensive student count."
4. Page 4, lines 6 through 9 – requires districts to have on file with the department a plan of service for special education, gifted and talented education, vocational education, and bilingual education to qualify for the 20% special needs adjustment. Currently Aleutian Region, Hydaburg, Mt. Edgecumbe and Tanana do not have gifted and talented plans on file with DOE. Mt. Edgecumbe, Skagway and Southeast Island do not have bilingual education plans on file with DOE. Therefore, these districts will not qualify for the 20% special needs adjustment. This loss is not reflected in the department's spreadsheets.
5. Page 5, line 11 – school size table begins with 1 ADM. This is inconsistent with the transition language on page 21, line 15. The school size table is very aggressive in applying multipliers for adjusted ADM. Depending on the definition of "school" the table raises many issues.
6. Page 5, line ? – current foundation program has a three year hold harmless for school districts that experience a drop in enrollment of 10% or more from one year to the next. This proposed legislation does not contain a similar safety net.
7. Page 7, lines 16 through 20 – requires the department to adjust district cost factors by the Anchorage consumer price index and submit proposed district cost factors to the legislature every other year. The department contacted the McDowell Group for advice in meeting this requirement. McDowell Group stated the Anchorage CPI has no relationship to district cost factors and that inflationary adjustments should occur

Department of Education
CSSB 36(FIN) am

elsewhere in this legislation. McDowell Group also indicated that DOE could not apply the same methodology they used in determining the proposed district cost factors in CS SB36. McDowell did not suggest an alternative methodology to determine district cost factors.

8. Page 9, line 2 – minimum expenditure for instruction. Most districts can not meet this requirement due to fixed costs to operate facilities. Only school districts with large student populations and larger schools can meet this requirement.
9. Page 9, line 30 - the definition of “instructional component” is incomplete.
10. Page 12, line 4 – need to include a definition of eligible Impact Aid. DOE is revising the definition of eligible Impact Aid to conform to the law following reauthorization.
11. Page 17, lines 6 through 12 – Funding for Special Education Service Agency (SESA). This section can not be applied as CS SB36 is currently written. The funding formula no longer requires special education students to be identified and does not make an allocation specific for special education.
12. Page 21, line 4 – subsection(b) requires department to define “school.” Current regulation 4 AAC 05.900(5) defines a school as a program of instruction. There is a lack of data to support a consistent definition of “school.” As the definition is clarified a significant reallocation of dollars will occur.
13. Page 21, lines 6 through 9 – Transition for proposed district cost factors. Requires the department to submit to the legislature proposed districts cost factors by January 15, 2001. As previously stated the McDowell Group has informed DOE that their methodology can not be used to update proposed district cost factors.
14. Page 21, lines 15 through 19 – Transition for small schools. Need to clarify intent with the school size table on page 5 and include appropriate language on page 5.
15. Page 21, lines 19 through 24 – Transition for minimum expenditure for instruction. As previously mentioned only school districts with large student populations and larger schools can meet this requirement.
16. Page 14, line 14 – removes the requirement to employ a chief school administrator. If districts hire a non-certified administrator to run the school district, the administrator would not be subject to the ethic requirements of the PTPC.

Executive Summary

The basic question addressed in this report is "Do current adjustment factors provide accurate compensation for differences in school - and school district - operating costs that are due to size and location?" The short answer is that statistical analysis indicates current size and location adjustments relatively undercompensate some districts for differences in school operating costs.

The following executive summary introduces the six major findings and recommendations of this study. Results of the analysis are provided in the *Summary of Results* located prior to Chapter I in this study.

1. Definition of Recommended Funding Formula

The study team recommends that the education funding formula be divided into three components - instruction, nonpersonal services and administration. One component, instruction, is specifically related to schools. The other two components are district-level allocations. The components are separated because each has unique adjustment factors for size and location. The separation of components applies only to the *allocation of aid* and is not intended to imply *expenditure limits* in any component.

- **Instructional Allocations.** The instructional component includes all school-specific personnel required to operate schools, including teachers, building administrators, aides and administrative and building support staff.
- **Nonpersonal Services Allocations.** This component includes all non-personnel costs in school districts, including non-personnel costs associated with instruction and district administration.
- **Administration Allocations.** This component includes the personnel costs of certificated and classified administrative personnel engaged in district-wide functions that are not specifically related to educational services delivered in schools.

2. Definition of Funding Units

The study team recommends that schools, rather than funding communities, be the basic unit for education funding. The school is the fundamental cost center for delivering instructional services. The basic units of funding under current law are "funding communities" – which are defined inconsistently and which would not provide equitable treatment for all schools even if they were defined consistently. Adopting schools as the basis for funding would result in more equitable allocation of instructional resources by providing comparable levels of instructional staffing in all schools regardless of district size and location.

3. Adjustments for School Size

The study team recommends that statistically derived adjustment factors be used to compensate for the higher per-student cost of operating smaller schools. This study provides an objective, defensible and empirical basis for instructional staffing in all sizes of schools. The recommended size factors were developed by a study team of school management and business experts, blended with analysis of the instructional staffing patterns of Alaska's schools.

Study results indicate that school size has enormous influence on operating cost per student, with the efficiency curve rising rapidly from the smallest schools to a school size of 500 to 600 students. Beyond that, size instructional efficiencies increased slowly, with less perceptible gains beyond 1,500 students.

4. Adjustments for Location

A. Instructional Component

The study team recommends that area cost differentials (ACDs) in the instructional component of the formula be eliminated, allowing market forces and individual district needs and choices to determine compensation levels. ACDs based on average instructional salaries would result in several rural districts (with high current ACDs) having lower ACDs than Anchorage.⁴ This means that adoption of area cost differentials (based on average teacher salaries) for the instructional component would reduce aid to several rural school districts, a result counter to the equity criteria required for this study.

Analysis of instructional salaries shows little relationship between current ACDs and actual salaries paid. Categorizing districts by size, location and accessibility showed that the average instructional salary in Anchorage is only one percent lower than the average in the other 52 districts. Most districts (35 of 53), including many with significant ACDs, paid within five percent of the statewide instructional salary average, with several rural districts having salary schedules – and average salaries – lower than in Anchorage.⁵

⁴ Other states that have area cost differentials typically use them to compensate for higher costs in urban schools.

⁵ The analysis of average salaries includes housing allowances as indicated in district financial reports. The analysis of salary schedules excludes housing allowances because we have insufficient information to allow us to allocate the allowance to individuals.

Reasons for this salary uniformity are many, but analysis shows that teacher longevity is the primary reason. Salary schedules in rural districts are somewhat higher than in Anchorage on average (although several districts with high ACDs have lower salary schedules than Anchorage). Even in those districts with higher salary schedules than Anchorage, few have teachers with average years of experience near the average for Anchorage. The result is that costs associated with higher salary schedules in rural areas are offset by costs associated with greater longevity in urban districts. Average salaries in all districts fall in a surprisingly narrow range.

Research on private sector salary practices confirms that salaries tend to be higher in Anchorage than in districts with high ACDs. Location differentials are rarely paid by private industry, and are nominal if paid. Among private and public sector policies researched for this study, the sole exception is the State of Alaska, which pays a location differential based on the estimated cost of a "market basket" intended to reflect household spending.

B. Nonpersonal Services and Administrative Components

The study team recommends that area cost differential "multipliers" be used to adjust for higher noninstructional costs due to district size and location. The key technical emphasis of the recommended separation of the formula into three components is that size and location have different impacts on each component. This has many implications, but the most important is that the cumulative effects of all factors affecting noninstructional costs - geography, climate, local economic conditions, cultural needs, design and condition of buildings, proximity of schools and similar factors, as well as the number of students and prices of goods and services purchased by districts - are incorporated in the noninstructional multipliers.

One critical finding of this study is that differences in per-student noninstructional costs far exceed differences in existing ACDs. While the current ACDs may over-compensate some districts for personnel costs, they under-compensate some districts for dramatically higher per-student noninstructional costs.

Of the three components of the funding formula, administrative costs have the widest variability from district to district. Though extremely wide variations of administrative cost per student can be demonstrated, statistical analysis cannot identify the reasons for the variance. What is known is that administrative cost efficiency improves rapidly as district size increases, but the largest districts are not necessarily the most cost efficient. It is clear that no uniform administrative staffing standards exist from district to district, even among districts of similar size.

5. Data Requirements

The study team recommends that existing reporting systems be strengthened and that databases to support school cost analyses be further developed. Databases needing attention include those containing instructional salary and staff records, district financial reports and records of student attendance and participation in special programs. The quality of the databases must be improved in order to allow continued progress toward equitable allocation of education funds.

Data improvements could come through management audits. The purposes of these management audits would be:

- To generate better information for future computation of multipliers for the nonpersonal services and administrative components of the funding formula.
- To explore options for reducing costs through cooperation, consolidation, centralized business functions and other management methods.

Once database improvements are made, statistical analysis similar to that which produced clear results for the instructional component could produce improved results for the two noninstructional components of education funding.

6. Transitional Implementation

The study team recommends that negative impacts of the revised size and location adjustments be mitigated. The proposed adjustment factors narrow the range of per-student education aid among districts. Nevertheless, any reallocation of a fixed amount of funds that produces "gainers" also produces "losers." A provision to prevent any district from receiving less than its current level of aid as a result of revised adjustment factors would allow "gainers" to benefit without the gains coming at the expense of other districts.

The recommended revisions to the funding formula generate a relatively small reallocation of funds (about 2.7 percent of the current level of Basic Need). While a transitional provision would provide less equity than full implementation of the recommended adjustment factors, it would offer improvement over the disparity in funding that now exists. This option would, of course, require appropriation of additional funds. The first-year cost of transitional implementation is estimated to be between \$16 million and \$20 million.

4 AAC 09.007. DEFINITION OF SCHOOL FOR CALCULATION OF STATE AID TO SCHOOL DISTRICTS. (a) For the purpose of calculating state aid to public school districts under the funding formula provided in AS 14.17.XXX, the number of schools in each district shall be determined as follows:

(1) for a community with an ADM of 10 to 50, 1 school;

(2) for a community with an ADM of 51 to 750:

(A) 1 elementary school, which includes those students in grades kindergarten through 6; and

(B) 1 secondary school, which includes students in grades 7 through 12;

(3) for a community with an ADM of greater than 750, each facility which is administered as a separate school will be counted as 1 school, except:

(A) each alternative school with an ADM of less than 250 will be counted with the largest school of the district.

5/8/98 Pmm

0-LS0070J
Ford
5/8/98

* #16 pg 8 adopted

adopted N/D 5/10/98 2:00 am

**HOUSE CS FOR CS FOR SENATE BILL NO. 36(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - SECOND SESSION**

BY THE HOUSE FINANCE COMMITTEE

**Offered:
Referred:**

Sponsor(s): SENATORS PHILLIPS, Taylor, Halford, Wilken, Torgerson

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to public schools; relating to the definition of a school district,
2 to the transportation of students, to employment of chief school administrators, to
3 school district layoff plans, to the special education service agency, and to the
4 child care grant program; and providing for an effective date."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1. PURPOSE.** The purposes of sec. 2 of this Act are to

7 (1) provide a level of funding through the public school funding program that
8 allows for an equitable level of educational opportunities for those students attending the
9 public schools of the state; and

10 (2) provide an equitable level of funding to each school within a school
11 district.

12 * **Sec. 2.** AS 14.17 is amended by adding new sections to read:

13 **Article 1. State Aid to Public Schools.**

14 **Sec. 14.17.300. Public school account.** (a) The public school account is

1 established. The account consists of appropriations for distribution to school districts,
2 the state boarding school, and for centralized correspondence study under this chapter.

3 (b) The money in the account may be used only in aid of public schools,
4 including community school programs, and for centralized correspondence study
5 programs under this chapter.

6 **Sec. 14.17.400. State aid for districts.** (a) The state aid for which a school
7 district is eligible in a fiscal year is equal to the amount for which a district qualifies
8 under AS 14.17.410.

9 (b) If the amount in the public school account is insufficient to meet the
10 amounts authorized under (a) of this section for a fiscal year, the department shall
11 reduce pro rata each district's basic need by the necessary percentage as determined
12 by the department. If the basic need of each district is reduced under this subsection,
13 the department shall also reduce state funding for centralized correspondence study and
14 the state boarding school by the same percentage.

15 **Sec. 14.17.410. Public school funding.** (a) A district is eligible for public
16 school funding in an amount equal to the sum calculated under (b) and (c) of this
17 section.

18 (b) Public school funding consists of state aid, a required local contribution,
19 and eligible federal impact aid determined as follows:

20 (1) state aid equals basic need minus a required local contribution and
21 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
22 obtained under (D) of this paragraph, multiplied by the base student allocation set out
23 in AS 14.17.470; district adjusted ADM is calculated as follows:

24 (A) the ADM of each school in the district is calculated by
25 applying the school size factor to the student count as set out in AS 14.17.450;

26 (B) the number obtained under (A) of this paragraph is
27 multiplied by the district cost factor described in AS 14.17.460;

28 (C) the ADMs of each school in a district, as adjusted according
29 to (A) and (B) of this paragraph, are added; the sum is then multiplied by the
30 special needs factor set out in AS 14.17.420(a)(1);

31 (D) the number obtained for intensive services under

1 AS 14.17.420(a)(2) and the number obtained for correspondence study under
2 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

3 (2) the required local contribution of a city or borough school district
4 is the equivalent of a four mill tax levy on the full and true value of the taxable real
5 and personal property in the district as of January 1 of the second preceding fiscal
6 year, as determined by the Department of Community and Regional Affairs under
7 AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a district's basic need
8 for the preceding fiscal year as determined under (1) of this subsection.

9 (c) In addition to the local contribution required under (b)(2) of this section,
10 a city or borough school district in a fiscal year may make a local contribution of not
11 more than the greater of

12 (1) the equivalent of a two mill tax levy on the full and true value of
13 the taxable real and personal property in the district as of January 1 of the second
14 preceding fiscal year, as determined by the Department of Community and Regional
15 Affairs under AS 14.17.510 and AS 29.45.110; or

16 (2) 23 percent of the district's basic need for the fiscal year under
17 (b)(1) of this section.

18 (d) State aid may not be provided to a city or borough school district if the
19 local contributions required under (b)(2) of this section have not been made.

20 (e) If a city or borough school district is established after July 1, 1998, for the
21 first three fiscal years in which the city or borough school district operates schools,
22 local contributions may be less than the amount that would otherwise be required
23 under (b)(2) of this section, except that

24 (1) in the second fiscal year of operations, local contributions must be
25 at least the greater of

26 (A) the local contributions, excluding federal impact aid, for the
27 previous fiscal year; or

28 (B) the sum of 10 percent of the district's eligible federal
29 impact aid for that year and the equivalent of a two mill tax levy on the full
30 and true value of the taxable real and personal property in the city or borough
31 school district as of January 1 of the second preceding fiscal year, as

1 determined by the Department of Community and Regional Affairs under
2 AS 14.17.510 and AS 29.45.110; and

3 (2) in the third year of operation, local contributions must be at least
4 the greater of

5 (A) the local contributions, excluding federal impact aid, for the
6 previous fiscal year; or

7 (B) the sum of 10 percent of the district's eligible federal
8 impact aid for that year and the equivalent of a three mill tax levy on the full
9 and true value of the taxable real and personal property in the district as of
10 January 1 of the second preceding fiscal year, as determined by the Department
11 of Community and Regional Affairs under AS 14.17.510 and AS 29.45.110.

12 (f) A school district is eligible for additional state aid in the amount by which
13 the local contributions that would otherwise have been required under (b)(2) of this
14 section exceed the district's actual local contributions under (e) of this section.

15 **Sec. 14.17.420. Special needs and intensive services funding.** (a) As a
16 component of public school funding, a district is eligible for special needs funding and
17 may be eligible for intensive services funding as follows:

18 (1) special needs funding is available to a district to assist the district
19 in providing special education, gifted and talented education, vocational education, and
20 bilingual education services to its students; a special needs funding factor of 1.20 shall
21 be applied as set out in AS 14.17.410(b)(1);

22 (2) in addition to the special needs funding for which a district is
23 eligible under (1) of this subsection, a district is eligible for intensive services funding
24 for each special education student who needs and receives intensive services and is
25 enrolled on the last day of the count period; for each such student, intensive services
26 funding is equal to the intensive student count multiplied by five.

27 (b) If a district offers special education, gifted and talented education,
28 vocational education, or bilingual education services, in order to receive funding under
29 (a)(1) of this section, the district must file with the department a plan that indicates the
30 services that will be provided to students who receive these services.

31 (c) In this section, "intensive services" has the meaning given by the

1 department by regulation adopted under AS 14.30.180 - 14.30.350.

2 **Sec. 14.17.430. State funding for correspondence study.** Except as provided
3 in AS 14.17.400(b), funding for the state centralized correspondence study program or
4 a district correspondence program, including a district that offers a statewide
5 correspondence study program, includes an allocation from the public school account
6 in an amount calculated by multiplying the ADM of the correspondence program by
7 the base student allocation and multiplying that product by 80 percent.

8 **Sec. 14.17.440. State funding for state boarding schools.** (a) Except as
9 provided in AS 14.17.400(b), funding for state boarding schools established under
10 AS 14.16.010 includes an allocation from the public school account in an amount
11 calculated by

12 (1) determining the ADM of state boarding schools by applying the
13 school size factor to the student count as described in AS 14.17.450;

14 (2) multiplying the number obtained under (1) of this subsection by the
15 special needs factor in AS 14.17.420(a)(1) and multiplying that product by the base
16 student allocation; and

17 (3) multiplying the product determined under (2) of this subsection by
18 the district cost factor that is applicable to calculation of the state aid for the adjacent
19 school district under AS 14.17.460.

20 (b) State boarding schools are also eligible for intensive services funding under
21 AS 14.17.420(a)(2).

22 **Sec. 14.17.450. School size factor.** (a) For purposes of calculating a school's
23 ADM to determine state aid, the ADM of each school in a district shall be computed
24 by applying the following formula:

25		If the student count		The adjusted student count is		
26		in a school is		The number of		
27				students in		
28	At least	But less than	Base	Multiplier	excess of	
29	10	- 20	39.6			
30	20	- 30	39.6	+ (1.62	x	20)
31	30	- 75	55.8	+ (1.49	x	30)

1	75	-	150	122.85	+	(1.27	x	75)
2	150	-	250	218.1	+	(1.08	x	150)
3	250	-	400	326.1	+	(0.97	x	250)
4	400	-	750	471.6	+	(0.92	x	400)
5	750 or over			793.6	+	(0.84	x	750).

6 (b) If the ADM in a school is less than 10, those students shall be included in
7 the ADM of the school in that district with the lowest ADM as determined by the most
8 recent student count data for that district.

9 **Sec. 14.17.460. District cost factors.** (a) For purposes of calculating a
10 district's adjusted ADM under AS 14.17.410(b)(1), the district cost factor for a school
11 district is as follows:

12	DISTRICT	DISTRICT COST FACTOR
13	Alaska Gateway	1.291
14	Aleutians East	1.423
15	Aleutians Region	1.736
16	Alyeska Central School	1.000
17	Anchorage	1.000
18	Annette Island	1.011
19	Bering Strait	1.525
20	Bristol Bay	1.262
21	Chatham	1.120
22	Chugach	1.294
23	Copper River	1.176
24	Cordova	1.096
25	Craig	1.010
26	Delta/Greely	1.106
27	Denali	1.313
28	Dillingham	1.254
29	Fairbanks	1.039
30	Galena	1.348
31	Haines	1.008

1	Hoonah	1.055
2	Hydaburg	1.085
3	Iditarod	1.470
4	Juneau	1.005
5	Kake	1.025
6	Kashunamiut	1.389
7	Kenai Peninsula	1.004
8	Ketchikan	1.000
9	Klawock	1.017
10	Kodiak Island	1.093
11	Kuspuk	1.434
12	Lake and Peninsula	1.558
13	Lower Kuskokwim	1.491
14	Lower Yukon	1.438
15	Matanuska-Susitna	1.010
16	Mt. Edgecumbe	1.000
17	Nenana	1.270
18	Nome	1.319
19	North Slope	1.504
20	Northwest Arctic	1.549
21	Pelican	1.290
22	Petersburg	1.000
23	Pribilof	1.419
24	Sitka	1.000
25	Skagway	1.143
26	Southeast Island	1.124
27	Southwest Region	1.423
28	St. Mary's	1.351
29	Tanana	1.496
30	Unalaska	1.245
31	Valdez	1.095

1	Wrangell	1.000
2	Yakutat	1.046
3	Yukon Flats	1.668
4	Yukon/Koyukuk	1.502
5	Yupit	1.469.

6 (b) The department shall monitor the cost factors established under (a) of this
 7 section and shall prepare and submit to the legislature by January 15 of every other
 8 fiscal year proposed district cost factors.

9 **Sec. 14.17.470. Base student allocation.** The base student allocation is
 10 \$ ~~39.28~~ 39.40

11 **Sec. 14.17.480. Quality school funding.** As a component of public school
 12 funding, a district is eligible to receive a quality school funding grant not to exceed
 13 the district's adjusted ADM multiplied by \$16. The department shall by regulation
 14 establish a competitive grant process to implement this section.

15 **Sec. 14.17.490. Supplementary public school funding floor.** (a) Except as
 16 provided in (b) and (c) of this section, if, in fiscal year 1999, a city or borough school
 17 district or a regional educational attendance area would receive less public school
 18 funding under AS 14.17.410 than the district or area would have received as state aid,
 19 the district or area is, in each fiscal year, eligible to receive additional public school
 20 funding equal to the difference between the public school funding the district or area
 21 was eligible to receive under AS 14.17.410 in fiscal year 1999 and the state aid the
 22 district or area would have received in fiscal year 1999.

23 (b) A city or borough school district is not eligible for additional funding
 24 authorized under (a) of this section unless, during the fiscal year in which the district
 25 receives funding under (a) of this section, the district received a local contribution
 26 equal to at least the equivalent of a four mill tax levy on the full and true value of the
 27 taxable real and personal property in the district as of January 1 of the second
 28 preceding fiscal year as determined by the Department of Community and Regional
 29 Affairs under AS 14.17.510 and AS 29.45.110.

30 (c) For the purposes of the reduction required under AS 14.17.400(b), funding
 31 authorized under (a) of this section is treated the same as the state share of public

#16

1 school funding under AS 14.17.410.

2 (d) For purposes of this section, "state aid" means state aid distributed under
3 the provisions of AS 14.17, as those provisions read on January 1, 1998.

4 **Article 2. Preparation of Public School Funding Budget.**

5 **Sec. 14.17.500. Student count estimate.** (a) A district shall prepare and
6 submit to the department by November 5 of each fiscal year, in the manner and on
7 forms prescribed by the department, an estimate of its ADM and other student count
8 data, including per school student count data, for the succeeding fiscal year upon
9 which computations can be made to estimate the amount of state aid for which the
10 district may be eligible under AS 14.17.400 in the succeeding fiscal year. In making
11 its report, the district shall consider its ADM, other student count data, the pattern of
12 growth or decline of the student population in preceding years, and other pertinent
13 information available to the district.

14 (b) Part-time students shall be included in the student count data in accordance
15 with regulations adopted by the department.

16 **Sec. 14.17.505. Fund balance in school operating fund.** (2) A district may
17 not accumulate in a fiscal year an unreserved portion of its year-end fund balance in
18 its school operating fund, as defined by department regulations, that is greater than 10
19 percent of its expenditures for that fiscal year.

20 (b) The department shall review each district's annual audit under
21 AS 14.14.050 for the preceding fiscal year to ascertain its year-end operating fund
22 balance. The amount by which the unreserved portion of that balance exceeds the
23 amount permitted in (a) of this section shall be deducted from the state aid that would
24 otherwise be paid to the district in the current fiscal year.

25 **Sec. 14.17.510. Determination of full and true value by Department of**
26 **Community and Regional Affairs.** (a) To determine the amount of required local
27 contribution under AS 14.17.410(b)(2) and to aid the department and the legislature
28 in planning, the Department of Community and Regional Affairs, in consultation with
29 the assessor for each district in a city or borough, shall determine the full and true
30 value of the taxable real and personal property in each district in a city or borough.
31 If there is no local assessor or current local assessment for a city or borough school

1 district, then the Department of Community and Regional Affairs shall make the
2 determination of full and true value from information available. In making the
3 determination, the Department of Community and Regional Affairs shall be guided by
4 AS 29.45.110. The determination of full and true value shall be made by October 1
5 and sent by certified mail, return receipt requested, on or before that date to the
6 president of the school board in each city or borough school district. Duplicate copies
7 shall be sent to the commissioner. The governing body of a city or borough that is a
8 school district may obtain judicial review of the determination. The superior court
9 may modify the determination of the Department of Community and Regional Affairs
10 only upon a finding of abuse of discretion or upon a finding that there is no substantial
11 evidence to support the determination.

12 (b) Motor vehicles subject to the motor vehicle registration tax under
13 AS 28.10.431 shall be treated as taxable property under this section.

14 **Sec. 14.17.520. Minimum expenditure for instruction.** (a) A district shall
15 budget for and spend a minimum of 70 percent of its school operating expenditures in
16 each fiscal year on the instructional component of the district budget.

17 (b) The commissioner shall reject a district budget that does not comply with
18 (a) of this section and, unless a waiver has been granted by the board under (d) of this
19 section, shall withhold payments of state aid from that district, beginning with the
20 payment for the second full month after rejection and continuing until the school board
21 of the district revises the district budget to comply with (a) of this section.

22 (c) The commissioner shall review the annual audit of each district for
23 compliance with the expenditure requirements of (a) of this section. If the
24 commissioner determines that a district does not meet those requirements, the
25 commissioner shall advise the district of the determination, calculate the amount of the
26 deficiency, and deduct that amount from state aid paid to the district for the current
27 fiscal year. A deduction in state aid required under this subsection begins with the
28 payment for the second full month after the determination, unless a waiver has been
29 granted by the board under (d) of this section.

30 (d) A district that has been determined by the commissioner to be out of
31 compliance with the requirements of this section may, within 20 days of the

1 commissioner's determination, request a waiver by the board of the imposition by the
2 commissioner of any reduction in state aid payments under (b) or (c) of this section.
3 The request must be in writing and must include an analysis of the reasons and causes
4 for the district's inability to comply with the requirements of this section. The board
5 may grant the waiver if the board determines that the district's failure to meet the
6 expenditure requirements of this section was due to circumstances beyond the control
7 of the district. The request must also be submitted to the Legislative Budget and Audit
8 Committee, which shall review the district's request and forward the committee's
9 recommendations on it to the board.

10 (e) The commissioner shall submit an annual report on actions taken by the
11 commissioner or the board under this section to the Legislative Budget and Audit
12 Committee by April 15 of each year.

13 (f) In this section, "instructional component" includes expenditures for teachers
14 and for pupil support services.

15 **Article 3. Procedure for Payments of State Aid.**

16 **Sec. 14.17.600. Student counting periods.** (a) Within two weeks after the
17 end of the 20-school-day period ending the fourth Friday in October, each district shall
18 transmit a report to the department that, under regulations adopted by the department,
19 reports its ADM for that counting period and other student count information that will
20 aid the department in making a determination of its state aid under the public school
21 funding program. For centralized correspondence study, the October report shall be
22 based on the period from July 1 through the fourth Friday in October, except that
23 summer school students shall be counted as a proportionate fraction as determined by
24 the department. The department may make necessary corrections in the report
25 submitted and shall notify the district of changes made. The commissioner shall notify
26 the governor of additional appropriations the commissioner estimates to be necessary
27 to fully finance the public school funding program for the current fiscal year.

28 (b) Upon written request and for good cause shown, the commissioner may
29 permit a district to use a 20-school-day counting period other than the period set out
30 in (a) of this section. However, a counting period approved under this subsection must
31 be 20 consecutive school days unless one or more alternate counting periods are

1 necessary to permit a district to implement flexible scheduling that meets the district's
 2 needs and goals without jeopardizing the state aid for which the district would be
 3 ordinarily be eligible under this chapter.

4 **Sec. 14.17.610. Distribution of state aid.** (a) The department shall determine
 5 the state aid for each school district in a fiscal year on the basis of the district's
 6 student count data reported under AS 14.17.600. On or before the 15th day of each
 7 of the first nine months of each fiscal year, one-twelfth of each district's state aid shall
 8 be distributed on the basis of the data reported for the preceding fiscal year. On or
 9 before the 15th day of each of the last three months of each fiscal year, one-third of
 10 the balance of each district's state aid shall be distributed, after the balance has been
 11 recomputed on the basis of student count and other data reported for the current fiscal
 12 year.

13 (b) Distribution of state aid under (a) of this section shall be made as required
 14 under AS 14.17.410. If a district receives more state aid than it is entitled to receive
 15 under this chapter, the district shall immediately remit the amount of overpayment to
 16 the commissioner, to be returned to the public school account. The department may
 17 make adjustments to a district's state aid to correct underpayments made in previous
 18 fiscal years.

19 (c) Upon an adequate showing of a cash flow shortfall of a district, and in the
 20 discretion of the commissioner, the department may make advance payments to a
 21 district. The total of advance payments may not exceed the amount of state aid for
 22 which the district is eligible for the fiscal year.

23 **Article 4. General Provisions.**

24 **Sec. 14.17.900. Construction and implementation of chapter.** (a) This
 25 chapter does not create a debt of the state. Each district shall establish, maintain, and
 26 operate under a balanced budget. The state is not responsible for the debts of a school
 27 district.

28 (b) Money to carry out the provisions of this chapter may be appropriated
 29 annually by the legislature into the public school account. If the amount in the
 30 account is insufficient to meet the allocations authorized under AS 14.17.400 -
 31 14.17.470 for a fiscal year, state aid shall be reduced according to AS 14.17.400(b).

1 **Sec. 14.17.910. Restrictions governing receipt and expenditure of district**
2 **money.** (a) Each district shall maintain complete financial records of the receipt and
3 disbursement of state aid, money acquired from local effort, and other money received
4 or held by the district. The records must be in the form required by the department
5 and are subject to audit by the department at a time and place designated by the
6 department.

7 (b) State aid provided under this chapter is for general operational purposes
8 of the district. All district money, including state aid, shall be received, held,
9 allocated, and expended by the district under applicable local law and state and federal
10 constitutional provisions, statutes, and regulations, including those related to ethical
11 standards and accounting principles.

12 **Sec. 14.17.920. Regulations.** The department shall adopt regulations necessary
13 to implement this chapter.

14 **Sec. 14.17.990. Definitions.** In this chapter, unless the context requires
15 otherwise,

16 (1) "ADM or average daily membership" means the aggregate number
17 of full-time equivalent students enrolled in a school district during the student count
18 period for which a determination is being made, divided by the actual number of days
19 that school is in session for the student count period for which the determination is
20 being made;

21 (2) "district" means a city or borough school district or a regional
22 educational attendance area;

23 (3) "district adjusted ADM" means the number resulting from the
24 calculations under AS 14.17.410(b)(1);

25 (4) "district ADM" means the sum of the ADMs in a district;

26 (5) "eligible federal impact aid" means the amount of federal impact
27 aid received by a district as of March 1 of the fiscal year as a result of an application
28 submitted in the preceding fiscal year, including advance payments and adjustments
29 received since March 1 of the preceding fiscal year from prior year applications, under
30 20 U.S.C. 7701 - 7714, except payments received under 20 U.S.C. 7703(f)(2)(B), to
31 the extent the state may consider that aid as local resources under federal law;

1 (6) "local contribution" means appropriations and the value of in-kind
2 services made by a district;

3 (7) "taxable real and personal property" means all real and personal
4 property taxable under the laws of the state.

5 * Sec. 3. AS 14.03.120(d) is repealed and reenacted to read:

6 (d) Annually, before the date set by the district under (e) of this section, each
7 public school shall provide, in a public meeting of parents, students, and community
8 members, a report on the school's performance and the performance of the school's
9 students. The report shall be prepared on a form prescribed by the department and
10 must include

11 (1) information on accreditation;

12 (2) results of norm-referenced achievement tests;

13 (3) results of state standards-based assessments in reading, writing, and
14 mathematics;

15 (4) a description, including quantitative and qualitative measures, of
16 student, parent, community, and business involvement in student learning;

17 (5) a description of the school's attendance, retention, dropout, and
18 graduation rates as specified by the state board; and

19 (6) the annual percent of enrollment change, regardless of reason, and
20 the annual percent of enrollment change due to student transfers into and out of the
21 school district.

22 * Sec. 4. AS 14.03.120(e) is repealed and reenacted to read:

23 (e) By a date set by the district, each public school in the district shall provide
24 the report described in (d) of this section to the district's governing body. Along with
25 the report, each public school shall submit a summary of comments made on the report
26 by parents, students, and community members. By July 1 of each year, beginning in
27 2000, each district shall provide to the department a report on the performance of each
28 public school and the public school students in the district. The district's report must

29 (1) be entitled "School District Report Card to the Public"; and

30 (2) include

31 (A) copies of the reports and summaries of comments submitted

1 under this section by each public school in the district; and

2 (B) a compilation of the material described in (A) of this
3 paragraph by each public school in the district.

4 * **Sec. 5.** AS 14.03.120(f) is repealed and reenacted to read:

5 (f) By January 15 of each year, beginning in 2001, the department shall
6 provide to the governor and make available to the public and the legislature a report
7 on the performance of public schools in this state. The report must be entitled
8 "Alaska's Public Schools: A Report Card to the Public." The report must include

9 (1) comprehensive information on each public school compiled,
10 collected, and reported under (d) and (e) of this section for the prior school year;

11 (2) a summary of the information described in (1) of this subsection;
12 the summary must be prepared in a manner that allows school performance to be
13 measured against established state education standards; and

14 (3) for a report due by or after January 15, 2003, the performance
15 designation under AS 14.03.123(b) received by each public school during the prior
16 school year.

17 * **Sec. 6.** AS 14.03.120(g) is amended to read:

18 (g) In this section, "district" has the meaning given in AS 14.17.990
19 [AS 14.17.250].

20 * **Sec. 7.** AS 14.03 is amended by adding a new section to read:

21 **Sec. 14.03.123. School accreditation and accountability.** (a) Each public
22 school in this state must become accredited by the department. By July 1, 1999, the
23 state board shall establish by regulation a process for public school accreditation
24 required under this section. The accreditation process must be based on multiple
25 student measures, including student achievement data.

26 (b) Beginning in August 2002, and during each of the following 12-month
27 periods, the department shall assign each public school in each district the performance
28 designation of distinguished, successful, deficient, or in crisis using the process
29 established under (a) of this section. The department shall accredit each public school
30 that is assigned a performance designation of distinguished or successful. A public
31 school assigned a performance designation of deficient or in crisis shall develop a

1 school improvement plan under (e) of this section. The department shall inform the
2 governing body of each district of the performance designation assigned to each public
3 school in the district.

4 (c) The state board shall adopt regulations to allow a district to appeal the
5 performance designation assigned to a public school in that district.

6 (d) The department may establish a program of special recognition for those
7 public schools that achieve a distinguished performance designation.

8 (e) A public school that fails to become accredited under (b) of this section
9 shall prepare a school improvement plan to improve student performance based on the
10 process established under (a) of this section and provide that plan to the district and
11 to the department. The public school shall undertake an improvement process under
12 that plan to lead to a designation of successful or distinguished. The school
13 improvement plan must be prepared with the maximum feasible public participation
14 of the community, including, if appropriate, interested individuals, teachers, parents,
15 parent organizations, students, tribal organizations, local government representatives,
16 and other community groups. The school board of a district shall consult with and
17 assist the public school in the preparation of the school improvement plan. The
18 commissioner may provide technical assistance to a public school or the district at any
19 time during the preparation and implementation of the school improvement plan upon
20 the request of an interested person and the approval of the district.

21 (f) Beginning August 1, 2002, and periodically during each of the following
22 12-month periods, the department shall monitor the progress of the implementation of
23 each school improvement plan prepared under (e) of this section for each public school
24 that is not accredited under this section.

25 (g) The department may use existing staff or contract with one or more
26 qualified persons to assist a public school that is not accredited under this section to
27 improve student performance. Qualified persons to provide assistance under this
28 section include educators, business leaders, members of the governing body of that
29 district, and community leaders. The provisions of AS 36.30 do not apply to a
30 contract awarded under this subsection.

31 (h) Notwithstanding any other provisions in this title, if the performance

1 designation of a public school has continued to be deficient or in crisis for two
2 consecutive school years, the chief school administrator, if the district employs a chief
3 school administrator, the president of the governing body, and the principal of the
4 public school shall, at a public meeting of the state board of education, present a
5 written report on the performance of that public school.

6 (i) The state board of education shall develop, by regulation, measures that
7 may be progressively implemented by the commissioner to assist a public school to
8 improve student performance in accordance with this section.

9 (j) In this section, "district" has the meaning given in AS 14.17.990.

10 * Sec. 8. AS 14.03.125(e) is amended to read:

11 (e) In this section, "district" has the meaning given in AS 14.17.990
12 [AS 14.17.250].

13 * Sec. 9. AS 14.03.150(c) is amended to read:

14 (c) The department may not award a school construction or major maintenance
15 grant under AS 14.11 to a municipality that is a school district or a regional
16 educational attendance area that is not in compliance with (a) of this section. The
17 department shall reduce the amount of state [FOUNDATION] aid under AS 14.17.400
18 [AS 14.17.021] for which a school district may qualify [,] by the amount, if any, paid
19 by the department under (b) of this section.

20 * Sec. 10. AS 14.03.160(f)(2) is amended to read:

21 (2) "district" has the meaning given in AS 14.17.990 [AS 14.17.250].

22 * Sec. 11. AS 14.03.250(c) is amended to read:

23 (c) The charter school shall provide the financial and accounting information
24 requested by the local school board or the Department of Education [,] and shall
25 cooperate with the local school district or the department in complying with the
26 requirements of AS 14.17.910 [AS 14.17.190].

27 * Sec. 12. AS 14.07.020 is amended by adding a new subsection to read:

28 (c) In implementing its duties under (a)(2) of this section, the department shall
29 develop

30 (1) performance standards in reading, writing, and mathematics to be
31 met at designated age levels by each student in public schools in the state; and

1 (2) a comprehensive system of student assessments, composed of
2 multiple indicators of proficiency in reading, writing, and mathematics; this
3 comprehensive system must

4 (A) be made available to all districts and regional educational
5 attendance areas;

6 (B) include a developmental profile for students entering
7 kindergarten or first grade; and

8 (C) include performance standards in reading, writing, and
9 mathematics for students in age groups five through seven, eight through 10,
10 and 11 - 14.

11 * Sec. 13. AS 14.08.101 is amended by adding a new paragraph to read:

12 (11) employ a chief school administrator.

13 * Sec. 14. AS 14.08.111(3) is amended to read:

14 (3) [EMPLOY A CHIEF SCHOOL ADMINISTRATOR AND] approve
15 the employment of the professional administrators, teachers, and noncertificated
16 personnel necessary to operate its schools;

17 * Sec. 15. AS 14.09.010(b) is repealed and reenacted to read:

18 (b) A school district that enters into a contract described under (a)(1) of this
19 section shall be reimbursed for

20 (1) at least 90 percent of the cost of operating the student transportation
21 system if the transportation is provided by the school district; and

22 (2) 100 percent of the cost of operating the student transportation
23 system when the transportation is provided under a contract with the school district.

24 * Sec. 16. AS 14.09.010 is amended by adding a new subsection to read:

25 (d) The department shall apply the same criteria in determining eligibility for
26 reimbursement under (b)(1) or (2) of this section.

27 * Sec. 17. AS 14.11.008(b) is amended to read:

28 (b) The required participating share for a municipal school district is based on
29 the district's full value per average daily membership (ADM), which is calculated
30 by dividing the full and true value of the taxable real and personal property in the
31 district, calculated as described in AS 14.17.510 [AS 14.17.025(a)(1),] by the district

1 **ADM** [AVERAGE DAILY MEMBERSHIP (ADM)] as defined in **AS 14.17.990**
 2 [AS 14.17.250], for the same fiscal year for which the valuation was made. The
 3 municipal district's full value per ADM determines the district's required participating
 4 share, as follows:

Full Value Per ADM		District Participating Share
\$1	- \$100,000	5 percent
100,001	- 200,000	10 percent
200,001	- 600,000	30 percent
	over 600,000	35 percent.

10 * **Sec. 18.** AS 14.14.115(c)(2) is amended to read:

11 (2) "district" has the meaning given in **AS 14.17.990** [AS 14.17.250].

12 * **Sec. 19.** AS 14.14.130(a) is amended to read:

13 (a) **A** [EACH] school board **may** [SHALL] select and employ a qualified
 14 person as the chief school administrator for the district. In this subsection, "employ"
 15 includes employment by contract.

16 * **Sec. 20.** AS 14.14.130(b) is amended to read:

17 (b) **If the district employs a** [THE] chief school administrator, **the**
 18 **administrator** [OF THE DISTRICT] shall administer the district in accordance with
 19 the policies that the school board prescribes by bylaw.

20 * **Sec. 21.** AS 14.14.130(c) is amended to read:

21 (c) **If the district employs a** [THE] chief school administrator, **the**
 22 **administrator** shall select, appoint, and otherwise control all school district employees
 23 that serve under the chief school administrator subject to the approval of the school
 24 board.

25 * **Sec. 22.** AS 14.16.020(2) is amended to read:

26 (2) [EMPLOY CHIEF SCHOOL ADMINISTRATORS AND] approve
 27 the employment of [OTHER] personnel necessary to operate state boarding schools;

28 * **Sec. 23.** AS 14.16.050(a)(2) is amended to read:

29 (2) requirements relating to **the public school funding program**
 30 [STATE FINANCIAL ASSISTANCE FOR EDUCATION] and the receipt and
 31 expenditure of that **fundin~~g~~** [ASSISTANCE]:

- 1 (A) AS 14.17.500 [AS 14.17.080] (relating to student count
2 estimates);
- 3 (B) AS 14.17.505 [AS 14.17.082] (relating to school operating
4 fund balances);
- 5 (C) AS 14.17.500 - 14.17.910 [AS 14.17.160 - 14.17.220]
6 (setting out the procedure for payment of public school funding [FINANCIAL
7 ASSISTANCE,] and imposing general requirements and limits on money paid);

8 * Sec. 24. AS 14.16.080(a) is amended to read:

- 9 (a) AS 14.17.440 [AS 14.17.024] applies to the calculation of public school
10 funding [STATE AID] payable for operation of a state boarding school.

11 * Sec. 25. AS 14.20.025 is amended to read:

12 **Sec. 14.20.025. Limited teacher certificates.** Notwithstanding
13 AS 14.20.020(b), a person may be issued a limited certificate, valid only in the area
14 of expertise for which it is issued, to teach Alaska Native language or culture, military
15 science, or a vocational or technical course for which the board determines by
16 regulation that baccalaureate degree training is not sufficiently available. A limited
17 certificate may be issued under this section only if the school board of the district or
18 regional educational attendance area in which the person will be teaching
19 [, THROUGH THE CHIEF SCHOOL ADMINISTRATOR,] has requested its issuance.
20 A person who applies for a limited certificate shall demonstrate, as required by
21 regulations adopted by the board, instructional skills and subject matter expertise
22 sufficient to ensure the public that the person is competent as a teacher. The board
23 may require a person issued a limited certificate to undertake academic training as may
24 be required by the board by regulation and make satisfactory progress in the academic
25 training.

26 * Sec. 26. AS 14.20.147(a) is amended to read:

- 27 (a) When an attendance area is transferred from a currently operating district
28 to, or absorbed into, a new or existing school district, the teachers for the attendance
29 area also shall be transferred unless otherwise mutually agreed by the teacher or
30 teachers and the chief school administrator of the new district if the district employs
31 a chief school administrator. Accumulated or earned benefits, including [BUT NOT

1 LIMITED TO,] seniority, salary level, tenure, leave, and retirement, accompany the
2 teacher who is transferred.

3 * **Sec. 27.** AS 14.20.148 is amended to read:

4 **Sec. 14.20.148. Intradistrict teacher reassignments.** When a teacher is
5 involuntarily transferred or reassigned to a position for which the teacher is qualified,
6 within the district, the teacher's moving expenses shall be paid unless the one-way
7 driving distance is 20 miles or less from the teacher's present place of residence, or
8 unless otherwise mutually agreed by the teacher and chief school administrator of the
9 district **if the district employs a chief school administrator.**

10 * **Sec. 28.** AS 14.20.177(a) is amended to read:

11 (a) A school district may implement a layoff plan under this section if it is
12 necessary for the district to reduce the number of tenured teachers because

13 (1) school attendance in the district has decreased; or

14 (2) the basic need of the school district determined under

15 **AS 14.17.410(b)(1)** [AS 14.17.021(c) AND ADJUSTED UNDER AS 14.17.225(b)]
16 decreases by three percent or more from the previous year.

17 * **Sec. 29.** AS 14.30.305 is amended to read:

18 **Sec. 14.30.305. State support of programs for children hospitalized or**
19 **confined to their homes.** A child who is hospitalized or confined to home and who
20 receives at least 10 hours of special education and related services per week may be
21 counted as a pupil in average daily membership when computing state support under
22 the public school **funding** [FOUNDATION] program.

23 * **Sec. 30.** AS 14.30.347 is amended to read:

24 **Sec. 14.30.347. Transportation of exceptional children.** When transportation
25 is required to be provided as related services, **an** exceptional **child** [CHILDREN] shall
26 be carried with other children **if the district provides transportation to other**
27 **children in the district** [,] except when the nature of **the** [THEIR] physical or mental
28 **disability** [DISABILITIES] is such that it is in the best interest of the exceptional
29 **child** [CHILDREN], as determined by the school district, that **the child** [THEY] be
30 transported separately. State reimbursement for transportation of exceptional children
31 shall be as provided for transportation of all other pupils except that eligibility for

1 reimbursement is not subject to restriction based on the minimum distance between the
2 school and the residence of the exceptional child.

3 * Sec. 31. AS 14.30.650 is amended to read:

4 Sec. 14.30.650. **Funding.** Each fiscal year the department shall allocate to the
5 agency not less than \$15.75 times the number of students in the state in average
6 daily membership in the preceding fiscal year as determined under AS 14.17.600.
7 Money to carry out the provisions of this section may be appropriated annually
8 by the legislature. If amounts are insufficient to meet the allocation authorized
9 under this section for a fiscal year, the allocation shall be reduced pro rata [\$85
10 FOR EACH SPECIAL EDUCATION STUDENT IN THE STATE IN AVERAGE
11 DAILY MEMBERSHIP OR THE EQUIVALENT OF TWO PERCENT OF THE
12 FUNDS APPROPRIATED FOR SPECIAL EDUCATION FOR THAT FISCAL
13 YEAR, WHICHEVER IS GREATER]. The amount allocated to the agency shall be
14 reduced each fiscal year by the amount contributed by the department to the Teachers'
15 Retirement System (AS 14.25) or the Public Employees' Retirement System
16 (AS 39.35) on behalf of employees of the agency.

17 * Sec. 32. AS 14.36.030(a) is amended to read:

18 (a) A district operating a community school program under an approved plan
19 of operation may receive an annual grant from the state of one-half of one percent of
20 its public school **funding** [FOUNDATION SUPPORT] or \$10,000, whichever is
21 greater.

22 * Sec. 33. AS 29.45.020(a) is amended to read:

23 (a) If a municipality levies and collects property taxes, the governing body
24 shall provide the following notice:

25 "NOTICE TO TAXPAYER

26 For the current fiscal year the (city)(borough) has been allocated the following amount
27 of state aid for school and municipal purposes under the applicable financial assistance
28 Acts:

29 PUBLIC SCHOOL **FUNDING** [FOUNDATION]
30 PROGRAM [ASSISTANCE] (AS 14.17) \$
31 STATE AID FOR RETIREMENT OF SCHOOL

1	CONSTRUCTION DEBT (AS 14.11.100)	\$
2	MUNICIPAL TAX RESOURCE EQUALIZATION	
3	(AS 29.60.010 - 29.60.080)	\$
4	PRIORITY REVENUE SHARING FOR	
5	MUNICIPAL SERVICES (AS 29.60.100 - 29.60.180)	\$
6	REVENUE SHARING FOR SAFE COMMUNITIES	
7	(AS 29.60.350 - 29.60.375)	\$
8	TOTAL AID	\$

The millage equivalent of this state aid, based on the dollar value of a mill in the municipality during the current assessment year and for the preceding assessment year, is:

		MILLAGE EQUIVALENT	
		PREVIOUS YEAR	THIS YEAR
13	PUBLIC SCHOOL <u>FUNDING</u>		
14	[FOUNDATION] PROGRAM		
15	ASSISTANCE	.... MILLS	.... MILLS
16	STATE AID FOR RETIREMENT		
17	OF SCHOOL CONSTRUCTION		
18	DEBT	... .MILLS	... .MILLS
19	MUNICIPAL TAX RESOURCE		
20	EQUALIZATION	... .MILLS	... .MILLS
21	PRIORITY REVENUE FOR SHARING		
22	MUNICIPAL SERVICES	... .MILLS	... .MILLS
23	REVENUE SHARING FOR SAFE		
24	COMMUNITIES	... .MILLS	... .MILLS
25	TOTAL MILLAGE		
26	EQUIVALENT	... .MILLS	... .MILLS"

Notice shall be provided **by**

(1) [BY] furnishing a copy of the notice with tax statements mailed for the fiscal year for which aid is received; or

(2) [BY] publishing in a newspaper of general circulation in the

1 municipality a copy of the notice once each week for a period of three successive
2 weeks, with publication to occur not later than 45 days after the final adoption of the
3 municipality's budget.

4 * **Sec. 34.** AS 29.60.030(d) is amended to read:

5 (d) The full and true assessed property value shall be determined by the
6 department in the manner provided for the computation of state aid to education under
7 AS 14.17.510 [AS 14.17.140]. When the determination of locally generated revenue
8 includes revenue of a utility received under AS 29.60.010(c)(1)(E), the full and true
9 assessed property value must include the computed assessed value of the utility,
10 determined by dividing the amount of the payment in place of taxes made by the
11 utility by the millage rate that would apply to the utility if the utility were subject to
12 levy and collection of taxes under AS 29.45.

13 * **Sec. 35.** AS 36.10.090(b) is amended to read:

14 (b) A local government or school district covered by the provisions of this
15 chapter that is found to be in violation of these provisions may be required to forfeit
16 all or part of the state aid made available for the project in which the violation occurs
17 and in addition may be denied up to 12 months of state revenue sharing or public
18 school funding [FOUNDATION MONEY]. A state department or agency head found
19 to be in violation of this chapter may be required to forfeit the position of department
20 or agency head.

21 * **Sec. 36.** AS 36.10.125(c) is amended to read:

22 (c) In an action brought under (b) of this section, the court may, in its
23 discretion, order denial of state revenue sharing or public school funding
24 [FOUNDATION MONEY], forfeiture of office or position, or injunctive or other
25 relief. If the court finds for the plaintiff in an action brought under (b) of this section,
26 it may award the plaintiff an amount equal to the actual costs and attorney fees
27 incurred by the plaintiff.

28 * **Sec. 37.** AS 36.30.850(b) is amended by adding a new paragraph to read:

29 (38) contracts of the Department of Education under AS 14.03.123(g).

30 * **Sec. 38.** AS 44.47.305(c) is amended to read:

31 (c) A grant under (a) of this section may not exceed \$50 per month for each

1 child the child care facility cares for, or for each full-time equivalent, as determined
 2 by the department. The grant shall be adjusted on a geographic basis by the same
 3 factor [PERCENTAGES] as funding for a school district is [INSTRUCTIONAL
 4 UNIT ALLOTMENTS ARE] adjusted under AS 14.17.460 [AS 14.17.051].

5 * **Sec. 39.** AS 14.16.050(a)(1)(G); AS 14.17.010, 14.17.021, 14.17.022, 14.17.024,
 6 14.17.025, 14.17.026, 14.17.031, 14.17.041, 14.17.043, 14.17.045, 14.17.047, 14.17.051,
 7 14.17.056, 14.17.080, 14.17.082, 14.17.140, 14.17.160, 14.17.170, 14.17.190, 14.17.200,
 8 14.17.210, 14.17.220, 14.17.225, 14.17.250; and AS 14.30.315(a) are repealed.

9 * **Sec. 40. TRANSITION: REGULATIONS.** (a) To the extent the regulations are not
 10 inconsistent with the language and purposes of this Act, regulations relating to state aid for
 11 public schools adopted by the Department of Education before the effective date of this
 12 section remain in effect as valid regulations implementing this Act; all other regulations
 13 relating to state aid for public schools adopted by the Department of Education before the
 14 effective date of this section are annulled. The Department of Education may administer and
 15 enforce those previously adopted regulations relating to state foundation aid for public schools.

16 (b) The Department of Education shall, by regulation, define the term "school" for
 17 purposes of AS 14.17.

18 * **Sec. 41. TRANSITION: PROPOSED DISTRICT COST FACTORS.** The Department
 19 of Education shall submit the initial proposed district cost factors, required under
 20 AS 14.17.460(b), enacted in sec. 2 of this Act, to the Alaska State Legislature by January 15,
 21 2001.

22 * **Sec. 42. TRANSITION: CENTRALIZED CORRESPONDENCE FUNDING.**
 23 Notwithstanding AS 14.17.430, as enacted by sec. 2 of this Act, funding for a correspondence
 24 study program includes an allocation from the public school account in an amount calculated
 25 by multiplying the ADM of the correspondence program by the base student allocation and
 26 multiplying that product by a percentage as follows:

For the fiscal year beginning	Percentage
July 1, 1998	70 percent
July 1, 1999	75 percent

30 * **Sec. 43. TRANSITION: MINIMUM EXPENDITURE FOR INSTRUCTION.**
 31 Notwithstanding AS 14.17.520, enacted in sec. 2 of this Act, the minimum expenditure for the

1 instructional component of the school district budget is as follows:

2	For the fiscal year beginning	Minimum expenditure
3	July 1, 1998	60 percent
4	July 1, 1999	65 percent

5 * **Sec. 44. TRANSITION: SPECIAL EDUCATION FUNDING.** If, for fiscal year 1999,
6 the special education service agency would receive less funding under AS 14.30.650, as
7 amended by sec. 31 of this Act, than the agency would have received for fiscal year 1999
8 under AS 14.30.650 as that provision read before the effective date of this Act, the agency is
9 eligible to receive additional state funding for fiscal year 1999 equal to the difference between
10 the state funding the agency is eligible to receive under AS 14.30.650, as amended by sec. 31
11 of this Act, and the state funding the agency is eligible to receive on the day before the
12 effective date of this Act.

13 * **Sec. 45. REQUIRED REPORT.** The Department of Education shall compare the use of
14 per school funding required under this Act to the use of funding communities required in
15 AS 14.17 before the effective date of this Act and submit a report to the Alaska State
16 Legislature by January 15, 2001.

17 * **Sec. 46.** This Act takes effect July 1, 1998.

	B	H	U	E	F	G	H	I	J	K
1	Alaska Department of Education									
2	Foundation Program; CSSB 36(FIN) am									
3	Comparison @ 45									
4	May 6, 1998									
5	FY99	D - E			@ 100%	F + G				
6		CS 8836	Existing			Net Change	Quality			% Change
7	School	Proposed	Foundation	Difference:	Floor	State Aid	Grant	Net		In
8	District:	State Aid:	State Aid:			Plus Floor:	3,200,000	Change		State Aid
9	Alaska Gateway	4,861,181	4,988,882	(127,701)	127,701	-	20,280	20,280		0.41%
10	Aleutian Region	1,106,389	1,294,229	(187,840)	187,840	-	4,512	4,512		0.35%
11	Aleutians East	3,589,129	3,514,644	74,485	-	74,485	16,330	90,815		2.38%
12	Anchorage	196,131,471	188,019,815	8,092,656	-	8,092,656	999,797	9,092,453		4.84%
13	Annette Island	1,667,644	1,730,838	(63,194)	63,194	-	10,064	10,064		0.58%
14	Bering Strait	18,377,248	17,449,778	927,470	-	927,470	83,741	1,011,211		5.79%
15	Bristol Bay	1,811,429	1,654,521	156,908	-	156,908	10,948	167,856		10.15%
16	Chatham	2,517,134	2,337,557	179,577	-	179,577	12,096	191,673		8.20%
17	Chugach	1,077,415	1,515,697	(438,282)	438,282	-	4,638	4,638		0.31%
18	Copper River	5,894,228	6,225,778	(331,550)	331,550	-	23,254	23,254		0.37%
19	Cordova	2,876,299	2,868,602	7,697	-	7,697	13,881	21,578		0.75%
20	Craig	2,436,993	2,502,192	(65,199)	65,199	-	10,965	10,965		0.44%
21	Delta/Grady	4,703,246	4,790,289	(87,043)	87,043	-	21,474	21,474		0.45%
22	Denali	3,013,409	2,659,400	354,009	-	354,009	13,580	367,589		13.82%
23	Dillingham	3,866,408	3,977,867	(111,459)	111,459	-	18,066	18,066		0.45%
24	Fairbanks	67,382,417	64,607,118	2,775,299	-	2,775,299	346,572	3,121,871		4.83%
25	Galena	5,755,784	6,649,592	(893,808)	893,808	-	22,825	22,825		0.34%
26	Haines	2,282,590	2,141,412	141,178	-	141,178	11,567	152,745		7.13%
27	Hoonah	1,997,769	2,044,737	(46,968)	46,968	-	8,328	8,328		0.41%
28	Hydaburg	1,059,156	1,191,627	(132,471)	132,471	-	4,231	4,231		0.36%
29	Iditarod	5,119,621	5,278,870	(159,249)	159,249	-	21,990	21,990		0.42%
30	Juneau	21,149,891	20,166,492	983,399	-	983,399	119,023	1,102,422		5.47%
31	Kake	1,324,937	1,466,725	(141,788)	141,788	-	5,659	5,659		0.39%
32	Kashunamiut	2,515,436	2,395,395	120,041	-	120,041	10,756	130,797		5.46%
33	Kenai Peninsula	44,723,766	42,073,799	2,649,967	-	2,649,967	235,855	2,885,822		6.86%
34	Ketchikan	10,173,093	8,752,133	1,420,960	-	1,420,960	57,410	1,478,370		16.89%
35	Klawock	1,424,239	1,580,522	(156,283)	156,283	-	6,209	6,209		0.39%
36	Kodiak Island	14,324,112	13,876,822	447,290	-	447,290	72,206	519,496		3.74%
37	Kuspuk	5,332,680	5,513,829	(181,149)	181,149	-	22,732	22,732		0.41%
38	Lake & Peninsula	6,917,993	6,743,387	174,606	-	174,606	28,802	293,408		3.02%
39	Lower Kuskokwim	34,288,515	38,671,330	(4,382,815)	4,382,815	-	149,812	149,812		0.39%
40	Lower Yukon	16,352,783	14,928,605	1,424,178	-	1,424,178	75,228	1,499,406		10.04%
41	Mat-Su	58,407,964	58,161,852	246,112	-	246,112	266,331	512,443		0.88%
42	Nenana	1,534,811	1,916,854	(382,043)	382,043	-	6,252	6,252		0.33%
43	Nome	5,164,776	5,466,779	(302,003)	302,003	-	22,630	22,630		0.41%
44	North Slope	10,119,375	11,886,868	(1,567,493)	-	(1,567,493)	77,149	(1,490,344)		-12.75%
45	Northwest Arctic	20,743,866	18,530,116	2,213,750	-	2,213,750	91,006	2,304,756		12.44%
46	Pellican	358,398	605,426	(247,028)	247,028	-	1,605	1,605		0.27%
47	Petersburg	3,786,509	3,385,160	401,349	-	401,349	18,479	419,828		12.40%
48	Pribilof	1,927,823	1,883,539	44,284	-	44,284	8,820	53,104		2.82%
49	Sitka	7,039,601	6,142,485	897,116	-	897,116	37,509	934,625		15.22%
50	Skagway	639,737	796,690	(156,953)	156,953	0	4,533	4,534		0.57%
51	Southeast Island	2,377,048	2,765,941	(388,893)	388,893	-	10,881	10,881		0.39%
52	Southwest Region	7,838,670	7,597,531	39,139	-	39,139	33,538	72,677		0.96%
53	St. Mary's	1,250,329	1,555,616	(305,287)	305,287	-	5,136	5,136		0.33%
54	Tanana	1,278,152	1,381,184	(105,032)	105,032	-	5,180	5,180		0.38%
55	Unalaska	1,732,152	2,111,386	(379,234)	379,234	(0)	12,276	12,276		0.58%
56	Valdez	3,180,739	3,670,718	(509,979)	509,979	0	22,595	22,595		0.62%
57	Wrangell	2,547,885	2,509,373	38,512	-	38,512	12,472	50,984		2.03%
58	Yakutat	1,410,669	1,429,670	(19,001)	19,001	-	6,102	6,102		0.43%
59	Yukon Flats	5,429,589	6,158,915	(729,326)	729,326	-	23,378	23,378		0.38%
60	Yukon/Koyukuk	6,345,623	6,788,379	(442,756)	442,756	-	28,239	28,239		0.42%
61	Yupik	3,916,416	4,250,129	(333,713)	333,713	-	18,298	18,298		0.43%
62	ACS	4,559,897	3,996,324	563,573	-	563,573	17,771	581,344		14.55%
63	Mt. Edgecumbe	1,793,132	1,717,150	75,982	-	75,982	6,988	82,970		4.83%
64	Other	26,096,071	26,096,071	-	-	-	-	-		0.00%
66	TOTAL:	\$675,309,637	\$664,235,640	\$11,073,997	\$11,808,047	\$22,882,044	\$3,200,000	\$26,082,044		

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ATT.

	C	D	E	F	G	H	I	J
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	C + E + F						H x I	
4	May 6, 1998	Correspondence				Adj. For	Adj	
5	FY98	In		Out		School	for	
6	School	Projected	Students	Students	Total	Size	District	Cost
7	District:	ADM:	ADM:	ADM:	ADM:	ADM:	Cost	Product:
8								
9	Alaska Gateway	494.00	28.00		522.00	824.53	1.291	1,064.47
10	Aleutian Region	67.00			67.00	141.48	1.736	245.61
11	Aleutians East	345.00			345.00	615.92	1.423	876.45
12	Anchorage	47,832.75			47,832.75	51,565.90	1.000	51,565.90
13	Annette Island	389.00	2.00		391.00	532.32	1.011	538.18
14	Bering Strait	1,809.41			1,809.41	2,978.24	1.525	4,541.82
15	Bristol Bay	308.00			308.00	465.64	1.262	587.64
16	Chatham	297.00			297.00	580.44	1.120	650.09
17	Chugach	81.00	45.00	20.00	146.00	161.63	1.294	209.15
18	Copper River	606.50	37.00	186.00	829.50	942.91	1.176	1,108.86
19	Cordova	530.00			530.00	678.00	1.096	743.09
20	Craig	408.00	30.00	9.00	447.00	552.84	1.010	558.37
21	Delta/Greely	734.00	90.00		824.00	980.04	1.106	1,083.92
22	Denali	352.00	3.00		355.00	561.50	1.313	737.25
23	Dillingham	619.00			619.00	767.63	1.254	962.61
24	Fairbanks	15,957.50	490.00		16,447.50	17,129.37	1.039	17,797.42
25	Galena	222.00		1,157.00	1,379.00	337.14	1.348	454.46
26	Haines	429.00	9.00		438.00	602.16	1.008	606.98
27	Hoonah	270.00			270.00	398.10	1.055	420.00
28	Hydaburg	125.00			125.00	208.45	1.085	226.17
29	Iditarod	436.00			436.00	800.12	1.470	1,176.18
30	Juneau	5,721.00	29.00		5,750.00	6,112.51	1.005	6,143.07
31	Kake	190.00			190.00	296.50	1.025	303.91
32	Kashunamiut	279.00			279.00	409.53	1.389	568.84
33	Kenai Peninsula	10,243.96	98.00		10,341.96	12,490.18	1.004	12,540.14
34	Ketchikan	2,650.00	69.00		2,719.00	3,029.12	1.000	3,029.12
35	Klawock	215.00			215.00	328.21	1.017	333.83
36	Kodiak Island	2,819.00	78.00		2,897.00	3,502.80	1.093	3,828.56
37	Kuspuk	510.00			510.00	854.21	1.434	1,224.94
38	Lake & Peninsula	513.00	5.00		518.00	1,001.52	1.558	1,560.37
39	Lower Kuskokwim	3,642.00			3,642.00	5,399.65	1.491	8,050.88
40	Lower Yukon	1,850.60			1,850.60	2,841.94	1.438	4,086.71
41	Mat-Su	12,045.00	596.00		12,641.00	13,342.03	1.010	13,475.43
42	Nenana	135.00	20.00	65.00	220.00	223.35	1.270	283.65
43	Nome	789.00			789.00	930.78	1.319	1,227.70
44	North Slope	2,037.00			2,037.00	2,781.22	1.504	4,182.95
45	Northwest Arctic	2,233.00	15.00		2,248.00	3,183.62	1.549	4,931.43
46	Pelican	38.00			38.00	67.72	1.290	37.36
47	Petersburg	775.00			775.00	993.42	1.000	993.42
48	Pribilof	196.00			196.00	335.40	1.419	475.93
49	Sitka	1,680.00	70.00		1,750.00	1,953.50	1.000	1,953.50
50	Skagway	130.00			130.00	215.90	1.143	246.77
51	Southeast Island	259.00	10.00		269.00	521.03	1.124	585.64
52	Southwest Region	779.20			779.20	1,274.19	1.423	1,813.17
53	St. Mary's	133.00			133.00	206.96	1.351	279.60
54	Tanana	111.00	2.00		113.00	187.59	1.496	280.63
55	Unalaska	390.00			390.00	533.40	1.245	664.08
56	Valdez	895.00			895.00	1,100.43	1.095	1,204.97
57	Wrangell	498.25	10.00	6.00	514.25	647.42	1.000	647.42
58	Yakutat	178.00			178.00	305.62	1.046	319.68
59	Yukon Flats	409.00	35.00		444.00	748.94	1.668	1,249.23
60	Yukon/Koyukuk	554.00			554.00	1,004.00	1.502	1,508.01
61	Yup'it	412.00			412.00	675.20	1.469	991.87
62	ACS	0.00		1,658.38	1,658.38	0.00	1.000	0.00
63	Mt. Edgecumbe	306.00			306.00	380.42	1.000	380.42
64	Other							
66	TOTALS:	125,928.17	1,771.00	3,101.38	130,800.55	149,702.71	68.00	185,607.87

	K	M	O	P	Q	S	T	
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	J x 1.20		M x 5	K + O	E x 1	F x .65	F + Q + S	
4	May 6, 1998	Special Education	Special Education	Adj. Intensive Education:	Adjusted Students + Special Education:	Correspondence In District	Out District	District Adjusted ADM:
5	FY98	Factor	Intensive:					
6	School District:	1.20	3.00			0.80	0.30	
7								
8								
9	Alaska Gateway	1,277.36	5.00	25.00	1,302.36	22.40	0.00	1,324.76
10	Aleutian Region	294.73	0.00	0.00	294.73	0.00	0.00	294.73
11	Aleutians East	1,051.74	3.00	15.00	1,066.74	0.00	0.00	1,066.74
12	Anchorage	61,879.08	686.00	3,430.00	65,309.08	0.00	0.00	65,309.08
13	Annette Island	645.82	2.00	10.00	655.82	1.60	0.00	657.42
14	Bering Strait	5,450.18	4.00	20.00	5,470.18	0.00	0.00	5,470.18
15	Bristol Bay	705.17	2.00	10.00	715.17	0.00	0.00	715.17
16	Chatham	780.11	2.00	10.00	790.11	0.00	0.00	790.11
17	Chugach	250.98	0.00	0.00	250.98	36.00	16.00	302.98
18	Copper River	1,330.63	2.00	10.00	1,340.63	29.60	148.80	1,519.03
19	Cordova	891.71	3.00	15.00	906.71	0.00	0.00	906.71
20	Craig	676.04	3.00	15.00	685.04	24.00	7.20	716.24
21	Del. v Greely	1,300.70	6.00	30.00	1,330.70	72.00	0.00	1,402.70
22	Denali	884.70	0.00	0.00	884.70	2.40	0.00	887.10
23	Dillingham	1,155.13	5.00	25.00	1,180.13	0.00	0.00	1,180.13
24	Fairbanks	21,356.90	178.00	890.00	22,246.90	392.00	0.00	22,638.90
25	Galena	545.35	4.00	20.00	565.35	0.00	925.60	1,490.95
26	Maines	728.38	4.00	20.00	748.38	7.20	0.00	755.58
27	Hoonah	504.00	8.00	40.00	544.00	0.00	0.00	544.00
28	Hydaburg	271.40	1.00	5.00	276.40	0.00	0.00	276.40
29	Iditarod	1,411.42	5.00	25.00	1,436.42	0.00	0.00	1,436.42
30	Juneau	7,371.68	76.00	380.00	7,751.68	23.20	0.00	7,774.88
31	Keke	364.69	1.00	5.00	369.69	0.00	0.00	369.69
32	Kashunamiut	682.61	4.00	20.00	702.61	0.00	0.00	702.61
33	Kenai Peninsula	15,048.17	56.00	280.00	15,320.17	78.40	0.00	15,406.57
34	Ketchikan	3,634.94	12.00	60.00	3,694.94	55.20	0.00	3,750.14
35	Klawock	400.60	1.00	5.00	405.60	0.00	0.00	405.60
36	Kodiak Island	4,594.27	12.00	60.00	4,654.27	62.40	0.00	4,716.67
37	Kuspuk	1,469.93	3.00	15.00	1,484.93	0.00	0.00	1,484.93
38	Lake & Peninsula	1,872.44	1.00	5.00	1,877.44	4.00	0.00	1,881.44
39	Lower Kuskokwim	9,661.06	25.00	125.00	9,786.06	0.00	0.00	9,786.06
40	Lower Yukon	4,904.05	2.00	10.00	4,914.05	0.00	0.00	4,914.05
41	Mat-Su	16,170.54	150.00	750.00	16,920.54	476.80	0.00	17,397.34
42	Nenana	340.38	0.00	0.00	340.38	16.00	52.00	408.38
43	Nome	1,478.24	1.00	5.00	1,478.24	0.00	0.00	1,478.24
44	North Slope	5,019.54	4.00	20.00	5,039.54	0.00	0.00	5,039.54
45	Northwest Arctic	5,917.72	3.00	15.00	5,932.72	12.00	0.00	5,944.72
46	Pelican	104.83	0.00	0.00	104.83	0.00	0.00	104.83
47	Petersburg	1,192.10	3.00	15.00	1,207.10	0.00	0.00	1,207.10
48	Pribilof	571.12	1.00	5.00	576.12	0.00	0.00	576.12
49	Sitka	2,344.20	10.00	50.00	2,394.20	56.00	0.00	2,450.20
50	Skagway	296.12	0.00	0.00	296.12	0.00	0.00	296.12
51	Southeast Island	702.77	0.00	0.00	702.77	8.00	0.00	710.77
52	Southwest Region	2,175.80	3.00	15.00	2,190.80	0.00	0.00	2,190.80
53	St. Mary's	335.52	0.00	0.00	335.52	0.00	0.00	335.52
54	Tanana	336.76	0.00	0.00	336.76	1.60	0.00	338.36
55	Unalaska	796.90	1.00	5.00	801.90	0.00	0.00	801.90
56	Valdez	1,445.96	6.00	30.00	1,475.96	0.00	0.00	1,475.96
57	Wrangell	776.90	5.00	25.00	801.90	8.00	4.80	814.70
58	Yakutat	383.62	3.00	15.00	398.62	0.00	0.00	398.62
59	Yukon Flat.	1,499.08	0.00	0.00	1,499.08	28.00	0.00	1,527.08
60	Yukon/Koyukuk	1,809.61	7.00	35.00	1,844.61	0.00	0.00	1,844.61
61	Yupitit	1,190.24	1.00	5.00	1,195.24	0.00	0.00	1,195.24
62	ACS	0.00	0.00	0.00	0.00	0.00	1,160.87	1,160.87
63	Mt. Edgecumbe	456.50	0.00	0.00	456.50	0.00	0.00	456.50
64	Other							
66	TOTALS:	198,729.42	1,314.00	6,570.00	205,299.42	1,416.80	2,315.27	209,031.49

	B	U	V	W	X	Y	Z
1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN) am		Base Student Allocation			82,044	
3		T x	AS 14,17,470	83,628			U - V - Y
4	May 6, 1998	\$3,928					
5	FY99						
6	School District:	State Support:	Required Local:	Federal Impact Aid:	Impact Aid Percent:	Deductible Impact Aid 90.0%	State Share:
8							
9	Alaska Gateway	5,203,657	-	380,529	100.00%	342,476	4,861,181
10	Alutian Region	1,157,699	-	57,011	100.00%	51,310	1,106,389
11	Aleutians East	4,190,155	365,761	509,562	51.30%	235,265	3,589,129
12	Anchorage	256,534,066	55,828,890	8,314,618	61.12%	4,573,705	196,131,471
13	Annetta Island	2,582,345	-	1,016,335	100.00%	914,702	1,667,644
14	Bering Strait	21,486,867	-	3,455,132	100.00%	3,109,619	18,377,248
15	Bristol Bay	2,809,188	860,657	240,580	63.32%	137,102	1,811,429
16	Chatham	3,103,552	-	651,576	100.00%	586,418	2,517,134
17	Chugach	1,190,105	-	125,211	100.00%	112,690	1,077,415
18	Copper River	5,966,750	-	80,580	100.00%	72,522	5,894,228
19	Cordova	3,561,557	674,600	19,032	62.22%	10,658	2,876,299
20	Craig	2,813,391	367,686	16,690	58.00%	8,712	2,436,993
21	Delta/Grady	5,509,806	-	896,178	100.00%	806,560	4,703,246
22	Denali	3,484,529	459,758	27,613	45.72%	11,362	3,013,409
23	Dillingham	4,635,551	608,522	335,087	53.28%	160,621	3,866,408
24	Fairbanks	88,925,599	17,779,142	6,593,515	63.43%	3,764,040	67,382,417
25	Galena	5,856,452	412	314,774	10.88%	30,256	5,755,784
26	Haines	2,967,918	674,832	18,985	61.43%	10,496	2,282,590
27	Hoonah	2,136,832	98,904	238,598	18.67%	40,159	1,997,769
28	Hydaburg	1,085,699	23,809	17,039	17.83%	2,734	1,059,156
29	Iditarod	5,642,258	-	580,708	100.00%	522,637	5,119,621
30	Juneau	30,539,729	9,380,326	16,954	62.34%	9,512	21,149,891
31	Kake	1,452,142	69,431	281,923	22.77%	57,774	1,324,937
32	Kashmir	2,759,852	-	271,573	100.00%	244,416	2,515,436
33	Kenai Peninsula	60,517,007	15,751,444	83,078	55.90%	41,797	44,723,766
34	Ketchikan	14,730,550	4,552,513	8,986	61.13%	4,944	10,173,093
35	Klawock	1,593,197	62,627	274,629	43.02%	106,331	1,424,239
36	Kodiak Island	18,527,080	3,588,780	1,081,508	63.10%	614,188	14,324,112
37	Kuspuk	5,832,805	-	555,694	100.00%	500,125	5,332,680
38	Lake & Peninsula	7,390,296	238,770	1,028,381	21.99%	203,527	6,917,993
39	Lower Kuskokwim	38,439,644	-	4,612,365	100.00%	4,151,129	34,288,515
40	Lower Yukon	19,302,388	-	3,277,339	100.00%	2,949,605	16,352,783
41	Mat-Su	68,336,752	9,922,503	14,639	44.67%	5,885	58,407,964
42	Nanana	1,604,117	66,968	2,526	88.79%	2,338	1,534,811
43	Nome	5,806,527	626,146	43,424	39.93%	15,605	5,164,776
44	North Slope	19,795,313	8,907,890.85	2,648,619	32.22%	768,047	10,119,375
45	Northwest Arctic	23,350,860	1,484,493	2,240,789	55.66%	1,122,501	20,743,866
46	Pelican	411,772	53,374	-	85.72%	-	358,398
47	Petersburg	4,741,489	947,600	15,861	51.70%	7,380	3,786,509
48	Pribilof	2,262,999	-	372,418	100.00%	335,176	1,927,823
49	Sitka	9,624,386	2,500,230	158,779	59.17%	84,555	7,039,601
50	Skagway	1,163,159	523,421.55	-	69.59%	-	639,737
51	Southeast Island	2,791,905	-	460,952	100.00%	414,857	2,377,048
52	Southwest Region	8,605,462	-	1,076,436	100.00%	968,792	7,636,670
53	St. Mary's	1,317,923	17,993	122,527	44.98%	49,601	1,250,329
54	Tanana	1,329,078	23,286	178,213	18.48%	29,640	1,276,152
55	Unalaska	3,149,863	1,417,438.35	363	83.53%	273	1,732,152
56	Valdez	5,797,571	2,608,906.95	43,787	70.86%	27,925	3,160,739
57	Wrangell	3,200,142	651,476	1,812	47.88%	781	2,547,885
58	Yakutat	1,565,779	144,356	39,086	30.57%	10,754	1,410,669
59	Yukon Flats	5,998,370	-	631,979	100.00%	568,781	5,429,589
60	Yukon/Koyukuk	7,245,628	-	1,000,006	100.00%	900,005	6,345,623
61	Yupik	4,694,903	-	864,985	100.00%	778,487	3,916,416
62	ACS	4,559,897	-	-	100.00%	-	4,559,897
63	Mt. Edgecumbe	1,793,132	-	-	100.00%	-	1,793,132
64	Other						26,096,071
66	TOTALS:	\$821,075,694	\$141,383,353	\$45,299,784		\$30,478,775	\$675,309,637

	A	B	D	G
1	Alaska Department of Education			
2	Foundation Program; CSSB 36(FIN) am			
3	Required Local Effort Calculation			
4	May 6, 1998			
5	FY98		G X .004	
6		Required		
7		Local	Mill Rate	1997 Full
8	School District:	Effort:	0.0040	Determination:
9	Alaska Gateway	-	-	-
10	Aleutian Region	-	-	-
11	Aleutians East	365,761	365,761	91,440,300
12	Anchorage	55,828,890	55,828,890	13,957,222,570
13	Annette Island	-	-	-
14	Bering Strait	-	-	-
15	Bristol Bay	860,657	860,657	215,164,218
16	Chatham	-	-	-
17	Chugach	-	-	-
18	Copper River	-	-	-
19	Cordova	674,600	674,600	168,650,100
20	Craig	367,686	367,686	91,921,400
21	Delta/Greely	-	-	-
22	Denali	459,758	459,758	114,939,500
23	Dillingham	608,522	608,522	152,130,600
24	Fairbanks	17,779,142	17,779,142	4,444,785,400
25	Galena	70,412	70,412	17,603,000
26	Haines	674,832	674,832	168,708,000
27	Hoonah	98,904	98,904	24,725,900
28	Hydaburg	23,809	23,809	5,952,200
29	Iditarod	-	-	-
30	Juneau	9,380,326	9,380,326	2,345,081,400
31	Kake	69,431	69,431	17,357,800
32	Kashunamiut	-	-	-
33	Kanal Peninsula	15,751,444	15,751,444	3,937,860,920
34	Ketchikan	4,552,513	4,552,513	1,138,128,200
35	Klawock	62,627	62,627	15,656,700
36	Kodiak Island	3,588,780	3,588,780	897,194,900
37	Kuspuk	-	-	-
38	Lake & Peninsula	268,776	268,776	67,193,900
39	Lower Kuskokwim	-	-	-
40	Lower Yukon	-	-	-
41	Mat-Su	9,922,903	9,922,903	2,480,725,840
42	Nenana	66,968	66,968	16,742,100
43	Nome	626,146	626,146	156,536,400
44	North Slope	8,907,890.85	45% 19,795,313	11,749,014,490
45	Northwest Arctic	1,484,493	1,484,493	371,123,200
46	Palican	53,374	53,374	13,343,500
47	Petersburg	947,600	947,600	236,900,000
48	Pribilof	-	-	-
49	Sitka	2,500,230	2,500,230	625,057,600
50	Skagway	523,421.55	46% 559,358	139,839,400
51	Southeast Island	-	-	-
52	Southwest Region	-	-	-
53	St. Mary's	17,993	17,993	4,498,200
54	Tanana	23,286	23,286	5,821,600
55	Unalaska	1,417,438.35	45% 1,511,123	377,780,800
56	Valdez	2,608,906.95	40% 3,774,555	943,638,760
57	Wrangell	651,476	651,476	162,869,100
58	Yakutat	144,356	144,356	36,089,000
59	Yukon Flats	-	-	-
60	Yukon/Koyukuk	-	-	-
61	Yupit	-	-	-
62	ACS	-	-	-
63	Mt. Edgecumbe	-	-	-
64	Other	-	-	-
66	TOTAL:	\$141,383,353	\$153,566,044	\$45,191,696,998

	B	D	E	F	G	H	I	J	K
1	Alaska Department of Education								
2	Foundation Program; CSSB 38(FIN) am								
3	Transition Calculation								
4	May 6, 1998								
5	FY99		E + F			G - H		I x 100%	
6		Mill	Total	Additional	Foundation	SB36		Difference	
7		Rate:	Foundation:	District	Plus	State		@	Floor
8	School District:			Support:	Single Site:	Aid:	Difference:	100.0%	Adjustment
9	Alaska Gateway	4.000	4,988,882		4,988,882	4,861,181	127,701	127,701	127,701
10	Aleutian Region	4.000	1,176,499	117,730	1,294,229	1,106,389	187,840	187,840	187,840
11	Aleutians East	7.700	3,514,644		3,514,644	3,589,129	(74,485)	(74,485)	-
12	Anchorage	6.500	188,038,815		188,038,815	196,131,471	(8,092,656)	(8,092,656)	-
13	Annette Island	4.000	1,569,188	161,650	1,730,838	1,667,644	63,194	63,194	63,194
14	Bering Strait	4.000	17,449,778		17,449,778	18,377,248	(927,470)	(927,470)	-
15	Bristol Bay	6.200	1,654,521		1,654,521	1,811,429	(156,908)	(156,908)	-
16	Chatham	4.000	2,337,557		2,337,557	2,517,134	(179,577)	(179,577)	-
17	Chugach	4.000	1,515,697		1,515,697	1,077,415	438,282	438,282	438,282
18	Copper River	4.000	6,225,778		6,225,778	5,894,228	331,550	331,550	331,550
19	Cordova	6.400	2,702,072	166,530	2,868,602	2,876,299	(7,697)	(7,697)	-
20	Craig	6.600	2,322,242	179,950	2,502,192	2,436,993	65,199	65,199	65,199
21	Delta/Grady	4.000	4,790,289		4,790,289	4,703,246	87,043	87,043	87,043
22	Denali	8.700	2,659,400		2,659,400	3,013,409	(354,009)	(354,009)	-
23	Dillingham	7.000	3,757,667	220,200	3,977,867	3,866,408	111,459	111,459	111,459
24	Fairbanks	6.600	64,607,118		64,607,118	67,382,417	(2,775,299)	(2,775,299)	-
25	Galena	34.600	6,649,592		6,649,592	5,755,784	893,808	893,808	893,808
26	Haines	6.600	2,141,412		2,141,412	2,282,590	(141,178)	(141,178)	-
27	Hoonah	21.600	1,918,467	126,270	2,044,737	1,997,769	46,968	46,968	46,968
28	Hydaburg	6.400	1,083,657	107,970	1,191,627	1,059,156	132,471	132,471	132,471
29	Iditarod	4.000	5,278,870		5,278,870	5,119,621	159,249	159,249	159,249
30	Juneau	6.400	20,166,492		20,166,492	21,149,891	(983,399)	(983,399)	-
31	Kenai	9.800	1,325,815	140,910	1,466,725	1,324,937	141,788	141,788	141,788
32	Kashunamiut	4.000	2,235,575	159,820	2,395,395	2,515,436	(120,041)	(120,041)	-
33	Kenai Peninsula	7.200	42,073,799		42,073,799	44,723,766	(2,649,967)	(2,649,967)	-
34	Ketchikan	6.500	8,752,133		8,752,133	10,173,093	(1,420,960)	(1,420,960)	-
35	Klawock	5.500	1,427,412	153,110	1,580,522	1,424,239	156,283	156,283	156,283
36	Kodiak Island	6.300	13,876,822		13,876,822	14,324,112	(447,290)	(447,290)	-
37	Kuspuk	4.000	5,513,829		5,513,829	5,332,680	181,149	181,149	181,149
38	Lake & Peninsula	17.300	6,743,387		6,743,387	6,917,993	(174,606)	(174,606)	-
39	Lower Kuskokwim	4.000	38,671,330		38,671,330	34,288,515	4,382,815	4,382,815	4,382,815
40	Lower Yukon	4.000	14,928,605		14,928,605	16,352,783	(1,424,178)	(1,424,178)	-
41	Mat-Su	8.900	58,161,852		58,161,852	58,407,964	(246,112)	(246,112)	-
42	Nenana	4.200	1,735,074	181,780	1,916,854	1,534,811	382,043	382,043	382,043
43	Nome	8.400	5,181,309	285,470	5,466,779	5,164,776	302,003	302,003	302,003
44	North Slope	2.300	11,686,868		11,686,868	10,119,375	1,567,493	1,567,493	-
45	Northwest Arctic	6.200	18,530,116		18,530,116	20,743,866	(2,213,750)	(2,213,750)	-
46	Pelican	4.700	556,016	49,410	605,426	358,398	247,028	247,028	247,028
47	Petersburg	7.800	3,173,500	211,660	3,385,160	3,786,509	(401,349)	(401,349)	-
48	Pribilof	4.000	1,883,539		1,883,539	1,927,823	(44,284)	(44,284)	-
49	Sitka	6.800	6,142,485		6,142,485	7,039,601	(897,116)	(897,116)	-
50	Skagway	5.400	683,840	112,850	796,690	639,737	156,953	156,953	156,953
51	Southeast Island	4.000	2,765,941		2,765,941	2,377,048	388,893	388,893	388,893
52	Southwest Region	4.000	7,597,531		7,597,531	7,636,670	(39,139)	(39,139)	-
53	St. Mary's	8.900	1,414,706	140,910	1,555,616	1,250,329	305,287	305,287	305,287
54	Tanana	23.700	1,253,694	127,490	1,381,184	1,276,152	105,032	105,032	105,032
55	Unalaska	4.500	1,913,136	198,250	2,111,386	1,732,152	379,234	379,234	379,234
56	Valdez	4.000	3,404,758	265,960	3,670,718	3,160,739	509,979	509,979	509,979
57	Wrangell	8.200	2,312,953	196,420	2,509,373	2,547,885	(38,512)	(38,512)	-
58	Yakutat	12.400	1,428,670		1,428,670	1,410,669	19,001	19,001	19,001
59	Yukon Flats	4.000	6,158,915		6,158,915	5,429,589	729,326	729,326	729,326
60	Yukon/Koyukuk	4.000	6,788,379		6,788,379	6,345,623	442,756	442,756	442,756
61	Yupik	4.000	4,250,129		4,250,129	3,916,416	333,713	333,713	333,713
62	ACS	4.000	3,996,324		3,996,324	4,559,897	(563,573)	(563,573)	-
63	Mt. Edgecumbe	4.000	1,717,150		1,717,150	1,793,132	(75,982)	(75,982)	-
64	Other		26,096,071		26,096,071	26,096,071	-	-	-
66			\$660,931,300	\$3,304,340	\$664,235,640	\$675,309,837	(\$11,073,997)	(\$11,073,997)	\$11,808,047

	A	B	C	D	E	F	G	H
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	Required Local Effort & Maximum							
4	May 6, 1998							
5	FY98		23% or		Tax & In-kind			
6			2 Mills		FY98		Amount	Room
7		Required	Allowable	Maximum	Budgeted	Amount to	Over	Under
8	School District:	Effort	Excess	Local	Local	Meet Req.	Excess	Local Cap
9	Alaska Gateway	-	1,196,841	1,196,841	-	-	-	-
10	Aleutian Region	-	266,271	266,271	-	-	-	-
11	Aleutians East	365,761	963,736	1,329,497	708,000	-	-	621,497
12	Anchorage	55,828,890	59,002,835	114,831,725	87,682,805	-	-	27,148,920
13	Annette Island	-	593,940	593,940	-	-	-	-
14	Bering Strait	-	4,941,979	4,941,979	-	-	-	-
15	Bristol Bay	860,657	646,113	1,506,770	1,324,152	-	-	182,618
16	Chatham	-	713,817	713,817	-	-	-	-
17	Chugach	-	273,724	273,724	-	-	-	-
18	Copper River	-	1,372,353	1,372,353	-	-	-	-
19	Cordova	674,600	819,158	1,493,758	1,052,000	-	-	441,758
20	Craig	367,686	647,080	1,014,766	584,728	-	-	430,038
21	Delta/Grady	-	1,267,255	1,267,255	-	-	-	-
22	Denali	459,758	801,442	1,261,200	981,736	-	-	279,464
23	Dillingham	608,522	1,066,177	1,674,699	942,500	-	-	732,199
24	Fairbanks	17,779,142	20,452,888	38,232,030	27,680,000	-	-	10,552,030
25	Galena	70,412	1,346,984	1,417,396	556,527	-	-	860,869
26	Haines	674,832	682,621	1,357,453	1,080,455	-	-	276,998
27	Hoonah	98,904	491,471	590,375	454,727	-	-	135,648
28	Hydaburg	23,009	249,711	273,520	34,000	-	-	239,520
29	Iditarod	-	1,297,719	1,297,719	-	-	-	-
30	Juneau	9,380,326	7,024,138	16,404,464	14,953,000	-	-	1,451,464
31	Kake	69,431	333,993	403,424	150,000	-	-	253,424
32	Kashunamiut	-	634,766	634,766	-	-	-	-
33	Kenai Peninsula	15,751,444	13,918,912	29,670,356	28,095,197	-	-	1,575,159
34	Ketchikan	4,552,513	3,388,027	7,940,540	7,358,058	-	-	582,482
35	Klawock	62,627	366,435	429,062	51,125	11,502	-	377,937
36	Kodiak Island	3,588,780	4,261,228	7,850,008	5,603,980	-	-	2,246,028
37	Kuspuk	-	1,341,545	1,341,545	-	-	-	-
38	Lake & Peninsula	268,776	1,699,768	1,968,544	1,026,500	-	-	942,044
39	Lower Kuskokwim	-	8,841,118	8,841,118	-	-	-	-
40	Lower Yukon	-	4,439,549	4,439,549	-	-	-	-
41	Mat-Su	9,922,903	15,717,453	25,640,356	22,139,480	-	-	3,500,876
42	Nanana	66,968	368,947	435,915	66,120	848	-	369,795
43	Nome	626,146	1,335,501	1,961,647	1,251,731	-	-	709,916
44	North Slope	8,907,891	23,498,029	32,405,920	27,600,068	-	-	4,805,852
45	Northwest Arctic	1,484,493	5,370,638	6,855,191	1,984,920	-	-	4,870,271
46	Palican	53,374	94,708	148,082	62,266	-	-	85,816
47	Petersburg	947,600	1,090,542	2,038,142	1,807,361	-	-	230,781
48	Pribilof	-	520,490	520,490	-	-	-	-
49	Sitka	2,500,230	2,213,609	4,713,839	4,210,656	-	-	503,183
50	Skagway	523,422	279,679	803,101	746,690	-	-	56,411
51	Southeast Island	-	642,138	642,138	-	-	-	-
52	Southwest Region	-	1,979,256	1,979,256	-	-	-	-
53	St. Mary's	17,993	303,122	321,115	25,000	-	-	296,115
54	Tanana	23,286	305,688	328,974	115,000	-	-	213,974
55	Unalaska	1,417,438	755,562	2,173,000	1,660,932	-	-	512,068
56	Valdez	2,808,907	1,887,278	4,496,185	3,579,727	-	-	916,458
57	Wrangell	651,476	736,033	1,387,509	1,329,000	-	-	58,509
58	Yakutat	144,356	360,129	504,485	432,150	-	-	72,335
59	Yukon Flats	-	1,379,625	1,379,625	-	-	-	-
60	Yukon/Koyukuk	-	1,666,494	1,666,494	-	-	-	-
61	Yupik	-	1,079,828	1,079,828	-	-	-	-
64	TOTALS	\$141,383,353	\$206,928,403	\$348,311,756	\$247,330,591	\$12,350	\$0	\$66,532,457

	A	B	C	D	E	F
1	Alaska Department of Education					
2	Foundation Program; CSSB 36(FIN) am					
3	Page 9, Sec. 14.17.530 - Administrative Cap					
4	May 6, 1998					
5						
6	FY99					
7		Total FYS8	Instructional	Total Expend. @	Reduction in	% of Instruc.
8		Budgeted Expenditures	Expenditures	60%	State Aid	to Total Exp.
9	Alaska Gateway	6,375,467	3,816,771	3,825,280	8,509	60%
10	Aleutian Region	1,227,397	613,635	736,438	122,803	50%
11	Aleutians East	5,353,492	2,669,533	3,212,095	542,562	50%
12	Anchorage	285,848,000	209,941,815	171,508,800	0	73%
13	Annette Island	4,079,627	2,552,320	2,447,776	0	63%
14	Bering Strait	24,031,447	12,940,060	14,418,868	1,478,808	54%
15	Bristol Bay	3,451,754	2,126,224	2,071,052	0	62%
16	Chatham	3,700,057	2,645,572	2,220,034	0	72%
17	Chugach	1,639,001	880,501	983,401	102,900	54%
18	Copper River	6,245,467	4,119,378	3,747,280	0	66%
19	Cordova	4,028,281	2,529,588	2,416,969	0	63%
20	Craig	3,332,138	2,200,915	1,999,283	0	66%
21	Delta/Greely	6,239,396	3,623,963	3,743,637	119,674	58%
22	Denali	3,826,030	2,350,417	2,295,618	0	61%
23	Dillingham	5,369,388	3,643,045	3,221,639	0	68%
24	Fairbanks	105,010,000	75,832,355	63,008,000	0	72%
25	Galena	4,137,583	2,100,716	2,482,538	372,822	51%
26	Heines	3,576,694	2,392,495	2,146,016	0	67%
27	Hoonah	3,555,793	1,896,929	2,133,476	236,547	53%
28	Hydaburg	1,319,025	676,132	791,415	115,283	51%
29	Iditarod	5,825,818	3,108,838	3,495,491	386,653	53%
30	Juneau	35,823,100	26,387,712	21,493,860	0	74%
31	Keke	2,179,381	1,171,595	1,307,629	136,034	54%
32	Kashunamiut	2,754,440	1,415,373	1,652,664	237,291	51%
33	Kenai Peninsula	72,077,053	50,062,456	43,246,232	0	69%
34	Ketchikan	16,152,612	11,204,219	9,691,567	0	69%
35	Klawock	2,276,154	1,442,696	1,365,692	0	63%
36	Kodiak Island	22,289,424	15,074,760	13,373,654	0	68%
37	Kuspuk	6,208,037	3,779,987	3,724,822	0	61%
38	Lake & Peninsula	9,315,700	4,519,680	5,589,420	1,069,740	49%
39	Lower Kuskokwim	45,485,933	28,968,961	27,291,560	0	64%
40	Lower Yukon	19,996,016	11,997,659	11,937,610	0	60%
41	Mat-Su	80,993,413	59,111,447	48,596,048	0	73%
42	Nenana	1,732,845	1,005,643	1,039,707	34,064	58%
43	Nome	7,013,644	4,077,783	4,208,186	130,403	58%
44	North Slope	49,150,068	20,680,500	25,890,041	5,209,541	48%
45	Northwest Arctic	23,012,977	11,993,882	13,807,786	1,813,904	52%
46	Pelican	630,278	330,120	378,167	48,047	52%
47	Petersburg	5,296,650	3,595,918	3,177,990	0	68%
48	Pribilof	2,748,600	1,547,494	1,649,160	101,666	56%
49	Sitka	11,027,597	8,303,056	6,616,558	0	75%
50	Skagway	1,462,002	838,321	877,201	38,880	57%
51	Southeast Island	4,046,750	2,615,282	2,428,050	0	65%
52	Southwest Region	9,649,489	5,837,056	5,789,693	0	60%
53	St. Mary's	1,400,000	805,900	840,000	34,100	58%
54	Tanana	1,546,500	610,600	927,900	317,300	39%
55	Unalaska	3,742,611	2,381,430	2,245,567	0	64%
56	Valdez	7,680,728	5,324,180	4,808,437	0	69%
57	Wrangell	3,878,101	2,602,696	2,326,861	0	67%
58	Yakutat	2,051,851	1,361,996	1,231,111	0	66%
59	Yukon Flats	7,166,115	3,844,906	4,299,669	454,763	54%
60	Yukon/Koyukuk	7,985,386	5,181,130	4,791,232	0	65%
61	Yupit	5,503,370	2,779,670	3,302,022	522,352	51%
62						
63	TOTALS:	954,348,670	\$643,524,288	\$572,609,202	\$13,634,646	

STATE
FEDERAL
LOCAL

March 6, 1978

The Honorable Eben Hopson
Mayor
North Slope Borough
P.O. Bcx 69
Barrow, AK 99723

Dear Mayor Hopson:

After meeting with your legal counsel and examining again the pertinent statutes, the Department of Revenue has modified its earlier position regarding the interpretation of the limitation contained in AS 29.53.045(c) and AS 43.56.010(b) Those provisions read:

AS 29.53.045(c)

A municipality may levy and collect a tax on the full and true value of that portion of taxable property taxable under AS 43.56 as assessed by the Department of Revenue which value, when combined with the value of property otherwise taxable by the municipality, does not exceed the product of 225 percent of the average per capita assessed full and true value of property in the state multiplied by the number of residents of the taxing municipality. For purposes of this subsection the average per capita assessed full and true value of property in the state shall be calculated without regard to the assessed value of taxable property under AS 43.58.

AS 43.56.010(c)

If the total value of assessed property of a municipality taxing AS 29.53.045(c) exceeds the product of 225 percent of the average per capita assessed full and true value of property in the state (to be determined by the department and reported to each municipality by January 15 of each year) multiplied by the number of residents of the taxing municipality, the department shall designate the portion of the tax base against which the local tax may be applied. For purposes of this subsection the average per capita assessed full and true value of property in the state shall be calculated without regard to the assessed value of taxable property under ch. 58 of this title.

As we read these sections together we believe that the limitation contained within them sets a direct limitation on the total amount of assessed value that can be taxed by the municipality. It does not set a direct limit on the tax dollars that can be collected or the millage rate that can be assessed but does so indirectly. As such it is our position that if a municipality chooses the limitation contained in AS 29.53.045(c) the total assessed value of all property taxed by that municipality cannot exceed "the product of 225 percent of the average per capita assessed full and true value of property in the state multiplied by the number of residents of the taxing municipality."

If the entire assessed valuation of property taxable by the municipality does exceed the "225 percent limitation" the Department of Revenue must then apportion the entire tax base (assessed valuation) to bring the entire amount within the statutory limitation. In making this apportionment the Department will require a pro-rata reduction in the assessed value of all property in the municipality so that it comes within the limitation.

Once the assessed value comes within the limitation (after apportionment) the municipality may then levy whatever millage rate it wants up to 30 mills against the reduced value. In doing so, however, it must be remembered that AS 43.56 property can not be taxed at a higher millage rate than that applied to other property taxable by the municipality.

I think these principles can be illustrated through the use of figures contained in the example prepared by your assessor in his letter to Commissioner Gallagher.

Assumptions

Average per capita assessed full and true value of property in Alaska (assumed).....	\$30,000
North Slope Borough residents (assumed).....	10,000
Assessed Value of AS 43.56 property within North Slope Borough (assumed)...	2,500,000,000
Assessed Value of non-AS 43.56 property within North Slope Borough (assumed).....	500,000,000
Total assessed value of all property within North Slope Borough....	3,000,000,000

Calculation

1. $(\$30,000) \cdot x (225 \text{ percent}) \times (10,000) = \$675,000,000$

(\$675,000,000 is the total assessed value of property in the North Slope Borough that can be taxed.)

2. $3,000,000,000 > 675,000,000$

(Apportionment of the tax base is necessary.)

3. $\frac{3,000,000,000}{675,000,000} = .225$

(The entire tax base must be reduced to 22.5 percent of its full value to come within the 675,000,000 limit.)

4. $2,500,000,000 \times .225 = 562,500,000$

(Value of AS 43.56 property that can be taxed)

$500,000,000 \times .225 = 112,500,000$

(Value of other property that can be taxed)


675,000,000

5. $(675,000,000) \times (30 \text{ mills}) = \$ 20,250,00$

(This is the total property tax revenues that can be raised. Obviously the North Slope Borough could use any millage rate it wanted up to a maximum of 30 mills on the apportioned value and the rate for AS. 43.56 property can not be any higher than that applied to other property.)

We plan to formalize this ruling in a form of a regulation in the near future. If you have any further questions please let me know.

Sincerely,



John R. Messenger
Deputy Commissioner

cc: Thomas K. Williams, Director
Petroleum Revenue Division

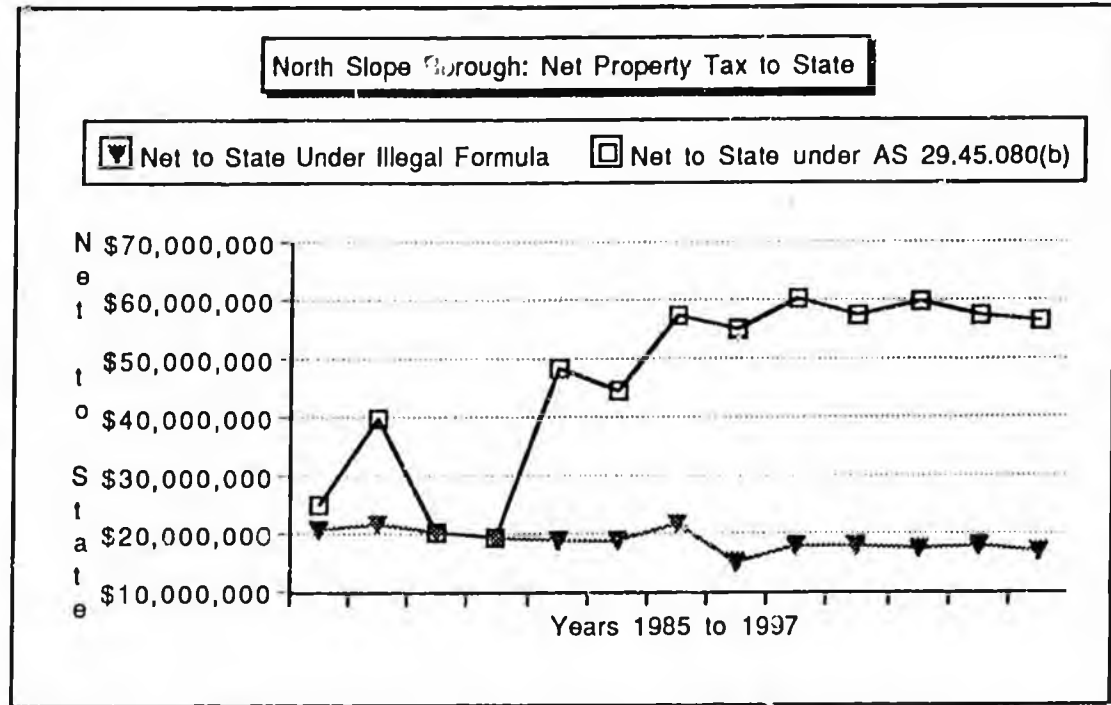
Joseph K. Donahue, Esq
Assistant Attorney General

- Ketchikan - 4/29/98 pm

Loss to State from North Slope Borough Method Relative to AS 29.45.080(b)

North Slope Borough	Net to State Under Illegal Formula	Net to State under AS 29.45.080(b)
1985	\$20,989,163	\$25,314,965
1986	\$22,120,382	\$39,820,433
1987	\$20,498,219	\$20,498,234
1988	\$19,724,270	\$19,698,871
1989	\$19,211,366	\$48,750,197
1990	\$19,240,785	\$44,659,813
1991	\$22,000,304	\$57,812,935
1992	\$15,172,566	\$55,450,660
1993	\$18,094,121	\$60,447,179
1994	\$18,108,185	\$57,673,247
1995	\$17,407,289	\$59,766,659
1996	\$18,119,544	\$57,608,534
1997	\$17,082,928	\$56,770,717

Anomalies in 1987 and 1988 were due to no property taxes for the operating budget in 1987 and only \$5,776,769 in 1988.



These numbers are approximate based on information published in Alaska Taxable 1985-1997

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

April 22, 1998

SUBJECT: Municipal taxation of oil and gas production and pipeline property
(Work Order No. 20-LS1769)

TO: Representative Gene Therriault, Co-chair
House Finance Committee
Attn: Michael Tibbles

FROM: Tamara Brandt Cook
Director

You have supplied me with material provided to the House Finance Committee by Scott A. Brandt-Erichsen, Ketchikan Gateway Borough Attorney, and asked for my explanation of the statutes that apply to municipal taxation of oil and gas production and pipeline property. A municipality has been given authority to tax oil and gas production and pipeline property, but the authority is limited under AS 29.45.080. Additionally, the authority of a municipality to impose property taxes on all types of property is limited under AS 29.45.090.

No limitation to pay bonds. Under AS 29.45.100 the tax limitation in AS 29.45.080 (oil and gas) and the limitation in AS 29.45.090 (all property) do not apply to taxes to pay or secure bonds. This section appears to apply only to general obligation bonds and not to revenue bonds which are not secured by the taxing authority of the municipality. (See AS 29.47.240; North Slope Borough v. Sohio Petroleum Corp., 585 P.2d 534 (Alaska 1978)) The court has apparently concluded that a tax imposed on oil and gas production and pipeline property without limitation under AS 29.45.100 does not conflict with AS 43.56.010 or AS 43.56.030.

AS 29.45.090(a) contains a provision that is not a limitation on taxation and, therefore, does apply to taxes to pay or secure bonds: "All property on which an ad valorem tax is levied shall be taxed at the same rate during the year." So, except for personal property taxed at a flat rate under AS 29.45.055, all property, including oil and gas production and pipeline property, may be taxed under AS 29.45.100 at the rate that generates the amount needed to pay or secure bonds. This portion of the property tax is in addition to the level of taxation a municipality imposes that is subject to the limitations under AS 29.45.080 and 29.45.090.

Limited tax on oil and gas production and pipeline property. AS 29.45.080 requires a municipality to use one of two methods for taxing oil and gas production and pipeline property to produce revenue for all purposes other than to pay or secure the payment of bonds. AS 29.45.080(b) states: "A municipality may levy and collect a tax on the full and

Representative Gene Therriault
April 22, 1998
Page 2

true value of taxable property taxable under AS 43.56 as valued by the Department of Revenue at a rate not to exceed that which produces an amount of revenue from the total municipal property tax equivalent to \$1,500 a year for each person residing in its boundaries." (See also AS 29.45.090(b)(1)) Under this method a maximum rate of taxation is determined that is applicable to all property except, probably, personal property subject to a flat tax. (AS 29.45.090(a); AS 29.45.080(b))

Subsection (c) states: "A municipality may levy and collect a tax on the full and true value of that portion of taxable property taxable under AS 43.56 as assessed by the Department of Revenue which value, **when combined with the value of property otherwise taxable by the municipality**, does not exceed the product of 225 percent of the average per capita assessed full and true value of property in the state multiplied by the number of residents of the taxing municipality." (Emphasis added) This method limits the portion of the value of oil and gas production and pipeline property that may be taxed, but does not limit the portion of the value of other property that may be taxed. Under AS 43.56.010(c), if the total value of assessed property exceeds the product of 225 percent of the average per capita assessed full and true value of property in the state, multiplied by the number of residents of the municipality, "the department shall designate the portion of the tax base against which the local tax may be applied." This, I believe, in context refers to the portion of the **oil and gas production and pipeline property** tax base against which the local tax may be applied. The language should not be construed to permit the department to prorate taxes levied against other types of property because this construction cannot be easily reconciled with the language of AS 29.45.080(c). On this point, I agree with Scott A. Brandt-Erichsen.

Please let me know if you need any drafting done to clarify these statutes.

TBC:jdr
98-262.jdr

Alaska State Legislature

House Finance Committee

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April 24, 1998

Wilson Condon, Commissioner
Alaska Department of Revenue
PO Box 110400
Juneau, AK 99811-0400

Dear Commissioner Condon,

The House Finance Committee has received information and testimony concerning the failure of the state to receive the share of oil and gas property tax expected under the provisions of AS 43.56.

AS 29.45.080 requires a municipality to use **one** of two methods for taxing oil and gas property, either through AS 29.45.080(b) or AS 29.45.080(c). AS 29.45.080(b) states:

A municipality may levy and collect a tax on the full and true value of taxable property taxable under AS 43.56 as valued by the Department of Revenue at a rate not to exceed that which produces an amount of revenue from the total municipal property tax equivalent to \$1,500 a year for each person residing in its boundaries.

AS 29.45.080(c) states:

A municipality may levy and collect a tax on the full and true value of that portion of taxable property taxable under AS 43.56 as assessed by the Department of Revenue, which value, when combined with the value of property otherwise taxable by the municipality, does not exceed the product of 225 percent of the average per capita assessed full and true value of property in the state multiplied by the number of residents of the taxing municipality.

The method used by the North Slope Borough and Valdez to tax oil and gas property is set out on pages 26 and 29 of Alaska Taxable 1997. The methods do not comport with either of the two alternatives in AS 29.45.080.

Both the North Slope and Valdez state that the mill rate under their method is applied to the full amount of oil and gas property. However, the method used is inconsistent with AS 29.45.080(b). That alternative allows for the local tax to be applied to the full and true value of AS 43.56 property, but limits revenue from the total municipal property tax

to \$1,500 per person. Neither the North Slope Borough nor Valdez limit property tax revenues to \$1,500 per person.

The method used by the borough and the city are also inconsistent with the alternative in AS 29.45.080(c) because their tax on oil and gas property is not limited to "that portion of oil and gas property . . . which value, when combined with the value of property otherwise taxable by the municipality, does not exceed 225 percent of the average per capita assessed property in the state multiplied by the number of residents of the taxing municipality." It appears that the North Slope Borough and the City of Valdez have chosen a method that applies a levy that exceeds the amount authorized under this section.

Municipalities are required to report which of the two alternatives will be used to the Department of Revenue pursuant to AS 29.45.080(d). That subsection reads as follows:

By February 1 of each assessment year a taxing municipality shall inform the Department of Revenue which method of taxation the municipality will use.

If the method in AS 29.45.080(c) is selected, AS 43.56.010(c) states:

If the total value of assessed property of a municipality taxing under AS 29.45.080(c) exceeds the product of 225 percent of the average per capita assessed full and true value of property in the state, to be determined by the department and reported to each municipality, the department shall designate the portion of the tax base against which the local tax may be applied.

Legislative Legal Services has advised us that this statute in context refers to the portion of the oil and gas property tax base against which the local tax may be applied. In addition, we have been counseled that "The language should not be construed to permit the department to prorate taxes levied against other types of property because this construction cannot be easily reconciled with the language of AS 29.45.080(c)."

There has been one Finance Committee hearing on this subject and I request the following information from you for further consideration by the Committee. I would like to know how the responsibilities of your department under the above statutes have been carried out and in particular, please provide the following information:

- 1) What is the Department's process used to determine the portion of the oil and gas property tax base taxable by a municipality under AS 43.56.010(c)? Who is the person responsible for making the determination?
- 2) Which of the two methods in AS 29.45.080 have Valdez and the North Slope Borough informed the Department will be used for 1998? What methods were selected by each of the two municipalities in the prior 10 years?
- 3) If either or both municipalities informed the Department that the method in AS 29.45.080(c) would be used, what portion of the oil and gas property tax base was designated by your department for taxation by the local governments? Please

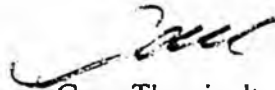
provide me with the announcements of the portions identified which were sent to all municipalities using the method in AS 29.45.080(c) for 1998 and the prior 10 years.

- 4) If a portion of the oil and gas property is required to be designated under AS 43.56.010(c) for local taxation purposes, what was the sum of that portion plus "the value of property otherwise taxable by the municipality" for the prior 10 years?
- 5) What mill rates were applied by the North Slope Borough and Valdez against Oil and Gas Property in 1997 and in the prior 10 years? What mill rates are expected to be applied against AS 43.56 property for 1998?
- 6) Against what portion of the oil and gas property were the mill rates of the North Slope Borough and Valdez applied in 1997 and prior years?

I have scheduled the issue to come back before the House Finance Committee Wednesday, April 29, and I would appreciate a response prior to the meeting. In addition, please be prepared to address the committee and explain your responses to these questions.

Thank you in advance for your expeditious response to this request.

Sincerely,



Gene Therriault
State Representative

STATE OF ALASKA

DEPARTMENT OF EDUCATION OFFICE OF THE COMMISSIONER

4-4-98 (4)
TONY KNOWLES, GOVERNOR

GOLDBELT PLACE
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April 2, 1998

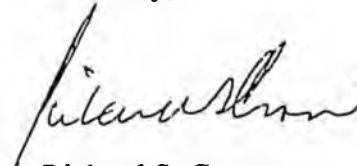
The Honorable Gene Therriault, Co-Chair
The Honorable Mark Hanley, Co-Chair
House Finance Committee
Alaska State Legislature
State Capitol, Room 519
Juneau, AK 99801-1182

Dear Representatives Therriault and Hanley:

The Department of Education has prepared the enclosed list of issues concerning the HCS CSSB 36(HES), relating to the public school funding program, based on amendments adopted by the House Health, Education, and Social Services Committee during its meeting on Wednesday, April 1, 1998. The department has not prepared new runs analyzing the impact of the House HES revisions to SB36 on individual schools districts or revised fiscal notes.

In order to complete that work, the department needs direction from the House Finance Committee in several of the areas identified on the issue list. I look forward to working with you on addressing these issues. Please contact me if you have any questions.

Sincerely,



Richard S. Cross
Deputy Commissioner

Enclosure

Department of Education HCS CSSB 36(HES)

Following is a list of issues regarding HCS CSSB 36(HES).

1. Amendment #2 – imposes a 3% wage tax for employment within the unorganized borough. The department is seeking direction from the committee as to what tax revenue estimates should be used in developing updated spreadsheets incorporating this amendment.
2. The local contribution requirement has raised issues regarding the taxable full value of the North Slope Borough. The Department of Community and Regional Affairs is determining the appropriate taxable full value of the North Slope Borough that should be used in calculating the required local effort. Resolution of this issue will impact the amount of funding available for redistribution under HCS CSSB 36(HES).
3. Page 14, lines 19 through 31 and page 15, lines 1 and 2, – requires the department to develop a comprehensive assessment system. This requirement mirrors language in the Governor's quality schools bill, HB 351/SB 257. The fiscal note for HB 351/SB 257 is \$3.6 million to develop such a system and includes an additional \$20 million to assist school districts with the cost of implementing the assessment program.
4. Page 5, lines 6 through 9 – requires districts to have on file with the department a plan of service for special education, gifted and talented education, vocational education, and bilingual education. It is the department's understanding these are not requirements for receiving the 20% allocation. The department believes further clarification of this language is needed.
5. Page 6, line 10 – The school size table is very aggressive in applying multipliers for adjusted ADM. Depending on the definition of "school" the table raises many issues.
6. Page 6, line ? – The current foundation program has a three year hold harmless for school districts that experience a drop in enrollment of 10% or more from one year to the next. This proposed legislation does not contain a similar safety net.
7. Page 8, lines 19 through 23 – requires the department to adjust district cost factors by the Anchorage consumer price index and submits proposed district cost factors to the legislature every other year. The department contacted the McDowell Group for advice in meeting this requirement. McDowell Group stated the Anchorage CPI has no relationship to district cost factors and that inflationary adjustments should occur elsewhere in this legislation. McDowell Group also indicated that DOE could not apply the same methodology they used in determining the proposed district cost factors to meet the requirement in HCS CSSB 36. McDowell did provide additional information to the chairman of house HES to suggest alternative methodology, however, this information was not incorporated in the house HES committee's version of this bill.

Department of Education
HCS CSSB 36(HES)

8. Page 10, line 5 – minimum expenditure for instruction. Most districts can not meet this requirement due to fixed costs to operate facilities. Only school districts with large student populations and larger schools can meet this requirement.
9. Page 11, line 2 - the definition of “instructional component” is inconsistent with existing chart of accounts.
10. Page 27, line 12 – sub section (b) requires department to define “school.” Current regulation 4 AAC 05.900(5) defines a school as a program of instruction. There is a lack of data to support a consistent definition of “school.” As the definition is clarified a significant reallocation of dollars will occur.
11. Page 27, lines 14 through 17 – Transition for proposed district cost factors. Requires the department to submit to the legislature proposed districts cost factors by January 15, 2001. As previously stated the McDowell Group has informed DOE that their methodology can not be used to update proposed district cost factors.
12. Page 27, lines 23 through 28 – Transition for minimum expenditure for instruction. As previously mentioned only school districts with large student populations and larger schools can meet this requirement.
13. Page 16, line 1 – removes the requirement to employ a chief school administrator. If districts hire a non-certified administrator to run the school district, the administrator would not be subject to the ethic requirements of the PTPC.

(A) 4-4-98 3 (B)

1	Alaska Department of Education						
2	Foundation Program						
3	Statistical Comparison						
4	March 9, 1998						
5		1	2	Unadjusted ADM:		5	
6		Existing	CSSB36	3	Existing	CSSB36	
7		Foundation	State Aid	FY 98	Foundation	plus	
8		State		Local	plus	50 million	
9	School District:	Aid:		Contribution:	50 million:		
10	Alaska Gateway	522.00	9,557	8,511	0	10,191	9,083
11	Aleutian Region	67.00	17,560	16,584	0	18,695	17,666
12	Aleutians East	345.00	10,187	9,487	2,067	10,931	10,187
13	Anchorage	47,832.75	3,931	4,178	1,910	4,255	4,517
14	Annette Island	391.00	4,013	4,787	0	4,416	5,232
15	Bering Strait	1,809.41	9,644	8,926	0	10,353	9,590
16	Bristol Bay	308.00	5,372	4,770	4,413	5,908	5,270
17	Chatham	297.00	7,871	7,843	0	8,487	8,455
18	Chugach	146.00	10,381	7,762	0	11,074	8,295
19	Copper River	829.50	7,505	6,789	0	7,975	7,218
20	Cordova	530.00	5,098	5,454	2,046	5,496	5,875
21	Craig	447.00	5,195	5,904	1,418	5,571	6,325
22	Delta/Greely	824.00	5,815	6,415	59	6,237	6,877
23	Denali	355.00	7,491	7,532	2,833	8,041	8,085
24	Dillingham	619.00	6,071	6,277	1,846	6,526	6,746
25	Fairbanks	16,447.50	3,928	4,216	1,704	4,254	4,561
26	Galena	1,379.00	4,822	3,695	478	5,127	3,930
27	Haines	438.00	4,889	5,713	2,508	5,291	6,167
28	Hoonah	270.00	7,105	7,431	1,962	7,580	7,927
29	Hydaburg	125.00	8,669	8,509	1,068	9,223	9,053
30	Iditarod	436.00	12,108	11,028	0	12,935	11,791
31	Juneau	5,750.00	3,507	3,825	2,617	3,328	4,165
32	Kake	190.00	6,978	7,004	1,605	7,455	7,483
33	Kashunamiut	279.00	8,013	7,753	0	8,566	8,291
34	Kenai Peninsula	10,341.96	4,068	4,382	2,725	4,417	4,751
35	Ketchikan	2,719.00	3,219	4,105	2,739	3,524	4,466
36	Klawock	215.00	6,639	5,760	677	7,102	6,168
37	Kodiak Island	2,897.00	4,790	5,005	1,963	5,179	5,407
38	Kuspuk	510.00	10,811	10,621	0	11,544	11,345
39	Lake & Peninsula	518.00	13,018	12,905	2,359	13,886	13,767
40	Lower Kuskokwim	3,642.00	10,618	8,615	0	11,350	9,223
41	Lower Yukon	1,850.60	8,067	7,697	0	8,671	8,277
42	Mat-Su	12,641.00	4,601	4,742	1,757	4,937	5,086
43	Nenana	220.00	7,887	5,837	343	8,398	6,220
44	Nome	789.00	6,567	6,566	1,988	7,027	7,027
45	North Slope	2,037.00	5,737	0	13,574	6,301	0
46	Northwest Arctic	2,248.00	8,243	8,664	1,186	8,829	9,277
47	Pelican	38.00	14,632	9,476	1,639	15,631	10,154
48	Petersburg	775.00	4,095	4,911	2,365	4,427	5,294
49	Pribilof	196.00	9,610	8,638	0	10,317	9,283
50	Sitka	1,750.00	3,510	4,184	2,415	3,821	4,537
51	Skagway	130.00	5,260	3,716	5,786	5,772	4,216
52	Southeast Island	269.00	10,282	10,830	0	11,019	11,602
53	Southwest Region	779.20	9,750	8,747	0	10,435	9,370
54	St. Mary's	133.00	10,637	8,939	301	11,331	9,529
55	Tanana	113.00	11,095	9,652	1,115	11,815	10,283
56	Unalaska	390.00	4,905	4,234	4,351	5,369	4,740
57	Valdez	895.00	3,804	2,254	4,114	4,169	2,661
58	Wrangell	514.25	4,498	4,996	2,646	4,857	5,387
59	Yakutat	178.00	8,032	7,109	2,653	8,587	7,607
60	Yukon Flats	444.00	13,871	12,190	0	14,813	13,030
61	Yukon/Koyukuk	554.00	12,253	10,870	0	13,118	11,649
62	Yupik	412.00	10,316	8,308	0	11,078	8,944
63	ACS	1,658.38	2,410	2,564	0	2,560	2,724
64	Mt. Edgecumbe	306.00	5,612	5,884	0	5,961	6,251
65	Other	0.00					
66							
67							
68							
69	TOTALS:	130,800.55					

Alaska Department of Education and Early Childhood Development (DEED)				YR 1
Comparison of FY99 and FY00 State Aid				YR 2
School District	FY99 Proposed State Aid	FY00 Existing Foundation State Aid	D - E Difference	% Change in State Aid
Alaska Gateway	4,336,009	4,988,882	(652,873)	-3.27%
Aleutian Region	1,085,169	1,176,499	(91,330)	5.56%
Aleutians East	3,186,530	3,514,644	(328,114)	-2.33%
Anchorage	194,402,155	188,038,815	6,363,340	3.38%
Annette Island	1,809,601	1,569,188	240,413	15.32%
Bering Strait	15,720,424	17,449,778	(1,729,354)	-2.48%
Bristol Bay	1,414,246	1,654,521	(240,275)	-3.63%
Chatham	2,264,246	2,337,557	(73,311)	-0.78%
Chugach	1,078,737	1,515,697	(436,960)	-7.21%
Copper River	5,581,994	6,225,778	(643,784)	-2.59%
Cordova	2,811,016	2,702,072	108,944	4.03%
Craig	2,517,761	2,322,242	195,519	8.42%
Delta/Gröely	5,087,722	4,790,289	297,433	6.21%
Denali	2,603,693	2,659,400	(55,707)	-0.52%
Dillingham	3,781,438	3,757,667	23,771	0.63%
Fairbanks	67,318,068	64,807,118	2,710,950	4.20%
Galena	5,100,652	6,649,592	(1,548,940)	-5.82%
Haines	2,431,168	2,141,412	289,756	13.53%
Hoonah	1,958,601	1,918,467	40,134	2.09%
Hydaburg	1,039,255	1,083,657	(44,402)	6.45%
Iditarod	4,747,204	5,278,870	(531,666)	-2.52%
Juneau	21,107,305	20,166,492	940,813	4.67%
Ketchikan	1,372,933	1,325,815	47,118	3.55%
Kodiak	2,109,441	2,235,575	(126,134)	3.95%
Kodiak Peninsula	43,959,566	42,073,799	1,885,767	4.48%
Ketchikan	10,566,469	8,752,133	1,814,336	20.73%
Klawock	1,207,017	1,427,412	(220,395)	4.18%
Kodiak Island	13,924,088	13,876,822	47,266	0.34%
Kuspuk	5,470,852	5,513,829	(42,977)	-0.19%
Lake & Peninsula	6,525,065	6,743,387	(218,322)	-0.81%
Lower Kuskokwim	31,137,132	38,671,330	(7,534,198)	-4.87%
Lower Yukon	13,861,244	14,928,605	(1,067,361)	-1.79%
Mat-Su	58,582,962	58,161,852	421,110	0.72%
Nenana	1,340,448	1,735,074	(394,626)	2.17%
Nome	5,217,325	5,181,309	36,016	0.70%
North Slope	-	11,686,868	(11,686,868)	-100.00%
Northwest Arctic	18,656,455	18,530,116	126,339	0.68%
Pellican	350,850	556,016	(205,166)	-2.56%
Petersburg	3,699,598	3,173,500	526,098	16.58%
Pribilof	1,647,733	1,883,539	(235,806)	-3.13%
Sitka	7,100,407	6,142,485	957,922	15.60%
Skagway	459,821	683,840	(224,019)	4.19%
Southeast Island	2,226,657	2,765,941	(539,284)	-4.87%
Southwest Region	6,646,114	7,597,531	(951,417)	-3.13%
St. Mary's	1,089,399	1,414,706	(325,307)	1.72%
Tanana	1,121,689	1,253,694	(132,005)	4.99%
Unalaska	1,580,712	1,913,136	(332,424)	3.43%
Valdez	1,877,339	3,404,758	(1,527,419)	-44.86%
Wrangell	2,742,064	2,312,953	429,111	18.55%
Total	1,233,667	1,429,670	(196,003)	-3.43%
Flats	5,061,519	6,158,915	(1,097,396)	-4.45%
Koyukuk	5,653,884	6,788,379	(1,134,495)	-4.18%
Yupik	3,329,233	4,250,129	(920,896)	-5.42%
Yupit	4,156,575	3,996,324	160,251	4.01%
Mt. Edgecumbe	1,760,264	1,717,150	43,114	2.51%
Other	26,096,071	26,096,071	-	0.00%
TOTAL:	43,147,587	\$660,931,300	(\$17,783,713)	

YR 1	YR 2
-3.27%	-6.14%
5.56%	1.54%
-2.33%	-4.21%
3.38%	4.54%
15.32%	16.81%
-2.48%	-4.49%
-3.63%	-6.64%
-0.78%	-1.05%
-7.21%	-14.08%
-2.59%	-4.78%
4.03%	5.14%
8.42%	9.49%
6.21%	7.26%
-0.52%	-0.55%
0.63%	1.67%
4.20%	5.37%
-5.82%	-11.31%
13.53%	14.78%
2.09%	3.03%
6.45%	3.35%
-2.52%	-4.61%
4.67%	5.96%
3.55%	4.52%
3.95%	1.20%
4.48%	5.70%
20.73%	22.21%
4.18%	-1.94%
0.34%	1.46%
-0.19%	0.15%
-0.81%	-1.17%
-4.87%	-9.35%
-1.79%	-3.09%
0.72%	1.73%
2.17%	-5.79%
0.70%	1.66%
-100.00%	-100.00%
0.68%	1.66%
-2.56%	-13.70%
16.58%	17.83%
-3.13%	-5.81%
15.60%	16.94%
4.19%	-7.49%
-4.87%	-9.34%
-3.13%	-5.83%
1.72%	-6.17%
4.99%	0.22%
3.43%	-2.82%
-44.86%	-43.43%
18.55%	19.01%
-3.43%	-6.44%
-4.45%	-8.52%
-4.18%	-7.94%
-5.42%	-10.42%
4.01%	4.90%
2.51%	3.39%
0.00%	0.00%

NEW FORMULA	% Change in State Aid
(546,103)	-10.95%
(65,394)	-5.56%
(241,676)	-6.88%
12,178,386	6.48%
302,585	19.28%
(1,299,622)	-7.45%
(185,229)	-11.20%
(8,255)	-0.35%
(409,770)	-27.04%
(514,740)	-8.27%
188,734	6.98%
261,569	11.26%
431,949	9.02%
14,465	0.54%
127,623	3.40%
4,738,904	7.33%
(1,430,238)	-21.51%
360,880	16.85%
88,006	4.59%
(20,078)	-1.85%
(411,400)	-7.79%
1,636,805	8.12%
81,354	6.14%
(72,416)	-3.24%
3,249,421	7.72%
2,159,488	24.67%
(188,993)	-13.24%
460,954	3.32%
93,291	1.69%
(58,632)	-0.87%
(6,728,864)	-17.40%
(683,711)	-4.58%
1,984,656	3.41%
(362,454)	-20.89%
169,730	3.28%
(11,686,868)	-100.00%
611,605	3.30%
(195,940)	-35.24%
632,322	19.93%
(190,552)	-10.12%
1,178,954	19.19%
(200,759)	-29.36%
(479,000)	-17.32%
(777,633)	-10.24%
(298,903)	-21.13%
(105,199)	-8.39%
(261,856)	-13.69%
(1,397,535)	-41.05%
506,575	21.90%
(164,309)	-11.49%
(968,904)	-15.73%
(984,925)	-14.51%
(827,152)	-19.46%
255,111	6.38%
83,286	4.85%
-	0.00%
\$29,543	



Senate Bill 36

A proposal to bring

Simplicity & Fairness

to the way Alaska
funds its public schools



Since 1988, State of Alaska
General Fund dollar
support of the public
school Foundation Formula
has increased

54.3%

(\$409 m to \$631 m)

In that same time, the
number of public school
students to be educated in
Alaska

has increased

27.9%

(101,142 to 129,426)

Public School Funding

A Historical Review

Some critics of Senate Bill 36 focus attention on the impact the legislation has on several rural school districts, specifically the loss of state revenue in comparison to the dollar amount previously received. In order to fully understand this argument, it is necessary to put the current funding formula in a historical perspective.



1985 marked the second year of a three year study to determine a "resource cost model" to fund schools. California consultants were asked to assess the costs involved in educating Alaskan students in three differently sized, hypothetical classrooms. During this lengthy review, school districts were anxious for a change and pressure on the Legislature mounted. For a variety

of reasons, the "resource cost model" was never implemented. Unable to decide upon the funding level, the Legislature approved a stop-gap measure.

An Alaska Geographic Differential Study was conducted in 1985 by Homan-McDowell. The study was based solely on the household cost of living and provided differential data for 19 election districts.

* * * * *



Still under pressure to adopt a new formula, the Legislature approved SB 408, sponsored by Sen. Frank Ferguson, for one year.

- "... most districts generate more special ed. money than they need."

- "... noted the increased need for consolidation of school districts."

Bob Green, School Boards' Assoc.

- "[The ACD] has always been a tool used to . . . bring a number up or down, depending upon what a legislator was interested in."

Mike Scott, staff to Sen. Ferguson

- "... real equity between urban and rural districts cannot be achieved."

LeRoy Owens, Aleutian Schools

* * * * *



The Legislature convened and found itself still in a tenuous position. The funding formula was under attack by the Southwest Region School District and the federal government. (Subsequently, the federal government required \$11 million to be repaid by the state to several school districts.)

Homan-McDowell. City and borough school districts were required to contribute 4 mills of their assessed property value or 35% of their district's basic need. A district's allocation was determined, in part, by the number of "funding communities" within the district.

Governor Cowper proposed a funding formula based on "instructional units" and the cost of living study conducted in 1985 by

In the House Finance Committee, under the direction of Rep. Al Adams, Chair, 29 area cost differentials were increased.

1987
 As a result of several years of turmoil, the proposal was adopted even though the legislation would be a further setback for railbelt taxpayers and students."
 Sen. Joe Josephson (5/19/87)

- "[The new area cost differentials] are not based on the benefit of specific supporting data. For this reason, I do not feel these numbers should be included in the Foundation Formula."
 Rep. Steve Rieger (4/16/87)
- "[The new area cost differentials] presented are not based on a solid basis of school costs. I do not have confidence in their accuracy."
 Rep. Pat Pourchot (4/16/87)
- "[The House HESS Committee] urges that the issue of taxation in the unorganized areas be given serious consideration."
 Rep. Johnny Ellis (3/19/87)
- "... would like a survey of the [unorganized] areas to know the potential of the people being able to pay a percentage of the cost of education in their own areas."
 Rep. Dave Donley (3/18/87)
- "[I] express concern that surplus funding would be siphoned off by central offices and used to increase administrative hierarchy."
 Sen. Paul Fischer (5/19/87)

- "... in the rush to adjournment, the Senate Finance CS was reported out of committee without an opportunity for public testimony. [I] prevailed upon the Senate to return the bill to committee for a public hearing."
 Sen. John Binkley (5/19/87)
- "... if the 4 mill rate was in place ... North Slope and Valdez would be paying an unrealistic amount in relationship to [their need]."
 Marshal Lind, DOE Commissioner
- "... noted that [House Finance] had proposed twenty-nine [new ACDs] totaling approximately \$4.2 million for all REAAs."
 Sen. Paul Fischer (5/19/87)
- "I believe it is dangerous for the Legislature to adjourn without enacting a new formula. [U]rban members of the Senate HESS Committee acquiesced in a measure that includes area differentials less favorab' : to urban areas."
 Sen. Joe Josephson (5/19/87)
- "... there appears to be no objective definition of funding communities."
 Bill Berrier, small districts' lobby

* * * * *

1998
 SB 36 proposes a funding formula that is based on actual school costs.

During the past ten years, the Foundation Formula has remained relatively stable. However, the current distribution scheme, developed under pressure with very limited cost data, has proven to be an experiment that has failed. Issues raised in 1987 – special education spending, administrative overhead, "funding communities," local contribution inequities, inflated area cost differentials – are

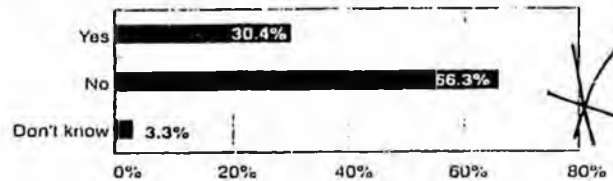
still areas of concern and are addressed in SB 36. Senate Bill 36 is based on a school operating cost study that treats all Alaskan schools equally and fairly. This is the first review of actual school costs in the thirty-nine years of Alaskan statehood. It is important to remember the historical perspective of the current formula when comparing SB 36 to the existing formula.

ALASKA EDUCATION SURVEY

School Funding

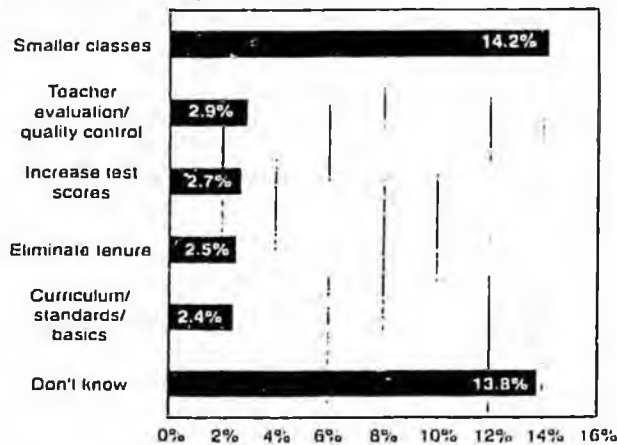
The survey found that only one in three Alaska voters believes that significant increases in education funding would improve the quality of education.

"If state funding of education was increased significantly tomorrow, do you think the quality of education in the state would increase?"



In an open-ended question, respondents reported some of the changes they would need to see that would make them more likely to support increased funding for education. Smaller class size, teacher quality and tenure issues, higher test scores, and better curriculum, higher standards and back-to-basics were the most frequent responses.

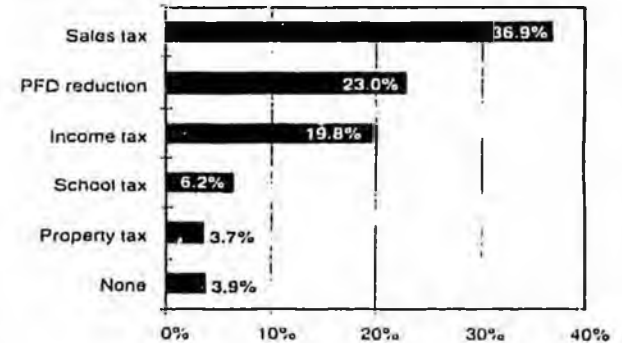
"What's the main thing you'd like to see happen that would make you more likely to pay more money for education?"



Five tax options were presented to respondents: a 1.5% sales tax, a 1% income tax, a 3 mill property tax, a \$160 Permanent Fund deduction, and a \$200 school tax. All of the proposed taxes yield annual revenue in the range of \$60 million to \$80 million. When

asked to make a choice among the tax options, more voters favored the sales tax.

"If the State needed to raise funds in some way to pay for education in Alaska, which of the five revenue sources we discussed would you be most supportive of...?"



The survey also found:

- Nearly half the state's voters think that Alaska is in financial trouble.
- Alaska voters are three times more likely to support cutting expenditures than raising taxes to alleviate state financial problems.
- More than 52% of voters believe that some districts receive too much funding while others receive too little.
- 57% of voters are unaware of the Foundation Formula for school funding. Another 9% are aware of its existence but unfamiliar with how it works.
- 81% believe the state's method of funding schools should be simplified.
- 73% of voters support funding education based on an amount per student, with additional amounts added for special needs, rather than the current instructional unit method.
- Half of those surveyed feel it is reasonable for rural school districts to receive twice the per student funding of urban schools.
- 43% say it makes sense to place all schools into one of four cost brackets representing costs in urban communities, small communities on the road system, rural hubs such as Bethel, and remote rural communities.

School Funding Analysis

Comparison of SB 85 and SB 36

Senate Bill 85 Introduced by the Governor – 2/12/97	Governor's Transmittal Letter Several Excerpts – 2/12/97	Senate Bill 36 Passed by the Senate – 3/11/98
<ul style="list-style-type: none"> • Allocations are distributed on a per student basis, and then weighted according to the cost of operating schools. 	<ul style="list-style-type: none"> • <i>[recommend] a per pupil basis instead of the complicated instructional unit method now in use.</i> 	<ul style="list-style-type: none"> • Allocations are distributed on a per student basis, and then weighted according to the cost of operating schools.
<ul style="list-style-type: none"> • Special needs students are classified as 20% of total students enrolled in schools. An across the board allocation is made to each school district for its special needs students, to be spent as each local district deems appropriate. Categorical funding is abolished. 	<ul style="list-style-type: none"> • <i>Eliminating the need to unnecessarily label children as "special needs students" [allows] districts to receive a block entitlement of 20 percent above their base funding for students currently labeled gifted and talented, vocational, bilingual, and most categories of special education.</i> 	<ul style="list-style-type: none"> • Special needs students are classified as 20% of total students enrolled in schools. An across the board allocation is made to each school district for its special needs students, to be spent as each local district deems appropriate. Categorical funding is abolished.
<ul style="list-style-type: none"> • Funding provides for students identified with intensive needs in <u>addition</u> to the 20% allocation. 	<ul style="list-style-type: none"> • <i>Districts will get categorical funding only for students with the most serious, or intensive, disabilities.</i> 	<ul style="list-style-type: none"> • Funding provides for students identified with intensive needs in <u>addition</u> to the 20% allocation.
<ul style="list-style-type: none"> • Minimum size for funding is set at 10 ADM. 	<ul style="list-style-type: none"> • <i>[SB 85] is bold. It is imaginative.</i> 	<ul style="list-style-type: none"> • Minimum size for funding is set at 10 ADM.
<ul style="list-style-type: none"> • Requires an area cost differential study to be completed and implemented in three years. 	<ul style="list-style-type: none"> • <i>Funds a statewide study to determine the cost of operating schools.</i> 	<ul style="list-style-type: none"> • Implements the <i>Alaska School Operating Cost Study</i> conducted by the McDowell Group.
<ul style="list-style-type: none"> • Area cost differentials are assigned at the funding community level. 	<ul style="list-style-type: none"> • <i>The proposed foundation formula distributes [funding] . . . in a fairer and easier to understand method.</i> 	<ul style="list-style-type: none"> • District cost factors reflect non-personal services and administrative costs for each district.
<ul style="list-style-type: none"> • Equalization is based on 3 mills plus supplemental equalization formula. 	<ul style="list-style-type: none"> • <i>The foundation formula was developed over the past two years by the State Board of Education.</i> 	<ul style="list-style-type: none"> • Equalization is based on 4 mills.
<ul style="list-style-type: none"> • Allows additional local contributions without cap. 	<ul style="list-style-type: none"> • <i>Lifting the current local funding cap that prevents local governments from contributing above a certain level of funding for schools [is recommended].</i> 	<ul style="list-style-type: none"> • Allows for additional local contributions capped at 23% of the district's state share of public school funding.
<p><i>The description of SB 85 was taken from information provided by the Department of Education</i></p>		

Comments on Senate Bill 85 – Public School Funding

Senate Bill 85, relating to public school funding, was introduced by Governor Knowles on February 12, 1997. On February 19, 1997, this legislation was discussed in Senate HESS Committee. Mr. Rick Cross, Deputy Commissioner, Department of Education, spoke in favor of SB 85. The following excerpts were taken from the minutes of that meeting.

Relating to the block entitlement of 20% for special needs students:

- "SB 85 would eliminate unnecessary labeling of students."
- "20% is close to the current total effort on a statewide basis."
- "Considerable disparity [exists] between districts regarding how many students are identified for [special education, bilingual, and vocational educational programs]."
- "In one district, nine percent are special needs . . . while another district has 33 percent identified."
- "Such disparities cannot simply be explained by the student population or demographics alone."
- ". . . some districts have been more aggressive in the identification of students."
- "Over-identification and labeling of students is a concern and cannot continue."
- "The solution is to recognize the cost for such programs, not by unnecessarily labeling children. This needs to be addressed this session."

Relating to the need for a new area cost differential study:

- "[SB 85] allocates funding per student. [A new] area cost differential study . . . is linked to the elimination of the instructional unit."
- "The study . . . would [review] the cost to educate a child and operate a school, not the cost of operating a district."
- "The cost of operating a district must be justified with the impact on the classroom."
- "[I am] pleased that . . . everyone indicated the need for an area cost differential study [and I] acknowledge that an area cost differential study redistributes the wealth which results in winners and losers."
- "[I] agree with the assessment that cost differences [between districts] have diminished, but the study will confirm or deny that suspicion."

SB 36

Four major efforts all at one time

- 1) Base the Formula on the actual cost of operating a school. (McDowell Study)
- 2) Converts from an “instructional unit” basis of funding to a “student dollar”. (The Foundation Formula)
- 3) We define a Fair Share for the organized areas of our state. (4 mills or 100%)
- 4) We begin the process of asking the Unorganized areas of our state to begin contributing to the cost of educating their children. (Payroll contribution or borough formation – SB 337)

Any one of these could be a major single change by itself.

SB 36

Addresses

(A) Simplicity

**“Per Student Dollar” replaces an
“Instructional Unit”.**

(B) Fair Share Contribution

**Organized areas are put on an equal basis of
funding for education.**

(C) Categorical Definition without verification

**Districts are block granted for their local
distribution.**

(D) Classroom Funding Priority

**Districts are mandated to spend 70% of their state
dollars in the classroom**

SB 36
Does Not Address

**The Unorganized areas of our State
(REAA's) contributing towards the
education of their children.**

**(Process has begun with SB 337 - Mandatory Adoption of
Third Class Boroughs for purposes of education support)**

Simplicity

“Per Student Dollar”

replaces an

“Instructional Unit”

The New Foundation Formula

SB 36

Annual Commitment of the Student Dollar

X

Actual Number of Students**

+

Developmentally Disabled Dollars

-

Local Required Support

=

STATE FOUNDATION SUPPORT

** [Number of Students adjusted for: (1) Size and location of school
& (2) Foundation support for special education needs]

Local Required
Participation
(organized)

REQUIRED LOCAL CONTRIBUTION

Applies to Organized Areas only

Current

4 mills of property value

or

35% of prior year's state support

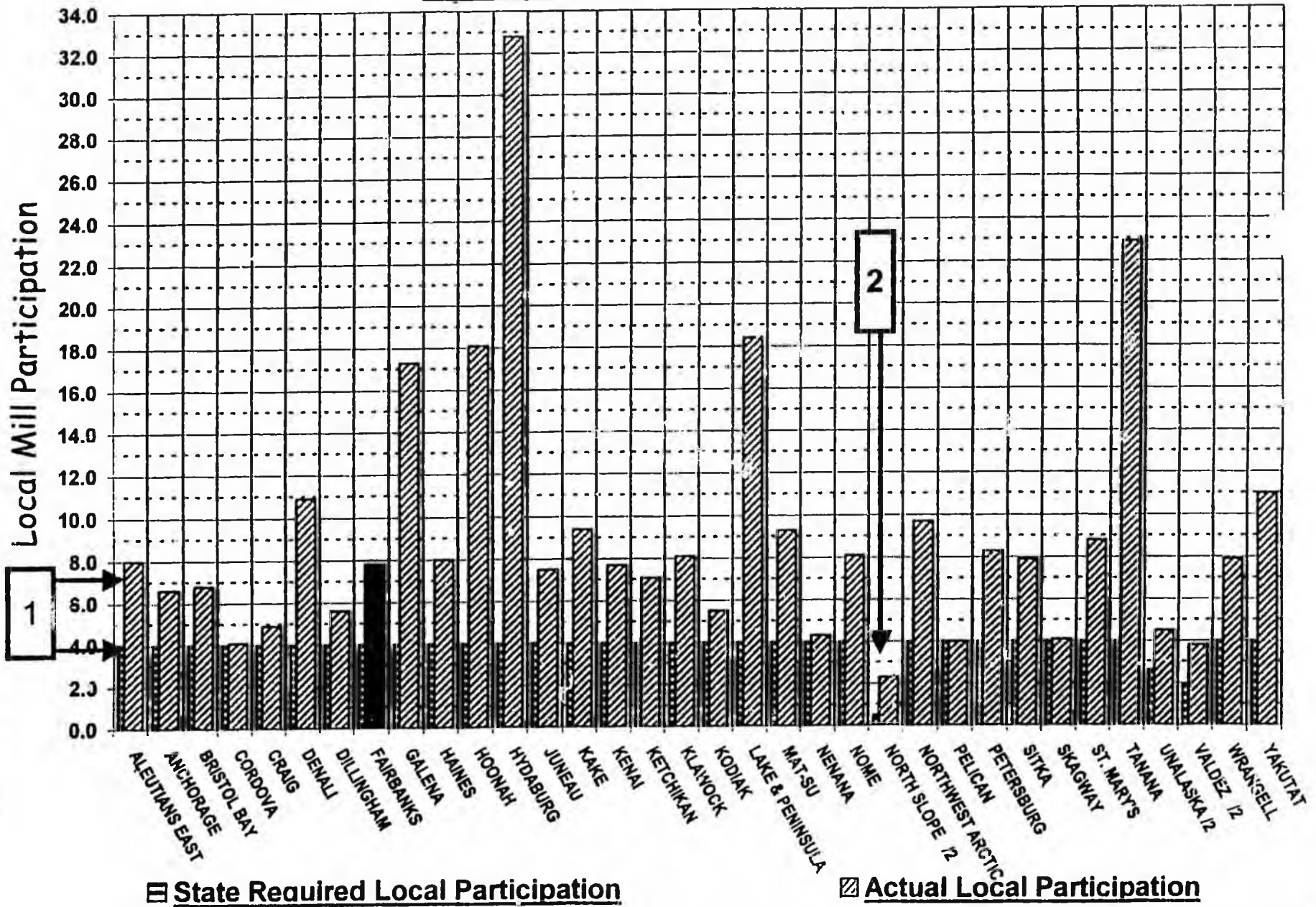
Proposed

4 mills of property value

or

100% of local education requirement

Local Required Funding by School District - 1996



FAIR SHARE

DEFINED BY:

EQUAL FUNDING PARTICIPATION BY ALL DISTRICTS

BASED ON:

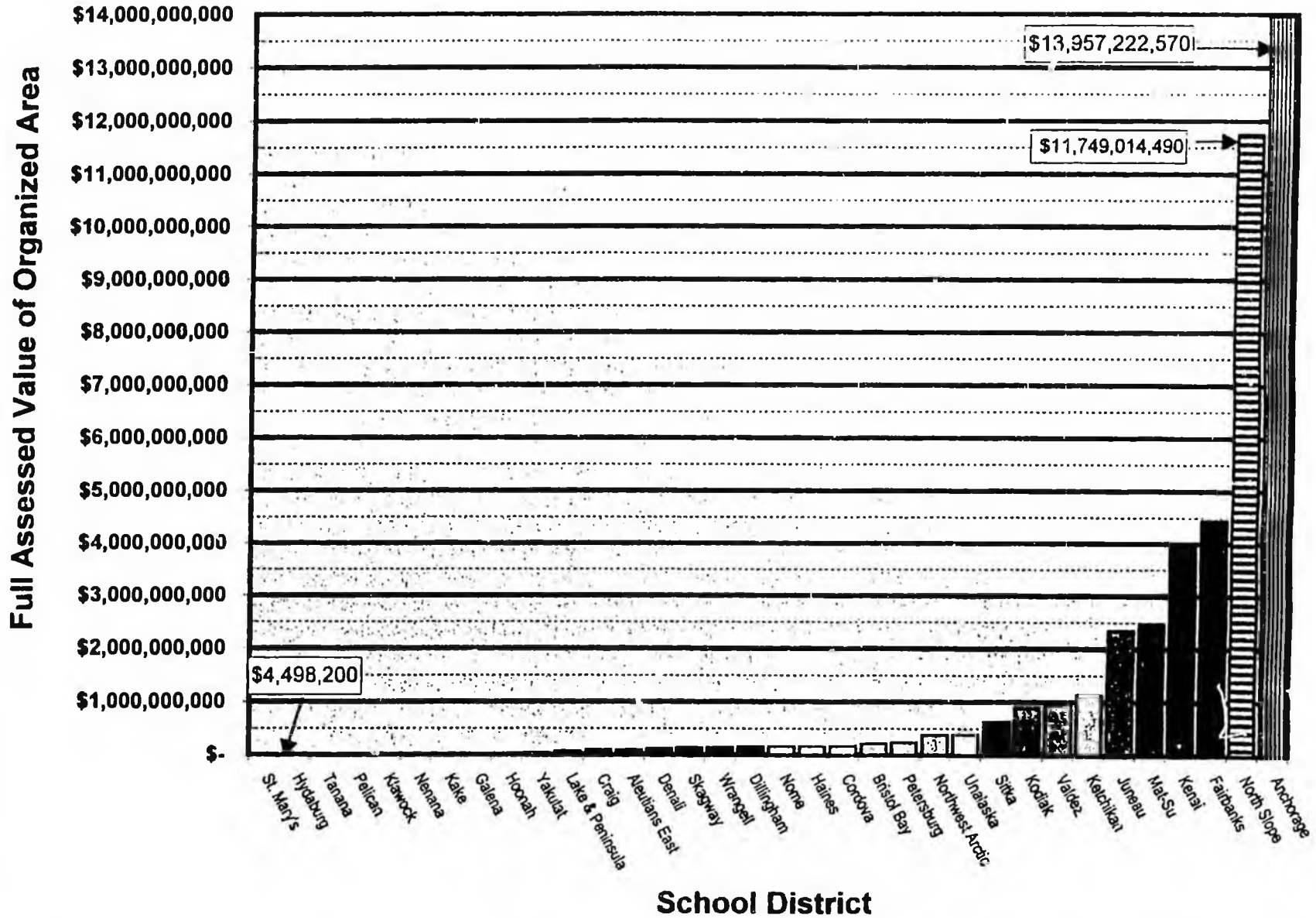
ASSESSED VALUE OF ORGANIZED AREA

WHY ASSESSED VALUE?



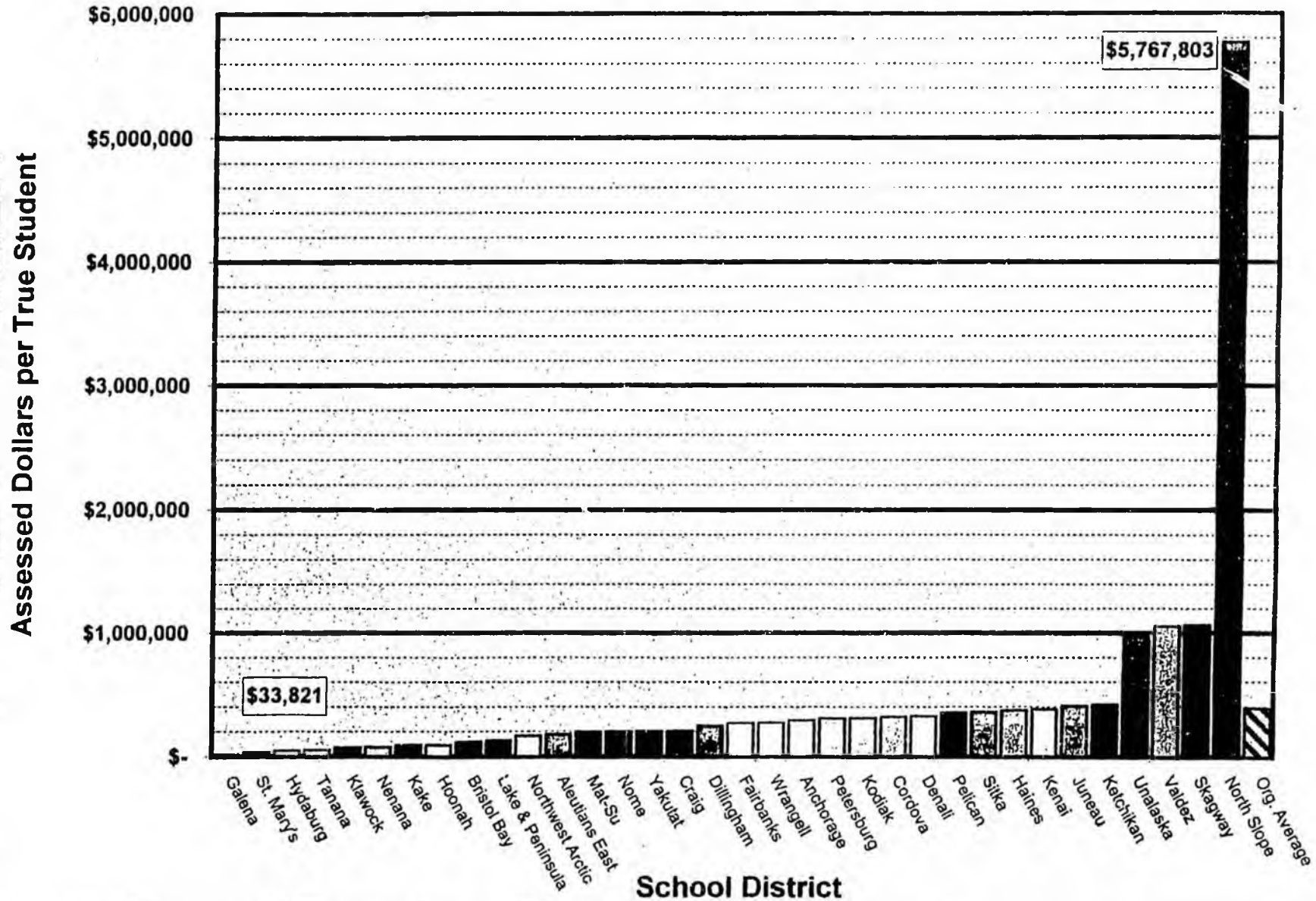
- 1) "ARMS LENGTH" RELATIVE EVALUATION OF THE WEALTH OR LACK OF WEALTH OF A COMMUNITY.
- 2) VALIDATED BY AN OBJECTIVE CIVIC AND JUDICIAL APPEAL PROCESS AT NO COST TO THE STATE.
- 3) READILY AVAILABLE FROM ORGANIZED GOVERNMENTS.
- 4) INCREASES / DECREASES ANNUALLY.

Full Assessed Value 1997



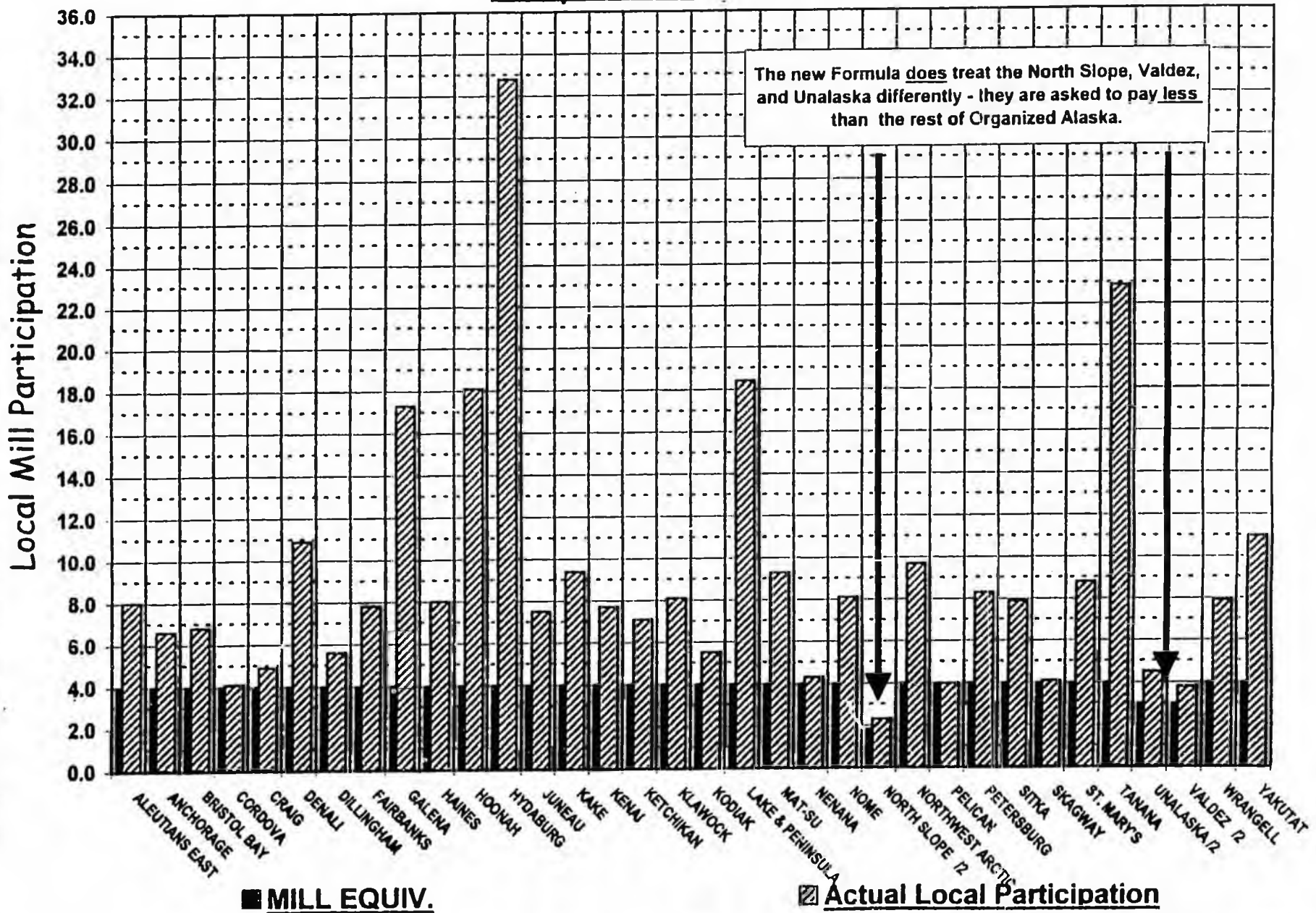
Full Assessed Value per Student

Organized Governments only



Local Funding Participation by School District

Proposed by SB 36



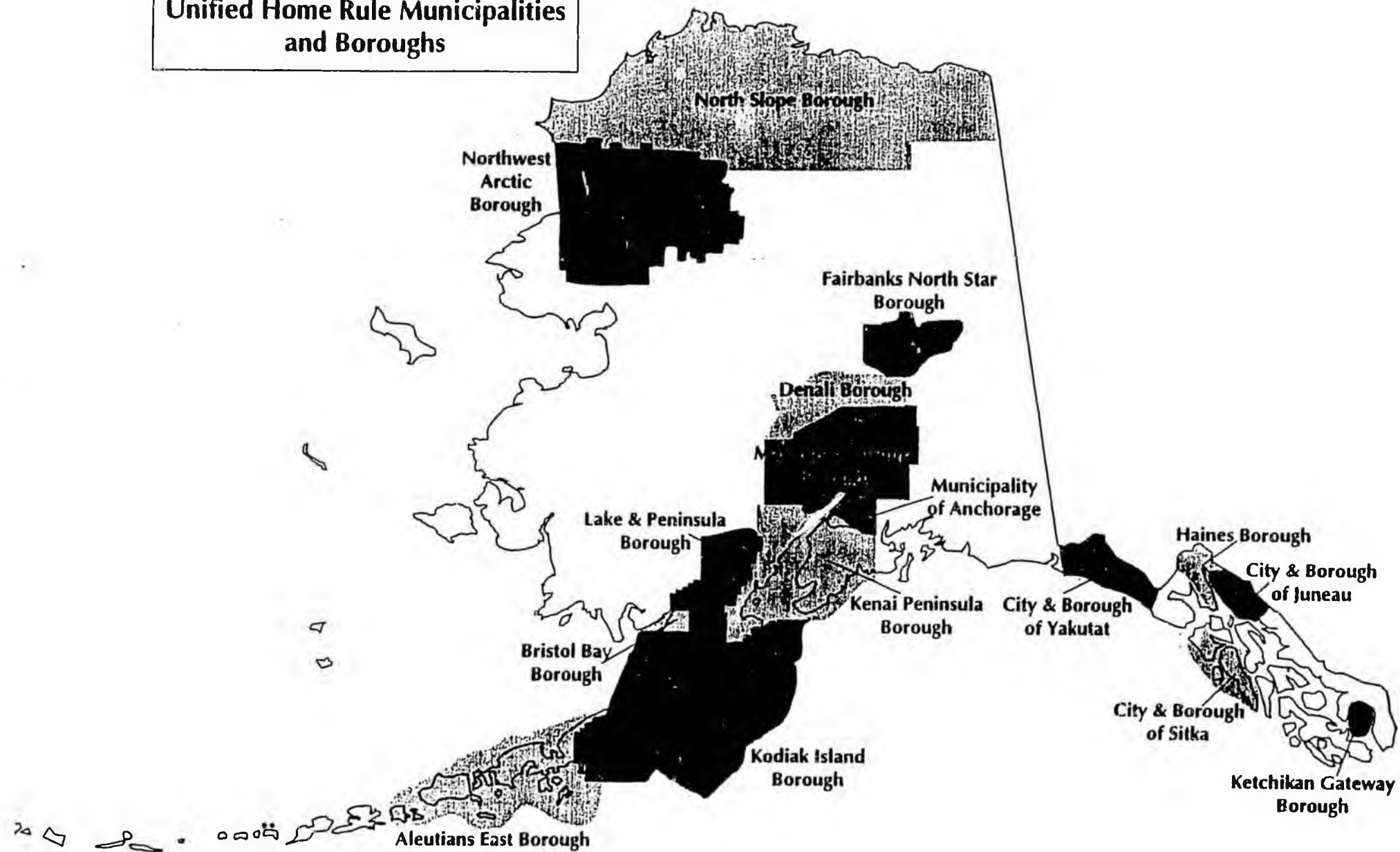
Unorganized

Areas of

Alaska

(SB 337)

— State of Alaska —
Unified Home Rule Municipalities
and Boroughs



- ◆ Voters in Ketchikan, Sitka, Juneau, and Kodiak formed boroughs "voluntarily" in September 1963 prior to 1/1/64 deadline.
- ◆ Voters in Anchorage, Mat-Su, Kenai, and Fairbanks did not. Boroughs in those four regions incorporated by legislative fiat on 1/1/64.

Jay Hammond, a State Representative at the time of the 1961 Borough Act, concluded:

"Attractive enough on paper, in practice, the organized borough concept had little appeal to most communities. After all, why should they tax themselves to pay for services received from the state, gratis?"

REAA WAGES AND EMPLOYMENT - 1996 (Source: Alaska Dept. of Labor)

	WAGE TYPE			NUMBER EMPLOYED		
	GOVERNMENT	PRIVATE	TOTAL	GOVERNMENT	PRIVATE	TOTAL
LOWER KUSKO.	\$ 56,831,456	\$ 62,741,929	\$ 119,573,385	2,008	2,930	4,938
S.W. REGION	16,373,320	38,838,089	\$ 55,211,409	534	1,482	2,016
S.E. ISLANDS	11,322,779	29,252,980	\$ 40,575,759	451	1,092	1,543
LOWER YUKON	22,242,490	9,829,649	\$ 32,072,139	1,089	669	1,758
CHATHAM	9,024,224	19,682,839	\$ 28,707,063	358	646	1,004
DELTA-GREELEY	14,997,750	11,581,805	\$ 26,579,555	460	445	905
COPPER RIVER	9,268,886	13,233,987	\$ 22,502,873	283	596	879
ALEUTIAN REGION	326,148	18,775,462	\$ 19,101,610	15	479	494
YUKON FLATS	6,944,361	11,657,499	\$ 18,601,860	239	278	517
AK GATEWAY	8,685,353	9,170,488	\$ 17,855,841	255	454	709
ANNETTE ISLAND	10,596,318	5,136,734	\$ 15,733,052	381	186	567
PRIBILOF IS.	5,206,387	8,384,196	\$ 13,590,583	168	456	624
BERING STRAIT	4,225,098	8,144,761	\$ 12,369,859	348	652	1,000
CHUGACH	1,989,053	8,542,651	\$ 10,531,704	61	276	337
YUKON-KOYUKUK	3,879,926	6,014,779	\$ 9,894,705	226	138	364
KUSPUK	6,522,797	2,727,825	\$ 9,250,622	198	131	329
IDITAROD	7,311,887	1,527,993	\$ 8,839,880	264	93	357
TOTALS	\$ 195,748,233	\$ 265,243,666	\$460,991,899	7,338	11,003	18,341

NOTES

1) REAA Estimated population - 1996 -> 19 yrs. of age = 31,155

2) 3% School Tax on Gross Earnings = \$13.93 million (remitted quarterly on current ESD report)

3) \$13.93 million divided by 18,541 wage earners = \$751.31 / yr. "head tax".

4) 1996 State Support to REAA's was ~\$135,000,000.

Categorical
Funding

Categorical Funding

Monies identified through the foundation formula for special education needs.

i.e.

GT, Bi-Lingual, Bi-Cultural,
Voc Ed.

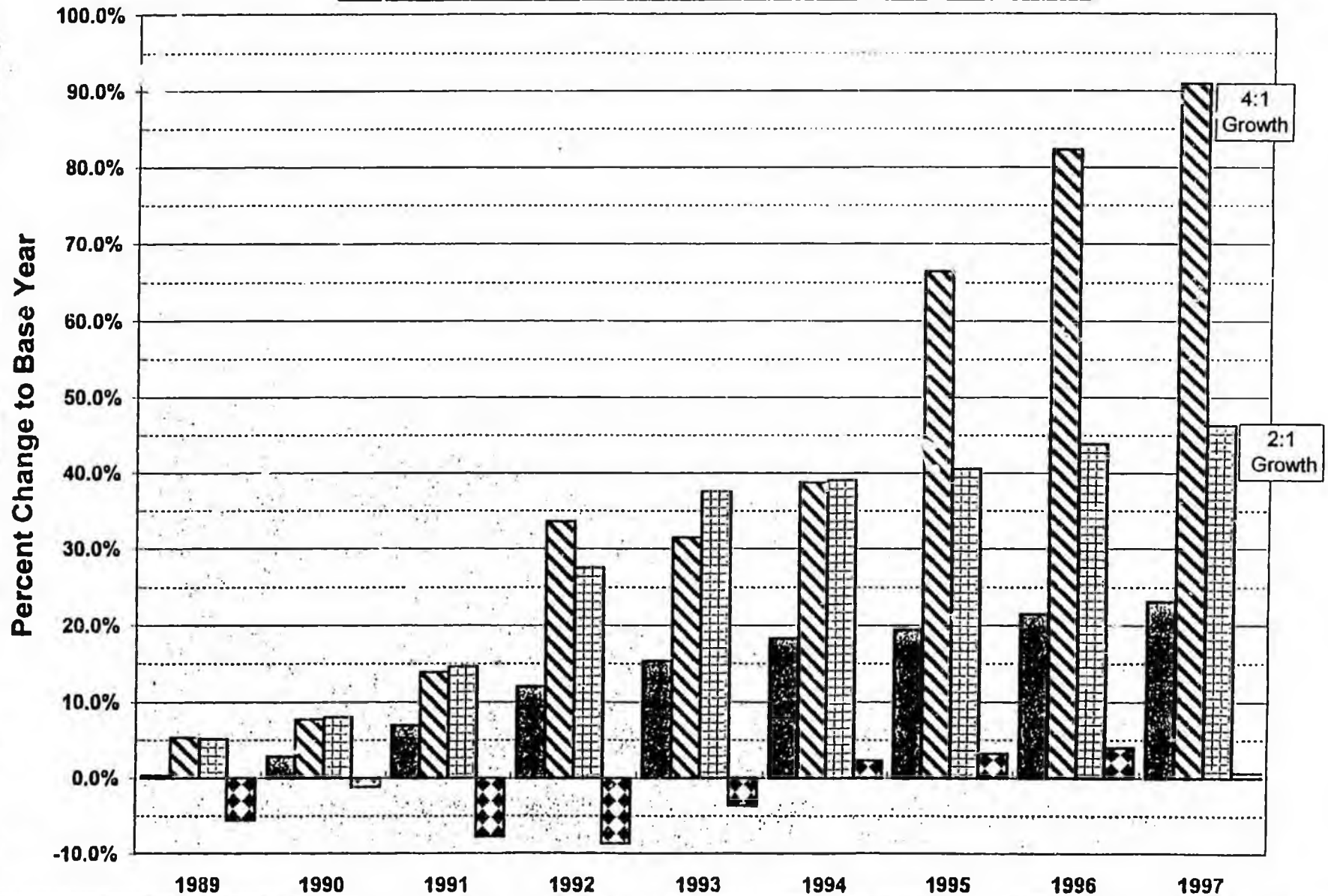
Current Formula

Districts define & count, then State Provides Funding based on definition & count, but...

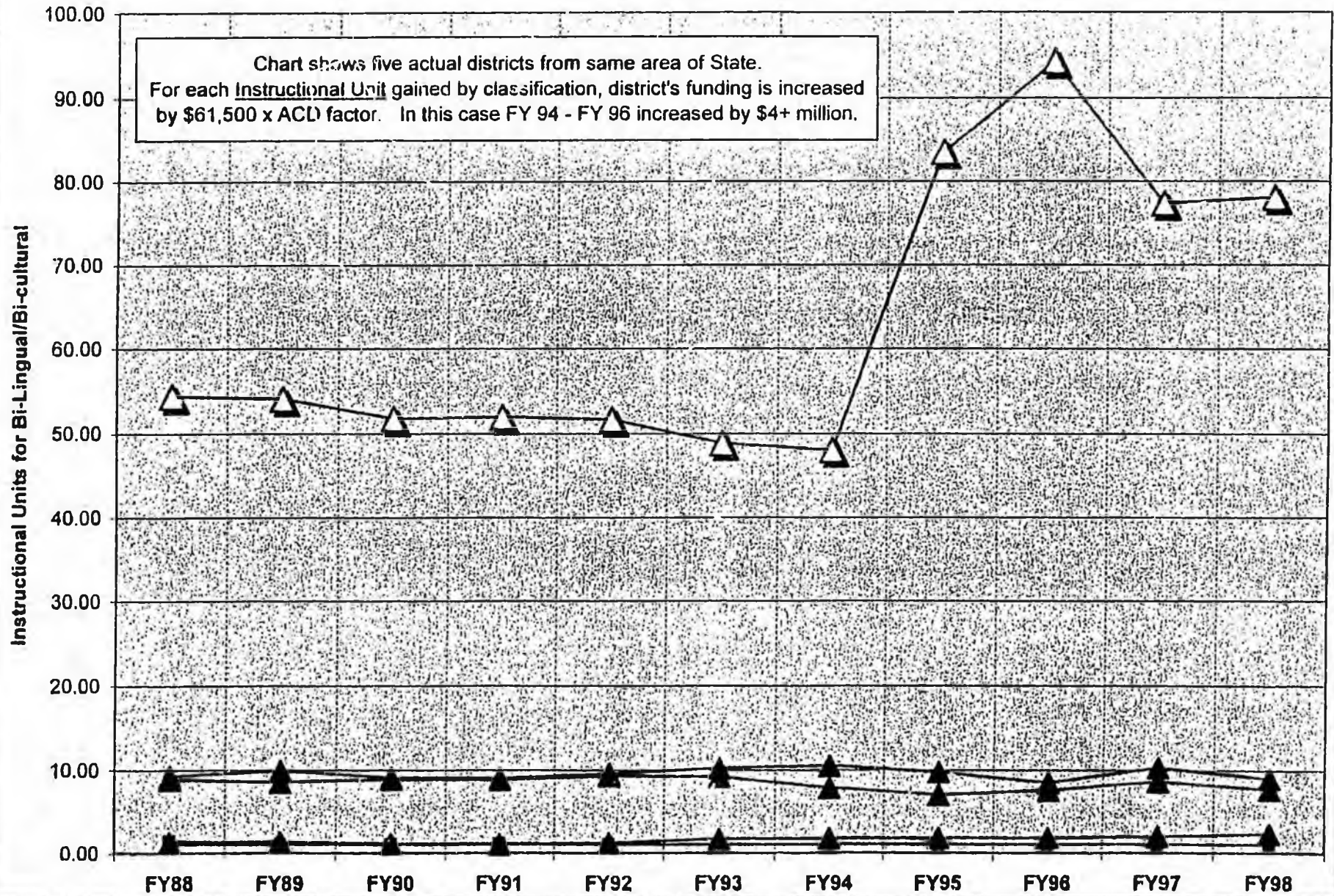
Audits are minimal and Districts are not required to spend them for categorical needs

Growth in Categorical Funding Requirements (1988 to 1997) Percent Change to Base Year (1988)

- | | |
|---|--|
| Attendance | Bilingual/Bicultural |
| Special Education | Vocational Education |



Bi-Lingual/Bi-Cultural Instructional Units 1988 to 1998 Actual Example Districts



22

Senate Bill 36

Results of Legislation

4/29/98 pm

ASSESSED VALUES and TAX RATES (from C&RA's Alaska Taxable)
NORTH SLOPE BOROUGH

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Assessed Values											
North Slope (local assessed FVD)	\$275,236,000	\$191,190,000	\$175,660,300	\$193,226,400	\$202,946,000	\$202,052,900	\$233,076,200	\$219,068,800	\$202,773,100	\$209,362,900	\$283,962,200
State Assessed (AS 43.56)	\$12,300,358,720	\$12,100,779,430	\$11,786,114,000	\$11,804,162,680	\$12,290,672,660	\$12,335,419,180	\$11,940,949,430	\$12,072,123,590	\$12,088,395,460	\$11,920,752,560	\$11,465,052,290
Total	\$12,575,594,720	\$12,291,969,430	\$11,961,774,300	\$11,997,389,080	\$12,493,618,660	\$12,537,472,080	\$12,174,025,630	\$12,291,192,390	\$12,291,168,560	\$12,130,115,480	\$11,749,014,490
225% Calculation											
Applicable Population	11,956	10,904	11,375	12,050	12,050	12,503	12,753	12,188	12,715	13,24	12,938
Statewide per capita Valuation	\$96,195	\$83,430	\$73,354	\$73,190	\$72,683	\$70,617	\$72,270	\$70,690	\$72,293	\$72,08	\$74,474
225% Assessed Value Limit	\$2,587,741,695	\$2,046,871,620	\$1,877,403,937	\$1,984,363,875	\$1,970,617,838	\$1,986,579,789	\$2,073,733,448	\$1,938,531,870	\$2,068,212,364	\$2,147,749,740	\$2,167,975,377
Budget											
Operating Budget Amount	\$0	\$5,776,769	\$46,913,822	\$43,571,200	\$54,307,531	\$59,597,394	\$62,212,003	\$58,155,956	\$62,046,371	\$64,432,490	\$60,009,558
Debt Service Amount	\$230,926,092	\$220,034,650	\$172,495,228	\$173,929,600	\$172,546,745	\$175,481,058	\$162,305,965	\$166,928,940	\$165,652,305	\$164,117,500	\$157,100,000
Tax Rate Calculation											
Mill Rate on 225% limit	0.00	5.52	24.99	21.96	27.56	30.00	30.00	30.00	30.00	30.00	27.68
225% Borough to All Prop. Rate	0.00	0.47	3.93	3.68	4.36	4.76	5.12	4.78	5.06	4.78	5.12
Debt Service Rate for All Property	18.37	17.90	14.44	14.69	13.85	14.01	13.36	13.72	13.50	13.50	13.39
Total Rate	18.37	18.37	18.37	18.37	18.21	18.77	18.48	18.50	18.56	18.50	18.51

VALDEZ

Assessed Values											
Valdez (local assessed FVD)	\$170,040,400	\$143,116,500	\$139,680,300	\$161,465,400	\$159,323,600	\$174,540,100	\$226,434,100	\$239,870,500	\$262,017,800	\$246,983,600	\$251,055,500
State Assessed (AS 43.56)	\$1,395,294,400	\$1,314,014,820	\$1,230,690,600	\$1,139,761,160	\$1,049,877,060	\$971,717,730	\$891,214,810	\$812,643,310	\$729,831,020	\$706,931,800	\$692,583,260
Total	\$1,565,334,800	\$1,457,131,320	\$1,370,370,900	\$1,301,226,560	\$1,209,200,660	\$1,146,257,830	\$1,117,648,910	\$1,052,513,810	\$991,848,820	\$953,915,400	\$943,638,760
225% Calculation											
Applicable Population	3,687	3,686	3,686	7,193	4,635	4,360	4,360	4,301	4,713	4,460	4,254
Statewide per capita Valuation	\$96,195	\$83,430	\$73,354	\$73,190	\$72,683	\$70,617	\$72,270	\$70,690	\$72,293	\$72,08	\$74,474
225% Assessed Value Limit	\$798,009,671	\$691,926,705	\$608,361,399	\$1,184,525,258	\$757,992,836	\$692,752,770	\$708,968,700	\$684,084,803	\$766,613,045	\$724,782,420	\$712,827,891
Budget											
Operating Budget Amount	\$9,306,243	\$15,157,956	\$15,519,220	\$9,423,629	\$8,687,657	\$11,848,519	\$10,946,684	\$15,145,629	\$15,357,893	\$14,769,320	\$15,679,396
Debt Service Amount	\$10,574,445	\$10,390,764	\$9,848,094	\$9,663,813	\$9,931,054	\$9,372,574	\$9,337,614	\$3,961,847	\$2,177,799	\$1,830,610	\$1,919,736
Tax Rate Calculation											
Mill Rate on 225% limit	11.6618	21.9069	25.5090	7.9560	11.4600	17.1000	15.4400	22.1400	20.0300	20.3800	22.0000
225% Converted to All Prop. Rate	5.7011	10.8110	11.7976	7.6630	7.5813	10.9916	10.6240	15.753	17.24577	16.575	18.491
Debt Service Rate for All Property	7.0000	7.4110	7.4864	7.8580	8.6663	8.6947	9.0620	4.121	2.44551	2.054	2.764
Total Rate	12.7011	18.2220	19.2840	15.5210	16.2476	19.6863	19.686	19.874	19.69	18.6	20.76

ASSESSED VALUES and TAX RATES (from C&RA's Alaska Taxable)
NORTH SLOPE BOROUGH

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Assessed Values											
North Slope (local assessed FVD)	\$275,236,000	\$191,190,000	\$175,660,300	\$193,226,400	\$202,946,000	\$202,052,900	\$233,076,200	\$219,068,800	\$202,773,100	\$209,362,900	\$283,932,200
State Assessed (AS 43.56)	\$12,300,358,720	\$12,100,779,430	\$11,786,114,000	\$11,804,162,680	\$12,290,672,660	\$12,335,419,180	\$11,940,949,430	\$12,072,123,590	\$12,088,395,460	\$11,920,752,580	\$11,465,052,290
Total	\$12,575,594,720	\$12,291,969,430	\$11,961,774,300	\$11,997,389,080	\$12,493,618,660	\$12,537,472,080	\$12,174,025,630	\$12,291,192,390	\$12,291,168,560	\$12,130,115,480	\$11,749,014,490
225% Calculation											
Applicable Population	11,956	10,304	11,375	12,050	12,050	12,503	12,753	12,188	12,715	13,200	12,938
Statewide per capita Valuation	\$96,195	\$83,430	\$73,354	\$73,190	\$72,683	\$70,617	\$72,270	\$70,690	\$72,293	\$72,000	\$74,474
225% Assessed Value Limit	\$2,587,741,695	\$2,046,871,620	\$1,877,403,937	\$1,984,363,875	\$1,970,617,838	\$1,986,579,789	\$2,073,733,448	\$1,938,531,870	\$2,068,212,364	\$2,147,749,700	\$2,167,975,377
Budget											
Operating Budget Amount	\$0	\$5,776,769	\$46,913,822	\$43,571,200	\$54,307,531	\$59,597,394	\$62,212,003	\$58,155,956	\$62,046,371	\$64,432,492	\$60,009,558
Debt Service Amount	\$230,926,092	\$220,034,650	\$172,495,228	\$173,929,600	\$172,546,745	\$175,481,058	\$162,305,965	\$156,928,940	\$165,652,305	\$164,117,500	\$157,100,000
Tax Rate Calculation											
Mill Rate on 225% limit	0.00	5.52	24.99	21.96	27.56	30.00	30.00	30.00	30.00	30.00	27.68
225% Borough to All Prop. Rate	0.00	0.47	3.93	3.68	4.36	4.76	5.12	4.78	5.06	4.90	5.12
Debt Service Rate for All Property	18.37	17.90	14.44	14.69	13.85	14.01	13.36	13.72	13.50	13.50	13.39
Total Rate	18.37	18.37	18.37	18.37	18.21	18.77	18.48	18.50	18.56	18.40	18.51

VALDEZ

Assessed Values											
Valdez (local assessed FVD)	\$170,040,400	\$143,116,500	\$139,680,300	\$151,465,400	\$159,323,600	\$174,540,100	\$226,434,100	\$239,870,500	\$262,017,800	\$246,983,600	\$251,055,500
State Assessed (AS 43.56)	\$1,395,294,400	\$1,314,014,320	\$1,230,690,600	\$1,139,761,160	\$1,049,877,060	\$971,717,730	\$891,214,810	\$812,643,310	\$729,831,020	\$706,931,850	\$692,583,260
Total	\$1,565,334,800	\$1,457,131,320	\$1,370,370,900	\$1,301,226,560	\$1,209,200,660	\$1,146,257,830	\$1,117,648,910	\$1,052,513,810	\$991,848,820	\$953,915,450	\$943,638,760
225% Calculation											
Applicable Population	3,687	3,686	3,686	7,193	4,635	4,360	4,360	4,301	4,713	4,465	4,254
Statewide per capita Valuation	\$96,195	\$83,430	\$73,354	\$73,190	\$72,683	\$70,617	\$72,270	\$70,690	\$72,293	\$72,080	\$74,474
225% Assessed Value Limit	\$798,009,671	\$691,926,705	\$608,361,399	\$1,184,525,258	\$757,992,836	\$692,752,770	\$708,968,700	\$684,084,803	\$766,613,045	\$724,782,420	\$712,827,891
Budget											
Operating Budget Amount	\$9,306,243	\$15,157,956	\$15,519,220	\$9,423,629	\$8,687,657	\$11,848,519	\$10,946,684	\$15,145,629	\$15,357,893	\$14,769,321	\$15,679,396
Debt Service Amount	\$10,574,445	\$10,390,764	\$9,848,094	\$9,663,813	\$9,931,054	\$9,372,574	\$9,337,614	\$3,961,847	\$2,177,799	\$1,830,619	\$1,919,736
Tax Rate Calculation											
Mill Rate on 225% limit	11.6618	21.9069	25.5090	7.9560	11.4600	17.1000	15.4400	22.1400	20.0300	20.3800	22.0000
225% Converted to All Prop. Rate	5.7011	10.8110	11.7976	7.6630	7.5813	10.9916	10.6240	15.753	17.24577	16.5750	18.491
Debt Service Rate for All Property	7.0000	7.4110	7.4864	7.8580	8.6663	8.6947	9.0620	4.121	2.44551	2.0540	2.764
Total Rate	12.7011	18.2220	19.2840	15.5210	16.2476	19.6863	19.686	19.874	19.69	18.600	20.76