SCOMM

153:4

25th Alaska State Legislature
Joint Legislative Education Funding Task Force

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EDUCATION FUNDING TASK FORCE
JULY 11 – 12, 2007
9:00 AM

TESTIMONY AGENDA

Wednesday - July 11, 2007

9:00 am – 10:00 am:	*Department of Law presents Moore et al v. State of Alaska lawsuit*
10:00 am – 10:30 am:	*Fairbanks North Star School District*
10:30 am – 11:00 am:	*North Slope School District*
11:00 am- 11:30 am:	*Kenai Peninsula School District*
11:30 am – Noon:	*Ketchikan Gateway School District*
	Noon – 1:30 pm Lunch Break
1:30 pm – 2:00pm:	*Cordova School District*
2:00 pm – 2:30 pm:	*Delta/Greely School District*
2:30 pm – 3:00pm:	*Sitka School District*
3:00 pm – 3:30pm:	*Bering Straits School District*
3:30 pm – 4:00 pm:	*Wrangell Public Schools*
4:00 pm – 4:30 pm:	*Kodiak Island Schools*
4:30 pm – 5:00 pm:	*Lower Kuskokwim School District*

5:00 pm – 6:30 pm Dinner Break

6:30 pm – 9:00 pm: Public testimony – time limit may be set

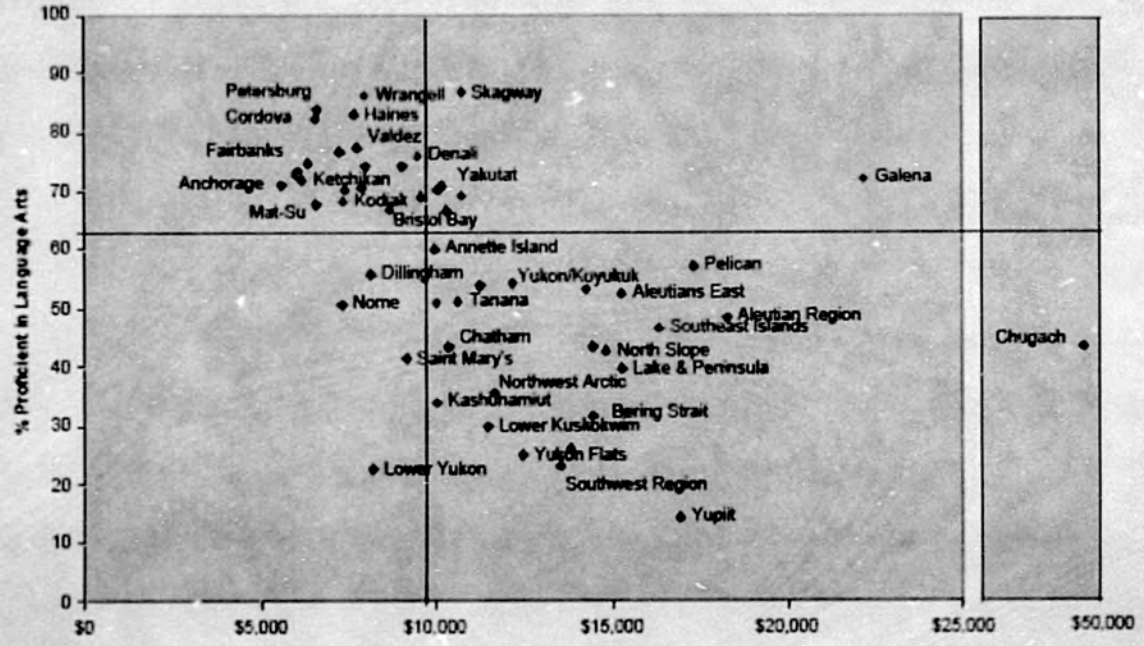
rep.mike.hawker@legis.state.ak.us • http://www.housemajority.org/hawker

Thursday - July 12, 2007

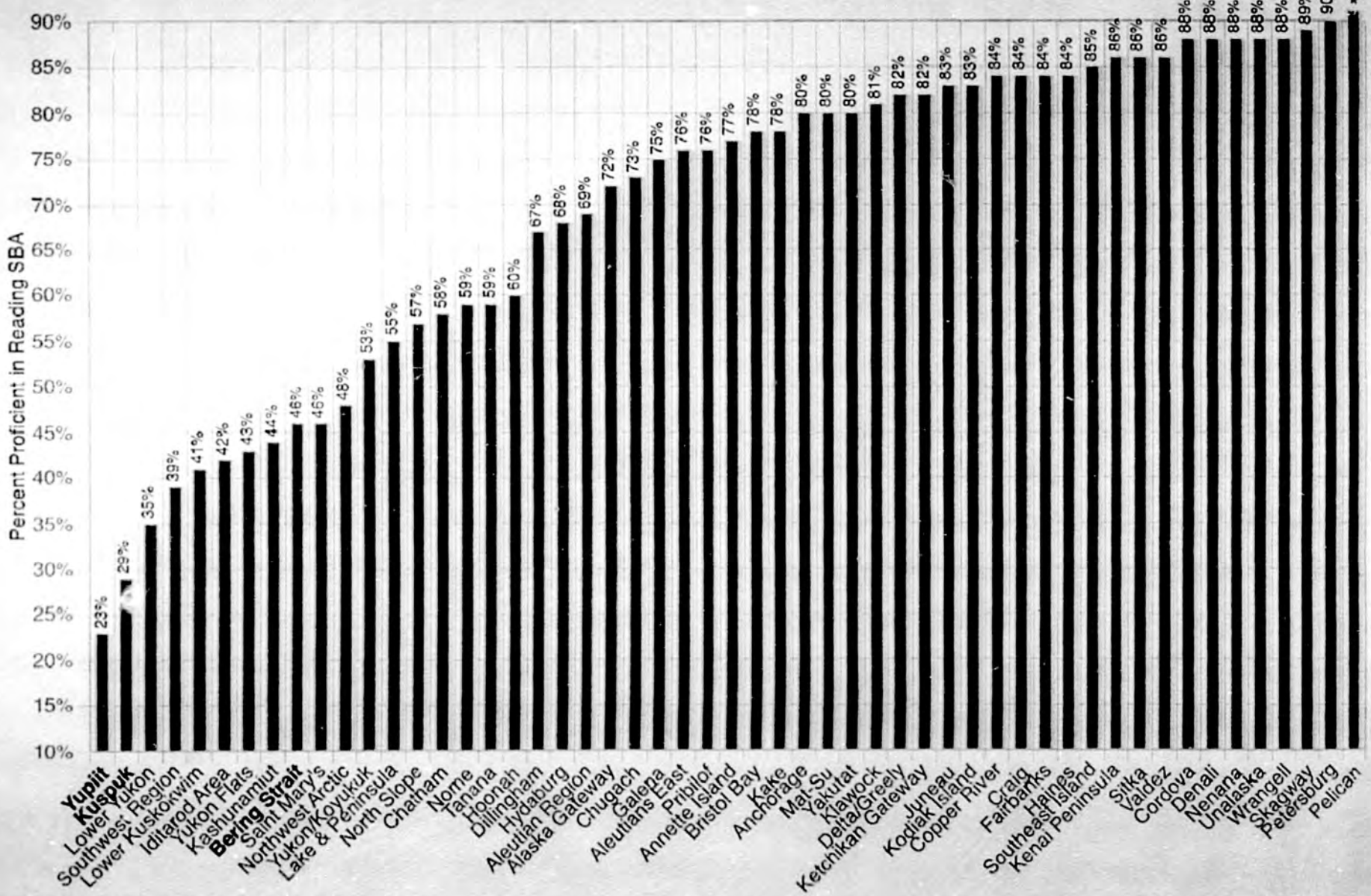
9:00 am – 10:00 am:	*ISER presentation on cost differential methodology*
10:00 am – 10:30 am:	*Anchorage School District*
10:30 am – 11:00 am:	*Juneau School District*
11:00 am – 11:30 am:	*Lake and Peninsula Borough District*

Noon – 1:30 am Lunch Break

1:30 pm – 2:00 pm:	*Alaska Municipal League*
2:00 pm – 4:30 pm:	***Public testimony – time limit may be set***


% Proficient in Language Arts
100
90
80
70
60
50
40
30
20
10
0
$0
$5,000
$10,000
$15,000
$20,000
$25,000
$50,000
Petersburg
Wrangell
Skagway
Cordova
Haines
Valdez
Fairbanks
Denali
Anchorage
Ketchikan
Yakutat
Galena
Kodiak
Mat-Su
Bristol Bay
Annette Island
Pelican
Dillingham
Yukon/Koyukuk
Aleutians East
Nome
Tanana
Aleutian Region
Southeast Islands
Chugach
Chatham
North Slope
Saint Mary's
Lake & Peninsula
Northwest Arctic
Kashunamiut
Bering Strait
Lower Kuskokwim
Yukon Flats
Lower Yukon
Southwest Region
Yupiit

FY2005 District Comparison: Percent Proficient in Reading SBA



Correspondence students excluded

Data from Alaska Department of Education and Early Development

* More than 90%

057671

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

M E M O R A N D U M

DATE: July 11, 2007

TO: Fairbanks North Star Borough School Board

THROUGH: Ann Shortt, Superintendent of Schools AS

FROM: Mike Fisher, Chief Financial Officer MF

RE: Testimony to Education Task Force

Good Morning Chairman Hawker, members of the committee.

For the record, I'm Mike Fisher, Chief Financial Officer for the Fairbanks North Star Borough School District.

Thank you for the opportunity to speak to this committee regarding the State's "Public School Funding" formula.

You have a difficult task before you.

The formula itself is really not that complicated, but deciding what the individual variables should be that provide for a fair and equitable distribution of limited resources "in perception" and "if fact" is very complicated.

This committee quickly worked through a laundry list of issues regarding the funding formula at the last meeting. It was probably not an exhaustive list, but the items were all important, some more so than others, and some more contentious than others.

I believe the committee quickly boiled the list down to three main issues effecting the equitable distribution of education funding. And the Fairbanks School District agrees with this committee that those three issues probably are: funding for intensive needs children, equitable district cost factors, and required local support from growing communities.

Bottom line, the value of the "base student allocation" (or BSA dollar) is paramount, but that is probably an issue for another task force.

Although there will undoubtedly be costs associated with implementing any changes to the foundation formula in a "transition year", and it is imperative that there are, the focus of this committee appears to be determining the fair and equitable distribution of funding within the formula, not the adequacy of education funding.

To that end, I would like to offer the Fairbanks School District's comments and recommendations regarding these three main issues.

1. Intensive needs funding.

The Fairbanks School District supports increasing the funding for intensive needs students from 5 times the BSA, to 9 times the BSA.

Fairbanks does not support block funding intensive needs at 2% of enrollment, because it is critical that the funding for intensive needs students be directed and distributed to those districts most impacted by the necessary, but expensive costs of such services.

Fairbanks does not support reimbursement of actual costs. It is not so much that we do not support the concept, but believe that such a system can not be efficiently administered or controlled at the state or local level. Even with the best intentions at heart, the tendency toward increased services and increase costs would probably doom such a system. We welcome accountability, but have no desire to increase administrative personnel to try and further document and allocate various professional services and administrative time and costs on a per child basis. That money is better spent on the child.

Please let me assure parents of special needs children, Fairbanks will continue to provide the necessary services mandated in a child's individual education plan regardless of how the current funding level is adjusted, but increasing per student funding per established and verifiable criteria will lessen the current practice of providing for intensive services at the detriment of other educational programs.

The increase to 9 times the BSA would provide an additional $21,520 in funding for an intensive needs child, raising supplemental state funding per child to $48,420. With regard to intensive funding, it is important that the per student increase be funded with new dollars. Funding these recognized higher costs by shifting something else in the formula would serve no purpose. We are already robbing Peter to pay Paul.

In Fairbanks, the average cost of serving an intensive needs child is estimated at over $65,000, not including transportation. We spend an additional $3m annually on bussing of all special needs students, including intensive.

So, while the increase we support does not fully close the gap between funding and actual costs, it is a reasonable increase and represents a good faith recognition by the state of the extremely high costs associated with serving these special needs children.

2. District Cost Factors

The Fairbanks School District believes that implementing one-half of the ISER cost factor study is a reasonable compromise on the distribution of foundation funds.

For Fairbanks, the cost factor would go from 3.9% to 5.5%.

Does this mean we support the methodology behind the ISER study? No. We recognize that there is a wide range in the cost of doing business in rural vs. urban, remote vs. road system, small vs. large, and cold vs. colder districts. We don't have the right answers to this issue, but we do not think this study has them either.

Even if a study were to have the "right" answers, we're not sure it would be supported any more than the last two studies. There appears to be a number of issues being addressed in what was intended as a "geographical" cost factor, which is OK, as long as it is recognized as such.

We're unsure as to what % of the ISER study increases relate to personnel costs, but we assume it is substantial. We understand that if a district's cost factor is increasing, that it is due in large part to the perceived necessity of substantially increasing individual teacher salaries and benefits.

Regardless if you believe in that reasoning or not, the gradual impact that approach will have on average teacher salaries across the state will be worth watching.

I note that ISER is presenting on their study tomorrow, so I'm sure personnel costs will be addressed.

At this committee's last meeting, I believe there was some discussion on the possibility of a lengthier review and revision of foundation funding. If that is truly under consideration, maybe a recommendation to sunset the one-half ISER provision after three years or so would be in order. That time frame would cover this committee's tenure and probably the tenure of any successor committee looking at foundation funding.

3. Required local support from growing communities, or the 50/50 split provision.
Back in the 2000-01 school year, organized borough's generally were required to contribute 4 mills of their January 1, 1999 full and true value of taxable property to education.

This past school year, 2006-07, organized borough's generally were still required to contribute 4 mills of their January 1, 1999 full and true value to education (or less if true value had decreased).

But in addition to that, boroughs that experienced growth since 1999 were required to contribute an additional 2 mills on that growth. If assessed values were flat or decreasing, there was no additional contribution required.

So regardless of how an overall lower "effective mill rate" is characterized, today's growing communities are still required to contribute substantially more in taxpayer dollars then they did in 2000-01, which in turn is used to fund education statewide.

Back in 2001, the state was able to withhold about $152 million in required local effort from basic need, and re-distribute that around the state to unorganized and organized areas alike as education funding.

And in 2008 that estimate is $205 million. A $53 million dollar increase in funds from taxpayers in growing communities available to re-distribute throughout the state.

It was noted that the 50/50 change in statute will cost the state $53 million next year because the rapid increase in assessed values was not expected. But on the flip side, the additional $53 million that the state does get to deduct (remember, it's 50/50) from growing districts was not expected either, offsetting much of the perceived negative impact.

Some consider this part of the formula unfair. We do not agree.

In effect, this provision equally shares the positive impacts of economic development in growing communities between the local taxpayers and the state, and therefore around the state in the form of education funding.

I guess if no area of the state had experienced economic growth, then there would be no perceived inequities. But then we would all be looking for $205 million to cover the funding shortfall.

Next year Fairbanks taxpayers will contributes 4 mills x the 1999 assessed values or $18.8 million, plus an additional $5.1 million because of economic growth since then, plus an additional $18.3 million in general support of education above the require local contribution, for a total of over $42 million, representing an education mill levy for each property taxpayer of about 6.6 mills. And we thank the local taxpayers for their support.

Fairbanks does not support changing the current method of computing the required local contribution to education.

An issue that is sometimes but not necessarily related directly to economic growth is enrollment. Declining enrollments result in less funding, but the costs do not necessarily go away. Be it staffing or energy costs, very often it is almost impossible to reduce costs regardless of what the official student count indicates, especially in the short term. The committee touched on this issue at the last meeting. We support a mechanism that allows districts to gradually absorb the loss of funding when student enrollment declines.

Again, we thank the committee for your time and this opportunity to speak. We will follow your deliberations with great interest, and are available to answer questions or provide any additional information the committee wishes. Thank you.

Joint Legislative Education Task Force
Public Testimony
7/11/07

Offered by
Bob Shefchik
Fairbanks North Star Borough
907-459-1305 bshefchik@co.fairbanks.ak.us

Good Afternoon:

Thank you for the opportunity to testify before you today. I appreciate the challenge before you and thank each of you for your willingness to undertake this task.

Introduction

- My name is Bob Shefchik. I'm presently the Chief of Staff at the FNSB. Additionally, I spent 20 years working for the Fairbanks Public Schools – in the Business Office, finishing up at the CFO of the FNSBSD. Thus, I am here to provide the perspective of a large municipality responsible for levying the local taxes to support K-12 education – and combine that with my experience within the school system developing the budgets necessary to support that effort.

- The list of items that the Task Force is looking for input on is substantive. I will primarily speak to the issue of local effort requirements. Some testimony will also be presented on the treatment of impact aid within the formula and on the relationship between the area cost differentials and the school size tables.

- I will not waste anyone's time describing the need for school funding or the problems caused by lack of funding at the school level. I have provided a great deal of back-up material to support the comments and suggestions that I am offering. That material is being submitted as part of my written testimony.

Local Effort Requirements

Most of the discussion on local effort has surrounded two main areas: Minimum Local Contribution (the deduct) and Maximum Local Contribution (the cap). I will focus on these two areas, plus provide data on actual local contributions of municipalities. Most of the data I will provide focuses on the five largest municipal school districts (Anchorage, Mat-Su, Fairbanks, Kenai, and Juneau). Kodiak is also included in a number of the charts because of their comparable position to Fairbanks and Anchorage regarding Impact Aid for military installations.

Minimum Contribution (the deduct):
As you are all aware, the formula establishes a minimum local contribution to education for organized municipalities. This acts as a deduct from what otherwise would be a portion of the state funding entitlements of the local schools. A change went into effect in 2001 that reduced that deduct by 50% of the value of increasing valuations. This change is has been characterized as a mechanism

that increases the disparity in school funding. It has also been characterized as allowing growing municipalities to reduce contributions for local education. Both of these characterizations are incorrect.

Perspective of Muni's

From the perspective of a local municipality – one whose value has been growing steadily the past five years – what the change from 2001 accomplishes is a slowing of the gap between those contributing and those not contribution to local education. Provided in your packet (pages 8 and 9) are two charts showing the changes in local contribution between 2001 and 2007. The first chart shows the absolute dollar increase in local tax dollars toward education from the time the law was changed to decrease the "deduct" until 2007. The second chart shows the same districts, with the percent change of local contribution displayed.

Highlighted in yellow are the six districts mentioned above. These six have been major beneficiaries of the 2001 change in law. These six municipalities have also combined for 98% of the net increase in local contribution over that period of time and all rank in the top 11 in % of increase in local contribution across that time.

At the same time these districts are being singled as "unfairly benefiting" from the 2001 change in state law – they are also the ones contribution the most and increasing their level of effort at the fastest rate.

Correction of <u>Alaska Budget Report</u> (ABR) inaccurate and misleading information

I testify today that the impact and result of the portion of the formula have been mischaracterized and misunderstood partially because of the information printed in the February 22, 2007 ABR. Pages 11 to 15 contain an article entitled "Anaylsis: growing disparity in state aid to school districts."

I have highlighted and annotated the factual inaccuracies and misleading statements in that article.

Specifically, three glaring errors include

1. The article gives the impression that, because of the change in the law, a $100K home in Bristol Bay would be taxed at $400, while one in Mat-Su would only have to pay the equivalent of $280. In fact, for 2007 – the actual support is

   Bristol Bay $660 Mat-Su $880

2. The article makes the statement, "...the winner in terms of mill rate is the Matanuska-Susitna Borough, where taxpayers in FY08 will contribute only 2.8 mills for their schools." This is clearly incorrect – as Mat-Su contributed the equivalent of 8.8 mills for FY07.

3. The article makes the statement, "As the table shows, many districts now contribute less than the 4 mills the state's foundation formula nominally requires..." However, displayed is a chart of the required "deduct", not districts' contributions. A summary of mill equivalents of local contributions is provided (page 16) to demonstrate the data that disproves that statement.

Additional errors are highlighted and annotated in the packet. I bring this article up today because:

The issue is complex
The ABR generally does an accurate job of reporting – so these errors were widely distributed
I contacted the ABR, and got defensiveness and a small and qualified correction in the next issue
The amounts contributed by large municipalities and their annual increases are almost 180 degrees opposite from the rhetoric that surrounds the issue.

Impact on Municipalities

Provided on page 10 is a chart that projects the impact on local taxpayers should the change discussed at the end of last session be put into place. The change to a constant 3 mills will have an ongoing negative impact on local taxpayers that cumulatively could approach $100 million in the next five years.

The FNSB requests that the committee not repeal the "local taxpayer equity in education provision.

Maximum Contribution ("the cap")

Frequently discussions on the adequacy of local contribution are focused on "the cap". The unspoken, and occasional spoken, implications of that focus are that if a municipality is not "contributing to the cap" – they are not doing their share. Thus, the conclusion presented is that funding should be steered to districts that are "at the cap." There are several reasons this is not accurate.

First:

The data on pages 8 and 9 referenced earlier, demonstrates that the large municipalities are all contributing well in excess of the minimum. Increases in contributions, contribution rates, and mill equivalents are not distributed so that only those "at the

cap" sort to the top of a list. Rather, it shows that mill equivalents are comparable, and that Anchorage has lead the pack in contributions – amount and rate of increase the past six years. (I feel compelled to point out - it is ironic that of the $100M being pushed for DCF's, none will go to Anchorage.)

Second:

This discussion, in my experience, is usually lead by either those "at the cap" or those REAA's who contribute nothing other than impact aid.

Third:

The treatment of impact aid as "local contribution" of REAA's in discussions of contributions – by the DEED, rural districts, and the ABR - while the **EXCLUSION** of impact aid as local contribution for Anchorage, Fairbanks, and Kodiak, is problematic at best.

The FNSB believes this is an area of the formula that should be looked at by the Task Force – with an effort to allow more of the impact aid to flow through to communities who pay taxes.

Finally:

Keep in mind that "the cap" is a construct of a state effort to meet a federal disparity test to collect as much of the impact aid as possible for use as a state funding source. (Nothing wrong with that as a goal from a state perspective.) However, it is not an adequate yardstick – except for rhetoric – for measuring local municipal contributions to education. Should you doubt this – ask Mr. Jeans to spend 60 minutes walking the committee through the disparity calculation. Once one sees how the districts are ranked from top to bottom (the chart will look upside down to most of you) and sees the large number of districts that are excluded – one rarely uses it as a measure of anything except Impact Aid formula disparity in the future.

Relationship of DCF's and School Size Tables

Representative Hawker described the role of these two portions of the formula perfectly at your June 11th meeting. The DCF's are intended to account for differences in the cost of education based on geography. The school size tables are intended to account for differences in the economies of scale.

Unquestionably, it is time to adjust the changes in area costs. This gets the most attention – as the ISER report dangles the promise of $millions in redistribution. The problem is that ISER is based on a methodology that even the supporters of

implementing it do not generally concur with – that is the econometrically adjusted regional salary basis. Should one wholly support that, the implementation of ISER would be accompanied by a requirement that salaries be increased proportionate to the DCF adjustment. No one would support that – not even the districts asking for implementation. (In fact – the judge in the Moore case recently decided found that if districts had more money – they would hire more teacher and staff, not raise salaries.)

The dilemma that you have is – what data to use? If you use the ISER report, you are using the equivalent of a compass that you know is flawed. Should you follow it ½ way? Or will that lead you ½ way in the wrong direction. If you were lost, but you know there was a safe haven to the south – would you follow a compass that you knew was faulty when intuitively you knew that it was wrong to walk away from the midday sun?

My counsel here is to look at ISER – but the portion that does not include the social engineering. What that will give you is results based on actual energy and other school costs, but not imaginary salary costs.

The other – longer term problem is the school size tables. Rep Roses focused in on that early the first day. The mechanism for determining the number of "adjusted students" needs to be reviewed. Primary among this review should be the adequacy of the school size tables. This project will take more time than you have – should be considered on your "long term" project list.

Conclusion

As I said when I began – you have undertaken a huge task. You may find, like Alexander the Great, you're required to slice through, rather than untie, the fabled Gordian Knot. In doing that – you'll need to act with expedience and the best data you have available.

To that end, I offer:

The FNSB (and large municipalities in general) do not support changing "the deduct" through the minimum local contribution. Our observation is that this portion of the formula is not broken – it is working as was intended – to reduce the gap between communities that are contributing greatly through their taxpayers and those that aren't. In the interest of fairness and local taxpayer equity, please don't repeal it. If you do indeed feel a fix is in order, then retain the section of law that protects growing municipalities.

Large municipalities have been doing their part – as has the state. The data on local contributions since 2001 back that statement up. Rhetoric to the contrary used to support more money for specific school districts diverts attention from the problems with the ISER methodology, nothing more.

The DCF's do need updated. The JLBTF does not have time to re-commission another study. Rather – use what you have that you trust, and make your best judgment. In my mind – that would be rejecting the social engineering adjustment for salaries inherent in the ISER report.

Finally – recognize that all districts are doing their best to get by on the money they have. Anchorage, Mat Su, and Fairbanks could use additional school funding – just like Kenai, Sitka, and the REAA's. I just can't envision that up to $50M (50% of ISER implementation) without any going to Anchorage – and only a small fraction to most large municipal districts) is the way to go. Funding needs exist throughout the state. Please recognize that throughout your deliberations.

Again, thank you for the work you have volunteered to do this summer. We all appreciate the seriousness of the task and the effort you're putting into the project.

Back-up Charts and Data
JLETF Testimony – 7/11/07
Bob Shefchik, FNSB
bshefchik@co.fairbanks.ak.us

I. Real Dollar Change in Local Contribution 2001-2007

This chart displays the "Budgeted Local" contribution as reported to DEED by the local school districts. It is sorted (in descending order) by amount of increase in local contribution since 2001. This demonstrated that: The 5 largest municipalities and Kodiak have made:

1. The largest dollar increases to education across that six year time period
2. 98% of the net total increase of all 54 districts across that six year time period.

The salient point of the chart is that those municipalities benefiting from the 2001 change in the required minimum contribution remain those paying the most toward education – in amount and increases since 2001.

II. Change in Local Contribution 2001-2007

This chart provides comparable information to Chart I – in that it uses the 2001-2007 budgeted local contributions as a basis for measuring changes in effort across time. However, rather than the real dollar increase in contribution (which tends to favor those with the largest budgets) Chart II displays the percent change in contribution across the past six year. Similar to Chart I, this analysis demonstrates the same six municipalities are at the top in percentage increase as well as real dollar increase to education.

III. Local Taxpayer Consequences 2009-2013

This chart looks at the potential impact on local taxpayers of the DEED 4/12/07 proposal to change the local required contribution deduct from current law to a flat 3 mills. Assessed valuations for the five large municipalities were projected five years into the future using the average increase across the past five years. The impact on these five municipalities approaches $100 million across the next five years.

IV. Alaska Budget Report February 22, 2007

An annotated version of the 2/22/07 ABR article entitled, "ANALYSIS: growing disparity in state aid to school districts", is provided. Highlighted in yellow are specific inaccurate and/or misleading statements. Handwritten annotations provide some correcting data for the reader.

V. Changes in Mill Equivalent for Local Contribution 2001-2007

This chart summarizes the DEED calculation of budgeted mill equivalents across the past six years. The mill equivalent data shows the six profiled school districts more distributed that the amount or percent increase data. It does, however, demonstrate that all six municipalities profiled remain in a competitive range for mill equivalent for local contribution.

Real Dollar Change in Local Contribution
2001-2007

CHART I

			2007 BUDGETED LOCAL	2006 BUDGETED LOCAL	2005 BUDGETED LOCAL	2004 BUDGETED LOCAL	2003 BUDGETED LOCAL	2002 BUDGETED LOCAL	2001 BUDGETED LOCAL	$ increase 2001 to 2007	
ANCHORAGE	=	AN	155,257,376	$ 144,322,321	$ 133,412,722	$ 121,490,634	$ 114,373,207	$ 107,301,568	102,613,031	$ 52,644,345	
MAT-SU	=	MS	39,580,405	$ 38,080,405	$ 34,169,622	$ 32,713,868	$ 30,231,660	$ 29,612,526	26,156,325	$ 13,424,080	$ 87,892,352
FAIRBANKS	=	FB	40,022,700	$ 38,022,700	$ 36,545,700	$ 34,545,700	$ 33,545,700	$ 32,545,700	32,045,700	$ 7,977,000	98%
KENAI	=	KE	36,761,137	$ 34,973,682	$ 33,748,909	$ 31,630,745	$ 30,618,860	$ 30,189,118	29,628,226	$ 7,132,911	percent of increase
JUNEAU	=	JU	21,516,557	$ 19,795,864	$ 18,834,991	$ 18,171,200	$ 17,731,200	$ 17,276,600	16,824,100	$ 4,692,457	statewide since 2001
KODIAK	=	KO	8,671,260	$ 8,632,440	$ 8,332,440	$ 8,176,140	$ 7,428,610	$ 7,062,110	6,649,701	$ 2,021,559	
KETCHIKAN	=	KT	8,834,981	$ 7,928,731	$ 7,635,740	$ 7,375,117	$ 7,277,769	$ 7,545,638	7,426,187	$ 1,408,794	
VALDEZ /2	=	VA	5,514,717	$ 5,348,532	$ 4,949,341	$ 4,595,244	$ 4,601,314	$ 4,539,814	4,376,341	$ 1,138,376	
NOME	=	NO	1,676,850	$ 1,420,577	$ 1,420,577	$ 1,420,577	$ 1,219,712	$ 1,198,373	1,034,427	$ 642,423	
SITKA	=	SI	5,167,940	$ 5,017,417	$ 4,787,297	$ 4,783,837	$ 4,731,881	$ 4,593,952	4,601,409	$ 566,531	
UNALASKA	=	UN	2,590,001	$ 2,430,050	$ 2,270,386	$ 2,190,139	$ 2,175,965	$ 2,068,879	2,064,486	$ 525,515	
NORTHWEST ARC	=	NW	3,541,589	$ 3,541,589	$ 3,215,493	$ 3,215,493	$ 3,215,493	$ 3,215,493	3,224,486	$ 317,103	
DENALI	=	DE	1,350,000	$ 1,250,000	$ 1,250,000	$ 1,276,650	$ 1,220,856	$ 1,153,194	1,070,462	$ 279,538	
DILLINGHAM	=	DI	1,125,000	$ 1,010,000	$ 1,000,000	$ 1,100,000	$ 1,000,000	$ 1,128,494	942,500	$ 182,500	
PETERSBURG	=	PT	1,991,744	$ 1,793,674	$ 1,655,469	$ 1,835,409	$ 1,975,976	$ 1,923,454	1,839,062	$ 152,682	
SKAGWAY /2	=	SK	942,115	$ 868,778	$ 841,452	$ 850,579	$ 868,558	$ 896,547	816,294	$ 125,821	
KLAWOCK	=	KL	362,000	$ 365,960	$ 300,000	$ 316,414	$ 138,000	$ 332,297	259,133	$ 102,867	
CRAIG	=	CG	785,956	$ 777,341	$ 959,486	$ 1,101,603	$ 1,046,603	$ 903,925	686,166	$ 99,790	
LAKE AND PENINS	=	LP	935,394	$ 869,253	$ 869,253	$ 858,435	$ 1,054,600	$ 841,324	837,164	$ 98,230	
CORDOVA	=	CO	1,398,036	$ 1,366,000	$ 1,366,000	$ 1,333,000	$ 1,254,000	$ 1,050,000	1,300,000	$ 98,036	
YAKUTAT	=	YA	483,000	$ 477,000	$ 421,000	$ 427,000	$ 452,000	$ 481,000	457,708	$ 25,292	
HAINES	=	HA	1,419,044	$ 1,384,044	$ 1,385,144	$ 1,338,224	$ 1,381,198	$ 1,430,651	1,394,684	$ 24,360	
NENANA	=	NE	94,880	$ 72,661	$ 73,183	$ 70,880	$ 70,372	$ 72,306	83,309	$ 11,571	
PELICAN	=	PL	51,857	$ 52,820	$ 52,121	$ 46,251	$ 48,989	$ 50,487	49,161	$ 2,696	
19 REAA			$0	$0	$0	$0	$0	$0	$0	$0	
HYDABURG	=	HY	65,000	$ 65,000	$ 117,000	$ 117,000	$ 169,768	$ 65,000	65,000	$ -	
SAINT MARY'S	=	SM	19,786	$ 18,789	$ 18,789	$ 19,000	$ 18,446	$ 19,000	25,000	$ (5,214)	
KAKE	=	KA	110,000	$ 310,000	$ 110,000	$ 280,000	$ 150,000	$ 150,000	150,000	$ (40,000)	
TANANA	=	TA	22,692	$ 22,692	$ 76,020	$ 22,973	$ 74,148	$ 74,148	74,148	$ (51,456)	
HOONAH	=	HO	459,400	$ 459,400	$ 493,400	$ 491,865	$ 459,400	$ 500,000	536,001	$ (76,601)	
ALEUTIANS EAST	=	AE	$800,000	$ 1,124,000	$ 1,100,000	$ 900,000	$ 820,000	$ 700,000	960,301	$ (160,301)	
BRISTOL BAY	=	BB	873,811	$ 926,331	$ 921,579	$ 1,217,947	$ 1,093,016	$ 1,197,866	1,196,607	$ (322,796)	
GALENA	=	GA	525,160	$ 500,160	$ 459,172	$ 1,091,110	$ 940,730	$ 940,730	991,630	$ (466,470)	
WRANGELL	=	WR	801,352	$ 801,352	$ 892,072	$ 834,436	$ 804,352	$ 714,352	1,293,476	$ (492,124)	
NORTH SLOPE /2	=	NS	23,979,343	$ 23,733,050	$ 23,546,248	$ 22,991,968	$ 24,491,968	$ 25,991,968	26,078,673	$ (2,099,330)	
										$ -	
TOTALS			$367,731,083	$ 347,762,613	$ 327,230,606	$ 308,829,438	$ 296,684,351	$ 287,766,514	277,750,898	$ 89,980,185	

prepared for JLETF 7/11/07
FNSB Testimony

CHART II

Percent Change in Local Contribution
2001-2007

			2007 BUDGETED LOCAL	2006 BUDGETED LOCAL	2005 BUDGETED LOCAL	2004 BUDGETED LOCAL	2003 BUDGETED LOCAL	2002 BUDGETED LOCAL	2001 BUDGETED LOCAL	% Incr 2001 to 2007
NOME	=	NO	1,676,850	$ 1,420,577	$ 1,420,577	$ 1,420,577	$ 1,219,712	$ 1,198,373	1,034,427	62%
MAT-SU	=	MS	39,580,405	$ 38,080,405	$ 34,169,622	$ 32,713,868	$ 30,231,660	$ 29,612,526	26,156,325	51%
ANCHORAGE	=	AN	155,257,376	$ 144,322,321	$ 133,412,722	$ 121,490,634	$ 114,373,207	$ 107,301,568	102,613,031	51%
KLAWOCK	=	KL	362,000	$ 365,960	$ 300,000	$ 316,414	$ 138,000	$ 332,297	259,133	40%
KODIAK	=	KO	8,671,260	$ 8,632,440	$ 8,332,440	$ 8,176,140	$ 7,428,610	$ 7,062,110	6,649,701	30%
JUNEAU	=	JU	21,516,557	$ 19,795,864	$ 18,834,991	$ 18,171,200	$ 17,731,200	$ 17,276,600	16,824,100	28%
DENALI	=	DE	1,350,000	$ 1,250,000	$ 1,250,000	$ 1,276,650	$ 1,220,856	$ 1,153,194	1,070,462	26%
VALDEZ /2	=	VA	5,514,717	$ 5,348,532	$ 4,949,341	$ 4,595,244	$ 4,601,314	$ 4,539,814	4,376,341	26%
UNALASKA	=	UN	2,590,001	$ 2,430,050	$ 2,270,386	$ 2,190,139	$ 2,175,965	$ 2,068,879	2,064,486	25%
FAIRBANKS	=	FB	40,022,700	$ 38,022,700	$ 36,545,700	$ 34,545,700	$ 33,545,700	$ 32,545,700	32,045,700	25%
KENAI	=	KE	36,761,137	$ 34,973,682	$ 33,748,909	$ 31,630,745	$ 30,618,860	$ 30,189,118	29,628,226	24%
DILLINGHAM	=	DI	1,125,000	$ 1,010,000	$ 1,000,000	$ 1,100,000	$ 1,000,000	$ 1,128,494	942,500	19%
KETCHIKAN	=	KT	8,834,981	$ 7,928,731	$ 7,635,740	$ 7,375,117	$ 7,277,769	$ 7,545,638	7,426,187	19%
SKAGWAY /2	=	SK	942,115	$ 868,778	$ 841,452	$ 850,579	$ 868,558	$ 896,547	816,294	15%
CRAIG	=	CG	785,956	$ 777,341	$ 959,486	$ 1,101,603	$ 1,046,603	$ 903,925	686,166	15%
NENANA	=	NE	94,880	$ 72,661	$ 73,183	$ 70,880	$ 70,372	$ 72,306	83,309	14%
SITKA	=	SI	5,167,940	$ 5,017,417	$ 4,787,297	$ 4,783,837	$ 4,731,881	$ 4,593,952	4,601,409	12%
LAKE AND PENINS	=	LP	935,394	$ 869,253	$ 869,253	$ 858,435	$ 1,054,600	$ 841,324	837,164	12%
NORTHWEST ARC	=	NW	3,541,589	$ 3,541,589	$ 3,215,493	$ 3,215,493	$ 3,215,493	$ 3,215,493	3,224,486	10%
PETERSBURG	=	PT	1,991,744	$ 1,793,674	$ 1,655,469	$ 1,835,409	$ 1,975,976	$ 1,923,454	1,839,062	8%
CORDOVA	=	CO	1,398,036	$ 1,366,000	$ 1,366,000	$ 1,333,000	$ 1,254,000	$ 1,050,000	1,300,000	8%
YAKUTAT	=	YA	483,000	$ 477,000	$ 421,000	$ 427,000	$ 452,000	$ 481,000	457,708	6%
PELICAN	=	PL	51,857	$ 52,820	$ 52,121	$ 46,251	$ 48,989	$ 50,487	49,161	5%
HAINES	=	HA	1,419,044	$ 1,384,044	$ 1,385,144	$ 1,338,224	$ 1,381,198	$ 1,430,651	1,394,684	2%
HYDABURG	=	HY	65,000	$ 65,000	$ 117,000	$ 117,000	$ 169,768	$ 65,000	65,000	0%
NORTH SLOPE /2	=	NS	23,979,343	$ 23,733,050	$ 23,546,248	$ 22,991,968	$ 24,491,968	$ 25,991,968	26,078,673	-6%
HOONAH	=	HO	459,400	$ 459,400	$ 493,400	$ 491,865	$ 459,400	$ 500,000	536,001	-14%
ALEUTIANS EAST	=	AE	$800,000	$ 1,124,000	$ 1,100,000	$ 900,000	$ 820,000	$ 700,000	960,301	-17%
SAINT MARY'S	=	SM	19,786	$ 18,789	$ 18,789	$ 19,000	$ 18,446	$ 19,000	25,000	-21%
KAKE	=	KA	110,000	$ 310,000	$ 110,000	$ 280,000	$ 150,000	$ 150,000	150,000	-27%
BRISTOL BAY	=	BB	873,811	$ 926,331	$ 921,579	$ 1,217,947	$ 1,093,016	$ 1,197,866	1,196,607	-27%
WRANGELL	=	WR	801,352	$ 801,352	$ 892,072	$ 834,436	$ 804,352	$ 714,352	1,293,476	-38%
GALENA	=	GA	525,160	$ 500,160	$ 459,172	$ 1,091,110	$ 940,730	$ 940,730	991,630	-47%
TANANA	=	TA	22,692	$ 22,692	$ 76,020	$ 22,973	$ 74,148	$ 74,148	74,148	-69%
19 REAA			$0	$0	$0	$0	$0	$0	$0	n/a
TOTALS			$367,731,083	$ 347,762,613	$ 327,230,606	$ 308,829,438	$ 296,684,351	$ 287,766,514	277,750,898	128%

Anch & Mat SU tied for 2nd statewide since 2001 and all in top 11 out of 54 districts and REAA's

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FNSB Testimony

Local Taxpayer Consequences

CHART III

DEED 4/12/07 Proposed Increase to Deduct from State Aid for Schools

	1-Jan-06 Determined Total Full Value	1/1/2007 Projected ** Total Full Value	2008 Projected ** Total Full Value	2009 Projected ** Total Full Value	2010 Projected ** Total Full Value	2011 Projected ** Total Full Value
Municipality of Anchorage	28,833,782,720	31,591,734,037	34,613,483,398	37,924,263,065	41,551,718,849	45,526,140,757
Fairbanks North Star Borough	7,267,077,780	7,825,007,677	8,425,772,641	9,072,661,335	9,769,214,909	10,519,246,384
City & Borough of Juneau	4,249,188,100	4,603,995,306	4,988,428,914	5,404,962,729	5,856,277,117	6,345,276,256
Kenai Peninsula Borough	6,172,932,290	6,567,382,663	6,987,036,416	7,433,510,170	7,908,511,470	8,413,865,353
Matanuska-Susitna Borough	7,507,996,500	8,761,721,630	10,224,797,716	11,932,185,562	13,924,681,569	16,249,894,520

Annual School Cost Shift Under Current Law		FY 2009 Impact	FY 2010 Impact	FY 2011 Impact	FY 2012 Impact	FY 2013 Impact
Municipality of Anchorage	0.002	5,515,903	6,043,499	6,621,559	7,254,912	7,948,844
Fairbanks North Star Borough		1,115,860	1,201,530	1,293,777	1,393,107	1,500,063
City & Borough of Juneau		709,614	768,867	833,068	902,629	977,998
Kenai Peninsula Borough		788,901	839,312	892,944	950,003	1,010,706
Matanuska-Susitna Borough		2,507,446	2,926,152	3,414,776	3,984,992	4,650,426
		10,637,724	11,779,360	13,056,124	14,485,642	16,088,039

Annual School Cost Shift Under Proposed Change		FY 2009 Impact	FY 2010 Impact	FY 2011 Impact	FY 2012 Impact	FY 2013 Impact
Municipality of Anchorage	0.003	8,273,854	9,065,248	9,932,339	10,882,367	11,923,266
Fairbanks North Star Borough		1,673,790	1,802,295	1,940,666	2,089,661	2,250,094
City & Borough of Juneau		1,064,422	1,153,301	1,249,601	1,353,943	1,466,997
Kenai Peninsula Borough		1,183,351	1,258,967	1,339,415	1,425,004	1,516,062
Matanuska-Susitna Borough		3,761,169	4,389,228	5,122,164	5,977,488	6,975,639
		12,195,416	13,279,811	14,462,022	15,750,975	17,156,419

Net Impact on Local Taxpayers (Cumulative Impact**)**	Net Loss FY 2009	Net Loss FY 2010	Net Loss FY 2011	Net Loss FY 20112	Net Loss FY 2013	5 Year Impact (not including FY06 change)
Municipality of Anchorage	(2,757,951)	(5,770,701)	(9,090,480)	(12,717,936)	(16,692,358)	[illegible]
Fairbanks North Star Borough	(557,930)	(1,158,695)	(1,805,584)	(2,502,137)	(3,252,169)	[illegible]
City & Borough of Juneau	(354,807)	(739,241)	(1,155,775)	(1,607,089)	(2,096,088)	[illegible]
Kenai Peninsula Borough	(394,450)	(814,106)	(1,260,578)	(1,736,579)	(2,240,933)	[illegible]
Matanuska-Susitna Borough	(1,253,723)	(2,715,799)	(4,424,187)	(6,416,683)	(8,741,896)	[illegible]
	(5,318,862)	(11,208,542)	(17,736,603)	(24,979,425)	(33,023,444)	[illegible]

* Source Alaska Taxable

** Projected based on average annual increase for each municipality for the past 5 years

*** Impacts based on 2 year lag in impact of valuation increase on school funding deducts. For 2009 Impact - calculation is (2007Full value - 2006 Full Value)*.002 [or *.003]. Same lag for future years.

**** Amounts shifted from state aid to municipal taxpayers in Year 1 are also required to be paid the following year PLUS the impacts of previous years. It is this compounding effect that is hard to see in single year calculations.

THIS IS THE TOTAL AMOUNT OF LOCAL TAXPAYER DOLLARS THAT WILL BE REQUIRED TO MAKE UP FOR THE DECREASED STATE REVENUE DUE TO DEED PROPOSED CHANGES

reprinted for JLETF 7/11/07
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ALASKA BUDGET REPORT™

February 22, 2007 © ABR Company Volume 17, No. 6

CONTENTS

OVERVIEW

Ready, set—and next week—go 1

EDUCATION

Committee substitute for Gov's bill boosts K-12 aid 1

ANALYSIS: growing disparity in state aid to school districts 4

"MURKOWSKI" TRANSITION REPORTS

DOR overcharged retirement funds, seeks GF bail-out 7

PFD disaster: "About the worst day of my life" 9

Tax dispute over ARCO sale could reap millions to CBR 10

State files notice to terminate TAPS settlement agreement 11

TAPS strategic reconfiguration late and over budget 12

AOGCC drafting statutory revisions 12

DEPARTMENT OVERVIEWS

Corrections: more inmates bound for Arizona 13

Public Safety: Help wanted—troopers and VPSOs 15

Fees make DMV a cash cow 17

REVENUE

House Finance grills Palin's pick for Revenue chief 19

Rebecca Braun, publisher and editor
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the base student allocation in the formula; to increase special education aid; and to increase aid for pupil transportation.

Palin's Legislative Director John Bitney testified briefly to thank the committee for hearing the bill. "The governor today reiterated her priority to try to work with the Legislature to achieve early funding.

The bill has a further referral to the House Finance Committee, but the HESS report has not been read across the House floor.

House Finance Co-chair Kevin Meyer opened his committee's consideration of education spending with a February 20 hearing on HB 1, which proposes a $1 "placeholder" increase in the foundation formula's per-student allocation. Education advocates from across the state testified to the need for more money for education. Meyer held the bill in committee.

Asked about Wilson's bill, Meyer said he hasn't made up his mind about appropriating additional money to districts' retirement accounts. "We could go that route or we could just increase the foundation formula, and I guess my preference would have been to do it in the foundation formula so that next year you start at the higher base rate."

He said if Wilson wants both an increase in retirement fund aid and an increase to the foundation formula, that's probably "more than we can afford."

Bitney, Palin's legislative director, said the governor hopes for early passage of an education spending plan so districts can plan for next year. But he said key legislators have said their districts are prioritizing increased funding over early funding.

Bitney also acknowledged that lawmakers have a variety of concerns, including the district cost factors, retirement costs, funding for intensive-needs students and the subsidy for districts with growing property tax bases (see story below): "We've come to realize that before this is finalized these other things are going to have to be considered. ... That's probably going to mean more money than what we've put on the table."

ANALYSIS: growing disparity in state aid to school districts

A 2001 law that passed with little scrutiny has dramatically changed the allocation of state aid to school districts, favoring districts showing healthy economic growth.

The provision, engineered by Sen. Gary Wilken, who then chaired the Senate Finance Committee, requires the state to pick up half of the increase since 1999 in a district's required local contribution. Because the local contribution for most districts is set as a percentage of local property values, the change benefits districts with growing property values.

At a February 20 House Finance Committee hearing, School Finance Director Eddy Jeans offered an example to illustrate the impact of the subsidy on local property tax payers:

"To put it in real simple terms, if I had a $100,000 home out in Bristol Bay ... I would have to contribute $400 to support education. In Mat-Su, the calculation is the equivalent of $280 on a $100,000 home."

Bristol Bay - 2007 = $660 MAT SU 2007 = $880

When he introduced the measure as an amendment to a 2001 education spending bill, Wilken characterized the revision as a way to provide tax relief to residents of fast-growing communities [see **House Finance embraces Wilken's aid scheme, moves bill,** *ALASKA BUDGET REPORT*, May 7, 2001 and **SB 174: Wilken amendment adds urban tilt to aid reallocation,** April 21, 2001].

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The subsidy has grown exponentially from $3.6 million in FY 02, the first year it took effect, to a projected $50.4 million in FY 08, according to the Department of Education and Early Development.

While the biggest winner in dollar terms is the Anchorage School District, the winner in terms of mill rate is the Matanuska-Susitna Borough, where taxpayers in FY 08 will contribute only 2.8 mills for their schools. The table below shows how the subsidy is allocated.

Districts' FY 08 effective mill rates for education and local-effort subsidy

District	Mill Equivalent	State subsidy (thousands)
Mat-Su Borough	2.8	$9,056
Anchorage	3.1	$26,346
Juneau Borough	3.2	$3,511
Denali Borough	3.2	$150
Fairbanks North Star Borough	3.3	$5,106
Kenai Peninsula Borough	3.3	$4,244
Sitka Borough	3.3	$620
Hoonah	3.4	$23
Haines Borough	3.5	$150
Nome	3.5	$122
Dillingham	3.5	$86
Nenana	3.6	$9
Kodiak Island Borough	3.7	$395
Ketchikan Gateway Borough	3.7	$338
Unalaska	3.7	$146
Petersburg	3.7	$73
Yakutat	3.7	$18
Galena	3.8	$5
Kake	3.8	$3
Saint Mary's	3.8	$1
Aleutians East Borough	3.9	$9
Klawock	3.9	$5
Hydaburg	3.9	$1
Northwest Arctic Borough*	4.0	$9
Cordova*	4.0	$1
Tanana	4.0	-
Bristol Bay Borough	4.0	-
Craig	4.0	-
Lake & Peninsula Borough	4.0	-
Pelican	4.0	-
Wrangell	4.0	-
		$50,425

*Mill rates in these communities have dropped but round to 4.0.
Source: Department of Education and Early Development

MAT SU 2007 WAS 8.8 mills

NOT TRUE
SEE DEED MILL EQUIVALENT CHART

As the table shows, many districts now contribute less than the 4 mills the state's foundation formula nominally requires for districts' local contribution or "local effort." Until 2001, the required local contribution from cities and boroughs was the lesser of:

• 4 mills (0.4 percent) of the full and true value of the taxable real and personal property in the district, or

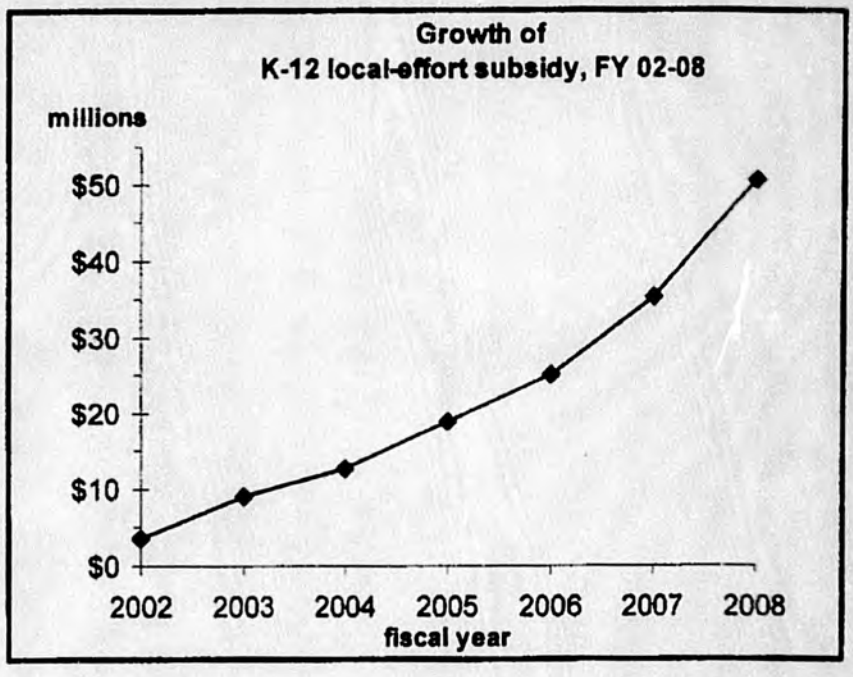
• 45 percent of the district's prior-year basic need.

The 2001 change requires municipalities with rising property tax values to pay 4 mills on only 50 percent of the cumulative increase since 1999.

Not included in the table on page 5 are the state's 19 regional education attendance areas (REAAs), because federal impact aid substitutes for their local contribution. Also excluded are the three tax-rich districts that contribute under the 45 percent rule—the North Slope Borough, Valdez and Skagway.

Early on, no one challenged the policy basis for the 2001 subsidy because few people understood it, and in the first year the monetary impact was minor. But as it has grown, so have the stakes for districts. Deleting the provision now is likely a political impossibility: for starters, it would mean a $26 million hit to the already-struggling Anchorage School District.

The chart below shows growth of the subsidy since its implementation.



In FY 08 the subsidy will cost the state more than two times the $24 million the governor proposes to spend to partially implement new district cost factors.

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The 1998 law changing the formula governing distribution of state education aid called for review of the placeholder district cost factors in the bill. Nine years and three studies later, those placeholders remain law as political wrangling has stymied efforts to more equitably match aid to local cost differences. Opponents of the change—those on the losing end of proposed redistributions—say the proposed factors are inaccurate and too costly to the state [see **H. Finance weighs K-12 aid; Chenault pushes reallocation**, *ALASKA BUDGET REPORT*, April 13, 2007 and **New school cost study would boost aid to rural districts,** March 3, 2005].

[For past stories on the local-effort subsidy, see **State K-12 aid grows for districts with rising property values,** *ALASKA BUDGET REPORT*, January 26, 2006 and **2001 education aid change shifts $25 million in costs to state**, February 3, 2005.]

"MURKOWSKI" TRANSITION REPORTS

In November 2006, senior state officials submitted transition reports, one for each department, to John Bitney, who headed the incoming Palin administration's transition office. Bitney parceled out these "Murkowski" transition reports to the Palin transition teams for each department (which later produced a set of "Palin" transition documents). What happened to them after that is not entirely clear, but based on interviews it does not appear that every incoming Palin official paid close attention to the reports from their predecessors.

The reports contain an interesting mix of:

- *Helpful directions* (Example: Unless they wish to personally sign every hiring, firing and salary change document, new commissioners need to sign an Appointing Authority Signatures form available on DOA's Division of Finance web page);
- *Heads-up warnings* (Example: The incoming Health and Social Services commissioner should be alerted that the Cordova hospital is in dire straits and about to go belly-up);
- *Evenhanded policy briefings* (Example: The Department of Environmental Conservation provided a thoughtful set of organizational options for managing the permitting functions transferred under the Murkowski administration from the Department of Fish and Game's Habitat Division to the Department of Natural Resources); and
- *No-holds barred advocacy* (Example: the Department of Transportation and Public Facilities' plea to continue pouring money into Ketchikan's Gravina Island "bridge to nowhere" project).

This newsletter requested copies of the departmental transition documents on December 8th. The Palin administration turned over copies a month later, but with large sections redacted. In response to this newsletter's appeal of the redactions, Chief of Staff Mike Tibbles provided uncensored versions of most, but not all of the reports to this newsletter on Thursday of last week. The missing sections appeared to have been inadvertently omitted and Governor's Office staff say they are forthcoming.

The stories below cover a few issues highlighted in Law's and Revenue's reports, with additional information gathered by this newsletter.

DOR overcharged retirement funds, seeks GF bail-out

The state's troubled retirement funds are required by law to use the investment management services of the Alaska Department of Revenue, services that cost the funds $39 million in the current fiscal year. That may be millions more than the funds should be paying, according to information DOR officials provided in November to the incoming Palin administration.

CHART V

Changes in Mill Equivalent for Local Contribution 2001-2007

			2007 BUDGETED MILL EQUIV.	2006 BUDGETED MILL EQUIV.	2005 BUDGETED MILL EQUIV.	2004 BUDGETED MILL EQUIV.	2003 BUDGETED MILL EQUIV.	2002 BUDGETED MILL EQUIV.	2001 BUDGETED MILL EQUIV.	PERCENT CHANGE 2001-2007	MILL EQUIV CHANGE 2001-2007
NOME	=	NO	8.10	7.10	7.00	7.10	6.10	5.70	5.40	50%	2.70
KLAWOCK	=	KL	11.80	11.90	9.70	9.80	4.30	10.50	8.00	48%	3.80
LAKE AND PENINS	=	LP	17.50	14.00	14.00	13.50	15.10	12.20	12.10	45%	5.40
DILLINGHAM	=	DI	7.90	6.70	7.00	7.50	6.50	7.60	6.40	23%	1.50
UNALASKA	=	UN	6.60	6.40	6.40	6.10	5.60	5.40	5.50	20%	1.10
[illegible]	=	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	7.10	20%	1.40
CRAIG	=	CG	7.90	7.60	10.00	10.80	10.10	8.80	6.60	20%	1.30
BRISTOL BAY	=	BB	6.60	7.00	6.10	6.30	5.30	5.80	5.70	16%	0.90
[illegible]	=	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	15%	1.00
KETCHIKAN	=	KT	7.80	7.20	7.00	6.60	6.40	6.80	6.80	15%	1.00
VALDEZ /2	=	VA	5.10	4.90	4.80	4.60	4.70	4.60	4.60	11%	0.50
DENALI	=	DE	9.60	8.90	8.90	9.30	8.90	9.50	8.70	10%	0.90
NORTHWEST ARC	=	NW	9.30	9.30	8.40	8.40	8.40	8.40	8.50	9%	0.80
[illegible]	=	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	7%	0.50
[illegible]	=	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	6%	0.40
CORDOVA	=	CO	8.20	7.70	7.80	7.80	7.20	6.00	7.90	4%	0.30
[illegible]	=	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3%	0.20
NENANA	=	NE	4.70	4.00	4.00	4.00	4.00	4.30	4.60	2%	0.10
SITKA	=	SI	7.20	7.10	7.00	7.10	7.20	7.00	7.20	0%	-
PELICAN	=	PL	4.00	4.00	4.00	4.00	4.10	4.00	4.00	0%	-
HYDABURG	=	HY	7.90	7.90	14.30	14.20	20.30	8.00	7.90	0%	-
[illegible]	=	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0%	-
PETERSBURG	=	PT	7.30	6.90	6.70	7.80	7.90	7.60	7.50	-3%	(0.20)
YAKUTAT	=	YA	10.00	9.70	8.70	8.50	9.90	10.80	10.30	-3%	(0.30)
NORTH SLOPE /2	=	NS	2.30	2.20	2.20	2.10	2.30	2.40	2.40	-4%	(0.10)
HAINES	=	HA	6.40	6.60	6.60	6.50	6.70	7.00	7.00	-9%	(0.60)
TOTALS			8.21	8.34	8.34	9.36	9.03	8.83	9.04	-9%	(0.83)
ALEUTIANS EAST	=	AE	8.30	11.70	11.40	9.70	8.80	7.20	9.90	-16%	(1.60)
SKAGWAY /2	=	SK	4.60	4.70	4.40	4.90	5.20	5.10	5.50	-16%	(0.90)
SAINT MARY'S	=	SM	4.20	4.00	4.00	4.30	4.00	4.20	5.60	-25%	(1.40)
KAKE	=	KA	5.90	16.60	5.90	15.40	8.40	8.50	8.30	-29%	(2.40)
HOONAH	=	HO	15.00	15.00	16.10	15.80	14.60	20.00	21.20	-29%	(6.20)
WRANGELL	=	WR	5.40	5.40	6.10	5.60	5.10	4.70	8.70	-38%	(3.30)
GALENA	=	GA	28.70	27.40	25.10	60.30	52.30	52.10	55.10	-48%	(26.40)
TANANA	=	TA	4.00	4.00	13.40	4.00	13.00	12.80	12.70	-69%	(8.70)

prepared for JLEIT 7/11/07
bob.sloc@ci.fairbanks.ak.us

Presentation to the Legislative Education Funding Task Force
Liz Downing, Homer, AK KPBSD School Board
7/12/07

Mr. Chairman, Senators and Representatives,

This is Liz Downing, the mother of an incoming 5th grader at West Homer Elementary School and a member of the Kenai Peninsula School Board.

Thank you for this opportunity to address you and let me express my appreciation of your efforts as you review the Education Funding formula for our Alaskan students.

We have many wonderful teachers and staff in Alaska and especially here on the Kenai Peninsula. You are well aware of the amazing job we have done with very tight budgets over the last 15 years. Our students score well on standards-based testing, we have decent graduation rates, and we manage to do OK for most, though not all of our students, particularly those in our more rural locations. The Kenai Peninsula knows how to do OK with less.

In the last couple of years I have seen more families move from Alaska to Lower 48 communities specifically for a better education for their kids. This is heartbreaking. I talk with my friends in education in other parts of the country and I am blown away by the opportunities that their students enjoy. It makes me wonder if I am doing the best for my son as he moves through elementary school.

Recently, I listened to valedictory speeches at high school graduation ceremonies. I was struck by the number of students who dedicated a fair portion of their presentations to begging the responsible adults to provide a more varied, high quality education. They said that their education was OK but they are concerned about their ability to compete with students from more urban Alaskan communities and those from schools Outside. You have also heard from parents who felt they had greater opportunity in Alaskan schools years ago.

I invite you to strive beyond OK. Alaska is in fortunate circumstances compared to most other states and with an equitably and adequately funded educational system, we can offer our children much more than an OK education. Please help make Alaska the place that families want to stay to educate their children.

I am not going to ask for the full ISIR cost differential, or an increase in the BSA or special needs funding. We need all of that and more. But I do ask that you embrace this opportunity to create a legacy by keeping the momentum of this task force through the next legislative session and drawing on the expertise available to create the world class education system our children deserve.

I truly appreciate the care and attention the Legislature is giving to supporting the education of our students. I know that together we can make education in Alaska not just OK but the best.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT (KPBSD)

Leave No District Behind
At the Cap Circuit Breaker

SITUATION: Foundation formulas are built around assumptions that are good and bad. Some states recognize the inherent inequity in funding diverse districts and create mechanisms to assist in rectifying disparities that are created. Even when the "mother of all formulas" is created, disparities continue to exist. Frequently, states are reluctant to revise or reinvent all the mechanisms that fund schools. Therefore, we propose **AT THE CAP CIRCUIT BREAKER** legislation for additional state Foundation Aid for districts that are "at the cap" and fiscally responsible. The administrations of the Kenai Peninsula Borough and the Kenai Peninsula Borough School District can demonstrate that they have acted in a fiscally responsible manner. The circuit breaker goes into effect if criteria 1 through 4 are met as defined below:

Tables 1 and 2 illustrate that declining state Foundation Aid has hampered the Kenai Peninsula Borough from contributing additional local funds because the borough funds to the cap (the maximum allowable by statute).

1. The percentage of state aid as a function of total expenditure has remained flat for the last three years.

Table 1 **Three Prior Years of State Foundation Aid**

Year	State Aid	Percent of Total Expenditure
1999	$42,800,605	58.8%
2000	$43,104,729	57.6%
2001	$42,231,591	56.5%

2. The last three years of borough aid as dollars and percentage have been funded at the maximum allowed by law.

Table 2 **The Last Three Years of Borough Aid (at the cap)**

Year	Borough Aid	Percent of Total Expenditure
1999	$29,476,785	40.5%
2000	$29,294,461	39.5%
2001	$29,628,226	40.4%

(Please note that the sum of Foundation Aid and Borough Aid does not equal 100% due to grant and Federal revenue.)

Table 3 illustrates that the Kenai Peninsula Borough School District has exceeded the 70% of the overall budget for instructional purposes and 30 % of the overall budget for administrative purposes. Table 4 illustrates that the Kenai Peninsula Borough School District has limited central office administrative expenses to less than 5% of the overall budget. To our knowledge, in terms of percentage of costs, the Kenai Peninsula Borough School District has one of the most efficient central office administrations in the state.

3. The last three years of 70%-30% administrative costs/teaching costs are in compliance with statute.

Table 3 **Instructional/Administrative Percentages**

Year	Instructional	Administrative
1999	75.5%	24.5%
2000	75.7%	24.3%
2001	71.9%	28.1%

4. The last three years of central office administrative costs have shown fiscal responsibility.

Table 4 **Central Office Administrative Costs**

Year	Percentage of Total Budget
1999	3.9%
2000	4.3%
2001	4.3%

SOLUTION:

The Kenai Peninsula Borough School District proposes that legislation could be introduced to assist boroughs that fund to the cap for three years and the corresponding school district has complied with the 70%/30% rule and limited central office administrative costs to under 5%. The **At The Cap Circuit Breaker** legislation would award an additional 5% Foundation Aid to the districts that meet the aforementioned criteria. In the case of the Kenai Peninsula School District approximately an additional 2 million dollars would be available for use. If the Kenai Borough chose to continue to fund to the cap, approximately an additional $460,000 could be available for use by the Kenai Peninsula School District for FY '03.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT (KPBSD)
Revision of the Area Cost Differential

The Kenai Peninsula School District administration believes that the present area cost differential of 1.004 assumes that operating geographically rural schools within the Kenai Peninsula is about the same as operating urban schools in Anchorage. The district believes that the "Kenai Peninsula-as-Anchorage" assumption is totally inaccurate. Our school district is actually comprised of elements of the Matanuska-Susitina Borough School District, Valdez City Schools, Delta/Greeley School District, and the Lake and Peninsula Borough School District all in one. By funding the Kenai Peninsula Borough School District similarly to the Anchorage School District our schools are adversely impacted. In spite of budget cutting and fiscal restraint, the district has concluded that one major obstacle to long-term fiscal solvency is the present area cost differential.

The Kenai Peninsula Borough School District respectfully requests that our district area cost differential is based upon the geographic reality of our district. Making the assumption that the KPBSD is actually comprised of elements of the Matanuska-Susitina Borough School District, Valdez City Schools, Delta/Greeley School District, and the Lake and Peninsula Borough School District all in one, the following table illustrates how this proposal would affect the funding of the schools of the KPBSD:

Proposed Area Cost Differential

School District	Area Cost Differential	KPBSD Schools	
Valdez City Schools and Delta/Greely S.D. **(*For Homer, Seward, and "on the road" small schools, we used Valdez and Delta/Greeley cost differential of 1.10.)**	1.10	Chapman El Chapman Sec Cooper Landing Homer Middle Homer High Hope Kachemak-Selo McNeil Canyon Moose Pass Nikolaevsk El Nikolaevsk Sec	Ninilchik El Ninilchik Sec Paul Banks Razdolna Seward El Seward Mid Seward Sec Spring Creek Voznesenka El Voznesenka Sec West Homer El
Matanuska-Susitna Borough School District **(*We used the Mat-Su area cost differential of 1.01for the Central Peninsula schools.)**	1.01	Aurora Borealis K-Beach El Kenai Alternative High Kenai Central High Kenai Middle Mountain View Nikiski El Nikiski Jr/Sr North Star El	Redoubt El Sears El Skyview High Soldotna El Soldotna Middle Soldotna High Sterling El Tustumena El
Lake and Peninsula School District **(*For schools accessible only by air and water, we used Lake and Peninsula School District area cost differential of 1.56.)**	1.56	Nanwalek Port Graham Susan B. English Tebughna	

(The table utilizes the area cost differential of the four above-mentioned school districts based on similar geographic/demographic characteristics of the communities.)

SOLUTION:

The Kenai Peninsula Borough School District requests that our geographically diverse district be allowed to immediately **adopt multiple area cost differentials** that genuinely reflect the cost of educating students in a 24,737 square mile borough (16,221 on land). Our district has sites accessible only by water or air, remote schools off the road system, and schools dispersed over 250 miles of road system. Using comparable district area cost differentials previously stated, appendices 1 and 2 illustrate that $2,800,000 in additional state Foundation Aid should be available to our district for FY '03. We request a revised cost differential for FY '03 due to the departure from the intent of SB 36 to "prepare and submit to the legislature by January 15 of every other fiscal year proposed district cost factors."

March 1, 2002

From: Michael Sigler [sigler@gci.net]
Sent: Wednesday, July 04, 2007 10:06 AM
To: Joint Leg Ed Task Force
Subject: Written testimony for Legislative Task Force on Education from Great Alaska Schools

Would you distribute the following written testimony to the members of the Legislative Task Force on Education?

Thank you,

Mike Sigler,
Steering Committee
Great Alaska Schools

Great Alaska Schools
2007 Legislative Task Force on Education

The Great Alaska Schools Coalition (formerly Alaska Kids Count! Network) is a non-partisan statewide coalition of citizens who believe Alaska's students deserve a high quality, comprehensive education. We advocate for funding that supports high quality schools for Alaska's children.

Although the Legislature has substantially increased school funding the last five years, these funding increases mostly have covered retirement costs and inflation effects and until this Legislative session, little has gone toward classroom improvements. We applaud this year's increase. We ask the Legislature to solidify and continue this improvement.

Specifically, we support:

* Class sizes that give teachers time to pay attention to individual student needs.

* Rigorous, engaging programs that prepare students for the workplace, technical training, or college.

* Intervention programs to reduce the state's astonishingly low graduation rate.

* Parent involvement in schools.

With respect to school funding, we support:

- Addressing cost of living differences between communities (area cost differential) so that all Alaska students are offered a similar education.

- Meeting cost of mandated services such as special education, including intensive needs students.

- Compensation for inflation effects beyond the direct control of districts.
- Career & technical training and student access to 21st Century technologies
- Early notification of education funding.

Great Alaska Schools Steering Committee
June 30, 2007
For more information contact Mary Hakala, Coordinator at williwaw@earthlink.net or Mike Sigler, Steering Committee member at sigler@gci.net or visit our web site http://www.alaskakidscount.org

From: Stephanie Allison [slacpa@acsalaska.net]

Sent: Friday, July 06, 2007 11:07 AM

To: Joint Leg Ed Task Force

Cc: 'Peggy Cowan'; 'Eddy Jeans'; Rep. Andrea Doll; Rep. Beth Kerttula; Sen. Kim Elton; Andi Story; 'Bill Peters'; Margo Waring; Mark Choate; Mary Becker; 'Phyllis Carson'; Sean O'Brien

Subject: Comments regarding meetings of June 14th & 15th - Juneau resident

Mr. Chairman and Legislative Task Force Members;

It was with great interested that I listened to the meetings on June 14th & 15th. I am a life long Alaskan resident, growing up in Eagle River, receiving post-secondary education at UAF and residing in Juneau for the last 13 years.

I am a member of the Glacier Valley Elementary site council and have represented Glacier Valley for the last three years on the Juneau School District Budget Advisory Committee. I am well versed on the state's funding formula and have given workshops to fellow site council members to help them understand the funding formula. I consider myself well informed in the arena of school funding.

There are three priorities I see as a member of the public who works extensively with the school district budget.

1. Forward Funding: District personnel, the school board and the Budget Advisory Group (all volunteers) work countless hours crafting a budget that contains a huge unknown, the BSA. While there are a few positive aspects of this exercise, it is largely a significant waste of time which happens in every school district across the state. The uncertain position in which teaching staff are placed every year undermines the efforts school districts are making to educate their children.

2. Inflation Proofing the Funding Formula: There are few, if any, fixed costs in school district budgets. The foundation formula does not allow for the normal growth in costs associated with administering a school district.

3. Increase busing allocations: Currently, districts are allocated busing funds based on the ADM for a given year. This method is not sustainable, especially in districts with declining enrollment. Declining enrollment does not equate to fewer buses or bus routes.

   The Juneau School District has worked hard to streamline bus services over the last few years; school start times have been shifted to enable combining of routes and afternoon kindergarten buses have been eliminated. Despite cost saving measures the district has to use nearly $500,000 annually in general funds to cover the expense of busing.

And finally, I'd like to comment on the committee's decision to not take action on small Charter School funding. While my own sons are not enrolled in the Juneau Community Charter School (JCCS), they are in a district-wide optional program. I believe that optional programs are an important part of the state's education system and not every community has the population to

sustain charter schools of 150 in addition to their mainstream programs.

According to the document provided by Mr. Jeans and the Division of School Finance (titled "Charter School and Intensive Needs Handout"), JCCS received $5,466 per student in state aide, while the average state aid per child in the same age group is $8,097. JCCS is receiving $2,631 LESS in state aid per child than other students enrolled in the Juneau School District. It appears on this table that at least two other small (less than 150) charter schools in this state also operate at significantly lower allocations of per student aid than their school districts operate. Rather than operating inefficiently, which was the assumption when the formula was written and created the 150 student floor, it appears that these schools operate with super efficiency. I urge the committee to reconsider the decision to take no action on small Charter School funding; in school's this size even a small increase has significant impact.

Thank you for your time,

Stephanie L. Allison, CPA
slacpa@acsalaska.net
723-3092 (wk)
790-6407 (fax)

To: Representative Mike Hawker, Chairman of the Joint Legislative Education Funding Task Force and Members of the Committee

From: Jack Walsh, Superintendent
Bristol Bay Borough School District

Date: July 12, 2007

Subject: Testimony and Counsel on Educational Funding

Thank you for the opportunity to comment on the critical issue of funding Alaska's schools. As all of you know, this is an issue that annually comes to your attention from every corner in the state. Whether you represent the largest or smallest communities, you know, all too well, that it is an issue that needs your regular attention and constant commitment and we appreciate your support. Several members have mentioned in the course of these hearings the emotional and sensitive nature of these discussions and I have appreciated that throughout these proceedings people's remarks and opinions have been respected.

Your efforts to increase the BSA and implement part of the ISER study during the last legislative session is appreciated and Bristol Bay and other districts will be better able to address our needs for next year as a result of those increases. While the ISER monies do not effect every political district or school district in the state, it is important for those of us in our more remote and rural areas. I appreciate that your perspectives and your efforts must reach beyond the political boundaries of your own district and consider the entire state and the great disparity that exists from one region to another. That willingness to consider all of the state's residents and regions is vital to our economy and our future.

As a school administrator in Alaska for over a decade, and now as a new superintendent, I am familiar with a variety of the challenges we face as a state and as educational leaders and I continue to want to be part of the solution. In trips to Juneau to meet with legislators, and in other ways, I have continued to be supportive of your efforts in the legislature. I have also tried to help make sure that you understood the difficulties we face in trying to bring a high quality educational program to our communities and families. As continued communication is a key to finding a solution, I appreciate these opportunities to provide public comment. At times I believe the remarks were well received, there are other times when I wondered if they served any useful purpose.

I have only been working in the Bristol Bay Borough School District since July 1st, so I am only beginning to understand the specifics in educational funding as they relate to this district. It is, however, fair to say that the Bristol Bay Borough School District is like many other districts within rural Alaska. We have seen declining enrollments, high staff turnover, and rising energy and transportation costs and in spite of all of that, we continue to provide a quality education program for the children of our communities. While I am new to this community, I know that our staff and families are concerned with the same issues that face all communities and districts. We want to sustain the programs we currently offer and to create new opportunities for students to learn and grow. I believe that the Bristol Bay School District continues to see students leave our schools well prepared for their future and to help Alaska grow and develop.

There are five issues I would like to address and provide counsel on because I believe they are imperatives when you consider the funding of K-12 education in Alaska. These are not new issues

or never before addressed, but they are issues that need to be resolved before too much time has passed and the impacts cannot be addressed.

1. It is time to address the ISER recommendations for school funding and the area cost differential in the way that it was meant to be corrected. This would require the legislature to fully recognize the need for different communities to receive greater funding because of the costs related to their isolated nature and the costs of providing goods and services to remote and rural areas and to include that factor in the state's funding formula. While we have appreciated the legislature's support of 25% or 50% of the area differential, it still falls significantly short of the recommended amount. The numbers created by ISER are based in reality and will help correct the shifts that occur in costs, particularly for items like fuel and electrical power. Much has been made of flaws in the initial study and other concerns related to the second research study, and every other revision. The fact remains that purchasing goods and services is more expensive in Naknek than it is in Anchorage, or Kodiak, and we need some relief and some new monies to address that differential. Your memo suggested that you need counsel on whether we should implement an existing formula, modify one of those studies, or reject the studies and start again. What makes you think you would ever agree to the next set of findings and why would you take it upon yourselves to modify a study's recommendation when people would be even less likely to believe your methodology is fair, equitable, or adequate? I find it interesting that the website for these hearings has a document on line that asked the ISER staff to recreate the numbers again and to eliminate or change the teacher component of the study. Once again, someone has instructed the researchers and statisticians best suited to determine what makes the study viable to eliminate the factor or factors they don't like. As demonstrated before, it will allow someone, or some committee, to later suggest that the numbers always seem to be changing, or the study is flawed and it will again delay the implementation. Not to be mentioned lightly, I believe the state must also consider ISER's other recommendation dealing with the volatility of energy costs and find a way to fund those costs outside of the funding formula. The state has provided separate energy funding for the post secondary system, perhaps a similar effort would help the k-12 program.

2. Declining enrollment effects Bristol Bay and many districts. It is difficult to deal with if we budget based on projected numbers in the spring and our October counts fall short. It is time to rethink the way you address the funding of K-12 education and truly consider forward funding or another method that allows you to go to Juneau and to follow through on the promises you made and the messages you sent during your campaigns and between sessions. It will also allow us to do the same in our communities and to be true to our commitments even if we know the adjustment will occur the next year. Those subsequent changes will at least have been something we had forecasted, been forewarned about, and better prepared to handle. The legislative effort to set aside dollars for education in the future is a great first step, but it is not the complete solution. Whether we re-adopt a second count day in the winter or early spring or we hold harmless declines of 10% or less, (except perhaps in our smallest schools) I believe the state must find a way to address this challenge so we aren't letting teachers go or suddenly have to eliminate programs and services to pay the fixed and still volatile heating, gas, and electric bills. A fear related to decreased enrollment is that children are dropping out, and not being served. That is an issue that all districts take seriously and work hard to reduce. It is also addressed in the requirements of

NCLB and has taken on a greater importance for all districts. While we do lose students to drop out each year, some choose to enroll in schools like Mt. Edgecumbe because of the programs they offer students. I believe the state needs to find a way that might allow districts to consider those students still in the district count for up to two years when parents choose to send them to the state boarding school. The number of students involved is relatively small and yet the impact on a small district can make the difference in retaining a teacher or providing another valuable service.

3. In recent years the capital budget awards that always come out in those last hours of the session also seem to be more of an attempt to appease a constituency than to truly address the educational priorities of the state or the educational community. The amount of money doled out in those capital projects is significant and would be better dealt with through the standard funding formula or developing grants that allow equal access to the resources. It is an area I believe you need to consider changing in light of the public's interest in knowing how decisions are made and what priorities are being addressed by their elected officials.

4. Teacher retention and teacher turnover has a huge impact on student learning and across the state this is an issue that concerns every district. While Bristol Bay may have less turnover than some other districts, next year we will have a turnover rate of more than 20% and we believe we could do better. One of the most tried and true ways to address teacher turnover is to support new hires with a mentor. It would seem that supporting a program of mentoring for all new teachers would be an investment in schools and children that will pay long term benefits. This is the type of program that needs your support before we build flower boxes and landscaped driveways in front of schools, or some of the other ways we have dedicated funds through the capital projects lists.

5. Intensive services for our students with the greatest needs and disabilities are an area that needs to be revisited, both in the way these intensive needs criterion are set and the level of funding received. Even within the intensive needs category there is a great range associated with the costs of services for these students and that cost is exacerbated by the rural and remote nature of the community where the student resides. It is not unheard of for a district to have to pay upwards of $1000.00 a day for a PT/OT/or SLP to travel to a site and serve a child for an hour or two. If those services are needed weekly or even monthly it is a significant cost. When you add the costs of daily services from teachers, aides, nurses, etc the costs often exceed the amount of money provided before the first half of the year is complete. In fairness, while the intensive needs costs have received a lot of attention in recent years, I believe you cannot look at those costs and needs in a vacuum. Since a time when the state lumped special education, vocational education, and bilingual services together and set a ceiling for transportation costs many districts have not had funding that covered those needs and have regularly offset those real costs with general fund revenues. These are far too important areas of our programs to not fully fund as suggested by Carol Comeau and others.

Thank you for your time and attention to this memo. Others may have spoken more eloquently and may have a greater understanding of school funding theory, but I believe that these are some of the issues you must address. I also look forward to being a person who supports your legislative efforts and continues to expect that those efforts are focused on the entire state and the educational needs of all Alaskans.

TESTIMONY FROM DR. MARTY LASTER, KUSPUK SCHOOL DISTRICT:

Honorable Members of the Joint Legislative Education Funding Task Force:

My name is Dr. Marty Laster and I have had the honor of working with the state of Alaska Educational Community for approximately three decades. I have worked in urban districts like Mat-Su and Anchorage, single site districts like Craig and rural districts like Northwest Arctic and currently Kuspuk School District. I would like to address three items today.

The first issue is the block grant that was created in 1998. Its purpose was to address bilingual, sped, gifted and vocational education with the "20% factor." I am hopeful others will speak to these issues so I will focus only on bilingual. Funding is no longer attributable to the targeted population but to the size of the entire population of the district. A district with a thousand students with 30 Limited English Proficient students receives the same funding as a district with 800 Limited English Proficient students. I realize there are other factors involved, others can speak to the tangential issues. This is an issue that affects districts regardless of their urban or rural nature. Urban districts encounter greater complexity. The Department has decided this factor is important enough to invest in developing our own statewide assessment and providing training for test implementers.

Most importantly, Limited English Proficiency "Bilingual" appears to be a major factor in a district's ability to achieve Adequate Yearly Progress as a school system. Everyone of the larger urban schools is included among the districts with the most LEP students. Only two of the districts with the most LEP students made AYP. This is a factual statement not necessarily a causal relationship. However, the opposite is also true, Of the twenty districts with the fewest LEP students, all twenty made AYP. This is based upon Department data for the 2005-2006 school year.

If we are about helping students achieve success, it would appear this factor should play a key role in the funding formula in order to help students graduate from our system. This is a student outcome issue.

The second issue that I would like to raise will probably be even less popular than the first. Local contribution has been an irritant in the Alaskan funding system since before the flood. I think an unnamed Representative brought it to the legislature on two tablets. All joking aside I would like to place this issue next to dropping the mill rate below four mills. In order to hold districts harmless in lowering the local requirement, it would be necessary to have the state pick up the remaining "local contribution."

REAA districts must specifically work in their communities in order to receive the payment for the impact of non-locally taxable lands. The state then takes 90% of that revenue and gives it to all the districts and the local districts get to keep 10 cents on the dollar and the myth that they are not paying their fair share. As we consider lowering the required mill rate, please consider allowing REAA districts to keep the payment made in lieu of taxes to that community. This is a taxpayer equity and resource for students issue.

My final comment is to thank you all for taking this overwhelming but critical task on. I recall seeing that the task of the committee is to address key issues. It is not possible to address the formula systematically in such a short time frame. My request here is that when your work is completed, please keep the same mind set. When you are done, there undoubtedly will still be much work remaining to systematically address the formula. Please remind constituents of the remaining challenges.

Again I offer my best wishes and sincere thanks for your efforts on behalf of all of Alaska's students.

To: Joint Legislative Education Funding Task Force

From: Lexi Hill, ISER –UAA

Re: ISER Cost Differential Index recalculated without teacher component

For this memo, I have re-calculated the district cost differential without the teacher compensation component. However (as usual) nothing is as simple as it seems, and so I want to provide some context to the resulting numbers.

The cost differential that ISER calculated in 2005 (like the one AIR calculated in 2002) is a multiplicative index. It is the product of 11 components[1]. Each component is a relative price (such as the cost of a 'standard' teacher, or a gallon of heating fuel), adjusted to reflect the budget shares of each component in each district.

The simplest way to calculate the differential-without-teachers that you've asked for is to divide out the teacher component, and the results of that calculation are in Table 1 and Chart 1, below. Those numbers express what our methodology would produce if teacher costs didn't differ at all from district to district, and those (unvarying) costs still comprised the same share of the budget that they do now. If what you're interested in is how much the teacher cost component contributes to the final index numbers, then you can use this measure, but with caution. It is more difficult to determine the relative contribution of each component in this type of index than in (for example) the consumer price index, which is a weighted sum, rather than a weighted product. If you were to calculate the contribution of each component in turn by making its relative price 1 (the same for every district), leaving the rest of the calculations the same, and applying the resulting differentials to some fixed level of funding for Anchorage, then the sum of 'contributions' of all 11 components will be greater than the total funding amount you start with. This is a problem, if you're looking for some exact measure. If you just want a general sense of the magnitude the teacher cost component has in getting to the final result, then just keep in mind that it's not perfect.

If this is not what you're trying to do, then other calculations come into play. I can do those as well – just give me more information on how you want to use the numbers so that I make sure I don't provide misleading analysis.

Finally, (since I have you reading this) I would urge you to consider looking at the energy component. ISER recommended taking energy out of the school funding formula and paying energy costs (or most of them) directly. There are several reasons for this. (1) Energy costs are the most volatile and difficult to model part of the index. We didn't model them – we just took average costs from FY2000 to FY2003. Rapidly changing energy costs can make any formula wrong quite quickly. I'd predict (without doing the calculations) that ISER's proposed index, based on 4- to 7-year old costs, would be noticeably different with today's energy prices. (2) Districts have little or no control over energy costs. When their electric or heating fuel bills double, they just have to take the money from somewhere else – like instruction. (3) In general, when energy costs rise, the state has more income to cover them.

[1] AIR had 12 components, but we combined teachers and administrators into one.

Chart 1. ISER Cost Differential with and without Teacher Relative Cost Component

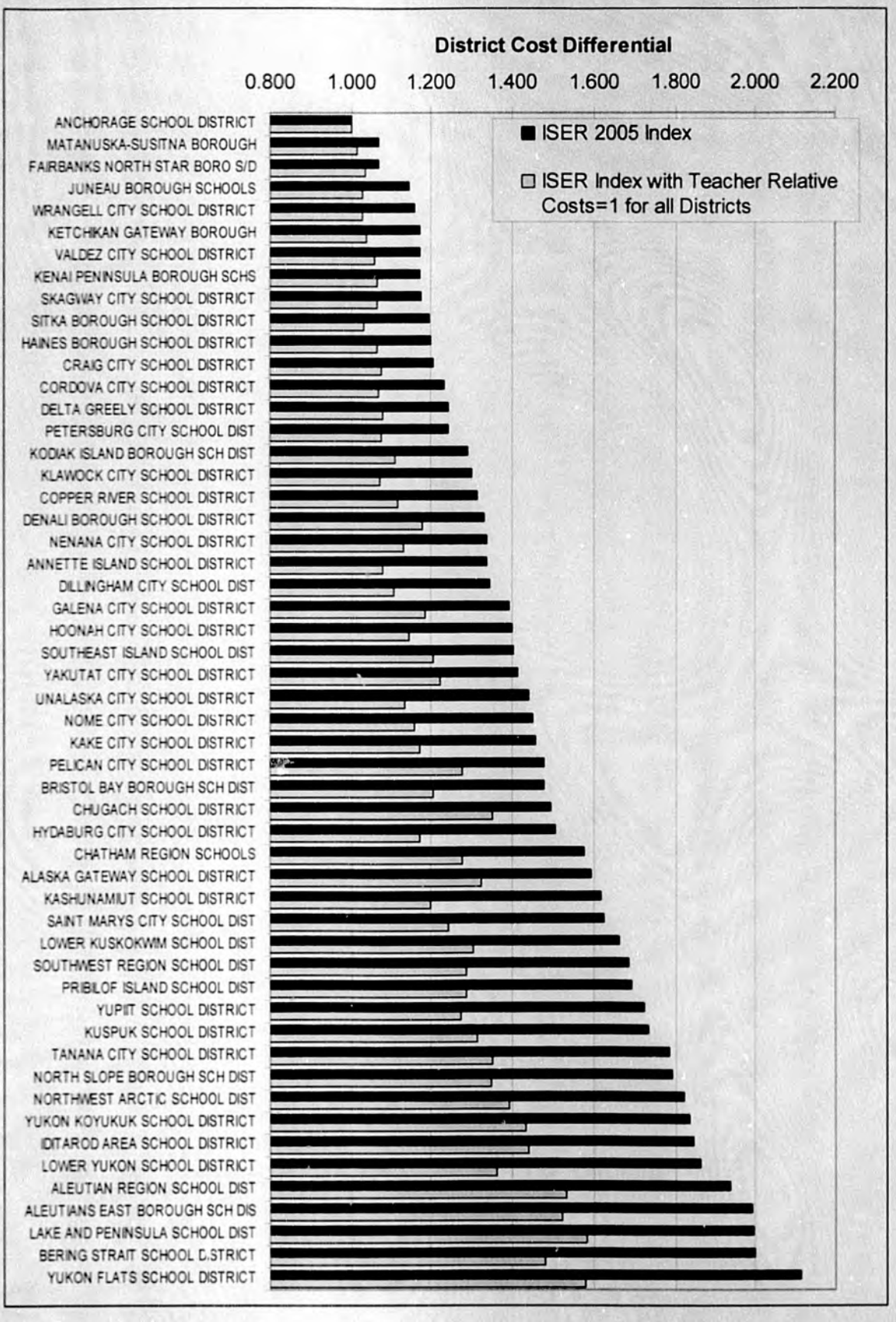


Table 1. ISER Cost Differential with and without Teacher Relative Cost Component			
District Name	**District #**	**ISER 2005 Index**	**ISER Index with Teacher Relative Costs=1 for all Districts**
Denali Borough School District	2	1.332	1.177
Alaska Gateway School District	3	1.594	1.323
Aleutian Region School Dist	4	1.939	1.533
Anchorage School District	5	1.000	1.000
Annette Island School District	6	1.338	1.079
Bering Strait School District	7	1.998	1.480
Bristol Bay Borough Sch Dist	8	1.478	1.206
Chatham Region Schools	9	1.576	1.276
Chugach School District	10	1.496	1.352
Copper River School District	11	1.316	1.117
Cordova City School District	12	1.234	1.069
Craig City School District	13	1.206	1.077
Delta Greely School District	14	1.241	1.078
Dillingham City School Dist	15	1.346	1.106
Fairbanks North Star Boro S/D	16	1.070	1.036
Galena City School District	17	1.391	1.184
Haines Borough School District	18	1.200	1.065
Hoonah City School District	19	1.399	1.145
Hydaburg City School District	20	1.504	1.171
Iditarod Area School District	21	1.846	1.439
Juneau Borough Schools	22	1.145	1.028
Kake City School District	23	1.459	1.171
Kenai Peninsula Borough Schs	24	1.171	1.066
Ketchikan Gateway Borough S.D.	25	1.170	1.037
Klawock City School District	27	1.302	1.073
Kodiak Island Borough Sch Dist	28	1.289	1.109
Kuspuk School District	29	1.734	1.314
Lake And Peninsula School Dist	30	1.994	1.583
Lower Kuskokwim School Dist	31	1.663	1.304
Lower Yukon School District	32	1.861	1.363
Matanuska-Susitna Borough Schs	33	1.070	1.014
Nenana City School District	34	1.338	1.129
Nome City School District	35	1.450	1.158
North Slope Borough Sch Dist	36	1.791	1.350
Northwest Arctic School Dist	37	1.823	1.393
Pelican City School District	38	1.477	1.276
Petersburg City School Dist	39	1.244	1.077
Pribilof Island School Dist	40	1.691	1.288
Sitka Borough School District	42	1.195	1.031
Skagway City School District	43	1.174	1.064
Southeast Island School Dist	44	1.403	1.205
Southwest Region School Dist	45	1.685	1.288
Saint Marys City School Dist	46	1.624	1.244
Unalaska City School District	47	1.441	1.132
Valdez City School District	48	1.170	1.059
Wrangell City School District	49	1.159	1.027
Yakutat City School District	50	1.412	1.221
Yukon Flats School District	51	2.116	1.581
Yukon Koyukuk School District	52	1.835	1.433
Tanana City School District	53	1.786	1.353
Yupiit School District	54	1.723	1.274
Kashunamiut School District	55	1.619	1.198
Aleutians East Borough Sch Dis	56	1.991	1.523

JUNEAU SCHOOL DISTRICT
CITY AND BOROUGH OF JUNEAU
OFFICE OF THE SUPERINTENDENT

10014 CRAZY HORSE DRIVE · JUNEAU, ALASKA 99801-8529 · (907) 523-1702 · FACSIMILE (907) 523-1708

July 6, 2007

Representative Mike Hawker, Chairman
Joint Legislative Education Task Force
25th Alaska State Legislature
716 W. 4th Avenue
Anchorage, AK 99501

Dear Representative Hawker:

On behalf of the Juneau School District, I'd like to thank you and your committee for your leadership for the students and schools of Alaska. You have an ambitious task, a challenging meeting schedule, and a diversity of interests. This letter outlines the Juneau School District recommendations on the topics you chose.

District Cost Factor

The District Cost Factor should be changed to the ISER rate on the short term and a new study should be initiated to establish an accepted rate for the long term. The DCF rate for Juneau since 1999 has been 1.005. This rate does not reflect the difference between running schools in Juneau and Anchorage and has disadvantaged Juneau students for many years.

The July 2006 issue of *Alaska Economic Trends* by Neal Fried and Dan Robinson reports that the American Chamber of Commerce Researchers Association (ACCRA) places Juneau with an items cost index of 132.6 whereas Anchorage's index is 117.4. They also point out that Juneau was the most expensive place to rent a three-bedroom home; and the second most expensive place within Alaska to rent a two-bedroom apartment. All economic indices show that the cost to live or do business in Juneau is much higher than in Anchorage, significantly higher than the half of one percent that JSD has been receiving.

Attracting and retaining employees is important for all school districts. Recently the Juneau School District has experienced significant difficulty in attracting administrators, specialty teachers and many support personnel. The high cost of living means that Juneau should pay higher salaries to attract and retain employees. Lack of qualified personnel

adversely affects student performance. Because employee costs are 90% of the district's budget, JSD needs more foundation program support to support the cost of living in Juneau.

Intensive Needs Student Calculation

Your committee grappled with both adequacy and alternative approaches with funding intensive needs students. It is clear that the current formula of five times the Base Student Allocation does not provide sufficient funding to meet the average cost of providing services to these students in any Alaskan district. We appreciate that you recognize this and are trying to address this inequity because the cost above the money provided by the state comes from the enrollment based portion of the foundation formula and reduces the educational programs available for other students within the district.

The special needs intensive count is not subject to the district cost factor. So, for last year and this year, the amount that the District receives from the State is five times the base student allocation of $5,380, or $26,900. Since the average cost per student reported from school districts in Alaska was $60,000 or more, the multiplier that would need to be used to approach reimbursing districts for the cost of serving these students is at least eleven ($59,180).

Any adopted approach must provide sufficient funding to meet the educational program of intensive needs students so the funding should be based on the number of students served rather than a flat rate for administrative ease.

Local Effort

The intent of the legislature of calculating the local contribution from a comparison with the value of property in the community in 1999 is responsive to home-owner concerns with an increased tax burden when their property value inflates. A compromise approach would be adjusting from five years ago, rather than 1999. We recommend that the base year in AS 14.17.510(c) be defined as the fifth preceding fiscal year. That is, the full and true value of taxable real and personal property for determining the local required contribution be an average of the values as of January 1 between the second and fifth preceding fiscal years.

Moving the base year is a compromise between setting forth a four-rate mill for all districts, and the current practice of averaging between January 1 of the second preceding year and 1999. When municipal values are increasing this makes the local increase less pronounced than a flat rate system.

Public Transportation

The per-pupil amount each district reserves for pupil transportation has been frozen for three years. Most school districts contract with pupil transportation vendors. Their

contracts typically contain a cost of living clause that increases the cost of providing services. Many districts are having to shift educational formats to pay for escalatory pupil transportation costs.

The JSD, like many districts, has streamlined bus services. It has reduced the number of buses and continually looks for ways to make pupil transportation more efficient.

TRS/PERS

The current TRS and PERS rates set by the Legislature need to be made permanent and continue to be funded outside of the foundation formula. This approach will help prevent the continued erosion of services for students in order to pay for these employee benefits.

Thank you for your dedication to Alaskan students. I am happy to answer any questions you have. Bill Peters, President JSD Board of Education will provide oral testimony at your July 11 and 12 meeting.

Sincerely,

Peggy Cowan

Peggy Cowan
Superintendent

Cc: Senator Kim Elton
Representative Beth Kertulla
Representative Andrea Doll
Members of the School Board

THE LAKE AND PENINSULA SCHOOL DISTRICT

101 Jensen Drive
P.O. Box 498
King Salmon, Alaska 99613
Phone (907) 246-4280 / Fax (907) 246-4473



Date: July 12, 2007
To: Joint Legislative Education Funding Task Force
From: Steve Atwater, Superintendent
Re: Lake and Peninsula Borough School District's Funding Recommendation

Pertinent Facts about LPSD

- 14 schools
- 380 students
- FY08 Budget $11,753,426
- FY08 LP Borough Contribution $941,876
- $8.2 million- amount of current bonded indebtedness by Borough for District
- Because of fiscal constraints, LPSD does not offer its students programs in music, art, foreign language, or any vocational training

LPSD's Funding Recommendation

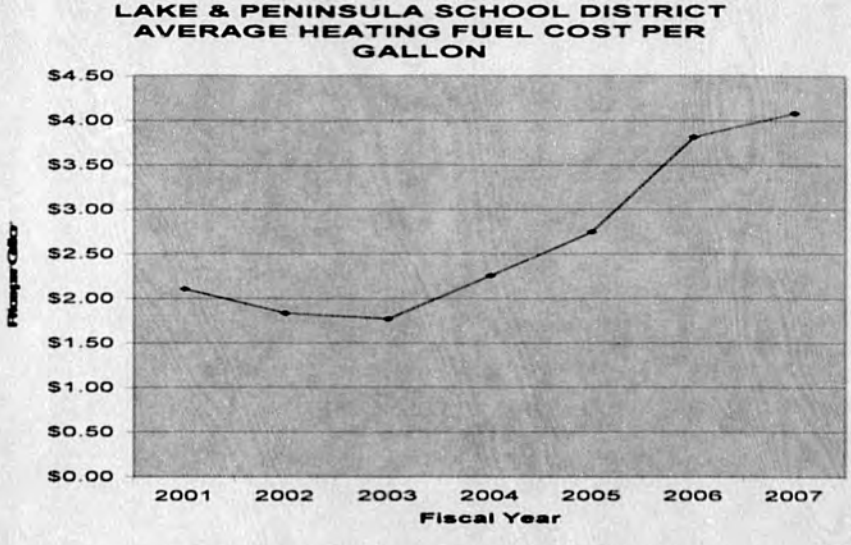
Implement ISER's Proposed Cost Differential Rates

Cost of running our small schools is increasing at an alarming rate

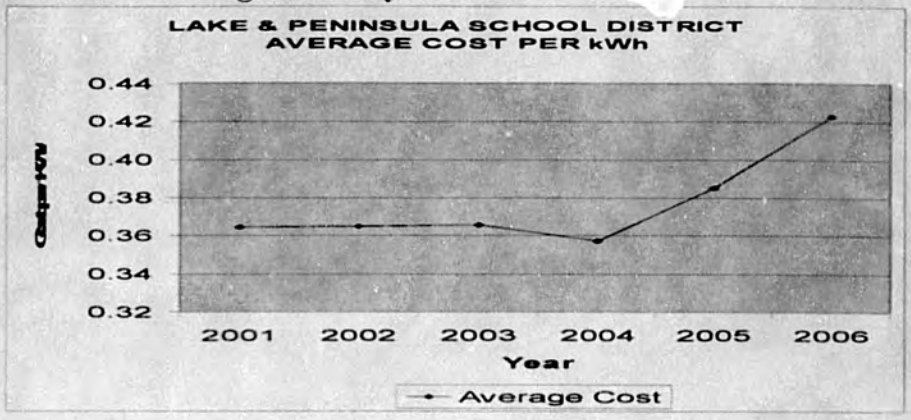
- FY08 Budgeted Operations and Maintenance of Plant = $2,520,526

(21% of budget) including FY08 Cost of Energy = $1,093,000

Cost of Heating Fuel

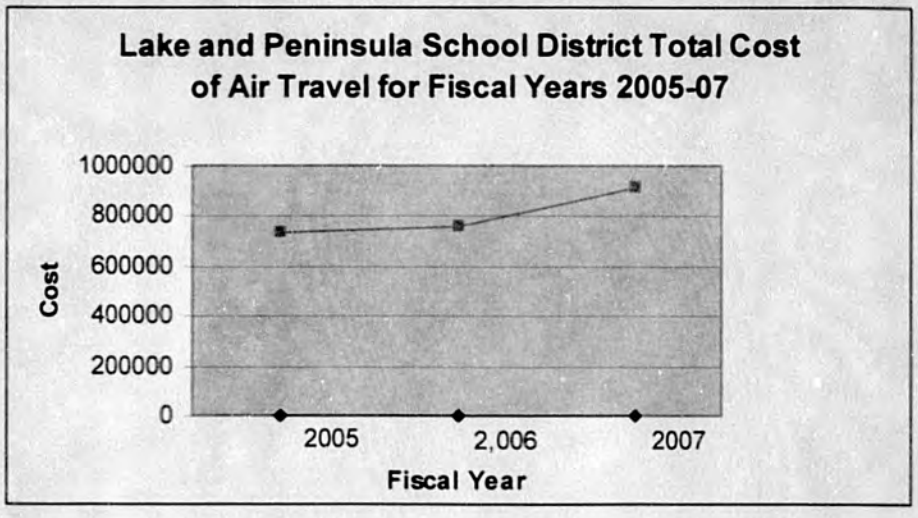


Cost of Purchasing Electricity



Other Increasing Costs

Cost of Air Travel



LPSD's Poor Economy of Scale

Despite increasing the District's energy efficiency, our schools, because of their small size, are not able to have a good economy of scale. The cost of running a school for 15 students is not half the cost of doing the same for 30 students. Eight of LPSD's schools enroll fewer than 20 students.

Summary

LPSD is proud of its students' improving academic performance and of its sound fiscal management. The District is dependent on the cost differential for keeping its doors open; it could not survive without it. The figures used to calculate the cost differential in 1998 are no longer valid. For example, one of our villages charges .67 per KWh. It is fair to state that the recent surge in energy costs has stressed our resources to the point where LPSD believes that its cost differential is more in line with the figure proposed by the ISER study than it is with the current rate set in 1998.

The Department of Education & Early Development
July 06, 2007
Transmittal of Task Force Data Request

The following documents are in PDF format and attached to this email:

- Local Effort in Mil Equivalent – Audited Local (required local plus additional contributed) and State Assessed Value. Six Year Schedule FY2002 – FY2007. (XI. Eleven)
  (This spreadsheet does not address bond debt payments at the local level as they are not part of the foundation formula and that data resides at the local government level.)

  This spreadsheet illustrates the mil equivalent of actual audited local contributions using the State Assessors Full and True Value. The calculation is the actual contribution divided by the State Assessors Full and True Value, multiplied by 1000.

  Mil equivalents based on minimum required local contributions and education values can be found in a previous spreadsheet at the June 15th Joint Task meeting: "State Cost Projected to FY15 (page 3)" In addition the June 29 data includes a spreadsheet with a seven year schedule of assessed values and local contributions in dollars.

- SB174 Bill History and Action. This is a nineteen page document reproducing selected items from SB174 during the 22nd Legislative Session. These items were selected for reading convenience and a full display of the bill history can be found online at legis.state.ak

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Updated list: Currently the following data requests are outstanding:

Calculation methodology of District Cost Factor, sequence of factor in calculation. (Roses 6/14/07). (To do)

Other Topics discussed at the Task Force: (EED is not the immediate source; we need to discuss how these requests should be treated)

- Department of Labor Trends in comparison to proposed differential.
- ISER personnel vs. non personnel
- Special Education Costs, Cost Drivers, Other.

EED - Local Effort in Mill Equivalent - Audited Local (required plus additional contributed) using State Assessed Value

District	FY02	FY03	FY04	FY05	FY06	FY07
Alaska Gateway	-	-	-	-	-	-
Aleutian Region	-	-	-	-	-	-
Aleutians East Borough	11.3	9.9	11.9	11.8	7.3	10.9
Anchorage	6.5	6.3	6.3	6.3	6.4	6.2
Annette Island	-	-	-	-	-	-
Bering Strait	-	-	-	-	-	-
Bristol Bay Borough	5.8	5.3	6.3	6.1	7.0	6.6
Chatham	-	-	-	-	-	-
Chugach	-	-	-	-	-	-
Copper River	-	-	-	-	-	-
Cordova	6.0	6.9	7.7	7.4	7.3	7.9
Craig	8.8	10.1	10.8	10.1	7.6	7.9
Delta/Greely	-	-	-	-	-	-
Denali Borough	9.5	8.0	8.4	7.8	8.1	8.5
Dillingham	8.0	6.3	7.5	7.0	6.6	7.9
Fairbanks North Star Borough	6.7	6.7	6.7	6.7	6.4	6.2
Galena	52.1	52.3	60.0	24.7	26.9	31.0
Haines Borough	7.0	6.4	6.3	6.2	6.3	5.8
Hoonah	20.0	12.1	10.9	14.0	14.0	12.7
Hydaburg	8.0	3.9	7.9	7.9	7.9	7.9
Iditarod Area	-	-	-	-	-	-
Juneau Borough	6.6	6.2	6.3	6.4	6.4	6.1
Kake	7.2	18.5	15.4	14.5	5.7	5.7
Kashunamiut	-	-	-	-	-	-
Kenai Peninsula Borough	7.1	6.8	6.5	6.3	6.3	6.6
Ketchikan Gateway Borough	6.8	6.3	6.4	6.9	7.0	7.5
Klawock	12.3	10.6	9.9	9.6	9.2	11.2
Kodiak Island Borough	7.3	7.8	8.0	8.4	8.4	7.9
Kuspuk	-	-	-	-	-	-
Lake & Peninsula Borough	15.3	15.0	13.5	14.0	14.0	17.5
Lower Kuskokwim	-	-	-	-	-	-
Lower Yukon	-	-	-	-	-	-
Mat-Su Borough	9.1	8.7	8.5	8.2	7.9	6.5
Nenana	4.0	4.0	4.0	4.0	4.0	4.3
Nome	5.7	5.9	6.9	6.7	6.9	7.6
North Slope Borough	2.4	2.3	2.1	2.2	2.2	2.3
Northwest Arctic Borough	8.4	8.4	8.6	8.4	9.3	9.3
Pelican	4.0	4.0	4.0	3.8	3.7	3.8
Petersburg	7.6	7.6	7.8	6.6	6.5	6.8
Pribilof	-	-	-	-	-	-
Saint Marys	4.2	4.0	4.0	4.2	4.0	3.9
Sitka Borough	7.0	7.0	6.8	6.5	6.5	7.1
Skagway	5.1	4.6	4.2	3.7	3.9	3.6
Southeast Island	-	-	-	-	-	-
Southwest Region	-	-	-	-	-	-
Tanana	13.2	13.2	13.2	4.0	4.8	4.8
Unalaska	5.4	5.5	6.1	6.4	6.4	6.4
Valdez	4.6	4.5	4.5	4.5	4.4	4.5
Wrangell	4.7	4.8	5.6	6.1	5.4	5.4
Yakutat	10.8	9.6	7.5	7.9	8.9	9.4
Yukon Flats	-	-	-	-	-	-
Yukon/Koyukuk	-	-	-	-	-	-
Yupiit	-	-	-	-	-	-
Mt. Edgecumbe High School	-	-	-	-	-	-

Local Effort in Mil Equivalent -
Audited Local (required plus additional contributed) State Assessed Value

District	FY2002 Actual Local Contribution	FY2002 2000 Actual State Assesed Value	FY2002 Local Effort Mil Rate with Actual Local and Assessors True Value	FY2003 Actual Local Contribution	FY2003 2001 Actual State Assesed Value	FY2003 Local Effort Mil Rate with Actual Local and Assessors True Value	FY2004 Actual Local Contribution	FY2004 2002 Actual State Assesed Value	FY2004 Local Effort Mil Rate with Actual Local and Assessors True Value
Alaska Gateway	-	-	-	-	-	-	-	-	-
Aleutian Region	-	-	-	-	-	-	-	-	-
Aleutians East Borough	$ 1,095,093	$ 97,167,900	11.3	$ 928,991	$ 93,559,600	9.9	$ 1,103,299	$ 92,935,400	11.9
Anchorage	107,301,568	16,574,726,820	6.5	114,373,207	18,261,699,360	6.3	121,490,634	19,203,572,370	6.3
Annette Island	-	-	-	-	-	-	-	-	-
Bering Strait	-	-	-	-	-	-	-	-	-
Bristol Bay Borough	1,197,866	204,802,200	5.8	1,092,986	204,917,800	5.3	1,217,947	191,985,000	6.3
Chatham	-	-	-	-	-	-	-	-	-
Chugach	-	-	-	-	-	-	-	-	-
Copper River	-	-	-	-	-	-	-	-	-
Cordova	1,050,600	173,796,950	6.0	1,250,000	182,432,550	6.9	1,366,000	177,202,330	7.7
Craig	903,925	103,150,100	8.8	1,046,603	103,456,400	10.1	1,101,603	102,394,800	10.8
Delta/Greely	-	-	-	-	-	-	-	-	-
Denali Borough	1,153,194	121,643,100	9.5	1,220,856	153,077,100	8.0	1,276,650	152,823,600	8.4
Dillingham	1,192,104	148,150,600	8.0	1,000,000	159,311,500	6.3	1,100,000	146,658,700	7.5
Fairbanks North Star Borough	32,555,700	4,840,563,260	6.7	33,545,700	5,020,369,220	6.7	34,545,700	5,186,187,740	6.7
Galena	940,730	18,043,700	52.1	940,730	17,993,500	52.3	1,091,110	18,197,100	60.0
Haines Borough	1,419,705	204,022,700	7.0	1,381,767	216,760,200	6.4	1,358,224	216,633,800	6.3
Hoonah	500,806	25,060,000	20.0	452,252	37,486,100	12.1	401,791	36,828,800	10.9
Hydaburg	65,000	8,141,600	8.0	33,386	8,469,800	3.9	65,000	8,267,100	7.9
Iditarod Area	-	-	-	-	-	-	-	-	-
Juneau Borough	17,276,600	2,632,035,700	6.6	17,731,200	2,845,582,700	6.2	18,171,200	2,883,823,800	6.3
Kake	127,000	17,642,900	7.2	330,000	17,815,400	18.5	280,000	18,204,600	15.4
Kashunamiut	-	-	-	-	-	-	-	-	-
Kenai Peninsula Borough	30,189,118	4,249,142,910	7.1	30,618,860	4,528,712,330	6.8	31,635,539	4,870,615,690	6.5
Ketchikan Gateway Borough	7,564,425	1,116,923,700	6.8	7,329,446	1,171,391,700	6.3	7,373,117	1,158,404,600	6.4
Klawock	386,257	31,525,500	12.3	340,002	32,012,000	10.6	319,504	32,251,100	9.9
Kodiak Island Borough	7,106,294	977,967,800	7.3	7,581,988	977,779,200	7.8	7,995,040	1,003,704,900	8.0
Kuspuk	-	-	-	-	-	-	-	-	-
Lake & Peninsula Borough	1,054,873	69,030,900	15.3	1,054,640	70,246,900	15.0	858,435	63,750,700	13.5
Lower Kuskokwim	-	-	-	-	-	-	-	-	-
Lower Yukon	-	-	-	-	-	-	-	-	-
Mat-Su Borough	29,631,346	3,256,885,340	9.1	30,071,038	3,468,918,730	8.7	31,525,963	3,722,613,180	8.5
Nenana	67,200	16,800,100	4.0	70,372	17,593,000	4.0	70,880	17,720,000	4.0
Nome	1,198,373	211,123,500	5.7	1,219,712	207,928,100	5.9	1,420,577	207,144,200	6.9
North Slope Borough	25,574,257	10,859,450,480	2.4	24,491,968	10,506,960,850	2.3	22,958,123	10,833,806,840	2.1
Northwest Arctic Borough	3,215,493	381,186,000	8.4	3,215,493	381,186,000	8.4	3,276,993	382,198,300	8.6
Pelican	50,487	12,621,800	4.0	48,089	12,022,200	4.0	46,251	11,562,700	4.0
Petersburg	1,923,454	254,224,500	7.6	1,975,976	258,774,000	7.6	1,835,409	235,272,900	7.8
Pribilof	-	-	-	-	-	-	-	-	-
Saint Marys	19,000	4,535,700	4.2	18,795	4,722,200	4.0	17,821	4,467,200	4.0
Sitka Borough	4,593,940	658,298,100	7.0	4,731,881	678,342,200	7.0	4,783,837	703,151,500	6.8
Skagway	896,547	177,458,900	5.1	868,558	187,917,800	4.6	833,156	197,415,300	4.2
Southeast Island	-	-	-	-	-	-	-	-	-
Southwest Region	-	-	-	-	-	-	-	-	-
Tanana	76,234	5,771,200	13.2	75,182	5,710,000	13.2	76,020	5,743,200	13.2
Unalaska	2,068,879	383,163,500	5.4	2,175,965	395,189,700	5.5	2,190,138	357,056,300	6.1
Valdez	4,545,614	986,219,470	4.6	4,596,906	1,024,996,450	4.5	4,682,184	1,036,084,010	4.5
Wrangell	714,352	150,471,600	4.7	804,352	166,538,800	4.8	834,436	148,965,100	5.6
Yakutat	481,000	44,561,300	10.8	452,000	47,089,600	9.6	427,000	56,665,500	7.5
Yukon Flats	-	-	-	-	-	-	-	-	-
Yukon/Koyukuk	-	-	-	-	-	-	-	-	-
Yupiit	-	-	-	-	-	-	-	-	-
Mt. Edgecumbe High School	-	-	-	-	-	-	-	-	-
TOTAL	**$ 288,136,434**	**$ 49,016,309,830**		**$ 297,068,901**	**$ 51,466,962,990**		**$ 307,729,581**	**$ 53,484,308,360**	

Local Effort in Mil Equivalent -
Audited Local (required plus additional contributed) State Assessed Value

District	FY2005 Actual Local Contribution	FY2005 2003 Actual State Assesed Value	FY2005 Local Effort Mil Rate with Actual Local and Assessors True Value	FY2006 Actual Local Contribution	FY2006 2004 Actual State Assesed Value	FY2006 Local Effort Mil Rate with Actual Local and Assessors True Value	FY2007 Actual Local Contribution	FY2007 2005 Actual State Assesed Value	FY2007 Local Effort Mil Rate with Actual Local and Assessors True Value
Alaska Gateway	-	-	-	-	-	-	-	-	-
Aleutian Region	-	-	-	-	-	-	-	-	-
Aleutians East Borough	$ 1,134,006	$ 96,072,577	11.8	$ 705,359	$ 96,072,577	7.3	$ 1,050,000	$ 96,072,577	10.9
Anchorage	133,412,722	21,214,674,720	6.3	144,322,321	22,651,130,210	6.4	155,257,376	25,077,495,890	6.2
Annette Island	-	-	-	-	-	-	-	-	-
Bering Strait	-	-	-	-	-	-	-	-	-
Bristol Bay Borough	921,579	150,077,100	6.1	926,331	131,475,100	7.0	873,811	132,182,200	6.6
Chatham	-	-	-	-	-	-	-	-	-
Chugach	-	-	-	-	-	-	-	-	-
Copper River	-	-	-	-	-	-	-	-	-
Cordova	1,366,000	183,525,320	7.4	1,373,941	189,368,880	7.3	1,398,036	177,177,670	7.9
Craig	971,701	95,947,500	10.1	773,145	102,029,500	7.6	777,258	98,870,400	7.9
Delta/Greely	-	-	-	-	-	-	-	-	-
Denali Borough	1,250,000	159,351,900	7.8	1,294,074	159,351,900	8.1	1,350,000	159,351,900	8.5
Dillingham	1,000,000	142,288,700	7.0	1,022,454	154,173,900	6.6	1,125,000	142,547,300	7.9
Fairbanks North Star Borough	36,545,700	5,418,779,600	6.7	38,022,700	5,907,617,440	6.4	40,022,700	6,458,961,200	6.2
Galena	459,172	18,588,300	24.7	500,160	18,588,300	26.9	575,761	18,588,300	31.0
Haines Borough	1,363,044	219,311,400	6.2	1,384,044	220,647,300	6.3	1,419,044	245,183,300	5.8
Hoonah	505,400	36,094,900	14.0	507,067	36,094,900	14.0	459,400	36,094,900	12.7
Hydaburg	65,000	8,181,400	7.9	65,000	8,181,400	7.9	65,000	8,181,400	7.9
Iditarod Area	-	-	-	-	-	-	-	-	-
Juneau Borough	18,835,000	2,934,769,500	6.4	19,795,864	3,099,578,200	6.4	21,506,609	3,522,159,000	6.1
Kake	280,000	19,302,600	14.5	110,000	19,302,600	5.7	110,000	19,302,600	5.7
Kashunamiut	-	-	-	-	-	-	-	-	-
Kenai Peninsula Borough	33,744,607	5,343,012,390	6.3	34,973,682	5,511,891,850	6.3	37,941,676	5,766,580,547	6.6
Ketchikan Gateway Borough	7,637,206	1,109,849,800	6.9	7,861,674	1,117,297,100	7.0	8,834,981	1,178,492,700	7.5
Klawock	297,009	30,783,700	9.6	283,340	30,783,700	9.2	345,739	30,783,700	11.2
Kodiak Island Borough	8,332,440	995,067,200	8.4	8,632,440	1,032,002,600	8.4	8,671,260	1,095,488,400	7.9
Kuspuk	-	-	-	-	-	-	-	-	-
Lake & Peninsula Borough	869,253	61,977,700	14.0	869,253	61,977,700	14.0	935,394	53,513,000	17.5
Lower Kuskokwim	-	-	-	-	-	-	-	-	-
Lower Yukon	-	-	-	-	-	-	-	-	-
Mat-Su Borough	33,928,357	4,115,271,770	8.2	38,080,405	4,845,713,010	7.9	39,580,405	6,049,408,756	6.5
Nenana	73,183	18,514,900	4.0	72,661	18,254,300	4.0	94,953	21,910,200	4.3
Nome	1,420,577	212,300,700	6.7	1,420,577	206,289,200	6.9	1,676,850	221,284,500	7.6
North Slope Borough	23,555,878	10,741,203,180	2.2	23,857,285	10,624,537,620	2.2	23,979,343	10,359,130,075	2.3
Northwest Arctic Borough	3,215,493	382,139,300	8.4	3,541,589	382,139,300	9.3	3,541,589	382,139,300	9.3
Pelican	52,121	13,770,500	3.8	52,820	14,119,900	3.7	51,857	13,638,100	3.8
Petersburg	1,655,469	249,397,000	6.6	1,793,505	274,188,100	6.5	2,053,319	302,023,100	6.8
Pribilof	-	-	-	-	-	-	-	-	-
Saint Marys	20,689	4,893,700	4.2	19,440	4,893,700	4.0	19,000	4,893,700	3.9
Sitka Borough	4,787,292	732,809,900	6.5	5,017,416	770,420,100	6.5	5,693,707	804,947,500	7.1
Skagway	841,452	229,816,200	3.7	868,778	222,929,000	3.9	942,115	258,322,400	3.6
Southeast Island	-	-	-	-	-	-	-	-	-
Southwest Region	-	-	-	-	-	-	-	-	-
Tanana	22,692	5,673,100	4.0	27,100	5,673,100	4.8	27,100	5,673,100	4.8
Unalaska	2,280,801	354,477,700	6.4	2,430,048	378,713,800	6.4	2,589,482	404,671,800	6.4
Valdez	4,949,342	1,111,776,710	4.5	5,348,532	1,223,456,660	4.4	5,514,717	1,229,425,340	4.5
Wrangell	891,007	146,188,500	6.1	801,352	148,303,900	5.4	801,352	148,401,600	5.4
Yakutat	416,000	52,855,600	7.9	482,000	54,183,000	8.9	488,000	52,065,800	9.4
Yukon Flats	-	-	-	-	-	-	-	-	-
Yukon/Koyukuk	-	-	-	-	-	-	-	-	-
Yupiit	-	-	-	-	-	-	-	-	-
Mt. Edgecumbe High School	-	-	-	-	-	-	-	-	-
TOTAL	**$ 327,100,192**	**$ 56,608,745,067**		**$ 347,236,357**	**$ 59,721,379,847**		**$ 369,772,834**	**$ 64,574,962,255**	

The Department of Education & Early Development – School Finance
Prepared for the Joint Legislative Education Task Force - Data Request
June 28, 2007

"Selected SB174 Bill History and Action"

These selected pages regarding SB174 are provided here for convenience. A full display of all bill history and action is available at:

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=22&bill=SB174

(There are 19 pages, including this page and blank pages in this compiled PDF document)

Bill Resolution Versions Display for SB 174 in the 22nd Legislature

[redacted]

SB 174

Version	Amended Name	PDF	Intro/Offered Date	Passed House	Passed Senate
SB0174D	HCS CSSB 174(FIN)		05/07/2001	05/08/2001	05/08/2001

Bill Root: Display Bill Root Next Bill

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Return to Basis Main Menu (22nd Legislature)
Return to Legislature Home Page

2/19

Bill Text

BILL ID: SB 174

HOUSE CS FOR CS FOR SENATE BILL NO. 174(FIN)

"An Act establishing a base student allocation for purposes of determining education funding in the amount of $4,010; providing that only 50 percent of the annual increase in assessed value may be included for purposes of calculating the required contribution to education from a city or borough school district; providing that a community with at least 101 students but not more than 425 students in average daily membership is counted as one elementary and one secondary school, and that, in a community with more than 425 students in average daily membership, each facility administered as a separate school, except certain alternative schools, is counted as a school; and providing for an effective date."

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

* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

INTENT. It is the intent of the legislature that any increase in funding for education under AS 14.17

(1) provide an opportunity to move public schools in Alaska towards standards-based education; and

(2) pay for costs associated with improving student performance by developing standards-based programs, including implementation of standards, aligning student assessment to standards, adopting instructional models based on basic skills, performance, tasks, and projects, and adopting a standards-based reporting system.

* **Sec. 2.** AS 14.17.470 is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is **$4,010** [$3,940].

* **Sec. 3.** AS 14.17.510 is amended by adding a new subsection to read:

(c) Notwithstanding AS 14.17.410(b)(2) and the other provisions of this section, if the assessed value in a city or borough school district determined under (a) of this section increases from the base year, only 50 percent of the annual increase in assessed value may be included in determining the assessed value in a city or borough school district under (a) of this section. The limitation on the increase in assessed value in this subsection applies only to a determination of assessed value for purposes of calculating the required contribution of a city or borough school district under AS 14.17.410(b)(2) and 14.17.490(b). In this subsection, the base year is 1999.

* **Sec. 4.** AS 14.17.905 is amended to read:

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

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

(2) a community with an ADM of at least 101, but not more than **425** [750], shall be counted as

(A) one elementary school, which includes those students in grades kindergarten through **six** [6]; and

(B) one secondary school, which includes students in grades **seven** [7] through 12;

(3) in a community with an ADM of greater than **425** [750], each facility that is administered as a separate school shall be counted as one school, except that each alternative school with an ADM of less than 200 shall be counted as a part of the school in the district with the highest ADM.

* **Sec. 5.** This Act takes effect July 1, 2001.

Bill Root: Display Bill Root

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Return to Basis Main Menu (22nd Legislature)

3/19

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4/19

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSSB 174(FIN)
(S) Publish Date: 4/25/01

Revision Date/Time (Note if correction):
Title: "An act relating to education funding; and providing for an effective date."
Sponsor: Senate Finance Committee
Requester: Senate Finance Committee

Dept. Affected: Education & Early Development
BRU: K-12 Support
Component: Foundation Program
Component Number: 141

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	1,600.8	1,600.8	1,600.8	1,600.8	1,600.8	1,600.8
Miscellaneous						
TOTAL OPERATING	**1,600.8**	**1,600.8**	**1,600.8**	**1,600.8**	**1,600.8**	**1,600.8**
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1,600.8	1,600.8	1,600.8	1,600.8	1,600.8	1,600.8
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	**1,600.8**	**1,600.8**	**1,600.8**	**1,600.8**	**1,600.8**	**1,600.8**

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

Attached is a sectional analysis for CSSB_174(FIN).

Section 1 changes the required local contribution for some municipalities from 45% of the prior year basic need to 45% of the current year basic need. This section also requires municipalities with an assessed / full value greater than $2,000,000 per ADM to contribute 4 mills not to exceed the districts current year basic need.
Section 2 increases the base allocation by $36, from $3,940 to $3,976.
Section 3 changes the required local contribution for some municipalities by limiting the annual increase in assessed / full value to half of the total increased amount over the prior year which the 4 mills is applied.
Section 4 changes the facilities constituting a school from 750 to 425 ADM.

Prepared by: Eddy Jeans, School Finance Manager — Phone 465-8679
Division: Education Support Services — Date/Time 04/24/01
Approved by: Bruce Johnson, Deputy Commissioner of Education — Date 04/24/01
Agency: Education & Early Development

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5/19

Department of Education and Early Development
Prepared on 4/24/01
CSSB_174 (FIN) #1

Prepared by Mindy Lobaugh

SCHOOL DISTRICT	SECTION 1	SECTION 2	SECTION 3	SECTION 4	CUMMULATIVE EFFECT
Alaska Gateway	-	42,212	-	-	42,212
Aleutian Region	-	6,702	-	-	6,702
Aleutians East	-	34,084	1,197	-	35,281
Anchorage	-	2,414,902	1,975,111	-	4,390,013
Annette Island	-	22,198	-	-	22,198
Bering Strait	-	193,488	-	-	193,488
Bristol Bay	-	21,509	-	-	21,509
Chatham	-	22,244	-	-	22,244
Chugach	-	6,799	-	-	6,799
Copper River	-	33,661	-	-	33,661
Cordova	-	17,991	17,175	-	35,166
Craig	-	32,609	-	-	32,609
Delta/Greely	-	37,158	-	-	37,158
Denali	-	26,518	-	-	26,518
Dillingham	-	24,909	4,888	-	29,797
Fairbanks	-	794,976	316,719	-	1,111,695
Galena	-	69,402	179	-	69,581
Haines	-	24,976	11,984	-	36,960
Hoonah	-	10,400	-	-	10,400
Hydaburg	-	8,065	-	-	8,065
Iditarod Area	-	30,176	-	-	30,176
Juneau	-	281,703	276,482	-	558,185
Kake	-	11,769	-	-	11,769
Kashunamiut	-	28,121	-	-	28,121
Kenai Peninsula	-	533,748	391,914	-	925,662
Ketchikan Gateway	-	127,573	61,712	-	189,285
Klawock	-	9,321	-	-	9,321
Kodiak Island	-	167,012	101,796	-	268,808
Kuspuk	-	32,313	-	-	32,313
Lake & Peninsula	-	35,278	-	-	35,278
Lower Kuskokwim	-	213,654	-	-	213,654
Lower Yukon	-	188,409	-	-	188,409
Mat-Su	-	679,551	554,203	-	1,233,754
Nenana	-	55,803	-	-	55,803
Nome	-	38,958	40,041	-	78,999
North Slope	(9,802,554)	-	-	-	(9,802,554)
Northwest Arctic	-	215,439	-	-	215,439
Pelican	-	1,486	663	-	2,149
Petersburg	-	39,901	20,774	341,007	401,682
Pribilof	-	15,279	-	-	15,279
Sitka	-	82,271	45,177	-	127,448
Skagway	(5,894)	6,676	-	-	782
Southeast Island	-	14,941	-	-	14,941
Southwest Region	-	79,608	-	-	79,608
St. Mary's	-	9,056	71	-	9,127
Tanana	-	11,949	-	-	11,949
Unalaska	(11,899)	15,884	-	-	3,985
Valdez	7,123	51,808	-	-	58,931
Wrangell	-	28,984	4,887	218,529	252,400
Yakutat	-	12,464	721	-	13,185
Yukon Flats	-	24,734	-	-	24,734
Yukon/Koyukuk	-	56,798	-	-	56,798
Yupiit	-	26,434	-	-	26,434
ACS	-	39,485	-	-	39,485
Mt. Edgecumbe	-	17,439	-	-	17,439
TOTALS:	**(9,813,224)**	**7,028,828**	**3,825,694**	**559,536**	**1,600,834**

Section 1 - Change to State Aid resulting from change in Local Effort

Section 2 - Change to State Aid resulting from increase to Base Allocation from $3,940 to $3,976

Section 3 - Change to State Aid resulting from 4 mils. / Assessed Values utilizing 1999 as the Base Year

Section 4 - Each school in community serving 425 plus, will count as a separate school

6/19

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSSB 174(RLS)
(S) Publish Date: 5/3/01

Revision Date/Time (Note if correction):
Title: "An act relating to education funding; and providing for an effective date."
Sponsor: Senate Finance Committee
Requester: Senate Rules Committee

Dept. Affected: Education & Early Development
BRU: K-12 Support
Component: Foundation Program
Component Number: 141

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	18,385.3	18,385.3	18,385.3	18,385.3	18,385.3	18,385.3
Miscellaneous						
TOTAL OPERATING	**18,385.3**	**18,385.3**	**18,385.3**	**18,385.3**	**18,385.3**	**18,385.3**
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	18,385.3	18,385.3	18,385.3	18,385.3	18,385.3	18,385.3
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	**18,385.3**	**18,385.3**	**18,385.3**	**18,385.3**	**18,385.3**	**18,385.3**

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

Attached is a sectional analysis for CSSB_174(RLS).

Section 1 - increases the base allocation by $70, from $3,940 to $4,010.
Section 2 - changes the required local contribution for some municipalities by limiting the annual increase in assessed / full value to 50% of the total increased amount over the prior year.
Section 3 - changes the facilities constituting a school from 750 to 425 ADM.

Prepared by: Eddy Jeans, School Finance Manager — Phone 465-8679
Division: Education Support Services — Date/Time 05/03/01
Approved by: Bruce Johnson, Deputy Commissioner of Education — Date 05/03/01
Agency: Education & Early Development

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7/19

Department of Education and Early Development
Prepared on 5/3/01
CSSB_174(RLS) #2

Prepared by Mindy Lobaugh

SCHOOL DISTRICT	student allocation at $4,010 SECTION 1	floor adjustment SECTION 1	net increase SECTION 1	SECTION 2	SECTION 3	CUMMULATIVE EFFECT
Alaska Gateway	82,080	(7,832)	74,248	-	-	74,248
Aleutian Region	21,718	(8,687)	13,031	-	-	13,031
Aleutians East	66,274	-	66,274	1,197	-	67,471
Anchorage	4,695,643	-	4,695,643	1,975,111	-	6,670,754
Annette Island	43,163	-	43,163	-	-	43,163
Bering Strait	376,227	-	376,227	-	-	376,227
Bristol Bay	41,823	-	41,823	-	-	41,823
Chatham	43,252	-	43,252	-	-	43,252
Chugach	22,035	(8,814)	13,221	-	-	13,221
Copper River	96,532	(15,984)	80,548	-	-	80,548
Cordova	58,305	(23,322)	34,983	17,175	-	52,158
Craig	63,406	-	63,406	-	-	63,406
Delta/Greely	72,252	-	72,252	-	-	72,252
Denali	51,563	-	51,563	-	-	51,563
Dillingham	80,724	(32,289)	48,435	4,888	-	53,323
Fairbanks	1,545,788	-	1,545,788	316,719	-	1,862,507
Galena	224,914	(89,966)	134,948	179	-	135,127
Haines	48,564	(59)	48,505	11,984	-	60,489
Hoonah	33,703	(13,481)	20,222	-	-	20,222
Hydaburg	15,681	-	15,681	-	-	15,681
Iditarod Area	97,792	(39,116)	58,676	-	-	58,676
Juneau	547,756	-	547,756	276,482	-	824,238
Kake	22,884	(2,562)	20,322	-	-	20,322
Kashunamiut	54,679	-	54,679	-	-	54,679
Kenai Peninsula	1,037,843	-	1,037,843	391,914	-	1,429,757
Ketchikan Gateway	248,059	-	248,059	61,712	-	309,771
Klawock	30,207	(12,083)	18,124	-	-	18,124
Kodiak Island	324,746	-	324,746	101,796	-	426,542
Kuspuk	104,717	(41,886)	62,831	-	-	62,831
Lake & Peninsula	114,325	(45,730)	68,595	-	-	68,595
Lower Kuskokwim	692,397	(276,959)	415,438	-	-	415,438
Lower Yukon	366,350	-	366,350	-	-	366,350
Mat-Su	1,321,349	-	1,321,349	554,203	-	1,875,552
Nenana	108,505	-	108,505	-	-	108,505
Nome	101,123	(32,695)	68,428	40,041	-	108,469
North Slope	364,531	-	364,531	-	-	364,531
Northwest Arctic	418,910	-	418,910	-	-	418,910
Pelican	4,817	(1,927)	2,890	663	-	3,553
Petersburg	71,552	-	71,552	20,774	341,007	433,333
Pribilof	29,710	(1,591)	28,119	-	-	28,119
Sitka	159,971	-	159,971	45,177	-	205,148
Skagway	21,636	(8,654)	12,982	-	-	12,982
Southeast Island	48,420	(19,368)	29,052	-	-	29,052
Southwest Region	154,793	-	154,793	-	-	154,793
St. Mary's	29,348	(11,739)	17,609	71	-	17,680
Tanana	23,235	-	23,235	-	-	23,235
Unalaska	51,426	(20,555)	30,871	-	-	30,871
Valdez	100,738	(13,251)	87,487	-	-	87,487
Wrangell	52,491	-	52,491	4,887	218,529	275,907
Yakutat	25,888	(5,880)	20,008	721	-	20,729
Yukon Flats	80,158	(32,063)	48,095	-	-	48,095
Yukon/Koyukuk	110,440	-	110,440	-	-	110,440
Yupiit	85,665	(34,266)	51,399	-	-	51,399
ACS	76,776	-	76,776	-	-	76,776
Mt. Edgecumbe	33,910	-	33,910	-	-	33,910
TOTALS:	**14,800,794**	**(800,759)**	**14,000,035**	**3,825,694**	**559,536**	**18,385,265**

Section 1 - Change to State Aid resulting from increase to Base Allocation of $70 from $3,940 to $4,010

Section 3 - Change to State Aid resulting from 4 mills / capped at 50% of the increased Assessed Values utilizing 1999 as the Base Year

Section 3 - Each school in community serving 425 plus, will count as a separate school

8/19

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9/19

Senate FINANCE Minute

Apr 20, 2001

SENATE BILL NO. 174
"An Act relating to education funding; and providing for an effective date."

This was the second hearing for this bill in the Senate Finance Committee.

Amendment #1: This amendment inserts a new bill section on page 2, following line 17 to read as follows.

> Sec. 3. AS 14.17.510 is amended by adding a new subsection to read:
>
> (c) Notwithstanding AS 14.17.410(b)(2)(A) and the other provisions of this section, if the assessed value in a city or borough school district determined under (a) of this section increases from the base year, only 50 percent of the increase in assessed value may be included in determining the assessed value in a city or borough school district under (a) of this section. The limitation on the increase in assessed value in this subsection applies only to a determination of assessed value for purposes of calculating the required contribution of a city or borough school district under AS 14.17.410(b)(2)(A) and 14.17.490(b). In this subsection, the base year is 2000.

Senator Wilken moved for adoption.

Senator Hoffman objected for discussion.

Senator Wilken spoke to the amendment, saying that the current education foundation funding formula is calculated using student population multiplied by student dollar, which equals the "basic need" and from that amount, the required local contribution is subtracted. He defined local contribution as the amount each community in organized areas of the state is required to contribute before qualifying for state funding. He stated the local contribution is the equivalent of four mils of the "full and true assessed value" of the property contained within the boundary of the organized community.

Senator Wilken detailed how, under current statute, each increase in assessed value is passed along to property owners as an increase in the amount of property tax due for the local education contribution. He explained that this amendment provides that the state splits the cost of increases in assessed property value with the property taxpayer so that instead of paying four mils toward the local education contribution, the property owner only pays two mils on any assessment increases. He characterized this amendment as a property tax relief for "all of organized Alaska."

10/19

Senator Wilken opined this amendment, "recognizes the fact that the

state and the communities are in a joint effort to make this a better place to live and to do that through having a better education system."

Senator Hoffman referred to the amendment's accompanying worksheet, "Impact of Senate Bill 174 Amendment by Senator Wilken" and asked why some of the required local increases are shown as a negative, when the amendment sponsor stated, "everyone was benefiting."

Senator Wilken replied this is a function of the increase or decrease in assessed value. He noted that if the assessed value decreases in an organized community, there is no "increased need because the assessed value hasn't gone up."

Senator Hoffman asked for clarification that the communities showing negative figures have decreased assessed values.

Senator Wilken affirmed and pointed out that the figures are "relatively correct" in their application to this amendment.

Senator Wilken noted that of the predicted $8 million increase in revenue for the state resulting from increased assessed values, the property taxpayers would only have to contribute $4 million.

Co-Chair Kelly emphasized that under this amendment, "no community has to end up paying more" and that communities qualifying for the provision would "qualify to pay less." He added that the current four-mil equivalent would apply to any community with a decreased assessed value.

Senator Hoffman asked if the estimated increase to the state general fund is $3.7 million.

Senator Wilken affirmed. He added that the figures provided are based on Department of Education and Early Development projections for FY 02.

Co-Chair Kelly was uncertain whether this amendment provides increased funding to the general fund.

Senator Leman explained it results in an increased liability to the general fund.

Senator Austerman asked if this amendment was an incentive for communities to raise assessed values.

Senator Wilken replied that assessed value is based on a number of factors. If the local economy is healthy, he said, assessed value should increase on a regular basis. He surmised that if assessed values continually decrease there are several incentives to improve the economy.

Co-Chair Kelly added that assessed value is established by law or local ordinance and would be difficult to manipulate. He suggested that a community would need to ensure current recordings of assessed values.

Senator Wilken agreed and stressed it is a function of law and that organized communities in Alaska have an established assessor process.

11/19

Senator Hoffman asked the reasoning for this amendment.

Senator Wilken responded that because of the recently failed ballot proposal to limit the mil rate to ten mils, the public is clamoring for tax relief and this amendment provides some. He continued that the legislature works to make the state more successful, which is measured in assessed value, but then the successes are passed along to the community in the form of higher taxes. He saw this amendment as a partnership between the state and local municipalities to improve assessed values.

Senator Austerman commented that a number of communities in Southeastern Alaska show no increases in assessed values. He attributed this to the state of the timber industry.

A roll call was taken on the motion.

IN FAVOR: Senator Leman, Senator Ward, Senator Wilken, Senator Austerman, Senator Green, Co-Chair Donley and Co-Chair Kelly

OPPOSED: Senator Olson and Senator Hoffman

The motion PASSED (7-2)

The amendment was ADOPTED.

Senator Wilken directed members' attention to material to be distributed that was supplied by the Mat-Su Borough school district along with a chart showing the full and true value change in Anchorage, Fairbanks, Juneau, Kenai, Mat-Su and the statewide. [Copies on file.]

12/19

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Senate FINANCE Minute

H

Apr 24, 2001

SENATE BILL NO. 174
"An Act relating to education funding; and providing for an effective date."

Co-Chair Kelly requested a reconsideration motion be taken on SB 174 so that the Committee could consider a technical amendment.

Senator Wilken moved to rescind action taken on moving SB 174 out of Committee.

Co-Chair Kelly noted that the version of the bill before the Committee was version "C". There being no objection, action was RESCINDED.

Senator Wilken moved to adopt Amendment #6. [Copy on File]. He stated that the amendment would clarify the intent of the change in the local requirement for organized Alaska. The affect of the amendment would pass on half of the amount, in order that the taxpayer and the general fund would each carry half the funding load. He pointed out that on Page 2, Line 30, the word "annual" would be inserted, which would clarify that it would affect the prior year and would be an annual calculation. Also, it would establish a local assessed value calculation.

Senator Hoffman objected for the purpose of discussion. He asked if there had been a comparison for the 1999 date.

Senator Wilken noted that he did not have that information. He believed that would be included in the fiscal note received from the Department. He added that the 1999 were the figures which had been used.

Co-Chair Kelly asked if the objection was maintained. There being no further objection, Amendment #6 was ADOPTED.

Senator Olson moved to rescind action taken on failure to adopt Amendment #4 which would delete Section #1. [Copy on File]. He advised that none of the school districts in his area or rural Alaska were in support of the bill.

Co-Chair Kelly objected. He argued that the bill would provide more money to his district and also the North Slope Borough District.

CARL ROSE, Executive Director, Association of the Alaska School Boards, Juneau, voiced concern with passage of the bill because of issues with fairness and district redistribution. Mr. Rose commented that the Association is concerned about the future of education in the State of Alaska. He asked what will happen to children moving forward and their success with the high school qualifying exams. He requested that members take a long-term view and create a real fiscal plan.

14/19

Mr. Rose stressed that SB 174 was a "regressive" approach in addressing the future. The issue of adequacy is not being addressed. He added that the Association is in favor of an increase in the foundation formula and redistributing money in an adjusted method. He claimed that there should not be any changes made to SB 36 until there is further and more appropriate information available. He voiced strong objection to the proposed legislation.

AT EASE 10:19 AM/10:21 AM

A roll call was taken on the motion to rescind action taken on Amendment #4.

IN FAVOR: Austerman, Hoffman, Olson
OPPOSED: Wilken, Green, Leman, Donley, Kelly

Senator Ward was not present for the vote.

The MOTION FAILED (3-5).

Senator Wilken moved to report the amended CS SB 174 (FIN) out of Committee with individual recommendations and the accompanying fiscal notes.

Senator Hoffman asked if the title would change.

Co-Chair Kelly replied it would not.

Senator Olson objected to moving the bill from Committee. He explained that the bill will have a dramatic affect on the North Slope Borough.

FREIDA ARNHEIGHT, Superintendent, North Slope Borough School District, stated that SB 174 would be devastating to the North Slope Borough School District. It will remove State funding which amounts to $9 million dollars. Taking away the State funding also removes the effort to have grants, which accounts to a little over $10 million dollars. She urged reconsideration of the implementation of the legislation.

Senator Olson maintained his objection.

A roll call was taken on the motion to move the bill.

IN FAVOR: Green, Leman, Wilken, Donley, Kelly
OPPOSED: Austerman, Hoffman, Olson

Senator Ward was not present for the vote.

The motion PASSED (5-3).

CS SB 174 (FIN) MOVED from Committee with "individual recommendations" and with a new fiscal note by the Department of Education & Early Development.

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16/19

Bill Text

BILL ID: SB 174

CS FOR SENATE BILL NO. 174(RLS)

"An Act establishing a base student allocation for purposes of determining education funding in the amount of $4,010; providing that only 50 percent of the annual increase in assessed value may be included for purposes of calculating the required contribution to education from a city or borough school district; providing that a community with at least 101 students but not more than 425 students in average daily membership is counted as one elementary and one secondary school, and that, in a community with more than 425 students in average daily membership, each facility administered as a separate school, except certain alternative schools, is counted as a school; and providing for an effective date."

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

*** Section 1.** AS 14.17.470 is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is **$4,010** [$3,940].

*** Sec. 2.** AS 14.17.510 is amended by adding a new subsection to read:

(c) Notwithstanding AS 14.17.410(b)(2) and the other provisions of this section, if the assessed value in a city or borough school district determined under (a) of this section increases from the base year, only 50 percent of the annual increase in assessed value may be included in determining the assessed value in a city or borough school district under (a) of this section. The limitation on the increase in assessed value in this subsection applies only to a determination of assessed value for purposes of calculating the required contribution of a city or borough school district under AS 14.17.410(b)(2) and 14.17.490(b). In this subsection, the base year is 1999.

*** Sec. 3.** AS 14.17.905 is amended to read:

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

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

(2) a community with an ADM of at least 101, but not more than **425** [750], shall be counted as

(A) one elementary school, which includes those students in grades kindergarten through **six** [6]; and

(B) one secondary school, which includes students in grades **seven** [7] through 12;

(3) in a community with an ADM of greater than **425** [750], each facility that is administered as a separate school shall be counted as one school, except that each alternative school with an ADM of less than 200 shall be counted as a part of the school in the district with the highest ADM.

*** Sec. 4.** This Act takes effect July 1, 2001.

Bill Root: Display Bill Root

To Report Problems with Basis Inquiry

Live KTOO Streams

Return to Basis Main Menu (22nd Legislature)

Return to Legislature Home Page

1/7/19

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18/19

Journal Text for SB174 in the 22nd Legislature

Full Journal

07-20-2001 **Senate Journal** 1878
SB 174
Message dated July 6 and received July 7, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 174(FIN) "An Act establishing a base student allocation for purposes of determining education funding in the amount of $4,010; providing that only 50 percent of the annual increase in assessed value may be included for

07-20-2001 **Senate Journal** 1879
purposes of calculating the required contribution to education from a city or borough school district; providing that a community with at least 101 students but not more than 425 students in average daily membership is counted as one elementary and one secondary school, and that, in a community with more than 425 students in average daily membership, each facility administered as a separate school, except certain alternative schools, is counted as a school; and providing for an effective date."

Chapter 95, SLA 2001
Effective Date: 07/07/01

Bill Root: Display Bill Root Next Bill

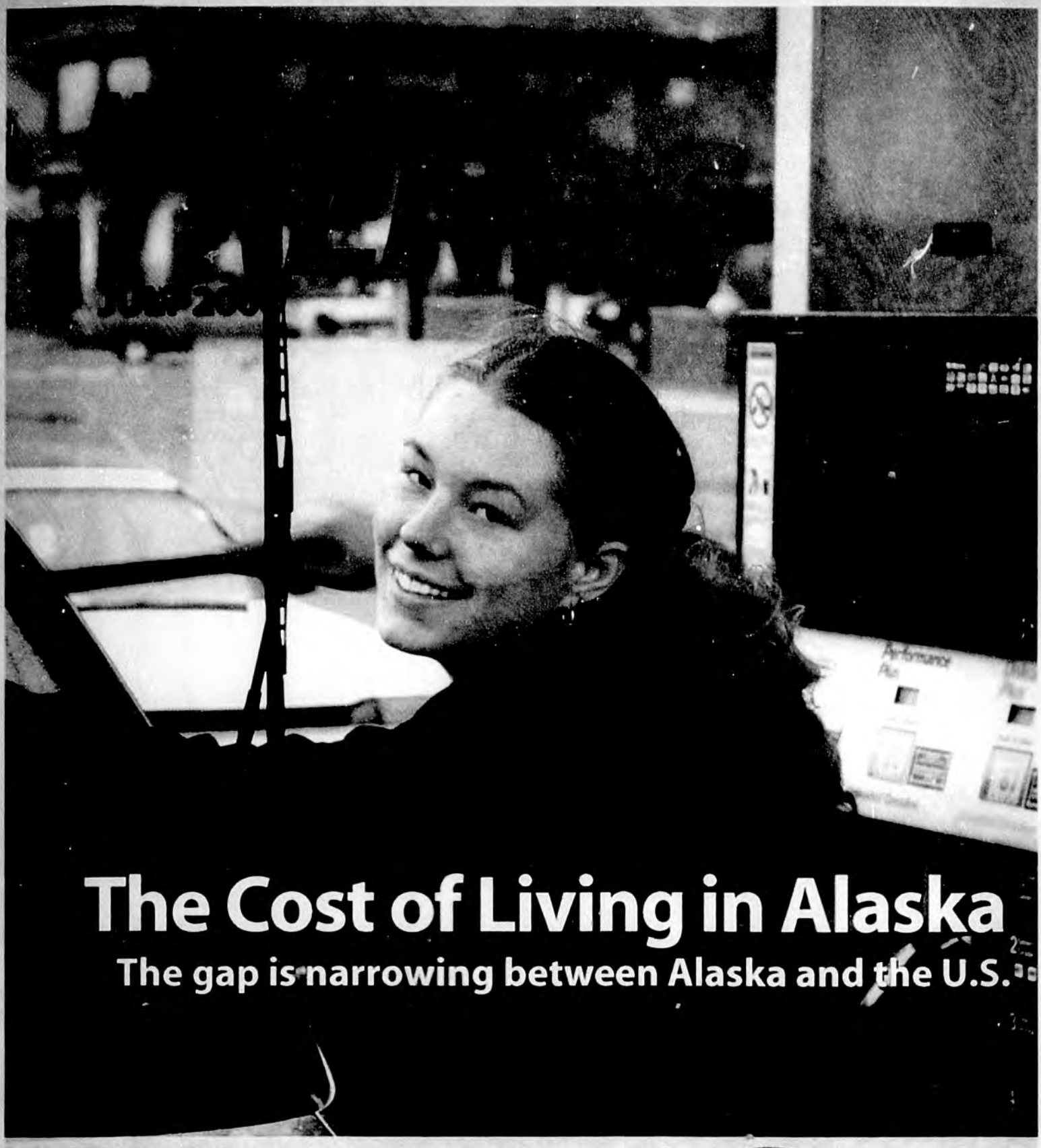
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Return to Basis Main Menu (22nd Legislature)

Return to Legislature Home Page

19/19



The Cost of Living in Alaska

The gap is narrowing between Alaska and the U.S.

WHAT'S INSIDE

Employment Scene
Oil and gas jobs up 1,000 over the year

jobs

ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Frank H. Murkowski, Governor
Greg O'Claray, Commissioner

ALASKA ECONOMIC TRENDS

ALASKA DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT

July 2006
Volume 26
Number 7

ISSN 0160-3345

To contact us for more information, a free subscription, mailing list changes or back copies, email us at trends@labor.state.ak.us or call (907) 465-4500.

Alaska Economic Trends is a monthly publication dealing with a wide variety of economic-related issues in the state. Its purpose is to inform the public about those issues.

Alaska Economic Trends is funded by the Employment Security Division and published by the Alaska Department of Labor & Workforce Development.

Printed and distributed by Assets, Inc., a vocational training and employment program, at a cost of $1.10 per copy.

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Cover: Sara Williamson, 25, of Juneau cleans a customer's windshield while working at the Capital Service gas station in Juneau in fall 2005. Now she works at the Douglas Breeze-In and the Goldbelt Tour Center. She moved up from Washington 1½ years ago. "It's extremely expensive for one person to live with one job. The rent up here is so expensive, I have to work two jobs." Is it worth it? "Oh, it's worth it. There are awesome people here. It's like one big giant neighborhood."
Photo by David Gelcite

Web site: almis.labor.state.ak.us

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Greg O'Claray, Commissioner

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Governor's Letter 3

The Cost of Living in Alaska 4
The gap is narrowing

Employment Scene 17
Oil and gas jobs up 1,000 over the year

Profile 19
Training for Jobs in the Energy Industry



Living Large in Alaska: Countering the Costs

By Governor Frank H. Murkowski

This month's *Trends* features data and analysis on the cost of living in Alaska. As the economists discuss, the unique benefits of living in the 49th state, with its rugged and remote characteristics, come with unique costs. While it's still more expensive to live in Alaska than in much of the rest of the country, the gap is narrowing, particularly in some of our higher-population areas.

To help counter the higher cost of living in this great state, my administration has worked hard to grow our economy and maximize our resource industries. We've expanded past our primary economic base of oil revenues and revitalized our mining and fishing industries. The construction of a natural gas pipeline and additional oil fields bring with them more high-paying jobs throughout the state.

As of April, we've created more than 15,400 new jobs during my administration across all industries. Forecasts estimate 3,600 new jobs in 2006 and 2007 for the high-growth industries of mining, energy, construction and health care. Altogether, a 10-year forecast predicts an overall total of 43,000 new jobs during the 2002-2012 period.

More jobs mean more opportunities for Alaskans to earn a good living in Alaska and enjoy the unique benefits our state offers. In addition to creating jobs, we're helping Alaskans get trained and placed in those jobs. Our Alaska Job Centers logged more than 240,000 visits in 2005, and of the 66,725 people receiving significant staff assistance, 9,264 of them found jobs. That's a 30-percent increase in the number of Alaskans put to work compared to the previous year.

ALEXsys, a new online system to help match job seekers and employers, is now up and running and will likely increase the numbers further. And to reach kids in the schools or those in some more remote areas of the state, we've added two Mobile Job Units to take the full services of the Job Centers right to them.

And speaking of our students, we know that many of tomorrow's builders of the natural gas pipeline are currently in our middle schools. So we're working to increase their awareness of the opportunities ahead for them and what they can start doing now to get ready for those good-paying jobs in the future.

But it won't just be today's students building the natural gas pipeline. All Alaskans are eligible to join in this historic venture. Training programs will help those ready for a change in career or those continuing in the construction trades. Other pipeline infrastructure industries, such as transportation, will also need more workers. The opportunities are abundant.

As Alaskans, we enjoy a quality of life second to none. We're surrounded by jaw-dropping scenery and a never-ending supply of recreational options. While Alaska is statistically a more expensive place to live, her returns on investment are enormous. Get out there and enjoy it, and we'll keep working on continued growth and prosperity for our great state.

The Cost of Living in Alaska

by Neal Fried and
Dan Robinson
Economists

The gap is narrowing between Alaska and the U.S.

The high cost of living in Alaska is part of the state's folklore. Stories are told of eggs being sold for a dollar each in Skagway during the Klondike gold rush and of converted garages renting for $1,000 a month in Fairbanks during construction of the trans-Alaska oil pipeline. Even during more stable economic periods, the unique benefits of living in the 49th state – a rugged and expansive land more remote from the nation's population centers than every other state except Hawaii – come with unique costs.

This article takes a look at some of those costs by examining the most current information from a variety of cost-of-living studies and concludes that although it's still more expensive to live in Alaska than in much of the rest of the country, the gap is gradually narrowing.

Two ways to look at cost of living

Cost-of-living measures come in two basic types. One looks at the change in prices over time in a specific location. The Consumer Price Index, considered the broadest and most comprehensive measure of inflation, is the best example of this type of measure. Landlords, workers, unions and employers use the CPI to adjust rents and salaries, among other things, and the Alaska Permanent Fund Corporation uses the CPI to determine how much money must be added to the principal of the Permanent Fund every year to keep up with inflation.

Other cost-of-living studies compare prices in different locations for a specific time period. These studies are used primarily by employers and benefit providers who want to equalize wages or payments to people in different locations – and by employees and benefit recipients who want to make a case for why their wages or benefit payments should be raised. A number of these types of measures will be examined.

Highest inflation in 12 years

For the first time since 1993, inflation as measured by the Anchorage CPI[1] crested the 3 percent mark in 2005. (See Exhibits 1 and 2.) The city's 3.1 percent increase was lower than the national inflation rate of 3.4 percent, but well above Anchorage's 10-year average of 2.2 percent.

Prices rose in nearly all major categories in 2005, with the biggest increase coming in the transportation component. (See Exhibit 3.) The only decline among the major categories was in apparel and upkeep, where prices have fallen in seven out of the last 10 years, due mostly to the dramatic increase in cheaper imports from China. In general, national inflation exceeded Anchorage's, continuing a long-running trend of a slowly narrowing gap between Alaska prices and average prices for the nation as a whole.

Housing costs, which have the largest impact on

[1] Because a Consumer Price Index is not calculated for any other Alaska city, the Anchorage CPI is often used as the best substitute for a statewide inflation measure. All references to the CPI in this article are to the CPI-U (Consumer Price Index for all Urban Consumers). The CPI-U covers about 87 percent of the U.S. population and nearly all of the Anchorage population. The U.S. Department of Labor's Bureau of Labor Statistics also produces an index called the Consumer Price Index for all Urban Wage Earners and Clerical Workers, or CPI-W, which covers a subset of the CPI-U population who work in clerical or wage occupations.

the overall CPI, rose by 2.7 percent, compared to 3.3 percent for the U.S. High oil and natural gas prices are reflected in a number of CPI categories. Fuels and utilities, a subcategory of housing, rose by 8.2 percent in 2005 after an even higher increase of 9.2 percent in 2004. Overall, energy prices, which are scattered throughout a number of other categories, rose by 12.8 percent in 2005, the largest single-year increase for the category in the last decade. Nationally, energy prices rose even more – 17.0 percent – in 2005.

How the inflation rate is calculated

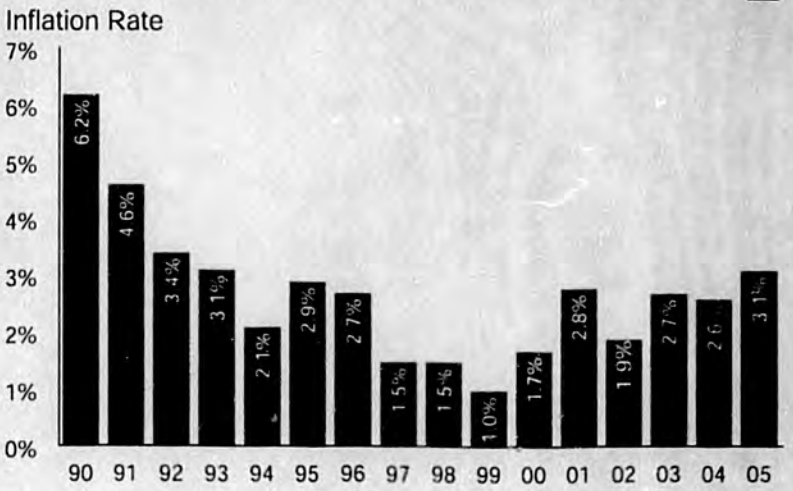
As noted above, the Consumer Price Index measures price changes over time. More specifically, it measures the average change over time in the prices paid by urban consumers for a combination of consumer goods and services referred to as the "market basket." Anchorage is one of 27 local areas nationwide for which a CPI is calculated. CPI data for Anchorage is available on a semi-annual basis back to 1984.

To produce the Anchorage CPI, the U.S. Department of Labor's Bureau of Labor Statistics conducts detailed surveys of Anchorage consumers' spending habits. Survey responses determine the makeup of the city's market basket as well as the weight each item will have in the overall index. A category's weight represents its percentage of the average consumer's total expenditures. (See Exhibit 4.)

Not surprisingly, the CPI weights housing highest.[2] As a result, housing has the most influence on the overall index. Housing's dominant weight also gives the CPI a local flavor, since housing prices can differ substantially throughout the country depending on local market forces. When local CPI numbers differ substantially from national CPI numbers (see Exhibits 2 and 3), housing prices are the most likely culprit since other CPI categories such as transportation, food, clothing and recreation costs are dictated more by national and international conditions than local ones.

One example of this was during the late 1980s when Anchorage's real estate market crashed. Falling housing prices kept Anchorage's overall CPI nearly flat in 1987 and 1988 – 0.4 percent for each of the two years. (See Exhibit 2.) During this same period, the national housing market was robust and as a result the national inflation rate was considerably higher than Anchorage's – 3.6 percent in 1987 and 4.1 percent in 1988.

Anchorage Consumer Price Index 1
3.1% inflation is the highest in 12 years



Source: U.S.Department of Labor, Bureau of Labor Statistics

Medical costs available again

CPI data for Anchorage medical care were published again in 2005 after being unavailable since the first half of 2002 due to an insufficient sample of medical costs.[3] The lack of annual data from 2002 through 2004 makes it impos-

[2] The CPI measures housing prices according to "rental equivalency," which looks at the current rental values of houses rather than actual sale prices or appraised values. This method has been criticized as not being reflective of the actual increases in consumer expenditures for housing, since rental prices have not increased as much as sale prices for homes in recent years. One of the Bureau of Labor Statistics' responses has been that some of the increase in home values is due to investment buying and investments are excluded from CPI calculations.

[3] Although medical care costs were not separately published, they were still incorporated into the overall CPI.

2 Consumer Price Index - Urban
U.S. city and Anchorage averages, 1960 to 2005

Year	Anchorage Average	Percent Change from Previous Year	U.S. Average	Percent Change from Previous Year
1960	34.0		29.6	
1961	34.5	1.5%	29.9	1.0%
1962	34.7	0.6%	30.2	1.0%
1963	34.8	0.3%	30.6	1.3%
1964	35.0	0.6%	31.0	1.3%
1965	35.3	0.9%	31.5	1.6%
1966	36.3	2.8%	32.4	2.9%
1967	37.2	2.5%	33.4	3.1%
1968	38.1	2.4%	34.8	4.2%
1969	39.6	3.9%	36.7	5.5%
1970	41.1	3.8%	38.8	5.7%
1971	42.3	2.9%	40.5	4.4%
1972	43.4	2.6%	41.8	3.2%
1973	45.3	4.4%	44.4	6.2%
1974	50.2	10.8%	49.3	11.0%
1975	57.1	13.7%	53.8	9.1%
1976	61.5	7.7%	56.9	5.8%
1977	65.6	6.7%	60.6	6.5%
1978	70.2	7.0%	65.2	7.6%
1979	77.6	10.5%	72.6	11.3%
1980	85.5	10.2%	82.4	13.5%
1981	92.4	8.1%	90.9	10.3%
1982	97.4	5.4%	96.5	6.2%
1983	99.2	1.8%	99.6	3.2%
1984	103.3	4.1%	103.9	4.3%
1985	105.8	2.4%	107.6	3.6%
1986	107.8	1.9%	109.6	1.9%
1987	108.2	0.4%	113.6	3.6%
1988	108.6	0.4%	118.3	4.1%
1989	111.7	2.9%	124.0	4.8%
1990	118.6	6.2%	130.7	5.4%
1991	124.0	4.6%	136.2	4.2%
1992	128.2	3.4%	140.3	3.0%
1993	132.2	3.1%	144.5	3.0%
1994	135.0	2.1%	148.2	2.6%
1995	138.9	2.9%	152.4	2.8%
1996	142.7	2.7%	156.9	3.0%
1997	144.8	1.5%	160.5	2.3%
1998	146.9	1.5%	163.0	1.6%
1999	148.4	1.0%	166.6	2.2%
2000	150.9	1.7%	172.2	3.4%
2001	155.2	2.8%	177.1	2.8%
2002	158.2	1.9%	179.9	1.6%
2003	162.5	2.7%	184.0	2.3%
2004	166.7	2.6%	188.9	2.7%
2005	171.8	3.1%	195.3	3.4%

Note: The base years are 1982 to 1984.

Source: U.S. Department of Labor, Bureau of Labor Statistics

sible to calculate yearly percentage increases over that period, but there is no doubt that health care prices have been soaring. Between 2001 and 2005, medical costs increased by 22 percent.

Over the longer term, no other component of the CPI comes close to matching the increase in costs for medical care. (See Exhibit 5.) Since 1984, medical care has increased by a whopping 226 percent. Nationally the story is much the same, with an increase of nearly 203 percent over the same period. Whether medical costs will continue to rise at such a pace is uncertain, but one factor suggesting they might is increasing demand, fueled by the aging baby boomer population.

CPI can't be used for geographic comparisons

National and city-specific CPI data are released as index numbers from which percent changes are then calculated. In 2005, for example, the U.S. index was 195.3 and Anchorage's was 171.8. (See Exhibit 2.) The reference base for both areas is 1982-1984, which means that since those base years, U.S. prices have risen 95.3 percent and Anchorage prices have risen 71.8 percent.

What the higher U.S. number does not mean is that U.S. prices are higher than Anchorage's. The only conclusion that can be drawn from the higher U.S. number is that, since the 1982-1984 period, prices have increased more nationally than they have for Anchorage. As other cost-of-living studies show, prices in Anchorage and other Alaska cities are still higher than the national average. What these studies and the CPI data confirm, however, is that the difference between Alaska prices and nationwide averages is significantly smaller than it used to be.

Food costs especially high in Southwest Alaska

Four times a year the University of Alaska Fairbanks' Cooperative Extension Service surveys food costs in about 20 Alaska communities and Portland, Ore. (See Exhibits 6 and 7.) The food

The Consumer Price Index in Anchorage and the U.S. 3
Annual averages for selected components, 1983 to 2005

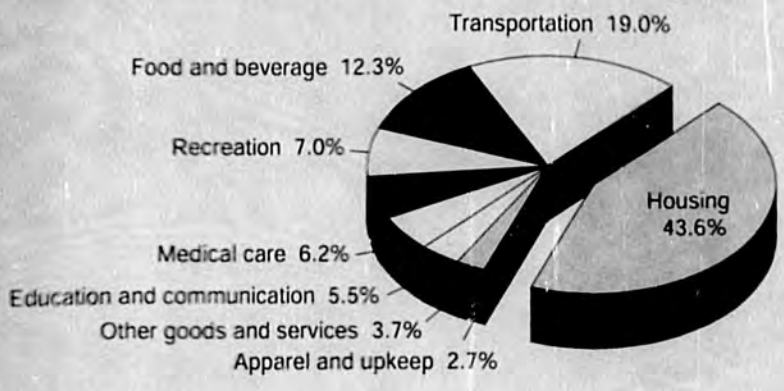
Year	ALL ITEMS EXCEPT SHELTER				HOUSING				TRANSPORTATION			
	U.S. Average	Percent Change from Prev. Year	Anchorage Average	Percent Change from Prev. Year	U.S. Average	Percent Change from Prev. Year	Anchorage Average	Percent Change from Prev. Year	U.S. Average	Percent Change from Prev. Year	Anchorage Average	Percent Change from Prev. Year
1983	99.8	3.7%	99.9	3.7%	99.5	2.7%	99.0	0.8%	99.3	2.4%	98.5	1.8%
1984	103.9	4.1%	103.8	3.9%	103.6	4.1%	102.7	3.7%	103.7	4.4%	104.6	6.2%
1985	107.0	3.0%	107.5	3.6%	107.7	4.0%	103.0	0.3%	106.4	2.6%	108.2	3.4%
1986	108.0	0.9%	111.2	3.4%	110.9	3.0%	102.6	-0.4%	102.3	-3.9%	107.8	-0.4%
1987	111.6	3.3%	115.1	3.5%	114.2	3.0%	97.5	-5.0%	105.4	3.0%	111.3	3.2%
1988	115.9	3.9%	117.8	2.3%	118.5	3.8%	95.4	-2.2%	108.7	3.1%	113.0	1.5%
1989	121.6	4.9%	122.3	3.8%	123.0	3.8%	96.3	0.9%	114.1	5.0%	116.7	3.3%
1990	128.2	5.4%	128.0	4.7%	128.5	4.5%	103.9	7.9%	120.5	5.6%	120.7	3.4%
1991	133.5	4.1%	131.9	3.0%	133.6	4.0%	111.2	7.0%	123.8	2.7%	121.7	0.8%
1992	137.3	2.8%	134.6	2.0%	137.5	2.9%	116.6	4.9%	126.5	2.2%	123.3	1.3%
1993	141.4	3.0%	137.9	2.5%	141.2	2.7%	121.1	3.9%	130.4	3.1%	128.8	4.5%
1994	144.8	2.4%	140.3	1.7%	144.8	2.5%	122.9	1.5%	134.3	3.0%	136.9	6.3%
1995	148.6	2.6%	144.6	3.1%	148.5	2.6%	124.9	1.6%	139.1	3.6%	143.8	5.0%
1996	152.8	2.8%	148.4	2.6%	152.8	2.9%	127.9	2.4%	143.0	2.8%	147.2	2.4%
1997	155.9	2.0%	150.6	1.5%	156.8	2.6%	129.4	1.2%	144.3	0.9%	147.0	-0.1%
1998	157.2	0.8%	152.6	1.3%	160.4	2.3%	131.0	1.2%	141.6	-1.9%	144.9	-1.4%
1999	160.2	1.9%	153.5	0.6%	163.9	2.2%	132.7	1.3%	144.4	2.0%	143.7	-0.8%
2000	165.7	3.4%	156.1	1.7%	169.6	3.5%	134.2	1.1%	153.3	6.2%	150.5	4.7%
2001	169.7	2.4%	160.6	2.9%	176.4	4.0%	139.0	3.6%	154.3	0.7%	153.0	1.7%
2002	170.8	0.6%	162.2	1.0%	180.3	2.2%	143.5	3.2%	152.9	-1.0%	151.5	-1.0%
2003	174.6	2.2%	166.5	2.7%	184.8	2.5%	146.8	2.3%	157.6	3.1%	158.3	4.5%
2004	179.3	2.7%	171.7	3.1%	189.5	2.5%	149.1	1.6%	163.1	3.5%	162.7	2.8%
2005	186.1	3.8%	177.5	3.4%	195.7	3.3%	153.1	2.7%	173.9	6.6%	171.7	5.5%

Year	FOOD and BEVERAGES				MEDICAL CARE[1]				APPAREL and UPKEEP			
	U.S. Average	Percent Change from Prev. Year	Anchorage Average	Percent Change from Prev. Year	U.S. Average	Percent Change from Prev. Year	Anchorage Average	Percent Change from Prev. Year	U.S. Average	Percent Change from Prev. Year	Anchorage Average	Percent Change from Prev. Year
1983	99.5	2.3%	99.7	2.6%	100.6	8.8%	99.7	5.2%	100.2	2.5%	101.6	5.2%
1984	103.2	3.7%	103.2	3.5%	106.8	6.2%	105.5	5.8%	102.1	1.9%	101.7	0.1%
1985	105.6	2.3%	106.2	2.9%	113.5	6.3%	110.9	5.1%	105.0	2.8%	105.8	4.0%
1986	109.1	3.3%	110.8	4.3%	122.0	7.5%	127.8	15.2%	105.9	0.9%	109.0	3.0%
1987	113.5	4.0%	113.1	2.1%	130.1	6.6%	137.0	7.2%	110.6	4.4%	116.6	7.0%
1988	118.2	4.1%	113.8	0.6%	138.6	6.5%	145.8	6.4%	115.4	4.3%	119.1	2.1%
1989	124.9	5.7%	117.2	3.0%	149.3	7.7%	154.4	5.9%	118.6	2.8%	125.0	5.0%
1990	132.1	5.8%	123.7	5.5%	162.8	9.0%	161.2	4.4%	124.1	4.6%	127.7	2.2%
1991	136.8	3.6%	127.7	3.2%	177.0	8.7%	173.5	7.6%	128.7	3.7%	126.6	-0.9%
1992	138.7	1.4%	130.3	2.0%	190.1	7.4%	183.0	5.5%	131.9	2.5%	130.2	2.8%
1993	141.6	2.1%	131.2	0.7%	201.4	5.9%	189.6	3.6%	133.7	1.4%	131.2	0.8%
1994	144.9	2.3%	131.9	0.5%	211.0	4.8%	197.8	4.3%	133.4	-0.2%	128.9	-1.8%
1995	148.9	2.8%	138.5	5.0%	220.5	4.5%	211.6	7.0%	132.0	-1.0%	130.0	0.9%
1996	153.7	3.2%	143.4	3.5%	228.2	3.5%	231.1	9.2%	131.7	-0.2%	128.7	-1.0%
1997	157.7	2.6%	145.8	1.7%	234.6	2.8%	248.9	7.7%	132.9	0.9%	127.0	-1.3%
1998	161.1	2.2%	147.3	1.0%	242.1	3.2%	255.7	2.7%	133.0	0.1%	125.6	-1.1%
1999	164.6	2.2%	148.4	0.7%	250.6	3.5%	260.8	2.0%	131.3	-1.3%	125.8	0.2%
2000	168.4	2.3%	151.7	2.2%	260.8	4.1%	272.1	4.3%	129.6	-1.3%	124.5	-1.0%
2001	173.6	3.1%	156.4	3.1%	272.8	4.6%	282.9	4.0%	127.3	-1.8%	131.1	5.3%
2002	176.8	1.8%	157.9	1.0%	285.6	4.7%	------	------	124.0	-2.6%	126.7	-3.4%
2003	180.5	2.1%	161.8	2.5%	297.1	4.0%	------	------	120.9	-2.5%	123.2	-2.8%
2004	186.6	3.4%	168.9	4.4%	310.1	4.4%	------	------	120.4	-0.4%	123.9	0.6%
2005	191.2	2.5%	173.1	2.5%	323.2	4.2%	344.2	------	119.5	-0.1%	121.3	-2.1%

[1] No index was created for medical care for Anchorage for the years 2002 to 2004.

Source: U. S. Department of Labor, Bureau of Labor Statistics

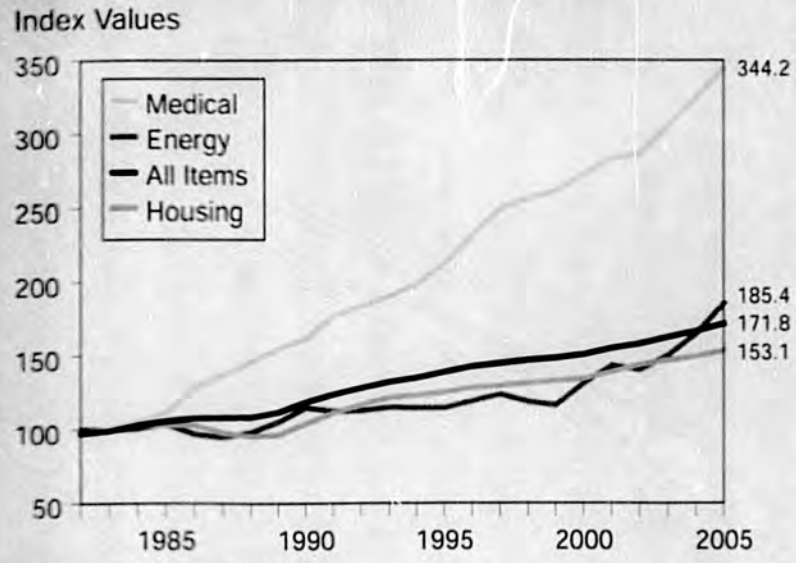
4 Consumers Spend Most on Housing
Consumer Price Index weighting[1]



[1] As of December 2005

Source: U.S. Department of Labor, Bureau of Labor Statistics

5 Health Care in its Own League
Anchorage Consumer Price Index



Note: The base years are 1982 to 1984.

Source: U.S. Department of Labor Statistics, Bureau of Labor Statistics

items selected are based on a national survey of eating habits and are meant to represent a low-cost, balanced diet. Prices are also gathered for electricity, heating oil, automobile gas, lumber and propane.

The survey is especially useful because it covers so many different Alaska communities. In many of the areas, the survey is the only source of cost-of-living information. It is important to note, however, that because the survey is mostly limited to food, which is only part of the average consumer's expenditures, it should be used with caution when it is used as a substitute for a more comprehensive cost-of-living comparison. The fact that food costs in St. Paul are twice as expensive as food costs in Ketchikan, for example, does not necessarily mean that the overall cost of living in St. Paul is twice as high as in Ketchikan.

Another limitation of the survey is that it uses the same market basket of food items for all areas, despite the fact that there may be significant differences between the list of food items consumed by a family in Anchorage and that consumed by a family in Bethel. The survey recently began including the cost of having grocery items delivered by mail, but it does not account for subsistence-harvested meat, fish, berries and other items that often replace store-bought food.

Within Alaska, food costs were the lowest in the Mat-Su area, Fairbanks and Anchorage, although all of the Alaska communities surveyed had at least slightly higher food costs than Portland, Ore. (See Exhibit 6.) The highest cost areas tend to be the most remote, requiring delivery of food by air for much of the year and by barge during the summer months. St. Paul, Naknek-King Salmon, Dillingham, Bethel and Dutch Harbor all fall into this category.

The next tier consists of relatively small communities that lie on a major transportation system – either a road system or the Alaska Marine Highway. Among those included in this group are Kodiak, Haines, Cordova and Seward. Other important factors in the cost of food are proximity to larger population centers, the year-round stability of a community's population and the level of competition within the local market.

High rents in Kodiak and Juneau

Housing costs can be a good proxy for an area's cost of living because they make up such a large percentage of total household expenditures. A 2005 survey of rental prices for housing in 10 areas around the state, conducted by

the Alaska Department of Labor & Workforce Development for the Alaska Housing Finance Corporation, shows that renting a house was most expensive in Juneau and renting an apartment was most expensive in Kodiak. (See Exhibits 8 and 9.)

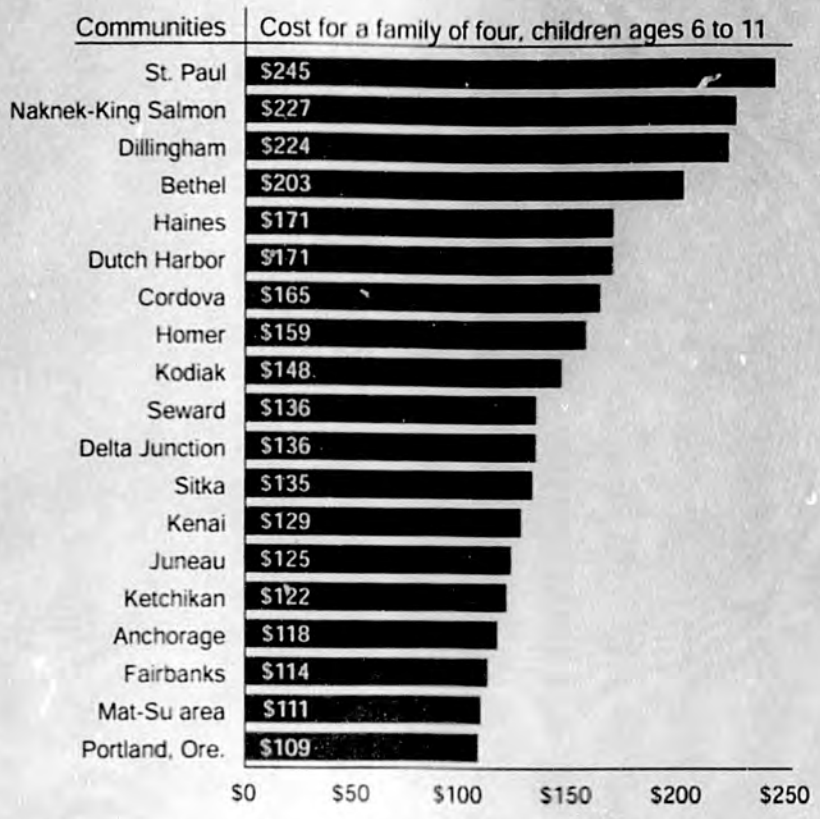
According to the survey, the median rent and utilities for a three-bedroom single-family home in Juneau was $1,617, a 6 percent increase from 2004 and more than double the median cost in the Wrangell-Petersburg Census Area. Kodiak Island Borough saw the biggest increase in housing rental costs from 2004 to 2005, rising from $1,180 to $1,305 – a jump of 11 percent. Wrangell-Petersburg, the Kenai Peninsula Borough and Sitka all experienced reductions in housing rental prices and the remaining areas surveyed had moderate increases.

Kodiak apartment rentals also increased substantially in 2005, jumping 9 percent from $1,015 to $1,111. The median rental price of a two-bedroom apartment in eight of the other nine areas surveyed increased much more modestly and in the Wrangell-Petersburg Census Area the median rent actually fell by $70.

Rural Alaskans Pay More for Food

Food costs at home for a week, December 2005

6



Source: University of Alaska Fairbanks' Cooperative Extension Service

What would $100 in 1980 equal today?

The Anchorage Consumer Price Index can help determine how much money it would take today to equal a dollar amount from some earlier year. To illustrate, this equation shows how $100 in 1980 would be equal to $201 in 2005.

2005 Anchorage CPI (see Exhibit 2) / Divided by 1980 Anchorage CPI: $\frac{171.8}{85.5} = 2.01$

The 2.01 is then multiplied by the number of 1980 dollars in order to find the 2005 equivalent ($100 x 2.01 = $201). Another way to describe this is to say that $100 in 1985 had the same purchasing power as $201 had in 2005.

The formula can also be reversed to deflate current dollars to some earlier year (for example, $100 in 2005 would equal about $50 in 1980). Inflation calculators that require only the years and a dollar amount are available at several Web sites, including ours: almis.labor.state.ak.us. (Click on "Cost of Living" in the left margin; then click on "Inflation Calculator," which is based on the U.S. Consumer Price Index.)

7 The Cost of Food at Home for a Week in Eight Alaska Cities

Cost for a family of four with children ages 6 to 11, 1978 to 2005[1,2]

Year[3]	Anchorage	Fairbanks	Percent of Anchorage	Juneau	Percent of Anchorage	Bethel	Percent of Anchorage	Nome	Percent of Anchorage	Kodiak	Percent of Anchorage	Kenai[4]/ Soldotna	Percent of Anchorage	Tok	Percent of Anchorage
1978	$76.67	$84.15	110%	$73.72	96%	$114.05	149%	$118.85	155%	-	-	$82.48	108%	-	-
1979[4]	$82.18	$89.39	109%	$74.88	91%	$129.16	157%	$128.67	157%	-	-	$100.41	122%	-	-
1980	$88.44	$90.54	102%	$85.92	97%	$130.87	148%	$131.14	148%	$99.42	112%	$120.84	137%	$108.82	123%
1981	$86.69	$98.47	114%	$93.95	108%	$138.66	160%	$150.27	173%	-	-	-	-	$114.80	132%
1982	$77.30	$92.09	119%	$99.98	129%	$125.50	162%	$149.04	193%	-	-	-	-	-	-
1983	$81.66	$83.79	103%	$88.62	109%	$128.30	157%	$130.14	159%	$104.94	129%	$86.98	107%	-	-
1984	$84.22	$91.26	108%	$91.66	109%	$136.54	162%	$142.07	169%	$115.97	138%	$87.97	104%	$121.66	144%
1985	$89.06	$90.08	101%	$106.61	120%	$138.13	155%	$152.41	171%	$108.17	121%	$91.47	103%	$116.19	130%
1986	$87.25	$90.61	104%	$87.65	100%	$137.96	158%	$142.04	163%	$105.49	121%	$92.78	106%	$124.18	142%
1987	$88.90	$85.12	96%	$88.24	99%	$140.81	158%	$147.96	166%	$104.39	117%	$96.95	109%	$117.51	132%
1988	$90.99	$94.74	104%	$92.95	102%	$137.57	151%	$147.69	162%	$116.68	128%	$95.53	105%	$119.69	132%
1989	$93.80	$94.33	101%	$96.73	103%	$140.65	150%	-	-	$124.61	133%	$104.20	111%	$139.43	149%
1990	$98.73	$103.49	105%	$100.86	102%	$146.92	149%	$155.48	157%	$154.55	157%	$103.21	105%	$131.03	133%
1991	$102.84	$114.65	111%	$104.21	101%	$152.49	148%	$150.29	146%	$127.96	124%	$111.88	109%	$143.45	139%
1992	$100.46	$92.31	92%	$102.62	102%	$142.51	142%	$158.08	157%	$124.61	124%	$109.60	109%	$132.94	132%
1993	$97.89	$93.42	95%	$103.70	106%	$147.84	151%	$145.94	149%	$125.19	128%	$111.61	114%	$136.96	140%
1994	$91.32	$94.96	104%	$104.09	114%	$133.47	146%	$140.22	154%	$123.99	136%	$105.51	116%	$140.78	154%
1995	$89.30	$93.26	104%	$99.38	111%	$140.68	158%	$148.55	166%	$123.04	138%	$102.48	115%	$122.89	138%
1996	$101.43	$96.65	95%	$96.93	96%	$148.70	147%	$162.61	160%	$125.71	124%	$105.01	104%	$142.46	140%
1997	$96.57	$97.73	101%	$98.89	102%	$150.42	156%	-	-	$123.92	128%	$104.87	109%	-	-
1998	$98.74	$98.35	100%	$103.08	104%	$155.24	157%	$174.27	176%	$130.04	132%	$104.13	105%	$144.67	147%
1999	$99.87	$98.52	99%	$104.45	105%	$163.11	163%	$155.29	155%	$143.81	144%	$109.58	110%	$132.61	133%
2000	$100.89	$100.63	100%	$104.55	104%	$162.63	161%	$157.40	156%	$133.89	133%	$112.01	111%	$139.31	138%
2001	$106.43	$103.61	97%	$112.53	106%	$180.89	170%	$176.56	166%	$140.23	132%	$119.55	112%	$141.73	133%
2002	$100.61	$100.80	100%	$110.52	110%	$187.96	187%	$179.76	179%	$143.36	142%	$119.12	118%	$126.92	126%
2003	$105.54	$112.77	107%	$117.78	112%	$186.07	176%	$177.38	168%	$144.13	137%	$122.39	116%	$126.37	120%
2004	$117.33	$118.73	101%	$122.48	104%	$198.33	169%	$183.46	156%	$140.70	120%	$127.38	109%	$120.85	103%
2005	$121.50	$123.72	102%	$123.60	102%	$202.08	166%	$199.08	164%	$147.77	122%	$128.05	105%	$126.03	104%

[1] Sales tax included in food prices.

[2] A hyphen means data are unavailable.

[3] Data are for September of each year.

[4] September 1979 data for Kenai/Soldotna are not available; December 1979 data are used instead.

Source: University of Alaska Fairbanks' Cooperative Extension Service, "Cost of Food at Home for a Week in Alaska." The food survey can be found at www.uaf.edu/ces/fcs/index.html.

Average selling price for houses highest in Anchorage

Prices for single-family homes have skyrocketed in recent years. Another survey conducted for AHFC shows that the average sale price rose 9 percent from the second half of 2004 to the second half of 2005. For the first time, Anchorage had the highest average sales price at $294,000, bumping Juneau down to second at $281,000. (See Exhibit 10.) Strong economic growth and a shrinking inventory of undeveloped land help explain the 11 percent increase in Anchorage's numbers.

It is important to recognize, however, that average sales price data do not necessarily represent the average prices for an area's total single-family housing stock, but merely the portion that was

sold in the given time period. Average sales prices were lowest among the specific areas surveyed in the Kenai Peninsula Borough ($195,000) and Fairbanks ($200,000).

Housing is among the most affordable in Fairbanks

Housing affordability indexes combine the sales price data above with average wages in the same area to determine how many wage earners are necessary to afford the average home. In Fairbanks, for example, it takes 1.3 wage earners to buy an average-priced single-family Fairbanks home. (See Exhibit 11.) Higher index numbers represent less affordable housing.

Although housing in the Matanuska-Susitna Borough is relatively inexpensive, lower than average wages make housing less affordable for those who live and work there than it is in many other areas of the state. At the other end of the spectrum, Anchorage's high housing costs are partially offset by higher than average wages, making housing slightly more affordable for those who live and work there.

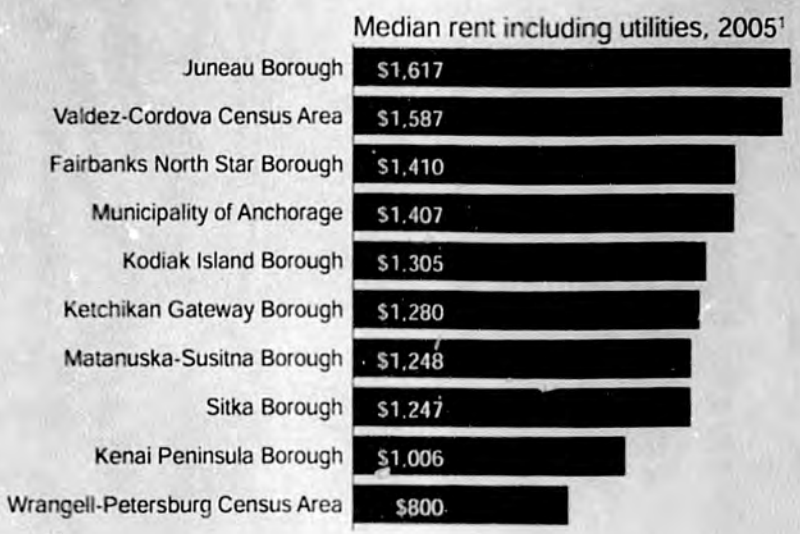
Not surprisingly, many Mat-Su residents commute to Anchorage to get the best of both worlds – inexpensive housing and high wages. This group shares honors with Fairbanks for the most affordable housing in the state. Housing in Bethel is the least affordable among the areas studied due to a combination of high average housing costs and relatively low average wages.

Statewide, the affordability index rose to 1.5 in the second half of 2005, up from 1.4 a year earlier. The last time the index was as high as 1.5 was in 2000. With the exception of Kodiak, all areas surveyed saw increases in their index numbers. Kodiak enjoyed an improvement in housing affordability due to a higher than average increase in wages – 7 percent compared to the statewide average of 4 percent.

ACCRA focuses on high-income households

Every quarter the ACCRA (formerly the American Chamber of Commerce Researchers Associ-

Rent for a Three-Bedroom Home 8
Highest rents in Juneau and Valdez/Cordova



[1] For a single-family home

Sources: Alaska Department of Labor & Workforce Development, Research and Analysis Section; and the Alaska Housing Finance Corporation's 2005 Rental Market Survey

Rent for Two-Bedroom Apartments 9
Rental costs are highest in Kodiak and Juneau



Sources: Alaska Department of Labor & Workforce Development, Research and Analysis Section; and the Alaska Housing Finance Corporation's 2005 Rental Market Survey

10 The Cost of Single-Family Homes
Prices in Anchorage surpass Juneau



Sources: Alaska Department of Labor & Workforce Development, Research and Analysis Section; and the Alaska Housing Finance Corporation's 2005 Survey of Lender's Activity

11 Housing Affordability
Wage earners needed to buy average house



Sources: Alaska Department of Labor & Workforce Development, Research and Analysis Section; and the Alaska Housing Finance Corporation's 2005 Alaska Affordability Index

ation) Cost of Living Index provides comparisons of living costs for about 300 urban areas in the United States. ACCRA looks at costs for professional and managerial households with incomes in the top 20 percent for the area.

In recent years ACCRA data have consistently shown that for this specific group of households, Alaska cities are from 15 percent to 33 percent more expensive than the average of all cities surveyed. For the first quarter of 2006, the four Alaska cities covered by ACCRA ranged from about 17 percent to about 33 percent more expensive than the average city. (See Exhibit 12.)

ACCRA data are collected by organizations in the cities that volunteer to participate and meet certain minimum standards. As a result, there is more room for error than in some surveys and ACCRA encourages users not to use percentage differences as exact measures. This may partly explain why ACCRA data show that Fairbanks housing costs exceed those for Anchorage, despite the fact that the AHFC data discussed above show that Fairbanks housing is significantly less expensive than Anchorage's.[4]

Runzheimer looks at lower-income households

The Runzheimer Plan of Living Cost Standards provides useful information about households on the lower end of the income spectrum.[5] Runzheimer data are designed to show how much more or less it would cost in different cities to maintain the standard of living a specific income level would provide in a standard U.S. city. The data show that maintaining the living standards of a household with $32,000 in income in the standard city would require $40,289 in Juneau, $36,884 in Anchorage, and $34,645 in Fairbanks. (See Exhibit 13.)

[4] There are other possible explanations based on the surveys' different target groups and methodologies, but it seems likely that at least part of the reason for the unusually high Fairbanks housing costs is survey error, given all of the other available housing cost data.

[5] The Alaska Department of Labor's Workers' Compensation Division contracts with Runzheimer International to survey geographic cost differentials for households with specific annual incomes every two years in order to equalize workers' compensation payments.

Professional and Managerial Households with Incomes in the Top 20%
ACCRA[1] Cost of Living Index for selected cities, First Quarter 2006

12

Region City	Items Index Costs	Grocery Items	Housing	Utilities	Transpor-tation	Health Care	Misc. Goods and Services
Anchorage	**117.4**	**125.2**	**122.6**	**88.2**	**102.0**	**135.1**	**121.1**
Fairbanks	**124.1**	**123.9**	**130.7**	**139.3**	**106.7**	**135.8**	**118.3**
Juneau	**132.6**	**140.0**	**146.3**	**130.6**	**116.7**	**151.2**	**121.9**
Kodiak	**126.4**	**145.9**	**125.7**	**129.0**	**128.7**	**135.3**	**117.4**
West							
Seattle	116.3	110.0	136.8	93.6	108.7	117.1	110.6
Vancouver, Wash.	97.9	92.7	95.8	83.9	104.5	111.8	102.1
Los Angeles-Long Beach	158.2	135.8	271.7	102.9	115.0	116.6	108.7
San Francisco	170.6	145.3	283.9	86.6	112.0	126.9	135.1
Las Vegas	106.1	96.7	123.1	116.4	107.8	102.3	93.2
Southwest/Mountain							
Boise, Idaho	98.0	93.6	89.3	92.7	98.8	102.2	107.5
St. George, Utah	98.2	93.4	102.5	77.7	92.4	89.7	105.1
Phoenix	103.8	99.1	113.4	90.4	101.4	100.8	102.7
Denver	100.4	103.7	106.7	94.3	94.7	102.5	97.1
Dallas	95.8	105.8	78.4	119.1	102.6	99.7	97.0
Midwest							
Rochester, Minn.	99.7	88.9	89.5	128.1	97.6	103.8	103.9
Cleveland	98.0	106.4	92.0	112.4	99.1	100.9	95.0
Chicago	111.9	109.4	133.5	107.2	105.2	107.5	99.3
Southeast							
Orlando, Fla.	102.9	94.9	108.0	91.2	107.0	94.4	104.8
Montgomery, Ala.	95.1	92.9	89.0	98.5	98.8	87.1	99.6
Atlanta	97.5	97.8	96.3	86.2	102.0	101.2	99.9
Raleigh, N.C.	93.1	101.1	75.9	95.7	100.1	118.1	98.3
Atlantic/New England							
New York City - Manhattan	201.2	144.6	373.6	135.1	108.6	127.8	138.2
Boston	133.6	112.6	163.2	126.0	111.5	130.4	126.4
Philadelphia	124.0	123.7	144.7	115.2	110.0	115.9	115.1

Note: Index numbers represent a comparison to the average for all cities studied. For example, 117.4 means that city has 17.4 percent higher costs than the average.

[1] ACCRA, founded in 1961 as the American Chamber of Commerce Researchers Association, is a nonprofit professional organization. The ACCRA Cost of Living Index's stated purpose is to compare the cost of maintaining a standard of living appropriate for moderately affluent professional and managerial households. It has been published quarterly since 1968.

Source: ACCRA Cost of Living Index

Compared to the ACCRA survey, the percentage difference between Alaska cities and the respective averages for cities covered is not dramatically different with the exception of Fairbanks where the 24 percent ACCRA difference shrinks to 8 percent in the Runzheimer data. Of the three cities studied, Juneau's relatively low-income households face the highest costs.

The military's cost-of-living index

In order to roughly equalize payments to military personnel, the Department of Defense produces a cost-of-living index for areas where troops are or may be stationed outside the Lower 48. (See Exhibit 14.) The index compares prices for about 120 goods and services,

13 Gap is Smaller for Low-Income Households

Runzheimer Plan of Living Cost Standards, December 2004[1]

	Total Costs	Percent of Standard City	Taxation	Percent of Standard City	Trans-portation	Percent of Standard City	Housing	Percent of Standard City	Misc. Goods and Services	Percent of Standard City
Alaska Composite	37,273	116.5%	2,448	77.4%	4,648	106.5%	18,972	135.2%	12,572	110.4%
Anchorage	36,884	115.3%	2,448	77.4%	4,759	109.0%	18,648	132.9%	12,503	109.8%
Fairbanks	34,645	108.3%	2,448	77.4%	4,668	106.9%	16,458	117.3%	12,606	110.7%
Juneau	40,289	125.9%	2,448	77.4%	4,517	103.5%	21,812	155.4%	12,606	110.7%
West										
Astoria, Ore.	33,802	105.6%	3,390	107.2%	4,367	100.0%	16,386	116.8%	11,383	99.9%
Bellingham, Wash.	35,976	112.4%	2,448	77.4%	4,684	107.3%	17,835	127.1%	11,836	103.9%
Corvalis, Ore.	33,880	105.9%	3,390	107.2%	4,358	99.8%	16,458	117.3%	11,398	100.1%
Hilo, Hawaii	36,636	114.5%	3,123	98.7%	5,582	127.9%	16,207	115.5%	12,931	113.5%
Lakeport, Calif.	41,802	130.6%	2,448	77.4%	5,272	120.8%	22,993	163.8%	12,141	106.6%
Los Angeles	57,446	179.5%	2,448	77.4%	6,488	148.6%	36,888	262.8%	12,556	110.2%
Yakima, Wash.	31,293	97.8%	2,448	77.4%	4,680	107.2%	13,188	94.0%	11,836	103.9%
Southwest/Mountain										
Cody, Wyo.	27,961	87.4%	2,448	77.4%	4,539	104.0%	11,305	80.5%	10,850	95.3%
El Paso, Texas	27,649	86.4%	2,448	77.4%	4,643	106.4%	11,035	78.6%	10,746	94.3%
Flagstaff, Ariz.	34,974	109.3%	2,719	86.0%	4,670	107.0%	16,753	119.4%	11,815	103.7%
Jackson, Wyo.	51,455	160.8%	2,448	77.4%	4,539	104.0%	34,691	247.2%	10,850	95.3%
Lewiston, Idaho	30,521	95.4%	2,790	88.2%	4,482	102.7%	13,822	98.5%	10,551	92.6%
Reno, Nev.	35,262	110.2%	2,448	77.4%	4,953	113.5%	17,147	122.2%	11,584	101.7%
Provo, Utah	30,676	95.9%	3,175	100.4%	4,660	106.8%	12,755	90.9%	11,122	97.6%
Midwest										
Grand Rapids, Minn.	30,360	94.9%	2,583	81.7%	4,960	113.6%	13,228	94.3%	10,930	96.0%
Lansing, Mich.	36,102	112.8%	2,744	86.8%	5,535	126.8%	17,717	126.2%	11,236	98.6%
Oklahoma City	28,317	88.5%	3,215	101.6%	4,548	104.2%	10,316	73.5%	11,068	97.2%
Springfield, Mo.	27,588	86.2%	3,215	101.6%	4,509	103.3%	9,756	69.5%	11,142	97.8%
Southeast										
Nashville, Tenn.	28,806	90.0%	2,448	77.4%	4,168	95.5%	11,703	83.4%	11,195	98.3%
New Orleans	30,524	95.4%	3,091	97.7%	5,475	125.4%	12,033	85.7%	10,924	95.9%
West Palm Beach, Fla.	37,478	117.1%	2,448	77.4%	5,433	124.5%	19,155	136.5%	11,559	101.5%
Wilmer, Ala.	27,471	85.8%	3,433	108.5%	4,211	96.5%	10,313	73.5%	10,692	93.9%
Atlantic/New England										
Boston	48,062	150.2%	3,241	102.5%	6,361	145.7%	27,570	196.4%	12,335	108.3%
Elmira, N.Y.	29,160	91.1%	3,099	98.0%	4,659	106.7%	11,303	80.5%	11,036	96.9%
Trenton, N.J.	45,624	142.6%	2,754	87.1%	5,453	124.9%	27,391	195.2%	11,436	100.4%

[1] Runzheimer International is a private consultant that provides geographic cost compaisons on a contract basis. The data in this exhibit were produced by Runzheimer for the Alaska Department of Labor's Workers' Compensation Division for the purpose of equalizing workers' compensation payments. Runzheimer's Web site is www.runzheimer.com.

Source: Runzheimer International

including food, clothing, personal care, vehicles, transportation, medical care and utilities. The index does not include housing, which is treated separately by the military with specific housing allowances for different locations. It also does not cover taxes or insurance.

The military index is a helpful addition to the library of Alaska cost-of-living information because it includes data for so many Alaska locations – 27 in 2006 – and also because it is updated frequently. For the goods and services included in the index, Barrow, Bethel, Dillingham, Galena, Kotzebue, Metlakatla, Nome and Wainwright had the highest prices. Wasilla had the lowest prices, with Anchorage a close second. Fairbanks and Juneau were also relatively inexpensive, confirming that goods and

services are generally cheaper in the state's population centers.

Geographic pay for state workers

A 1986 study of geographic cost differences done by the McDowell Group, a research and consulting firm, is still used in state workers' salary schedules and, though dated, remains helpful for the general information it gives on cost-of-living differences around the state. (See Exhibit 15.) The study's authors noted that the areas studied fell into distinct groups, with the least expensive group consisting of the larger urban communities and the most expensive consisting of remote, small communities and villages with minimal retail development, small but expensive housing and a lack of ground transportation access. The same factors certainly apply 20 years later.

Federal COLA is changing

For decades, most federal workers in Alaska have received a 25 percent tax-free cost-of-living adjustment. Originally, the figure was based on the cost differences between living in Washington, D.C., and Alaska, but over time the number became less and less defensible on economic grounds.

After years of study, the federal government has decided to phase out the flat 25 percent supplement and replace it with more specific locality supplements. Eventually, federal workers in Anchorage will receive a 14 percent supplement, Fairbanks 16 percent and Juneau 18 percent.[6] The new percentages are based on surveys conducted in 2003 and will apply to all areas within a 50 mile radius of the three communities. All other areas of the state will continue to receive the 25 percent supplement.

The percentages will be updated every three

[6] Federal workers will have their supplemental pay reduced by a percentage point a year until the new percentages are reached.

Military Cost-of-Living Allowances 14
OCONUS[1] Index, Alaska 2006

Location	Index
Anchorage	122
Barrow	152
Bethel	152
Clear Air Station, USAF (south of Nenana)	124
College (near Fairbanks)	124
Cordova	134
Delta Junction	126
Dillingham	152
Fairbanks	124
Galena	152
Homer	134
Juneau	128
Kenai/Soldotna	134
Ketchikan	138
Kodiak	128
Kotzebue	152
Metlakatla	152
Nome	152
Petersburg	138
Seward	134
Sitka	136
Spruce Cape (on Kodiak Island)	128
Tok	132
Unalaska	128
Valdez	134
Wainwright	152
Wasilla	120

[1] OCONUS is an acronym for Outside the Continental U.S.; Alaska is counted as an OCONUS location.

Source: Department of Defense, as posted in June 2006

15 Geographic Pay Differential[1] State of Alaska

	Cost-of-Living Differential
Aleutian Islands	112
Aniak, Galena and McGrath	130
Anchorage	100
Barrow and Kotzebue	142
Bethel	138
Bristol Bay	127
Cook Inlet and Kenai	100
Cordova, Glennallen and Valdez	111
Delta Junction and Tok	116
Fairbanks	104
Fort Yukon	142
Haines, Skagway and Yakutat	105
Juneau	100
Ketchikan	100
Kodiak	109
Nenana	120
Nome	134
Palmer and Wasilla	100
Seward	100
Sitka	100
Wade Hampton Census Area	130
Wrangell and Petersburg	100

[1] Based on a 1986 McDowell Group study

Source: Alaska Department of Administration

years based on new survey information and since a new round of surveys is currently being conducted, they could change in the near future. There is also the possibility of delay in implementation since some of the affected federal employees have sued to prevent the planned changes from going forward.

Alaska is still expensive – but less so than it used to be

Each of the many surveys and studies discussed in this article provides useful information about the cost of living in Alaska. Taken as a whole, they clearly indicate that it generally costs more to live in Alaska than in the average U.S. city.

Alaska Cost-of-Living Information on the Internet

Aside from the information in the preceding article, there are Web sites that can provide quick cost-of-living comparisons. Most of the data provide little detail but the Web sites can be a handy quick reference.

The Alaska Department of Labor & Workforce Development's relocation site offers cost-of-living information, plus general information about Alaska, the state's employment opportunities and traveling to Alaska.

labor.state.ak.us/research/relocate/relocmap.htm

The U.S. Department of Labor's Bureau of Labor Statistics' Consumer Price Index site provides CPI data for Anchorage and other areas throughout the U.S., as well as general, technical and research information on the index. The site also has an inflation calculator.

www.stats.bls.gov/cpi/home.htm

Other private Web sites include ACCRA, which was mentioned in the preceding article, and CityRating.com.

www.cityrating.com/costofliving.asp
www.accra.org

Employment Scene

By Dan Robinson
Economist

Oil and gas jobs up 1,000 over the year

Total nonfarm wage and salary employment rose by 12,800 in May to 318,400. About a third of the job increase came from the leisure and hospitality sector, where there was large seasonal hiring in both the accommodations and food and drink industries. Construction and retail trade also saw significant increases, adding a combined total of 3,600 jobs in May.

Over-the-year comparisons show that the oil and gas industry has added 1,000 jobs since May 2005, for a robust 12 percent growth rate over the 12-month period. The industry's 9,400 jobs in May were approaching levels not seen since 2001. Significant new development is occurring at satellite fields and development efforts have picked up due at least partly to several consecutive years of high oil prices.

All the state's major employment sectors at least matched May 2005's job count and most are up moderately. Two industries that bear watching in the coming months are construction and health care. Both continue to show over-the-year growth, but in smaller amounts than the last several years. Construction was up just 300 jobs from May 2005 to May 2006 and health care was up 500 jobs over the same period after both recorded average annual job increases of 900 in 2005.

Alaska's unemployment rate fell six-tenths of a percentage point in May to 6.9 percent, according to the Alaska Department of Labor & Workforce Development. The decline was typical for May, a month when a significant number of unemployed workers find jobs in the state's seasonal industries.

Despite the expected seasonal decline, the unemployment rate has begun to creep higher when compared to year-ago rates. After consistent, gradual declines for more than two years, the rate rose above its year-ago level in March by two-tenths of a percentage point. The gap widened to four-tenths of a percentage point in April and May's 6.9 percent rate is five-tenths of a percentage point higher than May 2005's 6.4 percent rate.

The unemployment rate remains relatively low by historical standards, however, and the over-the-year increases are small enough to be of questionable significance until several more months of data become available.

Anchorage's unemployment rate fell three-tenths of a percentage point in May to 5.6 percent, and Fairbanks' rate fell seven-tenths of a percentage point to 5.8 percent. Both cities' May rates were four-tenths of a percentage point higher than in May 2005. Juneau's rate fell six-tenths of a percentage point in May to 4.7 percent, matching May 2005's rate. The Denali Borough had the state's lowest rate in May at 4.3 percent and the Wade Hampton Census Area had the highest at 22.6 percent.

1 Nonfarm Wage and Salary Employment

Alaska	Preliminary 5/06	Revised 4/06	Revised 5/05	Changes from: 4/06	Changes from: 5/05
Total Nonfarm Wage and Salary[1]	318,400	305,600	313,300	12,800	5,100
Goods-Producing[2]	41,300	38,900	39,800	2,400	1,500
Service-Providing[3]	277,100	266,700	273,500	10,400	3,600
Natural Resources and Mining	11,700	11,700	10,500	0	1,200
Logging	500	400	600	100	-100
Mining	11,300	11,200	9,900	100	1,400
Oil and Gas	9,400	9,400	8,400	0	1,000
Construction	19,300	17,100	19,000	2,200	300
Manufacturing	10,300	10,100	10,300	200	0
Wood Product Manufacturing	300	300	400	0	-100
Seafood Processing	6,200	6,300	6,300	-100	-100
Trade, Transportation, Utilities	65,900	62,000	64,800	3,900	1,100
Wholesale Trade	6,500	6,300	6,400	200	100
Retail Trade	37,100	35,700	36,200	1,400	900
Food and Beverage Stores	6,400	6,200	6,300	200	100
General Merchandise Stores	9,200	9,100	9,000	100	200
Transportation, Warehousing, Utilities	22,300	20,000	22,200	2,300	100
Air Transportation	6,400	5,900	6,300	500	100
Truck Transportation	3,200	3,000	3,100	200	100
Information	7,000	6,900	7,000	100	0
Telecommunications	4,200	4,100	4,200	100	0
Financial Activities	15,000	14,600	14,700	400	300
Professional and Business Services	24,300	23,000	24,100	1,300	200
Educational[4] and Health Services	36,400	36,300	35,900	100	500
Health Care	26,300	26,100	25,800	200	500
Leisure and Hospitality	32,800	28,500	32,400	4,300	400
Accommodations	8,600	6,500	8,500	2,100	100
Food Services and Drinking Places	19,700	18,000	19,400	1,700	300
Other Services	11,600	11,500	11,300	100	300
Government	84,100	83,900	83,300	200	800
Federal Government[5]	17,000	16,500	17,100	500	-100
State Government	24,900	25,200	24,500	-300	400
State Government Education[6]	7,500	8,000	7,000	-500	500
Local Government	42,200	42,200	41,700	0	500
Local Government Education[7]	24,400	24,300	24,200	100	200
Tribal Government	3,900	3,800	3,900	100	0

Notes for all exhibits on this page:

[1] Excludes self-employed workers, fishermen, domestic workers, unpaid family workers and nonprofit volunteers

[2] Goods-producing sectors include natural resources and mining, construction and manufacturing.

[3] Service-providing sectors include all others not listed as goods-producing sectors.

[4] Private education only

[5] Excludes uniformed military

[6] Includes the University of Alaska

[7] Includes public school systems

[8] Metropolitan Statistical Area

Sources for all exhibits on this page: Alaska Department of Labor & Workforce Development, Research and Analysis Section; and the U.S Bureau of Labor Statistics

2 Unemployment Rates By borough and census area

NOT SEASONALLY ADJUSTED	Prelim. 5/06	Revised 4/06	Revised 5/05
United States	4.4	4.5	4.9
Alaska Statewide	6.9	7.5	6.4
Anchorage/Mat-Su (MSA)[8]	5.9	6.3	5.4
Municipality of Anchorage	5.6	5.9	5.2
Mat-Su Borough	7.2	8.4	6.5
Gulf Coast Region	8.4	9.5	8.0
Kenai Peninsula Borough	8.0	9.7	7.7
Kodiak Island Borough	10.3	7.6	8.8
Valdez-Cordova Census Area	8.7	10.7	8.5
Interior Region	6.5	7.3	5.9
Denali Borough	4.3	10.6	4.2
Fairbanks North Star Borough (MSA)[8]	5.8	6.5	5.4
Southeast Fairbanks Census Area	9.4	10.8	9.5
Yukon-Koyukuk Census Area	13.2	13.6	11.2
Northern Region	11.2	11.1	11.4
Nome Census Area	13.2	13.6	12.0
North Slope Borough	8.6	8.0	9.7
Northwest Arctic Borough	12.0	11.6	12.5
Southeast Region	6.3	7.5	6.0
Haines Borough	7.4	11.6	8.2
Juneau Borough	4.7	5.3	4.7
Ketchikan Gateway Borough	5.9	7.4	6.1
Prince of Wales-Outer Ketchikan CA	12.9	14.9	10.8
Sitka Borough	5.5	5.7	4.7
Skagway-Hoonah-Angoon CA	9.9	18.1	8.5
Wrangell-Petersburg Census Area	9.5	10.5	9.3
Yakutat Borough	7.6	11.8	7.7
Southwest Region	14.0	13.7	12.8
Aleutians East Borough	12.3	8.0	14.2
Aleutians West Census Area	10.7	7.4	9.5
Bethel Census Area	15.1	14.6	13.3
Bristol Bay Borough	7.0	16.7	4.9
Dillingham Census Area	11.8	12.0	11.5
Lake and Peninsula Borough	5.7	6.8	7.2
Wade Hampton Census Area	22.6	23.8	19.8
SEASONALLY ADJUSTED			
United States	4.6	4.7	5.1
Alaska Statewide	7.1	7.0	6.6

For more current state and regional employment and unemployment data, visit our Web site

almis.labor.state.ak.us

3 Nonfarm Wage and Salary Employment By Region

	Preliminary 5/06	Revised 4/06	Revised 5/05	Changes from: 4/06	Changes from: 5/05	Percent Change: 4/06	Percent Change: 5/05
Anch/Mat-Su (MSA)[8]	168,500	164,700	165,200	3,800	3,300	2.3%	2.0%
Anchorage	150,000	147,200	147,200	2,800	2,800	1.9%	1.9%
Gulf Coast	29,150	26,700	29,050	2,450	100	9.2%	0.3%
Interior	47,700	44,000	47,100	3,700	600	8.4%	1.3%
Fairbanks	39,300	37,400	39,000	1,900	300	5.1%	0.8%
Northern	16,700	16,650	15,850	50	850	0.3%	5.4%
Southeast	38,550	35,650	38,300	2,900	250	8.1%	0.7%
Southwest	17,650	17,650	17,950	0	-300	0.0%	-1.7%

Training for Jobs in the Energy Industry

By Susan Erben
Trends Editor

"It is a very powerful thing for me to see..."

The morning of March 27, 2006, Laura Lynn Welles met with 22 high school students in Mountain Village (pop. 786), 95 miles northwest of Bethel. That afternoon she met with 15 more students. The next day it was eight students and their teacher, and then eight students volunteered to meet with her one-on-one. The next day she flew 50 miles northwest to Emmonak (pop. 740), 10 miles from the Bering Sea, and spoke to 67 high school students. The day after that she met with 40 students and gave a Power Point presentation to 26. And that was just in the end of March.

Welles, like the Alaska Department of Labor & Workforce Development's six other "career guides," is on a crusade – a crusade to tell as many students and their teachers, parents and siblings not only about the growing number of energy jobs in Alaska, but how to get them. They're showing the students how to prepare themselves in high school now so they'll be competitive enough to get an apprenticeship, an internship or into training that will give them a craft, a job and a future.

The state's seven career guides are jobs that were created as part of a $7 million "High-Growth Job Training Initiative for Energy" grant the U.S. Department of Labor gave the Alaska Department of Labor last year. The money is for training Alaska adults and youth for jobs in oil, gas and mining, plus jobs in the industries that support oil, gas and mining – construction, and marine, pipeline and trucking transportation.

The purpose of the grant is to develop innovative ways the Alaska Department of Labor and other training providers can work hand-in-hand with industry and the state's educational system to get people trained for Alaska's economic opportunities, said Corine Geldhof, director of the Alaska Department of Labor's Division of Business Partnerships.

Geldhof said the grant is part of President Bush's push to get Americans trained for jobs in high-growth fields such as energy at a time when baby boomers are retiring and the demand for workers trained with industry-recognized skills is increasing.

She said the growth in Alaska's energy industry,



Photo by Kaylene Johnson, Alaska Works Partnership Inc.

Instructor David Lipp of Anchorage (right) shows Derrick Andrews of Aleknagik (far left) and Evan Ishnook of Kokhanok the controls of the tractor trailer they learned to drive during Alaska Works Partnership's youth construction academy held June 5-16 in King Salmon.

coupled with the state's aging work force, will leave a tremendous gap if Alaskans aren't trained for those jobs.

In some trade occupations, more than 50 percent of the workers are 45 or older, said Margie Germain-Antrim, a Business Partnerships program coordinator. Even at AVTEC,[1] the state's major vocational training facility, the average student is in his or her early 30s.

The U.S. Department of Labor announced the grant in July 2005 and, after negotiations, the money arrived in November. The year-long grant is due to end this November, but Geldhof said she'll ask for a time extension until June 2007. The extension would allow the Alaska Department of Labor to align its activities with the education system's calendar and serve more Alaska youth, she said. (The grant is in addition to the roughly $20 million that Alaska gets each year from the U.S. Department of Labor to develop its work force, according to Alaska Department of Labor officials.)

Every "product" that comes out of the $7 million – such as a class curriculum, program blueprints, "best practices" summaries and vocational training models – becomes the federal agency's property and will be posted on the Internet for other cities and states to use.

"It's not just business as usual," she said. "They're saying, 'Show us how you get industry to the table, how you're doing work force development in innovative ways.' And we can't do our job without bringing economic development to the table, and education reform," Geldhof said.

□ □ □

Nick Grubich, the principal at Mountain Village School, said he saw a difference in the high schoolers there after Welles, Bethel's career guide, had worked with them and Paul Ancell, a vocational counselor at Anchorage's Muldoon Job Center, had held a video conference with them from Anchorage to interpret their answers to a career-interest survey.

"It is a very powerful thing for me to see when these kids are actually thinking and talking about their future," Grubich said in an email to the Bethel Job Center manager. "There was general excitement and an eager willingness on the part of the students to stay and listen well after the dismissal bell rung, very unusual for our kids."

Under formal agreements with six school districts, the career guides work in the schools – most have office space there – with students individually and in groups, and with school counselors, on everything from a good work ethic to what construction apprenticeships are like and how to use AKCIS, the Alaska Department of Labor's career information system database.

Many of the career guides worked in the state's job centers before taking the new positions, said Ken Mill, an assistant director of the Department of Labor's Employment Security Division, which received $1.7 million of the energy grant to pay for the career guides and other programs. School districts in Bethel, Mat-Su, Juneau, Fairbanks and the Kenai Peninsula have the equivalent of one career guide each; Anchorage has two, he said.

Mill said his division is also hiring a student intern at each of the six school districts. Each career guide and the staff at the local job center will train the intern so he or she can help fellow students research career options. The interns are working up to four hours a day during school and full-time at a nearby job center in the summer, Mill said. So far, interns are in place at all but two of the six school districts, he said.

The department has also set up three other positions to work under the grant called "industry liaisons." They work directly with industry employers to create internships, opportunities for on-the-job training (where the Department of Labor subsidizes up to 50 percent of an employee's pay, usually for three to six months), and teacher "externships" (where teachers work in the industry, usually for a week or two, so teachers can relay what they've learned first-hand in an industry to their students), Mill said.

[1] Alaska Vocational Technical Center in Seward

Jeff Burton, who has a mining background, and Traci Felton, a job center employment specialist, both work out of Anchorage's Midtown Job Center as the industry liaisons. Gail Phillips, the former speaker of the House, worked as a third liaison from January through June. Mill said she was critical in establishing connections with the energy industry.

ESD's $1.7 million is also going toward "fast track[ing] the public work force system's change to a market-driven, industry centered one-stop system that is responsive to state and local economic needs," according to the division's formal agreement with Business Partnerships. Mill said that includes identifying an "apprentice point person" in each of the state's 24 job centers who knows everything there is to know about the 200 apprenticeship programs in the state, 28 of which are trade union programs involving numerous employers. The rest are small-business programs.

It also includes support for two mobile job centers – a 32-foot van with three laptops based out of Anchorage to travel the state's road system and a 20-foot one for Southeast to travel to cities and villages on the Alaska Marine Highway System. The Anchorage-based van has been on the road since April; the Southeast van will be up and running this summer, Mill said.

He said the fast-tracking also means working more with other state agencies, Native corporations, labor unions and employers. He cited some examples: A vocational counselor and a job training specialist from Anchorage's Muldoon Job Center each work out of the Cook Inlet Tribal Council's headquarters two days a week; the Department of Labor is working with the Aleutian Pribilof Islands Association to train them on ALEXsys, the department's new online job seeker/work force services system; and ESD has a Department of Education representative at its meetings to design "tech prep" type courses for the schools (where high school vocational classes are aligned with apprenticeship and university requirements).

Mill said ESD is also using the $1.7 million for individual training accounts, which is money



Photo by Kaylene Johnson, Alaska Works Partnership Inc.

Laura Wassillie of Kokhanok tries her hand at driving a 17,000-pound Kenworth tractor trailer at Alaska Works Partnership's youth construction academy June 5-16 in King Salmon. She had never driven a car before the construction driving course – now she has a driver's license and, after a year, can apply for a commercial driver's license. In the meantime, she'll be qualified to work as a flagger.

the division pays to help people in apprentice or other training programs with everything from tool belts and training tuition to travel, food and housing. Some of the mini-grants are between $50 and $100, but most range from $1,800 to $3,200, he said.

A big chunk of the $7 million grant – $1.35 million – is going to the nonprofit Alaska Works Partnership Inc. for its job-training programs,

including its one- to three-week construction academies. In May and June, union trainers instructed 60 17- to 24-year-olds in carpentry, electricity and construction driving at academies in St. Mary's, King Salmon, Klawock, Ninilchik and Anchorage. Alaska Works, in conjunction with school districts, Native corporations and other groups, set up the academies. Eighty to 90 percent of the students will likely land jobs in those industries, and some of those might apply for other trade apprenticeship positions, an Alaska Works spokeswoman said.

Other Alaska Works programs include Women in the Trades and an apprentice program geared toward people living in Alaska's villages. Alaska Works is also affiliated with Helmets to Hardhats, a nonprofit that connects retired military with apprenticeship slots, officials said. Mill said many of ESD's mini-grants are channeled through Alaska Works.

Business Partnerships awarded $860,000 of the $7 million energy grant to 14 school districts, nonprofits and industry associations that came up with innovative ways to train youth and adults or to show them what's out there as far as training, said Business Partnerships' Germain-Antrim. She said her division initially awarded "planning grants" of up to $15,000 each – $110,000 total – to 17 groups, which gave the groups six weeks to plan their grant proposals. Then in April, Business Partnerships awarded the $860,000 in "implementation grants" ranging from $25,000 to $90,000 each to the 14 groups.

Germain-Antrim said most of the groups that received the planning grants, as well as career guides, industry liaisons and job center managers, met in Anchorage in February for a week-long conference with industry experts from oil and gas, construction, transportation and mining, and educators from schools and training providers throughout the state.

"It was incredible," Germain-Antrim said. "We learned [from industry] what they look for, how their industry works, where their biggest demand is, where they see their industry is going." (She said they learned from VECO representatives, for instance, the company has hired every available graduate from Charter College's condensed autoCAD drafting program.)

Business Partnerships awarded two of the 14 grants to the Matanuska-Susitna Borough School District, including one for $25,000 for a construction trades academy held in June for 14 Alaska vocational and math teachers. They learned real-world construction applications of what they're teaching, among other things, Germain-Antrim said.

Alaska Process Industry Careers Consortium received a $59,000 grant for teacher externships, where 12 middle and high school teachers worked for two weeks alongside workers in the oil and gas, mining and construction industries at the Pebble mine project, Fort Knox and on the North Slope. Now the teachers will be able to pass on their experiences to their students, Germain-Antrim said. Using APICC's estimate that urban school teachers work with 130 students a day, those teachers could reach 1,560 kids.

The Alaska Hospitality Alliance was awarded $33,000 to work with rural school districts in training 100 Alaskans ages 16 to 24 via videoconferencing for employment in the Alaska hospitality industry. The Alliance is targeting youth and young adults in villages who haven't had the chance to learn employment skills or get job experience, the first step on the road to jobs in the energy and other industries, an Alliance spokeswoman said. Once students finish their training next year – three hours a week for two semesters – they'll be in excellent standing to apply for jobs at hotels the Alliance is working with in Denali National Park and elsewhere in the state, she said.

Of the rest of the $7 million energy grant, $413,300 is going to AVTEC in Seward for a state-of-the-art maritime firefighting simulator, other equipment and programs, and $110,000 is going to Kenai Peninsula College's Mining and Petroleum Training Service for mine training classes. Roughly $2.9 million is held in reserve for continuing many of the same programs in the state fiscal year 2007 (July 1, 2006, to June 30, 2007), officials said.

Employer Resources

Workers' Compensation Requirements

The Alaska Workers' Compensation Act requires all employers with one or more employees in Alaska to have workers' compensation insurance, unless the employer has at least 100 employees and has been approved as a self-insurer.

Employers purchase workers' compensation insurance from commercial insurance carriers. Once employers have insurance, they're required to post in their workplaces an Employer's Notice of Insurance, which insurance companies provide. Employers must also submit proof of insurance to the Workers' Compensation Division, the administrative arm of the Workers' Compensation Board.

Executive officers of for-profit corporations are required to have workers' compensation insurance unless they choose to waive coverage by filing a waiver with the division.

If employers are unable to obtain insurance coverage from a commercial carrier, they can purchase insurance through a state assigned risk pool. And if employers feel their insurance premium is too high, they can request arbitration.

For more information or forms, call the Workers' Compensation Division at (907) 465-2790 or visit the division's Web site at www.labor.state.ak.us/employer/employer.htm and click on "Workers' Compensation." On the Workers' Compensation page, the "Forms" and "Employer Information" links under "Quick Links" on the right are particularly helpful.

Trends Authors



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The Department of Education & Early Development
June 25, 2007
Transmittal of Task Force Data Request

The following documents are in PDF format and attached to this email:

I. "School Size Table – Based on FY2007 Actual Foundation Funding"
Number of schools in each school size table category (Stedman 6/14/07)

II. "Five Year Schedule of ADM & AADM"
Stedman 6/14/07).

III. "Special Education Intensive Student Count by Year 1999-2008"

IV. "Correspondence ADM FY1999 – FY2008"
(Wilken 6/14/07)

V. "History of SB36 Foundation Floor Calculation"
(Stedman 6/15/07)

VI. "Impact Aid Revenues and Foundation Deductions"

VII "By District School Manager Contact List"
(Hawker)

The following data topics will be reviewed and drafted as applicable in the near future:

Assessed Values, Education Assessed Values, Required and Maximum Contributions and Actual Contributions. (To be provided shortly 1 – 2 days).

Mil rate on assessed Values and Mil rate on Education Values- Intent of SB174. (Stedman 6/14/07) (To do right after Assessed Value data is completed).

Calculation methodology of District Cost Factor, sequence of factor in calculation. (Roses 6/14/07). (To do)

Historical enrollment (Will send)

Other Topics discussed at the Task Force: (EED is not the immediate source; we need to discuss how these requests should be treated)

- Department of Labor Trends in comparison to proposed differential.
- ISER personnel vs. non personnel
- Special Education Costs, Cost Drivers, Other.

Alaska Department of Education & Early Development - School Finance
School Size Table - Based on FY2007 Actual Foundation Funding
June 19, 2007

AS 14.17.450 School Size factor

Number of Schools in each Each Category (FY2007 Actual)	If the student count in a school is		The adjusted student is		
	At least	But less than	Base	Multiplier	The number of students in excess of
55	10	20	39.6		
22	20	30	39.6	+ (1.62 *	20)
111	30	75	55.8	+ (1.49 *	30)
100	75	150	122.85	+ (1.27 *	75)
44	150	250	218.1	+ (1.08 *	150)
125	250	400	326.1	+ (0.97 *	250)
73	400	750	471.6	+ (0.92 *	400)
22	750 or over		793.6	+ (0.84 *	750)
552	= total schools in size tables				

Other notes:

School Goes through once. Community ADM >425 or <100.

School Goes through twice. Community has between 101 & 425 ADM.

Alternative programs. >200 run through once, <200 added to largest school in district

The Department of Education Early Development
5 Year Schedule of ADM AADM
June 22, 2007

	ADM FY03	AADM FY03	% Increase	ADM FY04	AADM FY04	% Increase	ADM FY05	AADM FY05	% Increase	ADM FY06	AADM FY06	% Increase	ADM FY07	AADM FY07	% Increase
ALASKA GATEWAY	487	1,204	2.47	493	1,222	2.48	443	1,119	2.52	412	1,060	2.57	412	1,100	2.67
ALEUTIAN REGION	49	247	5.03	42	247	5.91	46	247	5.38	44	247	5.62	42	255	6.07
ALEUTIANS EAST	274	906	3.31	278	935	3.36	269	893	3.32	246	822	3.33	233	813	3.49
ANCHORAGE	49,545	66,941	1.35	49,265	66,952	1.36	49,182	66,966	1.36	49,320	67,125	1.36	48,707	66,635	1.37
ANNETTE ISLANDS	291	530	1.82	288	525	1.83	298	547	1.83	291	536	1.84	282	553	1.96
BERING STRAIT	1,734	5,153	2.97	1,704	5,068	2.97	1,699	5,081	2.99	1,668	5,015	3.01	1,672	5,414	3.24
BRISTOL BAY	234	586	2.51	195	469	2.40	184	448	2.43	179	443	2.47	188	479	2.55
CHATHAM	220	544	2.47	215	528	2.46	195	490	2.51	204	506	2.49	195	535	2.75
CHUGACH	201	357	1.78	191	340	1.78	219	368	1.68	214	363	1.70	200	331	1.66
COPPER RIVER	675	1,350	2.00	658	1,348	2.05	640	1,357	2.12	610	1,315	2.15	560	1,297	2.32
CORDOVA	464	837	1.80	471	847	1.80	452	824	1.82	447	807	1.81	421	799	1.90
CRAIG	855	1,074	1.26	955	1,163	1.22	657	903	1.37	766	1,002	1.31	754	995	1.32
DELTA/GREELY	1,004	1,395	1.39	1,031	1,507	1.46	1,188	1,745	1.47	1,261	1,795	1.42	1,320	1,928	1.46
DENALI	310	794	2.56	571	1,024	1.79	664	1,098	1.65	634	1,022	1.61	548	895	1.63
DILLINGHAM	521	1,051	2.02	513	1,048	2.04	532	1,088	2.05	551	1,100	2.00	531	1,086	2.04
FAIRBANKS	15,121	22,264	1.47	14,594	21,716	1.49	14,554	21,779	1.50	14,509	21,720	1.50	14,442	21,602	1.50
GALENA	3,768	3,405	0.90	3,890	3,489	0.90	3,680	3,297	0.90	3,639	3,252	0.89	3,727	3,357	0.90
HAINES	324	598	1.85	319	591	1.85	297	558	1.88	291	545	1.87	298	588	1.98
HOONAH	188	403	2.14	179	383	2.14	172	373	2.17	167	373	2.24	153	366	2.39
HYDABURG	92	193	2.10	87	185	2.12	75	164	2.20	73	160	2.21	80	189	2.37
IDITAROD	404	1,057	2.62	376	1,030	2.74	345	956	2.77	331	900	2.72	338	970	2.87
JUNEAU	5,521	7,786	1.41	5,442	7,787	1.43	5,306	7,615	1.44	5,237	7,609	1.45	5,155	7,657	1.49
KAKE	152	307	2.02	155	315	2.03	142	306	2.16	116	255	2.20	104	255	2.46
KASHUNAMIUT	350	833	2.38	362	859	2.37	355	840	2.37	331	802	2.43	339	856	2.52
KENAI	9,632	14,594	1.52	9,562	14,384	1.50	9,527	14,211	1.49	9,389	14,008	1.49	9,368	14,794	1.58
KETCHIKAN	2,398	3,491	1.46	2,370	3,557	1.50	2,306	3,468	1.50	2,296	3,476	1.51	2,273	3,580	1.57
KLAWOCK	159	328	2.06	148	319	2.16	160	330	2.07	136	284	2.09	140	317	2.26
KODIAK	2,750	4,532	1.65	2,677	4,493	1.68	2,678	4,378	1.63	2,718	4,515	1.66	2,636	4,525	1.72
KUSPUK	427	1,311	3.07	424	1,317	3.11	414	1,301	3.14	415	1,312	3.16	397	1,321	3.33
LAKE AND PENN.	413	1,524	3.69	418	1,514	3.62	399	1,450	3.64	386	1,462	3.78	378	1,564	4.13
LOWER KUSKOKWIM	3,705	9,939	2.68	3,785	10,188	2.69	3,832	10,347	2.70	3,930	10,617	2.70	3,962	10,886	2.75
LOWER YUKON	2,053	5,432	2.65	2,032	5,399	2.66	2,017	5,364	2.66	2,037	5,372	2.64	1,968	5,651	2.87
MATSU	13,547	19,932	1.47	14,304	20,564	1.44	14,661	20,899	1.43	15,438	22,033	1.43	15,847	21,954	1.39
NENANA	1,257	1,341	1.07	931	1,060	1.14	716	888	1.24	686	890	1.30	601	823	1.37
NOME	736	1,444	1.96	715	1,418	1.98	767	1,504	1.96	768	1,500	1.95	749	1,507	2.01
NORTH SLOPE	1,970	4,854	2.46	1,810	4,556	2.52	1,691	4,331	2.56	1,726	4,411	2.56	1,623	4,354	2.68
NORTHWEST ARCTIC	2,152	5,720	2.66	2,029	5,439	2.68	1,999	5,416	2.71	2,019	5,526	2.74	1,976	5,651	2.86
PELICAN	18	66	3.68	15	66	4.42	11	66	5.92	14	61	4.51	15	64	4.25
PETERSBURG	626	1,053	1.68	657	1,081	1.64	630	1,063	1.69	591	1,019	1.72	589	1,085	1.84
PRIBILOF	136	399	2.95	124	373	3.00	127	378	2.97	115	321	2.80	123	355	2.89
SAINT MARY'S	167	422	2.52	148	390	2.65	155	409	2.65	165	433	2.63	185	500	2.70
SITKA	1,549	2,289	1.48	1,467	2,198	1.50	1,478	2,220	1.50	1,477	2,302	1.56	1,454	2,359	1.62
SKAGWAY	110	255	2.32	106	247	2.33	109	253	2.32	109	254	2.32	100	218	2.19
SOUTHEAST	223	613	2.75	220	644	2.93	212	616	2.90	207	580	2.81	187	616	3.29
SOUTHWEST	721	2,070	2.87	677	1,994	2.95	706	2,005	2.84	669	1,924	2.88	674	2,040	3.03
TANANA	78	208	2.68	92	221	2.40	115	238	2.07	67	186	2.80	54	172	3.19
UNALASKA	393	802	2.04	399	816	2.05	399	816	2.05	398	814	2.05	386	831	2.15
VALDEZ	867	1,447	1.67	865	1,453	1.68	828	1,409	1.70	797	1,381	1.73	748	1,336	1.78
WRANGELL	435	759	1.74	392	652	1.67	375	626	1.67	370	624	1.69	355	623	1.76
YAKUTAT	144	313	2.17	125	277	2.21	133	287	2.15	133	280	2.11	118	270	2.29
YUKON FLATS	307	1,139	3.71	292	1,147	3.93	276	1,106	4.01	270	1,097	4.06	266	1,079	4.06
YUKON/KOYUKUK	885	1,788	2.02	1,381	2,180	1.58	1,800	2,433	1.35	1,561	2,214	1.42	1,427	2,114	1.48
YUPIIT	424	1,219	2.87	434	1,225	2.82	445	1,278	2.87	446	1,288	2.89	458	1,372	2.99
ACS	1,086	869	0.80	412	329	0.80	-	-	-	-	-	-	-	-	-
Mt EDGECUMBE	334	489	1.46	335	490	1.46	369	530	1.44	395	560	1.42	408	603	1.48
TOTALS	132,485	210,454	1.59	131,623	209,571	1.59	130,928	208,681	1.59	131,263	209,520	1.60	130,164	211,518	1.63

Department of Education and Early Development
Special Education Intensive count FY96 - FY07

Prepared by School Finance

SPECIAL ED INTENSIVE STUDENTS

DISTRICT	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	Projected FY08
Alaska Gateway	8.00	6.00	5.00	7.00	7.00	9.00	4.00	8.00	7.00	6.00
Aleutian Region	-	-	-	-	-	-	-	-	-	-
Aleutians East Borough	-	-	-	-	-	3.00	-	-	-	-
Anchorage	692.00	733.00	768.00	718.00	682.00	686.00	704.00	653.00	667.00	680.00
Annette Island	4.00	2.00	6.00	5.00	3.00	3.00	4.00	4.00	2.00	4.00
Bering Strait	8.00	9.00	12.00	11.00	7.00	9.00	13.00	16.00	17.00	17.00
Bristol Bay Borough	3.00	3.00	5.00	3.00	3.00	2.00	2.00	3.00	3.00	3.00
Chatham	5.00	2.00	1.00	3.00	3.00	2.00	2.00	2.00	3.00	3.00
Chugach	-	-	-	-	-	-	-	-	-	-
Copper River	4.00	4.00	3.00	3.00	4.00	6.00	6.00	8.00	10.00	10.00
Cordova	3.00	3.00	2.00	4.00	6.00	6.00	7.00	5.00	6.00	6.00
Craig	6.00	8.00	14.00	11.00	11.00	14.00	12.00	13.00	10.00	10.00
Delta/Greely	9.00	6.00	4.00	6.00	8.00	4.00	2.00	5.00	8.00	8.00
Denali Borough	1.00	-	-	1.00	7.00	9.00	9.00	5.00	3.00	3.00
Dillingham	4.00	9.00	11.00	9.00	8.00	10.00	12.00	9.00	8.00	8.00
Fairbanks N. Star Borough	188.00	247.00	263.00	304.00	306.00	297.50	290.50	287.50	274.50	262.00
Galena	2.00	1.00	3.00	1.00	2.00	2.00	2.00	2.00	1.00	1.00
Haines Borough	3.00	2.00	3.00	4.00	3.00	4.00	4.00	4.00	4.00	5.00
Hoonah	6.00	5.00	9.00	5.00	6.00	5.00	6.00	7.00	6.00	4.00
Hydaburg	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Iditarod Area	5.00	5.00	3.00	3.00	2.00	1.00	-	-	-	-
Juneau Borough	81.00	99.00	113.00	117.00	127.00	145.00	140.00	158.00	138.00	145.00
Kake	2.00	2.00	1.00	1.00	1.00	1.00	4.00	3.00	3.00	4.00
Kashunamiut	5.00	2.00	3.00	3.00	3.00	4.00	3.00	4.00	5.00	4.00
Kenai Peninsula Borough	56.00	73.00	73.00	70.00	67.00	58.00	59.00	65.00	85.00	83.00
Ketchikan Gateway Borough	12.00	11.00	27.00	19.00	25.00	26.00	24.00	27.00	25.00	25.00
Klawock	3.00	3.00	4.00	4.00	3.00	5.00	3.00	2.00	3.00	3.00
Kodiak Island Borough	14.00	13.00	21.00	31.00	27.00	41.00	26.00	31.00	25.00	25.00
Kuspuk	4.00	4.00	1.00	-	-	1.00	-	-	-	-
Lake & Peninsula Borough	-	-	-	3.00	3.00	2.00	2.00	2.00	2.00	2.00
Lower Kuskokwim	23.00	29.00	38.00	43.00	46.00	48.00	55.00	60.00	62.00	61.00
Lower Yukon	6.00	17.00	14.00	8.00	13.00	15.00	15.00	13.00	13.00	13.00
Mat-Su Borough	193.00	235.00	279.00	295.00	308.00	285.50	265.50	307.50	124.50	125.00
Nenana	-	1.00	-	-	5.00	-	1.00	1.00	2.00	3.00
Nome	1.00	1.00	1.00	1.00	1.00	2.00	3.00	4.00	4.00	4.00
North Slope Borough	3.00	4.00	3.00	3.00	3.00	7.00	10.00	11.00	9.00	9.00
Northwest Arctic Borough	7.00	9.00	5.00	4.00	11.00	8.00	12.00	19.00	17.00	18.00
Pelican	-	-	-	1.00	1.00	1.00	1.00	-	-	-
Petersburg	6.00	7.00	6.00	7.00	8.00	6.00	9.00	11.00	13.00	11.00
Pribilof	1.00	1.00	2.00	1.00	-	-	-	-	-	-
Saint Mary's	-	4.00	4.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00
Sitka Borough	14.00	16.00	14.00	15.00	22.00	22.00	24.00	39.00	36.00	36.00
Skagway	-	-	-	-	-	-	-	-	1.00	1.00
Southeast Island	2.00	1.00	1.00	1.00	1.00	-	-	-	5.00	5.00
Southwest Region	3.00	4.00	5.00	5.00	4.00	6.00	8.00	5.00	6.00	6.00
Tanana	-	-	3.00	2.00	2.00	2.00	2.00	1.00	-	-
Unalaska	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Valdez	6.00	7.00	8.00	8.00	7.00	8.00	9.00	12.00	12.00	11.00
Wrangell	3.00	2.00	2.00	1.00	1.00	2.00	1.00	2.00	1.00	1.00
Yakutat	2.00	2.00	3.00	3.00	3.00	3.00	2.00	1.00	-	-
Yukon Flats	-	1.00	1.00	3.00	4.00	5.00	5.00	6.00	5.00	5.00
Yukon/Koyukuk	6.00	7.00	10.00	10.00	7.00	7.00	8.00	7.00	6.00	6.00
Yupiit	5.00	3.00	2.00	2.00	2.00	3.00	3.00	4.00	4.00	4.00
Mt. Edgecumbe High School	-	-	-	-	-	-	-	-	-	-
TOTAL	**1,411**	**1,605**	**1,758**	**1,763**	**1,776**	**1,789**	**1,777**	**1,830**	**1,640**	**1,644**

Department of Education & Early Development - Schoool Finance
Corredpondence Program - Average Daily Memberships FY99 - FY2008
June 21, 2007

District	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08 Projected
Chugach	87	88	106	133	117	113	138	129	133	135
Copper River	156	181	176	167	135	126	93	78	48	48
Craig	1	8	104	294	466	574	301	397	407	413
Delta/Greely	306	149	202	104	311	326	353	405	346	456
Denali	-	-	-	-	13	266	360	354	305	300
Galena	2,997	3,435	3,137	3,422	3,534	3,667	3,474	3,443	3,501	3,400
Iditarod	155	208	276	224	94	83	72	90	94	100
Mat-Su	-	-	-	-	-	159	-	-	-	-
Nenana	254	870	1,684	1,567	1,053	724	515	461	386	390
Tanana	-	3	4	10	16	30	53	9	n/a	
Yukon/Koyukuk	-	-	-	-	440	947	1,406	1,190	1,080	1,150
ACS	2,629	1,419	1,306	1,465	1,086	412	-	-	-	-
Statewide Programs	6,584	6,362	6,994	7,386	7,264	7,427	6,765	6,556	6,300	6,392
In-district Correspondence	1,306	1,829	1,390	2,026	2,060	2,614	2,985	3,306	3,588	3,522
Total all Correspondence	7,890	8,191	8,384	9,412	9,324	10,040	9,750	9,862	9,888	9,914

Dept. of Education and Early Development
UPDATED 1/18/07
Foundation Funding Floor History AS 14.17.490

Prepared by School Finance

The 'FLOOR' History

School District	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07
Alaska Gateway	323,832	323,832	307,640	221,497	221,497	114,466	104,646	66,522	-
Aleutian Region	295,191	172,799	172,799	172,799	172,799	157,059	116,768	82,812	21,530
Aleutians East Borough	14,054	-	-	-	-	-	-	-	-
Anchorage	-	-	-	-	-	-	-	-	-
Annette Island	-	-	-	-	-	-	-	-	-
Bering Strait	-	-	-	-	-	-	-	-	-
Bristol Bay Borough	-	-	-	-	-	-	-	-	-
Chatham	-	-	-	-	-	-	-	-	-
Chugach	591,834	591,834	591,834	481,178	468,089	468,089	361,434	320,646	320,646
Copper River	15,984	15,984	15,984	-	-	-	-	-	-
Cordova	49,421	49,421	49,421	39,741	17,670	-	-	-	-
Craig	-	-	-	-	-	-	-	-	-
Delta/Greely	543,353	445,549	405,450	358,069	20,151	-	-	-	-
Denali Borough	-	-	-	-	-	-	-	-	-
Dillingham	215,224	140,553	79,814	79,814	75,823	15,024	-	-	-
Fairbanks N. Star Borou	-	-	-	-	-	-	-	-	-
Galena	2,575,827	2,066,937	2,066,937	1,602,481	1,493,447	1,136,141	919,767	555,017	-
Haines Borough	8,572	7,886	7,807	7,261	6,390	-	-	-	-
Hoonah	52,143	45,067	38,495	35,415	31,873	30,598	-	-	-
Hydaburg	156,987	156,987	145,998	143,078	131,632	126,367	111,203	96,339	5,119
Iditarod Area	800,310	791,223	705,331	705,331	536,052	514,500	482,172	414,668	97,945
Juneau Borough	-	-	-	-	-	-	-	-	-
Kake	80,018	72,016	71,296	47,666	44,329	12,617	-	-	-
Kashunamiut	-	-	-	-	-	-	-	-	-
Kenai Peninsula Borough	-	-	-	-	-	-	-	-	-
Ketchikan Gateway Boro	-	-	-	-	-	-	-	-	-
Klawock	222,049	205,123	205,123	178,457	165,965	158,939	87,848	77,306	-
Kodiak Island Borough	-	-	-	-	-	-	-	-	-
Kuspuk	284,722	168,066	168,066	152,940	151,411	58,073	-	-	-
Lake & Peninsula Borou	240,029	211,226	202,777	190,610	184,892	104,606	-	-	-
Lower Kuskokwim	5,271,665	4,898,831	4,740,900	4,203,452	3,997,851	2,950,693	999,855	-	-
Lower Yukon	-	-	-	-	-	-	-	-	-
Mat-Su Borough	-	-	-	-	-	-	-	-	-
Nenana	589,331	-	-	-	-	-	-	-	-
Nome	110,360	110,360	95,798	95,798	22,592	-	-	-	-
North Slope Borough	-	-	-	-	-	-	-	-	-
Northwest Arctic Borou	-	-	-	-	-	-	-	-	-
Pelican	272,282	258,208	198,820	170,985	167,565	163,348	152,554	131,196	115,072
Petersburg	-	-	-	-	-	-	-	-	-
Pribilof	34,693	31,305	28,488	27,348	27,075	25,180	-	-	-
Saint Mary's	244,591	161,977	161,977	115,103	91,765	91,765	-	-	-
Sitka Borough	-	-	-	-	-	-	-	-	-
Skagway	243,759	232,128	211,782	196,957	181,200	178,100	127,005	90,327	83,101
Southeast Island	510,505	510,505	479,875	422,290	392,730	301,681	248,529	233,967	50,610
Southwest Region	-	-	-	-	-	-	-	-	-
Tanana	128,795	114,628	100,873	85,742	46,572	11,828	-	-	-
Unalaska	421,009	421,009	421,009	347,201	292,328	218,571	85,336	-	-
Valdez	617,369	574,801	565,707	492,787	492,787	390,323	234,029	96,069	-
Wrangell	-	-	-	-	-	-	-	-	-
Yakutat	292,006	292,006	227,374	188,115	163,660	144,021	80,239	54,730	24,495
Yukon Flats	995,219	935,596	823,245	814,765	773,125	686,742	574,889	441,553	277,903
Yukon/Koyukuk	634,345	625,503	550,443	445,463	287,572	-	-	-	-
Yupiit	544,044	544,044	479,208	347,077	347,077	258,938	-	-	-
Alyeska Central School *	-	-	-	-	-	-	-	-	-
Mt. Edgecumbe High Sch	-	-	-	-	-	-	-	-	-
TOTAL	**17,379,523**	**15,175,314**	**14,320,271**	**12,369,420**	**11,005,919**	**8,317,669**	**4,686,274**	**2,661,152**	**996,421**

Department of Education & Early Development- School Finance
Impact Aid Revenues and Foundation Deduction - 3 Year Chart
June 25, 2007

School District	FY05 Total Impact Aid Sent Directly to District	FY05 Deducted Impact Aid	FY05 Retained Impact Aid	FY06 Total Impact Aid Sent Directly to District	FY06 Deducted Impact Aid	FY06 Retained Impact Aid	FY07 Total Impact Aid Sent Directly to District	FY07 Deducted Impact Aid	FY07 Retained Impact Aid
Alaska Gateway	450,392	300,287	150,105	416,903	279,153	137,750	335,629	220,749	114,880
Aleutian Region	258,140	189,211	68,929	236,408	177,786	58,622	139,251	94,698	44,553
Aleutians East Borough	1,305,893	270,287	1,035,606	1,313,047	300,116	1,012,931	1,140,163	279,564	860,599
Anchorage	13,904,286	6,373,929	7,530,357	13,525,470	5,926,505	7,598,965	11,126,557	4,699,016	6,427,541
Annette Island	3,424,752	1,192,174	2,232,578	3,270,104	1,189,258	2,080,846	2,953,495	1,283,830	1,669,665
Bering Strait	10,697,718	6,693,025	4,004,693	11,347,757	7,070,579	4,277,178	11,913,413	7,282,886	4,630,527
Bristol Bay Borough	668,443	303,089	365,354	449,147	182,121	267,026	272,653	116,877	155,776
Chatham	314,890	217,749	97,141	461,065	318,710	142,355	284,416	199,739	84,677
Chugach	209,148	144,289	64,859	135,486	93,119	42,367	129,917	89,511	40,406
Copper River	412,538	267,516	145,022	415,796	278,082	137,714	368,828	248,097	120,731
Cordova	34,498	11,753	22,745	41,977	17,853	24,124	42,027	17,710	24,317
Craig	431,876	92,976	338,900	519,261	148,162	371,099	412,781	124,046	288,735
Delta/Greely	28,821	25,010	3,811	34,260	30,613	3,647	116,403	95,514	20,889
Denali Borough	18,657	7,232	11,425	10,301	3,884	6,417	12,502	4,538	7,964
Dillingham	678,649	266,834	411,815	844,731	333,266	511,465	754,586	278,384	476,202
Fairbanks	14,120,471	6,490,660	7,629,811	11,942,467	5,510,484	6,431,983	12,307,471	5,654,247	6,653,224
Galena	1,975	68	1,907	252,542	7,537	245,005	183,810	8,556	175,254
Haines Borough	6,960	3,160	3,800	0	0	0	0	0	0
Hoonah	761,376	113,213	648,163	519,198	80,585	438,613	477,716	80,476	397,240
Hydaburg	402,014	64,472	337,542	285,704	68,051	217,653	320,891	75,453	245,438
Iditarod Area	893,590	618,641	274,949	734,191	511,331	222,860	706,260	490,932	215,328
Juneau Borough	0	0	0	0	0	0	0	0	0
Kake	608,719	109,600	499,119	619,123	99,062	520,061	515,733	87,246	428,487
Kashunamiut	1,888,765	1,310,972	577,793	2,075,678	1,446,994	628,684	2,144,657	1,492,816	651,841
Kenai Peninsula Borough	0	0	0	0	0	0	0	0	0
Ketchikan Gateway Borough	12,726	4,551	8,175	9,902	3,714	6,188	7,770	1,598	6,172
Klawock	660,039	166,447	493,592	610,086	133,993	476,093	645,863	138,818	507,045
Kodiak Island Borough	2,357,868	882,376	1,475,492	1,364,041	513,574	850,467	1,548,005	599,003	949,002
Kuspuk	1,985,791	1,373,318	612,473	1,761,196	1,203,041	558,155	1,920,314	1,313,675	606,639
Lake & Peninsula Borough	2,000,740	262,798	1,737,942	1,894,441	237,280	1,657,161	1,929,658	183,575	1,746,083
Lower Kuskokwim	14,895,910	10,359,531	4,536,379	14,406,929	9,988,291	4,418,638	15,143,280	10,460,474	4,682,806
Lower Yukon	9,544,576	6,606,365	2,938,211	10,159,795	6,938,199	3,221,596	11,634,677	8,069,637	3,565,040
Mat-Su Borough	0	0	0	0	0	0	0	0	0
Nenana	0	0	0	0	0	0	2,429	2,161	268
Nome	94,074	41,658	52,416	114,209	50,325	63,884	86,382	33,261	53,121
North Slope Borough	8,895,634	2,051,803	6,843,831	6,317,282	1,249,773	5,067,509	5,355,850	1,486,885	3,868,965
Northwest Arctic Borough	8,227,022	2,264,786	5,962,236	7,782,265	2,035,392	5,746,873	6,949,248	1,657,348	5,291,900
Pelican	0	0	0	0	0	0	0	0	0
Petersburg	0	0	0	0	0	0	0	0	0
Pribilof	779,859	546,574	233,285	743,880	520,926	222,954	800,839	554,493	246,346
Saint Mary's	1,508	1,114	394	0	0	0	0	0	0
Sitka Borough	28,048	8,959	19,089	35,742	10,207	25,535	25,261	6,813	18,448
Skagway	0	0	0	0	0	0	0	0	0
Southeast Island	42,806	34,639	8,167	48,619	41,214	7,405	25,981	19,987	5,394
Southwest Region	3,580,382	2,451,849	1,128,533	3,329,608	2,302,403	1,027,205	3,712,373	2,554,831	1,157,542
Tanana	90,335	13,193	77,142	48,567	12,513	36,054	18,621	10,614	8,007
Unalaska	17,346	6,529	10,817	20,178	6,875	13,303	24,173	8,502	15,671
Valdez	2,550	1,251	1,299	13,462	6,511	6,951	12,885	6,405	6,480
Wrangell	6,777	3,977	2,800	690	452	238	2,245	1,460	785
Yakutat	195,795	78,935	116,860	136,284	49,001	87,283	171,804	52,474	119,330
Yukon Flats	1,766,207	1,200,083	566,124	1,464,265	1,004,348	459,917	853,621	580,764	272,857
Yukon/Koyukuk	1,737,247	1,215,841	521,406	1,302,390	904,442	397,948	1,635,255	1,162,085	473,170
Yupiit	2,331,279	1,608,053	723,226	2,512,776	1,736,385	776,391	2,633,980	1,726,109	907,871
Mt Edgecumbe	1,146,911	801,052	345,859	795,016	554,885	240,131	795,016	554,885	240,131
Total	**111,924,001**	**57,051,829**	**54,872,172**	**104,322,239**	**53,576,995**	**50,745,244**	**102,594,089**	**54,110,742**	**48,483,347**

Business Managers

Salutation	First Name	Last Name	District Name	Title	Address	City	State	Zip	Phone	Fax	E-Mail
Ms.	Betty	Zabielski	Alaska Gateway School District	Chief Finance Officer	P.O. Box 226	Tok	AK	99780	883-5151 ext.107	883-5154	bzabielski@tok.schoolaccess.net
Mr.	Joe	Beckford	Aleutian Region School District	Superintendent	5402 West Dimond Blvd. Apt. #3	Anchorage	AK	99515	277-2648		lighthouse-ed@msn.com
Mr.	Carl	Warner	Aleutians East Borough School District	Business Manager	P.O. Box 429	Sand Point	AK	99661	383-5222	383-3496	cwarner@aebsd.org
Ms.	Janet	Stokesbary	Anchorage School District	Chief Finance Officer	P.O. Box 196614	Anchorage	AK	99519	742-4369	742-4399	stokesbary_janet@asdk12.org
Ms.	Kari	Arviso	Annette Island School District	Business Manager	P.O. Box 7	Metlakatla	AK	99926	886-6009	886-5130	karviso@aisd.k12.ak.us
Mr.	Mark	Vink	Bering Strait School District	Business Manager	P.O. Box 225	Unalakleet	AK	99684	624-4256	624-3099	mvink@bssd.org
Ms.	Sherry	Linnata	Bristol Bay Borough School District	Bookkeeper	P.O. Box 169	Naknek	AK	99633	246-4225	246-6857	skern@nnk.gcisa.net
Ms.	Teri	Dierick	Chatham School District	Business Manager (SERRC)	P.O. Box 109	Angoon	AK	99820	586-6806		tsamato@chatham.sd.org
Ms.	Adrienne	Fleming	Chugach School District	Special Programs Bookkeeper	9312 Vanguard Drive, Suite 100	Anchorage	AK	99507	522-7400		afleming@chugachschools.com
Ms.	Loreen	Kramer	Copper River School District	Business Manager	P.O. Box 108	Glennallen	AK	99588	822-3234 ext 225	822-3949	lkramer@crsd.k12.ak.us
Ms.	Verna	Reedy	Cordova City School District	Business Manager	P.O. Box 140	Cordova	AK	99574	424-3265	424-3271	vreedy@gci.net
Ms.	Karen	Head	Craig City School District	Business Manager	P.O. Box 800	Craig	AK	99921	826-3274	826-3322	khead@craigschools.com
Ms.	Kim	Johnson	Delta/Greely School District	Business Manager	P.O. Box 527	Delta Junction	AK	99737	895-4657	895-4246	kjohnson@dgsd.k12.ak.us
Ms.	Beth	Sheen	Denali Borough School District	Business Manager	P.O. Box 280	Healy	AK	99743	683-2278	683-2514	b.sheen@dbsd.org
			Dillingham City School District	VACANT / call district	P.O. Box 170	Dillingham	AK	99576	842-6776	842-4541	arne@dlgsd.org
Mr.	Michael	Fisher	Fairbanks N Star Borough School District	Chief Finance Officer	520 Fifth Avenue	Fairbanks	AK	99701	452-2000 ext 301	451-6160	mfisher@[illegible]nstar.k12.ak.us
Ms.	Christine	Johnson	Galena City School District	Business Manager	P.O. Box 299	Galena	AK	99741	656-1205	656-2238	chris@galenanet.com
Ms.	Henriette	Arenson	Haines Borough School District	Business Manger	P.O. Box 1289	Haines	AK	99827	766-2644	766-2508	harenson@hbsd.net
Mr.	Dan	Rose	Hoonah City School District	Business Manager	P.O. Box 157	Hoonah	AK	99829	945-3611	945-3492	rosed@hcs.k12.ak.us
Mr.	Jim	Holien	Hydaburg City School District	Superintendent	P.O. Box 109	Hydaburg	AK	99922	285-3491	285-3391	
Ms.	Isabelle	Harrington	Iditarod Area School District	Business Manager	P.O. Box 90	McGrath	AK	99627	524-3599 ext 224	524-3217	iharrington@iditarodsd.org
Mr.	David	Means	Juneau Borough School District	Business Manager	10014 Crazy Horse Drive	Juneau	AK	99801	523-1770	523-1772	David_Means@jsd.k12.ak.us
Ms.	Lolanda	Cavanaugh	Kake City School District	Business Manager [contract]	P.O. Box 450	Kake	AK	99830	785-3741	785-6439	lonniebean@hotmail.com
Mr.	Sam	Matchian	Kashunamiut School District	Business Manager	985 KSD Way	Chevak	AK	99563	858-7713	858-7328	smatchian@hotmail.com
Ms.	Melody	Douglas	Kenai Peninsula Borough School District	Director, Business & Finance	148 N. Binkley St.	Soldotna	AK	99669	714-8838	262-5867	mdouglas@kpbsd.k12.ak.us
Mr.	Lance	Mertz	Ketchikan Gateway Borough School District	Business Manager	333 Schoenbar Road	Ketchikan	AK	99901	225-2118 #2 / #5	225-2356	mertzl@kgbsd.org
Ms.	Yodean	Armour	Klawock City School District	Business Manager	P.O. Box 9	Klawock	AK	99925	755-2228	755-2320	yodean.armour@klawockschool.com
Mr.	Dave	Jones	Kodiak Island Borough School District	Director of Finance	722 Mill Bay Road	Kodiak	AK	99615	486-9278	486-9202	djones@kodiak.k12.ak.us
Ms.	Debi	Spencer	Kuspuk School District	Business Manager	P.O. Box 49	Aniak	AK	99557	675-4250 ext. 110	675-4336	dspencer@kuspuk.org
Ms.	Laura	Hylton	Lake and Pen Borough School District	Business Manager	P.O. Box 498	King Salmon	AK	99613	246-4280	246-4473	lhylton@lpsd.com
Mr.	Blair	Alden	Lower Kuskokwim School District	Business Manager	P.O. Box 305	Bethel	AK	99559	543-4820	543-4904	Blair_Alden@lksd.org
Mr.	Davey	Shields	Lower Yukon School District	Director, Business & Finance [contr	P.O. Box 32089	Mtn. Village	AK	99623	591-2411ext 220	591-2449	dshields@loweryukon.org
Mr.	Jack	Sherman	Mat-Su Borough School District	Director, Risk Management & Busin	501 N. Gulkana	Palmer	AK	99645	746-9213	761-4083	jack.sherman@matsuk12.us
Mr.	Carl	Horn	Nenana City School District	Business Manager	P.O. Box 10	Nenana	AK	99760	832-5400 ext 230	832-5608	chorn@nenana.schoolaccess.net
Ms.	Amy	Lujan	Nome City School District	Business Manager	P.O. Box 131	Nome	AK	99762	443-2231	443-5144	stanandamy@aol.com
Ms.	Lucienne	Smith	North Slope Borough School District	Business Manager [contract]	750 West 2nd Avenue, Suite 215	Anchorage	AK	99501	677-9263	677-9684	Lucienne.Smith@akebs.com
Mr.	Harlen	Harmon	Northwest Arctic Borough School District	Dir. Admin Services	P.O. Box 51	Kotzebue	AK	99752	442-3472 ext 232	442-3827	hharmon@nwarctic.org
Ms.	Caroline	Odell	Pelican City School District	Business Manager	P.O. Box 90	Pelican	AK	99832	735-2236	735-2263	bodell@pelicanschool.org
Ms.	Jenny	Martens	Petersburg City School District	Business Manager	P.O. Box 289	Petersburg	AK	99833	772-4271	772-4719	jmartens@psgsd.k12.ak.us
Mr.	Earle	Trumble	Pribilof School District	Business Manager	Pouch 905	St. Paul Island	AK	99660	546-3324		earle_trumble@pribilof.k12.ak.us
Ms.	Tori	Bisson	Sitka Borough School District	Business Manager	P.O. Box 179	Sitka	AK	99835	966-1254	966-1260	gibbr@mail.ssd.k12.ak.us
Ms.	Kathy	Pierce	Skagway City School District	Business Manager	P.O. Box 497	Skagway	AK	99840	983-2960	983-2964	busmgr@skagwayschool.org
Mr.	Mark	Jaqua	Southeast Island School District	Business Manager	P.O. Box 19569	Thorne Bay	AK	99919	828-8254	828-8257	mjaqua@sisd.org
Ms.	Diane	Simmons	Southwest Region School District	Business Manager	P.O. Box 90	Dillingham	AK	99576	842-5287	842-5428	dsimmons@swrsd.org
Mr.	David	Shields	St. Mary's School District	Business Manager	P.O. Box 9	Saint Mary's	AK	99658	245-0652	245-0651	davey@acsalaska.net
Ms.	Jo Ann	Sommer-Sam	Tanana School District	Business Manager	P.O. Box 89	Tanana	AK	99777	366-7100	366-7201	j-sommer-sam@hotmail.com
Ms.	Holly	Holman	Unalaska City School District	Business Manager	P.O. Box 570	Unalaska	AK	99685	581-3151	581-3152	hholman@ucsd.net
Ms.	Amber	Duncan	Valdez City School District	Business Manager	P.O. Box 398	Valdez	AK	99686	835-4924	835-4964	amber_duncan@valdez.k12.ak.us
Ms.	Pamela	Roope	Wrangell Public School District	Business Manager	P. O. Box 2319	Wrangell	AK	99929	874-2347	874-3137	pam_roope@fc.wsd.k12.ak.us
Ms.	Joy	Klushkan	Yakutat City School District	Business Manager	P.O. Box 429	Yakutat	AK	99689	784-3317 ext.225	784-3446	joys@yakutatschools.org
Ms.	Leslie	O'Connor	Yukon Flats School District	Business Manager	P.O. Box 359	Ft. Yukon	AK	99740	662-2515	662-3094	loconnor@yukonflats.net
Ms.	Edith	Hildebrand	Yukon/Koyukuk School District	Director of Business Services	4762 Old Airport Way	Fairbanks	AK	99709	374-9400 ext 107	374-9442	ehildebrand@yksd.com
Ms.	Michelle	George	Yupiit School District	Business Manager [contract]	P.O. Box 51100	Akiachak	AK	99551	825-3603	825-3658	mgeorge@fc.yupiit.org

The Department of Education & Early Development
June 29, 2007
Transmittal of Task Force Data Request

The following documents are in PDF format and attached to this email:

- Three-year History of Local and State Contribution Percentages in the Operating Fund by District. (VIII.)

- Local Effort and Assessed Value. Required, Additional, Maximum and Actual Local Effort. Full Assessed Value and Education Assessed Value. Five Year Schedule FY2001 – FY2007. (IX.)

  Note: This spreadsheet encompasses multiple requests for Assessed value and Local contribution data. This document does not address bond debt for construction as this is not part of the foundation formula and that data resides at the local government level. Mil rate data will be presented in a separate document.

- Ten Year ADM History. (X.)

Updated to do list. Currently the following data requests are outstanding:

Mil rate on assessed Values, Mil rate on Education Values and Mil rate on Actual Contributions. (Stedman 6/14/07) (To be completed approximately Monday July 2, 2007).

Calculation methodology of District Cost Factor, sequence of factor in calculation. (Roses 6/14/07). (To do)

Other Topics discussed at the Task Force: (EED is not the immediate source; we need to discuss how these requests should be treated)

- Department of Labor Trends in comparison to proposed differential.
- ISER personnel vs. non personnel
- Special Education Costs, Cost Drivers, Other.

K-12 Public School Operating Fund - FY2004 Audited Revenues

Recompiled by Percentage of Operating Fund for Joint Eduction Task Force June 26, 2007

	School District	ADM	Operating Fund Local	State	Federal	Other	Total	Revenue Source By Percentage Local	State	Federal	Other	% Total
REAA	Alaska Gateway	493	$ -	$ 5,064,364	$ 450,391	$ 323,376	5,838,131	0%	87%	8%	6%	100%
REAA	Aleutian Region	42	-	978,522	256,952	20,036	1,255,510	0%	78%	20%	2%	100%
C/B	Aleutians East	278	1,103,299	3,283,754	1,273,753	880,647	6,541,453	17%	50%	19%	13%	100%
C/B	Anchorage	49,265	121,490,634	206,533,192	13,787,884	2,323,659	344,135,369	35%	60%	4%	1%	100%
REAA	Annette Island	288	-	861,302	3,486,629	86,880	4,434,811	0%	19%	79%	2%	100%
REAA	Bering Strait	1,704	-	14,628,470	10,562,561	3,031,589	28,222,620	0%	52%	37%	11%	100%
C/B	Bristol Bay	195	1,217,947	994,320	669,615	41,869	2,923,751	42%	34%	23%	1%	100%
REAA	Chatham	215	-	1,989,999	580,252	232,633	2,802,884	0%	71%	21%	8%	100%
REAA	Chugach	191	-	1,793,272	222,074	339,346	2,354,692	0%	76%	9%	14%	100%
REAA	Copper River	658	-	5,496,698	412,538	208,245	6,117,481	0%	90%	7%	3%	100%
C/B	Cordova	471	1,366,000	2,858,525	44,453	13,027	4,282,005	32%	67%	1%	0%	100%
C/B	Craig	955	1,101,603	4,409,458	439,908	81,824	6,032,793	18%	73%	7%	1%	100%
REAA	Delta/Greely	1,031	-	6,307,055	42,156	115,602	6,464,813	0%	98%	1%	2%	100%
C/B	Denali	571	1,276,650	3,733,042	23,991	136,112	5,169,795	25%	72%	0%	3%	100%
C/B	Dillingham	513	1,100,000	3,776,213	691,197	185,424	5,752,834	19%	66%	12%	3%	100%
C/B	Fairbanks	14,594	34,545,700	67,224,480	12,190,123	709,784	114,670,087	30%	59%	11%	1%	100%
C/B	Galena	3,890	1,091,110	16,365,019	1,487,021	1,327,702	20,270,852	5%	81%	7%	7%	100%
C/B	Haines	319	1,358,224	1,642,697	5,881	30,262	3,037,064	45%	54%	0%	1%	100%
C/B	Hoonah	179	401,791	1,412,603	763,319	96,342	2,674,055	15%	53%	29%	4%	100%
C/B	Hydaburg	87	65,000	825,300	524,876	42,686	1,457,862	4%	57%	36%	3%	100%
REAA	Iditarod Area	376	-	4,432,444	908,074	274,942	5,615,460	0%	79%	16%	5%	100%
C/B	Juneau	5,442	18,171,200	21,922,501	945	363,375	40,458,021	45%	54%	0%	1%	100%
C/B	Kake	155	280,000	1,162,940	597,307	52,016	2,092,263	13%	56%	29%	2%	100%
REAA	Kashunamiut	362	-	2,409,039	1,856,402	100,377	4,365,818	0%	55%	43%	2%	100%
C/B	Kenai Peninsula	9,562	31,635,539	42,354,401	281,073	380,738	74,651,751	42%	57%	0%	1%	100%
C/B	Ketchikan Gateway	2,370	7,373,117	10,397,616	66,144	69,456	17,906,333	41%	58%	0%	0%	100%
C/B	Klawock	148	319,504	1,260,248	658,558	57,918	2,296,228	14%	55%	29%	3%	100%
C/B	Kodiak Island	2,677	7,995,040	15,330,142	2,108,103	387,912	25,821,197	31%	59%	8%	2%	100%
REAA	Kuspuk	424	-	4,532,642	2,007,051	384,772	6,924,465	0%	65%	29%	6%	100%
C/B	Lake & Peninsula	418	858,435	5,940,978	1,970,080	841,654	9,611,147	9%	62%	20%	9%	100%
REAA	Lower Kuskokwim	3,785	-	38,099,449	13,085,617	1,505,876	52,690,942	0%	72%	25%	3%	100%
REAA	Lower Yukon	2,032	-	15,310,698	9,572,293	1,452,311	26,335,302	0%	58%	36%	6%	100%
C/B	Mat-Su	14,304	31,525,963	72,682,004	401,462	178,527	104,787,956	30%	69%	0%	0%	100%
C/B	Nenana	931	70,880	4,874,983	128	54,342	5,000,333	1%	97%	0%	1%	100%
C/B	Nome	715	1,420,577	5,123,370	106,765	155,536	6,806,248	21%	75%	2%	2%	100%
C/B	North Slope	1,810	22,958,123	8,628,666	8,747,836	448,804	40,783,429	56%	21%	21%	1%	100%
C/B	Northwest Arctic	2,029	3,276,993	19,611,732	7,310,683	1,904,517	32,103,925	10%	61%	23%	6%	100%
C/B	Pelican	15	46,251	394,562	2,000	6,653	449,466	10%	88%	0%	1%	100%
C/B	Petersburg	657	1,835,409	3,604,408	-	54,983	5,494,800	33%	66%	0%	1%	100%
REAA	Pribilof	124	-	1,056,515	765,780	60,167	1,882,462	0%	56%	41%	3%	100%
C/B	Saint Mary's	148	17,821	1,731,638	-	97,485	1,846,944	1%	94%	0%	5%	100%
C/B	Sitka	1,467	4,783,837	6,541,489	578,047	48,809	11,952,182	40%	55%	5%	0%	100%
C/B	Skagway	106	833,156	751,275	2,000	7,534	1,593,965	52%	47%	0%	0%	100%
REAA	Southeast Island	220	-	2,969,477	312,599	93,059	3,375,135	0%	88%	9%	3%	100%
REAA	Southwest Region	677	-	5,936,416	3,616,861	1,418,803	10,972,080	0%	54%	33%	13%	100%
C/B	Tanana	92	76,020	894,333	90,335	45,358	1,106,046	7%	81%	8%	4%	100%
C/B	Unalaska	399	2,190,138	2,219,144	19,346	36,227	4,464,855	49%	50%	0%	1%	100%
C/B	Valdez	865	4,682,184	3,927,753	2,550	29,014	8,641,501	54%	45%	0%	0%	100%
C/B	Wrangell	392	834,436	2,163,550	517,633	50,223	3,565,842	23%	61%	15%	1%	100%
C/B	Yakutat	125	427,000	1,061,710	72,387	76,805	1,637,902	26%	65%	4%	5%	100%
REAA	Yukon Flats	292	-	4,965,184	1,871,367	311,603	7,148,154	0%	69%	26%	4%	100%
REAA	Yukon/Koyukuk	1,381	-	7,591,561	1,736,666	447,526	9,775,753	0%	78%	18%	5%	100%
REAA	Yupiit	434	-	3,783,650	2,288,197	438,478	6,510,325	0%	58%	35%	7%	100%
Statewide Totals		**130,876**	**$ 307,729,581**	**$ 673,844,803**	**$ 109,469,863**	**$ 22,062,845**	**$ 1,113,107,092**	-	-	-	-	-

Data is recompiled from requirements for the aannual report on EED's website in accordance with Alaska Statute 14.03.120(b)

Definitions: C/B- City or Borough School District (organized Alaska) REAA- Regional Educational Attendance Area (unorganized Alaska)

ADM Average daily student count taken during the month of October

Local FY06 City/Borough Appropriations, including in-kind, as reported in audits.

State FY06 State Operating Fund Revenue as reported in audits.

Federal FY06 Federal revenues reported in the Operating fund (Impact Aid & other minor Federal revenues)

K-12 Public School Operating Fund - FY2005 Audited Revenues

Recompiled by Percentage of Operating Fund for Joint Eduction Task Force June 26. 2007

Type	School District	ADM	Operating Fund Local	State	Federal	Other	Total	Revenue Source By Percentage Local	State	Federal	Other	% Total
REAA	Alaska Gateway	443	-	5,018,543	416,903	262,015	5,697,461	0%	88%	7%	5%	100%
REAA	Aleutian Region	46	-	1,079,970	240,013	35,236	1,355,219	0%	80%	18%	3%	100%
C/B	Aleutians East	269	1,134,006	3,437,975	1,288,552	908,418	6,768,951	17%	51%	19%	13%	100%
C/B	Anchorage	49,182	133,412,722	227,594,776	14,793,863	4,673,698	380,475,059	35%	60%	4%	1%	100%
REAA	Annette Island	298	-	1,317,720	3,576,141	217,318	5,111,179	0%	26%	70%	4%	100%
REAA	Bering Strait	1,699	-	16,637,273	11,124,986	3,392,015	31,154,274	0%	53%	36%	11%	100%
C/B	Bristol Bay	184	921,579	1,154,934	449,148	36,437	2,562,098	36%	45%	18%	1%	100%
REAA	Chatham	195	-	2,032,365	713,734	222,071	2,968,170	0%	68%	24%	7%	100%
REAA	Chugach	219	-	1,910,930	135,485	287,097	2,333,512	0%	82%	6%	12%	100%
REAA	Copper River	640	-	5,973,065	415,797	114,727	6,503,589	0%	92%	6%	2%	100%
C/B	Cordova	452	1,366,000	3,074,465	42,110	38,672	4,521,247	30%	68%	1%	1%	100%
C/B	Craig	657	971,701	3,670,510	522,716	294,631	5,459,558	18%	67%	10%	5%	100%
REAA	Delta/Greely	1,188	-	7,968,269	76,314	162,031	8,206,614	0%	97%	1%	2%	100%
C/B	Denali	664	1,250,000	4,469,673	12,301	127,280	5,859,254	21%	76%	0%	2%	100%
C/B	Dillingham	532	1,000,000	4,161,486	850,792	243,701	6,255,979	16%	67%	14%	4%	100%
C/B	Fairbanks	14,554	36,545,700	74,502,157	14,367,089	720,517	126,135,463	29%	59%	11%	1%	100%
C/B	Galena	3,680	459,172	16,407,918	254,517	1,390,286	18,511,893	2%	89%	1%	8%	100%
C/B	Haines	297	1,363,044	1,726,634	1,079	54,363	3,145,120	43%	55%	0%	2%	100%
C/B	Hoonah	172	505,400	1,456,083	507,321	129,629	2,598,433	19%	56%	20%	5%	100%
C/B	Hydaburg	74	65,000	744,914	386,595	64,090	1,260,599	5%	59%	31%	5%	100%
REAA	Iditarod Area	345	-	4,287,600	734,191	362,130	5,383,921	0%	80%	14%	7%	100%
C/B	Juneau	5,306	18,835,000	24,145,978	37,676	215,735	43,234,389	44%	56%	0%	0%	100%
C/B	Kake	142	280,000	1,222,888	607,048	66,812	2,176,748	13%	56%	28%	3%	100%
REAA	Kashunamiut	355	-	2,527,437	2,054,583	172,518	4,754,538	0%	53%	43%	4%	100%
C/B	Kenai Peninsula	9,527	33,744,607	46,467,673	212,193	951,400	81,375,873	41%	57%	0%	1%	100%
C/B	Ketchikan Gateway	2,306	7,637,206	11,530,586	31,201	63,208	19,262,201	40%	60%	0%	0%	100%
C/B	Klawock	160	297,009	1,321,041	598,286	60,921	2,277,257	13%	58%	26%	3%	100%
C/B	Kodiak Island	2,679	8,332,440	16,647,513	1,703,848	715,999	27,399,800	30%	61%	6%	3%	100%
REAA	Kuspuk	414	-	4,600,597	1,889,824	446,383	6,936,804	0%	66%	27%	6%	100%
C/B	Lake & Peninsula	399	869,253	6,203,712	1,862,257	875,991	9,811,213	9%	63%	19%	9%	100%
REAA	Lower Kuskokwim	3,832	-	38,826,869	15,911,300	2,908,184	57,646,353	0%	67%	28%	5%	100%
REAA	Lower Yukon	2,017	-	18,045,372	10,136,342	1,447,571	29,629,285	0%	61%	34%	5%	100%
C/B	Mat-Su	14,661	33,928,357	81,777,454	168,778	408,683	116,283,272	29%	70%	0%	0%	100%
C/B	Nenana	716	73,183	4,233,854	-	420,474	4,727,511	2%	90%	0%	9%	100%
C/B	Nome	767	1,420,577	6,055,512	121,029	222,883	7,820,001	18%	77%	2%	3%	100%
C/B	North Slope	1,691	23,555,878	9,216,286	6,182,313	378,246	39,332,723	60%	23%	16%	1%	100%
C/B	Northwest Arctic	1,999	3,215,493	21,037,729	8,419,660	2,081,734	34,754,616	9%	61%	24%	6%	100%
C/B	Pelican	11	52,121	409,151	2,000	11,412	474,684	11%	86%	0%	2%	100%
C/B	Petersburg	630	1,655,469	3,894,438	7,148	68,119	5,625,174	29%	69%	0%	1%	100%
REAA	Pribilof	127	-	1,206,403	733,811	100,853	2,041,067	0%	59%	36%	5%	100%
C/B	Saint Mary's	155	20,689	1,861,327	1,508	55,880	1,939,404	1%	96%	0%	3%	100%
C/B	Sitka	1,478	4,787,292	7,460,601	563,022	81,493	12,892,408	37%	58%	4%	1%	100%
C/B	Skagway	109	841,452	839,911	2,000	10,477	1,693,840	50%	50%	0%	1%	100%
REAA	Southeast Island	212	-	3,082,833	300,109	272,746	3,655,688	0%	84%	8%	7%	100%
REAA	Southwest Region	706	-	6,768,631	3,266,829	1,485,775	11,521,235	0%	59%	28%	13%	100%
C/B	Tanana	115	22,692	1,084,965	60,699	80,140	1,248,496	2%	87%	5%	6%	100%
C/B	Unalaska	399	2,280,801	2,461,996	22,179	49,619	4,814,595	47%	51%	0%	1%	100%
C/B	Valdez	828	4,949,342	4,057,467	25,579	91,770	9,124,158	54%	44%	0%	1%	100%
C/B	Wrangell	375	891,007	2,291,279	454,969	61,481	3,698,736	24%	62%	12%	2%	100%
C/B	Yakutat	133	416,000	1,124,400	265,705	44,170	1,850,275	22%	61%	14%	2%	100%
REAA	Yukon Flats	276	-	4,510,852	1,438,460	278,881	6,228,193	0%	72%	23%	4%	100%
REAA	Yukon/Koyukuk	1,800	-	9,980,595	1,302,177	524,120	11,806,892	0%	85%	11%	4%	100%
REAA	Yupiit	445	-	4,341,717	2,463,250	436,199	7,241,166	0%	60%	34%	6%	100%
Statewide Totals		**130,560**	**$ 327,100,192**	**$ 737,864,327**	**$ 111,755,430**	**$ 28,826,239**	**$ 1,205,546,188**	-	-	-	-	-

Data is recompiled from requirements for the aannual report on EED's website in accordance with Alaska Statute 14.03.120(b)

Definitions: C/B- City or Borough School District (organized Alaska) REAA- Regional Educational Attendance Area (unorganized Alaska)

ADM Average daily student count taken during the month of October

Local FY06 City/Borough Appropriations, including in-kind, as reported in audits.

State FY06 State Operating Fund Revenue as reported in audits.

Federal FY06 Federal revenues reported in the Operating fund (Impact Aid & other minor Federal revenues)

K-12 Public School Operating Fund - FY2006 Audited Revenues

Recompiled by Percentage of Operating Fund for Joint Eduction Task Force June 26, 2007

Type	School District	ADM	Operating Fund Local	Operating Fund State	Operating Fund Federal	Operating Fund Other	Operating Fund Total	Revenue Source By Percentage Local	State	Federal	Other	% Total
REAA	Alaska Gateway	412	-	5,018,124	335,629	189,936	5,543,689	0%	91%	6%	3%	100%
REAA	Aleutian Region	44	-	1,126,389	138,176	35,657	1,300,222	0%	87%	11%	3%	100%
C/B	Aleutians East	246	705,359	3,377,221	1,116,216	380,807	5,579,603	13%	61%	20%	7%	100%
C/B	Anchorage	49,320	144,322,321	249,179,944	13,157,100	6,260,950	412,920,315	35%	60%	3%	2%	100%
REAA	Annette Island	291	-	1,454,767	3,361,940	167,993	4,984,700	0%	29%	67%	3%	100%
REAA	Bering Strait	1,668	-	17,679,434	11,672,340	3,198,658	32,550,432	0%	54%	36%	10%	100%
C/B	Bristol Bay	179	926,331	1,475,412	275,724	64,261	2,741,728	34%	54%	10%	2%	100%
REAA	Chatham	204	-	2,179,288	578,093	160,038	2,917,419	0%	75%	20%	5%	100%
REAA	Chugach	214	-	2,021,203	129,917	257,356	2,408,476	0%	84%	5%	11%	100%
REAA	Copper River	610	-	6,239,091	368,828	97,641	6,705,560	0%	93%	6%	1%	100%
C/B	Cordova	447	1,373,941	3,257,398	49,633	83,773	4,764,745	29%	68%	1%	2%	100%
C/B	Craig	766	773,145	4,392,367	417,101	229,418	5,812,031	13%	76%	7%	4%	100%
REAA	Delta/Greely	1,261	-	8,826,823	164,884	171,895	9,163,602	0%	96%	2%	2%	100%
C/B	Denali	634	1,294,074	4,512,283	14,805	147,521	5,968,683	22%	76%	0%	2%	100%
C/B	Dillingham	551	1,022,454	4,511,376	763,019	248,335	6,545,184	16%	69%	12%	4%	100%
C/B	Fairbanks	14,509	38,022,700	81,842,665	12,387,574	827,619	133,080,558	29%	61%	9%	1%	100%
C/B	Galena	3,638	500,160	16,755,349	183,810	1,313,509	18,752,828	3%	89%	1%	7%	100%
C/B	Haines	291	1,384,044	1,860,761	-	71,849	3,316,654	42%	56%	0%	2%	100%
C/B	Hoonah	166	507,067	1,640,532	466,356	79,963	2,693,918	19%	61%	17%	3%	100%
C/B	Hydaburg	72	65,000	787,655	532,082	44,598	1,429,335	5%	55%	37%	3%	100%
REAA	Iditarod Area	331	-	4,345,824	706,260	340,929	5,393,013	0%	81%	13%	6%	100%
C/B	Juneau	5,237	19,795,864	26,488,939	137,951	392,379	46,815,133	42%	57%	0%	1%	100%
C/B	Kake	116	110,000	1,085,745	502,332	280,049	1,978,126	6%	55%	25%	14%	100%
REAA	Kashunamiut	331	-	2,511,122	2,112,606	215,934	4,839,662	0%	52%	44%	4%	100%
C/B	Kenai Peninsula	9,389	34,973,682	50,113,534	544,168	1,088,740	86,720,124	40%	58%	1%	1%	100%
C/B	Ketchikan	2,296	7,861,674	12,745,478	76,766	61,180	20,745,098	38%	61%	0%	0%	100%
C/B	Klawock	136	283,340	1,220,090	656,414	91,344	2,251,188	13%	54%	29%	4%	100%
C/B	Kodiak Island	2,718	8,632,440	19,045,176	1,537,539	517,021	29,732,176	29%	64%	5%	2%	100%
REAA	Kuspuk	415	-	5,272,618	1,876,825	576,369	7,725,812	0%	68%	24%	7%	100%
C/B	Lake & Peninsula	386	869,253	6,742,639	1,889,794	1,015,785	10,517,471	8%	64%	18%	10%	100%
REAA	Lower Kuskokwim	3,930	-	42,405,171	14,883,551	3,407,620	60,696,342	0%	70%	25%	6%	100%
REAA	Lower Yukon	2,037	-	19,610,676	11,417,816	2,007,157	33,035,649	0%	59%	35%	6%	100%
C/B	Mat-Su	15,438	38,080,405	92,084,230	522,424	510,951	131,198,010	29%	70%	0%	0%	100%
C/B	Nenana	686	72,661	5,054,714	9,834	148,269	5,285,478	1%	96%	0%	3%	100%
C/B	Nome	768	1,420,577	6,556,440	106,330	322,309	8,405,656	17%	78%	1%	4%	100%
C/B	North Slope	1,726	23,857,285	11,530,770	5,329,522	476,512	41,194,089	58%	28%	13%	1%	100%
C/B	Northwest Arctic	2,019	3,541,589	23,634,567	6,849,060	1,888,658	35,913,874	10%	66%	19%	5%	100%
C/B	Pelican	14	52,820	380,892	2,001	14,433	450,146	12%	85%	0%	3%	100%
C/B	Petersburg	591	1,793,505	3,990,372	16,732	115,123	5,915,732	30%	67%	0%	2%	100%
REAA	Pribilof	115	-	1,069,117	784,463	203,930	2,057,510	0%	52%	38%	10%	100%
C/B	Saint Mary's	165	19,440	2,120,947	-	147,622	2,288,009	1%	93%	0%	6%	100%
C/B	Sitka	1,477	5,017,416	8,638,383	580,606	69,617	14,306,022	35%	60%	4%	0%	100%
C/B	Skagway	109	868,778	822,076	-	12,052	1,702,906	51%	48%	0%	1%	100%
REAA	Southeast Island	206	-	3,060,682	351,307	345,528	3,757,517	0%	81%	9%	9%	100%
REAA	Southwest Region	669	-	7,201,149	3,641,026	1,065,120	11,907,295	0%	60%	31%	9%	100%
C/B	Tanana	67	27,100	883,051	18,621	3,237	932,009	3%	95%	2%	0%	100%
C/B	Unalaska	398	2,430,048	2,501,158	25,728	104,965	5,061,899	48%	49%	1%	2%	100%
C/B	Valdez	797	5,348,532	4,002,975	18,040	98,545	9,468,092	56%	42%	0%	1%	100%
C/B	Wrangell	370	801,352	2,486,134	561,494	100,601	3,949,581	20%	63%	14%	3%	100%
C/B	Yakutat	132	482,000	1,189,832	173,843	78,029	1,923,704	25%	62%	9%	4%	100%
REAA	Yukon Flats	270	-	4,846,683	853,621	676,062	6,376,366	0%	76%	13%	11%	100%
REAA	Yukon/Koyukuk	1,561	-	10,129,643	1,635,468	613,617	12,378,728	0%	82%	13%	5%	100%
REAA	Yupiit	446	-	4,619,993	2,586,046	654,150	7,860,189	0%	59%	33%	8%	100%
Statewide Totals		**130,869**	**$ 347,236,357**	**$ 806,528,902**	**$ 106,521,415**	**$ 31,675,614**	**$ 1,291,962,288**	-	-	-	-	-

Data is recompiled from requirements for the aannual report on EED's website in accordance with Alaska Statute 14.03.120(b)

Definitions: C/B- City or Borough School District (organized Alaska) REAA- Regional Educational Attendance Area (unorganized Alaska)

ADM Average daily student count taken during the month of October

Local FY06 City/Borough Appropriations, including in-kind, as reported in audits.

State FY06 State Operating Fund Revenue as reported in audits.

Federal FY06 Federal revenues reported in the Operating fund (Impact Aid & other minor Federal revenues)

Department of Education
Early Development - School Finance.
Local Effort and Assessed Values: Required, Additional, Maximum and Acutal 2001 - 2007

June 25, 2007

	FY2001 ASSESSED VALUES. REQUIRED, ADDITIONAL, MAXIMUM & ACTUAL LOCAL EFFORT							FY2002 ASSESSED VALUES. REQUIRED, ADDITIONAL, MAXIMUM & ACTUAL LOCAL EFFORT							
	1999 Assessed Full Value	Minimum Required Local	Additional Allowable Local	Total Allowable Local	Actual Local Contributed	Local Remaining to CAP	% Remaining to CAP	2000 Assessed Full Value	Education Full Value Determination	Minimum Required Local	Additional Allowable Local	Total Allowable Local	Total Actual Local Contributed	Local Remaining to CAP	% Remaining to CAP
ALEUTIANS EAST	$96,923,600	$387,694	$872,988	$1,260,682	$960,301	$300,381	24%	$97,167,900	$97,045,750	$388,183	$866,464	$1,254,647	$1,095,093	$159,554	13%
ANCHORAGE	15,660,957,500	62,643,830	60,770,053	123,413,883	102,613,031	20,800,852	17%	16,574,726,820	16,117,842,160	64,471,369	61,828,456	126,299,825	107,301,568	18,998,257	15%
BRISTOL BAY	210,045,900	840,184	546,982	1,387,166	1,196,607	190,559	14%	204,802,200	204,802,200	819,209	542,349	1,361,558	1,197,866	163,692	12%
CORDOVA	165,315,250	661,261	753,505	1,414,766	1,300,000	114,766	8%	173,796,950	169,556,100	678,224	759,071	1,437,295	1,050,000	387,295	27%
CRAIG	103,253,900	413,016	751,167	1,164,183	686,166	478,017	41%	103,150,100	103,150,100	412,600	876,047	1,288,647	903,925	384,722	30%
DENALI	122,745,200	490,981	706,691	1,197,672	1,070,462	127,210	11%	121,643,100	121,643,100	486,572	676,424	1,162,996	1,153,194	9,802	1%
DILLINGHAM	146,268,700	585,075	1,044,830	1,629,905	942,500	687,405	42%	148,150,600	147,209,650	588,839	1,001,470	1,590,309	1,192,104	398,205	25%
FAIRBANKS	4,714,171,310	18,856,685	20,316,542	39,173,227	32,045,700	7,127,527	18%	4,840,563,260	4,777,367,285	19,109,469	20,582,595	39,692,064	32,555,700	7,136,364	18%
GALENA	17,983,300	71,933	2,810,371	2,882,304	991,630	1,890,674	66%	18,043,700	18,013,500	72,054	3,077,433	3,149,487	940,730	2,208,757	70%
HAINES	198,061,700	792,247	639,687	1,431,934	1,394,684	37,250	3%	204,022,700	201,042,200	804,169	626,482	1,430,651	1,419,705	10,946	1%
HOONAH	25,321,900	101,288	434,713	536,001	537,067	(1,066)	0%	25,060,000	25,060,000	100,240	400,850	501,090	500,806	284	0%
HYDABURG	8,223,000	32,892	211,534	244,426	65,000	179,426	73%	8,141,600	8,141,600	32,566	190,418	222,984	65,000	157,984	71%
JUNEAU	2,493,796,400	9,975,186	7,002,026	16,977,212	16,824,100	153,112	1%	2,632,035,700	2,562,916,050	10,251,665	7,130,227	17,381,892	17,276,600	105,292	1%
KAKE	18,064,300	72,257	299,626	371,883	150,000	221,883	60%	17,642,900	17,642,900	70,572	313,213	383,785	127,000	256,785	67%
KENAI	4,050,912,920	16,203,652	13,440,106	29,643,758	29,628,226	15,532	0%	4,249,142,910	4,150,027,915	16,600,112	13,589,006	30,189,118	30,189,118	(0)	0%
KETCHIKAN	1,086,074,100	4,344,296	3,237,834	7,582,130	7,426,187	155,943	2%	1,116,923,700	1,101,498,900	4,405,995	3,160,888	7,566,883	7,564,425	2,458	0%
KLAWOCK	32,273,800	129,095	362,335	491,430	259,133	232,297	47%	31,525,500	31,525,500	126,102	329,317	455,419	386,257	69,162	15%
KODIAK	936,735,100	3,746,940	4,140,446	7,887,386	6,649,701	1,237,685	16%	977,967,800	957,351,450	3,829,405	4,309,926	8,139,331	7,106,294	1,033,037	13%
LAKE AND PENINSULA	69,241,000	276,964	1,468,878	1,745,842	837,164	908,678	52%	69,030,900	69,030,900	276,124	1,458,193	1,734,317	1,054,873	679,444	39%
MAT-SU	2,979,783,820	11,919,135	16,731,107	28,650,242	26,156,325	2,493,917	9%	3,256,885,340	3,118,334,580	12,473,338	17,832,966	30,306,304	29,631,346	674,958	2%
NENANA	18,076,400	72,306	1,548,451	1,620,757	83,309	1,537,448	95%	16,800,100	16,800,100	67,200	1,563,667	1,630,867	67,200	1,563,667	96%
NOME	191,926,100	767,704	1,313,573	2,081,277	1,034,427	1,046,850	50%	211,123,500	201,524,800	806,099	1,289,265	2,095,364	1,198,373	896,991	43%
NORTH SLOPE /2	10,931,803,130	8,741,954	21,863,606	30,605,560	26,078,673	4,526,887	15%	10,859,450,480	10,859,450,480	9,020,829	21,718,901	30,739,730	25,574,257	5,165,473	17%
NORTHWEST ARCTIC	381,186,000	1,524,744	5,246,046	6,770,790	3,224,486	3,546,304	52%	381,186,000	381,186,000	1,524,744	5,269,865	6,794,609	3,215,493	3,579,116	53%
PELICAN	12,290,200	49,161	62,365	111,526	49,161	62,365	56%	12,621,800	12,456,000	49,824	61,148	110,972	50,487	60,485	55%
PETERSBURG	243,848,900	975,396	924,487	1,899,883	1,839,062	60,821	3%	254,224,500	249,036,700	996,147	996,287	1,992,434	1,923,454	68,980	3%
SAINT MARY'S	4,500,600	18,002	348,488	366,490	25,000	341,490	93%	4,535,700	4,518,150	18,072	375,441	393,513	19,000	374,513	95%
SITKA	635,768,000	2,543,072	2,080,889	4,623,961	4,601,409	22,552	0%	658,298,100	647,033,050	2,588,132	2,132,275	4,720,407	4,593,940	126,467	3%
SKAGWAY	148,776,700	524,241	297,553	821,794	816,294	5,500	1%	177,458,900	163,117,800	547,130	354,918	902,048	896,547	5,501	1%
TANANA	5,834,100	23,336	218,412	241,748	74,148	167,600	69%	5,771,200	5,771,200	23,085	169,122	192,207	76,234	115,973	60%
UNALASKA /2	375,842,900	1,312,800	751,686	2,064,486	2,064,486	-	0%	383,163,500	379,503,200	1,302,552	766,327	2,068,879	2,068,879	-	0%
VALDEZ /2	948,643,590	2,571,754	1,897,287	4,469,041	4,376,341	92,700	2%	986,219,470	967,431,530	2,581,984	1,972,439	4,554,423	4,545,614	8,809	0%
WRANGELL	148,029,200	592,117	703,220	1,295,337	1,293,476	1,861	0%	150,471,600	149,250,400	597,002	738,550	1,335,552	714,352	621,200	47%
YAKUTAT	44,296,200	177,185	337,723	514,908	457,708	57,200	11%	44,561,300	44,428,750	177,715	360,297	538,012	481,000	57,012	11%
TOTALS	$47,226,974,720	$152,438,383	$174,135,207	$ 326,573,590	$ 277,751,964	$ 48,821,626		$49,016,309,830	$48,080,710,000	$156,297,322	$177,320,297	$333,617,619	$288,136,434	$45,481,185	

/2 Required local effort is limited to 45% of Basic Need of the preceeding year. Allowable excess is 2 mills.
The Education Determiniation calculation based on SB174 became effective in the FY2002 foundation calculation.

Department of Education
Early Development - School Finance
Local Effort and Assessed Values: Required, Additional, Maximum and Acutal 2001 - 2007

June 25, 2007

	FY2003 ASSESSED VALUES. REQUIRED, ADDITIONAL, MAXIMUM & ACTUAL LOCAL EFFORT							
	2001 Assessed Full Value	Education Full Value Determination	Required Local	Additional Allowable Local	Total Allowable Local	Actual Local Contributed	Local Remaining to CAP	% Remaining to CAP
ALEUTIANS EAST	93,559,600	$ 93,559,600	$ 374,238	$ 835,456	$ 1,209,694	$ 928,991	$ 280,703	23%
ANCHORAGE	18,261,699,360	16,961,328,430	67,845,314	61,739,933	129,585,247	114,373,207	15,212,040	12%
BRISTOL BAY	204,917,800	204,917,800	819,671	540,043	1,359,714	1,092,986	266,728	20%
CORDOVA	182,432,550	173,873,900	695,496	771,762	1,467,258	1,250,000	217,258	15%
CRAIG	103,456,400	103,355,150	413,421	990,246	1,403,667	1,046,603	357,064	25%
DENALI	153,077,100	137,911,150	551,645	732,085	1,283,730	1,220,856	62,874	5%
DILLINGHAM	159,311,500	152,790,100	611,160	969,466	1,580,626	1,000,000	580,626	37%
FAIRBANKS	5,020,369,220	4,867,270,265	19,469,081	20,533,873	40,002,954	33,545,700	6,457,254	16%
GALENA	17,993,500	17,988,400	71,954	3,140,127	3,212,081	940,730	2,271,351	71%
HAINES	216,760,200	207,410,950	829,644	551,554	1,381,198	1,381,767	(569)	0%
HOONAH	37,486,100	31,404,000	125,616	371,493	497,109	452,252	44,857	9%
HYDABURG	8,469,800	8,346,400	33,386	178,364	211,750	33,386	178,364	84%
JUNEAU	2,845,582,700	2,669,689,550	10,678,758	7,180,779	17,859,537	17,731,200	128,337	1%
KAKE	17,815,400	17,815,400	71,262	283,331	354,593	330,000	24,593	7%
KENAI	4,528,712,330	4,289,812,625	17,159,251	13,459,609	30,618,860	30,618,860	-	0%
KETCHIKAN	1,171,391,700	1,128,732,900	4,514,932	3,220,155	7,735,087	7,329,446	405,641	5%
KLAWOCK	32,012,000	32,012,000	128,048	302,127	430,175	340,002	90,173	21%
KODIAK	977,779,200	957,257,150	3,829,029	4,179,439	8,008,468	7,581,988	426,480	5%
LAKE AND PENINSULA	70,246,900	69,743,950	278,976	1,405,862	1,684,838	1,054,640	630,198	37%
MAT-SU	3,468,918,730	3,224,351,275	12,897,405	18,383,191	31,280,596	30,071,038	1,209,558	4%
NENANA	17,593,000	17,593,000	70,372	1,236,668	1,307,040	70,372	1,236,668	95%
NOME	207,928,100	199,927,100	799,708	1,331,358	2,131,066	1,219,712	911,354	43%
NORTH SLOPE /2	10,506,960,850	10,506,960,850	8,947,234	21,013,922	29,961,156	24,491,968	5,469,188	18%
NORTHWEST ARCTIC	381,186,000	381,186,000	1,524,744	5,275,907	6,800,651	3,215,493	3,585,158	53%
PELICAN	12,022,200	12,022,200	48,089	61,148	109,237	48,089	61,148	56%
PETERSBURG	258,774,000	251,311,450	1,005,246	970,730	1,975,976	1,975,976	-	0%
SAINT MARY'S	4,722,200	4,611,400	18,446	388,860	407,306	18,795	388,511	95%
SITKA	678,342,200	657,055,100	2,628,220	2,111,587	4,739,807	4,731,881	7,926	0%
SKAGWAY	187,917,800	168,347,250	498,222	375,836	874,058	868,558	5,500	1%
TANANA	5,710,000	5,710,000	22,840	191,645	214,485	75,182	139,303	65%
UNALASKA /2	395,189,700	385,516,300	1,385,586	790,379	2,175,965	2,175,965	-	0%
VALDEZ /2	1,024,996,450	986,820,020	2,664,019	2,049,993	4,714,012	4,596,906	117,106	2%
WRANGELL	166,538,800	157,284,000	629,136	700,468	1,329,604	804,352	525,252	40%
YAKUTAT	47,089,600	45,692,900	182,772	288,357	471,129	452,000	19,129	4%
TOTALS	51,466,962,990	49,129,608,565	161,822,921	176,555,753	338,378,674	297,066,515	41,309,773	

	FY2004 ASSESSED VALUES. REQUIRED, ADDITIONAL, MAXIMUM & ACTUAL LOCAL EFFORT							
	2002 Assessed Full Value	Education Full Value Determination	Required Local	Additional Allowable Local	Total Allowable Local	Actual Local Contributed	Local Remaining to CAP	% Remaining to CAP
ALEUTIANS EAST	$ 92,935,400	$ 92,935,400	$ 371,742	$ 896,102	$ 1,267,844	$ 1,103,299	$ 164,545	13%
ANCHORAGE	19,203,572,370	17,432,264,935	69,729,060	64,198,667	133,927,727	121,490,634	12,437,093	9%
BRISTOL BAY	191,985,000	191,985,000	767,940	450,007	1,217,947	1,217,947	-	0%
CORDOVA	177,202,330	171,258,790	685,035	812,307	1,497,342	1,366,000	131,342	9%
CRAIG	102,394,800	102,394,800	409,579	1,116,731	1,526,310	1,101,603	424,707	28%
DENALI	152,823,600	137,784,400	551,138	981,701	1,532,839	1,276,650	256,189	17%
DILLINGHAM	146,658,700	146,463,700	585,855	1,004,426	1,590,281	1,100,000	490,281	31%
FAIRBANKS	5,186,187,740	4,950,179,525	19,800,718	20,822,412	40,623,130	34,545,700	6,077,430	15%
GALENA	18,197,100	18,090,200	72,361	3,345,578	3,417,939	1,091,110	2,326,829	68%
HAINES	216,633,800	207,347,750	829,391	566,404	1,395,795	1,358,224	37,571	3%
HOONAH	36,828,800	31,075,350	124,301	367,564	491,865	401,791	90,074	18%
HYDABURG	8,267,100	8,245,050	32,980	176,950	209,930	65,000	144,930	69%
JUNEAU	2,883,823,800	2,688,810,100	10,755,240	7,466,759	18,221,999	18,171,200	50,799	0%
KAKE	18,204,600	18,134,450	72,538	301,565	374,103	280,000	94,103	25%
KENAI	4,870,615,690	4,460,764,305	17,843,057	13,792,482	31,635,539	31,635,539	-	0%
KETCHIKAN	1,158,404,600	1,122,239,350	4,488,957	3,410,854	7,899,811	7,373,117	526,694	7%
KLAWOCK	32,251,100	32,251,100	129,004	306,167	435,171	319,504	115,667	27%
KODIAK	1,003,704,900	970,220,000	3,880,880	4,308,088	8,188,968	7,995,040	193,928	2%
LAKE AND PENINSULA	63,750,700	63,750,700	255,003	1,452,026	1,707,029	858,435	848,594	50%
MAT-SU	3,722,613,180	3,351,198,500	13,404,794	19,718,400	33,123,194	31,525,963	1,597,231	5%
NENANA	17,720,000	17,720,000	70,880	1,016,379	1,087,259	70,880	1,016,379	93%
NOME	207,144,200	199,535,150	798,141	1,359,687	2,157,828	1,420,577	737,251	34%
NORTH SLOPE /2	10,833,806,840	10,833,806,840	8,759,133	21,667,614	30,426,747	22,958,123	7,468,624	25%
NORTHWEST ARCTIC	382,198,300	381,692,150	1,526,769	5,215,697	6,742,466	3,276,993	3,465,473	51%
PELICAN	11,562,700	11,562,700	46,251	63,573	109,824	46,251	63,573	58%
PETERSBURG	235,272,900	235,272,900	941,092	1,036,567	1,977,659	1,835,409	142,250	7%
SAINT MARY'S	4,467,200	4,467,200	17,869	374,247	392,116	17,821	374,295	95%
SITKA	703,151,500	669,459,750	2,677,839	2,107,385	4,785,224	4,783,837	1,387	0%
SKAGWAY	197,415,300	173,096,000	459,390	394,831	854,221	833,156	21,065	2%
TANANA	5,743,200	5,743,200	22,973	211,623	234,596	76,020	158,576	68%
UNALASKA /2	357,056,300	357,056,300	1,428,225	782,150	2,210,375	2,190,138	20,237	1%
VALDEZ /2	1,036,084,010	992,363,800	2,610,516	2,072,168	4,682,684	4,682,184	500	0%
WRANGELL	148,965,100	148,497,150	593,989	625,548	1,219,537	834,436	385,101	32%
YAKUTAT	56,665,500	50,480,850	201,923	265,271	467,194	427,000	40,194	9%
TOTALS	53,484,308,360	50,278,147,395	164,944,563	182,687,930	347,632,493	307,729,581	39,902,912	

Department of Education
Early Development - School Finance.
Local Effort and Assessed Values: Required, Additional, Maximum and Acutal 2001 - 2007

June 25, 2007

	FY2005 ASSESSED VALUES. REQUIRED, ADDITIONAL, MAXIMUM & ACTUAL LOCAL EFFORT								FY2006 ASSESSED VALUES. REQUIRED, ADDITIONAL, MAXIMUM & ACTUAL LOCAL EFFORT							
	2003 Assessed Full Value	Education Full Value Determination	Required Local	Additional Allowable Local	Total Allowable Local	Actual Local Contributed	Local Remaining to CAP	% Remaining to CAP	2004 Assessed Full Value	Education Full Value Determination	Required Local	Additional Allowable Local	Total Allowable Local	Actual Local Contributed	Local Remaining to CAP	% Remaining to CAP
ALEUTIANS EAST	96,072,577	$ 96,072,577	$ 384,290	$ 939,538	$ 1,323,828	$ 1,134,006	$ 189,822	14%	$ 96,072,577	$ 96,072,577	$ 384,290	$ 929,579	$ 1,313,869	$ 705,359	$ 608,510	46%
ANCHORAGE	21,214,674,720	18,437,816,110	73,751,264	70,480,885	144,232,149	133,412,722	10,819,427	8%	22,651,130,210	19,156,043,855	76,624,175	75,943,008	152,567,183	144,322,321	8,244,862	5%
BRISTOL BAY	150,077,100	150,077,100	600,308	471,774	1,072,082	921,579	150,503	14%	131,475,100	131,475,100	525,900	501,038	1,026,938	926,331	100,607	10%
CORDOVA	183,525,320	174,420,285	697,681	867,265	1,564,946	1,366,000	198,946	13%	189,368,880	177,342,065	709,368	913,491	1,622,859	1,373,941	248,918	15%
CRAIG	95,947,500	95,947,500	383,790	949,884	1,333,674	971,701	361,973	27%	102,029,500	102,029,500	408,118	1,133,678	1,541,796	773,145	768,651	50%
DENALI	159,351,900	141,048,550	564,194	1,155,413	1,719,607	1,250,000	469,607	27%	159,351,900	141,048,550	564,194	1,156,305	1,720,499	1,294,074	426,425	25%
DILLINGHAM	142,288,700	142,288,700	569,155	1,144,940	1,714,095	1,000,000	714,095	42%	154,173,900	150,221,300	600,885	1,244,745	1,845,630	1,022,454	823,176	45%
FAIRBANKS	5,418,779,600	5,066,475,455	20,265,902	22,921,989	43,187,891	36,545,700	6,642,191	15%	5,907,617,440	5,310,894,375	21,243,578	24,573,696	45,817,274	38,022,700	7,794,574	17%
GALENA	18,588,300	18,285,800	73,143	3,469,993	3,543,136	459,172	3,083,964	87%	18,588,300	18,285,800	73,143	3,679,724	3,752,867	500,160	3,252,707	87%
HAINES	219,311,400	208,686,550	834,746	587,789	1,422,535	1,363,044	59,491	4%	220,647,300	209,354,500	837,418	616,540	1,453,958	1,384,044	69,914	5%
HOONAH	36,094,900	30,708,400	122,834	392,291	515,125	505,400	9,725	2%	36,094,900	30,708,400	122,834	421,548	544,382	507,067	37,315	7%
HYDABURG	8,181,400	8,181,400	32,726	172,586	205,312	65,000	140,312	68%	8,181,400	8,181,400	32,726	181,132	213,858	65,000	148,858	70%
JUNEAU	2,934,769,500	2,714,282,950	10,857,132	8,014,345	18,871,477	18,835,000	36,477	0%	3,099,578,200	2,796,687,300	11,186,749	8,609,115	19,795,864	19,795,864	-	0%
KAKE	19,302,600	18,683,450	74,734	321,848	396,582	280,000	116,582	29%	19,302,600	18,683,450	74,734	288,386	363,120	110,000	253,120	70%
KENAI	5,343,012,390	4,696,962,655	18,787,851	14,956,475	33,744,326	33,744,607	(281)	0%	5,511,891,850	4,781,402,385	19,125,610	15,848,072	34,973,682	34,973,682	-	0%
KETCHIKAN	1,109,849,800	1,097,961,950	4,391,848	3,650,443	8,042,291	7,637,206	405,085	5%	1,117,297,100	1,101,685,600	4,406,742	3,933,072	8,339,814	7,861,674	478,140	6%
KLAWOCK	30,783,700	30,783,700	123,135	347,045	470,180	297,009	173,171	37%	30,783,700	30,783,700	123,135	320,936	444,071	283,340	160,731	36%
KODIAK	995,067,200	965,901,150	3,863,605	4,607,337	8,470,942	8,332,440	138,502	2%	1,032,002,600	984,368,850	3,937,475	5,107,626	9,045,101	8,632,440	412,661	5%
LAKE AND PENINSULA	61,977,700	61,977,700	247,911	1,525,770	1,773,681	869,253	904,428	51%	61,977,700	61,977,700	247,911	1,654,549	1,902,460	869,253	1,033,207	54%
MAT-SU	4,115,271,770	3,547,527,795	14,190,111	21,995,632	36,185,743	33,928,357	2,257,386	6%	4,845,713,010	3,912,748,415	15,650,994	24,928,018	40,579,012	38,080,405	2,498,607	6%
NENANA	18,514,900	18,295,650	73,183	934,251	1,007,434	73,183	934,251	93%	18,254,300	18,165,350	72,661	1,007,010	1,079,671	72,661	1,007,010	93%
NOME	212,300,700	202,113,400	808,454	1,582,762	2,391,216	1,420,577	970,639	41%	206,289,200	199,107,650	796,431	1,697,315	2,493,746	1,420,577	1,073,169	43%
NORTH SLOPE /2	10,741,203,180	10,741,203,180	8,546,346	21,482,406	30,028,752	23,555,878	6,472,874	22%	10,624,537,620	10,624,537,620	8,918,395	21,249,075	30,167,470	23,857,285	6,310,185	21%
NORTHWEST ARCTIC	382,139,300	381,662,650	1,526,651	5,700,253	7,226,904	3,215,493	4,011,411	56%	382,139,300	381,662,650	1,526,651	6,251,894	7,778,545	3,541,589	4,236,956	54%
PELICAN	13,770,500	13,030,350	52,121	69,779	121,900	52,121	69,779	57%	14,119,900	13,205,050	52,820	69,353	122,173	52,820	69,353	57%
PETERSBURG	249,397,000	246,622,950	986,492	1,118,702	2,105,194	1,655,469	449,725	21%	274,188,100	259,018,500	1,036,074	1,152,334	2,188,408	1,793,505	394,903	18%
SAINT MARY'S	4,893,700	4,697,150	18,789	430,717	449,506	20,689	428,817	95%	4,893,700	4,697,150	18,789	489,906	508,695	19,440	489,255	96%
SITKA	732,809,900	684,288,950	2,737,156	2,336,697	5,073,853	4,787,292	286,561	6%	770,420,100	703,094,050	2,812,376	2,604,233	5,416,609	5,017,416	399,193	7%
SKAGWAY	229,816,200	189,296,450	462,878	459,632	922,510	841,452	81,058	9%	222,929,000	185,852,850	520,360	445,858	966,218	868,778	97,440	10%
TANANA	5,673,100	5,673,100	22,692	250,311	273,003	22,692	250,311	92%	5,673,100	5,673,100	22,692	210,514	233,206	27,100	206,106	88%
UNALASKA /2	354,477,700	354,477,700	1,417,911	858,760	2,276,671	2,280,801	(4,130)	0%	378,713,800	377,278,350	1,509,113	920,935	2,430,048	2,430,048	-	0%
VALDEZ /2	1,111,776,710	1,030,210,150	2,725,788	2,223,553	4,949,341	4,949,342	(1)	0%	1,223,456,660	1,086,050,125	2,901,619	2,446,913	5,348,532	5,348,532	-	0%
WRANGELL	146,188,500	146,188,500	584,754	658,874	1,243,628	891,007	352,621	28%	148,303,900	148,166,550	592,666	705,930	1,298,596	801,352	497,244	38%
YAKUTAT	52,855,600	48,575,900	194,304	301,946	496,250	416,000	80,250	16%	54,183,000	49,239,600	196,958	316,614	513,572	482,000	31,572	6%
TOTALS	56,608,745,067	51,770,425,857	170,973,879	197,381,885	368,355,764	327,100,192	41,255,572		59,721,379,847	53,275,743,417	177,857,584	211,552,142	389,409,726	347,236,357	42,173,369	

Department of Education
Early Development - School Finance.
Local Effort and Assessed Values: Required, Additional, Maximum and Acutal 2001 - 2007

June 25, 2007

FY2007 ASSESSED VALUES. REQUIRED, ADDITIONAL, MAXIMUM & ACTUAL LOCAL EFFORT

	2005 Assessed Full Value	Education Full Value Determination	Required Local	Additional Allowable Local	Total Allowable Local	Actual Local Contributed	Local Remaining to CAP	% Remaining to CAP
ALEUTIANS EAST	96,072,577	$96,072,577	$384,290	$1,005,499	$1,389,789	$1,050,000	$339,789	24%
ANCHORAGE	25,077,495,890	20,369,226,695	81,476,907	82,454,520	163,931,427	155,257,376	8,674,051	5%
BRISTOL BAY	132,182,200	132,182,200	528,729	593,234	1,121,963	873,811	248,152	22%
CORDOVA	177,177,670	171,246,460	684,986	988,237	1,673,223	1,398,036	275,187	16%
CRAIG	98,870,400	98,870,400	395,482	1,231,077	1,626,559	777,258	849,301	52%
DENALI	159,351,900	141,048,550	564,194	1,107,795	1,671,989	1,350,000	321,989	19%
DILLINGHAM	142,547,300	142,547,300	570,189	1,343,247	1,913,436	1,125,000	788,436	41%
FAIRBANKS	6,458,961,200	5,586,566,255	22,346,265	26,730,587	49,076,852	40,022,700	9,054,152	18%
GALENA	18,588,300	18,285,800	73,143	4,154,249	4,227,392	575,761	3,651,631	86%
HAINES	245,183,300	221,622,500	886,490	727,703	1,614,193	1,419,044	195,149	12%
HOONAH	36,094,900	30,708,400	122,834	452,492	575,326	459,400	115,926	20%
HYDABURG	8,181,400	8,181,400	32,726	233,584	266,310	65,000	201,310	76%
JUNEAU	3,522,159,000	3,007,977,700	12,031,911	9,474,747	21,506,658	21,506,609	49	0%
KAKE	19,302,600	18,683,450	74,734	315,747	390,481	110,000	280,481	72%
KENAI	5,766,580,547	4,908,746,734	19,634,987	18,306,689	37,941,676	37,941,676	0	0%
KETCHIKAN	1,178,492,700	1,132,283,400	4,529,134	4,429,521	8,958,655	8,834,981	123,674	1%
KLAWOCK	30,783,700	30,783,700	123,135	392,516	515,651	345,739	169,912	33%
KODIAK	1,095,488,400	1,016,111,750	4,064,447	5,599,049	9,663,496	8,671,260	992,236	10%
LAKE AND PENINSULA	53,513,000	53,513,000	214,052	1,935,640	2,149,692	935,394	1,214,298	56%
MAT-SU	6,049,408,756	4,514,596,288	18,058,385	27,165,768	45,224,153	39,580,405	5,643,748	12%
NENANA	21,910,200	19,993,300	79,973	1,018,739	1,098,712	94,953	1,003,759	91%
NOME	221,284,500	206,605,300	826,421	1,865,331	2,691,752	1,676,850	1,014,902	38%
NORTH SLOPE /2	10,359,130,075	10,359,130,075	9,764,523	20,718,260	30,482,783	23,979,343	6,503,440	21%
NORTHWEST ARCTIC	382,139,300	381,662,650	1,526,651	6,992,436	8,519,087	3,541,589	4,977,498	58%
PELICAN	13,638,100	12,964,150	51,857	78,624	130,481	51,857	78,624	60%
PETERSBURG	302,023,100	272,936,000	1,091,744	1,342,740	2,434,484	2,053,319	381,165	16%
SAINT MARY'S	4,893,700	4,697,150	18,789	618,477	637,266	19,000	618,266	97%
SITKA	804,947,500	720,357,750	2,881,431	2,919,126	5,800,557	5,693,707	106,850	2%
SKAGWAY	258,322,400	203,549,550	561,622	516,645	1,078,267	942,115	136,152	13%
TANANA	5,673,100	5,673,100	22,692	213,155	235,847	27,100	208,747	89%
UNALASKA /2	404,671,800	390,257,350	1,561,029	1,028,453	2,589,482	2,589,482	0	0%
VALDEZ /2	1,229,425,340	1,089,034,465	3,056,824	2,458,851	5,515,675	5,514,717	958	0%
WRANGELL	148,401,600	148,215,400	592,862	771,098	1,363,960	801,352	562,608	41%
YAKUTAT	52,065,800	48,181,000	192,724	333,999	526,723	488,000	38,723	7%
TOTALS	$64,574,962,255	$55,562,511,799	$189,026,162	$229,517,835	$418,543,997	$369,772,834	$48,771,163	

FY'97 through FY'07
Average Daily Membership's

DISTRICT	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07
ALASKA GATEWAY	573	514	507	485	481	495	487	493	443	412	412
ALEUTIAN REGION	34	36	47	75	59	55	49	42	46	44	42
ALEUTIANS EAST	372	341	310	300	308	293	274	278	269	246	233
ANCHORAGE	46,470	47,316	48,116	48,157	48,856	49,247	49,545	49,265	49,182	49,320	48,707
ANNETTE ISLANDS	391	397	355	368	326	311	291	288	298	291	282
BERING STRAIT	1,706	1,760	1,783	1,775	1,760	1,728	1,734	1,704	1,699	1,668	1,672
BRISTOL BAY	313	305	296	279	243	237	234	195	184	179	188
CHATHAM	334	293	272	257	248	227	220	215	195	204	195
CHUGACH	157	167	161	157	167	207	201	191	219	214	200
COPPER RIVER	773	818	714	727	690	714	675	658	640	610	560
CORDOVA	534	515	491	485	476	461	464	471	452	447	421
CRAIG	422	428	432	421	516	694	855	955	657	766	754
DELTA/GREELY	844	951	1,100	899	802	835	1,004	1,031	1,188	1,261	1,320
DENALI	391	350	362	327	313	288	310	571	664	634	548
DILLINGHAM	541	583	548	562	580	541	521	513	532	551	531
FAIRBANKS	16,132	16,348	16,094	15,804	15,547	15,255	15,121	14,594	14,554	14,509	14,442
GALENA	165	1,359	3,234	3,660	3,374	3,669	3,768	3,890	3,680	3,639	3,727
HAINES	445	438	449	413	407	377	324	319	297	291	298
HOONAH	271	260	231	237	227	211	188	179	172	167	153
HYDABURG	117	123	111	108	103	100	92	87	75	73	80
IDITAROD	416	458	534	568	639	561	404	376	345	331	338
JUNEAU	5,586	5,663	5,701	5,647	5,521	5,508	5,521	5,442	5,306	5,237	5,155
KAKE	200	194	186	167	165	172	152	155	142	116	104
KASHUNAMIUT	247	270	279	298	314	322	350	362	355	331	339
KENAI	10,342	10,377	10,182	9,982	9,947	9,799	9,632	9,562	9,527	9,389	9,368
KETCHIKAN	2,856	2,731	2,724	2,599	2,490	2,401	2,398	2,370	2,306	2,296	2,273
KLAWOCK	210	221	201	206	208	174	159	148	160	136	140
KODIAK	2,862	2,851	2,798	2,810	2,774	2,821	2,750	2,677	2,678	2,718	2,636
KUSPUK	474	473	474	494	470	433	427	424	414	415	397
LAKE AND PENN.	524	523	549	481	462	428	413	418	399	386	378
LOWER KUSKOKWI	3,372	3,442	3,554	3,614	3,648	3,647	3,705	3,785	3,832	3,930	3,962
LOWER YUKON	1,736	1,850	1,861	1,936	1,927	1,938	2,053	2,032	2,017	2,037	1,968
MATSU	12,352	12,777	12,713	12,513	12,752	13,156	13,547	14,304	14,661	15,438	15,847
NENANA	173	220	398	1,005	1,828	1,754	1,257	931	716	686	601
NOME	777	796	776	769	777	738	736	715	767	768	749
NORTH SLOPE	1,937	1,983	2,044	2,009	2,094	2,021	1,970	1,810	1,691	1,726	1,623
NORTHWEST ARCTI	2,000	2,066	2,088	2,152	2,203	2,164	2,152	2,029	1,999	2,019	1,976
PELICAN	32	33	30	34	23	19	18	15	11	14	15
PETERSBURG	763	769	752	699	678	653	626	657	630	591	589
PRIBILOF	197	187	157	158	144	137	136	124	127	115	123
SAINT MARY'S	130	132	130	144	138	153	167	148	155	165	185
SITKA	1,770	1,745	1,694	1,722	1,589	1,609	1,549	1,467	1,478	1,477	1,454
SKAGWAY	137	132	129	131	137	120	110	106	109	109	100
SOUTHEAST	326	277	298	295	281	244	223	220	212	207	187
SOUTHWEST	701	743	775	758	768	759	721	677	706	669	674
TANANA	102	113	104	93	80	64	78	92	115	67	54
UNALASKA	375	380	353	352	351	369	393	399	399	398	386
VALDEZ	877	888	855	865	865	888	867	865	828	797	748
WRANGELL	528	521	527	505	488	466	435	392	375	370	355
YAKUTAT	160	169	166	160	166	172	144	125	133	133	118
YUKON FLATS	444	448	376	352	307	300	307	292	276	270	266
YUKON/KOYUKUK	556	546	549	536	485	497	885	1,381	1,800	1,561	1,427
YUPIIT	401	397	402	398	420	446	424	434	445	446	458
STATE ACS	1,626	1,569	2,629	1,419	1,306	1,465	1,086	412	-	-	-
Mt. EDGECUMBE	293	308	308	329	330	330	334	335	369	395	408
TOTALS	**126,465**	**129,554**	**132,905**	**131,696**	**132,256**	**132,670**	**132,485**	**131,623**	**130,928**	**131,263**	**130,164**

State of Alaska
Governor's Council on Disabilities and Special Education

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Background

As the State Advisory Panel on Special Education, the Council is concerned about funding for special education. Many administrators have concerns related to child count, intensive needs funding and overall special education funding. The Council decided to gather more information from school districts about the extent of the problem and recommendations.

Survey Questions

1. Approximately how many students eligible for special education come into your district after the fall child count?
2. Approximately how many students eligible for special education services leave your district after the fall child count?
3. Approximately what percentage of the new students do you provide intensive services to?
4. What impact does this have on your staff? On services?
5. Do you have any comments related to this issue or about state special education funding in general?

Responses to Questions

Question 1: Number of students eligible for special education after child count (16 responses – 30%)
On the average, districts have **10 new students coming into special education after the child count**. The largest district cites more than a thousand new special education students after child count.

Question 2: Number of students leaving the district after the fall child count? (16 responses – 30%) On the average, districts have **4 special education students leaving** after the child count.

Question 3: Percentage of new students receiving intensive needs services (9 responses – 16%)
Responses ranged from 1 % to nearly 50%. The **average was 10%** of new students coming in after child count who qualified for intensive services.

Question 4: How does special education funding impact staffing and service provision? (22 responses = 41 %)

Child Count Issue

- Almost all districts receive or identify students needing special education after the child count. Almost all districts reported losing fewer special education students than the number they gained
- School districts are required under federal and state law to continuously do child find, but the final funding count is complete in October
- The teacher to student ratio is increased when new students come in after the count, stretching everything thin

Intensive Needs Issue

- Specialized equipment was almost always needed to meet intensive needs
- Intensive needs students enter the district with little or no notification
- Funding for intensive services does not begin to cover the costs

Funding – Staffing

- Districts struggle to find funding to pay additional staff
- Salary and fringe benefits are greater than cost of five times the regular average daily membership for intensive needs funding per child
- Principles of economy of scale do not apply in small, rural districts so funds are spent for out-of-state related services providers and/or running extended school year for one student
- Finding additional support staff with requisite skills is demanding to impossible
- More and more students with severe behavioral problems are in school, not meeting the criteria for intensive needs, but putting a drain on staff supervision, training and resources
- There is constant realigning of staff and resources over the course of the year to adjust to increasing service needs
- Help is requested to find a way for OTs, PTs and SLPs traveling through the Pribilofs to cross over to work with school age population. There is not good sharing of specialists
- Given that teachers in a large rural district serve as General Educators and Special Educators in K-6 and K-12 settings, it is a challenge to balance the needs of all students especially with new school accountability obligations
- Funding is needed for pre-referral intervention to provide staff and programs, for example for small group reading
- 20% for special education, vocational education and bilingual isn't adequate
- Special Education staff are continually forced to "beg, borrow and steal"
- Services are understaffed, leaving teachers with high caseloads and high burnout
- Expectations continue to rise while funding does not, which leaves parents and teachers frustrated
- Travel expenses take a huge chunk out of the budget

Question 5: Solutions and ideas suggested by Special Education Directors/Coordinators (11 responses = 20%)

Ideas on Child Count

- Conduct a monthly child count such as Washington state does
- Conduct a mid-year count (in February) to make adjustments for new students
- Consider a quarterly funding count

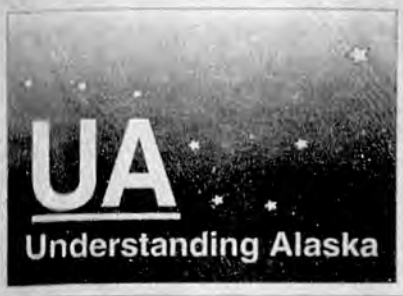
Ideas on Funding - Staffing

- State Department of EED should have a contingency fund for serving high needs students who do not qualify for intensive funding
- Funding could be used to find, keep and train high qualified and dedicated staff
- The State Department of EED can hold back 6B funds for emergency purposes
- Put more funding into Preschool and Head Start, since we know early intervention works
- The State could provide funding for districts to hire OT, PTs and SLPs
- Start a scholarship fund for allowing districts to support funding of developing specialists – like the old Alaska Student Loan program, where if you stay in district your loans are decreased
- Revisit the report of the taskforce established by the legislature (under Dr. Covey published in 1993 or 1994)
- Increase Special Education funding 10 – 15 %

The Council's is interested in collaborating with the Department, the State Board of and other stakeholders to

explore options for determining child count and amending the process as appropriate

examine the funding formula for special education



Anchorage At 90: Changing Fast, With More to Come

June 2005
UA Research Summary No. 4

By Scott Goldsmith, Lance Howe, and Linda Leask
Institute of Social and Economic Research • University of Alaska Anchorage



It was in 1915 that the federal government sold the first lots for the new town of Anchorage, at the head of Cook Inlet—and 90 years later, the city's people, economy, and place in the state are changing faster than many Alaskans realize.

Anchorage began as a boom town, headquarters for construction of the Alaska Railroad. It's seen many ups and downs since. But after 35 years of growth triggered by oil development—and boosted lately by an infusion of federal money—the city has grown to 277,000 and its economy is bigger, broader, and more dominant statewide.

Despite that growth, the city still depends on resource development and state and federal spending (including military spending). It's still subject to forces beyond its control, chiefly oil prices and production and federal and state policies affecting the flow of money into the economy. As long as Alaska prospers—and that depends a lot on how the state deals with its long-term fiscal problems—Anchorage will prosper.

So how does the city look at 90? Today it reflects—in fact, magnifies—three population trends that analysts say will be powerful influences nationwide in the future: (1) a growing number of young, diverse minority residents; (2) a large number of affluent baby boomers on the cusp of retirement; (3) a growing older population. We have a rare chance to look at those and other changes, with sample data now available from the 2000 U.S. census (see back page). Our findings include:

• **Anchorage offers opportunities for immigrants,** especially from the Pacific Islands, the Philippines, and Mexico; those places accounted for a third of international immigrants in the late 1990s. Continuing immigration is reflected in a 26% increase in Permanent Fund dividend applications from non-citizen residents between 1995 and 2004.

• **The city is becoming more diverse, with fast growth among minorities** and slow growth in the majority white population. And because minorities are concentrated in younger age groups, minority children are approaching the majority in Anchorage schools, up from 26% in 1990 to 44% in 2004.

• **Alaska Natives remain the largest minority, and their numbers are growing** as many leave villages for jobs in the city—especially working-age Native women, who hold more jobs than Native men and who increased their earnings even as those of men fell.

• **Anchorage's population is aging, despite the young age among minorities, because the city has so many aging baby boomers.** Anchorage has more boomers than almost any place else, and they are the city's most affluent and best-educated group. What they decide to do when they retire will have big effects on the future composition of the population, the demand for housing and health care, and much more.

• **The city's over-65 population is already growing at five times** the U.S. average, even before the baby boomers hit retirement age. Having more older residents can help stabilize the economy, because many have relatively high incomes that don't depend on local jobs.

• **Anchorage's population has become more stable, but there's still a lot of movement into and out of the city.** In 2000, 25% of those who had been residents in 1995 were gone. The likeliest people to leave were white residents, middle-aged people, and families.

• **Fast growth in the nearby Mat-Su Borough is making Anchorage more like other U.S. cities**, where the population of the core city is considerably different from that in the surrounding areas. The borough population is less racially diverse and more concentrated among families with children—many of whom moved from Anchorage.

• **The city remains near the top in U.S. household income, even though two thirds of the new jobs in the 1990s paid just $20,000 to $40,000** per year and the city lost more than 1,600 jobs that paid $60,00 to $120,000. Household income remains up because average wages are still higher; non-wage income is growing; and the share of working adults—especially women—is bigger than it is nationwide.

• **The rich aren't quite so much richer than the poor in Anchorage as they are nationwide**—thanks to Permanent Fund dividends, lack of super-rich residents, and a growing economy. Nevertheless, there is a lot of poverty and near-poverty among those at the bottom rung of the economic ladder—concentrated among minorities, single mothers, old people living alone, and young people without much education.

These and other changing economic and demographic conditions in Anchorage have implications far beyond what we can examine here. But thoughout this paper, and in a brief conclusion, we'll at least point out some of the questions our findings raise, to help city residents and other Alaskans can think about the challenges the future will bring.

Understanding Alaska (UA) is a special ISER research program, funded by the UA Foundation. Learn more at www.alaskaneconomy.uaa.alaska.edu

Graphic Designer: Clemencia Merrill Photo Credit: Alaska Division of Tourism

Overview

This publication looks at changes in the circumstances of Anchorage's civilian population, mostly since 1990. Military personnel and their families have been an essential part of the community since World War II—and the city's military bases are a critical source of community jobs. But unlike civilians, military personnel and their families come and go at the direction of the military. Looking just at civilians—who move in or out for personal reasons—gives a clearer picture of fundamental demographic change in the city.

Anchorage's civilian population stood at about 255,000 in 2004, and military households brought the city total to 277,000, or about 42% of Alaska's population of 655,000. The city population might have climbed higher, close to 300,000, if not for the growing shift of people—mostly families with children—to the nearby Mat-Su Borough.

With thousands living in the borough but working in Anchorage, ties between the two are growing, and the combined Anchorage/Mat-Su region increasingly dominates the state economy. The region has more than half of all jobs statewide; that share is expected to keep growing.

Anchorage has been Alaska's largest city since the military build-up during World War II. But it was state oil wealth, beginning in the late 1970s, that fueled unprecedented growth. With the state government spending billions in the economy, trade and service jobs mushroomed and the city was transformed into the support center for much of the state. It also has military bases, concentrations of government workers, headquarters for the oil industry, and growing tourism, health care, and air cargo industries. The economy has become broader and more diversified.

But despite that diversification, it is oil development, state oil wealth, and federal spending that are at the heart of the city's economy. And all those factors are beyond Anchorage's control, leaving the city still vulnerable to sudden ups or downs.



Anchorage's population has always been among the country's most transient, waxing and waning with job growth. It's still a mobile population—in 2000, one in five residents was a recent arrival—but less so than it used to be.

In the 1990s there were no big booms or busts, and population and jobs in the city grew slowly but steadily. Most of those jobs were in lower-paying trade and service industries. At the same time, the city lost hundreds of high-paying jobs in the oil industry, as North Slope oil production declined. Toward the end of the decade, fast growth in the U.S. economy pulled people out of Anchorage, as we'll see on pages 4 and 5.

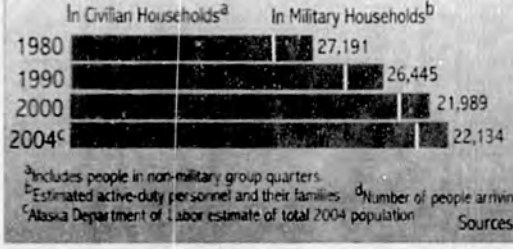
But since about 2000, increased federal spending for projects and programs has helped boost job growth. Higher-paying jobs in construction and health care have led recent job growth. Also, the U.S. economy slowed in 2001 and 2002. Those changes once again drew more people to Anchorage; the Alaska Department of Labor estimates that half the civilian population growth from 2000 to 2003 was due to more people arriving.

Anchorage/Mat-Su Jobs as Share of Alaska Total

1980 - 48% (81,438 jobs)
2000 - 51% (143,243 jobs)
2020 - 54% (185,700 jobs)

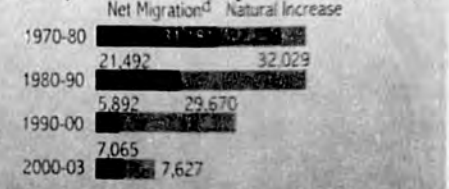
Sources: Alaska Department of Labor and ISER projections

Anchorage Population 1980-2004



[a]Includes people in non-military group quarters.
[b]Estimated active-duty personnel and their families.
[c]Alaska Department of Labor estimate of total 2004 population

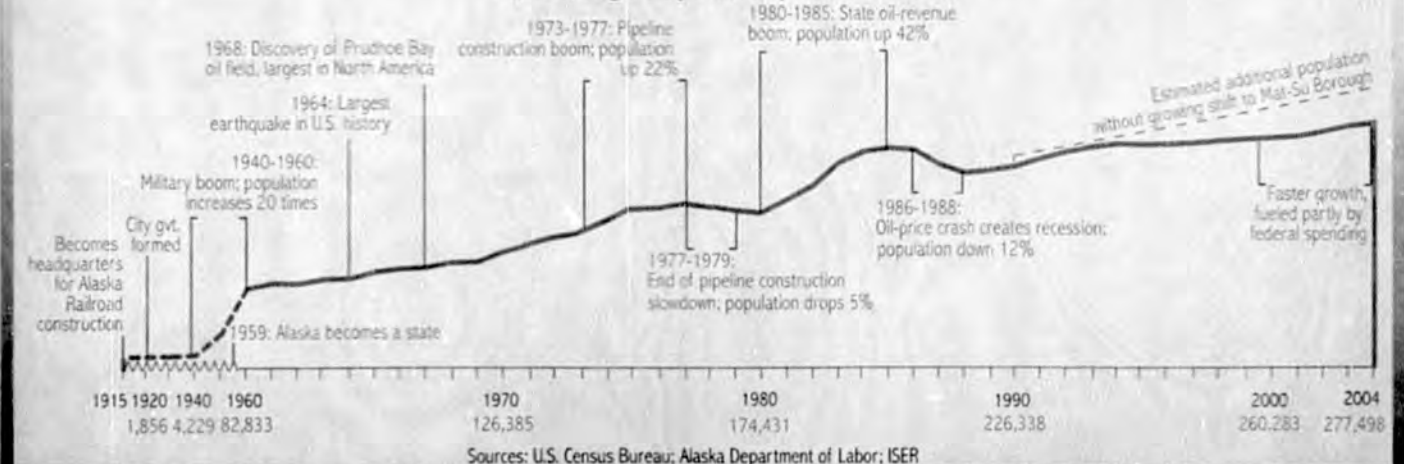
Components of Population Growth



[d]Number of people arriving minus number leaving.

Sources: U.S. Bureau of the Census and Alaska Department of Labor

Anchorage Population, 1915- 2004



Sources: U.S. Census Bureau; Alaska Department of Labor; ISER

A big draw of Anchorage has historically been higher incomes—and household incomes and average wages remain higher, but less so than they used to be. (But on the flip side, the city's historically high living costs also aren't as much above the U.S. average as they used to be.) However, as we'll see, high household incomes aren't universal—especially among minority groups—and growing numbers of workers are clustered at the low end of the pay range.

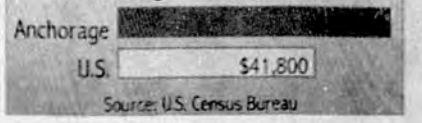
The economic changes of recent decades are reflected in the population. Baby boomers—the generation born after World War II—are a huge group nationwide, but even bigger in Anchorage, because so many came to the city as young adults during the economic booms of the 1970s and 1980s. The big questions are how long they'll keep working and whether they'll stay in the city when they retire (see page 15).

A much smaller but growing group is made up of those already over 65—their numbers have quadrupled since 1980, and that growth could accelerate sharply as baby boomers age. Several factors are making the city more attractive to older residents—and they help stabilize the economy, because they get much of their income from Social Security and other sources that don't depend on the local economy. Also, many have relatively high incomes (pages 13 and 14).

A third group that mirrors change nationwide is the fast-growing minority population, which is younger and much more culturally diverse than the older white residents. Their growing numbers are already changing school enrollment and the labor force—and bringing the city the challenge of making everyone feel part of the community.

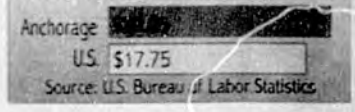
A final group we look at is young adults, whom some fear are abandoning the city for better opportunities elsewhere. There are conflicting signs about that (see page 16).

Median Household Income, Anchorage and U.S. 2000



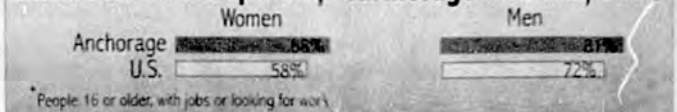
Source: U.S. Census Bureau

Average Hourly Wage, Anchorage and U.S., 2003



Source: U.S. Bureau of Labor Statistics

Labor Force Participation,* Anchorage and U.S., 2000



*People 16 or older, with jobs or looking for work

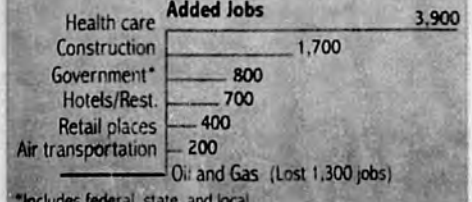
Source: U.S. Census Bureau

Anchorage's Job Picture

Composition of Wage and Salary Jobs, 2004



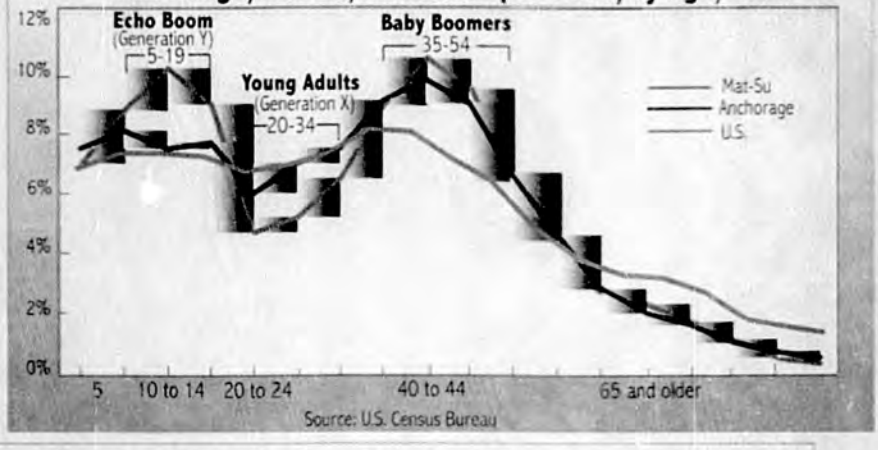
Job Changes in Selected Industries, 2001-2004



*Includes federal, state, and local

Source: Alaska Department of Labor

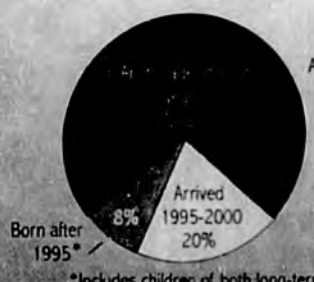
Anchorage, Mat-Su, and U.S. Populations, by Age, 2000



Source: U.S. Census Bureau

Characteristics of Anchorage's Civilian Population, 2000

By Length of Residence



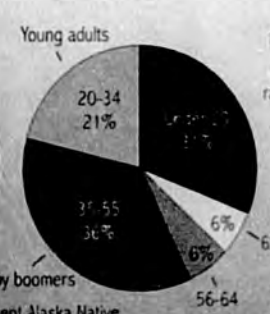
*Includes children of both long-term residents and recent arrivals.

By Race



*Persons of two or more races, except Alaska Native and other race are included in Alaska Native category.

By Age



By Household Type



*Family households without married couples but more than one adult.

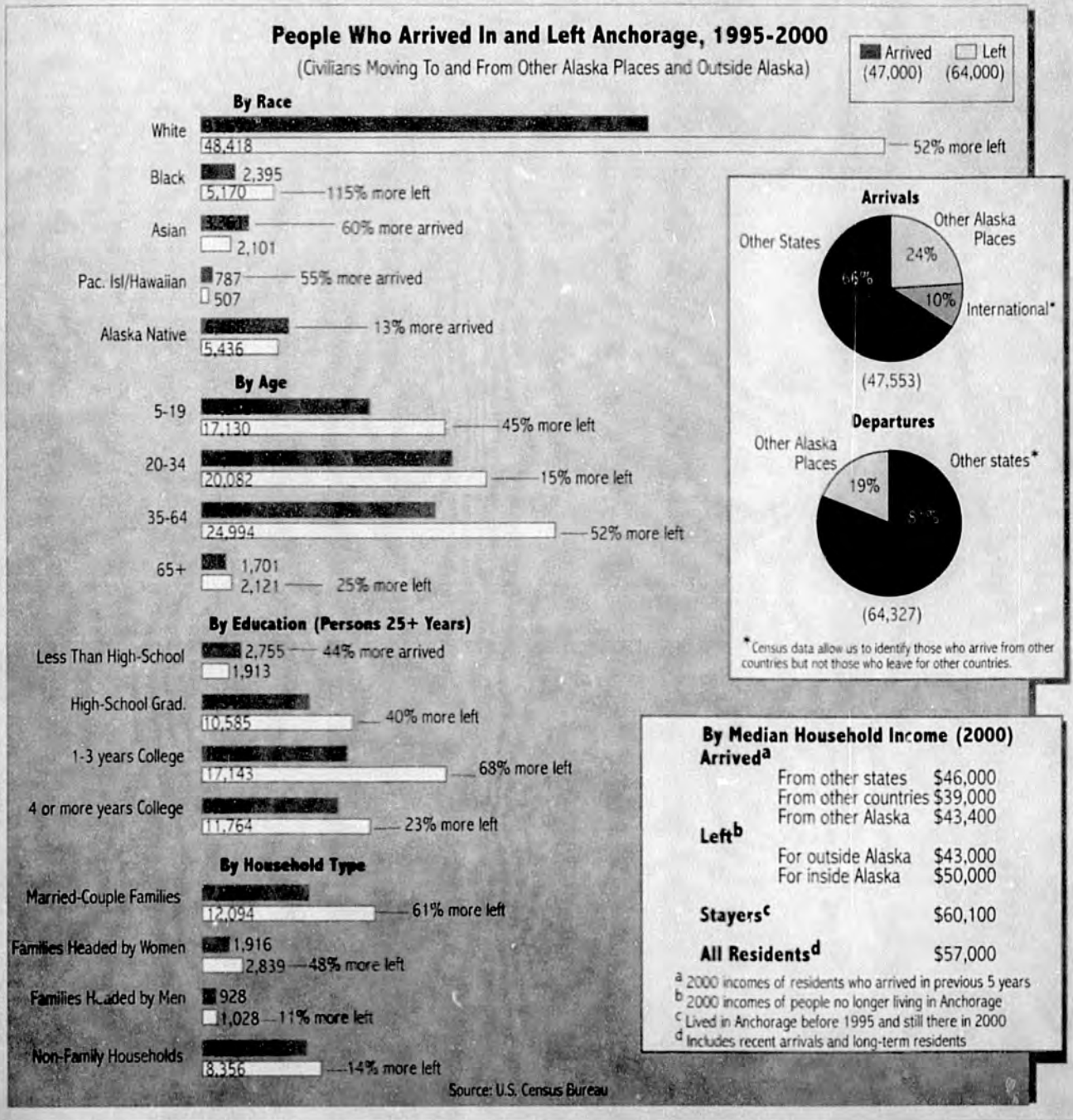
Sources: U.S. Census Bureau and ISER estimates

Migration Contributes To Change

Anchorage's population has gotten more stable, but there's still a lot of churning. The Alaska Department of Labor estimates numbers arriving or leaving each year. But the only detailed information on characteristics of movers is the 10-year U.S. census, which asks people where they lived 5 years earlier. That tells us about movers in the last half of the decade. But in the 1970s and 1980s, there were economic booms early in the decade followed by busts later on, especially the 1986-88 recession. The city saw no such big booms or busts in the 1990s, but the U.S. economy grew faster late in that decade.

As a result, more people left than arrived in Anchorage in the last half of the 1970s, 1980s, and 1990s. So it may look as if the city lost more people than it gained in every decade—but that isn't true. The boom times attracted more people than the busts cost the city, and in every decade arrivals exceeded departures. The census information happens to be during the economic slowdowns. But we believe—based on how the city looked at the beginning and end of every decade—that the characteristics of the movers were similar throughout the decade, even though their numbers were larger or smaller at times.

In this profile we report on those who came or went from 1995 to 2000, when 64,000 left the city and 47,000—a third fewer—arrived. Part of the reason more people left was the the booming U.S. economy in the late 1990s. Also, most of the jobs being created in Anchorage were at the low end of the pay scale—and the city was losing hundreds of high-paying jobs in the oil industry and elsewhere. And



at the same time, thousands were leaving Anchorage for the adjacent Mat-Su Borough, as we discuss more below.

Most of those who left—80%—moved outside Alaska and about 20% left for other Alaska places. People leaving in the largest numbers were white residents; married-couple families; middle-aged people; children; and people who had some college education but not four-year degrees.

Among those moving in, about 66% came from other states, about a quarter from elsewhere in Alaska, and 10% from other countries. Those arrivals were of all races, ages, and household types. But the only groups who arrived in bigger numbers than left were Alaska Native, Asian, and Pacific Island people, and people who hadn't finished high school.

Household incomes of both those who left Anchorage and those who moved in were lower than the overall median income for Anchorage—$57,000 in 2000—with the lowest incomes among recent international arrivals.

So how did all this movement contribute to change?

- The share of households that were married couples dropped from over 53% in 1990 to under 50% by 2000. Migration doesn't account for all the decline, but it contributed, because many married couples left for other states or the Mat-Su Borough.
- Minorities became a bigger share of the population, due not only to more arriving, but also to natural increase among existing residents and to the loss of about 15,000 white residents in the late 1990s.
- Movement in and out probably didn't have much effect on Anchorage's overall household income, because incomes of most of those who moved in and out were similar.
- Education levels in Anchorage changed little between 1990 and 2000, even though many people with some college education left and a few hundred without high-school diplomas arrived in the late 1990s. The lack of overall change is probably because: (1) more educated people arrived in the early 1990s; and (2) more of the long-term residents improved their education. The only noticeable change was a drop in educational attainment among young adults (page 16).

Among those arriving in Anchorage from other Alaska places in the late 1990s, about 25% came from remote western and northern Alaska. The migration of Alaska Natives from villages to Anchorage in recent times has boosted the city's Native population, especially working-age women (page 10).



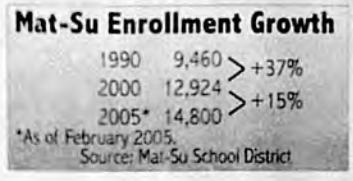
*Remote rural areas are the North Slope, Northwest Arctic, and Lake and Peninsula boroughs and the Wade Hampton, Bethel, Nome, Dillingham, and Yukon-Koyukuk census areas.



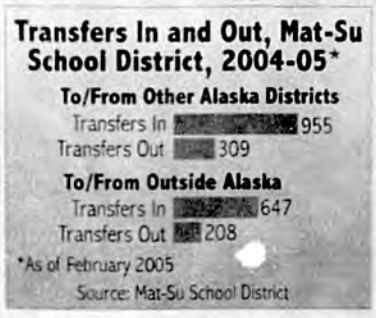
Among those who left Anchorage for other Alaska places, 42%—mostly young, white families with children—went to the adjacent Mat-Su Borough. Borough house prices have historically been below Anchorage's, and commute times from the borough are reasonable. Clear measures of movement to the borough are the 60% increase in commuters from the borough between 1990 and 2000 and growth in Mat-Su school enrollment.



Mat-Su enrollment was up 50% from 1990 to 2005. Partway through the 2004-05 year, nearly 1,000 students were transfers from other Alaska districts. We know many were from Anchorage, but the Mat-Su district can't readily report transfers by individual district.



Movement to the Mat-Su showed no signs of abating in mid-2005, but some analysts predict that the borough's house prices will move ever closer to Anchorage's, as demand in the borough continues to grow.



The patterns of migration to the Mat-Su, and patterns of change in Anchorage, have created some demographic differences.

- Nearly all the growth in Anchorage from 1990-2000 was among people over 40. Movement in among the younger minorities wasn't enough to offset (1) migration out among families with children and (2) aging among the city's older white residents.
- By contrast, the fast growth in the Mat-su Borough was spread among most age groups, except the very old. Close to half the growth was among was among those under 40 and just over half among those over 40.
- Despite fast growth in the Mat-Su and the aging of Anchorage's population, labor force participation in Anchorage remains much higher—about 73% compared with 66%.

Most children in Anchorage—about 70%—still grow up with both parents, but that share has declined over time, as the share of married couples fell, and it's now slightly below the U.S. average of 72%. The remaining 30% of children in Anchorage live in households with just one parent, with or without other adults also in the household.

About 14% are being raised by mothers alone—with no other adult in the house. That's above the U.S. average of 12.5%. There's also a small but noticeable trend toward more single fathers raising children: about 3% of Anchorage children are being raised by their fathers alone, with no other adult in the house, compared with less than 2% nationwide. Still, despite that increase, Anchorage children who live with only one parent are five times more likely to live with their mothers. The remaining 13% of children are growing up in households with either their mothers or their fathers, but also some other adults—who could be other relatives, unmarried partners, or roommates.

Poverty among Anchorage children fell slightly between 1990 and 2000—from 9.5% to 9.3%—which may seem surprising, given the growth in single-parent families, which we know are much more likely to be poor (page 8). But several things likely contributed. First, poverty is measured under the federal poverty threshold; in 2000, that was just around $17,500 for a family of four. That threshold isn't adjusted for Alaska's higher cost of living; some analysts argue that it is too low nationwide. Also, welfare reform beginning in the late 1990s required many parents receiving welfare payments to find jobs; it's likely that even lower-paying jobs are enough to raise families above the federal poverty line. Supporting that argument is the decline in poverty among children nationwide, from 18.3% to 16.6%. And, as we talk about on page 8, growing Permanent Fund dividends may have also held down poverty.

Poverty declined among Anchorage children of all races, except among Asian and Pacific Island children—where it increased sharply. Many of those were likely newer immigrants, whom we know have lower incomes. Poverty among minority children in general remains two to three times higher than among white children.

Changes in Household Composition, 1990-2000

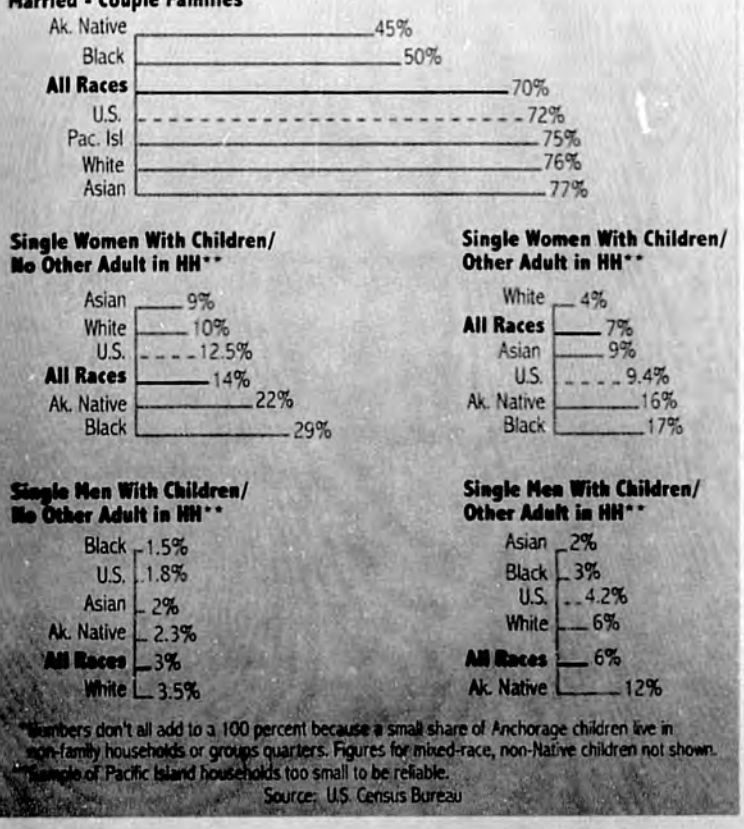


*Households with at least two related people (who may or may not be a parent and child) and more than one adult.

Source: U.S. Census Bureau

Living Arrangements of Anchorage Children, By Race, 2000

(Shares of Children in Types of Family*)

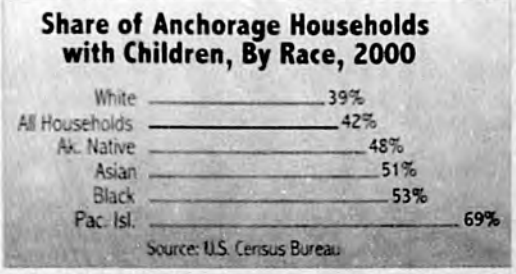


*Numbers don't all add to a 100 percent because a small share of Anchorage children live in non-family households or groups quarters. Figures for mixed-race, non-Native children not shown.

**Sample of Pacific Island households too small to be reliable.

Source: U.S. Census Bureau

Share of Anchorage Households with Children, By Race, 2000



Source: U.S. Census Bureau

Poverty,* Anchorage Children, 1990 and 2000

(Children 18 and Under, Based on Family Income)



* Poverty threshold for a family of four in 2000 was about $17,500. Source: U.S. Census Bureau

Anchorage Civilian Population By Race

	1990	2000	Increase
White	164,136	170,145	+4%
Black	9,952	11,942	+20%
Asian	9,624	12,198	+27%
Ak. Native	14,750	23,803	N/A*
Pac. Isl	492	3,024	+415%
Other	N/A	10,954	N/A*

Figures include people living in group quarters. *"Other" category includes people of mixed race, except Alaska Natives of mixed race, who are in Alaska Native category. We can't calculate growth rates for these categories, because the mixed-race category did not exist until 2000.
Source: U.S. Census Bureau

Also, more than one in ten students in Anchorage schools speaks a primary language other than English—and those languages are diverse (page 9). Schools face the challenge of helping all children learn and meeting the No-Child-Left-Behind standards.

And single mothers and minority residents are clustered at the bottom of the income ladder, with many holding lower-paying jobs without health insurance. Making sure all children and families get adequate health care and other services they need will be a challenge for the city and the state, as health care costs continue to escalate.

Higher poverty among the city's minority children is partly because more live in single-parent households, which tend to be poorer. Only half the city's Alaska Native and black children live with both parents, compared with at least 70% among other races.

We also know that household incomes of all minorities are significantly below those of white households. Alaska Native and Pacific Island households have the lowest incomes in the city, at 60% those of white households.

Incomes of minority households are lower because more are headed by younger people, who aren't yet at their peak earning power; fewer have jobs; and the jobs they have tend to be lower-paying (see pages 11 and 12).

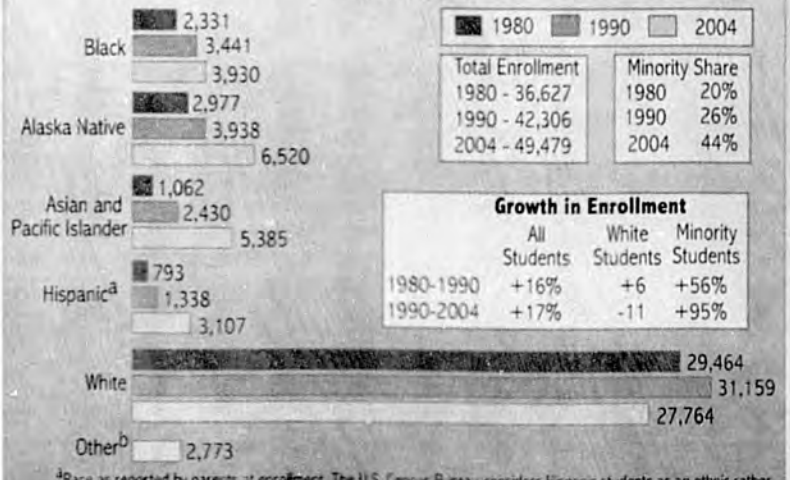
The share of households with children also varies sharply by race. The older average age of white residents is reflected in the fact that only about 4 in 10 white households have children. Pacific Island people are the city's youngest group; 7 in 10 of their households have children.

Another sign of the aging of the white population—and of the migration out of the city of thousands of white families—is in school enrollment. Minorities make up about 27% of Anchorage's population but 44% of school enrollment. The number of white students in Anchorage schools was smaller in 2004 than it had been in 1980.

The growing diversity of the Anchorage population—and the sharp differences in ages, incomes, and cultures—pose significant challenges for the city.

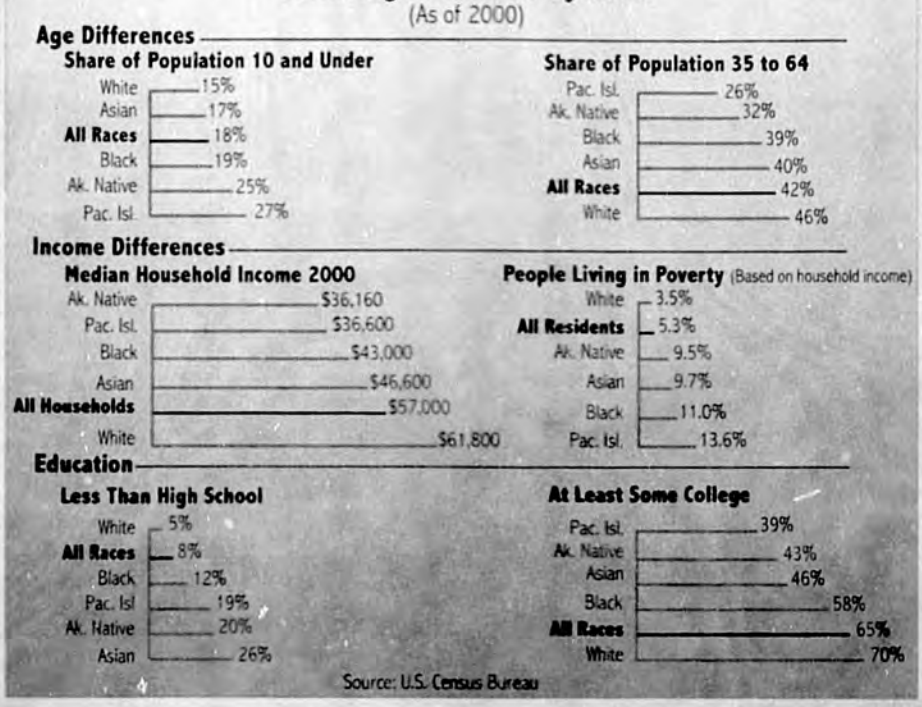
Education levels among Alaska Natives have improved in recent times, but still fall considerably short of those among whites; many Asian and Pacific Island people lack the education they need to help them get better jobs.

Enrollment Changes, By Race,[a] Anchorage School District, 1980-2004



[a]Race as reported by parents at enrollment. The U.S. Census Bureau considers Hispanic students as an ethnic rather than a racial group.
[b]Recently added category. District officials believe these are primarily students of mixed race.
Source: Anchorage School District

How Do Ages, Incomes, and Education Vary Among Anchorage Residents by Race?
(As of 2000)



Source: U.S. Census Bureau

Average Anchorage Household Income From Permanent Fund Dividends, 2000

	Dollar Amount	Share of Total Income
Wealthiest 20% of HH	$4,999	3%
Poorest 20% of HH	$3,174	21%

Source: ISER calculations with U.S. census data

Poverty cuts across all races, ages, and family types, but Anchorage's poorest households are concentrated among minorities, single women with children, those with less education, and single residents over 65. Half the children being raised by single mothers are in the bottom 20% of households, as are 24% of residents over 65 and nearly 30% of Alaska Native and black residents.

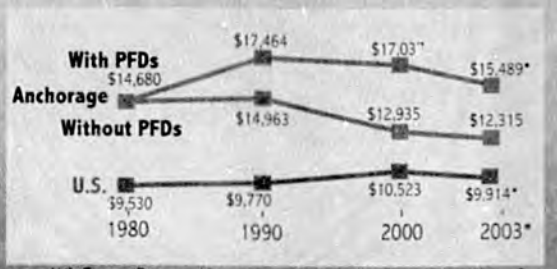
By contrast, white residents, people with college degrees, and those with full-time jobs are more likely to be in the wealthiest 20% of households.

Incomes of the poorest 20% of Anchorage households are still above those of the poorest households nationwide. They have also stayed ahead of inflation since 1980—but only because of the unique state program that makes cash payments to all residents. Since the 1980s, Alaska's government has used part of the earnings of the Permanent Fund—the savings account established with oil revenues—to pay dividends to state residents. The fund had a balance of nearly $31 billion in mid 2005.

Dividends made up $1 of every $5 of income among the poorest 20% of Anchorage households in 1999 (the income year reported during the 2000 census); dividends that year were $1,769 per person. For the wealthiest 20% of households, dividends contributed on average 3% of income. But even though the share of income is much smaller among wealthier households,

Real Average Income of Households At Bottom of Income Range, Anchorage and U.S., 1979-2002

(Incomes of Poorest 20% of Households, In 2002 Dollars)



Sources: U.S. Census Bureau, 10-year census and 2003 Current Population Survey
*Income reported in 2003 for the previous year.

they actually collect more on average: $5,000 per household in 1999, compared with about $3,200. That's likely because more of the poorer households are single-person. Still, it refutes a common belief that poorer households typically collect more.

About 5% of Anchorage residents fell below the federal poverty line in 2000, compared with 12.4% nationwide. But without dividends, Anchorage's poverty rate could have risen to 9%. The poverty standard is quite low—$17,500 for a family of four in 2000—so this is an estimate of how much dividends alleviate extreme poverty.

Income distribution in Anchorage is also somewhat more equitable than it is nationwide—the poor aren't quite as poor relative to the rich. That's true for two reasons: Unlike the U.S. as a whole, Anchorage doesn't have any billionaires to skew the distribution. And Permanent Fund dividends reduce inequity by supplementing incomes of the poor. Dividends weren't intended as income supplements, but that's what they've become—and state policymakers will need to keep that in mind in the future, if they are considering changes in the Permanent Fund dividend program.

How Many More Anchorage Residents Could Fall Below the Federal Poverty Line, Without Permanent Fund Dividends?

Below 2000 poverty threshold* with dividends



12,414

Below 2000 poverty threshold* without dividends



23,379

- Overall poverty could nearly double, from 5% of residents to nearly 9%
- 5,600 of the additional poor would be children, bringing total poor children to 11,650
- Poverty among Alaska Natives could more than double, from 2,240 to 4,660

*The federal poverty threshold was about $17,500 for a family of four in 2000.

Source: ISER calculations with U.S. census data

Who Lives in Households at the Bottom and the Top of Income Range?

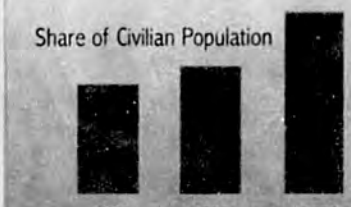
(As Share of Total Group)

	Bottom 20% of HH	Top 20% of HH
Children being raised by single mothers	51%	3%
People 65 and older	24%	22%
Full time workers	7%	30%
Adults with 4 or more years of college	7%	39%
Residents by Race		
White	12%	27%
Black	29%	15%
Ak. Native	27%	13%
Asian	19%	18%
Pac. Isl.	21%	5%

Source: U.S. Census Bureau

The city's foreign-born population is up sharply since 1990, with people who were born abroad arriving from both other states and other countries.

Anchorage Residents Born Abroad*



*Includes those born in U.S. territories or commonwealths outside the 50 states, but excludes those born to American parents temporarily living abroad.
Source: U.S. Census Bureau

The number of Anchorage residents born outside the 50 states grew 60% in the 1990s, up from 13,000 to nearly 21,000. The foreign-born share of the population increased from 7% to 10%. Many of these residents—especially the long-term residents—are U.S. citizens.

International immigration in the past decade is shown by growth in the number of Permanent Fund dividend applications from Anchorage residents who are not citizens—up 14% between 1995 and 2000 and up 10% from 2000 to 2004. Arrivals in Anchorage in the late 1990s were younger, less well-educated, and less likely to come with families; they also had lower incomes than those who came a decade earlier. Lower education levels among many immigrants, compared with U.S. citizens, have also been reported nationwide.

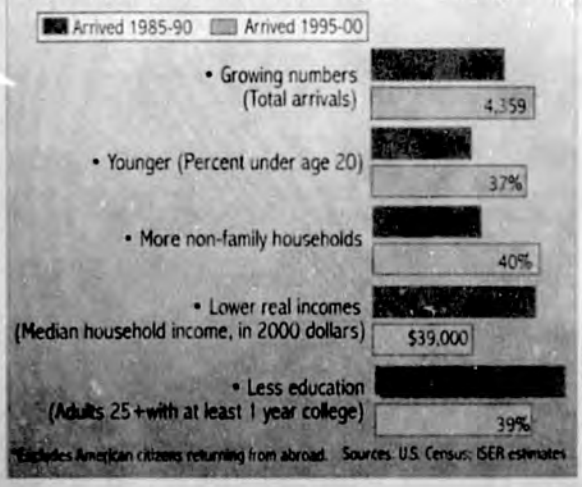
People from throughout the world arrived in the late 1990s, but more were from Samoa and other Pacific Islands than any place else, followed by the Philippines and Mexico. There was significant immigration from Korea and other Asian countries as well.

Growth in Permanent Fund Dividend Applications From Non-Citizens in Anchorage



Source: Alaska Division of Permanent Fund Dividends

How Have International Immigrants* Changed?



*Excludes American citizens returning from abroad. Sources: U.S. Census; ISER estimates

International arrivals are also reflected in languages spoken by students in city schools. In 2004, about 13 percent of the students spoke languages other than English. Spanish was most common; Tagalog (the Philippines) was second, then Samoan, Hmong (Southeast Asia), and Korean.

Most Common Birth Places of Recent International Immigrants (1995-2000)



Notes: Includes those born in U.S. territories or commonwealths, but excludes those born to American parents temporarily living abroad.
Source: U.S. Census Bureau

No single reason explains why the city attracts immigrants. An obvious one is what the U.S. in general offers: freedom, safety, opportunities, public schools, and much more. Also, federal laws and programs determine where refugees settle—based on availability of sponsors and other factors—and also play a big role in determining where immigrants go, favoring those who can settle in a place with close relatives who are already citizens. Residents of U.S. territories or commonwealths (like American Samoa) are U.S. nationals who don't face the immigration requirements of those from other countries.

Languages Spoken by Anchorage School District Students, 2004

Total students: 49,479



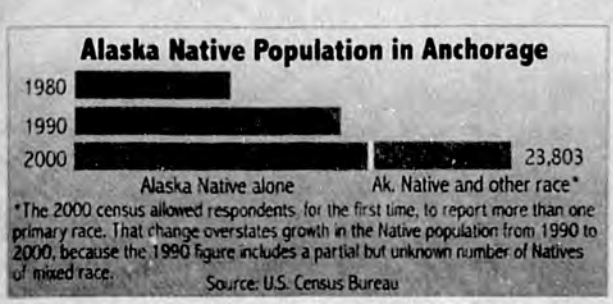
Speak language other than English as primary or secondary language

1. Spanish	1,741
2. Tagalog (Philippines)	850
3. Samoan (Pacific Island)	759
4. Hmong (Southeast Asia)	699
5. Korean	384
6. Lao (Laos)	320
7. Yupik	278
8. Mien (Thailand)	157
9. Russian	136
10. Inupiaq	97
All other languages	861
Total	6,282

Source: Anchorage School District

But why Anchorage? Jobs, for one thing: the city has seen steady job growth for more than a decade. Lower taxes are another draw: Anchorage residents pay less tax than residents of many U.S. cities, because there are no state or local personal income or sales taxes. On top of that, the state makes annual Permanent Fund dividend payments to qualified residents, whether they're citizens or not.

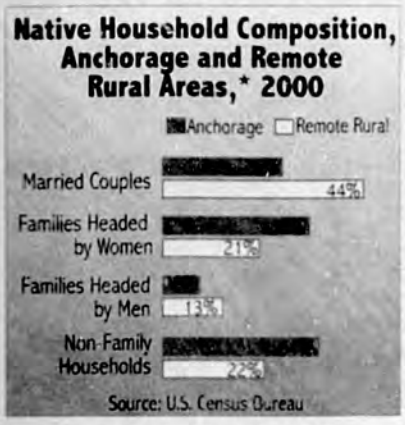
And Anchorage has less pollution, relatively lower crime rates, and less crowding than many larger cities. Also, it's been the pattern throughout U.S. history that when the first immigrants find economic opportunities in a community, they encourage others to come.



Alaska Natives are the city's largest minority, making up about 10% of the population. Many moved to the city from their homes in small villages of western and northern Alaska, drawn by jobs, education opportunities, and better access to medical care. By 2000, about one in five of all Alaska Natives lived in Anchorage.

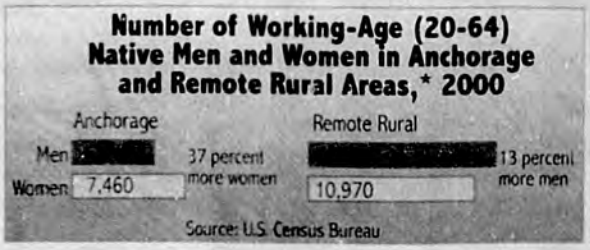
Has their increasing urbanization benefited Alaska Natives? That's a complex question with many aspects; here we look at only a narrow part of their overall circumstances. Alaska Natives in Anchorage have seen economic gains like improved job opportunities (especially for women) and increased homeownership. But they continue to face high unemployment, high rates of poverty, and incomes far below the city average. They also have among the city's highest share of households headed by single women, their education levels and homeownership rates are improving but still lag those of non-Natives, and they face a number of health and other social problems documented in a recent ISER report, Status of Alaska Natives 2004.

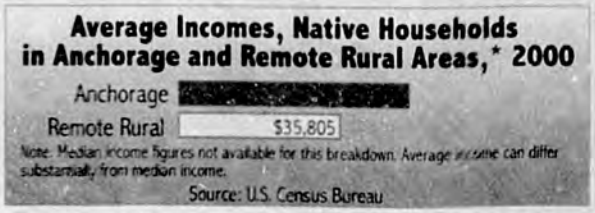
Here we first compare characteristics of Native households in Anchorage and in remote villages, and then look at changes among the city's Native households since 1990.



Native households in Anchorage are much less likely than village households to be married couples—26%, compared with 44%. Households headed by women are more common than married-couples among Native households in Anchorage —32% compared with 26%; nearly one quarter of Native children in Anchorage are growing up with their mother as the only adult in the household. Non-family households make up a much bigger percentage of households in the city than in the remote villages—34% compared with 22%.

There are also big differences in the ratio of men to women in Anchorage and in remote villages. Working-age Native women in Anchorage outnumber working-age men by more than a third. That





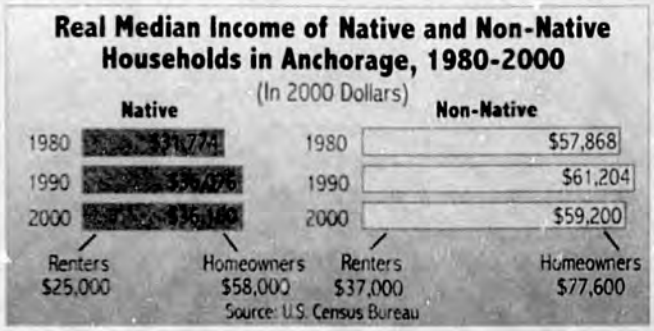
disparity helps explain why Native women in Anchorage also hold more jobs than Native men, as we'll see on page 13.

Incomes of village households average only about 70% those of Native households in Anchorage. That's due to both higher unemployment and lower average wages in remote villages.

Looking at changes among Native households in Anchorage, we found that the number of Native workers in Anchorage with full-time jobs nearly doubled between 1990 and 2000, from 2,700 to 4,900.

Real (adjusted for inflation) incomes of Native households in Anchorage also improved slightly in the 1990s, while real incomes of non-Native households dropped. We'll also see, on page 13, that Native working women boosted their earnings even as income of men (both Native and non-Native) fell. But median Native household income in 2000 was still only 60% that of non-Natives.

Homeownership among Native households improved from 34% to 42% in the 1990s. But the 58% of Native households that still rent have incomes less than half those of Native homeowners—in 2000, a median of $25,000, compared with $58,000.

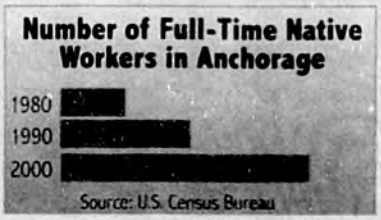


Homeowners and Renters in Anchorage

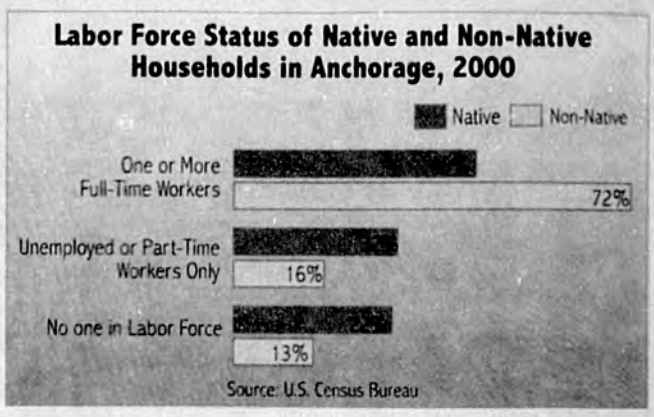
	Native Households		Non-Native Households	
	Owners	Renters	Owners	Renters
1990	34%	66%	56.5%	43.5%
2000	42%	58%	64.1%	35.9%

Source: U.S. Census Bureau

*Remote rural areas are the North Slope, Northwest Arctic, and Lake and Peninsula boroughs and the Wade Hampton, Bethel, Nome, Dillingham, and Yukon-Koyukuk census areas.



And finally, while lower average earnings partly explain the lower incomes among Native households, the gap also has to do with lack of full-time jobs. In 2000, only 46% of the city's Native households had full-time workers, compared with 72% among non-Native households. Another 32% of Native households had only unemployed or part-time workers, compared with 16% among non-Natives. Native households were almost twice as likely to have no one in the labor force. This gap will pose an increasing challenge, as large numbers of young Natives move into the labor force. State, city, and Native leaders still face the longstanding issue of how to improve job opportunities for Alaska Natives.



ANCHORAGE WORKERS

When Alaska became a state, Anchorage residents couldn't just go out and buy all the goods and services available in other U.S. cities—they ordered more things by mail, for instance, and often had to leave the state for medical treatment or other services. But for several decades the city economy has been maturing and adding stores, medical facilities, restaurants, hotels, and more.

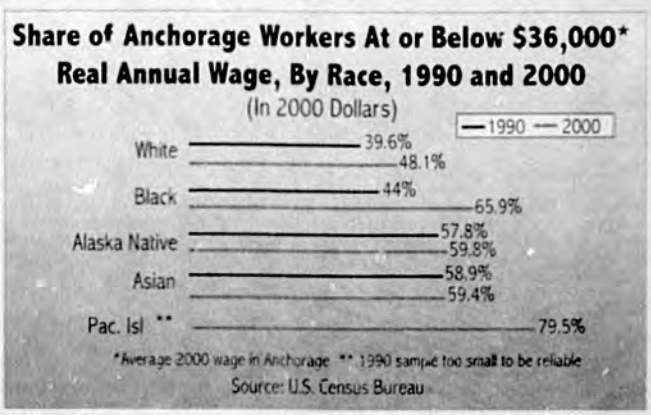
This economic broadening is good, because it offers Anchorage residents and visitors more choices and has helped reduce living costs relative to other places. But with some exceptions—like health care—service and trade jobs are at the low end of the pay scale. The adjacent figure shows the effects on Anchorage workers of the job shift since 1980.

In the first part of the 1980s, the number of jobs in Anchorage grew rapidly, as the city went through a boom related to high oil prices and state spending of its oil revenues. Many of those new jobs were in trade and service industries, but thousands were also being added in the oil industry, government, construction, and other industries with higher average pay.

Things changed in the 1990s, with only about half as many jobs being added—and virtually none in the $60-$120,000 range. In fact, the city lost about 1,600 jobs in that upper range. Two-thirds of the jobs added paid $20-$40,000, and most of the rest paid either less than $20,000 or $40-$60,000. A few hundred were added at the very top (over $120,000).

Another measure of the change is the share of workers earning the same real (adjusted for inflation) wage in 1990 and 2000. The city's average wage in 2000 was about $36,000; if we compare the share of workers earning the equivalent wage in 1990, we can see that workers of all races were affected by the shifting job market.





The hardest hit were black workers; nearly 66% earned less than the city's average wage in 2000, compared with 44% in 1990. Among white workers, about 48% earned $36,000 or less in 2000, compared with under 40% in 1990. Still, white workers fared better than workers of other races; 60% to 80% of workers of other races earned less than $36,000 in 2000.

Average Earnings of Anchorage and Mat-Su Residents, 2000

Live in Anchorage	
Work in Anchorage	$34,118
Work in Mat-Su/Kenai	$45,967
Work in rural Alaska	$55,952
Live in Mat-Su/Kenai*	
Work in Mat-Su/Kenai	$27,841
Work in Anchorage	$43,442
Work in rural Alaska	$56,225

*Census data for this information groups Mat-Su and Kenai residents. But almost all those who work in Anchorage but live in Mat-Su or Kenai Peninsula boroughs are from the Mat-Su

Source: U.S. Census Bureau

Aside from differences in earnings by race, there are also differences by residence: workers who live in the Mat-Su Borough and commute to Anchorage have higher average earnings than both (1) those who live and work in Anchorage and (2) those who live and work in the Mat-Su. In 2000, Mat-Su commuters had average earnings of $43,442, compared with $34,118 among those living in Anchorage and $27,841 among those living and working in the Mat-Su. That difference makes sense, if we assume that only those with relatively better-paying jobs can afford to move to the Mat-Su and commute to work in the first place.

The figure above also shows that workers who live in either Anchorage or the Mat-Su and commute to work in rural areas—many to the North Slope oil fields—have the highest average wages, at around $56,000 in 2000.

Since about 2000, continued growth in the health care industry and a construction boom have pulled average Anchorage wages up somewhat. Jobs in construction are among the best paid, and many health care jobs also pay well or at least better than average. But in recent years the city has also lost jobs in the petroleum industry—oil companies have cut back on headquarters employment as North Slope production falls—and those jobs are at the top of the pay scale.

Anchorage Average Annual Wage/Salary

	Not Adjusted	Adjusted for Inflation*
1980	$22,944	$40,494
1990	$30,816	$39,209
2000	$36,456	$36,456
2003	$39,600	$36,773

*In 2000 dollars

Source: Alaska Department of Labor

Another change in the 1990s was in labor force participation—that is, in the share of adults 16 and older with jobs or looking for work. Men and women still work in bigger proportions in Anchorage than in the U.S. as a whole (page 3), but labor force participation did decline between 1990 and 2000. The drop was among both men and women, but was about twice as big among men.

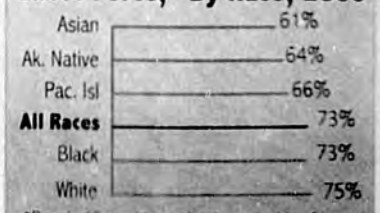
Changes in Anchorage Labor Force Participation, 1990-2000

	Women		Men	
1990	70%	↓3%	87%	↓7%
2000	68%		81%	

Source: U.S. Census Bureau

Several things probably contributed to that drop. For one, the minority population grew, and labor force participation among Alaska Native, Asian, and Pacific Island people is considerably below that among white and black residents. And, as we talked about earlier, the majority white population is aging and some moved out of the labor force. Also, the population over 65 grew rapidly in the 1990s; although about a quarter of residents over 65 still work, most don't.

Share of Anchorage Adults in Labor Force,* By Race, 2000



*People 16 or older, with jobs or looking for work

Source: U.S. Census Bureau

Another sign of the aging population is the declining share of total income from wages, dropping from 86% of all income in 1980 to just over 75%—nearly at the U.S. average—by 2000.

Share of Income from Wages and Salaries

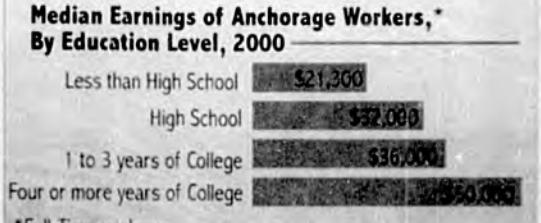
	Anchorage	U.S.
1980	85.7%	76.4%
1990	81.6%	75.0%
2000	75.4%	74.6%

Source: U.S. Census Bureau

But the clearest sign of Anchorage's changing job market in the past 25 years may be this: in 1980, high-school dropouts earned on average 72% as much as college graduates; by 2000, they earned just 43% as much. Not so long ago, there were more relatively well-paid jobs available to Anchorage residents with little education. But now—as is true across the country—such jobs are much scarcer.

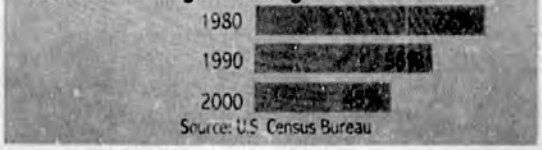
What Difference Does Education Make?

Median Earnings of Anchorage Workers,* By Education Level, 2000



*Full-Time workers

Median Earnings of High-School Dropouts as a Share of Earnings of College Graduates



Source: U.S. Census Bureau

Working Women

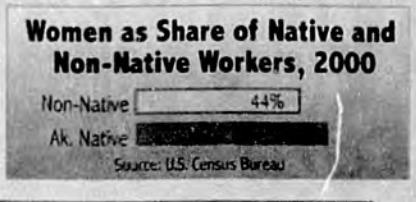
Anchorage's working women fared better than men in the 1990s, gaining 56% of new jobs and maintaining their incomes better. Still, men continue to earn much more than women.

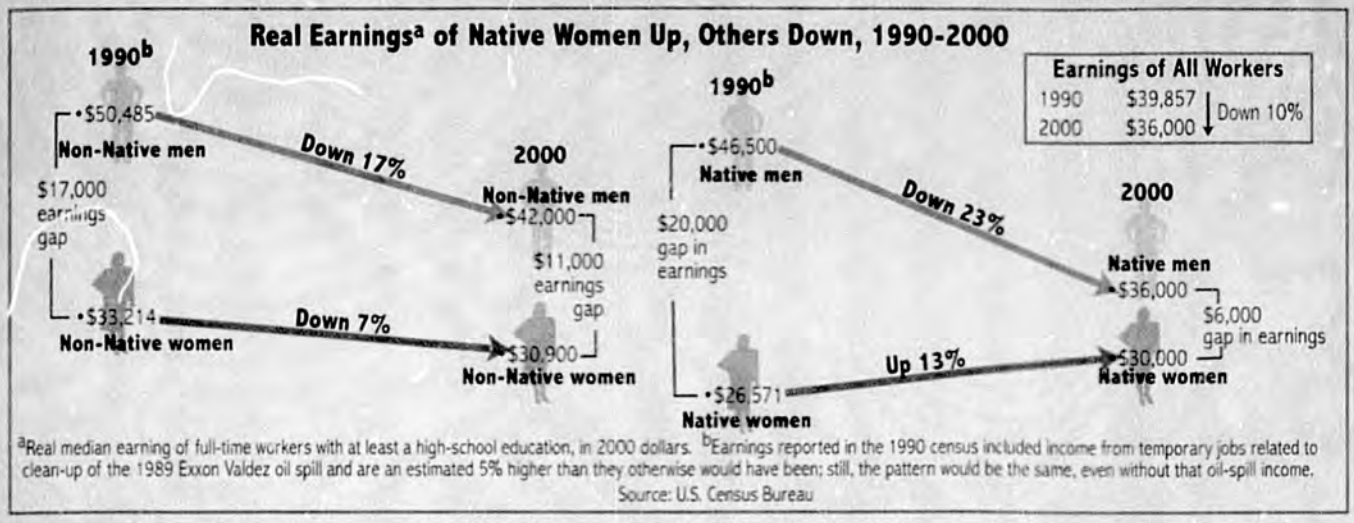


Native women in particular had the best showing in recent years. They've moved into the work force rapidly in the past 30 years, and in 2000 Native women held 52% of all full-time Anchorage jobs held by Natives. By comparison, among non-Native workers, women held 44% of the jobs.

Also, real (adjusted for inflation) earnings of Native women increased 13% in the 1990s, even as real earnings of both Native and non-Native men—and of non-Native women—all declined. That meant Native women improved their earnings to be on a par with those of non-Native women and sharply narrowed the gap with Native men.

Still, despite these advances for Native women, labor force participation and household incomes of Natives continue to lag far behind those of white residents.



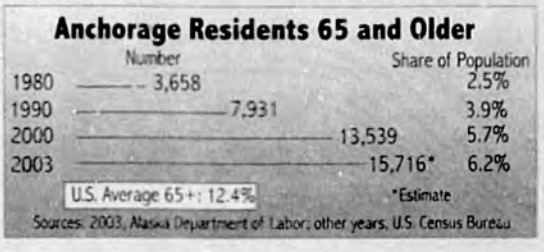


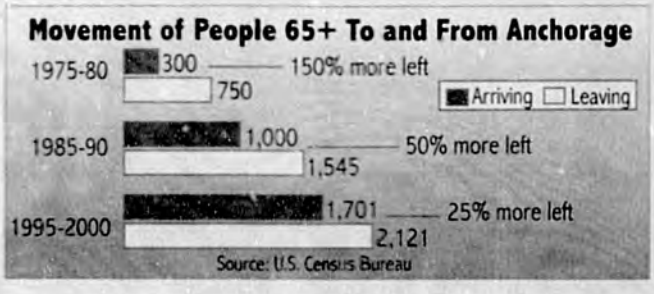
[a]Real median earning of full-time workers with at least a high-school education, in 2000 dollars. [b]Earnings reported in the 1990 census included income from temporary jobs related to clean-up of the 1989 Exxon Valdez oil spill and are an estimated 5% higher than they otherwise would have been; still, the pattern would be the same, even without that oil-spill income.
Source: U.S. Census Bureau

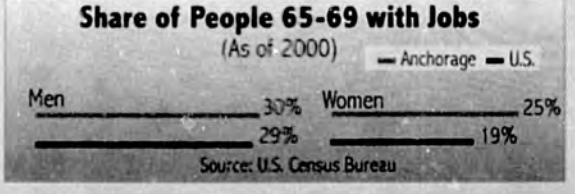
Residents 65 and Older

Leaving Anchorage used to be what people routinely did when they got older—and many still do. But in the past 25 years, older people have been leaving at much lower rates, and the city's older population has been growing at five times the national average. (But that share was so small to begin with that it is still only about half the U.S. average). A combination of things has made the city more attractive to older people, including the fact that Anchorage is less expensive than it used to be relative to other places; the state pays all residents Permanent Fund dividends; and homeowners over 65 get a break on their property taxes. And older residents—like all residents—enjoy the absence of state or local personal income or sales taxes. Other draws are Anchorage's major medical facilities and a state-owned nursing home where costs are partly subsidized.

So what do we know about Anchorage's older residents? Most of them live in married-couple households, but nearly one in 5 women and one in 10 men live alone. They are as a group younger than all those over 65 nationwide, with more people in their 60s and fewer in their 80s. Also, those in their 60s—both men and women—are more likely than their U.S. counterparts to hold jobs (although older residents are less likely to work now than in 1980 or 1990).



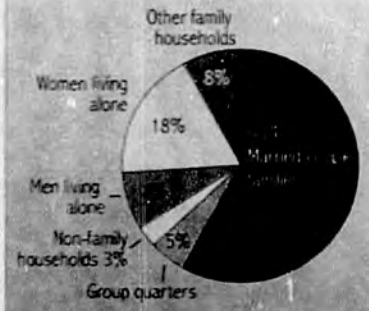




In 2000, the median income of Anchorage households headed by people over 65 was $45,000—70% above the U.S. average. That's much bigger than the 30% differential all Anchorage households have over the U.S. average.

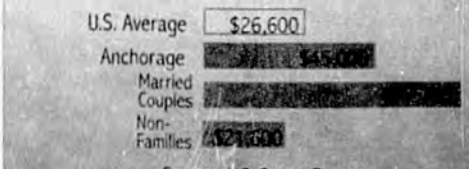
But as the adjacent table shows, it is specifically Anchorage's older married couples who have seen big increases in their incomes in the past 20 years. Real (adjusted for inflation) median household incomes of married couples over 65 increased 48% from 1980 to 1990 and 18% between 1990 and 2000, reaching nearly $68,000.

Living Arrangements of Anchorage Residents Over 65*
(As of 2000)



*All households with residents 65 or older; not all these households are headed by those over 65.
Source: U.S. Census Bureau

Median Income, Households Headed by Residents 65+, 2000



Sources: U.S. Census Bureau

Change in Real Median Household Income, Anchorage Married Couples

	Over 65	Under 65
1980-1990	+48%	+11%
1990-2000	+18%	–3%

Source: U.S. Census Bureau

By contrast, the city's single residents over 65 actually lost income; in 1980, their median income of under $22,000 was nearly 60% that of married couples—but by 2000, their real income was still under $22,000 and was just about 30% that of married couples.

Anchorage's older married couples also saw much bigger income gains than younger couples, whose income grew 11% in the 1980s and dropped 3% in the 1990s. Couples under 65 still have higher incomes than couples over 65—but the gap is much smaller than it used to be.

So what boosted income of Anchorage's older couples so much? Incomes of older people nationwide also increased in the past 20 years, but not as much. Special payments from the state are part of the answer. The Longevity Bonus program—which was eliminated in 2003—made monthly payments to older people, and that program was expanded and the payment increased in the 1980s. Permanent Fund dividends also increased over the years. Since payments are per person, married couples collect more.

But even if we eliminate those state payments, real 2000 incomes of people over 65 in Anchorage were still far above the U.S. average. Other factors also contributed to the growth in income. The share of married-couple households grew. More of those who left Anchorage in recent times appear to have been single people with lower incomes.

Also, payments from Social Security were up in Anchorage and nationwide. The fastest growth, however, was in other types of retirement income. Investment income was also up, but the share of income from wages declined. Anchorage's older people get less of their income from Social Security and more from other types of retirement and from earnings; labor force participation is still higher in Anchorage.

Overall, it's important to keep in mind that there is a sharp split in the city's older residents. As the table on page 8 shows, almost equal shares of residents over 65 live in both the poorest 20% and the wealthiest 20% of households. Those in the poorest households are mostly single people and those in the wealthiest mostly married couples.

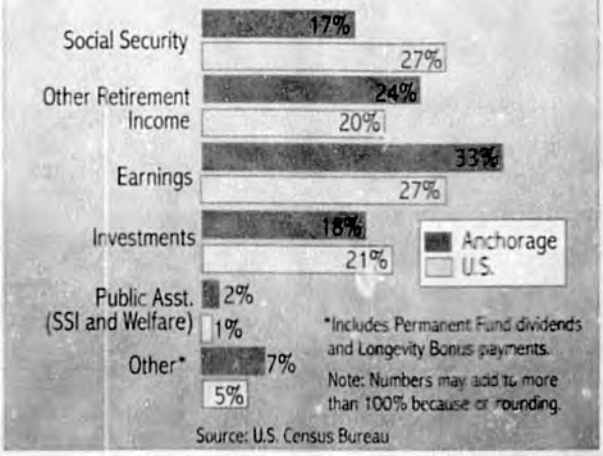
Real Median Income, Anchorage Households Headed by Residents Over and Under 65
(In 2000 Dollars)

	Over 65		Under 65	
	Married Couples	Single[a]	Married Couples	Single[a]
1980	$38,792	$21,887	$73,110	$38,257
1990	$57,432	$23,007	$82,202	$40,848
2000	$67,700	$21,600	$79,850	$40,000

[a]Older single people are almost entirely older women or men living alone; about 8% live with some unrelated adult. More of the younger unmarried people live in households with unrelated adults.

Source: U.S. Census Bureau

Income Sources, Households Headed by People Over 65, Anchorage and U.S. Average, 2000
(Shares of Aggregate Income)



*Includes Permanent Fund dividends and Longevity Bonus payments.
Note: Numbers may add to more than 100% because of rounding.
Source: U.S. Census Bureau

Baby Boomers

Baby boomers are the huge generation of Americans born in the 20 years after World War II, roughly from 1946 to 1964. Across the country, baby boomers make up about one in four Americans. The generations born before and immediately after are smaller. The boomers have been getting a lot of attention lately, because they're approaching retirement age—and their big numbers have implications for pension programs, health care systems, housing, and much more.

Analysts have also pointed out that—aside from the effects of their sheer numbers—baby boomers nationwide have fewer children and are much more affluent than generations before; where they retire and what they buy will have big effects on the national and local economies. (See, for example, the Milken Institute's Policy Brief No. 9, America's Demography in the New Century, March 2000.)

Baby boomers are even more concentrated in Anchorage than nationwide, accounting for about one in three residents, and their effects as they age could also be more concentrated. Many of them came to Anchorage as young adults during the economic booms of the early to mid 1970s and early 1980s. In fact, baby boomers made up close to half of Anchorage's population in 1980.

Many boomers did leave in the economic downturns—especially the 1986-88 recession following an oil-price crash, as the figure at the top of the page shows. But many stayed and some arrived, even in the downturns. They are Anchorage's largest, wealthiest, and best-educated group. Exactly how many of them will stay in the city after they retire is unpredictable.

But if they follow recent patterns among people over 65 (see adjacent box), Anchorage's over-65 population could more than double by 2020, and older residents could make up 11 percent of the city's population, compared with 6 percent today.

Having so many more older people carries the same kinds of implications for Anchorage as for other parts of the country—big numbers added to Social Security, for instance—but it also has others. The incomes of baby boomers will likely decline when they stop working, but as we've seen, Anchorage's older residents as a group have incomes far above the U.S. average.

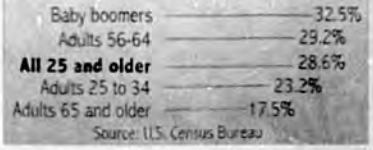
More income that doesn't depend on the job market would tend to help make the city economy more stable. Older people who collect Social Security and private pensions, and often investment income, bring money into the state economy. That money has multiplier effects—that is, when new money comes into the economy, it helps support new jobs.

Baby Boomers Moving In and Out of Anchorage



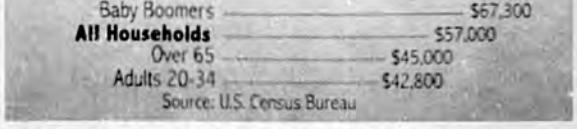
Source: U.S. Census Bureau

Anchorage Adults with Four-Year Degrees, 2000



Source: U.S. Census Bureau

Medium Household Income of Baby Boomers and Other Anchorage Households, 2000



Source: U.S. Census Bureau

Projected Growth in 65+ Population

At the projected rate of growth among residents over 65, and given the large number of baby boomers, the number of Anchorage residents over 65 could nearly triple between 2000 and 2020.

Number	Share of Anchorage Population
2000: 13,539	6%
2010: 23,793	8%
2020: 37,305	11%

Young Adults

Some Alaskans are worried that bright young people are leaving Anchorage (and other Alaska places), to go to school or find work, and that few are moving in—creating a dangerous "brain drain." People ages 20 to 34 in 2000—born roughly from 1965 to 1980—belong to what has been called "Generation X." They make up about 21 percent of the population, both in Anchorage and across the country—a share considerably smaller than the baby boomers. So part of the reason numbers of young adults have declined is that there simply aren't as many of them as there were in the previous generation.

It is true that many young adults left the city during the late 1990s, when the U.S. economy was growing faster than Anchorage's. As the figure on page 4 shows, some 20,000 young adults left from 1995 to 2000 and about 17,000 moved in——for a net loss of 3,000. But as the figure also shows, young adults were less likely to leave than either younger or older people.

And if we look at education levels among young adults coming and going at the end of the 1990s, we see more arrivals among both the best and the least educated young adults. Among those with four or more years of college 3,800 arrived and 3,200 left. So even in a period of slow growth, Anchorage still attracted young, educated adults. But at the same time, more young adults—about 200 more—without high-school degrees also moved in than out.

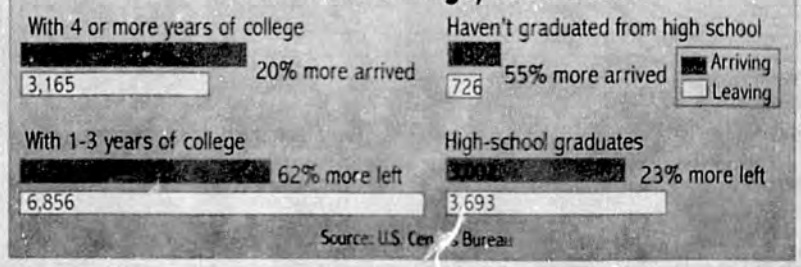
Young Adults (Continued)

The share of residents 25 to 34 with college degrees declined in the past couple of decades, from 25% in 1980 to 23% in 2000. This is worrisome, and only with the next census will we see if that decline is continuing. The less education young people have, the less chance they have at good jobs. High-school dropouts now earn about $4 for every $10 college graduates earn (page 12).

Real incomes of households headed by young adults dropped about 11 percent from 1980 to 2000. Partly that reflects the fact that so many of the new jobs in recent times have been in lower-paying retail and service industries.

Future opportunities for young people in Anchorage will depend not only on their education levels but also on what kinds of jobs are created— and on how long baby boomers keep working.

Education Among Adults 25-34 Who Moved To or From Anchorage, 1995-2000



Source: U.S. Census Bureau

Changes in Real* Median Income of Households Headed by Adults 20-34

1980-1990: Unchanged
1990-2000: Down 11%

*Adjusted for inflation Source: U.S. Census Bureau

Conclusion

Anchorage at 90 looks surprisingly like other U.S. cities, given how recently it was still a frontier town. It has an aging white population, a young and diverse minority population, and a growing number of residents over 65. Many of its minorities, single mothers, and older people living alone are clustered at or near poverty levels. Fast growth in housing prices is prompting many residents, especially families, to move outside the core city and creating a burgeoning commuter population.

Those changing conditions mean many new challenges for the city. For instance, who will replace the large number of baby boomers—the city's most affluent and best-educated group— when they retire? Can the city provide necessary services for an over-65 population that could double in the next 15 years? Minority students are approaching the majority in Anchorage schools: how will the school district provide all its students—who speak dozens of languages and come from very diverse cultural and personal backgrounds—with equal opportunities and help them meet state and national standards?

Like other U.S. cities, Anchorage also faces the challenge of spiraling medical costs, which have caused many employers to drop health care benefits. The situation is exacerbated in Alaska, because medical costs in the state are already much higher than the U.S. average.

That's just a sample of the issues the city faces with changing economic and demographic conditions. And despite its bigger and broader economy, the city's still depends a lot on federal and state spending—so future economic health will depend a lot on how the state and federal governments deal with their fiscal problems.

Note: In this paper, "U.S. Census Bureau" mostly refers to the 2000 Public Use Microdata Series (PUMS), detailed information collected from a 5% sample of city residents. Specifically, we used the Minnesota Population Center's Integrated Public Use Microdata Series: Version 3.0 database (S. Ruggles, M. Sobek; T. Alexander; C. Fitch; R. Goeken; P. Hall; M.King; C. Ronnander). We believe this sample information reliably shows change in Anchorage, but it is subject to more error than the full census. Also, census definitions sometimes differ from those other agencies use, making comparisons difficult, and census information is self-reported—and so depends on the memories of those answering the questions.

Understanding Alaska

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