

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILES 86/2

404 SCOMM10: LOCAL GOVERNMENT STUDY 1979

30 mill limit -- operation [+ unlimited debt service)

NORTH SLOPE BOROUGH
BUDGET SUMMARY

	Actual FY 1977/78	Budget ^{1/} FY 1978/79	Budget FY 1979/80
<u>REVENUES - GENERAL FUND</u>			
Property Taxes:	\$26,826,023	\$33,891,400	\$53,800,400/
AS 29.53.045(c)	18,840,993#	24,752,400#	26,194,400#
AS 29.53.055 (Debt Service)	7,985,030#	9,139,000#	27,606,000#
Sales Taxes:			
Prior Court Case	1,466,557	2,302,000	-
AS 29.53.055 (Debt Service)	-	-	1,500,000
Licenses and Permits	-	200	200
Use of Money and Property	4,575,845	3,224,000	4,800,000
Intergovernmental Revenues	11,403,786	13,072,600	13,703,100
Charges for Services	532,800	889,000	1,561,100
Miscellaneous for Prepaid Taxes	500,000	500,000	-
TOTAL REVENUES ^{2/}	\$45,305,011	\$53,879,200	\$75,364,800
<u>EXPENDITURES - GENERAL FUND</u>			
Operating:			
Education-Mayor's Reduction	\$ -	\$ -	\$ 2,315,100
Education-Mayor's Support Level	12,389,451	12,662,700	14,977,800
Education-Post Secondary	-	-	643,000
Public Safety	1,137,171	1,826,700	3,140,700
Public Works	4,039,545	6,187,300	4,059,700
Public Utilities	-	-	4,116,300
Assembly-Budgetary Reserves	-	392,900	1,498,000
Assembly-Lawsuit-Prepaid Taxes	500,000	500,000	-
General Government	5,076,571	6,885,200	7,535,000
Environmental Protection Office	254,683	372,600	477,300
Health	1,199,766	3,000,600	2,621,700
Housing	231,933	612,200	840,200
TOTAL OPERATING	\$24,829,120	\$32,440,200	\$42,224,800
Capital	3,000,000	10,579,000	3,990,000
Debt Service	7,622,000	10,860,000	29,150,000
TOTAL EXPENDITURES	\$35,451,120	\$53,879,200	\$75,364,800
<u>REVENUES - SERVICE AREA #10</u>			
UTILITY FUND - #31	\$ -	\$ 2,350,200	\$ 4,576,300
<u>EXPENDITURES - SERVICE AREA #10</u>			
UTILITY FUND - #31	\$ -	\$ 2,350,200	\$ 4,576,300
<u>GRAND TOTAL - ORDINANCE 79-3</u>			
REVENUES	\$45,305,011	\$56,229,400	\$79,941,100
EXPENDITURES	\$35,451,120	\$56,229,400	\$79,941,100

- NonAdd - Part of Category

1/ Ordinance 78-3F adopted January 9, 1979.

2/ Accrued Interest of \$2,466,489 - Contrary to budget procedures; transfers to CIP Fund were \$6,720,189 and Debt Service Fund of \$179,172 are not reflected in Total Expenditures.

B-4

Revenue projections from taxation of the Unorganized Borough pursuant to House Bill 9.

1978-79 School Millages

Anchorage	5.87
Bristol Bay	2.70
Fairbanks	5.50
Haines	2.027
Juneau	6.85 *
Kenai	4.035
Ketchikan	4.25 **
Kodiak	5.00
Mat-Su	6.05
North Slope	1.59 *
Sitka	2.30 *

Total 51.172 divided by 11 (boroughs)
equals 4.652 average.

* rates received by telephone

** rate by telephone, comment was 85% of rate
is school (85% X 5 mills = 4.25)

Value Estimates

Method I

Average value per capita in organized areas (excluding oil & gas)	\$25,369
Population of Unorganized Borough (include second class cities)	43,584
Average value per capita in Unorganized Borough (80% of organized)	20,295

$$20,295 \text{ times } 43,584 = \$884,537,280$$

$$884,537,280 \text{ less vacant land exclusion (20\%)} = \underline{\$707,629,824}$$

Method II

Average population per parcel in organized borough	1.96
Average value per parcel in Unorganized Borough (80% of organized)	35,758.00
Parcels in Unorganized Borough	22,374.00

$$22,374 \text{ less 20\% for vacancy exclusion} = 17,899$$

$$17,899 \text{ times } \$35,758 = \underline{\$640,032,442}$$

Method III

Average value per parcel - 6 smallest first class cities	19,704
Parcels in Unorganized Borough	22,374

$$22,374 \text{ less 20\% for vacancy exclusion} = 17,899$$

$$17,899 \text{ times } 19,704 = \underline{\$352,681,896}$$

Revenue Estimate

Method I - 707,629,824 @ 4.652 mills = \$3,291,893

Method II - 640,032,442 @ 4.652 mills = \$2,977,430

Method III - 352,681,896 @ 4.652 mills = \$1,640,676

Our estimates of revenues range from a low 1,640,676 to a high of 3,291,893 and feel the final result would fall in that area. However, it should be noted that these figures are no more than estimations and could be far afield.

Specific Questions or Concerns

Six first class cities levy no property tax. Act as written seems to ignore them.

Eagle is a second class city that does levy a property tax. Shouldn't some provision be made for them to continue in some way?

Prepared by:

Department of Community and Regional Affairs
State Assessor's Office

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 9

Title Assessment Levy & Collection of Taxes In The Unorganized Borough

Requested by Representative Parr Date _____

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs

Program Category Affected Development

Budget Request Unit(s) Affected Office of State Assessor

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		415.10	440.00	446.40	494.39	524.05
200 TRAVEL		66.50	70.49	74.72	79.20	83.95
300 CONTRACTUAL		852.79	851.96	871.68	281.98	292.89
400 COMMODITIES		19.50	20.67	21.91	23.22	24.62
500 EQUIPMENT		37.34	10.00	5.00	5.00	5.00
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		1,391.23	1,403.12	1,419.71	883.79	930.51

FUNDING (Thousands of Dollars)

GENERAL FUND	1,391.23	1,403.12	1,419.71	883.79	930.51
FEDERAL FUNDS					
OTHER (Specify)					

POSITIONS

FULL TIME	15	15	15	15	15
PART TIME					
TEMPORARY					

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

This analysis is based on the assumption that the original mapping program and establishment of the necessary assessment data and files will be contracted for.

The additional staff included are only to supervise the original project and then maintain system after initial program.

(Continued on attached pages)

IV. DATE February 14, 1979

PREPARED BY Jerry L. Farley, State Assessor

AGENCY Department of Community & Regional Affairs

Original: Legislative Finance

PHONE 465-4739

cc: Budget and Management

Prime Sponsor (List Legislator Named)

BREAK DOWN OF COSTS INCLUDED IN ANALYSIS

ADMINISTRATIVE COSTS

100 Personal Services

MAPPING

FY 80

1 Mapping Supervisor	Range 19 @ 2355	28,260
1 Title Examiner	Range 17 @ 2031	24,372
2 Draftsmen	Range 17 @ 2031	48,744
1 Clerk IV	Range 9 @ 1178	26,592
2 Clerk III	Range 8 @ 1108	26,592

Sub Total \$142,104

ASSESSMENT

State Assessor (upgrade)	Range 24 @ 467	5,604
1 Appraisal Supervisor	Range 20 @ 2532	30,384
4 Appraisers	Range 18 @ 2168	104,928
2 Statistical Clerks	Range 10 @ 1254	30,096
1 Administrative Consultant	Range 12 @ 1426	17,112

Sub Total \$168,124

Sub Total Mapping 142,104

Sub Total Assessment 168,124

330,228

Fringes @ 25.7% 84,868

Total \$415,096

200 Travel and Per Diem

FY 80

State Assessor and Supervisors	7,500
Title Examiners and Appraisers	50,000
Review Boards	9,000

Total \$66,500

300 Contractual

FY 80

Telephone	7,200
Postage	4,500
Printing and Advertising	6,000
Data Processing and Programming	126,000
Machine Rental and Xerox	72,000
Office Space 1400 sq. ft. @ \$1.35	1,890
Professional fees	700,000

Total \$952,790

400 Commodities

FY 80

Reference Materials	4,500
Mapping Supplies	5,000
Office Supplies	10,000

Total \$19,500

500 Equipment

Sufficient equipment to establish new personnel in environment conducive to work	FY 80 \$37,330
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Note: Subsequent years are based on inflationary pressure on FY 80 except the \$700,000 for professional fees has been projected to decrease to \$100,000 in FY 83 assuming original establishment of maps and records to be complete by that time. Also the Equipment item has been reduced substantially after initial purchase.

Additional Comments: We would envision the process of setting up the administration as multiple step in nature. The first logical step would be an indepth study to establish proper procedure of implementing the administrative process. Subsequent steps at this point are tentative in nature and would be subject to revision at the conclusion of Step I.

Step Two would be setting up of a mapping program by region. Administratively, mapping of one region at a time would appear appropriate. This mapping program would involve a private contract with supervisory direction and controlled by professional staff to be added to the Department of Community and Regional Affairs.

Step Three would be listing, enumeration and calculation of data into preliminary appraised values (this should be done by geographic area and directly follow Step 2 in each area).

Step Four would be onsite review of finished product by professional staff of the Department of Community and Regional Affairs for acceptance or refusal of contractor's work.

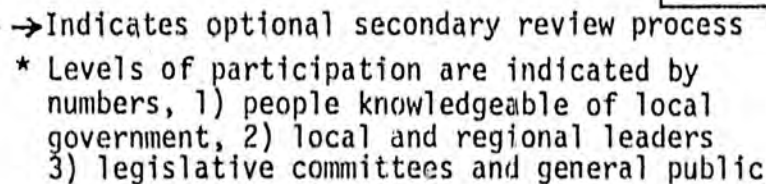
Step Five would be the compilation of all data into final assessment roll and present to review board for their actions.

Step Six - At conclusion of Review process, final assessment roll would be compiled and presented to Revenue for collection.

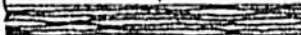
As you can see, this process will be relatively time consuming, however, it appears to be the best and most logical approach to solution of the problem.

Also, it should be noted that even though some of the work is to be contracted, it is essential that professional staff be heavily involved from the onset to insure the quality of the finished product.

It would appear that another approach at least at the start would be a "Study of taxation in the Unorganized Borough" to determine both feasibility and cost of administering such a property tax. It is completely possible that the cost of administration could exceed the revenue produced at least for the first few years.

ALASKA MUNICIPAL LEAGUE
SURVEY

4.7129.25

MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
							
							
		(symposium)					
							
		(analysis)					
			++(Alaska Municipal League Meeting)				
							
			(workshops)				
							
				(analysis)			
							
					(hearings)		
						++++(Alaska Municipal League Meeting)	
							
			(Development and consideration of proposed legislation)			(Final analysis and preparation of study products)	

JOINT SENATE AND HOUSE
COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
LOCAL GOVERNMENT STUDY 6/14/79

MEMORANDUM

State of Alaska

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

TO: Bob LeReshe, Director
Division of Planning and Policy
Development

DATE: July 21, 1976

FILE NO:

TELEPHONE NO:

FROM: Lee McAnerney, Commissioner
Community & Regional Affairs

SUBJECT: Regional Government in the
Unorganized Borough

In response to my June 21 memorandum to Governor Hammond, you have asked that I expand upon our ideas relative to the above subject. The following is in response to that request and, basically, presents the alternatives (at least as we view them) together with a brief discussion of each; preliminary conclusions are offered in the final pages.

As noted in my previous memorandum, we feel that any legislation dealing with regional government in the unorganized borough must address three major subject areas: structure, financing and intergovernmental relations. Our presentation of alternatives follows that format.

STRUCTURE

Five alternative forms of government appear to be workable in the unorganized borough; they include:

1. Establishment of organized boroughs;
2. Creation of unorganized boroughs;
3. Creation of service areas in the unorganized borough;
4. Continuation of the Regional Educational Attendance Area (REAA) trend; i.e. delegation of municipal functions to independent boards and councils;
5. The status quo.

In reverse order, the above are discussed.

THE STATUS QUO

We feel strongly that the existing system of government in the unorganized borough is both inequitable and inefficient. Inequitable in the sense that residents are not, generally, afforded the opportunity to participate directly in the decision making process nor do they participate on an equal basis in terms of financing local services; inefficient in that existing service delivery mechanisms (cities and state regional offices) often lack the necessary expertise, be it professional or otherwise, to provide services on an efficient and responsive basis.

Being a department with extensive field contact, we have been made very much aware of many unorganized borough residents' dissatisfaction with existing municipal and state services--not necessarily with programs but with the manner in which those programs are administered. That the legislature, too, is receiving this message is evident from such legislation as HB 665 proposing health districts in the unorganized borough, SB 398 (Ch. 57, SLA 76) allowing for public works planning in the unorganized borough, HB 657 dealing with platting authority in the unorganized borough, SB 614 providing for taxation in the unorganized borough, HB 49 providing for organized boroughs in the unorganized borough and a number of other pieces of legislation dealing with service delivery problems in the unorganized borough.

Too, we hear non-profit regional native corporations talking about or actually providing such services as health, housing, electricity and comprehensive planning. While their efforts are commendable, they do not, in my opinion, fit into the scheme of local government provided for in our constitution. Nor, because of their own charters, may the corporations provide services to all residents of an area; on the contrary they are, by and large, limited to serving natives only and consequently can act as a service delivery mechanism for state and federal programs relating to services for Alaska natives.

Essentially, there are two major problems with the status quo. First, service delivery mechanisms established and those proposed are operated by independent boards or commissions acting totally without coordination. Additionally, this method of service delivery generates a much greater need for human and financial resources from areas that are in short supply of both. Second, it promotes a trend contrary to establishment of borough government in the unorganized borough--a course in direct conflict with the local government article of our constitution.

CONTINUATION OF THE REAA TREND

In our view, continuation of the REAA trend is going to be the status quo of tomorrow.

There is one very positive aspect about the concept of REAA's: it provides for decision making at the local level--one of the main purposes of providing for government in the unorganized borough. However, as presently constituted residents of REAA's literally "have their cake and eat it too"--100% plus funding is provided by the state, yet total local control is allowed. While this may be a desirable situation for residents of REAA's, it is certainly not equitable in comparison to a resident of a municipal school district who must pay local taxes. I would suspect that residents of urban areas--the bulk of the state's population--would not tolerate extension of this particular form of service delivery beyond its existing state.

It should be noted, too, that the two major concerns expressed under the "status quo" section apply equally, if not more so, to the REAA concept. Especially real-

izing that with the REAA concept of 100% plus funding, any incentive for a region to move toward regional government is destroyed.

One thing further should be said about REAA-type boards; they are so exclusively single purpose (usually attracting board membership concerned only with its particular responsibility) that development of a number of boards could actually lessen the level of service being provided; primarily because of lack of interboard coordination and restricted use of financial and, particularly, human resources. Moreover, when boundaries are drawn to define districts and the only criteria used are those relevant to the particular service to be provided overlapping boundaries are likely to result. With overlapping boundaries comes confused residents (who do we go to? where do we go to?) and, consequently, dissatisfaction with the services being provided.

Of concern, too, is the lack of flexibility associated with the REAA's. Because they are not units of local government they cannot be given taxing authority nor can they provide "local government" services. While the legality of the current REAA's has not been challenged on the grounds of Article X, Section 2, of the Constitution (proponents of the REAA's argue that they are really service areas authorized under Article X, Section 6), there is good reason to believe that if additional REAA type boundaries are established they will be challenged and may very well end up being declared unconstitutional. Through establishment of REAA-type entities we, at best, guarantee a long court battle, at worst, an entity without legal standing.

CREATION OF SERVICE AREAS:

There are a number of features of the service area concept that make it a fairly attractive alternative. Leading the list is the fact that it is an existing, recognized mechanism for delivery of municipal services. The legislature is given constitutional authority to provide for service areas in the unorganized borough thereby negating any legal challenge. But, probably most important of all is the service area's flexibility. A service area could provide any municipal service and, if the legislature so elected, a tax could be levied within the service area for services provided. Of significant benefit, too, is that one service area board could be responsible for provision of all services within a given area.

Probably the biggest drawback to the service area concept is that service areas would be dependent upon the legislature, sitting as the assembly for the unorganized borough, to add or delete powers, change levels of funding, acquire taxation authority, etc. A lesser drawback of a service area is that the service area board, at least in the legal sense, would be advisory as a dependent agency of the assembly of the unorganized borough (legislature). Depending upon the language in the enabling legislation, the latter might not be a problem.

DIVISION OF THE UNORGANIZED BOROUGH

In many ways establishment of a number of unorganized boroughs would be much the same as establishment of service areas with one overshadowing exception: the unorganized boroughs could have local autonomy. Because of the lack of constitutional constraints placed upon unorganized boroughs, their establishment could yield a tailor made form of regional government. More specifically, the legislature could delegate any municipal power to an unorganized borough, grant it taxing authority, etc.

We feel, too, that the term unorganized borough has significant advantages. First, it implies what is intended to be--an interim step in the long range development of regional government in rural Alaska. Second, it is a recognized and accepted term--most residents of rural Alaska know they live in the unorganized borough. In our opinion, residents would be more receptive to division of a governmental organization that already exists rather than establishment of a new form of government.

As with an organized borough, unorganized boroughs would have specific boundaries, powers, and a governing body responsible for more than one municipal service. All, in our opinion, positive results.

ESTABLISHMENT OF ORGANIZED BOROUGHs:

Because it is a proven form of regional government, organized boroughs offer some obvious advantages (or disadvantages depending upon your view point). Their method of operation is basically understood; they have taxing authority and an ability to acquire additional municipal powers in response to resident requests; they may establish service areas to provide different levels of service and they have a maximum degree of local autonomy. Additionally, organized boroughs could represent a final, rather than an interim, step in regional government. Too, establishment of organized boroughs would provide a sense of equity among all residents of the state with regard to receipt of municipal services.

However, the organized borough is not without its disadvantages. One of the biggest, of course, is a product of the 1964 Mandatory Borough Act which made the term borough a "dirty" word in many an Alaskan's vocabulary.

There are structural disadvantages too: organized boroughs are locked into rigid methods of adding powers, levying a sales tax, changing class or unifying with the cities within them. Also, they must have separate assemblies, planning commissions and school boards. Depending upon the amount of activity of the borough this may or may not be a disadvantage.

FINANCING

At this stage our thoughts are very tentative in terms of generating the funds

needed to pay for regional government in the unorganized borough. The following appear to be workable alternatives:

1. existing mechanisms, i.e. sales and property taxes levied and collected by and within the boundaries of each jurisdiction;
2. increase levels of funding of existing programs to cover all costs;
3. an ad valorem tax on property associated with the development of natural resources with distribution to regional governments, based on an equalization formula;
4. a sales or property tax throughout the unorganized borough with distribution to individual regional governments, based on an equalization formula;
5. levy of an additional income tax on wages earned in the unorganized borough with distribution to individual regional governments, based on an equalization formula.

1. Existing mechanisms: In our view, authority to levy sales and property taxes should continue to be an option available to organized municipalities. Although the constitution permits extension of taxing authority to unorganized boroughs, doing so does, in fact, create another class of organized borough. This is not, in our opinion, a viable, alternative structure.

The advantage, at least from the state's view, of a local property or sales tax is that it would be administered at the local level. However, the disadvantages appear to outweigh any advantage. First, a local sales or property tax reflects only the local economy; advantageous for those located along the pipeline; not so for those located on the lower Kuskokwim. Second, property taxes are, relatively speaking, regressive and expensive to collect. It is entirely possible that it might cost as much to levy and collect a tax in certain areas as the tax itself would generate. While a local sales tax would not be as expensive to levy and collect, an assessment and collection department in each taxing jurisdiction would need to be established.

2. Increase levels of funding: Basically, this approach is an extension of the funding mechanism provided for the REAA's. We oppose this method of funding because of its gross inequity. It is unpalatable for us to ask residents of one region to pay for municipal services while providing those services to another region at no cost to the residents. Additionally, such a method of funding totally discourages the formation of regional government; why pay if services can be received at no cost?

Of course, one means of alleviating the question of equity is to provide the same level of funding to all jurisdictions. However, at that point the costs seem to outweigh any advantage to be realized.

3. A "resources" tax: A fresh approach to funding local government services might be implementation of a resource tax. Essentially, the tax would be an ad valorem tax levied upon all property used for the exploitation of natural resources. The primary advantage of this tax is that administration of it would be relatively simple in that you would be assessing and collecting taxes on a fairly limited amount of property with a high dollar value. As we envision a resource tax, it would be levied and collected by the state throughout the unorganized borough and then redistributed to individual regional governments based on an equalization formula.

Optionally, the tax could be levied upon all resource related property throughout the state and redistributed on an equalization formula to all areas of the state. This would not only provide a source of funding for new regional governments in the unorganized borough but would also provide new revenues for existing regional governments.

The major disadvantages of a resource tax appears to be that it is an unknown quantity and, probably most important, an encroachment upon and placing under state taxing jurisdiction a tax base that, in the past, has been considered the exclusive tax base of local governments. Perhaps the latter problem, at least to some degree, could be relieved by allowing a local taxing jurisdiction having resource related property within its boundaries the right to levy a tax up to a certain limit and then "piggybacking" the state tax on top of the local. The resource tax would be similar to the present oil and gas tax of the state but would additionally apply to all other natural resources.

4. Unorganized borough sales or property tax: The advantages and disadvantages of a property or sales tax have been defined in the preceding discussion of alternatives. The change we are suggesting here is that the tax be levied throughout the unorganized borough and be collected by the state, thereby minimizing administrative costs. Tax proceeds would be redistributed to individual regional governments based on an equalization formula.

While levy of a property tax would undoubtedly yield sufficient revenues to cover the cost of regional government, it would seem that the additional net revenues received from extending the tax to all property, rather than just resource related property, would be so minimal as to hardly justify its levy.

An unorganized borough sales tax would yield sufficient revenues to cover the costs of regional government and would be much more simple and, accordingly, less costly to administer. We estimate a 2% sales tax levied and collected in the unorganized borough would generate in excess of \$10 million annually.

5. An additional income tax: As with the sales tax, the primary advantage of an income tax appears to be ease of administration. Collection could be accomplished by the state at the same time that state income taxes are collected and then redistributed to regional governments, based on an equalization formula.

A product of this tax is that you extend taxing jurisdiction previously restricted to the state to local governments, thereby strengthening the tax base of all local governments. (As a practical matter, if the income tax is established as a system of local government finance in the unorganized borough, it would have to also be extended, at least on an optional basis, to organized boroughs.)

Of the above, we tend to favor either the resource tax or a sales or income tax. The administrative burden imposed by a comprehensive property tax would, in our opinion, create more problems that it would solve. We also favor levy of a tax at the state level with redistribution to individual regional governments based upon an equalization formula. Administration of the tax in this manner would minimize costs and provide for consistent administration throughout the state.

Presently, we estimate that an additional \$7 million will be required to fully fund the program (see attached budget). This figure does not include existing shared revenues that might be made available to new regional governments. Preliminary calculations show that a 1.5% sales tax or a 2 mill (or less) resource property tax could generate this amount of revenue. Data needed to estimate the percentage for an income tax is not yet available.

INTERGOVERNMENTAL RELATIONSHIPS

Without doubt one of the major factors that will determine the success, or lack of it, of a regional government proposal is the relationship between a new regional government and the cities and other service mechanisms located within it. While a detailed discussion of intergovernmental relationships is not possible until the form of regional government to be used is specified, there are certain key elements that should be present regardless of the form of government. Those elements are:

1. promotion of regionalism: any form of government should encourage regional provision of services; that is not to say that services could not be provided at the local level but rather, that policy development and overall control should rest at the regional level;
2. certain services should mandatorily be at a regional level; these services should include at a minimum, planning, health, education and public safety;
3. if any form of regional government less than an organized borough is established, home rule cities should not be forced to relinquish any authority to the region;
4. an alternative to second class city government should be established (see attached memorandum) relieving many villages of the obligation to provide

municipal services;

5. any form of regional government established should, to the maximum degree possible, be free from state and federal control.

CONCLUSIONS

Based on the above discussion and several in-house work sessions on the subject, we think that the following would be the best method of establishing and operating regional governments in the unorganized borough.

STRUCTURE

Establishment of unorganized boroughs with boundaries that would meet organized borough standards. Each unorganized borough would have the mandatory powers of:

Education
Health
Planning
Public Safety (fire and police protection)

Home rule cities located within an unorganized borough would continue to exercise all of the above powers unless they elected to participate on a regional basis. The assembly of the unorganized borough would have absolute authority, subject to state and federal law, over the exercise of the above powers. Additional powers could only be added by a process requiring state approval and voter ratification in the region.

The unorganized borough would be governed by an assembly with separate boards for school and planning functions. The assembly could assume the responsibilities of the school board and planning commission upon voter approval. The unorganized borough would be required to employ a professional manager.

FINANCING

Unorganized boroughs would not have taxing authority. A resource tax as previously described would be the recommended source of funding; as an alternative, a sales or income tax would be levied and collected, by the state, in all of the unorganized boroughs and then redistributed based on an equalization formula. Unorganized borough assemblies would have full budget authority.

INTERGOVERNMENTAL RELATIONS

The unorganized borough would be the regional government for the area; state and federal agencies would be obligated to treat it as we currently do an organized borough.

The following sample budget is very tentative at this time. Several assumptions have been made. They include:

1. that health programs provided will be those transferred from the state; accordingly, it is anticipated that no significant additional cost will be incurred.

2. public safety costs are estimated at \$150,000. However, until the level of service is clearly indentified an actual cost is not calculable

SUMMARY OF COSTS

Assembly	\$ 65,000
Administration & Finance	144,000
Planning	56,000
Health	-0-
Public Safety	150,000
Education (same funding as with REAA's)	-0-
Total additional cost	\$415,500

New Boroughs 15	=	\$6,232,500
10% items not covered		<u>623,250</u>
TOTAL COST		\$6,855,750

July 21, 1976

As noted the unorganized boroughs would have mandatory responsibility for certain services. They could, also, contract with cities for provision of certain services.

This is obviously a very complicated subject and these are only our preliminary conclusions. I would like to discuss this matter further.

LMcA:PP:jg

Attachments



Official Business

Alaska State Legislature
JOINT SENATE AND HOUSE
COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
LOCAL GOVERNMENT STUDY

Co-Chairmen
Senator Arliss Sturgulewski
Representative Bill Parker

Address all
correspondence to:

LOCAL GOVERNMENT STUDY

Pouch V
State Capitol
Juneau, Alaska 99811

DATE: 6/18/79
TO: Jack Chenoweth
FROM: Marjorie Gorsuch
Gene Walsh
RE: Local Government Study Research Project

Attached please find a copy of the Local Government Study Work Program and the projected process for implementing this Study.

The research material requested will be used for the Local Government Symposium and the Regional Workshops and is intended to give background and an overview of proposed legislative solutions to the questions of regional organization and financial equalization as they relate to the unorganized borough.

The material will be outlined and charted and will be used by those native leaders, legislators, local government specialists, and representatives of the Alaska Municipal League and other pertinent organizations present at these meetings. The principal concern of the discussions at these meetings will be the method for achieving self determination through local government.

As you will note in Exhibit C, the Local Government Symposium is being planned for the first weekend in August. As we will need to compile and circulate the requested information prior to that time, we are asking that this project be completed by Friday, July 13. Realizing the time constraints we are imposing, we would appreciate knowing how feasible completion is within the given schedule.

If you become aware during the course of your research of the obvious omission of any pertinent legislation, we would appreciate your calling it to our attention. We would also like a copy of the original bill being researched for reference as well as any of your personal thoughts and perceptions on the subject matter.

We are interested in an outlining of the main components of the legislative proposals listed below, in particular the process proposed in regard to regional organization (mandatory, optional) and the fiscal implications of the legislation, including but not limited to incentives and taxes.

Borough Act of 1961

Mandatory Borough Act 1963

SB 101 '69

HB 738 '70 RADG (Rural Area Development Group) Bill

HB 161 '71

Governor Egan's Package of 1972

HB 596

HB 597

HB 598

HB 122 '73 Rep. Tom Fink, Sponsor

SB 122 '73 ADE Bill

HB 291 '73 Gardiner Bill

In addition, we are interested in Ch. 1 SLA '73 as it related to the North Slope Borough incorporation. (David H. Getches "The North Slope Borough, Oil, and the Future of Local Government in Alaska", UCLA Ak. Law Review Vol. 3 #1 (Fall, 1973 pp. 55-84 might be a helpful resource).

HB 202 '77 Rep. Charlie Parr, Sponsor

HB 9 '79 " "



Official Business

Alaska State Legislature

JOINT SENATE AND HOUSE
COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
LOCAL GOVERNMENT STUDY

Co-Chairmen
Senator Arliss Sturgulewski
Representative Bill Parker

Address all
correspondence to:

LOCAL GOVERNMENT STUDY

Pouch V
State Capitol
Juneau, Alaska 99811

DATE: 6/19/79
TO: Palmer McCarter
FROM: Marjorie Gorsuch
Gene Waish
RE: Local Government Study Research Project

Attached please find a copy of the Local Government Study Work Program and the projected process for implementing this Study.

Based on our telephone conversation of June 18, we understand that the Department of Community and Regional Affairs will function in a cooperative and supportive role in the Local Government Study and will involve itself in the following:

1. Funding of interns Jim Sanders and Lamar Cotton for the month of June in addition to providing facilities and support services for the interns during that period of time.
2. Participation with the Alaska Municipal League in the development, circulation and analysis of a survey of organized municipalities problems and concerns which may be addressed legislatively.
3. Review statutory inducement and disincentives related to municipal government incorporation including inter-governmental loan programs and grant procedures (such as revenue sharing)
4. Rewrite and print handout related to local government structures and powers (original publication of the Committee for Optimum Government - Haines) and make it available for use at the Local Government Symposium Aug. 3-5.
5. Support personnel as needed for Department of Community and Regional Affairs representation at the Symposium, Workshops and public hearings.

We appreciate the Department's consistent and helpful involvement in the development of the Study direction and look forward to continued cooperation.



Official Business

Alaska State Legislature

JOINT SENATE AND HOUSE
COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
LOCAL GOVERNMENT STUDY

Co-Chairmen
Senator Arliss Sturgulewski
Representative Bill Parker

Address all
correspondence to:

LOCAL GOVERNMENT STUDY

Pouch V
State Capitol
Juneau, Alaska 99811

DATE: 6/19/79
TO: Ginny Chitwood
FROM: Marjorie Gorsuch
Gene Walsh
RE: Local Government Study Research Project

Attached please find a copy of the Local Government Study Work Program and the projected process for implementing this Study.

Based on our meeting with you on June 13, we understand that the Municipal League will function in a cooperative and supportive role in the Local Government Study and will involve itself in the following tasks:

1. Develop, circulate and analyze (in conjunction with the Department of Community and Regional Affairs) a survey of organized municipalities to identify municipal problems and concerns which may be addressed legislatively.
2. Participate in the Local Government Symposium and Regional Workshops which are to be held as part of the Study.
3. Address the question of state versus municipal responsibility for the funding and delivery of public services and the construction, maintenance and operation of public facilities.
4. Work with the Joint Senate and House Community and Regional Affairs to develop solutions to the problems identified during the course of the study.

As you will note in Exhibit C, and as we discussed at our meeting with you, the Local Government Symposium is being planned for the first weekend in August. As we would like to circulate information related to your survey findings, we would appreciate sharing any results you may have prior to the Symposium.

We have appreciated the League's consistent and helpful involvement in the development of the Study direction. We welcome your personal thoughts and perceptions on any of the subject matter being considered as well as on the process selected for the Study.

(Enclosed are some materials which may be of interest in your development of the survey)



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY

2221 E. Northern Lights Blvd., Suite 126
Anchorage, Alaska 99504

November 23, 1979

Senator Arliss Sturgulewski
2957 Sheldon Jackson Street
Anchorage, Alaska 99504

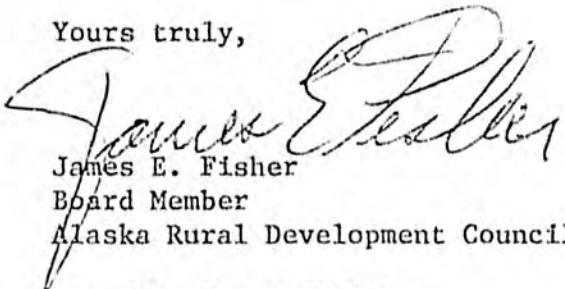
Re: Invitation to participate in panel discussion before Alaska
Rural Development Council

The Alaska Rural Development Council has scheduled a meeting for February 27th in Juneau, Alaska. In an attempt to further inform the members of the Council about management of permanent fund revenues, it is hoped that you might be able to participate in a panel discussion at that meeting.

The meeting would start at 1:30 PM and could continue until 4:30 PM. It is hoped that a representative of the Executive Branch could speak at lunch with its point of view. The panel of Legislators would then have an opportunity to comment both upon their own views as well as the views enunciated by, or on behalf of, the Executive Branch.

It is hoped that you can reserve this time on your calendar, in the event it is possible for you to appear at such a meeting. To refresh your memory I enclose a now somewhat dated letterhead of the Alaska Rural Development Council so you have some idea of the participants in this organization.

Yours truly,


James E. Fisher
Board Member
Alaska Rural Development Council

cc: Mr. Marvin Meier
Chairman-Alaska Rural Development Council
2221 E. Northern Lights Blvd., Suite 107
Anchorage, Alaska 99504

Mr. Sig Restad
Agricultural Experiment Station
Palmer Research Center
P.O. Box AE
Palmer, Alaska 99645

STATE
of ALASKA**MEMORANDUM**TO: ☐ The Alaska Coastal Policy Council
and ACMP Participants

DATE: Nov. 6, 1979

FILE NO:

TELEPHONE NO:

FROM: Murray Walsh, 
Coordinator ACMPSUBJECT: Plans for the Nov. 30, 1979
Council Meeting and Work Session

This memo is attached to two mailings from OCM. The first mailing occurs on Nov. 9 and is only to the Coastal Policy Council members. The second occurs on Nov. 20 and is to Council Members and ACMP Participants. The contents of each mailing are as follows:

- Nov. 6:
- a. This Memo
 - b. Agenda for Nov. 30. Meeting and Work Session
 - c. Draft of an amendment to the Coastal Management Act-CRSA Boards
 - d. Copies of the Anchorage, Haines, Annette Islands, and North Slope Borough-Mid-Beaufort Segment District Programs.
- Nov. 20:
- a. All of the Above Material
 - b. OCM's draft Findings and Conclusions for the four district programs.

Materials Not Being Mailed

Some of the district programs adopt existing ordinances and certain maps by reference. An example is the Municipality of Anchorage Zoning Ordinance, which is adopted by the city as a part of their coastal program, but which is not included in their program documents. In addition to this type of material, OCM has kept a record file for each district containing all the district's previous work and comments and correspondence. Because of its bulk, this material is not being sent to Council Members or ACMP Participants. However, members and participants may view any of this material at the district offices, OCM in Juneau, and at the Dept. of Community and Regional Affairs' office in Anchorage. As well, all of this material will be available at the Work Session.

Conduct of the Work Session

The purpose of the Nov. 30 meeting is to familiarize the Council with the content and major issues associated with each of the four pending district programs. The public is welcome to attend and observe, however, the amount of time that can be devoted to general comments by the public is very limited because of the amount of material that must be covered. Further, the public will have other opportunities to make oral presentations to the Council on these programs, as well as an ample opportunity to make written comments. So, after consultation with the Council's Co-Chairmen, OCM proposes to conduct the work session for each district program as follows:

- a. Brief presentation by OCM of the program and draft Findings and Conclusions.
- b. Brief response by a representative of the district
- c. Brief response by "resource people" arranged by OCM*
- d. Council questions of OCM, district representatives, and resource people. All participants may be given the floor
- e. Council directions to OCM of areas where further study is needed for the final Findings and Conclusions.

Nov. 6, 1979
Coastal Policy Council and
ACMP Participants

*OCM will arrange for a spokesman for each major interest affected by the subject district program, probably no more than two or three for each program. The purpose of this is not to enable extra input by the affected interest, but rather to have the best representation of previously expressed concerns possible for the benefit of the Council. Again, all parties will still have the normal opportunities to comment. At this writing, OCM sees only the North Slope Borough's Mid-Beaufort segment as having major issues which require these resource people, and plans to have a petroleum industry spokesman and an environmental community spokesman present for the work session. If major issues are revealed for the other three programs in the next few weeks, we will arrange for additional resource people as appropriate.

Findings and Conclusions

As indicated, OCM will have prepared draft Findings and Conclusions by Nov. 20. Every effort will be made to place copies of this document in Council Members' hands as soon as possible thereafter. All ACMP participants should receive these before the 30th of November, and copies will be available at the work session as well. The Findings and Conclusions are nearly as important legally as the district programs themselves, and comments on both types of documents are encouraged. Aside from the main goal of familiarization, OCM hopes to have additional direction from the Council as to inadequate areas in the draft Findings and Conclusions which can be improved during the month of December prior to mailing OCM's final Findings and Conclusions on January 4, 1980.

Amendment to Alaska Coastal Management Act

At the Nov. 1 meeting of the Council in Sitka, the Association of Village Council Presidents (AVCP) requested the Council to sponsor an amendment to ACMA that would enable the continuation of Coastal Resource Service Area Planning Boards after these boards had completed the development of their district programs. This would be for the two purposes of monitoring the implementation of the district programs and for developing amendments to those programs if needed. This issue has been discussed previously by the Council, and so the request was accommodated. A draft of amending language is attached for Council consideration at the Nov. 30 meeting. Final Council action on this amendment is not sought on Nov. 30. This would occur in January. Rather, the Nov. 30 meeting is seen as an opportunity to present the amendment, discuss it, and hear public comments about it. An additional comment opportunity will be available after the Nov. 30 meeting.

We look forward to seeing you all in Anchorage, and a happy Thanksgiving to everyone.

STATE OF ALASKA

COASTAL POLICY COUNCIL

AGENDA

LOCAL MEMBERS:

Roger Allington,
Northern Southeast,
Co-Chairman
Stanley Anderson,
Bering Straits
Donald Gilman,
Lower Cook Inlet
Eben Hopson,
Northwest
Malcolm "Pete" Isleib,
Prince William Sound
John Nicori,
Southwest
Robert Sanderson,
Southern Southeast
Lidia Selkregg,
Upper Cook Inlet
Betty Wallin,
Kodiak-Aleutians

STATE MEMBERS:

Frances Ulmer,
Director of Policy
Development &
Planning,
Co-chairman
Robert Ward,
Commissioner of
Transportation &
Public Facilities
Charles Webber,
Commissioner of
Commerce &
Economic
Development
Robert LeResche,
Commissioner of
Natural Resources
Lee McAnerney,
Commissioner of
Community &
Regional Affairs
Ernst Jueller,
Commissioner of
Environmental
Conservation
Ronald Skoog,
Commissioner of
Fish & Game

COUNCIL MEETING AND WORK SESSION, NOVEMBER 30, 1979

At the Sheffield House, Anchorage, Alaska

9:00 AM Call to Order--Introductions

A. Approval of Minutes from Nov. 1 Meeting

B. Coordinator's Report--Approval of Agenda

C. Public Hearing--Proposed Change to Alaska Coastal Management Act, for the purpose of extending the duration of Coastal Resource Service Area Planning Boards and setting forth additional responsibilities (a draft of this amendment is attached.)

D. Work Session--Familiarizing the Council with the content and major issues associated with the following district programs which have been submitted to the Council and for which Council action has been scheduled for a meeting on January 16, 17, and 18.

1. Anchorage

2. Haines

3. Annette Islands

4. North Slope Borough, Mid-Beaufort Segment

E. Other Business

F. Adjourn

Note: This meeting has been planned for one day only. The Council may choose to have another work session as a result of this meeting, and if so, any additional sessions will be separately announced.



ALASKA
COASTAL MANAGEMENT PROGRAM

(This amendment has been proposed as a result of a request by Nunam Kitlusi made to the Alaska Coastal Policy Council. At issue is the role of coastal resource service area planning boards after the coastal programs for the districts have been approved. As written, the Alaska Coastal Management Act does not specify what the role of such boards would be after approval of the programs, or even if they would continue to exist. The proposed amendment would provide for continued existence and a review and comment role for pending state and federal agency actions.)

The Alaska Coastal Management Act is amended by adding the following new section:

Sec. 46.40.185. COASTAL RESOURCE SERVICE AREA BOARDS AFTER APPROVAL OF DISTRICT PROGRAMS FOR THE SERVICE AREAS. (a) Coastal resource service area boards will participate in the implementation of their districts' programs by reviewing and commenting on the actions and pending actions of state agencies as those agencies carry out their responsibilities under section 46.40.090. (a) of this chapter.

(b) All state agencies shall inform the coastal resource service area boards of actions which would significantly affect the coastal resources of their respective districts and shall provide reasonable amounts of time for the boards to respond with comments and concerns. Where a state agency finds it cannot fully accommodate the comments and concerns of the board, it shall respond in writing with the reasons therefor.

(c) After approval of the program for its district, the coastal resource service area board may act on behalf of the district for the purpose of sec. 46.40.100.(b) of this chapter.

planning regions and substate districts were incorporated into the study. However, the study recommendations were never implemented.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

M E M O R A N D U M

DATE: October 25, 1979

TO: Honorable Arliss Sturgulewski, Chairman
Senate Community & Regional Affairs Committee

FROM: Milt Barker, ^{MO}Fiscal Analyst
Legislative Finance Division

SUBJ: Property Tax Revenues

Attached are tables that show potential property tax revenues in the pipeline municipalities and REAA's, both with and without the per capita limitations set by statute.

Table 1 shows potential property tax revenues from oil and gas production and transportation properties alone, without the per capita limits contained in AS 29.53.045. However, the 30 mill limit contained in AS 29.53.050(a) is the stopping point in the tables. This 30 mill limit applies only to operating and capital expenditures and can be exceeded to pay debt service as provided in AS 29.53.055. Supreme Court decision Number 1750, October 20, 1978, held that bonds need not be in or threatened with default in order to exceed the 30 mills; thus, the only brake on the authorization and issuance of bonds is the operating expenditures required to staff, maintain, and operate the facility. Note that a municipality may levy up to 30 mills, or more with debt service, on oil and gas properties even though the state levy is only 20 mills; however, there is no credit against the state tax for any municipal levy exceeding 20 mills.

Table 1 also shows the per capita oil and gas revenues that would accrue without the per capita limits of AS 29.53.045.

Table 2 shows potential property tax revenues for REAA's that could be derived from all taxable property, not just oil and gas, under the per capita limits of current law contained in AS 29.53.045. Again, 30 mills is the maximum for operating and capital expenditures but can be exceeded for debt service. Up to 14.5 mills, the \$1,500 per capita revenue limit represents maximum property tax revenues, while from 14.5 to 30 mills the 225% of statewide average assessed value per capita is the limit.

Thus, if a municipality desired more than the revenue shown under the \$1,500 per capita column, it would use the 225% option with some millage above 14.5 mills. If it were content with the \$1,500 per capita limit or less, the required millage would be

<u>REAA</u>	<u>MILLS</u>
Yukon Flats	1.4
Yukon Koyukuk	2.4
Delta Greely	6.7
Copper River	2.1
Chugach	.7

or less. It would not be rational for a municipality to have a millage between any of these rates and 14.5 mills.

Table 3 simply shows the derivation of the population estimates for REAA's.

Also attached are pages 10 and 11 from the FY 1979-1980 North Slope Borough budget document. As explained therein, they have a 10.35 millage for FY 1979-1980 on total assessed value of \$5,021,847,880, of which \$4,810,887,800 should be the oil and gas properties shown in Table 1. 5.21 of 10.35 mills are for debt service.

However, the Borough's actual millages are 59.61 total and 29.61 for debt service because of the operation of the per capita limits, the 225% option being the most advantageous to them. Note that they have reached the 30 mill limit for the operating budget.

The property tax revenues to be derived in FY 1979-1980 are \$51,965,200 in total of which \$25,803,000 is for debt service.

TABLE 1
POTENTIAL OIL & GAS PROPERTY TAX REVENUES FOR OPERATING & CAPITAL EXPENDITURES WITHOUT PER CAPITA LIMITS

	1/1/79 Oil & Gas Property Assessed Value (\$000) 1/	POTENTIAL OIL & GAS PROPERTY TAX REVENUE (\$000)				Est. 1979 Popu- lation 2/	POTENTIAL OIL & GAS PROPERTY TAX REVENUE PER CAPITA			
		@	@	@	@		@	@	@	@
		5 Mills	10 Mills	20 Mills	30 Mills		5 Mills	10 Mills	20 Mills	30 Mills
NORTH SLOPE BOROUGH	4,810,887.8	24,054.4	48,108.8	96,217.6	144,326.6	7,971	3,017	6,035	12,070	18,105
YUKON FLATS REAA	1,020,959.4	5,104.8	10,209.6	20,419.2	30,628.8	1,004	5,084	10,168	20,337	30,504
YUKON KOYUKUK REAA	1,037,975.4	5,189.9	10,379.8	20,759.6	31,139.4	1,694	3,063	6,127	12,255	18,381
FAIRBANKS NORTH STAR BOROUGH	790,938.0	3,954.7	7,909.4	15,818.8	23,728.2	60,227	65	131	262	393
DELTA GREELY REAA	680,639.6	3,403.2	6,806.4	13,612.8	20,419.2	3,051	1,115	2,230	4,460	6,690
COPPER RIVER REAA	1,403,819.2	7,019.1	14,038.2	28,076.4	42,114.6	1,925	3,646	7,292	14,585	21,876
CHUGACH REAA	374,351.8	1,871.8	3,743.5	7,487.0	11,230.5	177	10,575	21,150	42,300	63,450
CITY OF VALDEZ	1,541,897.0	7,709.5	15,419.0	30,838.0	46,257.0	4,481	1,720	3,440	6,880	10,320

NOTES: 1/ Borough and City of Valdez figures are from Department of Revenue certified tax roll; figures for REAA's are based on the certified value for the unorganized borough pro-rated by pipeline mileage (508.3 miles in unorganized borough).

2/ Borough and City of Valdez figures are the July 1, 1978 estimates contained in "Alaska Taxable 1978" published by the Department of Community & Regional Affairs. REAA figures are from Table 3.

PREPARED BY:

LEGISLATIVE FINANCE
October 25, 1979

TABLE 2
POTENTIAL FY 79-80 PROPERTY TAX REVENUES FOR
OPERATING & CAPITAL EXPENDITURES UNDER CURRENT LAW

PROPERTY TAX LIMITS (\$000)

	<u>\$1500 Per Capita Limit</u>	<u>225% OF STATEWIDE ASSESSED VALUE PER CAPITA LIMIT ^{1/}</u>		
		<u>15 Mills</u>	<u>20 Mills</u>	<u>30 Mills</u>
Yukon Flats	1,506.0	1,557.0	2,076.0	3,114.0
Yukon Koyukuk	2,541.0	2,627.1	3,502.8	5,254.2
Delta Greely	4,576.5	4,731.9	6,309.2	9,463.8
Copper River	2,887.5	2,985.3	3,980.4	5,970.6
Chugach	265.5	274.5	366.0	549.0

NOTE: ^{1/} Based on January 1, 1979 statewide assessed value of \$18,611,051,000 and a population estimate of 405,000.

PREPARED BY:

LEGISLATIVE FINANCE
October 25, 1979

TABLE 3
REAA POPULATION

<u>REAA</u>	<u>1978-1979 School Enrollment</u> ^{1/}	<u>Ratio of Total Population to Ages 5 thru 18</u> ^{2/}	<u>Estimated 1979 Population</u>
Yukon Flats	293	3.43	1,004
Yukon Koyukuk	543	3.12	1,694
Delta Greely	862	3.54	3,051
Copper River	568	3.39	1,925
Chugach	54	3.28	177

SOURCES & NOTES:

1. "Preliminary Statistical Report 1978-79", Department of Education, State of Alaska.
2. 1970 Census Data

Prepared by:
LEGISLATIVE FINANCE DIV.
October 25, 1979

NORTH SLOPE BOROUGH

RESOLUTION SERIAL NO. 13-79

A RESOLUTION FIXING THE RATE OF LEVY ON PROPERTY IN THE
NORTH SLOPE BOROUGH.

WHEREAS, AS 29.43.170(a) provides the rate of levy, the date of equalization and the date when the taxes become delinquent shall be fixed by Resolution; and

WHEREAS, Resolution No. 27-78 fixes the date of equalization and the date when taxes become due and delinquent as June 29, 1979; and

WHEREAS, the Assembly has appropriated the necessary funds to carry out the Borough business and in accordance with the certified assessment roll there is \$5,021,847,880 assessed value of real and personal property in the Borough which in said value would result in a millage rate of 10.35 of which 5.21 mills for the Operating Budget (to include \$1,803,000 of Debt Service) per AS 29.53.055; and

WHEREAS, the Borough elected to utilize the AS 29.53.045(c) formula which results in a value of \$872,075,147 which can be taxed with results in a proration of all assessed value to 17.365623% of assessed value on all properties of the Borough thereby increasing the millage rate to yield the same taxes on each piece of property according to a certain letter of the State of Alaska; and

WHEREAS, the State average per capita assessed valuation to be certified by the Department of Revenue will be \$47,342.00;

NOW, THEREFORE BE IT RESOLVED:

1. Rate of Levy (on basis of \$47,342.00 State average per capita assessed valuation): The rate of levy on each adjusted dollar of taxable property as of January 1, 1979 in the North Slope Borough is hereby fixed at 59.61 mills of which 30 mills are for the Operating Budget per AS 29.53.045(c) and 29.61 mills are restricted for Debt Service per AS 29.53.055

INTRODUCED: May 24, 1979

ADOPTED : May 24, 1979

Jack Collins
PRESIDENT OF THE ASSEMBLY

ATTEST:

Sharon M. G. ...
BOROUGH CLERK, Deputy

Frank ...
BOROUGH MAYOR, Acting

NORTH SLOPE BOROUGH
BUDGET SUMMARY

	Actual FY 1977/78	Budget ^{1/} FY 1978/79	Budget FY 1979/80
<u>REVENUES - GENERAL FUND</u>			
Property Taxes:	\$26,826,023	\$33,891,400	\$51,965,200
AS 29.53.045(c)	18,840,993#	24,752,400#	26,162,200#
AS 29.53.055 (Debt Service)	7,985,030#	9,139,000#	25,803,000#
Sales Taxes:			
Prior Court Case	1,466,557	2,302,000	-
AS 29.53.055 (Debt Service)	-	-	1,500,000
Licenses and Permits	-	200	200
Use of Money and Property	4,575,845	3,224,000	4,800,000
Intergovernmental Revenues	11,403,786	13,072,600	13,703,100
Charges for Services	532,800	889,000	1,561,100
Miscellaneous for Prepaid Taxes	500,000	500,000	-
Lapsed Funds School-Reappropriated	-	-	520,100
TOTAL REVENUES^{2/}	\$45,305,011	\$53,879,200	\$74,049,700
<u>EXPENDITURES - GENERAL FUND</u>			
Operating:			
Education - School Fund 6/30/78	\$ -	\$ -	\$ 520,100
Education-Mayor's Support Level	12,389,451	12,662,700	15,457,700
Education-Post Secondary	-	-	643,000
Public Safety	1,137,171	1,826,700	3,140,700
Public Works	4,039,545	6,187,300	4,059,700
Public Utilities	-	-	4,116,300
Assembly-Budgetary Reserves	-	392,900	1,498,000
Assembly-Lawsuit-Prepaid Taxes	500,000	500,000	-
General Government	5,076,571	6,885,200	7,535,000
Environmental Protection Office	254,683	372,600	477,300
Health	1,199,766	3,000,600	2,621,700
Housing	231,933	612,200	840,200
TOTAL OPERATING	\$24,829,120	\$32,440,200	\$40,909,700
Capital	3,000,000	10,579,000	3,990,000
Debt Service	7,622,000	10,860,000	29,150,000
TOTAL EXPENDITURES	\$35,451,120	\$53,879,200	\$74,049,700
<u>REVENUES - SERVICE AREA #10</u>			
<u>UTILITY FUND - #31</u>	<u>\$ -</u>	<u>\$ 2,350,200</u>	<u>\$ 4,576,300</u>
<u>EXPENDITURES - SERVICE AREA #10</u>			
<u>UTILITY FUND - #31</u>	<u>\$ -</u>	<u>\$ 2,350,200</u>	<u>\$ 4,576,300</u>
<u>GRAND TOTAL - ORDINANCE 79-3</u>			
<u>REVENUES</u>	<u>\$45,305,011</u>	<u>\$56,229,400</u>	<u>\$78,626,000</u>
<u>EXPENDITURES</u>	<u>\$35,451,120</u>	<u>\$56,229,400</u>	<u>\$78,626,000</u>

- NonAdd - Part of Category

1/ Ordinance 78-3F adopted January 9, 1979.

2/ Accrued Interest of \$2,466,489 - Contrary to budget procedures; transfers to CIP Fund were \$6,720,189 and Debt Service Fund of \$179,172 are not reflected in Total Expenditures.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

95-
FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

M E M O R A N D U M

TO: Sen. Arliss Sturgulewski

FROM: Jim Duncan, Chairman
Legislative Budget & Audit Committee

SUBJECT: Coordination of CETA Programs
(Your Request for Comment)

DATE: Aug. 30, 1979

As Milt Barker summarizes in his memo to you, the authority of the Public CETA Prime Sponsors and Native Prime Sponsors (CETA Title III) are distinctly separate under Federal Law (The Native American Self-Determination Act). Because they are different entities the State has no clear authority or basis in law to impose any regulation of the Title III Prime Sponsor's activities. In the past, any suggestion of subordination of Title III activities to State Agency Coordination or oversight has been responded to very negatively.

The appropriate agency to act in this capacity for Title III primes is the Alaska Federation of Natives. I know that Morris Thompson considers this coordination to be a major goal to achieve during his tenure as President of AFN. I believe the mood for cooperation via Native agencies is better than it may have been in the past.

Recently, the Carter administration introduced legislation that could significantly alter the character of CETA programs. Additionally, incentives are provided to demonstrate the highest possible degree of coordination. I know some work has been completed along these lines but I am not certain of the current status of that work with AFN and the Native Prime Sponsors.

I would suggest talking to Roger Lang, President of the Alaska Native Foundation, and Norris Thompson, President of

Sen. Arliss Sturgulewski

-2-

Aug. 30, 1979

- the Alaska Federation of Natives about this subject. These agencies have recently been working cooperatively on this and similar subjects, and of course they have the perspective of the history of past efforts to organize and coordinate Title III activities statewide.

JD:jp



UNIVERSITY OF ALASKA
CRIMINAL JUSTICE CENTER
3211 PROVIDENCE AVENUE
ANCHORAGE, ALASKA 99504

August 6, 1979

Honorable Arliss Sturgulewski
State Capitol
Pouch V
Juneau, Alaska 99811

Dear Arliss: Re: Local Self-Government Seminar

Thank you for the invitation to the seminar. Though I did more than my share of complaining about the imposition on private time, I will have to admit that I was a net winner from the occasion in the extent to which my knowledge of some of these issues was improved upon.

I was particularly intrigued by the way a "foundation program" for public safety emerged without a whole lot of special interest prodding on my part.

RE You might keep in mind the rather extensive work and current involvement which we are in professionally at the Center on this and related topics.

I believe you have a copy of John Angell's comprehensive germinal study of Alaska bush justice. Roger Endell has been working with Russ Meekins' special committee and with the administration on their bush justice corrections facilities planning committees. Steve Conn has been directing a project in which we are all involved on control of alcohol distribution. A report on this topic which will feature local control issues will be out in the fall. Steve has been involved from the beginning in the study of adaptations of traditional problem and dispute resolution techniques. We have also been involved in field paralegal and governmental education projects in Barrow under the auspices of the Alaska Federation of Natives. These are only some of our more prominent activities in the delivery of justice services.

The variety serves, in part, as a reminder that the definition of public safety services is considerably broader than law enforcement, fire fighting and search and rescue. There is a penumbra of essential service activities, of which alcohol control and treatment management is but one cluster, which make up a fully stated public safety function.

*Define program as public safety program - same 6 programs just described
Multi component to encompass 2-3 x elements
high degree of specialization, Generalists, Specialists
so too 7 more if not necessarily embodied. Funding shouldn't just be
transferred to all levels.*

Honorable Arliss Sturgulewski
August 6, 1979
Page 2

Dr. Angell has been working with Commissioner Nix and University of Michigan on a federal grant project on social justice training or retraining for police officers which also underlines this aspect of public safety services.

As you know from your experience with the City of Anchorage, there has never been any comprehensive rationale for the division of responsibility between municipal and state governmental entities for public safety functions. If a public safety foundation program is to be developed, that question, too, must receive careful study, and possible solution options formulated.

I realize that the interim committee has little or no money at the time being for the kind of analytical work and studies which the breadth of the topic suggests. However, it may be that some of these matters may emerge as major state issues because of the groundwork done by the committee. If that is the case, I hope that you will keep the Justice Center in mind as a resource cutting across institutional boundaries.

We all share your belief that issues of local control and governmental administration have a very high priority and have strong linkages with those topics, such as the source of funding for state services, which are usually identified as the top state priorities.

I hope these observations are of some use to you and encourage your continuing aggressive pursuit of local control over essential state services.

Sincerely yours,

John E. Havelock
Director
Criminal Justice Center

JEH:pb
cc: Representative Bill Parker

① Village Justice Report - mem
Criminal Justice Agency

② Symposium - Anchorage Criminal Justice - 24. of Ak
Oct. 11, 12, 13

Angell - History on Public
Justice Higher Education & U. of Ak.
Training / Curriculum focus

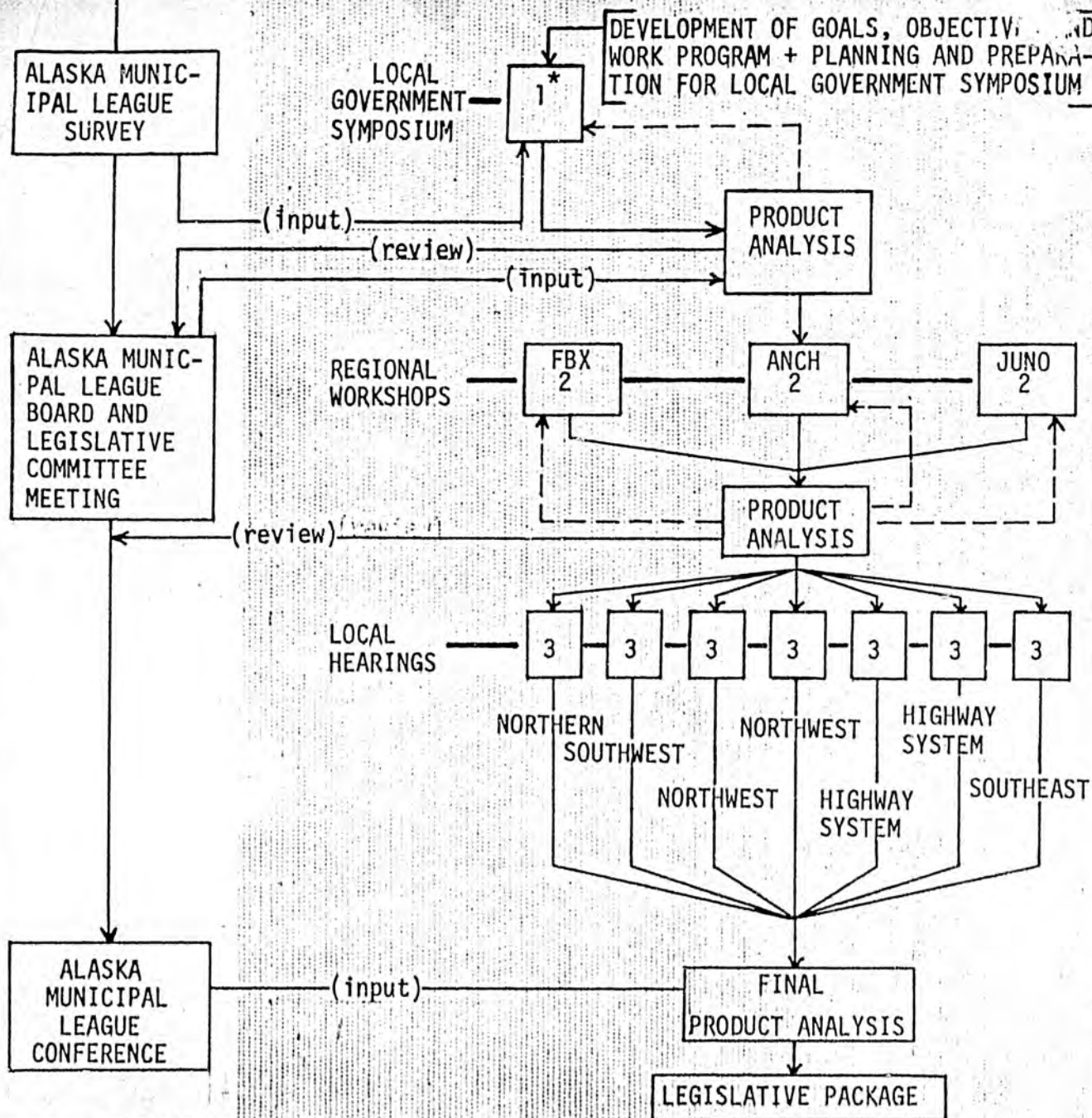
Krypples Ron Early Political Organization
Public - 2/3 piece Community Dispute Resolution

Angell → Village Police Training
Evaluation
Criminal Justice
Planning

Branch Justice Conferences -
* Grand Central 1st/2nd
GFH
ANC → reports priority
Kron

Control
Tell - Alchodan
Local Ak.
Report due
24.

DEVELOPMENT AND ARTICULATION OF
MUNICIPAL GOVERNMENT ISSUES AND
PROBLEMS

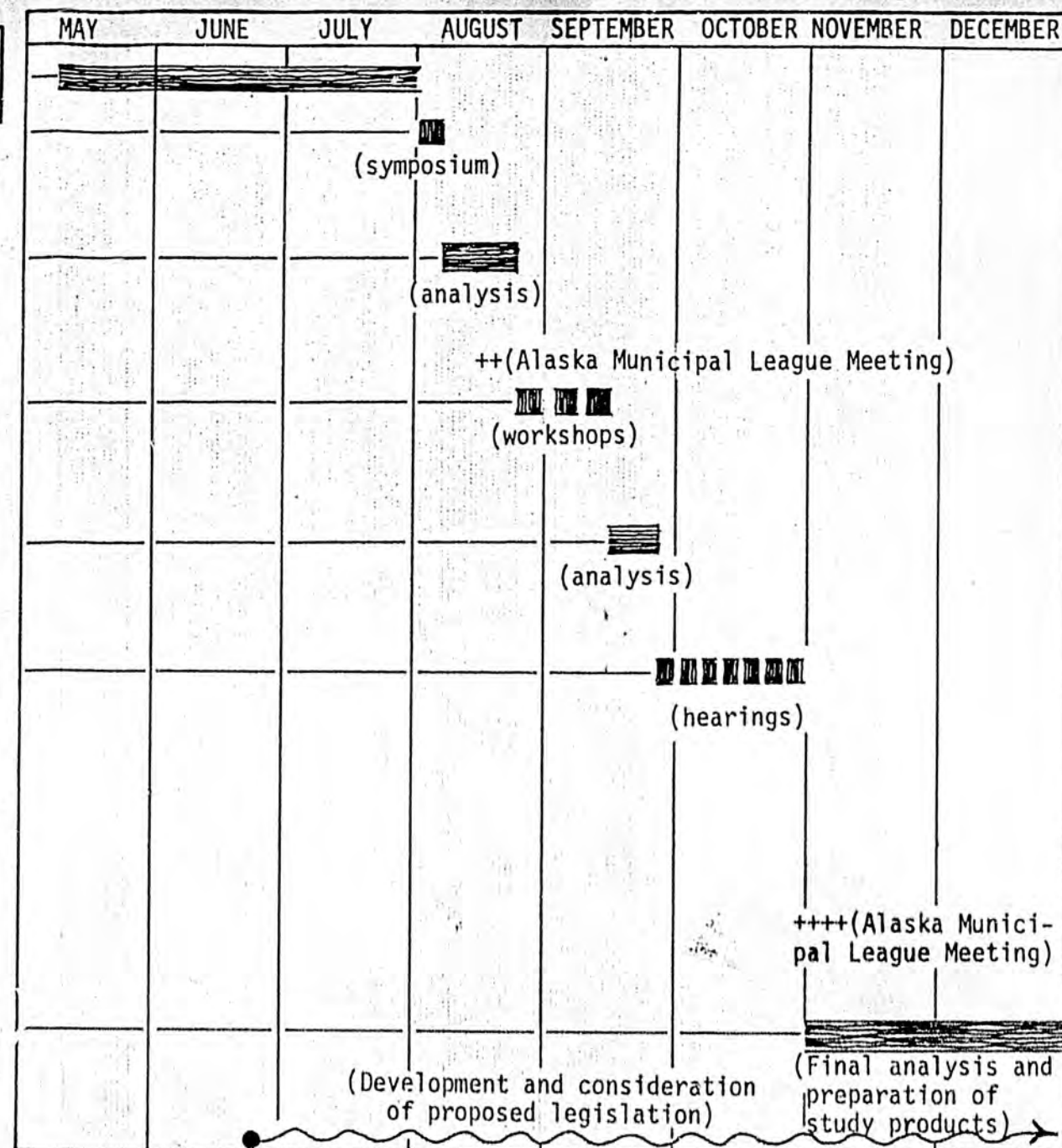


---→ Indicates optional secondary review process

* Levels of participation are indicated by numbers, 1) people knowledgeable of local government, 2) local and regional leaders 3) legislative committees and general public

Local Government Study

EXHIBIT C



JOINT SENATE AND HOUSE
COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
LOCAL GOVERNMENT STUDY 6/14/79

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

M E M O R A N D U M

DATE: October 25, 1979

TO: Honorable Arliss Sturgulewski, Chairman
Senate Community & Regional Affairs Committee

FROM: Milt Barker, Fiscal Analyst
Legislative Finance Division

SUBJ: Property Tax Revenues

Attached are tables that show potential property tax revenues in the pipeline municipalities and REAA's, both with and without the per capita limitations set by statute.

Table 1 shows potential property tax revenues from oil and gas production and transportation properties alone, without the per capita limits contained in AS 29.53.045. However, the 30 mill limit contained in AS 29.53.050(a) is the stopping point in the tables. This 30 mill limit applies only to operating and capital expenditures and can be exceeded to pay debt service as provided in AS 29.53.055. Supreme Court decision Number 1750, October 20, 1978, held that bonds need not be in or threatened with default in order to exceed the 30 mills; thus, the only brake on the authorization and issuance of bonds is the operating expenditures required to staff, maintain, and operate the facility. Note that a municipality may levy up to 30 mills, or more with debt service, on oil and gas properties even though the state levy is only 20 mills; however, there is no credit against the state tax for any municipal levy exceeding 20 mills.

Table 1 also shows the per capita oil and gas revenues that would accrue without the per capita limits of AS 29.53.045.

Table 2 shows potential property tax revenues for REAA's that could be derived from all taxable property, not just oil and gas, under the per capita limits of current law contained in AS 29.53.045. Again, 30 mills is the maximum for operating and capital expenditures but can be exceeded for debt service. Up to 14.5 mills, the \$1,500 per capita revenue limit represents maximum property tax revenues, while from 14.5 to 30 mills the 225% of statewide average assessed value per capita is the limit.

Thus, if a municipality desired more than the revenue shown under the \$1,500 per capita column, it would use the 225% option with some millage above 14.5 mills. If it were content with the \$1,500 per capita limit or less, the required millage would be

<u>REAA</u>	<u>MILLS</u>
Yukon Flats	1.4
Yukon Koyukuk	2.4
Delta Greely	6.7
Copper River	2.1
Chugach	.7

or less. It would not be rational for a municipality to have a millage between any of these rates and 14.5 mills.

Table 3 simply shows the derivation of the population estimates for REAA's.

Also attached are pages 10 and 11 from the FY 1979-1980 North Slope Borough budget document. As explained therein, they have a 10.35 millage for FY 1979-1980 on total assessed value of \$5,021,847,880, of which \$4,810,887,800 should be the oil and gas properties shown in Table 1. 5.21 of 10.35 mills are for debt service.

However, the Borough's actual millages are 59.61 total and 29.61 for debt service because of the operation of the per capita limits, the 225% option being the most advantageous to them. Note that they have reached the 30 mill limit for the operating budget.

The property tax revenues to be derived in FY 1979-1980 are \$51,965,200 in total of which \$25,803,000 is for debt service.

TABLE 1
POTENTIAL OIL & GAS PROPERTY TAX REVENUES FOR OPERATING & CAPITAL EXPENDITURES WITHOUT PER CAPITA LIMITS

	1/1/79 Oil & Gas Property Assessed Value (\$000) 1/	POTENTIAL				Est. 1979 Popu- lation 2/	POTENTIAL			
		OIL & GAS PROPERTY TAX REVENUE (\$000)					OIL & GAS PROPERTY TAX REVENUE			
							PER CAPITA			
		@	@	@	@		@	@	@	@
		5 Mills	10 Mills	20 Mills	30 Mills		5 Mills	10 Mills	20 Mills	30 Mills
NORTH SLOPE BOROUGH	4,810,887.8	24,054.4	48,108.8	96,217.6	144,326.6	7,971	3,017	6,035	12,070	18,105
YUKON FLATS REAA	1,020,959.4	5,104.8	10,209.6	20,419.2	30,628.8	1,004	5,084	10,168	20,337	30,504
YUKON KOYUKUK REAA	1,037,975.4	5,189.9	10,379.8	20,759.6	31,139.4	1,694	3,063	6,127	12,255	18,381
FAIRBANKS NORTH STAR BOROUGH	790,938.0	3,954.7	7,909.4	15,818.8	23,728.2	60,227	65	131	262	393
DELTA GREELY REAA	680,639.6	3,403.2	6,806.4	13,612.8	20,419.2	3,051	1,115	2,230	4,460	6,690
COPPER RIVER REAA	1,403,819.2	7,019.1	14,038.2	28,076.4	42,114.6	1,925	3,646	7,292	14,585	21,876
CHUGACH REAA	374,351.8	1,871.8	3,743.5	7,487.0	11,230.5	177	10,575	21,150	42,300	63,450
CITY OF VALDEZ	1,541,897.0	7,709.5	15,419.0	30,838.0	46,257.0	4,481	1,720	3,440	6,880	10,320

NOTES: 1/ Borough and City of Valdez figures are from Department of Revenue certified tax roll; figures for REAA's are based on the certified value for the unorganized borough pro-rated by pipeline mileage (508.3 miles in unorganized borough).

2/ Borough and City of Valdez figures are the July 1, 1978 estimates contained in "Alaska Taxable 1978" published by the Department of Community & Regional Affairs. REAA figures are from Table 3.

PREPARED BY:
 LEGISLATIVE FINANCE
 October 25, 1979

TABLE 2
POTENTIAL FY 79-80 PROPERTY TAX REVENUES FOR
OPERATING & CAPITAL EXPENDITURES UNDER CURRENT LAW

PROPERTY TAX LIMITS (\$000)

	<u>\$1500 Per Capita Limit</u>	<u>225% OF STATEWIDE ASSESSED VALUE PER CAPITA LIMIT ^{1/}</u>		
		<u>15 Mills</u>	<u>20 Mills</u>	<u>30 Mills</u>
Yukon Flats	1,506.0	1,557.0	2,076.0	3,114.0
Yukon Koyukuk	2,541.0	2,627.1	3,502.8	5,254.2
Delta Greely	4,576.5	4,731.9	6,309.2	9,463.8
Copper River	2,887.5	2,985.3	3,980.0	5,970.6
Chugach	265.5	274.5	366.0	549.0

NOTE: ^{1/} Based on January 1, 1979 statewide assessed value of \$18,611,051,000 and a population estimate of 405,000.

PREPARED BY:

LEGISLATIVE FINANCE
October 25, 1979

TABLE 3
REAA POPULATION

<u>REAA</u>	<u>1978-1979 School Enrollment^{1/}</u>	<u>Ratio of Total Population to Ages 5 thru 18^{2/}</u>	<u>Estimated 1979 Population</u>
Yukon Flats	293	3.43	1,004
Yukon Koyukuk	543	3.12	1,694
Delta Greely	862	3.54	3,051
Copper River	568	3.39	1,925
Chugach	54	3.28	177

SOURCES & NOTES:

1. "Preliminary Statistical Report 1978-79", Department of Education, State of Alaska.
2. 1970 Census Data

Prepared by:
LEGISLATIVE FINANCE DIV.
October 25, 1979

NORTH SLOPE BOROUGH

RESOLUTION SERIAL NO. 13-79

A RESOLUTION FIXING THE RATE OF LEVY ON PROPERTY IN THE
NORTH SLOPE BOROUGH.

WHEREAS, AS 29.43.170(a) provides the rate of levy, the date of equalization and the date when the taxes become delinquent shall be fixed by Resolution; and

WHEREAS, Resolution No. 27-78 fixes the date of equalization and the date when taxes become due and delinquent as June 29, 1979; and

WHEREAS, the Assembly has appropriated the necessary funds to carry out the Borough business and in accordance with the certified assessment roll there is \$5,021,847,880 assessed value of real and personal property in the Borough which in said value would result in a millage rate of 10.35 of which 5.21 mills for the Operating Budget (to include \$1,803,000 of Debt Service) per AS 29.53.055; and

WHEREAS, the Borough elected to utilize the AS 29.53.045(c) formula which results in a value of \$872,075,147 which can be taxed with results in a proration of all assessed value to 17.365623% of assessed value on all properties of the Borough thereby increasing the millage rate to yield the same taxes on each piece of property according to a certain letter of the State of Alaska; and

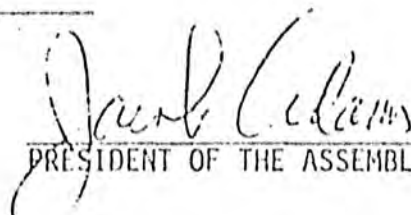
WHEREAS, the State average per capita assessed valuation to be certified by the Department of Revenue will be \$47,342.00;

NOW, THEREFORE BE IT RESOLVED:

1. Rate of Levy (on basis of \$47,342.00 State average per capita assessed valuation): The rate of levy on each adjusted dollar of taxable property as of January 1, 1979 in the North Slope Borough is hereby fixed at 59.61 mills of which 30 mills are for the Operating Budget per AS 29.53.045(c) and 29.61 mills are restricted for Debt Service per AS 29.53.055

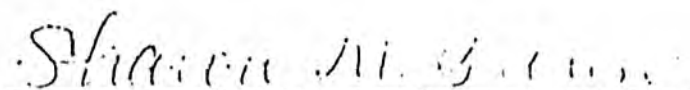
INTRODUCED: May 24, 1979

ADOPTED : May 24, 1979

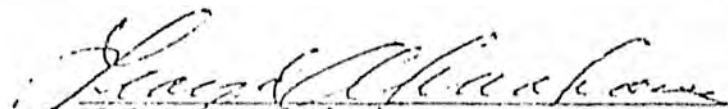


PRESIDENT OF THE ASSEMBLY

ATTEST:



BOROUGH CLERK, Deputy



BOROUGH MAYOR, Acting

NORTH SLOPE BOROUGH
BUDGET SUMMARY

	Actual FY 1977/78	Budget ^{1/} FY 1978/79	Budget FY 1979/80
<u>REVENUES - GENERAL FUND</u>			
Property Taxes:	\$26,826,023	\$33,891,400	\$51,965,200
AS 29.53.045(c)	18,840,993#	24,752,400#	26,162,200#
AS 29.53.055 (Debt Service)	7,985,030#	9,139,000#	25,803,000#
Sales Taxes:			
Prior Court Case	1,466,557	2,302,000	-
AS 29.53.055 (Debt Service)	-	-	1,500,000
Licenses and Permits	-	200	200
Use of Money and Property	4,575,845	3,224,000	4,800,000
Intergovernmental Revenues	11,403,786	13,072,600	13,703,100
Charges for Services	532,800	889,000	1,561,100
Miscellaneous for Prepaid Taxes	500,000	500,000	-
Lapsed Funds School-Reappropriated	-	-	520,100
TOTAL REVENUES^{2/}	\$45,305,011	\$53,879,200	\$74,049,700
<u>EXPENDITURES - GENERAL FUND</u>			
Operating:			
Education - School Fund 6/30/78	\$ -	\$ -	\$ 520,100
Education-Mayor's Support Level	12,389,451	12,662,700	15,457,700
Education-Post Secondary	-	-	643,000
Public Safety	1,137,171	1,826,700	3,140,700
Public Works	4,039,545	6,187,300	4,059,700
Public Utilities	-	-	4,116,300
Assembly-Budgetary Reserves	-	392,900	1,498,000
Assembly-Lawsuit-Prepaid Taxes	500,000	500,000	-
General Government	5,076,571	6,885,200	7,535,000
Environmental Protection Office	254,683	372,600	477,300
Health	1,199,766	3,000,600	2,621,700
Housing	231,933	612,200	840,200
TOTAL OPERATING	\$24,829,120	\$32,440,200	\$40,909,700
Capital	3,000,000	10,579,000	3,990,000
Debt Service	7,622,000	10,860,000	29,150,000
TOTAL EXPENDITURES	\$35,451,120	\$53,879,200	\$74,049,700
<u>REVENUES - SERVICE AREA #10</u>			
UTILITY FUND - #31	\$ -	\$ 2,350,200	\$ 4,576,300
<u>EXPENDITURES - SERVICE AREA #10</u>			
UTILITY FUND - #31	\$ -	\$ 2,350,200	\$ 4,576,300
<u>GRAND TOTAL - ORDINANCE 79-3</u>			
<u>REVENUES</u>	<u>\$45,305,011</u>	<u>\$56,229,400</u>	<u>\$78,626,000</u>
<u>EXPENDITURES</u>	<u>\$35,451,120</u>	<u>\$56,229,400</u>	<u>\$78,626,000</u>

- NonAdd - Part of Category

1/ Ordinance 78-3F adopted January 9, 1979.

2/ Accrued Interest of \$2,466,489 - Contrary to budget procedures; transfers to CIP Fund were \$6,720,189 and Debt Service Fund of \$179,172 are not reflected in Total Expenditures.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

Margie
FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

November 15, 1978

MEMORANDUM

TO: Arliss Sturgulewski, Chairman
Senate Community & Regional Affairs Committee

FROM: ^{MB} Milt Barker, Fiscal Analyst
Legislative Finance Division

SUBJECT: Financial Disincentive to Borough Formation

In this memo the net change in state aid and local effort for all REAA's upon their conversion to organized boroughs is estimated. The date of the assumed conversions is July 1, 1977; the period of state aid is fiscal year 1978. The following principal elements are considered:

1. public school foundation support (AS 14.17)
 - (a) in-lieu funds for REAA's (AS 14.08.121)
 - (b) basic need
 - (c) required local effort (AS 14.17.071)
2. municipal revenue sharing under the terms of HB 192
3. shared corporate income taxes (AS 43.20.016)

Foundation Support

Current state funding for REAA's is at 100% of basic need under the foundation program as well as a state contribution equal to the number of REAA pupils times the average local tax contributions per pupil in the organized school districts during the prior fiscal year, which in this case was \$688 per pupil for FY 77 (AS 14.08.121).

Upon conversion to borough status, an REAA loses this latter "in-lieu" contribution of \$688 per pupil. For all REAA's, the loss of this support would have amounted to

"In-Lieu"

(\$7,610,656)

for FY 78.

Also upon conversion, the new borough would have received less than 100% of basic need, the actual percentage depending on the new borough's assessed value per ADM relative to the average assessed value per ADM for all districts in the state, but in no case being less than 97% (ADM is average daily membership of pupils).

For FY 78 foundation support, the "Alaska Taxable", January 1, 1976, assessed valuation of municipalities of \$9,805,715,960 was used. Using a method described in Appendix I, I estimate assessed value of outside municipalities at \$110,714,000 for a total statewide valuation of \$9,916,429,960 excluding oil and gas property in the unorganized borough.

With 83,274 pupils in ADM for FY 78 according to the Department of Education's "Statistical Report 1978-79", this would have been a statewide average assessed value per ADM of \$119,082. As further described in Appendix I, the average assessed value per ADM for an REAA with no oil or gas property would have been \$19,895.

Plugging these assessed values per ADM into the formula for determining state support (AS 14.17.021(c)) yields a level of state aid equal to 99.5% of basic need for REAA's that would have become boroughs.

From the attached statement of REAA FY 78 revenues prepared by the Department of Education, we see that total basic need for all REAA's is \$47,530,826, this being the sum of amounts under the headings "federal 874" and "foundation" since PL 81-874 funds are deducted from foundation support for both REAA's and organized school districts (AS 14.08.121(a)(1) and AS 14.17.021(a)). Thus, the decrease in foundation support would be \$47,530,826 times .5% or

Basic
Need

(\$237,654)

for all REAA's in total.

Finally, the assumption of borough status by an REAA would have required local effort for the first time. The required local to state match would have been 1 to 199 for all newly formed boroughs on average.

The state contribution would have been the \$47,530,826 in basic need reduced by the \$237,654 equilization amount and by the \$17,485,871 in PL 81-874 funds or \$29,807,301. This would have required a local match of

Local
Effort

(\$149,785)

Thus, the total financial disincentive under the school foundation program for borough formation is

(\$7,998,095)

and is due almost entirely to loss of the "in-lieu" funds. The additional loss is about 5% on top of the "in-lieu" funds. A glance at the DOE table on REAA FY 78 revenues allows one to estimate the disincentive for any particular REAA.

It must be cautioned that these estimates are in terms of averages and that the results could differ for individual REAA's. However, the differences should not be that significant, especially for non-pipeline REAA's; even at the minimal level of 97% state support (which only pipeline REAA's would come close to) the loss of foundation support for all REAA's would have been at most \$1,425,924, with required local effort decreasing to \$44,100 because the match ratio drops to a minimum of 1:32. Thus, the total loss to any individual REAA would probably have been no more than 19% on top of the "in-lieu" loss.

More likely to affect these estimates are changes overtime in the contributions per ADM of organized school districts that determine "in-lieu" funds. The continued increases in the statutory level of basic need (an increase of 10% is scheduled for FY 80 -- AS 14.17.056) should not be significant since the loss due to the equalization factor was only \$237,654 to start with.

Municipal Revenue Sharing

Under the method proposed in HB 192, municipal revenue sharing funds would be distributed based on a formula that takes account of population and local effort in relation to assessed valuation per capita (proposed AS 29.88.010). 1/

1/ For purposes of the revenue sharing formula, a municipality's assessed valuation may not be less than 15% of the average statewide assessed value per capita. Using the \$9,916,429,960 statewide assessed value derived above and the "Alaska Taxable 1977" January 1, 1977 statewide population estimate of 398,983, we have average per capita of \$24,854 of which 15% would be \$3,728 per capita. However, estimated un-organized borough valuation per capita is \$6,096. (from Appendix I)

If we use the Appendix I population and valuation per capita figures for the unorganized borough excluding oil and gas property (50,451 persons and \$5,096 per capita) and assume the only local effort is the required school foundation match (\$149,785), the total revenue sharing to all new boroughs would be only

HB 192
Revenue
Sharing

\$64,130

on the assumption that the appropriation for all revenue sharing is \$27,000,000, the level at which HB 192 becomes effective. ^{2/}

The \$149,785 level of local effort is the equivalent of .49 mills. If the new boroughs increased their local effort above the minimum .49 mills required for school foundation aid, they would receive revenue sharing support as follows: ^{3/}

<u>Mills</u>	<u>Local Effort</u>	<u>HB 192 Revenue Sharing</u>
5	\$1,528,418	\$ 654,387
10	3,056,836	1,308,775
20	6,113,673	2,617,551
30	9,170,510	3,926,326

If the revenue sharing appropriation were roughly \$63,000,000 it would on average provide a 1 to 1 match of entitlement to local effort for new boroughs (other than pipeline boroughs).

Depending on the average mill rate in the new boroughs, the appropriation would have to be much larger to offset \$7,610,656 "in-lieu" disincentive under the foundation program:

<u>Mills</u>	<u>Revenue Sharing Appropriation Required to Offset "in-lieu"</u>
5	\$377,000,000
10	220,000,000
20	141,000,000
30	115,000,000

^{2/} Sec. 11 of HB 192 provides a minimum entitlement of \$25,000 plus a COLA during the first fiscal year the act is effective. Thus, if the act takes effect before a new borough formation, this floor is of no value to new boroughs and would not in any event provide increased support beyond the first year.

^{3/} See next page for footnote

11/15/79

Thus, at common borough millages of 5 or 10 and the trigger appropriation level, HB 192 revenue sharing would provide insignificant revenues to any individual non-pipeline, newly-formed borough since the total support to 21 old REAA's would have been from \$65,000 to \$1,300,000.

Shared Corporate Income Taxes

AS 43.20.016 distributes the appropriation for shared corporate income taxes in an amount equal to that received by boroughs in FY 78, or for newly-formed boroughs in amount equal to the FY 78 receipts of the borough closest in population, pro-rated if the appropriation is insufficient to fund these base levels. If it is greater, the excess is distributed per capita.

FY 78 total distribution was \$10,571,500. FY 80's appropriation was just a little above that, \$11,400,000. If appropriation levels remain sufficient to only fund base amounts the entitlements of newly-formed boroughs would be:

<u>REAA</u>	<u>Population</u> 4/	<u>Base Entitlement</u>
Adak	3,200	\$ 7,275
Alaska Central Railbelt	1,095	13,985
Alaska Gateway	788	13,985
Aleutian Region	2,375	7,275
Annette Island	962	13,985

(con't on p. 6)

3/ These estimated new Chapter 88 revenue sharing entitlements are based on a pro-ratio factor of 2.61 shown on the attached Legislative Affairs computer simulation of HB 192 dated February 19, 1979. As the new boroughs took a bigger bite of the pie the pro-ratio factor would decrease. Thus, the estimates for the higher millages become progressively greater than they should be. However, the estimates still give a rough idea of entitlements and a more accurate picture of the relative fiscal effect if only one or two REAA's should actually convert to boroughs.

4/ Estimated by applying ratio of total population to ages 5 through 18 from appropriate 1970 census divisions to Department of Education pupil ADM figures for FY 78 and adding population of city school districts from "Alaska Taxable 1978". The total population differs from that in Appendix I because of the inclusion of Valdez and one year later data.

<u>REAA</u>	<u>Population</u>	<u>Base Entitlement</u>
Bering Strait	4043	7,275
Chatham	3178	7,275
Chugach	7438	1,220,920
Copper River	1925	7,275
Delta/Greely	3051	7,275
Iditarod	731	13,985
Kuspuk	880	13,985
Lower Kuskokwim	7420	1,220,920
Lower Yukon	2615	7,275
Northwest Arctic	3660	7,275
Pribilof	973	13,985
Southeast Island	9408	208,145
Southwest	2620	7,275
Lake & Peninsula	923	13,985
Yukon Flats	1004	13,985
Yukon Koyukuk	2828	7,275
Total	61,117	\$2,834,615

The pattern here presents a crazy-quilt of aid in which some larger communities get less than smaller ones, with Chugach and the Lower Kuskokwim to receive substantially more than any of the others because their populations were near that of the North Slope Borough which had, of course, large business license tax receipts for FY 78.

Although the administration's estimates for the corporate petroleum income tax have remained at \$160 million a year (the calendar 1978 level), legislative finance estimates the petroleum income taxes alone, disregarding non-petroleum corporate income taxes, will mount to around \$600 million by FY 81. If distributions were at 10% of this level, \$60,000,000, the excess of roughly \$50,000,000 over base entitlements would bring \$7,500,000 to newly-formed boroughs on a per capita distribution, more nearly offsetting the other financial disincentives to borough formation.

The Lower Kuskokwim should clearly gain from borough formation as should Chugach if Valdez is incorporated into the borough, even at current appropriation levels.

Other Considerations

This analysis has not considered the further decline in state support to REAA's that become boroughs that would occur for school construction. Under AS 43.18.100, the state would pick up 80% of the debt service for new borough's school construction debt whereas the state now builds entirely at its own expense the necessary school facilities for REAA's.

11/15/79

Of course, with the "Hooch" case settlement new boroughs school construction needs may not be that significant for some time.

One incentive not considered is the value of municipal land selections a new borough would be entitled to under AS 29.18.203. However, it may be an incentive to postpone formation since a new borough receives 10% of state lands within its boundary at the time of incorporation. So until Alaska's land status is resolved, there are disincentives here too, considering opportunity costs.

SB 35 AND REGIONAL GOVERNMENT *

Patrick K. Poland

The transfer of the major operational responsibilities for rural Alaska's schools from the State of Alaska (Alaska Unorganized Borough School District) to regional school districts (Regional Educational Attendance Areas) with locally elected school boards was accomplished by Ch 124, Session Laws of Alaska, 1975 (popularly referred to as Senate Bill 35).

To a great extent, the ultimate impact of Senate Bill 35 is just beginning to be realized. However, there are already several definite implications for municipal government that have arisen from the implementation of Senate Bill 35. The purpose of this discussion is to underscore these implications as they relate to the development of municipal government in the Unorganized Borough. For purposes of this discussion, municipalities consist of boroughs and first-class cities; that is, municipalities having the education function.

Regional Identification

While rural Alaska's initial encounter with the concept of regionalism came about with passage of Public Law 92-746, the Alaska Native Claims Settlement Act (ANCSA), there is no doubt that Senate Bill 35 went far beyond the implications of the ANCSA in terms of developing regional identification. In the view of the Department of Community and Regional Affairs this was a positive step towards developing regional government in the Unorganized Borough. Prior to the passage and implementation of this particular act there were no real tests of the regional concept of service delivery taking place in the Unorganized Borough;¹ and while there were many advocates of this particular mechanism of service delivery, it remained, by and large, untested. However, with the mandate of regionalization created by Senate Bill 35, rural residents have, in a sense, been forced to test the concepts of regionalism in Alaska's vast Unorganized Borough.

Surprisingly, there seemed little if any real resistance to the idea of regional school districts. On the contrary, most rural residents seemed eager to embrace the concept. Much of this was undoubtedly due to the dissatisfaction many rural residents felt with the former State-Operated School System. Perhaps the strongest demonstration of this desire to participate in a regional approach to service delivery was the change in municipal status executed by the City of Selawik. In that particular instance, the City of Selawik, formerly a city of the first class in the Unorganized Borough and therefore having school responsibilities, petitioned the Local Boundary Commission² and convinced them of the need for the city to be dissolved and "reincorporated" as a second class city so that it might become a part of the particular Regional Educational Attendance Area (Northwest Arctic). Among

the arguments presented in support of Selawik's reclassification was a strong statement by residents concerning their desire to be a part of the Regional Educational Attendance Area and to receive benefits they perceived as being available only to constituents of the REAA.

The Department of Community and Regional Affairs, noting the relatively warm embrace being given regionalization by Unorganized Borough residents, early in 1976 initiated a study of the acceptability of general purpose regional governments in the Unorganized Borough. That study,³ which consumed some six months, came to a number of conclusions, the most important of which appears to be the fact that rural residents are still wary of any form of government that has the authority to levy and collect taxes. Additionally, many residents expressed concern about moving too fast; while they embraced the idea of regional school districts, they felt that the concept required the test of time before jumping to yet a new form of government. Nevertheless, the department has had inquiries from several regions (most notably the Fort Yukon, Bethel, Glennallen, and Valdez regions) concerning possible borough incorporation. To date, none of those discussions has evolved into an actual petition for borough incorporation, although it does appear that many areas are getting close to taking that step. There is no doubt that formal consideration by these regions of regional government was precipitated by the establishment of REAAs.

An additional development which, to some degree, appears to be an offshoot of the regional approach fostered by Senate Bill 35, was the passage of Ch 84 SLA 1977, which established a mechanism for regions of the Unorganized Borough to establish coastal zone management (CZM) service areas for the purpose of CZM planning. Under the provisions of that particular act any Regional Educational Attendance Area, upon determination by the local electorate, may establish itself as a coastal zone management planning district. While the legislation permits consolidation of two or more Regional Educational Attendance Areas into a CZM planning district, it does not allow individual REAAs to be subdivided into smaller districts for the purposes of planning. This is an interesting development and one that seems to further reinforce the concept of delivery services on a regional basis.

Finally, in terms of regionalization, it is interesting to note the provisions of Senate Bill 35 which deal with the boundaries of Regional Educational Attendance Areas. Specifically, the bill provides that:

As far as practicable, each Regional Educational Attendance Area shall contain an integrated socio-economic, linguistically and culturally homogenous area. In the formation of Regional Educational Attendance Areas, consideration shall be given to the transportation and communication network to facilitate the administration and communication between communities that comprise the area.

Very similar statutory language exists at AS 29.18.030, which is the statutory provision establishing standards for borough incorporation. The similarity of the standards goes a long way towards defining appropriate boundaries for potential regional governments. In fact, to some observers, the boundaries of the newly created Regional Educational Attendance Areas (with some exceptions) generally conform to good borough boundaries. This has been a little alarming to many rural residents, since no small number of them are still concerned that the state is going to "foist" boroughs upon them.

Finance

The second major subject area that has been the topic of much discussion as a result of Senate Bill 35 is that of local government finance. As presently constituted, Regional Educational Attendance Areas, in comparison to municipal school districts, have an advantageous funding schedule. In addition to 100 percent Public School Foundation Program funding, Regional Educational Attendance Areas also receive from the State an amount equal to the average local contribution per pupil in municipal school districts multiplied by the number of students in the Regional Educational Attendance Area. This advantageous funding schedule for REAAs versus municipal districts remains a hindrance rather than an enticement for REAAs to seek organized borough status.

Since most REAAs are property poor (hence, no ability to generate tax revenues), the thought of forming municipal school districts to provide services which are currently provided by Regional Educational Attendance Areas is almost out of the question. For example, the poorest existing borough has about \$20,000 worth of taxable property per capita. On the other hand, some of the Regional Educational Attendance Areas could probably expect to have considerably less than \$5,000 worth of taxable property per capita. Realistically, it is impossible to provide basic municipal services without adequate funding.

The major exceptions to this discussion, of course, are those areas surrounding "the pipeline." The regions surrounding Fort Yukon, Delta Junction, Glennallen, Copper Center, and Valdez have taxable property per capita values that could easily support borough government.

Partially in response to these obvious funding inequities, the Department of Community and Regional Affairs, as a part of its final conclusions reached in its study of regional government, recommended that a new system of financing regional governments be found. Basically, the system suggested was one that placed a state-wide property tax on all property associated with the exploitation of natural resources and then, in turn, distributed those tax revenues on the basis of population and services being provided by individual boroughs. It was determined that additional study of that particular proposal

would be needed before the feasibility of it could be determined.

Nevertheless, this particular area is still a popular subject among legislators as demonstrated by current House Bill 202 and Senate Bill 35 introduced in the first session of the 1977 Legislative Session. Both those bills would levy real property taxes on developed land in the Unorganized Borough. Hearings on House Bill 202 were held this October (1977) in Fort Yukon, Delta Junction, and Tok.

Finally, one last area of financing that again discriminates between the municipal versus REAA school district is that of school construction. Presently municipal districts must pay for 50 percent of school construction while REAAs contribute no local effort towards construction of new facilities. This is seen as a significant impediment to the development of regional government for the purpose of assuming local control of education, particularly in areas which are "poor" or are marginally deficient in terms of a real property tax base.

Constitutionality

I mention this issue simply because it is one of concern to many involved with municipal government. Because REAAs are not units of local government they cannot be given taxing authority nor can they provide "local government" services.⁴ While the legality of the current REAAs has not been challenged on the grounds of Article X, Section 2, of the Constitution, there is reason to believe that if additional REAA-type entities are established they will be challenged and may, on the basis of Article X, Section 2, be declared unconstitutional.

On the other hand, those defending the constitutionality of the REAAs cite Article X, Section 6, of the Constitution which authorizes the Legislature to provide services in the Unorganized Borough ostensibly through the service area mechanism. However, the significant degree of autonomy given REAAs, particularly with respect to their abilities to independently contract and incur debt, makes the argument that REAAs are service areas, and hence an arm of the Legislature, highly suspect.⁵

Summary

In summary, it can be said that formation of the Regional Educational Attendance Areas can be viewed as a positive step towards the formation of regional government in rural Alaska. In particular the newly created service areas have provided a greater amount of local control over a local municipal-type service, maintained and strengthened existing regional identifications, and provided boundaries that will be useful for the establishment of boroughs in the future.

The principal negative aspect of Senate Bill 35 has been the funding formula which maintains a disincentive to formation of municipal governments and fails to properly address the extremely poor tax base of much of rural Alaska.

Ultimately, the passage of Senate Bill 35, if for no reason other than the fact that it has generated discussion and interest, is going to have had a significant effect (probably the most significant since the passage of the 1964 mandatory borough act) towards developing regional government in this state.

Notes

1. Admittedly, certain state and federal agencies have been administering a few programs on a regional basis. However, these agencies have had the benefit of vast government financial and technical resources to assist them. In the opinion of this writer, the availability of these resources makes any comparison between the state/federal regional approach and the REAAs invalid.
2. The Local Boundary Commission is composed of five members and is responsible for reviewing and approving or disapproving all municipal incorporation, dissolution, and boundary change proposals.
3. While a final report was not issued at the end of the study, several comprehensive memorandums summarizing various aspects of the study are available from Community and Regional Affairs. As an additional result of the study, legislation calling for a Local Government Commission to study and make recommendations to the Legislature on all aspects of state/local relations is being introduced by Governor Hammond in the second session of the Tenth State Legislature (January 1978).
4. Alaska Constitution, Article X, Section 2. All local government powers shall be vested in boroughs and cities. The state may delegate taxing powers to organized boroughs and cities only.
5. For further information, the reader may wish to consult David Getches, Law and Alaska Native Education, pp. 32-34.

*Article reprinted from New School Districts in Rural Alaska: A Report on the REAAs After One Year, Center for Northern Educational Research, University of Alaska, 1978, pp. 137-142.

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

HOUSE COMMUNITY & REGIONAL AFFAIRS

5/27/80

Palmer,

The enclosed are surveys which were distributed as part of the Local Government Study Interim efforts to get public input on the functioning of second class cities and interest in regional government. As there were only 18 respondents, the survey had ~~limited~~ practical value for the Study but the comments might be useful particularly for your local government assistant field personnel.

Margorie



THE ALASKA NATIVE FOUNDATION

411 WEST 4th AVENUE, SUITE 314 • ANCHORAGE, ALASKA 99501 • PHONE (907) 274-2541

August 6, 1979

Senator Arliss Sturgulewski
Co-Chairman
Community and Regional Affairs Committee
Local Government Study
Pouch V
State Capitol
Juneau, Alaska 99811

Dear Arliss:

As you know, members of our staffs have met regarding coordinating efforts to effect completion of a questionnaire on local government issues to be administered in second class cities in the unorganized borough. By pooling our resources I am confident that a viable and informative survey can be completed by early fall, although it will be no easy task. A considerable amount of ANF resources will be involved in this project over the next two months to insure its success.

A rough estimate of ANF resources involved in this project include one (1) research staff, two (2) VMA program staff, seven (7) Field Associate staff, for a total of six (6) man weeks. Additionally, significant travel would be committed by the Foundation in order to assist in making the Local Government Survey a first-rate piece of research to be utilized by all who view local government issues in terms of seeking creditable solutions to problems facing the State.

The Foundation's VMA program has had considerable expertise in the phrasing and administering of surveys in rural Alaska. Our seven Field Associates will be available to implement the survey. Judy Meidinger and Dolores Padilla can lend considerable experience and expertise in rural information gathering/dissemination. The research staff can lend statistical and survey design assistance, furthering the goal of producing a valid product. Additionally, we are prepared to assist in tabulating the questionnaire results and in producing an analysis of the results.

It is a welcome opportunity for the Foundation to participate in an effort to include the views of rural Alaska in policy formation. The cumulative years of ANF's staff rural experience will, I trust, prove of assistance in successfully implementing the Local Government Study. However, as you know, the Foundation operates strictly on a non-profit basis. Concentration of staff efforts on programs not funding the Foundation, while welcome in terms of the opportunity for rurally-oriented input, will strain capacity to meet the priority goals of funded programs. I am consequently forwarding an estimated budget to you for your review in hopes that the Committee may utilize our resources on a more official basis.

Best regards,

Michael DeMan,
Vice President

MD/slj



THE ALASKA NATIVE FOUNDATION

411 WEST 4th AVENUE, SUITE 314 • ANCHORAGE, ALASKA 99501 • PHONE (907) 274-2541

Proposed Contract for Services to Alaska Senate Community and Regional Affairs Committee

After initial meeting of ANF and CRA Committee staff, the following tasks have been outlined to develop and administer a "local government" questionnaire to community leaders of rural second class cities in the unorganized borough:

ANF Staff - Research

- Assist in developing questionnaire;
- Assist in determining survey sample;
- Assist in tabulating results;
- Preparing questionnaire analysis of results;

CRA Committee Staff

- Develop questionnaire;
- Tabulate results;
- Prepare questionnaire analysis of results;
- Determine survey sample;

ANF Staff - VMA

- Develop questionnaire; and,
- Administer questionnaire.

The questionnaire is scheduled to be ready to administer by 8/27 (prepared and reviewed). Hopefully one-third of the sample (70+ communities) can be completed during early Fall so that results can be available for legislative review during the next session.

A significant amount of staff time and travel dollars will be expended by the Foundation. An estimation of ANF's expenditures for this project are as follows:

ANF Staff Time:

(estimated on salary plus overhead and supplies @ \$40.00/hr.
x 7.5 hours per day - daily rate @ \$300)

Research (1 staff x 2 weeks)

(1) week development of questionnaire - including some
assistance in tabulation and analysis (reduced cost) \$ 1,000

VMA (2 staff x 1 week each)

(1) week each for development, review and revision of
questionnaire and Field Associate orientation to
questionnaire. 1,600

VMA (7 Field Associates)

(1) day orientation each 2,100

(3) days for questionnaire administration each 6,300

\$11,000

VMA Field Associate Travel Costs:

(over costs already planned for this time period) 16,400

\$27,400

Rural Second Class City Survey

Community Name _____

Interviewee Position _____

Male _____ Female _____

A.) Background information

1.) How long have you been working in your present position with the city?

2.) Have you received any training in city administration?

yes _____ no _____

3.) If you answered yes, please briefly list the kinds of training you have received and who provided this training.

Training

Provider

1.) State Revenue Sharing (Example)

1.) Alaska Local Government Assistance Division (Example)

2.) _____

2.) _____

3.) _____

3.) _____

4.) _____

4.) _____

5.) _____

5.) _____

6.) _____

6.) _____

4.) Briefly describe how you were hired for this position?

5.) Do you want to continue in City Administration work?

yes _____ no _____

Please list the main reasons for your answer?

- 1.) _____
- 2.) _____
- 3.) _____
- 4.) _____
- 5.) _____

B.) City Government Services

Second class cities have the authority to perform the following services and governmental functions. From the list, check those activities provided by your city (not those services being provided by State, Federal or Non-profit organizations).

I.) Planning/Platting/Zoning

Does your city government provide planning services for the community? yes _____ no _____

II.) Facilities and Services (please check if provided).

- | | |
|-------|---|
| _____ | 1. streets & sidewalks |
| _____ | 2. sewers & sewage treatment facilities |
| _____ | 3. harbors, wharves |
| _____ | 4. water coarse, flood control facilities |
| _____ | 5. health services |

- | | |
|-------|---------------------------|
| _____ | 11. water |
| _____ | 12. roads/ice roads |
| _____ | 13. community centers |
| _____ | 14. libraries |
| _____ | 15. recreation facilities |

- ☐ 6. cemeteries
- ☐ 7. police protection/jail facilities
- ☐ 8. cold storage plants
- ☐ 9. telephone systems
- ☐ 10. electricity

- ☐ 16. airport/aviation facility maintenance
- ☐ 17. garbage collection
- ☐ 18. fire protection
- ☐ 19. parking facilities
- ☐ 20. consumer protection

III.) Regulatory Powers

- ☐ 1.) pollution control
- ☐ 2.) building codes
- ☐ 3.) vehicle control
- ☐ 4.) animal control
- ☐ 5.) alcohol beverage control

IV.) Sales Tax

Does your community have a sales tax? yes _____ no _____

If so, at what rate is your city's sales tax set? _____ %

C.) Most cities have some problems with the administration of their local governments. The following list gives some of the more common local government problems. Please check any of these problems that are relevant to your city's situation. Add any problems to the list that your community is experiencing.

- ☐ 1.) lack of revenue & growing debts
- ☐ 2.) turnover in administrative staff
- ☐ 3.) lack of trained personnel
- ☐ 4.) complexity and amount of paperwork
- ☐ 5.) lack of needed technical assistance
- ☐ 6.) relationship with IRA Council
- ☐ 7.) state unresponsiveness to requests for help
- ☐ 8.) _____
- ☐ 9.) _____
- ☐ 10.) _____

What are the three major problems faced by your city government?

- 1.) _____
- 2.) _____
- 3.) _____

D.) Alaska's second class cities can receive assistance with the management of their local governments from several outside sources (Example: Alaska Local Government Assistance Division). Please check if any of the following have provided technical assistance for your community.

Agency	Approximate Date of Assistance	Type of Assistance
1.) Alaska Local Gov't Assistance	_____	_____
2.) local Native Non-profit Corp.	_____	_____
3.) AFN	_____	_____
4.) Private Consultants	_____	_____
5.) University of Alaska	_____	_____
6.) _____	_____	_____
7.) _____	_____	_____

Do you feel some form of technical assistance to the city government would be helpful? yes _____ no _____
If yes, what kind of assistance is needed?

1.) _____
2.) _____
3.) _____

E.) For city government to operate, they must have sources of revenue. Please check the sources of revenue that come directly to your city government.

_____ 1.) local sales tax	_____ 5.) State grants
_____ 2.) property tax	_____ 6.) Federal grants
_____ 3.) Federal Revenue Sharing	_____ 7.) _____
_____ 4.) State Revenue Sharing	_____ 8.) _____

F.) Please check the salaried positions provided by your city government. For each of the salaried positions checked, please list where that position's funding comes from and if it is full or part time.

	Position	Funding Source	Full time/part time
Example	X Police Officer	CETA-Native Non-profit Corp.	full
Example	X City Clerk	Sales tax revenue	part
	___ City Clerk	_____	_____
	___ Treasurer	_____	_____
	___ Village (City) Administrator	_____	_____
	___ Police	_____	_____
	___ Sanitation workers (garbage)	_____	_____
	___ Water Maintenance	_____	_____
	___ Sewer maintenance	_____	_____
	___ City Secretarial Clerk	_____	_____
	___ Electrician Maintenance	_____	_____
	___ Airport Maintenance	_____	_____
	___ Search & Rescue	_____	_____

Do you find these sources of revenue to be adequate for the administration of your city? yes ___ no ___

If more dollars were available to your city, how would you recommend these dollars be spent?

- 1.) _____
- 2.) _____
- 3.) _____

G.) Has your city established priority goals? yes _____ no _____

If yes, what are these priority goals?

- 1.) _____
- 2.) _____
- 3.) _____
- 4.) _____
- 5.) _____

How were these goals established for your city?

- 1.) _____
- 2.) _____
- 3.) _____

How are community goals made known to possible funding sources such as Federal/State agencies?

H.) Several of the Village Profit Corporations have gone together to pool their resources for investment.
Has your city ever attempted to work collectively on local government issues with communities near your own city? yes _____ no _____

Would this be a possibility? yes _____ no _____

Some villages in Alaska have joined together to form regional governments, such as the North Slope Borough.
Would a regional government in your area be beneficial to your community yes _____ no _____ no opinion _____

If there was a regional government created in your area, what functions would you like to see this government provide on a region-wide basis, if any?

- 1.) _____
- 2.) _____
- 3.) _____
- 4.) _____
- 5.) _____

I.) Does your community have a copy of:

Title 29	yes	_____	no	_____
Alaska Statutes	yes	_____	no	_____
City Code	yes	_____	no	_____

J.) On the following scale, how would you rank the quality of services your community receives from local government, State government, Federal government, and the local Native Non-profit Corporation?

1.) excellent	local government	_____
2.) good	State government	_____
3.) fair	Federal government	_____
4.) poor	Non-Profit	_____
5.) unacceptable		

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
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STATE OF ALASKA

DEPARTMENT OF EDUCATION

OFFICE OF THE COMMISSIONER

October 2, 1979

JAY S. HAMMOND
GOVERNOR

POUCH F - ALASKA OFFICE BUILDING
JUNEAU, ALASKA 99811

The Honorable Arliss Sturgulewski
2957 Sheldon Jackson
Anchorage, Alaska 99504

Dear Senator Sturgulewski:

Enclosed is a summary of operating revenues for Regional Educational Attendance Areas (REAAs) and City and Borough school districts for FY 1978. This is the last year for which complete information is available. Fiscal Year 1979 information will be available approximately January 1980 when district year-end audits have been submitted to the Department.

In reviewing the revenue report for REAAs, I would point out that the federal revenue PL 81-874 is deducted from the state aid entitlement per the provisions of AS 14.17.021(a). The uneven generation of this revenue among districts creates student access to wealth (equalization) problems. I will be happy to discuss this in depth with you.

A position paper done in 1976 pertaining to funding for school construction is also enclosed. The major concepts of that paper are still valid. Basically, formulas can be developed which take into account the relative wealth political subdivision of the state. Currently, the Public School Foundation Program uses assessed real property. However, there is nothing sacred about using that mechanism. Per capita income, property wealth or a composite could be used. Each has its strong and weak points.

I hope the information enclosed is useful to you and the Committee. If I may be of further assistance, please feel free to call upon me.

Sincerely,



William D. Thomson
Deputy Commissioner

Enclosures

SUBJECT: School Construction Financing - Adjustment of State Assistance to
Municipal School Construction

I have reviewed your proposal which would readjust the state assistance for municipal school construction and offer the following comments and suggestions.

As you have pointed out in your proposal, criteria for school construction is as follows:

- A. That school construction plant facilities be equalized throughout all of the districts of the state regardless of district wealth.
- B. That any state assistance take into account local municipal assessed wealth.
- C. That state assistance be equalized for basic school construction to all districts regardless of wealth.

In order to accomplish A, the Department of Education would have to define by regulations what the basic school plant consists of in terms of square footage for student and instructional spaces; for example, because of life safety requirements, vocational education requires greater square footage per child than does a general classroom. In addition certain economic principles must be identified; such as, economy of scale for schools with large enrollments and the law of diminishing returns for locations with small enrollments. Certain other criteria must also be considered in determining whether a municipality would receive state assistance for a proposed school plant; such things as whether the project requested is a new or a replacement school, number of unhoused or unaccommodated students and other factors - emergency conditions, economic growth, etc. All proposed projects would be submitted to the Commissioner of Education for his approval before assistance would be provided by the State to the municipality. This would place a municipal in a position of obtaining project approval before state assistance would be granted. (The reverse of what happens currently.) The Department of

See 620-28

Education is currently revising its regulations on school facilities, defining "basic school plant" and further revising what a municipality must provide to the department in basic data before a proposed project can be considered for approval. The department has set as a target date, November '76, for presentation to the State Board of Education these regulations for adoption. The department anticipates any municipality seeking state assistance would have to meet the criteria as established through these regulations by January, 1977.

In dealing with B and C, which are closely related, I am assuming that our present Debt Retirement Program, Chapter 249, SLA 1970, is a negative approach for providing state assistance in that it requires a municipality to indebt itself for 100% of school construction before it is eligible for 50% of that amount for state assistance, thus placing less wealthy municipalities in the position of not being able to fund their projects other than through a direct appeal to the legislature. Therefore, to provide state assistance to municipalities and meet the criteria as outlined in B and C, the department proposes the following:

1. In order to allow a municipality to begin a basic school project, the State would fund the entire cost of that project.
2. To enable the State to perform this function, we would propose establishment of a school construction revolving fund or bond bank which would fund the initial cost of school construction. Later part of the cost would be reimbursed to the State by a municipality.

To determine what the actual entitlement from the State would be, the following formula is proposed:

- A. The State would establish a floor of 50% state assistance for all municipalities (50% because existing law establishes that percentage as state assistance).
- B. The level at which a municipality would receive additional state assistance would be based upon that district's wealth stated as a ratio against the statewide average assessed wealth. This wealth could be stated in several different terms.

The total dollars spent for school construction statewide in a given year could be expressed in terms of mills and how many mills levy would be required to finance that effort. The percentage that a municipality would receive above the 50% average of state assistance would be determined by applying the average mill levy against the wealth of the municipality to determine how many dollars that would generate. The municipality would be required to pay to the bond bank or revolving grant fund that percentage out of the principal and interest incurred in a year for the life of the bonds or in other words, the inverse ratio of the district's wealth to the state's average wealth.

- C. Other methodology for determining district wealth in relationship to the average state wealth would be to use instead of average mill levy, the average amount per pupil in the average daily membership and funds spent for school construction in a particular year (to determine statewide average) and the average wealth per pupil of the particular municipality.

Another method would be to use the average wealth per capita versus individual municipality average wealth per capita.

I believe that the program could be easily administered and adjusted by raising or lowering the floor of state assistance and annually assessing the state's wealth and the municipality's wealth to increase or decrease on a current basis the municipality's participation in paying for the construction of schools. There would be three agencies of the state involved: 1. the Department of Education for project approval; 2. Department of Revenue for the bond bank for the revolving fund; 3. Department of Regional & Community Affairs for valuation of assessed evaluation.

I believe the above proposal takes into account many of the factors that you have taken into account on page 6 of your proposal. The foregoing would require a municipality to contribute to the project during the financial life of that project and also provides municipalities with the opportunity to obtain facilities without undue local fiscal burden and also through basic school project approval to achieve the goal to equalize school facilities in all of the districts in the state. Finally, it would insure that the State participates as a full partner in all school construction.

I might suggest all of the proposed legislation take into account the existing debt retirement for school construction because practically every municipality has in their covenants references to state participation, Chapter 249, SLA 1970. It is incumbent upon the State to honor State commitments to that program until a specified date; for example, July 1, 1977. After which all communities seeking new facilities would obtain state assistance under the new program.

CITY & BOROUGH SCHOOL DISTRICT REVENUES
FY-78 Audited

	Other Federal	Federal 874	Total Federal	Foundation	Pupil Trans	Boarding Home, Tuition	Other State	Total State	Appropri- ation	Rental	Interest Income	Other Income	Total Local	Total J M1
Anchorage	53,057	2,280,063	2,333,120	53,366,996	4,784,209	2,008,958	461,678	60,621,921	22,521,854 ²⁾	123,326	658,522	310,737	23,614,439	86,569,480
Bristol Bay		149,700	149,700	1,021,907	59,237	18,325	11,978	1,111,527	80,000			3,089	83,089	1,344,316
Cordova		27,924	27,924	1,266,521	17,070	52,340	55,987	1,391,918	170,765 ¹³		3,492	21,569	195,026	1,615,668
Craig		99,005	99,005	558,965	23,321	22,621		604,907	13,000	5,372	185	926	19,403	724,276
Dillingham	2,000	164,341	166,341	1,601,000	61,743	44,025	5,327	1,712,095	30,000		21,294	48,892	100,186	1,970,622
Fairbanks		443,050	443,050	16,516,620	2,930,650	103,326	122,677	19,673,281	6,359,676	29,833		23,319	6,412,828	26,529,159
Galena		196,050	196,050	721,995	14,229	13,696		749,920	6,468			8,495	14,963	961,733
Haines		45,994	45,994	1,164,842	65,285	25,365	9,628	1,265,120	246,490 ¹¹		10,524	29,717	206,731	1,597,045
Hoonah		119,709	119,709	797,095				797,095	13,994	1,608	6,159	672	22,513	939,317
Hydaburg		40,189	40,189	413,822			11,348	425,170	---		1,648	12,245	13,893	479,252
Juneau		309,066	309,066	7,083,508	543,693	28,497	25,140	8,400,038	2,931,700 ³⁶	4,054		50,606	2,906,440	11,776,344
Kake		166,262	166,262	621,203	12,355	4,614		638,172	15,000		3,270	777	19,047	823,401
Kenai		357,683	357,683	11,596,365	1,800,759	32,645	6,968	13,436,737	3,520,000 ¹⁴	7,617		50,874	3,506,491	17,300,911
Ketchikan		69,572	69,572	4,773,760	353,914	28,344		5,156,018	1,634,770 ³³			33,290	1,668,060	6,893,650
King Cove		84,865	84,865	614,541	7,697	3,766		626,004	27,146		5,105	622	32,073	743,742
Klawock		133,850	133,850	236,522				236,522	1,500		---	408	1,908	372,280
Kodiak		253,745	253,745	5,186,334	132,238	202,990	173,701	5,695,263	457,180	35,387	13,315	59,032	564,914	6,513,922
Mat-Su		42,339	42,339	7,362,022	1,746,325	64,357		9,172,704	2,536,240 ³⁵			95,239	2,631,479	11,846,522
Metana		9,751	9,751	803,781	51,584	80,170		935,535	17,000		8,239	1,555	26,794	972,080
Nome		49,039	49,039	2,829,350	72,832	55,622	409,800	3,367,604	64,475	26,861	13,245	82,678	192,259	3,608,902
North Slope		1,508,098	1,508,098	4,737,769	214,013		14,402	4,966,184	5,149,100	164,639		35,245	5,348,984	11,823,266
Pelican		---	---	151,033	---	1,819	---	152,852	6,635	---	1,349	---	7,984	161,836
Petersburg		39,295	39,295	1,316,446	51,527	122,233	5,000	1,495,206	231,371 ¹⁷	1,354	16,371	---	249,096	1,787,597
Sitka		517,106	517,106	3,434,227	145,466	3,475		3,583,168	783,288 ²²	6,477	40,356	137,689	967,810	5,068,084
Skagway		---	---	600,995	1,122	3,737	3,782	609,636	49,000		3,253		52,253	661,839
St. Mary's		140,739	140,739	723,022	---	---	48,879	771,901	---	11,350	2,247	14,088	27,685	940,325
Unalaska		42,916	42,916	634,606	55,630	9,755	---	699,991	112,500 ¹⁷		---	1,580	114,080	856,987
Valdez		---	---	2,253,281	125,602	48,304		2,427,187	995,644		60,498	13,041	1,069,183	3,496,370
Wrangell		17,105	17,105	1,168,920	43,097	911	886	1,213,814	215,500		8,461	5,529	229,490	1,460,409
Yakutat		---	---	590,610	30,573	5,028		626,211	20,369		944	3,725	25,038	651,249
	55,057	7,309,136	7,364,193	134,948,138	13,344,259	2,984,923	1,367,181	152,644,501	48,210,665	417,958	878,477	1,058,719	50,565,819	210,574,513

RURAL EDUCATION ATTENDANCE AREAS
REVENUE

FY-78 Audited

	Other Federal	Federal 874	Total Federal	Foundation	Pupil Trans	In Lieu Of	Boarding Home	Other State	Total State	Rental	Interest	Other Local Income	Total Local
Adak		1,469,558	1,469,558	245,201	57,737	416,240	---	---	719,178	9,088	60,417	12,889	82,394
Alaska Central		355,136	355,136	1,226,448	160,372	241,488	---	1,107	1,629,415	19,402	35,816	---	55,218
Alaska Gateway		44,531	44,531	1,551,000	163,454	290,336	482	---	2,005,272	2,183	23,248	7,616	33,047
Aleutian		187,079	187,079	1,297,921	---	160,304	10,442	---	1,468,667	2,278	12,890	72,638*	87,806
Annette Is.		974,909	974,909	23,125	5,645	219,472		1,984	250,226		24,209	2,500	26,709
Bering Strait		661,549	661,549	1,981,201	21,080	304,784	305,784		2,612,849	30,133	11,348	2,768	44,249
Chatham		278,532	278,532	410,502	---	127,968	---	---	538,470	24,073	1,670	---	25,743
Chugach		72,804	72,804	230,032	---	33,024	---	---	263,056	---	---	8,903	8,903
Copper River		343,113	343,113	1,870,637	289,715	482,976	9,404		2,652,732		19,314	21,838	41,152
Delta/Greely		900,583	900,583	1,244,417	267,219	533,200	1,760		2,046,596		36,343	1,351	37,694
Iditarod		465,099	465,099	1,239,901		195,392		61,145 ²	1,496,438	20,829	3,101	---	23,930
Kuspuk	16,880	706,247	723,127	1,363,986	31,749	233,920	4,654	33,521	1,667,830	20,255	23,864	3,951 ⁴	48,070
Kower Kuskokwim	89,098	2,173,269	2,262,367	3,154,856	50,582	1,016,176	1,070,870		5,292,484	95,177	75,530	142,242 ³	312,949
Lower Yukon		1,480,442	1,480,442	2,227,933		615,072		51,500	2,894,505	148,234	68,122	46,405 ⁴	262,761
Northwest Arctic		2,316,087	2,316,087	3,992,413		1,033,376	91,811	2,711	5,120,311	169,692	50,415	22,340 ⁴	242,447
Pribilof		439,713	439,713	467,787		126,592		3,181	597,560		20,012		20,012
Southeast Is.		896,690	896,690	720,310	12,332	294,464	23,793	3,253	1,054,152		29,415		29,415
Southwest		1,293,592	1,293,592	1,649,017		359,824			2,008,841	56,890	52,532	26,605	136,027
Lake & Pen.		751,920	751,920	1,635,080	33,708	263,504	4,275		1,936,567	36,250	21,541	231	58,022
Yukon Flats		415,576	415,576	1,328,863		209,152	17,432		1,555,447			4,339 ⁵	4,339
Yukon-Koyukuk		1,259,442	1,259,442	2,184,325		453,392		51,500	2,689,217	70,505	43,400	122,574 ⁵	236,479
		17,485,871	17,591,849	30,044,955	1,093,593	7,610,656	1,540,707	209,902	40,499,813	704,959	613,187	499,190	1,817,366

*1 Sale of Capital Equipment

2 Includes 21,000 Insurance Proceeds

3 Federal Payments

4 Includes Indirect Cost Payments

5 Includes AVEL Subsidy



SOHIO PETROLEUM COMPANY

A Division of Sohio Natural Resources Company

3111 "C" STREET, ANCHORAGE, ALASKA

TELEPHONE: (907) 265-0135

SOHIO—BP ALASKA PRODUCTION DIVISION

MAIL: POUCH 6-612
ANCHORAGE, ALASKA 99502

KENNETH E. SHOWALTER
DIRECTOR ALASKA GOVERNMENT AFFAIRS

September 27, 1979

The Honorable Arliss Sturgulewski
Alaska State Senator
2957 Sheldon Jackson Street
Anchorage, AK 99504

Dear Senator Sturgulewski:

We are enclosing for your information the official notice of general election in the North Slope Borough on October 2, 1979. We thought you would be interested in seeing that they are asking for authorization from the voters to issue an additional \$160,510,000.00 in general obligation bonds. These are in addition to \$198,100,000.00 of bonds now outstanding and \$17,378,000.00 of bonds authorized, but unsold. This will make a total assuming the bonds are all authorized and sold, of \$375,988,000.00 in bonded indebtedness for the North Slope Borough.

We know you are interested in reviewing the operations of local governments in the rural areas and thought that this information might be helpful to you.

Sincerely,

K. E. Showalter
Director - Alaska
Government Affairs

KES:kmo
Enclosure

**NORTH SLOPE BOROUGH
NOTICE OF EXISTING BONDED INDEBTEDNESS**

This Notice of Existing Bonded Indebtedness pertains to the bond election being held October 2, 1979 by the North Slope Borough. The following is in compliance with Alaska Statutes 29.58.160(b) and the Home Rule Charter of the North Slope Borough.

(1) The amount of bonds and purpose of their issuance and length of time within which the bonds shall mature is as follows:

Amount	Purpose	Ord.	Estimated Maturity Length	Estimated Annual Debt Service
\$ 21,761,000	School Construction	79-4 A	30 yrs.	2,559,504.77
13,523,000	Road Construction	79-5 A	30 yrs.	1,089,769.94
8,870,000	Public Housing	79-6 A	30 yrs.	714,601.40
32,196,000	Water Facilities	79-7 A	30 yrs.	2,594,721.02
47,473,000	Sewage Treatment & Disposal Facilities	79-8 A	30 yrs.	3,825,678.34
3,000,000	Airport Facilities	79-9	30 yrs.	241,759.22
538,000	Urban Renewal & Development	79-11	30 yrs.	43,355.49
9,743,000	Light, Power & Heating Systems	79-12 A	30 yrs.	765,153.33
1,090,000	Public Safety Facilities	79-13	30 yrs.	87,839.18
12,314,000	Sanitary Facilities	79-14 A	30 yrs.	992,340.98
\$169,510,000				\$12,934,923.67

(2) The estimated annual debt service on the proposed bonds at an estimated interest rate of 7 per cent assuming a level debt service for the issue over an estimated maximum maturity of 30 years would be as reflected in the last column above entitled "Estimated Annual Debt Service."

(3) The current total general obligation indebtedness (July 1, 1979) of the Borough, including authorized but unsold general obligation bonds is as follows:

Bonds Outstanding	\$198,100,000
Bonds Authorized-Unsold	\$17,378,000

(4) The current year's (FY 1979-80) debt service on the outstanding general obligation bonds of the Borough is \$26,182,363.

(5) The current total assessed valuation within the Borough as of January 1, 1979 is: \$5,021,847,880.

Lloyd Ahvakana
Borough Clerk

PUBLISHED: September 5, 12, 15, 25, 1979

15198 Legal

**NORTH SLOPE BOROUGH
NOTICE OF GENERAL ELECTION**

1. Date of Election: October 2, 1979.
2. Time of opening and closing of the Polling Places: The polling Places shall be open between the hours of 8:00 A.M. and 8:00 P.M.
3. Location of Precinct, Polling Places and Description of Voting Precincts by Boundary:
ANAKTUVUK PASS PRECINCT.
Beginning at the peak of Soapak Mt.; thence southerly to the peak of Koolituk Mt., thence easterly to the peak of Three River Mt., thence northerly to the peak of Mt. Stuver; thence westerly to the peak of Soapak Mt.
Polling Place: High School Dome
ATKASOOK PRECINCT
All of that area within a three mile radius of the village of Atkasook.
BARROW PRECINCT.
Beginning at 150° west longitude and the boundary of the State of Alaska in the Arctic Ocean; thence southerly along 150° west longitude to its point of intersection with 68° north latitude; thence westerly along 68° north latitude to its point of intersection with a north-south line drawn through Point Franklin on the west; thence northerly along a north-south line drawn through Point Franklin on the west to the boundary of the State of Alaska in the Arctic Ocean; thence easterly along the boundary of the State of Alaska to 150° west longitude; the point of beginning excluding Browerville and Anaktuvuk Pass Precincts.
Polling Place: North Slope Borough Administration Building, Assembly Room
BARTER ISLAND PRECINCT.
That area beginning at a point on the international boundary between Alaska and the Dominion of Canada and the intersection of the boundary of the North Slope Borough; thence northerly along the boundary common to the State of Alaska and Canada to the northernmost boundary of the State of Alaska; thence meandering westerly to its intersection with 150° west longitude; thence southerly along 150° west longitude to its intersection with 68° north latitude; thence easterly along 68° north latitude to its intersection with 146° west longitude; thence northerly along the 146° west longitude line to its intersection with 68° 30' north latitude line to the easterly boundary of the State of Alaska on the international boundary, the point of beginning.
Polling Place: Old BIA School
BROWERVILLE PRECINCT.
Beginning where the outlet of Tasigarak Lagoon empties into the Arctic Ocean; thence upstream in the center of said outlet to Tasigarak Lagoon; then along the south side of said lagoon and the southerly side of Isakkoek Lagoon to the most southerly point; thence due east to Eilson Lagoon. This precinct includes Doctor Island, Deadmans Island, the DEW Line installation, Arctic Research Laboratory and the International Telephone and Telegraph site.
Polling Place: Browerville Fire Station Building, Laura Madison Street.
NUISQUT PRECINCT.
Beginning at 150° 59' 30" west longitude and 70° 12' 30" north latitude at the south bank of Nechelik channel thence meander southerly along the bluff for approximately one mile thence westerly, northerly and easterly to the point of beginning to include all of that new townsite of Nuisqut.
Polling place: Nuisqut Health Center.
POINT HOPE PRECINCT.
All of that area draining into the Arctic Ocean from Cape Thompson to Cape Lisbourne, including the military site.
Polling place: Public Safety Building
POINT LAY PRECINCT.
Beginning at 162° 57' 30" west longitude and 69° 45' 10" north latitude to include the new and old townships of Pt. Lay and Kaktovik river delta.
Polling place: Amos Agnesagga's
WAINWRIGHT PRECINCT.
All of that area draining into the Arctic Ocean from Cape Lisbourne on the west to a north-south line drawn through Pt. Franklin on the east.
Polling place: National Guard Armory
4. The qualifications of voters: A person may vote who:
(1) is a citizen of the United States, qualified to vote in the State of Alaska elections,
(2) has been a resident of the North Slope Borough for 30 days immediately preceding the date of election,
(3) is registered to vote in State of Alaska elections,
(4) is not disqualified under Article V of the Constitution of the State of Alaska.
5. The type of election: The election is a general election.
6. The propositions submitted to the electors are:
(a) The following seats are open in the North Slope Borough Government for election:
Two (2) Assembly seats of the North Slope Borough Assembly, each 3 year term
Two (2) seats of the North Slope Borough School Board, each 3 year term

(b) Shall the North Slope Borough, Alaska, issue its general obligation bonds in an amount not to exceed the sum of THIRTY-ONE MILLION SEVEN HUNDRED SIXTY-ONE THOUSAND DOLLARS (\$31,761,000) for the purpose of financing the cost, in whole or in part, of the construction, improvement, betterment, repair, reconstruction or acquisition of schools in the North Slope Borough, together with all necessary appurtenances, equipment, furnishings, and facilities, and the acquisition of lands or rights in lands in connection therewith, in accordance with and ratifying and approving the provisions of Ordinance Number 79-4 (A) of the North Slope Borough adopted by the Borough Assembly on August 7, 1979.

(c) Shall the North Slope Borough, Alaska, issue its general obligation bonds in an amount not to exceed the sum of THIRTEEN MILLION FIVE HUNDRED TWENTY THREE THOUSAND DOLLARS (\$13,523,000) for the purpose of financing the cost, in whole or in part, of the construction, improvement, betterment, repair, reconstruction or acquisition of public roads, streets and sidewalks in the North Slope Borough, together with all necessary appurtenances, equipment and facilities necessary for the construction, repair and maintenance of roads, streets and sidewalks, and the acquisition of lands or rights in lands, in connection therewith in accordance with and ratifying and approving the provisions of Ordinance 79-5 (A) of the North Slope Borough adopted by the Borough Assembly on August 7, 1979.

(d) Shall the North Slope Borough, Alaska, issue its general obligation bonds in an amount not to exceed the sum of EIGHT MILLION EIGHT HUNDRED SEVENTY THOUSAND DOLLARS (\$8,670,000) for the purpose of financing the cost, in whole or in part, of the construction, improvement, betterment, repair, reconstruction, or acquisition of public housing in North Slope Borough together with all necessary appurtenances, equipment, furnishings and facilities, and the acquisition of lands or rights in lands in connection therewith, in accordance with and ratifying and approving the provisions of Ordinance 79-6 (A) of the North Slope Borough adopted by the Borough Assembly on August 7, 1979.

(e) Shall the North Slope Borough, Alaska, issue its general obligation bonds in an amount not to exceed the sum of THIRTY-TWO MILLION ONE HUNDRED NINETY-EIGHT THOUSAND DOLLARS (\$32,198,000) for the purpose of financing the cost, in whole or in part, of the construction, improvement, betterment, repair, reconstruction or acquisition of water facilities in North Slope Borough, together with all necessary appurtenances, equipment, furnishings and facilities, and the acquisition of lands or rights in lands in connection therewith, in accordance with and ratifying and approving the provisions of Ordinance 79-7 (A) of the North Slope Borough adopted by the Borough Assembly on August 7, 1979.

(f) Shall the North Slope Borough, Alaska, issue its general obligation bonds in an amount not to exceed the sum of FORTY-SEVEN MILLION FOUR HUNDRED SEVENTY-THREE THOUSAND DOLLARS (\$47,473,000) for the purpose of financing the cost, in whole or in part, of the construction, improvement, betterment, repair, reconstruction or acquisition of Sewage Treatment and Disposal Facilities in North Slope Borough, together with all necessary appurtenances, equipment, furnishings and facilities, and the acquisition of lands or rights in connection therewith, in accordance with and ratifying and approving the provisions of Ordinance Number 79-8 (A) of the North Slope Borough adopted by the Borough Assembly on August 7, 1979.

(g) Shall the North Slope Borough, Alaska, issue its general obligation bonds in an amount not to exceed the sum of THREE MILLION DOLLARS (\$3,000,000) for the purpose of financing the cost, in whole or in part, of the construction, improvement, betterment, repair, reconstruction or acquisition of Airports and Aviation Facilities in North Slope Borough, together with all necessary appurtenances, equipment, furnishings and facilities, and the acquisition of lands or rights in lands in connection therewith, in accordance with and ratifying and approving the provisions of Ordinance 79-9 of the North Slope Borough adopted by the Borough Assembly on April 10, 1979.

(h) Shall the North Slope Borough, Alaska, issue its general obligation bonds in an amount not to exceed the sum of FIVE HUNDRED THIRTY-FOUR THOUSAND DOLLARS (\$538,000) for the purpose of financing the cost, in whole or in part, of the construction, improvement, betterment, repair, reconstruction or acquisition of Public Housing and Urban Renewal, Rehabilitation and development in North Slope Borough, together with all necessary appurtenances, equipment, furnishings, and facilities, and the acquisition of lands or rights in lands in connection therewith in accordance with and ratifying and approving the provisions of Ordinance 79-11 of the North Slope Borough adopted by the Borough Assembly on April 10, 1979.

(i) Shall the North Slope Borough, Alaska, issue its general obligation bonds in an amount not to exceed the sum of NINE MILLION SEVEN HUNDRED FORTY-THREE THOUSAND DOLLARS (\$9,743,000) for the purpose of financing the cost, in whole or in part, of the construction, improvement, betterment, repair, reconstruction or acquisition of Light, Power and Heating Systems in North Slope Borough, together with all necessary appurtenances, equipment, furnishing and facilities, and the acquisition of lands or rights in lands in connection therewith in accordance with and ratifying and approving the provisions of Ordinance 79-12 (A) of the North Slope Borough adopted by the Borough Assembly on August 7, 1979.

(j) Shall the North Slope Borough, Alaska, issue its general obligation bonds, in an amount not to exceed the sum of ONE MILLION NINETY THOUSAND DOLLARS (\$1,090,000) for the purpose of financing the cost, in whole or in part, of the construction, improvement, betterment, repair, reconstruction or acquisition of Public Safety Facilities in North Slope Borough, together with all necessary appurtenances, equipment, furnishings and facilities, and the acquisition of lands or rights in lands in connection therewith, in accordance with and ratifying and approving the provisions of Ordinance 79-13 of the North Slope Borough adopted by the Borough Assembly on April 10, 1979.

(k) Shall the North Slope Borough, Alaska issue its general obligation bonds in an amount not to exceed the sum of TWELVE MILLION THREE HUNDRED FOURTEEN THOUSAND DOLLARS (\$12,314,000) for the purpose of financing the cost, in whole or in part, of the construction, improvement, betterment, repair, reconstruction and acquisition of Sanitary facilities including sewer, solid waste and water treatment of the North Slope Borough, together with all necessary appurtenances, equipment, and facilities, and the acquisition of lands or rights in lands in connection therewith, in accordance with and approving the provisions of Ordinance 79-14 (A) of the North Slope Borough adopted by the Borough Assembly on August 7, 1979.

7. Absentee Ballots may be obtained by ordering them from the Clerk of the North Slope Borough, Post Office Box #9, Barrow, Alaska 99723.

DATED: August 27, 1979

Lloyd Ahvasena
Borough Clerk
North Slope Borough