

ALASKA LEGISLATURE COMMITTEE FILES 1983-1986 86/2

3917 SHEES SB 51 793

Grant cannot be made until voter approval is received (14.11.015(c)).

Commissioner must approve project prior to local vote on the bond issue (14.11.100(j)).

Local vote is required for bond issuance only. Reimbursement is made on all bonded projects subject to available funds.

Projects to be prioritized and presented to the Governor and the Legislature (14.11.010(b))

Same (14.11.102)

Prioritization is required for grants only.

"Prioritizers", in order of importance - health and safety, unhoused students, protection of structure, operating cost savings, building code upgrade, functional upgrade (14.11.010)

Same (14.11.102)

Provides general criteria, but does not establish a specific priority system.

Expenditure of state funds prohibited for hockey rink, planetarium, residential space, sauna, and other single purpose sporting/recreational facility (14.11.105(b))

Same (14.11.100(h))

Expenditure limited for reimbursement, but not for grants.

General fund or proceeds of general obligation bonds. Interest earned must be applied to project costs.

General fund with local indebtedness. Interest earned on bond proceeds must be applied to project costs or costs of the bond issuance (14.11.100(k)).

General fund for bonds; general fund with local indebtedness for debt retirement. Interest is spent at the district's discretion.

Introduced: 2/8/85
Referred: Health, Education & Social Services
and Finance

1 IN THE SENATE

BY FAHRENKAMP AND FERGUSON

2

SENATE BILL NO. 143

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to state aid for school construc-
7 tion."

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

9 * Section 1. AS 14.11 is amended by adding a new section to read:

10 Sec. 14.11.090. SCHOOL CONSTRUCTION GRANT ACCOUNT. (a) There
11 is established the school construction grant account to consist of
12 revenue received by the state from general obligation bonds sold for
13 the purposes of school construction. The state may appropriate funds
14 from the school construction grant account to school districts for the
15 costs of school construction.

16 (b) A city or borough school district that receives a grant
17 under this section shall repay the state 10 percent of the grant
18 within three years of receiving the grant. To the extent permitted by
19 federal law, a regional educational attendance area that receives a
20 grant under this section shall use federal funds it receives under 20
21 U.S.C. 236 - 244 (P.L. 81-874) to repay the state 10 percent of the
22 grant within three years of receiving the grant.

no \$ to bond

State

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See #11

§ 14.07.010

EDUCATION

§ 14.07.020

Section

58. Alaska School Activities Association
59. Alaska school activities fund

Section

60. Regulations
70. Withholding state funds

Collateral references. — 68 Am. Jur.
2d Schools, §§ 5-7, 37-55.
78 C.J.S. Schools and School Districts.
§§ 83-91.

Modern status of doctrine of sovereign
immunity as applied to public schools and
institutions of higher learning. 33 ALR3d
703.

Sec. 14.07.010. Department of Education. The Department of Education includes the commissioner of education, the state Board of Education, and the staff necessary to carry out the functions of the department. (§ 1 ch 98 SLA 1966)

NOTES TO DECISIONS

Quoted in *Begich v. Jefferson*, Sup. Ct. Op. No. 481 (File No. 894), 441 P.2d 27 (1968).

Anchorage School Dist., Sup. Ct. Op. No. 2160 (File Nos. 4796, 4797, 4826), 617 P.2d 490 (1980).

Cited in *Tunley v. Municipality of*

Sec. 14.07.020. Duties of the department. The department shall

(1) exercise general supervision over the public schools of the state except the University of Alaska;

(2) study the conditions and needs of the public schools of the state and adopt or recommend plans for the improvement of the public schools;

(3) provide advisory and consultative services to all public school governing bodies and personnel;

(4) prescribe by regulation a minimum course of study for the public schools;

(5) establish, in coordination with the Department of Health and Social Services, a program for the continuing education of children who are held in detention facilities in the state during the period of detention;

(6) accredit those public schools which meet accreditation standards prescribed by regulation by the department; these regulations shall be adopted by the department and presented to the legislature during the first 10 days of any regular session, and become effective 45 days after presentation or at the end of the session, whichever is earlier, unless disapproved by a resolution concurred in by a majority of the members of each house;

(7) prescribe by regulation, after consultation with the Department of Health and Social Services, standards that will assure healthful and safe conditions in the public and private schools of the state; the standards for private schools may not be more stringent than those for public schools;

(8) in cooperation with the Department of Health and Social Services, exercise general supervision over public and private pre-elementary schools and over the educational component of nurseries as defined in AS 47.35.080(4); pre-elementary schools in this paragraph means schools for children ages three through five years when the schools' primary function is educational;

(9) provide accredited elementary and secondary correspondence study programs available to any Alaskan through a centralized office of correspondence study;

(10) accredit private elementary and secondary schools which request accreditation and which meet accreditation standards prescribed by regulation by the department;

(11) review plans for construction of new public elementary and secondary schools and for additions to and major rehabilitation of existing public elementary and secondary schools and, in accordance with regulations adopted by the department, determine and approve the extent of eligibility for state aid of a school construction project begun after July 1, 1978; for the purposes of this paragraph, "plans" include educational specifications, schematic designs, and final contract documents;

(12) provide educational opportunities in the areas of vocational education and training, basic education, and fire-service training to individuals over 16 years of age who are no longer attending school;

(13) administer the grants awarded under AS 14.11.020. (§ 1 ch 98 SLA 1966; am § 2 ch 69 SLA 1971; am § 6 ch 104 SLA 1971; am § 1 ch 190 SLA 1975; am § 6 ch 50 SLA 1977; am §§ 1-3 ch 126 SLA 1978; am § 10 ch 147 SLA 1978; am § 1 ch 86 SLA 1979; am § 24 ch 59 SLA 1982; §§ 1, 2 ch 92 SLA 1982)

Revisor's notes. — A reference to AS 14.11.020 was substituted for a reference to AS 14.07.190 in paragraph (13) by the revisor of statutes under AS 01.05.031 to conform to the renumbering of that section.

Effect of amendments. — The first 1978 amendment deleted "private, and denominational" preceding "schools" near the beginning of paragraph (6), inserted "and private" preceding "schools" in paragraph (7), added the language beginning "the standards for private schools" to the end of paragraph (7), and added paragraph (10).

The second 1978 amendment added paragraph (11).

The 1979 amendment added paragraph (12).

The first 1982 amendment substituted "of" for "and" preceding "new public elementary" in paragraph (11).

The second 1982 amendment substituted "'plans' include" for "a 'plan' includes" in paragraph (11), inserted "and approve" and "the" preceding "purposes of this paragraph" in that same paragraph, and added paragraph (13).

Superseded

Summary of Draft CS SB 51 (HESS)

Existing Law

Grants

Reimbursement

REAA's and municipalities bonded to full capacity of the district (14.11.015).

Districts with bonding capacity

Grants are available to all districts; reimbursement is available to districts with bonding capability.

Repay 10% within 10 years or contribute like amount in kind (14.11.005)

80% reimbursed over 10 years (14.11.100(a))

No repayment of grant required; 50% reimbursement over 10 years.

Must apply to the Department for funds by October 15 of the previous year (14.11.010(a))

Same (14.11.102)

Current regulations (4 AAC 31.060) require reimbursement claims be made by September 15; no such date for grant requests.

Must demonstrate need - projected long term student enrollment that indicates the school district has and will continue to have unhoused students, or existing facilities that require repair or replacement (14.11.015(a))

Same (14.11.100(j)(4))

Demonstration of need not required.

Agree to facility of appropriate size and configuration (14.11.015(a)(2))

Same (14.11.100(j)(6))

Guidelines on square footage allocations are provided in current regulations (4 AAC 31.020)

Projects to be prioritized and presented to the Governor and the Legislature (14.11.010(b))

Same (14.11.102)

Prioritization is required for grants only.

"Prioritizers" - local priorities, emergency requirements, number of students without classroom space, new local programs, condition of existing facilities, economic and social stability of the region (14.11.010)

Same (14.11.102)

Prioritizers apply to grants only.

Expenditure of state funds prohibited for hockey rink, planetarium, residential space, sauna, and other single purpose sporting/recreational facility (14.11.105(b))

Same (14.11.100(h))

Expenditure limited for reimbursement, but not for grants.

General fund

General fund with local indebtedness. Must reduce bond issue by interest that will be earned on local bond issue during repayment period (14.11.100(j)(5)).

Interest is applied at the municipality's discretion.

MEMORANDUM

State of Alaska

TO: Steve Hole

DATE: March 18, 1985

FILE NO

2865

TELEPHONE NO

SUBJECT

Amended Fiscal Note
SB 51

FROM


Bob Davis

The municipalities listed below sold school construction bonds between July 1, 1983, and June 30, 1984. The impact of the proposed amendment to AS 14.11.100(a)(3) attributable to HB 51 is shown below for six fiscal years. Since both qualify under the provisions of AS 14.11.100(a)(5), the amounts below are the difference between the 50 percent rate authorized and the 90 percent rate proposed in SB 51.

District Date Sold Term	Impact FY 86	Impact FY 87	Impact FY 88	Impact FY 89	Impact FY 90	Impact FY 91
KENAI 04/01/84 to 10/01/94	277,340	295,004	307,396	326,500	339,496	301,275
WRANGELL 12/01/83 to 02/01/2003	6,000	8,000	8,000	10,000	10,000	10,000
TOTALS	283,340	303,004	315,396	326,500	349,496	311,275

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CR-51
 Title: state aid for school
Construction
 Sponsor: Korttula
 Requestor: Senato Hoss
 Date of Request: 3-15-85

FISCAL DETAIL

Agency Affected: Education
 Program Category Affected: _____
 BRU, Program or Subprogram(s) Affected:
Debt Retirement

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 CRANTS, CLAIMS		283.3	303.0	315.4	326.5	349.5
800 MISCELLANEOUS						
TOTAL OPERATING		283.3	303.0	315.4	326.5	349.5

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		283.3	303.0	315.4	326.5	349.5
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Steve Hole Phone: 2800
 Division: Commissioner's Office Date: 3-19-85
 Approved by Commissioner: Harold Reynolds, Jr. Date: 3-19-85
 Agency: Education

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84



KENAI PENINSULA BOROUGH

BOX 850 • SOLDOTNA ALASKA 99669
PHONE 262-4441

STAN THOMPSON
MAYOR

January 16, 1985

DIRECTORS
OFFICE

JAN 21 1985

Management, Law Finance

Norma Peterson
Department of Education
Pouch F
Juneau, Alaska 99801

Dear Ms. Peterson:

Here is the schedule you asked for on our 1984 school bonds. This issue was for \$16,665,000; \$6.6 MM is to be reimbursed at 90%, \$5.275 MM at 50%, and the remaining \$4.79 MM is unreimbursable. The Percentages are as follows:

90%	39.61%
50%	31.65%
0%	28.74%

You could apply these percentages to any payment we submit for reimbursement to come up with the reimbursement due to us. The following schedule shows the breakdown of each fiscal year's debt service.

<u>Fiscal Year</u>	<u>Total Payment</u>	<u>90%</u>	<u>50%</u>	<u>0%</u>	<u>Total</u>
1985	1,504,425.00	595,811.88	476,198.13	432,414.99	1,504,425.00
1986	2,190,456.25	867,507.43	693,348.74	629,600.09	2,190,456.25
1987	2,329,968.75	922,759.90	737,508.86	669,699.99	2,329,968.75
1988	2,427,850.00	961,524.75	768,491.37	697,833.87	2,427,850.00
1989	2,499,750.00	990,000.00	791,250.00	718,500.00	2,499,750.00
1990	2,681,375.00	1,061,930.69	848,740.06	770,704.25	2,681,375.00
1991	2,379,500.00	942,376.24	753,187.07	683,936.69	2,379,500.00
1992	2,519,250.00	997,722.77	797,422.37	724,104.86	2,519,250.00
1993	2,703,625.00	1,070,742.57	855,782.89	777,099.53	2,703,625.00
1994	2,661,625.00	1,054,108.91	842,488.56	765,027.53	2,661,625.00
1995	3,030,500.00	1,200,198.02	959,249.17	871,052.81	3,030,500.00
	26,928,325.00	10,664,083.17	8,523,667.23	7,739,974.60	26,928,325.00

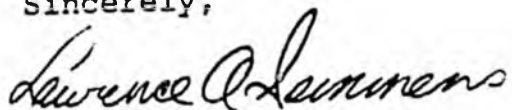
Norma Peterson--Dept. of Education

Page 2

January 16, 1985

If you have any questions, feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Lawrence A. Semmens".

Lawrence A. Semmens
Treasury Manager

LAS/dmc

\$1,000,000

50 90

**CITY OF WRANGELL, ALASKA
GENERAL OBLIGATION BONDS**

Dated: December 1, 1983 Due: December 1, 1984-2003
Semi-annual interest payments: June 1 and December 1
Commencing June 1, 1984

MATURITY SCHEDULE

<u>December 1</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>December 1</u>	<u>Amount</u>	<u>Interest Rate</u>
1984	\$15,000		1994	\$ 45,000	
1985	20,000		1995	50,000	
1986	20,000		1996	55,000	
1987	25,000		1997	60,000	
1988	25,000		1998	65,000	
1989	25,000		1999	75,000	
1990	30,000		2000	80,000	
1991	35,000		2001	90,000	
1992	35,000		2002	100,000	
1993	40,000		2003	110,000	

The Bonds maturing on or after December 1, 1994 are subject to redemption on or after December 1, 1993 at par plus accrued interest.

AUTHORIZATION

These Bonds are issued under the provisions of the Constitution and laws of the State of Alaska and pursuant to a bond election in which a majority of the qualified voters, voting at a regular election on October 4, 1983, approved the issuance of \$1,000,000 General Obligation Bonds and pursuant to Bond Ordinance No. _____ enacted by the City of Wrangell on October 10, 1983.

SECURITY

The City of Wrangell (the "City") has irrevocably covenanted that it will, without limitation as to rate or amount, levy taxes annually on all taxable property within its boundaries in an amount sufficient to pay the principal of and interest on the Bonds, as the same shall become due. The full faith and credit of the City have been irrevocably pledged for the payment of the principal and the interest on the Bonds. The rights and remedies of Bondholders are subject to applicable bankruptcy or insolvency laws or other similar laws generally affecting creditors' rights.

DEBT PAYMENT RECORD

The City of Wrangell has always promptly met principal and interest payments on general obligation bonds when due.

LEGAL OPINION

Preston, Thorgrimson, Ellis & Holman, Seattle, Washington.

*Changes - Problem in anticipating
limiting access to approved project.
Now -- all projects treated same.
Dems need. Muni needs. Then
debt not make sense. Had much
addtl indebtedness allowed
Tight constraints on construction -- extra.
Eats up bond capacity / open + man out of
plan program.*

DRAFT

MEMORANDUM

March 20, 1985

TO: Arliss
FROM: Melissa
RE: State G.O. Bond debt capacity and
school bond debt

There is attached ^{EXHIBIT FROM} ~~a memo from within~~ the Department of Revenue, ^{SECRET} which
discusses, as of December 1984, the G.O. bond debt capacity of the state
to 1991 under the revenue projections which were current then. The
declining revenue picture and the ^{possible lowered} ~~lowered~~ projections ~~expected~~ in April
will, of course, lower the projected debt capacity.

The department's debt capacity is calculated on the 5 percent of pro-
jected unrestricted revenues limit advised by bond counsel. You will
note that the calculations of state debt capacity includes not only
state G.O. bonds, but debt service on ACHA bonds, U of A revenue bonds
and lease payments on the Seward student service center lease certifi-
cates of participation.

Anticipated lease purchase** financing is treated as G.O. bond debt for
the purposes of calculating debt capacity, and according to the attached
memo would further reduce the state's debt capacity under the mean rev-
enue estimate by another \$260.5 million if the lease purchase agreements
for the Anchorage office building and Anchorage court building are made.

draft memo/2

Projections of debt capacity are made using assumptions about future interest rates as well. Revenue assures ten-year bonds at 10 percent -- amortization factor .153.

1989 before we can expect bond capacity -- even then only come 100 MM a year.

~~The Department of Revenue does not take school bond debt, either current~~

~~or projected, into its calculations concerning state debt capacity.~~

remains competitive for state \$'s.

Attached, as you requested, is a bar graph obtained from the Department of Education showing dollar amounts authorized under the school bond debt reimbursement program and the actual amounts paid by the state.

attached is a chart showing school district debt in Alaska Dept of Education

Bob Greene tells me that anticipated bond sales (depending on state capital grants) are:

- Mat-Su Borough \$70 million
- Kenai Borough \$70 million
- Anchorage School District \$83-87 million
 - Requested \$87 million; will probably bond to make up difference
- Fairbanks \$46 million
 - First phase of three-phase project; does not take into account potential new military battalion

270-MM certainly not total need.

** Blomfield has filed suit saying lease-purchase financing is unconstitutional.

III. STATE DEBT CAPACITY

A. Debt Capacity Through 1991

The estimated capacity of the State to issue debt in the form of general obligation bonds and lease purchase financing is as follows (\$ millions):

<u>Fiscal Year</u>	<u>Mean Revenue Estimate</u>	<u>30th Percentile Estimate</u>
1985	---	---
1986	---	---
1987	48	---
1988	2	---
1989	100	19
1990	123	64
1991	<u>115</u>	<u>119</u>
Total	388	202

Total lease purchase financing in excess of \$260 million for the Anchorage Office Complex and the Anchorage Court Building may occur in the near future. If so, this would reduce State debt capacity through FY 1991 to \$128 million under the mean revenue estimate. The State would not have any additional debt capacity under the 30th percentile estimate.

The above estimates of debt capacity are based on the January 1985 Department of Revenue revenue estimates. They adhere to the premise that debt service should not exceed 5% of the State's unrestricted revenue if the State is to maintain its "AA" credit rating.

In addition to debt service on State general obligation bonds, debt service on Alaska State Housing Authority lease revenue bonds, University of Alaska revenue bonds, and lease payments on the Seward Student Service Center Lease Certificates of Participation are included in the calculation of State debt capacity.

The rating agencies view lease financing obligations in the same light as general obligations of the State. A lease purchase obligation may take the form of either revenue bonds or certificates of participation. In either case, State lease payments are the sole security for the obligations. The fact that these lease payments are subject to annual appropriations precludes the obligations from being considered State debt under the constitution and thus requiring voter approval. Lease purchase obligations

provide for the acquisition of the property by the lessee at the end of the lease. The term of the lease and purchase price are such that the lessee (State) is considered the owner of the property for Federal tax purposes from the outset of the lease. As a result, a portion of the lease payments is treated as tax-exempt interest income under the Federal income tax.

Consideration of lease purchase financing complicates the analysis of debt capacity in that interest rates are likely to be higher but terms possibly longer than on general obligation debt. For simplicity's sake since these estimates serve as a general guideline and because it is unknown how much future debt will be general obligation bonds as opposed to lease purchase financing, the estimates are made as if all future debt is general obligation debt -- an assumed 10% interest rate and 10 year maturity.

Tables 3.1, 3.2, and 3.3 show the derivation of the above debt capacity estimates.

B. Debt Ratios

Tables 3.4 and 3.5 show past and projected ratios of debt service to unrestricted revenue. Since fiscal year 1975, the ratio has exceeded the 5% guideline only in two years and not all that much even then. As Table 3.4 also shows, the past ratio of debt service to expenditures, which smooths out some of the variability in Alaska's more volatile oil revenues, has been more constant and consistently at 5% or less.

Table 3.5 indicates that this ratio should be slightly over 5% this fiscal year and next but should decline rapidly thereafter. However, lease financing of the previously mentioned Anchorage facilities and possible downward revisions of future revenue estimates may result in the ratio hovering above 5% for several more years.

The above ratio of debt service to revenue is used as a guideline for Alaska because the more traditional ratios of state credit analysis -- debt per capita, debt per \$1,000 of personal income, and debt to full value (of taxable property) -- are rendered rather meaningless by the large flow of State oil revenues and the debt such revenues can support. These revenues are only tangentially related to State population. They are more directly related to personal income to the extent the State spends the oil revenues in-state and to property values since oil and gas property is included in full value. However, because Alaska oil and gas property, with its prolific production and outsized revenue flows, constitutes 41% of full value

TABLE 3.1

Debt Capacity
General Obligation Bonds and Lease Purchase Financing
Mean Revenue Estimates
(\$ Millions)

Fiscal Year	Unrestricted Revenue ^{1/}	5% of Revenue	Existing Debt Service & Lease Payments ^{2/}	Available for Additional Debt Service	Additional Debt Capacity ^{3/ 4/}	Cumulative Debt Capacity
1985	3347	167	182	---	---	---
1986	3384	169	176	---	---	---
1987	3435	172	164	8,000,000	48,000,000	48,000,000
1988	3300	165	157	8	2	49
1989	3387	169	145	24	100	149
1990	3468	173	129	44	123	272
1991	3353	168	105	63	115	388
1992	3406	170	77	93		
1993	3533	177	68	109		
1994	3470	174	39	135		
1995	3508	175	27	148		
1996	3490	175	24	151		
1997	3458	173	19	154		
1998	3523	176	17	159		
1999	3453	173	11	162		
2000	3405	170	4	166		

^{1/} January 1985 Department of Revenue revenue estimates.

^{2/} Includes debt service on general obligation bonds, Alaska State Housing Authority lease revenue bonds, University of Alaska revenue bonds, and Seward Student Service Center Lease Certificates of Participation.

^{3/} Assumes ten year bonds at 10.0% -- amortization factor .163.

^{4/} The absence of revenue estimates beyond FY 2000 and the need to ascertain the availability of funds for debt service over a ten year term prevents the estimation of debt capacity beyond FY 1991.

TABLE 3.2

Debt Capacity
General Obligation Bonds and Lease Purchase Financing
30th Percentile Revenue Estimates
(\$ Millions)

<u>Fiscal Year</u>	<u>Unrestricted Revenue</u> ^{1/}	<u>5% of Revenue</u>	<u>Existing Debt Service & Lease Payments</u> ^{2/}	<u>Available for Additional Debt Service</u>	<u>Additional Debt Capacity</u> ^{3/ 4/}	<u>Cumulative Debt Capacity</u>
1985	3,315	166	182	---	---	---
1986	3,312	165	178	---	---	---
1987	3,285	164	164	---	---	---
1988	3,038	152	157	---	---	---
1989	2,961	148	145	3	19	19
1990	2,851	143	129	14	64	83
1991	2,754	138	105	33	119	202
1992	2,785	139	77	62		
1993	2,801	140	68	72		
1994	2,669	133	39	94		
1995	2,638	132	27	105		
1996	2,524	126	24	102		
1997	2,477	124	19	105		
1998	2,416	121	17	104		
1999	2,306	115	11	104		
2000	2,230	112	4	108		

^{1/} January 1985 Department of Revenue revenue estimates.

^{2/} Includes debt service on general obligation bonds, Alaska State Housing Authority lease revenue bonds, University of Alaska revenue bonds, and Seward Student Service Center Lease Certificates of Participation.

^{3/} Assumes ten year bonds at 10.0% -- amortization factor .163.

^{4/} The absence of revenue estimates beyond FY 2000 and the need to ascertain the availability of funds for debt service over a ten year term prevents the estimation of debt capacity beyond FY 1991.

TABLE 1.12

State of Alaska
State General Obligation Bond Sales
Since 1973

<u>Date of Bonds</u>	<u>Amount of Issue (Millions)</u>	<u>Maturities</u>	<u>Average Life in Years</u>	<u>Effective Interest Rate</u>	<u>Salomon Brothers Monthly Average ^{1/}</u>	<u>Ratings (at the time of issuance) Moody's/ Standard & Poors</u>
Jan. 13, 1973	\$ 20.0	1976-1998	15.3	5.12%	5.10%	Baa1/A
Jan. 13, 1973	27.0	1976-1998	14.8	5.10	5.20	Baa1/A
Aug. 1, 1973	31.0	1977-1998	16.7	5.80	5.65	Baa1/A
Sept. 1, 1974	30.0	1978-1998	15.6	6.85	6.40	A1/A
Feb. 1, 1975	40.3	1978-1998	14.6	5.98	6.10	A1/A+
May 1, 1975	42.0	1979-1999	15.1	6.52	6.40	A1/A+
Oct. 1, 1975	42.9	1978-1997	12.5	6.85	6.00	A1/A+
Mar. 1, 1976	40.0	1978-1993	9.5	5.86	5.30	A1/A+
July 1, 1976	40.0	1978-1993	9.5	5.80	5.15	A1/A+
Feb. 1, 1977	40.0	1979-1988	9.5	5.08	4.50	A1/A+
Oct. 1, 1977	40.0	1979-1988	7.0	4.50	4.45	A1/A+
Apr. 1, 1978	45.0	1980-1988	7.0	4.86	4.85	A1/A+
Jan. 1, 1979	40.0	1979-1989	5.5	5.52	5.50	A1/A+
May 1, 1979	60.0	1979-1989	5.5	5.59	5.30	A1/A+
July 1, 1980	125.0	1981-1990	5.5	5.76	5.50	Aa/AA-
Apr. 1, 1982	200.0	1983-1992	5.0	9.98	10.25	Aa/AA-
Nov. 1, 1982	185.0	1983-1992	5.0	7.72	7.50	Aa/AA-
Oct. 1, 1983	78.0	1984-1993	5.0	7.47	7.20	Aa/AA-

Source: John Nuveen & Co., Alaska: A New Look, 1981; and Department of Administration, Bonded Debt and Debt Service, Fiscal Year 1984.

^{1/} Salomon Brothers Monthly Average is for "Good Grade" bonds of similar average maturity.

TABLE 1.11

State of Alaska
General Obligation Bonds
Annual Debt Service

<u>Years Ended</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1985	107,860,000	61,663,874	169,523,874
1986	109,269,000	58,979,162	168,248,162
1987	108,380,000	46,512,046	154,892,046
1988	108,685,000	39,220,555	147,905,555
1989	103,727,000	31,784,971	135,511,971
1990	95,560,000	24,746,290	120,306,290
1991	77,499,000	17,983,980	95,482,980
1992	56,149,000	12,052,225	68,201,225
1993	51,363,000	8,225,187	59,688,187
1994	28,398,000	5,531,975	33,929,975
1995	19,096,000	3,987,625	23,083,625
1996	18,610,000	2,864,412	21,474,412
1997	14,865,000	1,800,418	16,665,418
1998	13,380,000	1,008,193	14,388,193
1999	8,640,000	368,931	9,008,931
2000	2,531,000	69,081	2,600,081
Total	\$924,008,000	\$311,898,925	\$1,235,906,925

Source: Department of Administration, Bonded Debt and Debt Service, June 30, 1984.

TABLE 1.3

State of Alaska
Public Debt Issued, Detailed by State Agency
(\$ Millions)

<u>Year</u>	(FY) <u>State GO</u>	(CY) <u>AHFC</u>	(FY) <u>Bond Bank</u>	(CY) <u>AIDA</u>	(FY) <u>APA</u>	(CY) <u>ASHA</u>	(FY) <u>International Airports</u>	(FY) <u>University of Alaska</u>	(FY) <u>AMFA</u>	(FY) <u>Municipal Debt</u>
1972	\$ 53.4	\$ 13.5	\$ -	\$ -	\$ -	\$23.2	\$ -	\$2.2	\$ -	\$ 88.9
1973	47.0	49.0	-	-	-	22.6	7.5	-	-	46.8
1974	31.0	-	-	-	-	11.4	-	-	-	85.3
1975	112.3	52.0	-	-	-	-	7.5	6.5	-	120.2
1976	82.9	45.0	3.1	-	-	5.3	-	-	-	70.1
1977	80.0	123.0	13.3	-	-	6.0	-	.1	-	220.8
1978	85.0	146.2	3.7	-	-	-	-	-	-	182.3
1979	100.0	170.6	18.0	-	-	5.1	-	5.2	-	316.8
1980	-	503.8	27.9	-	-	-	-	-	12.0	250.0
1981	125.0	650.0	17.9	75.1	35.0	-	-	-	-	277.7
1982	200.0	637.0	51.0	26.2	165.0	2.4	-	-	-	316.5
1983	185.0	1,075.0	27.0	62.2	-	31.5	-	-	-	575.2
1984	78.0	1,234.9	6.9	50.6	-	-	28.0	-	2.1	N/A

Sources: Annual Financial Report, Alaska Department of Administration, June 30, 1984;
Annual reports of State agencies; Governmental Finances, U.S. Bureau of the Census.

TABLE 1.7 (continued)

	<u>Principal Outstanding 6-30-84</u>	<u>Interest to Maturity 6-30-84</u>	<u>Total Debt Service to Maturity 6-30-84</u>	<u>Debt Issued 6-30-84 to 12-31-84</u>
STATE AGENCY COLLATERALIZED DEBT				
Alaska Housing Finance Corporation				
Collateralized Bonds (Veterans Mortgage Program)	0	0	0	402.5
Collateralized Home Mortgage Bonds	0	0	0	202.4
Overseas Finance N.V. Guaranteed Bonds	100.0	113.8	213.8	0
FNMA Collateralized Notes	175.0	N/A	N/A	125.0
Alaska State Housing Authority				
FHA Insured ^{Mortgage} Revenue Bonds	<u>33.8</u>	<u>15.2</u>	<u>49.0</u>	<u>0</u>
Total State Agency Collateralized Debt	308.8	129.0	437.8 ^{1/}	729.9
Total State General Obligation Bonds and State Supported Debt	1,001.2	341.6	1,342.8	6.0
Total State and State Agency Debt	5,403.8	5,811.5	11,215.2 ^{1/}	829.0

Sources: Bonded Debt and Debt Service, State of Alaska, June 30, 1984; 1984 annual reports and financial statements of AHFC, ASHA, Bond Bank, ALDA, APA, University of Alaska, and AMFA; Selected Corporation and Program Information of AHFC, December 1984; Other information provided by State agencies directly.

^{1/} Includes principal outstanding for bonds for which interest to maturity is not known.

^{2/} Includes 6-30-84 principal outstanding for bonds for which 12-31-84 principal outstanding is not known.

TABLE 1.7 (continued)

	Principal Outstanding 6-30-84	Interest to Maturity 6-30-84	Total Debt Service to Maturity 6-30-84	Debt Issued 6-30-84 to 12-31-84	Principa' Outstanding 12-31-84
STATE REVENUE DEBT					
International Airports Revenue Bonds	44.6	36.4	81.1	0	44.6
STATE AGENCY DEBT					
Alaska Housing Finance Corporation					
Housing Mortgage Bonds	94.0	81.3	175.3	0	91.7
State Assisted Mortgage Bonds	1,103.8	1,370.3	2,474.1	0	1,077.5
Home Mortgage Bonds	571.9	817.3	1,389.2	0	544.7
Second Mortgage Bonds	13.1	24.7	37.7	0	11.0
Fairbanks North Star Borough Residential Mortgage Bonds	33.9	36.9	70.8	0	28.5
Notes Payable to the State of Alaska	25.5	N/A	N/A	0	25.5
Alaska Industrial Development Authority					
2% Certificates of Deposit originally issued by Alaska State Development Corporation	.1	0	.1	0	0
Alaska Municipal Bond Bank					
Coastal Energy Reserve Bonds	7.5	3.1	10.6	0	7.5
Coastal Energy Loan Bonds	17.3	16.1	33.3	0	17.3
Alaska Medical Facility Authority					
First Mortgage Hospital Revenue Bonds	10.7	8.9	19.6	0	10.4
Careage North Revenue Bonds	2.0	1.6	3.6	0	2.0
Alaska Power Authority					
General Obligation Bonds Series 1981	26.2	.7	26.9	0	0
Variable Rate Demand Notes (Terror Lake Hydroelectric Project)	115.0	6.3	121.3	0	115.0
Variable Rate Demand Notes (Lake Tye Hydroelectric Project)	50.0	.8	50.8	0	50.0
Notes Payable to State of Alaska	0	0	0	26.2	26.2
Alaska State Housing Authority					
Nunaka Valley, Marine View, and Section 8 New Construction Debt	20.0	31.3	51.3	0	N/A
Wrangell 221(d)3 Indebtedness	.5	.1	.6	0	N/A
HUD Notes Payable	31.7	Paid by HUD		0	N/A
Total State Agency Debt	2,123.2	2,399.4	4,522.4 <u>1/</u>	26.2	2,059.5 <u>2</u>

TABLE 1.7

State of Alaska
Outstanding Debt of the State and State Agencies

(Millions of Dollars)

	Principal Outstanding 6-30-84	Interest to Maturity 6-30-84	Total Debt Service to Maturity 6-30-84	Debt Issued 6-30-84 to 12-31-84	Principal Outstanding 12-31-84
STATE DEBT					
State of Alaska General Obligation Bonds	924.0	311.9	1,235.9	0	861.5
STATE SUPPORTED DEBT					
Alaska State Housing Authority Lease Revenue Bonds	54.4	14.8	69.2	0	47.4
University of Alaska Debt	22.8	14.9	37.7	0	22.6
Seward Student Service Center Commercial Lease Certificate of Participation in Rent	0	0	0	6.0	6.0
Total State Supported Debt	<u>77.2</u>	<u>29.7</u>	<u>106.9</u>	<u>6.0</u>	<u>76.1</u>
STATE GUARANTEED DEBT					
Alaska Housing Finance Corporation State Guaranteed Bonds (Veterans Mortgage Program)	702.8	1,064.1	1,766.9	0	691.6
STATE MORAL OBLIGATION DEBT					
Alaska Housing Finance Corporation					
Insured Mortgage Bonds	941.3	1,487.7	2,429.0	0	929.7
Insured Rural Mortgage Bonds	6.9	N/A	N/A	0	6.1
Alaska Industrial Development Authority					
Economic Development Bonds	107.3	169.7	277.0	26.2	131.4
Consolidated Bonds	48.0	86.4	134.4	24.3	72.4
Alaska Municipal Bond Bank					
1976 General Resolution General Obligation Bonds	105.8	84.8	190.6	16.4	120.6
1980 General Resolution General Obligation Bonds	9.3	9.2	18.5	0	9.3
Ketchikan Airport Revenue Bond	.4	.4	.8	0	.4
1982 General Resolution Revenue Bond	4.2	2.8	7.0	0	4.2
Total State Moral Obligation Debt	<u>1,223.2</u>	<u>1,841.0</u>	<u>3,064.2</u> 1/	<u>66.9</u>	<u>1,273.0</u>

ALASKA DEBT CALENDAR

March 1, 1985

<u>Date</u>	<u>Issuer</u>	<u>(\$ Millions)</u>	<u>Type</u>
MUNICIPAL ISSUES			
<u>1985</u>			
March	Mat-Su Borough	16.3	School GOB's
March 19	Anchorage	20.0	Water Utility Bond Anticipation Notes
Late March	Valdez	24.0	Bond Anticipation Notes
April	Homer	0.3	Local improvement district bonds
April	Homer	0.5	Local improvement district bonds
April	Homer	0.5	Sewer improvement district bonds
April 22	Kenai Peninsula Borough	8.9	General Obligation Refunding Bonds
April-May	North Slope Borough	147.4	General Obligation Refunding bonds
May	Juneau	2.0	Water and sewer GOB's
May	Juneau	3.7	Library and fire hall GOB's
May 14	Anchorage	14.0	COB's
Mid-May	North Slope Borough	65.7	Lower floater GOB's
May 27	Kenai Peninsula Borough	6.5	Hospital GOB's
June 4	Anchorage	20.6	Telephone Utility Bonds
June	City of Seward	15.0	Industrial Revenue Bonds (industrial center)
September	Anchorage	27.0	Electric Utility Bonds
October	Anchorage	20.0	Water Utility Bond
Fall	North Slope Borough	52.0	General Obligation Bond Anticipation Notes

STATE AGENCY ISSUES

1985

April	Alaska Industrial Development Authority	12.0-14.0	Umbrella bonds
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TABLE 1.21

Debt of Alaska Municipalities
6-30-84
(Dollars)

<u>Boroughs</u>	<u>G.O. Debt</u>	<u>Revenue Debt</u>	<u>Total Debt</u>	<u>School G.O. Debt</u>	<u>% of School Debt Paid by State</u>	<u>Net G.O. Debt</u>	<u>Total Net Debt</u>
ANCHORAGE, MUNICIPALITY OF	355,008,897	310,272,000	665,280,897	212,275,000	91%	161,838,647	472,110,647
BRISTOL BAY	3,665,000	-	3,665,000	3,665,000	90	366,500	366,500
FAIRBANKS NORTH STAR	85,300,000	-	85,300,000	82,115,516	94	8,111,415	8,111,415
Fairbanks City	10,590,000	37,320,000	47,910,000	-	-	10,590,000	47,910,000
North Pole	1,237,000	-	1,237,000	-	-	1,237,000	1,237,000
TOTAL	97,127,000	-	134,447,000	82,115,516	94	19,938,415	57,258,415
HAINES	555,000	-	555,000	555,000	100	-	-
Haines City	765,000	-	765,000	-	-	765,000	765,000
TOTAL	1,320,000	-	1,320,000	555,000	100	765,000	765,000
JUNEAU, CITY & BOROUGH	51,761,000	27,896,000	79,657,000	41,406,358	60	26,917,185	54,813,185
KENAI PENINSULA	120,339,750	-	120,339,750	106,615,000	94	20,121,650	20,121,650
Homer City	2,677,000	-	2,677,000	-	-	2,677,000	2,677,000
Kenai City	3,230,000	311,125	3,541,125	-	-	3,230,000	3,541,125
Seldovia City	397,000	-	397,000	-	-	397,000	397,000
Seward City	2,609,000	265,000	2,874,000	-	-	2,609,000	2,874,000
Soldotna City	3,016,000	-	3,016,000	-	-	3,016,000	3,016,000
TOTAL	132,268,750	576,125	132,844,875	106,615,000	94	32,050,650	32,626,775
KETCHIKAN GATEWAY	22,490,000	410,000	22,900,000	20,450,000	92	3,676,000	4,086,000
Ketchikan City	11,305,000	23,305,000	34,610,000	-	-	11,305,000	34,610,000
TOTAL	33,795,000	23,715,000	57,510,000	20,450,000	92	14,981,000	38,696,000
KODIAK ISLAND	30,025,000	-	30,025,000	29,725,000	83	5,353,250	5,353,250
Kodiak City	2,735,000	3,567,209	6,302,209	-	-	2,735,000	6,302,209
TOTAL	32,760,000	3,567,209	36,327,209	29,725,000	83	8,088,250	11,655,459
MATANUSKA-SUSITNA	78,855,716	327,613	79,183,329	78,340,000	93	5,999,516	6,327,129
Palmer City	2,028,000	303,000	2,331,000	-	-	2,028,000	2,331,000
TOTAL	80,883,716	630,613	81,514,329	78,340,000	93	8,027,516	8,658,129
NORTH SLOPE	1,203,440,000	-	1,203,440,000	143,822,000	91	1,072,561,980	1,072,561,980
SITKA, CITY & BOROUGH	13,220,000	68,797,970	82,017,970	2,129,000	100	11,091,000	79,888,970
TOTAL BOROUGHS	2,005,249,363	472,774,917	2,478,024,280	721,097,874	90%	1,356,626,143	1,829,401,060

TABLE 1.21 (continued)

<u>Cities</u>	<u>G.O. Debt</u>	<u>Revenue Debt</u>	<u>Total Debt</u>	<u>School G.O. Debt</u>	<u>% of School Debt Paid by State</u>	<u>Net G.O. Debt</u>	<u>Total Net Debt</u>
Bethel	1,155,856	-	1,155,856	-	- %	1,155,856	1,155,856
Cordova	1,434,800	1,510,955	2,945,755	445,000	100	989,800	2,500,755
Craig	89,000	-	89,000	-	-	89,000	89,000
Dillingham	68,000	307,277	375,277	-	-	68,000	375,277
Eagle	-	-	-	-	-	-	-
Galena	-	-	-	-	-	-	-
Hoonah	-	-	-	-	-	-	-
Hydaburg	-	-	-	-	-	-	-
Kake	90,000	-	90,000	-	-	90,000	90,000
King Cove	-	-	-	-	-	-	-
Klawock	-	-	-	-	-	-	-
Kotzebue	-	-	-	-	-	-	-
Nenana	2,869,000	-	2,869,000	-	-	2,869,000	2,869,000
Nome	300,000	-	300,000	-	-	300,000	300,000
Pelican	-	-	-	-	-	-	-
Petersburg	5,225,000	2,302,000	7,527,000	5,225,000	95	261,250	2,563,250
St. Mary's	-	-	-	-	-	-	-
Sand Point	-	-	-	-	-	-	-
Skagway	836,000	-	836,000	-	-	836,000	836,000
Tanana	-	-	-	-	-	-	-
Unalaska	5,392,375	438,570	5,830,945	3,367,472	90	2,361,650	2,800,220
Valdez	80,497,000	8,490,000	88,987,000	23,940,000	93	58,232,800	66,722,800
Whittier	-	-	-	-	-	-	-
Wrangell	3,395,000	528,222	3,923,222	2,355,000	90	1,275,500	1,803,722
Yakutat	238,800	-	238,800	-	-	238,800	238,800
Total Cities	101,590,831	13,577,024	115,167,855	35,332,472	93	68,767,656	82,344,680
Total Municipalities	2,106,840,194	486,351,941	2,593,192,135	756,430,346	90%	1,425,393,799	1,911,745,740

Sources: Annual reports of municipalities; Alaska Department of Education; and Alaska Taxable 1984, Alaska Department of Community & Regional Affairs.

subject to legislative appropriation. CP's are therefore not considered State debt and are not subject to voter approval.

d. Alaska Court System

Chapter 78, Session Laws of Alaska (SLA) 1984 authorized the Alaska Supreme Court to enter into a lease-purchase agreement for construction of a court facility in Anchorage. Financing might take the form of an ASHA or Municipality of Anchorage lease revenue bond, a CP, or private financing.

e. Municipal School Debt

Although it has many of the same hallmarks, the portion of municipal school debt paid by the State is not considered to be State supported debt. There is no contractual commitment by the State to make these payments. The State has in the past and may in the future appropriate less than the full amount to which the municipalities are entitled under statute. See section I.E.3. This does not jeopardize the security of the debt, as it might in the case of State supported debt, because the debt does have the full faith and credit of an issuer with taxing powers behind it, i.e., the municipality.

As of June 30, 1984, approximately \$756.4 million of municipal school debt was outstanding. The State was obliged to pay a weighted average of 90% of the debt service on this amount. The State's share of municipal school debt outstanding on June 30, 1984 was thus approximately \$680.8 million. If added to the total of State and State supported debt, the amount of the State's principal obligations on that date would have been \$1,682 million.

3. State Guaranteed Debt

In the 1982 general election voters approved an amendment to Article IX, Section 8 of the Alaska Constitution that permits the State to guarantee unconditionally as a general obligation of the State the payment of principal and interest on revenue bonds issued by AHFC for the purpose of purchasing mortgage loans made for residences of qualifying veterans. This is the only purpose for which State guaranteed bonds are issued. Because the bonds are general obligations of the State, they must be authorized by law, ratified

The current municipal GO debt level contrasts with the State's own general obligation indebtedness at the end of fiscal year 1984 of \$924 million. The general obligation bonds of municipalities comprise approximately 26 percent of the total amount of public debt outstanding in the State.

2. Revenue Bonds

In addition to general obligation debt that is supported by local taxes, cities and boroughs also issue debt that is supported by the revenues generated by the project financed through the issuance of debt. At the end of June 1984, approximately \$486.4 million in revenue bonds was outstanding.

Revenue bonds account for approximately 19 percent of all local debt outstanding in Alaska, compared with the national average of 60 percent. Some major municipal borrowers in Alaska have no revenue debt at all. Such borrowers include the Fairbanks North Star, Kenai Peninsula, and North Slope Boroughs.

In the boroughs mentioned, one reason for the lack of revenue debt may be the presence of oil and gas property. Under these circumstances, substituting GOB's for revenue bonds would transfer much of the debt burden that would otherwise fall on local users to, nominally, outside oil companies, but actually, to the State as a result of the fact that the State also taxes oil and gas property and allows a credit against tax liabilities for taxes paid to municipalities.

Historical figures on Alaska municipal GO and revenue debt as estimated by the Bureau of the Census are contained in Table 1.20.

3. School Debt

Under a program enacted in 1970 (Alaska Statutes 14.11.100), the State reimburses municipalities 50, 90, or 100 percent of cash expenditures on school construction and debt service on bonds issued to finance school construction. The percentage depends on the year in which the costs are incurred. The 50 percent limitation, enacted in 1983, applies to fiscal years after June 30, 1983. The higher percentages apply to earlier years. As of June 30, 1984 the average State reimbursement on municipal school debt outstanding stood at 90%.

As a result of this program, a major use for municipal general obligation debt has been to finance school

construction. As of June 30, 1984 municipalities in the state had approximately \$756 million in school construction debt outstanding (see Table 1.21). School construction debt comprises approximately 36 percent of all municipal general obligation debt.

Although the statute provides that the State will reimburse school districts 50, 90, or 100 percent of construction costs, the actual funding for the program is dependent on annual legislative appropriations to the school construction account. Historically, appropriations have usually been sufficient to fully fund the level of payments authorized by statute. When amounts in the account are insufficient, the available funds are allocated pro rata among the eligible school districts. Over the fiscal years 1981 to 1985 the program has been or will be funded at the following percent of entitlement due:

<u>Fiscal Year</u>	<u>Amount of Payments (1981-83) or Appropriations (1984-85)</u>	<u>Percent of Entitlement</u>
1981	\$38,380,134	100%
1982	38,262,156	100
1983	36,203,300	83
1984	59,887,800	100 estimated
1985	95,000,000	100 estimated

Full funding for FY86 is estimated to require an appropriation of \$106,500,000.

Table 1.21 presents general obligation, revenue, and school debt for Alaskan municipalities. A net GO and total debt figure is calculated assuming the State makes full payment of its share of school debt service. In that case, GO debt outstanding that is to be paid by municipalities falls to roughly \$1,425 million.

4. GO Debt Ratios

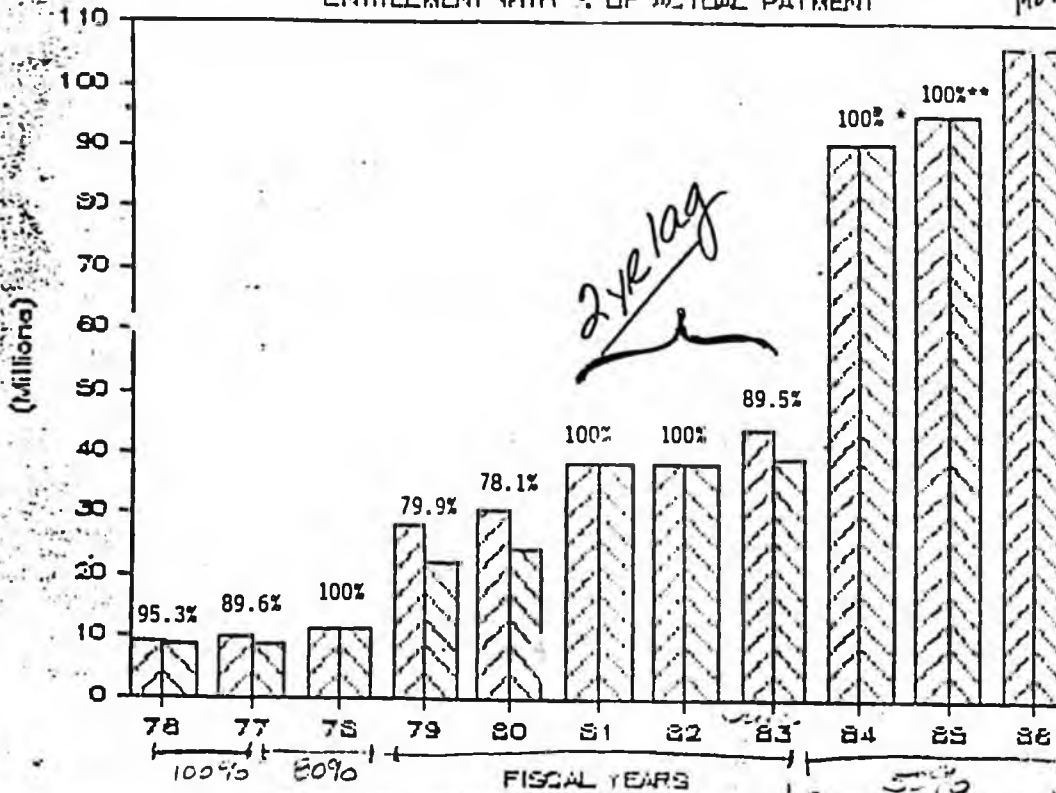
Tables 1.22 and 1.23 present ratios of municipal debt to population and to the estimated full value of property assessed for property taxation in Alaska and the U.S. as a whole. Alaska's sparse population leads to substantially higher debt ratios than U.S. medians. The presence of enormous oil and gas property values in certain municipalities has also contributed to higher debt loads.

5. Property Tax Limits

As indicated in Table 1.22, two municipalities which

MAR 19 1985

DEBT RETIREMENT FY-76 THRU FY-86
ENTITLEMENT WITH % OF ACTUAL PAYMENT



Entitlements: (Millions)

FY-76	\$ 8.81
FY-77	9.05
FY-78	11.41
FY-79	22.27
FY-80	24.08
FY-81	38.38
FY-82	38.26
FY-83	39.18
FY-84	90.60 *
FY-85	95.00 **
FY-86	106.50 ***

- * FY-84 figure includes encumbered funds.
- ** FY-85 figure is amount appropriated.
- *** FY-86 figure is budget request.

have to guess -
munis floating bond
interest
- new SALES

75% = \$3159
90% = \$351

CONCERNS RAISED AT APRIL 4, 1985 SENATE H.E.S.S. HEARING ON SB 51:

Clarify what constitutes "in kind" reimbursement, and how this provision would be applied. *in lieu of...*

P. 1, line 18
Marzo, Steve Holte, McKinnon

Revise the "need criteria" to require that a district have "inadequate facilities to meet projected needs", rather than requiring that a district have unhousted students.

P. 2, line 20
P. 5, line 7
less specific. Do we want to require a district to wait until it has unhousted students before applying for state \$?

Include "program costs" in those costs that must be identified to the public at the time bonds are sold or public notice is given.

P. 3, line 14
Teachers, etc. How anticipate? Have to decide if going to have music, sports, etc.

Amend last year's 50% reimbursement upward to 80% (would effect Kenai and Wrangell). Discussion centered around how to apply the eligibility criteria contained in SB 51 to projects that have already been approved.

P. 3, line 1
We're increasing the % because we're applying eligibility criteria! It's a trade-off.

Delete the provision which would reduce the State's reimbursement of a project by the amount of interest earned on the revenue of the bond issue.

P. 5, line 15
Amend Title 37 on local government bonding to require that legislative grants that go directly to municipalities for school construction be subject to the eligibility criteria contained in SB 51.

This would "require" the leg. to make line item appropriations based on eligibility criteria. Of course the leg. wouldn't be bound to follow this, so am. would have no effect except intent.

Replace the current debt retirement/grant system with a state bonding/local contribution system.

What's our bonding capacity?

Address the inequity that could result between a fully-bonded district eligible for a 90% grant and a non-fully-bonded district eligible for 80% reimbursement of a local bond issue.

Is no requirement that grant be for 100% of projects so could, in Dept's discretion, give grant for only 80%.

Clarify the procedure for distribution of funds (legislative participation in decisions to fund specific projects).

Way bill is set up, reimbursement fund & grant fund would both be "filled" by leg, & \$ allocated at Dept's discretion based on criteria in SB 51.


In practice, like it works now for debt retirement, fund is ~~only~~ filled by leg after a review of the Dept's proposals.

Alaska MUNICIPAL League

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(907) 586-1325
(907) 586-6526

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

TO: Senator Bettye Fahrenkamp, Chair
Members, Senate Health and Social Services Committee

FROM: Scott A. Burgess 
Executive Director

DATE: April 4, 1985

SUBJECT: State Aid for School Construction - SB 51, SB 143 and SB 159

On behalf of the Alaska Municipal League and its member municipalities, I urge the Committee and the 14th Legislature to assist municipalities in providing adequate State funding to meet the educational needs of Alaskans. The League urges the Legislature and the Governor to resume State aid to local governments for the retirement of school construction debt at the 90% level. The League also urges the Legislature to appropriate the total, State-approved school capital indebtedness incurred by municipalities. Without the appropriation, the authorization to resume the 90% funding of the bonded indebtedness is of little consequence.

The State of Alaska should assume full financial responsibility for the maintenance and operation of public schools for basic education. Full funding should not be used as a reason for the State to infringe upon the rights of local people to supplement State or federal funding or to administer local schools.

The League appreciates the significant problems facing the State and its people as a result of our declining revenue picture. With less State funding, coupled with proposed federal budget cuts, municipalities will be faced with increased taxes or user fees and reduced services. The education of our children is a paramount service of the State and a major portion of a municipal budget. Municipalities, with the help of the State, will continue to provide this and other basic services to our citizens at the least possible cost.

The League urges the Committee to work with the legislation before it to develop one piece of legislation which can best provide the financial assistance to municipalities to provide needed facilities, and, at a minimum, resumes the 90% level of debt reimbursement and, subsequently, appropriates adequate levels of funding.

Thank you.

**CHAPTER 31.
SCHOOL FACILITY PLANNING
AND CONSTRUCTION**

Section

- 10. Educational specifications
- 11. Advance planning of educational facilities
- 20. Guides for planning educational facilities
- 25. Site acquisition and selection
- 30. Review of school construction plans
- 40. Approval of school construction plans
- 50. Approval of purchase of nonschool facilities
- 60. State financial assistance
- 65. Selection of prime designer
- 70. Reimbursement of restructured or refinanced indebtedness
- 80. Construction of public school facilities
- 90. Definitions

4 AAC 31.010. EDUCATIONAL SPECIFICATIONS. The chief school administrator, under the director of the school board, is responsible for preparation of educational specifications for all new public elementary and secondary schools, and additions to and rehabilitations of existing facilities, for which state aid is sought. These educational specifications must include, as a minimum, the following:

- (1) the current year and five-year projected elementary and secondary enrollments to be served by the facility;
- (2) a statement of educational philosophy and goals for the facility;
- (3) the curriculum to be housed by the facility;
- (4) the activities that will be conducted in the facility;
- (5) the anticipated community uses of the facility;
- (6) the specific and general architectural characteristics desired;
- (7) the educational spaces needed, their approximate sizes in square feet, their recommended equipment requirements, and their space relationships to other facility elements;

(8) the size, use, and condition of existing school spaces in the facility;

(9) the recommended site and utility requirements; and

(10) the proposed budget and method of financing. (Eff. 3/1/78, Reg. 65; am 12/2/83, Reg. 88)

Authority: AS 14.07.020(11)	AS 14.11.020
AS 14.07.060	AS 14.11.100

4 AAC 31.011. ADVANCE PLANNING OF EDUCATIONAL FACILITIES. The chief school administrator, under the direction of the school board, is responsible for preparing a six-year capital improvement program, including annual updates, for all new public elementary schools, secondary schools, and education-related facilities, as well as for all additions to and rehabilitations of existing facilities, for which state aid is sought. (Eff. 12/2/83, Reg. 88)

Authority: AS 14.07.020(11)	AS 14.11.020
AS 14.11.010	AS 14.11.100

4 AAC 31.020. GUIDES FOR PLANNING EDUCATIONAL FACILITIES. The following are the basic guides for educational facility planning:

(1) *The Guide for Planning Educational Facilities*, as published by the Council of Educational Facilities Planners, International, 1982 Edition (Revised);

(2) *Alaska Small High School Program and Space Guidelines*, as published by the Alaska Department of Education, 1983 Edition;

(3) *Alaska Small Elementary School Program and Space Guidelines*, as published by the Alaska Department of Education, 1983 Edition;

(4) *Department of Education Guidelines for School Equipment Purchases*, as published by the Alaska Department of Education, 1977 Edition;

(5) *Capital Improvement Priority System for Education*, as published by the Alaska Department of Education, 1983 Edition;

(6) *Elementary/Secondary and Combined Elementary - Secondary School Space Guidelines*, as published by the Alaska Department of Education, 1983 Edition; and

(7) *Water Safety Facilities and State Financial Aid*, as published by the Alaska Department of Education, 1983 Edition. (Eff. 3/1/78, Reg. 65; am 6/9/83, Reg. 86; am 12/2/83, Reg. 88)

Authority: AS 14.07.020(10) and (11)
AS 14.07.060
AS 14.11.010
AS 14.11.020
AS 14.11.100

4 AAC 31.025. SITE ACQUISITION AND SELECTION. (a) Acquisition of an educational facility site must be approved by the Department of Education (1) to be eligible for reimbursement under AS 14.11.100; or (2) if construction responsibility has been assumed under AS 14.11.020.

(b) If school construction, for which reimbursement will be sought under AS 14.11.100 occurs on a site which has not been approved under this section, the costs of land acquisition are not eligible for reimbursement. If the construction responsibility for a particular facility has been assumed by a school district under AS 14.11.020, no money may be spent for site acquisition or construction without site approval under this section.

(c) The purchase of a parcel of land identified as a potential school site must be investigated by the appropriate local governing body or the school district to determine its suitability in terms of educational plans, cost of acquisition, impact on cost of construction, size, accessibility, and other appropriate local criteria.

(d) This section applies to projects submitted for approval after December 2, 1983. (Eff. 12/2/83, Reg. 88)

Authority: AS 14.07.020(10) and (11)
AS 14.07.060
AS 14.11.020
AS 14.11.100

4 AAC 31.030. REVIEW OF SCHOOL CONSTRUCTION PLANS. (a) The elements of a plan for new construction, additions, and rehabilitations to be undertaken by a school district,

funded under AS 14.11.020, or for which reimbursement is sought under AS 14.11.100, must be submitted to the commissioner for his or her review and approval as they are developed and before any construction activity is initiated.

(b) For purposes of this section, "plan" includes the following:

- (1) educational specifications;
- (2) site investigation report;
- (3) schematic design documents;
- (4) design development documents;
- (5) final construction contract documents;
- (6) estimated cost and proposed means of financing the project;
- (7) proposed method of construction; and
- (8) estimated completion date of the project.

(c) Upon request of the chief school administrator, the commissioner may, in his or her discretion, waive submission of those elements of a plan which are not applicable to a proposed school project. Further, a variance of not more than 10 square feet per student may, in the commissioner's discretion, be granted for square footage allocations as referenced in 4 AAC 31.020, for the rehabilitation of or an addition to an existing facility. (Eff. 3/1/78, Reg. 65; am 12/2/83, Reg. 88)

Authority: AS 14.07.020(10) and (11)
AS 14.07.060
AS 14.11.020
AS 14.11.100

4 AAC 31.040. APPROVAL OF SCHOOL CONSTRUCTION PLANS. (a) Before commencing construction activity under AS 14.11.020, or construction activity for which reimbursement will be sought under AS 14.11.100, a school district or a regional school board must secure the approval of the commissioner of the final working documents for the project as follows:

- (1) if construction contract bids are to be invited for the project, the final contract

documents must be submitted to the commissioner at least 15 working days before the bid invitation is made; and

(2) if the project will not be advertised for bids, the final working documents must be submitted to the commissioner no later than 10 working days before commencing each construction phase.

(b) The commissioner's approval under this section is void after two years unless construction of the project has been initiated within that time. (Eff. 3/1/78, Reg. 65; am 12/2/83, Reg. 88)

Authority: AS 14.07.020(10) and (11)
AS 14.07.060
AS 14.11.020
AS 14.11.100

4 AAC 31.050. APPROVAL OF PURCHASE OF NONSCHOOL FACILITIES. A regional school board proposing to purchase an existing facility for temporary use as an elementary or secondary school with money granted under AS 14.11.020, and a municipality that is a school district proposing to make such a purchase for which state aid under AS 14.11.100 will be sought, must secure the approval of the commissioner before acquisition of the facility. (Eff. 3/1/78, Reg. 65; am 12/2/83, Reg. 88)

Authority: AS 14.07.020(10) and (11)
AS 14.07.060
AS 14.11.010
AS 14.11.020
AS 14.11.100

4 AAC 31.060. STATE FINANCIAL ASSISTANCE. (a) A municipality that is a school district, or a regional school board, submitting a capital improvement program request for construction to the department under AS 14.11.010 shall make the request on a form prescribed by the commissioner.

(b) A municipality that is a school district, or a regional school board, requesting a school construction grant from the department under AS 14.11.020 shall apply on a form prescribed by the commissioner. In accepting a school construction grant from the department, the grantee shall comply with all pertinent state statutes, codes, standards, and regulations related to construction of a public facility. Further, the

grantee shall comply with conditions, requirements, and stipulations in the forms prescribed by the commissioner for the construction grant contract.

(c) A school facility for which state aid is sought under AS 14.11.100 may be built jointly with municipal and state offices, health clinics, community libraries, and other spaces if approved by the commissioner as to compatibility and separation of funds. The commissioner has final authority to determine the proportion of space and cost in such jointly built projects.

(d) A claim for state aid for school construction under AS 14.11.100 by a municipality that is a school district must be made on a form prescribed by the commissioner. All claims for expenditures for school construction commenced before January 1, 1982 or existing facilities approved for purchase by the commissioner before January 1, 1982 must be supported by a certified audit report of the school district prepared in accordance with 4 AAC 06.120, and by a certified audit report of all school construction accounts or money used by the municipality. If an audit report is not prepared in sufficient detail to identify clearly school construction costs as opposed to other construction or maintenance costs, or debt service costs of school construction as opposed to other debt service costs, detailed expenditure schedules that reconcile to audit report figures must be prepared and submitted with the claim.

(e) A claim for state aid under AS 14.11.100 (a)(4)(A) must be submitted on a form prescribed by the commissioner, and must be received by the department not later than September 15 of the fiscal year preceding the fiscal year in which reimbursement will be sought. A school district's claim must contain at least the following:

- (1) bond sale date or proposed bond sale date;
- (2) bond redemption schedule;
- (3) education facility portion of the bond;
- (4) department's project approval number;

(5) debt payment schedule or estimated debt service schedule; and

(6) certification as to accuracy of claim by a bonded official of the municipality.

(f) State aid to eligible municipalities will be calculated on the basis of applications received by the deadline imposed by this section and will be issued upon receipt of a notice of payment by the municipality from the bond holder or paying agent.

(g) Only cash disbursements from locally generated revenues are eligible for reimbursement under AS 14.11.100.

(h) Unless a claim is supported by financial schedules or prior year audit reports identifying the original source of revenue, only disbursements from revenues generated in the year for which the claim is made are eligible for reimbursement.

(i) Reimbursement for rehabilitation costs under AS 14.11.100 is limited to projects exceeding \$25,000. (Eff. 3/1/78, Reg. 65; am 2/24/83, Reg. 85; am 12/2/83, Reg. 88)

Authority: AS 14.07.020(10) and (11)
AS 14.07.060
AS 14.11.010
AS 14.11.100

4 AAC 31.065. SELECTION OF PRIME DESIGNER. If a school district or a regional school board determines that it is necessary to engage the services of a private consultant to design an educational facility funded under AS 14.11.020, the selection of the consultant must be accomplished under procedures that comply with AS 36.98. (Eff. 12/2/83, Reg. 88)

Authority: AS 14.07.060
AS 14.11.020

4 AAC 31.070. REIMBURSEMENT OF RESTRUCTURED OR REFINANCED INDEBTEDNESS. (a) Reimbursement under AS 43.18.100 for payment of restructured or refinanced school construction indebtedness may not exceed the amount which would have been payable on the indebtedness in the year for which reimbursement is claimed had the indebtedness not been restructured or refinanced.

(b) This section applies to bonds, notes, and other indebtedness restructured or refinanced after December 30, 1982. (Eff. 12/30/82, Reg. 85)

Authority: AS 14.07.020
AS 43.18.100

4 AAC 31.080. CONSTRUCTION OF PUBLIC SCHOOL FACILITIES. (a) The construction of all public educational facilities by a municipality that is a school district or by a regional school board under AS 14.11.020 must be performed under bid contract in accordance with AS 35.15.010. However, when the estimated cost of the construction project is less than \$100,000 or when it appears to be in the best interests of the state, the school district or regional school board may, in its discretion, and with the prior approval of the commissioner, construct the public educational facility itself using its own employees.

(b) The grantee shall provide a procedure for the administrative review of complaints filed by aggrieved bidders which allows aggrieved bidders to appeal, within five days after the award, for a hearing, with notice to all interested parties, for a redetermination and final award in accordance with law.

(c) The award of a contract for the construction of an educational facility funded under AS 14.11.020 must be to the lowest responsible bidder without regard to municipal ordinances or school board resolutions granting a preference to local bidders. (Eff. 12/2/83, Reg. 88)

Authority: AS 14.07.060
AS 14.11.020

4 AAC 31.090. DEFINITIONS. As used in this chapter and in AS 14.07, AS 14.08, and AS 14.11, unless the context requires otherwise

(1) "addition" means new space for expanded educational programs or new programs or space that replace substandard or destroyed space, by connection to an existing school facility; the term includes capital equipment;

(2) "capital equipment" means built-in and movable equipment used to furnish a newly constructed or rehabilitated space; it includes first-time purchase of library books, reference

material, and media to furnish a new or renovated library; it does not include supply items such as textbooks and expendable commodities; the term is further defined in the *Department of Education Guidelines for School Equipment Purchases*, 1977 Edition;

(3) "commissioner" means the commissioner of the Department of Education;

(4) "elementary and secondary schools" means buildings that have been built or converted predominantly for instruction of elementary and secondary students as defined in *Alaska Small Elementary Program and Space Guidelines*, 1983 Edition, and *Alaska Small High School Program and Space Guidelines*, 1983 Edition, or, for schools designed to house more than 500 students, not more than 100 gross square feet per student in kindergarten through eighth grade and not more than 150 gross square feet per student in the 9th through the 12th grade, and buildings for the support of that instruction;

(5) "locally generated revenues" means all revenue of the municipality excluding state and federal money provided to the municipality except money provided under AS 14.11.100 and AS 43.50.140;

(6) "new school construction" means space for educational programs which have not been previously offered, space that replaces a substandard or destroyed school building, or space for an expanded enrollment in the facility, by construction or reconstruction of a detached school facility of any size, with related capital equipment;

(7) "rehabilitation" means adapting an existing facility to improve the opportunity to provide a contemporary educational program; and includes major remodeling, repair, renovation, and modernization with related capital equipment;

(8) repealed 12/2/83;

(9) "education related facility" means any capital project designed to provide support services for students and for staff, but does not include employee or student housing. (Eff.

3/1/78, Reg. 65; am 6/9/83, Reg. 86; am 12/2/83, Reg. 88)

Authority: AS 14.07.020(1) and (7)
AS 14.07.060
AS 14.11.010
AS 14.11.020
AS 14.11.100(b)

Editor's Note: The publications mentioned in 4 AAC 31.090(2) and (4) may be obtained from the Department of Education, Pouch F, Juneau, Alaska 99811.

TO: Members of the House HESS Committee
FROM: Deborah Niedermeyer, Committee Aide
DATE: 12 April, 1985
RE: Provisions NOT in the draft CS for HB 191

Below are suggestions from various sources for provisions which might be included in HB 191

Establishing priorities, page 1-2:

Although the priorities are numbered, they are not listed in order of importance. There is no order of importance in current law. There has been a suggestion that either the bill make it clear that the priorities are not listed by order of importance, or specifically list them in that order.

October 15 deadline:

Although this would seem to be good long-term policy, the language on p. 5 lines 25-26 works against districts such as Mat-Su which need to put bond issues on the ballot this coming fall. Perhaps we need this part to go into effect in a year's time.

Interest earned on revenue:

✓ OMB thinks the state would save more money if this section were replaced with the words

"The municipality must use interest earnings of the bond issue to reduce the outstanding principle of the bond issue."

Evaluation of projects:

✓ One half of all school construction projects in the state are not financed by grants or bonding at all, but by municipal revenue sharing. OMB suggests that school projects funded in this manner also be subject to the unhoused students or health and safety and "no frills" criteria we have set up for debt reimbursement. This would further restrict a municipality's ability to build a luxury school.

Difficulty in reading:

It has been pointed out that the entire school financing statute is difficult to read and understand, particularly for school administrators who may not have legal or legislative background. The law would become even more difficult if the changes proposed by HB 191 were added. Perhaps there is a way to rewrite the entire statute for readability.

*Assume
Cash payments - la. deadline
& same standards*

CSHB 191 (HESS)
State Aid for School Construction

The Committee Substitute:

- 1) Establishes a school construction grant account. (This just gives a name to a program which already exists in AS 14.11.010)
- 2) Requires school districts to apply for school construction grants no later than October 15 of the fiscal year before the year for which the request is made. (Solves a timing problem the department has had.)
- 3) In setting priorities, the department must consider certain factors listed in AS 14.11.010. The CS adds local contribution to education financing to this list but does not specifically mention mil rates. }
-LARSON'S LANGUAGE, NOT INCLUDED IN SENATE CS (wording may change)
- 4) Sets out the new eligibility requirements a district must meet to receive a school construction grant. A district must
 - agree to an appropriately-sized facility (this meets the subcommittee's no-frills standard)
 - give public notice of the project,

AND EITHER

- demonstrate to the commissioner the need for the project by a projected long-term student enrollment that indicates that without the construction the school district will have and will continue to have unhoused students, (Larson's concern)

addC >

OR

- need more than \$25,000 to meet health and safety regulations or building codes.

THE LANGUAGE FOR THE LAST TWO POINTS IS SUBSTANTIALY THE SAME AS, BUT MORE SPECIFIC THAN THE SENATE CS.

- 5) Grant money may not be used for residential space, hockey rinks, planetariums, saunas, and other single purpose sporting facilities except for a small swimming pool or other water sports facility. (EXISTING LAW)

- 6) Amends the existing school construction debt retirement program by raising the percent of state contribution from 50% to 80% of a municipality's bonded indebtedness authorized after June 30, 1983. This also applies to cash payments. X
- 7) Imposes the same restrictions on the debt reimbursement program as are imposed for the grant program.
- 8) Sets out the requirements a municipality must meet before debt may be retired for 80 percent.

Current law: (1) The Commissioner of Education must approve the project before the local vote on the bond issue

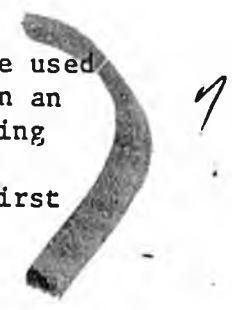
- (2) In approving the project, the commissioner must require the municipality to include the estimated costs on the ballot, and provide for repayment of the bonds over a period of at least 10 years

Added by CS

- (1) Annual maintenance and operating costs of the project must be included on the ballot for the bond issue
- (2) The district must demonstrate the need for the project again based on housing and need for replacement (same language as used in (4) above). C >

NOTE: These requirements do not apply to projects that have received approval before the effective date of this act.

- 9) Provides that the state's 80 percent allocation to a project be reduced by the amount of interest earned on the revenue of the bond issue for the project. (From Senate CS) X
- 10) Requires that reimbursement projects undergo prioritization by the commissioner as is done for grant projects (this would include the new factor considering local contributions and the no frills regulations.)
- 11) Requires that application for reimbursement be made no later than October 15 of the fiscal year before the year for which the request is made. (DOE's suggestion again.)

- 12) Redefines "school district" to include both municipal districts and REAAs.
 - 13) Requires that when funds from state grants and bonds are used the amount of reimbursement for the bonds will be 50% on an amount equal to the grant amount and 80% for the remaining funds.
LARSON'S LANGUAGE, NOT INCLUDED IN SENATE CS (or this first draft due to drafter error).
- 

Offered 2/28/81
Referred to Finance

Original sponsors: Pestinger and Larson

Didn't pass.

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE HOUSE

2

CS FOR HOUSE BILL NO. 492 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to state aid for school construc-

7

tion; and providing for an effective date."

8

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

9

* Section 1. AS 14.11.010(d) is amended to read:

10

(d) The provisions of this section do not affect a municipal-

11

ity's eligibility for reimbursement under AS 14.11.200 [AS 14.11.100].

12

* Sec. 2. AS 14.11 is amended by adding new sections to read:

13

Sec. 14.11.200. STATE GRANTS FOR SCHOOL CONSTRUCTION. (a) The

14

department shall grant to a municipality that is a school district 90

15

percent of the cost of a school construction project if the department

16

approves the project under AS 14.07.020(11) and determines that the

17

project is eligible for a grant under this section.

18

(b) The school construction grant account is established

19

consisting of funds appropriated to the account and interest earned on

20

those funds. The department shall use funds in the account to carry

21

out the purposes of this section. Any portion of a grant to a

22

municipality that is not used to carry out the purposes of this

23

section shall be returned to the account.

24

(c) In establishing priorities to determine projects eligible for

25

grants under this section, the department shall evaluate the following

26

factors:

27

(1) priorities assigned by the assembly, council, or school

28

board to the projects requested;

29

(2) emergency requirements;

- 1 (3) the number of students without classroom space;
2 (4) new local elementary or secondary programs;
3 (5) existing regional, community, and school facilities and
4 the condition of the facilities;
5 (6) the economic and social stability of the municipality
6 or region.

7 (d) To be eligible for a grant under this section, a municipal-
8 ity must receive authorization for the project from the qualified
9 voters of the municipality and pay at least 10 percent of the cost of
10 school construction with cash or the proceeds of bonds issued through
11 the municipal bond bank authority (AS 44.85).

12 (e) In this section, "cost" means the cost of acquiring, con-
13 structing, enlarging, repairing, remodeling, equipping or furnishing
14 of public elementary and secondary school buildings and includes the
15 sum total of all costs of financing and carrying out the project;
16 these include, but are not limited to, the costs of all necessary
17 studies, surveys, plans and specifications, architectural, engineering
18 or other special services, acquisition of real property, site prepara-
19 tion and development, purchase, construction, reconstruction and
20 improvement of real property and the acquisition of machinery and
21 equipment as may be necessary in connection with the project; an
22 allocable portion of the administrative and operating expenses of the
23 grantee; the cost of financing the project, including premiums on
24 insurance and legal fees.

25 (f) An allocation under this section for school construction
26 begun after July 1, 1984, shall be reduced by the amount of money used
27 for the construction of residential space, hockey rinks, planetariums,
28 saunas, and other facilities for single purpose sporting or
29 recreational uses that are not suitable for other activities. An

1 allocation under this section may not be reduced by the amount of
2 money used for construction of a small swimming pool, tank, or water
3 storage facility used for water sports. However, an allocation shall
4 be reduced by the difference between the amount of money used to
5 construct a swimming pool that is competition size or larger and the
6 amount of money that would have been used to construct a small
7 swimming pool, tank, or water storage facility, as determined by the
8 commissioner.

9 Sec. 14.11.210. REPORTS. The commissioner shall provide an
10 annual report to the legislature that includes information about the
11 balance remaining in the school construction account at the end of
12 each fiscal year and the use of the funds in the account for the
13 fiscal year.

14 Sec. 14.11.220. APPLICATION FOR GRANTS. (a) The commissioner
15 shall prescribe by regulation the necessary requirements, forms, and
16 procedures to be used in applying for construction grants under
17 AS 14.11.200 - 14.11.220.

18 (b) A municipality that is a school district seeking a
19 construction grant shall apply to the department by October 15 of the
20 previous fiscal year.

21 (c) Based on the commissioner's review of applications and
22 determination of project eligibility, the commissioner shall recommend
23 to the governor an appropriation of funds for construction grants
24 under AS 14.11.200 - 14.11.220.

25 * Sec. 3. AS 29.58.345 is amended to read:

26 Sec. 29.58.345. BONDED INDEBTEDNESS FOR SCHOOL CONSTRUCTION. A
27 home rule city levying property taxes for schools, upon furnishing
28 proof satisfactory to the Department of Education and the Department
29 of Community and Regional Affairs of the needs for school facilities

1 that [WHICH], if provided, will require the city to exceed limits on
2 authorizing or issuing bonds which may be established by charter, may
3 exceed the limits to the extent necessary to pay the cost [COSTS] of
4 school construction. In this section "cost" ["COSTS OF SCHOOL
5 CONSTRUCTION"] means cost [COSTS] as defined in AS 14.11.200(e)
6 [AS 43.18.100(g)(2)].

7 * Sec. 4. AS 29.73.070(a) is amended to read:

8 (a) If a municipality levies and collects real or personal
9 property taxes, the governing body shall provide the following notice:

10 "NOTICE TO TAXPAYER

11 For the current fiscal year the (city) (borough) has been allocated
12 the following amount of state aid for school and municipal purposes
13 under the applicable financial assistance Acts:

14 PUBLIC SCHOOL FOUNDATION PROGRAM AS-	
15 SISTANCE (AS 14.17)	\$
16 STATE AID FOR RETIREMENT OF SCHOOL	
17 CONSTRUCTION DEBT (AS 14.11.100)	\$
18 <u>STATE GRANTS FOR SCHOOL CON-</u>	
19 <u>STRUCTION (AS 14.11.200)</u>	\$
20 MUNICIPAL TAX RESOURCE EQUALIZATION AS-	
21 SISTANCE (AS 29.88)	\$
22 STATE AID FOR MISCELLANEOUS MUNICIPAL	
23 SERVICES (AS 29.89)	\$
24 TOTAL AID	\$

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

28	MILLAGE EQUIVALENT	
29	PREVIOUS YEAR	THIS YEAR

1	PUBLIC SCHOOL FOUNDA-		
2	TION PROGRAM AS-		
3	SISTANCE	....MILLS	....MILLS
4	STATE AID FOR RETIRE-		
5	MENT OF SCHOOL CON-		
6	STRUCTION DEBT	....MILLS	....MILLS
7	<u>STATE GRANTS FOR</u>		
8	<u>SCHOOL CONSTRUCTION</u>	<u>....MILLS</u>	<u>....MILLS</u>
9	MUNICIPAL TAX RESOURCE		
10	EQUALIZATION ASSISTANCE	....MILLS	....MILLS
11	STATE AID FOR MISCELLANEOUS		
12	MUNICIPAL SERVICES	....MILLS	....MILLS
13	TOTAL MILLAGE EQUIVALENT	....MILLS	....MILLS"

14 Notice shall be provided

15 (1) by furnishing a copy of the notice with tax statements
16 mailed for the fiscal year for which aid is received; or

17 (2) by publishing in a newspaper of general circulation
18 within the municipality a copy of the notice once each week for a
19 period of three successive weeks, with publication to occur not later
20 than 45 days after the final adoption of the municipality's budget.

21 * Sec. 5. AS 14.11.100(a)(5) and 14.11.100(j) are repealed except that
22 they remain in effect with respect to school construction projects for
23 which

24 (1) construction began before July 1, 1984; or

25 (2) bonds, notes, or other indebtedness have been authorized by
26 the qualified voters of a municipality after June 30, 1983, and before July
27 1, 1984.

28 * Sec. 6. AS 14.11.105 - 14.11.135 are repealed.

29 * Sec. 7. This Act takes effect July 1, 1984.

breath test by a law enforcement officer at the scene of an incident.

SB 51, Relating to state aid for school construction.

SB 51 received a preliminary hearing by the Senate HESS Committee on March 21, 1985. A draft committee substitute, which would base eligibility for state funding on project need, has been prepared. In addition, the existing grant program would be amended to require a 10% local contribution; the existing debt retirement program would be amended to allow 80% state reimbursement. Expenditure of state funds would be prohibited for specific single purpose facilities.

A summary and sectional analysis are attached.

SCR 3, Background checks on school district employees who come into contact with children.

SCR 3, which urges local school districts to implement background checks on employees who come into contact with children, has been scheduled for committee action. A committee substitute, which clarifies that "employees" includes those under contract with school districts (such as bus drivers), has been prepared.

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ARLISS STURGULEWSKI, Vice Chairman
JOE JOSEPHSON
PAUL FISCHER
EDNA ARMSTRONG-DE VRIES



POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate Committee on Health, Education and Social Services

TO: Senate HESS Committee Members
FROM: Senate HESS Committee Staff
RE: School Construction
DATE: March 20, 1985

In addition to SB 51 and SB 159, which both relate to state aid for school construction, the following bills have been introduced:

- SB 107 (V. Fischer) In Senate HESS
\$87.4 million to Anchorage school capital projects.
- SB 153 (V. Fischer) In Senate State Affairs
\$22.0 million to Anchorage school capital projects.
- SB 174 (DeVries) In Senate HESS
\$730,000 to Chugach school capital projects.
- SB 178 (De Vries) In Senate HESS
\$26.9 million to Kenai school capital projects.
- SB 183 (De Vries) In Senate HESS
\$53.0 million to Mat-Su school capital projects.
- HB 131 (Cotten) In House Finance
\$87.4 million to Anchorage school capital projects. (Same as SB 107)
- HB 191 (Cotten) In House HESS
Increases reimbursement level to 90%. (Same as SB 51.)
- HB 220 (Taylor) In House HESS
Increases reimbursement level to 90% for debt incurred during FY 84 only.
- HB 254 (Larson) In House HESS
Increases reimbursement level to 80% if the project being funded is for housing students that would otherwise have to be double shifted or housed in portable buildings, and the district's local contribution over the last 3 years has exceeded 3 mills.

SB 147

FEB 26 1985



Matanuska-Susitna Borough

BOX B. PALMER, ALASKA 99645 • PHONE 745-4801

DEPARTMENT OF FINANCE

February 21, 1985

Senator Jalmar Kerttula
Pouch V (Mail Stop 3100)
Juneau, Alaska 99811

Dear Senator Kerttula:

I have recently had opportunity to review Senate Bill 51 and would like to share some of my thoughts on the subject of funding of capital construction for education with you.

The single most important service provided to the citizens of a second class borough (or any other class borough) in Alaska is that of primary and secondary education for the children who reside there.

The Matanuska-Susitna Borough has a long history of bonding itself to provide funds for the construction of necessary schools. This history actually goes back further than the existence of the Borough itself. Currently the Borough has \$113,275,222 of bonded debt outstanding; of which \$112,905,000 is for schools. The total debt for all other purposes combined is \$370,222 or .3%.

Growth rate in this Borough in terms of school ADM for the last three years is 17.3%, 21.7% and 15.5% This rate of growth is, I believe, unequaled in the entire state. Using the standards of educators on optimum size for primary and secondary schools, this growth equals the need for two primary or one secondary school per year just to keep pace with the growth.

The Matanuska-Susitna Borough School District currently has approximately 55 portable classrooms in service, trying to keep up with our need for classroom space.

Simple logic would indicate that the areas of most rapid growth are also areas most in need of financial assistance in constructing needed facilities.

Any help you can render us in improving our financial ability to provide needed schools will be very much appreciated. Thank you.

Sincerely,

Vern Roberts
Finance Director

- nm
- cc: Representative Ronald Larson
- cc: Representative Katie Hurley
- cc: Senator Edna DeVries

Introduced: 2/27/85
Referred: Finance

1 IN THE SENATE

BY KERTTULA

2

SENATE RESOLUTION NO. 2

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

Relating to the emergency situation in the

6

Matanuska-Susitna school district.

7 BE IT RESOLVED BY THE SENATE:

8

WHEREAS the Matanuska-Susitna school district has had the greatest
9 influx of students of any district in the state; and

10

WHEREAS the Matanuska-Susitna school district has consistently
11 contributed heavily to school support and is bonded to near capacity; and

12

WHEREAS the industrial tax sector upon which the parents of students
13 in the district depend for employment is not in the Matanuska-Susitna
14 Borough; and

15

WHEREAS the students are already double shifting and it is expected
16 that present students will have to double shift and may also be required to
17 attend summer school through their twelve years of elementary and secondary
18 education;

19

BE IT RESOLVED by the Senate that the Matanuska-Susitna school
20 district, the third largest district in the state, is in a state of
21 emergency; and be it

22

FURTHER RESOLVED that the governor is requested to immediately declare
23 a school emergency and allocate \$40,000,000 to the Matanuska-Susitna
24 borough for impact school construction and to develop a formula for state
25 school construction based on emergency impact criteria.

STATE OF ALASKA-DEPARTMENT OF EDUCATION
 AVERAGE DAILY MEMBERSHIP (FINAL)
 FISCAL YEARS 1979-1984
 REGULAR MEMBERSHIP TOTALS

Fiscal Note SB 51

03/15/85 (Steve Hole/Robert Davis)

Sandra

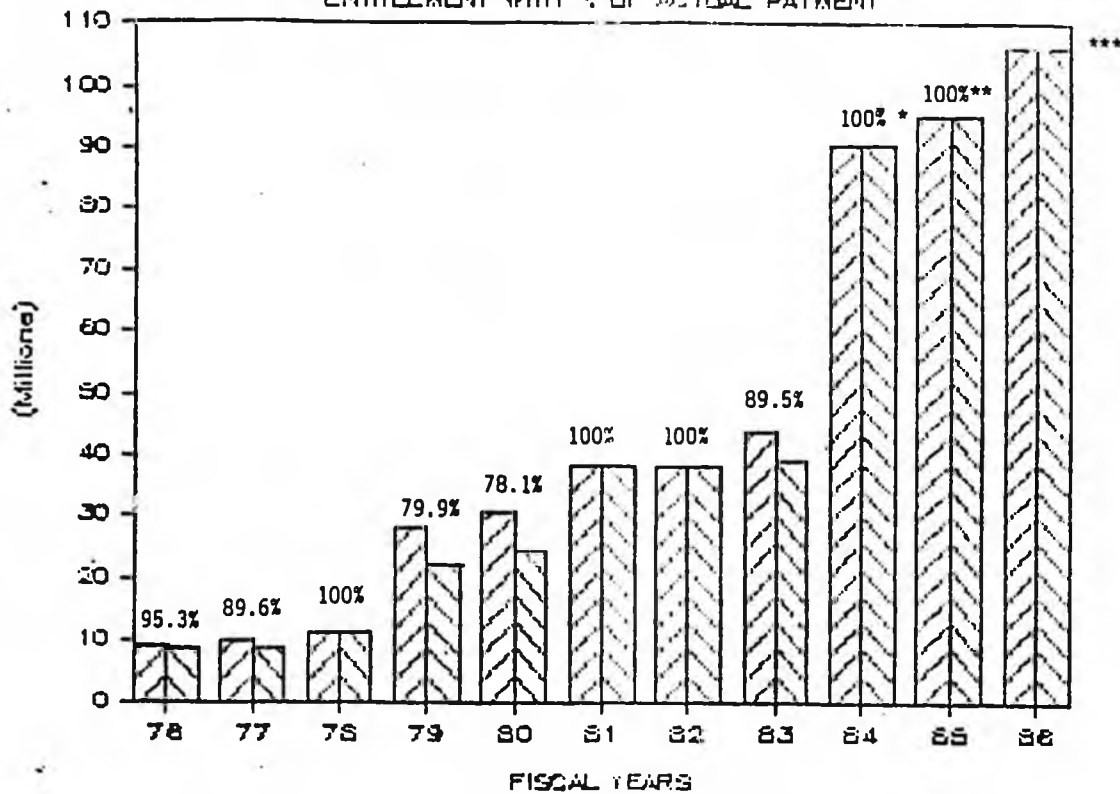
SCHOOL DISTRICT	AVERAGE DAILY MEMBERSHIP FY1979	AVERAGE DAILY MEMBERSHIP FY1980	AVERAGE DAILY MEMBERSHIP FY1981	AVERAGE DAILY MEMBERSHIP FY1982	AVERAGE DAILY MEMBERSHIP FY1983	AVERAGE DAILY MEMBERSHIP FY1984	PERCENTAGE (+ or -) FY84 TO FY83
ADAK	542	569	597	594	593	592	99.8314%
ALASKA GATEWAY	439	436	471	478	473	472	99.7886%
ALEUTIAN REGION	244	118	109	114	121	123	101.6529%
ANCHORAGE	34,200	32,429	32,121	33,307	34,602	35,632	102.9767%
ANNETTE ISLAND	342	336	352	351	341	377	110.5572%
BERING STRAIT	451	441	430	583	928	1,009	108.7284%
BRISTOL BAY	215	209	214	208	212	291	94.8113%
CHATHAM	187	218	195	207	261	293	112.2605%
CHRUSACH	54	54	53	75	85	88	103.5294%
COPPER RIVER	639	612	586	555	566	572	101.0601%
CORDOVA	490	462	439	413	430	395	91.8605%
CRAIG	168	141	178	171	146	137	93.8356%
DELTA GREELY	852	857	842	887	940	980	104.2553%
ELLINGSMITH	597	579	577	572	575	411	109.6000%
FAIRBANKS	8,761	8,338	8,457	8,851	9,750	9,375	104.4267%
GALENA	158	165	143	135	142	146	102.8169%
HAINES	401	396	401	371	380	366	96.3158%
HOONAH	248	224	208	225	237	228	96.2025%
HYDABURG	99	85	84	88	93	160	107.5269%
IDITAROD	291	300	310	313	321	311	96.8847%
JUNEAU	4,185	4,015	3,921	3,979	4,332	4,360	100.6464%
KAK	109	195	182	188	191	204	106.8043%
KENAI	5,615	5,784	5,988	6,289	6,744	7,225	107.1322%
KETCHIKAN	2,432	2,432	2,378	2,331	2,364	2,401	101.5651%
KING COVE	118	120	114	132	103	97	94.1748%
KLANOCK	79	82	103	97	139	135	97.1223%
KODIAK	2,071	2,090	2,027	2,026	2,128	2,116	99.4361%
KUSPUK	319	347	351	330	327	337	103.0581%
LAKE & PENINSULA	376	362	328	325	348	361	103.7356%
LOWER KUSKOKWIM	1,592	1,671	1,785	1,856	2,411	2,472	102.5301%
LOWER YUKON	891	1,017	1,134	1,190	1,394	1,362	98.4104%
KAT-SU	4,175	4,356	4,406	4,835	5,572	6,303	121.2024%
KENAI	209	216	198	202	125	115	92.0000%
KORE	754	716	708	690	731	781	106.8399%
NORTH SLOPE	1,076	1,038	1,043	1,041	1,028	1,043	101.4591%
NORTHWEST ARCTIC	1,473	1,435	1,420	1,478	1,486	1,491	100.3365%
PELICAN	37	37	40	51	48	54	112.3000%
PETERSBURG	553	547	562	556	572	591	103.3217%
PRIBILOF	169	159	164	172	167	166	99.4012%
RAILBELT	361	337	328	335	325	308	94.7692%
SAND POINT	0	129	109	106	124	107	86.2903%
SITKA	1,683	1,671	1,656	1,634	1,583	1,582	99.9368%
SKAGWAY	199	176	177	190	169	152	89.9408%
SOUTHEAST ISLAND	389	374	413	420	430	432	100.4651%
SOUTHWEST REGION	475	496	449	484	521	513	98.4645%
ST. MARY'S	100	94	91	90	107	109	101.8692%
TANANA	0	0	0	0	97	75	77.3196%
UNALASKA	140	160	195	177	171	144	84.2105%
VALDEZ	793	746	849	830	842	811	96.3167%
WRANGELL	455	479	485	485	480	453	94.3750%
YAKUTAT	159	156	144	152	155	158	101.9355%
YUKON FLATS	332	336	285	314	312	316	101.2921%
YUKON-KOYUKUK	624	591	589	567	557	577	103.5907%

enrollment is actually higher than Ann for all but Pelican

TOTALS 81,211 79,135 79,179 81,850 86,794 90,174

DEBT RETIREMENT FY-76 THRU FY-86

ENTITLEMENT WITH % OF ACTUAL PAYMENT



Expenditures:

Entitlements: (Millions)

FY-76	\$ 8.81
FY-77	9.05
FY-78	11.41
FY-79	22.27
FY-80	24.08
FY-81	38.38
FY-82	38.26
FY-83	39.18
FY-84	90.60 *
FY-85	95.00 **
FY-86	106.50 ***

* FY-84 figure includes encumbered funds.

** FY-85 figure is amount appropriated.

*** FY-86 figure is budget request.

State of Alaska
 Enrollment Compared to Average Daily Membership
 By District, Revised FY84

<u>District</u>	<u>Enrollment</u>	<u>ADM</u>
Adak Region	603	606.5
Alaska Gateway	487	486.2
Aleutian Region	126	123.9
Anchorage	37,422	35,851.8
Annette Island	385	382.7
Bering Strait	1,024	971.6
Bristol Bay	210	203.0
Chatham	295	280.1
Chugach	98	94.9
Copper River	585	575.1
Cordova	401	406.4
Craig	149	155.0
Delta/Greely	983	974.8
Dillingham	470	410.6
Fairbanks	10,404	9,907.7
Galena	145	142.9
Haines	370	366.4
Hoonah	226	228.7
Hydaburg	105	102.3
Iditarod	321	316.5
Juneau	4,589	4,429.3
Kake	207	205.4
Kenai	7,572	7,221.8
Ketchikan	2,524	2,415.0
King Cove	97	101.5
Klawock	141	135.4
Kodiak Island	2,229	2,142.5
Kuspuk	337	327.4
Lake & Peninsula	354	371.4
Lower Kuskokwim	2,486	2,487.2
Lower Yukon	1,379	1,383.5
Mat-Su	7,172	6,854.2
Nenana	115	121.4
Nome	795	757.1
North Slope	1,071	1,073.7
Northwest Arctic	1,531	1,515.0
Pelican	54	54.7
Petersburg	628	600.3
Pribilof	165	165.5
Railbelt	318	316.6
St. Mary's	114	112.8
Sand Point	110	109.7
Sitka	1,674	1,590.3
Skagway	151	153.7
Southeast Island	449	448.9
Southwest Region	520	519.7
Tanana	83	81.1
Unalaska	150	151.6
Valdez	829	839.9
Wrangell	482	462.9
Yakutat	164	162.1
Yukon Flats	335	323.7
Yukon/Koyukuk	587	583.0
Central Correspondence	710	895.0

1982-83 FINAL ENROLLMENT ALASKA CITY DISTRICTS

DISTRICT	PRE-ELEM	K	1	2	3	4	5	6	7	8	9	10	11	12	ELEM	SEC	TOTAL
ANCHORAGE	115	2622	2857	2495	2645	2645	2707	2972	3309	3044	2703	2660	2467	2405	19058	16588	35646
On-Base	139	418	450	430	399	384	309	348	0	0	0	0	0	0	2917	0	2917
Contract	20	3	2	3	6	3	18	13	17	16	34	43	51	29	68	190	258
BRISTOL BAY	0	17	16	14	24	11	15	21	19	15	21	19	8	23	118	105	223
CORDOVA	0	44	28	25	33	30	43	27	47	38	31	37	28	32	230	213	443
CRAIG	0	14	12	12	8	5	12	22	11	14	14	8	8	11	85	66	151
DILLINGHAM	5	39	37	33	39	24	24	23	29	28	30	28	35	43	224	193	417
FAIRBANKS	116	779	834	725	750	678	740	817	875	839	713	724	622	538	5459	4291	9250
On-Base	26	294	293	310	276	232	221	209	124	111	76	71	68	55	2096	270	2366
GALENA	0	12	13	10	17	12	12	12	9	6	6	13	14	13	88	61	149
HAINES	3	27	28	19	24	26	41	27	32	37	26	31	28	31	195	185	380
HOONAH	8	20	16	19	13	17	16	16	17	19	14	22	22	17	142	94	236
HYDABURG	0	10	8	7	8	7	9	6	8	8	3	10	4	4	56	37	93
JUNEAU	132	370	392	354	335	319	338	352	377	358	332	299	283	324	2598	1967	4565
KAKE	0	17	24	9	12	19	8	16	14	16	16	16	18	16	105	96	201
KENAI	56	592	587	541	546	553	558	599	576	567	511	515	430	410	4168	2873	7041
KETCHIKAN	17	194	206	174	166	188	185	200	190	211	209	208	187	186	1346	1175	2521
KING COVE	0	16	5	9	4	5	12	4	12	8	9	3	6	3	55	41	96
KLAWOCK	0	12	13	8	3	11	10	15	12	16	9	7	9	10	72	63	135
KODIAK	6	189	185	185	152	170	158	180	167	147	169	160	134	108	1262	848	2110
MAT-SU	20	475	545	491	465	494	527	522	531	462	436	406	333	283	3578	2412	5990
NENANA	1	11	14	12	15	12	6	12	6	7	10	6	6	9	83	44	127
NOME	10	60	56	63	58	72	58	64	53	65	61	54	49	34	446	311	757
NORTH SLOPE	21	91	82	74	73	68	75	82	79	60	67	85	55	58	566	404	970
PELICAN	0	5	6	4	9	5	4	3	6	2	1	0	1	1	36	11	47
PETERSBURG	0	55	61	44	48	35	50	57	40	42	48	46	41	35	432	170	602
ST. MARY'S	3	6	10	10	13	11	8	10	14	7	4	4	2	5	71	36	107
SAND POINT	0	13	15	6	12	4	7	5	5	6	14	6	9	6	62	46	108
SITKA	21	138	183	122	107	129	108	131	122	133	124	131	95	91	1194	441	1635
SKAGWAY	2	11	13	8	14	10	13	15	18	13	16	12	10	7	86	76	162
TANANA	0	10	8	6	4	5	5	10	5	6	2	13	8	11	48	45	93
UVALASKA	0	15	14	14	8	11	15	17	13	6	11	13	5	15	94	63	157
VALDEZ	1	68	53	58	52	59	58	69	76	61	38	57	53	120	418	405	823
WRANGELL	0	33	47	38	36	41	44	44	39	28	39	34	33	37	283	210	493
YAKUTAT	0	9	11	12	16	11	8	24	8	10	10	13	10	8	91	59	150
Totals	722	6689	7164	6344	6390	6307	6422	6944	6860	6406	5807	5754	5132	4978	47,830	34,089	81,919
Centralized Correspondence	0	22	17	26	24	27	22	42	42	48	68	35	21	8	270	132	402

1982-83 FINAL ENROLLMENT
REGIONAL EDUCATION ATTENDANCE AREAS

DISTRICT	PRE- ELEM	K	1	2	3	4	5	6	7	8	9	10	11	12	ELEM	SEC	TOTAL
ADAK	5	70	53	50	46	62	55	62	38	35	49	23	21	23	403	189	592
ALASKA GATEWAY	0	32	53	36	28	41	28	44	45	35	38	35	29	39	283	200	483
ALEUTIAN	0	9	7	14	9	7	4	13	13	5	18	10	8	5	68	54	122
ANNETTE	0	31	25	35	19	25	26	30	29	20	32	23	25	26	192	154	346
BERING STRAIT	11	83	87	55	80	62	83	59	70	65	74	68	63	65	521	404	925
CHIATHAM	0	25	18	23	17	27	23	22	19	15	21	14	12	14	159	91	250
CHUGACH	0	12	10	4	10	5	9	14	10	8	6	3	2	0	78	15	93
COPPER RIVER	0	46	41	23	41	35	57	57	54	41	65	49	46	39	323	271	594
DELTA/GREELY	22	82	80	77	68	59	67	66	91	43	68	41	49	28	521	320	841
IDITAROD	7	24	27	27	26	30	23	15	23	23	27	21	26	19	179	139	318
KUSPUK	1	28	29	31	22	22	13	19	25	28	32	31	26	19	180	146	326
LAKE & PENINSULA	0	34	34	30	26	22	29	24	21	22	26	35	30	34	225	142	367
LOWER KUSKOKWIM	42	151	161	158	161	154	158	169	159	150	206	231	255	226	1259	1122	2381
LOWER YUKON	4	108	116	90	110	117	81	103	108	122	113	104	104	87	780	587	1367
NORTHWEST ARCTIC	0	121	130	129	104	109	120	103	109	84	120	103	142	111	822	663	1485
PRIBILOF	0	19	15	15	7	15	11	16	18	11	11	11	14	0	98	65	163
RAILBELT	0	21	21	21	24	28	24	29	23	19	28	31	24	37	169	161	330
SOUTHEAST	0	59	43	57	44	46	44	46	24	26	23	19	27	16	368	106	474
SOUTHWEST	0	40	46	32	30	41	32	38	42	38	34	43	51	50	276	241	517
YUKON FLATS	0	30	37	20	31	24	16	21	19	20	21	23	19	23	203	109	312
YUKON KOYUKUK	2	47	61	47	39	51	36	45	42	46	34	46	24	43	368	195	563
Totals	94	1072	1094	982	942	982	939	995	982	856	1046	964	997	904	7475	5374	12,849

ENROLLMENTS, AVERAGE DAILY ATTENDANCE (ADA), AND
AVERAGE DAILY MEMBERSHIP (ADM)

ALASKA 1981-1982

These are much higher than other figures indicate!

CITY/BOROUGH	ENROLLMENT	ADA	ADM
ANCHORAGE	37,508	35,608.24	37,298.90
BRISTOL BAY	215	200.06	210.45
CORDOVA	407	389.10	414.29
CRAIG	198	152.75*	173.35
DILLINGHAM	380	346.27*	372.18
FAIRBANKS	11,449	10,444.73*	11,277.01
GALENA	140	124.79	131.88
HAINES	378	368.24	388.10
HOONAH	226	214.08	227.64
HYDABURG	92	85.05	88.91
JUNEAU	4,267	4,010.45*	4,273.64
KAKE	211	178.84	193.42
KENAI	6,528	6,047.69*	6,419.41
KETCHIKAN	2,455	2,208.53*	2,351.48
KING COVE	137	105.99	135.22
KLAWOCK	95	90.50	94.91
KODIAK	2,144	1,985.18*	2,130.59
MATANUSKA-SUSITNA	5,055	4,480.12	4,811.05
NENANA	198	194.18	214.52
NOME	716	685.71	728.45
NORTH SLOPE	1,053	932.66*	1,060.77
PELICAN	48	42.70	47.37
PETERSBURG	589	556.39	585.12
SAND POINT	118	124.45	141.55
SITKA	1,742	1,688.12	1,765.09
SKAGWAY	191	179.48	189.28
SAINT MARY'S	113	96.64	104.82
UNALASKA	187	182.14	190.97
VALDEZ	849	814.63	847.61
WRANGELL	508	465.87	490.21
YAKUTAT	154	136.43	154.20
CITY TOTALS	78,351	73,140.01	77,512.39
CENTRALIZED CORRESPOND.	688	**N/A	721.13
GRAND TOTAL (CITIES)	79,039	73,140.01	78,233.52

* Does not include ADA for correspondence students

** Not Available

ENROLLMENTS, AVERAGE DAILY ATTENDANCE (ADA), AND
AVERAGE DAILY MEMBERSHIP (ADM)

ALASKA 1981-1982

14672

REAA'S	ENROLLMENT	ADA	ADM
ADAK	609	599.39*	611.48
ALASKA GATEWAY	492	419.77	473.52
ALEUTIAN ISLANDS	118	104.36	111.79
ANNETTE REGION	153	324.53	347.66
BERING STRAIT	609	527.90*	582.36
CHATHAM	220	194.82*	211.81
CHUGACH	75	61.57	68.02
COPPER RIVER	577	472.69*	568.88
DELTA/GREELY	914	807.44*	915.28
IDITAROD	319	279.17*	311.56
KUSPUK	333	299.04	326.92
LAKE AND PENINSULA	329	283.39	318.79
LOWER KUSKOKWIM	1,889	1,749.62	1,866.91
LOWER YUKON	1,193	1,127.17	1,187.68
NORTHWEST ARCTIC	1,530	1,373.39*	1,499.31
PRIBILOFS	175	165.77*	174.18
RAILBELT	351	320.40*	352.99
SOUTHEAST ISLAND	337	318.10	336.28
SOUTHWEST REGION	490	446.12	478.32
YUKON FLATS	316	268.77*	300.36
YUKON/KOYUKUK	590	461.49*	570.60
TOTAL REAA'S	11,819	10,604.90	11,614.70
TOTAL CITIES (Including correspondence)	79,039	73,140.01	78,233.52
GRAND TOTAL	90,858	83,744.91	89,848.22

Introduced: 1/14/85
Referred: Health, Education and
Social Services and
Finance

Superseded

1 IN THE SENATE

BY KERTTULA

2 SENATE BILL NO. 51

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to State aid for school construc-
7 tion; and providing for an effective date."

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

9 * Section 1. AS 14.11.100(a) is amended to read:

10 (a) During each fiscal year, the state shall allocate to a
11 municipality that is a school district, the following sums:

12 (1) payments made by the municipality during the fiscal
13 year two years earlier for the retirement of principal and interest on
14 outstanding bonds, notes or other indebtedness incurred before July 1,
15 1977₁ to pay costs of school construction;

16 (2) 90 percent of

17 (A) payments made by the municipality during the
18 fiscal year two years earlier for the retirement of principal and
19 interest on outstanding bonds, notes or other indebtedness incur-
20 red after June 30, 1977₁ and before July 1, 1978₁ to pay costs of
21 school construction;

22 (B) cash payments made after June 30, 1976₁ and before
23 July 1, 1978₁ by the municipality during the fiscal year two
24 years earlier to pay costs of school construction;

25 (3) 90 percent of

26 (A) payments made by the municipality during the
27 fiscal year two years earlier for the retirement of principal and
28 interest on outstanding bonds, notes or other indebtedness incur-
29 red after June 30, 1978₁ and before January 1, 1982₁ to pay costs

1 of school construction projects approved under AS 14.07.020(11);

2 (B) cash payments made after June 30, 1978, and before
3 July 1, 1982, by the municipality during the fiscal year two
4 years earlier to pay costs of school construction projects ap-
5 proved under AS 14.07.020(11);

6 (4) subject to (h) and (i) of this section up to 90 percent
7 of

8 (A) payments made by the municipality during the
9 current fiscal year for the retirement of principal and interest
10 on outstanding bonds, notes or other indebtedness incurred after
11 December 31, 1981, and authorized by the qualified voters of the
12 municipality before July 1, 1983, to pay costs of school con-
13 struction, additions to schools, and major rehabilitation pro-
14 jects that exceed \$25,000 and are approved under AS 14.07.-
15 020(11); and

16 (B) cash payments made after June 30, 1982, and before
17 July 1, 1983, by the municipality during the fiscal year two
18 years earlier to pay costs of school construction, additions to
19 schools, and major rehabilitation projects that exceed \$25,000
20 and are approved under AS 14.07.020(11); and

21 (C) payments made by the municipality during the
22 current fiscal year for the retirement of principal and interest
23 on outstanding bonds, notes, or other indebtedness to pay costs
24 of school construction, additions to schools, and major rehab-
25 ilitation projects that exceed \$25,000 and are submitted to the
26 Department of Education for approval under AS 14.07.020(11)
27 before July 1, 1983, and approved by the qualified voters of the
28 municipality before October 15, 1983, not to exceed a total
29 project cost of (i) \$6,600,000 if the annual growth rate of

1 average daily membership of the municipality is more than 7
2 percent but less than 12 percent, or (ii) \$20,000,000 if the
3 annual a growth rate of average daily membership of the munici-
4 pality is 12 percent or more; payments made by a municipality
5 under this paragraph on total project costs that exceed the
6 amounts set out in (i) and (ii) of this paragraph are subject to
7 (a)(5)(A) of this section.

8 (5) subject to (h) and (i) of this section, 90 [50] percent
9 of

10 (A) payments made by the municipality during the
11 fiscal year for the retirement of principal and interest on
12 outstanding bonds, notes or other indebtedness authorized by the
13 qualified voters of the municipality after June 30, 1983, to pay
14 costs of school construction, additions to schools, and major
15 rehabilitation projects that exceed \$25,000 and are approved
16 under AS 14.07.020(11); and

17 (B) cash payments made after June 30, 1983, by the
18 municipality during the fiscal year two years earlier to pay
19 costs of school construction, additions to schools, and major
20 rehabilitation projects that exceed \$25,000 and are approved
21 under AS 14.07.020(11).

22 * Sec. 2. AS 14.11.100(c) is amended to read:

23 (c) The school construction account is established. Funds to
24 carry out the provisions of this section may be appropriated annually
25 by the legislature to the account. If amounts in the account are
26 insufficient for the purpose of providing the share to which a borough
27 or city is entitled under this section those funds that are available
28 shall be distributed pro rata among the eligible local governments
29 having an annual growth rate of average daily membership of five

1 percent or more. Remaining funds shall be distributed pro rata among
2 eligible local governments having an annual growth rate of average
3 daily membership under five percent.

4 * Sec. 3. This Act takes effect July 1, 1985.

A RESOLUTION OF THE ALASKA CONFERENCE OF MAYORS
84-10

A RESOLUTION REQUESTING THAT THE LEGISLATURE AND
GOVERNOR RESUME STATE AID TO LOCAL GOVERNMENTS
FOR RETIREMENT OF SCHOOL CONSTRUCTION DEBT
AT THE 90% LEVEL

WHEREAS, the State of Alaska has the responsibility to fund education; and

WHEREAS, the funding of structures in which this education occurs is inherent to this responsibility; and

WHEREAS, public acceptance to construct and/or rehabilitate education facilities requires the process of bond approval by the citizens of the community; and

WHEREAS, past experience of public approval for school construction and rehabilitation, prior to state reimbursement at a 90% level to local municipalities, has been poor; and

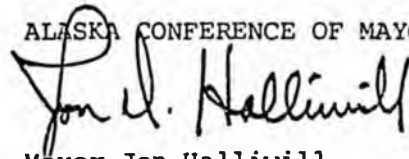
WHEREAS, there is a significant population increase projected for the State of Alaska; and

WHEREAS, student "double shifting" has proven not to be in the best interest of our children's education;

NOW, THEREFORE, BE IT RESOLVED by the Mayors' Conference that the State Legislature and Governor resume funding school construction debt retirement at the 90% level.

ADOPTED this 16th day of November, 1984.

ALASKA CONFERENCE OF MAYORS



Mayor Jon Halliwill
President

ATTEST:



Mayor John Coghill
Secretary-Treasurer

Introduced: 2/14/85
Referred: Community & Regional Affairs,
Health, Education & Social Services,
and Finance

file SB 159

1 IN THE SENATE

BY P.FISCHER

2 SENATE BILL NO. 159

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state aid for school construc-
7 tion."

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

9 * Section 1. AS 14.11.100(a) is amended to read:

10 (a) During each fiscal year, the state shall allocate to a
11 municipality that is a school district, the following sums:

12 (1) payments made by the municipality during the fiscal
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14 outstanding bonds, notes or other indebtedness incurred before July 1,
15 1977 to pay costs of school construction;

16 (2) 90 percent of

17 (A) payments made by the municipality during the
18 fiscal year two years earlier for the retirement of principal and
19 interest on outstanding bonds, notes or other indebtedness in-
20 curred after June 30, 1977 and before July 1, 1978 to pay costs
21 of school construction;

22 (B) cash payments made after June 30, 1976 and before
23 July 1, 1978 by the municipality during the fiscal year two years
24 earlier to pay costs of school construction;

25 (3) 90 percent of

26 (A) payments made by the municipality during the
27 fiscal year two years earlier for the retirement of principal and
28 interest on outstanding bonds, notes or other indebtedness in-
29 curred after June 30, 1978 and before January 1, 1982 to pay

1 costs of school construction projects approved under AS 14.07.-
2 020(11);

3 (B) cash payments made after June 30, 1978 and before
4 July 1, 1982 by the municipality during the fiscal year two years
5 earlier to pay costs of school construction projects approved
6 under AS 14.07.020(11);

7 (4) subject to (h) and (i) of this section up to 90 percent
8 of

9 (A) payments made by the municipality during the
10 current fiscal year for the retirement of principal and interest
11 on outstanding bonds, notes or other indebtedness incurred after
12 December 31, 1981, and authorized by the qualified voters of the
13 municipality before July 1, 1983, to pay costs of school con-
14 struction, additions to schools, and major rehabilitation pro-
15 jects that exceed \$25,000 and are approved under
16 AS 14.07.020(11); and

17 (B) cash payments made after June 30, 1982, and before
18 July 1, 1983, by the municipality during the fiscal year two
19 years earlier to pay costs of school construction, additions to
20 schools, and major rehabilitation projects that exceed \$25,000
21 and are approved under AS 14.07.020(11); and

22 (C) payments made by the municipality during the
23 current fiscal year for the retirement of principal and interest
24 on outstanding bonds, notes, or other indebtedness to pay costs
25 of school construction, additions to schools, and major rehabili-
26 tation projects that exceed \$25,000 and are submitted to the
27 Department of Education for approval under AS 14.07.020(11)
28 before July 1, 1983, and approved by the qualified voters of the
29 municipality before October 15, 1983, not to exceed a total

1 project cost of (i) \$6,600,000 if the annual growth rate of
2 average daily membership of the municipality is more than 7
3 percent but less than 12 percent, or (ii) \$20,000,000 if the
4 annual a growth rate of average daily membership of the munic-
5 ipality is 12 percent or more; payments made by a municipality
6 under this paragraph on total project costs that exceed the
7 amounts set out in (i) and (ii) of this paragraph are subject to
8 (a)(5)(A) of this section.

9 (5) subject to (h) and (i) of this section, 75 [50] percent
10 of

11 (A) payments made by the municipality during the
12 fiscal year for the retirement of principal and interest on
13 outstanding bonds, notes or other indebtedness authorized by the
14 qualified voters of the municipality after June 30, 1983 to pay
15 costs of school construction, additions to schools, and major
16 rehabilitation projects that exceed \$25,000 and are approved
17 under AS 14.07.020(11); and

18 (B) cash payments made after June 30, 1983 by the
19 municipality during the fiscal year two years earlier to pay
20 costs of school construction, additions to schools, and major
21 rehabilitation projects that exceed \$25,000 and are approved
22 under AS 14.07.020(11).

and may include other site improvements and facilities as approved by the Commissioner, but do not include employee or student housing, hockey rinks, planetaria, saunas, competition size swimming pools, and other facilities for single purpose sporting or recreational uses.

D. GENERAL USE FACILITIES

(1) The need for general-use facilities, e.g., multipurpose rooms, theaters, auditoria, and gymnasias becomes more urgent with increasing enrollments;

(2) Universal space (multipurpose) is a manageable alternative to articulated space (special use space), particularly for small secondary schools;

(3) Existing general-use facilities that are at least 75% of the minimum allowed gross square footage in area can accommodate quite adequately the minimum educational program requirements for elementary and secondary schools. Therefore, requests for the replacement of such spaces will be rejected if based on the single argument that such spaces do not provide the maximum amount of space allowable under the department's space guidelines.

THE CIP PRIORITIES AND INSTRUCTIONS

FOR USING THE PRIORITY SYSTEM

The Department of Education's CIP Priority System consists of seven categories. The seven categories are:

(1) HEALTH AND LIFE SAFETY - Documented unsafe conditions threatening the life safety of students, staff, and public, e.g., unforeseen disasters (fire, earthquake, flood), or fire code violation.

(2) UNHOUSED STUDENTS - No adequate classroom space is available for housing elementary and/or secondary students.

- (3) PROTECTION OF STRUCTURE - Repairs to avoid future costly replacement, e.g., major reroofing due to heavy leakage.
- (4) OPERATING COST SAVINGS - Project to save school district operating expense, e.g., energy savings (fenestration and insulation).
- (5) CODE UPGRADE - Required building or handicapped code projects; no direct threat to life safety exists.
- (6) FUNCTIONAL UPGRADE - Replacements, additions, or remodeling to meet a program need, e.g., new library/resource center or shop addition to provide for expanded instructional program.
- (7) OTHER - Any situation not covered by categories 1 - 6.

In reviewing projects and assigning priorities, both the school districts and the department need some uniform basis for deciding which projects of a similar type within a given category will be ranked ahead of others in that same category. This basis is enrollment (ADM), that is, similar projects within a category are ranked according to the number of students affected. For example, if two requests for a new school addition (Category 6) are received, the one with the largest number of students will be assigned a higher priority within this category. Exceptions to this procedure may be made, however, it will be the responsibility of the districts to provide the justification and the documentation to the department for a given project or for an exception to the above procedure for assigning priorities within each of the categories.

All projects will be considered by the department in the order listed on page 4 and 5. Each school district should, first, set its priorities in accordance with these seven categories, and, second, submit its

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HESS 4-23-85 3:13pm



NRN
spoke to 4/13

SOUTH EAST REGIONAL RESOURCE CENTER
S.E.R.R.C. INC.

218 Front St. Juneau, Alaska 99801
Phone: 586-6806

March 29, 1985

Senator Bettye H. Farrrenkamp
Alaska State Legislature
Room 125-C
Juneau, AK 99811

Dear Senator Farrrenkamp:

The Resource Center is employed by the Wrangell School District to manage their \$14,000,000 school construction project. The project is funded partially by direct appropriation and local bond issue.

The attached position paper discusses the problems Wrangell is facing with debt retirement and why they are particularly interested in those bills increasing the percentage of debt retirement.

If there is any hope of these bills being compiled and moving through both Houses, Wrangell would like to be considered for inclusion in the legislation. Your review of the information attached would be appreciated.

If there's additional information we could provide to gain your support, we would be pleased to supply it.

Sincerely yours,

Twyla G. Coughlin
Associate Director

cc: John Sund
Robin Taylor
Robert Ziegler
Robert McConnell

Satellite Center 444 Dock Street, Ketchikan, Alaska 99901
Phone (907) 225-5250

POSITION PAPER

The Debt Retirement for School Construction Program needs to be amended to provide more equitable treatment for those municipalities which have bonded for school construction after July 1, 1983. Those communities, The City of Wrangell and there within the Matanuska-Susitna Borough, will receive only 50% reimbursement on payments of principal and interest on outstanding bonds. Other communities which bonded prior to July 1, 1983, receive either 90 or 100 percent reimbursement on payment of outstanding indebtedness.

The Wrangell School District had completed the pre-planning process for a high school replacement by 1981. However, it was realized the community, through the bonding process alone, could not finance the total costs of construction. It took two years of requesting assistance before the 1983 session of the Alaska Legislature, appropriated \$6,100,000 in state funds to cover a portion of the \$14,000,000 construction package.

The appropriation timeline for the state portion of the costs was such that the final amount was appropriated for fiscal year 1984. Thus, the earliest date at which Wrangell could present the bond package to the local voters was October, 1983. Although the bond package was overwhelmingly approved by Wrangell voters, the community had already missed the July 1, 1983 deadline which would have qualified it for 90% reimbursement of bonded indebtedness.

Although not intended, Wrangell was caught in a situation beyond anyone's control and was forced to accept a lower rate of debt retirement. The City has proceeded, however, and all of the municipal bonds have been issued by the City of Wrangell through the Alaskan Bond Bank Authority at effective rates of interest of 10.65% as of October, 1984.

That Wrangell will receive only 50% reimbursement from the State of Alaska on payment of principal and interest as compared to other communities which receive 90 or 100% is unfair for two reasons:

(1) Wrangell's assessed valuation of property, the basis on which property taxation is determined, is drastically skewed towards residential properties as compared to commercial properties.

Total residential property values are approximately two and one half times the assessed value of commercial properties (See Alaska Taxable 1984, table XI-A).

Other cities show a residential/commercial assessed value ratio of approximately 1:1. Since residential property, i.e. peoples' homes, is considered non-revenue producing, whereas commercial properties are revenue producers, Wrangell, unlike other Alaska cities of similar size is dependent upon personal income of homeowners to collect property taxes.

(2) Personal income is dependent upon employment. The annual unemployment rate for the Wrangell-Petersburg census district for 1984 was 16.2 percent. Wrangell is heavily dependent upon the timber industry and the Wrangell Mill for employment. During 1984, the Wrangell Mill was closed for approximately six months impacting personal income and the corresponding ability to pay property tax.

This combination of a reduction in anticipated debt service reimbursement coupled with the economic ups-and-downs of the timber industry and a disproportionate mix in the property tax base creates an undue burden on this small community.

For reimbursement of debt service for school construction, Wrangell requests that they be treated in similar fashion with other communities which enjoy reimbursement at 90 and 100 percent.

ALASKA DEPARTMENT OF EDUCATION

ELEMENTARY/SECONDARY AND COMBINED ELEMENTARY-SECONDARY SCHOOL SPACE GUIDELINES
(IN MINIMUM, IN AVERAGE, AND IN MAXIMUM GROSS SQUARE FEET OF FLOOR AREAS)¹

SCHOOL ²	ENROLLMENT									
	10-20	21-32	33-46	47-62	63-80	81-99	100-199	200-299	300-399	400-499 ³
ELEMENTARY (MIN GSF)	800	1,800	4,100	6,100	7,900	9,200	9,700	19,100	27,400	34,900
ELEMENTARY (AVG GSF)	1,500	2,700	5,700	7,900	9,900	11,300	20,400	27,400	31,800	42,900
ELEMENTARY (MAX GSF)	1,600	3,000	6,300	8,700	10,900	12,400	22,500	30,100	40,000	50,000
SECONDARY (MIN GSF)	3,000	5,000	7,300	10,600	13,900	15,200	28,500	35,500	49,600	72,500
SECONDARY (AVG GSF)	5,200	7,000	9,900	13,600	16,100	18,400	35,900	50,100	65,000	75,000
SECONDARY (MAX GSF)	5,700	7,800	10,800	14,900	17,800	20,300	39,500	55,100	72,200	80,000
COMBINED E/S (MIN GSF)	3,500	5,500	8,500	11,500	14,500	16,500	30,000	37,500	52,000	74,000
COMBINED E/S (AVG GSF)	5,500	8,000	11,500	15,000	17,500	20,000	40,000	52,500	68,500	80,000
COMBINED E/S (MAX GSF)	6,300	9,800	13,500	17,000	19,500	22,500	42,500	57,000	73,500	82,500

¹ Exclude exterior wall thickness from GSF calculation

² For all remote schools that are supplied annually, nonassignable space shall be 35-45 percent of building's GSF.

³ For elementary schools with a design enrollment of 500 or more, use 100 GSF per student; for secondary schools with a design enrollment of 500 or more, use 150 GSF per student.

SWIMMING POOL GUIDELINES



State of Alaska Department of Education

June 1984

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Introduction

These guidelines have been developed to give assistance and direction to Alaska school districts in planning swimming pools. They are based upon A.S. 14.11.100, Sec. 5(h), which provides that swimming pools be of "moderate size or smaller" if construction cost is to be eligible for debt retirement by the State, and also provides that the Commissioner of Education, must determine what size facility should receive State funding. Thus, these guidelines are intended to allow Alaska school districts to determine how large a facility can be in relation to their program and community needs and still be eligible for State funding.

I. Authority

A.S. 14.11.100, Sec. 5(h).

"An allocation under (a)(4) of this section for school construction begun after July 1, 1982, shall be reduced by the amount of funds used for the construction of residential space, hockey rinks, planetariums, saunas, and other facilities for single purpose sporting or recreational uses that are not suitable for other activities. An allocation under (a)(4) of this section may not be reduced by the amount of money used for construction of a small swimming pool, tank, or water storage facility used for water sports. However, *an allocation shall be reduced by the difference between the amount of money used to construct a swimming pool that is competition size or larger and the amount of money that would have been used to construct a small swimming pool, tank, or water storage facility, as determined by the commissioner."

* Emphasis added. Competition size has been determined to be 45 feet by 82 feet (25 meters) in dimension. This size pool is often called a Junior Olympic or commonly misnamed "Olympic" size.

Department of Education Review

Preliminary plans for a swimming pool are to be submitted to the Facilities Section of the Alaska Department of Education. Plans must contain: 1) drawing of the proposed swimming pool, 2) a detailed description of the planned pool program and (3) detailed information about numbers of students to be involved in the various programs.

After the plan is submitted to the Department of Educa-

tion, it will be reviewed by the Facilities Division and, within thirty days, the District will be notified regarding whether the plan is approved or needs to be modified before approval is possible.

II. Factors to be used in determining pool size

Any swimming facility sponsored by a public school must be designed foremost for instructional purposes. Such design allows teaching of basic swimming strokes, general water safety, boat safety, and lifesaving. Additionally, a pool design enabling the teaching and practice of diving is desirable. Recreational swimming for students and the community is a valuable by-product in the establishment of an instructional swimming program and should not be overlooked in planning the facility. However, State funding is available only for the instructional program (K-12). A District must be able to show that 51% of the total pool use is for instruction in order to be eligible for debt retirement.

Pool size, therefore, will be determined primarily by three factors:

A. POPULATION SERVED

The District will need to analyse the following information for program determination. This information must also be provided to the Department of Education:

- current district enrollment (K-12)
- breakdown of enrollment by individual school and grade level.

- an enrollment projection which covers the next five years.

B. PROGRAM TO BE OFFERED

Pool instructional space is determined by the classes to be offered and the student population to be served. In addition to basic swimming instruction, activities that may be included in a well-rounded program are described as follows:

- Water safety courses to develop and train instructors for the American Red Cross. These instructors qualify to teach lifesaving and to conduct water programs for all age groups.
- Water safety aide courses to develop and train young people in pool safety and the fundamentals of teaching swimming.
- Boat safety instruction for students and for interested community members. Such topics as overloading, personal flotation devices, handling in rough water, high speed turning, capsizing, explosion and/or fire, and falling overboard can all be discussed during water safety courses. Many of these topics can also be demonstrated through the use of a small boat.
- Drown proofing: A system of self-rescue developed at Georgia Institute of Technology, particularly aimed at those who feel they will never learn to swim a regular stroke, but want to be able to save themselves in the event of an emergency.
- Diving instruction for the one meter board.
- Synchronized swimming training: For those

boys and girls who are interested in the exacting and artistic demands that this activity has to offer.

- Infant training: This is a specialized offering, given by an experienced swimming instructor. Many infants have been given an excellent start as swimmers.
- Scuba training: Almost every region of the United States has pools offering this training to the general public.

If the pool will be available for community use in off-school hours additional activities to consider are:

- Adult swimming course: These courses prove to be surprisingly popular for their social, as well as instructional benefits.
- Swim to stay fit programs for persons who want a relaxing activity which maintains their body tone. Individualized activity is stressed in this program.
- Survival training for the general public: A surprising number of people are concerned with being able to get themselves out of difficult situations.
- Rescue squad training: Most rescue squads feel that they should be prepared to handle all emergencies. There are many areas having potential water hazards which are protected by such squads.
- General recreational swimming for the public: Family nights, mother-daughter, father-son, and other combinations can provide a source of revenue to support pool operation.
- Water ballet training: For persons of all ages who enjoy group training and the artistic results that an exacting physical activity can produce, water ballet allows for all ranges of talent.

- Fly and bait casting training practice can be provided.

In determining the programs to be offered the District may want to consider the following Red Cross Recommendations:

INSTRUCTIONAL PROGRAMS RECOMMENDED BY THE RED CROSS:

<u>Course</u>	<u>Required in-Water Instructional Hours</u>
(1) Beginning Swimming	25
(2) Advanced Beginning Swimming	25
(3) Intermediate Swimming	25
(4) Swimmer	25
(5) Advanced Swimming	25
(6) Junior Life Saving	25
(7) Basic Water Safety	25
(8) Diving	25
(9) Water Ballet/Synchronized Swimming	25
(10) Basic Scuba Diving	25
(11) Kayaking/Canoeing	25
(12) Boating Safety	25
(13) Water Games/Water Polo	25
(14) Other	25

C. PROGRAM SPACE REQUIREMENTS

The Red Cross recommends certain pool space minimums in implementing identified program components: (Charts 1, 2, 3 on following pages)

Chart 1.

MINIMUM REQUIREMENTS NECESSARY FOR INSTRUCTIONAL PROGRAMS

PROGRAM	INSTRUCTIONAL LANE PER STUDENT	SQ. FT./STUDENT	WATER DEPTH MINIMUMS	DEEP END (OVER HEAD)	DIVING	COMMENTS
Beginning Swimming	4' x 25'	100/student	recommend 3' to 3 1/2'	no req.	no req.	possible minimum pool sizes for optimum class of 10 students: 40' wide x 25' long or 20' x 50' (5 students at each end)
Advanced Beginning Swimming	4' x 60'	120/student	25' of 3 1/2' water depth	6' to 9'	no req.	Red Cross allows 60' swimming length to be done in laps, thus 25' x 40' pool would be acceptable, but is not recommended.
Intermediate Swimming	4' x 60'	120/student	25' of 3 1/2' water depth	6' to 9'	no req.	
Swimmer	4' x 60' min. (4' x 75' rec)	120/student 300/student	no req.	8' to 10' diving depth	1/2 meter board or platform	Minimum size possible 20' x 60'. (rec. 20' x 75'). If meter board is used width must be increased by 1' 8".
Advanced Swimmer	4' x 60' min. (4' x 75' rec)	120/student 300/student	no req.	12' diving depth	1 meter board	21' 8" width required. 75 length recommended.
Junior Life Saving	4' x 60'	120/student	25' of 3 1/2' water depth	6' to 9'	no req.	
Boating Safety	Ability to turn a boat or kayak end for end is important. Pool width should be twice that of the Boat.					