



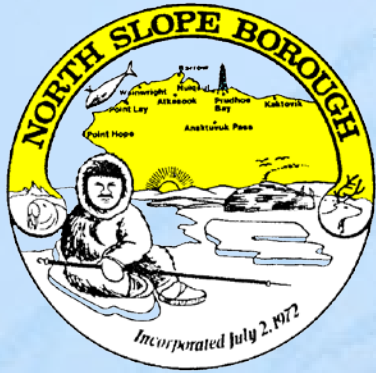
NORTH SLOPE BOROUGH AND NORTH SLOPE BOROUGH SCHOOL DISTRICT

Presentation to the House Finance
Committee March 5, 2019



NORTH SLOPE
BOROUGH SCHOOL DISTRICT

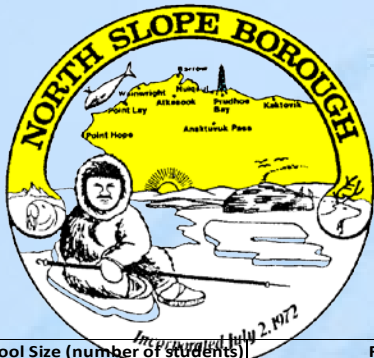
Striving For Excellence



NSBSD Mission

Learning in our schools is rooted in the values, history and language of the Iñupiat. Students develop the academic and cultural skills and knowledge to be:

- Critical and creative thinkers able to adapt in a changing environment and world;
- Active, responsible, contributing members of their communities; and
- Confident, healthy young adults, able to envision, plan and take control of their destiny.



NSBSD Foundation Formula

School Size (number of students)	Formula
10-19.99	39.6
20-29.99	39.60+(1.62*(ADM-20))
30-74.99	55.80+(1.49*(ADM-30))
75-149.99	122.85+(1.27*(ADM-75))
150-249.99	218.10+(1.08*(ADM-150))
250-399.99	326.10+(.97*(ADM-250))
400-749.99	471.60+(.92*(ADM-400))
Over 750	793.60+(.84*(ADM-750))

ADM= Average Daily Membership (from Oct count)

School Name	Elementary K-6	Secondary 7-12	ADM	Elem. Adj ADM	Sec. Adj ADM	One Site Adj ADM	Total Adj ADM	Cost Factor (1.791)	Special Needs Funding 20%	Career Tech & Ed 1.5%	Intensive	Correspondence
Alak School	89.00	79.00	168.00	140.63	127.93	0.00	268.56	480.99	577.19	585.85	0	0
Barrow High School	0.00	269.00	269.00	0.00	344.53	0.00	344.53	617.05	740.46	751.57	4	0
Eben Hopson Middle School**	98.00	172.00	270.00	0.00	0.00	345.50	345.50	618.79	742.55	753.69	2	0
Fred Ipalook Elementary*	549.00	0.00	549.00	608.68	0.00	0.00	608.68	1090.15	1308.18	1327.80	4	0
Harold Kavelook School	32.00	19.00	51.00	0.00	0.00	87.09	87.09	155.98	187.17	189.98	0	0
Kali School	57.00	40.00	97.00	0.00	0.00	150.79	150.79	270.06	324.08	328.94	0	0
Meade River School	40.00	32.00	72.00	0.00	0.00	118.38	118.38	212.02	254.42	258.24	1	0
Nuiqsut Trapper School	106.00	52.00	158.00	162.22	88.58	0.00	250.80	449.18	539.02	547.10	2	0
Nunamiut School	56.00	53.00	109.00	94.54	90.07	0.00	184.61	330.64	396.76	402.72	1	0
Tikigaq School	127.00	113.00	240.00	188.89	171.11	0.00	360.00	644.76	773.71	785.32	3	0
	1154.00	829.00	1983				2718.94	4869.62154	5843.545848	5931.199036	17	0

221
6152.199036
District Adjusted ADM: 6,152.20
Base Allocation: \$ 5,930.00
Basic Need: \$ 36,482,540.28

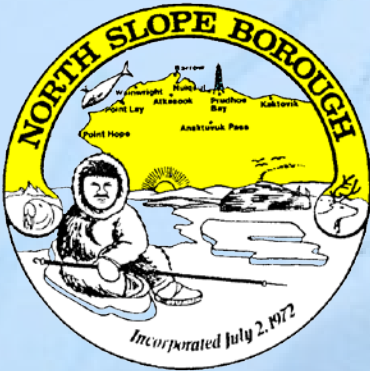
*Kiita's student numbers added to IPK
Number of Intensive Students multiplied by 13
Correspondence Students multiplied by .90
School size of 10-100 adjusted elem + secondary.
**HMS Adjusted as one site because Utqiagvik is over 425 ADM

NSB Minimum Required Local Contributio: \$15,590,658.00 45% of Prior year Basic Need
Maximum Allowed Local Contribution: \$59,649,347.00 Per DEED

NSBSD State Aide
Basic Need \$ 36,482,540.28
Required Local Contribution (from NSB) \$ (15,590,658.00)
Eligible Impact Aid \$ (1,527,405.00)
State Aid \$ 19,364,477.28

LOCAL CONTRIBUTION TO OPERATIONAL BUDGET	
STATE MAXIMUM ALLOWED LOCAL CONTRIBUTION	\$ 59,649,347.00
NSB APPROPRIATION	\$ (35,375,626.00)
NSB IN-KIND	\$ (2,500,000.00)
NSB SUPPLEMENTAL FUNDING	\$ (3,060,000.00)
FUNDING BELOW THE AMOUNT ALLOWABLE FOR OPERATIONAL BUDGET	\$ 18,713,721.00

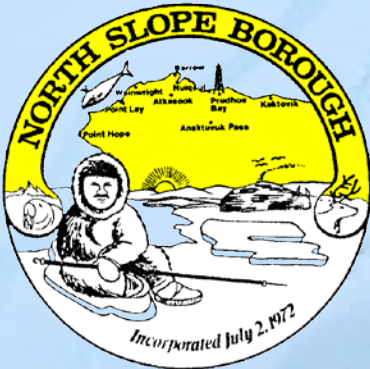
Quality Schools Grant
District adjusted ADM x \$16 6,152.20
\$16
98,435
3
Components of State Aide
State Aid \$ 19,364,477



North Slope Borough Funding

	Proposed FY19-20	FY18-19	FY17-18	FY16-17	FY15-16
Base Line Support	31,838,063	35,375,626	36,535,626	35,375,626	34,375,626
Base Line Support as a % of Total NSB Budget	7.9%	9.2%	9.0%	9.2 %	8.5%
Base Line Support in Mills*	1.52 mills	1.62 mills	1.66 mills	1.65 mills	1.65 mills
NSB Total Mill rate	17.99	17.99	17.99	18.50	18.50

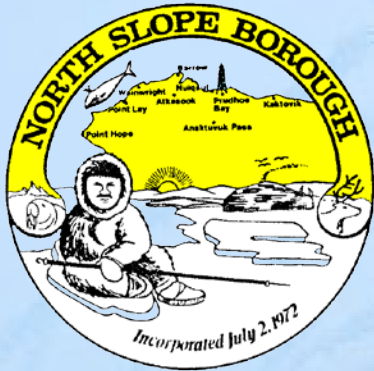
* Does not include mill rate associated with Debt Service for School Related Bonds



FY20 Legislative Impacts

- House Bill 59-Repealing the levy of tax by municipality on oil and gas exploration, production, and pipeline transportation property.
 - 95-97% of NSB Tax Base is Oil and Gas Infrastructure
 - NSB Pledges Ad valorem taxes on property within the Borough to pay for principal and interest on bonds
 - Current outstanding debt (P+I) \$251,431,154
 - Services Provided by the Borough on the State's behalf
 - Education, Public Safety, Fire, Search and Rescue, Health, Permitting, Roads and etc. Approx. \$175 million annually in operating funds.*

*Does not include capital infrastructure

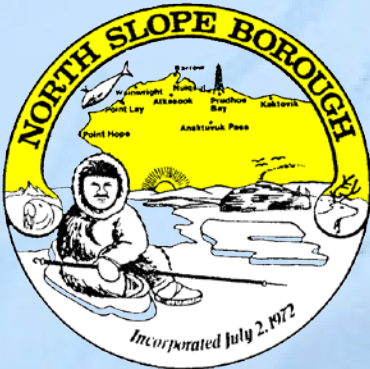


FY20 Legislative Impacts Continued

- If House Bill 59 went into effect, the Borough's budget will be significantly impacted as projected below:

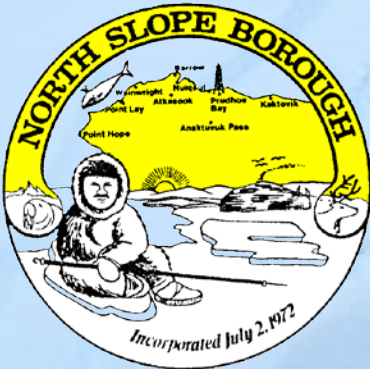
Projected Revenues	
Property Tax – Local	\$14,392,000
Federal Grants	\$1,275,787
State Grants	\$2,243,989
Charges for Services	\$9,359,008
Investment Income	\$2,500,000
Other Revenue	\$8,490,000
Total	\$38,260,784

- The minimum required Borough Contribution \$15,375,626



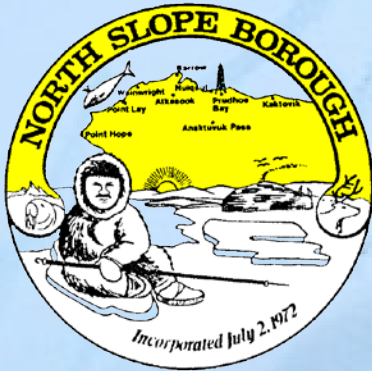
FY20 Legislative Impacts Continued

- Governor's proposal surrounding the reduction in Baseline Student Allocation
 - Reduction of \$4,511,923 or 6.2%
- North Slope Borough reduction in local contribution
 - Reduction of \$3,537,563 or 10%
 - Decrease is mainly due to operating budget reduction as a result of population decline in the oil patch.



FY20 Legislative Impacts Continued

- Senate Bill 64/HB 66-Repealing state aid for costs of school construction debt
 - Currently DEED reimburses the Borough on one project.
 - Project Cost \$1 million for Design work Meade River School. 2014B Bonds
 - Eligible School Projects Subject to reimbursement prior to 5yr suspension
 - Project Cost \$65,979,000
 - No reimbursement by DEED
 - School Project and related Bonds since suspension of DEED reimbursement
 - \$65,530,000
- Total cost to the NSB \$131,509,000



Questions?
