

**FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
BOARD OF EDUCATION
FY 2016– 2017 Citizens Budget Review Committee**

Thursday, October 15, 2015 ~ 5:30 – 7:00 PM Administrative Center – Boardroom

AGENDA

I. Call to Order

II. Roll Call

Board Committee Member

Allyson Lambert (Chair)

Michael O'Brien (Board Member)

Citizen Committee Members (appointed by Board Member):

Joe Hayes (Dominique)

Chris Dean (Gentry)

Joseph Blanchard (Haas)

Becky Williams (Hull)

TBA (Rice)

Tammy Dauma (Col. Sean Williams)

Ms. Noelle Hohnecker (Col. Richard Cole)

Dawson Mann (Regional Student Council ~ Lathrop)

Staff Members

Dr. Karen Gaborik, Superintendent

Robin Mullins, Director of Business Services

Lisa Pearce, Chief Financial Officer

Sandra Weaver, Budget Specialist

III. Adoption October 15, 2015 agenda

IV. Approval of minutes from the October 8, 2015 meeting

V. AGENDA

New Business:

Committee Members

 Community Priorities and Values

VI. Comments

VII. Adjourn

**FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
BOARD OF EDUCATION
Citizens' Budget Review Committee - Meeting Minutes
Administrative Center - Board Room
520 Fifth Avenue, Fairbanks, Alaska
October 8, 2015**

I. Call to Order & Roll Call

Allyson Lambert, School Board Member and FY 16-17 Citizens' Budget Review Committee Chair called the meeting to order at 5:32 PM. Citizens' Budget Review Committee meetings are recorded and available on the district's website.

Board Committee Members Present:

Allyson Lambert (Chair)
Michael O'Brien (Board Member)

Citizen Committee Members Present:

Tammy Dauma (Col. Sean Williams) Dawson Mann (Regional Student Council)
Becky Williams (Hull) Christopher Dean (Gentry)
Joseph Blanchard (Haas) via telephone, arrived 6:15 in person
Joe Hayes (Dominique)

Citizen & Board Committee Members Absent:

Noelle Hohnacker (Col. Richard Cole)
TBA (Rice)

Staff Present:

Lisa Pearce, Chief Financial Officer Karen Gaborik, Superintendent
Sandra Weaver, Budget Specialist Robin Mullins, Dir. of Business Services

II. Agenda Review

a) Old Business

- Chief Financial Officer Lisa Pearce presented the PowerPoint *2016-2017 Budget Process Foundation Formula Summary*

b) New Business

- Executive Director Dave Norum presented an overview of the **Facilities Maintenance Department**
 - **FMD is the support staff for the buildings and the staff that use our buildings**
As time allows, we do small projects in which includes:
 - ✚ Working with a W/O system that as work order come in we prioritize and schedule our work
 - ✚ Performing state mandated PM on all of our buildings 2 times a year that allows us to participate in the State Capital Improvement program.
 - ✚ Working with the borough on school construction projects Apply for grants for construction projects
 - ✚ Administering contracts that we have for district wide services such as pest control,

trash services, fire and security monitoring, elevator and glass contracts

- **Caldwell, Suzanna** “*Fairbanks Schools More Energy Efficient than Anchorage*” **Alaska Dispatch, Federal Study: Dec 01, 2012:**
- Director Heather Rauenhorst presented an overview of **Grants & Special Projects** – Heather’s job allows 10% of her time to work on the following projects:
 - **Heather Rauenhorst.** “*FNSB School District, Investing in Alaska’s Youth Education Tax Credit – Support Schools, Earn Credit*”, 2015
 - **Partners in Education: Business Partnerships**

Program Goals:

- **Long-term:** The FNSBSD Partners in Education will improve the quality of education for students by connecting business community resources with unmet needs in the school district.
- **Short-term:** Identify the most effective means of communicating with and engaging businesses to increase partnerships and ensure that partnership activities positively impact students’ educational experience and that both district and business resources are utilized effectively and efficiently.

Areas the staff is currently working on:

- Developing a “MATCHMAKER” – a portal or some sort of database to allow schools and departments to easily enter their program needs for donations (of goods, services, volunteer hours, or financial support) in a way that can then be displayed in a single searchable public webpage.
 - Provide guidance, tools, and training to schools on how and when to develop formal partnership agreements and provide appropriate recognition to those partners.
 - Host a recognition reception for recent major business partners.
-

Committee discussion topics included:

- K-12 Funding CAPER – an evaluation of the current structure of the foundation formula
- 10% decrease to education is the speculation coming from Juneau
- FYF funding- based on bed count
- Part-time students are prorated for the ADM count
- Bond Projects – There are a number of projects currently
- Heating in schools – Temperatures in the buildings is set the lowest temperature to be cost efficient and comfortable.
- Bldg. Rentals – Fees cover custodial fees and a small room charge for week days; weekend rentals cost more to facilitate
- Closing a school – The K-8 Cohort will report to the Board this information along with other information presented on November 30th
- FNSBSD is not a 501C
- CTE – FNSBSD has partnerships with the apprenticeship programs and local groups
- Legislators – engaging early in the process conversations of the education budget needs
- Reductions – Salaries and Benefits – everything is open for conversation

Information requested:

Meeting times:

- **October 22**
- **November 5**
- **November 12**
- **Committee will present first report November 16th, 2015 at the School Board Work Session meeting**

Future topics:

Establish Community Values

Audio of the Citizen Budget Review Committee meetings can be heard on the following site:
FNSBSD/Board of Education/CBRC/Audio

Link: [Thursday, October 8, 2015 Audio](#)

Meeting adjourned at 7:13 PM

Minutes respectfully submitted by Sandra Weaver

Fairbanks North Star Borough School District
2016-2017 Budget Process

Citizen's Budget Review Committee
Thursday, October 8, 2015 5:30 pm
ADC Board Room



FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

520 Fifth Avenue Fairbanks, Alaska 99701-4756 (907) 452-2000

Agenda

1. Foundation Formula Summary
2. Department Presentation
 - Facilities Maintenance
 - Grants & Special Projects
3. Community Values & Budget Priorities



Alaska Public School Foundation Formula

- ADM – Average Daily Membership
 - Determined by 20 day count period in October

Current year (2015-16) state funding will be determined by the actual certified 20 day count in October (9/28 – 10/23)

Ensuing budget year (2016-17) projected enrollments use the current 20 day count as a starting point. Historical trends and current local conditions are then considered to establish the projected ADM for budgeting purposes.



Adjusted ADM

- School Size Adjustment
- District Cost Factors
- Special Needs Funding
- Vocational & Technical Funding
- Intensive Services Funding
- Correspondence Programs

Equals ADJUSTED ADM

School Size Adjustment

| School Size: | Formula: |
|---------------------|---------------------------------|
| – 10-19.99 | 39.60 |
| – 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 | $793.60 + (.84 * (ADM - 750))$ |

** Hold Harmless provisions exist for districts experiencing reduction in enrollment of 5% or greater*

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

FOUNDATION FORMULA ESTIMATE

2016-2017 INITIAL BUDGET

As of 10/1/2015 (Based on 10 day count with trend)

| As of 10/1/2015 (Based on 10 day count with trend) | | | |
|----------------------------------------------------|-------------------|-------------------------------|--------------------------------------------------|
| | FY17 Projected | | Adjusted |
| <u>School</u> | <u>Enrollment</u> | <u>School Size Adjustment</u> | <u>ADM</u> |
| Anderson | 238 | 218.10 + (1.08*(ADM-150)) | 313.14 |
| Anne Wien | 393 | 326.10 + (.97*(ADM-250)) | 464.81 |
| Arctic Light | 553 | 471.60+(.92*(ADM-400)) | 612.36 |
| Badger Road | 501 | 471.60+(.92*(ADM-400)) | 564.52 |
| Barnette(Magnet) | 409 | 471.60+(.92*(ADM-400)) | 479.88 |
| Crawford | 294 | 326.10 + (.97*(ADM-250)) | 368.78 |
| Denali | 383 | 326.10 + (.97*(ADM-250)) | 455.11 |
| Hunter | 337 | 326.10 + (.97*(ADM-250)) | 410.49 |
| Joy | 389 | 326.10 + (.97*(ADM-250)) | 460.93 |
| Ladd | 511 | 471.60+(.92*(ADM-400)) | 573.72 |
| Nordale | 343 | 326.10 + (.97*(ADM-250)) | 416.31 |
| North Pole E | 513 | 471.60+(.92*(ADM-400)) | 575.56 |
| Pearl Creek | 497 | 471.60+(.92*(ADM-400)) | 560.84 |
| Salcha | 75 | 55.80 + (1.49*(ADM-30)) | 122.85 |
| Ticasuk Brown | 506 | 471.60+(.92*(ADM-400)) | 569.12 |
| Two Rivers | 99 | 122.85 + (1.27*(ADM-75)) | 153.33 |
| University Park | 497 | 471.60+(.92*(ADM-400)) | 560.84 |
| Weller | 469 | 471.60+(.92*(ADM-400)) | 535.08 |
| Wood River | 468 | 471.60+(.92*(ADM-400)) | 534.16 |
| North Pole M | 662 | 471.60+(.92*(ADM-400)) | 712.64 |
| Randy Smith | 325 | 326.10 + (.97*(ADM-250)) | 398.85 |
| Ryan | 368 | 326.10 + (.97*(ADM-250)) | 440.56 |
| Tanana | 476 | 471.60+(.92*(ADM-400)) | 541.52 |
| Ben Eielson | 227 | 218.10 + (1.08*(ADM-150)) | 301.26 |
| Hutchison H | 409 | 326.10 + (.97*(ADM-250)) | 479.88 |
| Lathrop | 1,131 | 793.60 + (.84*(ADM-750)) | 1,113.64 |
| North Pole H | 737 | 471.60+(.92*(ADM-400)) | 781.64 |
| West Valley | 1,032 | 793.60 + (.84*(ADM-750)) | 1,030.48 |
| FYF | 12 | 39.60 | 39.60 |
| Chinook | 152 | 218.10 + (1.08*(ADM-150)) | 220.26 |
| Effie Kokrine | 155 | 218.10 + (1.08*(ADM-150)) | 223.50 |
| Star of the North | 175 | 218.10 + (1.08*(ADM-150)) | 245.10 |
| Watershed | 199 | 218.10 + (1.08*(ADM-150)) | 271.02 |
| | 13,535 | | 15,531.78 |
| BEST | 265 | FYF Bed Count Adjustment | 31.10 |
| | 13,800 | | 15,562.88 |
| | | | <i>Adjusted ADM after School Size Adjustment</i> |

District Cost Factor (DCF)

FY16 Estimate 1.07

Baseline Anchorage CPI

15,562.88 Adjusted ADM (school size)

X 1.07 DCF

16,652.28 Adjusted ADM after District Cost Factor

Special Needs Funding

Special Education, Gifted & Talented, Bilingual/Bicultural,
Vocational

1.20 multiplier

16,652.28 Adjusted ADM (school size & DCF)

X 1.20 Special Needs Funding

19,982.74 Adjusted ADM after Intensive Adjustment

Career & Technical Funding (CTE)

Vocational and Technical Instruction
1.015 multiplier

19,982.74 Adjusted ADM (School Size, DCF, Special Needs)

X 1.015 CTE Funding

20,282.48 Adjusted ADM after CTE Adjustment

Intensive Services Funding

Identified/Verified students who are receiving qualified intensive services based on an IEP and are enrolled on the last day of the 20 day count period.

Identified Students multiplied by 13

435 Identified students ***October 24, 2014***

X 13 Intensive Services multiplier

5,655 Additional ADM

20,282.48 Adjusted ADM School Size, DCF,
Special Needs, CTE

25,937.48 Adjusted ADM after Intensive Adjustment

Correspondence Program

Correspondence ADM
(B.E.S.T. - Building Educational Success Together)
0.90 multiplier

265 Correspondence ADM based on 10 day count
X 0.90 Correspondence Factor
238.50 Additional ADM
25,937.48 Adjusted ADM School Size, DCF, Special Needs,
CTE, Intensive
26,175.98 FINAL Adjusted ADM

Funding Units

13,535 Projected ADM 2016-17 based on 10 day count

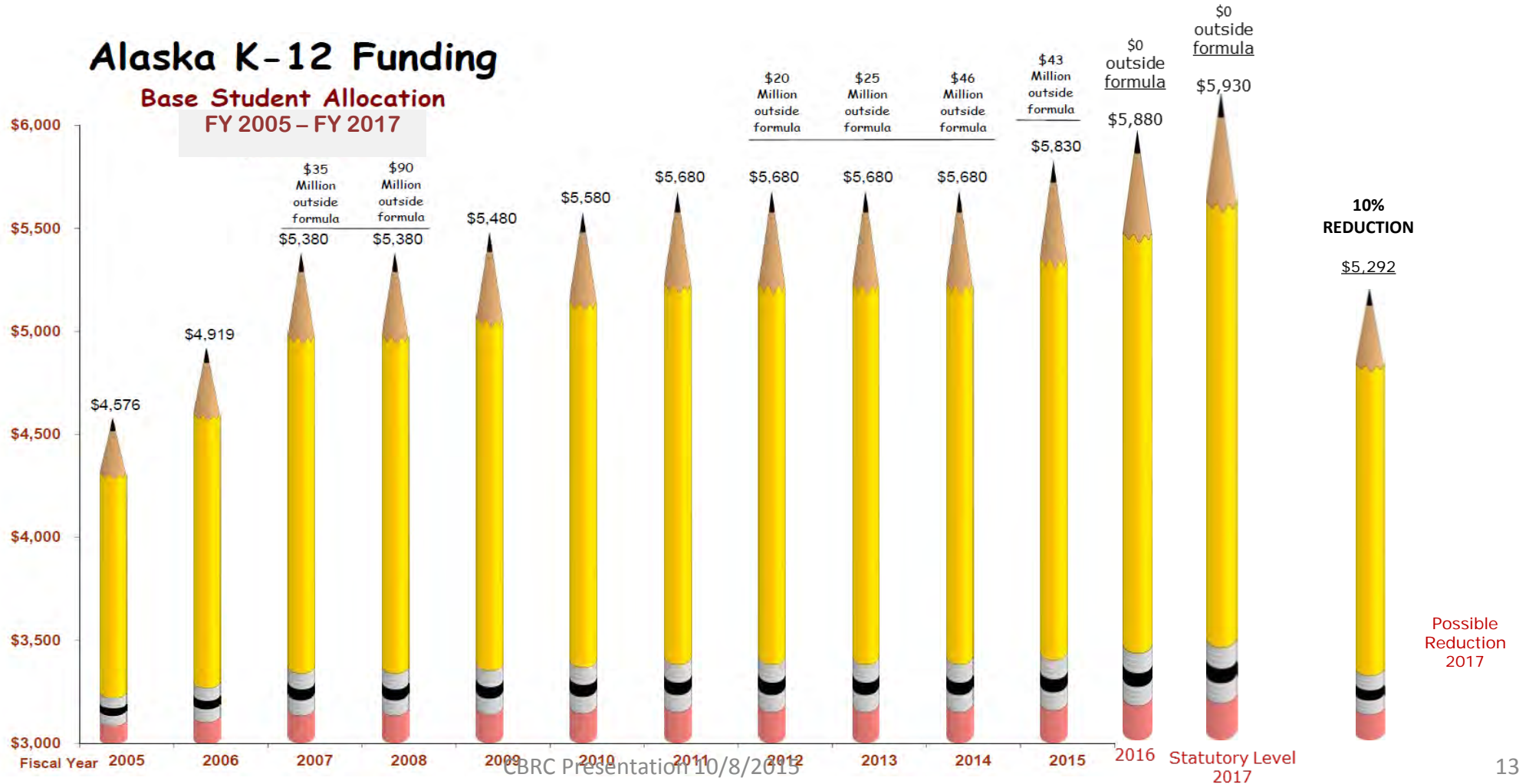
+ 265 Projected Correspondence ADM based on 10 day count

13,800 Projected 2016-17 ADM based on 10 day count

26,175.98

**Adjusted ADM
(Funding Units)**

Base Student Allocation (BSA)



Estimated FY17 State Funding

| | | |
|----------------------------------------------------------------------------------------------|--|----------------------|
| District Adjusted ADM based on 10 day count | | 26,175.98 |
| Base student allocation FY16 | | \$ 5,880 |
| BASIC NEED | | \$ 153,914,762 |
| | | |
| Less: Required local contribution component | | (28,676,941) |
| Less: Impact Aid component | | (5,213,171) |
| | | |
| STATE FOUNDATION AID COMPONENT | | \$ 120,024,650 |
| | | |
| 2015-16 Foundation | | <u>(117,729,689)</u> |
| <i>Increase in Foundation 2016-17 based on increase of 140 ADM based on 10 day count</i> | | \$ 2,294,961 |

Department Presentations

1. Facilities Maintenance

Dave Norum, Executive Director

2. Grants & Special Projects

Heather Rauenhorst, Director

Community Values Budget Priorities

Discussion

Process Development

Future Meeting Topics

- Establish Community Values
- Program presentations
 - Class Size scenarios
 - Technology
 - Curriculum
 - Transportation
- Anything Else?

FMD

1718 employees

- Director
 - o 1Admin Secretary
- Theater and Building Rental Manager
- Projects and grounds manager
 - o 2 grounds employees
 - o 1mechanic
- Custodial manager
 - o 2 zone managers
 - 29 lead custodians
 - 27 day custodians
 - 70.8 shift custodians
 - 1DW roving custodians
- Maintenance, Construction and Energy Manager
 - o 1Admin Secretary
 - o 4 carpenters
 - o 1Parts person
 - 1Parts runner
 - o Electrical Administrator
 - 4 ETs
 - 3 ET wire pullers (temp FTE for a 2 year project)
 - 1Lock Smith
 - 5 Electricians
 - 2 auto mechanics
 - o Mechanical Foreman
 - 3 Controls techs
 - 2 Boiler techs
 - 3 plumbers
 - 1PM tech

In the summer we hire

- 10 temp grounds employees
- 2 temps painters
- 2 temp ET helpers
- Day custodians work 12 months now so we use about 10 of them on the summer crew

Security during the summer is done by using 3 existing custodians that work different shifts to cover the routes.

We manage and maintain

- 30 schools
- 4 additional buildings
- 2,458,422 square feet of facilities
- 600 acres of ground

We are support staff for the buildings and the staff that use our buildings

As time allows, we do small projects

We work with a W/O system that as work order come in we prioritize and schedule our work

We perform state mandated PM on all of our buildings 2 times a year that allows us to participate in the State Capital Improvement program.

We work with the borough on school construction projects

Apply for grants for construction projects

Administer contracts that we have for district wide services such as pest control, trash services, fire and security monitoring, elevator and glass contracts

Average Elementary custodians cover 15,380 square feet

Average Middle School custodians cover 19,808 square feet

Average High School custodians cover 27,476 square feet

We are as far as you can get away from the classrooms and have had 20 FTE positions cut from the budget since FY 9/10. Due to technology we were able to reduce our Administrative Secretary staff by 1 FTE last year.

9\10 1 maintenance mechanic

12/13 2 maintenance mechanics

12 custodians

1 Construction and Maintenance Manager

13/14 4 custodians

Due to employment rules and regulations, we also eliminated our in house sub custodian list of about 12 people and went to a sub caller system.

During this F/Y we brought back the Construction and Maintenance Manager position and eliminated a Zone manager. The custodial manager now has a small zone that he is charged with.

14/15 1 Admin Secretary

This position was not budgeted for because of process changes in our department. We have gone to a new Event management system, Munis, new work order system that saves time.

Our custodial department is faced with the challenges of having no one in house to fill in for people out on sick leave or annual leave. We still have the work to do and have been using overtime and a process of short cleaning to fill the void.

FMD has taken an active approach to the budget process. Over the years we have taken a lot of steps to reduce the budget and still keep our standards high. Employees shifts have changed to reflect the hours that make the most sense for their crews.

In house snow removal saves us about \$220,000 annually. We rent a grader and a loader and have been doing 2 hard pack removals over the last couple of year starting in January until the spring. This year, we reduced that to only one month of equipment rental and will do hard pack removal starting the end of January. Our grounds crews now work from midnight till Sam Sunday thru Thursday.

We focused on our dumpster during the same year and found we were able to change the schedule, reducing the number of times the contractor tipped our dumpsters and saved about \$40,000 a year.

We reduced our overtime budget this year by rolling out a swing shift so that we had more hours of the day covered by regular time employees. We no longer have to call out someone when we have a problem between 8 am and 12am. We have taken seriously the no OT unless absolutely necessary.

We changed the way the on call phone works, charging our exempt personnel with the whole responsibility of carrying the phone, we have an answering service as a backup and a separate list of the same exempt employees in case they can't get in touch with the employee carrying the phone.

We no longer have department leads, everyone reports to the exempt manager in the department.

This past summer, we rolled out a 4 day work week hoping that we would see a savings in electrical use. We think we saved between \$13,000 and \$20,000 dollars over the two months. We plan to take it a step further this summer by limiting access to some of our buildings so that some of them stay dark, then rotating the schedule and working in the others. Details will still need to be worked out but **I think** we will save even more.

We are working on and rolling out a new process for cleaning our buildings. We have been using a process called zone cleaning where an employee is assigned a zone and they are responsible for the whole zone. Because we now use the Aesop list for subs and have no control whether or not a school will have one when someone is out we are testing a different process called task cleaning or team cleaning. The process means the entire crew is responsible for the entire area. We have several schools piloting the process and will have all the elementary schools using the process by January 1". We will then work on the process to implement the Jr and Senior High schools.

Our department has been pro-active in the process and continues to look for ways to save the department and the district financial resources. We are open to suggestions and willing to look at ideas that come our way. Because we have faced reductions in our department for so many years, we are running out of ideas and will have to start reducing the services we provide the districts. We are working now to determine what the essential or critical services of our department are in preparation for further cuts.

Energy

Federal study: Fairbanks schools more energy efficient than Anchorage

Suzanna Caldwell | Dec 01, 2012



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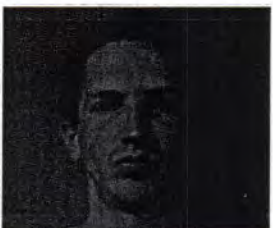
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Confessed killer Israel Keyes told FBI he was '2 different people'

Proposed Alaska regulations threaten Medicaid program

The rivalry between Anchorage and Fairbanks -- Alaska's two largest cities -- is a fierce one. Which community has the most culture, which has the better university and which has the superior athletic squads are all debates that have raged since statehood.

But an October report from the [Alaska Housing Finance Corp.](#) clearly shows one area in which Fairbanks beats Anchorage: Heating efficiency in public buildings.

While that may not be a charming title, it's one that could reap benefits for years as heat and electricity prices rise in Southcentral and Interior Alaska.

"[A White Paper on Energy Use in Alaska's Public Facilities](#)," known colloquially as the "White Paper," was a project of the Alaska Housing Finance Corp. funded by the American Recovery and Reinvestment Act. The White Paper is considered the first major look at energy use in Alaska public buildings.

\$13.7 million to heat, power Anchorage schools

Because schools make up 58 percent of all public buildings in Alaska, they get considerable attention. One notable finding is that Anchorage schools use twice as much energy per square foot as Fairbanks schools.

But there's a bit of an asterisk beside that statement. Of the 327 buildings audited for the report, 17 were from the [Anchorage School District \(ASD\)](#) and 28 were from the [Fairbanks North Star Borough School District](#). That's about 25 percent of all Anchorage schools, 75 percent of all Fairbanks schools.

Mike Abbott, ASD chief financial officer, said the district has been working toward more energy-saving practices since 2007. ASD has saved thousands of dollars by doing simple things like unplugging unused electronics and turning off lights in unused spaces.

All together, the Anchorage district spent \$13.7 million heating and powering its 100 buildings. Even though energy in the district use dropped, according to Abbott, the price increased as utility costs continued to climb. But, he noted, the 20 most energy-efficient Anchorage schools saved a combined \$320,000 last year.

Heating oil pinch in Fairbanks

Fairbanks has felt that price crunch for a while. Most Fairbanks buildings are heated with expensive heating oil, which costs \$3-\$4 per gallon. In Anchorage, buildings are heated with Cook Inlet natural gas, a much more affordable fuel at about \$6 per thousand cubic feet.

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\$641 million a year is spent heating those buildings. An average projected savings of \$25,000 per building could save taxpayers \$125 million a year.

While many local governments track their energy use, it was difficult to get a sense of whether those buildings are efficient or not, according to Nathan Wiltse, a building energy economist and project manager with the [Cold Climate Housing Research Center in Fairbanks](#). Differences in climate, heating costs and types of heat made it hard to measure buildings side by side.

Wiltse helped with analysis and data acquisition, creating a baseline calculation for the buildings based on energy audits.

"Many building managers feel they're doing the best they can operating under the absence of reasonable information," Wiltse said. "We want to provide something people can look at and see how they are doing."

The idea is to start a dialogue -- not to attack any type of building or school.

"That's counterproductive," he said. "We want people to be informed by it and take the next step. They won't do that if on they're on the defensive."

Significant savings

Even if the paper isn't intended to stir rivalries, Larry Morris, project manager of the Fairbanks North Star Borough School District facilities maintenance department, can't help but feel a little pride. Does it feel good to know his school buildings are more efficient than Anchorage's?

"Oh, of course," Morris said.

Morris might be a humble bragger, but his savings for the school district are worth a boast. Take, for example, the Facilities Maintenance Building in the Fairbanks district. Between 2008 and 2009 the district spent \$800,000 on renovations that included replacing the roof and siding. About a quarter of the cost went toward extra insulation.

The savings? Morris said the building went from using 27,400 gallons of heating oil a year to 7,500 -- a 73 percent reduction. The cost savings? With fuel running about \$4 per gallon, a jaw-dropping \$70,000 to \$80,000 a year.

Heating oil price up 277 percent

Morris expects the Barnette Magnet School, which was built in two parts during the 1960s and '70s and is one of the district's oldest schools, to realize extreme energy savings once it finishes renovations on the building, which is in stage three of a four-phase project. Morris called the school one of the district's "worst performing" in terms of energy efficiency.

Many schools in the district were built during the oil boom of the 1980s when fuel prices were more reasonable.

But in the last decade, that's changed dramatically. The White Paper notes that in 2004, Fairbanks heating oil cost \$1.42 per gallon. Since then, prices have jumped 277 percent to \$3.93 per gallon in 2012.

Morris said those 30-to-40-year-old schools in need of "refreshing" get efficiency upgrades in the process. Those upgrades include new insulation, energy efficient lighting and heat recovery systems. Morris is even testing a pilot solar panel project at the facilities building. The project, which feeds directly into the electrical grid, cost about \$40,000 to install in 2009. Since then, the district has gotten back about \$3,000 a year from [Golden Valley Electric Association](#).

Morris would like to see a faster return, but as technology improves it'll be something he'll consider for future cost savings.

"The industry is maturing, and so we get more efficient panels and lower costs," he said. "What wouldn't have been a good cost-to-benefit ratio is slowly making its way there."

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which includes 30 schools.

Moving forward

Wiltse of the Cold Climate Housing Research Center said the report is a preliminary analysis of the public energy situation in Alaska. The center and others are in the process of collecting more data.

Rural Alaska, in particular, may be a place where savings can be realized. While Fairbanks school savings are a result of high energy costs, the report found that isn't always the case statewide.

One White Paper conclusion is that buildings in areas with higher energy prices don't necessarily use less fuel. Therefore, the paper notes, it's reasonable to believe that energy-efficiency programs could lower costs.

Wiltse said while experienced people operate facilities in rural Alaska, there aren't "enough of them to go around."

That coupled with difficulties in getting parts and supplies can make energy efficiency in rural Alaska a challenge.

Still, Wiltse said, the paper will be a useful reference in helping facilities apply for grants and other funding.

Contact Suzanna Caldwell at [suzanna\(at\)alaskadispatch.com](mailto:suzanna(at)alaskadispatch.com)

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Brutal winter puts hurt on deer population of Prince William Sound



Confessed killer Israel Keyes told FBI he was '2 different people'



Proposed Alaska regulations threaten Medicaid program

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When local businesses partner
with the school district,

we can build a brighter future
for our students.

Everyone wins!

FOR MORE INFORMATION ON RECEIVING AN EDUCATION TAX CREDIT
FOR YOUR CASH CONTRIBUTION TO THE FAIRBANKS NORTH STAR
BOROUGH SCHOOL DISTRICT, PLEASE CONTACT:

Heather Ravenhorst, Director
Grants & Special Projects
Department

520 5th Ave, Fairbanks, AK 99701
(907) 452-2000 x11464

heather.ravenhorst@k12northstar.org



FNSB School District



INVESTING IN ALASKA'S YOUTH
EDUCATION TAX
CREDIT

SUPPORT SCHOOLS, EARN CREDIT

TAXES THAT QUALIFY:

Alaska Corporate Income Tax

Fisheries Business Tax

Fishery Resource Landing Tax

Insurance Premium Tax/Title Insurance Premium Tax

Mining License Tax

Oil and Gas Production and Transportation

Oil and Gas Property Tax

If your business pays any of these eligible taxes, you can claim an Alaska Education Tax Credit for qualifying donations to the FNSB School District.

Donations may be designated to programs that directly benefit children in your community.

ABOUT THE PROGRAM

History of the ETC

- ❖ Alaska's Education Tax Credit program was first established by the Legislature in 1987 to encourage private businesses to make charitable contributions to support education.
- ❖ The program was amended by the Legislature in 2014 and now allows businesses to receive tax credits for donations made to school districts.

USING THE CREDIT

- ❖ A taxpayer may claim a credit against several tax types for cash contributions to eligible organizations or programs.
- ❖ Eligible organizations or programs may receive cash contributions for certain purposes.
- ❖ EXAMPLE: The net cost of a \$300,000 qualifying gift is only \$32,500.

Tax Benefits for Corporate Donations

| Total claimed Alaska Education Tax Credits may not exceed \$5,000,000 | | | | |
|-----------------------------------------------------------------------|-------------------------------|--------------------------------|---------------------------------------|----------------------|
| Gift Amount | Alaska Educational Tax Credit | Estimated Federal Tax Benefit* | Total Tax Savings (State and Federal) | Net cost of Donation |
| \$10,000 | \$5,000 | \$1,750 | \$6,750 | \$3,250 |
| \$50,000 | \$25,000 | \$8,750 | \$33,750 | \$16,250 |
| \$100,000 | \$50,000 | \$17,500 | \$67,500 | \$32,500 |
| \$200,000 | \$150,000 | \$17,500 | \$167,500 | \$32,500 |
| \$300,000 | \$250,000 | \$17,500 | \$267,500 | \$32,500 |
| \$400,000 | \$300,000 | \$35,000 | \$335,000 | \$65,000 |
| \$500,000 | \$350,000 | \$52,500 | \$402,500 | \$97,500 |
| \$1,000,000 | \$600,000 | \$140,000 | \$740,000 | \$260,000 |
| \$9,800,000 | \$5,000,000 | \$1,680,000 | \$6,680,000 | \$3,120,000 |

*Assumes a federal tax rate of 35%. This calculation is simplified and actual results may vary depending upon the unique circumstances of each taxpayer. Please contact your tax consultant for further information.



The Fairbanks North Star Borough School District is an equal employment and educational opportunity institution.

This brochure is for illustration purposes only. Please consult your tax advisor or the State of Alaska Department of Revenue for specific questions about the Alaska Education Tax Credit.