

Budget Committee Meeting

Wednesday, September 25, 2019 from 5:30-7:00 p.m.

Administrative Center – Board Room

Agenda

A. Call to Order

B. Roll Call

*Erin Morotti, Board Committee Chair
Andy DeGraw, Chief Operations Officer
Chris Benshoof, FEA Secondary Representative
Coby Haas, FEA Elementary Representative
Lynn Weckesser, FPA Elementary Representative
Bruce Bell, FPA Secondary Representative
Charles Rollins, ESSA Elementary Representative*

*Melissa Walker, ESSA Secondary Representative
Joe Hannah, Exempt Representative
Mark Herrmann, Community Representative
Casy Price, Community Representative
Michael O'Brien, Community Representative
Danielle Malenius, Student Representative*

Recruiting for 3 Parent Representatives & 1 Community Representative

C. Adoption of the Agenda

D. Approve Meeting Notes

1. None

E. Opening remarks - Erin Morotti

F. Introduction to the Committee Process – Andy DeGraw

1. What is our Purpose?
2. Committee Best Practices
3. Linking Budget to the Strategic Plan

G. Committee Discussion “Financing our Future” ~ Map

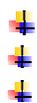
1. Funding Model

H. Group Discussion

1. Review of 2019-20 Committee Report
2. What is important to us?

Upcoming Meetings:

- o Sept 25, 2019
- o Oct 2, 2019
- o Oct 16, 2019
- o October 23, 2019
- o November TBD
- o December 3, 2019 (*Presentation to the Board at December 3 Regular School Board Meeting*)
- o March TBD
- o April TBD



[Budget Committee Webpage](#)

[2019-20 Approved Budget](#)

[Policy 236.1: School Board Committees to Advise Administration and the School Board](#)



MEMORANDUM

DATE: December 4, 2018

TO: Fairbanks North Star Borough Board of Education

THRU: Superintendent Dr. Gaborik

FROM: Andy DeGraw, Chief Operations Officer

SUBJECT: Budget Committee Report

The Budget Committee was restructured after the October 3, 2017 revision of Board Policy 236: Administrative Committees to Advise Administration and the School Board.

Scope and Function of the Budget Committee

The overall purpose of the Budget Committee is to recognize and provide input to ensure the district's budgeting process has *"a long-term perspective and is not simply an exercise in balancing revenues and expenditures one year at a time"* – National Advisory Council on State and Local Budgeting.

The role of the Budget Committee is to:

- review and consider all aspects of the district's budgeting process;
- determine if the current budgeting process is a goal-driven approach that spans the planning, development, adoption, and execution phases of the district's Strategic Plan;
- consider the district's current budgeting process and provide feedback and input for the establishment of policies and plans to achieve efficiencies and best practices in financial management; and
- ensure the budget planning process is timely, accurate, participatory, and comprehensive.

Budget Committee Working Principles

1. Recognize the Strategic Plan as the guiding document for resource allocation.
2. Keep student welfare and success foremost.
3. Ensure input is evidence-based (data-driven, realistic, and feasible).
4. Support a budget system that is transparent, timely, and objective.
5. Promote participation and awareness by all district stakeholders.

The Budget Committee met four times during the months of September and November and discussed the overall financial position of the district. The group held in-depth conversations of the district's revenue sources, as well as broad conversations on the expenditure side of the budget. A consistent theme discussed was the district's objective to maintain services to students in the face of rising costs and declining or static revenues. The final meeting with approval for input occurred on Wednesday November 28, 2018.

The following feedback was approved for communication to the Board of Education:

1. The district should establish as a legislative priority, and advocate for, a more competitive state retirement plan. This objective could be included in a formal report from the Legislative Committee and incorporated into any resulting advocacy and/or lobbying efforts by the district to state lawmakers. The committee felt strongly that changes made to the TRS and PERS systems (moved from Defined Benefit Plans to Defined Contribution Plans) has put school districts at a significant competitive disadvantage as they compete for employees in an increasingly limited recruitment pool. School districts in Alaska have already seen negative effects from the changes to the retirement systems, not only in attracting new employees, but also retaining existing staff. While it is acknowledged the number of Defined Benefit Plans in the private sector have declined significantly over time, the vast majority of states and municipalities the district is competing with to attract qualified employees are still using this form of retirement plan.
2. A plan should be developed to implement a broader, systematized approach to technology integration across the district. As a key component of personalized learning, technology utilization, integration, training, and support are all important parts of a student's overall educational experience. As the district has increased its use of technology in the classroom, members of the committee noted the level of effective use of said technology can vary from school to school depending on various factors. By developing and implementing a plan for more consistent use of technology across all schools, the district will maximize its investment in expanding technology and enhance its support of and the benefits of personalized learning.
3. The district should continue to develop a fund balance utilization plan that maintains educational services and promotes financial stability. The Board of Education, as well as district administration, have done a tremendous amount of work over the last year regarding fund balance and its use in addressing fiscal challenges. The Budget Committee spent considerable time discussing the purpose of fund balance and the importance of responsibly managing district resources. The committee feels it is important to implement a fund balance utilization strategy that balances the demands of providing a consistent educational product and utilizing fund balances in a gradual, strategic manner which will preserve district resources to the highest degree possible through the state's current fiscal climate.
4. The district should establish a staffing allocation model for all staff to be used while developing the district's budget. The model would provide for a consistent baseline of resource allocations with a clear metric. The Budget Committee expressed the need for site-based adjustments to address individual site/department needs. However, it was felt a clear baseline allocation of all staff is important in establishing initial equitable resource allocations. The Budget Committee feels it appropriate that such a staffing model be in place within two years.

The Budget Committee will meet again in February, as well as in April. Topics will include legislative updates, lobbying and advocacy efforts, updated revenue estimates, and discussion related to the proposed and recommended budgets.

2018-2019 Budget Committee Membership

- ✓ Andy DeGraw, COO, Committee Chair
- ✓ Erin Morotti, Board Representative
- ✓ Chris Benshoof, FEA Representative
- ✓ Coby Haas, FEA Representative
- ✓ Teresa Lesage, FPA Representative, Elementary
- ✓ Bruce Bell, FPA Representative, Secondary
- ✓ Charles Rollins, ESSA Representative
- ✓ Bethany Spence, ESSA Representative
- ✓ Danielle Malenius, Regional Student Council Representative
- ✓ Scott Eickholt, Community Representative
- ✓ Tom Bartels, Community Representative
- ✓ Vacant: 3 Parent Representatives & 2 Community Representatives