

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
BOARD OF EDUCATION
FAIRBANKS, ALASKA

Special Meeting

MINUTES

March 24, 2011

President Brophy called the special meeting to order at 5:34 p.m. in the Board Room of the FNSBSD Administrative Center at 520 Fifth Avenue.

Present:

Kristina Brophy, President
Sharon McConnell, Vice President
Sue Hull, Treasurer
Sean Rice, Clerk
Leslie Hajdukovich, Member

Absent:

Wendy Dominique, Member
Silver Chord, Member
Timothy A. Jones, Post Representative
Jesse Johnson, Base Representative
Danielle Wilson, Student Representative

Staff Present:

Pete Lewis, Superintendent
Mike Fisher, Chief Financial Officer
Roxa Hawkins, Assistant Superintendent - Elementary
Wayne Gerke, Assistant Superintendent – Secondary
Dave Ferree, Assistant Superintendent – Facilities Management
Kathy Hughes, Executive Director of Alternative Instruction & Accountability
Peggy Carlson, Executive Director of Curriculum
Elizabeth Schaffhauser, Director of Employment & Educational Opportunity
Greg Yocum, Director of Technology
Katie Sanders, Director of Library Media
Bill Bailey, Director of Public Relations
Pam Rogers, Executive Assistant to the Superintendent

FY 2011-12 Budget Approval

Superintendent Lewis thanked Chief Financial Officer Mike Fisher, other administrators, and the Board for the hard work that was put into the budget this year. Mr. Fisher will give a presentation on Part 2 of the administration's 2011-12 proposed budget and the meeting will conclude with Board approval of the budget.

Chief Financial Officer Mike Fisher gave a detailed presentation on Part 2 of the 2011-12 proposed budget to include an overview of every department in the administration.

Mr. Fisher said typically the Board would move to approve the administration's proposed budget. This introduces the document for discussion and subsequent amendment. Board members would make and discuss motions and vote on motions individually. After all amendments have been voted on by the Board, a motion will be required to approve the 2011-12 Proposed Budget as amended. This spending plan becomes the District's 2011-12 Recommended Budget, and will be submitted to the Borough Assembly by April 1, as required by Borough Ordinance.

Mr. Fisher said the administration prepared motions based on what was believed to be Board member consensus from budget work sessions, specific motions Board members may have requested, or certain housekeeping type amendments.

FY 2011-12 Budget Approval (continued)

The administration drafted 3 housekeeping amendments based on events that have already occurred:

- Motion to increase the budget by \$942,100 to reflect the Board's approval of the Early College of Alaska (ECA) Charter School. It also increases state foundation revenue by a like amount. This motion increases the District's budget from \$205,245,710 to \$206,187,810 and adds 7 positions.
- Motion to convert three BEST coordinators from exempt positions to teacher bargaining unit positions as required by a recent Alaska Labor Relations Board decision. This amendment reclassifies FTE, but does not change the bottom line.
- Motion to make a small correction by increasing estimated State Quality Schools Initiative funding by \$7,610. This increase is offset by a decrease in use of fund balance and does not change the bottom line.

Board Questions/Comments

Mrs. Hajdukovich questioned whether it was a good idea to delay the purchase of curriculum materials for a year when the budget is anticipated to be even tighter next year.

Superintendent Lewis replied that based on revenue projections we are not at a sustainable level and this will help alleviate making cuts this year. Even though the District will need to make budget concessions next year to be sustainable, the District must build the purchase of curriculum materials into next year's budget to stay current with our curriculum adoption cycle.

Mrs. Hull asked if we were to increase our Borough funding request to cover the anticipated reduction in legislative funding how much would the District need?

Mr. Fisher reported it would be \$237,960.

Mrs. Hull would support the District requesting the additional Borough funding.

Superintendent Lewis said we are trying to be mindful of the amount we ask for from the Borough and we are still hopeful the additional legislative funding will come through.

Vice-President McConnell wondered if the newly created executive assistant position in human resources would be something they could remove from the proposed budget.

Superintendent Lewis said the new human resources position was warranted to take care of the high volume of work, the hiring of several hundred new employees at the beginning of the year and ongoing hiring throughout the year, transitioning to the new Tyler Munis system, providing better service, and maintaining our highly qualified status.

Mr. Rice wondered whether human resources could hire a temporary employee instead of funding a new position.

Superintendent Lewis stated there are contractual issues with doing that.

Mrs. Hajdukovich said there was legislative talk of a one-time energy funding instead of the additional BSA funding and that would not be our first choice.

Mrs. Hajdukovich wondered whether Superintendent Lewis would give an overview of his previous district's experience with the budget process and how the two districts compared.

Board Questions/Comments (continued)

Superintendent Lewis stated the processes were very different. The funding sources are very different and this district has many more hoops to jump through. It is very hard to pass a budget when you don't know what funding you will be receiving from the State and Borough. At his previous district, funding was authorized prior to forwarding their budget, unlike here where we are trying to maintain programs, positions, and not touch class size when we do not know what our funding will be.

HAJDUKOVICH MOVED, MCCONNELL SECONDED, TO APPROVE THE 2011-12 BUDGET IN THE TOTAL AMOUNT OF \$241,148,080, REPRESENTING AN OPERATING FUND BUDGET OF \$205,245,710, AND SPECIAL REVENUE FUND BUDGETS OF \$35,902,370, AS PROPOSED BY ADMINISTRATION.

Board Discussion on 2011-12 Proposed Budget

None.

MCCONNELL MOVED, HAJDUKOVICH SECONDED, TO AMEND THE 2011-12 PROPOSED OPERATING FUND BUDGET BY \$942,100, BY ADDING SUPPORT FOR THE EARLY COLLEGE OF ALASKA CHARTER SCHOOL BY INCREASING AUTHORIZED POSITIONS BY 7.0 FTE, AND BY INCREASING ESTIMATED STATE FOUNDATION REVENUE BY A LIKE AMOUNT.

Board Discussion on Amendment to Proposed Budget

None.

AMENDMENT CARRIED UNANIMOUSLY BY ROLL CALL VOTE. 5 AYES

HAJDUKOVICH MOVED, RICE SECONDED, TO AMEND THE 2011-12 PROPOSED OPERATING FUND BUDGET BY RECLASSIFYING THREE BEST COORDINATOR POSITIONS FROM EXEMPT POSITIONS TO TEACHER BARGAINING UNIT POSITIONS WITH NO CHANGE TO THE BOTTOM LINE PROGRAM BUDGET.

Board Discussion on Amendment to Proposed Budget

None.

AMENDMENT CARRIED UNANIMOUSLY BY ROLL CALL VOTE. 5 AYES

MCCONNELL MOVED, RICE SECONDED, TO AMEND THE 2011-12 PROPOSED OPERATING FUND BUDGET BY INCREASING ESTIMATED STATE QUALITY SCHOOLS INITIATIVE FUNDING BY \$7,610, AND BY REDUCING ESTIMATED USE OF FUND BALANCE BY A LIKE AMOUNT.

Board Discussion on Amendment to Proposed budget

None.

AMENDMENT CARRIED UNANIMOUSLY BY ROLL CALL VOTE. 5 AYES

HAJDUKOVICH MOVED, RICE SECONDED, TO APPROVE THE 2011-12 BUDGET IN THE TOTAL AMOUNT OF \$242,090,180, REPRESENTING AN OPERATING FUND BUDGET OF \$206,187,810 AND SPECIAL REVENUE FUND BUDGET OF \$35,902,370, AS AMENDED.

Board Discussion on Amended 2011-12 Proposed Budget

None.

MAIN MOTION AS AMENDED CARRIED UNANIMOUSLY BY ROLL CALL VOTE. 5 AYES

Board Comments

Mrs. Hajdukovich wanted to thank Mr. Fisher and his department for their work on the budget. She also thanked Superintendent Lewis for working closely with the Board as they navigated through the budget process.

Mr. Fisher reported the bottom line approved budget was \$242,090,180, representing an Operating Fund Budget of \$206,187,810 and Special Revenue Budget of \$35,902,370.

Mrs. Hull stated it would be legitimate for the District to request the additional \$237,960 projected to be deducted from our allocation from the State, but she supports the administration's decision not to include this.

Ms. McConnell supports the administration's recommended budget but has some concerns regarding the added executive assistant position in the human resources department; however, she will not make any motions at this time.

The meeting adjourned at 7:05 p.m.

Submitted by Pam Rogers, executive assistant to the Superintendent.