

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

Special Meeting

MINUTES

March 25, 2015

President Haas called the special meeting to order at 5:31 p.m. in the board room of the FNSBSD Administrative Center at 520 Fifth Avenue. The special meeting was called to approve the district's 2014-15 Recommended Budget.

President Haas read the district's mission statement: *"Our mission is to provide an excellent and equitable education in a safe, supportive environment so all students can become productive members of a diverse and changing society."*

Present:

Heidi Haas, President  
Wendy Dominique, Vice President (phone)  
Allyson Lambert, Treasurer  
Lisa Gentry, Clerk  
Michael O'Brien, Member  
Sean Rice, Member

Absent:

Sue Hull, Member

Staff Present:

Dr. Karen Gaborik, Superintendent  
Lisa Pearce, Chief Financial Officer  
Traci Gatewood, Executive Director of Human Resources  
Kathie Wassmann, Executive Director of Special Education  
Dave Norum, Executive Director of Facilities Maintenance  
Janet Cobb, Executive Director of Technology  
Jennifer Glorioso, Director of Nursing  
Elizabeth Schaffhauser, Director of Employment & Educational Opportunity  
Heather Rauenhorst, Director of Grants & Special Projects  
Johanna Carson, Director of Public Relations  
Katie Sanders, Director of Library Media  
Dan Domke, Director of Career & Technical Education  
Sharon Tuttle, Executive Assistant to the Board of Education

**FY 2015-16 Recommended Budget Approval** [0:00:36]

The special meeting was called for the board to amend and approve the 2015-16 Recommended Budget, which was due to the borough by April 1, 2015. President Haas reviewed the budget documents and procedures for the meeting.

LAMBERT MOVED, GENTRY SECONDED, TO APPROVE THE 2015-16 PROPOSED SCHOOL DISTRICT BUDGET AS PRESENTED BY ADMINISTRATION ON FEBRUARY 2, 2015, TOTALING \$278,330,043 FOR ALL FUNDS, WITH AMENDMENTS TO THE OPERATING FUND AS PRESENTED HEREWITH (SEE ATTACHMENT A) AND SUMMARIZED AS FOLLOWS:

**FY 2015-16 Recommended Budget Approval (continued)**

**Instruction**

Adjustment for Enrollment - \$1,280,525 -1.11% reduction  
Budget Reduction - \$1,355,425 -1.17% reduction

**K-8 Interventions**

RTI Budget Reduction - \$1,411,451 -71.42% reduction

**Activities**

Budget Reduction - \$ 519,667 -18.25% reduction

**Administrative Center**

Budget Reduction - \$3,854,127 -9.68% reduction

**Charter Schools**

Budget Reduction - \$ 301,315 -3.79% reduction

**HR Department**

Budget Reduction - \$ 81,152 -4.50% reduction

**Non-Departmental (Fund Transfers)**

Budget Reduction - \$ 100,000 -52.35% reduction

**Special Education**

Budget Reduction - \$ 224,259 - 0.54% reduction

**Support Services**

Budget Reduction - \$ 2,064,491 -6.18% reduction

**OVERALL Expense Adjustment - \$11,192,412 -4.56% reduction**

**Revenue Adjustment**

Remove Supplemental Aid (HB278) - \$ 3,443,627 -1.40% reduction

**OVERALL Revenue Adjustment - \$ 3,443,627 -1.40% reduction**

**Public Testimony on the Proposed 2015-2016 Budget** [0:04:11]

President Haas called for public testimony. Testimony was limited to two minutes per person, to allow enough time for everyone to have the opportunity to speak.

Jim Hameister, PO Box 80471, library technician, thanked the board for their work on the budget. Mr. Hameister spoke in support of the library media director position. He spoke to the important role of the director, a certified librarian, in providing professional development and guidance to the district's library staffs.

**Board Comments/Questions**

Board members asked about the restructuring of the library media department, professional development for library assistants, and having a certified librarian on staff. Dr. Gaborik explained she would be restructuring the Administrative Center for efficiencies and saw library media as part of the curriculum department with strong ties with technology. Professional development would continue and as restructuring and reductions were made, Dr. Gaborik's goal was to look at maintaining the best services possible at the school level.

## **FY 2015-16 Recommended Budget Approval (continued)**

Mr. Rice arrived at 5:48 p.m.

The board's goal was to keep the cuts as far from the classroom as possible. Board members asked how the cuts would affect education. Dr. Gaborik stated there had been cuts to student support services and there had been testimony that classroom teachers did not have the support they needed. There were real student needs outside of the teacher. Teachers could not teach and fill the positions of nurses, counselors, RTI assistants, instructional technology teachers (ITTs), etc. The cuts would have an impact. There would be things in the buildings that would not get done. Everyone would have to prioritize. Board members also had questions and comments on the activity coordinator positions, nurses, positions requiring CPR and first aid certification, possible add-backs, and staff notices and staff noticing requirements.

Mrs. Dominique, participating by phone, left the meeting at 6:10 p.m.

Mrs. Gentry did not feel good about the reductions and cuts when they could be saved with a salary freeze. Jobs and programs could be saved if there was a salary freeze. Board members had questions on the legality of a salary freeze on the negotiated agreements and the effect on staff morale. The budget had approximately \$3.9 million appropriated for salary increases. Some board members were hesitant to seriously consider a salary freeze without providing the public notice and the opportunity to weigh in on the matter. Board members debated whether freezing salaries had been previously considered through prior board meetings and media coverage. There was also considerable conversation on whether the district's budget should be submitted to the borough with a salary freeze or to wait to consider it once the funding was determined. It was suggested the board recess and reconvene at another time to allow the public the opportunity to speak to the issue, as well as checking with the borough for an extension on submitting the budget by the April 1 deadline.

The board recessed at 6:29 p.m. to allow President Haas to contact borough legal. The board reconvened at 6:52 p.m.

After contacting borough legal, President Haas stated the board was required by state law and borough code to submit the budget by April 1. Even if the borough provided an extension, not meeting the April 1 deadline would be breaking state law. The recommendation was to move forward with submitting the budget. The board could either make an amendment to freeze salaries at the current time or when it adopted its final budget in May or June.

Due to timing restrictions and board member concerns voiced concerning public input, Mrs. Gentry did not offer an amendment regarding freezing salaries. She agreed it was important to get feedback on the issue. She thought many jobs could be saved, whether a salary freeze was approved at the current time or in May.

Hearing no further comments or amendments, President Haas asked Mrs. Lambert to restate the main motion as amended:

TO APPROVE THE 2015-16 SCHOOL DISTRICT RECOMMENDED BUDGET FOR  
ALL FUNDS, AS PREVIOUSLY AMENDED, TOTALING \$274,886,416.

President Haas called for the board to vote on the main motion as amended.

MAIN MOTION AS AMENDED CARRIED BY ROLL CALL VOTE.

4 AYES (RICE, O'BRIEN, LAMBERT, HAAS)

1 NAY (GENTRY)

**FY 2015-16 Recommended Budget Approval (continued)**

<u>Fund</u>	<u>2015-16 Proposed Budget</u>	<u>2014-15 Recommended Budget</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
School Operating	\$243,936,213	\$240,492,586	\$(3,443,627)	-1.4%
Student Transportation	13,057,920	13,057,920		0.0%
Nutrition Services	5,780,510	5,780,510		0.0%
School Activities	2,577,880	2,577,880		0.0%
Local Programs	199,500	199,500		0.0%
State Programs	2,036,800	2,036,800		0.0%
Federal Programs	10,741,220	10,741,220		0.0%
	<u>\$278,330,043</u>	<u>\$274,886,416</u>	<u>\$ (3,443,627)</u>	

President Haas stated the budget would be provided to the borough by April 1 and the board and administration would be making their budget presentation to the borough on April 16. She hoped board members and the public would be present as a show of support.

The board discussed asking the assembly for additional revenue to help reinstate some of the positions and programs scheduled to be cut from the budget. Board members considered the pros and cons of the amount of the ask and asking for a specific amount verses a percentage of the mill rate. After much debate, a majority of board members were in favor of asking the assembly for \$7 million.

The assembly was also scheduled to act on an ordinance to waive the lapse fund for the current year at their meeting on Thursday evening. Without knowing exactly how much the lapse would be, and what state funding would be, it would be difficult to know how much funding could be used for adding back positions at the present time. The board agreed to wait until May or June when they approved their final budget to add back positions and/or programs.

General Board Comments/Announcements

Board members expressed their concerns with the magnitude of cuts that were necessary to balance the budget. They thanked everyone for their testimony and comments. Unfortunately, it was clear from the discussions in Juneau, there would be more significant cuts next year. The state was looking at several years of tough financial times. Board members hoped the public's passion regarding the district's budget would filter down to legislators and assembly members. Board members all agreed the district had a truly outstanding staff and the district would rise to the occasion and would continue to look for opportunities. The board would approve the final budget after local and state funding was determined in May or June.

The meeting adjourned at 7:18 p.m.

Submitted by Sharon Tuttle, executive assistant to the Board of Education.