

Budget Committee Meeting

Tuesday, October 12, 2021 from 5:30-7:30 p.m.

Meeting Location: Administrative Center – Board Room, or via Zoom

Public Zoom Webinar Link: <https://us02web.zoom.us/j/82284391560>

Agenda

A. Call to Order

Land Acknowledgement Statement: As a standing committee of the School Board, we would like to take this moment to acknowledge we are residing on the traditional land of the Dena (pronounced duhNAY) people.

Mission Statement: Our mission is to provide an excellent, equitable education in a safe, supportive environment so all students will succeed and contribute to a diverse and changing society.

B. Roll Call

Tara DeVaughn, FEA Secondary Representative
Wendy Demers, FEA Elementary Representative
TBD, FPA Elementary Representative
TBD, FPA Secondary Representative
TBD, Student Representative
Kathy Bennett, Parent Representative
Kenneth McLeod, Parent Representative
Loa Carroll-Hubbard, Community Representative
Greg Kahoe, Community Representative
Jeffeda Knight, Community Representative
TBD, ESSA Representative (elementary)
TBD, ESSA Representative (secondary)
Ryan Hinton, Non-Represented Representative

Nonvoting Members

Chrya Sanderson, Board Committee Chair
April Smith, Board Committee Member
Andy DeGraw, Chief Operations Officer

Recruiting for 1 Parent Representative & 1 Community Representative

C. APPROVAL OF AGENDA

- Recommend approval of the meeting agenda for October 12, 2021

D. APPROVAL OF NOTES

- Recommend approval of the meeting notes for April 13, 2021

E. Opening remarks – Chrya Sanderson

F. Introduction to the Committee Process – Andy DeGraw

1. What is our Purpose?
2. Committee Best Practices
3. Linking Budget to the Strategic Plan
4. Budget 101 – Revenues and Expenditures

G. Group Discussion

1. Review of 2020-21 Committee Report
2. What is important to us? - Strategic Plan Exercise

Adjournment

Upcoming Meetings:

- ✓ October 26, 2021
- ✓ November 9, 2021
- ✓ December 7, 2021 - Committee presentation to the Board (not all members need to be present)
- ✓ February 15, 2022 – Review Proposed Budget, Legislative update



[Budget Committee Webpage](#)



[2021-22 Approved Budget](#)



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



[Budget Committee Report - Presented December 1, 2020](#)

Budget Committee Meeting

Administrative Center - Board Room

520 Fifth Avenue, Fairbanks, Alaska

Tuesday, April 13, 2021 from 5:30-7:30 p.m.

Public Zoom Webinar Link:

Administrative Center – Board Room (Zoom)

Meeting Notes

A. Preliminaries

1. Call to Order & Roll Call

Chrya Sanderson, School Board Member and FY 20-21 Budget Committee Chair called the meeting to order at 5:32 PM. Budget Committee meetings are recorded and will be available on the district's website.

Committee Members Present:

Tara DeVaughn, FEA Secondary Representative
Coby Haas, FEA Elementary Representative
Graham Storey, FPA Secondary Representative Arrived 6:09
Lynn Weckesser, FPA Elementary Representative
Mark Hermann, Community Representative
Greg Kahoe, Parent Representative
Ryan Hinton, Non-Represented Representative
Chrya Sanderson, Board Committee Chair
April Smith, Board Committee Member
Andy DeGraw, Chief Operations Officer

Committee Members Absent:

Brandon Boylan, Parent Representative abs
Kathy Bennett, Parent Representative abs
Student Representative, Danika Dawley abs
ESSA Representative (Elementary) TBD
ESSA Representative (Secondary) TBD

Staff Present:

Sandra Weaver, Budget Specialist II
Nico Herbert, Director of Accounting

B. Agenda

1. Adoption of Agenda

Ryan Hinton made a motion to adopt the agenda. Greg Kahoe seconded the motion and it carried unanimously.

2. Adoption of March 3, 2021 Notes

Ryan Hinton made a motion to adopt the March 3, 2021 Notes, Lynn Weckesser seconded the motion and it carried unanimously.

C. Opening remarks – Chrya Sanderson

D. Legislative Update

Board Member Chyra Sanderson met with other School District Members and the Legislative Committee on April 13th, the State is also in financial trouble.

With the 2021-22 Recommended Budget, we remain in Hold Harmless.

Juneau – One of the best things to hope from Juneau; Protect Bond Debt Reimbursement.

Thursday, April 15th the school district will present the 2021-22 Recommended Budget at the Fairbanks North Star Borough. The Board is going to ask the Borough for more funding. The Borough ask currently is 49 million and this is what we have built in the 2021-22 Recommended Budget.

Numbers are always spoke of, the staff and students are the story.

E. Recommended Budget Review and CARES II

Fairbanks North Star Borough School District Chief Financial Officer Andy DeGraw reviewed the adjustments from the Proposed Budget to the Recommended Budget.

F. Committee Discussion Ensued:

- PTR reduction was a recommendation from the Administration, the Board votes on the budget
- CARES II is for the 2021-22 SY, CARES III is for the 2022-23 SY we believe it will be double the dollars of CARES II
- Enrollment expected to rise in August.
- Advertise to “similar to normal”. Proactive to advertising that education is looking more “normal”.
- Tell the stories to this group and our staff, everybody plays an important role.
- Tell staff that we’ll have the e-learning for elementary, and we have the BEST Homeschool as an option.

Meetings:

Additional Discussion Topics:

Audio of the Budget Review Committee meetings can be heard on the following site:
<http://www.k12northstar.org/boe/meeting-minutes>

The meeting adjourned at 6:31 PM, Graham Storey made a motion to adjourn, Greg Kahoe Second the motion.

Notes respectfully submitted by Sandra weaver

MEMORANDUM

DATE: December 1, 2020
TO: Board of Education
THRU: Dr. Karen Gaborik, Superintendent
FROM: Andy DeGraw, Chief Operations Officer
SUBJECT: Budget Committee Report

Scope and Function of the Budget Committee:

The overall purpose of the Budget Committee was to recognize and provide input to ensure the district's budgeting process had "a long-term perspective and was 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 was to:

- Review and consider all aspects of the district's budgeting process.
- Determine if the current budgeting process was a goal-driven approach that spanned the planning, development, adoption, and execution phases of the district's SY 2020-2025 Strategic Plan.
- Consider the district's current budgeting process and provide feedback and input for the establishment of policies and plans to achieve efficiency and best practice in financial management.
- Ensure the budget planning process was 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. Assure input was evidence-based (data-driven, realistic, and feasible).
4. Support a budget system that was transparent, timely, and objective.
5. Promote participation and awareness by all district stakeholders.

The Budget Committee met four times during the months of October and November and discussed the overall financial position of the district. The group held in-depth conversations about the district's revenue sources, expenditures, the impacts of the global pandemic, and declines in student enrollment. As part of reviewing the expenditure side of the budget, the committee received comprehensive reports from executive directors of various departments within the district. A consistent theme heard and discussed was the departments' objective to maintain services to students and staff, while at the same time facing the possibility of significant budget cuts. The final meeting with approval for input occurred on Tuesday November 10, 2020.

The Budget Committee recognized the district was facing unprecedented financial challenges. The committee identified the following potential changes to areas of operations within the district that would reduce overhead, increase efficiency, and ultimately allow the district to dedicate a higher percentage of its revenue to student instruction. Additionally, other areas were identified as key to the district's ability to implement its SY 2020-2025 Strategic Plan. Members felt the areas identified should be preserved to the extent possible in the event of budget cuts.

1. **Workforce & Organizational Excellence/District Operations:** The district should consider moving to a two-tier bus system from the three-tier system currently being run in Fairbanks. This change would involve Middle school start times being aligned with high School start times and would follow the same schedule being run in the North Pole area. This alignment of schedules would consolidate ridership into fewer needed routes and would generate savings of between \$700,000 and \$800,000 per year, including fuel savings, based on conservative estimates. These estimated operational savings would be able to be rerouted to more direct instructional areas of the district.
2. **Workforce & Organizational Excellence/Facilities:** The committee encourages the district to consider school closure as a way to reduce overhead expenses and consolidate operations in light of gradual enrollment declines over the past decade. With additional enrollment declines related to the global pandemic, many schools are currently operating at less than 60% capacity and districtwide capacity is at 58%. While it is expected that enrollments will rebound in the future, building capacities had persisted at low levels even prior to the pandemic, with districtwide capacity at 74% in the fall of 2019. There are significant fixed costs associated with maintaining school buildings which include administration, routine and long-term major maintenance, and utility costs, among others. If the district continues to operate and maintain the same number of buildings with fewer students, the cost to educate each student will go up. If the district reduces the number of buildings it operates relative to its student population, economies of scales will be gained, efficiencies increased, and a higher percentage of expenditures will be able to be dedicated to direct student instruction rather than fixed operational costs.
3. **Student Success:** A key part of the committee process had members identify, rank, and discuss priorities (District Objectives) to protect within the SY 2020-2025 Strategic Plan in a budget cutting environment. The highest ranked priorities identified by committee members were in the area of Student Success and follow:
 - **Instructional Excellence** – Committee members unanimously agreed student success was most likely to be achieved through highly effective educators. The district should continue to invest in training and professional development that engaged educators in a cycle of reflection and continuous improvement.
 - **Multiple Pathways** – The district should continue to provide multiple options to meet the wide range of educational needs of students and families in our community. These options include K-8 Elementary schools, magnet schools, charter schools, and the Middle College, among others.
 - **Career Technical Education (CTE)** – The district should continue to leverage existing community partnerships and seek additional ones that would effectively prepare students to enter the workforce straight out of high school. These programs have proven highly successful in educating students who choose not to attend college after graduation, providing them access to high paying career jobs. CTE partnerships and investment by the district has benefited both students and industries that have had a difficult time filling high demand positions.
 - **Social Emotional Learning** - Students faced an ever increasing amount of external and internal social pressures and obstacles that inhibited and sometimes even prevented academic achievement in the classroom. These challenges have been magnified and were likely faced by a higher number of students than before due to the pandemic. In order to address these obstacles, the district should preserve programs that promoted and focused on meeting the social and emotional needs of students and staff.
 - Additional priorities identified by committee members that contributed to student success, especially during the pandemic, were Effective Communication and Family Engagement.

The Budget Committee was scheduled to meet again on March 3 and April 13, 2021. Topics would include legislative updates, lobbying and advocacy efforts, updated revenue estimates, and discussion related to the Proposed and Recommended budgets.