

ATLANTA PUBLIC SCHOOLS BUDGET AND FINANCE ADVISORY COMMITTEE MINUTES

March 26, 2015

PURPOSE

The Superintendent has established the Budget and Finance Advisory Committee (BFAC) for the purpose of providing guidance and counsel on matters of budget and finance as may be determined by the district administration. The Committee is comprised of representatives from the community, charter schools, principals, at-large, and central office.

Agenda

1. Opening Remarks
2. Presentation from March 19th Budget Commission Meeting
3. Questions and Discussion

Committee Members in Attendance

- **Community** - Tammy Dixon, Robert Stockwell, Youlanda Carr, Tammy Dixon, Clay Elrod, and Toni Terry
- **Charter Schools** -
- **At-Large** - Marshall Norseng and Cynthia Mickelbury
- **Principals** - Joseph Salley
- **Central Office** - Nader Sohrab

Committee Members Absent

- Nicole Lawson, Chandra Selles, Cynthia Dumas, Linda Anderson, Mark Rebillot, Felicia Joesy, JaTawn Robinson, Tony Burks II, Clara Taylor, Buck Greene

DISCUSSION

Nader Sohrab began the meeting by introducing himself as the interim CFO and thanked everyone for coming out. He stated that he would begin with general comments, followed by a discussion of the Budget Commission Meeting from March 19, 2015. There would be time allocated at the end of the meeting for open comments and questions.

Robert Stockwell asked if all teachers will be brought up to the current step and grade, as a result of the compensation study. Nader Sohrab stated that teachers will be brought up to the current market rate and that last year's raise was based on the amount of time that an employee has been with the district since the last raise. Nader Sohrab stated the study would be completed in late May to June 2015. Mr. Stockwell added that the pay parity and a COLA of 1.5% would cost \$19M.

Tammy Dixon addressed concerns surrounding the consolidation of small schools and the process happening so late in the budget process. There was a discussion around getting information out earlier to minimize concerns about transparency and to facilitate more effective planning. Committee members agreed early fall seems appropriate to have the conversations and not in the spring. The conversation continued with discussions of doing less renovations of small buildings and better utilizing neighboring schools not used to full capacity. Nader Sohrab stated that these are all good questions and should be submitted to the Superintendent.

Marshall Norseng had questions concerning flexibility spending. He stated the floor was set at \$82,697 based on 1 headcount (FTE) and the ceiling was set at \$225,000. Mr. Marshall stated that the floor seemed artificial and that the large free and reduced lunch schools are funding the smaller schools. Mr. Stockwell agreed with Mr. Marshall on the impact on smaller schools.

Mr. Stockwell stated that teacher allocations should become fully transparent. He added that staffing formulas remain a mystery since there is evidence of increases in enrollment in some schools, however, teachers decreased. He contended that the North Cluster increased students and lose teachers and other schools decrease enrollment and gain teachers. Mr. Stockwell said we need to understand staffing formulas and how they are derived.

Marshall Norseng stated that we are using a top down method to build budgets instead of the bottom up. This is the reason we are finding out details at the last minute. Mr. Marshall said we should start with the details and build from the bottom up.

Mr. Marshall questioned the Beltline receivable owed from the City of Atlanta. Nader Sohrab stated we need to let the process move forward and the talks are ongoing. Mr. Stockwell stated that the Budget Commission has included the Beltline as an available resource, but the fund balance would be used as a backup if we don't receive the funds from the city. Nader Sohrab stated that the fund balance floor was around \$50 million. Mr. Stockwell stated using a TAN is a normal operating procedure and is not a bad thing.

Mr. Stockwell wanted to know about the Pension Obligation Bond and the expected revenues of 21 million the first year and 6 million the 2nd, in which APS is committing long term funding with

one-time revenues. He went on to say that the current budget policy has been established so the Superintendent is free to move the budget around as she sees fit.

The committee talked about the effect on revenues and the opportunity district being proposed by the Governor's Office. The committee wanted to know the different scenarios and options available to the district if the bill passes and approved by the voters.

Nader Sohrab concluded his presentation and went into a question and answer session.

Committee members questioned how should recommendations be submitted? It was concluded that each person would email their recommendations to the entire committee. Mr. Sohrab assured the Committee that the recommendations would go to both the Superintendent and to the Budget Commission Committee.

The Committee stated they wanted to start earlier in the process next year and ask about mid-year budget revisions.

Mr. Stockwell stated he would accumulate the recommendations a week before the next meeting and the recommendations would be sent as a group.

The meeting was adjourned.

Next Meeting - April 23, 2015

We look forward to working with you and your support in our efforts to improve community involvement and transparency in the District's budget process.

Thank you.