

**MINUTES OF THE ANCHORAGE SCHOOL BOARD
REGULAR MEETING OF NOVEMBER 12, 2001**

The Anchorage School Board met in Regular Session on Monday, November 12, 2001 at 6:30 p.m. in the Board Room at the Anchorage School District Administration Building. President Peggy Robinson presided.

A. CALL TO ORDER, ROLL CALL, FLAG SALUTE

Board Members Present: Debbie Ossiander, Tim Steele, Rita Holthouse, Peggy Robinson, Harriet Drummond, Jake Metcalfe and Dave Werdal via teleconference.

Others Present: Carol Comeau, George Vakalis, Pat McDowell, Janet Stokesbary, Marie Laule, Mike Henry, Jerry Sjolander, Duane Moran, Dale Cope, Larry Wiget, Mark Pasier, Debbie Bogart, Bob Henry, Stan Syta, Ed Conyers, Ray Amsden, Mike Price, Bill Mikawa, Mike Kerosky, Corey Rennell, Mary Marks, Mary Kay Sambo, the press, and interested people.

The School Board opened the meeting with the Pledge of Allegiance to the Flag.

B. ANNOUNCEMENTS

Peggy Robinson congratulated Debbie Ossiander for being the new President-Elect of the AASB (Association of Alaska School Boards). Ms. Drummond commented that 1991 was the last time an Anchorage Board member held the office of Statewide President.

Debbie Ossiander informed the Board that the Legislative Subcommittee has been meeting with legislators. Four members of the Board inadvertently showed up for a meeting in Rep. Rokberg's office, which violates the open meetings law. Ms. Ossiander stated that she left the meeting.

Ms. Robinson announced the upcoming meetings.

Carol Comeau commented that the School Business Partnership presented the District with a new picture and thanked them for their support for the Partners in Education Symposium. Ms. Comeau also thanked Josh Wilson, Student Advisory Board President, and his group that worked on the symposium.

Rita Holthouse congratulated Tim Steele, who was recently elected to the Board of Directors for AASB.

Jake Metcalfe encouraged all Board members to attend the Alaska Native Education Summit scheduled for November 30-December 1, 2001.

Peggy Robinson thanked the Community Education Department for prepping the bulletin boards at the back of the Board Room.

C. APPROVAL OF AGENDA

The agenda was approved unanimously.

D. AWARDS/RECOGNITIONS

1. ASD Memorandum #94 – Crayola Dream-Makers Recipients

The Crayola Dream-Makers Award program was introduced in 1984 to encourage the creativity and the conceptual development of kindergarten through sixth-grade children through art activities and to call attention to the creative work of children through exhibitions of student artwork.

The theme for the 2001 Dream-Makers competition was "Dreams, Design and Dimension." Artwork submissions reflected this theme and were judged on the basis of visual appeal, originality and craftsmanship. In addition to their artwork, students entering the Dream-Makers competition were required to include a statement interpreting this theme.

Nine elementary students from the Anchorage School District were among the 40 selected from the Western Region to receive awards. The winning students include Stephen Hilfiker, Mylise Bennett, Danielle Long and Cody Henrikson from O'Malley Elementary; Zachary Dornan and Kassi Fetters from Rabbit Creek, Emily VanPelt representing Orion Elementary; Jessica Warner, formerly of Wonder Park and Kyle Redpath from Lake Hood Elementary. These creative students received valuable guidance and support from art teachers Hollis Mitchell of Rabbit Creek, Sue Gilleland from Orion, Miriam Easton from Wonder Park and Theresa Heckart from Lake Hood.

Carol Comeau congratulated the students and told them that she and the District were very proud of each of them. Each of the

plaques presented to the students included a picture of the artwork submitted by the student.

E. PRESENTATIONS

There were no presentations.

F. SPECIAL ADVISORY REPORTS

Student Advisory:

Corey Rennell gave a brief overview of the AASB Youth Leadership Conference he attended this past weekend. Students from 33 school boards from across the state attended.

Josh Wilson was elected President of the Student Advisory Board at their last meeting on October 23. The next scheduled meeting is planned for November 30 in the Administration Building.

At the last meeting, it was reported that Polaris K-12 scheduled a luncheon on October 31 and asked all students to stay on campus. This was an attempt to see how students would react to a closed campus situation. Mr. Rennell suggested that all high schools have a one week or one day closed campus trial so students can see the advantages and disadvantages. Discussion centered on what the schools can do to be better neighbors. Dimond held a Community Task Force and Steller and Bartlett are holding community-wide meetings. The students are showing a community effort on making things better between the schools and the homeowners.

Roger Fiedler and Michelle Egan gave a presentation on media relations to the SAB to help them become more comfortable with the media.

Carol Comeau and Rita Holthouse both discussed the possibility of having a representative from each high school attend a training next year to create a network among various communities.

Peggy Robinson suggested allowing student leaders from each high school an opportunity to attend the leadership conference next year as well as the SAB School Board representative.

Military Delegate:

The military delegate was absent.

MECC

Mary Marks had an opportunity to attend the Alaska Federation of Natives Convention this past week and listen to the youth concerns. She questioned why the District does not have a Native Student Advisory group. She is also concerned why parents are not involved in their child's education. Ms. Marks suggested that the District work on providing mentors for students. Students have to be groomed to be future leaders.

Carol Comeau explained that the School Business Partnership does provide mentors for students, but we need to continue to stress the importance of having the business community in our schools. Ms. Comeau also mentioned the Alaska Native Education Summit on November 30-December 1 and encouraged all Board members to attend.

Tim Steele thanked Mary Marks for mentioning adult participation in our schools. He stated that this discussion was very timely, and we need to mention the value of having parents in the classrooms. Mr. Steele encouraged all parents to volunteer when they can.

G. PERSONS TO BE HEARD ON NON-AGENDA ITEMS – (30 MINUTE TIME LIMIT)

Robert Hayes is an advocate for fire alarm safety and the parent of two school age children in the District. Mr. Hayes thanked Corey Rennell for his representation and support on the controversial issues book It's Perfectly Normal and commended him for his free speech. He was concerned that Mr. Rennell may suffer retaliation because of his stand on the book. Mr. Hayes stated that he lost his job over a false fire alarm complaint, and he will continue to get this resolved and receive an apology from the School District.

Ms. Robinson stated that Mr. Hayes has been making these allegations for several years, and investigations have proved that there has been no wrong doing.

Theresa Obermeyer commended the previous speaker. Ms. Obermeyer reported that she was kicked out of the AASB meeting today and this was just another example of a hate crime against she and her family. Out of

respect for Governor Hickel, she chose to leave the hotel and do nothing. Ms. Obermeyer would like to buy the Alaska Directory of Attorneys for each School Board Member.

H.. CONSENT AGENDA

Consent Agenda attached. **All attachments referred to in memoranda recommendations are on file in the Superintendent's office.**

1. Approval of Minutes

- a. Special Meeting – October 8, 2001
- b. Regular Meeting – October 8, 2001

2. ASD Memorandum #109 – A Resolution In Support of National Community Education Day

It is the Administration's recommendation that the School Board approve the attached resolution recognizing November 13, 2001, as National Community Education Day.

3. ASD Memorandum #127 – A Resolution In Support Of American Education Week

It is the Administration's recommendation that the School Board adopt the attached resolution designating November 11-17, 2001, as American Education Week in the Anchorage School District.

4. ASD Memorandum #95 – Acceptance Of Continuation Grant Award: Safe And Drug-Free Schools Peer Education Initiatives

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to accept a continuation grant from the Alaska Highway Safety Planning Agency, in the amount of \$110,539 to fund the Safe and Drug-Free Schools (SDFS) Program's peer education program.

5. ASD Memorandum #96 – Acceptance Of Continuation Grant Award: Gear Up

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to accept the continuation of grant funds from the Alaska Department of

Education and Early Development in the amount of \$51,500 for the third year of a five-year project.

6. ASD Memorandum #97 – Acceptance Of Grant Award: Safe and Drug-Free Schools Drug And Violence Prevention Coordinators For Middle Schools

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to accept a grant award from the U.S. Department of Education in the amount of \$374,140 for the first two years of a three-year project.

7. ASD Memorandum #98 – Acceptance Of Grant Award: Wendler Middle School Youth Serve Program

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to accept a continuation grant award from the Alaska Department of Education and Early Development, Alaska State Community Service Commission, in the amount of \$15,000.

8. ASD Memorandum #99 - Acceptance Of Continuation Grant Award: Manning Family Foundation

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to accept a cash grant from the Manning Family Foundation to Inlet View Elementary School in the amount of \$25,000.

9. ASD Memorandum #105 – Acceptance of Continuation Grant Award: Community Schools

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to accept a continuation grant award from the Alaska Department of Education and Early Childhood Development in the amount of \$151,974.

10. ASD Memorandum #106 – Acceptance Of Grant Award: Community School Assistants

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to accept continuation grant funding from the Anchorage Community Education

Advisory Board in the amount of \$79,549. Funds will be used toward assistant coordinator wages at traditional and affiliate Community Schools throughout Anchorage.

11. ASD Memorandum #107 – Acceptance of Grant Award: Girdwood Community School Assistants

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to accept continuation grant funding from the Anchorage Community Education Advisory Board in the amount of \$12,000. Funds will be used toward assistant coordinator wages at Four Valleys Community School.

12. ASD Memorandum #108 – Acceptance Of Grant Award: Rabbit Creek Child Care

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to accept a continuation grant from the Rabbit Creek Community School Advisory Board in the amount of \$44,120.

13. ASD Memorandum #113 – Revision To School Board Policy Section 213, Sections (h) and (i): Duties Of The Superintendent (First Reading)

It is the Administration's recommendation that the School Board approve the proposed changes on First Reading to School Board Policy 213 (h) and (i), Duties of the Superintendent, as shown on Attachment A.

14. ASD Memorandum #114 – Revision To School Board Policy Sections 165.11: Organizational Date, And 176.1 (b): Subject Matter Presentations (First Reading)

It is the Administration's recommendation that the School Board approve on First Reading, the proposed revisions to School Board Policies 165.11, Organizational Date, and 176.1 (b), Subject Matter Presentations, as shown on Attachment A.

15. ASD Memorandum #115 – Revision To School Board Policy Section 482: Emergency Notification (First Reading)

It is the Administration's recommendation that the School Board approve on First Reading, the proposed School Board Policy 482: Emergency Notification as shown on Attachment A.

16. ASD Memorandum #28 – Award Of Contract: Curriculum Audit

It is the Administration's recommendation that the School Board approve the award of a contract to Phi Delta Kappa for a Curriculum Audit at a cost not to exceed \$122,775.

17. ASD Memorandum #103 – Amendment To Denali Replacement Elementary School Educational Specification

It is the Administration's recommendation that the School Board amend the Supplemental Educational Specifications for Denali Replacement Elementary School to increase the area by an amount of 540 square feet.

18. ASD Memorandum #101 – Forward Funding 2002 Bond Projects And Supplemental Funding Of Current Projects

It is the Administration's recommendation that the School Board approve the forward funding of design for the following projects:

Project	Amount to Forward Fund
Bartlett Phase 2	\$200,000
Chugiak Deferred Phase 3	\$75,000
East Phase 2	\$250,000
East Phase 3	\$260,000
King Career Center	\$260,000
Polaris K-12 Phase 1	\$50,000
Ptarmigan Addition	\$55,000
Service Deferred Phase 1	\$50,000
Service Phase 2A	\$500,000
Total	\$1,700,000

It is also the Administration's recommendation that the School Board approve supplemental funding of existing projects, as follows:

Project	Amount of Funding	Source of Funds	
Chugiak Phases 1 and 2 Supplemental Funding	\$500,000	\$115,000 \$385,000	Unrestricted Interest- 1999 GO Bond Restricted Interest- 2000B GO Bond
Denali Replacement	\$2,800,000	\$1,482,000 \$1,318,000	Trailside Project Unrestricted Interest- 2000B GO Bond
Tudor Traffic Safety	\$100,000	\$100,000	Restricted Interest- 2000B GO Bond

19. ASD Memorandum #104 – Appropriation And Reappropriation Of State Of Alaska Grant Funds-House Bill No. 29

It is the Administration’s recommendation that the School Board accept from the State of Alaska new grant appropriations funded by House Bill No. 29 in the amount of \$63,000 for a two-year comprehensive non-violent conflict resolution program and \$35,000 additional funding for compressed natural gas school buses. In addition, it is recommended the School Board accept from the State of Alaska grant reappropriations funded under House Bill No. 29 in the amount of \$37,355 for a two-year comprehensive nonviolent conflict resolution pilot program at Dimond High School, \$2,860 for purchase of a high digital microscope for Service High School, and \$3,000,000 for the new Muldoon Middle School site.

20. ASD Memorandum #102 – FY 2002-2003 Financial Planning

It is the Administration’s recommendation that the School Board approve and authorize the Superintendent to prepare the Anchorage School District’s FY 2002-2003 Preliminary Financial Plan in accordance with the financial projections set forth in this memorandum. Specifically, the budget for FY 2002-2003 is to be established for planning purposes with projected revenue not-to-exceed \$454,116,140. This includes individual fund budgets currently projected as follows:

FY 2002-2003
Financial Plan

General Fund	\$ 354,300,000
Food Service Fund	11,600,000
Debt Service Fund	53,216,140
Local/State/Federal Projects Fund	<u>35,000,000</u>
Total – All Funds	<u><u>\$ 454,116,140</u></u>

It is further recommended that the School Board authorize the Superintendent to adjust the budget expenditure ceiling indicated above in accordance with any negotiated contract adjustments and other associated costs increases, School Board requests, Administration, community, staff and students' budget review recommendations as implemented by the Superintendent. In addition, flexibility must be allowed for adjustments based on updated demographic and/or economic information, as well as staffing based on review of student enrollment projections.

21. ASD Memorandum #111 – Personnel Report

It is the Administration's recommendation that the School Board approve the attached Personnel Report.

The following items were removed from the Consent Agenda: ASD Memorandums #113, #114, #28, #103, #101, #104, and #102.

ACTION:

Moved by Debbie Ossiander
seconded by Tim Steele

to approve the Minutes from the Special Meeting on October 8, 2001; Regular Meeting on October 8, 2001; Memorandum #109; Memorandum #127; Memorandum #95; Memorandum #96; Memorandum 97; Memorandum #98; Memorandum #99; Memorandum #105; Memorandum #106; Memorandum #107; Memorandum #108; Memorandum #115; and Memorandum #111.

VOTE:

Ayes: Ossiander, Steele, Holthouse, Robinson, Drummond, Metcalfe, and Werdal

Nays: None

MOTION PASSED

ASD Memorandum #113 – Revision To School Board Policy Section 213, Sections (h) and (i): Duties Of The Superintendent (First Reading)

It is the Administration's recommendation that the School Board approve the proposed changes on First Reading to School Board Policy 213 (h) and (i), Duties of the Superintendent, as shown on Attachment A.

ACTION:

Moved by Rita Holthouse to approve Memorandum #113.
seconded by Harriet Drummond

Superintendent Comeau stated that Attachment A delineates the responsibilities of the Superintendent and her involvement in construction and facilities issues. It is important that this language be added in time for the current Superintendent's evaluation.

Theresa Obermeyer suggested to Ms. Holthouse that she get a list of open-ended construction projects. She is concerned over construction occurring during the school year when students are in the buildings. Ms. Obermeyer stated that construction projects should not be started if they can't be completed prior to the beginning of the school year.

Peggy Robinson noted that each Board member receives a project update at each School Board meeting regarding all construction projects.

VOTE:

Ayes: Ossiander, Steele, Holthouse,
Robinson, Drummond,
Metcalfe, and Werdal

Nays: None

MOTION PASSED

ASD Memorandum #114 – Revision To School Board Policy Sections 165.11: Organizational Date, And 176.1 (b): Subject Matter Presentations (First Reading)

It is the Administration's recommendation that the School Board approve on First Reading, the proposed revisions to School Board Policies 165.11,

Organizational Date, and 176.1 (b), Subject Matter Presentations, as shown on Attachment A.

ACTION:

Moved by Tim Steele to approve Memorandum #114.
seconded by Harriet Drummond

Carol Comeau stated that the Policy Subcommittee recommended that this change be brought forward to allow the School Board to organize itself after the certification of all election seats. This is especially important when a run-off election is required.

The second policy change is to bring the School Board policy into conformance with the current practice of limiting all presentations before the School Board to three minutes. The Board president has the discretion to extend the presentation beyond the three minutes.

Theresa Obermeyer asked Ms. Robinson what this policy change meant.

Peggy Robinson explained in the past that groups use to have five minutes to speak and individuals had three minutes. This aligns the policy now.

Ms. Obermeyer stated that she is concerned about Lisa Murkowski's alliance with her father. She is also concerned over Ben Stevens and his father, Ted Stevens. Ms. Obermeyer encouraged people to look at what is going on politically in this town.

Debbie Ossiander requested that we check with the Municipality to make sure we are in compliance with MOA Ordinances. The Administration will check on this prior to second reading on November 26, 2001.

VOTE:

Ayes: Ossiander, Steele, Holthouse, Robinson, Drummond, Metcalfe, and Werdal

Nays: None

MOTION PASSED

ASD Memorandum #28 – Award Of Contract: Curriculum Audit

It is the Administration's recommendation that the School Board approve the award of a contract to Phi Delta Kappa for a Curriculum Audit at a cost not to exceed \$122,775.

ACTION:

Moved by Debbie Ossiander to approve Memorandum #28.
seconded by Harriet Drummond

Superintendent Comeau explained that once the School Board authorized the curriculum audit, the Administration prepared a Request for Proposal (RFP). Only one response was received. A second RFP was sent out and the Administration is pleased with the results. Phi Delta Kappa is well known and respected. The audit will begin upon award of the contract with a final report due to the Superintendent in August, 2002.

Dale Cope will accumulate a large amount of documents for PDK to review prior to the on-site visit. Approximately 20 individuals will arrive to gather information and then prepare a written report.

Debbie Ossiander commented that she was pleased at the specificity of the RFP and is happy to see the direction we are going. Dale Cope explained that the contractor will complete a study that examines the extent to which there is alignment between the curriculum in Anchorage schools and standards, student benchmarks, instructional materials, student performance measures, and the systems designed to support high student achievement. The goal of the study is to discover the degree of alignment that exists and to make recommendations that may be implemented to improve instruction and student academic performance. Ms. Cope further explained that she viewed samples of other reports that were 200 pages in length, which included findings and very concrete recommendations. Once the report is received, Ms. Comeau will provide the School Board with the latest information. Debbie Ossiander feels this is money well spent is aligned with School Board goals.

VOTE:

Ayes: Ossiander, Steele, Holthouse, Robinson, Drummond, Metcalfe, and Werdal

Nays: None

MOTION PASSED

ASD Memorandum #103 – Amendment To Denali Replacement Elementary School Educational Specification

It is the Administration's recommendation that the School Board amend the Supplemental Educational Specifications for Denali Replacement Elementary School to increase the area by an amount of 540 square feet.

ACTION:

Moved by Tim Steele to approve Memorandum #103.
seconded by Jake Metcalfe

Carol Comeau stated that everyone has struggled to design Denali K-8 School within the designated budget. She further explained that the space is basic with no frills. The additional square footage requested is to support the intensive needs program along with the total school plan.

Mr. Steele feels that this is a good move; the design process has gone through an intensive process due to specific site elements and is glad to see it get to this point.

Debbie Ossiander stated that she is confused over the request for additional space. Ray Amsden and Mike Price explained that the square footage of the project currently designed is 58,990 square feet, compared to 58,926 for the prototypical design and 59,390 for the Fairview design.

Carol Comeau stated that they did everything they could to meet the educational specifications approved by the School Board for Denali. She feels this is a cost effective plan and can be constructed within the allowed budget. With the additional \$2.8 million dollars, this project will move forward. Ray Amsden stated that removal of the requested additional square footage will most likely increase the cost of construction, but could not be determined until the opening of the bids.

Ray Amsden commented that there are three restrooms instead of two, which are larger; mechanical systems are more efficient; and a larger elevator where the doors are larger for the intensive needs program.

Rita Holthouse noted that even with the additional square footage requested, this project will be eligible for debt reimbursement. Ms. Holthouse urged the School Board to move this project along.

VOTE:

Ayes: Ossiander, Steele, Holthouse, Robinson, Drummond, Metcalfe, and Werdal

Nays: None

MOTION PASSED

ASD Memorandum #101 – Forward Funding 2002 Bond Projects And Supplemental Funding Of Current Projects

It is the Administration’s recommendation that the School Board approve the forward funding of design for the following projects:

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Service Phase 2A	<u>\$500,000</u>
Total	\$1,700,000

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Tudor Traffic Safety	\$100,000	\$100,000	Restricted Interest- 2000B GO Bond

ACTION:

Moved by Harriet Drummond to approve Memorandum #101.
seconded by Tim Steele

Carol Comeau stated that this is a difference approach for funding projects. This will reduce the wait time until we can put together another bond package. Ms. Comeau stressed the importance of a definitive approach to designs, which then allows us to get a good cost package instead of a cost estimate.

Ray Amsden stated that the Administration has looked at ways to minimize the impact of the bond failure. They have been developing various projects over the past several months and looking at ways to proceed in an efficient manner. Mr. Amsden stated that they have seen the need for additional design time for the projects put out on the street. We will see a definite advantage of allowing the designers more time to get the projects designed in the best way possible.

Mr. Amsden further stated that there are several projects listed that can actually gain time; we can get them back on a delivery schedule by gaining a year. If we wait until April, we will lose one year of construction.

He further stated that funds have been identified from other projects that came in under budget. Mr. Amsden commented that Trailside Elementary came in \$1,482 million under budget, which has been applied to the Denali project.

Debbie Ossiander stated that we are dealing with two separate issues and would like to divide the question.

ACTION:

Moved by Debbie Ossiander to divide the question on
seconded by Harriet Drummond Memorandum #101.

VOTE:

Ayes: Ossiander, Steele, Robinson, Werdal

Nays: Holthouse, Drummond, Metcalfe

MOTION TO DIVIDE THE QUESTION PASSED

ACTION:

Moved by Debbie Ossiander to approve the forward funding
seconded by Harriet Drummond of design in the amount of
\$1,700,000 for several projects.

Janet Stokesbary stated that there are enough capital funds to support the forward funding of \$1,700,000.

Ms. Ossiander is concerned over using funds for projects that the voters denied. She feels the funds should be held and used for remodel over-runs.

Rita Holthouse commented that it was her understanding that we would have several years in the future to bond these particular projects. Janet Stokesbary responded in the affirmative and stated that there is no time limit; no maximum number of years have been specified by bond counsel. Ms. Holthouse asked if these projects could go on bonds and if it appears that one or more may not make it, could we go to capital undesignated fund or can we use our other undesignated funds. Janet Stokesbary replied yes, as long as we have authorization to transfer the money to the capital projects fund.

Dave Werdal questioned if we are going to put these projects on next year's bonds. Ray Amsden responded that the recommendation has not been finalized, but they most likely will be recommended for the bond package.

Mr. Werdal asked if we will be talking about forward funding in the bond package that will be presented to the voters. Mr. Amsden stated that this will be very important information for the voters.

Jake Metcalfe asked if the District does not forward fund, how much will it cost in extra funding. Ray Amsden replied that these projects will be delayed by at least one year and there certainly will be issues of scope and inflation. Mr. Amsden stated that the risks of not moving forward are far greater than going forward.

Rita Holthouse urged support for the forward funding, and anything we can do to keep projects from extending into the school year is very important. The forward funding will cover planning and eliminate school year construction.

VOTE:

Ayes: Steele, Holthouse, Robinson, Drummond, Metcalfe

Nays: Ossiander, Werdal

MOTION PASSED

ACTION:

Moved by Debbie Ossiander to approve supplemental
 seconded by Harriet Drummond funding of existing projects in the
 amount of \$3,400,000.

Debbie Ossiander stated that she supports the second part of the original recommendation. She believes that we have a commitment to follow through on these projects, and Chugiak High School, Denali K-8 School, and Dimond High School are her highest priority.

Tim Steele commented that he is pleased that we can identify the funds and fulfill the promises made to the voters. He commends those people involved in this cost efficient process.

VOTE:

Ayes: Ossiander, Steele, Holthouse, Robinson, Drummond, Metcalfe,
 Werdal

Nays: None

MOTION PASSED

ASD Memorandum #104 – Appropriation And Reappropriation Of State
 Of Alaska Grant Funds-House Bill No. 29

It is the Administration's recommendation that the School Board accept from the State of Alaska new grant appropriations funded by House Bill No. 29 in the amount of \$63,000 for a two-year comprehensive non-violent conflict resolution program and \$35,000 additional funding for compressed natural gas school buses. In addition, it is recommended the School Board accept from the State of Alaska grant reappropriations funded under House Bill No. 29 in the amount of \$37,355 for a two-year comprehensive nonviolent conflict resolution pilot program at Dimond High School, \$2,860 for purchase of a high digital microscope for Service High School, and \$3,000,000 for the new Muldoon Middle School site.

ACTION:

Moved by Rita Holthouse to approve Memorandum #104.
 seconded by Harriet Drummond

Carol Comeau stated that these are annual reappropriations directed to the Anchorage School District by various legislators.

Rita Holthouse commented that as a Board member, she has not experienced going to the Assembly to accept a state grant. Janet Stokesbary commented that it should be Senate Bill #29 instead of House Bill #29.

Harriet Drummond commented that the word “power” be inserted between “high” and “digital microscope” in the recommendation.

VOTE:

Ayes: Ossiander, Steele, Holthouse, Robinson, Drummond, Metcalfe, Werdal

Nays: None

MOTION PASSED

ASD Memorandum #102 – FY 2002-2003 Financial Planning

It is the Administration’s recommendation that the School Board approve and authorize the Superintendent to prepare the Anchorage School District’s FY 2002-2003 Preliminary Financial Plan in accordance with the financial projections set forth in this memorandum. Specifically, the budget for FY 2002-2003 is to be established for planning purposes with projected revenue not-to-exceed \$454,116,140. This includes individual fund budgets currently projected as follows:

FY 2002-2003
Financial Plan

General Fund	\$ 354,300,000
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Debt Service Fund	53,216,140
Local/State/Federal Projects Fund	<u>35,000,000</u>
Total – All Funds	<u>\$ 454,116,140</u>

It is further recommended that the School Board authorize the Superintendent to adjust the budget expenditure ceiling indicated above in accordance with any negotiated contract adjustments and other associated costs increases, School Board requests, Administration, community, staff and students’ budget review recommendations as implemented by the Superintendent. In addition, flexibility must be allowed for adjustments based on updated demographic and/or economic information, as well as staffing based on review of student enrollment projections.

ACTION:

Moved by Debbie Ossiander to approve Memorandum #102.
seconded by Harriet Drummond

Carol Comeau stated that this is the night that the Administration wants to hear from the School Board on what their specific issues may be. We will review all of the departmental budgets and come up with balanced budget to bring forward to the Board in January.

We have adjusted our enrollment projections and will continue to monitor and may make a change prior to January 2002 if the need arises. Ms. Comeau further stated that this memorandum lays out clearly the different ways we get our funds. The legislature was very generous and supportive in giving the District additional funds. We have been able to restore programs, reduce activity fees, and give additional student support, but there are greater needs than our revenue permits. Unfortunately, the way the public school formula is put together right now, any time Anchorage's assessed evaluation goes up, the District has to contribute the basic need or the four mills, and we lose more money. This and the reduced enrollment projection contribute to the fiscal gap. Ms. Comeau stated that one of the things the Board needs to discuss tonight and give guidance on is whether the Administration can consider using the fund balance to balance the budget or should we bring forward proposed reductions to balance the budget.

Peggy Robinson stated that it was determined that we will need a resolution by the end of year because the Municipal budget needs to be approved. The committee does not have an agreement as this time, but is working towards one. Ms. Robinson stated that she is comfortable with not giving specific direction to the Administration regarding the use of the fund balance. Our next step is getting firm definitions from the rating agencies as far as what these mean, and based on their interpretation, will help us guide what we want to do for a resolution.

Debbie Ossiander would prefer to move toward the undesignated fund balance as a last resort. She would prefer to try to balance without it and if we get into an impossible situation at the very end, then we could offer this as a last resort. Ms. Ossiander feels use of the undesignated fund balance as premature and would like to avoid its use.

Tim Steele agrees that we need to see where we stand on working out the agreement with the Municipality on the fund balance. He does not want

to give a free rein with the fund balance. Mr. Steele would like to have an option of one-time expenditures to discuss if we need to use the fund balance. He would like to see what kind of one-time expenditures we are talking about.

Peggy Robinson stated we are currently looking at a \$3.7 million dollar gap, which means if we don't allow the Administration to look at the fund balance then we are asking them to look at \$3.7 million dollars to cut in

services and people from the proposed budget. The question is do we want the Administration to go through the process of making these reductions or do we want to give them some leeway by using some for one-time expenditures.

Rita Holthouse is in favor of opening the undesignated fund balance to the Administration for one-time expenditures. This would be more practical so the Administration can bring the full picture to the Board. Ms. Holthouse's understanding is that we are currently at 4.8 percent for the undesignated fund balance; three percent is suppose to be the bottom that you should not go below. She is very much in favor of giving the Administration the leeway.

Harriet Drummond is in favor of giving the Administration the leeway, but wants a list of proposed one-time expenditures if the Administration wants some input from the Board.

Jake Metcalfe agrees with Ms. Drummond and Ms. Holthouse as far as the latitude for the fund balance for the Administration. It is the most appropriate thing to do as this time.

Dave Werdal is also in favor of giving them some leeway with the fund balance.

Peggy Robinson also agrees to the use of the fund balance for one-time expenditures.

Debbie Ossiander asked for clarification on the impact of the increase of the assessed evaluation on page five of the memorandum. Ms. Ossiander inquired what the financial impact would be on the District with \$1.7 billion dollars.

Janet Stokesbary stated that the \$1.7 billion dollar increased assessed evaluation was based on the state assessor's values from 2000-2001.

When you refer to page five and talk about the local property tax increase, that is a separate issue based on what the Municipality's assessor values the District and is not as large as the state assessor. When the local assessed evaluation does go up, it does have an impact on the mil levy, and depending on the increase in the total overall assessed evaluation compared to the increase in tax amount as requested, the mill levy can actually be reduced and that is the case with the estimates we're getting from the Municipality's budget office. In the current year, based on the taxes that were approved by the Assembly and the assessed evaluation last April when they set the mill levy, it was based on 8.2 mills for the District for debt service as well as the general fund taxes. This next year, based on the estimate on what they feel that the overall assessed evaluation will be next April, and you divide that into the maximum amount that we are eligible under the tax cap limitation of what we have presented in this memo, you actually bring down the mill levy to 8.08 mills, which then is actually a reduction in the amount of taxes.

Debbie Ossiander asked what the difference of the impact would be at the state level.

Janet Stokesbary stated the increase on assessed valuation at the state level, in relationship to the foundation program that is that based on the new legislation and the interpretation by the State Department of Education, is that we are losing \$3.4 million dollars of foundation revenue because of the increased assessed valuation that is at the 50 percent level. If this new legislation hadn't been passed, we would be losing an addition \$5.2 million for next year's budget and \$1.8 million in the current year.

Debbie Ossiander pointed out that the State Legislature has been significantly helpful.

Debbie Ossiander asked for a little clarification on the impact of the difference from our projections on enrollment. She was surprised by the difference.

Carol Comeau stated that because our enrollment was growing last year, we decided to plan the growth to continue. This didn't materialize on September 30 and our enrollment came in under 50,000 students. Since then, we have looked at all grade levels and have seen kindergarten, first, and second grade come in lower than anticipated. Large fifth and sixth grade classes are leaving elementary schools and moving on through middle schools and high schools. Over time, this trend could change

depending on what happens with the economy, military and various other issues. Enrollment figures are being watched very carefully.

Janet Stokesbary explained that we now have the current foundation count period and have filed our report. For the 49,676 students that we had as of September 30, we actually had 49,274 ADM during the 20-day foundation count. That generated \$269.3 million dollars worth of basic need. We don't get that amount from the foundation program because of the deducts or the four mills as well as the impact aid. Ms. Stokesbary is estimating 49,922 in next year's budget. We have the projections school by school and have put those projections in the school size factor and that generates a basic need of \$272.2 million worth of basic need. This is a comparison between actually what we had in the current year compared to what we are projecting for next year.

Peggy Robinson had a question on page 3, attachment B, which lists sources for other local income that the District is anticipating for next year regarding summer school. Janet Stokesbary commented that during the process last year in June when we had budget revisions for the current year, we reduced the summer school fee.

Rita Holthouse asked if there was anything else other than the undesignated fund balance that the Superintendent wanted guidance on.

Carol Comeau commented that the Administration would like comments on programs that you would like costed-out or considered. If an item was not discussed at a work session, please let her know. Ms. Comeau informed the Board that she placed the past three years of responses to budget requests for information in the School Board office for their review and provided a copy of the logs for the past three years as well.

Rita Holthouse commented that if one of the items that comes forward for the addition of teacher aides, she would like to see some training money as well. She has spoken with many principals who have commented that the teacher aides are great but would have been more helpful if they have been trained. It is difficult when a teacher has to supervise an additional untrained person.

Debbie Ossiander stated that for the past three days, she spent a lot of time talking about schools across the state and how they are going to deal with the coming of the High School Graduation Qualifying Exam, Benchmarks, and School Designators. The consensus is that all districts need to re-evaluate all existing resources. Ms. Ossiander further stated

that because we have schools that have significant challenges and our School Board goals are specifically tailored to help kids meet those challenges, she is going to try very hard to put all emphasis that she can into supporting the redirection of funds towards those goals and schools making sure that our schools with challenges have what they need to achieve student success.

Carol Comeau stated that one of the things she mentioned to the principals last week on the issue of “what are you are doing to help support student achievement” parallels Ms. Ossiander’s suggestions. Ms. Comeau noted we have to look at everything differently and this is what the Administration will do before they build the 2002-2003 budget. There are valuable current programs that certainly support student achievement, but are they focusing on what is needed now. Ms. Comeau is asking each department head to evaluate their programs by reviewing audits, asking the instructional program directors what they are doing, and asking what can be done differently to make all students successful.

VOTE:

Ayes: Ossiander, Steele, Holthouse, Robinson, Drummond, Metcalfe, Werdal

Nays: None

MOTION PASSED

I. SUPERINTENDENT’S REPORT

1. ASD Memorandum #75 – Project Status Report

This is a report of activities and project status changes in Major Capital Projects during the period of October 15, through October 31, 2001.

BARTLETT HIGH SCHOOL RENEWAL - PHASE I

Design Status: Design of additional phases pending additional bond funding.

Construction Status: Construction is complete except for punch list items. The school is continuing to move into the business and photography classrooms.

CHUGIAK HIGH SCHOOL RENEWAL - PHASE I, II & III

Design Status: Gym/Cafeteria Modifications – The Design Development Phase is in progress.

Construction Status:

House 2 – The roof is complete, mechanical rough-in is continuing and concrete slabs are being poured. There are additional pre-existing structural and fire code issues being uncovered. These issues will delay the project an additional month, with a revised completion date of March 14, 2002. Correction of the pre-existing hidden conditions uncovered in House 2 and House 3 will increase the cost of the project by approximately \$500,000.

House 3 – Construction is continuing in this area. Walls are being sheet-rocked and painted, plumbing, electrical lights and ceilings are being roughed in. The project has been delayed an additional three (3) weeks, with a revised completion date of December 14, 2001.

DENALI ELEMENTARY SCHOOL REPLACEMENT

Design Status: The District review of the Design Development documents has been completed. The estimated project cost exceeds available funding by \$2.8 million.

DIMOND HIGH SCHOOL REPLACEMENT

Design Status: The 95 percent Construction Document Design of Phase 2 of the project (demolition of the existing school and completion of site work) is in progress with completion of the documents scheduled for March 2002. The projected project deficit remains at \$3 million.

Construction Status: The construction continues on schedule. The structural steel is 75 percent installed, with the remainder of steel due by the end of November; all slab on grade concrete is complete; fire proofing, exterior wall sheathing, exterior veneer, mechanical and electrical, rough-in is continuing, interior wall framing and sheetrock has started.

EAGLE RIVER HIGH SCHOOL

Design Status: The timing or phasing of design work on this project is under review at this time, following the failure of the Bond proposition on April 3, 2001.

EAST HIGH SCHOOL RENEWAL – PHASE 1

Design Status: Design of additional phases pending additional bond funding.

Construction Status: Construction efforts are underway with continuing demolition. The concrete and structural steel work is progressing, with shear walls and track being formed and poured; framing, mechanical and electrical rough-in has started on science rooms. In recent weeks there have been staff and student concerns about the noise, dust, and other detrimental impacts of the construction project. These concerns have been addressed and these types of impacts will continue to be monitored.

SERVICE HIGH SCHOOL

PHASE 1A – Exterior Sitework

Construction Status: Sitework is complete with only minor landscaping remaining.

PHASE 1B – Remodel Building H (Science Wing)

Design Status: Bid opening is scheduled for November 7, 2001 and approval of the contract award is scheduled for the School Board meeting on November 26, 2001. Design of additional phases is pending additional funding.

Construction Status: Construction of Phase 1B will begin in the spring of 2002.

SOUTH ANCHORAGE AREA HIGH SCHOOL

Design Status: The 95 percent Construction Documents have been received and review is in progress. The Construction Estimate will be completed in mid November 2001. An appeal of the September 24, 2001 Planning and Zoning action has been filed by the residents along Leyden Drive concerning the pedestrian access to the school from Leyden Drive. The District is preparing a legal briefing to respond to the appeal by mid November.

WENDLER RENEWAL - PHASE 1

Sitework Status: Project is on schedule and complete with the exception of minor landscape work.

Building Renovation Design Status: The review of the A/E design development submittal is in progress, with comments to be resolved by November 2001. At completion of this phase the construction cost estimate will be finalized.

Debbie Ossiander stated that she compares each Project Status Report with the previous one. She asked that Mr. Amsden explain the delay on the Service High School project. Ray Amsden stated that the bids were opened last week and they are currently moving the project ahead on schedule for construction. Mr. Amsden noted that there is a one week delay in preparing and delivering the report to the Board.

Debbie Ossiander asked about the legal briefing that we are preparing for the access issue for the new South Anchorage High School and why is it a legal briefing when we are appealing to the Planning and Zoning Board. Carol Comeau responded that her understanding was that it has to be on the record. She asked Mr. Vakalis to clarify the issue for Ms. Ossiander.

Mr. Vakalis stated that it does have to be appealed on the written record and that is what is being provided to the Assembly and not the Planning and Zoning Board. Mr. Vakalis will check further into the process that will be used.

Debbie Ossiander asked about the review of the A & E design on Wendler Middle School. Ray Amsden commented that they are continuing to close the loose ends on this design, but are through with the design development. Mike Price commented that his department had other priorities and there was no delay on this project.

2. ASD Memorandum #110 – Student Membership Projections For September 30, 2002

Attachment A presents the fall forecast for the September 30, 2002 Anchorage School District student membership. Table 1 compares

the projections by program for September 30, 2002 with the actual totals of September 30th of this school year.

Debbie Ossiander stated that she was surprised to receive the student projections for 2002-2003. She inquired if the District has hired a new demographer or is still under contract with Dr. Norm Holthouse. Ms. Ossiander also asked if we have had a conversation with the Municipality about combining services. Carol Comeau said that the MOA deleted the demographer position.

Ray Amsden informed the Board and the Superintendent that they are making an offer to a person within the next few days for the position of Demographer. This person will be working closely with Dr. Holthouse. Facilities also plans to use Dr. Holthouse's services throughout this school year.

3. ASD Memorandum #67 – Treasurer's Report/Financial Recap: September 30, 2001

The attached report consists of three parts: the Graphic Overview, the Treasurer's Report, and the Financial Recap. The Graphic Overview is presented on a quarterly basis and the Treasurer's Report and the Financial Recap are presented on a monthly basis. The Graphic Overview is for the quarter ending September 30, 2001 and the Treasurer's Report and Financial Recap are year-to-date, as of September 30, 2001.

J. PERSONS TO BE HEARD ON NON-AGENDA ITEMS

K. COMMUNICATIONS & SCHOOL BOARD COMMENTS

L. EXECUTIVE SESSION – (PERSONNEL/FINANCE/NEGOTIATIONS/LITIGATION)

M. ADJOURNMENT

The Regular Meeting of November 12, 2001 was adjourned by unanimous consent at 8:45 p.m.

Peggy Robinson, President

Harriet Drummond, Clerk

Date Minutes Approved