

MINUTES OF THE ANCHORAGE SCHOOL BOARD
SPECIAL MEETING OF JANUARY 21, 2004

The Anchorage School Board met in Special Session on Wednesday, January 21, 2004 at 5:00 p.m. in the Board Room, at the Anchorage School District Administration Building. President, Jake Metcalfe, presided.

Board Members Present: Mary Marks, Crystal Kennedy, Tim Steele, Jake Metcalfe, Jeff Friedman, Macon Roberts and John Steiner (arrived at 5:10 p.m.)

Others Present: Jan Christensen, Enid Hunter, Mike Henry, Patricia McRae, Gail Opalinski, Jerry Sjolander, Jeff Wood, Debbie Bogart, Stan Syta, Todd Arndt, Steve Kalmes, Larry Petersen , Pam Chenier, Brent Rock, Rick Barrier, George Vakalis, Marie Laule, Janet Stokesbary, Eric Tollefsen, Larry Wiget, Julie Ginder, Todd Hess, Mark Mew, Mike Klawitter, Margo Bellamy, Robin Siegfried, the Press, and other interested people.

A. CALL TO ORDER, ROLL CALL, FLAG SALUTE, Jake Metcalfe Presiding

B. SCHOOL BOARD COMMENTS

Crystal Kennedy and Tim Steele stated that they appreciated the responses to the requests for information. Ms. Comeau also thanked the Administration for the quick turnaround for the responses.

C. PERSONS TO BE HEARD ON NON-AGENDA ITEMS

D. CONSENT AGENDA

1. ASD MEMORANDUM #188 - FY 2004-2005 PROPOSED FINANICAL PLAN (FIRST READING)

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to prepare the Anchorage School District's FY 2004-2005 Proposed Financial Plan as set forth in the projected revenue and expenditure schedules in the memorandum (Attachment A). The total budget recommendation is \$499,890,875. This includes individual fund budgets currently projected as follows:

	<u>FY 2004-2005 Financial Plan</u>
General Fund	\$376,846,065
Food Service Fund	13,785,312
Debt Service Fund	68,259,498
Local/State/Federal Projects Fund	<u>41,000,000</u>
Total - All Funds	<u>\$499,890,875</u>

The total of local tax contribution to be requested is \$167,388,450.

It is further recommended that the School Board authorize the Superintendent to adjust the budget expenditure ceiling and taxes above in accordance with any change to Charter Schools, State approval of debt retirement projects, the upper limit of the local tax cap limitation and any education-related ballot proposition that may be approved in the April 6, 2004 Municipal Election.

ACTION:

Moved by Tim Steele to approve ASD Memorandum
seconded by Crystal Kennedy #188

Superintendent, Carol Comeau, stated that attached is a summary of revenues and expenditures, as well as a detailed list of cuts incorporated into this recommendation. It was very difficult to make these cuts. Ms. Comeau added that the cuts were not made because we do not support the programs or employees.

Speaker, Robyn Rehmann, principal at Creekside Elementary School, asked the Board to reconsider the recommendation to eliminate funding for Community Schools. Ms. Rehmann understands that the Board has a significant challenge to balance the budget, and decisions will have a dramatic impact on the education community. Ms. Rehmann stated that the Community Schools provide many different types of classes for over 900 individuals each quarter a year, including classes for parents to learn to speak English. Ms. Rehmann urged the Board to reconsider eliminating funding for Community Schools if more funds are available, or to leave some funds in the Community Schools account so that they can continue and search for ways to become self-sufficient.

Speaker, Dick Hawkins stated to the Board that Community Schools brings together the community and the school. Mr. Hawkins urged the Board to reconsider the recommendation to eliminate funding for Community Schools.

Tim Steele stated that he agrees with Robyn Rehmann - Community Schools does take the community in and makes our schools a component of the community more than anything else. The community is going to be poorer for the elimination of the program. Mr. Steele thanked the speakers for coming.

Crystal Kennedy asked Ms. Rehmann if she has a sense of how much money would be needed to help Community Schools become self sufficient. Ms. Rehmann stated that she would leave that decision up to the Board and Ms. Comeau.

Mary Marks commented to the speakers that the Board knows that the Community Schools program has proven over and over that it does work for the children and families. Ms. Marks added that it has been a proven fact that the program gets parents involved in education. Ms. Marks stated that she hates to see this program phase out. The Board members have worked hard to lobby in Juneau and Washington DC. Ms. Marks added that she appreciates the speakers coming to share their feelings. The Board does hear their concerns and they should not give up. It will take all of us to get this message to Juneau.

Macon Roberts added his positive support to the Community School program. Mr. Roberts has been a parental beneficiary of the school program over the years.

John Steiner apologized for his the delayed arrival to the meeting. Mr. Steiner asked the speakers if they have a perspective of the Municipality becoming a participant to help bring Community Schools back. Ms. Rehmann stated that she did not, and turned the question over to Carol Comeau to respond.

Ms. Comeau replied that her sense is that because of the challenges in the Municipal budget, the Municipality would not take the program back without the District giving them money for it. Ms. Comeau encouraged the Community School supporters to look for some way to continue the program with external funding to pay the coordinators. It will be critical to figure out how to pay the salaries. The rental issues can be worked out. We can bring a joint agreement together.

Macon Roberts suggested that perhaps some business partnership entity such as a bank or oil company could sponsor the Community Schools Program. As we know, we are fortunate to have so many giving businesses.

Jeff Friedman agreed. If some plan comes up that requires bridge funding, Mr. Friedman feels that it would be an appropriate one-time funding to come out of our undesignated fund.

Jake Metcalfe reminded everyone that this isn't really over until June. We have time to carry our message to Juneau and will talk

about the impact this will have on the District. There's always a chance that we may be able to add money in June.

Superintendent Comeau mentioned that Dick Hawkins was one of our officers that went to Afghanistan. Ms. Comeau thanked him for his services.

Speaker, Dianne Holmes stated to the Board, that the Community Schools should never have been transferred from the city and we need the schools open for everyone. Ms. Holmes requested continued negotiations with the city.

Ms. Holmes urged the Board to raise the question of a sales tax. Prior attempts were poorly thought out. Ms. Holmes prepared her version of a sales tax, which would be a 2-3% sales tax on the first \$100 of purchases/services only, with exemptions for grocery store-related food items, licensed medical services, prescriptions, items/services already federally or municipally taxed, and other exemptions that may be defined later. Revenues would be applied to reduce property taxes by 2 mils, with the excess then applied outside the tax cap to supplement funding for education, parks/recreation departments, and public safety. This would mean a change in the charter.

Jake Metcalfe commented that the Board supported, along with the Alaska Association of School Boards, a fiscal plan and they continue to push for that.

Mr. Steele commented that the Board is inclined to be more assertive with regards for adequate funding for education. There are those in the legislature who felt we had to feel the pain before they could make the decisions they need to make. This community has been fantastic with regard to bonds, and he applauds them.

Speaker, ML Laudermilk, voiced his concerns of budget cuts for Community Schools. It's the hope of the members of ACE that they can continue to its current level. ACE will be of any assistance it can to help get possible funds for full funding. Mr. Laudermilk strongly urged the Board to leave the core program in place. ACE is interested in continuing the program and leaving a core program in place would allow them to do so. The Community Schools programs are not just for adults but they also provide enrichment and tutoring for students and safe after-school programs for children. They also provide adult activities for lower income people that cannot afford to go out of state. They are a strong part of the school district. Mr. Laudermilk also requested the Board to

reconsider eliminating the security specialist position, stating that the position more than pays for itself. Mr. Laudermilk feels this position is critical to ensure that the District meets certain safety and security requirements in order to get funding.

Speaker, Burl Johnson, expressed her concerns over the possible elimination of so many teaching positions next year. Ms. Johnson stated that if the Board is forced to make the cuts indicated and then cut again for 2005/06 school year, our school system will be badly hurt. Even if legislators come to their senses it will take five years to recover from the cuts. Ms. Johnson stated that the community members do not see this as their problem, but it is the Board's problem. Ms. Johnson suggested that in order to involve the community and wake it up they need to eliminate all sports. It will not give a lot of savings but it would bring in a lot of people. Then, it would be their problem also. Then, the Board could give them the phone numbers of their legislators in Juneau. Ms. Johnson added that this shortage is everyone's problem. Ms. Johnson stated that the one thing that would set this community on fire would be eliminating sports.

Carol Comeau explained that the Administration had a long and hard conversation on this subject and it's a judgment call. There are no good cuts in this budget. The Administration chose not to do what the speaker described. Ms. Comeau believes in the value of the extra curricular activities. We want to work with the community groups who sponsor clubs, groups, and organizations and look at outsourcing for the next year. We cannot continue to raise the fees that discriminate against the young students that cannot afford them. Ms. Comeau applauded the speaker's tenacity.

John Steiner appreciated the speaker's comments and he recognizes that if the Board did cut the extra curricular activities, the amount would not be enough to cover the hole in the budget. It's not just the intricacies of football and other sports activities, but the very many other things they do, including the teaching of honesty and integrity, through some of these programs.

Tim Steele commented that the Board has thought about this and agrees with Carol Comeau. The Board and Administration would be accused of "putting up the Washington monument," and the Board needs to do the responsible thing.

Linda Weatherbee, Community School Coordinator for Rabbit Creek, urged the Board to consider retention of some of the Community Schools programs for fear that if it goes away completely it will stay away. The speaker added that Community

Schools has just finished a five-year strategic plan and a key component was stability. Some of the programs are quite self-sustainable at this time, including the preschool, or school age childcare program. Ms Weatherbee urged the Board to ask Juneau to please reinstate the mandate for Community Schools. It's an important thing that was lost last year.

Steve Nerland, a West High School graduate and volunteer coach in an outsource program, commended all of the Board members for what they do. Mr. Nerland urged the Board to consider saving the C Teams program. Mr. Nerland feels it is a vital program and he knows the benefit of continuing the C Team experience. The speaker commented that he is afraid that once they are gone they will never return. Mr. Nerland suggested cutting activity bussing to zero and build it back school by school. The speaker suggested moving the C Team games to the evening and allowing the parents to drive the students. In addition, the speaker suggested charging for admission. Mr. Nerland added that ASD would have to address Title 9 issues if the C Teams are cut.

Superintendent Comeau stated that by June the Administration will have a lot of these issues figured out. The Administration will look at the activity bus issue, but when we did that a few years ago, the parents stated that it was a safety issue, so the Board reinstated it.

Todd Arndt stated that the best way to tackle these issues is to form a task force to look at them. It's not really the C Teams that are being eliminated, but it is the 54 addendums for the activity fund that supports the C Teams, which is site-based and managed by the principals. In order for the schools to keep the C Teams there would have to be collaboration among the principals. It would have to be absorbed by increased revenue or volunteers. Ms. Comeau commented that the Board and Administration needs to get through next week's budget situation and then a task force can be formed to look at these issues. We are interested in a wide group of peoples' suggestions. Our activity program is more than just sports.

Blythe Campbell, Chairperson of the Anchorage Community Education Association, appreciated all the years of support from the District. The speaker stated that the members talked about a future plan and will prepare a proposal, which will include a plan for keeping Community Schools going.

The Board recessed at 6:25 p.m. and reconvened at 6:45 p.m.

AMENDMENT:

Moved by: Tim Steele to make the following reductions to
seconded by: John Steiner the School Board budget code 1001:
3400 Board Contingency reduce by
\$700; 3530 Telephone zeroed out;
4010 Office Supplies reduce by \$400;
4060 Meals & Food reduce by \$8,000;
3600 Travel OOD Legs Lob by \$8,500
for a total reduction of \$26,000 or 7
percent.

Tim Steele spoke to his motion and explained that it was his feeling that the Board needs to take its share of cuts as well. Seven percent was asked by each department.

Jeff Friedman suggested dividing the question into five different amendments. Tim Steele and John Steiner agreed.

AMENDMENT:

Moved by: Tim Steele reduce School Board Budget #3400 -
seconded by: John Steiner Board Contingency by \$700.

Carol Comeau explained that the replacement of equipment and training for new Board members came out of this fund. John Steiner asked if the fund could be reduced by a greater amount. Ms. Comeau stated that reducing the fund by \$700.00 would work fine but she did not advise going much lower.

VOTE:

Ayes: Marks, Kennedy, Steele,
 Metcalf, Friedman, Steiner,
 Roberts

Nays: None

AMENDMENT PASSED

AMENDMENT:

Moved by: Tim Steele reduce the School Board Budget
seconded by: John Steiner #3530 - Telephone, completely by the
total amount of \$8,400.

Tim Steele explained that he thinks the Board members can pay for their own cell phones. Crystal Kennedy stated that she would like to keep the second telephone line and would support this Amendment if she could pay for the second line herself. Ms. Comeau stated that it could be done.

Macon Roberts and Jeff Friedman also felt that the private line for the public is essential.

John Steiner agreed with the comments and proposed cutting the fund in half and judiciously determining what type of phone service each Board member needs.

AMENDMENT TO THE AMENDMENT

Moved by: John Steiner	reduce the School Board
seconded by: Jeff Friedman	Budget #3530 -
	Telephone, by \$4,200.

Jake Metcalfe agreed that it was a good amendment.

The Board members questioned whether or not there would be sufficient funds available if the fund was cut in half. Duane Moran stated that it would be close if one phone line and one data line was allocated for each Board member.

John Steiner suggested that if this Amendment passes, the Board be given an itemized list of what services each member is getting and then they could find out next week as to whether this dollar amount will work out.

VOTE ON AMENDMENT TO THE AMENDMENT:

Ayes: Marks, Steele, Metcalfe,
Friedman, Steiner, Roberts

Nays: Kennedy

AMENDMENT TO THE AMENDMENT PASSED

VOTE ON AMENDMENT AS AMENDED:

Ayes: Marks, Kennedy, Steele,
Metcalfe, Friedman, Steiner
Roberts

Nays: None

AMENDMENT AS AMENDED PASSED

AMENDMENT:

Moved by: Tim Steele	reduce the School Board
seconded by: John Steiner	Budget #4010 - Office
	Supplies, by \$400.

VOTE ON AMENDMENT:

Ayes: Marks, Kennedy, Steele,
Metcalf, Friedman, Steiner
Roberts

Nays: None

AMENDMENT PASSED

AMENDMENT:

Moved by: Tim Steele

seconded by: John Steiner

reduce the School Board
Budget #4060 – Meals &
Food, by \$8,000.

John Steiner commented that his employer does not furnish food for meetings - everyone orders in and pays for it. Mr. Steiner feels the Board members could also work it out. Mr. Steiner mentioned that there are situations when the food account will be used for other people also, and not just the Board. Ms. Comeau added that this account also pays for community outreach, such as buying tables for the Board to represent the District at local functions.

Jake Metcalfe objected to cutting the fund this much. Mr. Metcalfe stated that he would be willing to offer the Board President's salary stipend. Mr. Metcalfe stated his concern that often several of the Board members come to meetings without the chance to eat before a meeting that could last several hours.

Mary Marks stated that she would not support this amendment. Ms. Marks feels it is important for the Board to attend many of the local functions in the community and that the Board members' presence is very much required.

Macon Roberts agreed with Mr. Metcalfe and Ms. Marks and feels the Board members need to be in the community representing the quality and standards of the School Board.

VOTE ON AMENDMENT:

Ayes: Kennedy, Steele,
Steiner

Nays: Marks, Metcalfe, Friedman,
Roberts

AMENDMENT FAILED

AMENDMENT:

Moved by: Tim Steele
seconded by: John Steiner

Reduce the School Board
Budget #3600 – Travel
Out of District Legislative
Lobbying, by \$8,500.

Jake Metcalfe commented that he does not think this fund should be reduced since there is a high need for the Board members to go to Juneau. It is very important since the District does not have a professional lobbyist. It is not a logical thing to cut when we are facing a huge deficit. Ms. Comeau concurred and stated that she does not recommend this cut.

Macon Roberts agreed with the Superintendent and Mr. Metcalfe and added that he has no problem with forfeiting the per diem that is given during those trips.

AMENDMENT TO THE AMENDMENT

Moved by: John Steiner
seconded by: Jeff Friedman

Reduce the School Board
Budget #3600 by 10
percent or \$2,250.

VOTE ON AMENDMENT TO THE AMENDMENT:

Ayes: Kennedy, Steele,
Friedman, Steiner
Roberts

Nays: Marks, Metcalfe

AMENDMENT TO THE AMENDMENT PASSED

Mary Marks stated that she is not in support of either amendment because the Board's presence is needed in Juneau, especially since it is the largest school board in the State.

VOTE ON AMENDMENT:

Ayes: Kennedy, Steele,
Friedman, Steiner
Roberts

Nays: Marks, Metcalfe

AMENDMENT PASSED

AMENDMENT:

Moved by: Jeff Friedman
seconded by: Tim Steele

reduce the School Board
Budget #3010 –
Contracted Services
Administration by \$3,000.

John Steiner stated his concern that we have a long list of items to audit. The Board could give up \$3,000 next year but if they do that every year Mr. Steiner feels the Board is not doing its duty to the public to monitor the District's departments appropriately. Mr. Steiner added that he will support this cut for this year but it will not be a sustainable reduction. Ms. Comeau agreed with Mr. Steiner and stated that she would support to add the \$3,000 back the following year.

VOTE ON AMENDMENT:

Ayes: Marks, Kennedy, Steele,
Metcalf, Friedman, Steiner
Roberts

Nays: None

AMENDMENT PASSED

AMENDMENT:

Moved by: Jake Metcalfe in line 1011, reduce the
seconded by: Jeff Friedman amount of \$120,600 by 7
percent.

Mr. Metcalfe stated that he thinks, as a school board, the Board members should lead by example and take the same sort of cut in their salary.

Jeff Friedman and John Steiner supported the amendment. Macon Roberts agreed with Mr. Friedman and Mr. Steiner and added that if it would not create a financial hardship they should take the cut. Mr. Roberts added that he would like the amendment amended so that the cut would not have to be across the board if it created a financial hardship for some of the Board members.

Tim Steele commented that he is a single parent on a fixed income and will therefore need to vote against it.

Mary Marks stated that she wanted to be here because her heart is in children's education. Ms. Marks stated that she is a survivor and a roll model in her community and will support the amendment.

Jake Metcalfe stated that Board members can decide how much of a cut they can take. The Board President gets a \$300.00 stipend and the President could decide whether he/she wants to take that much.

VOTE ON AMENDMENT:

Ayes: Marks, Kennedy,
Metcalf, Friedman, Steiner
Roberts

Nays: Steele

AMENDMENT PASSED

AMENDMENT:

Moved by: John Steiner
seconded by: Crystal Kennedy

reduce the School Board
Meals & Food account by
\$1,200.

John Steiner stated the he feels the Board should take some reduction in this area.

VOTE ON AMENDMENT:

Ayes: Kennedy, Steele,
Friedman, Steiner
Roberts

Nays: Marks, Metcalfe

AMENDMENT PASSED

Carol Comeau stated that if we are successful in getting additional revenues in June we will be able to reinstate some of these things. This is just the beginning of the budget development process.

MOTION:

Moved by Tim Steele
seconded by Macon Roberts

that the Board request the Administration to prepare a resolution requesting the Assembly take action to remove the Anchorage Tax Cap and consider a small local sales tax to support Community Schools, education and recreation activities in Anchorage.

Mr. Steele stated he is afraid the State will not do what it needs to do in terms of adequate funding and he is concerned that we need local funding to provide adequate educational needs.

Jake Metcalfe suggested that the resolution be referred to the Legislative Committee.

FRIENDLY AMENDMENT:

Moved by Jeff Friedman
seconded by John Steiner

That the Board request the Legislative Committee review and recommend the Administration to prepare a resolution requesting the Assembly take action to remove the Anchorage Tax Cap and consider a small local sales tax to support Community Schools, education and recreation activities in Anchorage and make the tax cap unapplicable to education.

Tim Steele had no objection to the friendly amendment. The Board unanimously agreed to refer the resolution to the legislative committee.

Jake Metcalfe reminded the audience that there will be a second reading of the budget on January 29th and encouraged everyone to testify. The Board will also take testimony under non agenda items at the next regular School Board meeting. The public is also able to comment on the budget to the Board by e-mail or telephone.

D. EXECUTIVE SESSION-
(PERSONNEL/FINANCE/NEGOTIATIONS/LITIGATION)

E. ADJOURNMENT

The Special Meeting of January 21, 2004, was adjourned by unanimous consent at 8:50 p.m.

Jake Metcalfe, President

Mary Marks, Clerk

Robin Siegfried, Recording Secretary

Date Minutes Approved