

1 activities would be based on student interaction and enriching education and include career development and work-
2 study programs

3
4 **6.A. Budgeting Process. Requested by Superintendent Comeau.**

5
6 Superintendent Comeau addressed the ASD Budget process and urged the Assembly to be involved for a better
7 understanding. Dr. Selkregg stated the Assembly's goal was for expenditures not to exceed last year's budget and to
8 identify critical goals and needs. Mr. Birch stated that there needed to be equity with the budget process. Because of
9 the budget deficit all municipal employees had received a reduction in compensation and he had supported a 5%
10 reduction to the ASD Budget. Mr. Starr addressed the importance of having an open and ongoing partnership to
11 understand the issues. He proposed ad hoc and interdepartmental meetings to review the budget and joint meetings
12 of the Budget and Finance Committee and the Education Task Force. He stated he would continue to propose budget
13 cuts in the future. Mr. Gutierrez stated he supported working closely together on the budget. Ms. Gray-Jackson stated
14 the Budget and Finance Committee Work Plan included working with the ASD. Mr. Friedman stated the ASD
15 welcomed Assembly recommendations. Mr. Steiner stated that the ASD's priorities were to address student
16 achievement and the dropout rate. The community pressured the ASD to do more. It was good to know the
17 Assembly's expectations and he urged the Assembly to be involved. Mr. Gutierrez recommended the Assembly
18 propose general priorities and cuts, with ASD response. Superintendent Comeau recommended that the Assembly
19 join the ASD worksessions early in the fall and follow the entire budget process. Mr. Birch, Mr. Starr, Mr. Gutierrez,
20 Ms. Gray-Jackson, Mr. Friedman, Mr. Steele, Ms. Kennedy, Dr. Selkregg and Superintendent Comeau supported the
21 Assembly and ASD cooperatively addressing the ASD Budget.

22
23 Mr. Steele stated that additional funding was needed for education. Funding education was complex and used all
24 funding resources, including taxpayers, grants and the state and federal governments. He explained the extensive
25 nine-month budget process, beginning with recommendations from departments and involving public input with
26 continual changes and unexpected cost increases. At the end of the process when a final balanced budget was
27 presented to the city it was difficult to expect recommendations for reductions. Dr. Selkregg stated that it was
28 challenging because everyone wanted everything. The Assembly was told they did not care about the children. She
29 encouraged the ASD to attend the Assembly Meetings and worksessions to hear public expectations and concerns
30 about the dropout rate and money being spent. Ms. Gray-Jackson stated the Budget and Finance Committee Work
31 Plan included meeting with the ASD to discuss all aspects of the budget. Mr. Birch stated it was not the Assembly's
32 role to cut the ASD Budget, but the Assembly was accountable to the voters. Ms. Kennedy stated that open
33 communication and a shared understanding were critically important. Mr. Starr recommended that the Municipal Chief
34 Fiscal Officer and ASD Chief Financial Officer address the mill rate and tax formula. The city was using funding
35 reserves for general operations and paying for the ASD Budget would require using emergency reserve funds. Mr.
36 Steiner responded that the ASD was also using reserve funds.

37
38 **6.C. Impacts of the Failure of the School Bonds, Including Items the District Found Funding to**
39 **Complete. Requested by Assembly Chair Ossiander.**

40
41 Superintendent Comeau addressed the failure of the ASD bonds at the recent Municipal Election and stated that more
42 advertisement was needed prior to the election. She reported the ASD had had an increase of unexpected
43 maintenance expenses for existing facilities. The Bond Counsel had recommended using unspent funds from bonds
44 and authorizations that would be lost unless used. Mr. Friedman stated the Bond Counsel also had recommended
45 spending the interest earnings. Chair Ossiander recommended setting aside reserve funds for repairs.
46 Superintendent Comeau recommended holding a worksession to understand the legal requirements and limitations of
47 using bond funds. Ms. Drummond responded that it was now possible for the ASD to use money left over through
48 efficiencies from previous projects for other school facility improvements. Mr. Steele stated that broadening bond
49 language was important to be able to increase spending opportunities. Mr. Steiner stated that more clarity was
50 needed on bond funding limitations. Mr. Birch stated it was important for the voters to understand the bond process.
51 Superintendent Comeau explained the process of preparing bonds and using School Bonds YES!, a private advocacy
52 group not associated with the ASD. Mr. Starr stated there was credibility when projects came in under budget. There
53 was pressure from the voters for capital improvements, road improvements and increases for police, fire and
54 education. Superintendent Comeau stated that citizen groups were already addressing capital and facility needs for
55 next year's budget.

56
57 Mr. Starr stated the timing could be better coordinated for the budget cycles of the Municipality and the ASD and
58 receiving State funds. Mr. Friedman recommended coordinating budgets in September or October. Mr. Steele stated
59 that the Ten-year Capital Improvement Plan outlined priorities which changed with funding opportunities because of
60 the dependency upon State debt reimbursement. There was open discussion about the bonds failing and
61 consideration of changing priorities. Dr. Selkregg stated there was consideration of public priorities. Mr. Steiner stated
62 that the ASB understood that Assembly input was important to their decision-making process.

63
64 **6.C.a. Update on Chester Valley Elementary School Upgrades. Requested by Dr. Selkregg. (Addendum)**

65
66 Assistant Superintendent for Support Services George Vakalis reported that Chester Valley reconstruction was on
67 schedule and would be completed on time, regardless of the filed protest and appeal involving a construction contract.
68 Superintendent Comeau and Mr. Vakalis stated the project had not changed and school would open on time.

69
70 **6.D. Potential Impact to ASD in Changing the Tax Cap Calculation to Include a Five (5) Year Rolling**
71 **Average on CPI. Requested by Assembly Chair Ossiander.**

72
73 Chair Ossiander explained the tax cap initiative and changing the consumer price index (CPI). Chief Fiscal Officer
74 Sharon Weddleton explained the voter-approved Proposition 9 had changed the CPI formula. Increased inflation may
75 create a higher tax cap. Mr. Starr stated that the population adjustment had been calculated on a five-year formula
76 and would be determined by a new population census, which was based on complicated factors. Ms. Weddleton
77 stated a new formula would be calculated with the past four year's calculations as the new average. Mr. Steele
78 responded that all costs had gone up, including costs for public services

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6.E. Percent for Art Maintenance Fund. Requested by Assembly Vice-Chair Drummond

Curator of Public Art Jocelyn Young distributed a summary and addressed the 1% for Art Projects in the Municipality of Anchorage (MOA) since 1978, involving 411 works of art. She explained the art selection process, the locations of the works of art in the city and impacts to the people and the community. The MOA owned the artwork and maintenance had never been addressed. It was important to address creating a maintenance fund because there were works of art that were over twenty years old that required maintenance or repair. Future 1% for Art Projects could incorporate maintenance into the original costs. In the past the community and teachers had taken responsibility for some public art. One art piece was being cared for by the Alaska Pacific University. Mr. Birch stated that he supported fixing the works of art and beginning routine maintenance, repair and upkeep.

Ms. Young stated that funds for maintenance had never been set aside and many of the original works of art required specialized maintenance which could not be completed by municipal employees. She stated that she had raised money to repair some existing works of art, but there was a need for establishing a 1% for Art Maintenance Fund to maintain, clean or repair future projects. There may be consideration of works of art being adopted by the community. Small replicas could be made of some art pieces to use for advocacy and to sell to help fund maintenance. Ms. Drummond stated she would support making small reproductions of specific 1% Art pieces to sell at the Anchorage Museum, the Dena'ina Center or the Imaginarium to raise funds. She requested that the Bond Counsel determine whether designated money could be used for a maintenance fund. Mr. Steele supported repairing the works of art, especially the Kincaid Clock. Mr. Steiner supported designating part of the 1% for Art funds for a maintenance fund. Ms. Young responded there were restrictions, but they were continuing to investigate the matter.

6.F. The Impacts of Having Added Sexual Orientation to the ASD Policy Against Discrimination. Requested by Assembly Vice-Chair Drummond. (Addendum)

(Clerk's Note: There was not enough time to address this matter.)

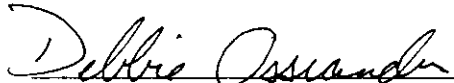
7. COMMENTS There were none.

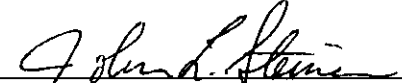
8. SCHEDULE OF UPCOMING JOINT MEETINGS

Chair Ossiander reported that notification for the next Joint Meeting would be sent out when dates were finalized.

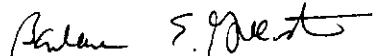
9. ADJOURNMENT

Chair Ossiander adjourned the meeting at 11:56 a.m.


DEBBIE OSSIANDER, Assembly Chair


JOHN STEINER, Anchorage School Board President

ATTEST:


BARBARA GRUENSTEIN, Municipal Clerk
Date Minutes Approved: September 25, 2009.
MC/BG

(Approved Meeting Minutes can be viewed online on the Municipal Web Site, www.muni.org~Assembly~Minutes~year~month/day or copies are available from the Municipal Clerk's Office, 632 West 6th Avenue, Suite 250, Anchorage, Alaska, (907)343-4505)

