

**MINUTES**  
**BUDGET ADVISORY COMMISSION**  
**OCTOBER 5, 2011**

**Members Present:**

Tam Agosti-Gisler  
Jim Bailey  
Andy Clary  
Amy Demboski  
Bob Griffin

Greg Gursy  
Steve Hartung  
Shirley Nelson  
Liz Vasquez

**Guests:**

MOA: Cheryl Frasca, OMB Director

ASD: Kathleen Plunket, School Board  
Chad Stietler, CFO  
Marie Laule, Budget Director

**1. Meeting called to order by Chair Clary**

**2. Roll Call: 9 members present**

Bill Webb is excused.

There is a question about David Alexander's term; it appears it has expired.

**3. Approval of Agenda – approved, no objections**

**4. Approval of September 14, 2011 regular meeting minutes - approved, no objections**

**5. Reports:**

a. Assembly – No report given

b. OMB - Cheryl Frasca

MOA report given & overview of budget documents presented. BAC members were given the following budget documents:

- 1) 2012 Proposed General Government Operating Budget
- 2) 2012 Proposed Municipal Utilities/ Enterprise Activities, Anchorage Community Development Authority, Operating and Capital Budgets
- 3) 2012 Proposed Capital improvement Budget, 2012-2017 Capital Improvement Program

BAC members were encouraged to discuss with Departments their return on investment, how much taxpayers are getting in return for the \$ spent.

“Leave cash out” for departments has been over budgeted in past years. In previous years the money fell into fund balance. This year the city has realized a \$6.5 million savings by addressing this overage of dollars.

Savings has also been realized by the “scrubbing” in non-labor account of vacant positions; these are areas of non-direct services to citizens.

Last year’s savings was approx \$15-16 million & was applied to one time expenditures, such as environmental cleanup & property tax relief.

Assembly budget work schedule was passed out.

Education summit is November 15-16. Next week the Mayor will have a press availability opportunity to discuss who speakers are and more details about the summit. The design of the summit has a limit of the number of participants to about 100. No taxpayer dollars will be used to fund this summit. The summit is completely funded with private money.

c. ASD – Chad Stietler gave the ASD report.

ASD just had a work session on the 2012-2013 budget. They will have another work session on Oct 17<sup>th</sup>. Next Monday the School Board will decide the upper limit at their next meeting. They will be looking for another resolution from the assembly for guidance on spending expectations. That will solidify 1/3 of ASD funding.

Their 6 year financial plan anticipates a \$34 million deficit. They are in the process of trying to define objectives & measurements similar to PVR utilized by the municipality. (ie custodial services- trying to benchmark against similar school districts) However, this is not a good benchmark for instructional performance; but, they are working on trying to measure specific programs. (VAB)

CAFR – comprehensive financial report; audit committee is set to review it on 10/17. ASD has a school board meeting on 10/24 at 6:30. They will be entering the more formal ASD budget process in the next couple of weeks.

The student count will be finalized the 4<sup>th</sup> Friday of October.

## **6. Department Assignments:**

BAC members were encouraged to evaluate what information departments could be measuring differently. They were encouraged to look at the budgets from the perspective of a citizen.

## **7. ASD Budget Subcommittee:**

Subcommittee was formed. Commissioners Gurse, Agosti-Gisler, and Griffin will comprise this subcommittee.

## **8. BAC Member Comments:**

Bob Griffin passed out diagrams detailing student numbers vs ASD square footage; and the growth of the latter.

## **9. Upcoming meeting dates**

- **November 2, 2011**
- **December 7, 2011**

**JANUARY – MARCH BAC MEETINGS WILL BE HELD AT THE ASD FACILITY.**