



# Daily News-Miner

THE VOICE OF INTERIOR ALASKA

**Inside Today** Denali life: Couple invites mudslide 'refugees' to wedding; bunny found in park. » A3

## Budget cuts strain school district savings

**By Weston Morrow**  
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The Fairbanks North Star Borough School District will have to cover an additional \$1.1 million in budget cuts because of Gov. Bill Walker's line-item vetoes.

The school board will be able to cover the additional reductions without cutting services or staff positions, but, to do so, the district will have to dig into its budget reserves,

according to Chief Financial Officer Lisa Pearce.

The school board approved its budget for the 2016-17 school year on June 9. On June 20, the Legislature sent the state budget to the governor, and on June 29, the governor approved the budget but vetoed numerous funding allocations.

Those vetoes totaled about \$58 million in education funding, about \$5.4 million of which affected the Fairbanks

school district. The majority of that — \$3.2 million — however, affected bond debt reimbursement payments.

Essentially, the state withdrew its old standing offer to reimburse municipalities for certain school building work. That debt is held by the borough, so it will affect the borough's budget instead of the school district's. The affect on taxpayers will be the same, though.

The governor also vetoed

about \$450,000 in one-time education funding, but the Fairbanks school board — anticipating that money wouldn't come — had decided not to put it in its budget.

The governor also vetoed funds that reduced allocation to the Fairbanks school district by another \$650,000. The school board had been counting on that funding, which meant they would have to find another source.

Luckily, Pearce said, the district saved money on energy costs because of building efficiency and low fuel costs. It also received windfall funding in federal impact aid that had been promised for previous years but delayed.

"We did increase and had some windfalls ... but it could have gone the other way," Pearce said.

The biggest problem, according to Pearce, is the roughly

**SCHOOL » A5**

### GOOD MORNING



#### The weather.

Mostly cloudy with scattered rain showers, patchy fog and highs in lower 60s.

High today ..... 59  
Low tonight ..... 43

Sunrise: 4:59 a.m.  
Sunset: 10:51 p.m.

WEATHER » A9

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### COMBAT READY

Air Force declares its version of the F-35 ready for limited combat.

INTERIOR  
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### MOVING UP

Former Nanooks defenseman Brandon Gawryletz promoted to full-time NHL linesman.

SPORTS  
Page B1

...

**SOURDOUGH JACK:**  
"What makes the world go 'round when the money runs out?"



### GAZEBO NIGHT



**Above:** People watch sisters Laura Calhoun, left, and Lizzie Hartman perform for a Fairbanks Art Association Gazebo Night at Pioneer Park on Tuesday.  
**Left:** Creed St. George, 2, claps after Calhoun and Hartman finish performing a song. Gazebo Night performances continue daily at 7 p.m. through the end of August.

ERIN CORNELIUSSEN/  
NEWS-MINER

## Governor changing makeup of pot board

**By Amanda Bohman**  
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An unexpected dismissal on the Alaska Marijuana Control Board has left Brandon Emmett, of Fairbanks, the sole voice for the fledgling cannabis industry, and it's not clear whether that will change when a new person is appointed.

Gov. Bill Walker removed the other industry representative, Bruce Schulte, late last week. Schulte, an Anchorage businessman, was previously ousted as chairman by fellow board members.

The board consists of five people: representatives from the public safety and public health sectors, a member of the general public, an industry representative and an industry/public member, Emmett's position.

The state is advertising for an industry/public member to replace Schulte, who had been solely the industry representative.

**POT BOARD » A5**

## Three still in critical condition after explosion

**By Weston Morrow**  
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Three of the five people injured in a propane explosion in Fairbanks on Sunday are in critical condition at Harborview Medical Center in Seattle.

The other two are in serious condition, according to the hospital, which confirmed all five of the patients were still being treated in the medical center's intensive care unit.

Meadow Batejan,

David Weissman and Morganne Armstrong are in critical condition and Ellen Weiser and Colin Campbell are in serious condition, according to a spokeswoman from Harborview.

Batejan, 21, of Pennsylvania; Campbell, 27, of Tanana; Armstrong, 26, of Fairbanks; Weiser, 69, of Fairbanks; and Weissman, 64, of Fairbanks; were inside a cabin on Rosie Creek Road on

**EXPLOSION » A9**

## Judge to rule on city labor contract dispute

**By Kevin Baird**  
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Superior Court Judge Michael McConahy said Tuesday afternoon he would make a timely decision on whether Fairbanks committed an unfair labor practice violation, in a contract dispute between the city and the Public Safety Employees Association, a labor union that represents the Fairbanks Police Department.

Last November, the Alaska Labor Relations Agency ruled

Fairbanks committed such a violation when the City Council ratified a collective bargaining agreement with the PSEA in August 2014.

Councilman Jim Matherly motioned to reconsider the contract later that month.

Matherly and then-Chief of Staff Jim Williams had concerns about the cost of the contract, which included a 36-hour work week. In a November 2014 meeting, the council voted 6-0 to reject the agreement. The city appealed the

agency's ruling to the superior court, denying any wrongdoing.

City attorney Paul Ewers presented nearly 30 minutes of arguments to McConahy on Tuesday afternoon.

Ewers argued the council never ratified what he called the 'tentative agreement' between the city and the PSEA.

**DISPUTE » A9**



Matherly

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