



Greater Albany Public School District 8J  
718 Seventh Avenue SW  
Albany, Oregon 97321-2399  
Maria Delapoer, Superintendent

## ***Budget Committee Meeting***

**January 30, 2013**

**7:00 p.m.**

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### ***MINUTES***

#### ***CALL MEETING TO ORDER***

Budget Committee Chair Will Summers called the January 30, 2013, Budget Committee Meeting to order at 7:00 p.m.

Present were:

Sandi Gordon	Board Chair
Will Summers	Budget Committee Chair
Frank Bricker	Budget Committee Member
Jerry Boehme	Budget Committee Member
Julie Jones	Budget Committee Member
Doug Marteeny	Budget Committee Member
Chris Norman	Budget Committee Member
Micah Smith	Budget Committee Member
Lyle Utt	Budget Committee Member
Jennifer Ward	Budget Committee Member
Maria Delapoer	Superintendent
Russell Allen	Director of Business
Ashley Netzel	Controller

Sandy Gordon made previous arrangements to be absent from the meeting. A list of others present at the meeting is attached to the original minutes.

#### ***PLEDGE OF ALLEGIANCE***

Mr. Summers led those present in the Pledge of Allegiance.

#### ***BUDGET COMMITTEE OPERATIONAL TASKS***

1. Approval of Budget Committee minutes for November 5, 2012.

Mr. Summers asked if everyone had an opportunity to review the minutes from the November 5, 2012 Budget Committee Meeting and asked if there were any deletions, modification, or concerns. There were none. Mr. Summers then asked for a motion to accept the minutes. Budget Committee Member Doug Marteeny made a motion to accept the May 16, 2012 Budget Committee Minutes as presented; Budget Committee Member Chris Norman seconded the motion. He then asked for discussion. There was none.  
**MOTION CARRIED UNANIMOUSLY.**

#### ***BUDGET COMMITTEE DISCUSSIONS***

1. Achievement Compacts

Superintendent Maria Delapoer stated that the Achievement Compacts have been in development over the

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last year or so and the advisory committee has met several times and put together some proposed targets for next year as well as plans for accomplishing the goals for this year and next year. She stated that recently there have been some changes made to the targets by the State and wanted to give the Committee an update. She invited Curriculum Directors Peggy Blair and Tonja Everest to discuss some of the changes with the Committee. Ms. Blair referred to the document in the packet. She stated that our job as a district last year when the achievement compacts were first introduced was to identify targets for the 2012-13 school year. She stated that currently the district is working on targets for the 2013-14 school year which are shown on the second page of the packet. Ms. Blair explained that there are two target areas in the Achievement Compact, the first is College and Career Ready. Those targets focus toward graduation, completion rates, and college data that they would like us to collect and pay attention to. The second area is Making Progress which focuses on academic and attendance progress because those are key areas that are looked at to know whether our kids are being successful.

College and Career Ready. Ms. Blair explained that the 4 year cohort graduation rate are students entering as 9<sup>th</sup> graders who graduate in 4 years. She stated that the next target is the 5-year completion rate. It includes the regular diploma as the graduation cohort does, but also includes the modified diploma, the extended diploma, the adult diploma, and the GED. None of those are counted as regular graduation diplomas so they are not counted in the graduation cohort but are counted in the completion rate. This is one of the targets that we will be following. Questions ensued. Ms. Blair went on to explain that the Post Secondary Enrollment is the percent of students that go on to post secondary institution in their first year after high school and that Earning 9+ College Credits reflects students who earn college credits prior to leaving the district. These credits can be obtained through College Now classes (college courses taught in high school), courses taken on site at LBCC, and AP courses. The District will now track the numbers of students who have at least 9 college level credits prior to leaving the district.

Committee Member Frank Bricker asked Ms. Blair to explain how the advanced diploma can directly impact the Achievement Compact. Ms. Blair shared that a newspaper article reported that we are considering a fifth year diploma option called an Advanced Diploma. This is for students who have met all regular graduation requirements in the 4 years needed to graduate including the essential skills requirement and current related learning experiences requirements, but could opt then to not accept their diploma and stay with us for a fifth year and attend LBCC for that fifth year. The consequences that Mr. Bricker is talking about is that those students will then be subtracted from our four year graduation cohort rate, however the fifth year graduation cohort rate, which will not be counted in the Achievement Compact but is still tracked by the state, would go up as would the fifth year completer rate. But again our four-year graduation rate percentage would go down. Mr. Summers asked if there were any penalties for the four-year cohort rate going down. Ms. Blair responded no. Ms. Ward asked if the Post Secondary Enrollment area includes enrollment in a vocational program or just enrollment in a 2- or 4-year college. Ms. Blair responded that if it is a certificated program through an accredited college. Mr. Smith commented that the penalty for the Advanced Diploma may come from public perception of the number without explanation as to why the number or percent went down in 4-year and up in 5<sup>th</sup> year with advanced diploma because it may not be readily apparent as to why the percentage or rate change. Mr. Summers commented that the District may want to track the advanced diploma very carefully so that it does not attract negative publicity. Mr. Utt asked if we can track completion of the advanced diploma to deter the negativity. Mr. Caropelo commented that there is an option to create a local measure that could take care of this.

Ms. Blair commented that the targets on the document provided in the packet include the targets that were set for last year in 2012, and those that were preliminarily set for 2013-14. She stated that they are not the current statistics but the current goals. She stated that a challenge that the District faces in the graduation rate in addition to the 5<sup>th</sup> year program is that now students have to earn credits in three levels of math at the Algebra 1 level and above and they also have to pass another set of assessments; last year was reading, this

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year is reading and writing; and next year is reading, writing, and math. Mr. Smith stated that he has heard caution coming from the District and was curious as to why. Ms. Blair commented that when credits were the only requirements, through hard work, we could help them over the bar, however with not knowing how the Achievement Compacts will work out, new requirements, new common core standards along with new assessments for 2013-14, committees, principals, and staff are all preferring to stay cautious in goals.

Making Progress. Elementary Curriculum Director Tonja Everest stated that we also track student progress starting at third grade. She shared that third grade reading and third grade math were to be tracked starting in 2012-13; however it was just changed this month so we are now tracking math at fifth grade. The numbers are not available yet to make a determination on targets to set for 2013-14. Ms. Everest commented that the elementary targets are actually very ambitious. Jumping from 72% to 76% is an ambitious goal because the Common Core State Standards are being implemented. The kids this year and next year will be taking assessment on the Oregon Standards and so we are asking kids to not only learn to a new set of standards, but also increase in their ability to meet old standards. Mr. Caropelo clarified that the State has asked us to make the jump starting last year, this year, and next year to the Common Core Standards, yet at the same time telling us they are going to assess us on the Oregon Standards. So we have decided to take the jump now rather than waiting another year to be sure that our students will be able to meet the graduation requirements when they get there.

Other Targets. Ms. Blair explained that 6<sup>th</sup> Grade Not Chronically Absent target means that students have been in school 90% of the time. She reported that the Middle School Principals and that team opted to jump that percentage from 86% to 90%. She shared that the 8<sup>th</sup> Grade Math Proficiency is brand new and came out just last week. There is a tentative goal but it is subject to change. Discussion ensued. Ms. Blair stated that the rest of the information in the packet are items that the committee and principals at various levels have had input on in terms of these are the things we are going to do to try to achieve the targets. These are in a draft stage. Discussion ensued. Mr. Caropelo shared that the process is that the targets and goals will go out for several months of public comment then come back to the Board to be revised and approved and then turned into the state by June 30. Mr. Smith asked that from the Board meeting on Monday the desire would be to start applications and the process toward an advanced diploma system in late February or early March for this year's graduates to start in the fall; where in the process do we decide and insert that local priority to make sure it is on this year's achievement compact? Mr. Caropelo responded that his plan is to take it up with at the next Achievement Compact advisory committee meeting in February and then bring it back to the Board. Discussion ensued.

## 2. GAPS Financial Update

Mr. Summers then moved the meeting on to Mr. Allen. Mr. Allen reported that nothing has changed since the last time he provided the Committee information. He stated that the Governor's proposed budget, with the PERS Reform assumption, is not that far off of the assumptions included in his last presentation. He stated that it is slightly less than the numbers provided, but for all intent and purposes they can be considered the same. He stated that the PERS reform will reduce costs to the school district on the PERS side but expenses (maintaining existing service levels) will still exceed revenues for the biennium. The scenario of the Governor's budget and no PERS reform puts us in a much different position. This is a case where there is no way we can get out of the biennium without making significant reductions to the expenditure side. He added that due to the fact that the legislature has been in session for a couple of weeks nothing has come out of the legislature at this time that would give us any indication of the direction they are headed. Those talks usually don't start heating up until the Ways and Means Committee starts meeting and putting together their budget. He stated that the two groups that lobby on behalf of school districts (OSBA and COSA) have come out with their messaging for legislators: that the Governor's level of \$6.15 billion could be termed as continued decline. They have labeled "\$6.55 billion as more of the same; \$6.75

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billion as more of a level of stability; and \$6.89 billion beginning to invest and improve". At this time, other than a hope that the legislature will exceed the Governor's proposed budget there is nothing more to report. Discussion ensued.

### 3. District Areas of Need

Ms. Delapoe stated that as the District starts to develop a budget there are some guiding principles that are used; the number one goal is student achievement and one of those principles is the Accountability Plan which has been provided and has been streamlined a bit. She stated that this is a vision of what the District believes students need to have going forward. She stated that another principle is the Achievement Compacts and it is the state's expectations that resources would be targeted in those areas. These two pieces frame how we think about spending the resources that the district has. Ms. Delapoe stated that the difficult part is determining where to get the greatest return on investment. There is not enough money to invest in everything that we would like to invest in. Many discussions have taken place on areas that have been reduced although we would like to provide but in this financial environment we cannot. She stated the question becomes is it better intervening in the early years where by the time they get to grade 12 the investment will have paid off, and in the mean time students who are struggling to graduate can't be abandoned. She stated that the other challenge is determining what is best for 9,000 students. What is going to make the biggest difference for all 9,000 of them including students with particular needs that need to be addressed? Ms. Delapoe commented that over the last few years, the district has learned to address those needs in different ways and working through Professional Learning Communities, Administrators in how they supervise teachers, etc. She stated that she is not an advocate of just adding back what was but thinking about different ways how we can invest what we do have for the greatest return.

Ms. Delapoe shared that the other thing that has happened over the past several years is what she called "scarcity fatigue" which means we don't have enough money and we are tired of it. She stated that the district would like to start adding some of these things back and at this point it doesn't look feasible. Ms. Delapoe then had Mr. Allen pass out a page which shows revenues and needs. She stated that she tried to capture both some of the potential sources of revenue and some of the areas that have been identified where we are underfunded or have eliminated. She stated that there are three or four areas that she wants to speak to specifically with some additional information. Ms. Delapoe began to speak about the revenue. She stated that in the ending fund balance reserves, this year is projected to end with an additional \$3.5 million above the 5% minimum floor. However, in the best case scenario with the Governor's budget, including the PERS reform, we will need \$4.5 million to get through the next biennium. She stated that there are some one-time resources: \$400,000 from the City of Albany for the use of Timber Ridge Gym for the next 25 years; a facilities grant of \$700,000; and the construction excise tax fund has been adding up although it has slowed down because of not much building going on and also have a restriction on their use. She stated that these are the "potential bank accounts" for the next 2 years to be able to keep the district operating and address some critical needs. Ms. Delapoe then referred to the list of 17 items, particularly #13 which came up this fall as to what we are doing around TAG and what could we do around TAG if we had a little more money to spend in that area. She asked Ms. Blair and Ms. Everest to come back to the podium to share information about additional resources that could enhance what is happening with the TAG program.

Ms. Everest presented a power point that was given to the Board two weeks ago, discussing the Oregon TAG law and both Statutes and Administrative rules that we follow to identify students by behavior, learning, and other performance data. A copy of the power point presentation is attached to the original minutes. Ms. Everest stated that the district needs to update and submit a new TAG Plan. She gave some options that the Committee should consider including: Expanded OSU Tuition reimbursement program, increased TAG testing and screening budget, offer a district hosted TAG Summer School targeting 6-8 grades, add a .5 FTE TAG support specialist, offer a K-5 TAG pull-out program, and developing a TAG

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magnet program. She then asked for questions which she answered. Ms. Ward asked if there was an opportunity to pursue grants to support any of the TAG options. Mr. Caropelo responded that it could be looked into, however he cautioned that most grants will not cover the cost of hiring staff and many of the bigger grants will have a local matching requirement and fade out over time so the local portion increases so it is not entirely cost free from the budget perspective. Ms. Everest interjected that it is not cost free from the management perspective also. She mentioned that she has learned that grants can be very time and management intensive and require a lot of data, oversight, and accountability that because of the amount of clerical work it takes “did it really pay off?” She stated it is something that has to be considered when looking into those types of agreements. Mr. Smith commented that he was not clear on how the differentiation model works in our district. Ms. Everest shared that in elementary school we attempt to keep TAG instruction self contained in the classroom with additional things on top of the grade level instruction. Schools have Walk to Read/Math programs and have access to 6<sup>th</sup> grade reading curriculum. She went on to state that once one gets into the secondary level, then electives and AP courses are available. Ms. Blair added that if students “top out” at the available classes, then they may take classes at LBCC and OSU. Mr. Smith stated that it appears that we are not doubling their work but making their work more challenging and rewarding. Discussion ensued.

Ms. Delapoer referred to a statement that Mr. Bricker made at the last meeting, “if you think about it, about 10% of our students are identified as TAG, then 10% of teachers time is dedicated to addressing the needs of TAG students at the elementary and secondary level, it is a significant amount of money that is not really separated out in the differentiated instruction model.” Mr. Caropelo commented that the department is looking at revisiting the TAG plan and binder that each coordinator gets and looking at how we can improve their training so that we are making sure that all of the TAG coordinators in the buildings are up-to-speed. Ms. Everest pointed out that the Common Core State Standards do really amazing things for the learning of the talented and gifted kids because they are really asking kids to analyze and synthesize information. The standards not only require that the students have a basic understanding of what is being read, but they also require the student to go further and decompose the text understanding it for purpose, perspective, and application that TAG kids are going to find intellectually stimulating. Mr. Norman stated that there are a lot of things happening that are transparent but is having a hard time determining how one option would enhance what is already being done. Mr. Caropelo replied that staff was not making a recommendation to increase the TAG budget, this discussion was done as a request from the Board for more information and some options. Discussion ensued.

Ms. Delapoer asked Mr. Allen to talk about #3 on the list. Mr. Allen reported that the School Board asked the Facilities Director Doug Pigman for what they called a “top ten” list. He stated that this was the response to that request. He stated that the document is a list of the top priorities from the Facilities Department assuming that the funding continues to be at the reduced level that it has been over the last several years, what are the projects that you are not going to be able to fund in your normal operating budget? Mr. Allen stated that the Capital Projects List is obviously much greater than the listed \$923,000; these are just the highest priorities. Mr. Utt asked how much money the wells at the high schools would save in water expense. Mr. Allen stated that the short answer is yes, and the longer answer is that it is one where it could certainly pay for itself over a period of time. There may be others like this on the list. Mr. Norman stated that the School Safety Upgrades were not on the facilities list and asked what kind of scope that is going to be. Mr. Smith stated that it is still to be determined and that it would be a decision from the Safety Task Force Committee because the assessment team is just offering ideas and recommendations at this point. Ms. Delapoer stated that it would not surprise her that the Committee would come back with that the need for upgrades would require a bond. Ms. Jones asked if the Construction Excise Tax funds would cover the safety needs. Mr. Allen responded that more than likely, yes; it is a potential funding source for Doug’s list and the task force list. The lists would have to be prioritized once the task force is done. Mr. Smith stated that 90 percent of the areas for safety improvement for schools are not fiscal most of it is

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education and practice. Ms. Delapoer made a comment regarding the Construction Excise Tax that one of the things on the radar is that sometime in the not too distant future we will need to replace the bus garage using some of those funds.

Ms. Delapoer moved on to Item #4 and asked those in the Instruction Department to give some information on adoption cycles. Ms. Blair discussed how adoption cycles are set up by the state and that social studies, foreign language, and science (elementary) have been recently skipped with language arts coming up next year. Mr. Caropelo commented that as we talk about “textbooks” or “materials” it not only means the traditional idea of a textbook, but also electronic, e-reader-gased “texts” and it should be kept in mind that there are often publisher or technology costs associated with each of them. Mr. Caropelo also shared that the textbook adoption contracts are for 7 years and that purchasing materials outside of that seven years we pay retail price not contract price. Ms. Delapoer stated that the reference to “an additional \$500,000” is that there is an assumption in the budget for some textbook adoption but it is not adequate. Ms. Blair added that there are recurring costs for some curriculum and replacement costs. Mr. Caropelo summed things up by stating that looking at how the factors compound each other along with larger class sizes and teachers having to create their own materials to meet the standards and needs of students, you can get the sense of “fatigue”. He stated that we have fantastic teachers in our district who are doing right by their students and going above and beyond to make things work. He shared that the word that keeps him awake is “sustainability.”

Mr. Smith stated that districts across the country have migrated or piloted projects that deal with electronic textbooks. He stated that teaching with a smart device is completely unique and comfort levels for teachers would be an issue. He asked for information of cost differences and how it would adjust numbers and forecasts in adoptions. It seems like the updates in adoptions are much easier and longevity use for that document is much better than replacing pages in a textbook. Ms. Delapoer referred to number 9 and stated that staff had taken a “stab” at trying to see if we could equip both high schools so every student had a tablet or something in their hands as well as teacher training, plus maintenance for e-learning. Mr. Summers added that teachers are already asking the Foundation for tablets. Ms. Everest stated that there are pros and cons to both methods. Mr. Caropelo commented that he was anxious to see in the future that as new adoptions roll forward from publishers if they start offering the mobile devices as part of their package. Mr. Allen stated that he would continue to work closely with Mr. Caropelo on this. He shared that not too long ago that Apple came out with a big splash about getting into education and providing online textbooks and it might sound really exciting, but under their model the textbook stays with the student so over 7 years, that same online textbook would have to be purchased seven times over. Mr. Utt commented about how difficult it is for parents to help lighten backpacks by going to a tablet for their children but having difficulty getting information from the district.

Ms. Delapoer mentioned that there were a couple of areas she wanted to mention before running out of time. She referred to Number 11, she stated that certified staff costs to reduce class size was used last year to try to help reduce class sizes a bit. Ms. Delapoer referred to where 10 teachers is \$800,000. She stated that there has been discussion about elementary specialists and all elementary students having access to PE and music, etc. She stated she wanted to clarify that just because an elementary doesn't have a designated music teacher, or designated PE teacher doesn't mean they don't get music or PE, they get that from their regular classroom teacher. She explained that some schools have music or PE specialists because they need it to cover prep time. Ms. Delapoer added that smaller schools have difficulty adding FTE for specialists.

Ms. Delapoer then referred to Number 2 regarding reopening of Fir Grove. She stated that Oak Grove is overcrowded; just as it was when the schools were consolidated, although the enrollment has not increased much since. She stated that there are some annual costs associated with the reopening of an elementary school along with start up costs. She stated that when we go into 2015, if we want to be able to offer all-day

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kindergarten like most other districts, we will then have a space issue across the district for sure. She stated that she believes that there is not a compelling need to reopen Fir Grove for next year; she would like to entertain the idea of opening it the following year when we will know what the funding levels and enrollment levels will be and whether or not all-day kindergarten is a reality.

Mr. Bricker asked about the \$110,000 startup costs. Mr. Allen responded that at the time of closure, the district was at a point where it was going to have to spend money for room ventilators but because of the closure the expense was avoided. It will be an expense of \$40,000 - \$50,000 when the building is reopened. Other expenses are to replace the telephone system that was moved to Periwinkle and Pole Vault systems that were moved to Oak Grove.

Ms. Jones asked if Number 10 (classified staff) was geared more towards primary grades. Ms. Delapoer responded "yes." Ms. Jones then asked if the same thing was true for Number 11 in adding back electives? Ms. Delapoer responded that there were 10 positions added last year. Principals were asked what their most critical need was and targeted the staffing to address those needs. She stated that reducing class size has an impact that spreads across multiple areas. Ms. Jones asked if that meant adding back music and PE at the primary level or Middle? Ms. Delapoer responded that she would not recommend targeting that FTE toward those particular areas.

Mr. Utt asked if class size would be reduced by increasing the number of classrooms or increasing the number of teachers/teaching assistants in the classes. Ms. Delapoer responded that Number 11 reflects adding teachers. It would be to bring a class size down from 35 to 32 or to avoid doing blended grades at the elementary school. Mr. Caropelo stated that students in the 3<sup>rd</sup> grade have never had a full school year. Those ripple effects are something that is going to affect us instructionally. Mr. Smith asked how many school days we were down this year. Mr. Allen responded that the original calendar for this year eliminated 3 student contact days; one has been added back; and now this school year is down 2 student contact days. Ms. Delapoer added that next year's calendar assumes a full school year.

Mr. Norman asked if any of the Long Range Planning were directly targeted toward the Achievement Compacts. Mr. Caropelo responded that they will be captured indirectly. He shared that they were not put on the list in reaction to the Achievement Compact. He stated that these are things we all feel need to be done whether the Achievement Compact is there or not. Ms. Delapoer stated that the Board had already captured those items in the Accountability Plan before the Achievement Compacts came out.

Mr. Norman commented that it was reported that the school population levels were constant. Do we have any idea of other issues (like the closure of St. Marys school) that may impact enrollment levels? Mr. Allen responded that the Board received enrollment projections at the last Board Meeting and offered to include those with the next packet. He stated that the bottom line is that even with capturing some of the St. Mary's students, we are anticipating that the district will be down a little next year and continue that trend for the next 4 to 5 years district wide. He stated that this information is assuming that the birth rate and birth rate capture that we are currently experiencing and that we don't see another housing boom. He stated that going forward 4 to 5 years, the upside is that we stay where we are right now the down side is that we are going to lose some kids.

Ms. Delapoer commented that it is very important to keep everything discussed in our sights but all resources we receive should be spent towards improving student achievement and she is always happy to hear thoughts from others.

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## ***COMMENTS FROM THE PUBLIC***

There were none.

## ***BUDGET COMMITTEE REQUESTS FOR INFORMATION***

1. Information on grants for TAG programs
2. Information on exploring innovation grants with increasing technology for classroom instruction to provide a vision to support technology.
3. Testing/Screening component and how many students are identified past the first grade.
4. Enrollment projections.

Mr. Summers asked if there were any additional questions. There were none.

## ***ADJOURN***

Mr. Summers adjourned the meeting at 8:57 p.m.

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Will Summers, Committee Chair

Recorded by Kathie Caldwell