



# *Budget Committee Meeting*

May 18, 2015

7:00 p.m.

---

## ***MINUTES***

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

Budget Committee Chair Chris Norman called the May 18, 2015, Budget Committee Meeting to order at 7:00 p.m.

Present were:

Chris Norman	Budget Committee Chair
Jerry Boehme	Board Chair
Frank Bricker	Budget Committee Member
Julie Durlam	Budget Committee Member
Sandi Gordon	Budget Committee Member
Doug Marteeny	Budget Committee Member
Will Summers	Budget Committee Member
Lyle Utt	Budget Committee Member
Maria Delapoer	Superintendent
Tonja Everest	Assistant Superintendent
Russell Allen	Director of Business
Randy Lary	Director of Human Resources
Ashley Netzel	Controller

Committee Member Jennifer Ward was absent from the meeting. A list of others present at the meeting is attached to the original minutes.

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

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

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

1. Approval of Budget Committee minutes for May 4, 2015.

Mr. Norman stated that he hoped that everyone had an opportunity to review the minutes from the May 4, 2015 Budget Committee Meeting and asked if there were any changes that needed to be noted. Committee Member Frank Bricker made a motion to approve the minutes; Committee Member Doug Marteeny seconded the motion. Mr. Norman **DECLARED THAT THE MINUTES WERE ACCEPTED BY UNANIMOUS CONSENT.**

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

Mr. Norman called on Ms. Sue McGrory, President of the Greater Albany Education Association. Ms. McGrory introduced herself and stated that when the TIF design team was started five years ago, one of the challenges was to come up with a sustainable plan for programs. She shared that as the program began the biggest push back for teachers on the team came from veteran teachers telling them that anything they came up with would go away after the TIF grant was over. Ms. McGrory stated that this has become a self-fulfilling prophesy. She shared that the TIF grant is winding up this year and the programs that were developed are not being sustained. She stated that there are two programs for which they are asking help and support.

Ms. McGrory stated that first they want to support and retain highly effective teachers in the district. The TIF grant funded the career coach mentoring program was integrated into the TIF schools: Lafayette, Periwinkle, South Shore, Sunrise, Tangent, and Waverly Elementary Schools as well as Calapooia and Memorial Middle Schools. She explained that this year the program involved 47 teachers in their first or second year with the district and 41 coach-mentors. This program was designed to address the major challenge of high turnover among new teachers. Ms. McGrory stated that research shows that nationally, 50 percent of teachers leave the profession within 5 years of signing their first contract. She commented that those numbers haven't been seen in Albany but replacing teachers is costly and the revolving door has a negative impact on student achievement.

# ***Budget Committee Meeting***

May 18, 2015

7:00 p.m.

Page 2

---

Ms. McGrory shared that another challenge is the steady teacher retirement rate. She stated that GAPS has been faced with a mass infusion of new teachers in the past 2 years. The Career Coach program is a comprehensive induction and mentoring program for new teachers for 2 years to engage them in activities before school starts, integrate a mentoring program into the process, model effective teaching, foster collaboration and networking, and provide opportunities for new teachers to observe and be observed without evaluation.

Ms. McGrory shared that the program is cost effective. She shared that the total number of coaches over the previous 3 years was 55; that is an average of 18 per year not 47. She shared that there were twice as many hours budgeted for this year and found out they weren't necessary. She stated that she could also admit that many of the sub days budgeted in that program were not used; therefore, this program could be funded at a lower rate. Ms. McGrory stated that the 0.4 fte budgeted to offer district-wide mentoring is not enough to coach and mentor the more than 60 probationary teachers already identified, district-wide, for 2015/16.

Ms. McGrory then stated that 3 years ago, again with TIF dollars, the peer-to-peer teacher conference was established. This conference was held in late August, just before teachers were returning to their classrooms for the regular school year and as newly hired teachers, were attending their new teacher academy. Classroom teachers were allowed to teach their peers; sharing their best practices and ideas for increasing student achievement. She stated that last year, the cost was committee pay for presenters in the amount of \$4,971 and \$1,000 for food. Memorial Middle School donated their building space, many other staff donated their time, and none of the attendees had to be paid for coming, but they came anyway. She stated that when one considers the \$240,000 staff development budget for this year and next, this was a minor expense.

Ms. McGrory emphasized that most importantly, in the 3 years of the conference; hundreds of teachers networked with their colleagues and received ready-to-use strategies and materials that they brought back and shared in their buildings—with no cost for travel or substitute teachers in the classrooms. She shared that those teachers who led the sessions, earned vital experience in presenting to adult learners, shared their knowledge and skills, and many of them realized that they could be teacher leaders, all without paying for someone to come into the district. She quoted from educational leadership, "Teachers exhibit leadership in multiple and sometimes overlapping ways...Regardless of the roles they assume, teacher leaders shape the culture of their schools, improve student learning, and influence practice among their peers." Ms. McGrory stated that on behalf of the Career Pathway's team and over 500 teachers in the Greater Albany Public Schools, she asked the Committee to help fund these two programs.

## ***RESPONSE TO REQUESTS FOR INFORMATION***

Mr. Norman stated that the meeting would move on to Response to Requests for information and turned the floor to Mr. Russ Allen, Director of Business. Mr. Allen stated that there were four pages worth of questions and answers which were included in the information that went out to the Committee. He stated that he wanted to go through them but, didn't want to read what had already been read. He referred to page 1 and stated that he hoped he had answered the questions relative to the fire and insurance, summer school intervention program, and Avid cost breakdown. He stated that he would address the West Albany Turf and Track question shortly. He asked if there were any questions on those items. There were none. Mr. Allen stated that there was a question regarding the breakdown of the FTE in 1111 so he hoped the response provided more information in regards to how that was broken down, primarily servicing all-day kindergarten as well as the elementary school specialist common experience.

Mr. Allen stated that there was an error pointed out on page 57, Function 1287, it said 135 students participating; the budget is based on 195 students; that is an assumed average over the course of all three trimesters at LBCC. He stated that sometimes higher numbers than that will be heard, however, the first two are always higher and the third is always lower. There wasn't a change in budget numbers but the number on the lower left corner of the page referring to the number of students.

Committee Member Micah Smith arrived at 7:10 and joined the meeting.

Mr. Allen then stated that there was some information included with regards to what the Foundation has been doing. He shared that 14/15 was the first year that the district participated in helping to fund the Foundation Director position. He explained that prior to 14/15 we had been funding a grant writer position, the district then dropped the grant writer position and, instead, funneled those dollars over to help fund the Development Director for the Foundation. He shared that the packet contained information with regards to what the Foundation has been able to do and we believe much of that is because they now have a full-time director. Mr. Boehme asked what the difference was between a Development Director and a Fund raiser. Superintendent Maria Delapoer responded that she does more than fundraising; she oversees some of the events, works with committees, helps strategize and organize the Board, and PR as well.

# *Budget Committee Meeting*

May 18, 2015

7:00 p.m.

Page 3

---

Mr. Allen moved on to page 3 of the packet. He stated that while individual functions can go up or down, there was an assumption with regards to each individual FTE in the budget of a 5% increase in the health insurance contribution. He stated that he had tried to explain the transfer to the South Albany Turf Field on page 37 in the budget. He stated that 1281 refers to LBCC and programs there that are not advanced-diploma, there used to be three, but now there are two since we handle GED in-house through Albany Options. He reiterated that it is our high school students attending LBCC but are not part of the advanced diploma. He stated that most of these students attending these programs, we do not get to say yes or no; if they meet certain criteria, we are required to send them. He explained that there can be fluctuation from year to year so it is an estimate each year as to what we believe it is going to be.

Mr. Allen then referred to the administrator added to Function 2230. He shared that in the past was the position that had been filled by Wayne Goates and after his retirement was eliminated due to budget reductions. He shared that this was an add back part time in 13/14 and was full-time in 14/15. He stated that although there was an error showing the position as half time in the budget, it is a roll forward of an existing program. Committee Member Will Summers asked if this person will assume some of the duties that Wayne Goates had as far as estimating future enrollments, etc. Mr. Allen responded that the person that occupies that position is not a carbon copy of Mr. Goates, they have other strengths, and therefore are doing other duties that Mr. Goates did not do and there are things that Mr. Goates did that this position is not responsible for. He explained that Mr. Goates' services were used for the last time this year for enrollment projections.

Mr. Allen then moved to page 4. He stated that it was pointed out that there was additional FTE in Function 2543, Care and Upkeep of Grounds, which is a restoration of a position that was lost during the lean years. He shared that there was a question in regards to possible funding sources for some of our high-needs students, and the response was that Medicaid sometimes, but not SSI. This completed the "Responses to Budget Committee Requests for Information."

Mr. Allen then referred to the budget pages included in the packet. He stated that all of these pages surround the West Albany High School Turf/Field which he did not include in the previous budget document because it had not yet been discussed and/or approved at the Board level. He stated that there may still be a few items for discussion but he included the information in the budget document for budget authority.

Mr. Allen referred to the change on the financial summary, page 25, which showed the addition of the WAHS Turf/Field of \$376,250. He then referred to page 35 where it showed a slight decrease in the ending fund balance which was for the portion going towards the field in the 15/16 fiscal year. He then referred to page 37 which showed the transfer to WAHS Turf/Field Fund; page 97 which showed the slight reduction in the unappropriated ending fund balance; and finished up by stating that the WAHS turf project was similar to the contribution to SAHS's project but there was a second request for modification to the track to make the field wide enough for soccer. He stated that the request was for \$180,000 to make the changes necessary for the track and realignment for the track which the Board approved. He shared that options for financing would be going back to the Board for approval but the budget is based on the assumption that it would be financed. Mr. Allen then referred to Fund 417 which showed the loan proceeds and interest costs, the transfer from the general fund, the actual contribution and then the redemption of principal and interest, for the first of 15 payments. He stated that the Board can change their mind or make a decision as to how to fund the project but this gives the budgetary authority to move forward.

Mr. Allen commented that he would like to entertain any questions on this part before going on to changes in school finance since the last meeting. Committee Member Micah Smith asked if it could be referred to as WAHS Turf/Track Fund to make it easier to see that it is one fund. Mr. Allen agreed. Committee Member Sandy Gordon asked for an explanation on the Financial Summary of the \$10 million, she asked if that was insurance money for the South Albany High School Building 9 rebuilt. Mr. Allen responded that the short answer was "yes", however it was meant to be a place holder that was sufficient for district funds as well. Mr. Allen stated that if the building was simply built back as it was, then the number would be less than that. He stated that he wanted to make sure that flexibility was there if the district were to choose to do some additions. He commented that his concern on this was budget authority, where monies in this fund won't be spent without Board authorization, but if it was budgeted at \$8 million and the Board wanted to spend \$9 million, there would be a problem. Committee Member Jerry Boehme asked if that would also cover all the tables, chairs, desks and everything else from inside the building. Mr. Allen responded that he hoped so. He added that he has until June 15 to get better information. He also stated that the Board could increase that amount by 10% if necessary and will review it again to be sure. Mr. Boehme stated that it looked like there was about \$45,000 in interest. Mr. Allen stated that one would have to add the dollars from object 376 and \$26,250; then subtract it from the dollars in object 420 then you should have the interest amount of about \$20,000. Mr. Norman asked if there were any more questions for Russ.

Mr. Smith referred to the Summer School Intervention Program and asked if that was a pool of money for summer school

# ***Budget Committee Meeting***

May 18, 2015

7:00 p.m.

Page 4

---

intervention for the two high schools and four middle schools. Mr. Allen responded that it was for three middle schools; there is no transition for Timber Ridge. The program is for incoming 6<sup>th</sup> graders at the middle schools and 9<sup>th</sup> graders at West Albany High School. It started out being at both high schools but South determined that they would rather use their dollars for FTE throughout the year. Mr. Smith asked if it was enough money for four schools out of the Summer School function and out of 1131 for South intervention resources. Mr. Allen responded that when 1271 was put together in the 15/16 proposed budget, there was not a calculation of hours times students equals cost; but the goal was to keep the program status quo so the amount shown in 15/16 is based on historical costs. \$40,000 has been sufficient in the past and it is assumed it will be going forward. Tonja Everest, Assistant Superintendent commented that there had been no requests, nor conversations that the funds for the program were not meeting their needs. She shared that it costs much less to run programs during the summer, and the program is 8 days. Ms. Everest pointed out that the whole program is about \$78,000 including salaries.

Mr. Boehme asked if there was some input on the questions from Ms. McGrory regarding the mentoring program. Ms. Delapoer commented that there are a number of things on a wish list if more funding becomes available. She mentioned that she and Ms. McGrory have talked about this program being on that wish list. Ms. Delapoer shared that when Mr. Allen talks about the recent financial forecast, there is a possibility that some additional things could be added to the budget from the wish list. Some additional items on the wish list are more middle school athletics and additional funds for facilities that could be added to the budget as funds become available. She encouraged the Board to look at additional options to fund programs that are important to them. Committee Member Will Summers commented that Mr. Allen had discussed acquiring budgetary authority to spend possible monies if they show up, he asked where they would show up for the program. Mr. Allen responded that if there was a decision made at the adoption level or after; there is \$2.5 million in contingency if the Board decides to fund something that is not in the original budget. He explained that the Board has budgetary authority to increase a fund up to 10% at the adoption level and can pull from contingency at any time during the fiscal year, but cannot create a new fund. Discussion ensued.

Mr. Norman asked Mr. Allen if there was more to go over before moving on to the Discussion of the Budget Document. Mr. Allen responded that he wanted to explain what had transpired fiscally since the last meeting and would take just a few minutes. He stated that the May forecast from the state was up, however, much of that won't be available to the district as it will be in the form of a "kicker" back to tax payers rather than leaving it in the general fund. Mr. Allen shared that there were additional funds outside of the kicker, where the State School Fund Bill dedicated 40 percent of any additional revenues in the May forecast to the State School Fund which generated \$105 million for a \$7.36 billion State School Fund. He stated that the Education Funding Coalition Partners are still pushing for \$7.5 billion State School Fund. He shared that the Chair of the Senate Ways and Means Committee says that there is still movement in trying to get it to \$7.4 billion but that he does not anticipate any more than that. Mr. Allen stated that currently, in the way the law is written, the additional revenue would be split 50/50 between the 2 years of the biennium. He added that, because of discussions going on at the state level, it is anticipated that the additional revenue of \$105 million will be put in the second year of the biennium. He stated that at this time, he anticipates that the revenues available in the 15/16 year will match fairly closely to the budget document; that the additional revenues will be placed in the second year of the biennium.

Mr. Allen explained that for the first year of the biennium the budget was balanced and with the 50/50 ssf split assuming that whatever roll up costs there would be going into the second year of the biennium would have to come from reserves. He stated that he anticipates roll up costs to be about \$2.5 million as far as an increase in costs to maintain existing programs going from 15/16 to 16/17. The \$105 million will yield approximately \$1.5 million to our district leaving about \$1 million that will have to come from reserves in the second year of the biennium. Mr. Allen stated that he believes that the district will generate at least \$1 million in general savings between now and then, therefore he is anticipating that with that additional revenue, the district will probably end the biennium with about the same amount of money in reserves as it does now, which will provide a reasonable cushion going into the 17/19 biennium and the really ugly PERS increase that will be looming out there. Therefore, having a reserve, although if not officially dedicated to PERS contingency, it would put the district in a good place. Mr. Allen then asked for questions.

Mr. Boehme confirmed that when the increase came, they subtracted the kicker out before awarding the 40 percent? Mr. Allen responded by saying "any increase in available resources." Yes, the money from the kicker came off the top and what was left, 60 percent is what everyone else is fighting for and 40 percent went to the SSF. Mr. Norman asked if there were any additional questions for Mr. Allen. There were none.

## ***DISCUSSION OF BUDGET DOCUMENT***

Mr. Norman then opened the discussion for the budget document. Committee Member Frank Bricker stated that he thought that there was a need to further discuss the mentoring program. He stated that he agrees with Ms. McGrory and the teachers that each

# *Budget Committee Meeting*

May 18, 2015

7:00 p.m.

Page 5

---

time we received grants and found something that worked well, then dropped it because the grant ran out; it is a waste of staff time and energy to develop the programs and then drop them. He stated that he believed that both programs have been working well for our teachers and would like to see the programs supported with or without ODE's grant this year. Ms. Gordon commented that she agreed. She shared that she sees first-hand, at home what these mentoring programs are doing for both our teachers and students. She stated that she felt it is well worth the money for the program. Mr. Utt stated that if the programs are invested in now, then long-term retaining teachers, will save in turnover, training, and a number of other areas. He agreed that funding it now will pay for itself.

Mr. Summers stated that there is a Welcome Center and that he wasn't sure as to how it is working. He explained that using the 1 FTE in that function could be used to smooth the benefit in other areas but if he knew more about it then it maybe it should be left. Ms. Everest responded that his question was timely because there is not have enough money to fund the Welcome Center and the amazing things that they are doing. She explained that they provide translation services for the district (translating documents and interpret for meetings). She also explained that there are two levels for interpreting one for rudimentary communication and the other needs highly skilled individuals who can help explain IEP grading systems and other technical abilities to engage their students with education. Ms. Everest reported that the Welcome Center also does a lot of outreach services for parents to help them prepare their children for kindergarten and make sure that they feel that they can ask the principal questions. She added that the Welcome Center also does a lot of outreach for migrant education where we have to go out and find students who have families who are in agriculture and making sure that those children are coming to school and being educated. Discussion ensued.

Mr. Boehme asked what the long-term effect of the mentor program was. He asked if it was an effective dollar value return. Ms. Delapoe responded that it was a timely question because since she came to the DO 13 years ago, mentor programs have come and gone, in different formats, different programs, funded at different levels, some that have been effective and some have not. She stated that she believes that mentor programs, if they are done right, are very effective and she encouraged that the mentor program funded by TIF and the consortium to work together to align what the program might look at because they are targeted at different areas of support. She also suggested some research on effectiveness, because she wants the Board to spend the dollars as wisely as possible and there are a lot of items on the list of priorities that need to be considered; because if one item is funded then something else can't be funded. Discussion ensued.

Mr. Allen stated for a budgetary procedural position, if there was a desire on the part of the Budget Committee to be looking at moving forward in some fashion it would be his recommendation that it would be in the form of direction to the Superintendent to bring something back to the Board at the time of adoption as opposed to trying to do something tonight and coming up with a dollar amount. Mr. Bricker made a motion to have the Superintendent to bring information back to the Board at their next meeting to consider when adopting the budget. Mr. Summers seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

Committee Member Julie Durlam stated she had a couple of questions. She stated that Ms. McGrory mentioned that there is a statistic that about 50 percent of teachers leave within five years of signing their first contract, but GAPS was not that high. Ms. Durlan stated that she wanted to know what the statistics was for GAPS and if there are any programs in place to encourage retention beyond the mentoring program. Mr. Lary responded that statistics on retention have been gathered but was unsure as to the exact number. He acknowledged that GAPS was nowhere in the area of 50% over five years. He stated that he would guess that GAPS was at about half of that. He added that it could also be the sign of the times where we've just come out of an 8-year stretch where people were not switching jobs much so it is somewhat dependent on that. He went on to share that there is a New Teacher Academy that takes place a couple of days in the summer, of orientation provided by the Instruction Department with input from the Association and HR so there are other things on a system-wide basis besides the mentoring program to help people transition into these positions.

Ms. Durlam stated there has been a lot of talk about the grant programs and expiring grants and wanted to know if there was a master list of grant programs and how many years are left on them so that the Budget Committee could be a little more informed. Mr. Allen responded that there was not a master list. Ms. Everest stated that there are grants "all over the place" and asked which grants were being looked at. She explained that the schools have lots of individual grants. Discussion ensued. Mr. Smith commented that he would second Ms. Durlam's request to have a list of grants provided at the fall budget committee meeting. Mr. Allen stated that Ms. Netzel had already agreed to put it together and that it can be included in the packet that will go out in advance of the fall meeting.

Mr. Smith stated that another question he had was in regards to the School Nutrition Fund; in regards to page 127, it has been some time since he had heard their budget discussion and was trying to get the information regarding the 15/16 proposed numbers. Mr. Allen responded that the numbers are based off of Sodexo's input which provides a breakeven (for the year) guarantee with caveats for 15/16. Mr. Allen shared that for the last two years in a row; Sodexo has provided cash to the district at the end of the

# ***Budget Committee Meeting***

**May 18, 2015**

**7:00 p.m.**

Page 6

---

fiscal year, although it was not sufficient in order to completely close the gap because they were able to point to things that were outside their control but Sodexo is projecting a budget for 15/16 where revenues will at least match the expenditures. He stated that Sodexo will have to exceed this budget in order to start making end roads into the deficit, however, if they are able to at least break even for the year, the transfer that is coming over from the General Fund will go towards reducing that deficit. Discussion ensued.

Mr. Norman commented that it was approaching 8:45 and that he was sensing that the group was getting close to the end of questions and asked if that was correct. Ms. Gordon made a motion that the Greater Albany Public School District 8J Budget Committee approve the Proposed Budget as amended in the amount of \$132,792,193 and approve property taxes for the 2015-16 fiscal year at the rate of \$4.5855 per \$1,000 of assessed value for operating purposes, and in the amount of \$8,459,239 for payment of bond principal and interest. Mr. Marteeny seconded her motion. Mr. Norman asked for discussion, there was none. **MOTION CARRIED UNANIMOUSLY.**

## ***ADJOURN***

Mr. Norman thanked those in the room for attending and adjourned the meeting at 8:43 p.m.

---

Chris Norman, Budget Committee Chair

Recorded by Kathie Vosper