



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

Budget Committee Meeting

May 20, 2013

7:00 p.m.

MINUTES

CALL MEETING TO ORDER

Budget Committee Chair Will Summers called the May 20, 2013 Budget Committee Meeting to order at 7:00 p.m.

Present were:

Sandi Gordon	Board Chair
Will Summers	Budget Committee Chair
Frank Bricker	Board Vice Chair
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
Frank Caropelo	Assistant Superintendent
Randy Lary	Director of Human Resources
Russell Allen	Director of Business
Ashley Netzel	Controller

Jerry Boehme 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 May 6, 2013

Mr. Summers asked if everyone had an opportunity to review the minutes from the May 6, 2013 Budget Committee Meeting and asked if there were any deletions, corrections, or concerns. Committee Member Frank Bricker made a motion to accept the May 6, 2013 minutes as presented. Committee Member Micah Smith seconded the motion. Mr. Summers asked for discussion. There was none. **MOTION CARRIED UNANIMOUSLY.** Ms. Jones was not present at the last meeting and recused herself from the vote.

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COMMENTS FROM THE PUBLIC

Mr. Summers asked if there were any comments from the public. There were none.

RESPONSE TO COMMITTEE REQUESTS FOR INFORMATION

Mr. Allen commented that there had been a request to briefly discuss the state forecast. He stated that it was good news overall because it came in higher than projected. The bad or neutral news however, is that there has never been any discussion to increase the K-12 budget. He stated that the only question would be is could education maintain the \$6.55 million that was in the Co-Chair's budget. Mr. Allen stated that the budget had included certain revenues that have not materialized. He shared that prior to the revenue forecast the budget was fairly solid, now it is very solid. He stated that even if the forecast had been way up, there had never been a discussion on the education budget being increased. There was \$6.55 billion in the proposed budget; Mr. Allen commented that he anticipates that there will be a PERS savings however, he doesn't know how much.

Mr. Allen went on with some forecast highlights. He stated that the flavor has not changed. With an improving economy there is revenue growth in Oregon. All growth is in the current and next biennium. The forecast for the 2011-13 biennium, is expected to be above the end of the session forecast. Mr. Allen stated that it is now at \$260 million; 1.7 percent above the close of the session. If it grows to more than 2 percent, it will initiate a kicker back to the public. Mr. Smith asked to clarify that it was 1.7 percent not .17. Mr. Allen confirmed. Mr. Smith stated that the Department of Revenue is anticipating a corporate kicker. Ms. Gordon asked that if there was a corporate kicker, would it go back into the school fund? Mr. Allen responded that it doesn't fall directly back into the K-12 fund but it could flow into the education stability fund. Mr. Summers commented that the kicker back to corporations doesn't come into effect until 2014.

Mr. Allen shared that the difference since the March Forecast is important to lawmakers. The May Forecast tells whether they had more or less money than they thought they had when they built their budget. The May Forecast shows \$129 million in the current biennium, then \$155 million in next biennium; \$284 million above what they originally had thought. Mr. Norman stated that the district's budget had a \$200,000 fund decline; what other funds could come in that would offset that \$2 million in fund reductions. Mr. Allen responded that there is no additional revenue but there will be less in expenditures. He shared that we will have to see exactly how much savings the PERS reduction generates and then compare it to expenses. At that point there could be small add-backs proposed to the Board at the next step of the budget process. Mr. Allen stated that things are looking up but recovering slowly.

Mr. Allen stated that there were three questions from the last Budget Committee Meeting and he had received no other questions since then. He referred to a page in the packet holding the responses from those original three questions. In regards to Middle School Track, the program can't be improved without additional funds but it won't take much. The Superintendent will determine if that might happen. There would be increased costs to add a 3rd meet. It is the only Middle School program sponsored by the District. Ms. Gordon asked if the district charges a sports fee like in high school. Mr. Allen responded that participants pay \$25.00. It is not enough to cover costs but it is pay to play. This is something the Superintendent may consider in the future.

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Mr. Allen stated that the second paragraph is a response to a question about Guidance Services. He stated that the numbers are fine; the costs showing are just catching up with what has been happening at the schools. These costs are determined by the schools and may change each year. The budget shows what they have now to carry into next year.

Mr. Allen then stated that the third paragraph expands on the TAG discussion. He stated that it is staff's intention to stay the course. They understand the concerns and will be part of an analysis on staffing the program. And do the best for the program for next year.

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

BUDGET COMMITTEE DISCUSSION OF BUDGET DOCUMENT

Mr. Summers asked if there were any more questions or discussion of the budget document. Ms. Jones stated that she had a followup question regarding the TAG review committee and asked why there were no parents on the committee. Mr. Bricker stated that the committee is in charge of reviewing policy, plan, and internal review. As the process goes forward and when ready, the committee will be soliciting parent input from a survey and more possible involvement. Of those on the committee, five or six are TAG parents but are employees of the district. Ms. Jones asked if it was known when this will happen. Mr. Bricker responded that it is part of many initiatives that the Board is working on.

Mr. Smith referred to the paragraph at the bottom of the page noting that it is helpful to know the backstory and direction moving forward. He stated that we don't know what the response will be and how many will take the opportunity so it is hard to budget for that. It is a well thought-out plan moving forward and can help guestimating for future years.

Mr. Summers asked if there were any other items to discuss. There were none.

Mr. Allen commented that when the Committee was ready to vote on the proposed budget it does require specific language. He also reminded that although there were 9 individuals present, the Committee must have 6 to approve the vote. He passed out example language to the Committee.

Mr. Smith stated that there was an announcement from the State Board of Education regarding Smarter Balance Assessment. He asked if there is anything that should be budgeted for in this budget cycle. Mr. Allen stated that the plan is to stay the course and look at it again later. Mr. Caropelo commented that we don't know what kind of costs the Smarter Balance Assessment will bring with it and we haven't heard anything about district costs so far. Mr. Allen shared that technology will support Smarter Balance and he doesn't anticipate any costs in the budget. In addition, Smarter Balance won't be tested until 2014/15 so we have another year before that. In general there are already general costs to maintain the system and keep the browsers working. Mr. Summers asked about training costs. Mr. Bricker responded that it will be ongoing every year no matter what the cost instrument is.

Mr. Smith asked how the Smarter Balance Assessments would be facilitated for online students. He asked if they are required to take them if in the Online K-12 program. Mr. Caropelo responded that online students will have to take OAKS like all other students in the district. He shared that it is coordinated for them at the drop-in center. Ms. Gordon asked if home schooled students have to take OAKs as well. Mr. Caropelo responded that they usually go through the ESD to take care of that testing.

Mr. Marteeny commented that looking back to the levels of funding for 2007/2008 for the number of days in school, he stated that since then with limited funding teachers bore the burden by furlough days and larger class sizes. He

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stated that now having more funds some of that could go back to the labor force. He stated that it could get rid of furlough days, could get rid of the freeze on step increases, or hire more teachers. He stated that all three give back to teachers but one helps get teachers smaller class sizes, why not add more teachers?

Mr. Allen stated he wanted to make some clarifications. He shared that there was never a year where there was a freeze on steps but, rather, a delay. He also stated that the savings generated to balance the budget through cut days also included that there had been no cost of living increase over the last 3 or 4 years. Mr. Allen stated that the question is what is the best way on going forward? He clarified that the budget is an assumption and is primarily creating expenditure authority. The assumptions for this budget are a full school year and insurance cap increasing by \$50. He stated that the questions that Mr. Marteeny asked are decisions made during bargaining and can't be made by the Board or the District and that all cuts were bargained with each association. Mr. Allen shared that negotiations are currently underway with all bargaining groups. He stated that either side could make an argument that it might be better if we didn't spend X on salaries but some on staff to reduce class size. Mr. Marteeny suggested that it may be better to have fewer days in the classroom with fewer kids than more days with more kids. Mr. Allen stated that there are many opinions around the table along with many ideas. He shared that the teachers will get information from their membership, if they say smaller classes and fewer days, then they will bring that to bargaining. The Board has given their input to staff to take to negotiations which has been discussed and articulated at the table.

Ms. Gordon commented that the public sometimes doesn't understand that the Board doesn't make those decisions, that they are bargained. Mr. Summers commented that bargaining this year's contract will also affect future budgets. Mr. Allen interjected that this is what makes putting together this budget so very difficult because assumptions have to be made.

Mr. Summers asked if there were any more questions or discussion. There was none.

Mr. Summers then went on to state that he would take a motion regarding the proposed budget. Budget Committee Member Chris Norman made a motion that the Greater Albany Public School District 8J Budget Committee approve the Proposed Budget as presented in the amount of \$103,262,825 and approve taxes for the 2013-2014 fiscal year at the rate of \$4.5855 per \$1,000 of assessed value for operating purposes, and in the amount of \$7,999,730 for payment of bond principal and interest. Mr. Summers asked for discussion? There was none. Committee Member Micah Smith seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

Mr. Allen thanked the Committee for their time and attention.

Mr. Summers adjourned the meeting at 7:37 p.m.

Will Summers, Committee Chair

Recorded by Kathie Caldwell