



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

## ***Budget Input Forum/Budget Committee Meeting***

May 25, 2011

7:00 p.m.

---

### ***MINUTES***

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

Budget Committee Chair Doug Marteeny called the May 25, 2011, Budget Committee Meeting to order at 7:00 p.m.

Present were:

Doug Marteeny	Budget Committee Chair
Liisa Reid	Board Chair
Jerry Boehme	Budget Committee Member
Frank Bricker	Budget Committee Member
John Ewing	Budget Committee Member
Julie Jones	Budget Committee Member
Will Summer	Budget Committee Member
Lyle Utt	Budget Committee Member

Maria Delapoer	Superintendent
Steve Kunke	Assistant Superintendent
Russell Allen	Director of Business
Nancy Hall	Controller

Committee Members Sandi Gordon and Bill O'Bryan 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. Marteeny led those present in the Pledge of Allegiance.

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

1. Mr. Marteeny asked if everyone had reviewed the May 18, 2011 Budget Committee Minutes. He then asked if there were any amendments, questions or concerns. There were none. Mr. Marteeny then asked for a motion to accept the minutes. Budget Committee Member John Ewing made a motion to accept the May 18, 2011 Budget Committee Minutes as presented. Mr. Marteeny asked for discussion. There was none. **MOTION CARRIED UNANIMOUSLY.**

#### ***PUBLIC INPUT FORUM***

Mr. Marteeny asked if there was anyone present who wished to provide input to the Committee. There were no comments from the Public.

# ***Budget Committee Meeting***

May 25, 2011

7:00 p.m.

Page 2

---

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

Mr. Allen began by explaining that the budget pages in the packet were changes in the General Fund for \$1,000 which was a clerical error. It affected each of the pages provided in the packet including the page at each member's place. These pages were to be replaced in each Committee Member's notebook. Mr. Allen commented that also included in the packet were responses to four questions that were posed at the meeting and two additional questions that were posed following the meeting. He stated that other than those requests he had received no additional questions. He added that he hoped that the responses were self-explanatory and asked if there were any questions. Ms. Reid asked about the 5 days to be cut at the end of the year and if there was a state statute that needed to be met. Mr. Ewing stated that the state requires 265 days of class which would be around the end of May. Mr. Allen commented that in general seat time has always been the discussion but not a minimum number of days. He stated that the 5 days would not be a problem, 10 or more could cause problems with ORS.

## ***BUDGET COMMITTEE DISCUSSION***

Mr. Marteeny then called for Committee discussion of the budget document. Mr. Boehme began by asking if there had been any thought to implement some kind of activity fees to help cover for extra duty pay for activities other than sports. He stated that it wouldn't balance the budget, but on an equity standpoint, it would only be reasonable to charge activities that have extra duty pay associated with them. Ms. Delapoe commented that it is hard to know how much each activity costs and knowing what to charge is difficult. Sports, with coaches, stipends, equipment and uniforms tend to cost more than other activities like Speech. Mr. Allen added that transportation and officials fees are the biggest expenses after coaching expenses. He stated that if the Budget Committee wanted to go that direction it would take some time to research. Mr. Ewing commented that with declining revenues, it could be prudent to ask the Board to look at establishing a fee for every activity to at least prolong the current available activities. Mr. Allen reported that there are many activities that have no fee associated with them, however there are expectations within the group for contributions. Mr. Boehme commented that the extra duty pay distinguishes the difference to him. Ms. Reid asked about Band and Choir which are credited classes and that some outside of school participation is required for earning credit. Mr. Allen added that for band, for example, students are expected to contribute a certain amount of money. Discussion ensued. The Committee was in agreement that Mr. Allen would research fees for activities that have extra duty pay associated with them and are not currently paying to play, and report back to the Board for future consideration. They requested that he look at a range for amounts generated by different levels of fees, look at potential loss of participation, and taking into account how it would play out with band and choir (or for credit classes) and what other issues that might not have been thought about.

Mr. Summers referred to page 45 and commented that the contracted instructional services jumped around and asked if there were still costs for out-of-state tuition. Mr. Allen responded that there were no funds for out-of-state tuition this year. He stated that a good chunk of the funds are for LBCC and the Community Services Consortium for alternative programs. In addition, in the high school regular program, funds are set aside regarding SB300. Under certain circumstances, if we don't offer a particular class, a student has a right to take that course through another organization that we have entered into an agreement with for this type of service. Demand for this program has increased. Mr. Summers stated that he had heard that CSC was facing some significant staff reductions and asked if it was still a viable program. Mr. Kunke responded

## *Budget Committee Meeting*

May 25, 2011

7:00 p.m.

Page 3

---

that he had heard this week that CSC was restructuring their services; however, our contract with them is that we pay for the services we receive as we go and haven't heard that they were going to cut any of the resources they provide in our contract.

Mr. Marteeny commented that the highlights discussed a \$50,000 cut in athletics of which \$38,000 should be offset by new fees, what about the other \$12,000? Mr. Allen responded the he could not answer that question since it was being dealt with at the building level. Each High School is expected to determine how they will deal with \$6,000 less. Ms. Delapoer commented that it could be by reducing the number of coaches per sport, more fundraising or fewer levels of a sport offered, it would depend on the school. Mr. Marteeny then stated that he felt that the meetings that had been held throughout the district had been very helpful in getting feedback from the community. He asked what had happened to the idea of the 5<sup>th</sup> graders in the North Albany area go to NAMS and what savings was identified with it. Mr. Allen responded that there was no particular savings; it was an option to facilitate the consolidation of schools and to provide additional student count at NAMS. Ms. Delapoer added that savings for consolidation were indeed realized. Ms. Jones asked about the decrease in enrollment at NAMS. Mr. Allen responded that enrollment is down at NAMS because in the past they were receiving overflow from Calapooia (this was before Timber Ridge was built). Now that those students who were grandfathered in to finish at NAMS are through middle school, the numbers now accurately reflect the boundaries for each school. Another reason that the numbers are lower than expected is because the building and growth hasn't happened in North Albany as anticipated. Discussion ensued.

Mr. Boehme asked for a quick explanation on how the major functions compare between 2010-2011 and 2011-2012 since the total compensation looked like it was up and instructional support was down looking at page 45. Mr. Allen responded that ODE and the Chalkboard project break up the budget areas differently. He added that there was not a certain percentage that every function for every group had to be reduced. The buildings had a choice of how to make cuts and depending on what they decided to change impacted the results on page 45. In the District Office the reduction was identified as Wayne Goates and the classified time associated with his work. That work was redistributed to the Business Office and Superintendent's office so it shows a decrease in 2230 and not in Central Support but in Assessment and Testing. He shared that another piece was in Human Resources, their department was restructured at the beginning of this year which reduced the costs from last year. In the budget it can't be brought forward to show, because the reduction already happened. Mr. Allen shared that the additional cost in HR which looks like an increase of administrative time was a correction for this year. He added that the Auditors gave a PERS adjustment which had to be placed somewhere. It was decided to place the new cost in HR and is shows up in 2009-2010 and 2011-2012 but not in 2010-2011. Mr. Boehme then asked why Support Services were down. Mr. Allen responded that some of the district cuts show under Support, but other cuts were in staff development, libraries, and principal's office; the intent was to protect classroom instruction.

Mr. Utt asked about the \$250,000 budgeted for unemployment insurance. Mr. Allen responded that there have been unemployment costs in the past, but they were in an Insurance Reserve Fund that no longer exists. In the past we have had \$100,000 budgeted for unemployment insurance costs but need to budget for more given the expectation of layoffs in 2011-2012. Ms. Delapoer reported that there are currently 30 people on the layoff list. Ms. Reid thanked Mr. Boehme for the question and Mr. Allen for his responses.

Mr. Boehme asked about the increase in Technology Services. Mr. Allen responded that as he had said before, every area was looked at for reductions. Currently there are 3.5 techs funded in the general fund and

## ***Budget Committee Meeting***

May 25, 2011

7:00 p.m.

Page 4

---

0.5 funded from the stimulus funds for a total of 4 individuals. The stimulus funds are now gone and all the funds need to come from the general fund. The district looked and thought about meaningful support for the district if it had less than 4 techs and determined that 3 wouldn't do it; so while it is an increase in the General Fund, it is not an increase in staffing. Ms. Reid asked about the School Lunch Fund. She stated that during a regular report this week that insurance rates and worker's comp rates were expected to go down for food service. Mr. Allen responded that a decrease in rates wouldn't show up directly in Food Service. He explained that there are rates associated with different classes of employees and we get an overall experience rate for the district. Typically it takes about 3 years for claims to fall off. It has been a pretty good year so far and the district is on track if we can keep people from hurting themselves the rest of this year. Ms. Jones asked about the beginning fund balance of the School Lunch Fund at -\$294,000 and why it wasn't showing in the budget column. Mr. Allen responded that he had discussions with the Department of Revenue and reported that a negative number cannot be budgeted, therefore, it only shows up in the Actual column. Mr. Summers asked if there was a typo in the School Lunch Fund Management Fees. Mr. Allen responded that there was an asterisk to note that the payment must be made in a different way than in the past. We now pay the service provider by the number of meals served. That includes food, consumables, etc. This ensures that there is no more estimating and less of a potential for error when reconciling district and Sodexo financials.

Mr. Boehme commented that he didn't see a response to what happened with the \$2 million in wages. Mr. Allen responded that the General Fund assumes a reduction in wages of about \$2 million as outlined in the superintendent's plan. He shared that the district is currently negotiating with two of the associations and is about two-thirds of the way through bargaining and hopefully moving towards an agreement. In general the reductions are spread throughout the document between wages and benefits. Mr. Boehme then asked what would happen if the negotiations and contracts don't allow for the reduction. Mr. Allen responded that these are assumptions at the time the budget was put together and if those assumptions can not be met, then the budget would have to be rebalanced by an additional reduction of force, using reserves, or looking at other areas. There is not a lot of room to make reductions on the non-staff side, and using reserves would reduce the amount we would have available for next year. Ms. Delapoer added that cutting more programs (athletics for example) would save on staff costs but then the program would be gone. Mr. Boehme asked if there was a percentage allocated in certain areas. Mr. Allen responded that there was basically the same percentage cut across the board. The same reductions were across all employee groups.

Ms. Jones asked if the negotiations that are currently underway would be wrapped up by the time the budget is due. Mr. Allen responded that he did not believe the agreements would be ratified by the time the budget is due in Salem. He added that he believes that there is a strong desire from all parties to get things wrapped up before people leave for the summer because, if not, the negotiations wouldn't be able to continue until August when everyone came back. It would not be possible nor practical to have the contracts ratified before the board has to adopt the budget. Discussion continued regarding the timing of negotiations and the budget. Ms. Delapoer commented that if the negotiations did not go well another reduction in force would be another 40 people to balance the budget. Mr. Allen emphasized that the associations do not want their members to get pink slips before the end of the year and therefore are working hard to finish up.

Mr. Ewing asked Mr. Allen to discuss the ELL program on page 65. He noticed a slight reduction in staffing and asked if it was because of fewer students. Mr. Allen responded that the number of students was flat, however the restructuring of the program has provided a slight reduction in staffing by repackaging time and shaving some off. Mr. Kunke stated that the program was reorganized on how to deliver the same

# ***Budget Committee Meeting***

May 25, 2011

7:00 p.m.

Page 5

---

services yet get by with one less teaching position. Mr. Boehme stated that there are three bills coming up that are supposed to eliminate some mandates from the state; and asked if there was any economic savings to the District. Mr. Allen stated that the results of those bills would be welcome but there is no real economic savings, just more of a paperwork reduction.

Mr. Marteeny asked if there was any further discussion. There was none.

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

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

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

Mr. Marteeny asked the Committee if they had any further requests for information. There were none.

## ***OTHER BUSINESS***

Mr. Marteeny asked for other business. Committee Member Frank Bricker stated that since there were no further requests for information and there seemed to be sufficient time to address the Committee's questions, he would like to approve the budget at this meeting and drop the next scheduled meeting from the calendar. Mr. Allen added that the Committee had met all of its legal requirements and if there are no objections from the Committee they could entertain a motion to approve the budget. Everyone was in agreement. Mr. Marteeny asked for a motion. Mr. Bricker made a motion that the Greater Albany Public School District 8J Budget Committee approve the Proposed Budget as presented in the amount of \$100,894,160 and approve taxes for the 2011-2012 fiscal year at the rate of \$4.5855 per \$1,000 of assessed value for operating purposes, and in the amount of \$7,204,218 for payment of bond principal and interest. Mr. Marteeny asked for discussion on the motion. There was none. **MOTION CARRIED UNANIMOUSLY.** Mr. Bricker then made a motion to cancel the meeting scheduled for June 1, 2011. Mr. Marteeny asked for discussion on the motion. There was none. **MOTION CARRIED UNANIMOUSLY.**

Mr. Allen added that another public hearing would be published in the newspaper for the School Board to hear any additional comments from the public on the budget. He shared that the School Board could make changes up to 10% in each fund but could not increase the taxes set by this Committee. The School Board is expected to adopt the budget at either their June 13 or June 27, 2011 meeting.

## ***ADJOURN***

Mr. Marteeny adjourned the meeting at 8:27 p.m.

---

Doug Marteeny, Committee Chair

Recorded by Kathie Caldwell-Sullivan