



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

## ***Budget Committee Meeting***

May 6, 2013

7:00 p.m.

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### ***MINUTES***

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

Budget Committee Chair Will Summers called the May 6, 2013 Budget Committee Meeting to order at 7:00 p.m.

Present were:

Sandi Gordon	Board Chair	Arrived: 7:01
Will Summers	Budget Committee Chair	
Frank Bricker	Board Vice Chair	
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	Arrived: 7:08
Lyle Utt	Budget Committee Member	
Jennifer Ward	Budget Committee Member	Arrived: 8:08
Maria Delapoer	Superintendent	
Frank Caropelo	Assistant Superintendent	
Randy Lary	Director of Human Resources	
Russell Allen	Director of Business	
Ashley Netzel	Controller	

Jennifer Ward made previous arrangements that she would either be late or absent from the meeting. Committee Member Doug Marteeny reported that Micah Smith had contacted him and he would be arriving about 10 minutes late. A list of others present at the meeting is attached to the original minutes.

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

Ms. Gordon Arrived at 7:01 p.m. Mr. Summers led those present in the Pledge of Allegiance.

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

1. Approval of Budget Committee minutes for May 1, 2013

Mr. Summers asked if everyone had an opportunity to review the minutes from the May 1, 2013 Budget Committee Meeting and asked if there were any deletions, corrections, or concerns. Committee Member Chris Norman made a motion to accept the May 1, 2013 minutes as presented. Mr. Bricker seconded the motion. Ms. Gordon commented that she was not at the last meeting and so recused herself from the vote.

**MOTION CARRIED UNANIMOUSLY.**

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### ***BUDGET INPUT FORUM***

Mr. Summers called for public input on the budget. No one from the public was in attendance.

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

Mr. Allen began by stating that because of the tight turnaround time from the last meeting he was only able to get the responses to questions from Mr. Smith out with the packet. Mr. Allen shared that responses to additional questions raised since the last meeting were provided in a packet at their places. He mentioned that he was able to respond to all questions except one from Mr. Bricker regarding the CET Fund. Mr. Bricker wanted to know if there were plans in place for the use of money from this fund or if it was being budgeted for the ability to spend money next year with no plans in place. Mr. Allen responded that staff has no specific plans to spend the money this year but wanted to create budget authority in case the Board decided there was a need for some of those funds. This practice has been in place for several years.

Mr. Allen then asked if there were any questions on the responses provided with the Budget Committee Packet. Mr. Norman asked which On-Line Charter School was in Scio. Mr. Allen responded that Oregon Connections Academy (ORCA) was out of Scio and Oregon Virtual Academy (ORVA) was out of North Bend. Mr. Norman asked how many of our students were enrolled in ORCA. Assistant Superintendent Frank Caropelo responded that he believed there were approximately 100 students enrolled. Board Chair Sandi Gordon asked if any of our students could attend ORCA. Mr. Allen responded yes, that the law requires them to notify us that our student is attending their program but there are not many checks and balances.

Mr. Summers commented that under Guidance Services, he didn't understand the large \$250,000 increase. Mr. Allen responded that the increase was in response to licensed salaries. He stated that there was also an increase included in classified salaries but would need to look in to it closer because he didn't see anything out of the ordinary.

**Question 1:** Mr. Allen then referred the Committee to the packet at their place that contained the responses for questions that arrived after Thursday afternoon. He stated that he would go through them for the committee since they had not yet had a chance to review the material. He reviewed the response to the first question for the committee and asked if there were any questions. There were none. Mr. Allen noted that in some cases there were multiple questions regarding the same item and they have been merged into one category. The next question regarding Middle School Track, was one of those items.

**Question 2:** Mr. Allen then addressed the next question: What would it take to expand the Middle School Track Program from its reduced level? Mr. Allen shared that when the program was reinstated in 2012/13 at a reduced level the length of the season was shortened allowing for a reduction in the stipends for coaches and that each track meet would be staffed 100% with volunteers. He stated that the number of events at each meet was not reduced. Mr. Allen reported that it would approximately \$6,500 to restore the program to a full season with an additional \$900 to utilize paid staff for each track meet and a small increase in transportation related costs for each additional meet. Mr. Boehme asked if there would be a possibility of adding an additional track meet without extending the season. Human Resources Director Randy Lary responded that it could be done. Mr. Allen commented that he was not sure if volunteers could be commandeered and if a track was available for an additional meet but he would look into it. Discussion ensued.

**Question 3:** The third question on the list was how many students in the district are currently identified as TAG and can you provide more information about the summer OSU offerings? Mr. Allen responded that there were 758 students currently identified as Talented and Gifted in our district. Mr. Smith commented that the reference to LBCC in the response should be OSU. Mr. Allen went on that, to date, there has not been any

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issue with the number of participants in the OSU program outstripping the district resources allocated for that program. However, as a result of better communication of opportunities available to TAG students, the district anticipates a resource constraint and chose to limit the 50% fee discount to the OSU STEM Academy and only to students with demonstrated financial needs. Mr. Caropelo added that this was a way to keep the expenditures within the budget. Mr. Smith stated that the Expeditions offerings were only \$210 for an 8-week program and that there was a very limited number of course offerings in the STEM Academy. He stated that he would like to see the opportunities available expanded beyond the STEM Academy. Mr. Summers suggested that maybe it would be beneficial for the district to set a ceiling of what would be paid for by the district and then it would be up to the parent to determine what program might be best for their student. Mr. Smith stated that he would be in agreement if the district would pay the first \$75 toward the classes. He asked for a list of class choices that might be available under this precept to be brought back.

**Question 4:** This question was regarding LBCC Alternative Ed Opportunities. Mr. Allen commented that this function was used to pay LBCC for three different programs: GED, Expanded Options, and Extended Campus. He stated since there are unknowns around the numbers of students who will participate in each program it is uncertain where the fund will end up this year so the number is the best guess at an unknown expense. Discussion ensued. Mr. Boehme asked that if the budget was \$150,000 and \$192,000 was spent, in these programs, what is the difference with TAG expenses? Can they exceed budgeted amounts? Mr. Allen responded that the budget consists of a series of corresponding counter balances errors. In this particular function, these students have a legal right to go to LBCC and we can't stop them. In TAG, the district has some control over these expenses and typically plans to stay within the budget. Mr. Boehme asked that there is then some wriggle room? Mr. Allen responded yes, but it is different for every fund and object. Superintendent Maria Delapoer added that in regards to the GED program, there is a backlog of students at LBCC and AOS is going through the process to become a testing site so we can process our students without a time delay.

**Question 5:** This question was regarding the increase of PBS staff, middle school administrators, and corresponding possible reduction in need for Saturday School. Mr. Allen shared that PBS staffing has been constant for many years and that it is only the source of funding that has changed. He stated that because of no real change in PBS, the number of sessions and level of staffing will remain constant even if there is a decrease in the number of referrals and there is no decrease in funding needs beyond the \$2,500 already reflected in the budget.

**Question 6:** This question pertains to PERS Reform and if it is successfully challenged in court, would GAPS be required to retroactively refund any "savings" received. Mr. Allen stated that the short answer is no. He shared that depending on the court decision, the PERS board would have to recalculate the unfunded liability and make future rate decisions based on that calculation. Basically future rates would be increased to make up the lost revenue to the PERS fund.

**Question 7:** This question asked for additional clarification as to why additional FTE was targeted as opposed to simply decreasing the teacher to student ratio. Mr. Allen commented that the Superintendent had stated on many occasions that reducing class sizes was a goal, but seeking the best way to use this year's small amount of available FTE, she felt that it was best to target supporting the system as a whole rather than by a fractional decrease in ratio. Mr. Summers commented that looking at beefing up elementary grade level reading and mathematics might not reduce class sizes but give teachers a bit of help. Ms. Delapoer stated that it was at the top of her list to reinstate classified time for small group instruction in both reading and math.

**Question 8:** Are there any parents that are members of the TAG Review Committee? Mr. Allen reported that no there were no parents that were members of the TAG committee. Its purpose is to review current practice in the district in relation to the existing district TAG plan and to suggest changes not to create new policy.

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**Question 8:** This question related to TAG grants and when the North Albany Lego Robotics program would begin. Mr. Allen responded that to date, we have not received word on that grant. He shared that if the grant is received, the program would begin in the fall of 2013.

**Question 9:** This question asked if there were any other TAG-related grant opportunities identified. Mr. Allen reported that on April 30, grant writer Theresa Wilhelm identified an additional TAG-related grant opportunity called the Javits-Fraiser Scholarship. This grant would fund a staff member to attend a National Association for Gifted Children Convention in November 2013. The district is in the process of completing an application for a staff member to attend this conference.

**Question 10:** This question asked about the possibility of an International Baccalaureate program. Mr. Allen responded that staff had not conducted an extensive study on the potential of this type of program. He stated that the Superintendent has asked staff to look at different programs to meet the needs of students at all levels. She will be bringing recommendations back to the School Board at a later date.

**Question 11:** This question asked about why increases in specific Object Codes were so large. Mr. Allen explained that in Object Code 311, the increase was due to the anticipated new contract payment for the On-Line program. He shared that the increase in Object Code 371 was due to the anticipated new payment for the tuition at LBCC associated with the Advanced Diploma program. Mr. Allen then explained that Object Code 719 encompasses three different transfers, two of which was discussed at the last meeting as \$36,462 to cover the anticipated deficit and \$50,000 to begin addressing the accumulated debt. He shared that the part that was not discussed previously was the annual required match that ODE computes and requires the District to transfer that amount to the Nutrition Services fund.

**Question 12:** This question refers to projected enrollment and advanced diploma participants. Mr. Allen responded that the projections do not include Albany Online! or Advanced Diploma students. He stated that they will be included on their own line in the adopted/approved budget. He shared that in the past we looked at building level enrollments for allocations, but have to change gears and think about the total enrollment for the district.

**Question 13:** This question asked why there is a large increase in the Object Code 460 in District-wide Maintenance. Mr. Allen responded that the amount actually corrects the erroneously low amount budgeted in 12/13. Mr. Boehme asked if we were really buying new equipment under Object Code 460 or replacement equipment. Mr. Allen stated that it was new to the district but almost always replacing or repairing something that has been broken or worn out.

**Question 14:** This question asked about describing how the 2.8 FTE was added to mitigate unique school situations. Mr. Allen commented that basically 12 schools received small portions of the FTE. He explained that it is more expensive to staff small schools than large ones. Mr. Bricker commented that in the past it was acceptable to have split classes (or blends), but because of the new common core standards, it basically makes the teacher have to instruct two entirely different subject matters. Mr. Allen stated it is a dilemma going forward because it is undesirable but costly to avoid. Mr. Boehme asked if the principal still had the choice on how to staff their school. Mr. Lary responded that ultimately yes, but they get counseled heavily from the district. The principal is generally advocating for what they feel would be best for their building.

Mr. Smith asked how many split classes remain for next year. Mr. Lary responded that there are no more than one-half dozen. Mr. Smith then commented that there were many times when the public have made comments about small schools not having Music or PE programs and wondered how many do not have these programs. Mr. Lary responded that he was struggling to think of a school that had neither program. Ms. Delapoe stated

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that a school may not have a specialist but the students were being provided PE or Music from their regular classroom teacher. Mr. Smith then asked how many schools pool their prep time to provide specialists and is the FTE fixing this problem or will this still be an issue at Board Meetings? Mr. Allen stated that he cannot think of any school that has no specialist. Discussion ensued. Mr. Marteeny commented that in anticipation of six blended classrooms next year how many do we have this year...how many 5 years ago? Mr. Lary commented that there were significantly more blended classrooms 5 years ago than now. He shared that there has been conscious decisions made to have a big class rather than to blend classes. Mr. Lary responded that as a general rule it scales by the size of the school. The smaller schools tend to have more blended classes where the larger schools do not. Mr. Allen commented that it was important for the Board to recognize that 5 years ago classes were more consistent in number because of blended classes however, now we are more hesitant to have blends and therefore there is more variation in class sizes. After some investigation, Mr. Lary commented that the district currently has 8 blended classrooms.

Mr. Smith then asked to loop back to the specialist discussion and stated that he was troubled from the information in 2112 Guidance Services and then building FTE being used for counselor specialists that are being used to fill prep time for certified staff and not for instructional curriculum. Mr. Allen commented that the allocation level has been given to the building to do with it where they feel their school has the need. It may be used for a librarian, counselor, music teacher, PE instructor, but it may not be used exclusively for instruction services. In some cases, especially in the secondary level, it is not uncommon for a school to allocate FTE for a Dean of Students or support services. He shared that Periwinkle, for example, had a Counselor rather than a Music Specialist. Mr. Lary added that part of the dilemma for principals is how to make the school work with who they have depending upon their licensure. Mr. Smith commented that he was not second-guessing the decisions made but wanted information to head off questions of the public to Board Members and making sure that the decision is not being made lightly.

Mr. Boehme commented that the Board had requested a special work session this summer to discuss a vision going forward. If teachers are still expected to provide music and PE and it is something that the Board deems important, this maybe something the Board needs to address as teachers are added back. He stated that the same thing needs to be done with electives and other addbacks in the future; it will be a great discussion to have. Ms. Gordon shared that it is on the Work Session agenda for the summer meeting. Mr. Caropelo commented that every elementary principal would love to have PE, Music, and a Counselor with 25 students when it comes to common core standards. He also stated that Mr. Bricker was correct about blended classes at the elementary level. Blended classes for elementary math would be like asking a high school teacher to simultaneously teach two different math content areas at the same time to the same class, like algebra and geometry.

**Question 15:** This question asks where is income to individual schools reported for athletic fees, gate income, and other school activities. Mr. Allen reported that these are included as revenue in the Student Activity Fund but not reported in the manner requested. Staff can provide this information to the School Board at the end of the 12/13 school year.

**Question 16:** This question refers to how the Grant Writer has paid off for this year. Mr. Allen responded that if it was a question of costs, then no, it hasn't paid off for this year. He did state that there were still some grants pending. Mr. Summers commented that it would take more than one school year before decisions can be made and funds are available for grants. Mr. Caropelo added that being new to the district, it takes some time to figure out what is needed. Ms. Gordon commented that what has been brought to the classroom, although small so far, it will pay off over time. Mr. Summers commented that he believed that the Foundation was helping out with the funding for the grant writer. Ms. Delapoe commented that the Foundation was having a discussion on helping the District out with one day per week as she was also working with them to see if a grant could help fund an executive director. Mr. Summers commented that the Grant Writer was

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involved in the allocations process this time so she better understood the direction. He agreed that one year was not enough time to grasp all of the information.

**Question 17:** This question refers to Building Level Allocations. Mr. Allen explained that the building level allocations are the total allocation of funds allocated to each school based on their projected enrollment. The elementary schools start with a base school allocation, then adds amounts to help fund stipends associated with site Councils, and copier expenses. At the high school level, there is an amount added to help with graduation expenses. He also indicated that at the high school level, the per student allocation is calculated differently by determining additional weight for students who qualify for free and reduced meals.

Ms. Ward arrived at 8:08 p.m. Mr. Allen asked if anyone had more questions. There were none.

The last question pertained to why health insurance for Library Services was so high compared to others. Mr. Allen explained that health insurance percentages vary throughout the funds as a whole. They are figured against total salaries and generally are 25 – 26 percent. There is a flat amount given for health insurance for each employee with .75 FTE or greater. It is the same amount regardless of the salary of the employee. The percentage can vary greatly by function as a result of the salaries and FTE in the particular function.

Mr. Allen commented that he wanted to share with the committee that in 2011 the State passed SB3417 which required the calculation of ADMw separated between charter schools and non. This increased the ADMw throughout the entire system. Because we are working in three different budget years, this will have an effect on all three. The difference between the March and April estimates went down \$220,000 by adding more students statewide which gives everyone a smaller piece of the pie. The great variations in estimates makes it difficult to provide good information, just a disclaimer.

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

Mr. Summers asked if there were any more questions or discussion of the budget document. Mr. Norman stated that in regards to Online School enrollment, it looked like the district was paying a vendor to supply the content and asked what the district was purchasing for this program. Mr. Allen stated that it is a turnkey operation where the lion share of the program is provided by the vendor and the district continues to have individuals to manage the program for elementary and secondary levels along with a drop in center. Mr. Norman then asked if it was a per pupil cost whether it was 50 or 500 students. Mr. Allen responded yes, within reason, there would need to be a scale for internal FTE for management of the program. Mr. Norman then asked how other districts were doing, has it been cost effective? Mr. Allen responded that ORCA was the first to have an online charter school and has been successful. This year Lebanon and Springfield have added programs, both of which have exceeded anticipated numbers so we have no reason to expect ours to do otherwise. Mr. Norman asked that if for some reason we have an opportunity to show that we can provide more services with the drop in center could that provide more students? Mr. Allen responded that it not the district's intent to court other district's students like Lebanon is doing. Mr. Caropelo added that there will be some degree of market saturation at some point and we would be hard pressed to believe that other districts won't be doing the same. Mr. Norman reiterated that the district could compete with the others. Mr. Allen commented that it would mean that we would be competing head to head with the others although not all programs offer drop in centers, where ours would be value added.

Mr. Boehme asked if we end up receiving the CTE grant, would the 1.5 FTE be available to shift to other needs or would it come back before the Board? Ms. Delapoer commented that there are a large variety of options to consider but the amount of money in question could be used for classified small group instruction. Mr. Boehme then stated that it doesn't then have to go to FTE but the funds can be allocated to be spent for other things. Mr. Allen stated yes, the dollars are budgeted, therefore are available to be spent.

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

Mr. Summers asked if there were any comments from the public. No one from the public was in attendance.

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

1. Is it practical to add a third track meet for the Middle School Track Program next year?
2. With regards to function 2120, Guidance Services, can you explain the large bottom line increase (from \$1.31 m to \$1.56 m)?
3. Is it practical to make changes to the TAG Program relative to courses the district will subsidize at OSU this summer?

Mr. Summers asked if there were any additional questions. There were none. Mr. Allen stated that the next meeting was scheduled for May 20 and the Committee was welcome to e-mail any additional questions they may have to him.

### ***ADJOURN***

Mr. Summers commented that he would entertain a motion to adjourn the meeting. Mr. Marteeny made a motion to adjourn the meeting which was seconded by Mr. Smith. Mr. Summers adjourned the meeting at 8:25 p.m.

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Will Summers, Committee Chair

Recorded by Kathie Caldwell