

MINUTES

Special Meeting of the

BOARD OF DIRECTORS

Corvallis School District 509J
1555 SW 35th Street
Corvallis, OR 97333

I. CALL TO ORDER AND ROLL CALL

Vice Chair O'Malley called the meeting to order at 7:04 p.m. in the Central Office Board Room, 1555 SW 35th Street, Corvallis. Vice Chair O'Malley dispensed with the calling of the roll and the secretary recorded those present as listed below.

BOARD MEMBERS PRESENT

Nell O'Malley, Vice Chair
Sara Gelser, Member
Kari Rieck, Member
Joan Demarest, Member
Robert Johnson, Member

BOARD MEMBERS ABSENT

Cyrel Gable, Chair
Helen Higgins, Member

EXECUTIVE STAFF PRESENT

Dawn Tarzian, Assistant Superintendent and in-coming
Superintendent
Jeanne Holmes, Human Resources Director
Kathy Rodeman, Business Services Director
Duane Jager, Technology Services Manager
Laverne Pitts, Corvallis Public Schools Foundation
Julie Catala, Executive Assistant to the Superintendent

GUESTS PRESENT – In-Coming Board Members:

Blake Rodman
Matt Donohue
Donna Keim

A quorum was present and due notice had been published.

II. PLEDGE OF ALLEGIANCE

Vice Chair O'Malley led those in attendance in the pledge of allegiance.

III. SWEARING IN OF NEW MEMBERS (DUTIES EFFECTIVE JULY 1, 2005)

Vice Chair O'Malley swore in three new Board members, duties effective July 1, 2005: Blake Rodman, Matt Donohue, and Donna Keim. Each recited the Oath of Office.

IV. BUDGET – Public Hearings for Public Testimony on the 2005-06 Budget

Vice Chair O'Malley stated the purpose of the hearing was to take comments on the proposed 2005-06 budget. She asked that each speaker limit their comments to three minutes.

Denise Cardinali, 6017 SW Grand Oak, Corvallis, requested that the district consider the budget process and documentation with regard to clarity and easing the ability for the public to ascertain of whom to ask clarifying questions. She stated that easier access would build trust.

Chair O'Malley replied that this has been an on-going issue and asked that Ms. Cardinali stay for the related discussion later in the meeting.

Arnold Larsen, 4037 NW Elmwood Drive, added to Ms. Cardinali's statement by encouraging that someone who is perhaps not inclined to vote for levies is included in the budget review process to ensure understanding.

Vice Chair O'Malley closed the hearing at 7:10 p.m.

V. BUDGET ACTIONS – 2005-2006 BUDGET

A. MOTION TO REVISE APPROVED 2005-06 BUDGET

MOTION #62: Director Johnson moved, Director Demarest seconded, to increase the Approved 2005-06 Budget by \$240,000 in the General Fund, to cover carryover of unused 2004-05 General Fund discretionary budgets by the schools and departments. (See Supplemental Item #VI-7 in the Official 2004-05 Minutes.)

The motion passed unanimously.

B. RESOLUTION NO. 05-0601, ADOPT 2005-06 BUDGET AND MAKE APPROPRIATIONS

MOTION #63: Director Demarest moved that the Corvallis School District budget for 2005-2006 in the aggregate amount of \$114,309,752 be adopted as amended, and that the amounts for the fiscal year beginning July 1, 2005, be appropriated for the purposes set forth in Resolution No. 05-0601. (See Supplemental Item #III-17 in the Official 2004-05 Board Minutes)

Discussion revealed endorsement for improved document clarity in the budget process and to allow more time for review by the public and budget committee members and any changes to be executed. It was noted that this year was more challenging due to certified bargaining overlapping in the same time frame.

Director Gelser wanted to add to the budget's transparency by suggesting that more information be included and be easier to find. She thanked Ms. Rodeman and the Student Services staff for the all-fund special education list which will be put near the beginning of next year's budget document. She added that a budget note might be included in this year's budget document regarding the general fund special education expenditures decreasing due to the state

administering the related federal grant differently, which resulted in an increased grant portion to the district. This allowed the district to redirect general fund dollars that would have been used for that purpose. Those same general fund dollars might again be required in the future to provide special education services, looking like a cut to services used to replenish the special education fund, a misinterpretation.

Director Gelser also expressed her concern about the public's misinterpretation of the term "Add-back List." This came to light recently due to an editorial in the Albany Democrat-Herald referring to the fact that Albany was able to retrieve items from their "Add-back List." The writer evidently held the impression that they were bringing back previously cut items from past years when in actuality they were not cutting as deeply as they had thought they would have to for the upcoming budget cycle, but cutting nonetheless. She noted that if Corvallis had passed its recent school levy then Corvallis would have had fewer cuts, but as it stands it is \$1.5 million to the negative.

Director Rieck seconded the motion.

The motion passed unanimously.

C. RESOLUTION NO. 05-0602, LEVY AND CATEGORIZE PROPERTY TAXES

MOTION #64: Director Gelser moved, Director Johnson seconded, that the Corvallis School District impose the taxes provided for in the adopted budget in accordance with Resolution No. 05-0602 as follows:

- i. Taxes at the permanent tax rate of \$4.4614 per \$1,000 of assessed value in support of General Fund operations and categorized under the Education Limitation; and
 - ii. Taxes in the amount of \$7,673,006 for the purpose of retiring bonded debt owed by the school district and categorized as "Excluded from the Education Limitation."
- The tax levy in support of General Fund operations is expected to raise \$16,917,750 and the debt service tax levy is expected to raise \$7,243,318.

(See Supplemental Item #III-18 in the Official 2004-05 Board Minutes)

The motion passed unanimously.

Business Services Director Kathy Rodeman provided a summary of the year's budget process and offered suggestions for the future.

Ms. Rodeman stated failure of the local option levy in November left the district \$1.5 million short. It was a legislative year with unknown revenue and unsettled labor contracts. The governor's recommended budget was the starting point. The Board adopted general criteria and priorities in January, which was different than has been done in the past several years. Citizens were invited to attend public forums to generate ideas and rank reductions. In March, Assistant and in-coming Superintendent Tarzian provided a recommended package of reductions. Schools held parent and staff meetings and in May an add-back list was developed with revisions by the Budget Committee and Leadership Team.

Looking to the future, Ms. Rodeman stated she hears the need to make the budget more transparent and easier to follow and a desire to have more time to discuss. She suggested that a committee look at what to do differently and include critics. She also suggested that the itemized list by school could be replaced by more overview lists such as that suggested for special education information earlier. She offered to check in with current and former Board members for input. The committee could begin in August, set a format by November and spend December and January organizing the draft budget document and process.

Director Johnson suggested the term “Recovery List” in place of “Add-back List” and to focus budget committee meetings around what people really want to know and discuss rather than other details.

Vice Chair O’Malley stated the Board could talk more about this subject at its next retreat.

VI. SPECIAL REPORTS - “Podcasting” – Chester Bateman

Chester Bateman, Assistant to the Dean for Technology in the College of Education at Oregon State University, informed the Board of “podcasting,” listening to audio recordings on demand through use of a computer, iPod, or cell phone. Recordings can be made using a computer, eliminating the necessity for a studio. The recordings could inform of educational content or events such as transitioning from elementary to middle school or mentoring for extended learning experiences. As a result of a visit he had at George Lucas’s Skywalker Ranch, a representative from the George Lucas Foundation will travel to Corvallis in October to view Oregon State University and Corvallis School District. Their foundation supports educational technologies such as podcasting. Assistant and in-coming Superintendent Tarzian noted that podcasting could give students the ability to pace their learning by revisiting a lesson as often as needed.

VII. BOARD MEMBER ITEMS

Director Rieck reported the Linus Pauling Middle School mock congress was incredible. Students write their own legislative bills. The process gives them an understanding of how to make changes, seek others’ opinions, negotiate, determine who has power, and how to work together.

Director Gelser related her concerns regarding recent quick legislative happenings, including Karen Minnus’ plan for stable school funding. She is concerned that because of Oregon School Boards Association (OSBA) support, legislators believe districts back the plan. She believes they do not. She urged members to call the county’s legislators and the Oregon School Boards Association to inform them that OSBA is not representing the District’s best interests and a better plan is needed. She stated that districts receive more now than Ms. Minnis’ plan outlines, 51% of personal income taxes, a most unstable base. The bill is also attached to a high-cost disabilities grant which sunsets this year. If Ms. Minnus’ plan fails, and the grant is not moved through another way, the grant sunsets. That would mean that districts would not have the dollar for dollar compensation above \$25,000 for students whose individual education plans exceed that amount. The bill also requires full-day kindergarten, an additional mandate to go along with the inadequate “stable” funding.

Vice Chair O'Malley asked that Ms. Gelser relay her thoughts in writing so that the Board could respond appropriately.

VIII. CONSOLIDATED ACTION

MOTION #65: Director Johnson moved, Director Rieck seconded, to approve the Consolidated Action items.

The motion passed unanimously.

A. SUPPORT SERVICES ITEMS

1. LICENSED PERSONNEL RECOMMENDATIONS

The Board approved the recommendations. (Filed as Supplemental Item #IV-49 in the Official 2004-05 Board Minutes.)

2. AGREEMENT BETWEEN BOYS & GIRLS CLUB AND 509J 21ST CENTURY (CAEC) GRANT

The Board approved this continued agreement with the Boys and Girls Club to provide site directors and club leaders as a partnership requirement of the 21 Century Grant for at-risk youth. (See Supplemental Item #I-37 in the Official 2004-05 Minutes.)

IX. CONSOLIDATED INFORMATION

A. SUPPORT SERVICES ITEMS

1. NON-LICENSED PERSONNEL INFORMATION

Filed as Supplemental Item #IV-50 in the Official 2004-05 Board Minutes.

2. UNAUDITED FINANCIAL STATEMENTS

The Board received the unaudited statements of revenues, expenditures, and fund balances for the various funds of the District for the period ending May 31, 2005. (Filed as Supplemental Item #X-36 in the Official 2004-05 Board Minutes.)

3. 2005 PERS UNFUNDED ACTUARIAL LIABILITY BONDS

Business Services Director Kathy Rodeman summarized the initial advantageous outcome of the district's participation in a pool of school districts issuing pension bonds to refinance their unfunded actuarial liability with the Public Employees Retirement System (PERS). (See Supplemental Item #X-37 in the Official 2004-05 Minutes.)

4. ELECTION RESULTS – MAY 17, 2005 ELECTION

Business Services Director Kathy Rodeman evidenced the acceptance of the district's May 17, 2005 Benton County election results through which four school board members were elected: Blake Rodman, Matthew Donohue, Helen Z. Higgins, and Donna M. Keim. (See Supplemental Item #IV-51 in the Official 2004-05 Minutes.)

X. OTHER DISTRICT BUSINESS

There was no other district business.

XI. EXECUTIVE SESSION

No executive session was held.

XII. ADJOURNMENT

Being no further business, Vice Chair O'Malley adjourned the meeting at 7:50 p.m.

Nell O'Malley, Vice Chair

Dawn Tarzian, Assistant and in-coming
Superintendent

Prepared by Jolene Shute

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