

1.0 CALL TO ORDER

On May 18, 2015, Budget Chairman, Mike Kirk, called the second budget committee meeting to order at approximately 7:00 p.m. in the conference room of the district office.

2.0 ROLL CALL

Members Present: David Goracke, Willie Tenbusch, Carolyn Jackson, Mark Penrod, Tim Moore, DeeDee Thomas, Denver Pugh, Mike Kirk, Chris Wyne, Charley Wolff. Kaye Fox attended remotely by telephone. Eric Gerber Arrived at 7:05 p.m.

Members Absent: Josh Harris, George Frasier (excused).

Employees Present: Brian Gardner, Superintendent; Celeste Van Cleave, Business Manager; Susan Beaudin, Board Secretary; Jon Zwemke, Principal; Carole Boaz, Anette Carroll, Licensed.

3.0 APPROVE MEETING MINUTES

Chairman Kirk noted minutes of the first budget committee meeting indicated the district would be providing the earliest and the latest times a bus would leave and return with a reduced number of routes. Superintendent Gardner responded there would be no significant change except with an eight bus fleet two students will ride 25 minutes longer than on previous route. Other riders would be riding approximately the same amount of time as this year. The earliest pick-up time would be 6:35 a.m. on the Twin Buttes route going 1 hr. 13 minutes. The vast majority of the riders would be under 30 minutes on the remaining routes. We are there now with nine routes; the longest one being 1 hr. 15 min. Willie Tenbusch questioned the amount of savings with one less bus route. Superintendent Gardner responded approximately \$22,000. To add a route back would depend on how many additional students we would have next fall and where they were located in the district. David Goracke moved to accept the budget committee meeting minutes of May 5, 2015 as submitted. Charley Wolff second, motion approved 9-0. DeeDee Thomas abstained as she had not read the minutes; Eric Gerber abstained due to his absence at the first meeting. Kaye Fox, George Frasier and Josh Harris absent for the vote.

4.0 COMMITTEE DISCUSSION

Charley Wolff asked about any additional monies from the state. Superintendent Gardner reported the latest *forecast* indicates an additional \$105 million going to education. The district has not received a new estimate as to how that will affect us specifically. We are not sure if any of it will come in 2015-16 or if it would all come 2016-17. Mr. Gardner mentioned the House had passed an extension of the small high school grant but it hadn't passed the Senate or been signed by the Governor as yet. Chairman questioned how much this extra money might mean to the district. Mr. Gardner responded as an estimate maybe \$35-40,000 plus if the high school grant is approved perhaps another \$40,000.

Willie Tenbusch questioned our buses picking students up in Albany. Mr. Gardner stated we have a few students who attend Central Linn that live in Albany and we provide transportation. The students bring about \$7,000 each in state school support funds. These students are attending the high school.

Chairman Kirk questioned the increase in legal services. Superintendent Gardner responded generally this area of the budget is used for human resources or special education concerns within the district and is defined by need. Mr. Kirk also questioned teacher incentives and the pay increase for administrators. Mr. Gardner responded teacher incentives for tuition were approved by the Board. David Goracke, Board Chairman, stated the salary increases were approved by the school board. Mr. Gardner added he had worked the first three years without a pay increase. Last year the principals did not receive a cost of living raise and figured the 4% increase equated to 2% each year.

DeeDee Thomas questioned the cost of the photocopier leases. Celeste Van Cleave stated the district's copiers are bid piggybacking on the state contract. The district has five machines, color copies are five cents each and the black and white copies are pretty inexpensive. We are in the first year of a five year contract.

Charley Wolff spoke to the latest budget handout, Recommended Savings General Fund, and asked about the new general fund contingency amount of \$246,348. Mr. Gardner clarified that this information reflected the reductions the Committee deferred to at its' first meeting. Mr. Wolff stated there was no wiggle room in the proposed budget. The PATH program although we started with good intentions, is not being used by students to its full potential. The \$30,000 for engineering budget could go and he was unsure about the teacher incentives. He hated to see sports cut but he had been talking with some of the coaches and some expressed they would continue coaching for free. He struggles with Friday Enrichment, is it the academic portion, because originally the cut was \$8,400 and now it's \$27,272. DeeDee Thomas thought it was Friday Fun not the academic piece. Mr. Gardner explained in the proposed, balanced budget, the academic piece (one hour prior to crafts) was already taken out. The cost for this program has doubled as we added more teachers and educational assistants. We took out the instructors for the afternoon session and the coordinator's wage was rolled into another building position. This reduction would eliminate the afternoon program next year. We would also save in a bus route and offering the lunch program as lunches are not reimbursable unless it's a regular school day. The staffing for this program has continued to grow, increasing the costs. Mr. Wolff questioned if the increase was due to an increase in student attendance. Mr. Gardner state some, but it is also who is attending.

Superintendent Gardner explained the budget handout was generated from the list of Committee reductions at the first meeting. He asked the Committee what they would like to see added back if more money became available. Clearly the elementary teachers feel we should add back a reading specialist. Willie Tenbusch asked how much a specialist would cost. Mr. Gardner responded a half time person would cost approximately \$30-40,000. Mr. Wolff suggested having band students rent their own instruments and put the money set aside for leasing band instruments back into Friday Enrichment. He stated enrichment activities support what the students learn in the classroom.

Chris Wyne asked Superintendent Gardner what his priorities were if more money were available. Mr. Gardner stated a reading specialist, Friday Enrichment, teacher incentives and the engineering budget because we still have long term facility problems we can't fix.

DeeDee Thomas questioned the reduction in sports. Superintendent Gardner stated he would have a meeting with coaches and collaborate on reductions perhaps 10% from coaching stipends and 10% from officials. Perhaps Booster Club could help with paying for some officials.

Question was raised about the pay to play fees covering the cost of sports and where did that money go? Is it placed in high school activity fund? Mr. Gardner responded those fees, may be a total of \$17,000, is applied to the general fund and, has never covered 100% the cost of the sports programs. The pay to play fees must be reflected in the general fund per the auditors. The total sports budget is \$136,359.

Denver Pugh questioned how much Booster Club pays towards the sports program. Mr. Gardner stated that was hard to determine. For example the Willamette Country Music Festival presented the Booster Club with a \$100,000 check which in reality the Boosters only received \$40,000 of that due to ticket sales. Different Central Linn student groups/clubs work the festival and the Boosters allow those groups to sell tickets. Those ticket sales go directly to the clubs that participate. The remainder of the \$100,000 is handled by the Booster Club for various needs within the sporting community (10K Fund, state championships, athletic scholarships, etc.).

Mr. Wolff questioned the merger of the two positions, Facilities Director and Transportation Supervisor. Chairman Kirk also questioned if one person could effectively handle those responsibilities. Mr. Gardner responded yes, it could be done and cautioned that the actual personnel decision would be made by him not the Committee. Mark Penrod added he knew of other small districts that had to combine these types of positions, (Glide, Sutherlin), it's possible but difficult.

Mr. Wolff asked for clarification on eliminating the ten extra professional development days for teachers. Superintendent Gardner was very clear, no, that was not happening. Mr. Wolff agreed he didn't want to see anything cut that supports education, less impact for students is best. Another concern of his was the decrease in enrollment, down 50 students from last year. Mr. Gardner explained how kinder students have been funded as half time students and next year will begin to be funded as full time students, and as such, it looks like 30 students instead of 50. As state school funding is paid on the higher of the last two years, it is our hope our enrollment increases enough next year to avoid having it calculated using this year's numbers. This also affects our general fund as kinder teachers now are paid from general fund where they used to be funded from Title I. We have lost \$140,000 in Title I that was used to cushion the general fund the last few years. The reduction in Title funds come as the federal government continues to reduce spending (sequester).

There was a group discussion on why families leave the district and different ways to communicate to our community on the positive changes taking place within the school district. We need to find ways to encourage more community input and attendance at district meetings.

The reduction in Spanish was discussed and Mr. Gardner commented that particular reduction option only received four votes at the last meeting. He reminded the Committee its' job was to allocate money at the function level. He wants to hear the Committee's input but for a myriad of reasons will not make a bad business decision. If we are losing students because it is said we don't offer college prep classes he will provide Spanish. David Goracke stated the way Spanish was being offered this year was broken and needed to be fixed. Mr. Gardner added Central Linn is approved for College Now coursework and will be offering the additional in class Spanish.

Mark Penrod offered saving half of the contingency with the thought additional money would be coming. Superintendent Gardner stated if the Committee approves the budget with these reductions and before the Board adopts the budget we were notified we were to receive additional money, adjustments could be made at that time. If notification came after the budget was adopted the district could do a supplemental budget and appropriate money accordingly.

Charley Wolff and Willie Tenbusch spoke to the need to bring back a reading specialist. Superintendent Gardner stated it would be his first choice and also explained how he would assess the reading program first before posting a position. We now know 70% of the duties could be done by someone without the reading endorsement. However, there is a portion that does require the teacher to hold a reading endorsement.

Charley Wolff commented on the need to restructure. What do we absolutely need to get elementary students ready for Jr. High, Jr. High students ready for high school, and high school students for college and stop losing our students? We need to focus resources on students and teachers; concern for Jr High students not meeting standards to enter high school.

Mr. Gardner stated we don't have enough money to run a school system adequately. We did some zero based budgeting when he came here. His first two years the district had to cut \$700,000 out of the budget. The last four years spending on support services has been down and spending on instruction has gone up. The choice now is do we spend everything we have or keep some general fund contingency and make reductions for next year.

Eric Gerber confirmed the practice before Mr. Gardner came was to spend the budget to zero. If we had money we added programs; if we lost money, programs were cut. Mr. Gerber's recommendation was to be prudent and keep some contingency. Carolyn Jackson added that during all that time nothing was spent to maintain our facilities. Mr. Gardner stated we spend a lot of money to band-aid old buildings. Mark Penrod commented he understood the need for reductions but do we have to cut that deep? He agreed it would be fool hardy to spend all our money and not maintain some in savings, but we need to educate our students and need to have the pieces to do so. Perhaps bringing back a reading specialist first should be considered. Mr. Gerber favored making reductions with a prioritized list of areas (game plan) to add back if the district received additional money.

Charley Wolff questioned combining the Director of Facilities and Transportation Supervisor positions into one position and, because we don't have the money for engineering the work load will go down? Mr. Gardner stated yes, and some of the work load would shift back to him as before. Mr. Wolff asked if there were any other scenarios like that to consider. Mr. Gardner stated one other scenario submitted for consideration by the Committee which was eliminating the superintendent position and having one principal/superintendent position (buying out his contract). He further stated he would not be the principal/superintendent; it's too big of a job. Chairman Kirk questioned why that reduction scenario was listed at \$81,000 instead of the full \$106,000 salary. Mr. Gardner explained the necessary additional benefits and, that his contract states if he is let go with *no cause* the district will pay him six month's salary.

The meeting recessed at approximately 8:20 p.m. and reconvened at approximately 8:25 p.m.

There was a very large discussion surrounding the district's focus on education and the transition taking place with proficiency based grading. It included the concern for decreasing enrollment and the misconception of parents who may feel students aren't being prepared for high school or college, or classroom sizes too large. In reality our class sizes are small and proficiency ensures college readiness. Also, the frustration of staff and school board on how to communicate clearly to parents, students and the Central Linn Community of the positive changes and the progress the district is making within our schools. In many respects Central Linn is 60-70% ahead of other school districts in assessing and meeting the common core standards.

5.0 INPUT FROM THE AUDIENCE

Elementary teacher, Anette Carroll, addressed the Committee sharing her observations that teachers are teaching to the whole student. Students talk about parents wanting to leave the district because they may hear we are low in math, etc. However, by setting goals for her students they are encouraged by the progress they make and want to stay at Central Linn. Unfortunately, parents make the decision. She stated her opinion on keeping the reading specialist position. The reading specialist has the most contact with students (300+ a day). The reading specialist also trains the educational assistants to work with students in reading. Classroom teachers do not have the valuable time to supervise the educational assistants and without a specialist would be left on their own. Ms. Carroll indicated most elementary teachers would offer a reduction in pay like the additional professional development days to keep the reading specialist position.

5.0 APPROVE OF BUDGET

The list of proposed budget reductions was posted on the board. Each member of the committee prioritized on that sheet their three choices of items to add back if the district received additional money. They were: full-time reading teacher; half-time reading teacher; and Friday Enrichment.

With no further discussion by the Committee, Denver Pugh moved that the Central Linn School District budget in the aggregate amount of \$8,248,226 be approved, and that the permanent tax rate of \$4.6179 per \$1,000 of assessed value be assessed in support of the General Fund. This permanent tax rate is expected to raise \$2,739,724 (estimated tax levy for the General Fund). Mark Penrod second the motion. Clarification was made that the budget would reflect the proposed reductions. The motion passed 11-0. Kaye Fox, Josh Harris and George Frasier absent for the vote.

6.0 ADJOURN

With no further business before the Committee, the meeting was adjourned at approximately 9:07 p.m.

  
Susan Beaudin, Board Secretary

  
Mike Kirk, Budget Committee Chair

6-8-15  
Date Approved