

**MINUTES**

Work Session of the

**BOARD OF DIRECTORS**

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

**I. CALL TO ORDER AND ROLL CALL**

Chair Gable called the meeting to order at 7:05 p.m. in Central Office Board Room, 1555 SW 35<sup>th</sup> Street, Corvallis. Chair Gable dispensed with the calling of the roll and the secretary recorded those present as listed below.

BOARD MEMBERS PRESENT

Cyrel Gable, Chair  
Ron Miller, Vice Chair  
Robert Baldwin, Member  
Sara Gelser, Member  
Nell O'Malley, Member  
Robert Johnson, Member  
Joan Demarest, Member

PRINCIPALS PRESENT

Lynn Lahey, Garfield Elementary

STUDENT REPRESENTATIVES  
PRESENT

Andrew Grill, Corvallis High School  
Ashleigh Campi, Crescent Valley High  
School

EXECUTIVE STAFF PRESENT

Jim Ford, Superintendent  
Ron Corbell, Assistant Superintendent  
Jeanne Holmes, Assistant to the  
Superintendent  
Kathy Rodeman, Business Services Director  
Duane Jager, Information Services  
Manager  
Karen Smith, Administrator for Instructional  
Services & Inavale Principal  
Fred Wright, Auxiliary Services Director  
Laverne Pitts, Foundation Director  
Deb Bell, Accounting Supervisor  
Linda Martin, Budget Analyst  
Julie Catala, Board Secretary

A quorum was present and due notice had been published.

**II. CORVALLIS HIGH SCHOOL DESIGN PRESENTATION**

Steve Olson and Jeff Johansen of Dull Olson Weekes Architects (DOWA) provided an overview of the Corvallis High School replacement project.

Mr. Olson reported they had had a lot of community input and had just completed the schematic design. The land-use process with the city was going well. They were currently working on

parking during construction, field lighting and the beginnings of Leadership in Energy and Environmental Design (LEED) certification. They have received positive comments from neighbors.

Jeff Johansen of DOWA reviewed the site and floor plans, explaining the new building would face Buchanan, allowing the current high school to remain in operation until the new one was ready for occupancy. The building has an activity side and a two-story instructional side, which contains a central open library surrounded by classrooms. Better Bricks is providing guidance as to the best way to make use of natural lighting. A concern was raised regarding the possible noise level in the two-story open library.

Mr. Olson reported the city land use hearing with the planning department was scheduled for March 19. He noted there is some public interest in saving the old building, which could delay the process, increasing costs due to inflation and weather. Current planning calls for the construction permit to be obtained by June 1 with construction to begin in the fall.

Director Johnson joined the meeting.

### **III. BUDGET UPDATE/DISCUSSION**

Citizen Budget Committee Members in attendance came forward and were welcomed by Chair Gable. They were Kari Rieck, Mark Volmert, Karyle Butcher, and Charlie Tomlinson.

#### Review of Budgeting Handout

Referring to the front page of a distributed handout (Filed as Supplemental Item #VI-10 in the Official 2002-2003 Board Minutes). Ms. Rodeman noted the differences in the projected 2003-04 state funding estimates produced by the governor, provided orally to the Albany Democrat-Herald by Senator Morse, and the Oregon School Boards Association. She added the numbers do change throughout the year though the Corvallis district should expect considerably less than the governor's budget.

Ms. Rodeman stated the district has been told to expect a 4.25 percentage point Public Employees Retirement System increase and she is allowing for a 15%-20% increase in insurance costs. These increases are approximately \$1 million each.

Ms. Rodeman reviewed Page 4, which lists the major differences between the 2002-03 budget and the 2003-04 budget resulting in a \$7,301,640 shortfall for the coming year.

Page 5 of the handout lists possible ideas for reductions totaling \$9,433,700, some of which would involve contract negotiations. These ideas were garnered through public forums held in January and from the leadership team, and were reviewed by the superintendent's staff.

The last two pages of the handout lists ideas for revenue generation, one being a youth activities levy, the other a restaurant and entertainment tax.

The group briefly discussed other revenue raising ideas such as a property tax levy, statewide elimination of portions of Measure 5, expansion of property tax limitations by \$2 per thousand assessed value, payroll taxes, and a sales tax.

#### Youth Activities Property Tax Levy Option

The group made the following comments as related to a possible local property tax:

- As the district has used all of its taxing ability, another entity such as the City of Corvallis would have to be a sponsor. A City levy would be more efficient as a tax of \$1 per \$1,000 of property value would raise approximately \$3 million whereas a district levy of 86 cents per \$1,000 would raise approximately \$1.2 million.
- Revenues would need to be shared by the district and the City to be considered outside of Measure 5 limitations.
- Coordination of proposed levies by local governments should be considered. The district's current local option levy expires in 2005, but it can be voted on anytime. If it were voted on outside the November 2004 election it would require a double majority for passage.
- A Youth Activities Levy is restrictive as it can only be used for non-curricular activities.
- Consideration should be taken for the level of funding, as it would be awkward to have extra-curricular activities well funded but classrooms suffering.
- Consideration would need to be given to 509J students living outside the taxing authority.

#### Restaurant and Entertainment Tax Option

The group made the following comments as related to a possible local restaurant and entertainment tax:

- It is an "optional" tax as citizens would only pay if consumed taxable items
- Others would be contributing, not just the citizens of Corvallis
- The tax is not as stable as a property tax
- The tax can be used for anything, not just extra-curricular youth activities
- A vote of the citizens to enact would be preferable to a city ordinance, which could have a lack of public support
- Restaurant owners would likely oppose

#### Payroll Tax Option

The group made the following comments as related to a possible local payroll tax:

- A 1% tax could raise \$9 million
- It might hinder businesses locating here or cropping up just outside the taxing boundary
- The administration of the tax would be easy
- Oregon State University would be a major opponent

### Budget Reductions

Turning their attention to the list of possible budget reductions the following comments were made:

- A half-time principal is needed at Inavale as opposed to a head teacher as a principal is needed to evaluate other teachers, a Board priority
- Cutting school days at the high school level is not an option next year unless state requirements are met. If days were cut, it would be the third year the Corvallis district would have been out of compliance resulting in a withholding of state funds.
- Eliminating Certificate of Initial Mastery requirements would not result in savings though portions of the Certificate of Advanced Mastery could.
- If teachers' salaries and/or benefits were severely decreased the district might lose motivation for teachers to apply
- The district expects to employ 80 less employees next year, likely not a number that will happen through attrition alone. It is expected that cuts will be split 50/50 between certified staff/administrators and support staff.
- To save items below "No District Funding" (Outdoor School, Elementary Strings [1/2 funding], middle and high school athletics/activities) in the "Ideas for Reductions" list, would have to carry out all cuts listed above plus more.

Citizen Budget Committee Member Julie Manning stated she feels the governor's position is that of encouraging communities to draft grass roots efforts for school funding which might include rescinding Measure 5, in whole or in part, as well as other contributors. She feels every opportunity should be taken to engage the community, showing them the reduction list so they understand and would desire to take back community control of education funding.

Ms. Manning added that it has been her experience with bargaining units at the hospital that employees prefer to retain benefits and freeze salaries than lose the benefits to offset raises.

It was noted that the Harding Charter School appeal has yet to be resolved, with the State Board of Education hearing set for March.

Mention was made of a proposal to save \$885,000 by changing high school schedules. This could involve limiting student credits to 12 per year with extra credits offered before or after school on a fee basis, lengthening the school day up to 45 minutes, adding teaching time, and lessening prep time. This would have to pass through the bargaining process. Ms. Rodeman stated Tualatin School District has paid a high price for failing to bargain this decision. Chair Gable added that limiting students to 12 credits per year would severely hamper many college-bound students' education.

Chair Gable thanked the Budget Committee.

**IV. CALENDAR PROPOSALS—FY 2003-04 and 2004-05**

Assistant to the Superintendent Jeanne Holmes presented the 2003-04 and 2004-05 proposed calendars for the Board's input. (Filed as Supplemental Item #IX-3 in the Official 2002-2003 Board Minutes.) It was explained that more teacher preparation days were scheduled than required as it was felt they were needed to compensate for the loss of preparation time due to loss of PE and music specialists. Chair Gable stated with all due respect to teachers who are doing more and more each year, she did not feel comfortable in reducing the amount of student contact days in light of reductions this year. She added spring conferences tended to be student-led which didn't appear to take as much teacher time though did add to in-class time for teachers.

Ms. Holmes will provide this feedback to the calendar committee meeting tomorrow.

**V. ADJOURNMENT**

There being no further business Chair Gable adjourned the meeting at 9:47 p.m.

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Cyrel Gable, Chair

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Jim Ford, Superintendent

Prepared by: Jolene Shute  
(super/julie/board/minutes/2003/feb 24 work sess.doc)