

**BUDGET COMMITTEE MEETING
BEAVERTON SCHOOL DISTRICT 48
SUNSET HIGH SCHOOL COMMONS
13840 NW CORNELL ROAD
PORTLAND, OR 97229**

Budget Committee Meeting

April 19, 2012

The Budget Committee of the Beaverton School District conducted a Budget Meeting at Sunset High School on April 19, 2012. The meeting was called to order at 6:40 p.m.

Board Members Present:

Karen Cunningham
Tom Quillin
Mary VanderWeele
Sarah Smith
LeeAnn Larsen
Jeff Hicks
Linda Degman

Budget Committee Members Present:

Susan Greenberg
Dave Bouchard
Carrie Anderson
Carmin Ruiz
John Burns
Gerardo Ochoa
Cameron Irtifa

Strategic Budget Team Members Present:

Jeff Rose	Superintendent
Carl Mead	Deputy Superintendent
Ron Porterfield	Deputy Superintendent
Claire Hertz	Chief Financial Officer
Sue Robertson	Chief Human Resource Officer
Steve Langford	Chief Information Officer
Maureen Wheeler	Public Communication Officer
Holly Lekas	Level Administrator
Brenda Lewis	Level Administrator
Barbara Evans	Level Administrator
Vicki Lukich	Level Administrator
Dick Steinbrugge	Executive Administrator for Facilities
Robin Kobrowski	Administrator for Assessment and Curriculum
Jon Bridges	Administrator for Accountability
Andre Schellhaas	Finance Manager
Gayellyn Jacobson	Budget Manager
Jessica Ho	Senior Budget Accountant
Mark Moser	Administrator for Licensed Personnel
Joan Lattner	Administrator for Classified Personnel
Josh Fritts	Director of Special Education
Wei-Wei Lou	Director of ELL Services
Ginny Hansmann	Elementary Principal
Will Flores	Title Elementary Principal
Shirley Brock	Middle School Principal
Todd Corsetti	High School Principal
Michael Johnson	Options Principal
David Wilkinson	BEA President
Val Sebesta	BEA Representative
Mike Ali	OSEA President

Welcome and Opening Remarks

LeeAnn Larsen
Jeff Rose

The meeting was called to order at 6:40 p.m. by School Board Chair, LeeAnn Larsen. LeeAnn welcomed two new budget members, Susan Greenberg and Gerardo Ochoa and all returning members. She thanked the Strategic Budget Team for all of their hard work and the new process that was introduced this year. She set the expectations for the evening: tonight is about listening, learning and hearing about the development and preparation of the budget document. Although some questions will be heard later in the meeting, the budget committee will not have much conversation at the table tonight. There will be no public testimony. A later meeting will be held on May 1, 2012 at Sunset High School at which time public testimony will be heard.

Superintendent Rose addressed the fact that this is the first time that the Budget Committee has viewed the material. He explained that the information was shared with building principals yesterday and today principals shared with their staff. He discussed the process for questions to be heard and answered.

School Board member Jeff Hicks arrived at 6:50 PM.

Elect Chair

LeeAnn Larsen

LeeAnn Larsen asked for nominations. Mary VanderWeele nominated John Burns. There were no other nominations. Dave Bouchard seconded the nomination. There was no discussion and the nomination passed unanimously.

Elect Vice Chair

John Burns

Budget Committee Chair, John Burns asked for nominations for Vice Chair. Carrie Anderson nominated Carmin Ruiz. There were no other nominations. Karen Cunningham seconded the nomination. There was no discussion and the nomination passed unanimously.

Budget Message

Jeff Rose

Superintendent Rose thanked the Budget Committee for what will be an extremely difficult evening with challenges that will last well beyond the evening. The committee has been very engaged and spent many hours meeting the last few months. He also thanked the audience for attending tonight and for those that will be attending future meetings.

The District walks a fine line trying to balance the budget. Budget conversations impacting our budget are common throughout the state as K-12 education receives a smaller share of the state budget.

Superintendent Rose compared the parallels of the District to the Stockdale Paradox. James Stockdale was the highest-ranking naval officer who was held prisoner of war in Vietnam. He spent seven years in prison but never lost hope he would get out, and he would triumph in the end. He turned the experience into the defining event of his life. Parallels between the District and Stockdale include:

- We cannot lose faith in the end of our story
- We can't optimistically believe that this financial problem will go away
- We must confront the brutal facts and make sacrifices
- We will rebuild and prevail over time

Decisions of the past play a critical role in the current scenario we face. The District has reduced \$105 million in the last four years through:

1. Infrastructure and Central Office reductions, sparing schools from deep cuts
2. Using the District's ending fund balance
3. Using staff resignations and natural attrition of staff to off-set school program and position eliminations.

Investments tonight will be presented as well as multiple items in the reduction category. These are the resources that the District can afford and they are the right means to support the whole child. The process of building the budget was one of high integrity with the goal of building a complete package.

All reserves have been used and we will end this year with only 3% in reserve. Reductions that we make or don't make accumulate from year to year. For example: 80 teachers reduced in 2008 equals 100 today.

Future decisions will support the District Goal and Strategic Plan, but 344 employee positions will still be reduced. This budget proposal will allow schools to open on September 4, 2012. There are many changes ahead. Oregon is in the bottom tier in the nation in how we fund our schools. We heard from staff and parents to save as many educators as possible. Reducing days does reduce dollars. However, if we reduced all of the dollars by reducing days, our students would be getting out of school in mid-April. This would not be good for our students. We would have to continue to reduce days year after year until the economy turns around. This is not a sustainable reduction.

Budget Development Process

A new process was introduced last fall that included four phases:

- 1) Approval of the budget process by the School Board
- 2) District survey to the community about educational priorities, and the Board adopted priorities for building the budget
- 3) Strategic Budget Team created to build a budget corresponding to the Strategic Plan, student outcomes, School Board policies and priorities and input from the community via survey, listening sessions and teaching sessions
- 4) Utilizing all of the input to build and finally propose the 2012-2013 budget

Building the Budget

Questions the Strategic Budget Team had to ask were: Are we a school district or a district of schools and what is the difference? What should be tight and what should be loose? Rather than allocations made at the school level, we are making decisions for all of our schools to create equity across the District. The Strategic Budget Team started at zero, looked at the School Board priorities and goals, Strategic Plan and input from the community and began building a budget one layer at a time.

Budget Summary

Claire Hertz

Claire Hertz reviewed the process for committee members to ask questions. They will have the opportunity to ask questions of presenters during the meeting. They can also submit additional questions electronically or on paper until one week prior to the May 15th meeting. Questions and answers will be posted on our website.

Claire reviewed the 2012-2013 budget for all funds. The total for next year is \$465,196,582 with the General Fund the largest with over \$302,580,062. The State revenue accounts for the biggest source of our General Fund revenue. The General Fund includes salaries and benefits, supplies and materials, contingency, capital outlay, purchased services and other expenditures.

Community Involvement

Maureen
Wheeler

Maureen Wheeler explained the Community Involvement Department's role in the budget process. This year has been different and has engaged the community in many ways. In October, the School Board established a new process. Community recruitment began for three new budget positions. There were 31 applicants and three were selected at the January 2012 meeting. Community Involvement created a Community Survey using Survey Monkey. Over 3,800 surveys were completed with 1,000 comments listed. Three meetings with Community Engagement Committees, two District Listening Sessions and one Key Communicator meeting engaged the community. Superintendent Rose met with numerous clergymen/women in the community as well. Community Teaching Sessions were developed in February and in March over 100 presentations took place in our schools with approximately 1,700 participants in 550 staff and community groups. Over 1,200 comments were received. One more Budget Listening Session will be held on May 1, 2012. All information from the on-line survey, various meetings and teaching sessions has been analyzed and provided guidance to the Strategic Budget Team. The result was a very transparent process.

Questions from the Committee

Budget
Committee
Chair

John Burns asked for questions from the budget committee.

Dave Bouchard:

1. How long before the principal and interest on outstanding debt will start to show significant reduction?

Claire Hertz: *The District has created a long term facility plan including a schedule of future bond issues to address growing enrollment across the District. As the current debt stair steps down, additional debt will be issued with the goal of keeping a level property tax levy rate for the District.*

No more questions were asked.

Department Budget Efficiencies

Ron
Porterfield

Ron Porterfield talked about College and Career Readiness (CCR) for all students. Supporting schools and students are our top priority. Over the last four years, Central Office has suffered significant reductions. This year Central Services is operating with fewer resources.

The majority of budget reductions this year will come from schools. When the Strategic Budget Team first met in January they were given a very clear directive to be innovative and generate more savings. Collectively, Central Services found \$4,500,000. Campus monitors will be aligned by new staffing ratios and reduced by 7.5 positions. The Transportation Department will reduce one secretarial contract from 260 to 210 days for a savings of \$11,000. Declining enrollment in ESL will cause \$2,000,000 in reductions. Restructuring of Special Ed services and non-salary reductions will total \$1,200,000. Instructional Technology savings will total \$175,000, Human Resources will be reduced by \$150,000 and they will modify health insurance plans for next year to keep costs down. Solar panels on three schools will save \$30,000.

Internal Budget Process

Carl Mead

Carl Mead explained the internal budget process. The Strategic Budget Team began as a group by reviewing the community survey, identifying and aligning priorities of the College and Career Ready (CCR) goals, Strategic Plan and the School Board goals. They determined priority filters to make sure they were aligned in all groups. They developed “tight” and “loose” guidelines to help as decisions were formed. Dr. Rose gave clear instructions to building models that support a School District and not a District of schools. They were given the task to look at what was essential and what are necessary components for 39,000 students. He encouraged the group to look at what is missing today from our schools. We are not cutting, but building from the ground up. Next step was to look at what is tight and loose and making sure that priorities are aligned. College and Career Readiness (CCR) was on the forefront of the process.

Finally, teams were created at each level and determined what it is that we must have when we open our doors in September. It was imperative to look at what is missing from our schools right now. Thoughts and ideas were aligned as well as all of the input gathered over the last five months. Priorities were identified and each investment was examined and justified.

Budget Decision Packages

Strategic
Budget Team

From the **Elementary Team**, Brenda Lewis, Ginny Hansmann, Barbara Evans and Will Flores presented the Investments and Reductions/Eliminations listed below. The process was long and thoughtful. The positions are wise, keep students safe and honor the Strategic Plan and College and Career Readiness (CCR) framework and the plan is sustainable.

Investments	Reductions/Eliminations
• PE Teachers	• Staffing Ratio Changes: K: from 24:1 to 28:1 Grades 1-5 26:1 to 30:1
• Music Teachers	
• .5 Counselors	
• Library Media Assistants	• Media Specialists
• Instr. Assistants with a focus on Technology Instruction	
• .5 Intervention Teachers	• Assistant Principals

From the **Middle School Team**, Holly Lekas, Robin Kobrowski, Sue Robertson and Shirley Brock presented the Investments and Reductions/Eliminations listed below. They met in small and large group meetings with Middle School principals to align the structure of all middle schools and to build a sustainable budget.

Investments	Reductions/Eliminations
• Library Media Assistant	• Staffing Ratio Change: from 24:1 to 30:1
• 1.0 Literacy Intervention / Extension Teacher	• Media Specialist
• 1.0 Math Intervention / Extension Teacher	• 4 Assistant Principals
• 6 hr. Technology Support / Testing Coordinator	• School Management Support
	• Secretarial Support

From the **High School Team**, Todd Corsetti, Michael Johnson, Vicki Lukich and Mark Moser presented the Investments and Reductions/Eliminations listed below. They relied heavily on the expertise of the principals, focusing on a safe learning environment, providing students with a range of rigorous academic courses, electives and co-curricular athletics and activities and preparing students to be CCR. LINK Crew was preserved and intervention time has been built into the time. Agricultural Science will be offered at the Terra Nova site. Each school will be allocated a .5 for advanced programs. All options and high schools will be moved to a common schedule making it easier for students across the district to participate in district-wide programs that are located at different campuses.

Investments	Reductions/Eliminations
<ul style="list-style-type: none"> Library Media Assistant 	<ul style="list-style-type: none"> Staffing Ratio Change: from 26:1 to 30:1
<ul style="list-style-type: none"> Technology Assistant 	<ul style="list-style-type: none"> Counselor staffing ratio change
<ul style="list-style-type: none"> Increase of .5 Advanced Program Specialist at some schools 	<ul style="list-style-type: none"> Media Specialists
	<ul style="list-style-type: none"> .5 StEPP Facilitators
	<ul style="list-style-type: none"> Campus Monitors change in staffing formula

Athletics

Athletic
Directors

Mike Sanderson, Holly Lekas and Pete Lukich went through the process for Athletics building from the ground up. It was important to continue co-curricular activities and make sure that safeguards and liabilities were in place. They created a scoring grid to build back programs. They prioritized the sports programs that we currently have. They built a minimal investment, one male and one female sport per season to start. Then the team added “floors” to bring back. Reductions at the high school level include water polo and golf programs. Golf moves from a funded sport to an unfunded sport. Water Polo is not OSAA sanctioned and will be a community sponsored sport through THPRD. Meetings will be set and THPRD will be involved. Fourth level teams will be impacted as well and are determined by the number of students who try out. This will be a site decision and the principals and AD’s will continue to work together.

Innovations

Carl Mead

The District must be innovative for the future and be prepared to launch new programs. On-line learning continues to move forward. STEM partnerships continue with Hillsboro SD, Portland Public Schools and PSU. EduPoint will be up and running in the fall allowing parents and students more access to student information. This winter, BSD implemented Employee Online Services providing staff with paperless options.

Questions from Committee

Budget
Committee
Chair

John Burns asked for questions from the committee. Mary VanderWeele had the following questions:

1. Clarification on what PE/Music rotations will look like. *Jeff Rose responded that the team looked at the number of classrooms, planning time and allocated specialists based on that.*
2. Staff ratios and changes and what will class sizes look like?
3. What would be the proposed savings for media assistants vs. media specialists?
4. Community members favored a high loss of days, what is the reduction in days from the current school year?

Sarah Smith:

1. Clarity on how SUMMA changes will affect the middle school next year when they will be in more schools.

Gerardo Ochoa:

1. What is the StEPP Facilitators roles and what will it look like with the reductions?

Cameron Irtifa:

Commented that he likes the process and efficiencies. Media specialists are not needed at high school and middle school but feels like they need to be in the elementary schools.

Jeff Rose: *Media specialists are needed at all levels but our goal is to give access to students.*

1. Have they looked into closing smaller schools, and if so, why have you decided not to?

Jeff Rose: *It is a dilemma to close small schools as the capacity in neighboring schools may not be able to hold the students.*

Closing Remarks

Jeff Rose

Superintendent Rose had the following comments in closing:

- Extremely tough times ahead
- We have a revenue issue
- Need to be sensitive to the community concerns
- Do anything we can to point advocacy in the right direction
- Great deal of pressure to not do what actually needs to be done
- We are out of choices, there is no bucket of dollars
- Ask questions to understand the model and the numbers
- Focus on what we want and what we can afford for our students
- No longer can rely on the dollars
- Ask the community to co-labor and look for new and innovative ways to support us
- Community may feel inconvenienced having conversations about how differently we will need to work
- True strength is shown during times of adversity

Set Agenda for May 15 Meeting

John Burns

- May 1 will be the next Budget Listening Session
- John reminded the committee about the process for questions and answers
- Gayellyn Jacobson reviewed the questions from the evening

Gayellyn
Jacobson

Cameron Irtifa made the motion to close the meeting. Mary VanderWeele seconded the motion. The meeting was adjourned at 8:45 p.m.

Debby Wohlmutter
Recording Secretary