

LINCOLN COUNTY SCHOOL DISTRICT
Board of Directors- Work Session
Tuesday, June 16, 2009- 7:00 p.m.
Newport High School
Newport, Oregon

Minutes

PRESIDING: Jean Turner, Chairman

Present: Jean Turner, Chairman; Jana Cowan, Vice-Chairman; Ron Beck, Brenda Brown, Directors

Also Present: Tom Rinearson, Superintendent; Laurie Urquhart, Secretary; approx. 20 members of the staff, media and interested patrons

Call to Order- Establishment of a Quorum

Chairman Turner convened the meeting and called the session to order at 7:05 p.m. with a quorum of four board members present. Director Coulter was excused from the meeting.

Life of an Athlete

Operations Administrator Joe Novello and Wendy Rudy (of PAADA) presented a new student athlete drug/alcohol prevention program, "The Life of an Athlete." The program was made possible by a grant obtained by the Lincoln Commission on Children and Families, and will address Oregon Administrative Rules 581, Division 22 standards. Data indicates the use by area teens of drugs and alcohol is up; the new program is educational, corrective and restorative. The use/abuse of steroids and over-the-counter medications are also included.

This comprehensive approach is more of a philosophy than a program, said Rudy. It is geared to describing and maintaining chemical health (i.e., energy drinks, lack of sleep, etc).

The program is stricter than the current one. Training of coaches will take place each August, prior to the first practice. There will also be parent/student meetings before each sport. Ms. Rudy will share information on the program with service clubs and others to increase community awareness.

Discussion on the 2009/10 Budget

The Board generated topics and questions for this portion of the agenda:

1. List generated by Brenda Brown regarding the 09/10 budget, with special emphasis on facilities/maintenance fund. The Board reviewed the list of questions and their responses previously distributed. In response to a request to discuss a statement in the budget message ("conversations in the future that may not fit with schools in every community"), Superintendent Rinearson noted expected revenue will likely not cover increased cost of employees, PERS bonds, etc. and schools in every community. "At some point, these lines are going to cross and we will have to address it. I don't want

to leave it for someone else to deal with,” said the Superintendent. Director Brown asked to discuss this topic in an upcoming board retreat.

The remaining items on the list of questions were reviewed. Mr. Rinearson reminded Board members that the responses were based on the use of cash reserves next year. Since that time, new staffing sheets have been distributed to school principals to preserve cash.

Director Brown stated she would like to discuss the facilities/maintenance budget with Director Belloni in more detail at a different time.

2. Arcadia building; ideas from Toledo Site Council. The Toledo Jr./Sr. Site Council developed a proposal for use of the Arcadia and Mary Harrison former school buildings, and community member Jack Dunaway shared some of the proposal at a Budget Committee meeting. During this agenda item, Director Rich Belloni responded to ideas in the proposal.

The proposal suggested selling the Mary Harrison building, which had been assessed at \$3,110,380. Mr. Belloni commissioned an appraisal, which came in at \$860,000. He stated the Board may choose to sell the property, or not.

The proposal next discussed potential savings by using the Arcadia building differently, specifically suggesting the District Office (D.O.) be moved there and the current D.O. building be sold. The proposal also mentioned savings in utility costs. Mr. Belloni noted the Arcadia building could be used to house LCSD students again when portables at Toledo Elementary are replaced. Also the District’s homeless program was moved to the Arcadia building recently.

Mr. Belloni explained the district has an agreement with Lincoln County specifying that the first \$100,000 from the sale of the District Office property goes to the County. The remainder of the proceeds would be split evenly between the District and the County. As the building is assessed at \$236,750, this would mean a one-time influx of \$68,375.

Currently, the District rents portions of the Arcadia building to Mid Coast Christian School (\$20,000 per year), and a day care facility (\$24,000 per year).

The proposal noted the location of the Arcadia building as being 10 minutes from Newport, and being technologically available for electronic meetings. Mr. Belloni stated his belief that significant amounts of time would be lost traveling to and from Newport to meet with agencies there. He also noted the Arcadia building would need a fiber connection at a cost of approximately \$25,000 to \$30,000 plus monthly fees. In addition, require substantial rewiring for offices would be needed.

Mr. Belloni also said moving Technology staff to Arcadia would not be efficient, saying if they move to Toledo, they should be at the same location as facilities/maintenance and contracted services.

3. Cost to run school based health centers. Business Manager Julie Baldwin distributed a handout describing Medicaid Administrative Claiming (“MAC”) wherein LCSD is reimbursed by the federal (Medicare and Medicaid) and state (Oregon Department of Human Services- DHS) governments for administrative activities performed by school employees in support of the state Medicaid plan. Anticipated revenue in the 09-10 year is approximately \$172,662.

The District pays for utilities at the school based health centers, along with minor maintenance.

The Superintendent noted his recommendation to cut \$100,000 from school based health centers for the coming year. He said he has information from the county (DHS) as to what the program would look like at this level, but has not had time to examine it yet. The Budget Committee did not take money out of the school based health centers, said Mr. Rinearson.

Director Cowan noted the Superintendent's recommendation at the last Budget Committee meeting to retain \$1.2 million in the 09/10 budget. The Superintendent said he recommends appropriations remain as they are now, unless the board would like to change cash reserves. "We will not likely know by next Tuesday, though we are getting closer. Most likely, we will adopt a budget that does not truly reflect the spending plan."

Co-Curricular. At the last Budget Committee meeting, the Superintendent recommended a reduction of \$100,000 to co-curricular budgets. He explained in high schools, the funds are distributed on a per student basis. Principals met, said Mr. Rinearson, and found "another way to do it." He expressed reservations with the plan though, saying if Toledo ends up with additional funding from the state due to the small high schools bill, they do not need to be doubly subsidized.

Just prior to the May 28th Budget Committee meeting, Director Cowan asked detailed questions about revenue and expenditures pursuant to co-curricular activities. As the information requested would have taken a great deal of time to gather, Ms. Cowan met or talked to high school principals about her question. She offered to share the information at the board retreat. "My concern at the beginning was that we are spending about \$500,000 on athletics; what about other things?" She suggested discussing this in more detail in preparation for next year's budget. Mr. Rinearson noted perhaps Mr. Zagel could share at a board meeting the same information as he did with Ms. Cowan.

Site Based Decision Making. Chairman Turner said she is in favor, and has been all along, of moving decision making to buildings. With the current financial climate, she wondered if it would be prudent to return some decision making centrally. "I am worried now; can we make this work?" asked Turner.

Director Beck noted his support for site based decision making. "If we do what is fair, schools will do what is right," said Mr. Beck.

Superintendent Rinearson noted the Board could, as an example, ask that only certified teachers teach certain subjects. This would then be added on staffing sheets and subtracted from the larger "pie." (This would have to occur much earlier in the process).

Cost Savings Ideas. Director Brown said this could be combined with the last topic of the evening ("The Budget Process- when does the Board begin generating questions, etc.?"). "I think we need to talk about how we can save a dime. \$10,000 here and \$10,000 there eventually adds up to a teacher," said Brown.

Superintendent Rinearson replied that is happening at the site level. "We had 11 more teachers the first year we tried site based decision making than if we had done it centrally." Ms. Brown said everyone brings something different to the table.

Director Beck noted the District could see an exodus of students as programs diminish. Mr. Rinearson agreed, and added the IB program is actually bringing in revenue. He said this is more of a long-range conversation; “we need to be looking three to five years down the road.”

Other

Brenda Brown asked for clarification on two enrollment sheets distributed at the last Budget Committee meeting. Julie Baldwin explained one sheet has charter schools included and the other does not.

Chairman Jean Turner stated the Board will be considering adoption of the budget approved by the Budget Committee, knowing that lower levels of spending will take place. She asked if anyone wanted any changes. The Superintendent noted the Board will need to meet as soon as possible after the legislature completes its work in the event it is necessary to close any schools. He said there may be something to share in the coming week, and said it is beneficial to let communities know first and get their perspective.

Mr. Rinearson asked if Board members would like to meet with administrators in their respective areas to learn about spending plans in that area; the Board expressed consensus to do so. Director Brown may attend all of the meetings.

Ms. Brown asked if a four-day school week had been costed out; the Superintendent replied it had and that we would lose food service dollars. Mr. Beck noted we are nearly at a four day week now (not budgeted, but de facto). Mr. Rinearson noted that scenario is much more complicated than could be accomplished for next year.

Director Beck said many things are still in flux and that we will know more later.

Superintendent Rinearson stated he felt there should be a Board organizational meeting as well as a retreat in July.

The meeting was adjourned at 9:15 p.m.

Chairman

Superintendent