The Board of Directors of School District No. 4J, Lane County, Eugene, Oregon, held an executive session at 6:30 p.m., followed by a regular board meeting at 7 p.m. on June 4, 2008, at the Education Center, 200 North Monroe Street, Eugene, Oregon. Notice of the meeting was mailed to the media and posted in the Education Center on May 30, 2008, and published in The Register-Guard on June 2, 2008.

ROLL CALL

BOARD MEMBERS:
Charles Martinez, Jr., Chair
Beth Gerot
Eric Forrest
Craig Smith, joined the meeting in progress by speakerphone
Alicia Hays
Jim Torrey
Yvette Webber-Davis

STAFF:
George Russell, Superintendent of Schools and District Clerk
Tom Henry, Deputy Superintendent & Chief Academic Officer
Barbara Bellamy, Chief of Staff and Communications Director
Doug Gallup, District Hearings Officer
Peter Tromba, Principal, Monroe Middle School

EXECUTIVE SESSION: Under provisions of ORS 192.610 – 192.690, Open Meeting Laws, the Board of Directors conducted an Executive Session to consider the expulsion of a minor student, pursuant to ORS 332.061 (1) (a).

REGULAR BOARD MEETING: The Executive Session recessed and the regular meeting convened with the above board members and staff present along with the following:

STAFF:
Jon Lauch, Director of Facilities Management
Susan Fahey, Chief Financial Officer
Caroline Passerotti, Financial Analyst Manager
Kay Mehas, Director of School Services
Ted Heid, Director of Labor Relations
Phil Scrima, Financial Operations and Reporting Manager
Laurie Moses, Director of High School Services
Carmen Urbina, Parent, Family, & Community Coordinator

STUDENT REPRESENTATIVES:
None present.

MEDIA:
KRVM

CALL TO ORDER, ROLL CALL, AND FLAG SALUTE
Board Chair Charles Martinez called the meeting of the School District 4J Board of Directors to order. He indicated that Board Member Craig Smith would join the meeting via speakerphone.

Dr. Martinez led those present in the Pledge of Allegiance.

**AGENDA REVIEW**

Superintendent George Russell noted the addition of item 6, *Approve a Proclamation Denouncing Acts of Hate*, under *Items for Action at this Meeting*, which would be moved up in the agenda order to accommodate Mayor Kitty Piercy.

**INTRODUCTION OF GUESTS AND SUPERINTENDENT’S COMMENTS**

Superintendent Russell referred board members to an e-mail message in the red folder from Jollee Patterson, general legal counsel for the Portland Public School District, asking if the district was interested in joining Portland Public Schools in its amicus brief supporting the Medford School District’s position on employees carrying concealed weapons on school grounds. The 4J district had a policy forbidding such a thing and he fully intended to enforce the policy. He requested board direction. The board agreed to refer the matter to legal counsel for advice.

Dr. Martinez expressed interest in seeing the brief.

Dr. Martinez adjusted the agenda by moving up item 6, *Approve a Proclamation Denouncing Acts of Hate*, under *Items for Action at this Meeting*.

**ITEMS FOR ACTION AT THIS MEETING**

**Approve a Proclamation Denouncing Acts of Hate Speech**

Superintendent Russell reminded the board of some recent incidents of hate expression on school grounds, with its associated negative impacts on students and staff. The district worked to prevent such incidents as well as prosecute those who committed them to the fullest extent. He further noted recent publicity about some recent incidents and commended Spencer Butte Middle School students for their response to an incident on their grounds. He said that incident and the reported incident at Cesar Chavez were not isolated incidents. The district wanted to emphasize its opposition to such incidents and wished to send the message they were not acceptable anywhere in the schools, community, state, or nation.

Superintendent Russell introduced Mayor Kitty Piercy, who was present to ask the board to join with the city in issuing a proclamation against such behavior. Mayor Piercy noted community support for such expressions and the importance of doing them in partnership with the community. She noted the strong and positive community response to the incident at Spencer Butte and said a negative event was turned into a learning experience. The same response occurred after the Cesar Chavez incident. As a result of consultation with the district, the proclamation was developed. She shared the proclamation, *A Joint Proclamation Denouncing Acts of Hate Speech and Other Behaviors and Activities Which are Intentionally Meant to Demean and Intimidate*. 

Minutes – Board of Directors – June 4, 2008
Mayor Piercy asked the board to sign the proclamation, noting that she would also ask the Bethel School District Board of Directors to sign the proclamation the following week. She invited other interested entities to sign the proclamation.

Dr. Martinez asked for board action.

**MOTION:** Board Member Alicia Hays, seconded by Board Member Yvette Webber-Davis, moved to accept the proclamation.

Ms. Hays expressed support that the board was taking responsibility rather than standing by and echoed those who praised the work of 4J staff as it responded to the events.

Dr. Martinez agreed with Ms. Hays about the response of the Spencer Butte community. He said when such events occurred they sometimes served to bring people together. He said that the community must decide as a community it would not stand for such behavior, and it required all to participate to respond to such acts of hate.

**VOTE:** The motion passed unanimously; 6:0.

Dr. Martinez signed the proclamation on behalf of the board. The action received a round of applause from the audience.

**COMMENTS BY STUDENT REPRESENTATIVES**

There were no student representatives present to speak. Dr. Martinez noted that it was a very busy time for the students as they were graduating.

**ITEMS RAISED BY THE AUDIENCE**

**Jim Hill,** 1750 Linea Avenue, responded to complaints raised in a recent op-ed piece by Nancy Willard opposing the alternative schools. He suggested there was no sacrosanct Adams School to protect. He supported the Spanish dual immersion school proposal. He also supported the Chinese immersion school proposal and noted there were many Chinese people learning English. He suggested that the growing wealth of China was the reason for $4 gas.

**Dan Herbert** suggested that community demographics and housing patterns could be affected by district policies. He urged the board to take proactive leadership on that issue. He thought the board needed to discuss those issues at a public meeting. He shared a suggested outline for that meeting and said even if the board decided to do nothing, the public discussion it had would be good for the community.

**Paula Praus-Williamson,** HomeSource founder and executive officer, called for more discussion between HomeSource and the district. She said that House Bill 2042 took the need for an assessment out of the district’s hands. The students would continue to be assessed. She said the board could release that responsibility to the Bethel School District with a simple change in policy. She asked that the board remove the statement that read the policy did not apply to home-schooled students attending HomeSource within the Bethel School District if required pursuant to Chapter 846.
Kevin Schunk spoke of the benefits of HomeSource to him as a home-schooled student, noting the diversity of his classes and the confidence he was given by his experience with acting classes. He praised the HomeSource teachers for their willingness to give extra effort and help students learn. He called for the district to continue to support HomeSource.

Dave Schunk discussed his children’s participation in HomeSource and the benefits it provided to his family. He spoke of their positive experience and the program’s ability to serve the special educational needs his children had. He said the program encouraged his son to succeed, as demonstrated by his son’s good test scores and participation in acting classes. He asked the district to continue its support of HomeSource so all students could find the educational venue that fit them best.

Bob Bumstead of Pacific University represented a newly formed organization that was interested in equitable treatment for Latino youth. He commended the proposal for the dual immersion Spanish language program at River Road as an effective and less expensive teaching approach. He knew the teachers were prepared for the challenge and prepared to meet it, and that they would effectively involve parents in the program. He thought such a program would be powerful for all participants, including both ELL and English speakers. Despite the transportation difficulties, he thought the program would be successful and a model or more effective, proven models of teaching languages. He commended the district for its participation in the Pathways program and work on recruiting minority teachers.

Sally Perrin had authored the National Register nomination for Civic Stadium. She hoped to see it achieve national register status by the end of summer. She thanked the district for its assistance in helping her with her research. She noted the district’s lack of investment in the property and the fact it was considered surplus property by the district, but she averred that the district had commissioned the stadium for public good and she maintained the “public had spoken” in support of maintaining Civic Stadium. She encouraged the district to work with the public campaign and City of Eugene to save the stadium. She noted that many people signed a petition to save the stadium. She maintained that Eugene had a use and a need for the stadium.

Dennis Aber represented the Save Civic Stadium organization. He said the organization hoped to save the stadium in perpetuity. He noted the activities his organization had embarked on and the 70 people who showed up at a meeting. Committees had been formed, and people were expressing support for the stadium. He asked the board to authorize a new roof for the facility. He said it needed a new roof for the community discussion to continue. The cost would be $300,000, and he was confident the organization could raise that money privately. He requested a meeting with staff to discuss using those donated funds to place a new roof on the stadium.

Tom Halferty also represented the Save Civic Stadium and discussed his organization’s brick sale plans and its intentions to seek other funds. He suggested that even without the Eugene Emeralds to play at the stadium, it was still a great location for other events. He said that Bob Beban of the Emeralds had suggested to his organization that the stadium needed a team as an anchor so his organization looked to independent leagues not associated with Major League Baseball. The Golden Baseball League was very interested in including Eugene in its expansion plans.

Lauren Darcy expressed sadness that Civic Stadium was going to be torn down and the Emeralds were to move and said she and her friends started a petition to save it. She asked the board to help with the effort financially as it was very important to her and to her friends.
A. J. O’Connell also represented the Save Civic Stadium organization and spoke of the public grassroots support for saving the stadium. He asked for the board’s support in restoring and saving the stadium. Any action the organization took would be in partnership with the district, which would decide the fate of the stadium.

John Arley shared early memories of attending baseball games and spoke of his own experiences attending baseball games at the stadium. He understood a decision would be made soon, and asked the board to “honor the 70 year commitment” the stadium represented.

Carl Falsgraf supported the Chinese language immersion proposal because of the importance of China and because he believed it was a necessity for students now. Such a program was good for students and reasonably affordable. In regard to the issue of the neighborhood school, he said that the model proposed was a neighborhood hybrid model that he suspected would raise the number of children living in the area who would attend the school. He suggested that those surveyed be asked if they wanted a program that kept their children in the neighborhood. Even if it was not located at Adams he thought the district needed such a school. Speaking to accusations of elitism, he noted that Portland had 29 percent of the Title I students in immersion schools as compared to 36 percent in neighborhood schools, a very small difference. He pledged assistance in fund raising if the school was established.

Lisa Klein spoke in support of HomeSource and noted the benefits the program provided to her son, who had experienced heavy metal poisoning and faced some learning challenges that the program had been able to meet. She expressed gratitude for HomeSource.

Sandra Charles spoke in support of the Chinese Language immersion program proposal, saying she supported any form of immersion. She believed people learned through differences. She said when she arrived in Eugene and investigated the district’s immersion programs she found them elitist and wanted the district to establish true immersion programs that involved native and English speakers and included education about the culture. She asked the board what International High School students were learning if they were not learning about Chinese culture. She called for education at the elementary level so high school students could use that information later in their educations.

Linda Fong, a coordinator for Chinese exchange students, discussed her organization’s work in bringing Chinese students to Eugene. She noted the benefit of that exchange on Eugene students and thought there was support for the immersion proposal. She noted the student exchanges planned later that summer.

Kaye Shaver and her daughter expressed support for a Chinese immersion program for the community and country. She said it was good for diversity and good financially as China grew as a global leader. She asked the board to establish a K-12 Chinese immersion school in Eugene.

Harvey Shuman spoke in support of the proposal for a Chinese immersion school as something that was important to better understanding between cultures and due to China’s growth as a global power. He thought it would be good if the country’s children were better prepared to face different opportunities for work and familial relationships in the future.

Andrew Garville thanked the board for moving forward with the Chinese language immersion proposal. He believed the school could be established for 2010 and asked the board to lend the
proposal its support. He noted that some of the children present had been taking Chinese language class and they shared a brief performance in that language.

Andrew Corey noted his experience with HomeSource and its positive impact on him. He noted that he was now a college student at Purdue in the engineering honors program with a minor in creative writing.

Melissa Prichard, a former Buena Vista student, spoke of the importance of being bilingual and how much it had impacted her life. She said such programs opened doors and opportunities and helped to fight discrimination.

COMMENTS BY EMPLOYEE GROUPS

There were no employee group representatives wishing to speak.

ITEMS FOR INFORMATION

Receive a Report on the Korean Language and Culture Program at Willagillespie School

The board received a PowerPoint presentation on the Korean Language and Culture Program at Willagillespie School from staff of Willagillespie School led by Principal Stella Dadson.

During the 2004-05 school year, Willagillespie School, including our site council and staff, embarked on a visioning process. The goal was to ensure that our students are well prepared to function successfully in a global community.

As part of our vision, we identified a number of “Bold Steps” to implement, including a FLES (foreign language in elementary school) program. Since we have had an increased Korean student population, (approximately 10-15%) the Korean language was selected.

The benefits of introducing a second language to elementary school students have been well documented in several studies, and as our district demographics change, the need for multicultural competence in our schools has become a district goal.

Korean language ranks 13th in the world, and is spoken by about 71 million people. In Eugene, Korean language courses are being offered at both LCC, and UO. This means that students who may be interested in furthering their studies in Korean language will have an opportunity to do so in the future.

As part of the implementation, Willagillespie has collaborated with UO Linguistics department, and Hanyang University in Korea. Korean teachers who are completing their Masters of Arts degree in language teaching, have been offered the opportunity to spend time teaching Korean language and culture at Willagillespie as part of their practicum experience. For the first year pilot, the school offered classes twice a week to grades 1-3, with each class being 30 minutes long.

During the second year of the implementation, Abby Lane, our ELL coordinator, helped to secure a “FLAP” (Foreign Language Assistance Program) through the federal Department of Education. This grant has allowed us to provide Korean language instruction at our school for up to three years (2006-2009). The grant has made it possible to have a coordinator for the
program. The coordinator serves as a liaison between UO and Willagillespie, develops the curriculum, teaches some classes, and provides overall coordination of the program for successful implementation. We have also modified the program giving emphasis to teaching culture in grades 1-2 for 15-20 minutes two times a week, and introducing language from grades 3-5, for 30 minutes two times a week.

The goal of the FLES program is:
• To acquire proficiency in listening and speaking (degree of proficiency varies with the program);
• To acquire an understanding of and appreciation for other cultures; and
• To acquire some proficiency in reading and writing (emphasis varies with the program).

There has been a yearly evaluation through surveys of both staff and students, and necessary adjustments have been made to ensure its successful implementation.

Talks are underway with our feeder middle school to see how the program may be supported for students interested in pursuing it at the middle school level.

The program is still in its infancy, and we hope that we will be able to provide Willagillespie students continued exposure to the Korean language for many more years to come.

Board members asked questions clarifying the information presented.

Dr. Martinez thanked the presenters for their excellent work.

ITEMS FOR ACTION AT THIS MEETING

Approve the Superintendent’s Recommendations Regarding the Follow-up Steps Related to Consideration of a Chinese (Mandarin) Language Immersion School in the Churchill Region and a Dual-Language Spanish Immersion School at River Road/Camino del Rio

Mr. Smith joined the meeting via speakerphone.

Superintendent Russell recalled the presentation he made at the last meeting in regard to the two proposals. He invited questions. He said the recommendations before the board included the options he identified as optimal and reflected the impact of board discussion.

Superintendent’s Recommendation for Chinese (Mandarin) Language Immersion:

Direct staff to work with appropriate stakeholders to develop a formal alternative school proposal by April 1, 2009 with the target start date of September 2010 in the Churchill region, consistent with board policy for proposing establishment of an Alternative School including the following elements:

• An operational plan that includes staffing, proposed location of the school and facility requirements, support services needed, and the proposed timelines for establishing the school; that conforms to applicable district policies, and that constitutes an efficient use of district resources.
• Evidence that establishment of the proposed school enhances the district’s educational program. Board goals and Shaping 4J Future core values, goals and principles should be considered.
• A proposed budget for the school that is appropriate to the program proposed and that represents an efficient use of district funds. The budget request may include start-up costs to be paid by District 4J or to be solicited from other sources.

• Proposed criteria for selecting students for enrollment in the alternative school. The criteria must not unfairly discriminate among applicants and must be reasonably related to the educational goals of the school and the district.

• An assessment of potential adverse impacts on existing schools and programs.

Superintendent Russell reviewed the modified recommendations.

**MOTION:** Ms. Hays, seconded by Board Member Eric Forrest, moved to approve the superintendent’s recommendation regarding the follow-up steps related to consideration of a Chinese (Mandarin) Language Immersion Program.

Mr. Forrest expressed support for the concept of such a school in the Churchill area. However, he believed the board would have to wrestle with the issue of the assessment of adverse impacts on existing schools and programs that might result from the program. The district had a delicate balance in the number of schools and students and he wanted to avoid unintended consequences when the proposal was implemented. He wanted to plan carefully and thoughtfully to implement the proposal.

Board Vice Chair Beth Gerot agreed with Mr. Forrest. She thought the core values, goals, and principles of the *Shaping 4J’s Future* process needed to be considered by the board as it considered the proposal.

Board Member Jim Torrey was concerned about the survey of the parents in the Adams area, and not just parents of students attending Adams now, as he feared there were unintended consequences in that parents would believe the district was trying to impose the program on the area. He thought it important that survey occurred soon. Barb Bellamy, Chief of Staff and Communications Director, indicated the survey would be sent to about 500 potential Adams elementary household within the next two days. She noted that survey return rates for elementary parents had been about 72 percent in the past. The information would be consolidated between now and August for use by the planning team.

Dr. Webber-Davis wanted to consider a range of possibilities for the eventual location of such a program. She agreed there had been a considerable degree of presupposition that the location would be Adams, but the survey results might suggest a different approach.

Dr. Martinez agreed with the concerns expressed by Mr. Torrey and Dr. Webber-Davis about the location. He said the district had no interest in thrusting a concept on unwilling parents. Assuming there was support for the motion, the board would be paying lots of attention to the issue of program location.

Dr. Martinez agreed with Ms. Gerot about the importance of considering the board’s goals from the *Shaping 4J’s Future* process in the decision about the proposal and said he would evaluate the proposal on those merits.
Dr. Martinez stated that action on the motion did not imply the proposal would come to fruition; the board was merely expressing support for the next phase of work, and he anticipated the board would need community assistance in working through that phase.

Dr. Martinez agreed that the board would evaluate the adverse impacts of the proposal on existing schools and programs. He suggested an unanticipated consequence might be a school closure.

Mr. Torrey was sympathetic to those who supported the Chinese immersion school and said that those who supported the school needed to communicate to Churchill residents the value of having such a school in the region.

Superintendent Russell clarified that Dr. Webber-Davis was speaking of the Churchill region, but the potential of another location than Adams.

Mr. Smith assumed there would be district-wide interest in the program, not just interest in the Churchill area. Superintendent Russell said he expected his eventual proposal would address issues of enrollment and he further expected priority would initially be given to students within the Churchill region. He also expected that initially, the program would be at the elementary level and would expand to K-12 over time. Mr. Smith asked if there were other district alternative schools that provided for such a regional preference. Superintendent Russell suggested it depended on whether one called it a hybrid or alternative school, but the Arts and Technology Academy had such a preference system. Mr. Smith wanted to know if there was sufficient interest in the school in that region before making such a decision. Superintendent Russell deferred to Ms. Bellamy, who suggested that the district could solicit feedback through the website and determine where the interest came from. She indicated she would consider the question in more depth.

**VOTE:** The motion passed unanimously; 7:0.

Superintendent Russell reviewed his modified recommendations for the establishment of a Dual-Language Spanish Immersion School at River Road/Camino del Rio. He called attention to the $40,000 estimate of transportation costs.

**Superintendent’s Recommendation for Spanish Language Dual Immersion at River Road/Camino del Rio:**

Direct staff to work with appropriate stakeholders to develop a proposal by December 2008 to establish a neighborhood cluster that includes Howard Elementary School to support a Spanish dual-immersion school at River Road/Camino del Rio. The proposal would be for an expansion and modification of the neighborhood school consistent with the “academy school” direction to redesign the school with a particular focus, and could include a proposal for transportation within the neighborhood cluster. The proposal should include strategies to manage enrollment between the two schools and ensure that both schools have sufficient resources to offer strong programs and to address a diversity of student needs.

**MOTION:** Mr. Torrey, seconded by Ms. Gerot, moved to approve the superintendent’s recommendations regarding the follow-up steps related to consideration of a Dual-Language Spanish Immersion School at River Road/Camino del Rio.
Mr. Torrey expressed support for the motion as he thought the program was a very important program. He said that it was important the district placed more funds into this segment of the community. He had wished for input from the Howard Elementary School community but anticipated that outreach would be done by staff. Superintendent Russell concurred.

Dr. Martinez recalled the board’s extensive discussion of the topic at the last meeting. He was very supportive of the motion and thought it strengthened by the modifications made by the superintendent. He was very excited about the proposal.

Mr. Smith concurred with Dr. Martinez.

Ms. Hays said the Equity Committee had a good discussion of the proposal. Many people spoke of the surprisingly high level of community support for the proposals.

VOTE: The motion passed unanimously; 7:0.

Superintendent Russell noted the associated changes needed to Alternative School Policy IGBH, and he recommended that the board direct staff to prepare revisions to that policy to reflect board direction from the Access and Options, Alternative School Reviews, and *Shaping 4J’s Future* reports.

MOTION: Ms. Gerot, seconded by Ms. Hays, moved to direct staff to prepare revisions to that policy to reflect board direction from the Access and Options, Alternative School Reviews, and *Shaping 4J’s Future* reports.

Dr. Martinez supported the motion as he thought it important to have an amended policy in place for future board decisions.

VOTE: The motion passed unanimously; 7:0.

**Approve Revisions to Policy JECC, School Choice**

Board policy JECC School Choice specifies the application process and enrollment priorities that are used when a parent wishes to send a student to an alternative school or a neighborhood school outside of their attendance boundary. The policy specifies that, to be considered in the school choice lottery, applications must be submitted by the first Friday in March. Staff is proposing that this date be changed to the Friday preceding spring break, which would typically allow an additional two weeks for applications to be accepted before the lottery is conducted.

In June 2007, the board approved a similar time line for the 2008 school choice application and lottery process. The exception was made on a one-time basis, in recognition of the possibility that board decisions made as part of *Shaping 4J’s Future* might result in re-location of some alternative schools, school consolidations or other changes to school attendance areas or enrollment priorities.

Staff is recommending that this one-time extension of the school choice application period continue and that the Friday preceding spring break in March become the deadline for a school choice application to be considered in the lottery. A minor revision in wording is also recommended to more clearly state the process that is used when applications are received...
after the lottery. A copy of the proposed policy with revisions was included in the packet. The superintendent recommended approval of the board policy JECC School Choice, as revised.

Ms. Bellamy said the key change was to extend the window for school choice applications in the lottery. The board made an exception the previous year and staff recommended a permanent policy change to change the date for applications to the last Friday before spring break.

**MOTION:** Ms. Webber-Davis, seconded by Ms. Hays, moved to approve the revisions to Policy JECC, School Choice.
**VOTE:** The motion passed unanimously; 7:0.

### Schedule a Local Option Tax Levy for November 4, 2008

On February 25, 2008, the budget committee voted to recommend that the board place a five-year renewal levy at the current rate of $1.50 per $1,000 assessed valuation on the November 4, 2008, ballot to maintain current school programs and staffing levels to the extent possible. If approved, the renewal levy would become effective June 2010 after the expiration of the current levy.

**Background**

In May 2000, district voters approved a five-year local option levy of $1.50 per $1,000 of assessed property value to maintain school programs and staffing levels to the extent possible. The levy, which passed with a 63.7% “yes” vote, generated an average of $5.8 million per year and expired at the end of 2004-05.

A five-year renewal of that levy was approved with a 72% “yes” vote in November 2004. This levy, which expires after 2009-10, is projected to generate $13.4 million this year and reach $14.2 million in 2008-09. Proceeds represent about 10% of general fund revenue and the equivalent of about 160 full-time teachers.

The ability to levy local option taxes was extended to school districts by the 1999 state legislature. This created district voters’ only opportunity to increase revenue for district operations since Measure 5 was passed in 1990. Local option taxes can be levied to support operations (five year limit) or pay for capital improvements (ten year limit). Most significantly, proceeds are excluded from the State School Fund formula, permitting districts to retain all funds generated. Local option elections are subject to “double majority” voter approval, except for general elections held in November of even-numbered years.

State law limits the amount of money a school district can raise from a local option levy. These limits were revised most recently by the 2007 legislature and include the following:

- Measure 5 limit – revenue actually received by the district from local option taxes imposed;
- Percentage of state resources – 20% of the combined total of the state general purpose grant, transportation grant, facility grant and high cost disability grant; and
- Dollars per student – $1,000 per average daily membership, weighted (ADMw), growing by 3% per year beginning 2008-09.

The Measure 5 limit represents the total of all “tax gaps” for all individual properties in the district. The “tax gap” is the difference between the Measure 5 tax on a property and the Measure 50 tax on the same property. Each property has its own unique tax gap, which
changes year to year and varies in relation to other similar properties depending upon the
growth dynamics of real market and assessed property values.

Annual revenues are difficult to predict and will vary year-to-year because Measure 5 limits
affect each property differently. Not every property will be assessed a local option tax, and
some properties will be assessed more than others. If real market values grow at a slower rate
than assessed values, tax gaps will be reduced and local option revenue may be lower.

Proposed Renewal
Earlier this year, the district contracted with Western Financial Associates, a financial advisory
firm in Portland, to estimate local option levy proceeds for the renewal period. We examined
the potential benefit of higher tax rates within the limits of the three statutory tests described
above. The Measure 5 limit for proceeds generated by a tax rate of $1.50 per $1,000 of
assessed value was $15 million; the 20% of state resources limit was projected to be $15.3
million. Since the district would be unable to benefit from taxes collected in excess of that limit,$1.50 was confirmed to be the optimum rate.

Projected local option revenues are based on the following assumptions:
• Real market and assessed property values grow at the same rate, by 4.5% in 2008-09 and
  3.5% in future years; and
• Tax collections average 94.5% in all years.

Under these assumptions, revenue from the renewal levy is expected to be:

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<th>Year</th>
<th>Revenue (in thousands)</th>
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<tr>
<td>2010-11</td>
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<tr>
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<tr>
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Receipts will vary depending upon actual growth in real market and assessed values on a
property-by-property basis.

The average tax rate for all properties in 2010-11 is projected to be $1.45, including $1.48 for
residential properties, $1.45 for commercial properties, and $1.10 for industrial properties. The
average local option tax is projected to be $301, ranging from $121 for farm properties and $251
for residential properties to $925 for commercial properties and $1,360 for multi-family
properties.

Election Timing
Possible election dates for the renewal of the local option levy range from November 2008
through May 2010. The “double majority” applies to all elections except November 2008, unless
House Joint Resolution 15 is approved by voters in November 2008. This resolution would
allow May and November elections in any year to be exempt from “double majority”
requirements. If it does not pass, the number of voters required to approve a “double majority”
election is expected to increase due to the high voter turnout anticipated in November 2008.

Recommendation
The superintendent recommended that the board adopt a resolution calling for a
November 4, 2008, election to renew a five-year local option tax levy at the rate of $1.50 per
$1,000 of assessed valuation to finance district operations and pay all related, incidental costs.
Copies of the resolution calling for the election and the Notice of District Measure Election were included in the packet.

Caroline Passerotti, Financial Analyst Manager, said the Budget Committee met and discussed the issue on February 25 and recommended the board place a levy on the November 2008 ballot. It represented about $16 million per year over a five-year period effective 2010-2011.

**MOTION:** Ms. Gerot, seconded by Mr. Forrest, moved to schedule a local option tax levy for November 4, 2008.

Ms. Gerot noted the amount in question represented about ten percent of the district's General Fund budget and about 160 teachers.

**VOTE:** The motion passed unanimously; 7:0.

**Approve Supplemental Budget #2**

According to Oregon Local Budget Law, the school district can amend its budget by 1) transferring spending authority within a specific fund or from the General Fund to another fund; or 2) changing spending authority by adoption of a supplemental budget. Changing spending authority requires the board to receive the information as a future action item, while transfers may be approved as consent items.

**Proposed Supplemental Budget Transactions**

You are scheduled to adopt a supplemental budget at your June 4, 2008 meeting. Transactions are proposed to reappropriate beginning working capital and recognize revenue not anticipated at the time the budget was developed. An overview of the transactions is presented below, and a list of specific transactions is included in the board packet.

**General Fund**

**Reconciliation of Beginning Working Capital**

When the 2007-08 budget was developed, staff projected a beginning fund balance of $18,904,578. The actual beginning fund balance was $20,845,607. Of the $1,941,029 difference, $779,360 was reappropriated in Supplemental Budget #1 to complete specific projects begun but not finalized in 2006-07. The $1,161,699 difference represents PERS savings from the financing of the district’s PERS unfunded actuarial liability. The supplemental budget transfers $350,000 of this amount to the Fleet and Equipment Fund and remaining amounts to the ending fund balance.

The following transactions are proposed to recognize the increase in Working Capital:

**Resources (Increased Working Capital) - $1,161,669**

**Requirements:**

a. **PERS Savings - $350,000**

   In 2003-04, staff calculated an annual requirement of $2 million to cover the costs of the highest priority textbook and equipment needs. At that time, the superintendent recommended a funding strategy that set an annual budget target of $2 million per year for equipment and textbooks and budgeted a $1.65 million (plus inflation) transfer from the
general fund to the Fleet and Equipment Fund, with the intent of using “excess ending working capital” (actual versus budgeted) to increase the transfer by up to $350,000. To support textbook adoptions scheduled for 2008-09, $350,000 of PERS savings is added to the transfer appropriation.

b. **Unappropriated Ending Fund Balance - $811,669**
District reserves are increased by the amount of the balance of PERS savings.

**Total Requirements - $1,161,669**

**Recognition of New Revenue**
The following proposed transactions recognize new revenue and appropriate the same amount:

**Resources - $469,668**

**Requirements:**

a. **High Cost Disability Grant Revenue - $251,297**
The state legislature has recognized the issue of high cost students and earmarked several million annually to help districts offset per student costs in excess of $30,000. The Oregon Department of Education estimates that the district will receive 2007-08 high cost disability grant proceeds $251,297 above amounts previously anticipated. Funds are appropriated for services provided to the district's increasing number of high needs students.

b. **Tuition Reimbursement - $60,000**
This transaction recognizes tuition revenue from Bethel School District for students attending the Bailey Hill Instruction Center and appropriates the funds to High School Services.

c. **Charter School IEP Services - $53,262**
Under contract with other school districts, the district provides special education services to out-of-district IEP students who attend district-sponsored charter schools. This transaction recognizes payments from seven area school districts and appropriates funds to pay for special education staffing costs.

d. **Transportation Reimbursement - $37,341**
This transaction recognizes 70% reimbursement revenue from the State of Oregon for transportation costs incurred by the Instruction Department for taxi services for students to the Bailey Hill Instruction Center Alternative Education Program. Funds are appropriated accordingly.

e. **High School Summer Program Fees - $32,000**
This transaction recognizes and appropriates funds received for the 2007 high school summer session and appropriates a like amount to High School Services to cover a portion of the summer program expenses.

f. **Advertising Revenue - $18,750**
This transaction recognizes additional revenue from the sale of advertising in the school calendar and increases the Communication Department's appropriation by the same amount.
g. **Nursing Services Program Revenue - $15,000**

This transaction recognizes revenue from two contracts: 1) $8,000 from the Bethel School District for School Based Health Center services and 2) $7,000 from Lane Education Services District for nursing services for its Life Skills Program. A like amount is appropriated to Nursing Services.

h. **Middle School Mentor Program Revenue - $2,018**

This transaction recognizes donations received to support the services provided by mentors volunteering in district middle schools.

**Total Requirements - $469,668**

**Fleet and Equipment Fund**

**Recognition of New Revenue - $350,000**

This transaction recognizes the $350,000 in 2006-07 PERS savings transferred from the general fund, as described above, and appropriates the same amount.

**Recommendation**

The superintendent recommends approval of a resolution adopting the supplemental budget as presented, or as modified as a result of board discussion. A resolution adopting the supplemental budget and a summary of the transactions are included in your board packet.

Susan Fahey, Chief Financial Officer, recalled the presentation made to the board at the last meeting. She said the transaction reconciled working capital and unanticipated revenues. She invited questions.

**MOTION:** Mr. Forrest, seconded by Dr. Webber-Davis, moved to approve Supplemental Budget #2.

**VOTE:** The motion passed unanimously; 7:0.

**Conduct a Public Hearing on the 2008-09 Approved Budget**

Oregon law requires the board to adopt the budget for the ensuing year by June 30. On April 28, 2008 the superintendent presented his Proposed Budget to the Budget Committee. On May 12, 2008 the Budget Committee unanimously approved the proposed budget, with the following amendments to the general fund:

- **Educational Support Services High Cost Disability Grant**
  Increase Direct Classroom Services by $261,000 for High Cost Disability Grant funds anticipated to be received in excess of the December forecast amount.

- **Minority Student Achievement Network (MSAN) High School Team Leader**
  Increase Classroom Support Services by $90,000, .25 licensed FTE at each high school, to support the district’s MSAN program.

- **Executive Administration Reorganization**
  Increase Central Support Services by $74,658, 1.0 FTE support staff, to assist the Chief Operating Officer.
• **Internet Filter**
  Increase Building Support Services by $48,180 for internet filter license costs.

The above amendments result in a decrease of the budgeted unappropriated ending fund balance by $473,838.

• **Talented and Gifted Program Staff**
  Increase Direct Classroom services and reduce Classroom Support Services by .75 licensed FTE for Talented and Gifted Program staff incorrectly budgeted in the proposed budget. There is no financial impact associated with this revision.

In addition, the following amendment to the Federal, State, and Local Programs Fund was approved by the budget committee.

• **Track Construction**
  Increase local revenues and the Facilities Acquisition and Construction appropriation by $70,000 for the NIKE grant which will support the track installation at the Jefferson site.

Including the above amendments, the approved budget totals $319.7 million, an increase of $3.4 million or 1.1% from the 2007–08 adopted budget. The small increase is the net result of higher general fund and insurance reserve budgets and a lower capital budget.

**General Fund**
The approved general fund operating budget of $155.6 million (excluding contingency and unappropriated ending fund balance) has increased by $12.0 million—or by 8.4%. Almost half of the increase is due to the 2007-08 adopted budget placing $5.8 million in contingency for School Improvement Fund grant expenditures as a result of late legislative action and to implement employee compensation agreements. Including the $5.8 million as part of the 2007-08 operating budget is more comparable and results in a modest increase of 4.2%. Fund revenues have increased 3.4% to $150.3 million. This $4.9 million increase from 2007–08 reflects higher property tax and State School Fund revenues, offset by lower interest earnings. Reserves including contingency funds have decreased $1.9 million (excluding the $5.8 million for operations as noted above) from last year’s adopted budget as the district draws down excess reserves for strategies to close the achievement gap.

Ongoing service additions include:
- More P.E. specialist time at the elementary and middle levels
- Secondary level special education services
- Additional English Language Learner (ELL) licensed staffing
- Support for increased science graduation requirements
- Support for the district’s Minority Student Achievement Network program
- Reorganization of the human resource and executive administration functions

In addition, a portion of district reserves has been used to provide one-year of funding for:
- Additional “academy school” funding to address higher student needs at certain schools
- Continuation of funding for after-school programs at targeted schools
- Additional services and materials for secondary students not meeting math benchmarks
- Second-year funding for pilot programs to assist students’ transition from middle school to high school, expand summer school and support instructional technology
- Staff development for teachers
• Support for the student information system special education module implementation
• Other program support including reading assessment, instructional technology, and ELL/Special education evaluation team
• Funding for to implement Shaping 4J's Future recommendations

As in last year, I will also be recommending changes regarding school Targeted Funding FTE. Each year schools receive a staffing allocation and a “discretionary budget” for materials and services. Part of that discretionary budget is a “targeted funding allocation” that can be used for either staff or materials and services. In 2003–04 when literacy dollars were first allocated, the targeted funding amount increased substantially. It now totals $2.7 million, much of which is used to fund teachers and instructional assistants. Prior to 2007-08 these funds were budgeted as dollars only because staffing plans were not reconciled until after the budget was adopted. Beginning with the 2007-08 budget, staff reconciled the plans in time to include FTE funded through “targeted funding” in the adopted budget. The amount appropriated will not change, but the adopted budget will show an increase in FTE. The revised FTE figures will be included in the agenda packet for the June 18, 2008 meeting.

The board is scheduled to conduct a public hearing at this meeting and take action to adopt the budget at the meeting on June 18, 2008.

The superintendent will recommend approval of a resolution adopting the 2008-09 budget, making appropriations, and imposing and categorizing taxes.

Ms. Fahey reviewed the Budget Committee’s recommendation to the board.

Dr. Martinez opened the public hearing. There being no requests to speak, he closed the public hearing and noted the board would take action on the item on June 18.

CONSENT GROUP – ITEMS FOR ACTION

Approve Ratification of CIP Contract Awards

On September 18, 2002, the Board of Directors affirmed the 1993 district policy for delegating Contract Award authority for Bond Funded CIP contracts of $500,000 or less to the superintendent, or designee, subject to subsequent ratification by the board. The designee is Jon Lauch, Director of Facilities and Transportation. Contracts in excess of $500,000 will continue to require board approval. The purpose of the board item is to summarize all CIP contract award activity requiring a formal bid or formal competitive selection and for the board to ratify those awards that have been made by authorized staff since the last ratification.

The summary sheet in the board packet identified all contracts that have been awarded as of the status date indicated in accordance with delegated authority. The summary also identified who awarded the project and indicated board ratification data of said award as applicable.

The CIP management staff will continue to provide the board with Contract Award Status updates for ratification, pursuant to School Board Policy DI (Capital Improvement Contracts Financed by Bond Levy Funds-previously Policy 6610.5)

The superintendent recommended ratification of awards for CIP GO Bond funded projects as indicated on the summary sheet.
Approve Personnel Items

The superintendent recommended approval of the personnel items included in the board packet. These cover employment, resignations, and other routine personnel matters.

Superintendent Russell called attention to an error in item 1, which listed the wrong contractor.

**MOTION:** Dr. Webber-Davis, seconded by Ms. Hays, moved to approve the consent items with the modification made by Superintendent Russell.

**VOTE:** The motion passed unanimously; 7:0.

ITEMS FOR ACTION AT A FUTURE MEETING

Approve Revisions to Policy ICBGA, Alternative Education Programs Related to HomeSource

Superintendent Russell reminded the board of the background of the item. He reviewed the three options developed by staff in regard to the issue. He reviewed his recommendation to revise the policy to indicate it was not intended to provide for the referral or release of registered home schooled students to an alternative education program, with the exception of students who were enrolled in an alternative education program pursuant to Oregon Revised Statute (ORS) 333.688-336-675.

Mr. Torrey asked what happened if the assessment found that HomeSource was the appropriate place for a student. Tom Henry, Deputy Superintendent and Chief Academic Officer, indicated the district would have to write new policy to allow that. It was difficult to assess such students because the district had no experience with them, and they generally had no public school experience. It was hard to determine if the district could meet their needs unless they enrolled in the district’s schools.

Mr. Torrey asked how a parent could find a location for the assessment to take place if the district did not perform it. He suggested it was a type of Catch 22. Mr. Henry said with the example shared earlier with the board, the district would have experience with the student and could assess them. That was the exception as in many cases such students had no public school experience. Superintendent Russell asked if what was proposed would prevent such an assessment from occurring. Mr. Henry said the policy stated it was not intended to allow for the referral or release of such students, so he speculated that would not be able to happen.

Mr. Smith suggested that such parents were looking for placement outside the public school system and thus would disagree with a referral or placement in an alternative school. The assessment was not an assessment for placement, but whether to home school or not.

Superintendent Russell noted that the district did referrals to private alternative schools.

Dr. Martinez noted the mention of registered home school students and said the case described was not a registered home school student. He suggested the question was whether it was allowable for the district to have done an assessment that concluded that home schooling or a referral to HomeSource was in the child’s best educational interest. Mr. Henry described the current assessment process and, responding to a follow-up question from Ms. Gerot, indicated that 4J did not contract with HomeSource.
Mr. Forrest suggested that the question before the board was somewhat ideological. He could not determine who was harmed by the current situation of releasing students to HomeSource.

In response to Mr. Forrest’s question, Mr. Smith said that a public school board needed to do what was best for public school children. The board’s responsibility was public school children and home schooled children were by definition not public school children. The issue was whether state tax revenues should be used for non-publicly schooled children, recognizing parents have a right to opt out; there was no corollary right for parents to opt out and still get the money intended for district students. He suggested that represented a voucher system. Mr. Smith said that merely because the legislature gave the district the ability to have a bad public policy did not mean the board had to adopt it. He could not get over the fact that existing students were harmed by the removal of dollars from the budget, although he acknowledged it was diminumous.

Mr. Forrest said one could argue the merits of the action taken by the legislature but it was the state law-making body, and if the bill passed was public policy he questioned how the board could dismiss it. Mr. Smith suggested that the state legislature was giving the board a choice. Mr. Forrest agreed.

Dr. Martinez concurred with Mr. Forrest there were core ideological questions underlying the issue that were related to one’s philosophy about public schools. He did not consider the issue in a black and white way; if one thought about the needs for students, it was clear that was more than one way to help students meet their potential and more of that was not a bad thing. He believed many children flourished with home schooling and the support provided by HomeSource. He was ideologically opposed to the issue but in terms of who was hurt, he felt the district had the responsibility to do an actual assessment. In an ideal world, there would be a partnership between the parent and educational professionals to determine what was in the best interest of a child. He was concerned that such a decision was being made without input. It was not possible to do the collaborative assessment required given the parent’s decision to opt out of the public system; it was preempted by the decision to home school. The investment of resources to do the assessment was counterproductive given that decision and it ultimately served no purpose.

Dr. Martinez said if there was a way for the district to do the assessment that did not defer that responsibility to Bethel or another district, he could support it. Given the lack of feasibility to do that, it would be hard for him to support continuing what the district had been doing.

Dr. Martinez reminded the board it would be asked to make a decision at an upcoming meeting and encouraged citizens to provide input to the board before that time.

Dr. Webber-Davis was thankful the board would act on the issue in June so families could do their planning for the upcoming school year.

Superintendent Russell noted that part of his recommendation was that existing students continue to be allowed to participate but no new students would be referred.

**Approve Revisions to Student Rights and Responsibilities Handbook**

The 4J Student Rights and Responsibilities Handbook is being updated to align with recent changes in state and federal law and district policies and procedures. The handbook was last revised in 2005. The 2008 revised handbook will be distributed to all students next fall.
Sections of the handbook being revised (from the 2005 revision) are:

- Nondiscrimination and Harassment (page 6, 2005 Revision), to align with current School Board Policy (section JB).
- The addition of a section regarding Cyberbullying (School Board Policy, section JFCFA/GBNAA).
- Student Records (page 9, 2005 Revision), to align with current School Board Policy (section JO).
- Use of Tobacco (page 10, 2005 Revision), to align with current School Board Policy (section JFCG).
- Serious Misconduct, subsection 10, Use or Possession of Any Controlled Substances, Including Alcoholic Beverages and Drug Paraphernalia (page 11, 2005 Revision), to align with School Board Policy (section JFCH/JFCI).
- Disciplinary Procedures, subsection 4, Suspension or Expulsion of Students with Disabilities (page 12, 2005 Revision), to align with current School Board Policy (section JGDA/JGEA), and to reflect current Federal Law.

The revised handbook will be printed in English and in Spanish and distributed to all students next fall. The handbook will also be posted on the district's website.

Oregon Revised Statute 339.240 and school board policy require the school to have a statement of student rights and responsibilities. The district has published and distributed the Student Rights and Responsibilities Handbook for many years to comply with this requirement. All schools must comply with the rules in the handbook. Each school has its own set of student expectations and statement of specific consequences, but they must be in compliance with the district Student Rights and Responsibilities Handbook.

Staff will provide a draft of the specific text revisions at your meeting on June 4. The board is scheduled to give final approval of the 2008 revisions at your June 18 meeting. The superintendent will recommend revision of the Student Rights and Responsibilities Handbook, a copy of which was included in the packet.

Ms. Bellamy called attention the revisions, noting that the board had already adopted the majority of the changes.

Approve a Resolution Supporting the Repeal of the Double Majority Requirement

The 2007 Oregon Legislature has referred to the November 4, 2008 General Election ballot a constitutional amendment that would modify the double-majority requirement for property tax measures. If approved by Oregon voters, the amendment would allow property tax measures placed on any May or November election ballot to pass if approved by a simple majority of voters. Currently, these measures require a "double majority" to pass—that is, more than 50% of registered voters must cast a ballot, and a majority of these voters must vote "yes". The only exception is that property tax measures referred to November elections in even-numbered years (a General Election) may pass with a simple majority "yes" vote.
The double majority requirement was passed in 1996 as part of Measure 47, a property tax limitation initiative sponsored by Bill Sizemore and Oregon Taxpayers United. Since that time, 140 local property tax measures, including school district measures outside of Eugene, have received a majority of "yes" votes in an election, but failed to pass because more than 50% of registered voters did not vote in the election.

The Oregon School Boards Association has adopted a resolution supporting the repeal of the double majority requirement. A sample resolution, developed by OSBA for consideration by local school boards, was included in the packet.

Ms. Bellamy noted the existing double majority requirement, which she explained for the benefit of the listening audience.

Approve Memorandum of Agreement with the Eugene Educational Association

Appendix F of the District/Eugene Education Association (EEA) 2007-2010 collective bargaining agreement is the parties’ agreement to form a joint committee to recommend a plan for teachers to contribute personal leave to a relief fund. The Joint Contract Administration Committee (JCAC) has approved the joint committee’s recommendation and EEA representatives are processing approval of the proposed memorandum of agreement (MOA) and guidelines for a Personal Leave Relief Fund (PLRF). The PLRF is intended to provide up to an additional 15 days of paid leave for teachers whose family member is experiencing a catastrophic circumstance that needs the teacher’s attention and the teacher has exhausted all available paid leave. The paid days for PLRF are voluntarily contributed by teachers during an annual contribution opportunity. A teacher has an annual maximum use of 15 days and a career maximum of 30 days. The annual maximum for all teacher PLRF days is 75. The guidelines included in the board packet provide more operational details. District and EEA representatives will jointly manage the PLRF, including the decision on what is a catastrophic circumstance. The superintendent will recommend approval of the PLRF.

Ted Heid, Director of Labor Relations, reviewed the changes being proposed as they related to family leave for catastrophic events. A committee tasked to discuss the issue had developed a recommendation allowing teachers to donate a day of personal leave to other staff experiencing a catastrophic event.

Approve a Resolution Adopting the 2008-2009 Budget, Making Appropriations, Imposing, and Categorizing Taxes

Ms. Fahey invited questions. There were none.

Set the Tuition Rates for the 2008-2009 School Year

Each year a number of non-resident students pay tuition to attend our schools and other districts contract with us to provide regular and special educational services. The board sets tuition rates for students in kindergarten, elementary school, middle school, high school, and special education. We receive no reimbursement for these students from the state. We are proposing a $30/month increase for kindergarten, a $50/month increase for grades 1-5, a $55/month increase for grades 6-8, and $65/month increase for grades 9-12. Special education
rates represent an average increase of 8.45% for Regional Learning Centers (elementary, middle and high school) and 5.84% for Learning Centers, reflecting projected increases in staff and service costs.

**Rates for Regular Students**

- Kindergarten $5,400 or $600 per month (nine months)
- Grades 1-5 $7,425 or $825 per month (nine months)
- Grades 6-8 $7,020 or $780 per month (nine months)
- Grades 9-12 $6,480 or $720 per month (nine months)

**Rates for Special Education Students**

- Elementary Learning Center $9,446 plus the cost of related services
- Elementary Regional LC $14,651 plus the cost of related services
- Middle School LC $10,333 plus the cost of related services
- Middle School Regional LC $14,489 plus the cost of related services
- High School LC $9,600 plus the cost of related services
- High School Regional LC $13,811 plus the cost of related services

The superintendent will recommend approval of the tuition rates as proposed.

Phil Scrima, Financial Operations and Reporting Manager, reviewed the changes being proposed. There were no questions.

**Set School Breakfast and Lunch Prices for the 2008-2009 School Year**

Nutrition Services has continued their efforts to implement healthier meals which includes a focus on whole grain products and fresh and local produce. Changes have also been made to the ala carte program as required by the district’s wellness policy and House Bill 2650. The new choices offer healthier items for students to choose from and have led to improved customer satisfaction. These improvements combined with rising food and compensation costs have resulted in higher program expenses which have exceeded the increase in revenues. To help offset program cost increases, staff is proposing the following price increases for breakfast and lunch:

**Paid Breakfast**

<table>
<thead>
<tr>
<th>Level</th>
<th>Proposed Price 2008-09</th>
<th>2007-08 Price</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary</td>
<td>$1.15</td>
<td>$1.10</td>
<td>$0.05</td>
</tr>
<tr>
<td>Middle</td>
<td>$1.30</td>
<td>$1.25</td>
<td>$0.05</td>
</tr>
<tr>
<td>High</td>
<td>$1.50</td>
<td>$1.25</td>
<td>$0.25</td>
</tr>
</tbody>
</table>

Reduced price breakfast would remain at $0.30.

**Paid Lunch**

<table>
<thead>
<tr>
<th>Level</th>
<th>Proposed Price 2008-09</th>
<th>2007-08 Price</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary</td>
<td>$2.10</td>
<td>$2.00</td>
<td>$0.10</td>
</tr>
<tr>
<td>Middle</td>
<td>$2.40</td>
<td>$2.30</td>
<td>$0.10</td>
</tr>
<tr>
<td>High</td>
<td>$2.50</td>
<td>$2.35</td>
<td>$0.15</td>
</tr>
</tbody>
</table>
Reduced price lunch would remain at $0.40, and the a la carte price for milk will remain at $0.50.

Even with the increase, the proposed paid lunch revenue is below that received for students qualifying for free or reduced price meals, as the chart below shows:

<table>
<thead>
<tr>
<th>Level</th>
<th>2008-09 Federal Subsidy (projected)</th>
<th>Meal Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free</td>
<td>$2.52</td>
<td>$0</td>
<td>$2.52</td>
</tr>
<tr>
<td>Reduced</td>
<td>$2.11</td>
<td>$0.40</td>
<td>$2.51</td>
</tr>
<tr>
<td>Paid</td>
<td>$0.23</td>
<td>$2.10 (proposed)</td>
<td>$2.33</td>
</tr>
</tbody>
</table>

We have obtained current or proposed lunch prices for 33 Oregon school districts. The paid elementary price that staff is proposing would put the district in the top 35% of districts surveyed. Other districts with an elementary lunch price at or above $2.10 include: Ashland, Beaverton, McMinnville, North Clackamas, Oregon City, Redmond, Newburg, Tillamook, Tigard-Tualatin, and West Linn. Most of these school districts, like Eugene, have a relatively low percentage of students qualifying for free or reduced meals and rely more on revenue from “paid” students.

Staff does not believe that the new prices will have a negative effect on participation. The superintendent will recommend approval of the proposed price increases.

Ms. Fahey reported that the proposed increase in prices was intended to keep up with increasing costs. There were no questions.

Approve a Resolution Authorizing the Issuance and Private Negotiated Sale of General Obligation Refunding Bonds to Advance Refund All or a Portion of the District’s Outstanding General Obligation Bonds, Series 1999 and Series 2002

Oregon Revised Statutes permit school districts to issue bonds to advance refund outstanding bonds to reduce the costs of debt service. The advance refunding process is governed by the State Department of the Treasury, which requires present value savings of at least 3% from the refunding.

In March 2003, the district advance refunded $17.6 million in outstanding general obligation bonds from callable maturities of the Series 1994 and 2000 bonds. This transaction achieved total savings over the remaining life of the bonds of $661,000. Net present value savings were 3.75%, compared to the 3% minimum required by the State Treasurer. In February 2002, the district advance refunded $21 million in outstanding bonds, with total savings for taxpayers of over $1 million, or 3.9%.

Over the past year, the district’s financial advisor, Seattle-Northwest Securities Corporation, located in Portland, and district staff have monitored market conditions for an opportunity to refund outstanding bonds and reduce debt service obligations for taxpayers. Recent interest rate movement suggests that it may be possible to reach the required savings of at least 3% in the next month or two by refunding all or a portion of the Series 1999 and Series 2002 bonds subject to optional redemption. Bonds totaling $8.7 million were issued in June 1999 to finance
safety and security improvements and critical building needs; $70 million in bonds were issued in November 2002 to expand and improve district facilities, including the construction of two new elementary schools.

The bonds subject to redemption total $47,355,000. If all potential bonds are refunded and savings of 3.5% are achieved, district taxpayers would realize approximately $1.7 million in net present value savings. Refunding these issues also permits district staff to consider restructuring debt service to smooth tax rates for possible future bonds.

Board approval of the proposed resolution anticipates these opportunities and authorizes staff to pursue the refunding of callable maturities of the 1999 and 2002 general obligation bonds when a beneficial level of savings is reached. A copy of the resolution was included in the packet.

The superintendent will recommend that the board approve a resolution authorizing the issuance and private negotiated sale of general obligation refunding bonds to advance refund all or a portion of the district’s outstanding general obligation bonds, Series 1999 and Series 2002; designating an authorized representative, financial advisor and bond counsel; authorizing appointment of a paying agent, bond registrar, escrow agent, verification agent and underwriter; authorizing execution of a bond purchase agreement and escrow agreement; and authorizing the submission of an advance refunding plan to the State Treasurer.

Ms. Passerotti provided background on the item. She said the board would be asked to approve a resolution anticipating the opportunities and allowing the staff to move forward if the appropriate window opened, and allowed for debt restructuring in the anticipation of a bond sale. She invited questions. There were none.

Adopt the Board Calendar for the 2008-2009 School Year

The Board of Directors traditionally meet on the first and third Wednesday of the month, with the agenda and materials related to the agenda items being provided to the board on the Friday preceding the Wednesday meeting. Special board meetings and board work sessions may also be scheduled during the year; board members typically set aside every Wednesday evening for that purpose.

The superintendent has reviewed the proposed calendar and noted that it does not interfere with major holidays and the winter break schedule. The superintendent will recommend approval of the proposed 2008-2009 calendar of the regular board meetings.

Superintendent Russell noted the proposed board calendar, included in the board meeting packet. There were no questions.

Conduct Routine Business

a. Appoint Clerk and Deputy Clerks for Fiscal Year 2008-2009

Statutes require the Board of Directors to designate persons to serve as custodians of school funds and to officially sign contracts and other legal documents on behalf of the district.
The superintendent will recommend appointment of George Russell as District Clerk and Barbara Bellamy, Susan Fahey, Tom Henry and Carl Hermanns as Deputy Clerks for the 2008-09 fiscal year. A resolution authorizing them to sign legal documents on behalf of the school district was included in the packet.

b. Appoint Executive Officer and Budget Officer for Fiscal Year 2008–2009

The state budget law requires the Board of Directors to appoint an Executive Officer and a Budget Officer for the school district each fiscal year.

The superintendent will recommend that George Russell be appointed as Executive Officer and Susan Fahey be appointed as Budget Officer for the 2008–2009 fiscal year.

c. Adopt Resolution Authorizing Interfund Borrowing

From time to time, receipts for specific budgeted fund categories are not received as expected; for example, grant funds may not arrive on time or food services receipts may be delayed. Oregon law allows loans to be made from one fund to another, so long as loans are repaid no later than the end of the ensuing year.

The superintendent will recommend adoption of the resolution, included in the packet, authorizing the district to utilize interfund borrowing during the 2008-09 school year.


It is necessary for the Board of Directors to designate depositories for the 2008-09 fiscal year. A copy of the resolution designating depositories for School District 4J, effective July 1, 2008 through June 30, 2009 is included in your board packet.

The superintendent will recommend adoption of the resolution designating depositories for School District 4J, effective July 1, 2008 through June 30, 2009.

e. Appoint Legal Counsel and Auditor for Fiscal Year 2008–2009

General legal services are being provided for the district by the law firm Luvaas, Cobb, Richards and Fraser, P.C. and the firm of Grove, Mueller & Swank, P.C. is providing auditing services. We continue to be satisfied with the services we receive from both firms.

The superintendent will recommend that Luvaas, Cobb, Richards and Fraser, P.C. be retained as legal counsel for the 2008-09 fiscal year. The superintendent will further recommend that Grove, Mueller & Swank, P.C. be appointed to conduct the 2007-08 annual audit, as required by Oregon statute.

Superintendent Russell noted the item was related to routine board business and represented typical end-of-the-year activities. There were no questions.

COMMENTS AND COMMITTEE REPORTS BY INDIVIDUAL BOARD MEMBERS

Mr. Torrey asked if some schools had become attractive nuisances in regard to graffiti because there was insufficient lighting to avoid tagging incidents. He said he had discussed the potential of private donations for light sensors to help avoid such incidents and asked for a report on
which schools were tagged more frequently than others. Superintendent Russell said that he would look into the topic.

Ms. Gerot said a planning group would be pulled together to do preliminary planning for the November ballot measure. Ms. Hays had agreed to be the board contact. She noted that she had been contacted by other interested parties.

Ms. Gerot said she received a graduation announcement from Javier Hernandez, a former student representative, who was graduating from Harvard University the next day.

Ms. Gerot said she visited North Eugene to learn more about the small schools approach and would visit South Eugene High School with Representative Phil Barnhart. She hoped to get all the Lane County delegation into a local school before the next election.

Dr. Martinez reminded the board of its upcoming retreat.

ADJOURN

Dr. Martinez adjourned the meeting at 9:57 p.m.

_____________________________    ______________________________
George Russell                  Charles Martinez, Jr.
District Clerk                  Board Chair

(Recorded by Kimberly Young)

Attachments to Official Minutes:
1. Draft Board Policy JECC, School Choice
2. Resolution Calling for Election and Notice of District Measure Election
3. Resolution #4 – Adopting a Supplemental Budget and Summary of Transactions
4. CIP Contract Award Status Summary
5. Personnel Action Items
6. Draft Board Policy IGBHA, Alternative Education Programs
7. Student Rights and Responsibilities Handbook – 2005 Revision
8. Resolution Supporting Restoration of Simple Majority Voting Requirement
9. Memorandum of Agreement with Eugene Education Association and Guidelines
10. Resolution Authorizing Issuance and Private Negotiated Sale of Refunding Bonds
11. Proposed Calendar of 2008-09 Board Meetings
12. Resolution Authorizing Clerk and Deputy Clerks to Sign as Legally Qualified Officers
13. Resolution Authorizing Interfund Borrowing for the 2008-09 Fiscal Year
14. Resolution Designating Depositories for School Funds for the 2008-09 Fiscal Year
15. Community Proclamation Denouncing Acts of Hate Speech and Other Behaviors and Activities