MINUTES OF THE EXECUTIVE SESSION AND REGULAR MEETING
OF THE BOARD OF DIRECTORS
SCHOOL DISTRICT 4J, LANE COUNTY, OREGON

January 12, 2011

The Board of Directors of School District No. 4J, Lane County, Eugene, Oregon, held an executive session followed by a regular board meeting at 6 p.m. on January 12, 2011, 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 January 7, 2011, and published in The Register-Guard on January 10, 2011.

EXECUTIVE SESSION

Under provisions of ORS 192.610 - 192.690, Open Meeting Laws, the Board of Directors conducted an Executive Session for the following purpose:

To conduct deliberations with persons designated by the governing body to carry on labor negotiations, pursuant to ORS 192.660 (2) (d).

ROLL CALL

BOARD MEMBERS:
Craig Smith, Chair
Alicia Hays, Vice Chair
Jennifer Geller
Beth Gerot
Ann Marie Levis
Jim Torrey
Mary Walston (by telephone)

STAFF:
George Russell, Superintendent of Schools
Barbara Bellamy, Chief of Staff and Communications Director
Carl Hermanns, Assistant Superintendent/Chief Operating Officer
Susan Fahey, Chief Financial Officer
Celia Feres-Johnson, Director of Human Resources
Larry Sullivan, Director of Educational Support Services
Christine Nesbit, Associate Director of Human Resources
Randy Bernstein, Larry Soberman, & Charlie Smith, Principals and Bargaining Team Members
Jeralynn Beghetto, Human Resources Administrator

MEDIA:
Mark Baker, the Register-Guard

The executive session ended and the regular meeting called to order with the above members present along with the following:

STAFF:
Jon Lauch, Director of Facilities Management
Les Moore, Director of Computing and Information Services
REGULAR MEETING

CALL TO ORDER, ROLL CALL, AND FLAG SALUTE

Board Chair Craig Smith called the regular meeting of the School District 4J Board of Directors to order. He led everyone present in the Pledge of Allegiance.

AGENDA REVIEW

Superintendent Russell noted that the order of the agenda had been changed so that comments would occur after the Items for a Future Meeting.

Mr. Smith noted that Ms. Walston would be participating by telephone.

COMMENTS FROM STUDENT REPRESENTATIVES

Britta Rasmussen, North Eugene High School, related that they planned to hold a Breast Cancer Awareness Basketball Game in two weeks.

Eric Davis, Sheldon High School, said that before winter break they had held an event called Irish Day of Giving, during which leadership had given out cookies and treats to students.

Karen McGhehey, International High School, stated that IHS would be holding its annual film festival on January 13 at 7 p.m. at Churchill High School.

ITEMS FOR INFORMATION

Receive Information Regarding a Proposed Bond Measure for Capital Improvements

Background

A Long-Range Facilities Plan was approved by the Board in February 2002. The 24-year plan was developed by the Strategic Facilities Planning Advisory Committee, a group of 21 community members, parents, students, teachers, classified staff, administrators, and school board members appointed by the superintendent to develop a plan to address the district's aging facilities, rising facilities operating cost and declining enrollment.
The committee reviewed recommendations made by the Schools of the Future Committee (1999-00) and the School Closure, Consolidation and Replacement Committee (2000-01) as well as district financial and enrollment projections, demographic and geographic information, building operating costs, and capital needs.

The Long-Range Facilities Plan included the following strategic direction:

- Replace or fully renovate aging elementary and middle school buildings that no longer adequately serve students.
- Remodel high schools in stages, replacing portable classrooms and improving instruction and student activity spaces.
- More closely match available space with enrollment at the elementary level, through school consolidations.
- Replace and upgrade capital systems, such as roofs, wiring, plumbing, and fire and security systems as needed to prolong the useful life of the buildings and to upgrade the technology infrastructure to support current instructional needs.
- Dispose of surplus property that will not be needed in the future for educational purposes or seek long-term leases that would financially benefit the district.
- Improve instructional spaces throughout the district.

The plan calls for four bond elections, approximately six years apart. Voters approved the first bond in May 2002 for $116 million. A second bond election, originally planned for November 2008, is currently under consideration for May 2011.

The second cycle of the Long-Range Facilities Plan identified the following elements for funding:

- Replace Roosevelt Middle School;
- Replace one elementary school in the south region (possibly a consolidation of two schools depending upon enrollment);
- Replace one elementary school in the north region (possibly a consolidation of two schools, depending upon enrollment);
- Replace an additional elementary school and complete the remodel of Willagillespie Elementary School;
- Make capital system upgrades, some remodels and continued staged renovations at the high schools.

The Long-Range Plan further suggests that analysis of enrollment trends would be necessary to inform consolidation and replacement decisions.

**Rationale for Bond Measure**

State funding for education does not adequately provide for ongoing funding for capital infrastructure beyond daily maintenance and repair. Most, if not all, Oregon school districts depend on bond funding to provide for the initial cost of facilities and to provide for the ongoing costs of capital systems replacements and upgrades, rather than to further strain limited operating budgets for infrastructure. As buildings and their components age, the ongoing maintenance costs and frequency of repairs increase. Systematic replacement and upgrade of critical building elements is necessary in order to prevent the escalation of maintenance costs, to reduce operating costs, and to extend the useful life of the building. Recent replacement of old buildings in this district has demonstrated dramatic operating costs savings and significantly improved educational environments.
The additional rationale that favors a May 2011 bond election as opposed to deferring an election to November 2011 or later is, as follows:

- If the district was able to pass a bond measure in May 2011, it would be assured of an allocation of $15 million in federally funded Qualified School Construction Bonds (borrowing authority) which could save about $17 million over the life of the bond.
- Property tax levels for support of school district bonds would remain flat, whereas, a tax increase would be required in November assuming the same bond size.
- $1 million of annual maintenance costs (now in the General Fund operating budget) could be shifted to bond measure funding beginning in fiscal year 2011-12.
- It would take advantage of the 2011 construction season for critical needs such as roofing and synthetic turf field replacements, utilizing bond funds as opposed to rapidly dwindling capital reserves.
- It would help retain qualified and experienced capital program staff that would allow the district to "hit the ground running," rather than to lay off staff and rebuild the program from scratch later.
- If unsuccessful, it would provide a second opportunity in November and information and insight would be gained from the experience in May.

There has been much discussion regarding the economy and the timing of a bond measure. Passing a bond measure would stimulate the local economy without increasing the annual property tax rate above current levels (although the liability is spread into future years.) In addition, the best value for the district would be to bid construction work in a competitive market which would stretch available capital dollars to the greatest extent possible.

**Magnitude of Proposed Bond Measure**

Financial Services staff, in consultation with Bond Counsel, has determined that debt service of a $130 million bond measure could be structured without increasing property taxes. This presumes the timing of a May 2011 election would take advantage of a modest property tax "gap" or reduction that would otherwise occur when tax assessments are updated in November 2011. A $130 million bond measure would allow for the potential for roughly $30 million in additional indebtedness without increasing taxes when the next potential gap is projected to occur in 2018.

The $116 million bond measure in 2002 would be roughly equivalent to over $160 million in the present, considering construction cost escalation and general inflation over the past nine years. A $130 million bond measure would not adequately fund all of the improvements suggested by the Long-Range Plan for the second bond cycle. With the projected needs for capital systems replacement for existing infrastructure (e.g. roofing, asphalt, technology, heating systems, etc.), funding for school replacements is expected to be limited to one middle school and one elementary school. Therefore, the proposed bond measure would be weighted more heavily toward maintaining and improving existing infrastructure in order to reduce ongoing operating and maintenance costs, and much less toward school replacements than the previous bond measure.

**General Make-up of Bond Projects**

The general categories and relative proposed funding for each are, as follows:

- School replacements (new construction, including equipment and furnishings): $63 million;
- Additions/remodels (includes school closure/consolidation projects: $11.5 million;
- Maintenance and repair - General Fund Off-load: $7 million;
• Capital systems replacements/improvements (roofing, paving, plumbing, heating, electrical, fire alarms, safety/security, technology, energy conservation measures, etc.): $48.5 million;
• Costs for Bond Issuance, Administration, and Construction Management were included in the numbers.

Staff was available to respond to questions and to provide additional information.

Jon Lauch, Director of Facilities Management, highlighted the report. He underscored that the facilities staff took great pride in taking care of the district's resources. He discussed the bond measures that had been voted in over the years and the facility needs that were spurring pursuance of a capital bond for 2011.

Carl Hermanns, Assistant Superintendent/Chief Operating Officer, stated that from an instructional perspective, as they continued to evolve to provide 21st century skills for the district's students, the schools would have to adapt to the changes and schools would need spaces for focused individual work, collaborative teamwork, for hands-on project work, and for exhibition and presentation. He said the bond would be needed to support that.

Mr. Lauch reviewed the rationale for the bond listed in the report.

Susan Fahey, Chief Financial Officer, explained that there was still American Reinvestment and Recovery Act (ARRA) funds given to Oregon available for qualified schools construction bonds. She said the reason there was some funding still available for May was because some of the districts that had applied for money had not been able to pass the bonds in November. She stressed that this would be the district's one chance to qualify and, if passed, the funding would save taxpayers approximately $17 million.

Mr. Lauch said $130 million would not be as much as $116 million had been in the 2002 plan and they would not be able to replace four schools. He advocated for striking a balance to keep the existing schools in great shape and to only replace the number of schools that could be afforded. He provided a rough draft of the list staff developed of potential capital projects.

Ms. Geller asked how certain they were of the federal money. Ms. Fahey assured her that they were 100 percent certain that they would receive an allocation of $15 million if the bond passed.

Ms. Levis thanked Mr. Lauch for all of the work he had done on the proposal. She asked if it would be possible to get further detail on the list of things that had deferred maintenance or needed upgrades. Mr. Lauch responded that it was his intent to ask the board if there was any further information the board wanted him to provide in order for them to reach an informed decision.

Ms. Levis ascertained that the staff recommendation was to go for the bond measure on the May ballot.

Ms. Fahey reiterated that a May bond would not increase property taxes.

Mr. Torrey observed that bonds had to be specific and asked if the board would need to identify which schools they thought would need to be built and what date they would need to indicate this by. Mr. Lauch replied that the larger projects would need to be identified early on, but some of the lesser building additions and remodels would not need to be listed.
Barbara Bellamy, Chief of Staff and Communications Director, added that the board would need to decide this by its March meeting in order to meet the filing deadline, which was March 17.

Ms. Geller understood that the bond law had changed and the district would be able to offload some things from the General Fund. She wondered if there were other things being paid for out of the General Fund that could be included. Mr. Lauch responded that the district could probably offload more. It was his understanding that the district could now pay for exterior paint and flooring replacement with bond funds.

Ms. Fahey stated that there were very few bondable items that could be removed from the General Fund; what had really opened up was that improvements and repairs could now be bonded. She said as far as technology costs and other equipment-type items, they had very little of it in the General Fund anymore.

Ms. Bellamy indicated that staff planned to bring the ballot measure language before the Board in February.

ITEMS FOR ACTION AT A FUTURE MEETING

Approve the Superintendent's Sustainable Budget Final Recommendations and/or Alternate Options, Including School Closure/Consolidation Proposals

Background
The board has a goal to "provide prudent stewardship for district resources to best support student success, educational equity and choice." The goal states that "the board will direct district resources to support the instructional core and to provide educational equity and choice while maximizing administrative and operational efficiency with a sustainable budget. The district must also respond to declining enrollment, regional enrollment patterns, a student population with more diverse needs, uncertain revenue streams and escalating costs."

The board's revised sustainable budget goal provided that: "By 2014-15, the district will implement a sustainable budget that:

• maintains reserves at or above board targets,
• minimizes the use of one-time funds for ongoing expenses,
• optimizes the use of short-term resources to improve student achievement, and
• increases operational efficiency while reducing long-term capital needs.

The superintendent's goal for achieving the board's goal provides that the superintendent will "develop strategy options for achieving the board's sustainable budget goal and present a proposal to the board and Budget Committee by February 2011."

At the November 3, 2010 board meeting, I presented my preliminary recommendations for achieving a sustainable budget, including school closure and/or consolidation proposals. At the December 8, 2010 board meeting, I presented my revised recommendations based on board discussion, public comments and discussions with the superintendent's staff.

The revised recommendations offered a modified strategy for achieving a sustainable budget that balances operating costs with projected revenues for the long-term. The district's five-year forecast shows a 15-20 percent operating deficit for 2011-12 and smaller but ongoing deficits in future years due to increasing costs and decreasing resources.
The revised recommendations were based upon some modified assumptions that included:

1. Revised financial assumptions: the target for decreasing expenses and increasing revenues was changed from $30 million to $22 million based on an assumption that state funding would not decrease.
2. Adjusted target date and a three-year plan setting a course for change: the board adjusted its target date for achieving a sustainable budget from 2012-13 to 2014-15.
3. More study on grade reconfiguration: establishing a task force to study the issue of grade reconfiguration and recommend whether changes should be implemented for 2013-14.
4. Retaining more teachers and preserving more jobs: with a lower financial target the superintendent was able to propose a smaller decrease in staffing for 2011-12.
5. School closures and consolidations are necessary: the superintendent proposed closing four schools in 2011-12 and one more in 2012-13. The superintendent also proposed taking another look at language immersion and alternative schools in 2011-12.
6. Seeking out new sources of revenue: the superintendent proposed a $130 million bond measure for the May ballot and working with others, including the City of Eugene, to explore additional options for new revenue sources.

The superintendent also proposed as part of his revised recommendations that the 2011-12 budget balancing scenario be shaped as:

- 50 percent in ongoing reductions: $11 million.
- 25 percent from reserves/one-time funds: $5.5 million.
- 25 percent in compensation-related adjustments: $5.5 million.

Discussion

The recent Shaping 4J's Future process built upon ongoing instructional planning and previous district plans. It focused on critical long-range facility and service options that arose from enrollment and student population trends and from related issues that were not fully resolved from the Schools of the Future Report of 1999, School Closure and Consolidation Report of 2001, and the Access and Options Report of 2004.

In the Shaping 4J's Future report, the superintendent suggested that the core values of excellence, equity and choice should guide our decisions for the future. At the time, he provided his definitions of excellence, equity and choice and then posed some goals and principles to help in guiding deliberations around the challenges the board and staff was now trying to solve. These were shared with the board as a part of the report the board received in January 2008. The board had considerable discussion about the proposed goals and principles, and suggested some revisions that were subsequently incorporated into the final actions on Shaping 4J's Future. A number of the recommendations included in the Shaping 4J's Future report were discussed or at least revisited as part of the sustainable budget conversation. For that reason, as a refresher the superintendent planned to take a few minutes at the meeting to point out how some of the previous recommendations and actions have contributed to or informed the thinking about strategy options available for consideration as we look at adopting a sustainable budget plan.

At the time the superintendent presented the Shaping 4J's Future recommendations, he had noted that he did not expect those scenarios would necessarily play out as recommended, but that it was important they be considered and discussed as part of the process. That same prediction clearly played out over the past several months as staff, parents and the community had the opportunity to weigh in with their opinions and viewpoints regarding the various scenarios presented in the sustainable budget process. Through the course of board work
sessions and public hearings, the multitude of meetings, emails and other correspondence and communication received by the board, hundreds of people expressed their concerns, objections, and in some cases, disdain for the recommendations as initially presented or revised. While many do not agree with the recommendations, the public discourse had demonstrated for staff that the process was working as intended. And while in the end not everyone will be happy with the outcomes, the superintendent believed the process had provided opportunities for many voices and differing opinions to be heard. Additionally, many of the recommendations were not entirely within the board's control. The actions proposed fall into the following decision categories for the board:

a) Decisions That Were Within the Control of the Board: The board can unilaterally make the decisions that fall within this category without having to consult, negotiate, or depend on others to make it happen. The board may consider input and feedback from various stakeholders, but it ultimately makes the decision. The decisions that would be most impactful on the overall budget picture will be those that are ongoing and sustainable, such as reducing staff and eliminating programs or services; changing the staffing ratios resulting in more teacher layoffs; closing and consolidating schools. The board could also elect to spend down reserves or use other one-time sources of money to buy some more time. As mentioned earlier, since these would be unsustainable sources of funds this would required deeper cuts in subsequent years.

b) Decisions That Require Engagement or Negotiations with Others: These are decisions that typically cannot be made unilaterally by the board and would require the negotiation, engagement or consultation with others in order for a decision to be made and implemented. Primarily, these recommendations would require negotiation and agreement with the labor organizations to implement. These include both ongoing strategies such as salary freezes or reductions in compensation or benefits, or more temporary measure such as furlough days and reducing the school year with an expectation that some or all could be restored in better times.

c) Decisions That the Board Can Influence But Not Control the Outcome: The board could try to achieve a certain outcome but must rely on decisions of others for it to happen. While the board could make decisions about when and what to put on the ballot as a bond measure, for example, the board would have to work with stakeholders and rely on voters to ensure a successful election. In the case of other revenue matters, such as a City local option or ordinance, the board would have to convince the council or others to take such a step to benefit the school district.

At the work session on the revised recommendations on January 5, 2011, the board provided the superintendent with some additional guidance. Also, the additional feedback from staff, parents and community, helped shape the final recommendations. Most recently, Governor-elect Kitzhaber released his draft budget proposal for K-12 for the next biennium, in which he indicated that $5.357 billion would be the starting point for the State School Fund allocation. In his draft budget message, Dr. Kitzhaber says: "the question is not 'what are we going to cut' but rather 'how to we take the revenue we know we have and invest it differently going forward to create a solid foundation on which to build our future?'" The challenge for the district is that the staff and board will have no accurate picture of what the final budget number will be for the State until later in the spring. As a result, the final recommendations offer an alternate funding assumption in addition to that reflected in the revised recommendations.

Recommendations
Based on the discussion at the board work session on January 5, there appeared to be support emerging around a number of the recommendations. However, there were also some
recommendations where the board expressed a desire to see some alternate or revised options that could be considered as well. Alternate options were provided in addition to the recommended action in case the board wished to adopt one of these alternatives.

**Financial Assumptions:** In these final recommended scenarios, the superintendent tried to identify the disinvestment strategies that would provide for ongoing and sustainable savings. Still underlying these strategies is the assumption that the district was willing to transform the system by doing some things dramatically differently in the future. The superintendent still identified some one-time or shorter term strategies that could be used to help them bridge some of the educational programs and services into the future, while seeking to find longer-term solutions that may require a little more time to develop and implement.

The Final Recommendations include the revised financial assumption of a $22 million target, and an alternate option with a $26 million target, for 2011-12 that provided for a combination of ongoing and sustainable reductions and one-time and short term "bridging" strategies. These final scenarios look at each of the strategy option areas previously identified and propose reduction scenarios within each, where appropriate. Most of the final strategies have a 3-year plan that outlines the proposed actions in each of those years. Some of the proposed actions are dependent on other things happening, either in the previous year or same year. For example, without a bond measure passing to support ongoing critical needs or facilities modifications, one or more of the school closures or mergers could not occur without overcrowding some of the receiving schools.

Again, the alternate final proposed target for 2011-12 is $26 million rather than the previously revised target of $22 million. The alternate strategy goal is to achieve a balanced approach that still included 50 percent ongoing or sustainable strategies through staff reductions, ratio changes, and service/program reductions of about $13 million; about 25 percent through use of one-time dollars from reserves or other short-term sources for about $6.5 million; and another 25 percent through compensation-related savings from a combination of fewer days (furloughs) and less in salary/benefits for around $6.5 million.

**Strategy Options:** The following recommendations represent the final recommended strategy options from the superintendent. In some cases, there were also alternate scenarios requested by the board that could be considered in lieu of my recommendations. In many cases there are no changes from those proposed as part of the preliminary recommendations, but in others there were some fairly significant revisions from what was recommended earlier, and as a result of the $26 million assumption some changed strategy options. With the changed financial assumption, the major areas in which substantial revisions occurred were staff and program reduction; staffing ratios; closure and consolidation( reconfiguration); school/workday reduction (furloughs); and other compensation-related adjustments. The strategy options the superintendent planned to recommend, and any alternate options, are presented below:

1. **Reduce Staffing/Services & Programs:**
   The superintendent, after reviewing the numbers and impacts on specific schools, became convinced that the staffing ratio change of 4-5-6 proposed for the following year would be too devastating for schools and programs. One of the benefits of the revised forecast was that it allowed the superintendent to propose a smaller increase in the staffing ratio for the next year. The superintendent still suggested two options: a 2 increase at elementary and a 3 for secondary; or a 3 at elementary or 4 at secondary.
Final Recommendations

2011-12
- Reduce administrative and classified staff by 7.0% (43 FTE) - $2.6 million
  - including restructure and consolidation of Central Office departments and reducing administration
- Change staffing ratio by range of 2/3 or 3/4* (e.g. 2@ES, 3@MS, 3@HS) = 56-76 FTE @ $4.6 to $6.3 million
- Eliminate or reduce teachers on special assignment and staff development specialists - $0/5 million
- Cost/Savings Target: $7.7 - $9.2 million

2012-13
- TBD

2013-14
- TBD

Alternate Recommendations:

2011-12
- Reduce administrative and classified staff by 10% (62 FTE) - $3.5 million
  - including restructure and consolidate Central Office departments, reduce administration
- Change staffing ratio by 4 = 84 FTE @ $7.0 million
- Eliminate or reduce teachers on special assignment and staff development specialists - $0.5 million
- Cost/Savings Target: $11 million

2012-13
- TBD

2013-14
- TBD

Impacts/Assumptions:
1. Reduced services and programs to support schools. Determinations regarding service/program elimination or reduction based on district values and priorities, and as part of budget development process.
2. Reorganization and restructuring of central administration
3. Larger class sizes and fewer specialists

2. Fewer School/Work Days

For 2009-10, teachers took 7 furlough days, classified staff took 3 furlough days and used insurance reserves, and administrators agreed to no cost of living. These concessions equated to 3-3.25% of employee salary/benefits. For 2010-11 teachers and classified staff agreed to 7 furlough days and administrators agreed to 9. Several employees’ salaries were reduced from 2009-10 to 2010-11 due to the furlough days. Under the $26 million alternate scenario option, the superintendent is proposing an additional furlough day for another $.5 million.

Final Recommendations

2011-12
- 9-12 Furlough Days (6 less days of school) -- one per month based on work year and school-based staff reduced 9/10 days (6 fewer school days)
- Cost/Savings Target: $4 million
2012-13
- Continue 9-12 Furlough Days (6 less days of school) one per month based on work year
- Consider 4-day work (32 hours) and school weeks if necessary
- Cost/Savings Target: $4 million

2013-14
- Continue 9-12 Furlough Days (6 less days of school) one per month based on work year
- Continue 4-day work (32 hours) and school weeks if necessary
- Cost/Savings Target: $4 million

Alternate Recommendations:
2011-12
- 10-13 Furlough Days (6 less days of school) -- one per month based on work year plus one additional day
- Cost/Savings Target: $4.5 million

2012-13
- Continue 10-13 Furlough Days (6 less days of school) one per month based on work year plus one additional day
- Consider 4-day work (32 hours) and school weeks if necessary
- Cost/Savings Target: $4.5 million

2013-14
- Continue 10-13 Furlough Days (6 less days of school) one per month based on work year plus one additional day
- Continue 4-day work (32 hours) and school weeks if necessary
- Cost/Savings Target: $4.5 million

Impacts/Assumptions:
1. All employees would take furlough days based on their work year: 12 month = 12 days; 11 month = 11 days; 1- month = 10 days; 9 months = 9 days. On additional day would be added under the $26 million assumption. Assumption would be that these are temporary and the days could be added back to work year when financial picture improves.
2. Shortened school year and less paid workdays with reduced pay for all employees.
3. Presumes ability to negotiate reduced work days or furloughs with labor organizations.

3. School Closures/Consolidations

No community wants to see its neighborhood school closed, but staff in those schools understand that with continuing decreases in staffing there comes a point when staying open just doesn't make good instructional or financial sense. Closure of Coburg, Crest Drive, Twin Oaks, and Parker will result in savings from having four less schools with their ongoing operational costs. While consolidation of Meadowlark with Willagillespie will not necessarily save any dollars, even under the staffing ratio increase of 2, Meadowlark would lose close to 1.5 positions (FTE). Under a scenario with a ratio change of 4 they could lose close to 3.0 FTE teacher positions. After consolidation with Willagillespie, the combined school would have far more flexibility in both staffing resources and facilities.

The revised recommendation anticipates continuation of the language immersion schools for now as K-5 elementary schools. However, the superintendent still recommends moving the Charlemagne French Immersion to the Parker site, or another more centralized location. In
2011-12, the superintendent suggests taking another look at non-language immersion schools such as Corridor and Family School to determine their future in the district and whether they remain distinctive in their approach as provided in the board's alternative school review criteria. Although the district has closed or merged some alternative schools over the last few years, the district needs to periodically explore the question as district enrollment grows smaller. The district also needs to reconsider language immersion and alternative schools for the longer-term and examine whether there would be a way to provide a second language experience in all of the district's neighborhood elementary schools.

**Final Recommendations**

2011-12
- Close Coburg, Crest Drive and Parker Elementary Schools in 2011
- Consolidate Meadowlark at Willagillespie
- Move Charlemagne French Immersion School K through 5th grade to Parker
- Cost/Savings Target: $1 million

2012-13
- Close Twin Oaks Elementary School
- If Bond Measure passes, consolidate Twin Oaks with McCornack after addition
- Cost/Savings Target: $0.3 million

2013-14
- Possible closure/merger of non-language alternative schools with neighborhood schools
- Cost/Savings Target: TBD

**Alternate Recommendations:**

2011-12
- Close Coburg, Adams Elementary Schools in 2011 (leaving Parker and Crest Drive open)
- Consolidate Meadowlark at Willagillespie
- Move Charlemagne French Immersion School K through 5th grade to Adams
- Cost/Savings Target: $0.5 million, requires additional $0.5 million of ongoing reductions to be identified

2012-13
- Close Twin Oaks Elementary School
- If Bond Measure passes, consolidate Twin Oaks with McCornack after addition
- Cost/Savings Target: $0.3 million

2013-14
- Possible closure/merger of non-language alternative schools with neighborhood schools
- Cost/Savings Target: TBD

**Impacts/Assumptions:**

1. Closure of some smaller neighborhood elementary schools.
2. Moves and transitions for some students and staff and merging of school teams.
3. Consolidated elementary schools will have more students and staff and, therefore, more flexibility in serving students.
4. Fewer school buildings to maintain and support though central services, including special education.
5. Maintains four viable high schools.
6. Some redrawing of boundaries will be required.
4. **Shared Services/Contracting Out**

The district will continue to explore ways to gain efficiencies by sharing work that can be done in partnership with others or by finding different ways to deliver the services we provide. Starting with the local ESD and finding better ways to take advantage of the services they currently provide will be a positive step in that direction.

**Final Recommendations**

**2011-12**
- Identify additional services that can be provided by Lane ESD
- Determine what current services can be transferred to Lane ESD
- Cost/Savings Target: $0.5 million

**2012-13**
- Explore service sharing options with other districts that could reduce costs
- Look at contracting out some services
- Cost/Savings Target: TBD

**2013-14**
- Contract out or consolidate some services with other school districts or provide through private sector
- Cost/Savings Target: TBD

**Impacts/Assumptions:**
1. Shifting of services to EWS that may currently be provided by district
2. Ability to work within current ESD Local Service Plan to find savings
3. Collective bargaining required in most instances; impact bargaining on others.

5. **Material & Supplies/Services**

This is an area where the district has continued to cut away over the years. The district still has teachers and other staff who dig into their own pockets to ensure that students have adequate supplies and materials to work with, and parents who are expected to pay more for supplies and to support school activities.

**Final Recommendations**

**2011-12**
- 15% reduction in materials & supplies, contracted services budget
- Centralize purchasing of materials & supplies, equipment
- Cost/Savings Target: $1.1 million

**2012-13**
- TBD

**2013-14**
- TBD

**Impacts/Assumptions:**
1. Substantial reduction in materials and services budget, including contracted services.
2. Some fixed costs such as utilities and fuel expense reductions will be achieved through efficiencies
6. **School Instruction/Redesign**

Grade reconfiguration needs more time and thought. While staff may understand the necessity for reconfiguration to get to a more sustainable future and maintain a viable instructional program in the years ahead, they had not done a good enough job of convincing the board or the public of this. While the revised recommendations do not propose reconfiguration of schools for 2011-12, the superintendent believes that some kind of reconfiguration will be necessary to maintain strong instructional programs into the future if the district is to keep four viable regions and four high schools.

The K-3 and 4-8 model that was recommended was based on some assumptions about the benefits to teaching and learning that would allow for greater flexibility in staffing and providing instruction. However, at this point there is not common ground even within the district about reconfiguration and the best model for moving forward into the future.

**Final Recommendations**

**2011-12**
- Stakeholder Task Force to recommend reconfiguration to the Superintendent and Board for implementation 2012-13
- Redesign instructional delivery model for secondary schools to accommodate fewer students & less resources
- Cost/Savings Target: TBD

**2012-13**
- Revise school calendar
- Shorter summer breaks
- Consider 4-day school weeks
- Implementation of reconfiguration recommendations, if any
- Cost/Savings Target: TBD

**2013-14**
- TBD

**Impacts/Assumptions:**
1. Extends timeline for consideration of reconfiguration of schools and establishes broad stakeholder task group
2. Future review of status and efficacy of alternative schools, including language immersions
3. Looks at redesign of instructional delivery models
4. Possible revisions to school calendars.

7. **Non-instructional/Student Support Programs**

This recommendation has not changed since the preliminary recommendations were put forth. It anticipates that the reduction will affect programs in schools that support student activities and athletics. While some schools may be able to offset some of this reduction by expanded fundraising or community support, it will impact some of those things that help connect students to their schools. The superintendent is worried about the extra burden the district is placing on students and parents as it cut back in this area and some of the equity issues that could occur with respect to different schools ability to raise funds in their communities. for that reason, the superintendent has not anticipated at this time further reductions into the future.
Final Recommendations

2011-12
- Reduce General Fund support for athletics programs and other extracurricular offerings by 25%
  - Cost/Savings Target: $0.5 million

2012-13
- TBD

2013-14
- TBD

8. Reserves/One-time Funds

The superintendent has noted several times that there was some risk to spending down reserves and counting on one-time resources. Governor-elect Kitzhaber noted in his draft budget that over the current biennium many public services have been propped up by using one-time revenues, including public schools. With the uncertainty of the State funding picture, it may be even more important that the district retain a reasonable and prudent reserve as a hedge for any additional cuts that might occur in the State budget. The district's strategy for future years assumes that it would balance each year's budget by using some reserves and one-time resources. By doing that the district is pushing part of its financial gap forward. Consequently, the district will need to make further reductions in each of the subsequent years or find additional revenue. That is, the more the board utilizes reserves or one-time strategies for 2011-12, the more it will have to make up for in 2012-14 and/or 2013/14.

Final Recommendations:

2011-12
- Use up to $5.5 million reserves/one-time funds to maintain and bridge to 2012-13
  - Cost/Savings Target: $5.5 million

2012-13
- Use up to $3 million from sales of surplus property or lease revenue
  - Cost/Savings Target: $3 million

2013-14
- GF Reserve and Contingency = Board Targets

Alternate Recommendations:

2011-12
- Use up to $6.5 million in reserves/one-time funds to maintain and bridge to 2012-13
  - Cost/Savings Target: $6.5 million

2012-13
- Use up to $3 million from sales of surplus property or lease revenue
  - Cost/Savings Target: $3 million

2013-14
- GF Reserve and Contingency = 90% of Board Targets
  - Cost/Savings Target: TBD

2014-15
- GF Reserve and Contingency = Board Targets
Impacts/Assumptions:
1. Use of combination of reserves to mitigate 2011-13 and 2012-14 reductions. 
   stakeholder task group
2. Presumes passage of bond measure in 2011-13 that carries forward General Fund offload
3. Uses sale of surplus property to replenish capital reserves accounts
4. Eliminates or reduces transfers to non-General Fund accounts

9. Compensation/Benefits

While the intent is not to build this budget on the "backs of employees," the continuing reality is
that over 85% of the district's budget is in personnel costs. This means that the district will have
fewer people working for it and/or those who do work for the district will have to share in the
sacrifice to help mitigate some of the impacts so that they would not have to eliminate as many
jobs or services. As the ratio was increased substantially, the impact would be both on students
and staff, and that was not a scenario that was consistent with the district's hierarchy of values,
goals, and priorities.

Final Recommendations:
2011-12
• Negotiate pay freeze, including no step/column increase
• Negotiate no increased benefits costs
• Cost/Savings Target: $1.5 million
2012-13
• Negotiate contract adjustments that minimize and contain ongoing costs to district
• General Fund Costs/Savings Target: TBD
2013-14
• TBD

Alternate Recommendations:
2011-12
• Negotiate pay freeze, including no step/column increase
• Negotiate $210,000 decrease in benefits costs
• General Fund Costs/Savings Target: $1.7 million
2012-13
• Negotiate contract adjustments that minimize and contain ongoing costs to district
• GF Cost/Savings Target: TBD
2013-14
• GF Reserve and Contingency = 90% of Board Targets
• Cost/Savings Target: TBD

Impacts/Assumptions:
1. Dual impact on remaining employees with decreased work years (furloughs) and no
   compensation increases.
2. Workload impact as fewer people around to do the work.
3. This scenario once again asks employees to sacrifice in order to preserve services
   into the future. Employees have stepped up as the district has asked them to do more
   with less, and now they will be asking them to sacrifice even more as the board and staff
   struggle to balance the budget going forward.
10. **Revenue Enhancements**

This strategy option calls for the district to find additional sources of revenue to support its General Fund operating budget and maintain its capital infrastructure. Because the district is limited in the ways it can raise revenue due to the limitations imposed by state law and various ballot measures, the options in this area are fairly limited in terms of the actual amount of potential revenue to be raised.

**Final Recommendations:**

**2011-12**
- Bond Measure $130 million in May 2011 for critical needs, technology & new school (offload of General Fund = $1 million)
- Increase community use fees by 20% ($20,000)
- Lease closed schools to charters/others ($200,000)
- Revenue Target: $1.2 million General Fund

**2012-13**
- Sell Civic Stadium, Willard School, or other vacant facilities with 50% proceeds to the General Fund Reserve ($3 to $5 million)
- Local tax to support local schools in 2012-13 ($10 million for 3 years) - November 2011
- Revenue Target: TBD

**2013-14**
- Implementation of any new revenue sources to mitigate reductions
- Revenue Target: TBD

**Impacts/Assumptions:**

1. Pass bond measure in May to support purchase of technology, address critical facilities maintenance and repair needs, and construct new schools/s. If it doesn't pass, then retry in November 2011.
2. Increase in user fees to current fee payers and adding fees for User Class 1 (Assumes that community organizations can afford to pay fee increases.)
3. Increases lease fees to provide for a profit margin for the district. Some lessees may look elsewhere.

11. **Other Options**

These are other possible options that may result in savings, primarily over the long-term. Some additional analysis would be needed to determine the efficacy of these options.

**Final Recommendations:**

- Consider early retirement incentives
- Adopt single-platform technology systems for centralized purchasing & technical support
- Minimize site-based decision making and increase centralized direction for staffing; e.g. program staffing for student support services
- General Fund Costs/Savings Target: TBD

**Impacts/Assumptions:**

1. Determine whether these options would result in actual cost-savings or more efficient operations.
The superintendent recommends approval of recommendations 1 through 10 as provided above, or as the board may determine to adopt any of the alternative options identified above or as otherwise modified upon discussion of the board.

Copies of the superintendent's final recommendations were provided to the board. The board planned to seek more stakeholder input before arriving at a final decision on February 2, 2011.

Superintendent Russell reviewed the final recommendations with power points, hard copies of which were available to everyone present. He reviewed past proposals and pointed out that a number of the recommendations were not new. He asked Mr. Hermanns to speak to the alternate option of closing Adams Elementary School instead of Parker.

Mr. Hermanns referred to the attachment entitled Adams/Crest Drive Closure Information which delineated the two scenarios and provided data around buildings and impacts.

Mr. Lauch highlighted the building characteristics that were outlined in the attachment. He surmised that Crest Drive Elementary was adequate for current capacity but not capable of absorbing much future growth.

Mr. Hermanns reviewed the data on student demographics, which indicated that Adams had a more diverse school population. He said regarding student achievement, both schools were doing what the district wanted them to do in teaching and learning; math and reading scores were comparable and Crest Drive exceeded Adams in writing scores.

Mr. Hermanns also reviewed the impacts of a potential Adams/Crest merger.

Larry Sullivan, Director of Educational Support Services, said any time a Life Skills program was moved they had to work with Lane ESD. He stated that if Crest Drive merged with Adams the program would be maintained there, but if the Charlemagne French Immersion School was moved to the Adams site, the Life Skills program would have to be moved.

Mr. Hermanns noted, as cited in the attachment, that if Crest Drive merged with Adams the percentage of students qualifying for the Free and Reduced Lunch (FRL) program would be reduced to 34.02 percent and the school would no longer qualify for Title funding. He also related that statistically, when a school dropped below 50 percent in the FRL program all kids did better. He did not consider this to be a negative impact.

Mr. Hermanns stated that Crest Drive students would move to Adams as a cohort if Crest Drive closed, but if Adams closed the students from Adams would have to move to five different elementary schools. He added that if Crest Drive was moved into Adams, Adams would be at full enrollment, but if Charlemagne was moved to Adams it would have an enrollment projection of 282, which would be at the low end of recommended size for an elementary school.

Ms. Cramer said the district was still awaiting information from the Oregon Department of Education (ODE) regarding Title funds.

Mr. Lauch explained how the district looked at capacity and that they had to take special education programs into consideration. He said Adams had a learning center and a comprehensive learning center but at Crest Drive the two were blended. He reviewed the facilities changes that would be needed for the proposed consolidation alternatives. He noted that Crest Drive could be added on to, as some had asserted, but it would be expensive.
Mr. Hermanns reviewed the staff analysis of the *Impacts of Closing Parker and Moving Charlemagne*, included in the attachment.

Superintendent Russell continued the power point presentation on the final recommendation. Regarding *Revenue Enhancements*, he related that the City Council had scheduled a work session to talk about looking at a revenue source to help the Bethel and 4J school districts get through the upcoming financial challenges. He said the council was not interested in enacting a restaurant tax, but might consider an income tax. He stated that Councilor Andrea Ortiz had moved to form an ad hoc committee composed of representatives from the school districts, the council, and the business community with the intention of meeting a couple of times and providing a recommendation to the council on January 24. He suggested to Ms. Geller that the Budget Committee might want to consider moving its meeting up so that it convened at 5:30 p.m. in order allow members to attend the council meeting at 7:30 p.m. He noted that there had been a number of questions raised about how the money might be used.

Mr. Smith offered to serve on the ad hoc committee.

Superintendent Russell said the recommendations for *Revenue Enhancements* were virtually the same and the only difference would be the timeline. He related that one question had come up regarding the recommendation of a bond measure and whether a tax measure introduced by the city might create conflict if they were placed on the same ballot.

Superintendent Russell summarized the draft proposal by highlighting the $22 million and the $26 million scenarios. He said he would like to stay within the $22 million scenario, though he did not consider it prudent. He stated that the legislative session still lay ahead, as well as the district budget process.

Ms. Gerot appreciated that Superintendent Russell was also looking at a more conservative scenario. She said it was important for the board to be cognizant of what they could not control. She also appreciated the staff review of closing Adams versus closing Parker and Crest Drive Elementary Schools. She felt it was compelling to look at where the students resided. She had been surprised that people would consider Crest Drive Elementary School to be a neighborhood school given the number of kids that transferred into and out of it. She noted that one idea had been to keep Charlemagne at the Fox Hollow site and move some of the people from Dunn to the Parker site and wondered why it had been eliminated given that a task force was being convened to look at immersion schools in the coming year.

Superintendent Russell clarified that his recommendation had not changed. He was still recommending closing Parker Elementary and moving Charlemagne to the Parker site.

Mr. Torrey understood that they were intending to convene two task forces, one to consider reconfiguration and what that might look like and the other to discuss language immersion and alternative schools. He was interested, if others on the board were in agreement with this, to know what would happen if they were to take Charlemagne and collocate it for one year with an existing facility. His rationale was that if they were going to convene the task forces, relocating Charlemagne to Parker would limit the task force’s options in dealing with the alternative and immersion schools. He continued to be frustrated that access to the French immersion school was limited by its location. He did not believe that access would be improved by much if it was moved to the Parker location.
Superintendent Russell opposed collocating the school. He preferred to leave Charlemagne where it was, in that case, because he was convinced that collocation did not work.

After some board discussion, Mr. Smith ascertained that at least three board members were interested in having staff look into Mr. Torrey's proposal.

Ms. Levis stressed that she did not want to have to close schools, but the board would have to do so. She said after reviewing the information before them, she would support Superintendent Russell's recommendation for school closures. She underscored that they had engaged in a transparent process and all debate had occurred in public.

Mr. Smith wanted to make sure that it was understood that it was an alternate recommendation to close Adams. He asked if the board wanted to keep the option on the table.

Mr. Torrey stated that the purpose of the public hearing was to get feedback from the public. He said the board had heard an abundance of public input. He said when they looked at the feedback from parents of kids in Parker, Adams, and Crest Drive Elementary Schools, it was apparent that the district was doing a tremendous job in all three of those schools. He would hesitate to preclude anything until people had the opportunity to testify at the next public hearing.

Ms. Levis thought that, from the information, it did not seem like a viable option to close Adams. She was concerned that continuing the discussion could lead to false hopes for some.

Ms. Geller had also requested information on the alternative but she agreed with Ms. Levis. She did not want to suggest that the board was not listening to the public, but the information was compelling. She underscored that no one was on the school board because they wanted to close schools, but there was no perfect scenario.

Ms. Hays said one compelling reason to rule out the option of closing Adams for her was that leaving it in the mix put the Adams people in angst over the outcome. She stated that the district was going to close schools and needed to "look down the road." Nonetheless, she believed the option needed to be retained in the mix for the purpose of the public hearing because it was "the right thing to do" to ensure that everyone had the chance to provide input. She was glad that they had looked into this option because it had provided them with great information. She had heard from people that the board was considering closing a high achieving school and moving the kids to a low achieving school, but the statistics had not supported that argument.

Ms. Walston also supported keeping the option open until after the public hearing.

Mr. Smith stated that the board would move closing Adams Elementary from being an option to an alternative, but it was not a recommended action by the superintendent. He asked staff to bring back some of the compensation and benefit alternatives that had been discarded given that the new scenario was based on a $22 million cut. He felt they needed a range of options to consider.

Ms. Hays wanted to clarify that Crest Drive Elementary School was a neighborhood school for 135 students, but for 128 students it was a choice. She liked that the district supported a parent's right to choose a school for their child, but sometimes the rhetoric that came at the
board, i.e. "closing a neighborhood school," should be clarified to indicate that this was so for 135 kids.

Ms. Geller reiterated that they were still looking at a moving target. She declared that they needed to be looking at options that would have the possibility of funding teachers and days in school. This was critical.

Ms. Walston thanked staff for the information they had compiled. She also thanked Superintendent Russell for reminding them of the Shaping 4J's Future report. She did not think they could postpone closing schools any longer.

Mr. Smith echoed her gratitude to staff for their work.

ITEMS RAISED BY THE AUDIENCE

Shawn Murphy, parent of a 3rd grader at Adams and secretary of the PTA, observed that the percentage of kids in the FRL program was higher than the rest of the district, but the record of achievement was still remarkable. She averred that other schools were remarkable as well. She noted that in one option that was still under consideration, Adams would be replaced by Charlemagne French Immersion School which had the second lowest percentage of kids in the FRL program in the district. She stated that doing this would allow Crest Drive to remain open and it currently had the lowest number of kids in the FRL program and it would mean that the students attending Adams would be dispersed to five different schools. She noted that because she resided in the western part of the attendance area where poverty rates were higher, her child would have to go to either Cesar Chavez or the Academy for Technology and the Arts (ATA). She said kids who lived in the eastern part of the Adams attendance area in a more affluent neighborhood would end up in schools with higher levels of affluence. This would mean the concentration of relatively poor kids in schools that already served that demographic would become greater. She believed this would exacerbate what was already an "unacceptably wide gulf" between the relatively rich schools in south Eugene and the schools that were more centrally located. She stated their willingness to build a community school with the Crest Drive Elementary School that would deliver an exceptional education to all children.

Lisa Kinzer-Wehr had been actively involved with Crest Drive Elementary as a parent and volunteer for over three years. She asserted that the school's true capacity was 330 to 350 students. She felt the district had provided information that placed the maximum at 270, with no room to expand. She said Crest Drive's two special education classrooms were in addition to its 11 regular classrooms. She believed that if they used 30 students as a "reasonable standard of capacity" the school could hold up to 330 and could hold 363 if they increased the level to 33 students per classroom. She averred that Crest Drive was originally designed to expand. She understood that the district had described expansion at the site as problematic, but she felt they had not substantiated this. She did not think Crest Drive was at a tipping point, regarding FTE. She had determined that Crest Drive was not a small school; it was approximately the same size as seven other schools that were not being considered for closure. She asserted that the district was moving too quickly when there was so much at stake. She urged the board to carefully research the options.

Richard Desmond, father of two, thanked the board and the district officials for all of the efforts to get information about the district's schools out to the public. He also wanted to acknowledge that the district was fortunate to have quite a number of excellent elementary schools. He did not envy the board's position of having to close one or more of them. He stated that Adams
Elementary was the most handicapped accessible elementary school available in the South Eugene High School region. He said this was critically important to him and his family. They had chosen Adams after visiting all of the schools, though they did not live in the region. He believed that the proposal to move Charlemagne to Adams would have a significant impact on the special education students that attended there. He did not believe the students in the Comprehensive Learning Center there would make it in an immersion school.

Jennifer Phillips, mother of two Crest Drive students, noted that she was a scientist by profession. She appreciated the time and effort that everyone was putting into the budget recommendations but she had been troubled by the "sometimes shortage of robust data." She cited the table that they had reviewed regarding the school closure scenarios as an example. She believed it was representative of a pervasive problem for the whole process. She felt it missed several very important considerations and overly stated that there were unknown factors. She asserted that, for several elements of the proposal, there were insufficient data to make informed decisions. She understood that some schools would have to close, but she thought the proposal to close Crest Drive was "anything but straightforward." She believed that there were several alternative scenarios and variables coming into play including the future availability of public funds, leadership changes, possible modifications to boundaries and grade configurations. She noted that in the meantime, closing Crest Drive would not have a significant impact on the budget itself in the short term. She felt that, given the "current data," it was "impossible to logically support" the position that closing Crest Drive made good sense. She believed it would be imprudent not to delay the decision on the closures.

Laurel McCorkle-Diaz felt that the information on closing Crest Drive Elementary had overlooked the ongoing costs associated with busing the children in that area to other schools. She said with the sidewalks associated with the street improvements had allowed her to walk her daughters to school. They had witnessed many vehicles being towed from the steep ditches. She believed that Storey Boulevard was not safe for school buses. She said the school district had ended bus service in that area because of this and parents had to provide transportation for their kids. She averred that if they closed Crest Drive, bus service would have to resume. She noted that the district had stated that the current redesign of the streets was incompatible for bus transport. She wondered "what other information" was lacking in order to make an informed decision.

Christina Howard said she had a third grader at Adams Elementary School. She had reviewed the information and felt that it made very clear that the superintendent's recommendations to merge the schools supported the board's goals by reducing long-term capital needs and increasing operational efficiency. She acknowledged that some did not believe that $500,000 in savings was very much. To them she wished to point out that this was enough money to add one of the furlough days back to the school year or six more teachers to the school district. She related that they saw a number of problems with moving Charlemagne to the Adams site, such as the twice daily influx of traffic and how the dismantling of a viable neighborhood school would limit the district's options for future moves. She believed that merging Adams and Crest Drive would further the district's goal of providing the best education possible for all students. She noted that Crest Drive had a strong tradition of parent involvement and commitment to excellence. She believed the two schools could complement each other. She recognized that there could be transportation issues, but felt that this would be a problem if they expanded Crest Drive as well. She understood that no one wanted to close schools, but on the Adams end they saw the merger as an important opportunity to move forward. She underscored their intention of approaching the task of merging with complete openness and that they would welcome all of the Crest Drive Elementary families.
Mr. Smith read a letter submitted by Rita Fiedler. She indicated that she was a parent of three Adams alumni and she hoped that the school and its "unique role" in the community would be preserved.

Mark Callahan, father of two Bertha Holt Elementary students, declared that the kids should come first. He believed that most teachers worked because they wanted the best for the kids. He had the greatest respect and admiration for the teachers that embraced a "kids first mentality." He hoped that they would consider how each of the decisions they would make going forward would affect the kids directly or indirectly.

Heather Morrell stated that her daughter attended Crest Drive and had a bone and joint condition that required the use of a wheelchair and a walker. She believed that Crest Drive Elementary had been "an oasis of stability" for her in a life of a lot of "ups and downs and challenges." She understood the logistics of the district's problems and that changes needed to happen. She was not there only to advocate keeping Crest Drive open. She wanted to share her daughter's situation as an example of how stability was important to children. She was concerned that year after year there were discussions about all of the possible changes, which created insecurity for families. It was hard to make choices when they were not certain if Churchill High School would remain open. She hoped they could develop a cohesive plan that would give a picture of the next ten years and not just the next three years. She felt that she could then find the situation that would provide her daughter with the most stability. Additionally, she wanted to acknowledge the staff in the district. She said the reason why the children received "such a great education" was the generosity of the staff. She observed that they would be asked to sacrifice again.

Paul Keppo wanted to address the issue of the potential environmental impact of moving a magnet, i.e. choice, school to the Adams location. He said the Adams Elementary site was not near public transportation and drivers had to traverse a lot of community streets to get to it. He predicted that moving Charlemagne there would bring approximately 250 cars to the neighborhood in the morning and in the afternoon.

Pamela Gutierrez, parent of two kids at Crest Drive Elementary and one at Kennedy Middle School, asserted that with so many unknowns the district should not engage in possibly irreversible actions while there was "a lack of a long-term plan." She urged the board members to "take the bold stand" of saying no to undertaking an unknown path. She felt that enough questions had been asked at the present meeting that it should cast some doubt on the current proposal. She said after the work of the task forces and the hiring of a new superintendent, completely different decisions could potentially be made. She noted that $11.5 million of the bond measure was directed to building remodels specifically related to closures. She stated that the bond measure would not be definite until the voters approved it. She believed they were "counting on" the money to make additions and remodels. She asked if it would be possible to vote to continue with closures when the money was uncertain. She reiterated concerns expressed about transporting Crest Drive kids out of their neighborhood. She believed that with all of the "unknowns" the right thing to do would be to defer the decision.

COMMENTS BY EMPLOYEE GROUPS

Peter Tromba, 4J Administrators (4JA), averred that it was important to respond to the budget as a package. He said the individual line items affected services that were linked and one area would affect other areas that would affect students. He stated that the school consolidation was
not only a savings in and of itself, it was a mechanism to help the other items in the proposal to be successful. He related that the principals unanimously agreed that coping with raising the staffing ratio and with declining enrollment was easier in a bigger school than a smaller school. He agreed that smaller schools were better, but only if they could offer a comprehensive program. He said the only hope to create programs in the district was to create larger schools. He reported that the downtown administrative staff was drawing up plans to cut 7 to 10 percent of their staffs, which would affect every student in the School District 4J. He underscored that having fewer sites was one way to make the delivery of services more efficient and to lessen the effects on students and staff. He agreed that there were many things in the proposal not to like. He declared that the reason school closure and consolidation was a sticking point was because the families and staff had created a special place. He averred that the names on the list were more than schools, they were the district's history and spoke to the community's commitment to its children. He believed that three years from the present, future staff and community members would thank the board for making the hard choices. He related that 4JA urged the board to reflect on the organizational realities of the district and to make the incredibly difficult decisions presented in the superintendent's budget. He thanked the board for their service.

COMMENTS AND COMMITTEE REPORTS BY INDIVIDUAL BOARD MEMBERS

Mr. Torrey reported that he had participated in a four-hour meeting regarding how Eugene would deal with its urban growth boundary (UGB). He said the group had discussed what type of housing mix the community would endorse in the future, with the last two hours of the meeting focusing on density. He found it interesting that the southern part of Eugene did not want higher density; other areas of the city would have to absorb that kind of development. How that impacted the district, he explained, was that if there was not more density in the south part of the community, the fact that the district had more capacity in that area was going to weigh heavily on decisions they would have to make regarding school closures.

Mr. Torrey had been told that the water was not potable at the ATA. Mr. Lauch responded that this was not true.

Ms. Geller related that Nancy Golden had spoken before the City Club. She said they would likely hear more about some of the things she had spoken of, given that she had taken a statewide position, such as pre-Kindergarten monitoring, bridge programs, better coordination with Lane Community College and non-profit groups. She stated that Ms. Golden had talked about the Promise Neighborhood concept, modeled on the Harlem Children Zone in which the whole community focused on helping children to succeed. Ms. Golden had also talked about Springfield's evaluation system and how they had brought stakeholders into it. She noted that Springfield was facing a cut of one-third of their budget.

Ms. Geller had attended the Graduation Requirements Task Force earlier in the day. She said much of the conversation centered around communication with parents about the new graduation requirements since more credits were required and there would be new proficiency standards. She stated that if 11th graders did not pass the OAKS tests, there would be additional steps they would have to take to demonstrate proficiency in math and reading in order to graduate. She felt it was a significant issue for high schoolers to have additional requirements and that it would require additional staff focus to have the requirement met by the students.

Ms. Gerot reported that State Superintendent Susan Castillo had convened a Student Advisory Team. She had been invited to participate on a panel speaking to them about potential
proposals for funding schools and doing more with less. She had found the conversation to be very interesting. She said the students had been wonderful and asked great questions.

Mr. Smith related that he had attended the City Club meeting. He averred that Ms. Golden would be a great leader in the coming six months. He had also attended the City Council meeting held on the previous night.

Ms. Walston thanked Ms. Geller for attending the Graduation Requirement Task Force in her stead. She also thanked Superintendent Russell and Mr. Hermanns for attending the leadership class. She appreciated the comments given my Mr. Tromba on behalf of 4JA and thanked the district staff. She said they were doing what was best for the kids.

ADJOURN

Mr. Smith adjourned the meeting of the School District 4J School Board at 10:10 p.m.

_______________________    _____________________
George Russell     Craig Smith
District Clerk      Board Chair

(Recorded by Ruth Atcherson)