

**Redmond School District  
School Board Meeting  
June 13, 2012**

---

**In Attendance:** Chair Jim Erickson, Directors Ric Little, AJ Losoya, Bob Perry, Superintendent Shay Mikalson, RSD Staff; Mike McIntosh, Kathy Steinert, Mollie O'Brien, Martha Hinman, Chris Morton, Trish Huspek, Gina Blanchette, Linda Seeberg, Association Representatives – Karen Gray-REA, Media, Ben Botkin (*Bend Bulletin*), Leslie Pugmire-Hole (*Spokesman*), Board Director Cathy Miller was out of town.

Board Chair Jim Erickson called the meeting to order with a quorum of four at 5:31 p.m.

**PROCEDURAL ITEMS**

**Citizen Participation for Non-Agenda Items**

As a surprise to Superintendent Mikalson the board arranged for Superintendent Mikalson's wife, Jeannie, to attend the beginning of the board meeting to allow the board to thank both she and Superintendent Mikalson for the commitment and sacrifices they have made over the last two years for the Redmond School District. Jim Erickson stated that in addition, tonight is Shay and Jeannie's 14<sup>th</sup> wedding anniversary. He wished them a happy anniversary. "I want to express the board's appreciation to Jeannie for her support of Shay over the last two years. As Shay was willing to step up and lead the district we know there was a huge burden on the family. We know there were many nights that you held down the fort. Even when he was home I am sure there were times when his mind was elsewhere." Jim Erickson further stated that under Cathy Miller's leadership, the board had arranged for an anniversary evening for them. The board presented Superintendent Mikalson and his wife with a card and gift certificate to a restaurant in Bend.

Superintendent Mikalson stated, "My wife is a wonderful person and I appreciate everything she has done for me."

Superintendent Mikalson was excused from the meeting with the board's appreciation.

Jim Erickson acknowledged the Boy Scout troop who was in attendance at the meeting. A representative from the troop stated they were in attendance at the meeting because they were working on their communications merit badge. One of the requirements of the badge is that they must attend a board meeting and then do a report on what they heard. In attendance from the troop were; Matthew Allen, Ben Cumin, Robert Stricker, Tanner Stewart, and Isaiah Cumin.

**PRESENTATIONS**

**Superintendent Update**

Mike McIntosh filling in for Superintendent Mikalson stated there were no updates at this time.

**Association Reports**

Karen Gray – REA

- They have reached a tentative agreement on contract. "I am not harboring any illusions it is wonderful but I would like to state that I appreciate the districts agreement to contract language changes."
- She had been sent a link to the Oregon City School District's website. She reported that on the website they have listed on their budget page the last five years concessions and cuts that have been made. She stated this information would be very powerful for informing the community. It sends a statewide collective message and she asked if the same type of information could be posted on our website.
- Stated that she noticed that on the district's website the RPA is still listed as being a cost neutral program.

Jim Erickson reported several of the board attended an OSBA workshop on PERS. He stated that Jim Green was very informative and gave clear recommendations about moving forward. One of those recommendations was to contact the state representatives to update them on the financial decisions that have been forced on school districts.

Karen Gray reported there is a noticeable shift at the state level regarding PERS. She believes this is a positive sign and that it looks like that conversations are starting to shift from just a “ground level” concern.

Bob Perry stated, “We need to get the local legislators in the Redmond schools and show them the challenges we face.” He stated he would like to work with Mike McIntosh and Karen Gray to put together a program that would facilitate visits to the schools.

Jim Erickson expressed the board’s appreciation to Karen Gray and her team for finding a way through the negotiation conversations. “It is not the solution that everyone would have sought but given where we sit, it shows compromise by everyone.”

Jim Erickson also thanked Karen Gray for her leadership on the TIF grant. “We think it is the right thing to do for both the teachers and students of the district.”

Karen Gray stated they have found a way around some of the constraints in continued involvement in the TIF grant. She sent a communication to their membership with the reasons why she believes they should move forward. That position is based on a 55% approval of the membership that they should continue with the TIF grant for another year. “This was the toughest ethical decision I have ever had to make.”

### **Athletics Update**

Brent Walsh reported to the board on an update on the pay-to-play fees, gate prices, pass prices, ASB card access. Talked with multiple schools districts on how they implement with more than one high school. He reviewed the current policy. He also reviewed the costs associated with putting on the various events.

#### Pay to Play Proposed Fees for 2012-2013

- Price of \$150 for all sports that require officials and equipment
  - Football, soccer, volleyball, wrestling, basketball, baseball, softball, track
- Price of \$100 for all other sports and activities (except cheer)
  - Cross Country, swimming, tennis, golf, speech/debate, choir and band
- Cheer would be divided up over two seasons
  - \$75 for fall or winter with \$150 for both
- Reductions for free and reduced lunch
  - Standard full prices are \$150 or \$100
    - Standard \$150-\$100 (reduced) and \$50 (free)
    - Standard \$100-\$50 (reduced) and \$25 (free)
- Family and multi-activity considerations
  - Students pay for the first two and get the third free
  - Family maximum is \$600

Also reviewed with the board were gate prices, play-in, play-off and league tournament rates, RSD passes for athletics, ASB funds and ASB card prices and access.

Mr. Walsh stated it is important to note that a Redmond High School ASB card will not get you into Ridgeview and a Ridgeview ASB card will not get you into Redmond High School. Each school will have its own identity.

Mike McIntosh stated that freshman at RHS have been raising funds and now some of those students will be attending Ridgeview. “It is only fair those funds should follow those students. We have explained that to everyone who has contacted the district with concerns about that split. There are some who understand and still others who still disagree.”

There was a discussion regarding the amount of money that is generated from the fees charged. Brent Walsh stated that because of the free and reduced fee schedule the actual amount is approximately \$45,000 to \$50,000.

Bob Perry stated that he wonders if there could be fundraising done that would net greater amounts than the fees that are brought in.

Brent Walsh reported that they are currently “fundraising for survival” to cover items like gear and transportation costs. He stated that as we become a two high school community it will be important for everyone to share fundraising opportunities to make sure there is equity between both schools. Mr. Walsh stated that the business community is constantly being asked for donations. They have been extremely supportive but we need to remember their businesses are struggling too.

Mr. Walsh reported the two high schools will share advertising revenues. They have spoken with the businesses who are currently advertising and they will be able to duplicate their signs and their fees won’t increase for two years. “At that time we will reevaluate and might need to increase our prices.” The revenues from advertising will be distributed evenly between both schools.

Bob Perry stated that he is sorry to hear the fees are not going to be raised. “The advertising is valued added to those businesses and I believe we are leaving money on the table. This is a lost opportunity.”

## BUDGET HEARING PUBLIC COMMENTS

None

## ACTION ITEMS

### **Resolution 12:052 – Supplemental Budget for FY 2011-12**

Kathy Steinert provided the Board with an overview of Resolution 12:052. In order to comply with local budget law, the school board must take action to transfer appropriation authority to an appropriation category that does not already exist in the FY 2011-12 adopted budget for the following funds: Grant Programs, Fee Supported Programs, and Trust and Agency Funds. Kathy Steinert stated that there were circumstances that occurred after the adoption of the district’s budget on June 8, 2011 that necessitates this supplemental budget. Those circumstances were reviewed with the board. She further stated that the Finance Committee has reviewed Resolution 12:052.

*AJ Losoya moved that the School Board approve Resolution 12:052 to adopt and appropriate a supplemental budget for 2011-2012 in the amounts specified in the resolution. Ric Little seconded the motion. Motion carried 4-0.*

*Roll Call Votes: Jim Erickson-Yes; Ric Little-Yes; AJ Losoya – Yes; Bob Perry – Yes*

### **Resolution 12:053 – Adoption of 2012-2013 Budget**

Oregon Revised Statute 294.435 requires the School Board to enact proper resolutions to adopt the budget, make the appropriations, and make and declare the ad valorem tax levy for each fund. This action must be taken prior to July 1 because these resolutions establish the authority for the District to expend funds for the next fiscal year.

Each year a Budget Committee is convened to review the proposed budget, approve a budget, and make recommendations to the School Board. The Board must then take appropriate action in order to comply with ORS 294.435. This year the Budget Committee approved the budget as proposed by the superintendent.

After the FY 2012-13 proposed budget was approved by the Budget Committee, the District made changes to that budget based on information recently received regarding additional revenues.

- The General Fund anticipates an increase of \$570,800 in revenues and expenditures due to higher than anticipated State School Fund payments in May 2012

- Additional 2012-13 State School Fund revenue of \$120,300 due to revised estimates
- Grant programs anticipate an increase of \$1,341,600 in revenues and expenditures related to Title IA and the Oregon School District Collaboration Grant.
- In addition, the District has made the following changes to the appropriations in the Asset Replacement Fund in order to increase by \$1,000,000 the unappropriated ending fund balance that is reserved in order to mitigate the anticipated PERS rate increases in 2013-14.
  - Decreased appropriations in the Instruction function in Fund 209, New School Start-Up Fund by \$1,000,000.
  - Add an appropriation for Transfers in the New School Start-Up Fund of \$1,000,000.

Kathy Steinert also reviewed the categorization of the taxes in the amount of \$5.0251 per \$1,000 of assessed value for the operations in the amount of \$10,708,800 for bonds.

Bob Perry stated, “It will not be a surprise to anyone that I am opposed to the proposed budget. However, I would like to thank everyone for all the work that has been done to get us closer to the cliff. Given the long range plan regarding PERS we should be beginning to substantially plan for our reserves and should have negotiated accordingly. This proposal is based on a hope that the Lone Ranger is coming to our rescue to allow us to avoid the abyss. I don’t think we will be getting legislative relief and I don’t believe we are being realistic that we will be able to avoid the cliff. For that reason I am going to vote no.”

*Ric Little moved that Resolution 12:053 be approved to adopt and appropriate the 2012-13 budget and to levy and categorize taxes for the fiscal year 2012-13 as presented. AJ Losoya seconded the motion. Motion carried 3-1. Bob Perry was the dissenting vote.*

*Roll Call Votes: Jim Erickson-Yes; Ric Little-Yes; AJ Losoya – Yes; Bob Perry – No*

Ric Little stated, “Bob Perry is correct in his comments but at least we are three-quarters of the way there. The other concern is the facility grant. No one can predict on what the state is going to do. We are relying on them coming through. If the state has a huge budget hole they could choose to cut that grant. We are still taking a great risk.”

Jim Erickson stated , “While we understand the “cliff” we also must be aware that if the board approves the drastic cuts that need to be taken to prepare for the estimated PERS liability it would “gut” this district in respect to class sizes and workloads. To somehow make the cuts now that might be necessary two years down the road, it was our feeling that we are not willing to do it. I personally don’t believe it is wishful thinking. There is movement afoot in getting new priorities regarding proper funding. Hopefully we will be a better position at that time to access what cuts will be necessary as opposed to cutting now.”

Mr. Erickson further stated that as the chairperson he appreciates that board members can have differing opinions and still respect each other. “That is a sign of a healthy organization.”

**Ratification of Licensed Collective Bargaining Agreement**

Mike McIntosh reported that the bargaining teams have met and have reached a tentative agreement. The REA has ratified that agreement. The next step is for the board to review and vote on the district’s ratification.

AJ Losoya stated that as the board’s representative on the bargaining team he expressed his appreciation to everyone for staying at the table during the process.

Bob Perry stated, “If I vote against the proposed budget I am compelled to vote against this as well. Having said that, I believe that both parties have entered into this in good faith.” He expressed his appreciation for Karen Gray and asked her not to take his vote personal. “I am concerned about the financial cliff and I believe we need to prepare more for the future.”

Ric Little stated that he is also concerned about the financial side. "I worry that the 15 day cut will become the "new standard." He is also concerned about cutting tuition reimbursement. He would rather see teachers take more classes to increase their education. "Having this amount taken out and given to another category is a big mistake."

AJ Losoya stated that as a team they have discussed this subject at length for the last few weeks. He stated, I would love to include that into the deal, we need to take care of our people, but again we can't do everything now. This will need to be reviewed on a yearly basis."

*AJ Losoya moved to ratify the collective bargaining agreement with the REA for the term of July 1, 2012 through June 30, 2015. With reservation, Ric Little seconded the motion. Motion carried 3-1. Bob Perry was the dissenting vote.*

*Roll Call Votes: Jim Erickson-Yes; Ric Little-Yes; AJ Losoya – Yes; Bob Perry – No*

### **Consent Agenda**

- Personnel Changes
- Work Session Minutes from May 30, 2012
- School Board Regular Minutes from May 30, 2012
- Gift to the District

*AJ Losoya moved and Bob Perry seconded a motion to approve the consent agenda as presented. Motion carried 4-0.*

*Votes: Jim Erickson-Yes; Ric Little-Yes; AJ Losoya – Yes; Bob Perry – Yes*

## **DISCUSSION ITEMS**

### **Board Updates**

- Bob Perry reported that he received a mailer from OSBA regarding the summer conference in Bend. He would like to attend and asked if there are funds that would be able to cover the cost. It was indicated there are funds to cover board development. Trish Huspek will register him for the conference.

### **Requests for Agenda Items**

- Determine if an additional evaluation of Superintendent Mikalson is legally required. Mike McIntosh stated that he believes Superintendent Mikalson would not request an additional evaluation. Mr. McIntosh recommended the board prepare a letter outlining the positive things that occurred under Superintendent Mikalson's leadership in the district. A copy of the letter could be placed in his personnel file with a copy to Superintendent Mikalson for his records.
- Mike McIntosh requested a work session to discuss board expectations in the area of communications and his role as interim superintendent. Jim Erickson stated that he would be comfortable having the survey data information used as part of the goal setting with Mr. McIntosh.

## **ADJOURN**

*Bob Perry moved and Ric Little seconded the motion to adjourn at 7:05 p.m. Motion carried 4-0.*

*Votes: Jim Erickson-Yes; Ric Little-Yes; AJ Losoya – Yes; Bob Perry – Yes*

---

Jim Erickson, School Board Chair

---

Trish Huspek, Executive Assistant