

**Gervais School District #1
School Board Regular & Executive Session
Meeting Minutes Thursday, February 15, 2024**

REGULAR SESSION

Director Bustamante called the School Board of Gervais School District #1, Marion County, into a Regular Session on Thursday, February 15, 2024, at 6:00 p.m. Board members present included: Henry Bustamante, Ana Contreras, Maria Contreras, and Jenny Jones. Others present included Dandy Stevens and Sandra Segura.

Visitor Guest Book:

Melissa Ayala, Caryn Davis, Tiffany Fast, Dora Guerrero, Savannah Halter, Cynthia Jaurez, Cather Legaso, Krysteena Leimbach, Lisa Miller, Julie Powers, Phillip Joy-Koer and Diana Bartch.

1.0 CALL TO ORDER

1.1 Pledge of Allegiance

Director Bustamante called the Regular Session to order at 6:00 p.m.

2.0 INTRODUCTIONS & ANNOUNCEMENTS

2.1 Public Forum Sign-Up:

Krysteena Leimbach

Public Forum Sign-Up included:

Director Bustamante reminded the public that if they signed up to speak, they should make sure that comments are kept brief and concise and within the time limit of three minutes.

Auditors Presentation

Ms. Stevens welcomed the auditors who would be presenting today.

Savannah Halter (communication manager) introduced herself along with Steve Tuchscherer, CPA from Umpqua Valley Financial, who reported the following regarding the audit.

- The district staff did well and provided all the documents/reports needed throughout the audit process on the accounting side.
- The primary thing that is looked at is the financial statements, ensuring the finances are without material misstatement. That is the primary goal when doing an audit: to find no material misstatement. By issuing that report, the auditors are able to verify that the district is in compliance with Oregon's compliance requirements.
- Another thing that they looked at is the district's internal controls. The internal controls are assessed but are not tested. A report is not issued, but the audit procedures are based on assessing those controls.
- No significant journal entries or financial adjustments had to be made because everything looked good.
- There were new challenges this year, one of them being GASB (Governmental Accounting Standards Board) requirements. This required them to examine the leases and subscription-based information technology agreements that were reviewed. The district hired an entity to find the existence of those agreements that met the criteria and place value on them to prepare them for assessment by the auditors. Those financial statements were added this year and are in good order.
- Another thing that was added to the audit report was accrual financial statements. The first two financial statements in the report are the statement of net position and the statement of activities. Those are called government-wide full accruals financial statements. Those are designed for what a business financial statement should look like. They include the long-term debt capital assets and accumulative appreciation of the capital assets. Some significant liabilities that show up are the ones connected to PERS or OPEB (other post-employment benefits). The values/estimates provided are provided by Oregon's PERS and the district insurance company and are quite significant estimates.

Mr. Tuchscherer opened the floor for questions:

Director M. Contreras asked for confirmation of what she understood about the auditors' work. She said that she understood that auditors look at things from a transaction standpoint and that if anything is found, they would

recommend it to the district and that, from an accounting point of view, everything looks good.

Mr. Tuchscherer responded that the question is in terms of internal controls. He said every place they audit has room for improvement, but they understand that the district's resources are limited. Districts are put in a position to hire more support staff in the office to maximize the efficiencies of those internal controls or hire more staff to teach kids. He recommended minimizing the risk and errors to an acceptable level.

Director M. Contreras asked what an acceptable level is to minimize errors.

Mr. Tuchscherer said that an acceptable level is one that is adequate to detect or prevent and correct errors that occur, such as journal entries. Acceptable means being able to detect/correct errors and irregularities. Mr. Tuchscherer praised the board for its dedication and volunteer work to the district.

Classified Appreciation Week March 4-8, 2024

Ms. Stevens stated that the board is proclaiming a resolution to honor our classified employees.

Director Bustamante read the resolution to honor classified employees.

The school board thanked the classified employees for all they do for the students.

3.0 APPROVAL OF MINUTES

Director Jones mentioned minor corrections needed for the January 11th and January 18th board meetings minutes and mentioned that she had already shared those corrections with Ms. Segura.

Motion:

There was a motion made by Director A. Contreras and seconded by Director M. Contreras that the Gervais School District Board of Directors approve the minutes from the Regular & Executive Session on January 11, 2024, and the Regular & Executive Session on January 18, 2024. The motion passed 4-0. (Director Toran was absent)

4.0 PUBLIC FORUM:

Ms. Leimbach said that she is the bond lady. She added that Lisa Miller and John are also part of the PAC. Ms. Leimbach provided an update on all the communication and fundraising that has been happening for the bond. She informed the board that they would be knocking on doors and making phone calls soon to provide information to the community in regards to the bond.

REPORTS

Student Council:

Ms. Stevens announced that Prairie Ifft could not be here due to another commitment, but Cassi Mendoza and Liliana Zamora Rodriguez would be reporting today.

The Student Council representatives reported the following:

- Boys' basketball reached the playoffs. Girls' basketball ended its season playing against Culver. Wrestling ended its season and showed a lot of potential for next year.
- The winter dance was a success. Students had a good time with all the activities available, including singing karaoke.
- For Valentine's Day, NHS sold telegrams, and it was a success.
- There is unified basketball game and another home game happening on the 20th. All are invited to attend and support the kids.
- FFA will be holding an auction.
- The Doernbecher Pageant will be on March 16 at 7:00 p.m. Everyone is invited to come.
- Spring sports (track and softball) start on Monday.
- There will be a food drive in March.

Administrators Report:

No administrators reported today.

Business Manager Report:

Ms. Davis reported the following:

- Indicated that the budget is where it should be for around this time of year regarding revenues. One thing that is being affected is the special revenue funds, the amount is lower compared to last year due to ESSER fund claiming. Last year, the district was able to claim three-quarters of the funds, but this year, that is not the case. Funds were delayed and are now requiring many things before funds are released to districts. The district and other districts are frustrated because they are holding the interest.
- Projections are that the district ending fund will be at about \$1.6 million in the general fund. The district will be watching that area closely. This amount does not include the Frontier Charter Academy funds. That number is lower compared to last year. The hope is that it does not decrease.
- There was a reminder that the Oregon Government Ethics Commission will soon release its survey, which board members are required to complete. It will be released on March 15, 2024.

There was a brief discussion about the financial health of setting aside 8% of contingency funds. The district put aside 8%, but on occasion, it does dip into that 8% contingency if necessary. The district had 7% in the contingency fund for this fiscal year. It was discussed that staff paid out of ESSER funds are now back in the general fund. ESSER funds will not be available in the future.

Ms. Stevens said that she received a legislative update, and it was mentioned that groundwork is being done around the state to discuss next January providing additional funding for special education. The district has more than 11% of its student population identified as special education. There is also the possibility of getting more funds for high-cost disabilities. There is a discussion to get rid of the cap percentages and fully fund high-cost disability.

Superintendent's Report:

Ms. Stevens said she will testify at the capital tomorrow in front of the subcommittee asking for \$1M. OEA wrote a support letter. She said she is hopeful and will provide an update as soon as she hears back. She submitted all the support letters and received a "thank you" and assurance that she was on the agenda to give her testimony.

6.0 BOARD FOCUS/MEMBER TOPICS:

Director A. Contreras said that, for some reason, people were not allowed to give candy for Valentine's Day. It's a policy that enforces it. She does realize that there are concerns about some sweets containing other substances that are not safe for children. She would like to review the policy and work on an "AR" to ensure that teachers are able to carve out what type of candy can be brought and given to kids while ensuring that everyone is safe. This message needs to come from the administrators to the teachers. The board wants to be proactive on any concerns the community might have. Would like to have a solution that is safe for all.

7.0 CONSENT ITEMS:

7.1 Approve

New Hire / Temporary/Rehire:

Yairzhinio Benitez, Custodian II (.5 FTE)

Francisco Mendez, Custodian II

Extra Duty:

Reginald A. Brown, Middle School Basketball Coach

Lindsay McCargar, GHS Head Softball Coach

7.2 Approve

Contract Change / Renewal:

Recall:

7.3 Approve

Resignation/Retirements/Termination/Non-Renewal:

Simon Tlatenchi Miranda, Custodian II

Decline:

Reduction in Force:

Other:

Transfers:

7.4 Approve

Licensed Teachers and Licensed Administrators Renewal Probationary Employee Contracts

Gervais School District#1 Board of directors approves the Licensed Teachers and Licensed Administrators Renewal Probationary Employee Contracts, as shown in agenda item 02-24.7.4.

7.5 Approve

Licensed Teachers and Licensed Administrators Contract Employee Extensions

Gervais School District#1 Board of directors approves the Licensed Teachers and Licensed Administrators Contract Employees Extensions, as shown in agenda item 02-24.7.5.

7.6 Approve

Out State Travel

Gervais District#1 Board of Directors approves Melinda Fitz-Henry's travel to Boston for the School Nutrition Association Annual Conference July 14-16, 2024.

7.7 Approve

Declare Surplus

Gervais District#1 Board of Directors approves declaring surplus items below.

- Choir robes

Motion:

There was a motion made by Director A. Contreras and seconded by Director Jones that the Gervais School District #1 approve the Consent Items listed en masse. The motion passed 4-0. (Director Toran was absent)

8.0 ACTION ITEMS

8.1 Establish a Number for Interdistrict Transfers

Comments:

Ms. Stevens provided an update to the group on the number of students who have transferred into the district and out of the district. She indicated that 71 of those students transferring did not attend the district. The district gained about sixty students, who mostly come from the Woodburn School District. Several transferred out of the district, such as to North Marion, due to their parents' jobs. She recommended to have 130 students transfer in and 130 transfer out for the coming year.

Motion:

There was a motion made by Director A. Contreras and seconded by Director Jones that the Gervais School District #1 Board of Directors approve 130 transfers in and 130 transfers out of the district. The motion passed 4-0. (Director Toran was absent)

8.2 Bond Resolution

Comments:

Ms. Stevens said that Director Toran could not be here, but she emailed a statement to be read on her behalf regarding her support for the bond.

Director Henry read Directors Toran's statement.

Director A. Contreras and Director M. Contreras read a statement as well regarding their support for the bond.

Ms. Stevens provided a packet with options for the board to help decide on the bond amount in addition to the \$6M state grant. She explained what amount of cushion each option would provide and reminded the board that if the bond passes, they should also consider that project prices do increase. There is a Reference on the back page of the packet that states if projects come in under budget, the money will be is used to improve restrooms at the athletic field, repair bleachers and press boxes, and replace field lighting at \$1.80 per one thousand assessed values. At \$1.85, the projects would be remodeling the elementary cafeteria, athletic field restrooms, bleachers, press box, field lighting, and outdoor

student space/structures. These are projects that were prioritized by the community. Ms. Stevens recommended the board use some of the Frontier Charter's money that has been saved to be able to do the football turf project. That was mentioned as a project priority for the community as well.

Motion:

There was a motion made by Director A. Contreras and seconded by Director Jones that the Gervais School District #1 Board of Directors approve the bond resolution not to exceed \$28,130,000. The motion passed 4- 0. (Director Toran was absent)

8.3 Bond Oversight Committee Application

Comments:

Ms. Stevens explained the process, responsibilities, and the different members that would be part of the committee. The application timeline will start right away as soon as the bond passes. This committee would be responsible for ensuring funds go where the district said they would go.

The group briefly discussed the idea that the committee would have five to seven members, including the business manager.

Motion:

There was a motion made by Director A. Contreras and seconded by Director M Contreras that the Gervais School District #1 Board of Directors approve the bond oversight committee application as presented by Ms. Stevens. The motion passed 4- 0 (Director Toran was absent).

9.0 DISCUSSION ITEMS

9.1 School Calendar 2024-2025

Ms. Stevens said that she has shared the draft calendar with both unions, and they are fine with it. They indicated that it would be an action item for next month. She asked board members to email her if there were any questions or concerns about the calendar.

9.2 Bond Update

Ms. Stevens said that a letter went out to all registered voters regarding the district closure matter, and the letter included quotes, one from Mr. Zielinski and another from Director Toran. The letter also included dates that the community can schedule a time to talk with her regarding the bond. Another mailer went out regarding the property assessment value. There was good feedback and there were individuals that were annoyed by what was sent. The purpose of the letter was for people to understand the difference between the assessed value and the market value. The intention was not to offend anyone by sending this letter but to educate. The district had about 50 volunteers who came and helped to get this mailer done, which was great to see the teamwork.

9.3 Review Budget Committee Applications

Ms. Stevens said that there were only three applications submitted, and the district is seeking three individuals to fill these positions. She indicated if the board felt comfortable with taking action tonight, then they could proceed.

Motion:

There was a motion made by Director A. Contreras and seconded by Director Jones that the Gervais School District #1 Board of Directors appoint Deedee Macknair, Courtney Young, and Frank Slyter as budget committee members for a three-year term. The motion passed 4- 0 (Director Toran was absent).

10.0 FUTURE AGENDA ITEMS

Director Bustamante adjourned the Regular Session at 7:06 p.m.

Director Bustamante called an Executive Session under "ORS 192.660 (2) (d) "Labor Negotiator Consultation" and & ORS 192.660 (2) (i) "Evaluating the Top Executive."

11.0 ADJOURN

11.1 Adjourn the Executive Session

Director Bustamante adjourned the Executive Session at 7:32 p.m.

APPROVED



Board Chairperson



Board Secretary