

**Meeting of the School Board
David Douglas School District No. 40
January 27, 2022**

A Virtual Board meeting of the David Douglas School Board was held on Thursday, January 27, 2022 at 6:30pm.

School Board members present via virtual meeting were: Stephanie D. Stephens, Board Chair; Donna Barber, Vice Chair; Aaron Barrow, Frieda Christopher, Hoa Nguyen, and Gabriela Saldana-Lopez.

Also present via virtual meeting were: Ken Richardson, Superintendent/Clerk; Candy Wallace, Assistant Superintendent; Patt Komar, Director of Administrative Services; Derek Brown, Director of Assessment & Technology; Brooke O'Neill, Director of Curriculum & Instruction; Kelly Devlin, Director of ESL & Equity; Mary Pearson, Director of Student Services; Andy Long, Director of PK-12 Education; Taye Spears, Director of Diversity, Equity and Inclusion, and Laurie Brunelle, Board Secretary.

The agenda included consideration of the following:

Call to Order / Native American Land Acknowledgement

Auditor's Report – David Bledsoe, Auditor and Laura Caceres, Associate of Pauly, Rogers and Co. reported on the District's audit for the year ended June 30, 2021.

- An audit was conducted on basic financial statements and compliance with:
 - Generally accepted accounting principles and auditing standards.
 - The Oregon Municipal Audit Law and the related administrative rules.
 - Federal, state and other agency rules and regulations related to expenditure of federal awards.
- Summary of the results.
 - Audit opinion letter: a clean opinion was given with no reservations.
 - State minimum standards: no exceptions or issues requiring comment.
 - Federal awards: no issues of non-compliance and no questioned costs.
 - No separate management letter was given.
- Future accounting and auditing issues: Governmental Accounting Standards Board.
 - #87 - Leases.
 - #89 - Accounting for interest cost incurred before the end of a construction period.
 - #91 - Conduit debt obligations.

Ms. Christopher move approval of the Pauly, Rogers and Co Auditor's Report, seconded by Ms. Nguyen. The motion approve in a vote of 6-0.

Bond Discussion – Gulgun Ugur, Bond Counsel of Hawkins Delafield and Wood, Jeremy Wright, President of Wright Public Affairs, and Brendan Watkins, Vice President of Piper Sandler & Co. participated in the discussion and helped in answering the Board's questions. The documents provided to the Board were: proposed resolution and ballot title language, summary of the Bond Development Committee proposal, levy calculations and split sale of bonds, and proposed bond projects. The following information was discussed.

- Polling update: two polls were completed.
 - The initial poll was to help guide the Bond Development Committee work.
 - Options, ideas, price point sensitivities.
 - After taking the Bond Development Committee's recommendation to the Board.
 - Crafted caption question and summary. The language was used for the second poll.
 - Getting an accurate picture of where the District stands for the ballot language.
 - Make sure people understand it's a smart investment, is affordable, and meets the community's needs.
 - The District is sitting in a strong position to begin a Bond effort.
- With enrollment going down: reason for building a new elementary school.
 - As we grow out of the pandemic, we need to be ready for these students in our school system.
 - Building a school in the 21st century and giving them a modern education which requires space.
 - Pre-school for all and early childhood education.
 - Most of our current buildings are 70 years old and we cannot replace all of them at once.
- Added cost with building a new school: adding custodial, support staff, food service staff, and administration.
- Create a FAQ of talking points to help Board members answer questions from the community.
 - A FAQ will be available on the website which will be monitored and updated. This will be a living FAQ to be used as a resource for real questions.

- Proposed Resolution and Ballot Title. This is a first reading for the Board.
 - This document contains the description of the projects and is a contract with the voters.
 - Suggestion to add language around adding an addition to a school to meet our needs.
 - The current language does not contemplate additions to a school.
 - Under additional capital costs:
 - ◆ If the District has extra money and has fulfilled the list communicated to the voters, there could be flexibility under this language to add a project.
 - ◆ Projects should not be added that you may not be able to do.
 - It is the decision of the Board to authorize adding additional space to a building.
 - Summary has a 175 word limit: suggestion to take out the site address to add more words.
 - Through Board consensus: the language of “expanded classrooms” will be changed to “expansion of instructional space”.
 - The way this is written: if land becomes available it is not included in the language.
- Levy Calculations and split sale of bonds.
 - Bonds are 30-year issues: the average year is 32.
 - The total authorization of \$150 million is broken into two bond sales.
 - 1st Bond sale at \$60 million.
 - 2nd Bond sale at \$90 million.
 - Levy impact included in ballot information.
 - Projecting 79 cents.
 - Ballot title language included 32 years instead of 30 years.
 - Preserves the opportunity for the District to sell all the bonds at once.
 - Structuring assumptions.
 - Projecting for the property growth in the District.
 - 2.75% average growth is on the conservative side.
 - Tax collection rate is on the conservative side.
 - Urban renewal is not included in the numbers.
 - New development could bring down the cost per \$1000.
 - Update for 2022 market value current rate: 3-cent drop in the projected levy.
- The revised Resolution will be brought to the February Board meeting as an action item.
- Working together with Wright Public Affairs: next steps for February.
 - Preparing materials, talking points, and beginning to push out information to the community.
 - Making sure people understand what is in the bond.
 - Getting the voters to understand the need.
 - Social media and engagement activities.
 - Communication process:
 - Engaging student voice and families who are impacted.
 - Extending student voice into middle school.
 - Parent engagement.
 - Presentations.



Stephanie D. Stephens, Board Chair



Ken Richardson, Superintendent / Clerk