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June 4, 2013

In Support of SB 789

Dear Senate Committee Members,

Thank you for the opportunity to speak with you today on SB 789. We are grateful to Senator Hass and our local legislators who have co-sponsored this bill with him.

Beaverton School District has participated in the comparability analysis three times since we were required by statute. Each time, our comparable plans were significantly less expensive than OEGB plans. We have calculated a savings of \$25.8 million dollars or 260 teaching positions over a five year period (from OEGB's inception in 2008) through June 30, 2013.

We support SB 789 with the -2 amendment for the following reasons:

SB 789 is reasonable and efficient legislation


Beaverton School District and the other school districts outside of OEGB have consistently shown since 2008 that we have appropriately managed our employee health plans and provided comparable plans less expensively than OEGB plans.

There are costs to each district to produce the comparability analysis and there are costs to OEGB for their consultants to perform their review. SB 789 with the -2 amendment would limit the exposure that school districts currently incur in producing this analysis by eliminating the every two year requirement. SB 789 would be a welcome relief to school districts that are currently strapped for additional resources.

SB 789 does not change the intent of the statute

This bill leaves the option of employee bargaining groups or school districts to request an actuarial analysis annually. Should our bargaining groups wish to consider transitioning to an OEGB plan, the option remains open to them.

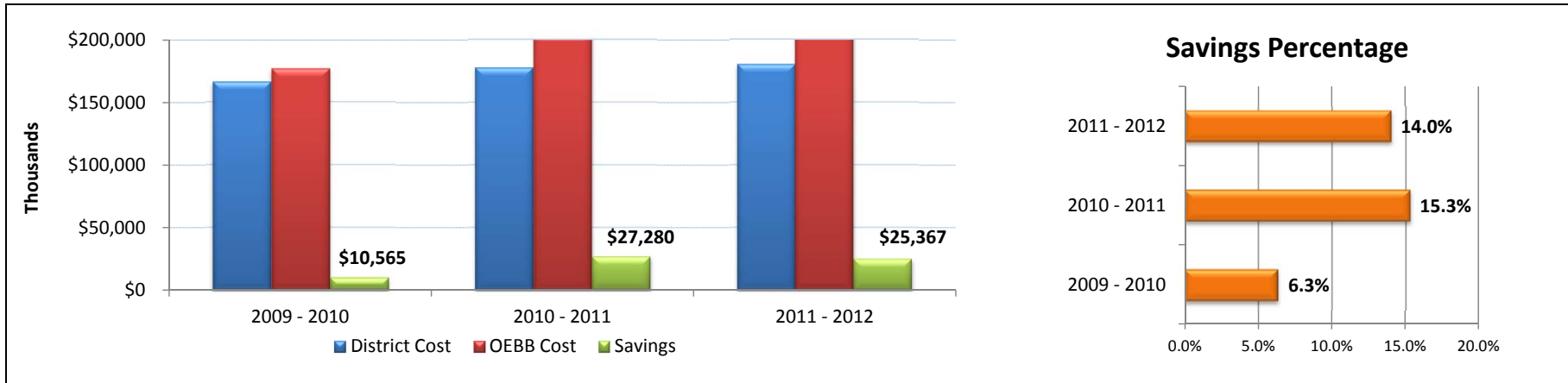
In addition, we support SB 789 because in these times, it is difficult to plan our budgets knowing that every two years, we could be subject to entering an increasingly expensive system that would continue to drain dollars from our classrooms.

Sincerely,

Debbie A. Johnson, RN
Beaverton School District

District Goal for 2010-15: All students will show continuous progress toward their personal learning goals, developed in collaboration with teachers and parents, and will be prepared for post-secondary education and career success.

The Beaverton School District recognizes the diversity and worth of all individuals and groups. It is the policy of the Beaverton School District that there will be no discrimination or harassment of individuals or groups based on race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, marital status, age, veterans' status, genetic information or disability in any educational programs, activities or employment.

IEBA Cost Comparison
 Summary of All Reporting School Districts
 Plan Experience (2009/2010 through 2011/2012)



District	2009 - 2010			2010 - 2011			2011 - 2012			3-year Savings
	District Cost	OEBA Cost	Savings	District Cost	OEBA Cost	Savings	District Cost	OEBA Cost	Savings	
Ashland	\$3,701,075	\$3,815,522	\$114,447	\$3,804,971	\$3,991,019	\$186,048	\$4,017,218	\$4,279,197	\$261,979	\$562,474
Beaverton	\$49,071,045	\$52,490,202	\$3,419,157	\$50,852,123	\$56,937,442	\$6,085,319	\$53,114,974	\$59,981,722	\$6,866,748	\$16,371,224
Bethel	\$5,342,234	\$6,108,257	\$766,022	\$6,358,241	\$7,737,509	\$1,379,268	\$6,651,298	\$8,252,884	\$1,601,586	\$3,746,876
Central	\$2,114,458	\$2,250,026	\$135,568	\$2,251,780	\$2,862,986	\$611,206	\$2,242,116	\$2,708,855	\$466,740	\$1,213,514
Corvallis	\$6,125,615	\$6,712,368	\$586,753	\$6,614,666	\$7,983,688	\$1,369,022	\$7,736,925	\$8,546,523	\$809,598	\$2,765,374
Fern Ridge	\$2,211,630	\$2,296,452	\$84,823	\$2,267,596	\$2,344,717	\$77,121	\$2,223,060	\$2,675,046	\$451,987	\$613,931
NCSD	\$27,268,724	\$28,778,238	\$1,509,514	\$27,113,667	\$31,437,664	\$4,323,997	\$27,742,216	\$30,984,431	\$3,242,215	\$9,075,726
Portland	\$55,471,882	\$58,274,275	\$2,802,394	\$56,006,726	\$67,366,657	\$11,359,931	\$58,481,711	\$67,608,476	\$9,126,765	\$23,289,090
Three Rivers	\$4,236,000	\$4,949,484	\$713,484	\$10,353,348	\$10,913,688	\$560,340	\$7,907,424	\$9,200,688	\$1,293,264	\$2,567,088
WLWV	\$11,058,853	\$11,492,180	\$433,327	\$12,467,334	\$13,794,973	\$1,327,639	\$10,698,266	\$11,943,988	\$1,245,722	\$3,006,688
Medford										\$300,000
Total	\$166,601,515	\$177,167,004	\$10,565,488	\$178,090,451	\$205,370,344	\$27,279,893	\$180,815,207	\$206,181,811	\$25,366,604	\$63,511,985
% Savings			6.3%			15.3%			14.0%	12.1%