

**PERS: District picks up PERS contribution as incentive**

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much,” Scholl said, explaining that it depends on what budget the next Legislature adopts.

Several things combined to create the galloping PERS cost increases, which are called unfunded liabilities. First, the Oregon Supreme Court rejected the Legislature’s proposed pension reforms in 2013.

That has been compounded by poor performance by the fund’s investments. While PERS is expected to make an annual return of 7.5 percent, stock market downturns have held the actual return to about half of that during the past few years.

It’s all exacerbated by a decision the State of Oregon made years ago. During the 1980s and 1990s, employees covered by PERS could choose a guaranteed investment rate of 7.5 percent or a variable account based on the current market.

When the market rate soared to 14 and 15 percent during good years, the State gave variable rates to everyone. That artificial level of

investment return couldn’t last, of course, but now PERS employers are stuck with high pension rates from the past.

“All those folks retired and then the market crashed,” Scholl said. “But you’ve committed to those retirees.”

However, a decision by Sisters School District administrators in 2003 is allowing Sisters to survive the high cost of PERS better than some other districts. That’s because the district joined others that purchased 25-year bonds in an attempt to soften the economic blow. Money from bond sales has gone to the State to offset future cost increases for participating school districts.

“We got in at 2003 and it really helped,” said Scholl, who is starting his second year as Sisters superintendent. “We invested against the PERS debt.”

“We prepaid our unfunded liability,” explained Sherry Joseph, the district’s new business manager. “Until the market improves, we will have unfunded liability.”

That liability takes dollars directly away from such things as hiring teachers or simply covering the cost of running the schools.

“It comes out of our budget, and if we’re doing that we’re not doing other

things,” Scholl said.

Sisters School District, like others throughout the state, pays all of its eligible employees’ PERS costs. Both Joseph and Scholl said requiring employees to pick up that cost could have negative repercussions.

Joseph believes the district would lose teachers if they were forced to pay the 6 percent PERS contribution.

“You have to be competitive in this market,” Scholl said.

He added that it’s better financially for the district to pay the PERS contribution because the district’s PERS responsibility is based on the total amount of employee wages. Scholl said the district actually pays less with PERS as a contract benefit than as part of workers’ salaries.

Another ingredient in the school district’s financial picture involves enrollment. The State allocates funding based on the number of students in a district. Sisters’ enrollment had been declining by 3 to 5 percent until it showed a slight gain last academic year.

It will be a few weeks before the district has a solid enrollment number. Even after that is known, the State’s per-student allocation won’t be revealed for months.

**EAGLES: Library will host raptor art display next month**

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As I approached the east end of the bridge there it was, another adult baldy coming at me like a F-16, as though someone had said to it, “Hey! Get going! Jim’s almost at the west end of the bridge!”

When I crossed the Clark Fork the last time I saw two more adult bald eagles, but when I crossed the Coeur d’Alene River, no one was there to cheer me on.


I stopped at the Lake Coeur d’Alene overlook to enjoy the scenic view of that enormous inland lake: a leftover from the magnificent Bretz Floods, named for J. Harlen Bretz, an American geologist best known for his persistence that led to the acceptance of the Missoula

Floods carving out the Columbia Gorge.

Yes, I looked for eagles, but had to be content with spotting eight osprey, four adults and four juveniles, all preparing to get underway for wintering in Mexico, Guatemala, El Salvador, Costa Rica and other points south.

Crossing the Columbia into Oregon netted me one more immature baldy, but from then on to Sisters I had to be content with a golden soaring over the pillow lavas of Cow Canyon on Highway 97 north of Madras.

Oh, and while we’re on the subject of eagles: For all of September the Friends of the Sisters Library Art Committee will have an exhibit of local artists’ and photographers’ raptor art on display in the Sisters Library, and if we can find a way to schedule it, I’ll be giving a raptor talk. Hope to see ya!



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