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Following government regulations for bankers can be back breaking

One thing local banker George Koffler never expected to worry about on the job was getting a hernia.

Koffler, who is vice president of the Bank of Eastern Oregon in Heppner stands with the 52 pound stack of current federal bank regulations and compliance manuals that he must contend with daily at the office.

"Most regulations start out as someone's good idea," Koffler pointed out. "But once they enter the political process, they get loaded up with add-ons and extras and before you know it, one simple idea becomes a 200 page regulation that bankers all across the country are expected to follow."

Putting an exact dollar figure on the size of the burden is difficult. The American Bankers Association estimated that the nation's banks paid out \$10.7 billion in 1991—a whopping 59 percent of their profits—just to keep pace with the industry rules and regulations. Another more recent study, by the Federal Financial Institutions Examinations Council, placed the total as high as \$17.5 billion annually. One banking information services company has stated that the cumulative stack of laws and regulations, updates and changes governing today's financial institutions exceeds 200,000 pages and is growing every day.

Moreover, the banking industry could support an additional \$20 to \$30 billion of lending each year if only 25 percent of the resources banks now spend on compliance could be redirected to bank capital.

Reflecting on his own experiences, Koffler explained how



George Koffler stands with his books of bank regulations that he must contend with daily

well-intentioned laws often translate into hundreds and hundreds of pages of detailed regulations.

"It is a story of bankers drowning in a sea of paperwork, and of communities bearing the brunt of less and less available credit, as more and more bank resources are shifted away from the core of business of banking and expend-

ed on compliance," Koffler said.

While recognizing that "safety and soundness are critical to the industry," Koffler also pointed out that "we must not lose sight of the fact that for the industry to be safe and sound, banks must be profitable. And to be profitable, they must not be weighted down by stacks of unnecessary regulations."

Two men arrested in car theft

Two Hermiston men were arrested in connection with the theft of three pickups from three Morrow County farmers. Pickups were stolen from Fritz Cutsforth, Heppner, Wayne Seitz, Lexington and Ken Nelson, Ione, last Tuesday, Jan. 26. A Morrow County Sheriff's deputy recovered a pickup stolen out of Hermiston which lead to the discovery of the Morrow County thefts.

Oregon State Police arrested Shawn T. Adlard, 22 and Bobby G. Burgess, 26, both of Hermiston, in the parking lot of the Prairie Wood apartments near the Umatilla State Police office.

The arresting officer saw the stolen car and blocked it with his patrol car while he waited for police backup.

Police found stolen property, suspected methamphetamines,

burglary tools and firearms in the car.

Adlard and Burgess were lodged by Morrow County at the Benton County Washington jail on multiple charges.

Adlard was arrested on charges of unauthorized use of motor vehicle, driving while suspended, possession of a controlled substance, first degree forgery, negotiating bad checks, second-degree burglary, possession of stolen property, convicted felon in possession of a firearm, possession of burglary tools and second-degree theft.

Burgess was arrested on charges of second degree burglary, possession of stolen property, possession of burglary tools, second-degree theft and convicted felon in possession of a firearm.

'Pinocchio' auditions set

Auditions will be held for the Missoula Children's Theatre performance of "Pinocchio" at the Heppner Middle School gym on Monday, Feb. 8 from 3:30-5:30 p.m. Fifty roles are available for local talent and students K-12 and adults are encouraged to audition.

Rehearsals for some cast members will follow auditions and will continue throughout the week. The performance will take place on Saturday, Feb. 13 in the Heppner Middle School gym at 7 p.m.

"Pinocchio" is made possible through US West and is presented locally by the Morrow County Museum with funding from the Morrow County School District's artist-in-residence program.

For further information call the Morrow County Museum, 676-5524.

District, teachers meet in factfinding session

The Morrow County School District (MCS D) and Morrow County Education Association (MCEA) met with a state factfinder on Wednesday, Jan. 27 at the Heppner Elks Club. The district and the teachers are five months into the school year without a contract and negotiations had reached a standstill.

After hearing testimony from both sides at the factfinding meeting, factfinder John Hayduke will evaluate the information and make a recommendation after 30 days. In the meantime, the district and teachers may negotiate, which they had not been able to do since the teachers declared an impasse in negotiations last fall. Once the factfinder makes his recommendation they may accept or reject the factfinder's decision. The decision is not binding.

The major bone of contention between the teachers and the district is the teachers' salary schedule. The MCS D and MCEA agree on the base salary of \$20,400 at the lower end of the pay scale, but differ on salaries for teachers at the upper end.

Currently employed full-time teachers' salaries now range from \$20,400 base, plus \$9,933 in benefits (FICA, Public Employee Retirement System, PERS, PERS Pickup, insurance) for a total of \$30,333 to a high of \$36,918 base, plus \$14,236 in benefits. Extra days and extra duties can also increase teachers' salaries.

The district proposes a two percent increase the first year of the contract and a two-and-a-half percent increase the second year for a total of four and four-and-a-half percent increases, including two percent cost of living increases each year.

The education association proposes restructuring of the salary schedule that would provide salary increases ranging from two percent at the base salary to around eight percent at the upper level, plus two percent cost of living increases.

MCEA says that the salaries for teachers on the upper end of the pay scale rank 47th out of 47 districts. They say their proposal would increase that ranking to 39th out of 47.

Mike Persons, Oregon Education Association negotiator, said at the factfinding session that the district has increased its carryover from \$1.5 to \$2.5 million and charged that the district is "building a savings account on the backs of the employees (teachers)." MCEA says that the raise will cost the district roughly \$111,000 which MCEA says could easily be taken out of the carryover.

The district does not dispute the increase in the carryover, but maintains that the increase is necessary because of anticipated

cuts because of Ballot Measure 5, inflation and enrollment growth. The district says they anticipate a 20 percent reduction in spending.

According to the district teacher proposal, salary increases, plus already built-in step increases and other payroll costs, which amount to around 25 cents for each dollar, will result in around \$300,000 in payroll increases for the 1992-93 contract year. They also say that the carryover must be sufficient to support the district from June 30 until they receive monies from taxes in November and in the event of unexpected problems.

The district and teachers differ on interpretation of Oregon legislators' comments concerning carryovers and Ballot Measure 5. The district says that legislators have indicated that a large carryover will help the district when faced with state cuts.

MCEA says that the legislature has indicated that large carryovers will reduce the amount of state aid and hurt the district.

Other disputed factors include: *Insurance. The district is offering \$400 per month in insurance benefits per teacher, for a total of \$4,800 a year. MCEA asks that the insurance benefits be raised to \$460 monthly per teacher for the first year of the contract and \$535 per month for the second year to maintain current coverage with their present insurance carrier.

The district says that comparable coverage could be purchased for under \$400 a month if the teachers are willing to switch carriers.

*Site committees. Under new regulations, site committees are required at each school. Teachers are asking to be paid for the training to be on the committee and for time spent in committee meetings. The teachers and district also disagree on terminology for election of members of the committees.

*Aides. The teachers are requesting instructional assistants for non-English speaking students (NES) and limited English speaking students (LES), on a ratio of one aide to every 10 students and as required for mentally retarded students. There are currently 30 NES students, 116 LES and 15 mentally retarded students in the district.

*Preparation time. Teachers now have 30 minutes of preparation time specified in their contracts. However, the negotiating team says that elementary teachers actually get 60 minutes of prep time, because students spend time away from the classroom in music, art, PE and other programs. Because the teachers fear that cuts in special

programs may eliminate 30 minutes of prep time, they are asking for 60 minutes in their contract. MCEA says that junior high teachers actually have around 80-100 minutes of preparation time and high school teachers get around 100 minutes.

The district, however, says that providing additional teachers to cover for the additional half hour of preparation time during class time would be the equivalent of hiring five full time teachers.

Persons said that the teachers realize that budget cuts could result in teacher layoffs.

Ed Rutledge, MCS D negotiator, said that increased salaries and layoffs could result in bigger class sizes and countered that having fewer educators would "transfer the budget shortfall to the backs of the students."

Zipper clause. The district maintains the clause would prevent the teachers from raising new issues during the term of a contract. The MCEA says that the district is asking the teachers to "waive their existing rights to bargain changes in working conditions," according to Persons.

Early retirement. The MCEA is asking for an annual stipend of three percent of base pay for teachers with 25 years with the district; two percent for those with 20 years and one percent for those with 15 years. The stipend would be for 80 months or until the employee would qualify for social security benefits. The MCEA says that the plan would save the district money.

The district says that the plan would add additional costs—monies for teachers as they reach the upper wage steps and monies for retirement stipends.

The district dropped a proposal that teachers not be allowed more than one step increase a year. With the teachers' proposal, with step increases and cost-of-living increases, a teacher could receive a salary increase of around seven and-a-half percent.

The district also dropped a proposal that teachers be required to work eight hours a day. According to Morrow County School Superintendent Ralph Reed, teachers' hours now range from five-and-three fourths to six-and-a-fourth hours a day. According to Cara Osmin, a member of the MCEA negotiating team, teachers work around 7.5 hours a day, depending on their school building. The 7.5 hours includes a duty-free half hour lunch. MCEA dropped a proposal that if the PERS Pickup (a public employee retirement contribution that is now made by the district) is discontinued by law that all salaries be increased by nine percent.

Child passenger safety week set

Heppner Police Chief Rathbun has announced that February 8-14 will be observed as "Child Passenger Safety Awareness Week."

In making the announcement Rathbun said, "the leading cause of death in children is automobile crashes. More than 70 percent of these deaths could be prevented if children were properly secured in safety seats. It is imperative that parents buckle their children into appropriate seats each and every time they travel."

The National Highway Traffic Safety Administration estimates that as many as 49,000 injuries and 455 deaths could have been prevented in 1991, if every child under the age of five was correctly secured in a child safety seat.

School lunch prices increase

The Morrow County School District at a special meeting Feb. 1, announced plans to increase lunch prices for Morrow County students.

According to Shirley Landauer, district accountant, elementary school prices will rise from 75 cents to \$1 and junior high and high school lunches will go from \$1 to \$1.25.

According to Landauer, the district lunch program budget for this year was around \$715,000. \$350,000 of the lunch budget was transferred from the district's general fund, the remaining portion was obtained through lunch sales and reimbursements from the federal lunch program.

Silver donated for pool raffle

One hundred ounces of silver have been donated by Bill and Patty Gentry of Heppner to "People for the Pool" to raise funds for a swimming pool in Heppner. Raffle tickets for the 10

Landauer said that the district expects to save around \$150,000 this year through portion control, group purchasing through Multnomah County Education Service District, implementation of district-wide menus and lunch price hikes. Landauer said that milk, fresh meat and produce will continue to be purchased locally. She said that she expects that it will be another two years before the program breaks even.

Adult lunch prices will remain the same until teacher contract negotiations are over, she said.

In other business the board voted to extend employment contracts to Landauer and assistant superintendent Roger Helmer.

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