



Reedsport School District

BUDGET COMMITTEE MEETING

MINUTES

May 16, 2023 at 5:30 pm

I. CALL TO ORDER @ 5:30 pm

II. ESTABLISH A QUORUM

- A. Linda Goalder, Caryn Hamner, Bonnie Booher, Pam Dailey, Sheila Marshall, Carrie Oldright, Jack Dailey, Denese Hale, Carey Jones, Jon Zwemke, Rachel Amos, Sharmen Tipton and Al Campbell

III. PLEDGE OF ALLEGIANCE

IV. PROPOSED BUDGET DISCUSSION

- A. Bonnie Booher nominated Caryn Hamner as the Chair of the Budget Committee. Carey Jones seconded. Vote: Yes 8, No 0. Approved.
- B. Carey Jones nominated Pam Dailey as the Vice Chair of the Budget Committee. Bonnie Booher seconded. Vote: Yes 8, No 0. Approved.
- C. Rachel Amos, RSD Business Manager contracted through South Coast ESD, gave our proposed budget presentation.
- D. Jon Zwemke read the Budget Message into the record.
1. The 2023-2024 school budget is designed to meet the overall needs of the students in the Reedsport School District. It is presented as a required by ORS 294.305 through 294.520. In developing this budget, the school district continues a focus on the stated mission, "EMPOWERING INDIVIDUALS TO REACH THEIR FULL POTENTIAL AND ACHIEVE THEIR GOALS."
- This budget is based on the first year of the 23-25 State School Fund (SSF) allocation of \$9.90 billion, with a 49/51 split. The extended Average Daily Membership/weighted (ADMw) for the district decreased to 833.65 for 2023-2024, for an overall SSF allocation estimate of \$6,088,008. Revenue estimates for the General Fund project our resources at \$10,697,362 for the coming fiscal year, as compared to \$11,006,296 for the current year. This represents a decrease of \$308,934, of which \$264,089 can be attributed to the SSF Revenue decrease related to declining enrollment.
- The budget proposed tonight will allow the District to continue pursuit of its Continuous Improvement Plan (CIP), while working to maintain a strong ending fund balance and build reserves, as directed by the Board of Directors (BOD). As we observe the federal stimulus funds sunseting, we remain committed to supporting our staff and the students of our community with a well-rounded budget.

As technology inventory continues to increase, so has the need to maintain and service this equipment, both for longevity of use and educational best practices. The focus of promoting post-secondary outcomes for students through alignment of K-12 programming and instruction continues to be a priority.

Reserve funds such as those for technology, facilities, instructional materials, and vehicles are included in this budget, as significant increases in costs to these types of items and future upgrades need to be anticipated while finances are strong.

Continued support for the social/emotional/mental health of our students and staff also remains a focus.

This budget is founded on the fiscal development of our District programs and provision to ensure academic and social success of our students, and empowerment of our staff. It is educationally sound, fiscally responsible, and in compliance with statute. I appreciate the support, participation, and input provided by the community, families, District staff, and BOD members in the collaborative budget presented.

- E. The budget is the district's financial roadmap for the year. It allocates our expenditures and puts together the spending plan based on the revenue that we estimate to receive in for the next fiscal year.
- F. Why is the budget committee required by law? Tax payers fund school districts so there must be accountability and transparency of the spending plan.
- G. What is the role of the budget committee? The committee is made up of school board members as well as community members. The committee will review the proposed budget document. The public is allowed to make suggestions to the budget committee during the community comments section of the agenda. Unions also review the budget plan before it is referred to the BOD for approval of the budget.
- H. What does the budget committee not do? The budget committee can not set salaries or benefits, those are contractual obligations. The budget committee does not determine staffing, that is the purview of the superintendent and administration. The budget committee does not decide if a service or program should be provided. The budget committee does not make district policies, that is the purview of the BOD.
- I. Once the committee refers the budget plan to the board for adoption, the BOD has the option to make changes and adjustments within 10% of the approved budget numbers that the budget committee proposed. Anything over 10% must be referred to a supplemental budget meeting.
- J. Budget Funds
 - 1. 100 – General Fund
 - 2. 200 – Special Revenue Fund
 - 3. 300 – Debt Service Fund (for district current bonds)
 - 4. 400 – Capital / Building Fund

5. 750 – Other Fiduciary Fund is scholarship and foundational funds that the BOD does not have governance over, but the law requires those funds to be tracked and reported in the budget.
- K. Salaries are down from last year. Committee member asked by how much. The answer is, by 2% from last year.
- L. Major Changes from 22/23 to 23/24 Fiscal Year
1. General Fund revenue decrease \$308,934 – Page 13
 - a. State Sources (3000) -\$249,061 – State School Fund
 2. Instructional Licensed & Classified FTE decreases – Pages 15, 17, & 19
 - a. Positions supported by state & federal funding in grant funds.
 3. SPED Licensed FTE increase – Page 25
 - a. Additional position posted as we have significant support needs in that area.
 4. Nursing Service Increase – Page 32
 - a. Updating budget to reflect School Nurse at each building instead of one for both. As well as and additional 1:1 nurse for special needs students.
 - b. Cost is higher than private sector because it includes salary plus 32% for PERS.
 - c. Depending on salary, it is possible to fill those contracted service positions with a district employee but the costs would be similar and hard to hold those positions in the district due to turn over.
 5. Speech Service Increase – Page 34
 - a. Additional Adaptive Life Skills (ALS) students and decreased Education Services District (ESD) allocations
 - b. We currently contract one speech instructor from the ESD for both buildings.
- M. Debt Service – PERS Bonds and General Obligation Bond
1. Once the bonds have closed we are able to go out for a new bond. Interest rates are very high right now. We are keeping an eye on the interest rates to be sure we secure a bond at the lowest rate possible.
- N. ODE requires us to use funding in a certain way to show Maintenance of Effort. Adjusting fund accounts can be a requirement of ODE reporting.
- O. Youth Transition Programs (YTP) grant has increased, but is a federal and state direct reimbursement grant. We have yet to use the full amount available in a year due to staffing.
- P. 291 on pg. 155 is mostly a reserve fund that we are trying to build up. Any instructional material including metal shop, woodshop, art, band and theater curriculum and equipment is currently run through the general fund.
1. The district has spent a significant amount of money on these programs this year. If teachers are crowd sourcing for additional funds, it is because they are wanting to do special projects on top of the funds we have already allocated.
 2. Shop has two other grants that we can use for shop which is funds that are additional to what is already in the budget.

3. Board member suggested that we need to get that information out to the community and support groups because the board is being asked why staff are eliciting additional funds. The impression is that the district and board are not supplying these programs with the funding they need.
- Q. 299 – Student Body Fund is a fund we budget based on projections. This is not an actual cost. This is an allowance that lets us spend money where ever the clubs need it. There are around 30 different clubs that have individual accounts that make up this fund.
- R. The budget is a spending plan based on estimates of revenue. If we don't have the estimated revenue then we will need to adjust spending and the BOD reviews the budget every month to watch that we are on track or if we need to make adjustments.
- S. It is possible that our enrollment projections will change when the new apartment complex begins occupancy. If that changes, we will need to have a supplemental budget to take that additional revenue and cost into account.

V. COMMUNITY COMMENTS

Individuals may address the Board on agenda items. Please let the Board Chair know which item you wish to address. You are limited to no more than three (3) minutes. You may address the Board on a topic not on the agenda as long as it does not pertain to a complaint against a staff member. However, the Board reserves the right to refer the matter to the administration

VI. ACTION

- A. Jack Dailey made a motion to approve the Douglas County School District #105 / Reedsport School District budget for the 2023-2024 fiscal year ending June 30, 2024, in the appropriations amount of \$18,108 and unappropriated ending fund balance amount of \$1,250,398, for a total budget of \$19,359,296. Carey Jones seconded. Vote: Yes 8, No 0. Approved.
- B. Carey Jones made a motion to approve the taxes provided for in the proposed budget of a permanent tax rate of \$4.3788 per \$1,000 of assessed value for the General Fund operations and a tax for bonded indebtedness in the amount of \$682,342 for the General Obligation Bond Series 2019 in the Debt Services Fund. Sheila Marshall seconded. Vote: Yes 8, No 0. Approved.

VII. FUTURE AGENDA

- A. No Budget Committee Meeting #2 necessary. May 31, 2023 5:30 PM meeting is canceled.
- B. Budget Hearing and Regular Session School Board Meeting June 14, 2023 6:30 PM

VIII. ADJOURNMENT @ 6:41 pm

Submitted by Sharmen Tipton, Reedsport School District Executive Assistant / Board Secretary

<u>CAREY D JONES</u>	<u>6/14/23</u>	<u>Jon Zwemke</u>	_____
Carey Jones, Board Chair	Date	Jon Zwemke, Superintendent	Date