

ALSEA SCHOOL DISTRICT 7J
Budget Committee Meeting
Thursday, May 19, 2022

1. Call to Order, Flag Salute - 1800

2. Roll Call

Budget Committee: Sara Cash, Terry Lunsford, Joni Olsen, Jamie Olsen

Budget Committee Absent: Kenneth Vogler, Kimberly Lanning

Board Members: Linda Montanez, Deb Lindberg, Risteen Follett, Robert Webb, Ryan VanLeuven

Board Members Absent: None

Staff: Sean Gallagher, Nancy Hall, Nathan Roberts, Shirley Koetz, Tim France, Eric Clendenin

Patrons:

3. Election of Officers

Nomination of Chair: Risteen Follett moved to nominate Joni Olsen as Budget Committee Chair, Deb Lindberg seconded, no other nominations were received. Motion passed unanimously approved.

4. **Nomination of Vice Chair:** Risteen Follett moved to nominate Sara Cash as Budget Committee Vice Chair, Terry Lunsberg seconded, no other nominations were received. Motion passed unanimously approved

5. **Approval of Agenda**

Risteen Follett motioned to approve the agenda as presented, Ryan VanLeuven seconded, all in favor, motion unanimously approved.

6. **Approval of Minutes** – May 20, 2021

Deb Lindberg motioned to approve the May 27, 2020, minutes, Ryan VanLeuven seconded, motion unanimously approved.

7. Budget Message –

Sean Gallagher read the 2022-2023 Budget Message. Highlights included:

- A. The proposed budget is approximately \$12.9 million, \$3 million more than the current 2021-2022 budget and is a balanced budget.
- B. May 2022 adjustment for 2020-2021 is approximately \$800,000 We need to ensure that all dollars spent maximize the value for our students in their education. This amount is heavily inflated for ASD due to the district's failure to accurately estimate Average Daily Membership (ADM) figures for 2020-21, these were grossly underestimated, thus the state kept \$800K of valuable school support funds rather than our district being able to use these dollars until now. We are currently looking into other grant funding streams that are based upon ADM and we are fearful the district will be underfunded based upon low ADM predictions.
- C. The 2022-23 district budget is starting to reflect cutting back expenditures. The Board of Directors recently voted to refocus programming on two priorities:
 - Brick and Mortar
 - Learn At Home Oregon (LAHO)

All related staffing and contracts for the programs which are no longer supported

have been eliminated from the 2022-23 budget. These programs include Alsea Options, Bear Creek Elementary, Greenways, and Corvallis Farm School.

All existing contracts with outside organizations are being evaluated, renegotiated to protect the district, and in some cases cancelled (i.e. \$800K contract with Synergistic).

- D. The process of developing the 2022-23 budget was very inclusive to ensure multiple eyes are looking at predicted expenses. From the reaction of included staff, this process has not been used before or at least for a very long time. The value of including multiple staff in the budget process ensures that staff have the resources they need to effectively conduct business and are held accountable for future expenditures. The district will be training staff on an expenditure approval process that includes checks and balances using the Infinite Visions (IV) financial software package. This will help considerably to avoid overspending of budgets for the 2022-23 school year.
- E. The 2022-23 budget does include some staffing improvements such as hiring a K-12 Counselor, moving to a K-12 Principal and K-12 Athletic Director/ Vice Principal, and a Public Information Officer (PIO) on a personal services contract (as needed) to help influence public perception of ASD. There are wonderful accomplishments occurring in ASD, these need to be highlighted. The overall admin restructuring is not an added expense since it simply reshuffles the elementary and secondary principal positions.
- F. The district has re-established a strong working relationship with LBL ESD staff and programs who provide services through the state school fund for all regional districts to utilize. The ESD provides access to programs in technology, special education, specialists, etc... that ASD otherwise would not be able to afford. By working with LBL ESD, it provides less reliance on budgeting for certain items when these services are already provided through the basic school support already being sent from the state to LBL ESD on behalf of ASD.
- G. I want to impress upon the budget committee and board of directors that the district is resetting processes and focusing on proper checks and balances to ensure that valuable district dollars are being budgeted and spent appropriately. Staff are responding well to these efforts; it will simply take some time to accomplish. I am glad we have a balanced budget to present to the district for the 2022-23 school year. I know that next year's budget build will be even better.

8. **Revenue:** This budget is based on funding from the state of \$9.2 billion for K-12 schools of Oregon spread out over 2 years.

- a. The district student enrollment is increasing due to Learn at Home.
- b. Federal Funding is stable.
- c. Bussing continues to be reimbursed at 80%.
- d. General Fund Revenues are **\$12.9 million**.

9. **Expenditures:** As referenced previously, the school budget for the **2021-2022** school year is **\$15,477,164**. This budget allows for the continuation of the running of Alsea School District, while preparing for possible future declines in revenue relative to rising costs. The district will continue to

manage the funds available in a conservative manner while at the same time realizing the changes that are required for educating the future students of Alsea.

- a. The success and growth of the district's online program accounts for a large portion of the funding increase.
- b. The budget reflects the priorities needed to maintain programs in support of teachers and students.
- c. Committee members asked questions about Online Schools, Increase of Licensed and Classified salaries.

10. Review of Special Revenue Funds

Special Revenue funds house our grant funds which change from year to year. No questions.

11. Recommendations

There was one correction to the budget with an allocation of \$474,747 to be moved from fund 400 Capital Project funds to the bond. No comments or changes requested from patrons. Deb Lindberg motioned to approve. Risteen Follett seconded. All in favor, motion unanimously approved.

- 12. Approval of Budgeted Appropriations/Permanent Tax Rate (5.0811)** – Terry Lunsford motioned to approve. Deb Lindberg seconded. All in favor, motion unanimously approved.

- 13. Current debt service**, We are moving \$90,000 from our current debt services to general obligation bond. Risteen Follett motioned to move \$90,000 from debt service to the general obligation bond; Linda Montanez seconded. All in favor, motion unanimously approved.

14. Approval of Proposed Budget

Risteen Follett, I move that the budget committee of Alsea School District 7J as approved and amended the proposed budget for the 2022-2023 fiscal year in the amount of \$19,519,178, Terry Lunsford seconded. All in favor, motion unanimously approved.

15. Meeting was adjourned at 2111.

As recorded by,

Shirley Koetz

Board Chair: _____
Linda Montanez

Clerk:  _____
Sean Gallagher