

- 1.0 CALL TO ORDER**
On May 15, 2017, Board Chairman, Mark Penrod, called the first budget committee meeting to order in the cafeteria of the Central Linn High School at approximately 6:35 p.m.
- 2.0 ROLL CALL**
Members Present
Denver Pugh, Josh Harris, Mark Penrod, George Frasier, Parker Leigh, Mike Kirk, Rebekah Schneiter, Eric Gerber, Carolyn Jackson, Willie Tenbusch. David Goracke, Kaye Fox, Tim Moore were absent. Zone 7 Board Position vacant.
Others
Brian Gardner, Celeste Van Cleave, Susan Beaudin
- 3.0 INTRODUCTION OF BUDGET COMMITTEE MEMBERS**
Committee members introduced themselves.
- 4.0 ELECTION OF BUDGET OFFICERS**
Chairman - Josh Harris nominated Mike Kirk as Budget Chairman and Carolyn Jackson second the motion. Hearing no further nominations or discussion, a vote was taken and the motion passed 11-0. David Goracke, Kaye Fox and Tim Moore were absent for the vote. Zone 7 Board position was vacant.
Vice-Chair - Denver Pugh nominated Willie Tenbusch as Vice-Chairman and Mark Penrod second the motion. Hearing no further nominations or discussion, a vote was taken and the motion passed 11-0. David Goracke, Kaye Fox and Tim Moore were absent for the vote. Zone 7 Board position was vacant.
- 5.0 ESTABLISH COMMITTEE PROCEDURES**
5.1 Robert's Rules of Order – The Committee acknowledged meetings would be run using Roberts Rules of Order.
5.2 Review of Adopted Calendar – The Committee reviewed the adopted budget meeting calendar and noted there would be a change in location for the second budget committee meeting if one were needed. The second meeting would be held at the elementary school in the library.
5.3 Review Ground Rules – The ground rules for the Committee were reviewed.
- 6.0 REVIEW COMMITTEE RESPONSIBILITIES**
Superintendent Gardner explained the Committee approves the budget document as submitted or as revised by the Committee. The Committee has the authority, at the function level, to appropriate at the major function level. The Committee also specifies the property tax amount or rate for all funds in the approved budget.
- 7.0 BUDGET MESSAGE**
Superintendent Gardner read the message as submitted and as attached to these minutes.

8.0 REVIEW HIGHLIGHTED CHANGES IN GENERAL FUND

8.1 Revenue Fund - The proposed budget assumes a statewide 2017-19 biennium of \$8.2 billion K-12 state school fund allocation. Ms. Van Cleave explained Central Linn's 2017-18 estimate is \$3,372,532; only \$929 over 2016-17 budget number which according to May 1, 2017 state estimate is down another \$87,669 from the \$3,371,603 budgeted for 2016-17. Actuals, current year and what the county tells us, determines tax collection estimate. We use compounded 3% increase on 2015-16 actual tax collections; tax collection thus far estimated not to reach the 2016-17 budget. The Beginning Fund Balance is calculated on year-to-date 2016-17 expenses and anticipated revenue and expenditures to June 30, 2017.

Ms. Van Cleave then explained the state school fund timeline where the district in December estimates student enrollment and tax revenues for the following year; the state sends estimates and payments throughout the year but then makes final adjustments and payment in May a year later. May payment is reconciled on actual ADM and actual local tax collection. Student enrollment numbers are estimated by the trends in transfers and open enrollments and are paid using the best number in a two-year period. We are currently down about 30 students. Additional comments on revenue sources included unrestricted grants (funding for high cost disability students and ELL funding (\$33,873); federal forest fees (\$30,000) with a proposed Beginning Fund Balance of \$285,000. However, finalized state school fund numbers are not expected until the end of the legislative session in August.

8.2 Expense Fund – The general fund object summary is budgeted 80% for personnel. PERS rates are increasing for Tier I/II employees from 28.33% to 33.2% and OPSRP Employees from 23.64% to 27.87%. These rate increases equate to \$156,462 additional cost on required retirement contributions. The District also continues to pay the 6% employee pick-up for a total PERS cost of \$1,129,368 to the district for 2017-18.

Both classified and certified unions have ratified contracts for 2017-18. Licensed staff will be receiving 3.45% steps and classified staff receiving 3.5% rate increases. Both groups will receive a \$50 per month insurance cap increase and district paid life insurance. The Superintendent will receive a 1% salary increase; administrators and non-represented staff an estimated 2% increase.

It was reported there would be a loss of a 0.54 FTE 7th grade social studies teacher (on temporary contract); a 0.40 FTE elementary office staff person (retirement); and e-rate phone service discount is decreasing from 40% to 20% (major phone service being phased out). We have the need to add a 1.1 FTE ELL classified staff person and 0.475 FTE student transporter. The district is also looking to purchase elementary student school supplies and Advancement Via Individual Determination (AVID) grant activities for the high school.

Questions from the Committee regarding the general fund (maintenance) were answered as follows: Clarified the district has only budgeted utilities for the Brownsville building; conditions of our school roofs are such the facilities crew is being trained to apply a coating on roofs at the high school and parts of the elementary building this summer (not a long-term fix); we have budgeted approximately \$40,000 in contracted services for any other

maintenance problems that may surface next year; and, the Willamette Country Music Festival money goes to the booster club not the district.

9.0 REVIEW OF SPECIAL REVENUE FUNDS

Ms. Van Cleave commented, Title funds for next year were still an unknown but budgeted Title I with a 5% reduction based on this year's allocation and Title II with a 10% reduction. The new Fund 244, REAP, for rural schools that we can apply directly to the U.S. Department of Education will have a carryover this year and a new allocation for next year. These are flexible dollars and can be used for Title I, II, IV and V.

Food service changes are increasing the number of students eating, however; we are still transferring money (\$35,000) to supplement the program next year. A boost in enrollment would really help; also, if we had one kitchen it would save costs.

The District has been using dollars from the Dave Grieve Estate (Fund 286) to help support our music program by leasing band instruments. This helps offset those costs; no student pays a rental fee; and after three years, the district will own the instruments.

10.0 INPUT FROM THE AUDIENCE

None

11.0 COMMITTEE DISCUSSION

No further discussion by Committee.

12.0 APPROVE BUDGET OR SET TOPICS FOR SECOND MEETING

Denver Pugh made a motion that the Central Linn School District budget in the aggregate amount of \$8,643,612 be approved, and that the permanent tax rate of \$4.6179 per \$1,000 of assessed value be assessed in support of the General Fund. This permanent tax rate is expected to raise \$3,058,497 (estimated tax levy for the General Fund). Josh Harris second the motion, no further discussion, motion passed 11-0. David Goracke, Kaye Fox and Tim Moore were absent for the vote. Zone 7 Board position was vacant.

13.0 ADJOURN

The Committee discussed the positions coming vacant next year. Josh Harris and Denver Pugh stated they would be unavailable to serve another term on the Committee. Willie Tenbusch stated he would soon be moving out of Zone 5 but would consider representing Zone 7 if it became vacant. Carolyn Jackson and Mike Kirk stated they would be willing to serve another term.

At approximately 8:00 p.m. Denver Pugh moved to adjourn the meeting, Josh Harris second, motion passed 11-0. David Goracke, Kaye Fox and Tim Moore were absent for the vote. Zone 7 Board position was vacant.



Susan Beaudin, Board Secretary

6-12-17

Date Approved



Mike Kirk, Budget Chair



C. Mark Penrod, Board Chair

CENTRAL LINN SCHOOL DISTRICT 552C

2017 BUDGET MESSAGE

As I look to the 2017-2018 school year I am proud of what Central Linn has accomplished over the last 6 years and am willing to fight for the preservation of that progress. Central Linn Elementary School was designated a focus school by the state in 2012 reflecting its status as one of the bottom 15% of all Title I schools in the state. Today we are in the top 11% of all elementary schools in the state and in the top 3% of schools with similar demographics. The High School has had amazing growth as well; moving from the bottom 1/3 to the top 1/3 of all high schools in the state.

I am excited about the wonderful education our learners are receiving from one of the best, and clearly the most dedicated, staffs in the state. I am proud of the educational product that we are delivering to our children and our community. It is for the above reasons that I am submitting a lean budget; but a budget that maintains all current educational programs and contract teachers. At the time of publication the amount of State School Funding is in question and may not be known until summer. The state support for all of Oregon schools could be anywhere from \$7.8 billion to a high of \$8.5 billion; although the states own 'quality education model' would be closer to \$9.97 billion. This budget is based on the assumption of a \$8.2 billion State School Fund. This budget reflects a 'bare bones' minimum of what it takes to maintain current programming. We have worked too hard assembling this terrific staff and I will be calling your representatives' in Salem to advocate for adequate school funding. I ask you to do the same.

We have been able to maintain many programs that have disappeared across the state such as: Elementary PE and Music, Jr High Sports, a High School Agriculture program, funding of High School Sports, Choir, Band, Drama; as well as activities such as Friday School, Friday Enrichment, FFA, DECA, TAG summer day camps, summer programs for all learners and Outdoor School. We have done this through serious stewardship of the public's tax dollars and with volunteer support from the Central Linn community.

Central Linn is a district in the lead of a movement that puts the focus on our learners' needs, rather than the needs of the adults. We are recognized for this around the state by invitations to present at conferences, other Districts doing site visits, as well as just the talk amongst educational and state leaders.

As always, the questions I asked myself in developing this budget were as follows:

1. What is the impact on learners and classroom instruction?
2. How does this budget impact School Board goals?
3. Do people have the tools they need to accomplish the job we have asked them to do?

This budget, for the most part, maintains current services. I want to remind the community that I consider this document still fluid based on conditions we as a district do not control; but I will always honor its intentions. This proposed budget is balanced.

Sincerely,



Brian Gardner

2017-2018 BUDGET HIGHLIGHTS

State School Fund

- CL budget assumption reflects statewide 2017-19 biennium \$8.2 billion K-12 state school fund allocation
- Central Linn 17/18 estimate \$3,372,532 (only \$929 over 16/17 budget number which according to 5/1/17 state estimate is down another \$87,669 from the \$3,371,603 budgeted)

General Fund Revenue

- Taxes: 3% compounded increase on 15/16 actual tax collection; tax collection thus far estimated to not reach 16/17 budget
- Beginning Fund Balance: calculated on YTD 16/17 expenses and anticipated revenue and expenditures to June 30, 2017



PERS

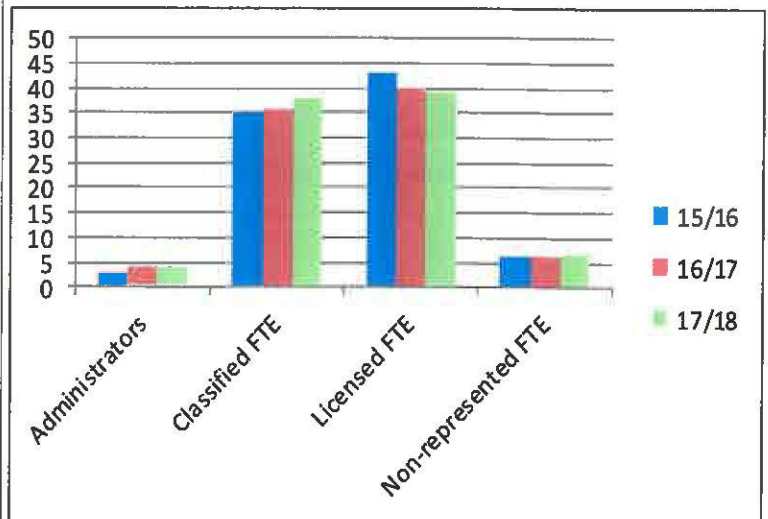
- PERS rate increase for 2017-19 biennium
- Tier I/II 16/17 28.33% 17/18 33.2%
- OPSRP 16/17 23.64% 17/18 27.87%
- Central Linn pays 6% employee pick-up
- Rate increase equates to \$156,462 additional cost on required retirement contribution. 17/18 budget reflects total PERS cost of \$1,129,368

Liability Insurance

- PACE is recommending a 2% increase over 2016-17 actual rates
- Liability insurance increase reflected in both property and vehicle 2017-18 insurance premiums

Labor Assumptions

- Both classified and certified unions have ratified contracts for 17/18
- Licensed staff receiving 3.45% steps and classified staff receiving 3.5% rate increase
- Both groups receiving \$50 per month insurance cap increase and district paid life insurance
- Superintendent 1% increase; Administrators and non-represented estimated 2% increase



	15/16	16/17	17/18
Administrators	3	4	4
Classified FTE	34.9	35.7	37.85
Licensed FTE	43.1	40.2	39.15
Non-represented FTE	6.3	6.3	6.6

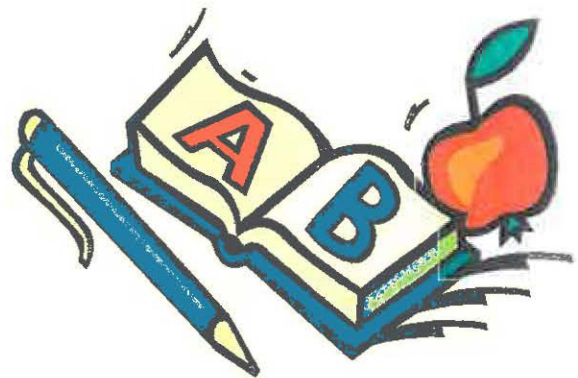
BUDGET LOSSES AND ADDITIONS



- Loss of 0.54 FTE 7th grade Social Studies teacher
- Loss of 0.40 FTE CLES office staff
- E-rate phone service discount decreasing from 40% to 20%
- Add 1.10 FTE ELL classified
- Add purchase of CLES student school supplies
- Add 0.475 FTE Student Transporter
- AVID grant activities

BUDGET UNKNOWNNS

- Finalized state school fund numbers not expected until end of legislative session August 2017 (-\$211,511 to +? swing)
- Continuation and/or renewal of ELL grant dollars (-\$48,000 to + \$90,000 swing)
- Measure 98 dollars: how much and when
- High cost disability funding possibly linked with Medicaid claiming
- PERS UAL backfilling
- May 16th last state fiscal estimate for 2015-2017 biennium will determine kicker distribution



Notes:



Central Linn
School District
Purpose

*Individualized
Education for
All Learners*