

Three Rivers School District
8550 New Hope Road
Grants Pass, Oregon 97527

05/13/2026

Budget Committee Meeting #1 – 5/13/2026

The Three Rivers School District Budget Committee met for their 2026-2027 organizational meeting in the school district board room at 4:00 p.m., Wednesday, May 13, 2026 - 8550 New Hope Road, Grants Pass, Oregon 97527.

**Budget
Committee
Met**

Members Present:

Shannon Hauberg-Budget Committee Member
Kevin Marr-Budget Committee Member
Bill Ertel - Budget Committee Member
Jennifer Ann Minglana-Budget Committee Member
Jennifer Johnstun-Budget Committee Chair Person-
Mariah Rossi-School Board Vice Chair
Cameron Camp-School Board Member
Rick Nelson-School Board Member
Nancy Reese-School Board Member
Pat Kelly-School Board Chair-arrived at 4:04

Present

Members Absent:

All Members Present

Absent

Also Present: Dave Valenzuela, Superintendent; Geoffrey Butler, Business Manager; Krystal Graham, Accounting Specialist, Jessica Knable, Board Secretary, Stephanie Allen Hart, Director of Special Education; Casey Alderson, Deputy Superintendent/Director of Human Resources, Jessica Durrant, Director of Curriculum, Robert Saunders, Director of Technology.

Also Present

4:01 Meeting Called to order by Mariah Rossi

Call to Order

Pledge of Allegiance

Kevin Marr Nominated Jennifer Johnstun as the budget committee chairperson

**Election of
Chairperson**

Shannon 2nd, all in favor

Jennifer Johnstun Elected Committee Chairperson

**Election of
Vice Chair**

Election of Vice Chair

Kevin Marr Nominated Bill Ertel as Budget Vice Chair

Rick Nelson 2nd, all in favor

Bill Ertel elected Vice Chair

**Budget
Message**

Superintendent Valenzuela delivered the budget message as submitted in the Proposed Budget. The development of the 26-27 Budget has been challenging due to the 3.5 million dollar shortfall between our expected funding and cost to operate. As always, the connection to our community that he has to our school district as a former student, parent and employee of Three Rivers School District is always at the heart of every decision. Students are always the priority in every decision that is made. Following our motto, "It's a TRSD Thing", bringing "Transparency, Respect, Service and Determination. The goal was to be transparent so that our board and community knew what was happening. Service remains the center of our work.

Strengthening enrollment and adding to our communities. Reinforced the fact that no

employees were cut, no days were cut or furloughed and readdressed the fact that we have not cut school days. The process required determination. Made cuts through attrition and removing our contract with custodial services. Protecting instructional time was also at the core. The addition of Applegate Valley Virtual Academy has added to our enrollment numbers and is also addressing a need our community has.

Increasing enrollment is the key to long term stability. We are continuing to strengthen our numbers because of our amazing schools. Maintenance is a priority, which is funded by local bonds. There is no question that we faced challenges, but we have an amazing staff that has built this budget and we will forward with more determination.

J Johnstun introduced Geoff Butler.

Geoff Butler introduced himself as the new Business Manager. Presented an agenda and encouraged the committee to ask questions as they come up. Went over the budget committee responsibilities. The board received the budget proposal and Mr Butler invited the opportunity for any public comment. No comment cards submitted from the public. Went over the topics that are included in the proposed budget. Informed the committee that we can hold another meeting if the budget is not adopted at this meeting. Present slide show.

Budget Overview

Reviewed the Topics of the budget.

Mission and Core Values, historical reflection, graduation rates and the document details.

Mission and Core Values-the reason why we are here-ensure that there are high levels of learning for all students. Making sure that we have student success resulting in life ready learners and lifelong learners. Creating a culture of care for all of our students and staff. Making sure that we are showing them an environment that they learn well in. Encouraging family involvement and community centered school culture. Bringing in our community. School Security and Safety is of extreme importance, recent importance has been highlighted in the last couple of weeks.

Addressing the historical reflection, 25-26 is the first half of the legislative biennium. 11.4 billion, 26-27 is the second half of the budget. 11.4 is the span over 2 years. This is the total amount and the state contribution is 67%. ODE changed calculation of the High Cost disability change is different from what we originally thought, less than what we anticipated. It was reconciled as a net amount rather than the estimated amount. AVVA has been added which has brought our charter schools to 4. Good connections with those schools. We have received grants that have allowed us the chance to build the NVHS bleacher and press box, the Renew America Schools grant which has allowed us to do energy projects, but there are some delays at the federal level. This allowed us to upgrade our HVAC Controllers. Stronger Connections Grant allowed us to install security doors

Enrollment numbers are still down from pre Covid, that was the intro of various factors, but after we have seen a normalization, however TRSD has had a 1.75 increase from the previous year. TRSD is looking for more creative ways to continue that increase. Improvement is on the horizon. Graduation rates are also improving. Slide displayed grad rates staying high and improving. SOSA has also increased our grad rates addressing those students who were not accounted for in the past.

SSF has increased due to AVVA enrollment ADM jump. Receive 51% , and then 49%. In addition, the state looks at what their commitment is. 67% is from the state with the

remainder coming from local grants and revenue. In 2027, there is a significant jump, expect an additional increase from the addition of AVVA. Transportation is a continued focus as we continue to advocate for funding resources for that. We travel over 10,000 miles a day. We are continuing to advocate for ways that we can get continued funding for transportation. Expenses do not agree to the funds that we are receiving. *Kevin asked if we still contract out transportation with First Student and if we pay for fuel.* Geoff explained that we receive a fuel surcharge but don't pay the actual fuel fee. The surcharge is there for that reason. Kevin tried to figure out 10000 miles times \$5.00. Asked about how much the surcharge is. Geoff said that he will look into those costs and get back to him. JenniferAnn asked about the transportation grant if it was just for school transportation and Geoff explained that yes it is. Kevin inquired about the 100,000,000 coming from the Feds, and Geoff explained that yes we get a percentage from the county after it is distributed. Unsure of what that number is. Kevin asked about money coming from forest payments to rural school districts. Around \$150,000 each time. Cameron calculated that it was \$12,000 a day in fuel. Pat asked what happens if fuel goes up to \$10 a gallon, more discussion...Dave Valenzuela said that we would have to renegotiate.

Budget at a glance was presented. General Fund presented, includes the General fund 100 and the Carryover 150. There is a significant increase from previous school year due to the addition of AVVA. Special Revenue, decreased by 10%.

Bill asked what page we are on. Geoff reminded board we aren't going page by page. We have an adopted budget of \$102,000,000 but for 26/27 we have a proposed budget of \$111,000,000.00

A closer look at the General Fund showed an increase thanks to AVVA. Digging in SSF is 65% of the current total due to the larger BFB. There are many smaller grants. Current Year Taxes are 27%, remainder is BFB, Common School Fund. Rick asked about AVVA contributed another 7 million in Revenue, but Geoff explained that 80% is paid out for AVVA in expenses. We do charge 15% for admin fees to AVVA.

General Fund Expenditures are the majority of salaries and employer costs, benefits. Dug deeper into where the expenses are going out. Supplies, provided services. The majority of expenditures are for personnel and support services. Additional aspects can be discussed. Bill Ertel asked about the portion of Capital Expenditures. Geoff explained that this is just a small portion of the general fund Capital projects. There are additional slides that cover other Capital Projects. There are 7.1 million dollars in allotted for Capital Expenses.

Fund 200, Special Revenue, Federal Funds, Title Funds, IDEA, SIA, HSS, and Nutrition. These are funds for students in need, and food service. Bill asked what the outcome difference is for Title 1A and Title 2A. Geoff asked for guidance to Durrant who asked for clarity. Bill asked what the difference was and Durrant explained that Title 1 is students Title 2 is staff. No other questions.

Fund 300 is for Debt Services. Full Faith and Credit is for IVHS re-roof for 2023, matures in 2033, the PERS Debt Service is from the 2004 Bond estimates is 25% of the total liability ending in 2028, Turf Debt Field is \$0. Bill asked if were paying 4.8%, Geoff wasn't sure, and then Bill pointed out the page and explained what he was looking at.

Fund 400 7.8 million dollars-Capital Projects, Grants, Waste Water Treatment, Construction Excise Tax, Energy Conservation Capital. Seismic upgrades and update. The largest reason for the increase in our budget, 2007 SB1036. Use these for

upgrades, maintenance, district wide operational repairs. Energy conservation capital is what we are using for our Renew Americas School Grant which is showing delays, was approved at the last board meeting.

Jennifer Ann-asked about using solar. Geoff explained we did meet with some individuals regarding this, and they are not ruling anything out but want to make sure it is the right fit for the district. Dave explained we met with a company last week and talked about some of those opportunities. Kevin Marr asked about the Fleming Wastewater. Dave Valenzuela said we are still working with the county. Currently providing them with an independent cost analysis. They are on a timeline to get back to us. We are still pushing them to take it over. Bill Ertel asked if there was any type of meeting being planned. Bill asked if there are any hearings being planned. They are establishing a deadline with the county and if that deadline passes then we will increase the amount they are being charged. Pat said there is chaos in the county and so that is causing delays. Pat explained that they are losing patience with the county but in the midst Pat is making sure they don't leave it on the back burner.

Fund 600 Self insurance, Internal service, our commitment to our people, what we provide to the students, how we get to achieving that goal. 1 million total budget. Able to charge grants externally, bring into our funds for use this is where those funds are allocated at \$640,000. Bill asked what the expenditures are in here. Geoff explained that these are required by law, and this covers our unemployment costs. Bill asked what the loss percentage is? Did we pay a million dollars? Dave explained that with new laws we have to pay for unemployment. We receive a bill from the state and pay from this fund. Shannon asked about the 601 fund, Geoff explained that is the fund that is where our indirect funds come from. This is the fund created for revenues for our indirect costs that we pay grants with. Shannon questioned about the significant decrease and Geoff said that he would have to look into it and would tell her at the meeting.

Fund 700 scholarship funds, most scholarship funds are now in the Redwood Scholarship Account. Some donors wanted the funds left in the District account, and are distributed as the donors request.

The next steps are for discussion, question and public comments. We will have another meeting for the board to adopt and approve the budget on June 10th.

Jennifer Johnstun asked if there were any questions. Kevin Marr asked about the fund 601, the drop was significant, he recalled when that BFB was \$5 million. Dave explained that was in the General Fund, we had a 3.5 million shortfall and the deficit was made up for by cuts in other areas. The hope is that with the addition of AVVA it will make up for the difference.

Bill asked about the increase in food service cost, and being fully reimbursed and Geoff explained that the GF had to cover some of the cost. Rob Saunders explained that we had to subsidize because of the increase in cost and what we were reimbursed. Working with Chartwells and the team, we incorporated The Summer School Foods program provides additional funding and we are getting creative in our efficiency of food service. Making it more accessible and making food boxes. Getting our meal counts up, because the more meals we serve the more reimbursement we receive. Bill asked about Charter schools participating and yes they do. HV makes meals for Woodland Charter. Virtual schools do not receive meals.

Rick finds it peculiar that we get a copy of the budget on the day of the meeting. Dave said that they received in time, but agreed with Rick and also reiterated the fact that we started late due to our Business Manager leaving half way through the year. Geoff had explained that we have been behind, however we got in on time.

**Committee
Questions
and
Discussion**

Rick asked on page 22 for employee benefits, and the increase on employee benefits, DV explained that there was an increase on benefit costs, healthcare. Jennifer Johnstun explained that she also experienced extreme increases in their costs as well which isn't out of the ordinary. The increase is inline with what is happening across the industry.

Bill said he was confused because it looks like we budgeted the same amount for employee benefits, but we actually are saving money in the budget because we didn't fill empty positions. He was looking at a different column. In the attrition, we were able to also decrease our benefits cost. Bill asked how many participated in insurance, Casey said probably around 92%. Bill spoke about families not needing insurance if another family member had insurance. Geoff also explained that this is the adopted budget, the benefits are expected to be about 17.5 million but we are still in the midst of our current year. Geoff explained that the EFB is still in flux because we are still in the current year and it is an estimate. Our expenses primarily this year is for maintenance and district wide services.

Shannon wanted to make a point about thanking Dave for providing Summer meals and the Summer reading program. Other districts are not offering meals or reading or programs.

Jennifer Johnstun asked about end time. Dave instructed that time is ok.

Mariah asked about instruction, and questioned if this was sustainable and if we have to pull it back. DV said it's always a possibility, but DV explained that we made reductions and got creative in how we carved down to the bone, but he hopes that the state doesn't cut anymore. Reductions were made to offset that 3.5 million. Lobbying is important, and we may have to address this again. He explained that with AVVA and with our increase, it helps generate a new stream of [revenue](#). We haven't just accepted the decrease but have been pro-active. Geoff also pointed out the jump with the charter school if you remove that, the instruction goes down significantly.

Bill asked about carryover-we pulled from that instead of cutting our positions and reduced our reserves. Geoff and Dave both explained that there are funds we don't touch as a contingency reserve but had to put some into account for emergencies.

Mariah asked about the PERS wall. When does that run out? Geoff explained that it is associated with Fund 302 and that it is there until 2028. We also have a significant opportunity to make savings there. DV said we are also watching the market, and knowing when to go out for bonds and being advised when to go out for a PERS bond.

Marr asked if we are paying coaches-yes. What is the tax rate right now-3.7262% if the budget committee approves today.

Do we have plans for future bonds? DV, working on understanding the economy. Difficult thing to ask the community for more money. It is always a part of the plan, but we are watching our economy and waiting for the right time. We are going to be going out for a bond.

How is our enrollment, and how are we supporting our Homeschool families? DV said this is the point of AVVA. Families have choice when it comes to their curriculum.

Jennifer Ann-asked about food service? SNAP participation? All students eat for free, more students eat, more revenue we receive but all students eat for free.

What about a 4 day work week? Have you seen a positive trend in budgeting?

Staff recruitment/retention is way up, getting a lot of applicants, Covid affected how we could anticipate our costs. Now we are trying to predict what it would cost to go back to 5 day week, which seems to be astronomical.

Jennifer Johnstun said there are no more questions. Asked budget committee if they were ready to make a decision. Kevin Marr "I move that the Three Rivers School District budget committee approve the proposed budget as presented and approve taxes for the 2026-2027 fiscal year at the rate of \$3.7262 per \$1000 of assessed value for operating purposes." Motion made to approve, Bill second, no discussion, all approved.

Pat asked after the fact if anyone wanted to question it, but it was explained to him that it was already passed so the board will have time to look it over and approve it. Pointed out that Rick expressed his opinion about not receiving the budget in a timely manner.

Jennifer also said she received the budget a few days ago. Dave said the school board has ample time to review the budget before the next board meeting. Kevin also thanked the employees for their professionalism.

Bill asked if there is a quarterly review of the budget. DV explained that it can be reviewed and there are periodic reviews but it's not scheduled. Bill commented about differences in the corporate world.

Jennifer Johnstun adjourned the meeting at 5:12

Respectfully Submitted,

Krystal Graham
Recording Secretary
Accounting Specialist