

NOTICE: The meeting will be open to the public via live broadcast on KRVM 1280-AM, the internet at www.4j.lane.edu/stream. or Zoom Webinar at <https://4J-lane-edu.zoom.us/j/97197530840>

Public Comment: Sign up to provide public comment: <https://www.4j.lane.edu/board/budgetcommittee/budgetpubliccomment/#requesttospeak>

The Budget Committee will hear public testimony via Zoom from community members who sign up in advance. Up to 10 people will be scheduled to provide public comment at each Budget Committee Meeting. Priority will be given to residents who have not recently provided public comment at a Budget Committee Meeting. The deadline to sign up is noon (12 p.m.) on Monday before the Budget Committee Meeting. District staff will contact requesters after the deadline to notify them whether they have been selected to speak and, if so, when and how to connect to provide public comment to the Budget Committee.

**6:00 PM
Budget Committee Meeting**

- I. **6:00 p.m. Regular Budget Committee Meeting:**
 - 1. Call to Order, Roll Call
 - 2. Superintendent's Message
Presenter: Dr. Andy Dey, Superintendent
- II. Items for Action at this Meeting
 - 1. Committee Administration
 - a. Election of Officers:
 - Budget Committee Chair
 - Budget Committee Vice Chair
 - b. Approval of Proposed Budget Committee Meeting Schedule for February–June of 2023
 - Proposed Meeting Calendar 2022-23 School Year:
 - Monday, January 30, 2023 at 6:00 p.m.
 - Monday, February 27, 2023 at 6:00 p.m.
 - Monday, March 20, 2023 at 6:00 p.m.
 - Monday, April 17, 2023 at 6:00 p.m.
 - Monday, May 15, 2023 at 6:00 p.m.
 - Monday, June 5 at 6:00 p.m. (*only if needed*)
- III. Items Raised by the Audience
- IV. Items for Information
 - 1. Financial Update 3
Presenter: Matt Brown, Director of Financial Services
 - Funding and Economic Update
 - Budget Committee roles and Responsibilities
 - Components of the Budget:
 - General Fund Revenue and Expenses
 - State School Fund
 - Enrollment
 - Staffing Allocations
 - Financial Forecast
- V. Budget Committee Wrap-up

- a. Items Raised by Committee Members
 - b. Agenda Items for Next Meeting
- VI. Adjourn

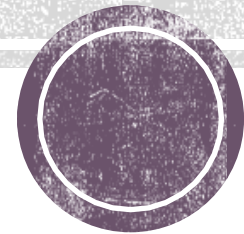
THIS MEETING WILL BE BROADCAST OVER KRVM-AM (1280)

INFORMATION FOR THE DEAF AND HARD OF HEARING:
Closed Captioning is available during Board meetings through a zoom live feed
which is also displayed at in-person meetings.

2024 Eugene SD 4J Budget Committee

Training, Roles, and Forecasting

1/30/2023



AGENDA

01 Welcome
Superintendent Time

02 Economic Update
What's going on?

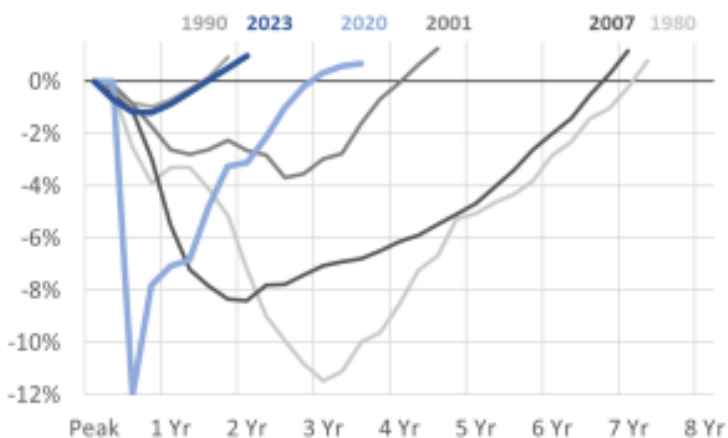
03 Budget Committee
What, Why, How
Roles & Responsibilities

04 Budget Breakdown
Funds, Enrollment, &
State School Funding

GENERAL ECONOMIC UPDATE

Oregon Recession Comparisons

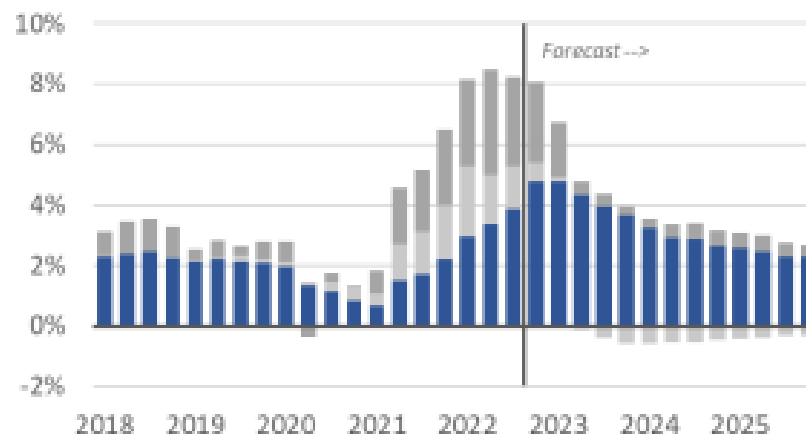
Employment percent change from pre-recession peak



Source: Oregon Employment Department, Oregon Office of Economic Analysis

West Region Consumer Price Index

Decomposing year-over-year inflation: Food and Energy, Goods, and Services

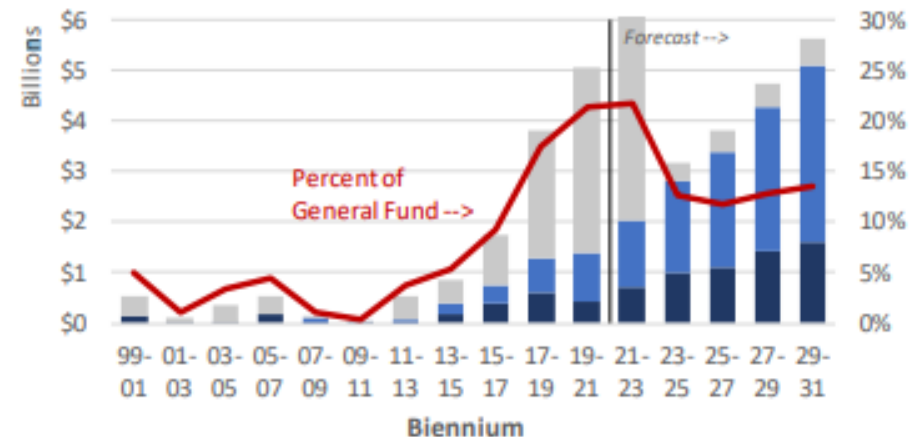


Goods and services are excluding food and energy | Latest: 2022q3 | Source: BLS, IHS Markit, OR Office of Econ Analysis

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Oregon Budgetary Reserves

Education Stability Fund | Rainy Day Fund | General Fund Ending Balance



Source: Oregon Office of Economic Analysis



WHAT IS A BUDGET?

- A financial plan (roadmap)
- For one fiscal year (July 1 through June 30)
- Based on “good faith” estimates of revenues & expenditures
- The budget creates authority to spend public money
- The budget is a public document when released to the committee
- Key Process Concept
 - Proposed Budget > Staff
 - Approved Budget > Budget Committee
 - Adopted Budget > Governing Body

WHAT IS A BUDGET COMMITTEE?

The Governing Body
+
Equal Number of Appointed Electors

- Members are registered voters in the district.
- Cannot be officers, agents or employees of the district.
- Appointed for staggered 3-year terms.
- All budget committee members have the same authority.
- Serve without compensation.

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WHAT DOES A BUDGET COMMITTEE DO?

- Receives the budget document
- Hears the budget message
- Hears & Considers Public Comment
- Discusses and Revises the budget if needed
- Approves the Budget
- Approves the Property Taxes

Budget Committee Main Question...

Does the budget meet the district goals?



WHY DO WE DO THIS?

- The government says so... ORS 294.321
 - *Establishes standard procedures*
 - *Outline programs and fiscal policies*
 - *Require estimates of resources (revenue) & requirements (expenses)*
 - *Encourage citizen involvement*
 - *Control the spending of public funds*
- What if we don't?
 - *May not lawfully expend money*
 - *Any public official who expends public money in excess of the authorized amount by law or for purpose other than authorized by law shall be civilly liable (ORS 294.100)*



HOW DO WE DO THIS?

- All meetings are subject to public meetings law.
 - Presiding officer must be elected at the first meeting.
 - A quorum (7 members present) is required to conduct business
 - Committee may request and receive additional information from district officials
-
- Meeting Outlines (Tentative Schedule)
 - 1/30 - Training, Roles, and Forecasting
 - 3/30 - Debt, Capital Projects, & Insurance
 - 4/17 - Special Revenue
 - 5/15 - General Fund & Approval of Proposed Budget/Taxes

Board Beliefs and Values



Do what's best for
all 4J students



Continue to learn
and grow




Respect and care
about each other



EUGENE SCHOOL DISTRICT - FUND STRUCTURE

100



General Fund
Main Fund for District

200s



Special Revenue
Grants, SIA, ESSER, etc.

300s



Debt Service

400s



Capital Projects
Bonds

600s



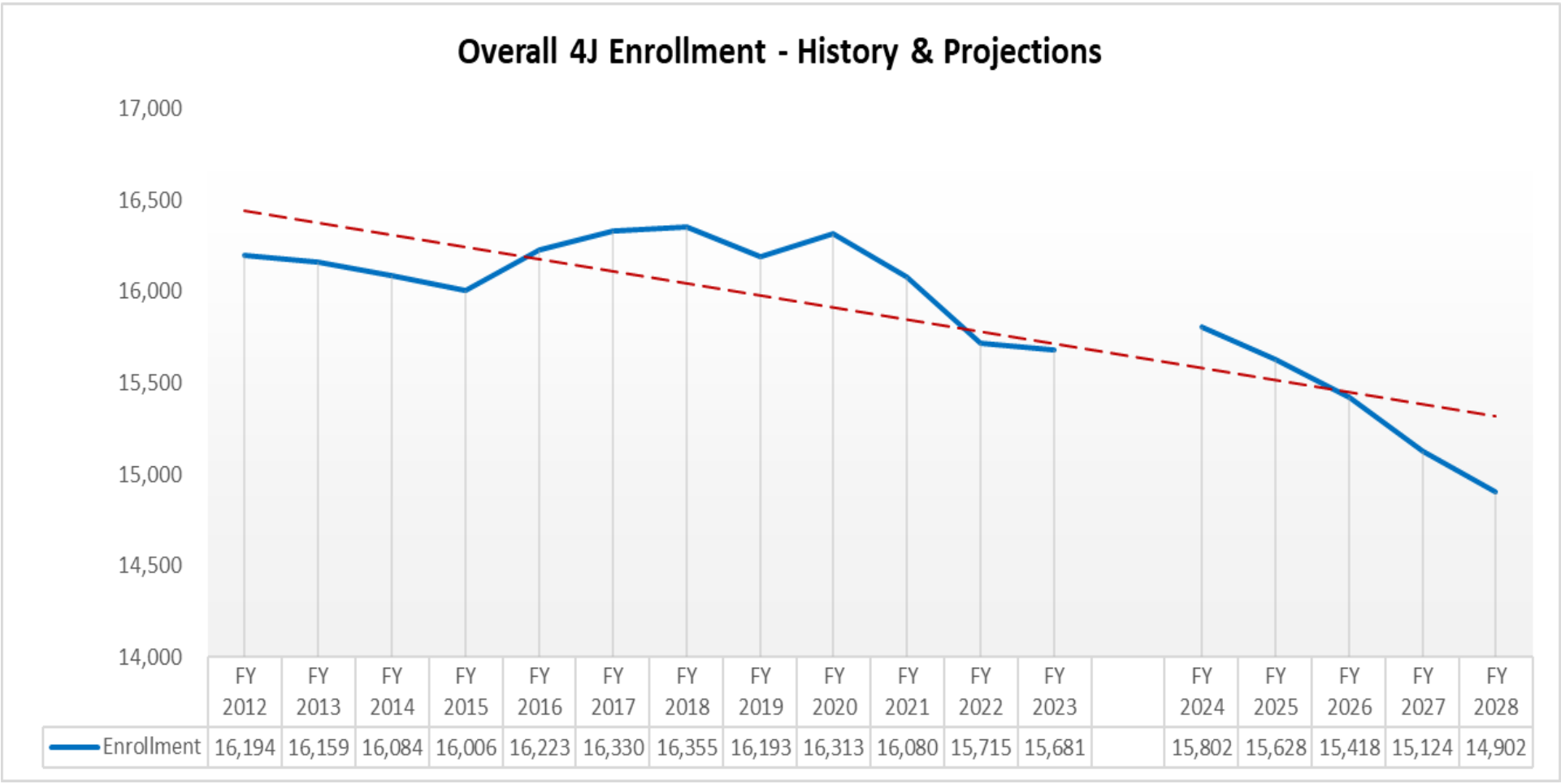
Insurance
Insurances Reserves

780

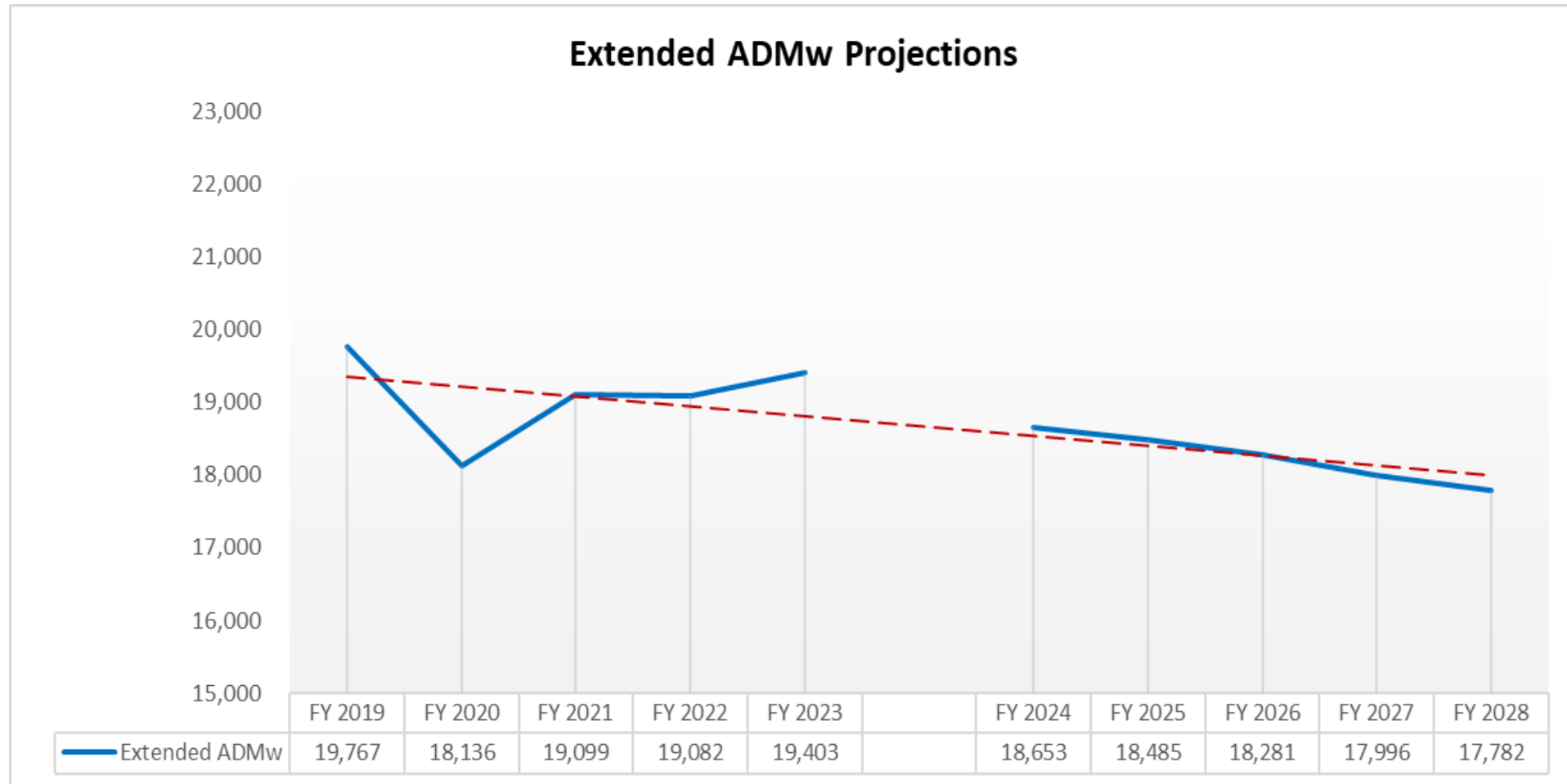


Private Trust
Private Purpose Fund

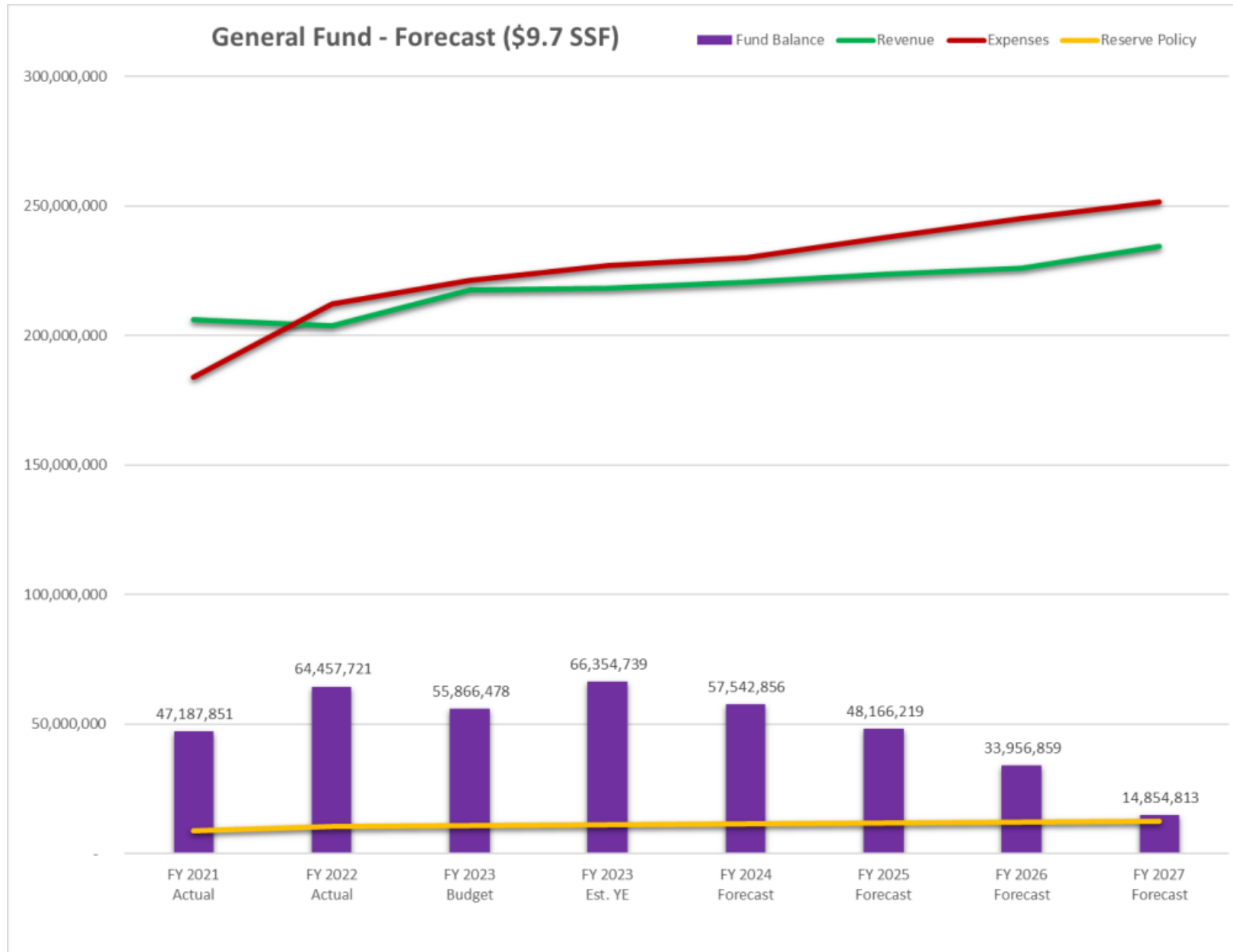
EUGENE SCHOOL DISTRICT - Overall Enrollment



EUGENE SCHOOL DISTRICT - Extended ADMw Projections



EUGENE SCHOOL DISTRICT - Financial Forecast



EUGENE SCHOOL DISTRICT 4J
GENERAL FUND FINANCIAL FORECAST – January 2023 Update

Andy Dey
Superintendent

Prepared by:
Matt Brown - Director of Financial Services

Contents

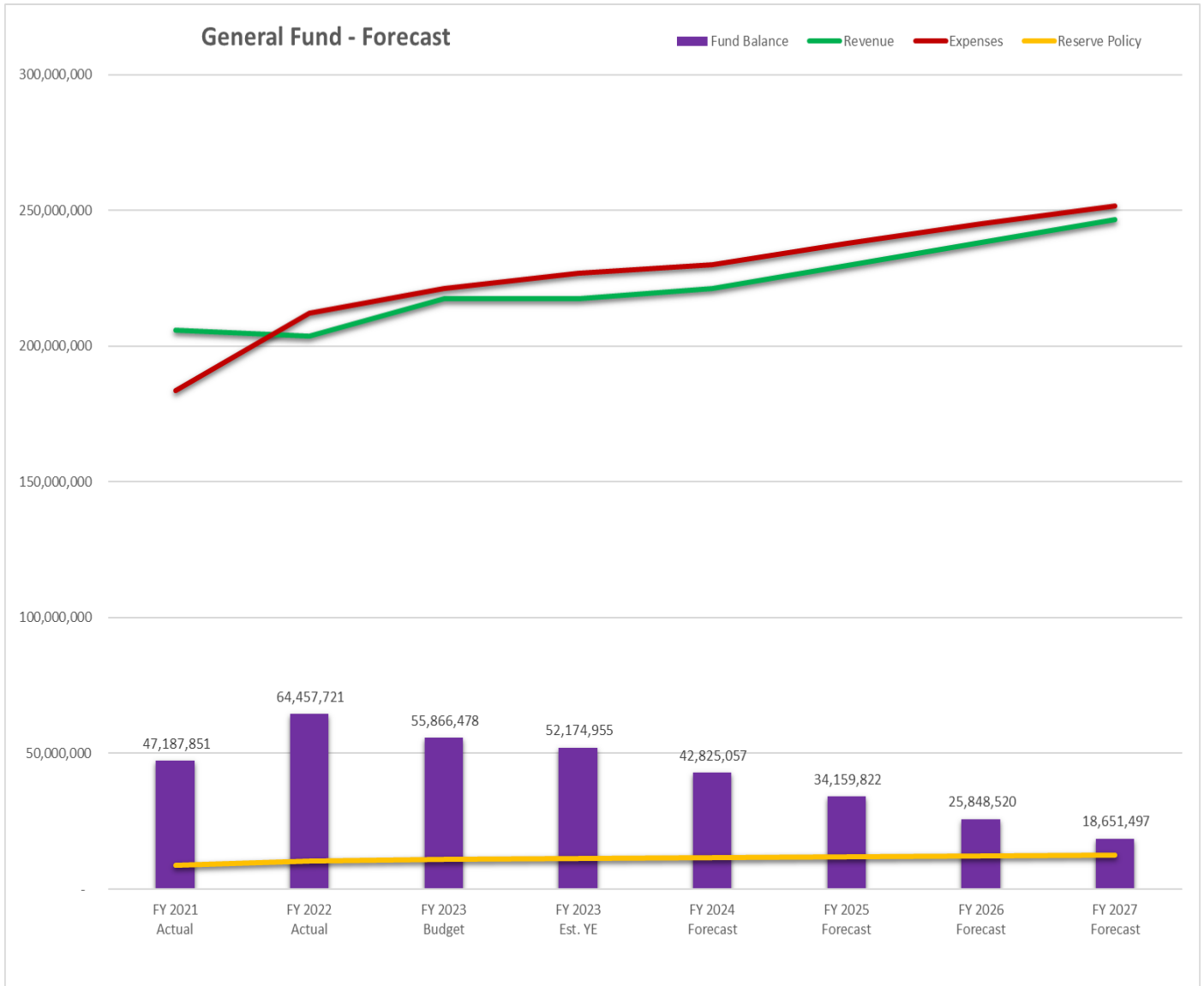
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Student Enrollment	5

General Fund - Forecast Data & Charts

Data

REVENUES	FY 2021 Actual	FY 2022 Actual	FY 2023 Budget	FY 2023 Est. YE	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast	FY 2027 Forecast
Property Taxes - Current	75,305,708	78,097,179	80,122,500	80,122,500	82,931,950	85,830,168	88,829,781	91,934,337
Property Taxes - Prior	1,169,129	883,055	1,118,000	1,118,000	1,055,000	1,081,375	1,108,409	1,136,120
State School Fund Grants	100,489,202	94,156,000	104,137,529	104,137,529	105,000,000	110,000,000	115,000,000	120,000,000
SSF Local - County & Common	2,555,502	1,966,291	2,072,137	2,234,942	2,301,991	2,371,050	2,442,182	2,515,447
Total SSF Formula Rev	179,519,541	175,102,525	187,450,166	187,612,971	191,288,941	199,282,593	207,380,373	215,585,904
Local Option Levy - Current	19,525,048	21,674,422	22,013,000	22,013,000	22,232,930	22,455,059	22,679,410	22,906,004
Local Option Levy - Prior	336,821	268,319	372,000	372,000	336,000	345,110	354,473	364,095
Other	6,634,563	6,672,491	7,638,315	7,638,315	7,535,000	7,567,230	7,600,434	7,634,640
TOTAL DISTRICT REVENUE	206,015,973	203,717,757	217,473,481	217,636,286	221,392,871	229,649,993	238,014,689	246,490,643
EXPENDITURES	Actual	Actual	Budget	Est. YE	Forecast	Forecast	Forecast	Forecast
Salaries & Benefits	158,004,222	169,811,990	190,872,004	196,693,184	201,228,790	208,647,711	215,404,177	221,391,492
Materials & Services	17,485,576	31,805,833	23,738,546	23,738,546	24,213,317	24,697,583	25,191,535	25,695,366
Land, Buildings, Improvements	23,926	304,919	181,738	181,738	150,000	150,000	150,000	150,000
Debt Service, Liability Insurance	1,176,527	1,387,970	1,430,519	1,430,519	1,430,000	1,430,000	1,430,000	1,430,000
Facilities/Transportation/Capital	1,185,861	3,465,277	1,766,197	1,766,197	2,100,000	2,100,000	2,100,000	2,100,000
Transfers Out	5,892,433	5,533,011	3,176,000	3,176,000	936,000	936,000	936,000	936,000
TOTAL DISTRICT EXPENDITURES	183,768,545	212,309,001	221,165,004	226,986,184	230,058,106	237,961,294	245,211,712	251,702,858
FUND BALANCE	47,187,851	64,457,721	55,866,478	52,174,955	42,825,057	34,159,822	25,848,520	18,651,497
ANNUAL OPERATING NET	69,435,279	55,866,478	52,174,955	42,825,057	34,159,822	25,848,520	18,651,497	13,439,282
Contingency (2% Policy)	3,557,522	4,135,520	4,359,780	4,476,204	4,582,442	4,740,506	4,885,514	5,015,337
Unappropriated (3% Policy)	5,336,283	6,203,280	6,539,670	6,714,306	6,873,663	7,110,759	7,328,271	7,523,006
Policy Reserve Total	8,893,806	10,338,799	10,899,450	11,190,509	11,456,105	11,851,265	12,213,786	12,538,343

Picture:



Forecast Assumption & Known Future Changes

This document provides information on the development of Eugene School District 4J's long-term financial forecast. Results and key assumptions are summarized below.

Revenue

- **State School Fund (SSF) Grants** – State funding is assumed to grow by 4.3%
- **Property Taxes** – Assumed to increase between 3.0 - 3.5%
- **Local Option Levy** – Currently budgeted at \$22 Million

Expenses

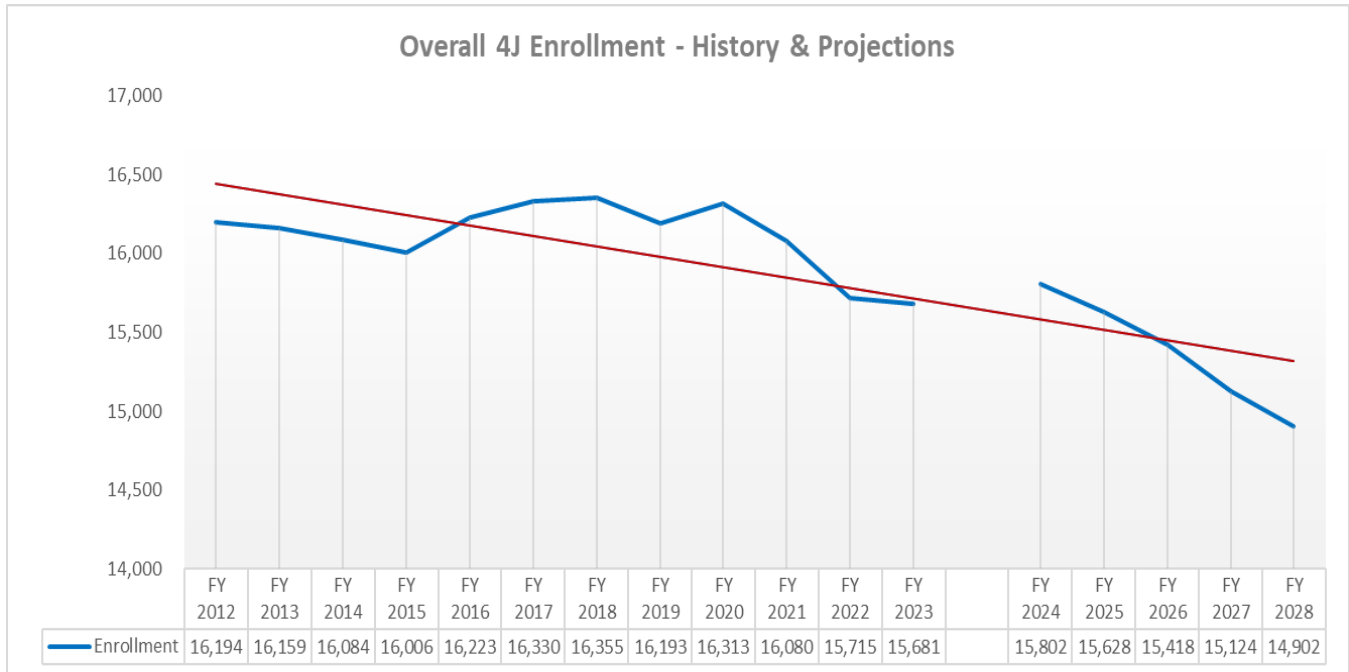
- **Employee Compensation** – Salary costs have been updated in the Year-End Estimate for FY 2023
 - Licensed (EEA) have an agreement in place from 2021 through 2024
 - Classified (OSEA) have an agreement in place from 2022 through 2025
 - Administration (MAPS) has an agreement through 2021. MAPS agreed to a 4% COLA for 2022 as a memorandum
 - Substitutes (EAST) have an agreement in place from 2022 through 2025
- **Public Employee Retirement System (PERS) Rate** – As the District's mix of Tier 1, 2 and OPSRP employees changes with retirements and new hires, the composite rate adjusts to recognize the difference in PERS contribution rates. In FY 2023, the composite rate is projected to decreased to 30.1% of salaries for the year based on new employees coming into the district at OPSRP rates and retirements in Tier1 & 2 employee classifications.
- **Materials & Services** - Assumed to grow at 2% in forecasted years
- **Transfer** – Some annual transfers for several areas are not currently shown in forecasted years. The following transfers have been completed in the past, but are not forecasted:
 - Student Technology - \$1.5 million
 - Staff Technology - \$1.0 million
 - Curriculum - \$1.0 million
 - Equipment Replacement - \$750,000

Nutrition Services received a transfer of \$936,000 in FY 2022 and is estimated similarly in FY 2023. Future transfers will increase and increase heavily once state/federal support is removed for free lunches. A board discussion/decision will need to be made in the future to ensure the Nutritional Services Fund remains appropriately funded.

Upcoming Changes & Future Discussions for the General Fund

- Adding/Creating Departments (Risk Management, Communications, etc.) in FY 2024 to better identify strategic goal areas and dedicated resources.
- Unknown Salary/Benefit Expenses after 2024 for Licensed Union (EEA)
- Unknown Salary/Benefit Expenses after 2025 for Classified Union (OSEA)
- Unknown Salary/Benefit Expenses after 2022 for Administration (MAPS)
- Unknown Salary/Benefit Expenses after 2025 for Substitutes Union (EAST)
- Local Option Renewal (go out in Nov 2024?)

Student Enrollment



Student enrollment is expressed as resident average daily membership (ADMr) – enrollment adjusted by expected student attendance levels. It represents the average annual enrollment for the year. The state uses ADM as the basis for allocating funds under the State School Fund formula and provides additional weighting (ADMw) for special education, students in poverty, English as a Second Language Learners (ESL), and pregnant and parenting students. The District also receives funding for students placed in alternative education programs or enrolled in District sponsored charter schools. The ADMr shown above excludes District sponsored public charter schools.

