



Bend-La Pine Schools School Board Budget Committee Meeting Agenda

May 9, 2023, 4:00 PM

Location:

Education Center, Board Room #314
520 NW Wall Street
Bend, OR 97703

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| 1. | <u>Call to Order</u> | Speaker(s): Budget Committee Chair McFarland | |
| 2. | <u>Review of Agenda</u> | Speaker(s): Budget Committee Chair McFarland Description: Any changes to the Agenda after posting on May 5, 2023, are shown below. | |
| 3. | <u>Public Comment</u> | Speaker(s): Budget Committee Chair Description: This is the time provided for individuals to address the Budget Committee. | |
| Public Comment is accepted via Google Form until 5:00 p.m. on May 8, 2023. | | | |
| 4. | <u>Consent for Action</u> | Speaker(s): Budget Committee Chair McFarland Description: Items that are routine in nature are placed on the Consent Agenda. Any item placed on the Consent for Action may be removed at the request of any Board member prior to the time a vote is taken. All remaining items of the Consent for Action are then disposed of in a single motion. | |
| | A. Approval of Minutes | Description: April 11, 2023 Budget Committee Meeting <i>Reference: ORS 192.650 and ORS 332.057</i> Attachments: | 3 |
| | 4.11.23 Minutes - DRAFT | | 3 |
| 5. | <u>Reports</u> | A. Budget Information Update Speaker(s): Brad Henry, Chief Operations and Financial Officer | |
| 6. | <u>Discussion</u> | A. Committee Questions and Discussion Speaker(s): Budget Committee Chair McFarland Attachments: | 5 |
| | FY2023-24 Proposed Budget Questions and Responses | | 5 |
| 7. | <u>Action Items</u> | A. Budget Committee Approval Speaker(s): Budget Committee Chair McFarland | |
| 8. | <u>Adjourn</u> | Speaker(s): Budget Committee Chair McFarland | |



Bend-La Pine Schools School Board Budget Committee Meeting Minutes

Meeting Location:

Education Center, Board Room #314
520 NW Wall Street
Bend, OR 97703

Meeting Date: April 11, 2023

Board Members

| | |
|----------------------------|---------|
| Melissa Barnes Dholakia: | Present |
| Kina Chadwick: | Present |
| Marcus LeGrand: | Present |
| Carrie McPherson Douglass: | Absent |
| Shimiko Montgomery: | Present |
| Shirley Olson: | Present |
| Amy Tatom: | Present |

Marcus LeGrand attended the meeting virtually. Kina Chadwick joined the meeting at 4:50 p.m.

Budget Committee Members in Attendance:

Tom Bahrman
Sharon Bellusci
Ned Lutz
Cara Marsh-Rhodes
Natasha McFarland
Robert Penson
Seth Isenberg (joined the meeting at 4:08 p.m.)

1. Call to Order

Speaker(s): Budget Committee Chair McFarland

Discussion:

The meeting was called to order by Budget Committee Chair Natasha McFarland at 4:05 p.m.

2. Review of Agenda

Speaker(s): Budget Committee Chair McFarland

Description: Any changes to the Agenda after posting on April 7, 2023, are shown below.

Attachments: 4.11.23 - Agenda del Comité de Presupuesto - BORRADOR

Discussion: There were no changes to the agenda.

3. Public Comment

Speaker(s): Budget Committee Chair McFarland

Description: This is the time provided for individuals to address the Budget Committee. Public Comment is accepted via Google Form until 5:00 p.m. on April 10, 2023.

Discussion: There were no requests to provide public comment.

4. Election of Budget Committee Officers

Speaker(s): Budget Committee Chair McFarland

Discussion: Committee Chair McFarland asked for nominations for Chair of the 2023-24 Budget Committee. Tom Bahrman nominated Natash McFarland as Chair. Robert Penson seconded the motion. Unanimous approval.

Chair McFarland asked for nominations for Vice-Chair of the 2023-24 Budget Committee. Tom Bahrman nominated Robert Penson as Vice-Chair. Ned Lutz seconded the motion. Unanimous approval.

5. Reports

Speaker(s): Budget Committee Chair

A. Budget Message

Speaker(s): Superintendent Cook

Attachments: Presentation: Budget Message 2023 and Presentación: Mensaje de Presupuesto 2023

Discussion: Superintendent Cook reviewed the budget message presented at the March 14, 2023, board meeting. He shared the history of the general fund dating back to 2007 and district enrollment data back to 2019. Cook discussed how revenue connects to the board goals, noting that 85% of the district's budget is invested in the people that serve students. He also discussed the district's next steps in relation to each of the board goals and reviewed the timeline for the 2023-24 budget adoption process.

B. Budget Document

Speaker(s): Brad Henry, Chief Operations and Financial Officer

Description: Review of Proposed 2023-2024 Budget Document

- 2023-24 Superintendent's Budget Message
- 2023-24 Proposed Budget At-a-Glance
- 2023-24 Proposed Budget

Discussion: Brad Henry, Chief Operations and Financial Officer, reviewed the proposed 2023-34 budget document. He discussed how enrollment is projected to help in guiding the budget work and all of the other factors that go into building the budget. Henry also discussed how the federal ESSR3 funds impact the budget in relation to the state school fund. Leah Bibeau, Finance Director, provided an overview of the layout of the document and highlighted specific areas in each fund area. She provided the committee with a Variance Analysis spreadsheet for their review. It was noted that the committee should submit all of their questions to the budget team email address no later than April 28th so the team can compile answers to present at the May 9, 2023, budget committee meeting.

6. Adjourn

Speaker(s): Budget Committee Chair

Description: Meeting will be adjourned with next Budget Committee Meeting scheduled for May 9, 2023.

Discussion: Budget Committee Chair Natasha McFarland adjourned the meeting at 5:21 p.m.

Recorded by: Janet Bojanowski, Board Clerk

Q 1: Given the lower state revenues, what does this mean to our budget WITHOUT using reserves or one time funds? i.e. how many positions would we need to be cutting?

Q 2: What percentage and dollar amount of the budget being proposed is being paid for by one time funds? And are those expenses one time expenditures? If not, how many more positions will need to be cut in 2024-25?

Q 3: Keeping the required 5% floor for our reserve as a given, how much more is added to this over the course of an average year from cost saving through things like unfilled positions (I heard 5m the last few years, but 3m more likely)? How many positions can we conservatively expect to fund with these un-guaranteed savings each year?

Q 4: I do have a general concern about all of the support people who are being added or have been added with what I understand to be funding that is in it's last year.

Q1-4 Response:

The 2023-24 proposed budget is based on the State School Fund at \$9.9 billion for the biennium, split 49% in 23-24 and 51% in 24-25. The budget also uses about \$5 million of reserves (approximately 2.3% of general fund operations resources), ending the year with 5% of resources in reserves per policy. Our history shows that we have ended the year with slightly (2% of resources) higher in reserves than budgeted each year. This is due to factors we often do not control, like state-wide property tax collections. In the last few years, there have been more one-time resources made available after our budget is complete. These funds often allow us to offset general fund expenses, preserving our general fund resources for the following year. The \$5 million in excess reserves used in the 2023-24 allow us to keep up to 65 positions for at least one more year. In addition, during 2023-24 we are using federal esser funds to cover 35 positions. These funds are required to be used by September 30, 2024. We will likely need to reduce positions in 2024-25 and/or 2025-26 when the funding runs out. These one-time funds have allowed us to hire additional staff, such as teachers based on historically underserved students, for four years.

We do not yet have contracts with our employees beyond June 30, 2023. We are holding positions vacant for 2023-24 to allow us to adjust to the final contracts, when necessary.

Each year we have attrition due to retirements and resignations. In addition, late hires are typically temporary in nature. Spreading the staffing reductions over time allows us to make many, if not all, reductions through attrition and without actually "laying off" employees. Based on the financial picture as we know it today, we expect that we will reduce our workforce over the next three school years. This will allow us to "right-size" to our resources, ideally through attrition.

Historically, reduction of positions is achieved by reducing across all levels and all programs. That is our plan over the next three years, with our Board goals and Superintendent's strategies serving as a key resource in that decision making process.

Q 5: Are the percentages allocated to specified areas out of the general fund set and if they're not set what determines what the percentages will be the following year i in association with those specific areas and so on?

Q 5 Response:

Generally, when we make base allocations to a specific area of need, the allocation is made based on the need in the context of resources available and all needs across the entity. Each year we consider the increase/decrease in need and make adjustments to allocations, again in the context of resources available and all needs.

Q 6: I noticed that the category of 1250 - Less Restrictive Prog Disabled, which I understand to be programs for students with less severe/restrictive disabilities, the number of licensed staff is decreasing by over 4.5 FTE. This is concerning, as the needs for specialized instruction, especially for students with SLD continues to be high. Why are the number of licensed staff for students with disabilities decreasing? My understanding is that Licensed Staff would be qualified to provide appropriate instruction, not support service staff.

Q 6 Response:

The total number of Licensed Staff for our SPED department is, in total, the same for current year and this coming FY23-24 budget year. Leadership is charged with allocating such staff between functional groups as needed in support of student needs. While specifically in category 1250 appears lower, other areas such as 1220 & 2140 have increased.