

CENTRAL LINN SCHOOL DISTRICT
32433 HWY 228, HALSEY

FIRST BUDGET COMMITTEE MEETING
CENTRAL LINN HIGH SCHOOL

CALL TO ORDER

On May 6, 2019, Board Chairman, George Frasier, called the first budget committee meeting to order in the cafeteria of the Central Linn High School at approximately 6:36 p.m.

ROLL CALL

Members Present – Mark Penrod, Brian Tenbusch, Rebekah Schneider, Jeanne Whitted, Jennifer Durringer, Kyle Olson, David Goracke, Gary Margason, Parker Leigh, Jamar Bean, Carolyn Jackson, George Frasier, David Karo, Willie Tenbusch

Employees Present - Brian Gardner, Celeste Van Cleave, Dena Crowell, Robyn Bailey

INTRODUCTION OF BUDGET COMMITTEE MEMBERS

Committee members introduced themselves.

ELECTION OF BUDGET OFFICERS

Chairman – Mark Penrod nominated Brian Tenbusch as Budget Chairman, David Goracke second the motion. George Frasier nominated Jamar Bean as Vice-Chairman, Mark Penrod second the motion. Parker Leigh made a motion to approve nominations as a unanimous ballot, David Karo second the motion. Hearing no further nomination or discussion, a vote was taken. Motion passed 14-0.

ESTABLISH COMMITTEE PROCEDURES

5.1 Robert's Rules of Order – The Committee acknowledged meeting would be run using the Robert's Rules of Order.

5.2 Review of Adopted Calendar – The Committee reviewed the adopted budget meeting calendar.

5.3 Review Ground Rules – The ground rules for the Committee were reviewed.

REVIEW COMMITTEE RESPONSIBILITIES

Superintendent Gardner explained the Committee approves the budget documents submitted or as revised by the Committee. The Committee has authority to appropriate at the major function level. The Committee also specifies the property tax amount or rate for all funds in the approved budget.

BUDGET MESSAGE

Superintendent Gardner read the message as submitted and as attached to these minutes.

REVIEW HIGHLIGHTED CHANGES IN GENERAL FUND

8.1 Revenue: The proposed budget assumes a statewide 2019-2021 biennium of \$8.972 billion K-12 state school fund on a 49/51 split. Central Linn's 2019-2020 estimate is \$4,044,350

reflecting an increase of \$402,491 over the 2018-2019 budget allocation. The State School Fund budget number is adjusted for the \$82,827 tax over-collection anticipated in 2018-2019. Actuals, current year and what the county advises, determines tax collection estimate. Tax estimate calculated on compounded 3% increase on 2017-2018 actual tax collections. Proposed budget document uses same figures as submitted to ODE in December for Estimate of Membership and Revenue. The Beginning Fund Balance is calculated on year-to-date 2018-2019 expenses and anticipated revenue and expenditures to June 30, 2019.

Celeste Van Cleave, Business Manager, explained the state school fund timeline starting with the estimate to ODE due in December predicting 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. Ms. Van Cleave later explained the difference in the State School Fund revenue of \$5.1 million to \$3.9 million is the removal of Bridges Charter school.

8.2 Expense: PACE insurance is recommending a 5% increase to 2018-2019 actual rates; this liability insurance increase is reflected in both property and vehicle 2019-2020 insurance premiums. PERS rates are increasing about 5% in the 2019-2021 biennium. This PERS rate increase without salary changes calculated to be \$299,450. The actual impact will be higher once 2019-2020 wage increases are included. Tier I/II employees will increase from 33.2% to 38.03% and OPSRP employees from 27.87% to 32.58%. The District also continues to pay the 6% employee pick-up.

Classified union contract ends June 30, 2020. Classified employees receive a step and \$50 per month insurance increase. The licensed union contract has not yet been ratified; seeking a one-year agreement based on unknown state revenue sources for 2020-2021. The budget document assumes step movement including an additional step at the bottom of each salary column and \$50 per month insurance increase.

Over the last seven years district has increased the amount of money flowing directly into the classroom; support services decreased; fewer clerical and administrative staff. The budget is adding a 0.50 FTE School Mental Health Counselor, using Medicaid billing to help recoup the position expense. In addition, there will be added a 1.0 FTE math teacher; a 0.40 FTE elementary music teacher; a 0.725 FTE special education assistant at the elementary and a 0.34 FTE health occupations teacher paid from Measure 98 funds.

It is reported that the District has a new E-rate contract for fiber connectivity saving \$20,000; continuation of Fund 410 for potential junior high building project; Fund 411 new fund for seismic rehabilitation (elementary building) and \$70,000 engineering budget for TDAP grants. Central Linn now serves as its own fiscal agent for IDEA funds (no longer part of a consortium for maintenance of effort, MOE, calculation).

Superintendent Gardner talked on future State School Funding; there is a possibility for additional state funding. Using early estimates under the Student Investment Account (part of

Fund for Student Success), Central Linn will be close to receiving \$590,000. Statewide Education Initiative (part of Fund for Student Success) indicates full funding of Measure 98 High School Success. There are no supplanting laws around Fund for Student Success; we could potentially use it to pay for the addition of a 0.50 school mental health counselor. Mr. Gardner's suggestion to the Board is to offset some general fund expenses to Student Investment Account and re-direct general funds into a 'rainy day' contingency. Fund for Student Success is likely to be referred to voters November 2019 or January 2020.

REVIEW OF SPECIAL REVENUE FUNDS

Celeste Van Cleave commented that federal funding is declining. As the federal revenues decline, in the case of food service and YTP, the District transfers from the general fund to subsidize the lost funds. Mention of various reserve funds; maintenance reserve fund which houses the Brownsville sale proceeds, Dave Grieve estate fund, track reserve fund, seismic fund, etc.

INPUT FROM THE AUDIENCE

NONE

COMMITTEE DISCUSSION

Questions arose on bus emissions; funding of the preschool program; the search for new buses; four-day school week; utilization of Friday school; District report card and Freshman on Track rate.

APPROVE BUDGET OR SET TOPICS FOR SECOND MEETING

David Goracke made a motion that the Central Linn School District budget in the aggregate amount of \$13,458,792 be approved, and that the permanent tax rate of \$4.6179 per \$1000 of assessed value be assessed in support of the General Fund. This permanent tax rate is expected to raise \$3,338,709 (estimated tax levy for the General Fund). David Karo second the motion, no discussion. Motion passed 14-0.

ADJOURN

At approximately 8:02 p.m. Brian Tenbusch adjourned the meeting.

Dena Crowell, Board Secretary

Brian Tenbusch, Budget Chair

Date Approved

George Frasier, Board Chair

**Meeting Minutes approved on May 13, 2019.
Original minutes with signatures on file at the district office.**