



Budget Committee Meeting

Wednesday, April 13, 2011

Estacada High School Choir Room

Board Members Present: Danny Scott, Sherri Graham, Mark Greene, Ralph Branson, Timothy Schultz, Steve Woods

Budget Committee Members Present: Bob Austin, Steve Guthrie, Laurie Hull, Bill Elliot, Scott Jury, Kelly James

District Representatives Present: Superintendent; Howard Fetz, Business Manager; Donna Cancio, Recording Secretary; Julie Theander

Meeting called to order at: 6:38 p.m.

Summary of Discussion:

Donna Cancio presented a power point beginning with outlining the role of the Budget Committee as established by Oregon statute (ORS 294.336). It was explained that Donna will provide all Budget information to the Committee for review, public input will be considered at the next scheduled meeting and that there may be up to 3 additional meetings before budget approval. The Committee may

not, however suggest to eliminate school programs or to reduce any District employee's salary due to contractual agreements.

Enrollment figures were explained as the major source of revenue drivers. ADM (Average Daily Membership) is added to other factors such as the number of Special Education students, English Language Learners, poverty factors, parenting programs, homeless counts, and rural school factors which constitutes the adjusted enrollment figure that drives how the state funds the district. The School District is always paid on the higher of two years which protects from revenue rising or falling at drastic levels. Currently, due to falling enrollment figures, the District has been operating on the prior year's enrollment. This trend will continue for the next school year.

State School funding is still undetermined; however recent projections are at 5.7 billion. The District's beginning fund balance for year 10/11 was budgeted higher than actual. Cash reserves have been utilized to get through this low economic time. When Donna began working for the District there was no contingency in place. Presently, the District has 1.1 million reserved, much like a savings account for emergency use only.

The major forecasted increase in expenses for the District is PERS (Public Employee Retirement System), which has doubled due to past and present employee's tier levels. It is not common for this expense to double, but the spike is a result of the recession where a significant pool of money was lost and is now beginning to slowly recover. In addition, rising fuel costs have also been a major concern for the District. A timely project is currently being executed to alleviate high fuel costs at the High School with the installation of a Biomass boiler.

The proposed budget for year 11/12 has a starting point of cutting 1.5 million. Several solutions have been implemented to reach this goal. Newly hired employees were placed on a temporary one year contract and advised of non-renewal at the point of hire. Possible program changes are being discussed such as blending grade levels in the Elementary schools and the reduction of some programs at the Secondary schools. Teachers on special assignment have been returned to teaching in the classrooms, eliminating TOSA positions. Early retirement to all staff has been offered as a possible cost savings and the elimination of administrative positions have been implemented. Additionally, salary freezes, no increases in benefits and the reduction of 5 calendar work days are being discussed.

Action Items: Preferences for the delivery of the 11/12 proposed budget should be requested before the next meeting to Julie Theander at [theanderj@estacada.k12.or.us](mailto:theanderj@estacada.k12.or.us)

Next Scheduled Meeting: May 11, 2011

Meeting Adjourned: 7:15 p.m.