



Budget Committee Meeting

Wednesday, March 9, 2011

Estacada High School Choir Room

Board Members Present: Danny Scott, Sherri Graham, Mark Greene, Ralph Branson, Leslie Andre

Budget Committee Members Present: Angela Long, 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: 6:35 p.m.

Summary of Discussion:

Introductions were given by all members present.

Donna Cancio presented a PowerPoint beginning with the Budget Calendar. Dates specially noted are: April 13<sup>th</sup>: second Budget Committee workshop where the committee's role will be defined. May 6<sup>th</sup>: Committee will receive the proposed budget by preferred method such as jump drive, PDF file, paper copy, etc., preferences to be communicated with Julie Theander. May 11<sup>th</sup>: first meeting with public comment invited. May 16<sup>th</sup>: Additional committee meeting. Normally one or two more meetings will be scheduled to complete the process.

The financial audit for year 09/10 was positive as the auditors confirmed that District records were stated accurately. Due to a decrease in state funding the District did spend down some of its cash reserves. Both FY 10/11 and 11/12 will require the use of additional cash reserves. A significant part of the loss in net assets was largely due to depreciation of capital investments. Mark Greene asked: How much is the depreciation? Donna stated that she would get that information for him.

Revenue is calculated on the higher amount of either this year or the prior year's enrollment. Due to yearly decline in enrollment, and reduced State revenue, the District has been losing a significant amount of revenue; however, the Federal Ed Jobs Bill had "saved our bacon" FY 10/11, providing about \$550,000.

For FY 10/11, the District responded to the decline in revenue by eliminating a couple of staff positions: (2 councilors and educational assistants). A creative reorganization of duties was implemented in the District offices after the Maintenance Manager had resigned, effectively allowing the District to reduce its district administrative staff by one. Greg Lynch is now in charge of Maintenance and Food Services combined. In addition, the Central Office Staff agreed to the loss of 5 paid holidays and licensed and classified staff reduced their contract by 5 days, 2 student contact days, 2 non student contact and one holiday.

For year 11/12 special programs will be important including the Alternative high school and the two charter schools, which increase our enrollment figures.

PERS has increased significantly which will adversely affect expenses for the 11/12 school year.

The April 13<sup>th</sup> meeting will include information from all principle administrators concerning reorganization and the role of the Budget Committee in connection with what is statutorily outlined. All members were invited to talk with Donna if there are any questions via email or by phone.

Bob Austin asked what other Districts were doing to meet the needs with declining enrollment. Howard explained how intra district handling of Special Ed. will continue and accelerate with funding problems. He also stated that ESDs are limiting and that we need to shop around for specific services. Donna commented that our financial program (Lawson) is run through the ESD and would be costly to lose without credit from the ESD.

Howard shared that we have pursued grants with the help of Ralph Branson and that additional help with obtaining grants would be welcomed. He also thanked the bargaining units for their ongoing work and problem solving with the District. Donna said that both units had agreed to delay their COLA adjustments, benefits cap. and any pay raises for the FY 10/11 year, which helped a great deal in bringing the current year into balance.

Mark Greene commented that new subdivisions in the community are being developed and though the potential for incoming population looks good on paper, the reality isn't so. The population study had been too optimistic. Bill Elliott assured that the new subdivision is "beginning to move".

The meeting concluded with the introduction of our new Transportation manager Mary Hopper who began his duties with the District on March 1.

Next Scheduled Meeting: April 13

Meeting Adjourned: 7:25 p.m.