

**LINCOLN COUNTY SCHOOL DISTRICT
Budget Committee Meeting Minutes
Newport High School, Newport, OR
May 30, 2017**

Members Present

Jeff Doyle, Larry Anthony, Amanda Remund, Dave Price, Thomas Hurst, Liz Martin, Karen Bondley

Members Absent:

Ron Beck, Terry Buggenhagen

Also Present:

Tom Rinearson, Superintendent; Julie Baldwin, Director of Business Services; Kim Cusick, Business Office Supervisor & Meeting Recorder; five district staff members and one community patron

Call to Order & Election of Chairperson:

Chairperson Larry Anthony called the meeting to order at 7:00 pm. Larry Anthony was nominated and unanimously elected chairperson of the 2017-18 Budget Committee.

Establishment of Quorum, Procedural Rules & Calendar:

Six members are required to constitute a quorum. As seven members were present, a quorum was established. The sample procedural rules provided by Julie Baldwin were approved by the committee with public testimony to be the next order of business.

Public Comment:

Janet Webster, retired HMSC librarian encouraged the committee to consider appropriating additional funds in the future toward updating the district's libraries. Prior years' budget cuts have reduced the district to one licensed librarian, Media Coordinator Sudi Stodola. She had high praise for Ms. Stodola who brings new spirit and new ideas from a progressive district and is active in state and local library groups. She encouraged the district to rely on her as a resource in the future. Ms. Webster suggested funding the media centers on a per student basis rather than a lump sum per center as the needs vary by school. She noted the average cost to update a collection is \$4.35 per student but the Quality Education Model (QEM) suggests \$13 per elementary student and \$21 per high school student. She recommended replacement of the current print collection as the district has a lot of outdated material. Research shows that up-to-date libraries help students succeed. The recent push has been a move to electronic resources. However, successful use by students requires adequate training.

Superintendent Rinearson asked if skilled staff is available were we to increase our investment. Ms. Webster indicated that Portland State University has the only certification program in the state and she can provide contact information. She is not familiar with online programs of study that may be available to potential candidates.

Responsibility of Budget Committee:

Superintendent Rinearson noted that the budget committee members were experienced and he did not feel the need to explain their responsibilities unless there were questions. There were no questions.

Presentation of Superintendent's Budget Message:

Superintendent Rinearson noted his budget message was in the Proposed Budget document. The request for renewed partnerships came from our community partners and he is in the process of strengthening those relationships. He also noted that he could not find the board's educational plan for the budget as required in board policy and budget law. It appears it was overlooked during the transition to a new superintendent. Historically this discussion occurs at the October or November board meeting and he mentioned it only to make the board aware of the need for active discussion of the topic each year.

Jeff Doyle stated he was very comfortable with the budget document but asked if the Budget Committee was legally able to approve the budget in light of the missing educational plan. Superintendent Rinearson said he was confident it was legal and he would have called a special board meeting to remedy the situation had he felt it was necessary.

Assumptions Used in Budget Development:

Director of Business Services, Julie Baldwin, presented the assumptions used to create the proposed budget. The PowerPoint presentation is located on the district web site at www.lincoln.k12.or.us.

Ms. Baldwin noted possible increased legislative support for an \$8.4 billion State School Fund allocation translating to \$2-2.75 million possible additional revenue to LCSD. Staff recommends amending the budget to include an additional \$2 million to revenue function 3100 and instructional expenditure function 1100, object 399 – possible SSF additions. Should the final approved SSF allocation be in excess of \$8.012 billion as budgeted by LCSD, the Superintendent will make recommendations to the Board on how to best utilize the additional resources. Superintendent Rinearson noted that the \$8.4 billion proposal hinges on the passage of an additional revenue package by the Legislature.

Discussion:

Dave Price asked for clarification of the difference between enrollment and ADMw. Ms. Baldwin noted that ADMw includes additional weights for students in poverty or foster care, IEP students whose cost is greater than \$30,000, pregnant and parenting teens, ESL students, Remote Elementary School Corrections for Siletz Valley and Eddyville Charters and Small High School Corrections for Eddyville Charter, Toledo Jr/Sr High and Waldport High.

Liz Martin inquired about the success of the District's Group HRA plan. Ms. Baldwin indicated savings occur because the funds go to the District HRA for payment of employee claims rather than to OEBC for premiums. It saves employees much out of

pocket expense, which many cannot otherwise afford. The District also saves money when employees waive insurance or remain on an individual HSA. The intent of the program was to provide the best possible plan for our employees. Tom Hurst noted that the ADM figures on page 8, section 1 do not match those on page 6. Ms. Baldwin agreed to review her figures and send corrections to the committee.

Mr. Hurst praised LCSD principals for adding licensed employees to the budget rather than waiting until enrollment increased in the fall to hire a full staff and encouraged them to continue this practice.

He inquired about the increase of FTE in function 2633 Public Information Services. The position was previously cut in order to direct more funds to classrooms according to Ms. Baldwin. The school board and Superintendent heard from constituents who miss the District Dialog as it was their only source of District news because it came directly in the mail. The News Times and News Guard do a good job covering District activities but not everyone subscribes to a newspaper or is involved in social media. Superintendent Rinearson decided to add the classified position back after meeting with the board.

Dave Price noted last year the district emphasized cutting funds for textbooks and this budget adds it back. Superintendent Rinearson said this is a direct result of feedback from the buildings, especially the high schools. Exit interviews from staff also show new teachers are leaving because of a lack of resources. Curriculum planning on the internet without a provided structure takes too much time for inexperienced 1st and 2nd year teachers. They need a baseline and then direction for using internet resources.

Mr. Price noted the decrease in funding for Talented and Gifted (TAG) students. He believes TAG students are a different group of special needs students and they are not being valued. He noted the stark socio-economic challenges at Taft and indicated there is no program for the middle school students. Superintendent Rinearson said Taft 7-12 has been understaffed. The district compared staffing ratios as part of the budget process and gave them 3.25 additional teachers as a remedy.

Curriculum and Instruction Administrator Betsy Wilcox explained that previous budgets provided two staff members for the entire district TAG program, which was inadequate. She changed the program model and received input from building staff. As a result, each building now has a TAG facilitator. Mr. Price's comments have prompted her to review the Taft 7-12 program for necessary adjustments. TAG facilitators meet monthly. They now use a more modern screening instrument with better analysis features, allowing them to identify a greater number of students requiring TAG instruction. This instruction comes in many forms such as adding robotics programs to two buildings, Spanish to one building and STEAM projects in most buildings. The goal is to have a local advocate in each building daily.

Ms. Wilcox noted high school facilitators say students do not want another thing to do because they are already so involved in the wide variety of extra-curricular activities provided by the district.

Superintendent Rinearson reported that he put together a team to “find the story of the district.” The goal is to discover where we are and where we need to go. TAG is part of that story and the whole program will be reviewed.

Dave Price asked where Dual Credit courses are reflected in the budget. Ms. Baldwin indicated it is in the high school instructional function 1131 under the Secondary Education location. However, the budget document does not drill down to location so the number is not readily available within the document. Counselors are encouraging students to use available resources. The OIT agreement is still in use and the district is seeing some increase in the renewed partnership with OCCC. Mr. Price thanked Principal Majalise Tolan and her staff for working with OCCC’s business degree program. Twenty five students will graduate with credits for two business college courses.

Jeff Doyle asked what items are the subject of negotiation for contracted services with Mid Columbia Bus and Sodexo. Ms. Baldwin stated that Director of Support Services, Rich Belloni, has high expectations of our contractors. He negotiates improvements to their management systems and processes. It is currently difficult nationwide to attract and retain bus drivers. Demographics have changed and the position is not attractive to the same pool of applicants as in the past. We pay to get drivers CDL trained and certified, only for them to go to work for another company providing better hours. Discussions are ongoing with Mid Columbia’s new CEO regarding what we need to do with salary schedules and incentives to get a more stable base of bus drivers. They are one of only two school bus contractors in Oregon. Ms. Baldwin checked with other districts on their experiences and found satisfaction comes down to the local manager. LCSD has a clause in each contract allowing the district to ask for a new manager and it has been used several times.

Jeff Doyle asked whether a TOSA is a licensed or administrative position. Ms. Baldwin said TOSA stands for Teacher on Special Assignment and is a licensed teacher, not an administrator. Superintendent Rinearson noted that an administrative license allows for the evaluation and discipline of a teacher. When the district adds an assistant principal, it is because the school needs more evaluation time. Ms. Baldwin stated that all elementary schools without an assistant principal were given an additional TOSA outside of the licensed allocation used to cover student teacher ratios.

Amanda Remund noted the district hired school psychologists rather than contracting and inquired about the difference and cost savings. Ms. Baldwin said it depends on the years of experience of the person hired. In all cases, it is best to hire our own staff. Sometimes this costs more, sometimes less. Contractors often charge a flat fee regardless of the level of experience or education. It is unique that we have been able to fill the Speech Language Pathologist and School Psychologist positions with licensed instructors this year. The increase in FTE is offset with a decrease in the contracted services budget.

Liz Martin noted the addition of one additional counselor at Taft 7-12. Ms. Baldwin stated that both Taft 7-12 and Newport High School received an additional counselor. Superintendent Rinearson noted that we have several open counselor positions district-wide but are having trouble finding qualified applicants.

Tom Hurst noted the district is creating a Property Purchase Reserve Fund but is also spending down carryover funds and asked if a budget for new buildings is planned. Superintendent Rinearson noted that the funds are reserved so the district can start looking for property. He said the cash buildup has been somewhat by accident and is one time money, so it needs to be used for bigger things, not programs that need sustained funding. Other funds are available and will be budgeted in future years for buildings. Ms. Baldwin noted that Section 13 describes the creation of the Property Purchase Reserve Fund pending approval of the school board and affirmed that funds will be used to purchase property only at this time.

Motion to Approve Proposed Budget:

Tom Hurst made the following motion to amend the Proposed Budget:

The Lincoln County School District budget committee amends the 2017-18 Proposed Budget with \$2,000,000 added to General Fund Revenue and Expenditures, to provide for the potential \$8.4 billion SSF budget allocation.

This revenue is to be recorded in function 3100 and expenditures in function 1100, object 399 – Possible SSF Additions.

The motion was seconded by Jeff Doyle and unanimously approved by the committee.

Tom Hurst made the following motion to approve the 2107-18 Budget and Tax Levy:

The Lincoln County School District budget committee hereby approves the budget for the 2017-18 fiscal year, in the aggregate amount of \$102,132,009 (or \$104,132,009 as amended). Further, the budget committee moves that the permanent tax rate of \$4.9092 per \$1,000 of assessed value be assessed in support of the General Fund. This permanent tax rate is expected to raise \$34,960,000.

The budget committee hereby approves the GO Bond Debt Service Fund budget of \$6,412,625, with \$5,481,121 being assessed against the assessed property values of Lincoln County.

The motion was seconded by Dave Price and unanimously approved by the committee.

Improvements to the Budget Document:

The committee asked for a report in next year's budget detailing how extra-curricular funds are being budgeted, as the current document does not break out athletics and other activities. Superintendent Rinearson indicated that they may find some schools have more athletics and others spend more on academic clubs and activities.

The committee commended Ms. Baldwin and her staff on creating another excellent budget document.

Adjournment:

Chairperson Larry Anthony adjourned the meeting at 8:45 pm.

Chairperson Larry Anthony

Superintendent Tom Rinearson