

**LINCOLN COUNTY SCHOOL DISTRICT
Budget Committee Meeting Minutes
Newport High School, Newport, OR
May 22, 2018**

Members Present:

Amanda Remund, Liz Martin, Ron Beck, Jeff Doyle, Jenny Demaris. Larry Anthony, Terry Buggenhagen, Karen Bondley, Thomas Hurst

Members Absent:

None

Also Present:

Tom Rinearson, Superintendent; Kim Cusick, Director of Business Services; Carole Kunde, Business Office Supervisor & Meeting Recorder; Dr. Karen Gray, Superintendent-Elect; Tiana Tucker, Director of Human Resources

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 2018-19 Budget Committee.

Establishment of Quorum, Procedural Rules & Calendar: Quorum was established with nine members present of the six required to constitute a quorum. The sample procedural rules provided by Kim Cusick were approved by the committee.

Public Comment:

No requests for public comment were submitted and no public comment was provided.

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 proposed budget was developed following the Education Plan designated by the Board at the January 9, 2018 board meeting. He notes that funding has also been designated for programs that are part of the transition of the new Superintendent. The message was unanimously accepted by the committee.

Assumptions Used in Budget Development:

Director of Business Services, Kim Cusick, 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.

Discussion:

Ron Beck asked if the Outdoor School budget would require a family-paid fee to support participation. Ms. Cusick explained that the application submitted to the state requested funds to cover all of the allowed/anticipated costs of provided services.

Mr. Beck and others questioned if the 3% proposed increase in the Utilities Budget would be sufficient with proposed increases in water/sewer and garbage rates likely to impact part of the District. Jenny Demaris asked whether the changes in recycling requirements are anticipated to impact the cost of garbage collection due to fewer materials at schools being recycled. Superintendent Rinearson said that our Director of Support Services, Rich Belloni, was following these developments and agreed to have Mr. Belloni provide some additional information on the topic.

Jeff Doyle proposed that the District should budget for an external consultant to review our school safety measures in the wake of continuing school violence and shootings. Superintendent Rinearson commented that our own Student Safety Coordinator is accomplished in her field, but also agreed that an outside view would be prudent. The consensus of the committee was that this should be included in the 18-19 budget; the Board can amend this prior to adopting the budget.

Mr. Doyle asked whether Superintendent-Elect Dr. Karen Gray's plans regarding grants would impact the budget. Superintendent Rinearson explained that the issue with grants is whether the activity they support can be sustained. The District will continue to seek grant funding for specific projects, and will continue to receive grants from State and Federal sources. Other enduring initiatives and programs of the District are better supported with district funds.

Mr. Doyle commented on class size and teacher retention. Superintendent Rinearson discussed capacity issues and emphasized that is a key reason the Learning Support Services (LSS) building at the old Newport swimming pool is being expanded. Several support departments will be moved out of Newport classroom space and the Arcadia building in Toledo.

Amanda Remund asked about the middle school sports coaching assumptions in the budget. Superintendent Rinearson explained that middle school sports are not paid out of allocated District funds, but the District must hire coaches. Pay-to-play fees and Booster dollars fund middle school sports. Karen Bondley expressed concern that the current participation fees for all sports are too costly for many families. Superintendent Rinearson responded that the issue could be discussed further during regular board business.

Liz Martin asked why the starting wage for custodial positions was not increasing. Superintendent Rinearson responded that only the Board can amend the contract

Tom Hurst asked why the proposed budget for outdoor school was so much less than the amount included in 17-18 budget. Ms. Cusick explained that the Measure 99

Outdoor School for All program was still being developed at the state level last year. The proposed amount was estimated without concrete details on what expenditures would be reimbursed. The estimate for 18-19 is based on actual costs of our programs in the current year, plans for next year, the limitation of funding being used for students one time (only sixth graders are included in the 18-19 request) and additional information from the state that has been provided with the application. Awards from the State will also depend on the volume of funding requests they receive.

Mr. Doyle asked under what circumstances school principals are allowed to reallocate portions of their budget between licensed salaries, classified salaries, non-athletic co-curricular, and discretionary budget dollars. Superintendent Rinearson explained that this flexibility in each school must be articulated in the school's improvement plans, but also is allowed to be used to solve specific problems and immediate staffing needs when necessary during the school year.

Mr. Hurst noted that the amount budgeted for programs for Academically Gifted students appeared to be well below the per-student funding of other special student populations. Superintendent Rinearson described the strategy of ensuring there is a coordinator for "TAG" activities in each school who is paid by stipend rather than an FTE allocation. He said that the needs of each school will be assessed in the future as part of the new superintendent's program planning.

Tom Hurst expressed appreciation for the additional dollars budgeted for textbooks and other curriculum materials that had been reduced in some past years. He hopes this will improve the success and retention of less experienced teachers and those who may not be practiced at independently developing curriculum from internet resources.

Ms. Remund asked about an apparent reduction of licensed FTE for special education students under Function 1250 - Less Restricted Programs for Students with Disabilities. Ms. Cusick explained that there was no reduction; licensed staff working in the Structured Learning Centers are now recorded using Function 1220 – Restricted Programs for Students with Disabilities to more accurately reflect the work that they do.

Ms. Martin commented that she did not recall the need for a balloon payment on the 2011 Qualified School Construction Bonds (QSCB). Superintendent Rinearson explained that funding reserved for the \$15 million balloon payment due in June 2026 would be clearly segregated with the establishment of QSCB Sub-Fund 331 in this and future budgets as the year of the payment approaches.

Larry Anthony asked what activities in the budget addressed student truancy. Superintendent Rinearson noted a portion of the High School Success funding (Measure 98) was specifically earmarked for absenteeism strategies including graduation coaches at each high school and focusing on successful student transitions from 8th grade to 9th grade. He also mentioned that the state will be revising attendance reporting definitions that will likely raise District absenteeism rates due to student activities that were not previously reported as absences such as participation in band, choir, and athletic events.

Mr. Anthony inquired about some of the figures in Section 2 page 5 of the proposed budget that showed negative values. Ms. Cusick stated that it appeared some adjusting entries were made using the incorrect function. She will research it and report back to the Board at the Budget Hearing.

Motion to Approve Proposed Budget:

Mr. Anthony invited a motion to approve the proposed budget.

Mr. Buggenhagen motioned:

The Lincoln County School District budget committee hereby approves the budget for the 2018-2019 fiscal year, in the aggregate amount of \$105,707,069. 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 \$36,354,360.

Mr. Hurst seconded, and the Committee unanimously approved the motion.

Mr. Buggenhagen motioned:

The budget committee hereby approves the GO Bond Debt Service Funds budget of \$6,894,289, with \$6,028,845 being assessed against the assessed property values of Lincoln County.

Mr. Doyle seconded, and the Committee unanimously approved the motion.

Adjournment: 8:15 pm

Chairperson Larry Anthony

Superintendent Tom Rinearson