



**LEBANON COMMUNITY SCHOOL DISTRICT  
BUDGET COMMITTEE MEETING  
FEBRUARY 10, 2022, 5:30 PM**

Santiam Travel Station

750 S. Third Street, Lebanon, OR 97355

**BUDGET COMMITTEE MEETING MINUTES**

<p><b><u>BOARD MEMBERS PRESENT:</u></b>  Mike Martin, Chair  Richard Borden, Vice Chair  Tom Oliver, Member  Tammy Schilling, Member   Terry Deacon, Budget Committee Member, via Zoom</p>	<p><b><u>EXECUTIVE STAFF PRESENT:</u></b>  Bo Yates, Superintendent  Jennifer Meckley, Assistant Superintendent  William Lewis, Business Director  Steve Woodcock, Director of Special Education, via Zoom  Bill Wittman, Curriculum and School Improvement  Kim Grousbeck, Director of Human Resources  Brandon Weist, Director of Alternative Education</p>
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The meeting minutes were recorded by Executive Secretary Ruth Hopkins.

**1. WELCOME AND CALL TO ORDER**

Board Chair Mike Martin called the meeting to order at 5:30 PM and led the Pledge of Allegiance.

**2. BUDGET REVIEW**

William Lewis reviewed the district goals: improved student achievement for all grade levels, all students reading at grade level by the end of grade three, and students entering LHS as freshman will graduate on time.

He shared that our enrollment totals were beginning to recover and there is a small increase in birth rates for Linn County. He reviewed the revenue trends for national and state economies and the fact that we are looking at high inflation and low consumer sentiment and a projected lower state school fund. The state projected budget for next year is \$9.299 billion, but for most school districts, their current service level is \$9.6 billion or higher.

He then reviewed the various federal funding that the district has received, such as: Student Investment Account - \$3.290 million; HSS - \$1.070 million; ESSER I Grant of \$946,000; GEER Grant of \$136,000; ESSER II Grant of \$3.7 million; and ESSER III Grant of \$8.358 million.

Then he shared the expenditure trends in PERS rates, which is \$.35 of each dollar spent for all employees; salaries and benefits are being spent in alignment with current contracts; service, supplies, dues and fees spending patterns are lower. There is a future risk of a fiscal cliff, which is what might happen after the enormous amount of federal funding that has come in, when that

money is spent, the issue comes up of then covering the expenses that the federal money had been covering. There could be lower revenue from the state school funding at that point as well. This is what creates a fiscal cliff.

William Lewis then covered information on the general obligation bond that the district is looking to put on the May 2022 ballot. He shared a map of all of the schools in the district and the projected list of needs for each facility that could potentially be addressed by the passage of a GO bond.

He asked if there were any questions or items to be clarified before the May budget meeting.

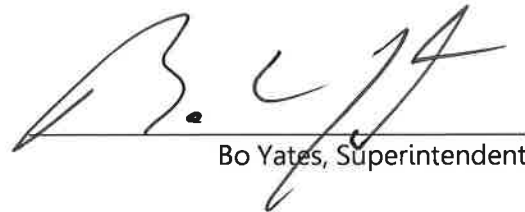
There were no questions regarding the budget presentation at this time.

### **3. ADJOURNMENT**

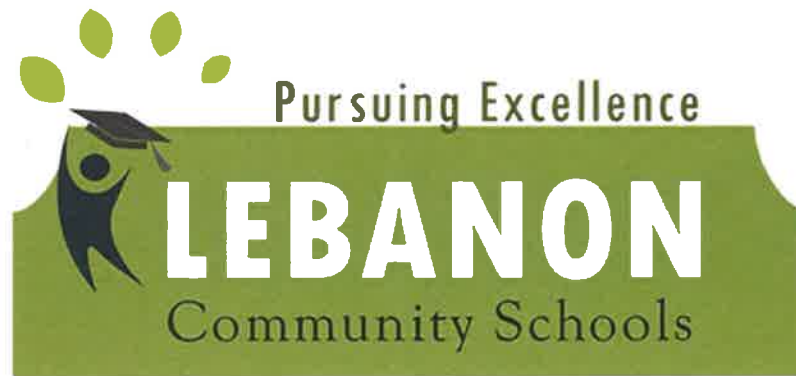
The budget committee meeting was adjourned at 5:52 PM.



Mike Martin, Board Chair



Bo Yates, Superintendent



# LEBANON COMMUNITY SCHOOL DISTRICT #9

Budget Committee Meeting

February 10, 2022

Bo Yates, Superintendent

Will Lewis, Business Director

# LCSD District Goals

**Improved student achievement for all grade levels.**

**All students reading at grade level by the end of grade three.**

**Students entering LHS as Freshman will graduate on time.**

# October 1, 2020 Enrollment Projection and Trends

- Small uptick in birth rates in Linn County
- Enrollment starting to recover in 21-22.
- Robust building permit activities YOY.

# Revenue Trends

- **National and State economies.**

- Strong GDP- 6.9%
- High Inflation- 7.0%
- Recovering Unemployment Rate- 4%
- Low Consumer Sentiment 67.2 Lowest Since November 2011

## **State School Fund/Local Property Taxes**

- Local Property Tax-AV growth 19-20 3.68%, 20-21 6.86%, 21-22 3.33%, est. 22-23 4.62%

# Revenue Trends

## **State School Fund**

- 2021-22 On track through the end of the year, no changes.
- 2021-23 Governor's budget at \$9.299 billion split 49%/51%.
- For most school districts, the real current service level is \$9.6 billion.



# Revenue Trends

## **Federal COVID Relief and Stimulus**

- \$5.0 Trillion Legislative (Loan Program, Income Support, Health Spending)
- \$800 Billion Administrative (Tax Policy, Health Spending)
- \$4.1 Trillion Federal Reserve (Asset Purchase, Liquidity Measures)

## **Future Economic Risks**

- Inflation?
- Future Pandemic Outbreaks

# Student Success Act And Federal Stimulus

## **Student Success Act and Measure 98**

- SIA-\$3.290 million total, including Charter school.
- HSS-\$1.070 million
- Additional resources set aside for improving student outcomes.
- All resources must be spent in the fiscal year.

## **Federal Stimulus**

ESSER I Grant-\$946k For COVID Expenses

GEER Grant-\$136k For Technology COVID Expenses

ESSER II Grant-\$3.7 million

ESSER III Grant-\$8.358 million

# Expenditure Trends

- Future PERS Rates-Investment portfolio returns 20.1%. Next rate increase estimated to be .9%. Many changes in PERS actuarial assumptions. Reduced assumed earning rate to 6.9% (down from 7.2%), adjusted payroll growth to 3.4% (down from 3.5%).
- Salaries and Benefits are being spent in alignment with current contracts.
- Services, Supplies, and Dues and Fees spending patterns are lower.
- GO Bond.
- Future Risks- Fiscal Cliff



# FACILITIES BOND PROPOSAL

Projects by School\*\*

**PIONEER SCHOOL**  
 HVAC  
 Site-based Improvements\*  
 Safety and Security Improvements

**LEBANON HIGH SCHOOL / COMMUNITY POOL**  
 Roof Replacement  
 HVAC Upgrade  
 Site-based Improvements\*  
 Kitchen Upgrade  
 Safety and Security Improvements  
 Paint  
 ADA Bathrooms\Access  
 Showers\PE  
 Pool Upgrade

**DISTRICT OFFICE & MAINTENANCE BLDG**  
 Site-based Improvements\*  
**District Office/ Ralston Academy**  
 Roof  
 Paint  
**Maintenance**  
 Kitchen  
 Safety and Security Improvements  
**Land Lab Vocational**  
 Site improvement  
 Road  
 School Support Building

**GREEN ACRES SCHOOL**  
 Roof Repair  
 Site-based Improvements\*  
 Kitchen  
 Safety and Security Improvements

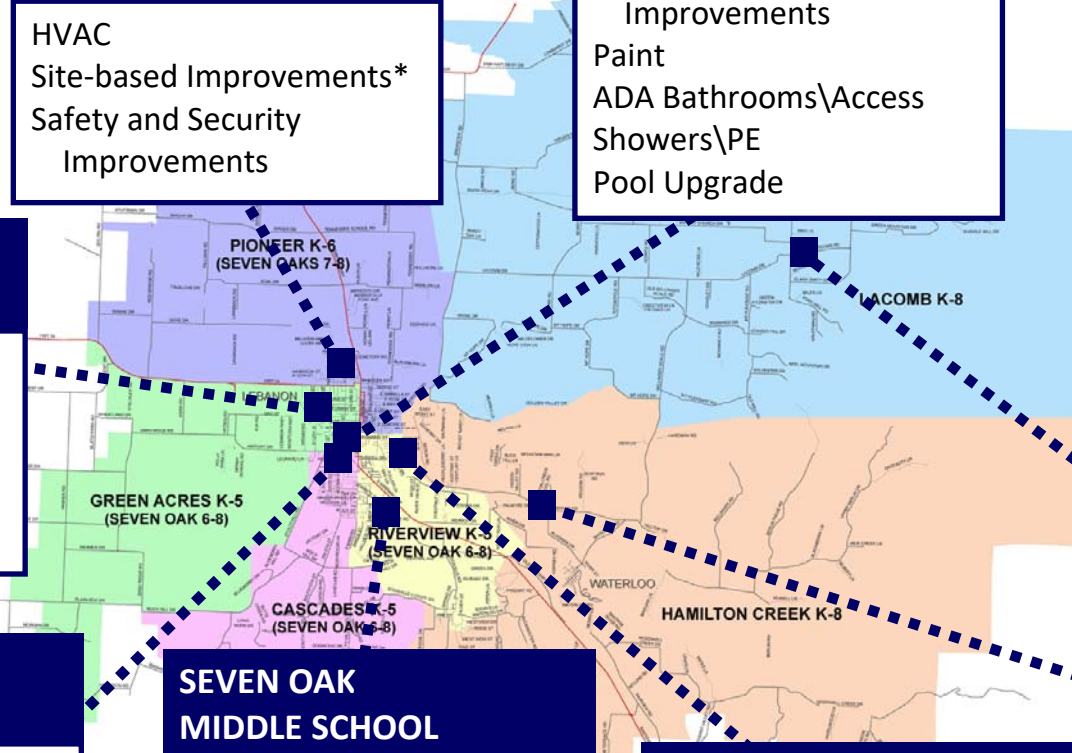
**LACOMB SCHOOL**  
 Roof Repair  
 HVAC/Boiler  
 Kitchen  
 Safety and Security Improvements  
 Paint  
 Site-based Improvements\*

**CASCADES SCHOOL**  
 Kitchen  
 Safety and Security Improvements  
 Flooring  
 Boiler  
 Site-based Improvements\*

**SEVEN OAK MIDDLE SCHOOL**  
 Roof Replacement  
 Safety and Security Improvements  
 Paint  
 Site-based Improvements\*

**RIVERVIEW SCHOOL**  
 Safety and Security Improvements  
 HVAC  
 Site-based Improvements\*

**HAMILTON CREEK SCHOOL**  
 HVAC  
 Kitchen  
 Safety and Security Improvements  
 Paint  
 Field Improvement  
 Site-based Improvements\*



\*Could include lighting, windows, play areas, restrooms, etc.

\*\* As funding allows

*These capital projects qualify for an additional \$4.3 million in state matching funds if local funding through a bond is approved by voters.*

# Questions/Clarifications/Requests