

## St. Helens School District #502 – Budget Message

In accordance with ORS 394.391, I am submitting to you the St. Helens School District proposed 2020-2021 budget.

I am honored to once again present the budget message as Superintendent of the St. Helens School District and I want to take a moment to thank all those that have put in their time and effort to build a budget that is aligned with our values, mission, and vision for the children of our community.

### **Investing in a Vision**

The development of this budget, presented to you for your consideration, supports the fifth and final year of our current strategic plan. As a school community we held closely to our strategic plan, which began in the 2016-17 school year, aligned with the hopes and dreams of our community for our schools and put us in a position to best reach those dreams. Over the past five years we held strong to our core values of: *Innovative Teaching & Learning, Integrity & Compassion, Diversity & Community Involvement, and Effort & Courage*. We focused on our mission: *Strengthening Community Through Exceptional Schools*. We pushed to achieve the vision of what we could be: *Exceptionally Educated Students by the Most Skilled and Highly Compassionate Staff*. We are reaping the benefits of aligning our budget to our strategic plan by investing in our children and community.

Our future is bright as a school community and I am optimistic that we will continue to make great strides toward realizing our vision of Exceptionally Educated Students by the Most Skilled and Highly Compassionate Staff. In light of the pandemic related to COVID 19 and its effect on budgetary resources, the District has prepared its budget in good faith with the information it has on hand. Although the State's May 2020 economic forecast has indicated there could be as much as a \$480 million dollar reduction to the State School Fund, the District has prepared a budget assuming the previously appropriated 2019-2021 State School Fund Budget of \$9.0 billion is sustained through Legislative action. Should the Legislature not access a combination of "Rainy Day" and Reserve funds or shift resources from other Departments to PK-12 education this summer, the District may have to further reduce the proposed budget by approximately \$2,176,000. Incremental reductions to the budget contained in this 2020-2021 document have been planned for and will occur in response to the Legislature's actions which are expected to begin the last week of June and end in mid-July. Unfortunately, this timing necessitates that the District, Board of Directors and Budget Committee navigate in a space where a budget must statutorily be adopted prior to us knowing the final fate of our District's funding. Accordingly, we are recommending this proposed budget as it has been expressed by several Statewide offices that preservation of the State School Fund is a bipartisan priority.

## **St. Helens School District: Investments in Strengthening Community Through Exceptional Schools**

We have aligned our resources and tapped into our partnerships to achieve our goals and vision for the District. We have built a partnership that enabled a Park and Recreation Program in our community to provide recreational activities and after school care for our students. Our investment in professional development has helped lead to the highest graduation rate in the history of St. Helens High School. We believe the best way to close the achievement gap is to address it before it becomes a gap, so we continue to expand our pre-school offerings to all elementary schools through a braiding of grants, general funds and pay-for-service programs. The positive results of this work and the exceptional efforts of our staff have allowed us to achieve things once thought impossible in St. Helens. We have now passed two bonds in a row totaling over \$100,000,000 to completely renovate and update our secondary schools, something that could not have happened without the trust and support of our community.

### **Our Investment Highlights Include:**

- Participation in high quality professional development
- Providing high quality pre-school opportunities
- Supporting opportunities for students to earn college credit
- Offering a range of Career Tech Education opportunities
- Fostering a college readiness culture

### **Our Investment Challenges for 2020-2021**

- The ability to provide an instructional model that transcends the current pandemic
- The ability to maintain current staffing levels as enrollment declines
- The ability to implement much needed Social Emotional Learning
- The ability to purchase updated curriculum resources and technology
- The ability to provide high quality professional development to all staff
- The ability to maintain well rounded education opportunities while anticipating increased employer contribution rates related to the Oregon Public Employee Retirement (PERS)

### **Revenue Assumptions:**

- The District's allocation of the State School Fund is based on \$9.0 Billion
- State School Fund funding is based on student enrollment the District's December 2019 ADMw numbers
- ~\$2M in funds which would have been made available via the Student Success Act are not included due to the economic uncertainty

- A reduction in the High School Success (formerly referred to as Measure 98) Grant is anticipated
- The 2020-2021 general fund budget is dependent on continuing to draw down our ending fund balance (3% at the end of the 2020-2021 fiscal year)
- The District anticipates support in the amount of ~\$500,000 via the Federal CARES Act/ESSER Designation passed through by the Oregon Department of Education

#### **Expense Assumptions:**

- Budget estimates include a COLA applied to salaries of 3.5% however final wage and benefit costs will increase by an amount currently unknown since the District is negotiating with all work groups this year
- The District utilized a collaborative team of classified, certified and administrative staff to prioritize funds with the school board's budget priorities and the strategic plan to present a balanced budget based on a \$9.0 billion State School Fund allocation.
  - Implementing a budget freeze in the 2019-2020 school year (including the use of districtwide furlough days) saved financial resources which are able to be rolled into and made available for 2020-2021 budget needs
  - Reallocating District-wide staffing based on not replacing staff who are retiring/leaving the District at the end of the 2019-2020 school year
  - Reducing school and instructional program budgets of non-payroll costs by ~9.8%
  - Deferring the hire of a much needed Teaching and Learning/Student Success Act administrator
  - Limiting overtime, extra pay and the use of student workers
  - Year-round staff will take an additional 4 furlough days in the 2020-2021 school year
- The general fund's ending balance will decrease as necessary given the uncertainty of the state school fund and our commitment to sustaining our investment in quality staffing. It is currently proposed at an estimated 3% and includes dissolution of the curriculum reserve.

#### **In Closing**

This budget message provides the District Budget Committee with a brief, general narrative that aligns with and supports the District's future direction within the resources expected to be available for the 2020-21 fiscal year. The challenge for the Budget Committee members is to move forward the highest quality education possible for our students during uncertain funding times. Providing a strong, effective, and efficient St. Helens School District can only be accomplished through continued efforts and partnerships with our local businesses, service clubs, employees, students, citizen groups, parents and patrons. On behalf of the staff and our community, we express our appreciation for the members of the

2020-21 District Budget Committee and for the time each of you have and will continue to put toward all of our efforts to develop the best revenue stream and spending plan we can have for the upcoming school year.

Respectfully submitted by,

A handwritten signature in black ink, appearing to read "Scot A. Stockwell". The signature is fluid and cursive, with a long horizontal stroke at the end.

Scot A. Stockwell

St. Helens Superintendent