

ST. HELENS SCHOOL DISTRICT #502 – 2018-2019 BUDGET MESSAGE

In accordance with ORS 394.391, I am submitting to you the proposed 2018-2019 budget for the St. Helens School District.

I am pleased to serve as Superintendent of the St. Helens School District and as always I want to take a moment to thank all those that have put in the exceptionally difficult work to build a budget that continues to be underfunded by the state yet stays true to our district's core values, mission, and vision for the children of our community.

Once again, the St. Helens School District is relying on using ending fund balance to fill the general fund gap left by an insufficient State School Fund. The 2018 – 2019 school year will be the last year such a practice will be possible for our school district. If the Oregon State Legislature lacks the will to adequately fund schools for the 2019 – 2021 biennium, the St. Helens School District likely will be facing significant cuts. Sadly, we will not be alone as many school district, short of the few having recently passed an operating levy, will be in a similar situation. Despite this gloomy outlook, the St. Helens School District has made some significant strides in recent years.

The budget being presented to you falls short of what is required to fulfill our District Strategic Plan. If not for the exceptional work of the staff in the St. Helens School District the lofty vision set forth by our Strategic Plan would be for not. As a district we have braided and managed funds from competitive grants to federal Title funding in an effort to increase our capacity to meet the needs of 21st century learners. We have worked diligently to foster partnerships throughout our community in an effort to supplement the needs remaining due to years of cost cutting measures. As we push toward our vision of *Exceptionally Educated Students by the Most Skilled and Highly Compassionate Staff*, we struggle with our current budget constraints to retain and attract the best staff who are up for this challenge.

Initially for the 2017-2019 biennium school districts were counseled to budget at a \$7.8 billion State School Fund. At this funding level the St. Helens School District prepared to cut over \$1.3 million dollars from our general fund. After the budget process, the legislature allocated an increase totaling \$8.2 billion to the State School fund. The increase in the state school fund reduced the amount of our prescribed budget cut by \$739,000. While still facing a \$562,000 budget reduction, the district chose to restructure staffing allocations and reduce department budgets in order to maintain class sizes at about a 24:1 staffing ratio. The change also allowed the District to create a curriculum reserve to begin replacing outdated curriculum resources some of which are as much as 20 years old. The 2018-2019 school year is the second year in the biennium funded at 51% of the District's share of the state school fund allocation. Costs continue to outpace revenue at this funding level forcing the district to make some difficult choices. Do we make cuts today, reduce staff and increase class size or do we reduce the ending fund balance below board policy in hopes of better funding from the State Legislature in the next biennium? The district has selected to reduce the ending fund balance to 4% in order to maintain reasonable class sizes of approximately 26:1, minimize a reduction in force, and continue to invest in curricular resources.

On behalf of the staff and our community, we express our appreciation for the members of the 2017-18 District Budget Committee and for the time each of you have committed to help create stronger schools for all students.

Respectfully submitted by,

Scot A. Stockwell

St. Helens Superintendent