

MINUTES

A meeting of the Springfield Public Schools (SPS) District No. 19 Budget Committee was held January 7, 2022 at the Administrative Building, 640 A Street, Springfield, OR.

ATTENDANCE

Budget Committee members in attendance were Todd Mann, Ken Kohl, Steve Irvin, Naomi Raven, John Svoboda. Jonathan Light, Kelly Mason, and Keina Wolf.

Others in attendance included District staff, students and community members identified included Superintendent Todd Hamilton, Brett Yancey, David Collins and Jeff Michna.

1. CALL MEETING TO ORDER

Superintendent Hamilton opened the Budget Committee at 6:00 p.m., welcomed members back and commented on the fact that it was the first in-person planning meeting in 22 months.

Mr. Yancey updated the group regarding the flooding of Walterville Elementary School which would be closed January 6, 2022 through January 7, 2022, adding the goal would be to reopen the school on January 11, 2022. He stated that crews had been diligently working at the site, creating culverts and putting 1,000 sandbags in place; as soon as these processes are completed a restoration company would be called in to finish the project.

2. ECONOMIC PRESENTATION

Superintendent Hamilton proceeded to introduce Tim Duy, Professor of Practice and Senior Director of the Oregon Economic Forum, who via Zoom, would provide an Economic Presentation.

- **Struggling Against Supply Constraints**
 - Unprecedented collapse of auto industry
 - Shortage of chip supply
 - No inventory
 - Rising prices for both new and used autos
 - Pullback in housing starts
 - COVID-19 was a supply shock
 - Omicron means no end in sight

- **Economy Quickly Rebounding**
 - Robust, consumer buying
 - Raise interest rates to slow inflation
 - Housing sales rose since COVID-19

- Consumer Spending
Currently higher than pre-COVID-19
Young adults (30's) forming families and buying homes
Rise in rent
- Payroll/Unemployment
Unemployment has fallen to 4.2%; was 3.5% prior to COVID-19
Hiring and retaining employees proved challenging
High level of employee separation
Historical tighter labor market
Upward wage and benefits pressure
Closing gap between wage levels
Struggling to hire for all services
Early retirement/lack of childcare/immigration
Classified positions difficult to fill
- Source of Price Increases
Increased wages

3. ENROLLMENT

Total enrollment down 316 students

15,000 students have left Oregon schools (private school, online, COVID-19 fear)

Funding received for projected number of students would be rescinded to offset lower enrollment.

State has large reserves to cover enrollment losses.

The Committee asked:

- Is there a shortage of substitute teachers.
 - Mr. Yancey responded that substitutes are not an issue and staff teachers, as well as retirees have been covering substitute openings; combining classes is a trend, as well.

4. BUDGET SUMMARY AND ESSER UPDATE

- Budget
 - 2.74% increase in utilities/software/insurance
 - 14.0% increase in property insurance
 - \$1.7M decrease transfer (ESSER)
 - \$1.0M land acquisition
 - \$200K reduction (Charter schools)
 - \$200K reduction (Nutrition Services debt assistance)
 - Costs occurred for sexual abuse/property claim cases

5. FINANCIAL STATEMENT AND 2021-2022 PROJECTIONS

General Fund Revenue for 2021-2022	
Beginning fund balance	\$731,150
State school funding	\$722,000
Net	\$ 9,204

Expenses
\$2.5M salary overage
Down 300 students
PERS Pension reduction

- ESSER
ESSER 1 – Funding expended
ESSER 2 - Funding 17.3% expended for a total of \$2.2M
ESSER 3 - Funding 4.1% expended for a total of \$1.7M

Anticipate how to allocate additional funds (HVAC, programs, tech, instruction materials).

The Committee asked:

- Can ESSER money be broken down by fiscal year?
 - Mr. Yancey replied that ESSER funds are not expended by fiscal year but have their own guidelines.
- Laptops

The Committee asked:

- What is the damage/loss in transportation of laptops?
 - Mr. Michna replied that approximately 300-400 devices are missing and fixable breakage is 1-2%.
- Would laptops ever completely replace textbooks.
 - Mr. Yancey responded that there would always be a need for textbooks.
- Is there a cost to parents for lost headsets?
 - Mr. Michna indicated the budget for headpones was \$20K per year but has already been spent for the current year; no cost to parents.
- What is the cost of a Chromebook?
 - Mr. Michna stated the cost, two years ago was \$230; currently, due to demand, cost is \$400.

6. RESOURCE INFORMATION AND FUTURE MEETINGS

Superintendent Hamilton informed the group that he had emailed copies of the Budget Committee Handbook to each member, which was a 320 page document and difficult to navigate. As the state requirement is only three pages he suggested that the committee consider (in February) a revised, condensed version.

Future Meetings:
February 10, 2022
March 17, 2022
May 5, 2022
May 12, 2022
May 19, 2022

Additional meetings would be scheduled if needed.

ADJOURN MEETING – TODD HAMILTON
Superintendent Hamilton adjourned the meeting at 7:58 p.m.