



BUDGET COMMITTEE MEETING MINUTES

BOARD MEMBERS PRESENT: Tom Oliver, Board Chair Richard Borden Board Vice Chair Mike Martin, Member Nichole Piland, Member William Barish, Budget Committee Member Cory McEldowney, Budget Committee Member Roger Maurer, Alternate Budget Committee Member	EXECUTIVE STAFF PRESENT: Jennifer Meckley, Superintendent William Lewis, Business Director
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The meeting minutes were recorded by Executive Secretary Jessica Woody.

1. WELCOME AND CALL TO ORDER

Board Chair Tom Oliver called the meeting to order at 5:02 PM.

Superintendent Jennifer Meckley goes through introductions of the present members and discusses the district goals and how they align with the budget.

2. ECONOMIC TRENDS

William Lewis, business director, explains the trends to the members regarding enrollment, with projections for the year to come. He explains funding mechanisms that are based on the district's enrollment consisting of a small uptick in birth rates in Linn County, kinder enrollment coming in lower than senior class, and lower building permit activity. He notes that enrollment is down about 241 students overall for the district.

William also explains that he is projecting flat enrollment this coming year. It is noted by William Barish that there has been conversation taking place that Lebanon will have about 1,000 doors coming to the service area, and Mr. Lewis notes that if all of those doors indeed bring families, the district will need to be prepared to grow. At this point the district does have some capacity for more students that could come in.

Mr. Lewis also notes the revenue trends and the national and state economics at this point, consisting of high inflation rate and low unemployment rate. As well as an estimated state school fund/local property tax rate of 4.83% for 2023-24. He explains that the federal reserve is in a bind

due to the rising rates. He also notes that the district is okay at this time but will need to be prepared for these things to come. William also refers to the US Treasury Yield Curve which accurately suggests a recession as it goes into the negative.

Mr. Lewis also refers to the ESSR, emergency relief funds, that are remaining state wide and how districts will be required to spend the remaining money in 2023 and some in 2024.

Board Chair Tom Oliver also notes that ESSR is just one pot of federal money, which is through 2024, we will begin to see the infrastructure funding that is coming which is for a prolonged period of time with an artificial insertion of capital, continuing to drive unemployment low and inflation high for quite some time.

Referring to the state school fund, Mr. Lewis notes that the district is on track through the end of this year. For the 2023-25 Governor's proposed budget at \$9.9 billion with a 49%/51% split, it provides only a 2.28% increase in year 1 and a 4.08% increase in year 2. William refers to a conference he attended where he learned that school district insurance rates will be going up 15-20% in the upcoming year, which is equivalent to a position in the district budget – these will be items that may be coming up in the future. Many groups are lobbying for more money, for example COSA. He also notes that there are several bills on the plate currently, and those will challenge the district and may also impact the financial position of the district.

William discusses measure 98, student success act, and high school success act, as well as the federal stimulus and how the funding is being used and reported. Noting that these funds are very targeted. ESSR II with a remaining 2.5 million is earmarked for the Seven Oak Project, and in the remaining ESSR III 2.6 million out of the 5.5 million remaining is also earmarked for the Seven Oak Project. ESSR II must be spent by September of 2023 and ESSR III must be spent by September of 2024.

William also reviews the expenditure trends which consist of a 1.25% PERS rate increase, salaries and benefits negotiations with labor groups, and a higher rate for services, supplies, and dues and fees. He notes that future economic risks may be inflation, the fiscal cliff, and geopolitical risks.

3. ENROLLMENT UPDATE

Enrollment updates are discussed during agenda item 2, economic trends.

4. CURRENT YEAR BUDGET PROJECTIONS

Current year budget projections are discussed during agenda item 2, economic trends.

5. KEY DATES AND FUTURE MEETINGS

a. BUDGET CALENDAR

William notes that the Budget Committee meetings will take place in May, and the district will have estimates regarding negotiations since it is not likely that those will be settled by that time.

b. QUESTIONS/CLARIFICATION/REQUESTS

Tom Oliver questions if the district has any opportunities to set aside a pool of money for the PERS increase, and William confirms that the district does have a significant pool of money set aside for the PERS increases, and money goes in every other year.

Regarding PERS, William Barish questions if there is anything coming from the legislature regarding changing how it is being funded or assessed in school districts. William Lewis notes that PERS is a legislative item almost every year, and at this point there are only small tweaks, but nothing that will make a huge difference.

6. ADJOURNMENT

The meeting is adjourned at 5:33 PM.



Tom Oliver, Board Chair



Jennifer Meckley, Superintendent



Pursuing Excellence

LEBANON

Community Schools

LEBANON COMMUNITY SCHOOL DISTRICT #9

Budget Committee Meeting

March 09, 2023

Jennifer Meckley, 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, 2023 Enrollment Projection and Trends

- Small uptick in birth rates in Linn County
- Current Enrollment below Pre Pandemic Highs.
- Lower building permit activity YOY.

Revenue Trends

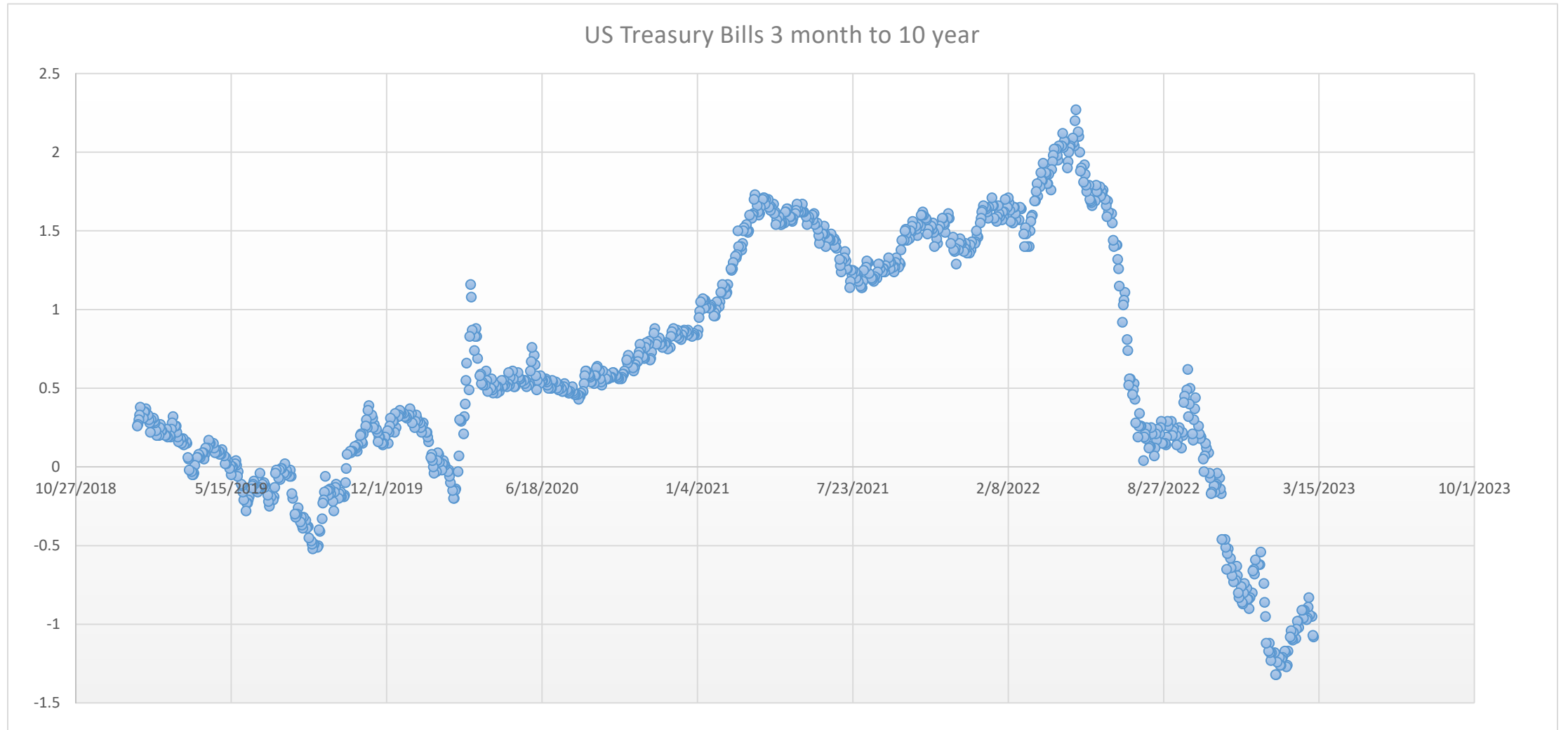
- **National and State Economies**

- Strong GDP- 2.7%
- High Inflation Jan 23 PCE Price Index- 5.4%
- Low Unemployment Rate- 3.4%
- YOY Consumer Sentiment 67.2. Up from June 22 all time low of 50.0.

State School Fund/Local Property Taxes

- Local Property Tax-AV growth 20-21 6.86%, 21-22 3.33%, 22-23 5.09%, est. 23-24 4.83%

US Treasury Yield Curve



Elementary and Secondary School Emergency Relief (ESSER) Funding

Overview

The Elementary and Secondary Education Relief (ESSER) Fund was created to provide local educational agencies (LEAs) with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools. There have been three rounds of ESSER funding since the pandemic began:

- **ESSER I.** Established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act on March 27, 2020;
- **ESSER II.** Established by the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act on December 27, 2020; and
- **ESSER III.** Established by the American Rescue Plan (ARP) Act on March 11, 2021.

This dashboard provides detailed reimbursement claim data for ESSER funds awarded directly to school districts and education service districts (ESDs).

Please note that the actual amount expended by districts and ESDs is much larger than the amount reflected by these reimbursement claims.

There is often a delay between when the funds are expended and when the expenses are claimed for reimbursement.

ESSER Funding Summary

ESSER I - Total Claimed

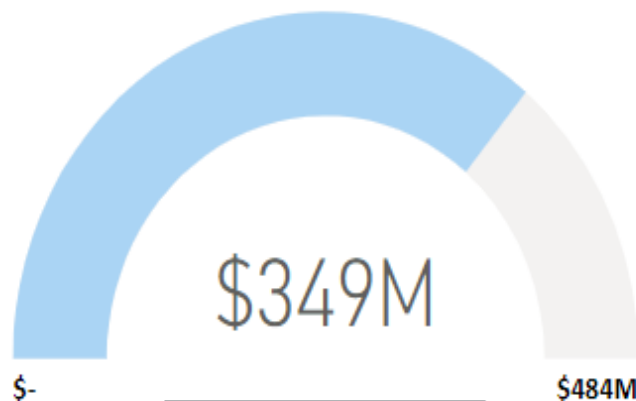
Funding Period: 3/13/20 - 9/30/22



[Explore ESSER I Claims](#)

ESSER II - Total Claimed

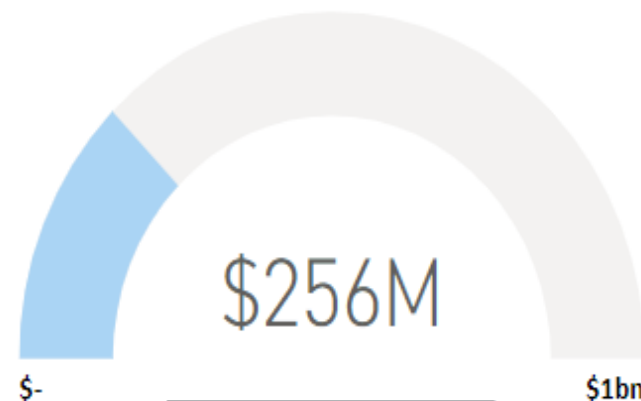
Funding Period: 3/13/20 - 9/30/23



[Explore ESSER II Claims](#)

ESSER III - Total Claimed

Funding Period: 3/13/20 - 9/30/24



[Explore ESSER III Claims](#)

Revenue Trends

State School Fund

- 2022-23 On track through the end of the year.
- 2023-25 Governor's budget at \$9.9 billion split 49%/51%. 2.28% increase Year 1 and 4.08% increase year 2.
- For most school districts, the real current service level is \$10.3 billion or more.

Student Success Act And Federal Stimulus

Student Success Act and Measure 98

- SIA-Funding split 49%/51%, \$3.12 million total, including Charter school. -4% reduction in funding.
- HSS-\$1.13 million 5.13% increase
- Additional resources set aside for improving student outcomes.
- All resources must be spent in the fiscal year.

Federal Stimulus

ESSER II Grant-\$2.5 million remaining, ear marked for Seven Oak project.

ESSER III Grant-\$5.5 million remaining, \$2.6 million ear marked for Seven Oak project.

Expenditure Trends

- Future PERS Rates-Next rate increase estimated to be approximately 1.25%.
- Salaries and Benefits are being spent in alignment with current contracts. District is currently in the negotiations with its labor groups.
- Services, Supplies, and Dues and Fees spending patterns are higher.
- **Future Economic Risks**
 - Inflation
 - Fiscal Cliff
 - Geopolitical

Questions/Clarifications/Requests