



ROSEBURG SCHOOL DISTRICT

Budget Breakdown

INTRODUCTION:

Roseburg School District's budget is made up of the general fund, grants funds, set-aside funds, and debt service. Each fund has revenue coming in and expenditures going out.

Key points to know

- Some funds have an ending funding balance that is the result of more revenue coming in than is being disbursed as an expenditure.
- Ending fund balance can increase (or decrease) because of a planned set-aside, unexpected events, or unanticipated revenue or expenditures.
- The district should never use an ending fund balance to fund ongoing planned expenditures. That would be like using your savings to make your car payment. While it makes sense to purchase a car with your savings, it does not make sense to use your savings for ongoing, monthly car payments. When the savings are gone, how is the car payment made?

FUNDS WITH ENDING FUND BALANCES

The district has three funds with ending fund balances: General Fund, Debt Service Fund, and Nutrition Services Fund.

General Fund

All state funding support, aside from grants, is placed in the General Fund. Property taxes, legislative-approved funding for the biennium, interest income, and beginning fund balance are the main sources of income in this fund.

Key points to know

- The revenue in the general fund consists mainly of property taxes, state school funds, common school fund and federal forest fees.

- Property tax limitation-in the early 1990s voters passed property tax measures-ballot measures 5 and 50-that limited both the amount of taxes public agencies could collect, and the assessed value of taxable property. School districts cannot assess more than \$5 per thousand in assessed value. Property tax values cannot increase by more than 3% a year, with a few exceptions.
 - Voters can approve an additional property tax levy on their properties, these levies are referred to as “outside the limitations of ballot measure 5.” There are two types, an operating levy that can be used to support district daily operations, and a capital levy that can only be used for facility improvements. The district has put three capital levy requests before voters in recent years, and all have failed.
- Most staff are paid from the general fund, as are supplies, utilities, daily repairs and maintenance, payments to Phoenix Charter School, and student transportation services. *The large majority of pay and benefit increases will come from the general fund.*
 - The general fund's ending fund balance is approximately \$20 million. This has come from conservative budgeting, the inability to hire all budgeted positions, and increases in state school funds that at times occur after the budget has been completed, and/or collective bargaining agreements have been made.
 - The district is in a good position right now because we are in the middle of the funding biennium and can estimate what our per student funding will be for 2024-25. The budget for 2023-24 was built on a funding level of \$9.9 billion for the biennium. That funding level was an increase from the prior biennium, which, along with position reductions, allowed the district to fund some unbudgeted pay increases.
 - The amount for funding the 2023-25 biennium ended up being \$10.2 billion, which was about a \$2 million increase in funding for the district. Plans are to request the board to appropriate this funding for 2023-24 and add it to the major maintenance fund. For the 2024-25 fiscal year, the district will receive 51% of the biennium allocation, and these are the funds that the district would use for the majority of compensation increases, although the decrease in student enrollment is a concern.
 - Of concern is the recent decline in student enrollment. As of the most recent cumulative ADM numbers, the district is down 160 ADM, which, at around \$10,000 per student, is about a \$1.6 million reduction. As the district does have an ending fund balance, this reduction in funding can be absorbed this fiscal year, but the reduced student numbers will need to be part of the

planning for 2024-25. The budget for the general fund for 2023-24 is \$73 million.

Nutrition services fund

This fund's revenue comes almost exclusively from federal meal reimbursements. Unlike other grant-type funds, revenue can be increased by additional meals served or increased sales.

Key points to know

- During COVID, waivers were granted so the team could get as many meals as possible out easily to the public. This led to a major increase in meal reimbursement and has ended up as an ending fund balance.
- The inability to find and hire staff led to a decrease in expenditures, contributing to the larger than normal balance. The district is using this ending balance to fund a number of nutrition services specific equipment. Kitchen equipment is on order, quotes for cafeteria tables and benches have been obtained, and we are seeking approval from both ODE and the school board for that purchase. Bids for a number of replacement dish machines for around the district are currently underway.
- The budget for the nutrition services fund for 2023-24 is \$6 million.

MAJOR GRANT FUNDS

Although some grants can be used to fund salaries and benefits, they are to be spent on the defined purpose of the grant. Our three major grant funds include ESSER, SIA, and HSS.

Key points to know — Elementary and Secondary School Emergency Relief Fund (ESSER)

- The district has received funds to help offset the impact of the COVID pandemic. Funds have been used for: sanitation, air purifiers, much needed safety measures including security fencing and the secure entryways that are being built around the district, and extra hours for staff and additional positions. 20% of all ESSER funds must be spent on unfinished learning.
- ESSER funds expire as of September 30, 2024, so any payroll that the district wishes to maintain will need to come from other sources, mostly the general fund. That will increase expenditures in the general fund, leaving less money for other things. For example, ESSER has been paying for two flex custodial

positions. If those positions are to be maintained past the current fiscal year, the expense will need to be absorbed into the general fund, at a cost of over \$120,000. That is the difficulty of funding positions with grant funds that are set to end.

Key points to know — Student Investment Account (SIA)

- The Student Investment Account funds are to be used for specific purposes as outlined in state statute.
- Additional positions have been added, most recently special education classified and teaching positions. When pay and benefit costs increase, the grant absorbs those increased costs, but the grant cannot be used for pay increases across the board.
- Grant funds have been used to increase after-school activities for students, pay for additional coaching positions and stipends for staff for other after-school activities. SIA funds are also being used to reduce the financial burden on families, paying for many of the fees students previously had to pay.
- The budget for the 2023-24 year is \$4.2 million.

Key points to know — High School Success (HSS)

- As with the SIA grant funds, additional positions have been added with HSS funding, and when pay and benefits go up, that grant will absorb those costs. But those funds cannot be used for pay increases across the board.
- This grant is not a guaranteed amount and in fact decreased slightly this year.
- Since not all of the grant is used for personnel, other reductions can be made in supplies and equipment that will not impact the staffing level.
- The budget for 2023-24 is \$1.7 million.

MAJOR MAINTENANCE FUND/SEISMIC GRANTS

A transfer is made from the general fund to the major maintenance fund each year to pay for major maintenance projects.

Key points to know

- The district has started to add replacement HVAC in some areas around the district, which is being paid for by the major maintenance fund. Roof replacement and asphalt paving are other examples of projects paid for by the major maintenance fund.
- No salaries or benefits are paid from this fund; it is a separate fund from the general fund so that the district can save for emergency and planned facilities projects.
- The district has also benefited from the state’s seismic rehabilitation grant program, receiving over \$16 million to make our school buildings safer. Seismic grant money cannot be used for employee salaries and benefits; it can only be used to seismically strengthen the designated areas approved by the grant. At times, when it makes sense to do other building improvements while the seismic upgrades are happening, the major maintenance fund will be used to fund those improvements.

Fund	Dollar Amount	Percentage
111 Licensed Salaries	\$25,490,470	20%
112 Classified Salaries	\$9,864,315	8%
114 Managerial Salaries	\$909,686	1%
113 Administrative Salaries	\$2,858,415	2%
Other payroll	\$3,950,785	3%
200 Payroll Benefits	\$21,253,163	17%
300 Purchased Services	\$15,348,987	12%
400 Supplies	\$11,098,525	9%
500 Capital Outlay	\$17,099,679	13%
600 Other	\$9,863,119	8%
700 Transfers to other funds	\$2,154,000	2%
800 Contingency & Ending Fund Balance	\$7,500,000	6%
	\$127,391,144	