



ROSEBURG PUBLIC SCHOOLS
Roseburg, Oregon

No. 2

Budget Committee Meeting

May 1, 2024

BUDGET COMMITTEE MEMBERS:

DISTRICT STAFF:

Michael Leone	Keith Cubic	Jared Cordon, Superintendent
Andrew Shirtcliff	Tom Nelson	Michelle Knee, Assistant Superintendent
Rev. Howard Johnson	Micki Hall	Cheryl Northam, Director of Finance & Operations
Rod Cotton	Bayley Adams	Melissa Roberts, Director of Student Services
Steve Hammerson	Becky Marr	Jill Weber, Director of Teaching & Learning
Andrea Miner	Nikki Messenger	Danielle Littlefield, Budget & Accounting Manager
Ann Krimetz	Mia Murphy	Tiffany Farrington, Administrative Assistant

NOTES OF THE BUDGET MEETING

TIME, PLACE: The second meeting of the Budget Committee of Douglas County School District No. 4 to approve the Budget for the 2024-2025 fiscal year was held via Zoom and in person in the Boardroom of the District Office at 6:00 p.m. on Wednesday, May 1, 2024.

ATTENDANCE: Committee members present: Keith Cubic, Tom Nelson, Micki Hall, Bayley Adams, Becky Marr, Mia Murphy, Michael Leone, Andrew Shirtcliff, Rod Cotton, Steve Hammerson, Andrea Miner, and Ann Krimetz.

District Office Staff present: Jared Cordon, Michelle Knee, Cheryl Northam, Melissa Roberts, Jill Weber, Danielle Littlefield, Tiffany Farrington, and Chelsea Duncan.

CALL TO ORDER: Budget Committee Chair for 2024-25, Keith Cubic, called the meeting to order at 6:00 pm.

FLAG SALUTE: Michael Leone led the committee in the Pledge of Allegiance.

APPROVAL OF MINUTES: Tom Nelson made a motion to approve the minutes of April 17, 2024. Steve Hammerson seconded, and the committee agreed unanimously.

Mr. Cubic welcomed everyone to tonight’s meeting. He deferred to Cheryl Northam and Danielle Littlefield for an overview of the General Fund.

GENERAL FUND OVERVIEW

Mrs. Northam began with a discussion of the General Fund Revenues beginning on page 1 of the budget document. Referring to presentation slides (attached), Mrs. Northam explained some of the bigger factors of General Fund Revenues. Detailing property taxes, she explained that all school districts have a permanent rate that is levied for operating expenditures. Our permanent rate is \$4.0327/thousand of assessed value. This permanent rate is approved by the budget committee and then moves forward to the school board. This rate does not have to be approved by voters, however any levy in addition to this must be. Two types of levies voters would approve are an operating levy and/or a capital improvement levy. Mrs. Northam then moved on to an explanation of our interest on investments, the Common School Fund which is managed by the Oregon Department of State Lands, and Federal Forest Fees which is a program for schools in rural counties. Next, Mrs. Northam gave a detailed explanation of the beginning fund balance which is the excess of the prior year’s revenue over expenditures. This revenue is necessary for cashflow before property tax revenue comes in, can be used in times of emergency, and can be a buffer in times of declining enrollment. Lastly, Mrs. Northam gave an update on the School Support Fund which is the main source of funding within the general fund. As can be seen in the budget document, we have \$77 million budgeted for revenue for next year and \$49 million of that is coming from the State School Fund. Mrs. Northam went through the presentation slides detailing this fund with the addition of two

handouts (attached) which were dispersed regarding State School Fund Grants. Mr. Cubic wished to clarify that the second handout is the fundamental structure for the methodology for creating a budget with what we're going to have. Mrs. Northam confirmed that this is the formula in statute, and it is the formula that all school districts are funded by, so yes, we use this in preparing the budget document. Mr. Cubic further clarified that this is the statewide methodology, which is correct. Mrs. Hall inquired as to how the number of students in poverty is determined. Mrs. Northam and Mr. Cordon responded by explaining that the State determines the number using federal guidelines and the most recent census.

Before moving on, Mrs. Northam addressed questions to be brought before the committee as requested at the last meeting. First, is basic school support only in the general fund or is it in other funds? Mrs. Northam explained that the majority of the basic school support fund is in the general fund. There is a small, less than \$30,000, lunch match that is required, so that is transferred from the general fund to our nutrition services fund. Another question that came in addressed what looks like a \$4 million increase for this year's proposed budget from last year's adopted budget. Mrs. Northam explained that this is due to two things. First, our school support funding increased to 51% from 49% as is the norm in the second year of funding. Additionally, we budgeted quite a bit more in interest on investments as we are now making money on our investments. Those are the majority of the increases. Mrs. Northam asked if there were any further questions on general fund revenue, of which there were none.

Mrs. Northam turned the floor over to Danielle Littlefield for an overview of the general fund proposed expenditures. Bringing attention to the presentation slides (attached), Mrs. Littlefield went over the four main impacts to these expenditures which are FTE, bargaining, the softball field, and aligning our expenditures. She then gave details of each impact as can be seen in the slides. Mr. Cotton inquired about the removal of the HR Director position from page 151 and whether or not this position was eliminated. Mrs. Littlefield explained that currently our HR Director is a stipend rather than a payroll position so that FTE is not included in this budget. In response to Mrs. Krimetz's question about whether or not the stipend is in the budget, Mrs. Littlefield explained that it is in the budget under the HR tab. In regards to bargaining, it has been completed and increases were seen across both payroll and benefits. She then gave details for each classification. Moving on to the softball field project, the \$500,000 in budget expenditures earmarked for this has been removed as the field has been primarily completed. Mr. Nelson asked, for the sake of those asking in the community, how the softball complex was funded. Mrs. Northam explained that we have been saving for the last year or two and setting aside money within our major maintenance fund. In addition, \$500,000 was included in last year's budget and we were able to reserve \$500,000 in this year's general fund. At this point, it is estimated that the total cost of the field will be approximately \$2.3 million, which is within the \$2.5 million budgeted for the project. Mrs. Hall has also been approached with questions from the community and would like approval to share that this field would not have been built had it not been for the Title IX federal law requirement that our softball program be equitable with our baseball program. Also, because of that, our school district was put in the position of having to find the money to fund the project. Mrs. Northam explains that while that is a fair response, this field is a good thing for our community and is a benefit for all. At some point, it probably would have happened anyway. Some years ago, the Board made a commitment to buying the properties behind the high school specifically for the purpose of putting in multi-use sports fields one day. Mrs. Hall wished to clarify that what she often hears is that we asked for a bond measure and when that failed the district turned around and put in these fields anyway. What she would like to say is that it had to be done, but the district was not only frugal but they were accountable to everything they needed to do. Mrs. Northam thanked Mrs. Hall for this response. Mr. Cordon concurred that this question comes up quite a bit and wanted to emphasize that we have been and will continue to look for ways to improve our facilities and programs. Mrs. Northam asked if there were any other questions regarding general fund expenditures of which there were none from those present.

Mrs. Northam went on to answer a question that came in this past week in regards to the Rental Property Fund on page 295 of the budget document. This fund is specific to the properties behind the high school. The income comes from these rental homes as well as from what we refer to as the Annex at Green Elementary School which we rent to the Family Development Center.

FOOD SERVICE FUND 299 OVERVIEW

Mrs. Northam then moved on to highlight our Child Nutrition Program which begins on page 311. This program provides free breakfast and lunch to all students, as well as a supper program and meals during the summer months. Bringing attention to the revenue page, Mrs. Northam explained the revenue budgeted in the 4000 functions are the reimbursements we receive from the federal government. She briefly detailed the after school meals at our secondary schools and our summer food service program which includes our Lunch Box Express and those attending summer school. During the winter and spring breaks, meals are served but because these meals are not reimbursable, the small cost for these meals is

absorbed into the general fund. Continuing on, Mrs. Northam explained the process by which the State pays us to provide meals for students. This fund also includes grants such as our Farm to School Grant. Lastly, Mrs. Northam points out another item of interest which is on page 316. Our budget for Nutrition Services is increasing a bit this next year. The number of meals served during COVID and the inability to fully staff our kitchens during that time has left a surplus in our ending fund balance. This is enabling us to replace some of our outdated kitchen equipment with more food safe equipment, as well as replace many of our cafeteria tables throughout the district.

Mrs. Northam asked if there were any other budget questions. Mrs. Krimetz inquired about substitutes and if the ESD was still handling this. Mrs. Northam explained that we now primarily use an organization called Edustaff and explained the variety of ways we budget for substitutes. A brief discussion ensued about the shortage of substitutes that has been a statewide issue for some time.

COMMITTEE DELIBERATIONS – DISCUSSION OF PROPOSED BUDGET

Mr. Cubic explained now that the committee had completed a review of the budget and knows it is a balanced budget, it was time for committee deliberation and discussion. He explained this was the time for any issues to be brought forward, or if a committee member needs more information or more time to please let the committee know. When this is all complete, he will ask if the committee is ready to approve the budget and explained that process. With that said, he asked if anyone needed more information or time. Mr. Adams asked, with the softball field now complete, what are the top priorities for the coming year and next? Mrs. Northam answered that employee compensation has been a top priority and the district is proud of the recently completed negotiations. We will also continue to place maintenance as a priority, and are applying for federal funds to assist with that. Lastly, grant funding is a priority. Mr. Cordon added that while updating schools will not be reflected in this budget document, the Board will soon be discussing the development of a long-term facility plan. Safety has also been a priority and Mr. Cordon detailed the district's efforts in this area. A discussion then ensued amongst the committee regarding the various district properties and potential long-term plans. While this is a Board issue, it was agreed that community discussions need to continue. Mr. Cordon concluded with an explanation of the process of a long-range facilities plan.

Mr. Cubic again asked if there were any other questions or discussion of which there was none. He asked if any member was in need of more time and again, there were none.

APPROVAL OF PROPOSED BUDGET

Mr. Nelson made the motion to approve the 2024-2025 proposed budget as presented in the amount of \$130,393,776.29. Furthermore, he moved to approve the permanent property tax rate in the amount of \$4.0327 necessary to balance the 2024-2025 General Fund Budget. Ms. Marr seconded the motion.

Chair Cubic asked for any further discussion of the motion of which there was none. He then moved to the vote by show of hands. The motion passed unanimously. Chair Cubic stated the motion has been approved and will be carried through by the School Board at their meeting on June 5th. He thanked the committee and with the motion passing, there is no need to schedule another meeting. For the sake of the new committee members, Mr. Cubic asked Mrs. Northam to discuss the next steps in the budget process. Mrs. Northam explained the approved budget will be presented at the June Board Meeting for adoption. She explained the process and gave details of what changes can and cannot be made by the Board as well as what steps may be taken should unexpected revenue or expenses arise.

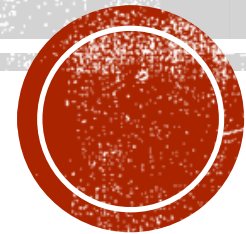
Mr. Cotton expressed his thanks to the "citizen members" for serving on the committee. Mr. Nelson expressed his thanks to the School Board for the job they did with the salary negotiations and thanked the District for all they do.

ADJOURN

Mr. Cubic made the motion to adjourn the meeting. All were in favor. The meeting was adjourned at 7:00pm.

Prepared by Tiffany Farrington, Budget Committee Secretary

2024-25 GENERAL FUND PROPOSED REVENUES



FACTORS OF GENERAL FUND REVENUES

- **Property Taxes**
- **Interest on Investments**
- **State School Support**
- **Common School Fund**
- **Federal Forest Fees**
- **Beginning Fund Balance**



PROPERTY TAXES

- All school districts have a permanent rate that is levied for operating expenditures. Roseburg School Districts is \$4.0327/thousand of assessed value. Any levy in addition to the permanent rate must be approved by voters.



INTEREST, COMMON SCHOOL FUND, FEDERAL FOREST FEES

- Interest on investments-Local Government Investment Pool
- Common School Fund-Managed by the Oregon Department of State Lands, they lease and sell certain state lands and invest funds and unclaimed property to generate revenue for school districts.
- Federal Forest Fees-Secure Rural Schools Program, a federal program that provides funding to support rural counties whose tax base was limited by ownership of federal lands.



BEGINNING FUND BALANCE

- The excess of prior year's revenue over expenditures.
- Necessary for cashflow before property tax revenue comes in. It can be a buffer in times of declining enrollment.
- Although contingency funds are budgeted, ending fund balance can also be used in times of emergency.
- This line item is budgeted as a current revenue, so budgeted to be spent, so it is usually budgeted for less than actual cash on hand.



SCHOOL SUPPORT FUND

- Main source of funding within the general fund.
- Funding is on a per student basis called average daily membership-weighted. The funding is based on the number of days a student is enrolled, not attendance. If a student is absent for 10 days, they are dropped from enrollment on the 11th day.
- Each enrolled student is counted, then an additional “weight” is added for students on an IEP, English language learners, and students enrolled in an approved parenting program. Additional weights are added for students in poverty or other qualifying situations.
- Districts are funded on the higher of the current or prior year enrollment to allow for adjustments during times of declining enrollment.



SCHOOL SUPPORT FUND

- Starts with a target grant amount per student, this is adjusted for teacher experience, and the amount of funding from the state.
- This number is multiplied by the ADMw number and this is called the general purpose grant.
- Student home-to-school transportation is reimbursed on a percentage basis, our percent is 70% and this is added to the general purpose grant and this is called total formula revenue.
- Some revenue that is part of the state support is received directly by the school district, that includes property taxes, common school fund, and the county school fund. Since it is received directly, it will not come from the Oregon Department of Education and is deducted to arrive at the state school fund grant.
- ODE sends out updates and revisions to the state school fund grant. The district uses the most current estimate when the budget document is done.



2024-2025 Extended ADMw

Douglas County SD 4: District total extended ADMw for funding calculations

	2024-2025		2023-2024	
ADMr:	5,647.00 X 1.00 =	5,647.00	5,398.90 X 1.00 =	5,398.90
Students in ESL programs:	50.00 X 0.50 =	25.00	45.14 X 0.50 =	22.57
Students in Pregnant and Parenting Programs:	3.00 X 1.00 =	3.00	1.45 X 1.00 =	1.45
804 IEP Students capped at 11% of District ADMr:	621.17 X 1.00 =	621.17	611.84 X 1.00 =	611.84
Students on IEP Above 11% of ADMr:	10.40 X 1.00 =	10.40	10.40 X 1.00 =	10.40
Students in Poverty:	821.25 X 0.25 =	205.31	784.90 X 0.25 =	196.23
Students in Foster Care and Neglected/Delinquent:	58.00 X 0.25 =	14.50	58.00 X 0.25 =	14.50
Remote Elementary School Correction:	0.00 X 1.00 =	0.00	0.00 X 1.00 =	0.00
Small High School Correction:	0.00 X 1.00 =	0.00	0.00 X 1.00 =	0.00
Post Graduate Scholars:	0.00 X-0.25 =	0.00	0.00 X-0.25 =	0.00
	2024-2025 ADMw	6,526.38	2023-2024 ADMw	6,255.88
	Douglas County SD 4 Extended ADMw		6,526.38	

Phoenix School: Charter ADMw for information only

	2024-2025		2023-2024	
ADMr:	0.00 X 1.00 =	0.00	163.26 X 1.00 =	163.26
Students in ESL programs:	0.00 X 0.50 =	0.00	0.00 X 0.50 =	0.00
Students in Pregnant and Parenting Programs:	0.00 X 1.00 =	0.00	1.00 X 1.00 =	1.00
0 IEP Students capped at 11% of District ADMr:	0.00 X 1.00 =	0.00	0.00 X 1.00 =	0.00
Students on IEP Above 11% of ADMr:	0.00 X 1.00 =	0.00	0.00 X 1.00 =	0.00
Students in Poverty:	0.00 X 0.25 =	0.00	24.01 X 0.25 =	6.00
Students in Foster Care and Neglected/Delinquent:	0.00 X 0.25 =	0.00	0.00 X 0.25 =	0.00
Remote Elementary School Correction:	0.00 X 1.00 =	0.00	0.00 X 1.00 =	0.00
Small High School Correction:	0.00 X 1.00 =	0.00	0.00 X 1.00 =	0.00
Post Graduate Scholars:	0.00 X-0.25 =	0.00	0.00 X-0.25 =	0.00
	2024-2025 ADMw	0.00	2023-2024 ADMw	170.26

Douglas County SD 4 Extended ADMw 6,526.38

STATE SCHOOL FUND GRANT

2024-2025

Based on \$10.2 Billion Budget with a 49/51 split as of 3/25/2024

Douglas County, Douglas County SD 4 - 1991

2024-2025 Local Revenue

Property Taxes and in-lieu of property taxes from local sources	=	\$20,850,199.00
Federal Forest Fees	=	\$0.00
Common School Fund	=	\$787,989.81
County School Fund	=	\$75,000.00
State Managed Timber	=	\$0.00
ESD Equalization	=	\$0.00
In-Lieu of Property Taxes(non-local sources)	=	\$0.00
Revenue Adjustments	=	\$0.00
Sum of Local Revenue	=	\$21,713,188.81

2024-2025 Experience Adjustment

District Average Teacher Experience	=	12.31
State Average Teacher Experience	=	11.85
Experience Adjustment (Difference in District and State Teacher Experience)	=	0.46

2024-2025 Transportation Grant

Salaries	=	N/A
Payroll	=	N/A
Purchased Services	=	N/A
Supplies	=	N/A
Other	=	N/A
Garage Depreciation	=	N/A
Bus Depreciation	=	N/A
Fees Collected	=	N/A
Non-Reimbursable	=	N/A
Net Eligible Trans Expenditures	=	\$4,700,000.00
Transportation per ADMr Rank		46%
Transportation Reimbursement Rate		70.00%
70.00% of the Net Eligible Transportation Expenditures = the Transportation Grant \$3,290,000.00		

2024-2025 Extended ADMw

2024-2025 ADMw 6,526.38 2023-2024 ADMw 6,426.15 Extended ADMw 6,526.38

2024-2025 General Purpose Grant

Multiply the Teacher Experience Adjustment of 0.46 by \$25 then add \$4500 to the result = \$4,511.50
Then multiply \$4,511.50 by the Extended ADMw 6526.3825 and then by the funding ratio 2.340889528924 = \$68,924,623.77

2024-2025 Total Formula Revenue

Add the General Purpose Grant \$68,924,623.77 to the Transportation Grant \$3,290,000.00 = \$72,214,623.77

2024-2025 State School Fund Grant

Subtract the Local Revenue \$21,713,188.81 from the Total Formula Revenue \$72,214,623.77 = \$50,501,434.96

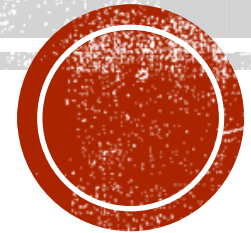
2024-2025 Rates per ADMw

General Purpose Grant per Extended ADMw = \$10,561 Total Formula Revenue per Extended ADMw = \$11,065
Charter Schools Rate(ORS 338.155) = \$10,561

Payments

SSF Total Paid To Date	SSF Estimated Remaining Balance Due
Small HS Grant Total Paid To Date	Small HS Grant Estimated Remaining Balance Due
	High Cost Disability Estimated Remaining Balance Due

**2024-25 GENERAL FUND
PROPOSED EXPENDITURES**



IMPACTS TO GENERAL FUND EXPENDITURES

- FTE
- Bargaining
- Softball Field
- Aligning Expenditures



CHANGES IN FTE

- HR Director position removed (page 151)
- Removed “placeholder” FTE’s that were budgeted for unanticipated needs (page 15)
- Aligned actual FTE – Positions that were budgeted in General Fund, but were funded by grants, and removed unfilled positions that are not needed for next school year (throughout budget)
- Removed temporary positions that were intended for the current year only (throughout budget)





BARGAINING

COMPLETED FOR

ALL

CLASSIFICATIONS



LICENSED

- 8% COLA increase
- Adjustments to Salary Schedule
- Increase to Insurance Cap/Opt Out
- TSA contribution Increase
- \$2,000 Longevity bonus starting at 15 years. Longevity bonuses are awarded once every 5 years of service.



CLASSIFIED

- 4% COLA increase
- Adjustments to Salary Schedules impacting over 75% of classification
- Added step 7 and removed “longevity years” between steps
- Insurance Cap/Opt Out increase
- 100% insurance cap/opt out available to employees working 6.5 hours or more per day.
- \$2,000 Longevity bonus starting at 15 years. Longevity bonuses are awarded once every 5 years of service.



CONFIDENTIAL

- 8% COLA increase
- Salary Schedule Adjustment
- TSA contribution increase
- \$2,000 Longevity bonus starting at 15 years. Longevity bonuses are awarded once every 5 years of service.



ADMIN

- 8% COLA increase
- Adjustments to Salary Schedule
- TSA contribution increase
- \$2,000 Longevity bonus starting at 15 years. Longevity bonuses are awarded once every 5 years of service.



SOFTBALL FIELD COMPLETE!

- Page 167 – The softball field project has been completed. The proposed budget removes the \$500,000 in budgeted expenditures associated with this project.



ALIGNING EXPENDITURES

The district reviews current expenditures, past expenditures and anticipated expenditures to budget for the upcoming year.

These expenditures change yearly depending on the needs of the district, the resources available and the cost of operating.



SALARY & BENEFITS INCREASE, BUT FTE DECREASES?

Page 15

Looking at page 15 as an example, you can see that the FTE has decreased from last year's budget, but the salary and benefits have increased. There are many factors that create this outcome.

- The budget from 2023-24 includes estimates of salaries and benefits for open positions. This means, we budget for a certain salary/benefit, but once this position is filled, the actual salary and benefit costs are higher.
- The negotiated contracts with the classifications increase salary/benefits for current and incoming staff. This means our costs for salary/benefits was lower in last year's budget than this year's budget.

