

**Grants Pass School District No. 7
 Formal Budget Meeting Minutes
 May 21, 2024**

Date and Place of Meeting The regular meeting of the Grants Pass School District No. 7 Formal Budget Meeting was held at the GPSD7 Grants Pass High School Library and virtually through Zoom, May 21, 2024. Recordings of the meeting can be found on our district web page 48 hours from completion of meeting.

Attendance Present:

Board Chair Wilkins	Budget Member John Higgins
Board Member Richardson	Budget Member Chair Kari Bassett
Board Member Brownell	Superintendent Sweeney
Board Member Smith	Director Evens
Board Member Seable	Director Zottola
Board Member Dybdahl	Director Jones
Budget Member Cory Ingram	Director Kantola
Budget Member Quin Collins	Director Stegemiller
Budget Member Vicki Macy	Director Thompson

General Session Called to Order Board Chair Wilkins called the meeting to order at 5:00 PM and asked those in attendance to stand and participate in the Pledge of Allegiance.

Communications and Items of Information Board Chair Wilkins asked if anyone in the audience or virtually would like to comment on any agenda item. There were no responses.

Election of Budget Committee Presiding Officer Board Member Debbie Brownell nominated Budget Member Kari Bassett to be the Presiding Officer for the 2023-2024 School Year. Board Chair Wilkins seconded the motion. A roll call vote was taken and the motion passed unanimously.

Operating Procedures Board Member Richardson motioned to approve a modified set of Roberts Rule of Order as the established operating procedures. Board Member Seable seconded the motion. Budget Chair Bassett asked for clarification on what a modified version meant. Member Richardson responded that as long as the committees agrees. All were in favor.

Superintendent Message Superintendent Sweeney delivered the Budget Message. [Click Here](#)

Agenda and the role of the Budget Committee Director of Finance Stegemiller reviewed the agenda and did an overview of what the purpose of the Budget Committee is: The role of the budget committee is to review the proposed budget, including revenue and expenditures; Listen to and address any community concerns; Evaluate issues and make recommendations; Provide input based on district priorities. Director Stegemiller reviewed budget basics and types of expenditures. Director Stegemiller explained the Beginning Fund Balance, BFB, vs. the Ending Fund Balance (EFB) and types of revenue and expenses. [Official Budget Presentation 2024-2025](#)

Member Richardson commented that the 5% portion of the EFB are operating reserves that the district needs to start the school year with. Superintendent Sweeney reminded the board that the district is anticipating an EFB for the 2025-2026 school year of 6.38%. This does not take into consideration the \$3M in PERS reserve or the \$930K contingency fund.

Beginning Fund Balance	\$11,887,185
Revenue - Local - Taxes	\$17,100,000
Revenue - Local - Not Taxes	\$1,392,000
Revenue - Intermediate	\$1,200,000
Revenue - State	\$50,163,082
Revenue - Inter-fund Transfer	\$750,000
Revenue - Federal	\$758,516
TOTAL RESOURCES	\$89,260,783
Expense - Instruction Salaries	\$44,632,523
Expense - Associated Payroll	\$25,435,159
Expense - Purchased Services	\$6,405,776
Expense - Supplies & Materials	\$3,910,886
Expense - Capital Outlay	\$6,000
Expense - Insurance, Taxes, Dues & Fees	\$782,552
Expense - Transfers	\$1,797,742
Expense - Contingency	\$930,000
TOTAL EXPENSE	\$83,900,638
Ending Fund Balance	\$5,350,145

SIA & HSS Funds

A portion of the districts funding comes from grant dollars. There are specific parameters these funds can be used for:

High School Success (HSS) – systems to improve graduation rates and college/career readiness.

Goals	Program Requirements	Allowable Fund Uses
<ul style="list-style-type: none"> Improve student progress toward graduation beginning with grade 9 Increase high school graduation rates Increase equitable access to advanced coursework Improve high school graduates' readiness for college and career 	<p>Who is eligible? School districts, schools, charter schools, virtual charter schools, consortiums, WEDnet, ODE, and Oregon School for the Deaf</p> <p>Eligibility Requirements:</p> <ul style="list-style-type: none"> Provide sufficient time for teachers and staff of students in grade 9 to review data on students' grades, absences, and discipline by school and by course and to develop strategies to ensure at-risk students stay on-track to graduate Implement district-wide evidence-based practices for reducing chronic absenteeism in grades 9 through 12 Assign and provide equitable access to high school students to advanced and dual-credit courses based on academic qualifications in order to avoid bias in course assignments Implement systems to ensure that high school students, including English Language Learners, are taking courses required for on-time graduation 	<ul style="list-style-type: none"> Funding is provided to establish or expand programs in three specific areas: <ul style="list-style-type: none"> Dropout Prevention Career & Technical Education** College-Level Education Opportunities Up to 15% of allocation is allowable for 8th grade spending

Special Revenue	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021
Federal Programs	\$ 12,152,459	\$ 10,280,145	\$ 8,434,700	\$ 18,609,829	\$ 17,854,927
Student Body Fund	\$ 2,862,485	\$ 2,938,164	\$ 2,536,974	\$ 2,987,201	\$ 2,029,894
Food Service	\$3,383,266	\$ 4,383,302	\$ 4,319,047	\$ 4,209,652	\$ 4,209,652
Cool Schools	\$ 180,820	\$ 166,872	\$ 155,820	\$ 637,673	\$ 513,843
FORK Grant (new)	\$ 9,500				
Bus Replacement Fund	\$ 525,000	\$ 1,248,500	\$ 2,998,846	\$ 1,877,327	\$ 675,000
PAC (new)	\$ 500,000				
SIA - Student Investment	\$ 5,580,481	\$ 5,361,639	\$ 4,594,315	\$ 4,013,181	
HSS - Measure 98	\$ 1,669,259	\$ 1,603,401	\$ 1,666,148	\$ 1,666,148	\$ 1,514,951
PERS Reserve	\$ 3,759,685	\$ 3,433,400	\$ 3,366,176	\$ 3,357,646	\$ 3,370,549
Insurance	\$ 31,000	\$44,338	57,330		
Total Special Revenue	\$47,683,698	\$43,882,785	\$ 38,364,501	\$ 52,025,979	\$ 25,404,772

This Biennium	Student Investment Account (SIA)	High School Success (HSS or Measure 98)
23/24 School year	\$5,361,639.30	\$1,603,401
24/25 School year	\$5,580,481.73	\$1,669,259

Student Investment Account (SIA) – to meet students mental health, behavioral needs and increase academic achievement/reduce disparities for student focal groups. This grant requires ongoing community engagement and assessment.

SIA Funds Allowable Expenses

Expand Instructional Time	Address Student Health and Safety	Reduce Class Size and Caseloads	Provide Well Rounded Education
<ul style="list-style-type: none"> More hours or days Summer programs Before/after-school programs 	<ul style="list-style-type: none"> Social emotional learning, trauma informed practices Mental and behavioral health More school health professionals Facility improvements 		<ul style="list-style-type: none"> Early literacy Middle school programs and supports Broadening curricular options (art, music, PE, STEM, CTE, engaging electives, college credit opportunities, dropout prevention, life skills classes, talented and gifted programs, and access to licensed librarians.

1. Meet students' mental or behavioral health needs; and
2. Increase academic achievement for students, including reducing academic disparities for:
 - Economically disadvantaged students;
 - Students from racial or ethnic groups that have historically experienced academic disparities;
 - Students with disabilities;
 - Students who are English language learners;
 - Students who are foster children;
 - Students who are homeless; and
 - Any other student groups that have historically experienced academic disparities, as determined by the State Board of Education.

- Capital Projects: Over \$30M in capital projects were identified as eminent concerns needing to be addressed throughout the district. These are being addressed using the Full Faith & Credit money received in 23.24...for full list of projects see page 61 of the Budget Highlight book.
- The district received seismic rehabilitation grants for Lincoln and Redwood Elementary Schools. This will include new roofs for both schools.
- Budget Member Pherson shared that she would like to return to “school visits” for next year to see the needs as that helps to shape budget discussions moving forward.
- Budget Member Macy is concerned for the future of teaching. This district is full of amazing educators that have been serving our children and being such a big part of their lives. There needs to be advocacy at the state level.

Budget Highlights

For the full report on all of GPSD7 schools as well as Food/Nutrition, Maintenance, Printshop and Transportation see pages 9 thru 28 of the [Budget Highlights](#).

Pre Motion Statement by Budget Member Higgins

Budget Member Higgins: The proposed 2024/25 budget reflects continuing General Fund 100 ("General Fund") structural deficit spending as a result of the District's ongoing, post-covid student enrollment decline on which the District's Oregon state school funding is based. This deficit spending is projected to become more acute with the exhaustion of Covid-era federal ESSER funding support as of September 2024.

It is noted that the District has made certain General Fund expenditure reductions during the current fiscal year and in the proposed 2024/25 budget to begin addressing this issue but there remains a significant General Fund 100 budget deficit for 2024/25 resulting in a drop in General Fund 100 reserves from 15.47% to 6.38%.

This trend is clearly not sustainable and it is recommended that the District develop a plan to eliminate General Fund deficit spending for the 2025/26 budget. The District is optimistic that projected enrollment increases in 2024/25 (as well as a positive ADM adjustment for 2023/24), along with a substantial state school funding increase in the next biennium beginning July 2025 will help address this challenge. However, these assumptions must be tempered by recent District enrollment trends and the uncertainty as to whether the state legislature will significantly increase K-12 funding in the next biennium, particularly when statewide student enrollment is also declining.

Even if the anticipated state school funding and District enrollment increases do materialize, it is anticipated that significant General Fund budget reductions may be necessary in order for 2025/26 General Fund expenditures not to exceed 2025/26 General Fund revenue. These budget reductions will be even more severe if the anticipated state school funding and/or District enrollment increases do not materialize.

The motion as amended is as follows:

Action Item

Budget Member Higgins stated that based on these budget realities, I move to approve the 2024.25 proposed budget in the aggregate amount of \$139,805,553 with an ending General Fund 100 balance of \$5,350,145 representing 6.38% of General Fund 100 budgeted expenditures. Provided that:

1. Administration develops a 2025/26 General Fund 100 breakeven plan which would result in budgeted 2025/26 General Fund expenditures not exceeding budgeted 2025/26 General Fund revenue;
2. This General Fund breakeven plan will be developed and updated during the 2024/25 fiscal year based on verifiable enrollment, available state school funding estimates and projected actual expenditures for 2024/25 and 2025/26; and
3. The General Fund breakeven plan will be included as part of the proposed 2025/26 budget for review by next year's Budget Committee. As part of that review, the Budget Committee can consider (subject to the Board's final budget adoption) to what extent remaining General Fund reserves at June 30, 2025 might be used to mitigate the impact of General Fund breakeven plan budget reductions.

Budget Member Ingram seconded the motion. A roll call vote was taken and the proposed budget passed unanimously.

Proposed Budget [Click Here](#) for the entire Proposed Budget 2024-2025.

Approved by the
Board of Directors at the
June 18, 2024 Board Meeting.
The recording of the meeting can
be viewed on our [website](#).

Board Chair

Date

Superintendent

Dare