



ROSEBURG PUBLIC SCHOOLS

Roseburg, Oregon

No. 1

Budget Committee Meeting

April 16, 2025

BUDGET COMMITTEE MEMBERS:

DISTRICT STAFF:

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

NOTES OF THE BUDGET MEETING

TIME, PLACE: The first meeting of the Budget Committee of Douglas County School District No. 4 to approve the Budget for the 2025-2026 fiscal year was held via Zoom and in person in the Boardroom of the District Office at 6:00pm on Wednesday, April 16, 2025.

ATTENDANCE: Committee members present: Michael Leone, Rod Cotton, Steve Hammerson, Andrea Miner, Ann Krimetz, Keith Cubic, Tom Nelson, Becky Marr, Nikki Messenger, Mia Murphy, Mike Schofield, and Micki Hall. Andrew Shirtcliff was present via Zoom.

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

Guests present (via Zoom): Harmony and Freeda S.

CALL TO ORDER: Board Chair, Andrea Miner, called the meeting to order at 6:00pm.

FLAG SALUTE: Chair Miner led the committee in the Pledge of Allegiance.

INTRODUCTION OF COMMITTEE: Each committee and staff member present gave a brief introduction of themselves. Chair Miner informed the committee of Bayley Adams' resignation from the Budget Committee effective today, April 16, 2025. Due to the timing, this position will be filled at a later date.

SELECTION OF BUDGET COMMITTEE CHAIR AND VICE CHAIR:

Selection of Budget Committee Chair: Chair Miner entertained a motion for Chairperson of the Budget Committee. Micki Hall nominated Mike Schofield as Chair, Becky Marr seconded, and the vote was unanimously in favor. Chair Miner noted Mr. Schofield's extremely impressive resume upon applying for the Budget Committee. It was also discovered that Mr. Schofield was Cheryl Northam's mentor which spoke volumes for her. The meeting was then turned over to Mr. Schofield.

Selection of Vice Chair: Mr. Schofield entertained motions for a Vice Chair. Micki Hall nominated Mia Murphy as Vice Chair, Nikki Messenger seconded, and the vote was unanimously in favor.

Mr. Schofield began by expressing what a wonderful opportunity this is for the committee to ask questions as the Budget Message is delivered and the budget detail is reviewed. Mr. Schofield also wanted to express his gratitude for Micki Hall and the time she spent with her students throughout the years, including his own. She is a legend in his household, and he is honored to be serving on this committee with her.

Mr. Schofield then explained that the purpose of this meeting is to focus on the budget and the importance of asking questions of the Business Office staff. The meeting will begin with the Budget Message by Superintendent Cordon and then will move to Danielle Littlefield who will present on the budget.

BUDGET MESSAGE:

Superintendent Cordon began by thanking the committee for their public service. Mr. Cordon drew attention to the Budget Message within the budget document, and while not reading it in its entirety, gave some important highlights instead. He explained that what is most important is that this budget has been built and designed to align with our district's strategic plan which is built and designed to center on kids. The goal of a budget is to ultimately serve children. The beginning of this budget season is an interesting time for us for a couple of reasons. First, we are at the beginning of a biennium which brings a level of complication as we are unsure of what our budget will actually be as we still do not have a budget from the Legislature. Add to that a level of uncertainty with federal funds ... it is a complicated time right now. It's also important to realize we are in a time of reductions. While the proposals coming out of Salem are more than the last biennium, we are still in an approximately \$6 million deficit for next year. We have a long history of budgeting to live within our means and saving for a time in which we have need. To some extent, we are in that time. We had the PERS reduction in the fall of approximately \$4.6 million, the federal act, Secure and Rural Schools, was not approved this fall for the first time in the last 24 years, and there were increases in our home budget with such things as insurance. This budget does reflect our interest and expectation that we cut as far away from children and classrooms as possible and is a fairly aggressive budget in terms of the lack of reductions. Of the \$6 million that we are short, under the assumption the \$11.4 billion biennium is passed, we've made about \$2.4 million in direct reductions to staffing and programs, \$2.5 million is coming out of our savings and another \$1.1 million coming out of a reduction in transfers next year. Mr. Cordon stressed that we have a significant amount of funds to serve children, and this budget should present the opportunity we have. The Budget Message focuses more on what can we do to serve children rather than focusing on the deficits. One other notable and exciting point that Danielle will cover as well is that we have a \$2.5 million investment by the Board at their direction to build what will be the first high school building on a college campus in Oregon. This will be our Advanced Medical Pathways building and will be located at the new medical facility at UCC. Superintendent Cordon again thanks the committee for their time and hopes the members see that the budget process is aligned with where we currently are and where we need to go to better serve children.

PROPOSED 2025-2026 BUDGET PRESENTATION:

Danielle Littlefield began her presentation and welcomed questions throughout. She introduced highlights in the proposed budget utilizing slides which are attached. She began with an overview of the Budget Committee Roles & Responsibilities and then moved on to factors affecting the General Fund Revenues such as property taxes, interest on investments, state school support, common school fund, and beginning fund balance giving brief details on each (please see slides for details). Danielle continued giving the changes from last year's revenue sources beginning with the Federal Forest Fees-Secure Rural Schools Act, a federal program that has not yet been reauthorized and so is not included in this budget's revenue. We are, however, anticipating some retroactive revenue this fall. Chair Miner confirmed that even if the act is not reauthorized, we would still receive the funds owed to us. Danielle confirmed that yes, we would receive those funds. Tom Nelson inquired if we know how much we will be receiving, and Danielle informed the committee that we do not yet know. Superintendent Cordon explained that the amount could be upwards of about \$1 million and gave a brief explanation of where the error occurred in the federal program. Over a number of years, some districts were overpaid and 82 districts were underpaid of which we were one. The county also receives part of this funding so in actuality we only receive \$650,000 or so. Next, Danielle went over the expenditure increases and decreases in the proposed budget which include contractual obligations, an increase in PERS rates, a decrease in fund transfers, the RHS Advanced Medical Pathways program, and ongoing seismic projects (please see slides for details). Superintendent Cordon explained that while we receive revenue estimates from the legislature, these amounts often change as has happened over the past few months as we've seen the amount of funds committed to education begin to shrink. It's important for the committee to

know that the transfers in our budget Danielle presented came about as we learned approximately 6 weeks ago that our funding would be about another \$1.6 million short. Rod Cotton asked if this was just a one-time thing for this year and Mr. Cordon confirmed that these transfers are a one year only option. Chair Miner wanted to clarify that we did not cut any teachers but instead offered them other positions within the district or they are retiring. Mr. Cordon explained that while we did make reductions, these reductions did come through attrition for us. One of the goals when the contract was settled was to retain staff which we have been able to do almost 100% this year. It is operationally inefficient and a huge loss of revenue to have employees going in and out. What can be seen in this budget document is that while we have been able to reduce a number of positions (12 teaching and some administrative positions), we've been able to retain our staff. Steve Hammerson wished to clarify that we were absorbing the virtual school staff as well. Mr. Cordon confirmed that we are. Micki Hall questioned what will happen if a lot less comes in from the state and/or federal funds than anticipated? Mr. Cordon discussed the State of Oregon budget and the level of uncertainty surrounding federal and state funds. We do have assurance for next year (2025-26) around IDEA, Title I and Title IV, but do not yet know about Title II or Title III. We do not have assurance for any of these funds for the 2026-27 year. If we do receive considerably less funding, we will need to come back and dramatically shift the way our staffing looks. Ann Krimetz, directing her question to Michelle Knee, inquired as to whether there are any grants anticipated or in the works that could be additional revenue? Mrs. Knee answered that at this time there are no additional grants, but they have seen in the governor's proposed budget an increase in the Early Literacy grant which would provide more funding for K-3 Literacy. We won't know for sure though until the governor's budget is finalized and the legislature finishes up in June. As a result, we have budgeted at the lower amount of what our current service level is for that grant and then if we receive additional funds we will come back and reappropriate them. Also important to note, the governor's proposed budget came in with an almost \$80,000 decrease in our Measure 98 (HS Success) fund that we received notice of over spring break. The only increase that we are possibly anticipating are the Early Literacy funds. Mr. Cordon further expressed that outside of a couple of Special Education bills currently being discussed by the legislature such as increasing or eliminating the cap on Special Education funding and a bill regarding high cost disability, he is not optimistic about any other grant opportunities. In regards to staff attrition, Mr. Nelson inquired as to what our student teacher ratio was last year vs what we expect this year. Mrs. Knee stated that our kindergarten ratios have been 1:20, and then increase in increments from there ... 1st grade 1:22, 2nd grade 1:23-24, all the way up to 5th grade at 1:26-27. With the decrease in enrollment, we don't anticipate these numbers changing. Danielle continued on with a discussion of the RHS Advanced Medical Pathways project and the Seismic projects planned for the 2025-26 year (please see attached slides for details).

This concluded the highlights/changes in the budget and Danielle opened the meeting up for discussion and/or questions. Rod Cotton expressed his pleasure with our budget process, our ability to keep class sizes where they are, and that when reductions were made administration positions were considered first rather than last which so often happens. He also noted that we be cognizant of the new accountability coming down from the state as we conduct our daily business. Mr. Schofield noted that in all of the years he has spent in schools he has never seen a time when revenues were so unpredictable as they are this year. While the uncertainty is concerning, the budget structure and process does have a lot of flexibility should we need it. This appears to be a year where we will review the budget document and the document could change even before adoption. However, it's important to note that the process is flexible enough to handle this and the appropriations can change to manage it. He stresses that right now it is still early as we have not received some of the projections and so it appears we are staying very conservative. This is the position to be in. He expressed his sadness that we are where we are in regard to education and children in the state of Oregon. Mr. Schofield asked for further questions and/or comments. Superintendent Cordon expressed that it is important for the committee to realize that while there is a sense of uncertainty, we are planning for uncertainty. We have developed a number of scenarios so should there be a dramatic shift one way or the other, we are already planning for adjustments up or down in the budget. Mrs. Krimetz noted how thankful she is that we have been conservative and do have a surplus unlike other less fortunate districts. She stresses the importance of keeping such "padding" in the event of unexpected issues that may arise particularly due to our older buildings. She appreciates that this budget reflects that we will still have an adequate savings. Mr. Hammerson inquired about the seismic slide, which schools were involved and if the project will be funded by grants. Danielle answered the current project is for the RHS VoTech East and confirmed it will be funded by grant money. Michael Leone asked about the money we are in a sense borrowing via transfers within the budget. Should the State come through with more funding than anticipated, are we committed to using the transferred funds, or can they be returned to their original fund sources? Danielle let the committee know that we do not have to complete planned transfers should they no longer be necessary. Nikki Messenger inquired as to how that decision is made whether it be at the board or staff level. Danielle informed the committee that when the revenue comes in, we go back and look at all of the decisions made up to that point. If a transfer is no longer needed, a conversation will take place with the Superintendent. Nikki Messenger then asked what the plan is for the Old Main building at RHS. Superintendent Cordon informed the committee that currently the building

is used 6 periods a day for Weight Lifting. Old Main will be 100 years old next year which will be a good opportunity to discuss with the community what its function will be for the next 100 years. The building is deteriorating and not faring well with the lack of use. Rebuilding has been a priority of the Board and the superintendent is hopeful for opportunities within the next year to talk with the community about what they would like this building to become. Mr. Cotton added that they have just finished updating the district's long range facilities plan and the Board will vote on it in May. Mr. Schofield posed the question, with Roseburg Public Schools having the lowest permanent tax rate in the county, what is the obstacle with the bond levies? Mr. Cordon explained this is not an easy question to answer. He feels if we view a levy or a bond as a tax and not as an investment, it will not be well received. The perception can be that we are asking for people's money. If we were to understand the interconnectedness between the services that we need and the community that we want it makes more sense. We have work to do on our side to make this more visible and understood. Chair Miner added that when she is out in the community discussing our schools, the community is unaware that we are doing things here that no one else in the state is doing. She feels messaging is so important. We want the community to see what we are doing and the amazing pathways we have for our students' successful futures, that it is not all about getting a diploma. We genuinely care about what happens after graduation. The messaging and realization that this is an investment is not only going to change our kids, but it's going to change our entire community. Becky Marr asked in addition to the medical programs, what other trades or programs are being explored. Mr. Cordon answered there are a number of amazing pathways already at the high school such as welding, FFA, FBLA, Fire Science, automotive, etc. We are expanding these pathways. The next big lift we'll make will be around advanced manufacturing as a pathway. So, we do have pathways that lead right into the trades, and we have a strong partnership with UCC. With these pathways, students will have a guaranteed job and economically this is an incredible opportunity. We will have employers competing for our kids while they're in the program. We need to make it clear for our kids that they have a future here. Becky complimented Chelsea Duncan on her messaging and thanked Mr. Cordon for his explanation. Mr. Hammerson added that there is a gap between the medical and other pathways unique to Roseburg. We have an older community, and we need medical professionals in this area and so this pathway is extremely important. In regards to Mr. Cordon's original question of what community do you want, Micki Hall feels it's important to understand that underpinning that question is "are we not good enough"? Her feeling is it runs deeper than that although things may be changing as kids are moving back because they want to be here. Mrs. Krimetz added that we are trying to paint that vision for kids and their futures early on and continue to foster those visions as early as possible. Discussion ensued regarding the changing landscape of education and how we can best prepare our kids for the future. Mr. Schofield noted that he appreciated the conversation and the committee's time this evening. He opened the floor for any more questions or comments. Mr. Schofield then entertained a motion to approve the budget. He asked for a show of hands of those not yet ready. Two committee members raised their hands. Mr. Schofield asked what the members would like to do to accomplish this task. Mr. Cubic would like more time to do an independent review of the budget document, prepare and send in his questions and comments to be responded to at the next meeting, and be prepared for adoption at the meeting next week. Mr. Nelson agreed with Mr. Cubic that he is not prepared to approve the budget this quickly.

NEXT MEETING – TIME AND SITE:

The committee will reconvene on Wednesday, April 23rd at 6:00pm via Zoom and in person in the Boardroom of the District Office. In the meantime, Mr. Cubic encouraged the attendees to make notes and email questions to the Business Office staff. The staff will in turn respond to all of the questions at the next meeting. He emphasized that this is very valuable to the process as a whole as well as beneficial for all of the committee members.

RECESS:

Hearing no other questions or comments, at 7:15pm Mr. Schofield recessed the meeting until April 23rd.

Prepared by Tiffany Farrington, Budget Committee Secretary



2025-26 PROPOSED BUDGET HIGHLIGHTS

Presented by:
Danielle Littlefield

Presented to:
**Roseburg Public Schools
Budget Committee**



BUDGET COMMITTEE ROLES & RESPONSIBILITIES

1

Receive the budget message and budget document

2

Provide members of the public an opportunity to ask questions about and comment upon the budget document

3

Approve the budget document and refers it to the school board for adoption

4

Budget Committee can make changes to any line item in the budget to meet the goals and programs outlined

5

Budget Committee can not change staffing levels, salary schedules, or negotiation contracts





FACTORS OF GENERAL FUND REVENUES

- ✓ **Property Taxes**
- ✓ **Interest on Investments**
- ✓ **State School Support**
- ✓ **Common School Fund**
- ✓ **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

- ✓ 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



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.
- ✓ This line item is budgeted as a current revenue, 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.

Starts with a target grant amount per student, this is adjusted for teacher experience, and the amount of funding from the state.

SCHOOL SUPPORT FUND

Main source of funding within the general fund

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.

CHANGES FROM LAST YEAR'S REVENUE SOURCES



Federal Forest Fees-Secure Rural Schools Act, a federal program that provides funding to support rural counties whose tax base was limited by ownership of federal lands.

- This funding is not included in our budget because the House of Representatives failed to reauthorize the Secure Rural Schools Act. Efforts to reauthorize this program are ongoing at this time.
- The district anticipates retroactive revenue from calculation errors in the SSF made between 2017 and 2020. We do not know the allocation of this anticipated revenue, but it is expected to be received in the Fall of 2025.



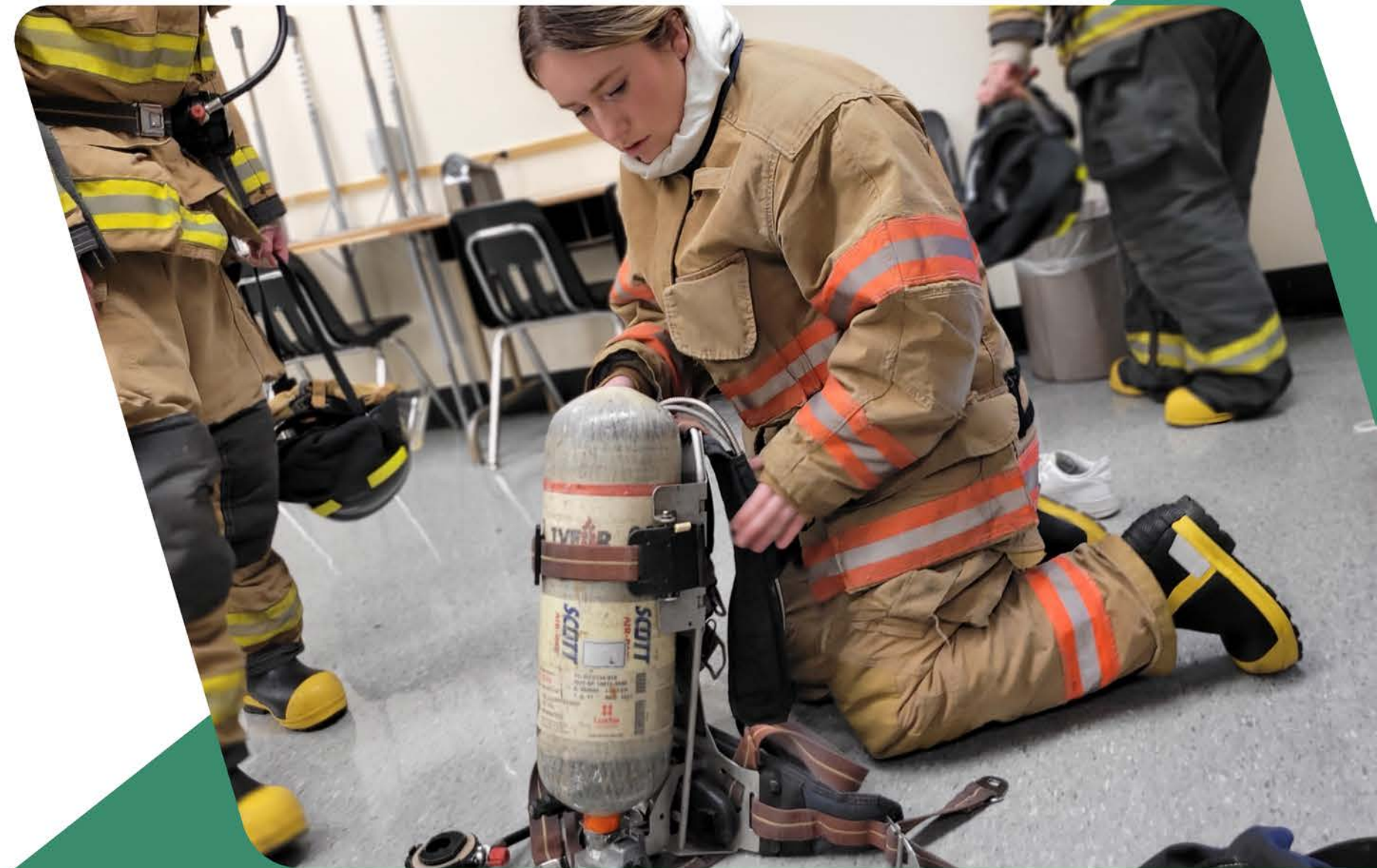
EXPENDITURE INCREASES/DECREASES

- ✓ **Contractual Obligations**
- ✓ **Increased PERS rates**
- ✓ **Decrease in fund transfers**
- ✓ **RHS Advanced Medical Pathways**
- ✓ **Seismic Projects**

CONTRACTUAL OBLIGATIONS

2025-26 will be the 2nd year of the current bargaining agreements. The increase to salaries for all staff for 2025-26 is as follows:

- COLA Increase 5%
- Insurance Cap \$1,625 (increase of \$75)
- Steps on salary schedule
- Opt-Out \$680 (increase of \$30)



PERS



Pers has increased for the biennium upwards of 18% or an estimate of \$4.3m for our district.



PERS Tier I/II -11.71%
(10.33% increase)

OPSRP 8.53% -
(8.53% increase)



The causes of this increase is due to investment underperformance and assumptions. This is especially impactful to districts with side accounts because rate credits decline at a higher pace.



To alleviate some impact to our budget, the district plans to spend down \$2m of the ending fund balance by transferring from General Fund to the PERS fund.

CHANGES IN TRANSFERS OUT

The following transfers out have been reduced and are intended for the 2025-26 budget year only.

**290 Tech Fund - \$0
(reduced by \$390,000)**

**293 Vehicle
Replacement Fund -
\$75,000 (reduced by
\$100,000)**

**290 Field
Replacement Fund –
\$100,000 (reduced by
\$100,000)**

**404 Major
Maintenance Fund -
*\$1,080,000 (reduced
by \$500,000)**



***This does not include the \$2m transfer to fund 404 for the RHS Advanced Medical Pathways**

RHS ADVANCED MEDICAL PATHWAYS



Roseburg Public Schools



UMPQUA
Community College

The board has approved the MOU between the District and Umpqua Community College to facilitate the design and build of an RHS instructional space incorporated into the UCC Medical Careers Hub. This space will be the RHS Advanced Medical Pathways.

This project is estimated to cost \$2.5m and is expected to be completed within 2 years. The district has budgeted \$2m in the 404 fund for 2025-26.

SEISMIC PROJECTS PLANNED FOR 2025-26



**East Side of the Vo-Tech building
at RHS. This is budgeted for \$2.5m
in the 400 fund.**

