

Knappa School District No. 4 • Knappa, Oregon 97103
Board of Directors' Budget Committee Meeting
Wednesday, May 27, 2020

Virtual Budget Committee Meeting
5:30 p.m.

Join by video or phone call with the links below

<https://meet.google.com/crj-xzwo-djv>

[Join by phone](#)

1 607-638-7267

PIN: 926 102 841#

Present

Craig Weaver, Chair- 5:37 p.m.
Cullen Bangs, Vice Chair
Tammy Goozee, Director
Ed Johnson, Director
Will Isom, Director

Absent

Paulette Johnson, Superintendent
April Fresh, Business Manager
Laurel Smalley, 7-12 Principal
Leila Collier, K-6 Principal/SPED Director
Jennifer Morgan, Board Secretary

Derek Bangs
Gretchen Allen

Connie Hunt

Dan Gaffney-Budget Chair

Carrie Doner

Call to Order –Chair Dan Gaffney
Flag Salute -5:30 p.m.

Dan introduced guests from NWRES D

Consent Agenda

Minutes form the May 11, 2020 Budget Committee Meeting

Johnson moved to adopt minutes as presented, Goozee seconded, moved to vote, approved unanimously.

New Business

Budget Document Review-Gaffney turned the meeting over to Fresh to review the power point presentation. She reviewed the agenda. P. Johnson thanked the budget committee members for the questions and hard work reviewing the budget. She stated this is a balanced budget and has been reviewed by the NWRES D. This is a moving target and gives us the capacity to spend. Fresh

reviewed the presented document. P. Johnson reviewed the deficits that COVID 19 could have on the budget. Gaffney stated we could approve the budget tonight or still have the next meeting scheduled June 1st. D. Bangs stated that the committee can make changes to the proposed budget per OSBA, he stated that we know that this budget is wrong and that we should make some of those changes now. D. Bangs stated there are numerous items in the budget that we could make cuts on now. Gaffney stated that once the budget is adopted the public can still make comments, it does put more responsibility on administration and the board, he stated that each district has been told to budget like normal to show the legislature where we are at and what we could lose. D. Bangs stated we could use some of this extra money for infrastructure repairs that need to be done. E. Johnson stated he would approve the budget as presented, all it is a document that sets guidelines, he stated that Derek is correct there are maintenance items that attention.

Johnson moved to approve the budget as presented, moved to discussion. Gretchen stated that we are budgeting to expend the beginning fund balance, it doesn't live within our current fiscal year resources. She stated it circumvents the budget process and we had over spending last year and we should be only expending the resources for the current year. D. Bangs stated he had concerns about moving forward to approve the budget as presented, and our plan is to spend all of our beginning fund balance, does not know why we are not considering the 8% decrease now, and sustainability moving forward. C. Bangs stated he had some concerns moving forward with the budget, he stated that budget committees in the past have discussed budget cuts, he stated he has concerns with spending our beginning fund balance, knowing that we will be receiving less funding. Discussion followed. E. Johnson asked to hear from someone from the ESD. Tami Montague from the ESD stated that they are correct, this is an incredibly difficult year for budgeting. We 100% know there will be a reduction, you are building the budget on the capacity to spend not with the intent to spend it all. Budget committees across the state are approving budgets with full spending capacity knowing that there will be cuts moving forward. She stated we won't have any new information from the state until after the budget deadline. She stated that they looked through the budget and they see there is a plan for deficit spending and that means digging into those reserves. Gretchen stated with deficit spending why are we being asked to fully expend expenditures and spending more than we are going to bringing in, where do we want that ending fund balance to be. Tami stated most schools set between 5-8% reserves and our board does not have a current policy in place. D. Bangs said that there is still issues in the budget without the COVID 19 pandemic. Discussion followed. Have the board look at a policy with ending fund balance specifications. D. bangs stated we have 12.5% reserve fund at this time we should tighten up these numbers so when we have to make cuts we have the funds to make that happen. P. Johnson stated we need to remember that some of the \$950,000 beginning fund balance is grant money that we weren't able to spend due to the shutdown, D. Bangs stated then it should show up on a balance sheet to be expended. Gaffney asked if there were more questions, we do have one more meeting scheduled for June 1st for further discussion. Gretchen would like to recommend that the board set a policy regarding the ending fund balance, that it should be at about 8% or 10%, she would also like to see a set aside fund for improvements to the district.

Goozee stated that she would second the motion with a goal to work on a policy for reserves and guideline for the budget committee and board. She stated to approve budget as is with the caveat that the board will set policy for future recommended reserves. D. Bangs stated that having a caveat for future budgets does not address the issue with 20/21 budget, he stated does not feel that we should do that now but look at that in the future.

C. Bangs approves setting policy moving forward not adding it to the motion.

Moved to vote, C. Weaver no, C. Bangs no, T. Goozee no, E, Johnson no, W. Isom no D. Bangs no, G. Allen no, D. Gaffney no, motion fails

D. Bangs moved to reconvene June 1st, to tighten up the numbers to as close to actuals as we can, Gretchen seconded, with caveat that the budget be within the current year expenditures within the current year resources, with a carryover of \$950,00.00. Identify some items that were going to be in the bond and set aside the carryover out of the 20/21 budget for future improvements into the maintenance reserve fund, would like a balanced budget without dipping into the reserves, discussion followed. Moved to vote, C. Weaver no, C. Bangs yes, T. Goozee yes, E. Johnson no, W. Isom no, D. Bangs yes, G. Allen yes, D. Gaffney no, motion fails 4-4

Weaver moved to adopt 20/21 budgets as presented, E. Johnson seconded, move to vote, C. Weaver yes, C. Bangs no, T. Goozee yes, E. Johnson yes, W. Isom yes, D. Bangs no, G. Allen no, D. Gaffney yes, motion fails. Will reconvene June 1st for further discussion.

Gaffney stated we should work on some of those areas that can be reduced.

E. Johnson stated to come up with a dollar amount that everyone can agree with and give it to the administration to figure out. D. Bangs stated he would not feel comfortable doing that without having actuals.

Gaffney asked what would the committee like to see for the June 1st meeting, Gretchen stated is it possible to be more realistic with the figures. C. Bangs stated that maybe we have over budgeted this year and need to look at making adjustments in other areas to make a sustainable balanced budget.

Goozee moved to adjourn, 7:25 p.m. D. Bangs seconded, moved to vote, approved unanimously.

Communications and Hearing of Interested Parties

The Board welcomes visitors to our meetings, and values comments from district patrons that improve the quality of education for students. The Board, at their discretion, will recognize comments from the audience during discussion for agenda items. However, the Comments from Visitors section is intended for items that do not appear as an agenda item. We must require, however, that complaints be directed through the administration for resolution. Comments made during this session must be free of abusive language, personal attacks on district personnel, and not directed towards any department which, due to its low staffing, would amount to an attack by in affect naming district personal. We also ask that presentations be limited to (5) minutes.

Nothing at this time.