

HARNEY COUNTY SCHOOL DISTRICT NO. 3  
BURNS, OREGON

**BUDGET COMMITTEE MEETING #2**

**BOARD APPROVED 5/11/2021**

TUESDAY, April 20th, 2021, 6:00 pm

District Office (Lincoln Building)

550 N. Court Ave.

Burns, OR 97720

Attend In-person: Masks & Social Distancing *Required*  
Join our Meeting by Zoom: <https://zoom.us/j/92283114327>

<u>School Board Members</u>	<u>Term End</u>	<u>Budget Committee Members</u>	<u>Term End</u>
___ Randy Fulton	2021	___ Lori Cheek	2022
___ Doug Gunderson	2021	___ Catherine White	2022
___ Nanci Norris	2021	___ OPEN	2022
___ Rob Frank	2023	___ OPEN	2021
___ Dan Winn	2023	___ Emilie Glascock	2021

School Board Members Present:

Doug Gunderson

Rob Frank

Dan Winn

Budget Committee Members Present:

Lori Cheek

Catherine White

Emilie Glascock

Also in Attendance:

Steve Quick - Superintendent

Cara Wilber - Business Manager

Brenda Graham - Executive Assistant

Robert Medley - BHS Principal

1 participant via Zoom

**1. Call Meeting to Order / Roll Call**

Catherine White called the meeting to order at 6:00 pm.

**2. Discussion**

- Cara handed out the "Debt as of June 30, 2021" for the district.
- All budget questions emailed to Cara or Steve were combined, printed, and handed out to the committee for discussion.
- ESSER funds were explained: ESSER 3 funds haven't been released; Cara sends reports by date on what funds are spent on to ODE.
- Question #26 was discussed in great deal regarding the contingency fund of approximately \$300,000 and possibly reducing ADMw to stay conservative. The committee agreed to stay conservative, keep the school board apprised and adjust the budget in the Fall if necessary.

- The contingency fund will go away and it was decided to use 790 ADM and 994.8 ADMw. If we come up short in the Fall, we will develop a spending plan that takes this into account, prioritizing personnel as the highest priority.
- Someone asked about questions #29 and #30; Cara will update and make the needed changes.
- Question #33 and Special Education staffing were clarified. They are funded by grant dollars: split between the IDEA fund and the General fund.
- Repairs and bus purchases were explained (question #35). The goal is once a bus is paid off to purchase another one.

### **3. Public Comments**

There were no public comments.

### **4. Motion for Consideration**

Emilie Glascock made a motion that the budget committee of the Harney County School District #3 approves taxes for the 2021-2022 fiscal year at the rate of \$4.8662 per \$1,000 of assessed value for operating purposes in the General Fund; and in the amount of \$215,000 for bonds; and approve the budget in the amount of \$17,702,505 for the entire operations of the District.

Doug Gunderson seconded the motion.

Presiding Officer Catherine White stated that it is moved and seconded the the budget committee of the Harney County School District #3 approves taxes for the 2021-2022 fiscal year at the rate of \$4.8662 per \$1,000 of assessed value for operating purposes in the General Fund; and in the amount of \$215,000 for bonds; and approve the budget in the amount of \$17,702,505 for the entire operations of the District.

The motion passed unanimously with (6) six "yes" votes.

### **5. Adjournment**

Catherine White adjourned the budget committee meeting at 7:12 pm.

Respectfully submitted,



Brenda Graham  
Executive Assistant

## **Budget Committee Questions and Answers 2021-21**

\*Questions answered at 4-13-21 Meeting. The remaining questions were discussed at the 4-20-21 meeting

**\* 1. Debt service significantly less in General Fund?**

Payment for BHS heat controller decreased.

**\* 2. Slater Instructional Staff Development Travel out of district budget went from \$2,000 to \$8,000?**

Allocated funds to cover training, workshops and other staff development travel.

**\* 3. Slater Operation & Maintenance, Repairs as well as Improvements other than Building and Replacement Equipment all had significant decreases?**

Most of this decrease is capital outlay that is not being budgeted for.

**\* 4. Hines Middle School - Middle/Junior High Programs General Classroom Instruction Employees insurance decreased significantly, however the FTE as well as the salaries went up?**

Based on FTE budgeted, that's an accurate reflection of what insurance will cost.

**\* 5. Hines Middle School Health Salary FTE was the same, but amount dropped quite a bit? Personnel change?**

At the time of the 2020-2021 budget, it was unknown where that person would fall on the salary schedule.

**\* 6. Hines Middle School 20-21 Technology has number in the payroll costs and nothing in the salaries, I thought that was one of the changes before we approved last year? Or was that a different area?**

2021-2022 budget has salary and associated costs.

**\* 7. Hines Middle School Special Education Salary has same FTE but a bigger jump, more accurate for what you actually paid for that position?**

Adjusted for staff movement that occurred in 2020-2021. This position is also shared with the IDEA fund and depends on staff movement and funding between the two funds.

**\* 8. Hines Middle School Education Media Services, Salary more and FTE the same, but insurance dropped quite a bit?**

Based on FTE budgeted, that's an accurate reflection of what insurance will cost.

**\* 9. Hines Middle School Operation & Maintenance Fuel costs dropped \$10,000? All other departments had increased budget for fuel and prices are continually increasing.**

We believe this is an accurate budget based on prior years usage and allows for a price increase.

\* **10. Burns High School Mathematics and Health both have same FTE as last year, but significant drops in salaries, more changes to personnel and more accurate to real costs?**

At the time of the 2020-2021 budget, it was unknown where one math person would fall on the salary schedule. Health reflects the current person.

\* **11. Burns High School PE has same FTE with big increase in salary and then decrease in insurance?**

Based on FTE budgeted, that's an accurate reflection of what that position will cost.

\* **12. Burns High School Special Education has a reduced FTE and then a significant increase in Salary?**

Adjusted for staff movement that occurred in 2020-2021. This position is also shared with the IDEA fund and depends on staff movement and funding between the two funds.

\* **13. Burns High School Special Education also has Tuition Reimbursement added for first time, is that department doing an overhaul?**

No overhaul. I actually think it was supposed to be in the line above, not an additional \$5,000 for SPED.

**14. Burns High School Operation & Maintenance Purchased Services are the same or less in all the objects, but prices for fuel most likely are going to jump?**

We believe this is an accurate budget based on prior years usage and allows for a price increase.

\* **15. District Wide Special Education Administrators Big increase in FTE and Salary, is that where the SPED Director went and it was somewhere else last year?**

The student services director position was .5 FTE in 2020-2021. It's 1 FTE in 2021-2022 split between functions 2190, 2213, and 2230.

**16. District Wide Student Transportation Repairs and Non-consumable items are significantly higher? New Bus or just older ones that are anticipating way more repairs?**

Those two lines may be high. It's based on what's currently spent or encumbered in the accounting software, which after discussion, there are a few open purchase orders that we won't use the full amounts on.

\* **17. District Wide Tech increased quite a bit? I thought that all that tech was in the ESD fund?**

Classroom audio systems are beginning to need to be replaced. Regular technology needs were increased by \$30,000 to accommodate that.

\* **18. I think it might be handy to see the actuals for the ESD, since the point of withdrawing was because it would save the district, but it's progress has not been discussed in the board meetings that I have noticed. I believe Lori asked about a report on it last year, if I am remembering correctly.....**

Handout will be provided

\* **19. - pg 64 - Is "Plant Services" the boiler, and what are the 653 property insurance premiums?**

Plant Services, Function 2540, is for activities concerned with keeping the grounds, buildings and equipment in effective working condition and state of repair. Object 653 property insurance premiums are property insurance premiums through PACE.

\* **20. - pg 69 - There seem to be some large changes from previous years in the 2660 Technology Services area and I'd like to hear more about those?**

Classroom audio systems are beginning to need to be replaced. Regular technology needs were increased by \$30,000 to accommodate that.

\* **21. - pg72 - How is ESD apportionment calculated and are those budgeted services covered anywhere else in the budget?**

Here is the breakdown from the ESD that they provide us. It is based on student enrollment within the ESD.

2020-2021 LSP Breakdown

Estimated Extended ADMw

HC SD #3 - BURNS/HINES	1052.83	30.88%
HC SD #4 - CRANE ELEMENTARY	895.47	26.26%
HC SD #5 - PINE CREEK	30.1	0.88%
HC SD #7 - DIAMOND	29.36	0.86%
HC SD #10 - SUNTEX	29.19	0.86%
HC SD #13 - DREWSEY	32.38	0.95%
HC SD #16 - FRENCHGLEN	36.15	1.06%
HC SD #28 - DOUBLE O	32.86	0.96%
HC SD #33 - SOUTH HARNEY/FIELDS	40.84	1.20%
HC SD #UH1J - CRANE HIGH SCHOOL	1230.7	36.09%
	3409.88	100.00%

The ESD Opt out funds are used to provide services such as speech, technology, professional development that were covered prior to opting out in addition to supplementing our regular budget for additional technology and professional development activities that come up.

\* **22. - pg 78- What is "Revolving ASB" in Special Revenue 280 and what are the individual school student funds?**

Slater ASB budgets

**23. -pg85- Is ESSER the COVID relief, will it all be received in the coming year, and will it have to be repaid as with some of the healthcare relief?**

The ESSER grant is a two year grant and does NOT have to be repaid. It allows districts a lot of flexibility in how to spend the funds. We are planning on spending it over the two year period, but have it budgeted all in this year in case it is needed.

**24. -pg 102- Why/how are we planning on a 20% increase in our Fund 251 Student Investment Account?**

The state increased the SIA allocations based on an increase in state revenues from the Student Success Act. We are adding two counselors, support for tutoring at Tu-wa-ki-no-bee, transportation for after school activities, a parent involvement coordinator, Kindergarten transition support, school nurse and supplies, and security upgrades for all buildings. We will hold future meetings with stakeholders to determine the needs of our students and change whenever necessary.

**25. - pg 149- Why/how is Fund 286 BHS student body anticipating to more than double by a quarter million dollars worth of club fundraisers and locker fees?**

This is what could go through the funds throughout the year. Most of it is in and out per club. This was an additional line item to our budget starting in 2020-21. Previously it was a student fund left outside of the adopted budget. Given this year has not been normal with ASB activities, this should give the clubs room to operate.

**26. I noticed that the estimated State School Fund Apportionment from the ODE 3/15/21 for the current year 20/21 is \$7.5 million. It looks like the 21/22 proposed budget was estimating \$7 million for this apportionment. It was noted in the budget message that the budgeted ADMw is 1034.8. Is the proposed budget for next year less due to a drop from last year's ADMw (what was last year's budgeted ADMw?). I also noted that from prior Board meeting minutes, the total enrollment numbers had dropped from 846 in March 2020 to 774 in September 2020 to 751 in November 2020. It was noted in the budget message that we are expecting a differential of 20 more students between the incoming kindergarten class and outgoing senior class, and the budget is constructed on a total of 830 students. Are your expectations that the District will pick up 60 students who have out-migrated to other learning platforms since the beginning of COVID?**

We currently have a contingency fund of approximately \$300,000 on page 70. We could reduce the estimated ADM down to 790 and the ADMw down to 994.8, which would then eliminate the contingency fund to create a balanced budget. Originally in January, we anticipated a much higher number of students returning from Charter Schools, but as we have progressed into Spring, we are becoming less optimistic about the number of students that will return. Ultimately, the state school fund would not fund us less than the lower amount of the current year and the previous year. We would not be funded less than 933.12 ADMw for next year.

**27. In terms of the ESSER funds, I read that there is considerable leeway on how Districts can use this funding including PPE, cleaning, sanitizing, supporting remote learning, etc. Could you please provide an explanation of what the District has planned for these funds?**

Pages 85-90: The district's plans to spend these funds over a two year period on BHS summer school, a library paraprofessional, a K-8 CDL teacher, technology and supplies. As mentioned above, we did budget to spend the full amount this year just in case it's needed.

**28. Still a bit concerned on whether the ESD apportionment Beginning Fund Balance of \$100,000 is being overstated? Was there a carryover last year and, if so, how much was this? I think from our discussions last night, I reasoned that there may be a carryforward of approximately \$20,000-\$25,000 this year. If that assumption is not correct, please explain.**

There was a carryover of \$130,204 from 2019-2020 and the revenue received to date is \$409,391. Less expenditures and encumbrances to date of \$353,618, that would leave \$185,977 carryover today. We believe the \$100,000 is a reasonable, if not conservative number.

**29. Finally, just an expense account budget that I'd like further information on: 100-107-2220-4xx (Slater/Ed Media Services/Supplies) page 7 – the budgeted amount seems meager. How is this amount determined? I just want to make sure there is enough funding to ensure new library books and other library materials can be procured.**

This is based on the amount of current and previous library books purchased. We plan to move an additional \$5,000 from BHS SpEd Tuition reimbursement into this line.

**30. The amount budgeted in property taxes to be received is the exact same as it was last year. Isn't there a 3% increase every year? I know it seems like on the taxpayer side they go up every year!**

2020-2021 budgeted amount was \$1,680,000, 2021-2022 budgeted amount is \$1,800,000.

Payments in lieu of property taxes are budgeted the same because that revenue fluctuates from year to year.

**31. I noticed that there is a new line for Family Medical Leave, which I assume is a new line due to COVID and the changes in payroll/HR regulations. However the first line is budgeted, Slater K-5, it is significantly higher (\$4,000) than the rest of the places which are budgeted much less (range around a few hundred \$\$)? Is that just to get it in the budget and then it will be fine-tuned in future years?**

This is a new Family and Medical Leave insurance requirement through the state employment department. Slater has the most employees, so the amount is higher in that building. This is supposed to start in January 2022.

**32. What is the reason there is no Remediation budgeted this year for Slater?**

Remediation will take place through grants.

**33. I think you answered this, but the Special Education at Slater significantly reduced, went to ESD or Grant? Wanted to double check...**

They are partially funded by grant dollars, so split between IDEA fund and General fund.

**34. Was Drama dropped at the Middle School? Or has it been gone for a few years and the budget is just now reflecting it? I can't remember if it was one of the choices for elective that I just filled out :(....**

No, see page 16.

**35. Repairs and Maintenance in Transportation for the Bus is pretty high, since the principal amount on debt is significantly less, should another bus be purchased and the one of them that is requiring that much in repairs be replaced?**

See question 16 above. And another bus was purchased in 2020-2021.

**36. I know the budget message touched base on the new ESSER fund, but how exactly are these funds to be used? What is the district's intention with this fund? To use it only if it is needed? Can the funds be carried over for future downfalls, or are they restrictive in nature on what they can be used on?**

ESSER funds are fairly flexible. We are budgeting for supplies related to cleaning and sanitation, technology support, a K-8 Online/Homelink program teacher, teacher supplies related to online programs, and library support.

**37. The Student Investment Account Fund is what the Corporate Activity Tax from the state funds correct? Are we utilizing that fund and moving what we can out of the General Fund into that one? I know it is relatively new and was just curious how it was playing out.**

We are able to hire an additional kindergarten teacher and SPED teacher out of this fund. We currently pay Symmetry Care for counseling services out of Fund 101 and have hired one counselor for 21-22 and will hopefully hire another that will be paid out of this fund. The continued focus of SIA funds are toward social/emotional student well-being

**38. With a healthy Beginning Fund Balance and our schools that need some TLC, is there a way that we can amp up repairs on at least Slater and the Middle School and maybe do some projects to help those two buildings out?**

There is a \$150,000 transfer budgeted for the capital project fund for improvements. Admin will work with maintenance personnel to target the areas that are most needed in the district for improvements.

**39. Also, fuel costs seem to be skyrocketing, so I just want to make sure that the district feels comfortable with those line items, that they have enough to absorb the continually increasing costs?**

We feel comfortable at this point with the numbers we have budgeted for fuel costs.

**40. Is the plan that seems to be going on with the district office incorporated in the budget? If it ends up being sold, how would that come into play?**

The current budget does not take into account the selling of the building as that decision has not been made yet. If that decision is made, and a budget modification were necessary, the board may need to approve a budget revision down the road.

**41. I do not see in the budget anywhere that a grant writer is allocated? Is that a possibility to incorporate, even if it is a part-time position?**

The budget does not provide for a grant writer at this time.