

## Seaside School District Budget Narrative 2021-2022

A budget document is a written guideline outlining the District's comprehensive fiscal picture for the next operating year. Oregon Budget Law (ORS 294) specifies a process and format for Seaside School District's annual budget. The Oregon Department of Education (ODE) has adopted a chart of accounts that are used to classify revenues and expenditures, which have also been approved by the Oregon Department of Revenue. The accounting system is structured to maintain the identity of the resources, obligations, revenues, expenditures and equities for each Fund. This is accomplished by providing a complete self-balancing set of accounts. Every Fund within our budget must balance, which means that revenues must equal expenditures.

The Seaside School District's budget is divided into the following ODE Fund categories:

1. **100 General Fund.** This Fund is the District's largest Fund with the most transactions. It documents the general operating revenues and expenditures and is considered the District's primary accounting Fund.
2. **200 Special Revenue Funds.** These Funds account for specific revenue sources that are restricted to expenditures for specified purposes.
3. **300 Debt Service Funds.** These Funds account for general long-term debt obligations.
4. **400 Capital Projects Funds.** These Funds account for financial resources used to acquire or construct major capital facilities.
5. **700 Trust and Agency Funds.** These Funds account for assets held by our District as an agent for outside organizations.

For the District's budget, the State mandates that the expenditures in each Fund be broken down into two components: Function and then Object. The Function defines the program or department and the Object defines the type of expenditure.

The revenues of the General Fund and the Special Revenue Funds are presented in summary and detail. Expenditures are presented in a Function summary and an Object summary followed by a detailed breakdown. Debt Services Funds, Capital Projects Funds and Trust and Agency Funds, are presented only in detail. The summary pages are a quick snapshot of the budget; however, the focus of this presentation will be on the detailed information. Only important or significant changes will be discussed during this meeting; however, requests for additional information or questions are welcome.

Turn to Pg 8 and Pg 9 Fund 100 General Fund Revenues Detail

- ✓ The State of Oregon in their March 2021 economic outlook states that "The state is set for a stronger economic growth this year and the next" possibly more "than the US has experienced in decades, possibly generations." Three factors are being attributed to this hopeful outlook: strong revenue collections; asset markets continuing to gain value; and, corporate income tax holding steady. These are all positive indicators of the District's local revenue stream. There has also been unprecedented amounts of federal stimulus pushed out into the economy.
- ✓ To date, the pandemic has not had a significant impact on collections and the District continues to see stability in its assessed property values. The District has also benefited from a consistent percentage of property tax collection rates. Based on input from the County, collections have been slightly over 95%.

- ✓ Historical data can be used as a tool, but because so many factors affect property tax revenue, it cannot be used as a decisive reference point. Estimates can be extremely difficult. Also, remember that as an impacted taxing educational district of the Seaside Urban Renewal Plan, it does reduce the District's growth of revenues. Over time, as the increment between the frozen base and the actual assessed value grows, more revenues are diverted from the taxing districts to the Urban Renewal Agency. These diverted revenues will continue to have an impact on future years operating budgets because they equate to increased revenues that are not being infused into the District's revenue stream. Based on current projection collections, the current year's adopted budget amount will be overstated. Next year's projections are more aligned with the individual taxing district's assessed value growth rates.
- ✓ In November, the District was again supported by our local communities with the continuation of the local option levy. This revenue calculation is impacted by a compression factor but has seen a decrease in the amount of compression the last few years which results in higher revenue collections. There are no financial indicators that suggested any significant impact on this revenue source.
- ✓ Investment interest rates have been declining steadily since July 2020. Revenue projections have been decreased in this area.
- ✓ The majority of Student Fees are due to the Middle School athletics program. Because the District pays the expenditures related to this athletic program, the pay-to-play money that students are required to pay is deposited in the District's General Fund.
- ✓ The School Board has been allowing several High School athletic positions to be fundraised. The revenue received goes to paying these fundraised positions.
- ✓ The District is anticipating building rental usage. Our School Board is very supportive of community use of our facilities. It is unclear how continued pandemic restrictions will affect the rental of facilities; however, the District is anticipating that our facilities will be reopened for group activities.
- ✓ The largest source of revenue in the Miscellaneous Revenue category is a workers' compensation dividend that our provider distributes each year if they meet financial targets. The District continues to experience high individual workers' compensation rate claims. Individual claim ratio negatively affects dividend amounts. There are also Outdoor School revenues budgeted in this area, which are now reimbursed by the State of Oregon.
- ✓ According to the latest State Forestry Office projection, timber revenue overall is projected to stay strong next year. They note that "Despite of the influx of logs to the market from last fall's wildfires, market conditions are still holding steady and the demand for finished lumber remains strong." It was also noted that "Current market conditions, in addition to other social and economic factors, could have significant impacts on the reliability of these estimated projections." As a cautionary note, these revenues are very volatile.
- ✓ In 2018, HB 4139 was passed establishing the heavy equipment rental tax. The tax applies to heavy equipment rental providers primarily engaged in renting heavy equipment. This is a new revenue source (2199) for the District.
- ✓ The District is anticipating an increase in Intermediate Revenue 2102 due to the restructuring of the Special Education County Consortium program currently managed by the Northwest Regional Educational Service District (NWRESA). These revenue funds will assist in an offset for the added staffing needed for the District's newly structured individualized programs.
- ✓ As of the February 26, 2021 estimate, the District does not anticipate receiving any funding from the State of Oregon's School Funding Formula. At this point it is projected that the Seaside School District will receive the majority of its revenues from local property and timber taxes.

- ✓ The Common School Fund (CSF) is a program that was established in 1859 to provide resources to schools. The State Treasurer and the Oregon Investment Council invest the Common School Fund and the State Land Board sets the distribution policy.
- ✓ State Timber 3104 represents the dedicated plots of timber that are specifically harvested for the Seaside School District. They are traditionally known as “Schoolhouse 40s.”
- ✓ Reason for the growth in the beginning fund balance is a direct result of the pandemic coupled with higher than anticipated County School Timber revenues in 2019-2020. The last year has created many unfortunate opportunities for the District to bypass expenditures. One benefit of the balance will allow the District to bypass participation in the Tax Anticipation Notes (TANs) loan program, which is usually needed to cover expenditures for the months of July, August, September and October.

Pages 10, 11, 12, 13, 14 and 15 are General Fund Summary sheets (by Function and by Object). These represent a summarized version of budget data.

Before reviewing the detailed budget data, it is important to have an overview of the payroll cost factors that affect almost every Function and are represented in Objects 111 through 244. Going over this information will assist in eliminating the redundancy of reviewing the same information multiple times while still giving you a clear vision of the economic factors affecting the largest operating expenditures in this budget (which are payroll associated).

Because the District currently has all employee groups with expiring contracts, this budget has been prepared with the following payroll assumptions:

- The District is budgeting a 3.25% salary increase with step (when applicable) on Licensed, Classified Confidential, and Administrative employee groups. It also assumes some adjustments in salary schedules.
- Retirement – Object 210. Public Employees Retirement System (PERS) rates decreased. For T1/T2 = 16.11% and for OPSRP = 13.00%. The two primary influences for these reductions are the legislation from the 2019 session to extend the amortization and impose the IAP redirect, and strong investment performance (above expectations) for 2019.
- Retirement – Object 213. The District’s PERS Unfunded Accrued Liability (UAL) bond payment continues to increase on its regular payment schedule.
- Workers’ Compensation – Object 231. Workers’ Compensation rates are based on several components (class rate, experience rating modifier, and premium discount). The District will continue to carefully monitor and utilize return to work programs that have allowed our rates to stay out of the high risk category.
- Unemployment – Object 232. Unemployment rates and workers’ assessment benefit fund tax has been budgeted with an increase from the current rates.
- Paid Family and Medical Leave Insurance (PFMLI) – Object 233. On August 9, 2019, HB 2005 created a paid family and medical leave insurance program in Oregon. The Employment Department is responsible for developing and administering this program. Contributions are currently expected to begin January 1, 2022. Benefits are currently expected to begin January 1, 2023, one year after payroll contributions begin.
- Insurance – Objects 242 through 244. Monthly OEGB insurance caps are being projected at \$1,675 per month (\$20,100 annual per eligible staff member) with an added Employee Assistance Program benefit on all employee groups. There is also a projected increase in the life insurance premium paid by the District. Life insurance rates did not increase this school year.

- Unused Leave - Object 117. The purpose of this allocation is to allocate for negotiated unused personal leave payments that have to be made when an employee retires or terminates employment. This Object has been allocated throughout the budget.
- Just as a reminder, which affects historical reference points throughout the document, allocations from Object 121 Licensed Substitutes, Object 122 Classified Substitutes, and all associated payroll costs (Objects 210 through 232) have been transferred to Object 389 Other Non-Instructional Professional/Technical. The majority of substitutes are now considered contracted employees; however, due to complications with scheduling, some substitute staffing positions, (i.e., Bus Drivers; Custodians; Food Service), are not hired as contracted employees.

Pg 16 Function 1111 Elementary Instruction K-5

- ✓ Object 121 and 122. As noted previously, a transfer of allocations, including all associated payroll costs, have been made to Object 389 due to the transition of the payments of the majority of our licensed and classified substitutes. These resource transfers are throughout the budget.
- ✓ Object 420. This has been adjusted to provide instructional materials for the District's English Language Arts adoption. This is part of a required State curriculum adoption cycle.
- ✓ Object 470. Software has become an integrated part of learning. Allocations have been increased to continue supporting these essential virtual programs.
- ✓ Object 480. Allocations have been made for purchases as part of the District's regular technology replacement schedule. This is not a decrease but a reallocation.

Pg 17 Function 1113 Elementary Extracurricular

- ✓ Object 133. This consists of the K-5 portion of a K-12 Science, technology, engineering and mathematics (STEM) coordinator position and a P-3 coordinator position. These are stipend amounts and are not affiliated with FTE.
- ✓ This is a negotiated extra duty salary for elementary licensed staff who participate in an extended outdoor school program. These are also stipend amounts and are not affiliated with FTE.

Pg 18 Function 1121 Middle School Instruction

- ✓ Object 420. Allocations have been increased based on the State's curriculum adoption cycle.
- ✓ Object 470. Allocations have been increased to support the additional need for virtual learning tools.

Pg 19 Function 1122 Middle School Extracurricular

- ✓ No significant allocation changes.

Pg 20 Function 1131 High School Instruction

- ✓ Object 111. A part-time licensed FTE position has been reallocated to Special Revenue Fund 252 M98 eligible funding.
- ✓ Object 420. Allocations have been increased based on the State's curriculum adoption cycle.
- ✓ Object 470. Allocations have been increase based on anticipated need.
- ✓ Object 480. Allocations have been made as part of the District's regular technology replacement schedule. This is not a decrease but a reallocation.

Pg 21 Function 1132 High School Extracurricular

- ✓ Object 324. The District's athletic teams will no longer have any access to Broadway Middle School locker rooms without an additional rental agreement. Rental opportunities may also become an option for other extra-curricular activities for specialized events. Funds have been increased to support these need.

- ✓ Object 350. Allocations have been reduced to more accurately reflect need.
- ✓ Object 460. Moving to a new campus has required purchasing items to more effectively meet the needs of programs being implemented in completely different spaces.

Pg 22 Function 1210 Talented and Gifted

- ✓ No significant allocation changes.

Pg 23 Function 1220 Restricted Programs for Student

- ✓ Object 111. Following our commitment to the District's Vision Statement that all of our students pursue excellence as passionate, empowered, lifelong learners, beginning next September, all students who reside in our boundaries will attend our K-12 community schools. This change will eliminate the need to participate in a County Consortium Program and allow all of our students to develop and grow relationships with the community in which they live. To support the program, it will require a 1.0 FTE increase in licensed staff.
- ✓ Object 112. A .88 FTE educational assistant will also be needed to support the program.
- ✓ Object 313. Because the District will no longer be participating in the County Consortium, there will be a reduction in required fees to participate in the program.
- ✓ Object 410. Supplies have been increased to support the added program.
- ✓ Object 480. Allocations have been made to purchase technology for the added program.

Pg 24 Function 1227 Extended School Year

- ✓ The District has a legal obligation to provide support to students with special educational needs. The District is required to provide educational extensions for specific students during school breaks so that these students do not lose vital educational skills.

Pg 25 Function 1250 Resource Rooms

- ✓ Object 111. Although this appears to be an increase from last year, it actually represents a reallocation. After reviewing the most efficient use of staff, it was decided to move a 1.0 FTE position that was budgeted last year in Function 2410, Object 113 to this program area. This is not actually an increase in overall budgeted FTE.

Pg 26 Function 1272 GF Title I

- ✓ All Objects. The District participates in a federally funded Title I program. When federal funding does not maintain the current program level, expenditures may need to be supplemented in the General Fund. This is not an increase in the overall budgeted FTE, it is just a reallocation of staff previously charged to Special Fund 240 Function 1272.

Pg 27 Function 1280 Alternative Education

- ✓ No significant allocation changes.

Pg 28 Function 1288 Alternative Education – Charter School

- ✓ Object 360. Allocations have been appropriated to provide for financial contributions to Cannon Beach Academy (CBA) Charter School. This payment is based on CBA's projected enrollment, the established State School Fund Charter School rate and resources needed to support CBA.

Pg 29 Function 1291 English Language Learner

- ✓ No significant allocation changes.

Pg 30 Function 1410 Elementary Summer School Programs

- ✓ No significant allocation changes for summer school programs are in the General Fund budget; however, there have been allocations in Special Revenue Fund 253.

Pg 31 Function 2110 Attendance and Social Work Services

- ✓ Object 480. As part of the regular District technology replacement schedule, allocations have been transferred to this program area.

Pg 32 Function 2120 Guidance Services

- ✓ No significant allocation changes.

Pg 33 Function 2130 Health Services

- ✓ Object 480. As part of the regular District technology replacement schedule, allocations have been transferred out of this program area.

Pg 34 Function 2150 Speech Services

- ✓ Allocations have been increased to assure adequate funding for required services.

Pg 35 Function 2190 Student Support Services

- ✓ Object 112. The change in FTE is a reconfiguration of positions not an increase. The 2020-2021 budget has .25 FTE charged to Function 2520 Object 112 and it has been reallocated to this area which serves a variety of different programs under this Function.
- ✓ Object 480. As part of the regular District technology replacement schedule, allocations have been reallocated to this program area.

Pg 36 Function 2210 Improvement in Instructional Services

- ✓ Object 113. This position is being reconfigured. It will remain a leadership position but will have a focus on executive level administration. It will be increased to a 1.0 FTE with .50 FTE being supported in Special Revenue Fund 235.
- ✓ Object 242-340 will be split between this Function and the Special Revenue Function.
- ✓ Object 480. As part of the regular District technology replacement schedule, allocations have been transferred out of this program area.

Pg 37 Function 2222 Library Services

- ✓ Object 112. With moving to the new 6-12 facility, there was an efficiency of positions. This is not a reduction in current FTE because there was an opportunity due to a resignation last year to eliminate 1.0 FTE.
- ✓ Object 480. As part of the regular District technology replacement schedule, resources have been reallocated to this program area.

Pg 38 Function 2223 Multimedia Services

- ✓ This Function has been eliminated. Its primary focus was on activities such as selecting, preparing maintaining and circulating all multimedia equipment and materials to staff. These services are now primarily done through technology and software.

Pg 39 Function 2230 Assessment and Testing

- ✓ No significant allocation changes.

Pg 40 Function 2240 Instructional Staff Development

- ✓ No significant allocation changes.

Pg 41 Function 2310 Board of Education Services

- ✓ No significant allocation changes.

Pg 42 Function 2320 Executive Administration

- ✓ Object 113. The FTE represents the elimination of a temporary, partial year, part-time position (.25 FTE).

Pg 43 Function 2410 Office of the Principal

- ✓ Object 113. Although this appears to be a decrease in FTE from last year, it actually represents a reallocation. After reviewing the most efficient use of staff, it was decided to move the 1.0 FTE position that was budgeted last year in this function to Function 1250, Object 111. This is not a decrease in overall budgeted FTE.
- ✓ Object 480. As part of the regular District technology replacement schedule, resources have been reallocated to this program area.

Pg 44 Function 2520 Fiscal Services

- ✓ Object 112. The change in FTE is a reconfiguration of positions not a decrease. As mentioned earlier in Function 2190 Object 112, this is a transfer out this area.
- ✓ Object 650. This area has been increased due to our new K-12 campus. The increase in value due to remodeling and new construction has increased our replacement cost value which has increased our insurance premium. At this point, the District is also anticipating still having to cover the old High School facility until the final sale of the property.

Pg 45 Function 2540 Operation and Maintenance

- ✓ Object 112. A classified technology assistant split between this Function and Function 2660 will have days increased on the position, making it a 12 month work agreement.
- ✓ Object 470. An increase has been added for maintenance management software for managing, organizing and tracking all maintenance operations. It will assist in unifying preventive maintenance, work order management, equipment maintenance, facility management, and vendor management.

Pg 46 Function 2542 Care of Buildings

- ✓ Object 322. This increase is to accommodate for the need to have the exterior of Pacific Ridge Elementary School's main facility painted, which was not part of the construction project scope. This will require some maintenance, prepping and painting.
- ✓ Object 460. With the adjustment of moving into differently configured facilities, there are different needs and requirements. Many of the operations of the old facilities have changed and require items that the District does not have. Allocations have been increased in this area.

Pg 47 Function 2543 Care of Grounds

- ✓ Object 322. The District is anticipating needing contracted services assistance with our new facility. Contracted services will likely be needed to perform operations that are beyond the scope of our regular staff due to safety and specialized equipment requirements. This is not an increase in the budget or this Function, it is a reallocation from Object 410 and 460.

Pg 48 Function 2550 Student Transportation

- ✓ Object 112. A classified mechanic position will have days and hours increased, making it a 12 month work agreement.
- ✓ Object 340. Based on anticipated need, there is a reduction in this area.
- ✓ Object 470. Transportation software has been purchased to manage school bus routing, fleet maintenance, and activity trips in a unified system; as well as, to allow Transportation Services to know when and where each student enters and exits the bus on their assigned route and, if needed contact trace.
- ✓ Object 541. Allocations for vehicle purchases have been appropriated as part of a regular vehicle replacement schedule.

Pg 49 Function 2660 Technology Services

- ✓ Object 350. Based on anticipated need, there is a reduction in this area.
- ✓ Object 480. As part of the regular District technology replacement schedule, resources have been reallocated out of this program area.

Pg 50 Function 2700 Retirement Program

- ✓ No significant allocation changes. This is a negotiated item for staff who qualify for early retirement benefits.

Pg 51 Function 5110 Long Term Debt Service

- ✓ No allocation changes.

Also Pg 51 Function 5200 Transfer of Funds

- ✓ Object 790. Six transfers have been allocated. A transfer of \$145,000 is needed to support the District's food service program. An \$79,656.90 transfer to Special Fund 261 Equity in Education. A \$29,741.91 transfer to Special Fund 250 Wellness. A \$75,000 transfer to the Capital Maintenance Reserve Fund 420. A \$850,000 transfer to Fund 400 to start accumulating funds to pay for the Full Faith and Credit Obligation required to finish the construction project. A \$12,100 transfer to support the PreK program. Funds are only transferred if they are needed.

Also Pg 51 Function 6110 Operating Contingency

- ✓ Object 700. The District is allocating \$865,000 to contingency.

Also Pg 51 Function 7000 Unappropriated Fund Balance

- ✓ Object 820. There are no significant changes to this area. The District is required to provide a balanced budget.

This concludes the General Fund Detail and will continue with the Special Funds.

Pages 52, 53, 54, 55, 56, 57 and 58 have summary information and again the focus will be on the detail.

Please turn to Pg 59, 60, 61, and 62 Fund 233 Miscellaneous Grants (Federal)

- ✓ This Fund is a compilation of many potential grants that the District may receive. Expenditures for individual grant requirements are placed in the anticipated Functions and Objects. There is no guarantee that the District will receive any of the grants.

Pg 63 Fund 234 Title II-A Teacher Quality

- ✓ Federal Sources. Revenue is being based on anticipated allocations.
- ✓ No significant allocation changes.

Pg 64, 65, 66, 67, and 68 Fund 235 Elementary and Secondary School Emergency Relief (ESSER)

- ✓ This is a new Fund.
- ✓ The Coronavirus Aid, Relief, and Economic Security Act, 2020 (CARES Act) provides funds for the Elementary and Secondary School Emergency Relief Fund (ESSER Fund). The U.S. Department of Education awarded ESSER Fund grants to the Oregon Department of Education (ODE) for the purpose of providing School Districts with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools. These are considered Federal COVID-19 Stimulus Resources.
- ✓ ESSER II - The Coronavirus Response and Relief Supplemental Appropriation Act (CRRSA) continues federal ESSER funding originally established by the CARES Act to assist ESDs, school districts, and other educational entities with addressing the impacts of COVID-19. Reimbursement period is March 13, 2020 and September 30, 2023.
- ✓ ESSER III - The American Rescue Plan (ARP) Act continues federal ESSER funding originally established by the CARES and CRRSA Acts to assist ESDs, school districts, and other educational entities with addressing the impacts of COVID-19. Reimbursement period is March 13, 2020 and September 30, 2024.
- ✓ There are a 9.71 FTE reflected. 2 FTE is K-5 Elementary School Instruction classroom teachers; 1.88 FTE is two Middle School educational assistants; .50 FTE is a HS licensed Social Studies teacher; .94 FTE increase is one (1) High School educational assistant; .18 FTE is three (3) restrictive special education assistants' hours increased; .70 FTE is seven (7) special education assistants' hours increased; .26 FTE is two (2) English Language Learner educational assistants' hours increased; .50 FTE is an executive level administration mentioned in GF Function 2210; and 2.75 FTE is in bus driver/transportation support.
- ✓ Function 1288. Charter School allocations.
- ✓ There are also allocations for technology, food service, and supplies/services associated with the pandemic.

Pg 69 Fund 236 District Restricted Technology Services (ERATE)

- ✓ Because of the uncertainty of this funding source, expenditures will only be approved as revenues are received by the District. This is a federally funded program.
- ✓ Resources have been reduced because the District was eligible for additional funds for enhancement made during the construction project.

Pg 70, 71, 72, and 73 Fund 237 District Restricted Medicaid Administrative Claims (MAC)

- ✓ This program consists of participating Districts completing a survey three times a year and as a result obtaining reimbursement for time spent by employees on things that would be considered potentially covered by Medicaid. The District participates in this program through NWRESD.
- ✓ Expenditures will be focused on providing support to our students in need of health/medical services. This was a valuable resource when the pandemic first happened and before Federal funding was an option.
- ✓ Because this revenue stream has started to become more reliable, the District will start more aggressively exploring options to spend these funds.

Pg 74 Fund 239 Access to Student Assistance Programs in Reach of Everyone (ASPIRE) Program

- ✓ Although this position has been moved to Fund 252 High School Success / College and Career Readiness (M98), there is still a grant opportunity to receive \$2,400. Expenditures related to the ASPIRE position equivalent to the grant amount will be charged here.

Pg 75 Fund 240 Title I-A

- ✓ Federal Sources 4501. This funding source has not been increasing with required expenditures. In anticipation of the program revenue shortfall, allocations have been put in the General Fund Function 1272. This is not a decrease in the overall budgeted FTE, it is just a reallocation of staff to the General Fund, Function 1272.

Pg 76 Fund 241 IDEA Part B, Section 611

- ✓ No significant allocation changes.

Pg 77 Fund 243 Title III Limited English and Immigrant

- ✓ The District has budgeted with the intent of potentially receiving funds in the program area.

Pg 78 and 79 Fund 245 Title VI-B Rural and Low Income Schools

- ✓ Based on student poverty rate information submitted to the Department of Education, the District again anticipates qualifying for these additional resources. Appropriations have been made in anticipation of receiving the funds.

Pg 80 and 81 Fund 246 Title IV Student Support and Academic Enrichment (SSAE)

- ✓ Authorized under subpart 1 of Title IV, the SSAE program is intended to: provide all students with access to a well-rounded education; improve school conditions for student learning; and, improve the use of technology in order to improve the academic achievement and digital literacy of all students. The District has budgeted with the intent of potentially receiving funds in the program area.

Pg 82, 83 and 84 Fund 250 Miscellaneous Grants (Non-Federal)

- ✓ The District continues to participate in an Employee Wellness Grant from the Oregon Education Association Choice Trust. This grant will be used to support the well-being of all of our District employees. This grant requires a District contribution. For budgetary purposes, all required allocations have been transferred to the grant (\$29,741.91); however, all of these funds may not be needed because some of the District's contributions may be done in-kind or with other grant funding.
- ✓ This Fund is a compilation of many potential grants that the District may receive. Expenditures for individual grant requirements are placed in the anticipated Functions and Objects. There is no guarantee that the District will receive any of the grants.

Pg 85, 86, 87, 88, 89 and 90 Fund 251 Student Investment Account (SIA)

- ✓ The Student Success Act, passed in 2019, includes a corporate activity tax that provides additional funding to PreK-12 public education. Funds were dramatically reduced this school year due to impacts of the pandemic; however, current projections for next year are anticipated to be stronger.
- ✓ The Student Investment Account is a non-competitive grant program and the purpose is to: Meet students' mental and behavioral health needs and increase academic achievement. There are four

categories for spending: reducing class size; instruction time; health and safety and well-rounded education.

- ✓ The District has appropriated expenditures based on the intention of receiving the funding source. If the current COVID-19 issue affects this revenue, the District will not move forward with implementation.
- ✓ There are 10.51 FTE reflected. 1 FTE is K-5 Instructional Coach; 1 FTE is Middle School teacher; 1 FTE is Secondary Instructional Coach; 2.51 FTE is three (3) PreK educational assistants'; .50 FTE is a Special Educational teacher; 3 FTE is three (3) K-5 Intervention teachers; 1 FTE is a Secondary Intervention teacher; and .50 FTE is one (1) licensed staff member's hours increased to support ELL.

Pg 91, 92, and 93 Fund 252 High School Success / College and Career Readiness (M98)

- ✓ The purpose of this Fund, High School Graduation and College and Career Readiness Act of 2016 (Measure 98), is to provide direct funding to increase high school graduation rates. The three specific focus areas are to: establish or expand career and technical education programs in high schools, establish or expand college-level educational opportunities for students in high schools, and establish or expand dropout-prevention strategies in high schools.
- ✓ Function 1131, Object 111. The 1 FTE represented in this program currently supports the High School's Culinary Arts/Hospitality program. The .17 FTE is a transfer of an existing position that was funded in the General Fund, Function 1131 but is eligible under this area.
- ✓ Function 2120, Object 111. This is an increase of a 1 FTE Secondary Counselor position.
- ✓ Function 2120, Object 112. This consists of a 1 FTE Graduation Support Specialist position, 1 FTE position Counseling Support position.

Pg 94, 95 and 96 Fund 253 Summer Enrichment and Learning Programs

- ✓ HB 5042A authorizes the Oregon Department of Education (ODE) to make available \$195.6 million General Fund and \$10 million Federal Funds in grant funding to participating school districts for academic summer school to support high school students facing academic credit loss, summer enrichment programs, and wrap-around child care.
- ✓ These funds are still in the developmental stages and the District has allocated with the objective of providing services.

Pg 97 Fund 260 SB 1149 Energy Efficient Schools Program

- ✓ This special program is State mandated. It requires a portion of all Pacific Power and Northwest Natural Gas receipts to go to schools in those utility companies' areas.
- ✓ Expenditures will be allocated to pay for the loan that the District needed to complete a 2012-2013 mechanical systems project at Pacific Ridge Elementary; as well as, any eligible maintenance that may be required on that system.

Pg 98 and 99 Fund 261 Equity in Education

- ✓ This is a grant through the Meyer Memorial Trust. The goal of the grant is "through equitable education, transform our District to improve college and career readiness for English Learners and students in poverty."
- ✓ This grant requires a District contribution. For budgetary purposes, all required allocations have been transferred to the grant; however, all of these funds may not be needed because some of the District's contributions may be done in-kind or with other grant funding.
- ✓ Expenditures have been based upon specifically agreed upon requirements of the grant application.

Pg 100 and 101 Fund 262 Student Body Fund

- ✓ The budgeted distribution of allocations in these Objects changes based on yearly needs. There is no obligation for the schools to spend their entire student body funds; however, the majority of resources are allocated so that the funds are available as if the schools intended to spend them.

Pg 102 and 103 Fund 264 Preschool Promise

- ✓ The purpose of the Preschool Promise program is to both increase access to quality preschool and to enhance quality in existing early education programs for preschool aged children in Oregon.
- ✓ Revenue 1311. Students who are not eligible to be financially sponsored may be required to pay tuition to participate.
- ✓ Revenue 5200. A transfer from the General Fund will allow the District to provide program requirements.
- ✓ Function 1140 is the correct Function that should be used for PreK programs.
- ✓ The FTE represents 2 FTE licensed staff.
- ✓ Function 3300, Object 111. This Function is no longer needed.

Pg 104 Funds 271 through 286 Scholarship Funds

- ✓ No significant allocation changes.

Pg 105 and 106 Fund 299 Food Service Program

- ✓ The District's elementary school is anticipated to continue participating in a Universal Lunch and School Breakfast Program. All students enrolled at either of the elementary schools may participate in the breakfast and lunch program at no charge to them but they are required to take a reimbursable meal.
- ✓ Miscellaneous Revenue is anticipated from resources available in Fund 235 ESSER. The objective is to invoice Fund 235 for MS/HS meal prices charged for students that eat breakfast and lunch but are required to pay. Students would not be charged the price of a meal because the eligible meal reimbursement would be paid by ESSER funds.
- ✓ A transfer of \$145,000 has been allocated from the General Fund to support this program.
- ✓ Function 3100, Object 113. The intent is to hire a new food service program director in lieu of using a contracted meal management service.
- ✓ Function 3100, Object 451 and 452. Allocations have been added to purchase required food items. While operating under a food service management company, the District does not own or purchase any of the food items. Under the self-operated method, these expenditures will be required.

Pg 107 is the District's Debt Service Payment Schedule for the PERS Unfunded Actuarial Liability Bond.

Pg 108 and 109 are the Debt Service Payment Schedule for the 2017 General Obligation School Relocation Bond and the 2020 General Obligation School Relocation Bond that were passed in November of 2016.

Pg 110 is the District's Debt Service Payment Schedule for the Full Faith and Credit obligation, Series 2020 required to finish the construction project.

Pg 111 Fund 300 Debt Service

- ✓ Function 5110, Object 610 and 621. Payment allocations have been made for the General Obligation bond sales. This is a levied tax imposed on our voters.

Pg 112 Fund 301 Debt Service

- ✓ This is a newly created Debt Service Fund in order to separately track the FFCO debt service payment that is not paid by a levied tax. Revenues will need to be transferred yearly in order to make these payments.
- ✓ Function 5200. A transfer has been allocated from Fund 400 to make the FFCO debt service payment. These funds were generated from the sale of the schools.

Pg 113 and 114 Fund 400 Capital Projects

- ✓ Revenue 5200. General Fund transfer of \$850,000 to start accumulating required payments for the FFCO loan because the sale of old school properties will not cover the 20 year debt service amount.
- ✓ Revenue 5300. The old High School property is still on the real estate market.
- ✓ Revenue 5400. When the 2020-2021 budget was prepared, it was still too difficult to predict the exact amount of funds that would be needed to finish the District's construction project. Anticipated sales revenue of the vacant school properties were placed in Fund 410. As the actual school year progressed, it was clear that the District would need to borrow \$9 M to finish the project and the funds were needed immediately. A decision was made to borrow the funds and deposit the sales into Fund 400 to assist in making future payments.
- ✓ Function 4120, Object 383 and 389. The District needs to start the investigation process into enhancing the track area, providing on-site storage for outdoor type equipment and expanding potential parking options for the elementary school.
- ✓ Function 5200, Object 790. A transfer has been allocated to make the FFCO debt service payment in Fund 301.

Pg 115 and 116 Fund 410 2017 General Obligation (GO) Bond Project

- ✓ This should be the completion of the scope the K-12 construction project. Allocations have been made to finish up items during the summer of 2021.

Pg 117 Fund 420 Capital Maintenance Reserve Fund

- ✓ The objective of this Fund is to start accumulating resources to ensure that the District is able to adequately maintain our new school facilities. The resources will not be used for regular operating maintenance and supplies.

Pg 118 Fund 700 Trust and Agency

- ✓ The District is no longer a grant authority for any outside organizations. No appropriations have been made to this Fund.