

Bend-La Pine Schools
May 8, 2018

The Board of Directors for Bend-La Pine Schools met in a Budget Committee Meeting on May 8, 2018 in room 314 at the Education Center, 520 NW Wall Street, Bend, OR 97703.

Board Members Present

Julie Craig
Peggy Kinkade
Cheri Helt
Stuart Young
Ron Gallinat
Andy High arrived at 5:15 p.m.

Board Members Absent

Carrie Douglass

Budget Committee Members Present

Natasha McFarland
Heidi Slaybaugh
Bruce Reynolds
Amy Tatom
Rick Olegario arrived at 5:15 p.m.

Budget Committee Members Absent

Tom Bahrman
Matt Hillman

Call to Order

The meeting was called to order at 5:03 p.m. by Vice Chair Craig. The Pledge of Allegiance followed.

Approval of April 24, 2018 Minutes

Bruce Reynolds moved to approve the April 24, 2018 Budget Committee Meeting minutes. Ron Gallinat seconded the motion. Unanimous approval

Public Input

There was no public input.

Update

Superintendent Mikalson provided an update on questions from the last Budget Committee Meeting and received in the following days. Mikalson shared data on class size from ODE and how Bend-La Pine Schools compares to the other nine large districts in the state: Portland, Salem-Keizer, Beaverton, Hillsboro, North Clackamas, Eugene, Medford, Gresham and Tigard-Tualatin. Of those nine districts; Portland, Beaverton, Eugene and Tigard-Tualatin all currently have local option funding supporting their districts.

Mikalson also spoke of the district's future investment priorities which include: support staffing and increase staffing in schools, support physical and mental health for students, more instructional time for students, increasing program offerings at all levels, and providing most up to date resources for 21st Century.

Slaybaugh asked if the in-service and conference prep type of days were negotiable and how they could possibly help support the increase in instructional time and school days as an effort to support the district's priorities. Mikalson explained those days are part of contract negotiations and noted the School Improvement Wednesday's have

provided quality time for professional development and are seen as incredibly valuable time that is used well within schools.

Brad Henry and Roy Burling provided answers to questions about the 2018-19 proposed budget. Peggy Kinkade noted that there are significantly fewer follow-up questions than in years past and attributed that to the work of the budget sub-committee and the district in putting together this budget document in a more user-friendly, understandable format. She thanked the sub-committee members and staff for their work.

Budget Deliberation / Approval

Chair McFarland opened the meeting to discussion and deliberation of the proposed budget. Peggy Kinkade noted that Tom Bahram, in his absence, sent an email to the Board and Budget Committee, with a request to hear Budget Committee Member's thoughts on the ending fund balance. Kinkade reviewed the catastrophic damages from 2016-17 winter snow storm that caused the Board to use \$1.85 million of the ending fund balance to help pay for emergency removal and repair efforts. Using the \$1.85 million caused the ending fund balance to go below 5%, which is the percentage currently stated in Board policy. The 2018-19 budget has been presented with a 5% ending fund balance.

Chair High said he would personally like to see the ending fund brought back to 5% over a few years and suggested a 4.75% ending fund balance for the 2018-19 school year. Julie Craig and Cheri Helt both agreed they would like to see the ending fund be at 5% for the 2018-19 school year and Helt added she would like the Board and District to consider using the FEMA dollars to help offset future PERS costs. Kinkade asked for Budget Committee Member thoughts.

Rick Olegario asked what 25% would equal in the proposed budget. Burling said approximately \$430,000. Discussion ensued on the ending fund balance and benefits of ramping back up to 5% slowly vs. fully funding 5%. Heidi Slaybaugh and Amy Tatom both supported the ending fund balance at 5% for the 2018-19 school year. Bruce Reynolds supported the gradual increase approach. Kinkade asked Mikalson what the district would spend the \$430,000 on if it became available. Mikalson said the one-time funds would be used to support the future investment priorities identified earlier in a way that could be sustained within the system. Olegario asked if the increase in PERS expenditure will be taken primarily from the ending fund balance. Henry said the district plans to use state funding resources to help offset costs, which are still being determined by the legislature. The PERS costs cannot be funded by bond dollars.

Chair McFarland entertained a motion.

Cheri Helt asked Budget Committee Members if they agreed with the priorities presented by Superintendent Mikalson. Slaybaugh commented if the Board does decide to gradually bring the ending fund balance back up to 5% she strongly urged investing the additional dollars into efforts that would not have to be taken away, she said she would also like to see an increase in mental health support. McFarland agreed and added she would like to see an increase in staff support. Olegario appreciated the thoughtfulness and said he respects Mikalson's expertise and would like to continue to look at metrics to show that the budget is supporting the district's priorities.

Bruce Reynolds moved to approve the assessment of the permanent tax rate of \$4.7641 per \$1,000 of assessed value in support of the general fund, to approve a tax of \$33,350,087 in Debt Service Fund for the purpose of the payment of bonded debt owed by the school district, and to approve the budget in the aggregate amount of \$451,902,865. Heidi Slaybaugh seconded the motion. Unanimous approval.

Chair McFarland adjourned the budget committee meeting at 6:01 p.m.

Chair High recessed the regular meeting at 6:01 p.m.

Respectfully submitted,

Andrea Wilson
5.8.2018

Minutes approved at 6.12.2018 board meeting