

**Bend-La Pine Schools
Bend, OR 97703**

The Board of Directors for Bend-La Pine Schools met in a Budget Committee Meeting on April 24, 2018 at the Education Center, 520 NW Wall Street, Bend, OR 97703.

Board Members Present

Andy High
Ron Gallinat
Julie Craig
Peggy Kinkade
Stuart Young
Cheri Helt

Board Members Absent

Carrie Douglass

Budget Committee Members Present

Rick Olegario
Heidi Slaybaugh
Matt Hillman arrived at
Amy Tatom
Tom Bahram
Natasha McFarland
Bruce Reynolds

Call to Order

The meeting was called to order at 5:04 p.m. by Chair High. The Pledge of Allegiance followed.

Review of the Agenda

Chair High reviewed the agenda. There were no changes.

Election of Budget Committee Officers

Chair High entertained nominations for Budget Committee Chair.

Heidi Slaybaugh nominated Natasha McFarland for Budget Committee Chair. Bruce Reynolds seconded the nomination. Unanimous approval.

Chair McFarland entertained nominations for Vice Chair.

Andy High nominated Rick Olegario. Tom Bahram seconded the motion. Unanimous approval.

Budget Message

Chair McFarland invited Superintendent Mikalson to share his 2018-19 budget message. Mikalson thanked all Budget Committee and Board members for their time and noted the 2017-18 budget at a glance provided to show where currently budget dollars are being spent. He reviewed formulas the district uses for staffing which includes a factor for equity that is applied to the district's high needs schools. Oregon's funding challenges lend to tough decisions when the district considers how to fund identified priorities.

Mikalson presented the 2018-19 proposed budget and noted areas considered its development:

- Factoring the biennium split of funding from the state
- Salary and insurance cap increases
- Projected enrollment increases of approximately 260 more students in 2018-19

- Staffing changes as elementary enrollment is projected to decrease slightly, middle school enrollment is projected to increase and high school enrollment is projected to increase slightly; while also accounting for the opening of Realms and Skyline High Schools
- Increased mental and behavioral supports with the IBRC, BRC programs and partnership efforts with the Child Center
- The projected \$5.5 million increase in PERS costs in the 2019-20 school year and the recommendation that the \$1.1 million FEMA reimbursement dollars be put into reserve accounts to help offset the PERS increase if needed
- By policy, the district is obligated to present the budget with a 5% ending fund balance

All were provided a copy of the 2018-19 proposed budget and Brad Henry walked through the document. Roy Burling asked that questions be sent to him by May 4 and he will prepare for the next Budget Committee Meeting. He expressed his thanks to Cindy Wallskog, Marcia Copple and Nick Shien for the assistance in putting the budget document together.

Chair McFarland asked where in the budget would the increase in behavioral support be reflected. Burling said it is a SPED function and Mikalson noted there is also a change of funding within the Local Service Plan with the HDESD that helps provide district resources to support these programs.

Olegario asked where Measure 98 funds are reflected in the document. Henry said in the special revenue and grant sub funds functions. Bahram asked if Measure 98 funds were truly new dollars to the district and Mikalson said by the end of the legislative session, those funds did end up being truly new funds and explain the large increase in resources from 2017-18 to 2018-19. Questions ensued on how districts use functions across the state and Henry said there is a comparison tool on the ODE website which would be helpful in looking at like-sized district spending.

Helt asked about the Secure Rural Schools Reauthorization recently passed by Congress and how those funds would impact the district. Henry said the budget presented does not include any of those dollars as the district has not been notified of the amount that will be received. He will continue to provide information as he learns more.

Bahram asked if Kinkade would like to discuss the ending fund balance percentage as part of this budget process. Kinkade said she would like to have that discussion, possibly at the next budget committee meeting and suggested including FEMA dollars as part of it. Helt agreed and suggested including upcoming PERS increases. Bahram said he would also like to have a conversation around class size, ratios of counselors and a comparison of staffing to other like sized districts in the state. Bahram also suggested the Budget Committee and Board go through the exercise of looking at where additional dollars would be invested, even if there are none, as it could possibly help find opportunities of efficiency and identify areas with a better return on investment.

Bruce Reynolds thanked the district for putting together a budget document with thoughtful detail and transparency.

Public Input

There was no public input.

Chair McFarland summarized topics of discussion noted for the next budget committee meeting: substitute funds, class size, counseling ratios, if / how a local option could impact the budget. Helt would like to discuss health care costs including a history of premium costs.

Chair McFarland adjourned the budget committee meeting at 6:15 p.m.

Chair High recessed the regular meeting at 6:15 p.m.

Respectfully submitted,

Andrea Wilson
4.24.2018

Minutes approved at 5.8.18 board meeting