



Budget Committee Meeting

February 19, 2020

7:00 p.m.

MINUTES

CALL MEETING TO ORDER

School Board Chair Jennifer Ward called the February 19, 2020, Budget Committee Meeting to order at 7:00 p.m.

Present were:

Eric Aguinaga	Budget Committee Member
Kim Butzner	Budget Committee Member
Seth Christensen	Budget Committee Member
Pat Eastman	Budget Committee Member
Chris Norman	Budget Committee Member
Will Summers	
Michael Thomson	Budget Committee Member
Brent Wiest	Budget Committee Member
Jennifer Ward	Board Chair
Lisa Harlan	Assistant Superintendent
Russell Allen	Director of Business
Randy Lary	Director of Human Resources
Ashley Netzel	Controller

Committee Member Heather Carmichael and Superintendent Melissa Goff made previous arrangements to be absent from the meeting.

PLEDGE OF ALLEGIANCE

Ms. Ward led those present in the Pledge of Allegiance.

BUDGET COMMITTEE OPERATIONAL TASKS

1. Election of Budget Committee Chair.

Ms. Ward stated for the record that this was the Budget Committee Meeting for February 19, 2020. She stated that it was time to elect a committee chair and opened the floor for nominations. Committee Member Seth Christensen nominated Committee Member Chris Norman for Budget Committee Chair. Ms. Ward asked for any other nominations. Committee Member Will Summers moved to close the nominations. Ms. Ward called for the vote. **NOMINATION CARRIED UNANIMOUSLY.** Mr. Norman took over as Chair for the remainder of the meeting.

2. Approval of Budget Committee Minutes from May 15, 2019.

Mr. Norman stated that the minutes from the May 15, 2019 meeting had been sent out in the packet and asked if there any changes. There were none. Mr. Summers made a motion to accept the minutes as provided. Mr. Christensen seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

3. Establish Budget Calendar

Mr. Norman asked Mr. Allen to go over the Budget Calendar. Mr. Allen stated that the Budget Calendar had been provided in the packet and had been approved by the Board. He reviewed the calendar for the Committee and asked if there were any questions. There were none.

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4. Establish Meeting Beginning and Ending Times

Mr. Norman commented that in the past, the Budget Committee Meetings usually were set from 7:00 p.m. to 9:00 p.m. and extended in 15-minute increments if necessary. Mr. Summers made a motion to set the Budget Committee Meeting to start at 7:00 p.m. and to end at 9:00 p.m. with an extension of 15-minute increments if necessary. Committee Member Michael Thomson seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

FINANCIAL UPDATE

Mr. Allen reviewed his PowerPoint presentation with the Committee. He shared that much of the material he was showing was typically what he would share at the fall Budget Committee Meeting. He first commented that there have been some proposed changes with PERS. He shared that PERS gains funds from investment earnings and very little from employers or employees and employers have been the only way to make up the difference. He reported that 71 percent of PERS individuals are locked in. He shared that the courts have made it clear that once a benefit is earned it cannot be changed. Discussion ensued regarding the different reforms of PERS. Mr. Allen shared the new SB 1049: 2019 PERS Reform and went over the slide for the Committee. He commented that the problem is that the way the law was written, it is difficult to implement. It has been challenged in court so we will ultimately hear a challenge from the Supreme Court. Mr. Allen stated that PERS rates are expected to go up on July 1 and the final projection for the district is an increase of 2.5 percent to 27.5 percent. He stated that he did not expect a huge increase in 2021.

Mr. Allen reported that the Student Success Act has passed creating a \$1 billion investment each year to provide new opportunities for each student in our state, particularly those who have been historically underserved. He shared that the Act is broken down into three buckets: Early Learning, Student Investment, and Statewide Educational Initiatives. He went through each of the Accounts for the Committee and shared that the funds in the Student Investment Account have requirements as to how they can be spent. He stated that the funds from this bill means an estimated \$7.6 million added to our budget which needs to be aligned with our mission.

Mr. Allen then went into the Financial Forecast portion of his slides and reviewed them for the Committee and answered questions as they came up. He shared that the median household income has climbed over the last 10 years more so than in previous years. He reported that enrollments showed some increase and decrease in part due to the 5th year advanced diploma program. This program is only for the very few students that qualify for this program who do not qualify for the Oregon Promise.

Mr. Allen reported that projections started off slow but looking at the development growth and birth rates provided by a demographer, it looks like we will continue to grow. Mr. Summers commented that according to forecasts from OEA who is working with PSU for the census, Albany is forecast to grow beyond Corvallis in 2035-37 and pushing toward 85,000 and over 90,000 in 2060. Ms. Ward asked whether the demographic studies were performed in house or by an outside demographer. Mr. Allen responded that the district is currently working with Shannon Bingham at this time since we were already working with him on enrollment projections for Oak Grove and Meadow Ridge.

Mr. Allen stated that the Fund balance was estimated to drop more than \$2 million but less than \$3 million. He went over the forecast assumptions and long-range forecast for the Committee. He reported that the assumptions are more difficult than usual, and our expenses will impact where we end up. Discussion ensued.

DISTRICT FOCUS

Assistant Superintendent Lisa Harlan addressed the Committee about the work done with new leadership and strategic planning for the Student Success Act. She stated that now it is about how the money is spent in alignment with the mission and vision of the Community. She explained that the process started in the Fall there were over 25 focus group Community Forums held: Community members, focus groups, student groups, Spanish speaking groups, and one at the Mennonite Village. Ms. Harlan reported that there were around 1,200 responses from online surveys sent out to staff, students, and the community, and 300 of those received were from students.

Ms. Harlan proceeded to her PowerPoint presentation. She stated that when talking about budgets, it is also talking about where we need to go for our students. She shared that the legislative appropriation, for the first time, is close to the QEM model. She commented that the Committee's task was to build a budget based on the mission, values, and beliefs that reflect the priorities of our students, families, and community. Ms. Harlan shared that the Strategic Planning Committee was made up of all slices of the community: students, parents, businesses, and other organizations, who met at least 6 times for at least 4 hours each time. She

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commented that many of those in the group did not agree but there were powerful conversations on viewpoints and what they each wanted for kids. She shared that they reviewed different viewpoints and their task was to boil down to a mission and the values that are important for the district.

Ms. Harlan reviewed the overview of the community feedback with the Committee. She shared what individuals were most proud of and what they felt was needed in our system. Discussion ensued. She touched on the desire for culturally responsible teaching, staff understanding student needs and meeting those needs, and the need for staff development around diversity, inclusion, and equity. Ms. Harlan also discussed the desire for better connections and communications; how important it is to build and strengthen the connections and relationships between teachers and students including educational equity, diversity, and inclusion. She added that the feedback suggested finding a way to communicate with everyone, taking it to where they are rather than them having to get it from us, and being more proactive and less reactive.

Ms. Harlan then went over equity and how it relates to the SSA and ODE Implementation Values. She stated that some of the values add categories to plan special attention to specifically underserved and marginalized student groups. She shared that during discussions on the strategic planning team it was asked if these groups were included in the responses. She stated that there were focus groups held with homeless students and they were asked what it was like, and how can we help and serve them. Ms. Harlan stated that they were intentional about the focus groups and worked hard at including all. Discussion ensued.

Ms. Harlan commented that traditionally, the system has not served all students and we need to make sure that we are serving all. She shared that one way to do that is to apply an equity lens. She went through the slide for the Committee. Discussion ensued. Ms. Harlan stated that the district is making good use of a variety of folks and their input in making decisions. She shared that the responses from the community had exceeded expectations and that it shows that we have a Community that is invested, wants great things for kids, and wants to be involved.

Ms. Harlan then shared that the Strategic Planning Committee sent a draft mission back to the District Leadership who looked at it again. The draft mission for the District is “Building bridges to lifelong learning and brighter futures.” She explained that this covers building bridges to kids and meeting them where they are and where they want to be after high school and meets the goal to build bridges with community partners. She stated that it is exciting to have a standard on how we conduct ourselves and connect with kids. Discussion ensued. Ms. Harlan stated that in relating to “lifelong learning,” the Committee wanted to include everyone learning and growing so the idea is that we are preparing students for jobs that do not exist and after they leave and need training for a job, they will know how to learn and have a passion around learning.

Ms. Harlan then went over the draft values and beliefs for the Committee. She shared that the next steps is to take the drafts back to the Board to finalize and then take out to staff. Discussion ensued. In response to a question about a strategic plan, Ms. Harlan responded that it is helpful to have a strategic plan with the framework and foundation for a student investment plan that is aligned with schools plans and district improvement plans as well. They will all be coalescing at the same time. She stated that she expects goals, matrix, and timelines to follow. Ms. Ward stated that with the growing interest, she suggested including a short update with the Budget Committee Meetings and re-evaluate the goals at the beginning of the meeting. She stated that by the next meeting there will be goals in place and the plan will have been submitted.

DISCUSSION OF INFORMATION PRESENTED

Mr. Norman moved the meeting on to the Discussion of Information Presented. He complemented staff on the great work and especially the communication piece. He asked how the Committee make sure that it continues. Ms. Ward shared that part of the work is to go back to the stakeholder groups and bring the information forward; it hasn't begun yet but will. Ms. Harlan commented that it is the intent to follow through with all of the focus groups, go back to talk to them saying that this is what we heard and ask what it looks like moving forward.

Mr. Summers asked if there will be any changes to the budget showing changes. Mr. Allen responded that some changes can be expected for the next budget the Committee sees, but the Committee will see significant changes in following budgets. He stated that the format, structure, and how it is presented will probably change.

Mr. Aguinaga stated that he was excited about doing town halls for special groups and get back into the community to discuss important issues.

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Ms. Ward stated that it was worth mentioning that one way that the district has improved communication and outreach so far is by live streaming meetings. She stated that it is not physically going out to homes but that there is an amazing number of individuals who watch and have the ability to comment during the meeting.

Ms. Harlan gave kudos to Andrew Tomsky for doing a fantastic job in his new Communications position.

COMMENTS FROM THE PUBLIC

There were none.

NEXT MEETING

Mr. Norman stated that the next meeting was scheduled for April 22, 2020.

ADJOURN

Mr. Norman adjourned the meeting at 8:31 p.m.

Chris Norman, Budget Committee Chair

Recorded by: Kathie Vosper