



APPROVAL OF BUDGET MEETING MINUTES

POLICY ISSUE / SITUATION

Enclosed are the minutes for:

- May 22, 2017 Budget Meeting

RECOMMENDATION:

BE IT RESOLVED that the minutes of the May 22, 2017 Budget Meeting are hereby approved.

District Goal: WE empower all students to achieve post-high school success.

The Beaverton School District recognizes the diversity and worth of all individuals and groups. It is the policy of the Beaverton School District that there will be no discrimination or harassment of individuals or groups based on race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, marital status, age, veterans' status, genetic information or disability in any educational programs, activities or employment.



MEETING MINUTES

Board Members Present:

Susan Greenberg
Anne Bryan
Eric Simpson
Donna Tyner
LeeAnn Larsen
Becky Tymchuk

Budget Committee Members

Tim Garey
John Ng
J Russell Rain
Debra Ayo
Greg Gabriel
Heidi Edwards

District Administration Members Present:

Don Grotting, Superintendent
Carl Mead, Deputy Superintendent
Steve Phillips, Deputy Superintendent
Claire Hertz, Chief Financial Officer
Sue Robertson, Chief Human Resource Officer
Maureen Wheeler, Public Communication Officer
David Williams, Administrator for Government Relations
Brenda Lewis, Executive Administrator, K-5 Schools

Ginny Hansmann, Chief Academic Officer
Jason Guchereau, Finance Manager
Gayellyn Jacobson, Administrator for Fiscal Services

I. Welcome and Opening Remarks

John Ng
Don Grotting

Budget Committee Chair, John Ng (Chair Ng), called the meeting to order at 6:31 PM. Chair Ng thanked the Internal Budget Team (IBT), Superintendent Don Grotting (Superintendent Grotting), Chief Financial Officer Claire Hertz (Hertz) and the Budget Committee (the Committee).

Superintendent Grotting thanked the Committee for sharing their lives and giving up family time to participate in the Budget Meetings. Hertz has a positive update from Salem. Thank you to John Ng as the Committee Chair, as well as the Vice-Chair, Denise Petterborg.

II. Approval of Minutes from the May 8, 2017 Meeting

John Ng

Chair Ng asked for any changes to the minutes from the May 8, 2017 Committee Meeting. None were requested. School Board Member Anne Bryan (Bryan) moved to approve the minutes as presented, Budget Committee Member Tim Garey (Garey) seconded. The motion was approved unanimously.

III. Budget Update

Claire Hertz
David Williams

Hertz asked the Administrator of Government Relations David Williams (Williams) to give an update from a superintendents meeting in Salem on Friday, May 19, 2017. Williams reported:

The Beaverton School District (BSD) is actively engaged in advocacy to drive State School Fund (SSF) numbers as high as can be - most likely \$8.1 Billion. The floor is set at \$8.1 Billion but the ability to get above that is what's in question. Additional revenue is needed to get there. A healthcare provider tax is possible to achieve \$8.4 Billion. Other options to get more revenue include a corporate tax overhaul. There is upward pressure. BSD has sent the message to not go home until the budget has been resolved. Williams also suggested legislators not to vote on the lower budget amount. Tuesday, May 23, 2017 the Speaker will lay out budget expectations. There are several options beyond straight revenue increases.

Hertz explained three (3) changes to proposed Budget:

1. \$2,500,000 increase in donations for Beaverton High School for facility improvements and construction;
2. \$386 final Bond sale adjustment; and
3. \$5,000 account coding adjustment.

The next steps will be to publish a budget summary in the newspaper, followed by a Budget Hearing on June 12th to adopt the Budget, approve tax rates and appropriate funds. Most likely, the Legislature will still be in session during that time. However, if the Legislature provides final budget numbers before then, changes can be made to the adopted budget. The Q & A throughout the budget process has mentioned possible add-backs: Academic Achievement and poverty allocations, Learning Instructional Technology Teachers (LITTs) and professional development are possible add-backs. If the and legislature appropriates a higher state budget after the BSD budget is adopted, a supplemental budget will be prepared after the start of the school year. Timing and dollar amount will determine add backs.

IV. Budget Committee Final Comments

John Ng

Chair Ng opened the meeting up to final comments and questions from the Budget Committee.

Questions ("Q") or Comments ("C") from the Budget Committee/Answers ("A") from Staff:

C: School Board Member Susan Greenberg (Greenberg): Thank you for budget preparation and materials. Compliment working towards Early Education. Would like to enhance middle school funding next year. Optimistic that legislature will be positive. Academic achievement, LITT, class size is still a priority.

C: Budget Committee Member J Rain (Rain): Impressed with LITT advocates who supported and testified for the LITT position.

C: School Board Member LeeAnn Larsen (Larsen): Continue advocacy, good at \$8.1 Billion but everyone needs to hound legislators for more.

C: Bryan: Would like to focus attention to the middle school level. Scheduling changes and staffing changes are hurting the students. Should additional funding come through; it should go to the middle school level. Hope to see the Early Education program grow, as well as additions to poverty and Academic Achievement funds. Call legislators and the governor to advocate for students.

C: Superintendent Grotting: The increased behavioral issues in elementary schools have been a great challenge. It's holding back the students that observe this behavior and isn't an optimal learning environment. Parents are concerned about the time teachers are having to spend on discipline rather than teaching.

C: School Board Member Becky Tymchuk (Tymchuk): The Multi-Year Finance Plan has helped align the budget to the Strategic Plan, especially during tough decision making. It has also been helpful when explaining the direction to constituents.

C: Chair Ng: The reduction of the LITT positions is difficult to accept. Son is going to morning tech clubs, so it's unfortunate that it is ending. Difficult to explain to the kids. Thank you to IBT for the hard work, these are difficult decisions. Listening and Learning Sessions are also very helpful. Please continue to attend and voice your opinion during those times.

V. Approval of Budget and Tax Levies

John Ng

Greg Gabriel moved to approve the following motion which was seconded by **J Rain**:

The Beaverton School District Budget Committee moves that the Beaverton School District Budget in the aggregate amount of \$1,078,877,198, for all funds, for 2017-18 be approved and that the permanent tax rate of \$4.6930 per \$1,000 of assessed value be assessed in support of the General Fund. I further move that a local option tax rate of \$1.25 per \$1,000 of assessed value be assessed in support of the General Fund. I further move that a tax of \$61,003,884 be approved for the service of bonded debt obligations of the School District.

No further discussion on the motion. Motion was voted on and passed unanimously.

VI. Budget Process Debrief

John Ng

Chair Ng asked the Committee to get into small groups and spend time discussing the following:

- **What went well?**
- **Are there areas for improvement?**

Tim Garey/Eric Simpson:

What went Well: Google Docs has been a great way for communication, especially for the Questions & Answers. The Committee packet was also very helpful. Considering the situation, this year went very smoothly.

Areas for Improvement: None

Donna Tyner/Debra Ayo:

What went Well: The Committee packets, minutes and information was given in a timely manner. It helped the Committee prepare and concentrate on the information outside of the meeting setting. The Budget tied to major initiatives was helpful.

Areas for Improvement: It would be very helpful to be involved in the process when IBT is making decisions. Would like to know how the decisions were made in detail.

J Rain/Susan Greenberg:

What went Well: Budget documents, emails, process went very well. IBT was very well organized.

Areas for Improvement: Would like to see more scenarios, background and possibly have pre-budget committee meetings. Due to timeline, the Committee is out of sync with the Legislature changes, therefore, would like to arrange post-budget committee meetings. Would like to see the work come to a verified conclusion.

Heidi Edwards/LeeAnn Larsen:

What went Well: Appreciated Google Docs. The request for comparison of cuts/additions was helpful. Committee stayed on task.

Areas for Improvement: Can we get more of the community involved? Engage community and possibly localize the listening sessions. Two-way conversation - hear more about the interests of the community. Would like to meet with student groups such as the Superintendent's Student Advisory Committee.

Anne Bryan/Greg Gabriel:

What went Well: Listening & Learning sessions and public comment was very valuable. BSD staff and School Board were very welcoming to newcomers. Appreciate level of detail provided to the Committee. Budget document is very well presented.

Areas of Improvement: Would like to have more information upfront. It would be helpful to the Committee members to know the information before making the tough decisions.

BSD is doing a better job aligning budget to the strategic plan, as well as discussing priorities. Need to review special programs for add-backs. Changing needs should be on investment reports - how do we fit those programs into the Multi-Year Finance Plan and Strategic Plan?

John Ng/Becky Tymchuk:

What went Well: Timely answers to the Committee's questions were very helpful. IBT gave a good place to start.

Areas for Improvement: Public comment - how to get more input. Meet with student groups. Go to back to school night? What does this community value, what are their priorities?

Do we need a plan B for \$7.8? If meetings are finished - who would make those decisions, if not the Committee? Would be great to know the repercussions for the cuts that are made the previous year or the progress for the additions.

C: Rain: John did an excellent job as chair. Thank you.

VIII. Closing Remarks

**John Ng
Don Grotting**

Chair Ng thanked Superintendent Grotting for the executive summary of the budget message. Thank you also to Staff for the Questions & Answers and supporting documentation.

Superintendent Grotting explained IBT didn't always agree, and this was a very difficult process. Agree and like the idea of getting information earlier, as well as meeting with student groups. Very telling to hear the opinions directly from the students. Thank you to CFO, Claire Hertz. She is very well known nationwide for her work. Thank you to the entire team - it is miraculous to have only three changes to the entire Budget.

Chair Ng: Final approval and a formal hearing process will be at the School Board meeting on June 12th, 2017. It will be a public hearing. All Budget Committee members and the community are welcome to attend.

Budget meeting adjourned at 7:29 pm.

John Ng
Budget Committee Chair

Marcie Davis
Recording Secretary