

NEAH-KAH-NIE SCHOOL DISTRICT NO. 56

Budget Committee Meeting 6:00 PM

April 28, 2025

504 N. Third Ave.

Rockaway Beach, OR 97136

PRESENT

Board

Sandy Tyrer, Chair
Renae Scalabrin, Vice Chair
Michele Aeder
Mike Wantland
Marisa Bayouth-Real
Joe Carr (virtual)
Randy Schultz (virtual)

Budget Committee

Kristen Coyle
Kathye Knight
Lisa Wiley
Nazare Cota
Amanda Cavitt
Katie Findling
Tim Borman

District Office Staff

Tyler Reed, Superintendent
Kari Fleisher, Business Manager
Kathie Sellars, Administrative Assistant
Karen Wheeler, guest

Present

OFFICIAL MINUTES

Official Minutes

CALL TO ORDER

Call to Order

Chairperson, Sandy Tyrer called to order the Budget Committee for the 2025/2026 budget at 6:01 p.m. Ms. Tyrer welcomed staff and patrons of the district. All present stood for the flag salute.

APPROVE AGENDA

Approve Agenda

M: Scalabrin/2nd Aeder to approve the agenda as presented. Motion carried unanimously by roll call.

Motion to Approve

Review Roles and Responsibilities, Kari Fleisher, presentation attached to these minutes.

Ms. Fleisher reviewed and presented the roles and responsibilities of the budget committee.

Election Of Presiding Officer, Sandy Tyrer

Vice Chair Ms. Scalabrin nominated Ms. Tyrer as the presiding officer. Mr. Wantland provided the second.

Ms. Tyrer called for a vote. Ms. Sellars did a roll call vote. Ms. Tyrer was unanimously approved as the presiding officer.

Designation Of Secretary

Ms. Tyrer designated Ms. Sellars as the secretary.

Budget Message, Dr. Tyler Reed

Budget Message

Dr. Reed shared the updated budget page inserts to correct errors. He summarized his 2025/2026 budget message. He explained that the district is currently in negotiations with certified staff, which may affect the proposed budget. He shared potential increases in personnel and reiterated the need to find ways to cover these required expenses. The House and the Senate forwarded a bill that is being sent to the Governor for approval to use a Public Employee Retirement (PERS) account balance to lower the rates to 28.02 percent for Tier I and II and 24.84 percent for Oregon Public Service Retirement Plan (OPSRP). This budget reflects higher percentages, but with this decrease it is an approximate cost savings of \$144,000.

Ms. Scalabrin asked if the \$20,000 decrease in Professional Development (PD) will still cover our needs. Dr. Reed explained travel expenditure funds were not fully utilized, so this was easily trimmed. Ms. Fleisher shared that some PD costs are also subsidized through grant, plus some reimbursement from Northwest Regional Education Service District (NWRESA). Ms. Bayouth-Real asked how we utilize our senior teachers to provide in-house training. Dr. Reed shared it is usually only one or two staff members attending and they bring the knowledge back to then share on PD days.

Mr. Borman asked how many teachers could be affected if the levy does not pass. Dr. Reed shared twenty licensed positions could be affected. Ms. Fleisher shared we have around sixty-seven certified staff currently.

Ms. Scalabrin stated text book adoption would exceed the \$100,000 allotted and asked if the board had to approve that. Ms. Fleisher shared some local grants will help offset the curriculum costs and she will closely monitor funds expended.

Mr. Carr asked if there is an estimate of how many students could be impacted with no summer school. Ms. Hartford shared 12 to 18 accessed the high school program last summer. Ms. Dilbeck shared 40 to 60 students attended the middle school summer programs. Dr. Reed stated both elementary's have small-group intensive tutoring for a handful of students.

Ms. Coyle asked if the ending fund balance assumes the levy not passing, would that increase if the levy passes. Dr. Reed stated ending fund balance would increase and if staff positions are cut, ending fund balance would also increase.

Budget Document Overview, Kari Fleisher

Budget Document
Overview

Ms. Fleisher explained that eighty percent of General Fund Revenue comes from property taxes and seventy eight percent of our expenditures are for payroll and benefits.

Ms. Fleisher summarized changes to individual school budgets-

- Garibaldi and Nehalem Elementary's main adjustments are the result of certain positions being charged to grants or moving back to the general fund.
- Middle school staffing shifted to accommodate changes in basic skills and special education resource rooms to align with student needs.
- High school has shared unemployment cost increases. Costs have risen now that classified staff can access unemployment during summer and school breaks. Building maintenance supplies increased due to rising cost of basic supplies.
- All buildings were asked to make a ten percent reduction in supplies.
- Main increases are attributed to the increase in insurance costs and the 4.5 percent transportation annual increase.
- District Office special programs are staying as they have been. Extended programming, dues and fees increased for the Tillamook Education Consortium. Dr. Reed shared how this consortium collaborates to expand the Career and Technical Education (CTE) programs.

Ms. Scalabrin asked if the Nehalem Elementary boiler cost was completed during the current year. Ms. Fleisher confirmed it was. She inquired what budget item contains the proposed work on the high school gym. Ms. Fleisher shared it is in the maintenance funds section.

Mr. Borman inquired of the \$5,000 decrease in psychology services. Ms. Fleisher shared it is now paid with service credits from NWRESD. Mr. Reed explained how service credits are used in schools. Ms. Keefauver shared this service is used to evaluate new special education students.

Ms. Fleisher summarized other increases and cost savings within the superintendent budget. She shared the main change in food service is contributed to the decrease annual transfer of \$92,500, due to the increase in monthly reimbursements revenue from all children eating free meals. Dr. Reed explained the changes in grant writing now that NWRESD has increased their grant writing services to small districts. Estimated technology costs can still increase.

Ms. Scalabrin inquired how this affects Community Eligibility Provision (free meals for all). Ms. Fleisher shared the requirements for non-program foods when staff or students purchase additional meals, and that we will continue to serve free meals to all students.

Ms. Fleisher explained the main changes to the federal projects fund. She explained how we historically allocate funds and these are really place holders for what we expect to receive. We will know more in the fall. Dr. Reed gave kudos to Ms. Fleisher for managing all the many details required to manage the grants.

Ms. Scalabrin asked what the \$100,000 in private donations is. Ms. Fleisher explained it is compilation from the Oregon Community Foundation along with a variety of small grants. She explained that Mudd Nick Foundation funds are included, but the bulk of that is in the individual Student Body accounts. Unappropriated Balance amount is due to the Ann Parks Foundation. Integrated Guidance funds are included along with Student Investment, Measure 98 and High School success.

Ms. Coyle asked what the \$30,000 fluctuating cost is, Ms. Fleisher shared there may have been a specific grant that was not used last year. Ms. Fleisher will try to find out more details. The Chromebook replacement is within this fund.

Mr. Borman asked how many students get Chromebooks. Dr. Reed shared we are on a four-year cycle replacement cycle. We currently have around 700 students in total. Dr. Reed estimated 15 percent replacement but he will get an exact number. We have more Chromebooks than students.

Ms. Bayouth-Real asked why translation did not have funding allocated. Dr. Reed shared that service is not grant funded. Ms. Fleisher explained that it is accounted for within the general fund.

Ms. Fleisher shared Fund 274, student activities is all school based and reflects individual school clubs, donations, Mudd Nick Foundation funds, and fundraisers.

Dr. Schultz asked about the increase of private donations since 2022. Ms. Fleisher shared this data comes in quarterly from the schools and is our best estimate. Dr. Reed shared many clubs hold on to this until they can purchase something significant and that these funds are not for district use, only for student body.

Ms. Fleisher explained Fund 275, maintenance miscellaneous revenue of \$300,000 is what remains from the insurance settlement for the tornado.

Mr. Borman asked about the maintenance fund reduction in annual transfers in. Ms. Fleisher shared they are only doing the \$20,000 to be used on furniture replacement.

Fund 299, food service increased school lunch reimbursement is from the free meals for all students. As we know, food costs are always increasing. The carryover cannot be more than three months of expenses.

Fund 310, debt service is the bond for the middle school, which is expiring at the end of June.

Capital projects

- Vehicle replacement is used for vehicle maintenance as well as needing a new trailer.
- Building/Facilities includes \$400,000 for the roof on the gym at the High school, which includes engineering.
- Construction Excise Tax comes from new homes or businesses that are built. Residential is \$1.00 and commercial buildings are \$.50 cents per square foot.

Budget Committee Review and Discussion, Budget Committee

Budget Committee
Review and
Discussion

Ms. Coyle asked which big projects we need to think about in the future Ms. Fleisher. will get those details to the members.

Mr. Borman shared he was glad we are looking at future needs and budgeting appropriately to have funding available.

Ms. Knight inquired about the employee benefits increase at Garibaldi and the NKN middle school but a decrease at Nehalem. Ms. Fleisher shared it is based on the level of health insurance staff choose or if they opt out. Employee benefits can change based on family dynamics. She looked very closely at what our employees are actually taking for insurance to get a better representation.

Public Hearing

Public Hearing

Ms. Tyrer opened the meeting for public comment at 7:54 p.m.

Ms. Kammerer asked for clarification on classified expenditures. Ms. Fleisher shared more of the Nehalem classified staff are funded using Title I than Garibaldi. There is a similar number of staff, just funded differently and is allocated based on school enrollment. Ms. Kammerer inquired about specific student body funds for each library. Dr. Reed shared the amount listed is the total for student body, but each building has their own budget document that shows individual amounts.

Close Public
Hearing

Public comment closed at 8:00 pm.

Additional Budget Committee Discussion, Budget Committee

Additional Budget
Committee
Discussion

Mr. Carr is concerned about the cuts to summer school and wanted more details. Dr. Reed shared his focus is trying to limit cuts to staffing. The district does not currently have any grants available and is looking at using our Integrated Guidance funds. On Thursday he was notified our test scores are too high so we did not qualify for a summer learning grant. He understands Mr. Carr's point, and how it impacts students during the school year.

Ms. Coyle wondered if it is feasible to use state grants for summer programs. Dr. Reed shared the issue is this is only a place holder for what we might receive. We could move this to specify a grant funded summer program place holder.

Mr. Borman felt it was paradoxical that our high-test scores did not have the result we desired. We are doing well, and should be incentivized.

Approve Changes to The Budget Document, If Any

Approve Changes

Amendments made and approved

Fund 219 - Federal Projects Fund

Page 72. Adding \$1,000 to Travel in County (341) under Guidance Services to make the total \$95,000 to match the annual Gear Up Grant amount.

Page 74 - Reducing 7000 Unappropriated balance by \$1,000 to a revised total of \$21,177.

Approve The Budget

Approve the
Budget

M: Tyrer/2nd Scalabrin to recommend the Budget Committee approve the proposed budget to establish the maximum tax levy rate/amount at \$4.5002/\$1,000 of assessed valuation for the General Fund as amended. Motion carried unanimously by roll call.

Motion to Approve

M: Tyrer/2nd Aeder to recommend that if Measure 29-184 passes, the Budget Committee will establish a five-year operating levy at a rate of \$0.75/\$1,000 of assessed valuation for the General Fund. Motion carried unanimously by roll call.

Measure 29-184
Motion to Approve,
if passed the
establishment of a
five year operating
levy

Ms. Tyrer thanked everyone for their thoughtfulness in reviewing the new budget and their wonderful questions. Dr. Reed reviewed totals, looking at page six, we only get about \$14.6 million, and we are spending \$17.4 million. If the levy passes it still does not cover the entire difference. We are going to do everything we can to not actually spend what you have approved, but still do right by our kids.

ADJOURN

Adjourn

Hearing nothing more to come before the board the meeting adjourned at 8:13 p.m.

NEXT MEETING

Next Meeting

May 12, 2025, Regular Board Meeting

Prepared by Karen Wheeler