

## **MINUTES OF THE BUDGET COMMITTEE**

School District 4J, Lane County, Oregon  
4J Education Center – Auditorium  
200 North Monroe Street—Eugene, Oregon

*Due to the COVID-19 coronavirus and the social distancing requirements, this meeting was held virtually via broadcast on KRVM 1280-AM and live streaming.*

April 27th, 2020

**PRESENT:** Joshua Burstein, Alicia Hayes, Juan Carlos Valle, Anne Marie Levis, Judy Newman, Maya Rabasa, Elizabeth Price, Jim Torrey, Robert Chandler, Mary Walston, Martina Shabram, Gordon Lafer, Merri Steele, Jennifer Winters, members; Superintendent Gustavo Balderas, Andrea Belz, staff.

### **I. Budget Committee Meeting Call To Order and Roll Call**

Chair Joshua Burstein began by thanking everyone for making due during the pandemic to make the virtual meeting happen and noted protocols for conducting the meeting. He called the meeting to order at 6:01 p.m. and proceeded to call roll.

### **II. Agenda Review**

Chair Burstein continued to the agenda review, and there were no changes.

### **III. Review and Approval of Minutes**

The minutes from the previous meeting on January 27, 2020, were then reviewed. Mary Walston motioned to pass the minutes. Judy Newman seconded the motion and the minutes were passed.

### **IV. Public Comment**

Chair Burstein then moved to public comment and outlined the guidelines for virtual public comment. There were no submissions for public comment via mail or email.

### **V. Items for Information**

Chair Burstein explained that it may be easiest to hear the entire presentations and leave questions until the end to minimize technical difficulties.

#### **a. Superintendent Updates**

Dr. Balderas began by thanking the Committee members and speakers for their patience during these uncertain times and continued to give background on the Governor's message to close down the public schools. The District and Governor

focused on 4 main things, which was to continue paying employees, provide childcare services for emergency workers, feed students, and provide for distance learning. He announced that 150,000 meals were provided for students in the area as of last week.

He announced that there is a worry about the fall and students not being ready for a variety of reasons to attend brick-and-mortar school. The District is working on contingency plans for the summer and fall. Dr. Balderas also said that the budget situation was alarming at this time, as closures will continue to be a heavy financial burden, with a proposed \$653 million cut in the State School Fund budget, resulting in an overall state school budget of \$8.35 billion, down from the \$9 billion the previous year. The District is looking at a possible \$17.5 million reduction in funding for the 2020-21 school year. He then said that there are reserves and local levies that could help bridge the gap, and the District is working on different scenarios that will be informed by the May 20, 2020, revised financial outlook.

He reassured the Committee that they would be doing as much as possible to keep reductions to the District out of the classroom and continue to put the students first.

Chair Burstein then opened the floor for questions for Dr. Balderas.

Gordon Lafer asked about the Student Success Act and when we will know how it will be affected by these budget cuts.

Dr. Balderas answered that there was still dialogue being had in Salem about this subject, as of now the priorities are to make sure the State School Fund is full, the High-Cost Disability Fund is full, Measure 98 is full, and the Student Investment Fund is full.

Maya Rabasa asked that when more information is received, will there be an opportunity for adjustments to be made to the budget that was passed.

Dr. Balderas confirmed that we will not have all the information by the last Board meeting in June and there will be adjustments. He stated that the District is working on different scenarios for transparency and knowledge of the Budget Committee and Board.

Jim Torrey also responded to Ms. Rabasa's question that a supplemental budget can be created to make adjustments to the approved budget. Dr. Balderas confirmed this information.

Juan Carlos Ville requested what the recommendations are from Dr. Balderas to supplement funding reductions, what other sources or one-time transfers are recommended, and what the differences are between the Board's priorities for the budget versus staff recommendations.

Dr. Balderas stated that the District is developing a 3-year model to protect the budget as much as possible. He cautioned the Committee to remember that one-time funding is temporary and reminded the Committee that the District's priorities are the students to have a full school year and maintain smaller class sizes and that the District will continue to do all that is possible to make that happen.

#### **b. Financial Update**

Andrea Belz began her presentation on the proposed budget for 2020-21. Due to the online nature of this meeting and some technical difficulties with broadcasting, she read through the proposal before answering any questions. The entire proposal can be found on the 4J website, and at this direct link:

<https://v3.boardbook.org/Public/PublicMeetingMaterials.aspx?ak=1000666&mk=50366791#>

Once Ms. Belz finished, Chair Burstein opened up the discussion to the committee.

Robert Chandler was first and asked how we could go forward not knowing the full extent of the impacts of the pandemic.

Dr. Balderas answered that this is a well-informed best-guess and noted that 4J is in a good place comparatively to other large districts in Oregon due to reserves. He continued by saying that it is important for the committee to stay informed on all possible scenarios and that as more information comes in over the next months, more clarity in budget allocation will become available.

Ms. Belz then responded by noting the legislative requirement to adopt a budget for the next fiscal year and noted that the District is limited to the amount of resources received; if the amount expected is not received, an adjustment to the budget will be made.

Ms. Hayes began by thanking Ms. Belz and staff for their work and commended Mr. Chandler on his comment, agreeing that there is unknown information and noting that good communication will be important.

Mr. Lafer echoed frustration with the current situation and what statutorily must be done in the hopes of getting more information in the coming months. He thanked Ms. Belz for her presentation.

Ms. Levis explained the feelings of loss and grief associated with this scenario and budget cuts and explained her appreciation for the hard work and diligence of Ms. Belz, senior staff, and Dr. Balderas. Chair Burstein agreed with the sense of loss that has come with the budget cuts.

Ms. Newman reflected the statements made by Ms. Levis and asked about the logistics on how to implement budget cuts during this time and how to best minimize the impacts on the classroom. She then asked if it was possible to draft a budget that spends less to conserve and prepare for the budget cuts and inquired on the framework used during budget cuts, wanting to know if there a chance to have more discussion about the impact to students. She thanked Ms. Belz and her team for providing the information.

Dr. Balderas answered that there are a number of different scenarios being looked at, and they will be presented once more information is available.

Chair Burstein asked if there could be an email that outlines the final budget meeting date and possibly moving it to May 20th.

Ms. Price and Ms. Rabasa also echoed their thankfulness for the Ms. Belz and staff. Ms. Rabasa asked how this situation affects the bond measures passed or if that money is secured.

Ms. Belz answered that the \$161.8 million secured by the bond measures are funds that 4J already possesses and will not be affected.

Dr. Balderas also noted that construction has not been affected in our district, and he does not expect continuing bond projects to be an issue.

Ms. Shabram also expressed her appreciation as well as her disappointment that expected plans for the coming budget year are being affected.

Ms. Steele also thanked staff for the information provided and expressed sadness for the budgetary cuts. She noted her hope that the varied scenarios to be presented will bring to light what things might look like. She also agreed with Chair Burstein that the date of the next meeting should be shifted.

Mr. Torrey thanked Ms. Belz and her staff. He mentioned the families who are being affected by the budget reductions.

Mr. Valle echoed his thanks as well and asked about virtual learning and if there would be savings by not having students on site. He also asked what the actual spend is per student.

Dr. Balderas noted that 4J has about 15% of the budget in reserves, and that there will be some savings due to electricity and heating as well as facility upkeep. However, there is no solid number.

Ms. Steele thanked staff for their work and Ms. Belz for her presentation. She made a point to talk about the overwhelmed staff during these times and admonished the need for another meeting until some answers came about.

Ms. Winters asked whether extra staff time is actually costing more. She noted University of Oregon's significant technology and infrastructure upgrades. Dr. Balderas agreed that there have been additional costs, but the district expects to receive reimbursement from the federal government. Ms. Winters thanked staff for their hard work.

Chair Burstein thanked the superintendent and staff for their hard work. He noted the need to keep in mind those schools that are in greater need when considering scenarios.

## **VI. Budget Committee Wrap Up**

Chair Burstein spoke on the implications of just not knowing anything at the moment, and spoke on his hope of opening back up as soon as it's safe to minimize the budget deficit.

Dr. Balderas then spoke on postponing the May 11th meeting because of the lack of information, and the next question is how to get an accurate supplemental budget in front of the committee.

Ms. Belz then outlined that another meeting needs to happen to officially pass the budget. The committee discussed deciding a time at a later date, to approve a "budget as we know it."

The committee discussed June 1st as a possible date for discussion, and a possible date later in the summer to have a work session to get input from the community and for the committee to work on a more solid budget.

Chair Burstein then thanked the meeting and adjourned at 8:17pm.

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