

MINUTES OF THE 4J BUDGET COMMITTEE

School District 4J, Lane County, Oregon
Hybrid Meeting (virtual and in-person)

April 17, 2023
6:00 p.m.

PRESENT: Gary Campbell, Chair; Dakota Boulette, Vice Chair; Josh Burstein, Tom Di Liberto, Anne Fifield, Keerti Hasija Kauffman, Alicia Hays, Michelle Hsu, Gordon Lafer, Judy Newman, Maya Rabasa, Ericka Thessen, members; Superintendent Andy Dey; Matt Brown, Director of Finance; Colina Beard, Chief Administrative Officer; Lisa Fjordbeck, Department Operations Coordinator; Bob Blyth, Associate Director of Financial Services, 4J staff.

I. Regular Budget Committee Meeting

1. Call to Order, Roll Call

Mr. Campbell called the 4J Budget Committee meeting to order and called the roll. A quorum was established.

II. Items for Action at this Meeting

1. Approve Meeting Minutes for March 20, 2023

MOTION: Ms. Hays, seconded by Mr. Boulette, moved to approve the April 17, 2023, Budget Committee meeting minutes as presented. The motion passed unanimously, 10:0.

III. Review Responses to Questions and Requests from Members during the March 20, 2023, Budget Committee Meeting

Mr. Brown stated that in response to inquiries at the previous meeting, Budget Committee members had been emailed the following information, which was also included in the April 17 agenda materials:

- Eugene Online Academy (EOA) enrollment
- Capital Projects & Capital fund Expenditures
- Eugene School District 4J Deferred Maintenance

Mr. Lafer asked about the status of funding for the potential purchase of the EWEB building. Mr. Brown replied that the funds came from various sources and were still available, depending on use, and were budgeted in the coming year.

Mr. Burstein asked if the EOA enrollments were all from the 4J catchment. Superintendent Dey said the exact number could be provided, but because EOA was a program rather than a school, students were co-enrolled in EOA and their neighborhood or choice school. EOA students were counted as 4J enrollments.

Ms. Rabasa asked if the District knew how many students on 504 plans were medically students. Superintendent Dey said the District would only have that information if it was disclosed. In some cases 504 plan students might have an underlying condition they did not disclose to the District.

IV. Items Raised by the Audience

There was no one wishing to speak.

V. Superintendent's Message

Superintendent Dey said the evening's discussion would focus on Special Revenue Funds and the General Fund. He said the Board approved Integrated Guidance Plan had been submitted to the state prior to the deadline and was working with the Oregon Department of Education on its review and establishing of 4J's longitudinal projected growth targets.

Superintendent Dey announced that it was National Volunteer Appreciation Week and expressed 4J's appreciation for its community volunteers, including members of the Budget Committee. He said schools would struggle to function without the investment of time by volunteers.

Mr. Campbell also expressed his thanks for District volunteers

VI. Items for Information

1. Budget Committee Presentation

Mr. Brown used a slide presentation, a copy of which was included in agenda materials, to explain the sources, uses and proposed budgets for each of the following special funds:

Fund 201 - Federal Grants Other - Perkins and ESSER grant funds

Fund 202 - Federal Grants Direct - currently only a Natives grants is received in this fund

Fund 210 - Title - federal monies meant to supplement existing state funds for education

Fund 220 - IDEA - Individuals with Disabilities Education Act - used for early intervention and special education services

Mr. Lafer asked how much of the one-time ESSER funds were spent for ongoing positions or programs that would eventually need another funding source. Mr. Brown said all ESSER funded positions were being reviewed in order to develop a transition point and not a sudden cliff. Superintendent Dey explained the process during the current year to determine which ESSER funded activities should be an ongoing commitment. He would provide more detailed information at a future meeting.

Ms. Rabasa asked why there was such a decrease in Fund 202 between FY23 and FY24. Mr. Blyth said the grants in that category were often reimbursements and the budget was a projection. As the year progressed the District often received additional funds and a supplemental budget was developed. The FY 24 proposed budget was a placeholder, but not necessarily the final amount. Mr. Brown added that of the \$314,000 in the FY23 budget, only \$124,000 had been spent as of December 2022.

In response to a question from Ms. Rabasa, Superintendent Dey said the Natives program was a part of the Equity and Inclusion Department and the District provided financial and administrative support.

Superintendent Dey said ESSER funding would end in September 2024 and those funds could no longer be spent.

Mr. Campbell asked if staff could provide a projection for the next two years of the revenue and FTEs tied to Fund 201.

Mr. Lafer asked if all of the Fund 220 IDEA dollars would be spent.

In response to several questions about unspent special grants such as Fund 201 and Fund 220, Mr. Brown said that when funds could not be fully spent during the year they were awarded, they could be rolled over into the next year.

Superintendent Dey said that larger amounts of roll over funds and smaller projected budgets generally occurred where there was a decrease in students in certain programs.

Mr. Brown continued with his review of the following funds:

- Fund 250 - State and Local Grants - variety of smaller state and local grants
- Fund 251 - SIA (Student Investment Act) - part of Integrated Guidance
- Fund 252 - HSS (High School Success) - part of Integrated Guidance
- Fund 260 - Donations - mainly private grants for specific schools and AVID
- Fund 270 - EEF Gifts - Eugene Education Foundation gifts
- Fund 275 - EEF Grants - Eugene Education Foundation grants

Mr. Brown pointed out that there were no FY24 budgeted amounts in Funds 260, 270 and 275 as those related to donations, gifts and EEF grants and amounts could not be projected. Any funding received would be reflected in a supplemental budget. As those funds were targeted for a specific need, no FTEs were included in the budget at this point.

Mr. Lafer said it would be helpful to receive information from EEF about how funds were allocated and spent.

In response to a question from Ms. Fifield, Mr. Blyth said if EEF grants were not spent, the funds were returned to EEF. He could provide additional information on the subject.

Superintendent Dey explained that typically EEF would issue a request for proposals (RFP) and teachers could apply for funding for various purposes. Sometimes teachers anticipated doing a project, but for various reasons that project did not move forward and the EEF funds were unspent.

Mr. Brown concluded his presentation with a review of the following funds:

- Fund 261 - Billables - services the district provides that are billed to other entities
- Fund 262 - KRVM Radio Station
- Fund 280 - Student Body Funds & Student Donations - this fund does not receive a budget appropriation typically until a supplemental budget process at the end of the year
- Fund 290 - Special Purchase Reserve Fund - this fund is a reserve fund for several items including curriculum adoption and development, IT replacement costs and financial software costs
- Fund 299 - Nutrition Services

Ms. Rabasa asked if Fund 280 was the fund for school supplies. Mr. Brown said it could be; each school received \$10,000 in ESSER for school supplies and some schools had used all of their allocation; some had not used any. School secretaries were being contacted to remind them to

use those funds by June as the funds would not roll over into the next year.

Ms. Kaufmann arrived at 6:45 p.m.

Superintendent Dey said the District would still be able to help with the cost of school supplies from other sources when ESSER funds were no longer available.

Ms. Newman arrived at 6:53 p.m.

Mr. Di Liberto expressed frustration with trying to develop a post-pandemic budget when data from the past two years did not reflect the reality of the future.

Regarding Fund 299, Mr. Brown indicated the Beginning Balance for FY 23 was originally budgeted at \$0. In an upcoming Supplemental Budget, the district would recognize \$1.7 Million of a beginning balance from the previous year. FY24 shows a \$2.3 million transfer that would need to come from the General Fund or other source. This is in addition to already having \$850,000 as a beginning balance; meaning that a transfer in the future of \$3.1 million may be necessary to continue as currently operating. He said free meals were affordable over the next two years, but the District hoped for state and federal support in the future.

Mr. Burstein asked what \$3.1 million represented in terms of meals. Mr. Brown said data on free meals for all students was only available during the COVID-19 experience. The current assumption of dollars was based on bringing services in-house instead of catering. The current years would provide more accurate data on the actual costs of nutritional services operation at full capacity. Budget assumptions for the proposed budget also included supply chain issues and personnel costs due to bargaining agreements.

Mr. Burstein expressed concerns about moving forward as there was no easily comparable data at this point. It was essential to determine the actual cost of free meals for all students so the public would understand how those dollars were spent and confirm the District's commitment to providing that service.

Mr. Brown commented that the salaries in Fund 299 were based on the assumption of full staffing, but those could be less as experience in operating the program was gained.

Mr. Lafer asked for more detailed information on the cost assumptions for the Fund 299 budget.

Mr. Campbell asked if nutrition services could be funded from the operating levy. Mr. Blyth said current levy revenue went into the General Fund so that was possible.

Several committee members affirmed the importance of providing meals for students.

Mr. Brown used pie charts to illustrate General Fund revenues by source and type. A full review of the General Fund would occur at the next meeting.

Ms. Newman said there was some increase in total resources from FY23 to FY24, but at some point those resources would not keep up with costs. Mr. Brown said that would be examined in greater detail at the next meeting. Over the last four-five years staffing had significantly increased, particularly classified staff. He said a healthy fund balance would allow the District to

make adjustments over time as ESSER funds ceased.

VII. Budget Committee Wrap-up

Mr. Campbell invited members to offer comments or raise issues for future discussion.

Ms. Rabasa asked if decreases in the special education budget were being considered. If that was the case she asked for details; if not, she asked for reassurance no cuts were being considered.

Mr. Boulette echoed Ms. Rabasa's request. He felt special education funding should be increased.

Mr. Di Liberto requested information on FTE and salary expenditures for the periods prior to, during and currently. Mr. Brown said that subject was discussed during the budget road show and there was a presentation on the District's website.

Ms. Thessen asked for details of any proposed cuts to the special education budgets and the reasons for them.

Mr. Lafer asked for more information regarding the status of school supplies and funding of 30 addition EA positions.

Ms. Rabasa asked how special education funds were distributed and whether the Student Service Department determined how much funding each school received. Superintendent Dey said the allocation of resources in terms of funding and associated staffing was done in consultation with relevant staff within the District. Resources could be redistributed based on changing needs.

Mr. Campbell identified items for follow-up at the next meeting:

- EWEB building
- Fund 201, ESSER funds and associated FTE and projections of FTE when ESSER funds no longer available
- Nutrition Services - additional funding needed to provide free meals for all students compared to funding prior to that
- Any reductions or changes to special education services
- FTE - levels prior to, during and post-pandemic
- Options for funding 30 EA positions, including no reduction in school level staff

Mr. Campbell asked committee members to be mindful of the amount of staff time required to provide requested information.

IX. Adjourn

Mr. Campbell adjourned the meeting at 7:24 p.m.

(Recorded by Lynn Taylor)