

MINUTES

**A meeting of the Springfield Public Schools (SPS) District No. 19 Budget Committee** was held May 11, 2017 in the Boardroom of the Administration Center.

**Attendance**

Budget Committee members in attendance were Laurie Adams, Tina DeHaven, Erik Bishoff, Sandra Boyst, Nancy Cameron, Emilio Hernandez, Ken Kohl, Steve Irvin, John Svoboda, Zach Bessett, included District staff, students and community members identified included Superintendent Dr. Sue Rieke-Smith, Brett Yancey, Laurel Ross, Joan Bolls, Brenda Holt, Laura Pavlat, David Collins, Don Lamb, Judy Bowden, Gary Cole, Melissa Stalder, Kevin Ricker, Jenna McCulley, Brian Megert, Michael Henry, Aloha Heart, Sarita Lief, Johanis Tadeo, Elizabeth Miglioretto, Nicole Nakayama, Whitney McKinley, Rebecca Morgan, Amber Mitchel, Sheryl Cramer, Glenda Harter, Irene Hejum, Marua Koenig and Linda Henry.

**1. CALL MEETING TO ORDER/FLAG SALUTE**

Ms. DeHaven convened the meeting at 6:04 P.M. and led the flag salute.

**2. ELECTION OF OFFICERS**

- Ms. Adams nominated Mr. Kohl for Budget Committee Chair. The nomination was seconded by Mr. Bessett and passed unanimously. Mr. Kohl assumed the role of Chair for the rest of the Budget Committee meeting.
- Mr. Kohl nominated Mr. Bessett for Budget Committee Vice Chair. The nomination was seconded by Ms. Adams and passed unanimously.
- Ms. Adams nominated Mr. Svoboda for Budget Committee Secretary. The nomination was seconded by Ms. DeHaven and passed unanimously.

**3. 2017-2018 BUDGET MESSAGE**

Dr. Rieke-Smith offered her 2017-2018 Budget Message.

Springfield staff, families, and community partners,

I present the 2017-2018 proposed budget with a sense of hope that the State of Oregon will allocate additional resources to maintain critical supports added during the 2016-2017 year. Although the State of Oregon continues to sustain a healthy economy, the State's expenditures are outpacing its ability to increase revenues enough to support them. Increases in PERS costs and costs associated with federal health care reform have limited the State's ability to allocate additional resources to programs such as K-12 education.

Without additional resources, we are in the position of needing to make some reductions. While we are reducing targeted areas of our budget, I am pleased we are able to maintain main of the reinvestments are were added last year.

This proposed budget is based on a State of Oregon K-12 education allocation of \$7.8 billion, resulting in net reductions of approximately \$700,000. The success of our collaborative approach engaging our community in discussions of reinvestment during the 2016-2017 school year served as the foundation this you to solicit input around a reduction conversation. The approach utilized

this year was similar, however, we are asked a different question. “Of the investments made, which have had the biggest impact on teaching and learning?” With the input of stakeholders, I offer the following highlights of this proposed operating budget:

Reductions: (\$1,102,000)

- Reduction 4.0 FTE certified staff, equating to approximately \$372,000.
- Reduction of curriculum materials, equating to approximately \$150,000.
- Five percent (5.0%) reduction in discretionary supplies and materials for all departments and schools, equating to approximately \$205,000.
- Reduction on contribution to Voluntary Early Retirements Fund, equating to approximately \$275,000.
- Eliminate the contribution for Silke Field structural repair, equating to \$100,000.

Additions: \$278,500

- Increase of 1.50 FTE certified staffing to support the Dual Immersion Program at Guy Lee Elementary School (GLES), equating to approximately \$139,000.
- Matching funds in support of the Youth Transition Program grant, equating to approximately \$29,500.
- Increase in required flow through funding for Charter Schools, equating to approximately \$110,000.

Each year brings renewed excitement for the students served by Springfield Public Schools, and we will continue to offer outstanding educational opportunities, despite ongoing funding challenges in the State of Oregon. Our staff and community remain committed to working on behalf of all students and ensuring they are equipped for the future. We appreciate the support of the Budget Committee, School Board and community. As Superintendent, I respectfully offer this 2017-2018 Proposed Budget for your consideration.

Warmly,

Dr. Susan Rieke-Smith  
Superintendent  
Springfield Public Schools

#### **4. BUDGET DOCUMENT OVERVIEW & PRESENTATION**

Mr. Yancey directed Committee members to a document entitled *Springfield Public Schools—2017-2018 Proposed Budget—Susan Rieke-Smith, Ed.D, Superintendent of Schools, May 11, 2017*, which he displayed as a Powerpoint presentation. He thanked Joan Bolls and Brenda Holt for their efforts in preparing the Budget Document.

##### **A. Document Overview & Highlights**

Mr. Yancey directed Committee members to *Budget at a Glance* which offered an overview of the budget and the budgeting process, as well as the graphs and charts which provided a visual perspective of the budget.

##### **B. Information and Assumptions**

Mr. Yancey stated the *Economic Summary* section provided information on the economy at the national, state and local levels. He said there had initially been excitement at the State level due to the strength of the economy as the State moved forward with the 2017-2019 biennial budget. However, concerns developed around several major issues, including the Public Employees Retirement System

(PERS) and federal health care reform. Governor Brown offered her K-12 education budget on December 1, 2016, which allocated approximately \$8 million. Subsequently, the Oregon legislative Ways and Means Committee co-chairs presented a budget of \$7.8 billion, less than the governor's budget, based on existing resources. School districts around the State were facing similar challenges, reducing their budgets and eliminating staff and programs. He noted tax measures on the State's November 2016 ballot failed. However, two ballot measures, which would provide opportunities for the District's students, passed. Ballot Measure (BM) 98 directed approximately \$294 million to Career and Technical Education (CTE), Career Readiness and Dropout Recovery for high school students. BM 99 directed \$44.4 million for Outdoor School for 5<sup>th</sup> and 6<sup>th</sup> grade students. These programs were included in the District's 2017-2018 budget.

Mr. Yancey said he, Dr. Rieke-Smith and Ms. McCulley solicited input from 750+ stakeholders over 3+ months and identified six major themes that guided the budgeting process:

- Mental Health Support
- Classroom and Teacher Capacity
- Stabilization of Special Education Assistants
- Curriculum Materials and Professional Development
- Classroom and Department Supplies
- Future Stability

Mr. Yancey reviewed the *Internal Stakeholder Feedback* slide and distributed a document entitled *Internal Stakeholder Feedback Additions*.

Mr. Yancey directed Committee member to the *Springfield School Enrollment* graph, which illustrated the number of District students enrolled in public schools, charter schools, Alternate Education—In District, and Alternate Education (Ed)—Other. He added the District's charter schools were Willamette Leadership Academy (WLA) and the Academy of Arts and Academics (A3). Alternative Ed, which included in-district options (including online schools and other programs) and out of district Alt Ed programs that were available for students, was dependent upon the needs of the students.

Mr. Yancey reviewed the following issues:

- Increase certified staff 1.5 FTE in support of Dual Immersion Program: \$139,000
- Increase in Charter School contribution: \$110,000
- General Fund match in support to Youth in Transition Program grant: \$29,500
- Reduction in 4.0 FTE certified "reserve" positions: (\$372,000)
- Reduction in Voluntary Early Retirement Fund contributions: (\$275,000)
- Five percent (5%) reduction in discretionary supply budgets District-wide: (\$205,000)
- Reduction in curriculum materials: (\$150,000)
- Eliminate Silke Field repair (completed): (\$100,000)

In response to Ms. Adams, Mr. Collins said three of the four FTE certified positions were used last fall and the fourth position was used as needed throughout the year.

In response to Ms. Adams, Mr. Yancey stated 12 FTE additional staff identified in the Internal Stakeholder Feedback were still in the proposed budget. \$1 million allocated for curriculum was reduced by \$150,000. There was no change to the 15 Special Education (SPED) Education Assistants (EAs). There were no changes to mental health support. The four certified reserve positions were eliminated; supply budgets were reduced by 5%; no change to co-curricular expenditures; no change to dedicated PD for certified staff in the General Fund; no change to the additional support for music and art; no change in resources for supporting Outdoor School, which was related to BM 99; no

change to in resources to support clubs and activities; one additional classified position was hired in Human Resources (HR); an increase for dedicated training for classified staff was not included in the budget.

Mr. Yancey directed Committee members to the handout entitled *Internal Stakeholder Feedback Additions* and reviewed the requests. He noted these items were not included in the proposed budget, since additional reductions would be needed to fund them.

Responding to Mr. Kohl, Mr. Yancey said contingency or reserve funds could be used to fund positions that would be eliminated. However, the District was anticipating an \$800,000 reduction this year and over \$2 million in reductions next year. Therefore, staff was recommending holding on to reserve funds to enable the District to hold off reductions. This was possible because of careful budgeting over the last few years. The reserves and contingency funds were onetime revenue sources and could not be used for ongoing expenses.

In response to Mr. Svoboda, Mr. Yancey said the Internal Stakeholder Feedback identified things the District had already done and things the stakeholders would like the District to do in the future. Mr. Yancey added supply budgets had been reduced in January 2017, and no schools were currently in dire need.

Responding to Mr. Bessett, Mr. Yancey said schools received an allocation for printing from the District and additional printing costs could be paid for from individual school supply budgets. Printing was affordable and convenient through the District's print shop, and digital curriculum and filing was used when feasible.

### **C. 2017-2018 Revenue Assumption**

Mr. Yancey directed Committee members to the *General Fund Revenue Comparison* slide and reviewed the 2016-2017 Adopted Budget and the 2017-2018 Proposed Budget. Although the District was facing reductions in the General Fund, he anticipated an increase in revenue of approximately \$3 million. General Fund revenue assumptions totaled approximately \$109,778,033:

- Property Taxes (95% collection)
  - Current Year: \$24,192,552
  - Prior year: \$450,000
- State School Fund: \$73,488,632
- Lane ESD flow-through included: \$1,720,000
- Common School Fund (per ODE Estimate): \$1,325,751
- County School Fund (per ODE Estimate): \$190,000
- Federal Forest Fees: \$0
- Miscellaneous Revenue: \$871,600
- Beginning Fund Balance (Estimate): \$7,539,498.

In response to Mr. Svoboda, Mr. Yancey said the biennial split was a 49/51 percent split, which would enable the District to address future collective bargaining agreement changes and inflation.

Mr. Yancey said 2016-2017 was the first year the District had not received Federal Forest Fees, and it was not clear if the District would receive those funds in the future.

### **D. 2017-2018 Expenditure Assumption**

Mr. Yancey directed Committee members to the *General Fund Expenditure Comparison* slide, and reviewed the 2016-2017 Adopted Budget and the 2017-2018 Proposed Budget.

Description	2016-2017 Adopted Budget	2017-2018 Proposed Budget	Difference
• Salaries	\$52,025,705	\$53,365,601	\$1,339,356
• Payroll Costs	31,492,027	33,883,021	2,389,984
• Purchased Service	11,489,481	11,399,466	-90,015
• Supplies/Materials,	3,099,119	2,927,985	-171,134
• Capital Outlay	360,000	110,995	-249,005
• Other Objects	723,295	734,305	11,010
• Transfers	2,631,577	2,439,144	-192,433
• Other Uses	<u>4,888,175</u>	<u>4,918,056</u>	<u>29,881</u>
TOTAL	\$106,710,389	\$109,778,033	\$3,067,664 or 2.87%

Mr. Yancey directed Committee members to the *Certified Staffing Allocation, Certified Staffing Summary (FTE), Classified Staffing Summary (FTE), and Admin. Staffing Summary (FTE)* slides.

Mr. Yancey said the District was committed to maintaining staffing allocations based on student/teacher ratios. That did not mean that buildings might not see a shift based on their enrollment. The District had approached proposed staffing levels from an equity standpoint and felt it was important to become equitable when reduction conversations were occurring.

Ms. Adams shared her concerns regarding some schools having more poverty and needs than other schools, and suggested that those schools should have more staff to support those students.

Dr. Hernandez asked if poverty was measured outside of the free and reduced lunch program at the school buildings.

Mr. Collins said multiple measures including Title funds, special education and mental health dollars, helped differentiate needs based on personalized needs of students in various populations across the District.

Mr. Svoboda agreed with Ms. Adams regarding equity versus need. He asserted it was blind reasoning to staff buildings on equity opposed to need. The District had staffed based on need for years. He asked what had happened to cause that change.

Mr. Yancey said the recession happened and 100 FTE were eliminated throughout the District. The District was attempting to reestablish its baseline. He noted there were seven schools in the District in which 100 percent of the students were eligible for free and reduced breakfast and lunch. There were also some Title schools that would supplant some of the funds. However, with the intent of baseline staffing becoming an equity model, the student/teacher ratio was a logical place to start. This was the model used by most school districts.

In response to Mr. Kohl's query regarding numbers of certified staff, Mr. Collins explained SPS Online staff, Alternative Ed programs staff, mental health staff and SPED staff were not reflected in these numbers. The purpose of the numbers was to reflect the general education staffing. Mr. Kohl and Mr. Bessett said it would be helpful to have a breakdown for certified staff in the programs that were not general education.

Ms. DeHaven opined the student/teacher ratio was the wish but not the reality in many classrooms. She noted the projections used in the spring to determine teaching assignments may prove to be

different in the fall. She asked how much flexibility the District had to address school enrollments that differed from the projections.

Mr. Yancey said the District did not have reserve positions from 2006-2007 until this year. If significant numbers of additional students enrolled at a school, the District would make every effort to provide adequate certified staffing. Moving teachers are emotional conversations.

Mr. Collins added school enrollment figures were not finalized until October, and it was emotional for staff who left schools as well as for receiving schools who needed to adjust their classroom teachers.

In response to Mr. Kohl, Mr. Collins said there had been a shift in families moving into the Hamlin Middle School (HMS) area, as well as families who were outside the HMS attendance area who wanted to go to HMS. This was a credit to HMS and the supports provided by the District.

Mr. Yancey said the projected enrollment for HMS for 2017-2018 was 645 students, and it was projected to increase to 750 students for 2018-2019. The District would not allow a huge transition when the school opened in January 2018 and it planned to finish the year with the kids enrolled in the fall semester.

Ms. DeHaven suggested the conversation would need to occur at many different levels.

Mr. Svoboda asked if there was a problem with Briggs Middle School (BMS) with an enrollment difference of 4 and an allocation of 1.23 FTE?

Mr. Collins said this was an example of a school that had been overstaffed the year before, and an adjustment was made to bring the student/teacher ratio closer to the District's target.

Mr. Yancey reviewed the Certified Staffing Summary (FTE) chart. He noted an additional 20 FTE for 2017-2018 would be funded through BM 98. He reviewed the Classified Staffing Summary (FTE) chart, noting classified staff would increase from 545.8 in 2016-2017 to 550.1 in 2017-2018. Referring to the Administrative Staffing Summary (FTE) chart, he noted the administrative staff would decrease from 63 in 2016-17 to 61.5 in 2017-2018.

In response to Mr. Kohl, Mr. Yancey said the District had the ability to convert staff from certified to classified and classified to certified, depending on the individual schools' needs. Additionally, the SPED program and the dual emersion program at Guy Lee Elementary School (GLES) would have an impact on the staffing needs.

In response to Ms. Adams, Mr. Collins agreed to bring information regarding the changes in the number of staff at the Administration Building during the last ten years.

Responding to Ms. DeHaven, Mr. Yancey said the Teachers on Special Assignment (TOSAs) were certified staff. Mr. Collins estimated the District added 12 TOSAs across the District.

Mr. Yancey said the District had contracted some of the mental health services out to non-District personnel in the past. The District had reduced the contracted services and converted them to classified staff for next year.

In response to Mr. Bishoff, Mr. Yancey said the District had originally allocated 1 FTE administrative position to Human Resources. After studying the needs of the department, Dr. Henry chose to hire that as a classified position. He added the CTE support position had originally been slated to be an

administrative position, and the District opted to make it a certified position, accounting for the additional .5 FTE.

Mr. Yancey said the impact of BM 98 and BM 99 would be significant for the District. These Ballot Initiatives were passed by the voters in November 2016.

- Ballot Measure 98: No funding source was identified for an expense of at least \$800 per high school student per year. BM 98 was intended for expanding Career and Technical Education (CTE), expand high school drop-out recovery, and expand college level educational opportunities. It required that a spending plan be approved by the State. The funding source was intended to be BM 97, which was not passed by the voters in November 2016.
- Ballot Measure 99: Funding source is Lottery Funds (\$22 million annually). It provides every fifth or sixth grade student with a weeklong outdoor school program or an equivalent outdoor education experience that reflected local community needs.

Ms. Boyst understood that Lane Education Service District (ESD) did not support BM 98 because it did not include a funding course.

Mr. Yancey said the District had allocated the full amount, \$2.74 million for BM 98 and \$419,000 for BM 99 for 2017-2018. These allocations were not in the General Fund, but in separate BM 98 and BM 99 accounts, because there was not a guarantee that the District would receive those funds. The District had already written a plan for BM 98 and was ready to submit it to the State. Staff was still working on a written plan for BM 99 because the outdoor school program was still being developed. If the District did not receive funding from the State, it would not spend the money.

Mr. Kohl understood that the governor and the legislature were considering funding only part of the programs.

Mr. Yancey said the governor's budget was thrown away and the co-chairs had allocated the full amount in their annual budget. They were now looking for a funding source for BM 98.

## **5. BUDGET QUESTIONS AND/OR CLARIFICATIONS**

Mr. Yancey said staff had provided detailed information for consideration by the Committee. He felt the budget had reductions, but the proposed budget would allow the District to invest in areas that the Committee and the Board had decided would be beneficial for the students. The District continued to have a significant investment in curriculum and materials, and was able to maintain staffing. The budget was based on a full academic calendar and a full work year for all of the District's employees. There were no proposed furloughs or reduction in days. He turned the proposed budget over to the Committee for its consideration.

Ms. Boyst asked for information on when the District would be able to replace older curriculum and catch up with the State.

Mr. Collins said the District had begun to look at that issue when it began working on the 2017-2018 budget. The District was looking at staggering the replacement of older materials and had negotiated contracts with distributors of various materials across distribute replacement over two or three years.

In response to Mr. Svoboda, Mr. Yancey said the District had sold Camp Creek and he expected to close the transaction in June 2017.

Responding to Mr. Kohl, Mr. Yancey agreed to bring information back to the Committee regarding the Historical Budget Summary table in the Budget Document.

## **6. PUBLIC INPUT**

Sarita Lief thanked Budget Committee members for their work on the budget. She was at tonight's meeting because she was interested in the dual language program moving forward and blossoming. She encouraged the Board to fund the program so that development of the program would continue.

Johanis Tadeo said he worked for SAFR. He had been a student at Guy Lee Elementary School (GLES) and a product of Springfield Public Schools. Unfortunately, he lost his Spanish while attending school and he emphasized the importance of being proficient in both English and Spanish. The students would be able to take the language skills into many different areas in the work force. He would like the program to be available for K-12.

Elizabeth Miglioretto was the parent of a kindergartner at GLES dual emersion program. She thanked the Committee for supporting the program. She encouraged greater enrollment in the program in order for the program to be as good as it can be.

Glenda Harter had a daughter at GLES. She hoped the people making decisions about the dual emersion program understood how much work the program needed. A coordinator needed to draft a master plan; the incoming coordinator position would be .5 FTE; the program would become a two classroom model beginning next year; the incoming coordinator needed to do serious outreach to get the program back to the two classroom model; the coordinator would need to educate teachers, administrators and families about the program.

Irene Henjum was a community member and former teacher. She supported the dual emersion program. She asked what the budget for the program specifically funded and if any of it was allocated promoting the program to enable enrollment to grow. She urged the Committee to work to make the program a full program throughout GLES.

Marcy Koenig thanked Committee members for supporting the dual language program. The work study group had worked hard on designing the program. She wanted to make sure capital improvements were included in the plans for the program. The dual language would not fit property in any school in the District. The work study group recommended that it continue to be located at GLES in the short term, but a more suitable location be identified for it in the near future.

## **7. APPROVAL OF DOCUMENT (?)**

There was consensus by the Committee that it was not ready to approve the document this evening. Committee members and staff shared their concerns about the budget reductions and the impact of the unfunded BM 98. Mr. Yancey said staff would bring the document back to the next meeting.

## **8. BUDGET COMMITTEE MEETINGS**

Mr. Kohl invited Committee members to the next Committee meeting where it may be successful in finalizing the budget.

- a) May 18, 2016, 6:00 – 8:00 P.M. (if needed)
- b) May 25, 2017, 6:00 – 8:00 P.M. (Needs to be rescheduled)

## **9. ADJOURN MEETING**

The meeting was adjourned at 8:07 p.m.

*(Minutes recorded by Linda Henry)*