

CROOK COUNTY SCHOOL DISTRICT
BUDGET COMMITTEE MEETING

May 8, 2012
Prineville Education Center
4:00 p.m.

COMMITTEE MEMBERS PRESENT: Patti Norris, Rich Mires, Doug Smith, John Lang, Wade Flegel, Tammy Hudspeth, Jodie Fleck (4:15), Anna Logan, and David Poovey. Scott Cooper was absent.

DISTRICT/ESD STAFF PRESENT: Duane Yecha, Mark Murray, Greg Munn, Dennis Kostelecky, Bruce Hahn, Deen Hylton, Tim Gleeson, Jim Bates, Stacy Smith, Cheri Rasmussen, Kathy Hudspeth, Rocky Miner, Rob Bonner, Kurt Sloper, Sherry Joseph, Jan Martin, and recorder Diana Rice.

OTHERS PRESENT: Kristi Steber

At 4:00 p.m., Committee Chair Wade Flegel noted a quorum was present, called the Budget Committee meeting to order, and led the pledge of allegiance.

MINUTES OF PREVIOUS MEETING

Rich Mires moved, Patti Norris seconded, to approve the minutes of May 2, 2012. Motion carried. Jodie Fleck was not yet present when this motion was made.

ADM PROJECTION REVIEW

Greg Munn explained the ADM (Average Daily Membership) process in the State School Fund formula. The District used the ratio of 1.001 from 2010-11 comparison of the month of November to the whole year, to get the estimate of 2882 for the proposed budget calculations. John Lang stated this explanation answered his concern that the anticipated 32 additional students may be high. Mr. Munn assured that enrollment is reviewed monthly throughout the year.

Doug Smith said we have had access to online schools for awhile now – if students transfer from their current program to Insight/K12 Charter, would we will still get some benefit? Yes, because the current system does not involve a pass-through retainage.

The statewide open enrollment may not severely affect our numbers. At the Budget Hearing, Superintendent Duane Yecha will present more up-to-date figures, but at this point, Jan Martin, executive assistant to the superintendent, shared these figures:

Submitted during open enrollment March-April:

19 going out (9 to Redmond, 7 to Bend, 2 to Culver)
4 coming in (2 from Redmond, 2 from Grant County to Paulina)

Submitted after open enrollment deadline and in process:

4 going out (4 to Redmond)

Dennis Kostelecky stated there are 111 enrolled in Insight Alternative (fewer than for current year). These enrollees are mostly from out of district. John Lang asked about a potential completion date regarding the proposed Insight/K12 charter school. Mr. Kostelecky replied that Insight is meeting this week and then it goes to their board for approval, and that he anticipates completion before adoption. In answer to John Lang's question about staffing for Insight duties, Mr. Kostelecky said it's all spelled out in the agreement that Insight will have staffing responsibility.

FTE CLARIFICATIONS

Mark Murray answered the questions presented at the May 2 meeting. Most of them concerned questions about FTE's. There is a custodial FTE which needs to be added because the "current (11/12) FTE rollover" reflects services being performed by substitutes, but this will not continue in 12/13. The summary of Q&A's is filed with the minutes.

ENDING BALANCE FORECAST

Mark Murray presented a graph showing future year fund balances. Assuming the budget is passed as proposed, the District will need to cut \$850,000 in each 13/14 and 14/15, with certain assumptions for revenue and expenditures. If negotiations end up costing more this year, then more will have to be cut.

The CTE grant match commitment for one year is another FTE which has not yet been considered in either the Proposed Budget or the graph's projections.

The Proposed Budget does not include federal forest fees in the revenue, so there may be some small increase realized, depending on the legislature.

A copy of the graph is filed with the minutes.

DISCUSSION

Chair Wade Flegel asked for a straw poll to see how many Committee members would be interested in pursuing reductions starting with this Proposed Budget instead of waiting another year. Only two members (Jodie Fleck and Wade Flegel) voted this direction, so there was no further discussion regarding 12/13 budget reductions.

However, Rich Mires stated it would be dangerous to makes cuts before knowing the results of the negotiations in progress. Mr. Murray stated that funding has been budgeted only for lateral movement on the salary scale. David Poovey asked if there is money in the reserves if we need it. Mr. Murray stated there is money in Contingency (page 78 - \$800,000), but the Unappropriated Ending Fund Balance (page 78 - \$891,612) is available only if changed before adoption. Doug Smith said the hope is to have settlement reached before adoption.

OPPORTUNITY FOR CITIZENS TO SPEAK

There were no comments from the audience.

BUDGET APPROVAL

Mark Murray stated there are budget adjustments necessary, either at the Approved level, or the Adopted:

- Add 1.00 FTE for custodian at Ochoco;
- Add 1.00 FTE plus other supplies and material costs for CTE grant instructor.
- Food Service (Fund 205) needs to include funding for Summer Meals program.

Doug Smith moved, Rich Mires seconded, to amend the budget to include the three items identified by Mr. Murray. Motion carried unanimously.

Doug Smith moved, Patti Norris seconded, that the following Crook County School District proposed budgets for 2012-2013, as amended, in the aggregate amount of **\$ 40,437,143** be approved, and that the permanent tax rate of \$4.787 per \$1,000 of assessed value be assessed in support of the General Fund.

100 Fund General	\$ 28,476,801
200 Funds ASB, Reserves, Grants, Contracts ...	\$ 7,895,342 (this amt will change per amendment)
300 Funds Debt Service	<u>\$ 4,065,000</u>
Total.....	\$ 40,437,143 (this amt will change per amendment)

And further, that a tax levy of **\$ 1,422,800** be approved for the Debt Service fund for the purpose of retiring bonded debt owed by the school district.

David Poovey called the Question, and asked if the taxes are increased. Mr. Murray explained the tax rate of \$4.787 per \$1,000 of assessed value is a permanent rate.

Motion carried, 9 Yes, 1 No (Jodie Fleck).

ADJOURNMENT

Chair Wade Flegel adjourned the meeting at 5:15 p.m.

Respectfully submitted,

Diana Rice, Recorder

Tammy Hudspeth, Secretary

Acknowledged but not approved.
Date Approved

Filed with Minutes
ADM Projection
Ending Balance Projection
Q&A from May 2nd Meeting