

Minutes in Brief **MEETING OF THE SOUTHERN OREGON ESD BUDGET COMMITTEE
WEDNESDAY, MAY 12, 2021**

Call to Order On Wednesday, May 12, 2021, a meeting of the Southern Oregon ESD Budget Committee was held via video/audio conference. Chair Valtierra-Sanchez called the meeting to order at 6:05 p.m. and led those in attendance in the Pledge of Allegiance.

Attendance Budget Committee members in attendance via video/audio conference:

Sam Alvord	Phil Long	Maud Powell
Bret Champion	Ana Mannenbach	Annie Valtierra-Sanchez
Rosie Converse	Mary Middleton	Ray Williams
Jessie Hecocta	Christine Norton-Cotts	Justin Wright
Jim Horner		

Budget Committee members absent:
Robert Moore

SOESD staff members in attendance via video/audio conference:

Jessica Bach	Amy Szeliga
Scott Beveridge	Daniel Weaver
Patty Michiels	Pam Wurzell
Susan Peck	

Introductions Annie Valtierra-Sanchez, SOESD Board Chair, welcomed and thanked the Budget Committee members for their participation. Introductions of committee members and SOESD staff were made.

Election of Budget Committee Presiding Officer Chair Valtierra-Sanchez requested the budget committee select a presiding officer. **IT WAS MOVED BY MEMBER WILLIAMS, SECONDED BY MEMBER HORNER TO:** Appoint Bret Champion as the presiding officer. **MOTION CARRIED BY ROLL CALL VOTE: 12-0**
(Member Hecocta was absent at the time of the vote)

Presentation of Proposed Budget A. Budget Message – Budget Officer
Prior to the Budget Committee meeting, members received the following materials:

- Proposed 2021-2022 Budget Document
- Agenda for the May 12, 2021 meeting
- Memorandum from Superintendent Beveridge outlining the materials and providing background information.

Superintendent Beveridge displayed the first of the evening’s two PowerPoint presentations. The two tasks for the meeting were noted: 1) to review and approve the SOESD budget, and 2) to establish the SOESD tax rate. Superintendent Beveridge explained the budget committee’s role as the governing body to approve the anticipated budget and authorize expenditure authority.

B. Areas of Change

1. Local Service Plan Process

As defined in ORS 334.175, the Local Service Plan must include the following resolution services:

- Administrative
- Programs for Children with Special Needs
- School Improvement
- Technology Support

Mr. Beveridge provided background on the SOESD's mission, development of the Local Service Plan (LSP), and ongoing commitment to provide high quality and cost-effective services in areas where a regional advantage can be achieved. The proposed general fund budget reflects revenue and service area selections by component districts as outlined in the 2021-2022 Local Service Plan.

2. Program Changes

Superintendent Beveridge reviewed state and federal funds from which the SOESD budget is formed. He explained that Governor Brown has proposed a State School Fund (SSF) of \$9.1 billion for the 2021-2023 biennium. Mr. Beveridge noted that, while the governor's proposed budget continues to prioritize K-12 funding and some categories appear to be strongly funded, there are challenges and areas of concern in the proposed funding level that would impact school districts and education service districts. Expected legislative outcomes inform budget calculations, and SOESD's proposed budget has been prepared utilizing a State School Fund general fund contribution of \$9.3 billion which remains less than current service level calculations.

Superintendent Beveridge explained the 2021 state and federal funding expectations and potential program impacts. He noted that growth or reductions in program areas funded by the SSF are impacted more by the choices districts make in deciding to purchase those services and less on the allocation that SOESD receives from the SSF. The superintendent provided a detail of impacts to programs due to anticipated funding and districts' LSP selections.

C. 2021-2022 Financial Review – Chief Financial Officer (CFO)

1. Overview of All Funds

Daniel Weaver, CFO, presented the 2021-2022 proposed budget and reviewed the primary revenue sources that make up SOESD's major funds.

2. Federal and State/Other Funds

All funds were reviewed and explained.

3. General Fund Program

ORS 334.177 requires that 90% of state funding to ESDs (State School Fund and local property tax collections) is spent on resolution services. For 2021-2022, 92.1% of SOESD's state funding level is allocated into resolution services. CFO Weaver reviewed and explained General Fund service changes.

4. Resolution Programs

Pursuant to ORS 334.175, the 2021-2022 resolution services are:

- Administrative Services/Operations
- School Improvement Services
- Special Education Services
- Technology and Media Services

CFO Weaver provided a breakdown of funding changes in each resolution service area.

5. Operations/Changes in Cash Position

CFO Weaver provided a historical overview of SOESD's cash position from 2015 to 2021. He noted that compliance with the 90% annual spending statutory requirement leaves little room in the cash position to build a contingency balance.

**Discussion and
Comments from
the Audience**

Presiding Chair Champion opened the floor for questions, discussion, and comments.

**Budget
Committee Action**

IT WAS MOVED BY MEMBER WILLIAMS, SECONDED BY MEMBER VALTIERRA-SANCHEZ TO:

Approve the proposed 2021-2022 budget in the amount of \$71,554,714.00 and set the rate of .3524 per one thousand dollars of assessed value.

MOTION CARRIED BY ROLL CALL VOTE: 13-0

Adjournment

There being no further business to conduct, Presiding Chair Champion adjourned the meeting at 7:23 p.m.