

BUDGET COMMITTEE MEETING

Wednesday, April 16, 2025 6:15 PM

South Umpqua School District, 558 Chadwick Ln, Myrtle Creek, OR 97457

1. **Call meeting to order**

2. **Roll Call**

Budget Committee members:

David Marshall

Cynthia Rohm

Don Brown

3. **Elect Budget Chair and Vice Chair**

4. **Establish Ground Rules**

5. **Review Budget Work Session Handout**

6. **Budget Committee Presentation**

7. **Current Budget Information, Projections and
Cost**

8. **Questions and Comments**

9. **Date and Time of Next Meeting- May 21, 2025,
6:15 pm**

10. **Meeting Adjourned**

Budget Workshop Handout



Purpose of a Budget Committee:

- The budget committee is established in accordance with Oregon Revised Statute (ORS) 294.414. The purpose of the committee is to review, discuss, recommend changes and approve the proposed budget presented to them by the budget officer.

Who is on the Budget Committee?

- The committee consists of the School Board members and an equal number of citizens. Our budget committee consists of 14 members – 7 Board Members and 7 appointed members.

Who can be appointed to the Budget Committee?

- Any registered voter residing within the School District boundaries who is not an officer, agent or employee of the district can apply to the budget committee.

How long do Budget Committee members serve on the committee?

- Budget Committee members are appointed by the Board of Directors for three-year terms. Members may be reappointed for additional terms if they so desire and the Board agrees.

Who prepares the Proposed Budget?

- Each year the Board appoints a Budget Officer, generally the Superintendent or Business Manager. It is the responsibility of the Budget Officer to prepare the Proposed Budget for presentation to the Budget Committee.

How is the Proposed Budget Developed?

- Generally, during December or January of each year, the Business Manager begins gathering information about the amount of revenue that will be available for the next year.
- Once a revenue estimate has been made the Business Manager calculates an estimated cost of all personnel. Included are the cost of salaries, associated payroll costs, and fringe benefits. These cost estimates are based upon contractual obligations the District has with personnel or amounts the Board directs the Business Manager to use when there is no contract. In addition, the cost of certain District level programs (transportation, utilities, property and liability insurance, etc.) are estimated.
- District administrators are then asked to review their department budgets for all other expenditures with the Business Manager. As these estimates are developed, consideration is given to available resources, State and Federal requirements, as well as guidelines established by the Board of Directors.
- The Budget Office evaluates the individual department budgets along with the estimated cost of personnel and other district level services and develops the “Proposed Budget.”

Budget Workshop Handout



What happens at Budget Committee meetings?

- The Committee elects officers (chair and vice chair).
- The Proposed Budget and Budget Message are submitted to the Budget Committee.
- The Budget Officer reviews significant changes in the budget from the previous year.
- The Budget Committee then has the opportunity to ask questions or request specific information on the budget.
- The Budget Committee may also receive input from the citizens of the District.
- Once this review is completed, public input is considered, and all other related issues have been discussed, the Budget Committee approves the Budget as proposed or as revised.
- Once approved, the Board of Directors holds a budget hearing. At the hearing, citizen input on the approved budget is heard and considered by the Board.
- Following the hearing, the Board may choose to make certain changes to the approved budget.

What happens after all changes are made to the Approved Budget?

- Once all changes are made to the approved budget (and no later than June 30), the Board must adopt the budget, make appropriations and levy the property taxes.
- The Budget Officer then “Certifies the Levy” to the County Assessor and delivers copies of the adopted budget document to those agencies which require copies.

What kinds of changes can the Board make to the approved budget?

- Following the budget hearing the Board may make changes to the approved budget which include the following:
 - Increase overall revenue and expenditures by up to 10% of the original budget amount. This will generally only happen when the District determines there are additional revenues that were not originally anticipated in the proposed budget.
 - Changes within the budget which do not occur as the result of additional revenues. i.e., a decrease with one program area and an increase in another.
 - Decrease the budget because revenue estimates are down.

Can changes be made to the Budget after it is adopted?

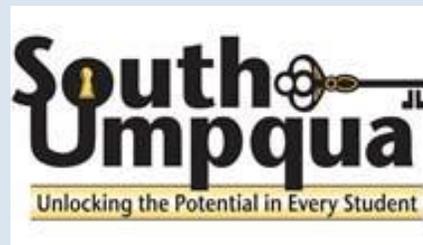
- Yes. Under certain circumstances the Board can change the budget after it has been adopted.
- If the District determines that it will receive less revenue than it expected the Board can, by resolution, reduce the budgeted expenditures and appropriations.
- If revenues come in at a level which is higher than expected, the Board may authorize the expenditure of additional revenues in the following situations:
 - Specific grants, gifts and bequests
 - Bond proceeds in the year of sale.

2025-26

Budget Committee

Organizational Meeting

April 16, 2025



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Budget Committee Background

Purpose of Budget Committee:

- The budget committee is established annually in accordance with Oregon Revised Statute (ORS) 294.414 for the purpose of reviewing, discussing, recommending changes, and approving the district's proposed budget.

Resources Used to Develop Proposed Budget:

- State and Federal Requirements
- Oregon Dept of Education
- District Administrators
- Contractual Obligations
- Vendor Information

Budget Calendar

- ✓ April 16, 2025 - Budget Committee Organizational Meeting
- ✓ May 21, 2025 - Presentation of Budget Message and Proposed Budget
Proposed budget posted on website & mailed upon request to committee members in advance of the meeting
- ✓ June 4, 2025 - Budget Hearing

2024-25 Budget vs Actuals

General Fund

24-25 Budget

- Enrollment 1,691.60 ADMw
- Beginning Fund Balance \$4,109,745
- State School Fund \$14,317,859
- Total Rev & Beg Fund \$23,210,883
- Total Expenditures \$21,836,303
- *Ending Fund Balance \$1,374,580*

24-25 Actuals

- Enrollment 1,672.90 ADMw
- Beginning Fund Balance \$5,076,392
- State School Fund \$14,060,500
- Total Rev & Beg Fund \$23,942,320 *Expected*
- Total Expenditures \$20,303,890 *Expected*
- *Ending Fund Balance \$3,540,068 Expected*

2025-26 Proposed Budget (Assumptions)

- ❖ Enrollment 1,658.06 ADMw (1425 students)
- ❖ Total Revenues & Beg Balance \$23,740,179 Expected
- ❖ Total Expenditures \$20,200,111 Expected
- ❖ Beginning Fund Balance \$3,540,068 Expected
- ❖ Labor Pool:
 - *Full Steps, 2% COLA Classified, 2% COLA Licensed,*
 - *2% COLA Administrative/Supervisory, 2% COLA Confidential/Central Office*
- ❖ Insurance Benefits \$20,298 per person (85% Liability)
- ❖ Transfer from Gen Fund \$810,000
 - \$600,000 PERS Reserve
 - \$200,000 Deferred Maintenance
 - \$10,000 Food Service Match (Required by ODE)
- ❖ Projected Ending Fund Balance \$1,899,214, 8% (*Required 5% per policy DBDB = \$1,187,009*)

Questions?

Shy Chapman

Director of Fiscal Services

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Oregon Education Programs and Acronyms Overview

Federal and State Education Programs:

- Title I-A – Provides financial assistance to schools with high numbers of low-income children to help all students meet academic standards (ESSA).
- Title II-A – Supports teacher and principal quality through training, recruitment, and professional development.
- Title IV-A – Student Support & Academic Enrichment: Promotes well-rounded education, safe school environments, and effective technology use.
- Title V-B – Rural Education Achievement Program (REAP): Assists rural districts in improving student outcomes.
- Title VI – Funds proposals in areas such as technology use, instructional materials, critical thinking skills, dropout prevention, literacy, and school improvement.
- IDEA – Individuals with Disabilities Education Act: Provides federal funding for special education services.
- PERKINS V – Federal career and technical education (CTE) funding aligned with industry and workforce needs.
- SIA (Student Investment Account) – Oregon state funding from the Corporate Activity Tax to support mental health and academic achievement.
- M98 (Measure 98) – High School Success: Focuses on graduation, dropout prevention, and career/college readiness.
- EARLY LITERACY – Funds research-aligned strategies like high-dosage tutoring and educator coaching for birth–grade 3.
- COPS – Supports evidence-based school safety initiatives through federal funding.
- TAPP – Tribal Attendance Promising Practices: Supports Native student attendance through culturally aligned strategies.
- TAP – Technical Assistance Program: Helps districts assess facilities needs and engage their communities.

Support Programs and Associations:

- SSF – State School Fund: Primary source of K-12 public school funding in Oregon.
- PERS – Public Employees Retirement System: Retirement benefits for Oregon’s public sector employees.
- COLA – Cost of Living Adjustment: Adjusts retirement benefits to reflect inflation.

Unions and Local Organizations:

- OSEA – Oregon School Employees Association (classified union)
- SUEA – South Umpqua Education Association (licensed union)

District and School Acronyms:

- SUSD – South Umpqua School District
- DSC – District Service Center
- SUHS – South Umpqua High School
- CMS – Coffenberry Middle School
- CVS – Canyonville School
- TCE – Tri City Elementary School
- MCE – Myrtle Creek Elementary School

Legislation & Agencies:

- ODE – Oregon Department of Education
- HB/SB – House Bill / Senate Bill

**SOUTH UMPQUA SCHOOL DISTRICT
2025-26 GENERAL FUND SUMMARY BY OBJECT**

	Board of Directors	Administration	Distirct Services	Student Services	Textbooks	Unemploy	Canyonville	Myrtle Creek Elementary	Coffenberry	Tri City Elementary	South Umpqua HS	Total Fund 100
Expenses By Object												
Instructional												
01?? - Salaries	\$ -	\$ -	\$ -	\$ 1,117,776	\$ -		\$ 685,014	\$ 717,142	\$ 982,257	\$ 829,422	\$ 1,324,530	\$ 5,656,142
02?? - Associated PR Costs	-	-	-	845,521	-	114,284	456,474	521,840	605,784	560,878	\$ 788,327	3,893,107.08
03?? - Purchased Services	-	-	-	166,160			40,390	40,820	60,724	42,980	\$ 149,850	500,924.00
04?? - Supplies	-	-	-	27,100	20,000		19,030	19,490	24,845	19,850	\$ 78,620	208,935.00
05?? - Capital Outlay				-	-	-	-	-	-	-	\$ -	-
06?? - Other Expenses	-	-	-	-	-	-	600	-	1,000	-	\$ 16,250	17,850.00
Total Instructional	\$ -	\$ -	\$ -	\$ 2,156,557	\$ 20,000	\$ 114,284	\$ 1,201,508	\$ 1,299,292	\$ 1,674,609	\$ 1,453,130	\$ 2,357,577	\$ 10,276,958
Support Services												
01?? - Salaries		\$ 782,499	\$ 843,936	\$ 214,558			\$ 233,645	\$ 295,176	\$ 397,407	\$ 323,714	\$ 481,640	\$ 3,572,573
02?? - Associated PR Costs		500,080	645,335	120,343		71,430	163,037	204,889	281,188	235,179	331,064	2,552,543.85
03?? - Purchased Services	122,000	431,737	2,210,977	350,078			11,110	7,150	15,910	12,800	16,981	3,178,742.63
04?? - Supplies	4,500	522,357	356,600	5,600			9,550	11,750	19,775	11,575	30,604	972,311.00
05?? - Capital Outlay	-	30,000	53,818	-			6,300	4,352	8,947	6,300	4,000	113,716.60
06?? - Other Expenses	328,084	10,875	300	1,500			1,600	1,100	1,100	1,100	4,175	349,834.00
Total Support Services	\$ 454,584	\$ 2,277,547	\$ 4,110,965	\$ 692,079	\$ -	\$ 71,430	\$ 425,242	\$ 524,416	\$ 724,326	\$ 590,668	\$ 868,463	\$ 10,739,721
ENTERPRISE & COMMUNITY SERVICES												
02?? - Associated PR Costs						\$ 14,286						\$ 14,286
Total General Fund Expenses	454,584	2,277,547	4,110,965	\$ 2,848,636	\$ 20,000	\$ 200,000	\$ 1,626,750	\$ 1,823,708	\$ 2,398,935	\$ 2,043,798	\$ 3,226,040	\$ 21,030,965
Transfer to other funds	810,000											810,000
Unreserved Fund Balance - 8%												1,899,214
Total	\$ 1,264,584	\$ 2,277,547	\$ 4,110,965	\$ 2,848,636	\$ 20,000	\$ 200,000	\$ 1,626,750	\$ 1,823,708	\$ 2,398,935	\$ 2,043,798	\$ 3,226,040	\$ 23,740,179

Debt Service Fund

SCHEDULE OF LONG-TERM DEBT FY 2025-26			
	Principal	Interest	Total
Limited Tax Pension PERS Bond 2002 (WF)	765,000	111,278	834,296
Limited Tax Pension PERS Bond 2003 (WF)	820,000	122,688	899,436
Qualified Construction Bond 2010 (BNY)	30,000	4,546	34,546
Qualified Construction Bond 2012 (BNY)	0	16,188	16,186
Full Faith Obligation Bond (JP Morgan Chase)	320,000	4,800	324,800
Total Bonds Payable FY 25/26	\$1,935,000	\$259,500	\$2,194,500
Dues & Fees			\$5,575
TOTAL REQUIREMENTS			\$2,200,075

Long-Term Debt:

PERS UAL Bonds:

- The District issued bonds as part of the Oregon School Boards Association Limited Tax Pensions Bond Pool in 2002 & 2003. The proceeds of which were used to finance a portion of the estimated unfunded actuarial liability of each issuer with the Oregon Public Employees Retirement System. Our district chose to take out PERS Unfunded Actuarial Liability (UAL) bonds to keep our PERS rate down and help us with unfunded liabilities. Our current rate is 0% because our side accounts are so strong. Each month the principal and interest to pay back the bonds are taken directly out of our state school fund payments. Final payment is set for June 30, 2028 for both PERS Bonds.

Qualified School Construction Bonds:

- The District issued Qualified School Construction Bonds in the amount of \$500,000 in 2010 & \$350,000 in 2012. The monies were used for repairs and upgrades and weatherization projects throughout the District. Each month the principal and interest to pay back the bonds are taken directly out of our state school fund payments. Final maturity on QSCB 2010 is June 30, 2027 and QSCB 2012 on June 30, 2030.

Full Faith and Credit Obligation Bond

- The District entered into a Full Faith and Credit Obligation financing agreement with JP Morgan Chase for the amount of \$1,600,000 in 2021. The agreement is structured with five annual principal installment payments on June 1st of each year in the amount of \$320,000, and semiannual accrued interest payments on the first of June and December. The final payment is set for June 1st, 2026.