

ASHLAND PUBLIC SCHOOLS
JACKSON COUNTY SCHOOL DISTRICT #5
Kelly Raymond
Superintendent



Inspiring Learning for Life

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April 22, 2020

Dear Members of the Ashland School Board, Budget Committee, Community and Colleagues:

This budget plan is respectfully submitted to the Ashland School District's Board and Budget Committee. This budget is our spending plan for the 2020-21 school year. The overall budget for 2020-21 is \$189,439,756. The budget is \$8,849,930 greater than the previous year. The General Fund budget for Ashland School District is projected to increase by \$1,702,462 to a budget of \$39,084,682. The projected General Fund revenue is based on the State School Fund appropriation of \$9 billion (49/51 Split) for the 2019-21 biennium and *weighted* Average Daily Membership (ADMw) of 3,310.38.

<i>Exhibit 1 - Budget Resource Summary for All Funds</i>					
	Actual 2017-18	Budget 2018-19	Budget 2019-20	Proposed 2020-21	Increase/ (Decrease)
100 - General Fund	\$33,358,207	\$35,958,205	\$37,382,220	\$39,084,682	\$1,702,462
200 - Special Revenue	\$3,609,170	\$3,790,623	\$3,861,918	\$6,948,955	\$3,087,037
300 - Debt Service	\$6,453,938	\$6,500,000	\$6,874,107	\$7,095,400	\$221,293
400 - Capital	\$890,000	\$1,080,000	\$125,764,538	\$128,479,535	\$2,714,997
600 - Insurance	\$6,055,000	\$6,338,383	\$6,518,266	\$7,652,032	\$1,133,766
700 - Trust & Agency	\$250,023	\$218,062	\$188,777	\$179,152	-\$9,625
Total	\$50,616,338	\$53,885,273	\$180,589,826	\$189,439,756	\$8,849,930

Accounting Policies

The Ashland School District prepares the budget and financial statements on a modified accrual basis. This means that expenditures and revenues are recorded when they are incurred and committed respectively. The General Fund will continue to include revenues from student fees and admissions to drama and athletic events. Expenditure authority equal to these revenues will be allocated to each school as they are received. As specific fees and admissions are collected, schools will monitor the receipts and have access to expend the money in a timely manner. The existing student body accounts in Special Revenues Fund 200 will continue to be used to account for student-led activities. New construction projects enabled by General Obligation Bonds will be recorded in Fund 400 and related Debt Service in Fund 300.

Budgetary Process

The District prepares an annual budget in accordance with Oregon Local Budget Law (ORS Chapter 294), which establishes standard procedures for all budget functions for Oregon local governments. Under the applicable provisions, there must be public participation in the budget process and the adopted budget must be balanced.

The District's administrative staff evaluates the budget requests of the various departments of the District to determine the funding levels of the operating programs. The budget is presented to the public through public hearings held by a budget committee consisting of Board members and lay members. After giving due consideration to the input received from the citizens, the Board of Directors adopts the budget, authorizes the levying of taxes and sets appropriations. The budget must be adopted no later than June 30 of each Fiscal Year. The budget may be amended during the applicable Fiscal Year through the adoption of a supplemental budget. Supplemental budgets may be adopted by the Board of Directors pursuant to ORS 294.480.

Budget Highlights

The budget has been prepared with the intent to ensure alignment to our 2018-2023 Pathways to Excellence Strategic Plan and to have an equitable distribution of resources among K-12. Our Strategic Plan Goals are as follows and outlined are strategies we aim to fund in the 2020-21 budget:

Goal #1: Improve Student Achievement

- Implement a K-12 multi-tiered system of support (MTSS)
- Provide professional development opportunities for staff in Math and Reading
- Provide authentic curricula for relevant and rigorous learning opportunities for all students
- Align lessons/curricula to Common Core State Standards
- Enhance Career Technical Education Programs

Goal #2: Increase the Recruitment and Retention of High Quality and Culturally Diverse Staff

- Identify and implement effective strategies to recruit and retain quality, diverse and culturally proficient staff
- Conduct surveys to assess areas of strength and improvement (administrative, certified, and classified)
- Analyze staff retention data and implement strategies to reduce turnover
- Implement a mentorship program using staff to support all new hires

Goal #3: Create and maintain a safe, welcoming, supportive and inclusive environment for all students and staff

- Provide professional learning opportunities on equity, diversity and inclusion for staff
- Grow school-based health supports such as school nursing, trauma-informed practices, mental health services and drug/alcohol treatment
- Adopt and implement culturally responsive curricula and instructional strategies

Revenue

The Governor's Budget of \$9 Billion for the 2019-21 biennium is the basis for our State School Fund revenue projection. State School Fund (SSF) estimates for our District were initially provided by the Oregon Department of Education (ODE) on February 25, 2020.

We are also pleased to include the projected increase in Special Revenue due to the passing of House Bill 3427. The District has applied for funding through the Student Investment Account and anticipates an allocation of \$2,293,977 for 2020-21.

Our District also continues to benefit from the Youth Activities and Academics Levy (YAAL). The YAAL is a five-year Local Option Levy in the amount of \$1.29 per \$1,000 of assessed value that was approved by voters on May 19, 2015, with such Local Option Levy expiring this budget year. The YAAL has been essential to providing our District with the ability to offer Athletic Programs and Extra-Curricular activities that enhance the education of our students. We hope to continue to receive this funding that supports over 29 FTE. A ballot measure is forthcoming in 2020-21 in order to request a renewal.

Expenditures

In order to fully implement MTSS to close the achievement gap for our students of color, English language learners and our students on IDEA our spending priority will be to reduce class size in our elementary schools, recruit experienced licensed staff from diverse backgrounds that will increase our ability to provide math and reading interventions for K-5 and math support for the Middle School and High School. This includes the following additional budgeted expenditures:

- 3.6 certified FTE for K-3 class size support
- 2.1 Child Development Specialist FTE for K-5
- 1.0 certified FTE for MTSS student success coach/instructor in math/reading for the Middle School to close achievement & opportunity gaps
- 1.0 certified FTE for Increased instructional support for High School alternative programs

for on track graduation and class size support

- .5 certified FTE for MTSS High School instructional support for Response to Intervention (RTI) in humanities and math/science
- .3 Classified FTE to Extend high school library hours (M-F: 4-6 PM) to support on track to graduation
- 1.0 Classified FTE and .2 TOSA added to current staff to increase support at the high school tutor center for on track to graduation and to close achievement & opportunity gaps
- 1.0 certified FTE to increase 9-12 teacher FTE for tiered support and/or class size reduction
- 9-12 Professional development for MTSS (PBIS/RTI/Trauma) and implementation
- Increased ELL resources district-wide (personnel/interpreter/translation services)

Our spending priority for district wide shift to integrate respectful consideration of all people and implementation of culturally-responsive pedagogy will be to organize an Equity, Diversity and Inclusion committee that will have representation from each school site. This committee will be responsible for organizing professional development opportunities for all teachers, evaluating curriculum and intervention materials from an equity lens, and collaborating with the professional growth and evaluation committee.

In order to allocate time in the organization's schedule to promote collaboration towards making systemic change we will be hiring specialists at all elementary school sites to allow an increase in scheduled collaboration time for core teachers. At the middle School we will increase the FTE of existing teachers to allow for additional collaboration. This includes the following additional budgeted expenditures:

- K-5 increased (including K-8 schools) specialist in Arts, PE, Math or Reading for teacher collaboration
- Increased focused teacher collaboration time (PCAT) for middle School
- Professional development and supplemental curriculum materials for implementation of culturally responsive teaching K-12
- District-wide equity diversity and inclusion committee

In order to grow our school-based health we will prioritize the hiring of 2 Mental Health Therapists, 1 at the Middle School and 1 at the High School. For equitable access to social and behavioral support we will plan to increase the certified FTE and counselor FTE at the high School.

- 2.0 Certified FTE for Mental Health Therapist for Middle School and High School
- .5 Certified FTE for 9-12 MTSS behavioral/social emotional learning support and implementation for Restorative Justice/Trauma/ PBIS practices
- .6 Certified FTE to increase Counselors at the High School

Exhibit 2 - FTE Summary

summarizes personnel over a 5-year period

Employee Category	Budget 2016-17	Budget 2017-18	Budget 2018-19	Budget 2019-20	Budget 2020-21	Increase/ (Decrease)
Certified	162.10	159.78	153.42	165.91	183.13	17.22
Classified	138.41	143.55	138.91	139.64	151.18	11.54
Confidential	5	6	5	5	5	0.00
Supervisory	4	5	5	6	6	0.00
Administrator	13.5	13.5	13.5	12.50	14.00	1.50
Total	323.01	327.83	315.83	329.05	359.31	30.26

General Fund: The General Fund budget proposed is \$39,084,682 compared to \$37,382,220 the previous year. This is an increase of \$1,702,462 and is based on our State School Fund formula in which 51% is allocated this year. General Fund revenue is supplied primarily by local taxes (permanent rate and local-option), the common school fund, and State appropriations, as shown in *Exhibit 3*. State appropriations are allocated to the Districts based on a weighted average daily membership of students. In the State School Fund Formula, local property taxes, and the common school fund are used as an offset and per pupil funding is equalized.

Exhibit 3 presents an overview of General Fund revenue over a four-year period.

State Formula	Actual	Actuals	Budget	Proposed	Increase/	Percent
	2017-18	2018-19	2019-20	Budget 2020-21	(Decrease)	Change
Property Taxes	13,379,112	13,683,560	14,409,341	15,368,667	959,326	6.66%
Common School Fund	351,595	282,676	281,577	290,000	8,423	2.99%
Federal Forest Fees	36,504	31,424	40,000	40,000	0	0.00%
State Formula	12,065,198	12,368,607	13,687,018	13,617,270	-69,748	-0.51%
Subtotal	25,832,409	26,366,267	28,417,936	29,315,937	898,001	3.16%
YAAL Taxes	3,461,681	3,721,350	3,860,766	4,015,197	154,431	4.00%
Rentals	336,852	171,745	345,000	275,000	-70,000	-20.29%
Student Fees	372,147	389,376	455,000	550,000	95,000	20.88%
Contributions	273,741	228,451	300,000	300,000	0	0.00%
Transfers In	0	14,856	0	0	0	0.00%
Carryover	3,587,141	2,948,927	2,830,752	3,180,780	350,028	12.37%
Other Revenue	670,082	1,468,589	1,172,766	1,447,768	275,002	23.45%
Subtotal	8,701,645	8,943,294	8,964,284	9,768,745	804,461	8.97%
Total Resources	34,534,053	35,309,561	37,382,220	39,084,682	2,443,397	6.54%

Exhibit 4 presents an overview of General Fund expenditures by major object over a five-year period.

Exhibit 4 - General Fund Expenditures by Major Object

	Actual 2017-18	Actuals 2018-19	Budget 2019-20	Budget 2020-21	Increase/ (Decrease)	Percent Change
Salaries/Benefits	26,935,638	27,876,419	29,314,665	31,238,912	1,924,247	6.56%
Services	2,818,279	2,428,122	2,582,102	2,507,604	-74,498	-2.89%
Supplies/Materials	1,278,720	2,161,106	2,027,074	1,927,752	-99,322	-4.90%
Capital Outlay	17,600	-	10,500	10,500	10,500	100.00%
Dues/Insurance	293,139	290,344	321,719	314,914	-6,805	-2.12%
Transfers/Transits	241,750	207,660	226,160	285,000	58,840	26.02%
Contingency/Fund Balance	2,948,927	2,994,554	2,900,000	2,800,000	-100,000	-3.45%
Total	34,534,053	35,958,205	37,382,220	39,084,682	1,702,462	4.55%

Exhibit 5 shows General Fund expenditures by school. Staffing and discretionary spending are allocated to schools based on enrollment. Most changes in expenditures are due to changes in staffing costs.

Exhibit 5 - General Fund Expenditures by DAC

	Actual 2016-17	Actual 2017-18	Actual 2018-19	Budget 2019-20	Budget 2020-21	Increase/ (Decrease)	Percent Change
Bellview	2,078,028	2,078,028	2,036,311	2,206,651	2,281,022	74,371	3.37%
Helman	2,093,530	2,093,530	2,200,898	2,357,214	2,683,376	326,162	13.84%
Walker	2,146,132	2,146,132	2,164,101	2,341,913	2,582,891	240,978	10.29%
Willow Wind	1,212,117	1,212,117	1,232,876	1,275,865	1,462,809	186,944	14.65%
John Muir	866,175	866,175	869,473	915,840	917,784	1,944	0.21%
AMS	4,594,837	4,594,837	4,554,914	4,691,212	4,859,822	168,610	3.59%
AHS	8,378,508	8,378,508	8,454,328	8,512,303	8,690,131	177,828	2.09%
Student Services	3,227,526	3,227,526	3,330,784	3,679,711	3,910,277	230,566	6.27%
Transportation	957,788	957,788	1,034,156	974,300	1,113,181	138,881	14.25%
Technology*	1,327,775	1,327,775	1,579,471	1,545,917	1,637,250	91,333	5.91%
Maintenance ¹	1,235,928	1,235,928	2,203,935	2,319,290	2,340,734	21,444	0.92%
District Office	1,555,317	1,555,317	1,495,992	1,539,362	1,601,143	61,781	4.01%
District Wide ²	3,684,546	3,684,546	1,105,867	5,022,643	5,004,263	-18,380	-0.37%
Total	33,358,207	33,358,207	32,263,107	37,382,220	39,084,682	1,702,461	4.55%

Youth Activities and Academics Levy: The 2015 election was the fourth voter renewal of the YAAL, which is a local option levy for the Ashland School District. As such, it is treated as a General Fund resource. This levy of \$1.29 per thousand of assessed value is estimated to generate \$4,015,197 of the 2019-20 general fund revenues. The increase over the FY2018 budgeted amount is the result of continued increases to assessed property values. The YAAL provides vital funding to this District and we are very grateful for this ongoing community support.

Debt Service: Included in this budget is a tax levy of \$ 6,874,107. The levy rate to generate sufficient revenue will be determined by the Jackson County Assessor's office. The levy will raise sufficient revenue to pay our annual principal and interest payments for our outstanding long term debt. The 2007

General Obligation Bonds will mature this current year and are not included in the levy for 2019-20.

Outstanding Long-Term Debt

Outstanding Long-Term Debt – The District				
Issue	Issue Date	Final Maturity	Original Amount	Outstanding Amount
<i>General Obligation Bonds</i>				
The Bonds ¹	06/05/2019	06/15/2044	107,380,000	105,855,000
<i>Total Outstanding Long-Term Debt</i>				<i>\$105,855,000</i>

Capital Construction Fund: The District G.O. Bond Program includes the following projects through 2021-22:

- Safety enhancements district-wide
- HVAC and mechanical/electrical/plumbing upgrades (includes focus on green technology, renewable energy, and operational efficiency) district-wide
- Seismic upgrades for earthquake safety in student buildings district-wide
- Improvements to bathrooms district-wide
- Technology infrastructure with enhanced internet connectivity
- Replace/rebuild older buildings at AMS to promote modern learning and operational efficiency
- Accessibility and flexibility upgrades for AHS Humanities and Science Buildings
- Comprehensive renovation at Walker (and reconfigured point of entry) to enhance safety and improve student circulation
- Redesigned Helman classroom wing and entry, creating secure student circulation
- Renovate or replace Helman classroom buildings to enhance the learning environment, safety, and student circulation

In addition the capital construction fund includes construction excise tax revenue and energy credits. The projected beginning fund balance for this fund is \$126,574,535. This year we will continue the set-aside of \$45,000 to fund the ten-year replacement cycle of the turf. The \$45,000 per year set-aside comes from Construction Excise Tax revenues and savings from the more efficient field.

Insurance Fund: Beginning in the 2009-10 fiscal year, the District shifted the way it accounted for the self-funded health insurance program. The Insurance Fund now receives monthly premiums based on employees' health insurance selections, and all claims are processed from this fund. Prior to 2009-10 the activity was recorded in the General Fund. This change has added

stability to the General Fund and allows the Insurance Fund to respond to the differences in claims from month to month. The Insurance Fund is also used to account for the workers comp insurance program and the unemployment program. The projected beginning fund balance is 1,506,964.

Looking Ahead

As we face the unprecedented closure of our schools in order to combat the COVID-19 pandemic, our financial future holds many unknowns as we wait to hear further from the state.

The Ashland School District remains hopeful and our budget reflects the best case scenario. Currently funding under the Student Success Act which includes the Student Investment account and M98 may be affected and therefore recruitment efforts to hire additional staff have been halted until we have confirmation that the funds are forthcoming.

The District is currently providing distance learning and we could not be more proud of the efforts made by our teachers, staff and students. We will continue our efforts to provide exceptional academic opportunities to our students and look forward to the return of our students. It is our privilege to serve this outstanding community.

Sincerely,

Kelly Raymond