

## MINUTES

ASD BUDGET COMMITTEE MEETING, June 10, 2020 via Zoom

Committee Chair Bacon called the meeting to order at 7:15 pm

### Members Present were:

Curt Bacon	Tomas Monter-Rangel
Chris Chambers (arrived late)	Shaun Moran
Victor Chang	Sabrina Prud'homme
Mark Decker	Eva Skuratowicz
Daric Lucero	Jim Westrick

### Staff Present were:

Acting Superintendent Steve Retzlaff  
Finance Director Alana Valencia  
Student Services Director Samuel Bogdanove  
OSEA Representative Serena Robinson  
Board Secretary Jackie Schad

The minutes of the May 27, 2020 meeting were reviewed. Mr. Decker moved and Mr. Monter-Rangel seconded the approval of the minutes as submitted. The motion carried by unanimous vote of the members present.

Director Valencia reviewed the guidelines for the Budget Committee's role and responsibilities. She reported that no new questions about the budget were submitted since the last meeting and stated that any changes to the general fund budget less than 10% could be approved by the school board. Changes greater than 10% require re-convening the Budget Committee for a supplemental process prior to Board approval.

Acting Superintendent Retzlaff and Finance Director Valencia then presented an overview of the budget. They reported that there are many uncertainties concerning projected revenue and repeated the recommendation from ODE that school districts approve a budget based on revenue projections from February 2020. This approach offers the broadest latitude for flexible adjustments going forward. Although they are not planning to move forward with plans based on new revenue sources like the Student Success Act until the picture becomes clearer, they are also not projecting immediate cuts for the same reason. There is a hiring freeze on new positions and some vacant positions will be filled. Based on concrete information about funding cuts, the district intends to proceed based on established priorities where appropriate, or to re-convene planning bodies to re-set those priorities.

There was a question about the projected annual deficit under possible cuts increasing from \$1.8 million to \$2.3 million. Ms. Valencia reported that there are uncertainties regarding use of CARES Act (Federal pandemic response) funds and they reduced that expectation. The finance team has developed three scenarios for possible budget cuts, ranging from mild to moderate to painful. The State does have reserves to compensate for some measure of reduced funding. Newer revenue sources like Measure 98 (High School Success) and Student Success Fund (new taxing source) would be the first to go if revenue falls dramatically. The State priority is to protect general fund school support as much as possible.

Under ODE guidance, the District is planning for three possible instructional scenarios:

1. Full return to physical schools – “back to normal.” They think this is most likely for small, rural school districts with low population density and low infection rates.
2. Hybrid model – Providing some on-site instruction using student cohorts, alternative scheduling, maximum use of space for social distancing, and so forth. This would include some Distance Learning options for off-site students who cannot attend physically, as well as for all students on days when they could not attend on site because of rotation schedules.
3. Total Distance Learning off-site for everybody. Educators and policy makers consider this the worst option, to be implemented only if health and safety conditions make it necessary.

Ms. Valencia reported that right now, the feedback from the State indicates the “moderate” budget cut number of \$1.8 million as most probable. If conditions change, she would request a meeting of the Budget Committee to develop a supplemental budget. They are also running scenarios for budget cutting options, including:

- Compensation adjustments – freezing Step increases or COLAs for staff.
- Furlough days for all staff.
- Reductions in optional expenses – belt tightening on supplies and services
- Hiring freezes, reductions through attrition

There was a question about the projection for the insurance reserve fund being less than last year. Ms. Valencia stated that a combination of high, one-time health costs in prior years and reductions in plan benefits for employees that made this possible.

There was no further discussion. Mr. Decker commended the staff on a revised Budget Message and the planning scenarios. It was a good process and instills confidence. Mr. Decker then moved and Mr. Monter-Rangel seconded the approval of the 2020-2021 budget. Ms. Valencia read the formal resolution language. The motion carried by unanimous vote of the members.

Committee members expressed appreciation to Acting Superintendent Retzlaff for being a fast learner and clearly communicating the District planning. They thanked Finance Director Valencia for being nimble and thorough in the face of rapidly changing conditions. The volunteers were thanked for helping the school district exercise oversight and accountability to the community.

There being no further business, Chair Decker adjourned the meeting at 8:30 pm.

Submitted by Jackie Schad  
Board Secretary