

Ashland School District No. 5, Jackson County, Oregon - The Budget Committee met in a work session on November 27, 2006, at 7:00 p.m. in the Ashland School District Board Room.

Present were:

Ruth Alexander)	
Amy Amrhein)	
Heidi Parker)	Budget Committee Members
Amy Patton)	
Bill Anderson)	
Rick Barth)	
Keith Massey)	
Mike Zodrow)	

Juli Di Chiro, Superintendent
Pam Lucas, Business Manager
Media Representative
Jeanne Peterson, Executive Secretary

I. Call to Order

The meeting was called to order at 7:04 p.m. by Chair Barth.

II. Roll Check

A roll of the Committee was taken and all members were present with the exception of Chris Holzshu and Mat Marr.

III. Capital Budget

Superintendent Di Chiro explained that the current bonds will be paid off in June of 2007; the new bonds will be sold after that time. We are in the process of hiring a Project Manager to oversee the bond projects. Superintendent Di Chiro reviewed the timeline of major events for bond financing.

Following discussion, it was agreed that the budget committee will be kept informed of all bond activities so they will be able to respond to questions from community members. Budget committee members may contact Juli Di Chiro or Pam Lucas for clarification on any issues.

IV. Operating Budget

Pam Lucas reviewed the District Financial Report – General Fund as of October 31, 2006. Eventually, this report will include all district funds.

Superintendent Di Chiro reviewed the status of the Youth Activity Levy, explaining that our levy is similar to the one in Oregon that did not survive a challenge. The Supreme Court ruled that, if a taxation authority is funding any educational programming, we must justify the collection of that tax under the school district's taxing authority. Therefore, the district cannot continue in the same manner when the current youth activity levy

expires in June of 2008. The City Attorney recommended that the district revise the contract with Parks and Recreation to show a good faith effort that we are trying to abide by the supreme court decision. The District hopes to have that revised intergovernmental agreement approved at the December School Board meeting.

Superintendent Di Chiro explained that the only taxation option we have when the youth activity levy sunsets in June of 2008 is the Local Option Levy. That levy has 3 options: one is the gap and we have that; it cannot generate more than \$750 per student; and it can only be a certain percentage of the general fund. The lowest of the three options must be used which is the \$750 per student. The levy will be tied to enrollment. Superintendent Di Chiro explained that we are trying to set up a meeting with Peter Buckley and Alan Bates to discuss changing that law. Input from the Board and Budget Committee members would be appreciated as we proceed. A benefit to the Local Option Levy is that we have more leeway on how to use the funds because they go into the general fund. A detriment is that our community has learned to appreciate our rich extra-curricular activities, so it will be challenging to move towards the academics. Keith Massey expressed interest in attending the meeting with Peter Buckley and Alan Bates.

Rick Barth presented a PowerPoint on the Budget Overview. Superintendent Di Chiro explained the State School Fund Grant. She briefly explained the risk to the self insured employee program, and gave an update on PERS.

A discussion was held regarding the Transparent Budget. To continue progressing toward a Transparent Budget will require staff commitment. The committee members considered the following options: delay the process, hire staff to complete the process, discontinue the process. Following discussion, it was agreed that the district should consider hiring a consultant in June so Juli Di Chiro and Pam Lucas can make the transparent budget happen. Rick Barth will continue to have this item on budget committee agendas.

Superintendent Di Chiro reviewed the State Funding Projections, explaining that the Governor is starting with a \$6.02 billion education budget. This is better than we have seen in quite some time.

Superintendent Di Chiro explained that bargaining will have an impact on this year's budget. She reviewed the minimal increases employee groups have received over the last several years. Enrollment is declining, and we are trying to develop proposals that will be mutually agreed upon in bargaining. Funds will need to be set aside in the budget for salary increases.

V. Future Meetings

After reviewing the Budget Calendar, it was agreed the committee will not meet before April 23.

VI. Adjournment

There being no further business, the meeting adjourned at 9:25 p.m.

Chair

Clerk