

**Dallas School District No. 2
Finance Committee Agenda
Thursday, December 19, 2019**

6:30 pm Dallas School District Board Room

1. Call to Order – Dave

2. Reports

- a. SSA: Student Investment Account Update – Andy/Shannon

3. Discussion - All

- a. Committee membership and work goals
 - i. Draft Finance Committee Charge
- b. Funding Sources Communication Tool

4. Reports (Written)

- a. Monthly Financial Board Report
- b. Bond Projects Financial Report

5. Adjourn – 8:00 p.m.

2019-20 Meeting Schedule

January 16, 2020

February 20, 2020

March 19, 2020

DALLAS SCHOOL DISTRICT NO. 2 FINANCE COMMITTEE MEETING MINUTES

Thursday, November 21, 2019 at 6:30 p.m.
Dallas School District Board Room

Present: Dave Morris, Debbie MacLean, Andy Bellando, Trista Girt, Mike Bollman, Linda Fox, Mike Blanchard, Rich Slack, Mike Holland, LaVonne Wilson, Charlotte Riester

1. **Called to order** at 6:33 p.m. by Dave Morris.
2. **Election of officers for 2019-20** Mike Holland nominated Dave Morris for Chair, Mike Blanchard seconded. Rich Slack nominated Linda Fox for Vice-Chair, Mike Blanchard seconded.
3. **Reports - Enrollment Status** Andy Bellando reported on Enrollment Status referencing the *Cooperative Strategies Enrollment Projects Report*. He guided the group to page 6 noting that changes/additions in program offerings is a major contributing factor in changes in projected student enrollment. He then highlighted the population estimates on page 9 noting that Polk County is projected to increase by over 1000 student aged residents over the next 5 years. Page 12 captures housing data and the gradual increase of building permits over the last several years. And finally page 18 documents the projected gradual increase of enrollment of over 300 students in the next 10 years. Current enrollment is 2884. Mike Holland asked what the statewide trend in enrollment looks like. Andy responded noting that studies are showing that the average family size is decreasing and the average age of parents is increasing which is causing a decline in student enrollment overall. He noted that larger school districts, including Portland Public and Beaverton are seeing declining enrollment. Mike Blanchard noted the kinder growth and questioned the districts staffing and facility capacity to accommodate the projected growth in kinders. Andy confirmed that is an issue that needs to be addressed.

Financial/Budget Status: Debbie MacLean reported on the Financial/Budget Status referring to the 2018-19 audited actuals report. She noted that the district met and exceeded the Ending Fund Balance goal by approximately \$300k. That was due mostly to an audit adjustment to balance property tax collection with Polk County. She noted that a supplemental budget was approved by the board to account for additional revenue generated by the increased enrollment. She also noted the variance in expenditures of substitutes, mostly in the behavior area. Debbie also presented a report on the general fund budget status as of 9/30/19. Overall, the report shows that the Ending Fund Balance/Contingency is just under \$300k short of meeting the new board policy.

Student Success Act: Andy Bellando gave a brief overview of the Student Success Act and reported that we are on track to meet the deadlines for required reporting of community feedback. Dave Morris noted that the Public Forum that he attended was well presented.

Andy said that over 1,100 responses were received from the community survey and he is impressed with the responses. Although the responses are still being tallied and summarized, he noted that the common trends are expanded opportunities for students- specifically music; career and technical education; reduction in class size; mental health support; elementary and intermediate behavior support; and safety and security. He also noted that while staffing is important, they also want to make sure the district allows for some “things” such as reading and math curriculum. Andy also mentioned the level of angst he’s observing from staff on the how, when, where the funds will be spent. The December 6th deadline to submit the Continuous Improvement Plan to ODE will be met. However, he expects some back and forth feedback with ODE and the public before the report is complete and approved by the board. He reported that while collections will begin in January 2020, the districts won’t receive funds until July 2020.

Andy referenced the District Funding Sources, Key Differences document separating General Fund, Special Revenue Funds (Student Success Act and M98 High School Success) and Bond Projects as a way to help stakeholders understand the funding structure. Mike Holland suggested that there be one main focus or over arching theme that encompasses the four areas of funding for staff and community communication. The committee discussed the format possibilities of the document. Through that discussion, it was clarified that the SSA funds will be restricted and categorized as Special Revenue Funds, as they require additional reporting and accountability although the priorities and goals aren’t really much different than how we allocate our general fund dollars.

S & P Global Inquiry: Debbie MacLean reported to the group that she received some feedback from Standards & Poor about the district’s credit rating. She expected that they may question our low ending fund balance in prior years and when she was contacted she was able to send the new board policy and show proof of improvement and compliance (18-19 EFB). S & P confirmed that the district’s credit rating will not be affected and that no further analysis is needed at this time.

Next Bond Timeline: Andy Bellando shared that he had been reviewing past bond and facility planning and the current Long Term Facilities Planning that is required to apply for OSCIM funds 9 months prior to the election for the new Bond. The OSCIM grant and its match could be a major selling point for voters so ensuring communication is clear and timely will be crucial for the passage at the same time as preparing the public for the likelihood for higher tax rates. The current Bond for 2015 will terminate in June 2022. The new bond will be on the May or November 2021 ballot.

4. **Discussion – Committee Membership:** Dave Morris suggested the committee consider the membership requirements. Mike Holland requested that members be residents of Dallas School District. Mike Blanchard commented that they should also be local taxpayers and represent different community sectors such as construction, manufacturing, service, retirement etc. to include diversity of opinion. As representatives of the board Mike

Blanchard and Mike Bollman discussed that the board likely needs to charter the committee. There was some discussion around board appointment of committee members and recruitment.

5. **Adjourn:** 8:05 p.m.

2019-20 Meeting Schedule Suggested

December 19, 2019 (confirmed)

January 16, 2020

February 20, 2020

March 19, 2020