PORTLAND PUBLIC SCHOOLS

Budget Update

May 22, 2018

Agenda

- Strategic Context
- Where we are in the Process
- Departmental Trends
- Themes we've heard from the community
- Amendment #2

Looking Ahead - 2019-20 and Beyond

Financial Relief

- New Biennium and Funding Levels
  - $9.0B would represent 9.7% increase
- Anticipate ~flat enrollment

Financial Pressures

- "Tighter" operational budget
- PERS costs will increase ~3x
- Employee cost increases
- Budget Reserves on path to target of 5% by 2021

Expenditures Outpace Revenues

USD in Millions	Baseline		Moderate Recession		Severe Recession	
Cumulative Changes vs. 2018-19	**2019-20 Forecast**	**2020-21 Forecast**	**2019-20 Forecast**	**2020-21 Forecast**	**2019-20 Forecast**	**2020-21 Forecast**
Increase in Revenue	**$31.2**	**$63.2**	**$18.5**	**$41.6**	**$7.1**	**$15.9**
Known Increases in Expenditures						
PERS	$24.0	$24.8	$24.0	$24.7	$24.0	$24.6
Health Cost Increase	$4.2	$4.4	$4.2	$4.4	$4.2	$4.4
Personnel Cost Increase	$13.6	$27.6	$11.6	$23.6	$9.7	$19.6
Increase in Contingency (align to BOE target)	$5.2	$10.0	$4.6	$9.0	$4.1	$7.7
Total Increases in Expenditures	**$47.0**	**$66.9**	**$44.5**	**$61.7**	**$42.0**	**$56.3**
Surplus/(Shortfall)	**($15.8)**	**($3.7)**	**($25.9)**	**($20.1)**	**($34.9)**	**($40.4)**

Where we are in the process

Capture input and revise as necessary

- Support all relevant Board and Community Meetings
- Revise budget in collaboration with Leadership as necessary

Complete Budget book

- Add narrative to Budget Book and make any necessary changes to content
- Finalize and print book

Prepare for Budget Approval (June 12th)

- Provide information and prepare for TSCC hearing
- Support Budget Adoption (June 26th)

Set Stage to Actively Manage Resources

- Meetings with budget owners
- Budget packets
- Reporting and support

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Upcoming Meetings

Title	Date	Content	Presenters and Support Required
Approve Budget	June 12th	Changes from Proposed	Budget Team
TSCC Hearing	June 26th	Provide responses to questions	Board, Budget Team, Select Budget Owners
Adopt Budget	June 26th	Budget Book and Summary	Budget Team

Departmental Trends

See Supplemental Handout

Key themes we've heard from the community

1. Single Strand Schools
2. General Equity
3. Access move and associated impacts
    a. Including potential schools to receive access program

1. Boundary and Focus Option Review
2. Middle School Transitions (not funded via the General Fund)
3. Safe way to get to school
4. Custodial and Maintenance Services
5. Sustainability & Environmental Focus
6. Contract Services

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Amendment #2 Summary

See Supplemental Handout “Resolution No. XXXX”

Questions ?

Portland Public Schools
2018-19 Budget Questions
General Fund Only
May 15th 2018

Item #	Request	Summary Response
1	What is the status of the Portland WorkForce Alliance Contract?	College and Career Readiness anticipates continuing the program; the direct budget holder is Director of CTE, Jeanne Yerkovich. Sr. Director Garcia, along with the Strategic Partnerships team, will play a role in final decision about scope of work, and final contract amount.
2	Provide a summary of the vacant & budgeted positions to be filled.	Including vacancies, a total of 65 positions have been reduced. As a part of the reorganization, 13 new positions have been created.
3	Please provide insight into the Superintendent's budget, including available discretionary funds	Addressed in presentation
4	What is in the Proposed Budget for the Strategic Planning effort? In which department is this budgeted?	Goals and initial work is included in the Superintendent's budget. However, resourcing level is not sufficient for a comprehensive Strategic Plan.
5	Where does investment show up for Systems Planning? Do we have the capability to collect and analyze the disaggregated student achievement data we need?	Budget for this group is in the Superintendent's budget. Currently, there are a variety of reports produced regularly that disaggregate achievement.
6	Focus & Priority Schools will have up to three Professional Development days in August (14-16). What is the process for designating these schools and what is envisioned in the budget?	The Proposed Budget assumes an average of two Professional Development days for Focus & Priority Schools. For 2018-19, budget ownership has been transfered from Finance to the Chief of Schools.

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7	Focus Option Review	Education options are schools and programs that include in-district alternatives (Alliance High School, ACCESS, MLC), thematic focus options (for example, Benson Tech HS or Sunnyside Environmental K-8), and dual language immersion programs. Education Options Review is committee of principals and central office staff was formed to review the district's portfolio of education options. The initial charge of the review was to: • Establish an ongoing process for reviewing educational options including measures of success • Define the desired purpose and goals of education options • Develop recommendations to align the education options system policy and procedures with the Racial Educational Equity Policy While Ed Option review was a prioritized strand of Work through Winter of 2016-17, other PPS priorities and resource limitations have forced the work to be largely dormant since then. Groundwork information shared by SPP and OTL to school leadership as of February 2017 represents a foundation of work.
8	Do we have a district-wide CTE plan? If so, what's in the budget and who is the owner of this work? Please provide a summary budget impact and plan for M98.	Carla Gay is the budget owner. Comprehensive plan has not been fully developed or reviewed.
9	What is the level of funding for the continued roll-out of K-8 literacy adoption?	Funded at level consistent to 2017-18.

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10	School based-staffing allocation: 1) How many schools and how many grades have single strand grades? 2) What would it cost to provide additional FTE to support at least 2 strands in every neighborhood program?	Seven schools have single-strand grades; however, only 4 have space for additional teachers. This would would require 14 FTE or $1.5M to support two strands in these 4 schools. The administration looks forward to working with school leadership at each of these schools to determine appropriate staffing levels. 1) Skyline (3 FTE)-- no facility space for this FTE. 2) Bridger (co-located with Spanish Immersion; 6 FTE) -- no facility space for that FTE. 3) Beach (co-located with Spanish Immersion; 6 FTE)-- has space. 4) César Chávez (co-located with Spanish Immersion; 6 FTE) -- no space. 5) Scott (co-located with Spanish Immersion -K and 1st one strand, higher grades two strands; 2 FTE)--has space. 6) James John (co-located with Spanish Immersion -low for two strands; 2 FTE)--has space. 7) MLK Jr (co-located with Chinese Immersion; 6 FTE)--has space. 8) Vestal-- not single strand. 9)Lent--not single strand. 10) Woodstock - not single strand.
11	Has the CAO made recommendations on the amount of investment necessary for textbooks and instructional materials? How much are we budgeting for textbooks (and other materials) in the Proposed Budget and how does this compare to current year and trend?	$2.4M is currently in the office of the CAO in the proposed Budget for Textbook Expansion Adoption and replacement, which is approximately equivalent to the current year.
12	How much are we spending to subsidize under-enrolled programs (non-formula FTE)?	Looking only at our five smallest K-5s, we allocate about 30 additional FTE versus a more efficient model (comparing FTE per student). This would save approximately $3.0M
13	How much would it cost to outsource a boundary-review analysis?	Outsourcing this effort would likely cost between $250K to $750K depending on scope. The incremental cash cost of this work could be less if we rely more on internal staff.

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14	What is envisioned for the Long-Range Facilities Plan in the Proposed Budget (as a follow-on to Facilities Condition Assessment)?	The PPS Long Range Facilities Plan (LRFP) was completed in May 2012. The current RFP for the Facilities Condition Assessment does not include an update of the LRFP but the deliverable will include a significant amount of source information that will be useful and needed to update the LRFP.
15	What is envisioned for Enrollment Balancing analysis and work?	The Facilities Condition Assessment (FCA) scope includes educational adequacy and analysis of each school facility. Depending on the negotiated scope of the FCA project, student capacity and school utilization analyses could be part of the overall FCA project delivery, providing information to the enrollment and balancing analysis. What the RFP will cover will depend on the negotiated scope of work and what our budget can afford. We can also do this work outside the FCA RFP. The Capacity and utilization analysis is just a piece of the whole enrollment and balancing effort. There is lack of ownership and coordinated effort to drive the work. Need to clarify the ownership and process.
16	Please explain and provide details on Maintenance contracts being eliminated, reduced, or revised.	Most Maintenance contracts are for as needed services and are in place so that we can respond to needs in a timely manner. The amounts on the contract are an agreements between PPS and the contractor that we will not pay for more than contract amount and they will not do more work than would accrue to that amount. There will be a focused effort to manage the contracts to the budget we have available. We do a monthly review of all of our Operations budgets to actuals to see where we are in relation to where we should be at that point in time.

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17	Generally, who manages our lease contracts and relationships, and are there substantial changes or shifts in 2018-19? Provide a summary of the lease agreement with Ramona.	Sara King manages our Property Mangement Department, which is responsible for managing our leases. In general, Kirsten manages the relationships and Sara King helps to manage the larger issues (i.e. Kairos at Humboldt, De La Salle at Kenton, Riverdale at Collins View). Substantial Changes in 2018/2019: *Three cell tower sites will relocate to new non-PPS sites in August 2018 (per Board mandate) - Revenue lost $1,600-$3,000 per month per site. * School House Supplies will relocate to a new facility in August 2018 (Madison Modernization) - Revenue lost $3,099 per month. * Ramona: In June of 2017, the board approved the extension of the lease at Ramona site through June 30, 2019. Base rent will increase from $24,840 per month to $25,337 per month. PPS has two additional one year options to extend. There has been some discussion about pulling kindergarten back to Chapman. In the next month or so (when we receive new PSU enrollment projections) OSP, SPP, Facilities & Enrollment staff will be assessing the need for Ramona in 2019-20 school year and beyond and providing a recommendation to leadership.
18	What is in the Proposed Budget for PPS staff support for student-engagement (including Moses' agenda around advancing student (superintendent's budget? Chief of Staff?)	Spending is captured in the Superintendent's budget
19	Do any of the Whitehurst report recommendations have fiscal implications that we need to budget for in 2018-19?	Yes, they will likely have implications. The team is scoping the budget impact of the 16 recommendations to ensure sufficient resourcing.
20	Please provide a summary of increases and decreases from current year Budget?	See attached

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21	What's our plan to facilitate a smooth building maintenance transition from OSM and Maintenance?	The staff learned a lot this year as we turned over 3 schools and we are going to be putting those lessons into action for the next set. OSM folks are meeting next week to discuss refining the turnover and warranty process, then we will widen the group to include Jere and his team. The plan is that we will be starting the turnovers much earlier, at least 6 months prior to any substantial completion date. We are getting commissioning agents on board in the design phase for this next group of projects which provides another set of eyes to catch things before and during construction.
22	9. FAO TOPIC - Please prepare for a review of changes in the **Custodial** areas. At a minimum, prepare to cover the following:	
	a. What's the current and proposed level of spending for this group?	Current FY18: $21,589,969 Proposed FY19: $22,142,004 3% increase FY18 to FY19 (Salary increases and an almost $2,000 increase per person for Insurance for custodial make this an increase from last year to this year) adjusted without insurance increase and MS FTE would be -1% decrease

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		Reduced ability to cover absences and Civic Use of Building events. Our PT staff is often used to fill in at sites where a custodian has called in sick. The reduction in our PT pool will impact all of our sites with our reduced ability to supplement coverage as needed
	b. How is the spending prioritized?	Reduced ability to clean facilities. We may have a modified cleaning process to maximize efficiencies. Bathrooms/Trash are the only things done and classrooms may not be cleaned every day.
	c. What's the proposed change and what will be the impact on schools, administrators, teachers, and students?	Reductions:14.25 PT Custodial FTE (-$471,033)1 – Quality Assurance trainerAdds: 5 Custodial FTE to cover Middle School Changes ($311,907)$550K increase to the Custodial Insurance
23	10. FAO TOPIC - Please prepare for a review of changes in the **Maintenance** areas. At a minimum, prepare to cover the following:	

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	a. What's the current and proposed level of spending for this group?	Current FY18: $13,339,970 Proposed FY19: $11,956,186 10% reduction FY18 to FY19
	b. How is the spending prioritized?	Work will be focused on Emergency and high priority impacts and operational needs for the buildings. *Limited availability for work orders outside of warm, safe and dry as well as Bond support*
	c. What's the proposed change and what will be the impact on schools, administrators, teachers, and students?	Reduce Pony deliveries to 104 facilities from 5 days a week to 3 days a weekReduced ability to accomplish work orders not having emergency or high priority impacts. Reduced response time both in the office and in the fieldReduced ability to cover our grounds care

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24	What is assumed for Outdoor School?	We are submitting ODS applications today, 5/15 to the MESD to be submitted to the State on our behalf shortly. Measure 99 funds will cover the vast majority of ODS costs in FY 18.19. MESD currently estimates that there will be a shortfall of $22/student for all costs that the state reimburses, as well as the Substitue costs of ~$50,000. These together come to about 120-140K, or 10% of the overall costs of ODS, which is exactly what our assumptions of coverage were, roughly 90%
25	What is the salary and benefit savings gained from eliminating the Sustainability Resource Coordinator?	Base salary for this position is $82,222. Including taxes and fringe benefits, the total cost is $120,480 per year. The person currently in this position will be retiring on June 30, 2018.
26	A significant number of concerns have been raised regarding the Access move and it's impact on the budget. How are we budgeting for this impact?	The potential for addtional transportation cost and increased administrative costs have been noted. Once the final plan for Access is determined, costs will be earmarked for both transportation and administration if necessary.
27	Safe way to get to school for Lent and Roseway Heights	Additional transportation costs are being estimated to ensure children have a safe way to get to school.
28	Many members of the public have provided commentary supporting various contracted services including those supporting the Restorative Justice Program.	Contracts are being comparatively reviewed based on their outcomes and the districts ability to provide services through internal staff.

Total General Fund

	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$466.2	$479.9	$13.7	2.9%	$513.5	$20.2	3.9%
Non-Personnel	134.1	125.0	(9.1)	-7.3%	136.9	13.0	9.5%
Total	$600.3	$604.9	$4.6	0.8%	$650.5	$33.2	5.1%
FTEs		5,098.4			5,000.9		
% of General Fund	100.0%	100.0%			100.0%		

Schools

	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$283.7	$285.3	$1.7	0.6%	$305.3	$19.8	6.5%
Non-Personnel	4.0	4.2	0.2	5.8%	5.2	1.3	25.0%
Total	$287.6	$289.5	$1.9	0.7%	$310.5	$21.1	6.8%
FTEs		2,959.80			2,902.00		
% of General Fund	47.9%	47.9%			47.7%		

Total Central

	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$182.5	$194.5	$12.0	6.2%	$208.2	$0.4	0.2%
Non-Personnel	110.1	106.7	(3.4)	-3.2%	107.9	7.6	7.0%
Total	$292.6	$301.2	$8.7	2.9%	$316.1	$8.0	2.5%
FTEs		2,138.63			2,098.94		
% of General Fund	48.7%	49.8%			48.6%		

Chief of Staff

	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$2.2	$2.8	$0.6	21.0%	$3.8	$0.2	4.1%
Non-Personnel	0.6	0.4	(0.2)	-60.2%	0.5	(0.1)	-14.5%

Total	$2.9	$3.2	$0.4	11.4%	$4.3	$0.1	1.9%
FTEs		28.00			32.00		
% of General Fund	0.5%	0.5%			0.7%		

Finance		FY2016/17			Proposed FY2018/19		
	Actuals	**Budget**	**Var $**	**Var %**	**Budget**	**Var $**	**Var %**
Personnel	$6.8	$7.5	$0.7	8.8%	$8.8	($0.5)	-5.3%
Non-Personnel	8.0	7.5	(0.5)	-7.0%	6.8	(0.2)	-3.6%
Total	$14.8	$15.0	$0.1	0.9%	$15.6	($0.7)	-4.6%
FTEs		72.72			76.72		
% of General Fund	2.5%	2.5%			2.4%		

General Counsel		FY2016/17			Proposed FY2018/19		
	Actuals	**Budget**	**Var $**	**Var %**	**Budget**	**Var $**	**Var %**
Personnel	$0.9	$1.1	$0.1	11.9%	$1.4	$0.1	10.6%
Non-Personnel	0.1	0.0	(0.1)	-242.0%	1.8	0.8	45.0%
Total	$1.0	$1.1	$0.1	5.1%	$3.2	$1.0	30.3%
FTEs		7.00			7.75		
% of General Fund	0.2%	0.2%			0.5%		

Human Resources		FY2016/17			Proposed FY2018/19		
	Actuals	**Budget**	**Var $**	**Var %**	**Budget**	**Var $**	**Var %**
Personnel	$5.4	$4.8	($0.6)	-13.4%	$5.9	($0.3)	-4.8%
Non-Personnel	0.4	0.4	0.1	14.9%	0.5	0.1	13.9%
Total	$5.8	$5.2	($0.6)	-11.1%	$6.4	($0.2)	-3.3%
FTEs		44.77			48.05		
% of General Fund	1.0%	0.9%			1.0%		

Information Technology		FY2016/17			Proposed FY2018/19		

	Actuals	Budget	Var $	Var %	Budget	Var $	Var %
Personnel	$8.5	$9.5	$1.0	10.6%	$8.0	($1.4)	-17.2%
Non-Personnel	7.0	6.0	(1.0)	-16.8%	5.9	1.2	19.5%
Total	$15.5	$15.5	$0.0	0.0%	$13.9	($0.2)	-1.7%
FTEs		92.75			65.55		
% of General Fund	2.6%	2.6%			2.1%		

Executive District Leadership

	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$0.8	$0.7	($0.1)	-14.3%	$1.4	($0.2)	-12.2%
Non-Personnel	0.2	0.3	0.1	24.8%	1.6	(0.2)	-10.3%
Total	$1.0	$1.0	($0.0)	-3.8%	$3.0	($0.3)	-11.2%
FTEs		7.00			7.00		
% of General Fund	0.2%	0.2%			0.5%		

Racial Equity Priorities

	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$4.3	$4.2	($0.0)	-0.9%	$2.2	($0.9)	-43.0%
Non-Personnel	6.2	5.7	(0.5)	-9.2%	5.9	0.7	11.4%
Total	$10.5	$9.9	($0.6)	-5.7%	$8.1	($0.3)	-3.4%
FTEs		34.50			12.50		
% of General Fund	1.7%	1.6%			1.2%		

Operations - Facilities and Maintenance

	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$27.3	$29.4	$2.1	7.1%	$30.9	($0.7)	-2.3%
Non-Personnel	17.7	16.7	(1.0)	-6.2%	16.0	(1.5)	-9.1%
Total	$45.0	$46.1	$1.1	2.3%	$47.0	($2.2)	-4.6%
FTEs		428.10			430.85		
% of General Fund	7.5%	7.6%			7.2%		

Operations - Transportation

	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$5.5	$6.1	$0.6	9.6%	$6.6	$0.2	3.3%
Non-Personnel	14.8	14.9	0.0	0.2%	17.3	2.5	14.6%
Total	$20.3	$20.9	$0.6	3.0%	$24.0	$2.8	11.5%
FTEs		93.80			91.80		
% of General Fund	3.4%	3.5%			3.7%		

Operations - Other

	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$4.1	$4.4	$0.3	6.2%	$4.5	$0.2	4.7%
Non-Personnel	1.6	1.7	0.1	4.9%	1.6	0.2	11.1%
Total	$5.7	$6.0	$0.4	5.8%	$6.1	$0.4	6.4%
FTEs		55.25			55.75		
% of General Fund	0.9%	1.0%			0.9%		

Schools Performance

	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$7.2	$8.3	$1.1	13.4%	$9.9	$0.1	1.2%
Non-Personnel	23.3	24.5	1.2	4.9%	25.3	1.3	5.0%
Total	$30.5	$32.8	$2.3	7.1%	$35.2	$1.4	3.9%
FTEs		71.34			67.85		
% of General Fund	5.1%	5.4%			5.4%		

Student Support Services

	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$71.0	$71.8	$0.8	1.1%	$77.5	$1.8	2.3%
Non-Personnel	4.8	4.7	(0.1)	-3.2%	6.6	2.0	30.8%
Total	$75.8	$76.4	$0.7	0.9%	$84.1	$3.8	4.5%

FTEs		853.91			913.94		
% of General Fund	12.6%	12.6%			12.9%		

Teaching and Learning	Actuals	FY2016/17 Budget	Var $	Var %	Proposed FY2018/19 Budget	Var $	Var %
Personnel	$26.2	$28.7	$2.5	8.6%	$30.7	$1.1	3.4%
Non-Personnel	8.3	7.1	(1.2)	-17.4%	8.4	0.9	10.9%
Total	$34.5	$35.7	$1.2	3.5%	$39.1	$2.0	5.0%
FTEs		249.33			289.18		
% of General Fund	5.7%	5.9%			6.0%		

5529 - included in Central School Prograr	Actuals	FY2016/17 Budget	Var $	Var %	FY2018/19 Budget	Var $	Var %
Personnel - Included in Central School Programs	$0.4	$4.4	$4.1	91.7%	$0.5	($0.0)	0.0%
Non-Personnel - Included in Central School Programs	0.0	0.3	0.3	100.0%	0.0	0.0	0.0%
Total	$0.4	$4.7	$4.3	92.2%	$0.5	($0.0)	0.0%
FTEs		44.98			NA		
% of General Fund	0.1%	0.8%			0.1%		

Centralized School Programs	Actuals	FY2016/17 Budget	Var $	Var %	FY2018/19 Budget	Var $	Var %
Personnel	$12.2	$15.3	$3.1	20.3%	$16.7	$0.7	3.9%
Non-Personnel	1.1	1.1	(0.1)	-7.2%	2.6	(1.1)	-42.1%
Total	$13.3	$16.4	$3.0	18.5%	$19.3	($0.5)	-2.4%
FTEs		55.18			0.00		
% of General Fund	2.2%	2.7%			3.0%		

Transfer	Actuals	FY2016/17 Budget	Var $	Var %	FY2018/19 Budget	Var $	Var %

Personnel	$0.0	$0.0	$0.0	0.0%	$0.0	$0.0	0.0%
Non-Personnel	15.9	16.0	0.0	0.1%	6.9	1.0	14.1%
Total	$15.9	$16.0	$0.0	0.1%	$6.9	$1.0	14.1%
FTEs	NA	NA			NA		
% of General Fund	2.7%	2.6%			1.1%		

Budgeted Reserve		**FY2016/17**			**FY2018/19**		
	Actuals	**Budget**	**Var $**	**Var %**	**Budget**	**Var $**	**Var %**
Personnel	$0.0	$0.0	$0.0	0.0%	$0.0	$0.0	0.0%
Non-Personnel	20.1	14.1	(6.0)	-42.1%	23.8	4.1	17.2%
Total	$20.1	$14.1	($6.0)	-42.1%	$23.8	$4.1	17.2%
FTEs	NA	NA			NA		
% of General Fund	3.3%	2.3%			3.7%		
General Fund $s	600,300,453	604,905,161			650,538,941		

Notes

Notes

Includes increase based on new contracts along with Health and Welfare increase due to credit is spend down
Increased to include libraries funds, which was part of the 2017/18 Central budget

Notes

Includes Centrally Administered School Resources expense

Notes

Notes

Savings of headcount reductions offset partially by restructure of team

Notes

Increased outside legal service costs to more accurately reflect expected spend

Notes

Savings driven by headcount alignments to departmental strategies

Notes

Headcount savings
Moving PeopleSoft to cloud hosting, Chromebook replacements along with software for compliance training and identify management are the main drivers of the increases

Notes

Includes Superintendent, Deputy Superintendent and support staff
Majority of these dollars will be distributed as priorities are determined

Notes

Headcount alignment savings offset by investments to community partners
Includes additional resources for Tubman and Roseway Heights Middle Schools

Notes

Includes additional custodians for Tubman and Roseway Heights Middle School; Custodians Health and Welfare increase
Savings primarily in Maintenance & Repair category

Notes

Reduction in headcount offset by school bus driver contract increase
Increase driven by First Student contract increase, increase Tri-met costs due to City of Portland subsidy ending, and additional routes to support Middle Schools

Notes

Capital Planner and Sr Business Operations adds offset savings
Increase primarily driven by contracted security personnel to reflect actual service demand

Notes

Notes

Multi-tier Support Services investments
Multi-tier Support Services investments, along with increase in Athletics

Notes

Notes

Notes

Notes

Intermediate step to meet board requirements of a 5% budgeted reserve target by 2021

June 12, 2018

RESOLUTION No. XXXX

Amendment No. 2 to the 2017/18 Budget for School District No. 1J,
Multnomah County, Oregon

RECITALS

A. On June 13, 2017 the Board of Education ("Board"), by way of Resolution No. 5467, voted to adopt an annual budget for the Fiscal Year 2017/18 as required under Local Budget Law.

B. Board Policy 8.10.030-AD, "Budget Reallocations – Post Budget Adoption," establishes the guidelines to ensure consistent and detailed communication on fiscal issues between the Superintendent and the Board.

C. Oregon Local Budget Law, ORS 294.471, allows budget changes after adoption under prescribed guidelines.

D. On October 3, 2017 by way of resolution No. 5521, the Board voted to amend the annual budget for the Fiscal Year 2017/18.

    a. Amendment No.1 included the following major components:
        i. $7.36M Fund 420 - Full Faith and Credit Fund Balance Reconciliation.
            1. Updated the budget to reflect ending fund balance from FY16/17 for FY17/18 capital expenditures for specifically authorized projects.
        ii. $3.78M General Fund 101 - Usage of Unassigned Contingency.
            1. Adjusted program allocations to more accurately reflect intended expenditures with appropriation levels adjusted as needed.
            2. Corrected technical errors that occurred during budget development.
            3. Adjusted revenues and resources for known or expected significant changes.
            4. Funded through use of unassigned contingency in the General Fund.

E. This Amendment No. 2 revises Fiscal Year 17/18 beginning fund balances to reflect the FY 2016/17 financial statements of the District; adjusts program allocation for funds to more accurately reflect intended expenditures, adjusts appropriation levels as needed, and adjusts revenues and resources for known or expected significant changes. Changes in the appropriation level are indicated in the on the table attached to this resolution
    a. Amendment No. 2 includes the following major components:
        i. $0.30M Fund 299 – Dedicated Resource Fund
            1. Increase the amount transferred to General Fund 101 to allow a full transfer of the proceeds of pcard and e-payable rebates.
            2. Appropriate to represent donations received for construction off playground facilities.
        ii. $2.77M Fund 450 – GO Bonds Fund
            1. Adjusted program allocations to more accurately reflect intended expenditures with appropriation levels adjusted as needed.
        iii. $6.60M Fund 101 – General Funds
            1. Adjusted program allocations to more accurately reflect intended expenditures with appropriation levels adjusted as needed.

F. This resolution is to enable the Board to approve Amendment No.2 to the annual budget for the Fiscal Year 2017/18, and is allowed under ORS 294.471(a) (b) (c) & (d) which state that the budget may be amended at a regular meeting of the governing body.

G. The Superintendent recommends approval of this resolution.

RESOLUTION

1. The Board hereby amends budgeted expenditure appropriation levels as summarized by Fund and Appropriation Level in Attachment A for the fiscal year beginning July 1, 2017.

Interim CFO / Jim Sherzinger

DRAFT

Attachment A

Fund 299 - Dedicated Resource Fund	Amended Budget	Change Amount	Amendment #2
Resources			
Beginning Fund Balance	$ 9,032,612	$ -	$ 9,032,612
Other Revenue from Local Sources	7,379,124	-	7,379,124
State Sources	46,150	-	46,150
Federal Sources	11,405	-	11,405
Other Sources	307,325	-	307,325
Total	**$ 16,776,616**	**$ -**	**$ 16,776,616**

Fund 299 - Dedicated Resource Fund	Amended Budget	Change Amount	Amendment #2
Requirements			
Instruction	$ 12,507,888	$ (350,000)	$ 12,157,888
Support Services	3,335,246	-	3,335,246
Enterprise & Community Services	183,602	-	183,602
Facilities Acquistions & Construction	-	50,000	50,000
Debt Service & Transfers Out	749,881	300,000	1,049,881
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	**$ 16,776,617**	**$ -**	**$ 16,776,617**

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Fund 450 - GO Bonds Fund	Amended Budget	Change Amount	Amendment #2
Resources			
Beginning Fund Balance	$ 116,141,655	$ -	$ 116,141,655
Earnings on Investments	2,977,000	-	2,977,000
Other Revenue from Local Sources	-	-	-
Other Sources	477,160,000	-	477,160,000
Total	**$ 596,278,655**	**$ -**	**$ 596,278,655**

Fund 450 - GO Bonds Fund	Amended Budget	Change Amount	Amendment #2
Requirements			
Instruction	$ -	$ -	$ -
Support Services	786,266	2,773,491	3,559,757
Enterprise & Community Services	-	-	-
Facilities Acquistions & Construction	183,094,895	(2,773,491)	180,321,404
Debt Service & Transfers Out	-	-	-
Contingency	412,397,494	-	412,397,494
Ending Fund Balance	-	-	-
Total	**$ 596,278,655**	**$ -**	**$ 596,278,655**

Attachment A (continued)

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Fund 101 - General Fund	Amended Budget	Change Amount	Amendment #2
Resources			
Beginning Fund Balance	$ 19,871,000	$ -	$ 19,871,000
Local Sources	341,943,960	-	341,943,960
Intermediate Sources	13,030,000	-	13,030,000
State Sources	241,692,000	-	241,692,000
Federal Sources	-	-	-
Other Sources	749,881	300,000	1,049,881
Total	**$ 617,286,841**	**$ 300,000**	**$ 617,586,841**

Fund 101 - General Fund	Amended Budget	Change Amount	Amendment #2
Requirements			
Instruction	$ 334,163,152	$ 6,150,000	$ 340,313,152
Support Services	255,544,055	(6,600,000)	248,944,055
Enterprise & Community Services	1,886,099	450,000	2,336,099
Facilities Acquistions & Construction	-	-	-
Debt Service & Transfers Out	5,960,441	-	5,960,441
Contingency	19,733,094	-	19,733,094
Ending Fund Balance	-	300,000	300,000
Total	**$ 617,286,841**	**$ 300,000**	**$ 617,586,841**

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