



Finance Advisory and Capital Projects Oversight Committee Minutes
November 16, 2023 – 4:00 P.M.

Committee Members:

Present: Bill Newton, Chrissy Reitz, Garrett Aplan, Jen Kelly, Ted Cramer-HREA Rep, Michael McElwee, Rich Truax
Columba Jones

Absent: Nancy Rowley-OSEA Rep

The following HRCSD staff/community members present:
Nancy Hall, Tod Hilstad, Gus Hedberg,

1. Welcome & Call to Order – 4:06 P.M.

Superintendent Bill Newton called the meeting to order at 4:06 pm on November 16, 2023 in a virtual google meet.

2. Public Comment

Superintendent Bill Newton shared no one had signed up for public comment.

3. Reports & Discussions

A. HRCSD & Capital Projects Update

Newton shared that the HRVHS roof project will come in under budget. Parkdale HVAC has some trouble shooting with software and control installation. The Hood River Middle School project is complete. One project currently needing addressing is the Cascade Locks boiler, which is currently unusable with leakage and asbestos. In the meantime, a company out of Gresham is renting equipment to heat the gym, hallway, and cafeteria. Another need is the playground project happening at Mid Valley Elementary School.

Newton shared an update on the Chief Financial Officer position. He shared they had 10 applicants and interviewed 3, and the district is not moving forward with any of those candidates. He shared Nancy Hall is willing to stay on until the district is able to fill the vacancy.

B. Financial Report

Nancy Hall shared that the following information with the committee through reports and information with the program called Forecast Five:

Hall reviewed the General Fund Financial Summary by Object charts, Special Revenue Funds Financial Summary by Object Chart, Debt Service Funds Financial Summary by Object chart, and Capital Project Financial Summary by Object chart.

Hall shared the Variance Report Analysis prepared by Forecast Five for the period from July 1 2023 to October 31, 2023. As seen below:

SUMMARY

This General Fund summary excludes Beginning Fund Balance (5400-5499).

For the current period, total revenue was \$321,134 more than planned and total expenditures were \$63,003 less than planned.

The combined result is a \$384,137 favorable surplus condition for the current year period.

REVENUES

TAXES: Taxes are \$6,142 over plan. This favorable condition represents 36.2% of the year-to-date plan amount of \$16,962. The current year variance amount is considered trivial and meets expectations based on budget appropriations.

TUITION, FEES, OTHER : Tuition, Fees, Other is \$150,267 under plan. This unfavorable condition represents -56.5% of the year-to-date plan amount of \$266,013. This amount is considered material, and was primarily driven by decreases in 1411000

TRANSPORTATION FEES, and 1980000 GRANT INDIRECT CHARGES. For the current year period, Tuition, Fees, Other decreased 57.5% over the prior year period compared to an average increase of 16.0% over the preceding 4 years. The largest Tuition, Fees, Other groups - 1311000 TUITION FROM INDIVIDUALS, 1980000 GRANT INDIRECT CHARGES, 1911000 RENTALS-BUILDINGS, and 1990000 MISCELLANEOUS REVENUES, representing 93.5% of total Tuition, Fees, Other , decreased by 14.7%.

EARNINGS ON INVESTMENTS: Earnings on Investments are \$37,462 over plan. This favorable condition represents 129.7% of the year-to-date plan amount of \$28,883. The current year variance amount is considered material, and was primarily driven by an increase in 1510000 INTEREST EARNED. For the current year period, Earnings on Investments decreased 0.1% over the prior year period compared to an average decrease of 11.6% over the preceding 4 years. The largest Earnings on Investments group - 1510000 INTEREST EARNED, representing 100.0% of total Earnings on Investments, increased by 3.5%.

INTERMEDIATE REVENUE: Intermediate Revenue is \$138,907 over plan. This favorable condition represents 112.1% of the year-to-date plan amount of \$123,938. This amount is considered material, and was primarily driven by an increase in 2102A00

CGESD INVOICED SERVICES. For the current year period, Intermediate Revenue increased 14.1% over the prior year period.

STATE UNRESTRICTED AID AND SSF: State Unrestricted Aid and SSF is \$288,890 over plan. This favorable condition represents 2.0% of the year-to-date plan amount of \$14,183,133. The current year variance amount is considered tolerable, and was primarily driven by an increase in 3101000 BASIC SCHOOL SUPPORT. For the current year period, State Unrestricted Aid and SSF increased 5.5% over the prior year period compared to an average increase of 2.7% over the preceding 4 years.

FEDERAL AID: Federal Aid is on plan. This amount is considered trivial and meets expectations based on budget appropriations.

INTERFUND TRANSFERS/LONG TERM DEBT/OTHER: Interfund Transfers/Long Term Debt/Other is on plan. This amount is considered trivial and meets expectations based on budget appropriations.

EXPENDITURES

SALARIES: Salaries are \$285,275 over plan. This unfavorable condition represents 4.5% of the year-to-date plan amount of \$6,337,512. This variance amount is considered tolerable, and was primarily driven by increases in 0113 ADMINISTRATORS, and 0111 LICENSED SALARIES. This increase was partially offset by a decrease in 0130 OTHER PAY. For the current year period, Salaries increased 8.2% over the prior year period compared to an average increase of 6.3% over the preceding 4 years.

ASSOCIATED PAYROLL COSTS: Associated Payroll Costs are \$73,174 over plan. This unfavorable condition represents 2.0% of the year-to-date plan amount of \$3,742,481. This amount is considered tolerable, and was primarily driven by an increase in 0240 HEALTH INSURANCE. This increase was partially offset by a decrease in 0211 PERS T1/T2. For the current year

period, Associated Payroll Costs increased 6.4% over the prior year period compared to an average increase of 5.1% over the preceding 4 years.

PURCHASED SERVICES: Purchased Services are \$63,034 under plan. This favorable condition represents -5.0% of the year-to-date plan amount of \$1,254,461. The current year variance amount is considered tolerable, and was primarily driven by decreases in 0313 STUDENT SERVICES, and 0389 OTHER PROF/TECH SERVICES. This decrease was partially offset by an increase in 0322 CONTRACTED REPAIRS. For the current year period, Purchased Services decreased 0.8% over the prior year period compared to an average increase of 5.5% over the preceding 4 years.

SUPPLIES: Supplies are \$403,785 under plan. This favorable condition represents -22.6% of the year-to-date plan amount of \$1,784,930. The current year variance amount is considered material, and was primarily driven by a decrease in 0420 TEXTBOOKS. For the current year period, Supplies decreased 1.4% over the prior year period compared to an average increase of 23.3% over the preceding 4 years. The largest Supplies groups - 0420 TEXTBOOKS, 0410 SUPPLIES, and 0470 COMPUTER SOFTWARE, representing 81.4% of total Supplies, increased by 6.3%.

CAPITAL OUTLAY: Capital Outlay is \$11,037 under plan. This favorable condition represents -21.0% of the year-to-date plan amount of \$52,605. The current year variance amount is considered material, and was primarily driven by a decrease in 0540 DEPR EQUIPMENT (>\$5,000). For the current year period, Capital Outlay decreased 79.5% over the prior year period. The largest Capital Outlay group - 0540 DEPR EQUIPMENT (>\$5,000), representing 100.0% of total Capital Outlay, decreased by 22.2%.

OTHER OBJECTS: Other Objects are \$56,403 over plan. This unfavorable condition represents 10.5% of the year-to-date plan amount of \$539,149. The current year variance amount is considered material, and was primarily driven by increases in 0651 LIABILITY INSURANCE, and 0653 PROPERTY INSURANCE. For the current year period, Other Objects increased 16.8% over the prior year period compared to an average increase of 5.2% over the preceding 4 years.

OTHER USES OF FUNDS: Other Uses of Funds are on plan. The current year variance amount is considered trivial and meets expectations based on budget appropriations.

The committee spoke about percentages that go to salaries broken down by classified, licensed and administrative. Hall shared she could bring that information to the group to the next meeting. They spoke about the trend line in enrollment compared to previous years. They spoke about open FTE positions and that they are encumbered into the budget and forecast.

The committee appreciated the reports and amount of information brought to the group. They thanked Nancy for all her work and decided to stay virtual for the next meeting.

4. Adjourn – 4:45 P.M.

BN:mw