



HOOD RIVER COUNTY SCHOOL DISTRICT

Excellence. Every student. Every day.

FINANCE ADVISORY AND BOND OVERSIGHT COMMITTEE MINUTES May 21, 2020 – 4:00 P.M.

Committee Members:

Present: Neely Kirwan, Sandra Buchanan, Charlene Ames, Chrissy Reitz, Rich Polkinghorn, Nancy Rowley (joined at 4:45 due to tech difficulties), Jesus Becerra, Brent Emmons, Sandra Bielen, and Rich Truax.

Absent: Kelly Beard, Michael McElwee, David Russo

WELCOME & CALL TO ORDER – 4:00 P.M.

Neely Kirwan called the meeting to order at 4:00 P.M. on May 21, 2020, in a virtual meeting.

PUBLIC COMMENT – 4:04 P.M.

Sandra Buchanan opened the meeting for public comment, but no comments were shared.

REPORTS & DISCUSSIONS – 4:05 P.M.

Bond Projects Report – 4:05 P.M.

Wenaha Project Manager Jose Aparicio gave the report on several projects which are currently underway.

- May Street Elementary School is in the middle of their phase two. This includes signage on the property, gardens being planted with trees and shrubs. Grass seed will go in soon, so the lawns areas are on lockdown through the summer.
- Mid Valley Elementary School seismic project is going well. Many walls are being reinforced and thickened with concrete.
- Hood River Valley High School is undergoing structural changes with new openings and hallways that have joined the wood shop and metal shop to the rest of the high school buildings. New classrooms are being added as the CTE project continues.
- Cascade Locks Elementary School exterior is receiving new paint and windowsill replacement. The play area will be painted also.

In the discussion that followed the report, a committee member asked about the warehouse in Odell. Aparicio said the building will stay unoccupied. The Hood River Middle School project was also brought up. Aparicio said that a meeting has been scheduled with the City Manager for later in the month.

Financial Report – 4:36 P.M.

Chief Financial Officer Sandra Buchanan gave a financial report for the financial period ending April 30, 2020. She reminded everyone that this was the last meeting for this school year. She said that so far, this 2019-20 school year, the district is on track with the proposed budget. Some highlights from the report:

- \$64.97 million has been spent since 2016 since the bond projects began. More information is available on pages 7 – 8 in the narrative budget report, including a helpful graph.
- The Excise Tax section on page 9 explains the taxes (in Fund 401) have gone to cover projects in the district. The current project where these funds are being used in the CTE addition the Hood River Valley High School.
- Fund 404, the Seismic Project Fund, is currently and will continue to be used to pay for the Mid Valley Elementary seismic upgrades.

Announcement of Certificate of Excellence Award

The Association of School Business Officials International (ASBO) awarded Hood River County School District the Certificate of Excellence in Financial Reporting (COE). Buchanan said that this is the third year in a row for HRCSD to earn this prestigious award. ASBO International's COE recognizes districts that have met the program's high standards for financial reporting and transparency. The school district earned the Certificate of Excellence for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended 2019.

Revenue Forecast from the Confederation of **Oregon School Administrators (COSA)**

Buchanan stated that in an earlier statement from the legislature and governor's office, it was forecast that Oregon schools' income would drop by 2.7 billion dollars for the 2020-2021 school year. Now the forecast is 1.8 billion dollars. This financial forecast for the district originally meant a 17% reduction in expenses. Buchanan said that now it looks more like an 8% reduction. The lottery income went down due to a rise in unemployment, causing a loss of income to school districts statewide. Buchanan also said that the Corporate Activity Tax, prior to the pandemic, was predicted to be \$1.6 billion, and post-pandemic, that projection is \$1.2 billion.

Buchanan stated that COSA indicated that the legislature may find a way to make the budget work for the school districts when they meet this summer. She said that although unemployment has increased, Oregon's 14.2% is less than the national average. She said that the state is not expecting a quick recovery.

Neely Kirwan, the Chief Administrative Officer, said that HRCSD may need to look at spending some of the reserves carefully, bringing the amount in savings lower than the board's anticipated 8% - it may be closer to six or seven percent. Kirwan said that the district administration is looking at cuts for the next two years. She said they are prioritizing student learning, and while they will decrease staff, they are focusing on necessary positions, not people. She stressed that there is not a single school who is "overstaffed," so making the cuts is being considered with caution. Kirwan emphasized that K-12 constituents and COSA will be advocating for the full 9 Billion dollars for

funding education at the K-12 level, and encouraged local people to advocate for this also.

Chrissy Reitz, Finance Advisory Committee member and HRCSD Board Chair, led the discussion about the levy option for this coming school year. She noted that the June budget adoption is when that decision is to be made. She said that the board must decide whether to levy the full \$1.25 per \$1,000 for the county. She said the community trusts us and they know that if the full amount was needed, they would back up that decision.

Closing Comments

The new schedule for the Finance Advisory and Bond Oversight Committee will be established during the summer and they will be notified in August of the @020-2021 school year schedule. Buchanan expressed her gratitude to all the members for their oversight in this essential area of district finances. The meeting was adjourned at 5:30 P.M.

ADJOURN – 5:30 P.M.

SB: cw 6/8/20