



# HOOD RIVER COUNTY SCHOOL DISTRICT

*Excellence. Every student. Every day.*

## **Finance Advisory and Capital Projects Oversight Committee**

November 17, 2022, 4:00-5:30 p.m. Virtual Meeting

Join meeting from your computer, tablet or smartphone.

**Committee Members:** Rich Polkinghorn, Doug Holmes, Chrissy Reitz, Jen Kelly, Gus Hedberg, Columba Jones, Rolland Hayden, Sandra Bielen, Michael McElwee, Nancy Rowley, OSEA Representative, and Ted Cramer, HREA Representative

1. Welcome & Call to Order. (Rich Polkinghorn, Superintendent)

2. Public Comment (Rich Polkinghorn, Superintendent)

*The Hood River County School District Finance Advisory and Bond Oversight Committee (Committee) requests comments be limited to three (3) minutes per speaker. Speakers will state their name and home address for the record. The Committee appreciates community members sharing information during public comments. While the Committee does not respond to public comment, following the meeting, the Superintendent will determine the appropriate level of response. Speakers may offer objective criticism of district operations or programs but the Committee will not hear complaints concerning specific district personnel.*

3. Reports & Discussions

a. HRCSD & Capital Projects update (Rich Polkinghorn)

b. Financial Update (Rich Polkinghorn)

### **2022-23 Meeting Schedule**

2022 Dates	Meeting Times	2023 Dates	Meeting Times
August 2022	No meeting	January 19, 2023	4:00 – 5:30 pm
September 15, 2022	4:00 – 5:30 pm	February 16, 2023	4:00 – 5:30 pm
October 20, 2022	4:00 – 5:30 pm	March 16, 2023	4:00 – 5:30 pm
November 17, 2022	4:00 – 5:30 pm	April 20, 2023	4:00 – 5:30 pm
December 15, 2022	4:00 – 5:30 pm	May 18, 2023	4:00 – 5:30 pm

4. Adjourn

**PUBLIC PARTICIPATION IN FINANCE ADVISORY COMMITTEE MEETINGS**

1. Public input will be limited to three minutes per person unless explicitly adjusted for a particular meeting by the Chair, with a maximum of 30 minutes total.
2. Groups will be encouraged to appoint a spokesperson so the same issue is not repeated. If a large group of people wishes to discuss a specific topic, please designate one person to sign up to speak on behalf of the group.
3. Each public speaker will need to submit the Google Form above before 8am the day prior to the meeting.
4. Speakers will state their name and county of residence for the record.

If you have any questions, please contact Meghan West: [meghan.west@hoodriver.k12.or.us](mailto:meghan.west@hoodriver.k12.or.us) / (541) 387-5013.  
Thank you!



**Finance Advisory and Capital Projects Oversight Committee Minutes**  
October 20, 2022 – 4:00 P.M.

**Committee Members:**

Present: Rich Polkinghorn, Doug Holmes, Sandra Bielen, Rolland Hayden, Gus Hedberg, Columba Jones, Nancy Rowley  
OSEA Rep

Absent: Chrissy Reitz, Michael McElwee, Jen Kelly, Ted Cramer HREA Rep,

The following HRCSD staff/community members present: Erica Greer, Dale Kuykendall

**1. Welcome & Call to Order – 4:01 P.M.**

Chief Financial Officer Doug Holmes called the meeting to order at 4:01pm on October 20, 2022 in a virtual google meet.

**2. Public Comment**

Chief Financial Officer Doug Holmes shared no one had signed up for public comment.

**3. Reports & Discussions**

**A. HRCSD & Capital Projects Update**

Superintendent Rich Polkinghorn shared the following information with the committee:

Polkinghorn shared that there has been a good start to the school year with minor hiccups. He shared he spent most of his day yesterday out at Hood River Valley High School speaking and getting feedback from students in regards to the outreach survey that was put out by the district last spring.

Polkinghorn shared that the district is amping its efforts in community engagement and has set up many events across the community in the next coming weeks.

Polkinghorn shared that the Hood River Middle School project is rolling along. He introduced Dale Kuykendall to give more specific information on the capital projects. Kuykendall shared a slideshow with pictures of the updates and progress. Hood River Middle School Principal Rolland Hayden shared information about his idea to convert the old office space into counseling areas. He stated that this was created out of the need of students to have counselors in a centralized location. Kuykendall and Hayden also spoke about the focal point of the front office to draw attention to the new entrance.

Kuykendall shared updates and progress on the Parkdale Elementary Modular Classroom project. He shared that the permit is ready and they will begin in the next few weeks. Kuykendall shared the timeline to finish before next fall will be tight.

**B. Financial Report**

Chief Financial Officer Doug Holmes shared the following information with the committee:

Holmes asked the committee to note this report was more focused on the YTD (Year To Date) actuals than the budget. He shared the budget and forecasts are being worked on and the September payroll was posted. Holmes noted this was key as it shows us who has been hired and where they are. The district uses that payroll to encumber for the rest of the year. It is at that point the district can then level out the forecast and true up the budget needs for salaries and benefits. Holmes stated in early November the district will get the new State School Fund District Estimate based on September / October enrollment reports. In November the district will be finalizing the Audit and hope to have all of the FY (Fiscal Year) 2022 Ending Fund / FY2023 Beginning Fund balances confirmed and entered into the financial systems. Holmes shared that in November the district will get the local tax payments which will help spread and forecast these figures. The November report presented in December will give the district the best look at the Fiscal 2023 forecast.

Holmes stated the first chart in the report represents all funds within the budget. Revenue YTD is \$11.7 million compared to prior year \$12.7 million. Expenditures are \$12.2 million compared to prior year \$9.8 million.

Holmes stated the second chart represents the General Fund. Revenue YTD is \$11.5 million compared to prior year \$10.7 million. Expenditures are \$8.4 million compared to prior year \$6.9 million. He asked the committee to note on the chart the field representing the ending fund balance as a percentage which is now at 5.85% of operating revenue, the board target is 8% for the General Fund, Board Policy is 5% EFB.

Holmes stated the third chart represents all the special funds from 200 through 299 and include items such as Food Services, Bus replacement, Biennial reserve, ESSERIII, Student Investment Account, Measure 98 / High School Success, and Donations. Revenue YTD is \$112.5 thousand compared to prior year \$1.9 million. Expenditures YTD are \$3.2 million compared to prior year \$2.9 million. Holmes explained these funds are primarily reimbursement grants so the expenditures happen prior to the revenue. The district is currently applying for 1<sup>st</sup> quarter reimbursements.

Holmes stated the fourth chart represents the Debt Service fund. Revenue YTD is \$29.9 thousand compared to prior year \$53.5 thousand. He shared that no expenditures were done this year or last at this time. The Debt service payments are normally made in the months of December and June covering amounts due for principal and interest.

Holmes stated the fifth chart represents all of what the district considers their Capital Funds which include Capital Projects, Construction Excise Tax, Energy Projects, and the Property fund. Revenue YTD is \$50.1 thousand compared to prior year's \$65.7 thousand. Expenditures are \$635.9 thousand compared to \$535 prior year. He shared that primary expenses are related to the HRMS project.

Holmes noted the following four charts represent comparisons of year over year detail and summarize the information on the individual fund charts. The figures represent the Year to Date revenue or expenditure as a percent of the budget for that month for the current year and for the prior year they represent the percent of actuals. He asked the committee to note that revenues can have variances from prior years as many of the funds are on a reimbursement basis where we expense items prior to taking in the revenue based on timing.

#### Revenue sources

- 1000's Local – taxes, local option, construction excise tax, tuitions, earnings on investments
- 2000's Intermediate – County School Fund, CGESD
- 3000's State Sources – State School Fund
- 4000's Federal Sources – Direct from Federal Govt, Fed Govt through State, Medicaid reimbursements, Federal Forest Fees
- 5000's Other Sources – Long term Debt proceeds through bonds, accrued interest, sale of assets

#### Expenditures

- 1000's Instruction – Elementary, Middle, High School, and Alternative Ed
- 2000's Support Services – Social Work, Guidance, Health, Psychological, Speech, School Administration, Transportation, IT

- 3000's Community Services – Food Services, Community Ed
- 4000's Facility Acquisition and Construction – Capital
- 5000's Other Uses – Debt service, transfer of funds
- 6000's Contingency – budgeting only
- 7000's Unappropriated Ending Fund Balance – An estimate of funds needed to maintain operations of the school district from July 1 of the ensuing fiscal year and the time when sufficient new revenues become available to meet cash flow needs of the fund. No expenditure is made from this balance in the year in which it is budgeted.

Holmes explained the variance report analysis gives explanations of Revenue and Expenditures within the General Fund, which when reviewing Revenue and Expenditures has a combined \$1.38 million unfavorable deficit for the current year period. Holmes stated some items contributing to this are increased expenditures for salaries / associated payroll costs and supplies consisting of textbook purchases made earlier in the year.

Holmes stated the last few charts represent Grants and Donations for the district. He shared a chart showing the fund and area numbers along with their descriptions. He noted many of the carryovers using the -001 numbering on this report have 9/30/2022 dates. When reviewing this chart, Holmes shared the committee may also notice some dates into 2024, those grants if not spent this fiscal year will carry over into 2023-24 fiscal year.

Holmes reminded the committee where all the documents for the meeting could be found on the website. A direct link was shared in the chat box.

#### **4. Adjourn – 4:32 P.M.**

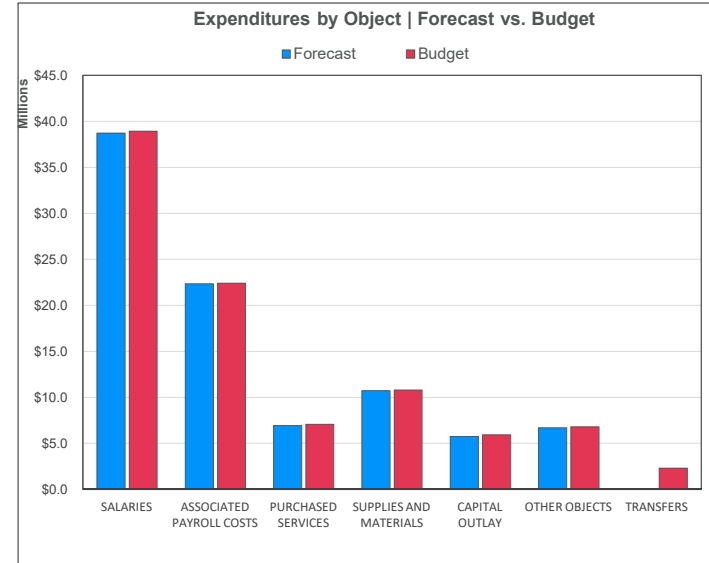
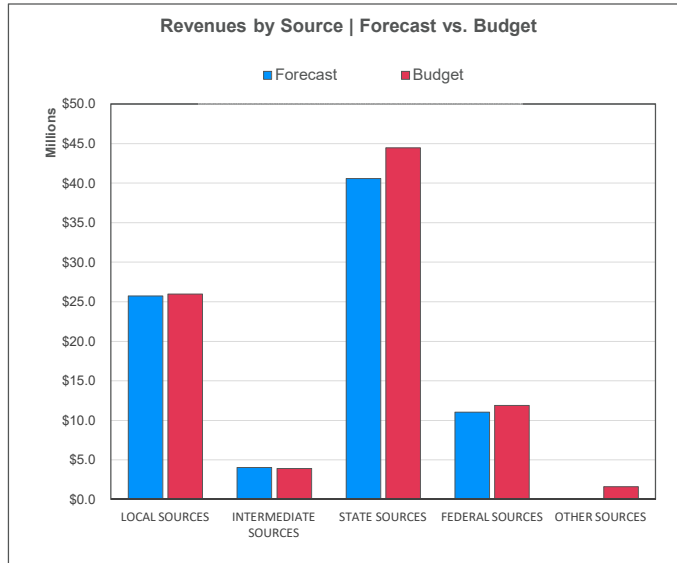
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## All Funds | Financial Projection by Object

For the Period Ending October 31, 2022

	Prior YTD	Current Year Budget	Current YTD	% of Budget	Annual Forecast	Variance Fav / (Unfav)
<b>RESOURCES</b>						
<b>Operating Revenues</b>						
Local Sources	\$ 804,070	\$ 25,976,583	\$ 948,198	3.65%	\$ 25,720,441	\$ (256,142)
Intermediate Sources	271,967	3,919,405	240,790	6.14%	4,018,520	99,116
State Sources	13,759,376	44,453,797	13,738,947	30.91%	40,584,259	(3,869,538)
Federal Sources	975,093	11,896,272	379,265	3.19%	11,026,920	(869,352)
Other Sources	-	1,612,438	97,089	6.02%	100,848	(1,511,590)
<b>Total Operating Revenues</b>	<b>\$ 15,810,507</b>	<b>\$ 87,858,494</b>	<b>\$ 15,404,289</b>	<b>17.53%</b>	<b>\$ 81,450,988</b>	<b>\$ (6,407,507)</b>
Beginning Fund Balance	-	15,717,811	1	0.00%	18,771,092	3,053,281
<b>TOTAL RESOURCES</b>	<b>\$ 15,810,507</b>	<b>\$ 103,576,305</b>	<b>\$ 15,404,289</b>	<b>14.87%</b>	<b>\$ 100,222,079</b>	<b>\$ (3,354,226)</b>
<b>REQUIREMENTS</b>						
<b>Operating Expenditures</b>						
Salaries	\$ 7,345,361	\$ 38,935,162	\$ 8,279,708	21.27%	\$ 38,726,548	\$ 208,614
Associated Payroll Costs	4,261,381	22,390,801	4,519,033	20.18%	22,346,411	44,390
Purchased Services	1,463,467	7,044,896	1,645,172	23.35%	6,918,817	126,079
Supplies and Materials	1,252,477	10,774,654	2,238,376	20.77%	10,721,270	53,384
Capital Outlay	195,398	5,926,971	1,208,018	20.38%	5,752,872	174,100
Other Objects	685,958	6,777,969	564,704	8.33%	6,666,955	111,014
Transfers	-	2,297,175	90,989	3.96%	0	2,297,175
<b>Total Operating Expenditures</b>	<b>\$ 15,204,041</b>	<b>\$ 94,147,628</b>	<b>\$ 18,545,999</b>	<b>19.70%</b>	<b>\$ 91,132,872</b>	<b>\$ 3,014,756</b>
Contingencies	-	287,578	-	0.00%	-	287,578
Unappropriated Ending Fund Balance	-	9,141,100	-	0.00%	-	9,141,100
<b>TOTAL REQUIREMENTS</b>	<b>\$ 15,204,041</b>	<b>\$ 103,576,305</b>	<b>\$ 18,545,999</b>	<b>17.91%</b>	<b>\$ 91,132,872</b>	<b>\$ 12,443,434</b>
Ending Fund Balance					\$ 9,089,207	
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>\$ 606,466</b>	<b>\$ (6,289,133)</b>	<b>\$ (3,141,710)</b>		<b>\$ (9,681,885)</b>	<b>\$ (9,422,263)</b>

(Operating Revenue less Operating Expenses)

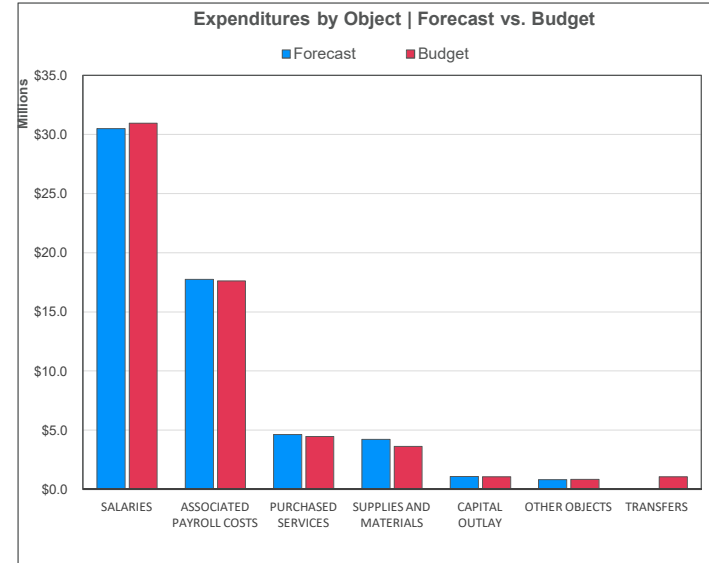
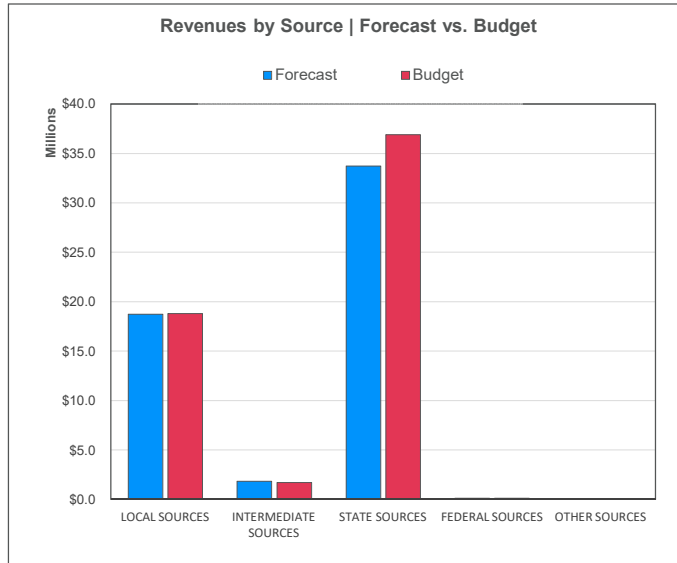


## 100 GENERAL FUND | Financial Projection by Object

For the Period Ending October 31, 2022

	Prior YTD	Current Year Budget	Current YTD	% of Budget	Annual Forecast	Variance Fav / (Unfav)
<b>RESOURCES</b>						
<b>Operating Revenues</b>						
Local Sources	\$ 602,627	\$ 18,812,062	\$ 669,832	3.56%	\$ 18,731,197	\$ (80,865)
Intermediate Sources	221,568	1,712,978	230,435	13.45%	1,829,333	116,355
State Sources	12,709,890	36,878,712	13,721,415	37.21%	33,717,668	(3,161,044)
Federal Sources	62,592	108,019	-	0.00%	107,566	(453)
Other Sources	-	3,761	-	0.00%	3,759	(2)
<b>Total Operating Revenues</b>	<b>\$ 13,596,677</b>	<b>\$ 57,515,532</b>	<b>\$ 14,621,683</b>	<b>25.42%</b>	<b>\$ 54,389,523</b>	<b>\$ (3,126,009)</b>
Beginning Fund Balance	-	6,967,285	-	0.00%	6,903,936	(63,349)
<b>TOTAL RESOURCES</b>	<b>\$ 13,596,677</b>	<b>\$ 64,482,817</b>	<b>\$ 14,621,683</b>	<b>22.68%</b>	<b>\$ 61,293,459</b>	<b>\$ (3,189,358)</b>
<b>REQUIREMENTS</b>						
<b>Operating Expenditures</b>						
Salaries	\$ 5,568,955	\$ 30,953,255	\$ 6,123,071	19.78%	\$ 30,502,929	\$ 450,326
Associated Payroll Costs	3,343,497	17,606,666	3,585,364	20.36%	17,738,553	(131,886)
Purchased Services	1,093,941	4,463,069	1,200,605	26.90%	4,622,669	(159,601)
Supplies and Materials	701,656	3,614,038	1,400,970	38.76%	4,216,821	(602,783)
Capital Outlay	52,215	1,055,907	202,428	19.17%	1,081,751	(25,844)
Other Objects	467,627	832,922	509,850	61.21%	821,676	11,246
Transfers	-	1,068,140	90,989	8.52%	0	1,068,139
<b>Total Operating Expenditures</b>	<b>\$ 11,227,890</b>	<b>\$ 59,593,997</b>	<b>\$ 13,113,277</b>	<b>22.00%</b>	<b>\$ 58,984,399</b>	<b>\$ 609,597</b>
Contingencies	-	287,578	-	0.00%	-	287,578
Unappropriated Ending Fund Balance	-	4,601,243	-	0.00%	-	4,601,243
<b>TOTAL REQUIREMENTS</b>	<b>\$ 11,227,890</b>	<b>\$ 64,482,817</b>	<b>\$ 13,113,277</b>	<b>20.34%</b>	<b>\$ 58,984,399</b>	<b>\$ 5,498,418</b>
Ending Fund Balance					\$ 2,309,060	
					4.2%	
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>\$ 2,368,788</b>	<b>\$ (2,078,464)</b>	<b>\$ 1,508,406</b>		<b>\$ (4,594,876)</b>	<b>\$ (3,735,606)</b>

(Operating Revenue less Operating Expenses)

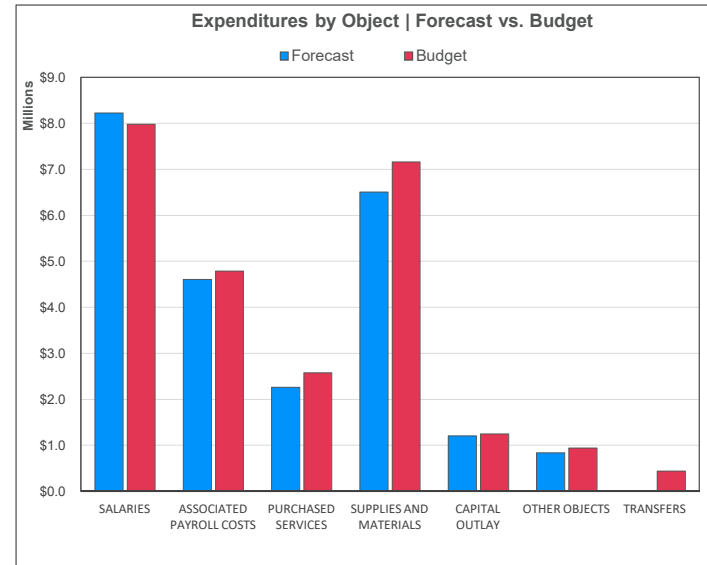
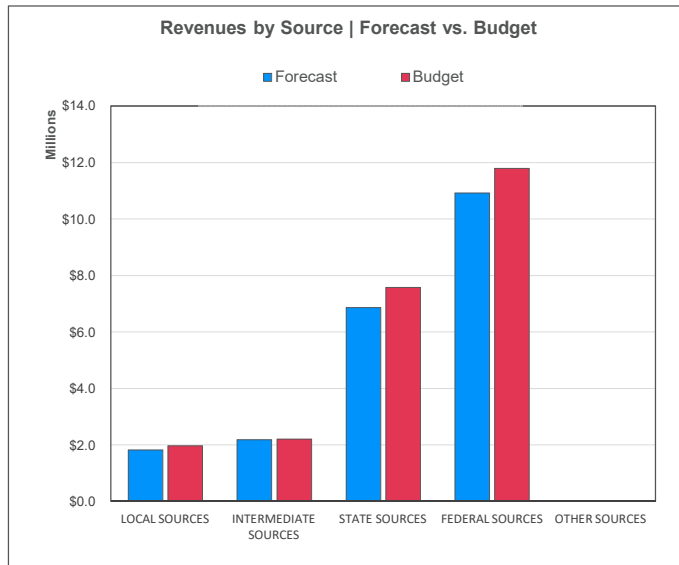


## Special Funds 200-299 | Financial Projection by Object

For the Period Ending October 31, 2022

	Prior YTD	Current Year Budget	Current YTD	% of Budget	Annual Forecast	Variance Fav / (Unfav)
<b>RESOURCES</b>						
<b>Operating Revenues</b>						
Local Sources	\$ 65,506	\$ 1,966,032	\$ 99,646	5.07%	\$ 1,823,745	\$ (142,287)
Intermediate Sources	50,399	2,206,427	10,354	0.47%	2,189,187	(17,239)
State Sources	1,049,486	7,575,084	17,531	0.23%	6,866,591	(708,493)
Federal Sources	912,501	11,788,253	379,265	3.22%	10,919,354	(868,899)
Other Sources	-	-	6,100	0.00%	6,100	6,100
<b>Total Operating Revenues</b>	<b>\$ 2,077,893</b>	<b>\$ 23,535,796</b>	<b>\$ 512,897</b>	<b>2.18%</b>	<b>\$ 21,804,977</b>	<b>\$ (1,730,819)</b>
Beginning Fund Balance	-	6,131,236	1	0.00%	7,760,617	1,629,381
<b>TOTAL RESOURCES</b>	<b>\$ 2,077,893</b>	<b>\$ 29,667,031</b>	<b>\$ 512,897</b>	<b>1.73%</b>	<b>\$ 29,565,593</b>	<b>\$ (101,438)</b>
<b>REQUIREMENTS</b>						
<b>Operating Expenditures</b>						
Salaries	\$ 1,776,406	\$ 7,981,907	\$ 2,156,637	27.02%	\$ 8,223,620	\$ (241,712)
Associated Payroll Costs	917,884	4,784,134	933,669	19.52%	4,607,858	176,276
Purchased Services	367,422	2,576,738	415,478	16.12%	2,263,400	313,338
Supplies and Materials	550,821	7,160,616	837,406	11.69%	6,504,449	656,167
Capital Outlay	143,183	1,248,606	2,882	0.23%	1,201,156	47,450
Other Objects	218,332	937,681	54,854	5.85%	837,913	99,768
Transfers	-	437,493	-	0.00%	-	437,493
<b>Total Operating Expenditures</b>	<b>\$ 3,974,047</b>	<b>\$ 25,127,174</b>	<b>\$ 4,400,926</b>	<b>17.51%</b>	<b>\$ 23,638,395</b>	<b>\$ 1,488,780</b>
Contingencies	-	-	-	0.00%	-	-
Unappropriated Ending Fund Balance	-	4,539,857	-	0.00%	-	4,539,857
<b>TOTAL REQUIREMENTS</b>	<b>\$ 3,974,047</b>	<b>\$ 29,667,031</b>	<b>\$ 4,400,926</b>	<b>14.83%</b>	<b>\$ 23,638,395</b>	<b>\$ 6,028,637</b>
Ending Fund Balance					\$ 5,927,198	
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>\$ (1,896,154)</b>	<b>\$ (1,591,379)</b>	<b>\$ (3,888,029)</b>		<b>\$ (1,833,419)</b>	<b>\$ (3,219,599)</b>

(Operating Revenue less Operating Expenses)



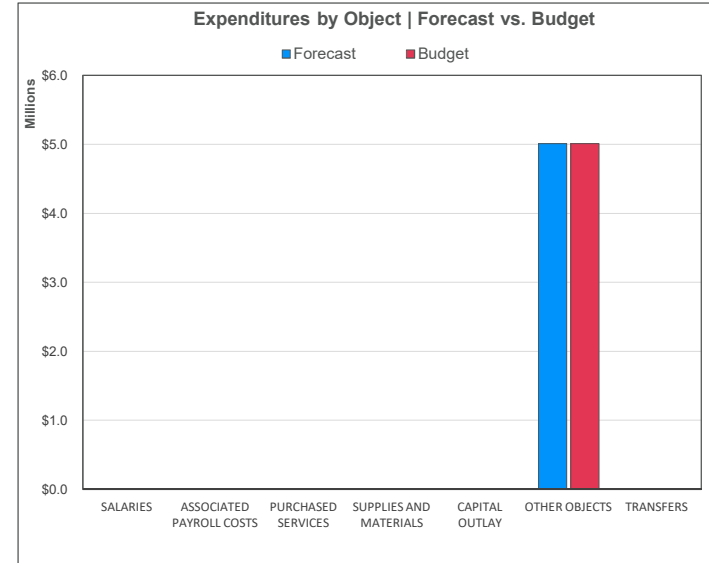
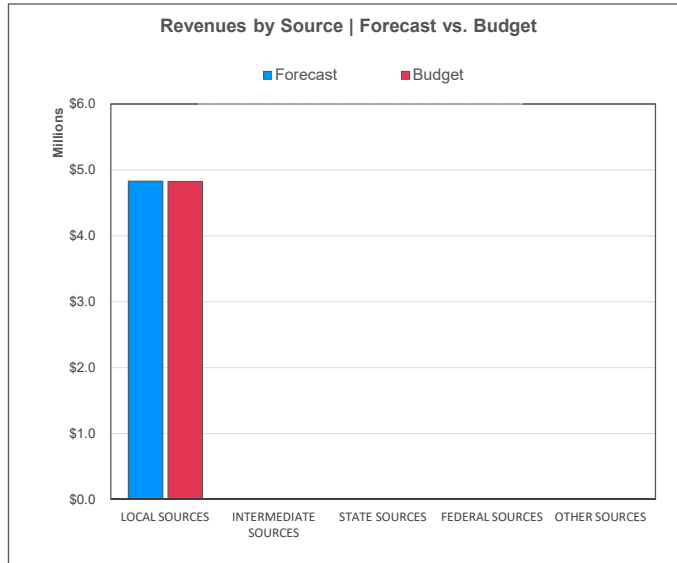


## 300 DEBT SERVICE | Financial Projection by Object

For the Period Ending October 31, 2022

	Prior YTD	Current Year Budget	Current YTD	% of Budget	Annual Forecast	Variance Fav / (Unfav)
<b>RESOURCES</b>						
<b>Operating Revenues</b>						
Local Sources	\$ 59,712	\$ 4,823,400	\$ 118,185	2.45%	\$ 4,828,575	\$ 5,175
Intermediate Sources	-	-	-	0.00%	-	-
State Sources	-	-	-	0.00%	-	-
Federal Sources	-	-	-	0.00%	-	-
Other Sources	-	-	-	0.00%	-	-
<b>Total Operating Revenues</b>	<b>\$ 59,712</b>	<b>\$ 4,823,400</b>	<b>\$ 118,185</b>	<b>2.45%</b>	<b>\$ 4,828,575</b>	<b>\$ 5,175</b>
Beginning Fund Balance	-	183,966	-	0.00%	254,681	70,715
<b>TOTAL RESOURCES</b>	<b>\$ 59,712</b>	<b>\$ 5,007,366</b>	<b>\$ 118,185</b>	<b>2.36%</b>	<b>\$ 5,083,256</b>	<b>\$ 75,890</b>
<b>REQUIREMENTS</b>						
<b>Operating Expenditures</b>						
Salaries	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -
Associated Payroll Costs	-	-	-	0.00%	-	-
Purchased Services	-	-	-	0.00%	-	-
Supplies and Materials	-	-	-	0.00%	-	-
Capital Outlay	-	-	-	0.00%	-	-
Other Objects	-	5,007,366	-	0.00%	5,007,366	-
Transfers	-	-	-	0.00%	-	-
<b>Total Operating Expenditures</b>	<b>\$ -</b>	<b>\$ 5,007,366</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 5,007,366</b>	<b>\$ -</b>
Contingencies	-	-	-	0.00%	-	-
Unappropriated Ending Fund Balance	-	-	-	0.00%	-	-
<b>TOTAL REQUIREMENTS</b>	<b>\$ -</b>	<b>\$ 5,007,366</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 5,007,366</b>	<b>\$ -</b>
Ending Fund Balance					\$ 75,890	
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>\$ 59,712</b>	<b>\$ (183,966)</b>	<b>\$ 118,185</b>		<b>\$ (178,791)</b>	<b>\$ 5,175</b>

(Operating Revenue less Operating Expenses)



## Capital Funds 400-405 | Financial Projection by Object

For the Period Ending October 31, 2022

	Prior YTD	Current Year Budget	Current YTD	% of Budget	Annual Forecast	Variance Fav / (Unfav)
<b>RESOURCES</b>						
<b>Operating Revenues</b>						
Local Sources	\$ 76,225	\$ 375,089	\$ 60,536	16.14%	\$ 336,924	\$ (38,165)
Intermediate Sources	-	-	-	0.00%	-	-
State Sources	-	-	-	0.00%	-	-
Federal Sources	-	-	-	0.00%	-	-
Other Sources	-	1,608,678	90,989	5.66%	90,989	(1,517,688)
<b>Total Operating Revenues</b>	<b>\$ 76,225</b>	<b>\$ 1,983,767</b>	<b>\$ 151,525</b>	<b>7.64%</b>	<b>\$ 427,913</b>	<b>\$ (1,555,854)</b>
Beginning Fund Balance	-	2,435,324	-	0.00%	3,851,858	1,416,534
<b>TOTAL RESOURCES</b>	<b>\$ 76,225</b>	<b>\$ 4,419,091</b>	<b>\$ 151,525</b>	<b>3.43%</b>	<b>\$ 4,279,771</b>	<b>\$ (139,320)</b>
<b>REQUIREMENTS</b>						
<b>Operating Expenditures</b>						
Salaries	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -
Associated Payroll Costs	-	-	-	0.00%	-	-
Purchased Services	2,105	5,089	29,089	571.61%	32,747	(27,658)
Supplies and Materials	-	-	-	0.00%	-	-
Capital Outlay	-	3,622,458	1,002,707	27.68%	3,469,965	152,494
Other Objects	-	-	-	0.00%	-	-
Transfers	-	791,543	-	0.00%	-	791,543
<b>Total Operating Expenditures</b>	<b>\$ 2,105</b>	<b>\$ 4,419,091</b>	<b>\$ 1,031,796</b>	<b>23.35%</b>	<b>\$ 3,502,712</b>	<b>\$ 916,379</b>
Contingencies	-	-	-	0.00%	-	-
Unappropriated Ending Fund Balance	-	-	-	0.00%	-	-
<b>TOTAL REQUIREMENTS</b>	<b>\$ 2,105</b>	<b>\$ 4,419,091</b>	<b>\$ 1,031,796</b>	<b>23.35%</b>	<b>\$ 3,502,712</b>	<b>\$ 916,379</b>
Ending Fund Balance					\$ 777,059	
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>\$ 74,120</b>	<b>\$ (2,435,324)</b>	<b>\$ (880,272)</b>		<b>\$ (3,074,799)</b>	<b>\$ (2,472,233)</b>

(Operating Revenue less Operating Expenses)

