

FORM ED-1

NOTICE OF BUDGET HEARING

A public meeting of the Board of Directors of the Medford School District 549C will be held on Thursday, June 18, 2020 at 6:00 p.m via Zoom. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2020 as approved by the Medford School District 549C Budget Committee. A summary of the budget is presented below. The final meeting for the adoption of the FY20-21 budget will be held on Thursday, June 18, 2020 at 6:00 pm via Zoom. A copy of the budget may be inspected or obtained at the Business Services Office located at 815 S. Oakdale, Room 214, Medford, Oregon between the hours of 8:00 a.m. and 4:00 p.m or online at www.medford.k12.or.us. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the basis of accounting used during the preceding year.

Contact: Brad Earl

Telephone: 541-842-5007

Email: brad.earl@medford.k12.or.us

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Adopted Budget 2018-19	Amended Budget 2019-20	Approved Budget 2020-21
Beginning Fund Balance	23,483,528	23,478,575	25,556,386
Current Year Property Taxes, other than Local Option Taxes	50,140,886	51,717,974	52,615,200
Current Year Local Option Property Taxes	-	-	-
Other Revenue from Local Sources	28,271,316	30,261,524	29,789,303
Revenue from Intermediate Sources	3,319,107	3,300,000	3,500,000
Revenue from State Sources	107,882,240	114,807,199	119,445,612
Revenue from Federal Sources	12,390,711	13,019,646	13,163,806
Interfund Transfers	10,733,252	7,294,774	6,924,891
All Other Budget Resources	608,607	570,307	570,307
Total Resources	236,829,646	244,449,999	251,565,505
FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Salaries	71,621,795	77,291,324	82,138,387
Other Associated Payroll Costs	44,532,784	50,757,818	52,770,640
Purchased Services	51,732,302	49,801,921	51,845,846
Supplies & Materials	11,366,713	11,337,443	11,783,263
Capital Outlay	5,206,318	4,130,182	4,470,229
Other Objects (except debt service & interfund transfers)	857,030	934,438	970,079
Debt Service*	16,645,992	16,806,090	16,980,934
Interfund Transfers*	10,733,252	7,294,774	6,924,891
Operating Contingency	23,795,022	25,742,019	23,383,721
Unappropriated Ending Fund Balance & Reserves	338,440	353,992	297,515
Total Requirements	236,829,646	244,449,999	251,565,505
FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY FUNCTION			
1000 Instruction	102,098,848	110,910,656	116,970,725
FTE	942	978	990
2000 Support Services	72,591,167	73,296,162	76,646,753
FTE	338	348	363
3000 Enterprise & Community Service	5,736,834	6,080,737	6,080,737
FTE			
4000 Facility Acquisition & Construction	4,890,091	3,965,569	4,280,229
FTE			
5000 Other Uses	27,379,244	24,100,864	23,905,825
5100 Debt Service*	16,645,992	16,806,090	16,980,934
5200 Interfund Transfers*	10,733,252	7,294,774	6,924,891
6000 Contingency	23,795,022	25,742,019	23,383,721
7000 Unappropriated Ending Fund Balance	338,440	353,992	297,515
Total Requirements	236,829,646	244,449,999	251,565,505
Total FTE	1,279	1,326	1,352

* not included in total 5000 Other Uses. To be appropriated separately from other 5000 expenditures.

STATEMENT OF CHANGES IN ACTIVITIES AND SOURCES OF FINANCING

General Fund

The approved budget includes, on the advice of the Budget Committee, the assumption of State Revenue of \$9.0 billion for the 2019-21 biennium state school fund, an increase of 8.5% over the prior biennium funding of \$8.2 billion. In FY20-21 the General Fund Budget Resources and Requirements are \$171.8M, \$5.69M or 3.43% higher than the prior year. Revenues plus transfers in from other funds are \$159.8M and expenditures including transfers out to other funds are at \$161.9M resulting in a deficit spending budget of \$2.078M. Beginning Fund Balance is projected at \$11.95M, \$1.4M higher than the prior year. The higher beginning fund balance is a primarily a result of one time savings from distance learning in the FY19-20 year due to the COVID19 pandemic. Of the 1,352.30 FTE projected for next year the General Fund has 1,208.38, or 89% of the employees and the Special Revenue Fund has 143.92, or 11% of the employees. The projected 1,208.38, in the General Fund is up 21.47 FTE from the current staffing of 1,186.92. The projected 143.92 in the Special Revenue fund is an increase of 5.25 FTE, from the current year staffing of 138.67.

Of the 26.72 FTE increase for FY 2020-21, there is a 20 FTE increase in Special Education to reduce class sizes and case loads. There are 10.0 additional FTE for remediation to help children who have fallen behind during the COVID19 shelter in place order and an increase 8.0 FTE for additional cleaning/disinfecting driven by COVID19. All other staffing is down 11.28 FTE.

Special Revenue

Special Revenue Resources/Appropriations are projected at \$33.2M for FY20-21, an increase of \$0.2M (0.63%) from the FY19-20 Budget. The increase in Requirements is mainly made up of the following: \$0.15M Federal Programs, -\$0.0072M in Secondary Athletics, -\$0.015M in Food Service, \$1.7M in Seismic Upgrades, -\$2.95M in Project Reserves due to fewer capital projects and the transfer of \$1.25M to a new Chromebook Reserve Fund. Measure 98 is assumed 100% funded at \$3.0 million for the year. This budget assumes the Student Investment Act Funding to be zero for 2020-21, with the assumption any available SIA funds will be redirected by the Legislature to the State School Fund.

Other Funds

Other funds are up \$1.2M (2.83%) due primarily to a \$1.0M or 5.6% year-over-year increase in the Healthcare Self Insurance Fund and a \$0.18M increase in Pension Obligation Bond debt service spending. Healthcare is up primarily due to claims savings in the prior year due in part to the COVID-19 shelter in place and temporary cancelling of elective medical procedures. Excluding the increase in the Healthcare Self Insurance fund and Pension Obligations Bond debt service, other funds are up a cumulative \$12K.

Summary - All Funds

In summary, the General Fund is the primary funding source for operational spending in the District. In the FY20-21 Budget, the General Fund represents 68.29% of all resources versus 67.95% in the FY19-20 Amended Budget. Total resources across all functions for FY20-21 is \$251.56M vs \$244.44M in the FY19-20 Amended Budget, which is \$7.1M, or 2.9% higher. This is due to a \$5.69M increase in General Fund Resources, a \$0.2M increase in Special Revenue resources, and a \$1.2M increase in other funds.

The District is focused on providing academic rigor and relevance necessary for our students to achieve success. These strategies are designed to engage students across the spectrum and to fully prepare them for college, career, and life after graduation. For most students, our programs will help them obtain an industry certification, college credit or even an associate's degree along with their high school diploma.

PROPERTY TAX LEVIES

	Rate or Amount Imposed 2018-19	Rate or Amount Imposed 2019- 20	Rate or Amount Approved 2020-21
Permanent Rate Levy (Rate Limit \$4.4123 per \$1,000)	39,605,348	40,298,415	41,231,132
Local Option Levy			
Levy For General Obligation Bonds	13,000,000	13,000,000	13,000,000

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Principal Debt Outstanding July 1, 2020	Estimated Debt Authorized, But Not Incurred on July 1, 2020
General Obligation Bonds	\$123,615,000	
Other Bonds (Pension)	\$26,815,000	
Other Borrowings		
Total	\$150,430,000	