

## 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 Monday, June 3, 2019 at 7:00 p.m. at the Medford School District Boardroom, 815 S. Oakdale Avenue, Medford, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2019 as approved by the Medford School District 549C Budget Committee. A summary of the budget is presented below. 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](http://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.

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## FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Adopted Budget This Year 2017-18	Amended Budget Next Year 2018-19	Approved Budget Next Year 2019-20
Beginning Fund Balance	20,589,680	23,091,065	20,517,846
Current Year Property Taxes, other than Local Option Taxes	48,308,887	49,350,130	50,725,974
Current Year Local Option Property Taxes	-	-	-
Other Revenue from Local Sources	28,215,666	30,096,803	31,380,227
Revenue from Intermediate Sources	2,434,879	3,377,110	3,422,000
Revenue from State Sources	102,194,829	107,161,808	111,960,766
Revenue from Federal Sources	13,166,175	12,867,061	12,867,061
Interfund Transfers	8,831,600	10,129,163	6,974,163
All Other Budget Resources	651,784	608,607	570,307
<b>Total Resources</b>	<b>224,393,501</b>	<b>236,681,747</b>	<b>238,418,344</b>

## FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

Salaries	67,552,759	72,139,556	75,894,366
Other Associated Payroll Costs	42,539,971	45,397,380	50,873,035
Purchased Services	47,618,201	51,361,367	54,813,190
Supplies & Materials	9,296,434	9,054,698	7,230,653
Capital Outlay	7,229,936	9,555,125	5,265,213
Other Objects (except debt service & interfund transfers)	1,145,341	1,233,313	1,200,738
Debt Service*	16,479,587	16,647,992	16,806,090
Interfund Transfers*	8,831,600	10,129,163	6,974,164
Operating Contingency	12,983,841	20,905,639	19,083,381
Unappropriated Ending Fund Balance & Reserves	10,715,832	257,515	277,515
<b>Total Requirements</b>	<b>224,393,501</b>	<b>236,681,747</b>	<b>238,418,344</b>

## FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY FUNCTION

1000 Instruction	98,986,712	104,338,547	109,684,326
FTE	909	942	945
2000 Support Services	65,159,398	74,105,607	75,825,760
FTE	328	338	345
3000 Enterprise & Community Service	6,102,717	6,051,865	6,344,808
FTE			
4000 Facility Acquisition & Construction	5,133,814	4,245,420	3,422,300
FTE			
5000 Other Uses	25,311,187	26,777,155	23,780,254
5100 Debt Service*	16,479,587	16,647,992	16,806,090
5200 Interfund Transfers*	8,831,600	10,129,163	6,974,164
6000 Contingency	23,560,163	20,905,638	19,083,381
7000 Unappropriated Ending Fund Balance	139,509	257,515	277,515
<b>Total Requirements</b>	<b>224,393,501</b>	<b>236,681,747</b>	<b>238,418,344</b>
<b>Total FTE</b>	<b>1,238</b>	<b>1,279</b>	<b>1,290</b>

\* 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**

Total General Fund Revenue is up \$7.368 million or 5.07% to \$152.56 million from \$145.19 million in the prior year. The primary driver of the increase in revenue is an increase in State School Funding of \$6.07 million or 5.96%, an increase of Local funding (primarily property taxes) \$1.25 million or 3.1%, and an increase of Intermediate funding of \$0.045 million.

For the Proposed Budget, the district used the 2019-21 biennium budget proposed by the state's Joint Committee on Ways and Means, often referred to as the co-chairs budget. The proposed budget was built on a state school funding of \$8.8715 billion, or an increase of 8.18% over the prior biennium funding of \$8.2 billion. The approved budget includes, on the advice of the Budget Committee, the state's assumed increase to \$9.0 billion in the state school funding for the biennium, an increase of 8.5% over the prior biennium funding of \$8.2 billion. Measure 98 funding is equal to the amount provided in the prior biennium. The state school fund will be allocated with 49% of the funds distributed in the first year of the biennium (2019-20) and 51% distributed in the second year (2020-21).

**Special Revenue**

Special Revenue Resources/Appropriations are projected at \$29.3M for FY19-20, down \$5.4M (-15.12%) from the FY18-19 Budget. The reduction in Requirements is due primarily to -\$3.9M less spending in project reserves, which is due primarily to: -\$0.59M less in capital projects (Griffin Creek Construction project ending in FY18-19), \$0.121M increase for the next curriculum buy, and -\$3.5M in NTS due primarily to a large Chromebook buy in FY18-19 that will not be repeating in FY19-20. Other significant reductions in Requirements include -\$1.0M less spending in Measure 98 based on state funding due to carryover funds from 2017-18, -\$0.1M less in the PERS reserve, -\$0.225M less in Seismic Upgrades, and -\$0.212M less across several smaller State and Local grants that were spent down in 2018-19. Staffing in the Special Revenue fund has decreased 5.5 FTE, 4.5 FTE shifted to the General Fund from Measure 98.

**Other Funds**

Other funds are up \$1.2M (2.69%) due primarily to a \$0.9M increase in the Healthcare Self Insurance Fund and \$0.17M in Pension Obligation Bonds. Excluding the increase in the Healthcare Self Insurance fund and Pension Bonds, other funds are up a cumulative \$92K.

**Summary - All Funds**

In summary, across all funds the FY19-20 Approved Budget reflects an increase in resources of \$1.7M from the current year, bringing the total to \$238.4M. This is the combination of an increase of \$6.0M from the General Fund, a decrease of -\$5.5M 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 2017-18	Rate or Amount Imposed 2018-19	Rate or Amount Approved 2019-20
Permanent Rate Levy (Rate Limit \$4.4123 per \$1,000)	36,149,964	39,605,348	40,298,415
Local Option Levy			
Levy For General Obligation Bonds	13,525,780	13,000,000	13,000,000

**STATEMENT OF INDEBTEDNESS**

<b>LONG TERM DEBT</b>	Estimated Debt Outstanding July 1, 2019	Estimated Debt Authorized, But Not Incurred on July 1, 2019
General Obligation Bonds	\$130,590,000	
Other Bonds (Pension)	\$29,175,000	
Other Borrowings		
<b>Total</b>	<b>\$159,765,000</b>	