

Resolution No. 2018-02

**ADOPTING SUPPLEMENTAL BUDGET NO. 2 AND  
MAKING APPROPRIATIONS FOR THE 2017-18 FISCAL YEAR**

The Board of Directors of Lane County School District No. 4J finds that Adopting the Supplemental Budget and Making Appropriations is necessary under ORS 294.471.

**NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Lane County School District No. 4J, as follows:**

That the Supplemental Budget No. 1 for Lane County School District No. 4J, for the fiscal year beginning July 1, 2017, and ending June 30, 2018, as set forth below is hereby adopted.

That this Supplemental Budget is prepared in accordance with ORS 294.471(1)(a), which authorizes the formulation of a supplemental budget resulting from "an occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning." This Supplemental Budget was published in accordance with ORS 294.471(3)(b).

That this resolution complies with ORS 294.471(4) and does not authorize an increase in the levy of property taxes above the amount published in the 2017-18 Adopted Budget.

That the amounts for the fiscal year beginning July 1, 2017, and for the purposes shown below are hereby appropriated as follows:

	As Revised November 1, 2017	Supplemental Budget #2	As Revised March 14, 2018
<b><u>GENERAL FUND</u></b>			
Instruction	\$ 107,881,155	\$ 1,635,032	\$ 109,516,187
Supporting Services	67,293,845	881,842	68,175,687
Enterprise & Community Services	466,464	1,300	467,764
Facilities Acquisition & Construction	1	-	1
Other Uses:			
Debt Service	1	-	1
Transfers of Funds	759,500	-	759,500
Contingency	17,251,699	-	17,251,699
<b>Total General Fund Appropriations</b>	<b>\$ 193,652,665</b>	<b>\$ 2,518,174</b>	<b>\$ 196,170,839</b>
<b>Unappropriated Balance</b>	<b>6,698,056</b>	<b>-</b>	<b>6,698,056</b>
<b>Total General Fund Requirements</b>	<b>\$ 200,350,721</b>	<b>\$ 2,518,174</b>	<b>\$ 202,868,895</b>
	<b>As Adopted June 21, 2017</b>	<b>Supplemental Budget #2</b>	<b>As Revised March 14, 2018</b>
<b><u>INSURANCE RESERVE FUND</u></b>			
Instruction	\$ 1	\$ -	\$ 1
Supporting Services	35,133,142	(650,000)	34,483,142
Enterprise & Community Services	1	-	1
Facilities Acquisition & Construction	-	-	-
Other Uses:			
Debt Service	-	-	-
Transfers of Funds	168,002	650,000	818,002
Operating Contingency	500,000	-	500,000
<b>Total Insurance Reserve Fund Appropriations</b>	<b>\$ 35,801,146</b>	<b>\$ -</b>	<b>\$ 35,801,146</b>
<b>Unappropriated Balance</b>	<b>10,211,420</b>	<b>-</b>	<b>10,211,420</b>
<b>Total Insurance Reserve Fund Requirements</b>	<b>\$ 46,012,566</b>	<b>\$ -</b>	<b>\$ 46,012,566</b>

The foregoing resolution is adopted this 14th day of March, 2018.

  
CLERK

  
CHAIR OF THE BOARD



## ITEM FOR ACTION AT A FUTURE MEETING (First Read)

### Date

February 28, 2018

### Title

Adopt Resolution #2018-02 for Supplemental Budget No. 2, Making Appropriations for the 2017-18 Fiscal Year

### Presenter

Andrea Belz

### Background

Oregon Revised Statute (ORS) 294.456(6) provides that, “after the governing body has enacted the resolutions necessary to adopt the budget as required, an expenditure of public money may not be made for any purpose in an amount greater than the amount appropriated, except as provided in ....ORS 294.471.”

ORS 294.471(1)(a) allows a school district to amend its adopted budget to accommodate “an occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning.”

### Discussion

1. Rationale:

Recognize and appropriate resources in the General Fund for proposed transactions not anticipated or finalized at the time the 2017-18 budget was adopted and transfer spending authority among appropriations in the Insurance Reserve Fund.

2. Options and Alternatives:

The Board may approve, reject or modify the supplemental budget as submitted. Should the chief components of the supplemental budget not be approved, the District would not be able to fully implement the changes in spending and programs described herein.

3. Budget/Resource Implications:

This supplemental budget recognizes an increase in General Fund resources and requests approval for increased appropriations to address new spending requirements. In addition, this supplemental budget includes a transfer of funds from the Insurance Reserve Fund to the General Fund addressed in the 2017-2020 Collective Bargaining Agreement between the Eugene Education Association and the District.

4. Board and Superintendent Goals:

The proposal supports the strategic goal of stable, sustainable stewardship of District resources to best support our instructional mission.

**Recommendation(s)**

The superintendent recommends the Board adopt Resolution #2018-02, approving this supplemental budget, recognizing and appropriating additional revenues, and authorizing spending as described to support district operations.

## **GENERAL FUND (Fund 100)**

### **1) Recognition of New Resources - \$2,518,174**

#### **a) Local Option Tax Collections - \$1,868,174**

The 2017-18 Adopted Budget included estimated local option current tax revenue of \$11,697,000. More recent information provided by the Lane County Tax Assessor's office supports a higher tax revenue estimate due to significant growth in the market value of properties covered by the local option levy.

#### **b) Transfers from the Licensed Insurance Reserve Fund - \$650,000**

The 2017-2020 Collective Bargaining Agreement between the Eugene Education Association and Eugene School District 4J includes an annual transfer of \$650,000 to support District operations. This item recognizes transfers to the General Fund from the Licensed Insurance Reserve Fund (Fund 610).

### **2) Appropriation of New Resources - \$2,518,174**

#### **a) Eugene Education Association (EEA) Contract Implementation - \$1,820,288**

The 2017-2020 Collective Bargaining Agreement between the Eugene Education Association and the Eugene School District 4J was ratified on November 14, 2017. This item appropriates resources to fund contract requirements as follows:

A 2.1% cost of living adjustment (COLA) for licensed staff, extended work year for nurses, special education consultants and school psychologists, increased cheer and dance stipends, increased itinerant special education professional development and release time, increased Individual Education Plan (IEP) and 504 pool, and other changes detailed in the contract.

#### **b) Managers, Administrators, Professionals, Supervisors and Senior Staff - \$317,108**

On December 6, 2017 the Board approved a 2.1% cost of living increase (COLA) for managers, administrators, professions and supervisors as well as senior staff.

#### **c) Lawson Hosting and Support Services - \$218,250**

This item appropriates funds to address the transition of the District's enterprise resource planning system, Lawson, to a new hosting environment and support services provider. On January 17, 2018, the 4J Board of Directors approved the request to award this contract to Velocity (Request for Proposal (RFP) No. 18-59). The District will incur additional costs to move Lawson to the new hosting environment and establish the support relationship.

#### **d) Charter School Payments - \$100,000**

This item recognizes the need to increase budgeted payments to our charter schools as a result of higher estimated local option levy tax collections. Charter schools receive a portion of local option levy tax collections for each student attending their school who resides within the District.

**e) District Safety Officer - \$62,528**

This item funds the mid-year hiring of a District Safety Officer to oversee safety and emergency preparedness throughout the District. This position, in partnership with local emergency responders, will develop and implement a comprehensive safety program to establish a safe and positive school climate for staff and students. The Safety Officer will serve as a focal point to coordinate efforts, facilitate access to resources and provide professional development and support on a district-wide basis.

**INSURANCE RESERVE FUND (Fund 630)**

**1) Transfer of Funds - \$650,000**

**a) Transfer to General Fund from the Licensed Insurance Reserve Fund (Fund 610) - \$650,000**

Per the 2017-2020 Collective Bargaining Agreement between the Eugene Education Association and the Eugene School District 4J, this item budgets a transfer of \$650,000 to the General Fund to support District operations.