

Knappa School District No. 4 • Knappa, Oregon 97103
Budget Committee Meeting
Wednesday, June 4, 2025

6:30 p.m.
Board of Directors Budget Committee Meeting

Call to Order-Flag Salute-Chair Derek Bangs

1. New Business

- 1.1 Approve Minutes from the May 14, 2025 Budget Meeting-(motion needed)
- 1.2 25-26 Budget Review-Superintendent Fritz and Business Manager
Jennifer Morgan
- 1.3 Approve 25-26 Budget- (motion needed)

2. Communications and Hearing of Interested Parties

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Next Meetings •

Wednesday, June 18, 2025 Regular Board Meeting 6:15 p.m., Wednesday, August 6, 2025 •
Board Work Session • 6:30 p.m.

6:20 p.m.
Board of Directors Meeting

Call to Order-Flag Salute-Chair Cullen Bangs
Meeting called to order at 6:20pm.

1. **New Business**

- 1.1 Budget Committee Member Appointment – *Motion Needed*
Hannah Bryan

6:30 p.m.
Board of Directors Budget Committee Meeting

Chair Bangs requests Hannah Bryan to explain their interest in the budget committee position. Hannah Bryan stated with the recent times that she would like to be nominated to make a difference for the school district. Director Montgomery moves, Finn seconded, moved to vote, approval unanimously. No further discussion.

1.2 **Committee Chairperson Selection**

Meeting recalled to order at 6:30pm. Derek Bangs chosen as Budget Chair, Director Chair Bangs moves to approve selection, Finn seconds, moved to vote, approved unanimously. No further discussion.

1.3 **Budget Message - Superintendent Dr.Fritz**

Budget Chair Bangs, calls to Dr. Fritz to present. Dr. Fritz presents updated numbers from the federal and state school budgeting forecast.

1.4 **Budget Document Review - Chief Financial Officer - Jennifer Morgan**

Dr. Fritz responds to public comment and summarizes that we are not cutting the Alt Ed program, but instead refining the program to be combined with our virtual education program to better serve a larger range of student to increase our enrollment numbers. In addition, if our enrollments dropping, we have to right size.

Chair Bangs asks what the budget cut would be depending on the state's 11% to 15 % cap. Jennifer Morgan stated we would need to come up with additional \$120,000.

Jennifer Morgan states that she still recommends to approve the budget as presented. The budget can be adopted at the current amount for appropriation

of expenditures, and if we don't receive the additional increase in SPED weights we are working on a plan for those reductions. Morgan stated that ODE is advocating for us. Chair Bangs asks if the budget is going to be brought to the board again if the said allocation is needed. Dr. Fritz states that a supplemental budget is only for more expenditure authority, it wouldn't to come back for a reduction in revenue, we would control the costs.

There may be additional grants that could help reduce the pressure if the state legislature cap is built on an 11% cap. Chair Bangs stated that we have had plenty of transparency from administration and, there is nothing that is a surprise from the budget that is being presented. Finn asked about the grant deadlines. Dr. Fritz answers they will be announced before the start of the upcoming fiscal year. There is also a preschool grant to balance the loss of the allocations for the program. We have received 3.2 million in grants in previous years. Jasper asked about additional furlough days, Dr. Fritz stated that if we don't meet state educational hours, we don't meet our Division 22 standards requirements, and we don't want to deny students the right amount of education, so taking furlough days is a hard direction compliance-wise. Montgomery asks for clarification of cost of furlough days. Morgan stated that it's approximately \$27,000 per day in savings.

Chair Bangs states that they have had furlough days added to the budget the last few years. Budget Chair D. Bangs highlighted how many grants the district has received in previous and how much it has benefitted the district. Additional grant mentioned is for a 1.5 million to replace fire sprinklers in the district. A supplemental budget would be presented for grants that large, that are received. Budget Chair Bangs mentioned the improvements of the school that were accomplished due the bond and grant. Dr. Fritz mentioned the remaining bond projects include paving the parking lot and replacing Hilda Lahti's roof. The board reviewed a list of concerns for the district buildings, and that is how we have prioritized some of those items during the bond at the same time.

Director Isom asks during the budget message, that Dr. Fritz mentioned the rise of athletic fees, but the budgeted athletic fees are the same as last year. Dr. Fritz stated they are not enough to make much changed in the amount budgeted, additionally they are allocated in two accounts for the high school and middle school. Dr. Fritz the only thing that drives revenue is enrollment and the home school students are not included in the SSF. Dr. Fritz recommends that home school students multi-enroll with our district for at least one class for us to receive revenue to balance the costs.

Director Isom asks for clarification on page 12. Jennifer Morgan stated the Life Skills and Other student treatment allocations are funds allocated for the new severe/medical needs classrooms. The other fund, Title 1 is a correction of accounts and is now allocated correctly.

Insurance claims have also rose due to current events happening in the state. Director Isom asks for clarification on the following pages:

Pg. 14, he asked about the discrepancies in the salaries of all listed. Jennifer Morgan stated that is due to correctly coding staff.

Pg. 15, Fund 389, Jennifer Morgan states it is a correction to a coding account. Moving our OT/PT specialist to the correct account moving forward.

Pg. 17, 1311, Consortium revenue from the other districts for the move of the special needs consortium program from Warrenton to Knappa for the 25-26 school year.

Director Montgomery, asks if there are any other assumptions on revenue, and what risks will there be. Jennifer stated that we budgeted for what the state forecasted for but after the report this morning, we are prepared to be making a few adjustments.

Dr. Fritz mentions a better process with the May take back and with Nancy's interim help, we know that it will be better mitigated than previous years.

Director Isom sums up that that revenue is based on enrollment, if enrollment declines, then staff budgeting-wise has to balance, with the loss of those funds there is no allocation for staffing.

Isom recommends an Enrollment Committee – Program offerings, outreach group, etc. Dr. Fritz stated that we are already doing a number things related to that request. He added that birth rate is also a reason for enrollment declination.

Our online school option that we are refining, can bring in numbers of enrollment from charter school programs. Dr. Fritz mentions that is hard to track and identify the why of students attending other schools.

Budget Chair D. Bangs stated that other schools are also budget cutting.

Chair Bangs stated that Dr. Fritz and the advocacy that has been done will encourage change.

Budget Chair D. Bangs requests a supplemental budget or information sheet with proposed cuts if the state revenue falls below what is currently budgeted. No further discussion.

Meeting adjourned at 7:48pm.

Next Meetings:

Knappa High School Library, Wednesday, May 21, 2025 Regular Board Meeting 6:30 p.m. Knappa High School Library.

2. **Communications and Hearing of Interested Parties**

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Budget Chair Bangs calls for questions and public comment.

Nichole Mann stated for the record regarding the district not being transparent is a disservice to our community. Very disheartening to know how this process was taken. Alt Ed was very beneficial to her student. Concluding that the program should not be cut.

MOTION TO APPROVE PROPOSED FY2025-26 BUDGET:

- I move that the budget committee of Knappa School District 4 approve the proposed budget for the 2025-2026 fiscal year in the amount of \$14,639,539.

MOTION TO IMPOSE & CATEGORIZE AD VALEROM TAXES:

- I move that the permanent tax rate of \$4.6062 per \$1,000 value be levied in support of the General Fund.