

Multnomah Education Service District  
Multnomah County, Oregon

# Adopted Budget

For the Fiscal Year 2015-2016

11611 NE Ainsworth Circle  
Portland, OR 97220  
[www.mesd.k12.or.us](http://www.mesd.k12.or.us)

Approved by the MESD Board of Directors  
6/16/2015

# **Multnomah Education Service District**

## **2015-2016 Fiscal Year Adopted Budget**

### **Budget Document User's Guide**

The 2015-16 Fiscal Year Adopted Budget is organized into the following sections:

**Introduction and Overview-** This section contains the Executive Summary, budget overview, profile, organization, and financial structure of the District as well as a brief overview of the budget process.

**Consolidated Schedules-** This section includes three combining statements each displaying the agency's six budgetary funds in separate columns. The Fund Summary displays all the resources and requirements of the agency. The Revenue Detail expands on the revenue section of the previous Fund Summary report. In the same way, the Expenditure Summary expands on the expenditure line. It shows three different perspectives including expenditures by department, by function and lastly by major category. The next report describes the District's interfund transfers and overhead charges. The Total Requirements by Fund and Function report summarizes the budget at the level of budgetary approval. The final reports in the section display the full-time equivalent positions and actual positions by division within each department as well as by major function.

**Fund Summaries-** The first statement in this section combines all funds and compares the previous two years actual amounts, the current year revised budget, the 2015-16 proposed budget, the 2015-16 approved budget, and the 2015-16 adopted budget. The 2015-16 adopted budget column ties to the total column in the Combining Fund Summary report. Following this statement is a series of reports showing each fund separately but showing the same columns as the combined summary for comparative purposes. Each of these statements summarizes both resources and requirements.

**Expenditures by Department-** This section includes two documents per department. The first provides a brief description of the department, its primary funding sources, and a description of any significant changes in services, funding and FTE in the adopted budget. The next document displays the expenditure perspectives by category, division and fund followed by position summaries by division and fund.

**Debt Service and Facilities & Equipment Reserve Plan -** This section completes the budget picture by providing additional information describing details on the agency's debt issues and upcoming capital maintenance and equipment reserve expenditures.

**Appendix-** The final section within this budget document includes the Superintendent's Budget Message presented in the Proposed Budget, a combining statement displaying projected actuals for the current fiscal year resulting in estimated ending fund balances, the public notices and resolutions followed by a glossary providing definitions of the District's funds as well as definitions of functions and other terms.

*Multnomah Education Service District  
2015-2016 Adopted Budget*

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## Introduction and Overview

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## **Executive Summary**

### **2015-16 Adopted Budget**

June 16, 2015

The Multnomah Education Service District (MESD) is pleased to present the adopted budget for fiscal year 2015-2016. MESDs 2015-16 proposed budget was approved by the Budget committee on March 31, 2015 and certified by the Tax Supervising and Conservation Commission (TSCC) on May 19, 2015. This document represents the collective work of all MESD departments and has been prepared in accordance with Local Budget Law, Oregon regulations, and MESD Board of Directors policies.

The specified revenue and expenditures in the approved budget were based on educated suppositions as of March 26, 2015. We expected adjustments would be made before June 30, 2015 dependent upon legislative actions and as further information became available from our component districts and customers.

Local Budget Law allows the governing body of a local government to make changes to the approved budget by vote of the Board of Directors as follows:

- Reductions to resources, expenditures, or tax levies.
- Increases in expenditures in an individual fund by up to \$5,000 or 10% whichever is greater.

The MESDs adopted budget document includes changes that are within this level of authority. These changes include:

- Reducing State School Fund revenues by \$405,000 in response to state legislative action to fund education at \$7.255B, split 50/50 between fiscal years, for the upcoming biennium with any additional revenue being allocated in the second year (2016-17)
- Minor staffing changes
- Other changes stemming from new information for grants, contracts, and customer requested services.

These modifications will enhance our ability to continue to meet the changing needs of our component districts and the children and families we serve.

A handwritten signature in blue ink that reads 'James Rose'.

James (Jim) Rose  
MESD Interim Superintendent and Budget Officer

**Interim Superintendent /Chief Operating Officer** *Jim Rose*

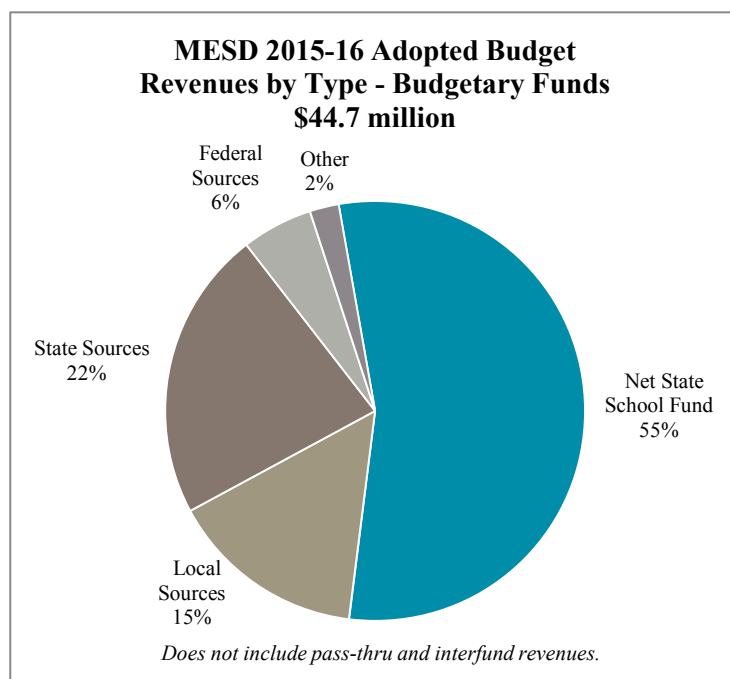
**Board of Directors** *Francisco Acosta, Jr. • Bernie Giusto • Gary Hollands • Nels Johnson • Doug Montgomery • Kevin Spellman • Erica Thatcher*

11611 NE Ainsworth Circle • Portland, Oregon 97220 • 503-255-1841 • fax 503-257-1519 • [www.mesd.k12.or.us](http://www.mesd.k12.or.us)

## Budget Overview

### Revenues – All Funds

Property taxes and state school funding are the primary revenues received by the District. Ninety percent of these revenues stay in the Resolution Fund where up to fifty-five percent of those revenues are available to the component districts as direct transit dollars. Additional revenues include Local, State, and Federal grants.



### Multnomah Education Service District 2014-15 Estimated Revenues and 2015-16 Adopted Budget

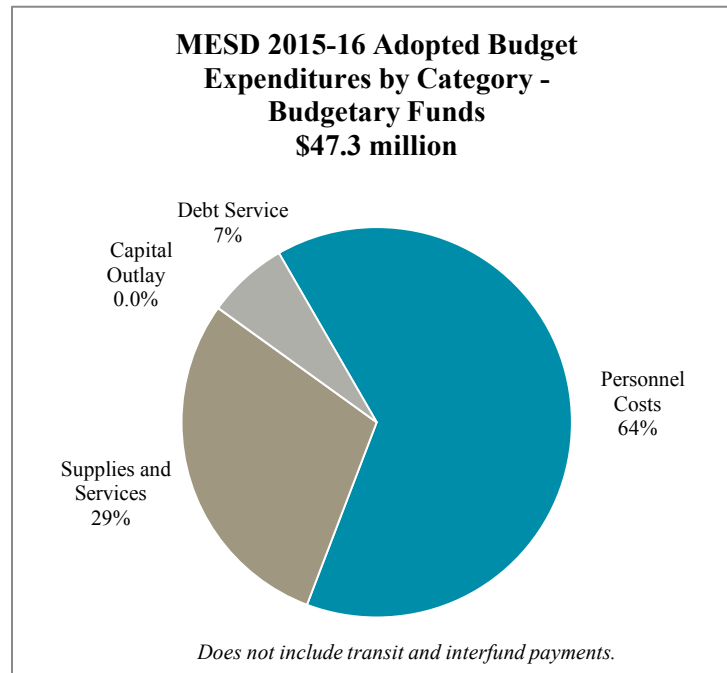
	Estimated 2014-2015	Adopted 2015-2016	Change
Revenues by Type:			
Property Taxes	\$29,132,499	\$30,176,000	4%
State School Fund	6,307,067	7,724,000	22%
Less Transits to Districts	-13,427,049	-13,414,686	0%
Net State School Fund	22,012,517	24,485,314	11%
Local Sources	9,241,023	6,758,538	-27%
State Sources	9,930,953	10,014,656	1%
Federal Sources	2,804,974	2,448,407	-13%
Other	1,134,498	1,001,317	-12%
Subtotal - Revenues by Type	45,123,965	44,708,232	-1%
SSF Revenue passed thru to Districts	13,427,049	13,414,686	0%
Interfund Revenues for Debt Service	2,468,886	2,639,498	7%
Interfund Revenues for Workers Comp	609,456	591,919	-3%
Total Revenues - Budgetary Funds	61,629,356	61,354,335	0%



## Budget Overview

### Expenditures – All Funds

As with most all government agencies, our most significant expenditures are our people. Personnel costs make up 64% of our total expenditures for the District.



### Multnomah Education Service District 2014-15 Estimated Expenditures and 2015-16 Adopted Budget

	Estimated 2014-2015	Adopted 2015-2016	Change
Expenditure by Category:			
Personnel Costs	\$29,552,248	\$30,329,543	3%
Supplies and Services	12,783,459	13,758,237	8%
Capital Outlay	205,964	13,402	-93%
Debt Service	3,050,995	3,177,998	4%
Subtotal - Expenditures by Category	45,592,666	47,279,180	4%
Transit Payments	13,427,049	13,414,686	0%
Interfund Payment for Debt Service	2,468,886	2,639,498	7%
Interfund Payment for Workers Comp	609,456	595,637	-2%
Total Expenditures - Budgetary Funds	62,098,057	63,929,001	3%

## **Profile of the District**

### *Mission Statement:*

*Multnomah Education Service District improves the lives of all children and families by providing equitable, high quality, innovative, cost-effective and locally responsive educational, health and support services at a regional level in partnership with school districts and community agencies.*

### **General Background**

Education Service Districts (ESDs) originated in Oregon's first laws establishing a general system of common schools. The Multnomah ESD evolved from the county school superintendent's office, first established in 1854. Responsibilities of that office were transferred from county government to an independent district in 1957. The state legislature formally established the ESD in 1963. In 1978, the name of the district was changed from Intermediate Education District to Multnomah Education Service District.

Throughout the history of Oregon's regional services system, local governance and state statutes concerning the mission of ESDs has remained somewhat constant: "Education Service Districts assist school districts and the State of Oregon achieving Oregon's education goals by providing excellent and equitable educational opportunities for all Oregon public school students." Today, each ESD provides regional services to its component school districts, primarily in areas that the school districts alone would not be able to adequately and equitably provide. Currently there are 19 ESDs in Oregon serving 36 counties.

Local district programs and services are provided by two means. Non-resolution programs are funded via grants or fee for service contracts. Resolution programs are those that, through a resolution, are authorized by at least two-thirds of the school boards representing a majority of total county students. Resolution programs are funded from property taxes and state school fund revenue. The state allocates support by granting ESDs a percentage of the total amount available for K-12 school funding, with each ESD receiving a fixed share of that total based on the ADMw of its component school districts.

Senate Bill 250, adopted in the 2011 Legislative Session, substantially changed how ESDs operate. The bill allows component school districts in specific Education Service Districts, including MESD, to opt out of ESD services and provides for school districts to receive funding for ESD services directly from the state. In 2015-16, none of the MESD's local districts chose to opt out.

### **District Structure**

Multnomah ESD is governed by an elected seven-member board consisting of five directors representing specific geographic zones in Multnomah County and two at-large. The Board of Directors establishes and oversees policies, employs staff and dedicates resources. It is the chief governing body and is exclusively responsible for its public policies and accountable for fiscal oversight. Board members serve four-year terms without compensation and can be re-elected. The chief administrative officer of the District is the superintendent who is appointed by the Board.

**Multnomah Education Service District  
Board of Directors**

<u>Position</u>	<u>Board Member</u>	<u>Represented Zone</u>	<u>Term Ends</u>
One	Bernie Giusto, Chair	East Multnomah County	6/30/2017
Two	Nels Johnson, Vice-Chair	At Large	6/30/2017
Three	Erica Thatcher	Central Portland	6/30/2017
Four	Francisco Acosta, Jr.	Mid-Multnomah County	6/30/2017
Five	Gary Hollands	N/NE Portland	6/30/2015*
Six	Doug Montgomery	At Large	6/30/2015*
Seven	Kevin Spellman	SE/SW Portland	6/30/2015*

*\*On May 19, 2015 the following Directors were elected for terms beginning July 1, 2013*

<u>Position</u>	<u>Board Member</u>	<u>Represented Zone</u>	<u>Term Ends</u>
Five	Michael Durrow	N/NE Portland	6/30/2019
Six	Stephen Beaudoin	At Large	6/30/2019
Seven	Siobhan Burke	SE/SW Portland	6/30/2019

**Administration**

Jim Rose	Interim Superintendent
Jim Rose	Chief Operating Officer, and Director, Technology Services
Heyke Nickerson	Director, Human Resource Services/Legal Services
Laura Conroy	Public Information Officer
Don Hicks	Risk Management

***Geography and Population***

The Multnomah ESD is the second-largest education service district in Oregon. The eight school districts (referred to as “component districts”) in MESD's region are diverse and include inner city, suburban and rural schools.

**MESD Component Districts**



MESD Eight Component Districts					
District	Total Schools	Total Enrollment	District	Total Schools	Total Enrollment
Centennial	10	7,503	Parkrose	6	4,032
Corbett	3	1,024	Portland	92	54,451
David Douglas	16	13,062	Reynolds	19	13,688
Gresham-Barlow	20	13,349	Riverdale	2	584

Source: MESD Accountability Report 2013-2014, Enrollment = ADMw

Within these districts are 168 schools with 107,693 students (ADMw) over a geographic area that stretches from Portland's west hills to the foothills of the Cascades, and from the Columbia River on the north to the Clackamas County line on the south. An estimated population of 760,000 live within the Multnomah ESD boundary which includes Multnomah County and extends into Clackamas and Washington counties along school district boundaries.

### ***Services Provided (Local Service Plan)***

Every Oregon ESD, working with their component school districts, must annually develop a Local Service Plan which determines how the State School Funds (SSF) will be used. Ninety percent of the SSF revenue received by an ESD is subject to this process. The Local Service Plan determines programs and services that the ESD will offer its component districts for the following fiscal year. In accordance with Oregon Revised Statute 334.177, the remaining ten percent of the SSF revenue is used for the general operating costs of the ESD.

The Local Service Plan must include services from at least the following categories: special education, technology, and school improvement and administrative support. The plan must also include any "entrepreneurial services" that the ESD intends to offer to any entity that is not a component school district either outside of the ESD boundary or inside the ESD boundary.

Under the Resolution Process, at least two-thirds of the school districts in an ESD, representing more than one-half of the student population, must approve the Local Service Plan.

MESD provides the following services to its component school districts:

**Special Education Services** provides services to the component districts as well as to districts outside of Multnomah County. Special education partners with community organizations and the component districts to ensure that every child with a disability is provided the best educational opportunities available.

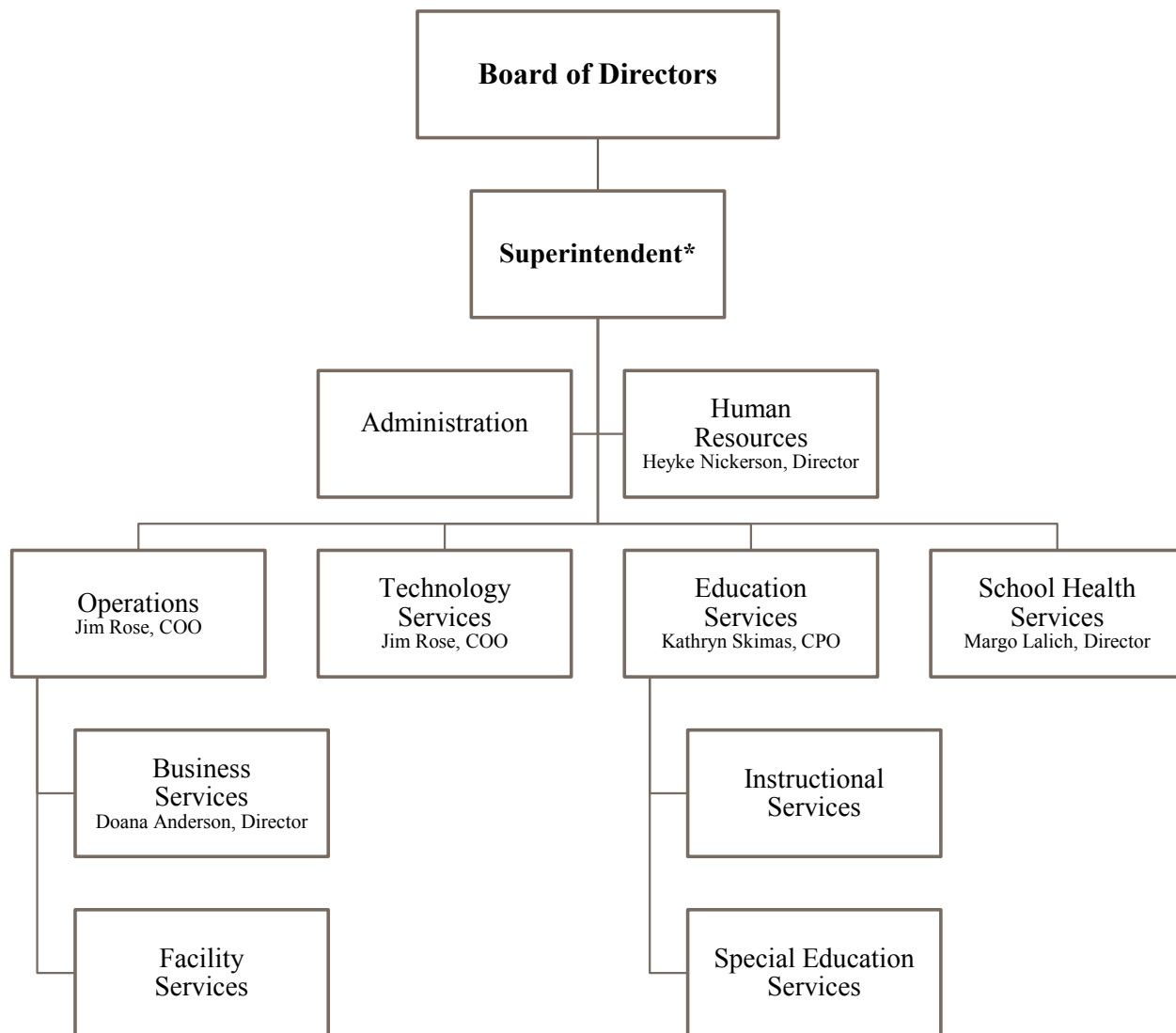
**School Health Services** provides and coordinates specialized services that support the educational experience for students enrolled in our component districts as well as some Clackamas County districts. The department works to ensure that all areas of health are supported for our students' physical, emotional and mental well-being. Together a connection is formed between health and education.

**Instructional Services** provides instruction for students enrolled in regional programs, instructional support for schools, and professional development for educators on a variety of topics. These programs offer a variety of enrichment and enhancement opportunities which complement instruction within the component districts as well as to several districts outside of Multnomah County. Students in the District's

educational programs receive comprehensive educational support, social services, career training, college assistance, environmental education, and specialized education services. These programs emphasize compassion for others, nonviolent ways of settling disputes, resiliency to handle life's challenges, and preparation for college, work, parenthood and civic responsibility.

**Technology Services** provides services both to the component districts through resolution and contracted services as well as internally to the District. The goal of Technology Services is to deliver administrative computer technology and support designed to increase the component district's efficiency and improve internal and external communications. The services fall into four categories: Student Information Services, Business Systems Support, Network Services, and Internal Agency Support.

**Administrative and Support Services** provides services for component school districts, including but not limited to services designed to consolidate component school district business functions, liaison services between the Department of Education and component school districts, registration of children being taught by private teachers, parents or legal guardians pursuant to ORS 339.035, and substitute teacher registration and administration. Other support services include home school registration and courier services.

**Multnomah Education Service District****Organization Chart****June 30, 2015**

\*On June 16, 2015, Jim Rose was appointed Interim Superintendent until a permanent Superintendent is hired in the upcoming fiscal year.

## Financial Structure

The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by the Oregon Local Budget Law. The District uses the following fund types:

### Budgetary Funds:

**General Fund** - accounts for the general operating costs of the District and provides support services to other funds. For accounting purposes, the District appropriates expenditures in three funds: the *Operating Fund (6)*, the *Risk Management and Reserve Fund (7)*, and the *Facilities and Equipment Reserve Fund (4)* that was formerly the Facilities Acquisition and Improvement Fund prior to FY 2014-15.

**Special Revenue Funds** – these funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The MESD has two special revenue funds: the *Resolution Services Fund (1)* and the *Contracted Services Fund (2)*.

**Debt Service Fund (3)** - accounts for the payment and interest on the Limited Tax Pension Obligation (PERS) bonds and the 2004 Refunding General Obligation bonds.

### Non-Governmental Fund:

**Fiduciary Fund** – serves as a pass-through for assets held in trustee capacity for others and not used to support the District's own programs. The *Agency Pass-Through Fund (5)* is used for E-Rate revenue which is recorded as a liability and passed on to component Districts, and for resources held by the District for the Oregon Association of Education Service Districts (OAESD) as fiscal agent. The MESD is not required to budget resources and expenditures for this fund under Oregon Administrative Rule 150-294.388 (1)-(A), section 3. Information in this budget document for the Agency Pass-Through Fund is for informational purposes only.

More information about the specific funds can be found in the Fund Financial Summaries and the Glossary.

**Budget Process**

The District is required by the State of Oregon to adopt an annual budget for all funds subject to the requirements of Local Budget Law as outlined in the 2011 Oregon Revised Statutes 297.405 to 297.555 and 297.990. The budget for each individual fund is a plan for the financial operations to be conducted during the coming fiscal year and is adopted annually, prior to July 1, by the Board after certification by the Multnomah County Tax Supervising and Conservation Commission (TSCC). The budget also provides the authority to levy property taxes. After adoption, the budget may be amended through procedures specified in State statute and Board policy.

For each fund, the expenditures are appropriated by the following major functions:

- Instruction
- Enterprise & Community Services
- Debt Service
- Fund Transfers
- Support Services
- Facilities Acquisitions & Construction
- Other Uses (Transit Payments)
- Contingencies

Appropriations may not legally be over-expended, except in the case of grant receipts which could not be reasonably estimated at the time the budget was adopted. Department directors may realign appropriation within a major function; however, transfers between major functions, even within the same fund, require Board approval. Appropriations lapse at the end of each fiscal year.

**Budget Committee**

The Budget Committee consists of the seven members of the MESD Board, along with an equal number of representatives, plus one, who are appointed by the MESD Board from among applicant members of component district boards or designees of component district boards. To be eligible for appointment, the appointive member must 1) live and be registered to vote in the district, and 2) not be an officer, agent or employee of the ESD. Members are appointed for three-year terms and may be reappointed for as many consecutive terms as deemed appropriate.

The Superintendent is designated as budget officer and he/she or designee prepares the budget document and submits it to the Budget Committee for approval before presentation to the Board and the TSCC. Activities for all funds are included in the annual appropriated budget.

The District begins its budgeting process by appointing Budget Committee members. Beginning in January, budget recommendations are developed by management and presented to the Budget Committee as the Proposed Budget in the spring. The Budget Committee meets, evaluates and approves the budget document at least 30 days prior to the scheduled TSCC public hearing. Public notices of the budget hearing are generally published in April, and the hearing is held in May. The budget is adopted, appropriations are made and the tax levy is declared no later than June 30.



**Multnomah Education Service District  
Current Budget Committee**

<b>Budget Committee Member</b>	<b>Representing</b>	<b>Term Expires</b>
Francisco (Frank) Acosta Jr., Vice-Chair	MESD Board Member	June 30, 2017
Bernie Giusto	MESD Board Member	June 30, 2017
Gary Hollands	MESD Board Member	June 30, 2015
Nels Johnson	MESD Board Member	June 30, 2017
Doug Montgomery	MESD Board Member	June 30, 2015
Kevin Spellman	MESD Board Member	June 30, 2015
Erica Thatcher	MESD Board Member	June 30, 2017
Ernie Butenschoen	Centennial School District	June 30, 2017
Charlie O'Neil	Corbett School District	June 30, 2017
Cheryl Scarcelli	David Douglas School District	June 30, 2016
John Hartsock, Chair	Gresham-Barlow School District	June 30, 2017
Mary Lu Baetkey	Parkrose School District	June 30, 2016
Sara Bottomley	Portland Public School District	June 30, 2015
Rachel Hopper	Reynolds School District	June 30, 2015
Joe Prats	Riverdale School District	June 30, 2017

**2015-2016 Budget Calendar**

January to March	MESD Management Develops Proposed Budget MESD Board appoints Budget Committee Members
March 19, 2015	Budget Committee New Member Orientation
March 31, 2015	Proposed Budget and Budget Message Presentation
<del>April 7 &amp; 14, 2015</del>	Budget Committee Approves Budget and submits it to the TSCC <i>The Budget Committee approved the budget on March 31, 2015</i>
May 19, 2015	TSCC Public Hearing and Budget Certification
June 16, 2015	MESD Board Adopts Budget by Resolution and Certifies Tax Levy

**Supplemental Adjustments**

Unexpected additional resources or reductions may be added to the budget through the use of a supplemental budget and appropriation resolution. Adjustments less than 10% of the fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of the fund's original budget requires hearings before the public, public notices and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels). Such transfers require approval by the Board.

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## **Consolidated Schedules**



**Multnomah Education Service District  
2015 - 2016 Fiscal Year Adopted Budget  
Combining Fund Summary- Budgetary Funds**

	Program Funds		Support Funds				
	Resolution Services	Contracted Services	Operating	Debt Service	Facilities & Equipment Reserve	Risk Management Reserve	Total
<b>Resources</b>							
<b>Beginning Fund Balance</b>	1,669,136	5,333,499	3,296,222		1,340,467	669,144	12,308,468
<b>Revenues</b>							
Property Taxes	30,176,000						30,176,000
State School Fund	7,724,000						7,724,000
Local Sources	6,500	6,746,038	6,000				6,758,538
State Sources		10,014,656					10,014,656
Federal Sources		2,448,407					2,448,407
Investment Earnings			75,000				75,000
Sales of Goods & Services		8,372					8,372
Other Revenues	441,338	313,731	162,876				917,945
Services to Other Funds				2,639,498		591,919	3,231,417
<b>Total Revenues</b>	<b>38,347,838</b>	<b>19,531,204</b>	<b>243,876</b>	<b>2,639,498</b>		<b>591,919</b>	<b>61,354,335</b>
<b>Transfers In &amp; Overhead Revenues</b>							
Overhead Revenues			1,381,196				1,381,196
From Resolution Services			3,790,000		120,000		3,910,000
From Operating				538,500	90,000		628,500
From Risk Mgmt Reserve			22,778				22,778
<b>Total Transfers In/Overhead</b>			<b>5,193,974</b>	<b>538,500</b>	<b>210,000</b>		<b>5,942,474</b>
<b>TOTAL RESOURCES</b>	<b>40,016,974</b>	<b>24,864,703</b>	<b>8,734,072</b>	<b>3,177,998</b>	<b>1,550,467</b>	<b>1,261,063</b>	<b>79,605,277</b>
<b>Requirements</b>							
<b>Total Expenditures</b>	<b>34,117,190</b>	<b>20,272,388</b>	<b>4,972,951</b>	<b>3,177,998</b>	<b>661,631</b>	<b>726,843</b>	<b>63,929,001</b>
<b>Transfers Out &amp; Overhead Charges</b>							
Overhead Charges		1,381,196					1,381,196
To Debt Service			538,500				538,500
To Facilities & Equip Reserve	120,000		90,000				210,000
To Operating	3,790,000					22,778	3,812,778
<b>Total Transfers Out/Overhead</b>	<b>3,910,000</b>	<b>1,381,196</b>	<b>628,500</b>			<b>22,778</b>	<b>5,942,474</b>
<b>Contingency</b>	<b>1,989,784</b>	<b>3,211,119</b>	<b>229,676</b>		<b>888,836</b>	<b>511,442</b>	<b>6,830,857</b>
<b>Ending Fund Balance</b>			<b>2,902,945</b>				<b>2,902,945</b>
<b>TOTAL REQUIREMENTS</b>	<b>40,016,974</b>	<b>24,864,703</b>	<b>8,734,072</b>	<b>3,177,998</b>	<b>1,550,467</b>	<b>1,261,063</b>	<b>79,605,277</b>

**Multnomah Education Service District  
2015 - 2016 Fiscal Year Adopted Budget  
Combining Revenue Detail- Budgetary Funds**

	<b>Program Funds</b>		<b>Support Funds</b>				
	<b>Resolution Services</b>	<b>Contracted Services</b>	<b>Operating</b>	<b>Debt Service</b>	<b>Facilities Acquisition &amp; Improvements</b>	<b>Risk Management Reserve</b>	<b>Total</b>
<b>Property Taxes</b>							
Current Year Taxes	29,426,000						29,426,000
Prior Year Taxes	734,000						734,000
Tax Title Fund Receipts	10,000						10,000
Penalties & Interest Taxes	6,000						6,000
<b>Total Property Taxes</b>	<b>30,176,000</b>						<b>30,176,000</b>
<b>State School Fund</b>							
State School Support Fund	7,724,000						7,724,000
<b>Total State School Fund</b>	<b>7,724,000</b>						<b>7,724,000</b>
<b>Local Sources</b>							
Services to Other LocalEdAgency	6,500	6,667,038	6,000				6,679,538
Services to Other Ed Agencies		36,000					36,000
E-Rate Revenue		43,000					43,000
<b>Total Local Sources</b>	<b>6,500</b>	<b>6,746,038</b>	<b>6,000</b>				<b>6,758,538</b>
<b>State Sources</b>							
Other Restricted Grants In Aid		674					674
Other State Revenue		5,469,578					5,469,578
ODE Contract Revenue		4,544,404					4,544,404
<b>Total State Sources</b>		<b>10,014,656</b>					<b>10,014,656</b>
<b>Federal Sources</b>							
Medicaid Admin Claiming Rev		65,000					65,000
Medicaid SBHS Revenue		600,000					600,000
Restricted Revenue From Fed		230,000					230,000
Title I Revenue		431,290					431,290
Natnl School Lunch Program Rev		214,000					214,000
IDEA Revenue		77,200					77,200
LAUNCH Grant		830,917					830,917

**Combining Revenue Detail- Budgetary Funds**

**Multnomah Education Service District  
2015 - 2016 Fiscal Year Adopted Budget  
Combining Revenue Detail- Budgetary Funds**

	<u>Program Funds</u>		<u>Support Funds</u>				
	<u>Resolution Services</u>	<u>Contracted Services</u>	<u>Operating</u>	<u>Debt Service</u>	<u>Facilities Acquisition &amp; Improvements</u>	<u>Risk Management Reserve</u>	<u>Total</u>
<b>Total Federal Sources</b>		<b>2,448,407</b>					<b>2,448,407</b>
<b>Investment Earnings</b>							
Interest on Investments			75,000				75,000
<b>Total Investment Earnings</b>			<b>75,000</b>				<b>75,000</b>
<b>Sales of Goods &amp; Services</b>							
Sale of Meals-NonReimb Program		250					250
Special Function Revenue		7,622					7,622
Sales- External		500					500
<b>Total Sales of Goods &amp; Services</b>		<b>8,372</b>					<b>8,372</b>
<b>Other Revenues</b>							
Fingerprinting Service Revenue			3,000				3,000
TSPC PDC Fees		10,000	11,936				21,936
Testing Service Revenue			2,000				2,000
Rental/Lease Income			23,940				23,940
Contributions	6,530	105,319					111,849
Fees - Non-Component Districts			77,000				77,000
Miscellaneous Revenue		800	45,000				45,800
Restricted-Intermediate Source	434,808	197,612					632,420
<b>Total Other Revenues</b>	<b>441,338</b>	<b>313,731</b>	<b>162,876</b>				<b>917,945</b>
<b>Services to Other Funds</b>							
Services - Other Funds				2,639,498		591,919	3,231,417
<b>Total Services to Other Funds</b>				<b>2,639,498</b>		<b>591,919</b>	<b>3,231,417</b>
<b>Total Revenues</b>	<b>38,347,838</b>	<b>19,531,204</b>	<b>243,876</b>	<b>2,639,498</b>		<b>591,919</b>	<b>61,354,335</b>

**Multnomah Education Service District**  
**2015 - 2016 Fiscal Year Adopted Budget**  
**Combining Expenditure Summary- Budgetary Funds**

	<b>Program Funds</b>		<b>Support Funds</b>				
	<b>Resolution Services</b>	<b>Contracted Services</b>	<b>Operating</b>	<b>Debt Service</b>	<b>Facilities &amp; Equipment Reserve</b>	<b>Risk Management Reserve</b>	<b>Total</b>
<b>By Department</b>							
Administration	2,480		728,955			717,476	1,448,911
Facilities Services	33,632		593,577				627,209
Business Services	13,414,686		846,221				14,260,907
Human Resources			766,562			9,367	775,929
Technology Services	2,637,561	5,810,948	1,539,789				9,988,298
Special Education Services	8,129,092	5,176,078	122,288				13,427,458
School Health Services	6,219,587	3,248,614	221,635				9,689,836
Instructional Education Svcs	3,680,152	6,036,748	153,924				9,870,824
Debt Services				3,177,998			3,177,998
Building & Project Reserve					661,631		661,631
<b>Total Expenditures by Department</b>	<b>34,117,190</b>	<b>20,272,388</b>	<b>4,972,951</b>	<b>3,177,998</b>	<b>661,631</b>	<b>726,843</b>	<b>63,929,001</b>
<b>By Function</b>							
Instruction	6,796,706	6,433,837					13,230,543
Support Services	13,619,785	7,445,530	4,617,285		661,631	726,843	27,071,074
Enterprise & Community Service	286,013	6,393,021	355,666				7,034,700
Facilities Acq. & Construction							
Other Uses	13,414,686						13,414,686
Debt Service				3,177,998			3,177,998
Transfers Out							
<b>Total Expenditures by Function</b>	<b>34,117,190</b>	<b>20,272,388</b>	<b>4,972,951</b>	<b>3,177,998</b>	<b>661,631</b>	<b>726,843</b>	<b>63,929,001</b>
<b>By Category</b>							
Salaries	11,675,672	7,486,566	2,668,727			96,427	21,927,392
Associated Payroll Costs	6,134,782	3,982,929	1,471,439			48,136	11,637,286
Purchased Services	2,466,392	8,002,036	589,645		661,631	580,060	12,299,764
Supplies and Materials	412,256	800,857	243,140			2,220	1,458,473
Capital Outlay	13,402						13,402
Debt Service				3,177,998			3,177,998
Transit Payments	13,414,686						13,414,686
<b>Total Expenditures by Category</b>	<b>34,117,190</b>	<b>20,272,388</b>	<b>4,972,951</b>	<b>3,177,998</b>	<b>661,631</b>	<b>726,843</b>	<b>63,929,001</b>

Combining Expenditure Summary- Budgetary Funds



**Multnomah Education Service District**  
**2015 - 2016 Fiscal Year Adopted Budget**  
**Interfund Transfers and Overhead Charges**

<u>From Fund</u>	<u>To Fund</u>	<u>Amount</u>
<b>Resolution Services</b>	<b>To Facilities &amp; Equip Reserve</b>	<b>120,000</b>
This amount is being set aside to fund the future replacement of computer hardware necessary to serve the needs of the component districts.		
<b>Resolution Services</b>	<b>To Operating</b>	<b>3,790,000</b>
In accordance with Oregon Revised Statute 334.177, a maximum of 10% of local revenues received (Property Taxes and State School Fund) are transferred to the Operating fund to pay for operating costs incurred by the Agency in support of services provided through the Resolution Services fund.		
<b>Contracted Services</b>	<b>Operating</b>	<b>1,381,196</b>
A maximum 10% surcharge in the Contracted Services Fund is credited to the Operating Fund as overhead revenue to pay for costs incurred by the agency in support of services rendered.		
<b>Operating</b>	<b>To Debt Service</b>	<b>538,500</b>
The Full Faith & Credit Refunding Obligations, Series 2004 debt service requirement is funded by a transfer from the Operating Fund. This general obligation issue refunded the 1997 Certificates of Participation (COP) originally used to fund the construction of Alpha High School and Arata Creek School.		
<b>Operating</b>	<b>To Facilities &amp; Equip Reserve</b>	<b>90,000</b>
This amount funds current and future repairs, replacement, and improvements of the Agency's facilities and equipment.		
<b>Risk Management Reserve</b>	<b>To Operating</b>	<b>22,778</b>
In anticipation of increased PERS rates \$450,000 was set aside to offset the impacts this increase would have on the Operating Fund. This reserve was intended to offset 80% of the PERS operating fund costs in 2011-12, 60% in 2012-13, 40% in 2013-14, 30% in 2014-15 and 10% in 2015-16.		
<b>Total Interfund Transfers and Overhead Charges</b>		<b>5,942,474</b>

**Multnomah Education Service District**  
**2015 - 2016 Fiscal Year Adopted Budget**  
**Total Requirements by Fund and Function - All Budgetary Funds**

	<b>Program Funds</b>		<b>Support Funds</b>				<b>Total</b>
	<b>Resolution Services</b>	<b>Contracted Services</b>	<b>Operating</b>	<b>Debt Service</b>	<b>Facilities &amp; Equipment Reserve</b>	<b>Risk Management Reserve</b>	
<b>Requirements by Function</b>							
1000 Instruction*	\$ 6,796,706	\$ 6,841,234	\$ -	\$ -	\$ -	\$ -	\$ 13,637,940
2000 Support Services*	13,619,785	7,995,063	4,617,285	-	661,631	726,843	27,620,607
3000 Enterprise & Community Services*	286,013	6,817,287	355,666	-	-	-	7,458,966
4000 Facilities Acquisition & Improvements	-	-	-	-	-	-	-
5000 Other Uses	13,414,686	-	-	-	-	-	13,414,686
5100 Debt Service	-	-	-	3,177,998	-	-	3,177,998
5200 Transfers Out	3,910,000	-	628,500	-	-	22,778	4,561,278
6000 Contingencies	1,989,784	3,211,119	229,676	-	888,836	511,442	6,830,857
<b>Total Appropriations</b>	<b>40,016,974</b>	<b>24,864,703</b>	<b>5,831,127</b>	<b>3,177,998</b>	<b>1,550,467</b>	<b>1,261,063</b>	<b>76,702,332</b>
7000 Unappropriated Ending Balance	-	-	2,902,945	-	-	-	2,902,945
<b>Total Requirements</b>	<b>40,016,974</b>	<b>24,864,703</b>	<b>8,734,072</b>	<b>3,177,998</b>	<b>1,550,467</b>	<b>1,261,063</b>	<b>79,605,277</b>

\* For the purpose of this report, indirect overhead charges in the Contracted Services Fund is included as a requirement of the appropriate function.  
Other reports within the budget document show overhead charges in the Transfers Out and Overhead Charges section.

**Total Requirements by Fund and Function - All Budgetary Funds**

**Multnomah Education Service District  
2015 - 2016 Fiscal Year Adopted Budget  
Combining FTE Summary- All Funds**

	<b>Program Funds</b>		<b>Support Funds</b>		
	<b>Resolution Services</b>	<b>Contracted Services</b>	<b>Operating</b>	<b>Risk Management Reserve</b>	<b>Total</b>
<b>Full-Time Equivalent (FTE) by Department And Division</b>					
<b>Administration</b>					
Administration			2.50		2.50
Agency Support				1.00	1.00
Legal Services			.40		.40
Communication Services			1.00		1.00
<b>Total Administration</b>			<b>3.90</b>	<b>1.00</b>	<b>4.90</b>
<b>Facilities Services</b>					
Facility Services	.50		8.25		8.75
<b>Total Facilities Services</b>	<b>.50</b>		<b>8.25</b>		<b>8.75</b>
<b>Business Services</b>					
Business Services Admin			1.00		1.00
Fiscal Services			7.00		7.00
<b>Total Business Services</b>			<b>8.00</b>		<b>8.00</b>
<b>Human Resources</b>					
Human Resources			6.60		6.60
<b>Total Human Resources</b>			<b>6.60</b>		<b>6.60</b>
<b>Technology Services</b>					
Student Applications	14.00				14.00
Business Applications	.15				.15
Infrastructure Services	2.83				2.83
Internal Agency Support			7.66		7.66
Application Development		3.35			3.35
Support Services		3.43	4.33		7.76
<b>Total Technology Services</b>	<b>16.98</b>	<b>6.78</b>	<b>11.99</b>		<b>35.75</b>
<b>Special Education Services</b>					
EI/ECSE		2.84			2.84
Special Education	83.31	22.51	.70		106.52
Related Services	5.83	2.55			8.38
Social Services		10.94			10.94
Arata Creek	16.85	1.88			18.73
<b>Total Special Education Services</b>	<b>105.99</b>	<b>40.72</b>	<b>.70</b>		<b>147.41</b>
<b>School Health Services</b>					
Health Services	69.36	36.89	1.50		107.75
<b>Total School Health Services</b>	<b>69.36</b>	<b>36.89</b>	<b>1.50</b>		<b>107.75</b>

**Multnomah Education Service District**  
**2015 - 2016 Fiscal Year Adopted Budget**  
**Combining FTE Summary- All Funds**

	<u>Program Funds</u>		<u>Support Funds</u>		
	<u>Resolution Services</u>	<u>Contracted Services</u>	<u>Operating</u>	<u>Risk Management Reserve</u>	<u>Total</u>
<b>Instructional Education Svcs</b>					
Social Services		20.82			20.82
Instructional Services	1.15		1.14		2.29
Curriculum & Instruction	4.10				4.10
Outdoor School	.33	10.82			11.15
Helensview	15.18	6.20			21.38
Youth Correction Education	3.73	18.32			22.05
Alternative Pathways		3.06			3.06
Migrant Education		3.88			3.88
<b>Total Instructional Education Svcs</b>	<b>24.49</b>	<b>63.10</b>	<b>1.14</b>		<b>88.73</b>
<b>Total FTE</b>	<b>217.32</b>	<b>147.49</b>	<b>42.08</b>	<b>1.00</b>	<b>407.89</b>

**Full-Time Equivalent (FTE) by Function**

Instruction	90.02	72.96			162.98
Support Services	127.30	72.53	37.75	1.00	238.58
Enterprise & Community Service		2.00	4.33		6.33
<b>Total FTE</b>	<b>217.32</b>	<b>147.49</b>	<b>42.08</b>	<b>1.00</b>	<b>407.89</b>

**Multnomah Education Service District**  
**2015 - 2016 Fiscal Year Adopted Budget**  
**Combining Position Summary- All Funds**

	Program Funds		Support Funds		
	Resolution Services	Contracted Services	Operating	Risk Management Reserve	Total
Positions by Department And Division					
Administration					
Administration			2.50		2.50
Agency Support				1.00	1.00
Legal Services			.40		.40
Communication Services			1.00		1.00
Total Administration			3.90	1.00	4.90
Facilities Services					
Facility Services	.50		8.25		8.75
Total Facilities Services	.50		8.25		8.75
Business Services					
Business Services Admin			1.00		1.00
Fiscal Services			7.00		7.00
Total Business Services			8.00		8.00
Human Resources					
Human Resources			6.60		6.60
Total Human Resources			6.60		6.60
Technology Services					
Student Applications	14.00				14.00
Business Applications	.15				.15
Infrastructure Services	2.83				2.83
Internal Agency Support			7.66		7.66
Application Development		3.35			3.35
Support Services		3.43	4.33		7.76
Total Technology Services	16.98	6.78	11.99		35.75
Special Education Services					
EI/ECSE		2.99			2.99
Special Education	91.97	26.20	.70		118.87
Related Services	7.54	2.81			10.35
Social Services		11.35			11.35
Arata Creek	18.04	2.00			20.04
Total Special Education Services	117.55	45.35	.70		163.60
School Health Services					
Health Services	73.82	41.18	1.50		116.50
Total School Health Services	73.82	41.18	1.50		116.50

**Multnomah Education Service District**  
**2015 - 2016 Fiscal Year Adopted Budget**  
**Combining Position Summary- All Funds**

	Program Funds		Support Funds		
	Resolution Services	Contracted Services	Operating	Risk Management Reserve	Total
Instructional Education Svcs					
Social Services		22.81			22.81
Instructional Services	1.40		1.20		2.60
Curriculum & Instruction	5.00				5.00
Outdoor School	.50	11.04			11.54
Helensview	16.38	6.85			23.23
Youth Correction Education	3.85	21.87			25.72
Alternative Pathways		4.00			4.00
Migrant Education		4.00			4.00
Total Instructional Education Svcs	27.13	70.57	1.20		98.90
Total Positions	235.98	163.88	42.14	1.00	443.00

**Positions by Function**

Instruction	98.91	82.58			181.49
Support Services	137.07	79.30	37.81	1.00	255.18
Enterprise & Community Service		2.00	4.33		6.33
<b>Total Positions</b>	<b>235.98</b>	<b>163.88</b>	<b>42.14</b>	<b>1.00</b>	<b>443.00</b>

## **Fund Financial Summaries**





**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**Combined Fund Summary- All Budgetary Funds**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>Resources</b>						
<b>Beginning Fund Balance</b>	<b>17,044,784</b>	<b>14,544,504</b>	<b>12,777,165</b>	<b>12,308,812</b>	<b>12,308,812</b>	<b>12,308,468</b>
<b>Revenues</b>						
Property Taxes	26,181,577	27,001,138	27,394,000	30,176,000	30,176,000	30,176,000
State School Fund	5,315,956	6,850,158	8,315,886	8,129,000	8,129,000	7,724,000
Local Sources	8,315,530	8,338,421	9,710,123	6,663,595	6,663,595	6,758,538
State Sources	19,077,165	7,550,908	14,942,165	10,031,204	10,031,204	10,014,656
Federal Sources	6,699,687	2,079,394	3,139,914	2,468,262	2,468,262	2,448,407
Investment Earnings	79,693	79,432	75,000	75,000	75,000	75,000
Sales of Goods & Services	22,903	7,025	8,372	8,372	8,372	8,372
Other Revenues	796,627	1,422,321	1,666,993	915,945	915,945	917,945
Services to Other Funds	2,629,464	3,007,619	3,113,830	3,235,135	3,235,135	3,231,417
<b>Total Revenues</b>	<b>69,118,602</b>	<b>56,336,416</b>	<b>68,366,283</b>	<b>61,702,513</b>	<b>61,702,513</b>	<b>61,354,335</b>
<b>Transfers In &amp; Overhead Revenues</b>						
Overhead Revenues	2,557,141	1,087,745	1,574,988	1,377,937	1,377,937	1,381,196
From Resolution Services	3,229,753	3,465,130	3,650,989	3,950,500	3,950,500	3,910,000
From Contract Services	645,941	770,980	334,000			
From Operating	1,618,510	546,606	661,630	628,500	628,500	628,500
From Risk Mgmt Reserve	121,502	84,241	65,708	22,778	22,778	22,778
<b>Total Transfers In/Overhead</b>	<b>8,172,847</b>	<b>5,954,702</b>	<b>6,287,315</b>	<b>5,979,715</b>	<b>5,979,715</b>	<b>5,942,474</b>
<b>TOTAL RESOURCES</b>	<b>94,336,233</b>	<b>76,835,622</b>	<b>87,430,763</b>	<b>79,991,040</b>	<b>79,991,040</b>	<b>79,605,277</b>
<b>Requirements</b>						
<b>Total Expenditures</b>	<b>71,618,882</b>	<b>58,103,751</b>	<b>70,451,903</b>	<b>62,838,277</b>	<b>62,838,277</b>	<b>63,929,001</b>
<b>Transfers Out &amp; Overhead Charges</b>						
Overhead Charges	2,557,141	1,087,749	1,574,988	1,377,937	1,377,937	1,381,196
To Resolution Services	770,980					
To Debt Service	547,530	546,606	546,630	538,500	538,500	538,500
To Facilities & Equip Reserve	80,000	80,000	529,000	210,000	210,000	210,000
To Operating	3,917,196	4,240,351	3,636,697	3,853,278	3,853,278	3,812,778
To Risk Mgmt Reserve	300,000					
<b>Total Transfers Out/Overhead</b>	<b>8,172,847</b>	<b>5,954,706</b>	<b>6,287,315</b>	<b>5,979,715</b>	<b>5,979,715</b>	<b>5,942,474</b>
<b>Contingency</b>			<b>1,885,001</b>	<b>400,000</b>	<b>8,337,763</b>	<b>6,830,857</b>
<b>Total Budget</b>	<b>79,791,729</b>	<b>64,058,457</b>	<b>78,624,219</b>	<b>69,217,992</b>	<b>77,155,755</b>	<b>76,702,332</b>
<b>Ending Fund Balance</b>	<b>14,544,504</b>	<b>12,777,165</b>	<b>8,806,544</b>	<b>10,773,048</b>	<b>2,835,285</b>	<b>2,902,945</b>
<b>TOTAL REQUIREMENTS</b>	<b>94,336,233</b>	<b>76,835,622</b>	<b>87,430,763</b>	<b>79,991,040</b>	<b>79,991,040</b>	<b>79,605,277</b>

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**Combined Fund Summary- All Budgetary Funds**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Department</b>						
Administration	1,327,645	1,291,291	1,827,318	1,383,911	1,383,911	1,448,911
Facilities Services	632,622	990,466	567,004	622,520	622,520	627,209
Business Services	9,246,961	12,973,762	14,336,295	14,421,317	14,421,317	14,260,907
Human Resources	650,325	804,482	793,846	775,929	775,929	775,929
Technology Services	7,950,864	8,886,204	15,102,137	9,988,299	9,988,299	9,988,298
Special Education Services	30,412,907	12,560,651	14,009,351	12,517,410	12,517,410	13,427,458
School Health Services	9,039,363	8,889,702	10,030,571	9,692,837	9,692,837	9,689,836
Instructional Education Svcs	9,312,044	8,402,292	9,949,377	9,611,425	9,611,425	9,870,824
Debt Services	2,807,632	2,927,360	3,051,004	3,177,998	3,177,998	3,177,998
Building & Project Reserve	238,519	377,541	785,000	646,631	646,631	661,631
<b>Total Expenditures by Department</b>	<b>71,618,882</b>	<b>58,103,751</b>	<b>70,451,903</b>	<b>62,838,277</b>	<b>62,838,277</b>	<b>63,929,001</b>
<b>By Function</b>						
Instruction	17,644,078	11,974,087	14,035,093	12,371,557	12,371,557	13,230,543
Support Services	33,879,652	24,409,550	28,049,687	26,708,384	26,708,384	27,071,074
Enterprise & Community Service	3,621,886	5,236,356	11,855,504	7,001,402	7,001,402	7,034,700
Facilities Acq. & Construction	110,488	235,065				
Other Uses	13,555,146	13,321,333	13,460,615	13,578,936	13,578,936	13,414,686
Debt Service	2,807,632	2,927,360	3,051,004	3,177,998	3,177,998	3,177,998
<b>Total Expenditures by Function</b>	<b>71,618,882</b>	<b>58,103,751</b>	<b>70,451,903</b>	<b>62,838,277</b>	<b>62,838,277</b>	<b>63,929,001</b>
<b>By Category</b>						
Salaries	28,516,873	19,258,189	21,687,527	21,636,378	21,636,378	21,927,392
Associated Payroll Costs	15,141,184	12,238,856	13,811,935	11,491,148	11,491,148	11,637,286
Purchased Services	9,476,572	9,043,413	16,415,384	11,362,800	11,362,800	12,299,764
Supplies and Materials	1,960,245	1,044,565	1,842,503	1,577,615	1,577,615	1,458,473
Capital Outlay	161,230	270,035	182,935	13,402	13,402	13,402
Debt Service	2,807,632	2,927,360	3,051,004	3,177,998	3,177,998	3,177,998
Transit Payments	13,555,146	13,321,333	13,460,615	13,578,936	13,578,936	13,414,686
<b>Total Expenditures by Category</b>	<b>71,618,882</b>	<b>58,103,751</b>	<b>70,451,903</b>	<b>62,838,277</b>	<b>62,838,277</b>	<b>63,929,001</b>
<b>FTE SUMMARY</b>						
<b>By Fund</b>						
1 Resolution Services	247.25	200.94	207.72	224.59	224.59	217.32
2 Contracted Services	342.84	165.54	162.08	135.22	135.22	147.49
6 Operating	16.03	38.61	44.74	42.08	42.08	42.08
7 Risk Management Reserve	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total Number of FTE</b>	<b>607.12</b>	<b>406.09</b>	<b>415.54</b>	<b>402.89</b>	<b>402.89</b>	<b>407.89</b>

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**1- Resolution Services Fund Summary**

The Resolution Services Fund accounts for the various programs provided to the component districts as specified by the resolutions. The sources of revenues for this fund come exclusively from local property taxes and the State School Fund. In accordance with Oregon Revised Statute 334.177, a maximum of 10% of these revenues are transferred to the Operating Fund and used to pay for the general operating costs of the agency. The remaining 90% is apportioned to the eight component school districts according to average daily membership weighted (ADMw).

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>Resources</b>						
<b>Beginning Fund Balance</b>	<b>216,320</b>	<b>1,063,053</b>	<b>1,461,383</b>	<b>2,976,978</b>	<b>2,976,978</b>	<b>1,669,136</b>
<b>Revenues</b>						
Current Year Taxes	25,455,148	26,312,524	26,696,025	29,426,000	29,426,000	29,426,000
Prior Year Taxes	713,497	649,185	660,000	734,000	734,000	734,000
Tax Title Fund Receipts	5,090	31,975	31,975	10,000	10,000	10,000
Penalties & Interest Taxes	7,842	7,454	6,000	6,000	6,000	6,000
State School Support Fund	5,315,956	6,850,158	8,315,886	8,129,000	8,129,000	7,724,000
Services to Other LocalEdAgency	120,034	53,415		6,500	6,500	6,500
SSF School Lunch Match	(2,681)	(2,698)				
Contributions		1,299		6,530	6,530	6,530
Recovery of Pr Yr Expenditures		22,726				
Miscellaneous Revenue	1,300	950	636,455			
Restricted-Intermediate Source		81,593		434,808	434,808	434,808
<b>Total Revenues</b>	<b>31,616,186</b>	<b>34,008,581</b>	<b>36,346,341</b>	<b>38,752,838</b>	<b>38,752,838</b>	<b>38,347,838</b>
<b>Transfers In</b>						
From Operating Funds	770,980					
<b>Total Transfers In</b>	<b>770,980</b>					
<b>TOTAL RESOURCES</b>	<b>32,603,486</b>	<b>35,071,634</b>	<b>37,807,724</b>	<b>41,729,816</b>	<b>41,729,816</b>	<b>40,016,974</b>
<b>Requirements</b>						
<b>Total Expenditures</b>	<b>28,310,680</b>	<b>30,145,121</b>	<b>32,671,734</b>	<b>34,844,350</b>	<b>34,844,350</b>	<b>34,117,190</b>
<b>Transfers Out</b>						
Facilities & Equipment Reserve	80,000	80,000	80,000	120,000	120,000	120,000
Operating Fund	3,149,753	3,385,130	3,570,989	3,830,500	3,830,500	3,790,000
<b>Total Transfers Out</b>	<b>3,229,753</b>	<b>3,465,130</b>	<b>3,650,989</b>	<b>3,950,500</b>	<b>3,950,500</b>	<b>3,910,000</b>
<b>Contingency</b>			<b>1,485,001</b>		<b>2,934,966</b>	<b>1,989,784</b>
<b>Total Budget</b>	<b>31,540,433</b>	<b>33,610,251</b>	<b>37,807,724</b>	<b>38,794,850</b>	<b>41,729,816</b>	<b>40,016,974</b>
<b>Ending Fund Balance</b>	<b>1,063,053</b>	<b>1,461,383</b>		<b>2,934,966</b>		
<b>TOTAL REQUIREMENTS</b>	<b>32,603,486</b>	<b>35,071,634</b>	<b>37,807,724</b>	<b>41,729,816</b>	<b>41,729,816</b>	<b>40,016,974</b>

**Multnomah Education Service District  
2015-2016 Fiscal Year Annual Budget  
1- Resolution Services Fund Summary**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Department</b>						
Administration	2,790	2,465	2,480	2,480	2,480	2,480
Facilities Services	32,939	36,867	34,925	33,632	33,632	33,632
Business Services	8,458,552	12,131,957	13,460,615	13,578,936	13,578,936	13,414,686
Technology Services	3,224,311	2,970,766	3,038,533	2,637,562	2,637,562	2,637,561
Special Education Services	9,698,766	7,544,231	7,767,322	7,980,901	7,980,901	8,129,092
School Health Services	4,933,421	5,217,200	5,971,299	6,236,256	6,236,256	6,219,587
Instructional Education Svcs	1,959,901	2,241,635	2,396,560	4,374,583	4,374,583	3,680,152
<b>Total Expenditures by Department</b>	<b>28,310,680</b>	<b>30,145,121</b>	<b>32,671,734</b>	<b>34,844,350</b>	<b>34,844,350</b>	<b>34,117,190</b>
<b>By Function</b>						
Instruction	7,193,582	5,881,723	6,050,697	6,587,239	6,587,239	6,796,706
Support Services	12,655,035	12,124,728	13,154,697	14,405,555	14,405,555	13,619,785
Enterprise & Community Service	5,027	6,713	5,725	272,620	272,620	286,013
Other Uses	8,457,036	12,131,957	13,460,615	13,578,936	13,578,936	13,414,686
<b>Total Expenditures by Function</b>	<b>28,310,680</b>	<b>30,145,121</b>	<b>32,671,734</b>	<b>34,844,350</b>	<b>34,844,350</b>	<b>34,117,190</b>
<b>By Category</b>						
Salaries	11,026,294	9,214,553	10,252,684	11,974,864	11,974,864	11,675,672
Associated Payroll Costs	6,129,288	5,998,188	6,473,903	6,352,182	6,352,182	6,134,782
Purchased Services	2,212,643	2,505,931	2,143,888	2,535,821	2,535,821	2,466,392
Supplies and Materials	479,708	294,492	327,242	389,145	389,145	412,256
Capital Outlay	5,711		13,402	13,402	13,402	13,402
Transit Payments	8,457,036	12,131,957	13,460,615	13,578,936	13,578,936	13,414,686
<b>Total Expenditures by Category</b>	<b>28,310,680</b>	<b>30,145,121</b>	<b>32,671,734</b>	<b>34,844,350</b>	<b>34,844,350</b>	<b>34,117,190</b>

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**2- Contracted Services Fund Summary**

The Contracted Services Fund accounts for activities carried on for the benefit of participating local school districts, as well as food dispensing programs. The fund is self-supporting through grants and other reimbursements, mainly from the state and participating school districts. A maximum surcharge of 10% is added to the cost of services from this fund in order to cover the operating costs of the agency. Where grants specify a different overhead rate the lower rate is applied.

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>Resources</b>						
<b>Beginning Fund Balance</b>	<b>10,503,258</b>	<b>6,854,522</b>	<b>4,807,487</b>	<b>3,890,629</b>	<b>3,890,629</b>	<b>5,333,499</b>
<b>Revenues</b>						
Tuition From Individuals	33,370	1,826				
Services to Other LocalEdAgency	8,083,394	8,106,595	8,982,278	6,572,095	6,572,095	6,667,038
Services to Other Ed Agencies	56,713	26,311	474,860	36,000	36,000	36,000
E-Rate Revenue	4,029		43,000	43,000	43,000	43,000
SSF School Lunch Match	2,681	2,699				
Mentoring Revenue - Students		1,604	111,796			
Grants - Early Childhood	12,155,105					
Other Restricted Grants In Aid	50,000	9,933	109,964	674	674	674
Other State Revenue	3,592,904	4,100,903	10,514,383	5,469,578	5,469,578	5,469,578
ODE Contract Revenue	3,279,156	3,438,467	4,206,022	4,560,952	4,560,952	4,544,404
Medicaid Admin Claiming Rev	66,965	89,766	65,000	65,000	65,000	65,000
Medicaid SBHS Revenue	1,523,089	453,788	1,230,000	620,000	620,000	600,000
Restricted Revenue From Fed	220,732	222,428	249,547	230,000	230,000	230,000
Title I Revenue	1,132,344	408,382	458,231	431,290	431,290	431,290
ARRA Federal Stimulus Revenue	299,974	6,500				
Natnl School Lunch Program Rev	174,841	172,953	184,525	213,900	213,900	214,000
IDEA Revenue	2,541,519	93,222	121,116	77,155	77,155	77,200
Title II Revenue	6,346	78	578			
Fed Grants Thru Intermediate	730					
SAMHSA Grant	81,131					
LAUNCH Grant	652,016	632,277	830,917	830,917	830,917	830,917
Interest on Investments	1,535	1,494				
Sale of Meals-Reimb Programs	3,070	1,703				
Sale of Meals-NonReimb Program			250	250	250	250
Special Function Revenue		5,150	7,622	7,622	7,622	7,622
Sales- External	2,484	143	500	500	500	500
TSPC PDC Fees				10,000	10,000	10,000
Contributions	101,150	223,932	76,849	105,319	105,319	105,319
Recovery of Pr Yr Expenditures		6,024				
Miscellaneous Revenue	343,539	18,085	896,389	800	800	800
Misc Services - Other Entities		303,030				
Rental/Lease Income	4,600					
Restricted-Intermediate Source	27,955	530,565	12,000	197,612	197,612	197,612
Services - Other Funds	(24)					
<b>Total Revenues</b>	<b>34,441,348</b>	<b>18,857,858</b>	<b>28,575,827</b>	<b>19,472,664</b>	<b>19,472,664</b>	<b>19,531,204</b>
<b>Transfers In</b>						
Fees Charged to Grants	2,557,141					
<b>Total Transfers In</b>	<b>2,557,141</b>					
<b>TOTAL RESOURCES</b>	<b>47,501,747</b>	<b>25,712,380</b>	<b>33,383,314</b>	<b>23,363,293</b>	<b>23,363,293</b>	<b>24,864,703</b>

**Fund Summary**

**Multnomah Education Service District  
2015-2016 Fiscal Year Annual Budget  
2- Contracted Services Fund Summary**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>Requirements</b>						
<b>Total Expenditures</b>	<b>37,444,143</b>	<b>19,046,164</b>	<b>27,676,593</b>	<b>18,543,033</b>	<b>18,543,033</b>	<b>20,272,388</b>
<b>Transfers Out</b>						
Federal/State Indirect	2,557,141	1,087,749	1,574,988	1,377,937	1,377,937	1,381,196
Facilities & Equipment Reserve			334,000			
Operating Fund	645,941	770,980				
<b>Total Transfers Out</b>	<b>3,203,082</b>	<b>1,858,729</b>	<b>1,908,988</b>	<b>1,377,937</b>	<b>1,377,937</b>	<b>1,381,196</b>
<b>Contingency</b>					<b>3,442,323</b>	<b>3,211,119</b>
<b>Total Budget</b>	<b>40,647,225</b>	<b>20,904,893</b>	<b>29,585,581</b>	<b>19,920,970</b>	<b>23,363,293</b>	<b>24,864,703</b>
<b>Ending Fund Balance</b>	<b>6,854,522</b>	<b>4,807,487</b>	<b>3,797,733</b>	<b>3,442,323</b>		
<b>TOTAL REQUIREMENTS</b>	<b>47,501,747</b>	<b>25,712,380</b>	<b>33,383,314</b>	<b>23,363,293</b>	<b>23,363,293</b>	<b>24,864,703</b>

**EXPENDITURE PERSPECTIVES**

**By Department**

Administration		7,133	10,000			
Facilities Services	602,761					
Business Services	671,183					
Human Resources	534,478					
Technology Services	3,955,359	4,794,922	10,313,803	5,810,948	5,810,948	5,810,948
Special Education Services	20,590,383	4,844,515	6,117,216	4,414,221	4,414,221	5,176,078
School Health Services	3,947,170	3,454,134	3,836,286	3,234,946	3,234,946	3,248,614
Instructional Education Svcs	7,142,809	5,945,460	7,399,288	5,082,918	5,082,918	6,036,748
<b>Total Expenditures by Department</b>	<b>37,444,143</b>	<b>19,046,164</b>	<b>27,676,593</b>	<b>18,543,033</b>	<b>18,543,033</b>	<b>20,272,388</b>

**By Function**

Instruction	10,450,496	6,092,364	7,925,878	5,784,318	5,784,318	6,433,837
Support Services	18,278,678	6,534,781	8,530,974	6,385,599	6,385,599	7,445,530
Enterprise & Community Service	3,616,859	5,229,643	11,219,741	6,373,116	6,373,116	6,393,021
Other Uses	5,098,110	1,189,376				
<b>Total Expenditures by Function</b>	<b>37,444,143</b>	<b>19,046,164</b>	<b>27,676,593</b>	<b>18,543,033</b>	<b>18,543,033</b>	<b>20,272,388</b>

**By Category**

Salaries	16,394,906	7,549,955	8,584,604	6,899,136	6,899,136	7,486,566
Associated Payroll Costs	8,335,537	4,615,544	5,515,239	3,620,204	3,620,204	3,982,929
Purchased Services	6,357,141	5,134,519	12,359,014	7,080,808	7,080,808	8,002,036
Supplies and Materials	1,258,449	556,770	1,207,786	942,885	942,885	800,857
Capital Outlay			9,950			
Transit Payments	5,098,110	1,189,376				
<b>Total Expenditures by Category</b>	<b>37,444,143</b>	<b>19,046,164</b>	<b>27,676,593</b>	<b>18,543,033</b>	<b>18,543,033</b>	<b>20,272,388</b>

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**3- Debt Service Fund Summary**

The Debt Service Fund accounts for the principal and interest payments associated with the agency's two bond issues. The OSBA Limited Tax Pension Obligations, Series 2004 were sold to fund the District's Public Employees Retirement System (PERS) unfunded actuarial liability. A benefit expense is applied to all payrolls to generate the funds necessary to pay this debt service. The funding is then recognized in the Debt Service Fund as revenue for services to other funds. The second issue is the Full Faith & Credit Refunding Obligations, Series 2004. This general obligation issue refunded the 1997 Certificates of Participation (COP) originally used to fund the construction of Alpha High School and Arata Creek School. A portion of the debt service is expensed to the programs located at the schools and recorded in the Debt Service Fund as revenue for services to other funds; the remainder is funded by a transfer from the Operating Fund.

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>Resources</b>						
<b>Beginning Fund Balance</b>	<b>11</b>	<b>20</b>	<b>35,521</b>			
<b>Revenues</b>						
Services - Other Funds	<u>2,260,111</u>	<u>2,416,255</u>	<u>2,504,374</u>	<u>2,639,498</u>	<u>2,639,498</u>	<u>2,639,498</u>
<b>Total Revenues</b>	<u><b>2,260,111</b></u>	<u><b>2,416,255</b></u>	<u><b>2,504,374</b></u>	<u><b>2,639,498</b></u>	<u><b>2,639,498</b></u>	<u><b>2,639,498</b></u>
<b>Transfers In</b>						
From Operating Funds	<u>547,530</u>	<u>546,606</u>	<u>546,630</u>	<u>538,500</u>	<u>538,500</u>	<u>538,500</u>
<b>Total Transfers In</b>	<u><b>547,530</b></u>	<u><b>546,606</b></u>	<u><b>546,630</b></u>	<u><b>538,500</b></u>	<u><b>538,500</b></u>	<u><b>538,500</b></u>
<b>TOTAL RESOURCES</b>	<u><b>2,807,652</b></u>	<u><b>2,962,881</b></u>	<u><b>3,086,525</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>
<b>Requirements</b>						
<b>Total Expenditures</b>	<u><b>2,807,632</b></u>	<u><b>2,927,360</b></u>	<u><b>3,051,004</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>
<b>Total Budget</b>	<u><b>2,807,632</b></u>	<u><b>2,927,360</b></u>	<u><b>3,051,004</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>
<b>Ending Fund Balance</b>	<u><b>20</b></u>	<u><b>35,521</b></u>	<u><b>35,521</b></u>			
<b>TOTAL REQUIREMENTS</b>	<u><b>2,807,652</b></u>	<u><b>2,962,881</b></u>	<u><b>3,086,525</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>
 <b>EXPENDITURE PERSPECTIVES</b>						
<b>By Department</b>						
Debt Services	<u>2,807,632</u>	<u>2,927,360</u>	<u>3,051,004</u>	<u>3,177,998</u>	<u>3,177,998</u>	<u>3,177,998</u>
<b>Total Expenditures by Department</b>	<u><b>2,807,632</b></u>	<u><b>2,927,360</b></u>	<u><b>3,051,004</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>
<b>By Function</b>						
Debt Service	<u>2,807,632</u>	<u>2,927,360</u>	<u>3,051,004</u>	<u>3,177,998</u>	<u>3,177,998</u>	<u>3,177,998</u>
<b>Total Expenditures by Function</b>	<u><b>2,807,632</b></u>	<u><b>2,927,360</b></u>	<u><b>3,051,004</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>
<b>By Category</b>						
Debt Service	<u>2,807,632</u>	<u>2,927,360</u>	<u>3,051,004</u>	<u>3,177,998</u>	<u>3,177,998</u>	<u>3,177,998</u>
<b>Total Expenditures by Category</b>	<u><b>2,807,632</b></u>	<u><b>2,927,360</b></u>	<u><b>3,051,004</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>	<u><b>3,177,998</b></u>

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**4- Facilities & Equipment Reserve Fund Summary**

This fund accounts for facility acquisitions and improvements as well as major maintenance projects. In addition, it also accounts for the accumulation of resources for future acquisition of major software, equipment and furniture. It is funded primarily by transfers from the Operating and Resolution Funds.

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>Resources</b>						
<b>Beginning Fund Balance</b>	<b>1,931,704</b>	<b>1,799,934</b>	<b>1,585,565</b>	<b>1,340,467</b>	<b>1,340,467</b>	<b>1,340,467</b>
<b>Revenues</b>						
E-Rate Revenue	20,349	83,172				
Miscellaneous Revenue	6,400					
<b>Total Revenues</b>	<b>26,749</b>	<b>83,172</b>				
<b>Transfers In</b>						
From Resolution Services Funds	80,000	80,000	80,000	120,000	120,000	120,000
From Contract Services Funds			334,000			
From Operating Funds			115,000	90,000	90,000	90,000
<b>Total Transfers In</b>	<b>80,000</b>	<b>80,000</b>	<b>529,000</b>	<b>210,000</b>	<b>210,000</b>	<b>210,000</b>
<b>TOTAL RESOURCES</b>	<b>2,038,453</b>	<b>1,963,106</b>	<b>2,114,565</b>	<b>1,550,467</b>	<b>1,550,467</b>	<b>1,550,467</b>
<b>Requirements</b>						
<b>Total Expenditures</b>	<b>238,519</b>	<b>377,541</b>	<b>785,000</b>	<b>646,631</b>	<b>646,631</b>	<b>661,631</b>
<b>Contingency</b>					<b>903,836</b>	<b>888,836</b>
<b>Total Budget</b>	<b>238,519</b>	<b>377,541</b>	<b>785,000</b>	<b>646,631</b>	<b>1,550,467</b>	<b>1,550,467</b>
<b>Ending Fund Balance</b>	<b>1,799,934</b>	<b>1,585,565</b>	<b>1,329,565</b>	<b>903,836</b>		
<b>TOTAL REQUIREMENTS</b>	<b>2,038,453</b>	<b>1,963,106</b>	<b>2,114,565</b>	<b>1,550,467</b>	<b>1,550,467</b>	<b>1,550,467</b>

**EXPENDITURE PERSPECTIVES**

**By Department**

Building & Project Reserve	238,519	377,541	785,000	646,631	646,631	661,631
<b>Total Expenditures by Department</b>	<b>238,519</b>	<b>377,541</b>	<b>785,000</b>	<b>646,631</b>	<b>646,631</b>	<b>661,631</b>

**By Function**

Instruction			58,518			
Support Services	128,031	142,476	726,482	646,631	646,631	661,631
Facilities Acq. & Construction	110,488	235,065				
<b>Total Expenditures by Function</b>	<b>238,519</b>	<b>377,541</b>	<b>785,000</b>	<b>646,631</b>	<b>646,631</b>	<b>661,631</b>

**By Category**

Salaries		3,400	6,878			
Associated Payroll Costs		392	795			
Purchased Services	83,000	118,541	564,213	646,631	646,631	661,631
Supplies and Materials		6,866	53,531			
Capital Outlay	155,519	248,342	159,583			
<b>Total Expenditures by Category</b>	<b>238,519</b>	<b>377,541</b>	<b>785,000</b>	<b>646,631</b>	<b>646,631</b>	<b>661,631</b>



**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**6- Operating Fund Summary**

The Operating Fund accounts for the general operating costs of the agency. In accordance with Oregon Revised Statute 334.177, 10% of local revenues from the Resolution Services Fund are transferred to this fund. In addition, a maximum 10% surcharge in the Contracted Services Fund is credited to this fund as overhead revenue.

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>Resources</b>						
<b>Beginning Fund Balance</b>	<b>3,780,473</b>	<b>4,049,642</b>	<b>4,108,152</b>	<b>3,355,116</b>	<b>3,355,116</b>	<b>3,296,222</b>
<b>Revenues</b>						
Services to Other LocalEdAgency	(2,667)	67,102	9,985	6,000	6,000	6,000
Services to Other Ed Agencies			200,000			
E-Rate Revenue	308					
Interest on Investments	78,158	77,938	75,000	75,000	75,000	75,000
Sales- External	17,349	29				
Custodial Fees (Room Rentals)		75				
Fingerprinting Service Revenue		1,350	1,500	3,000	3,000	3,000
TSPC PDC Fees				11,936	11,936	11,936
Testing Service Revenue				2,000	2,000	2,000
Rental/Lease Income		78,633	19,800	23,940	23,940	23,940
Recovery of Pr Yr Expenditures	13,111	3,690				
Fees - Non-Component Districts				75,000	75,000	77,000
Miscellaneous Revenue	19,400	28,215	24,000	45,000	45,000	45,000
Rental/Lease Income	15,200					
Restricted-Intermediate Source		5,559				
Sale of Fixed Assets	24,546	12,750				
<b>Total Revenues</b>	<b>165,405</b>	<b>275,341</b>	<b>330,285</b>	<b>241,876</b>	<b>241,876</b>	<b>243,876</b>
<b>Transfers In</b>						
Fees Charged to Grants		1,087,745	1,574,988	1,377,937	1,377,937	1,381,196
From Resolution Services Funds	3,149,753	3,385,130	3,570,989	3,830,500	3,830,500	3,790,000
From Contract Services Funds	645,941	770,980				
From Risk Management Funds	121,502	84,241	65,708	22,778	22,778	22,778
<b>Total Transfers In</b>	<b>3,917,196</b>	<b>5,328,096</b>	<b>5,211,685</b>	<b>5,231,215</b>	<b>5,231,215</b>	<b>5,193,974</b>
<b>TOTAL RESOURCES</b>	<b>7,863,074</b>	<b>9,653,079</b>	<b>9,650,122</b>	<b>8,828,207</b>	<b>8,828,207</b>	<b>8,734,072</b>
<b>Requirements</b>						
<b>Total Expenditures</b>	<b>2,194,922</b>	<b>4,998,321</b>	<b>5,506,259</b>	<b>4,964,422</b>	<b>4,964,422</b>	<b>4,972,951</b>
<b>Transfers Out</b>						
Resolution Fund	770,980					
Debt Service Fund	547,530	546,606	546,630	538,500	538,500	538,500
Facilities & Equipment Reserve			115,000	90,000	90,000	90,000
Risk Management Fund	300,000					
<b>Total Transfers Out</b>	<b>1,618,510</b>	<b>546,606</b>	<b>661,630</b>	<b>628,500</b>	<b>628,500</b>	<b>628,500</b>
<b>Contingency</b>			<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>229,676</b>
<b>Total Budget</b>	<b>3,813,432</b>	<b>5,544,927</b>	<b>6,567,889</b>	<b>5,992,922</b>	<b>5,992,922</b>	<b>5,831,127</b>
<b>Ending Fund Balance</b>	<b>4,049,642</b>	<b>4,108,152</b>	<b>3,082,233</b>	<b>2,835,285</b>	<b>2,835,285</b>	<b>2,902,945</b>
<b>TOTAL REQUIREMENTS</b>	<b>7,863,074</b>	<b>9,653,079</b>	<b>9,650,122</b>	<b>8,828,207</b>	<b>8,828,207</b>	<b>8,734,072</b>

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**6- Operating Fund Summary**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Department</b>						
Administration	706,295	682,509	1,063,525	728,955	728,955	728,955
Facilities Services	(3,078)	953,599	532,079	588,888	588,888	593,577
Business Services	117,226	841,805	875,680	842,381	842,381	846,221
Human Resources	111,421	794,422	783,846	766,562	766,562	766,562
Technology Services	771,194	1,120,516	1,749,801	1,539,789	1,539,789	1,539,789
Special Education Services	123,758	171,905	124,813	122,288	122,288	122,288
School Health Services	158,772	218,368	222,986	221,635	221,635	221,635
Instructional Education Svcs	209,334	215,197	153,529	153,924	153,924	153,924
<b>Total Expenditures by Department</b>	<b>2,194,922</b>	<b>4,998,321</b>	<b>5,506,259</b>	<b>4,964,422</b>	<b>4,964,422</b>	<b>4,972,951</b>
<b>By Function</b>						
Support Services	2,194,922	4,998,321	4,876,221	4,608,756	4,608,756	4,617,285
Enterprise & Community Service			630,038	355,666	355,666	355,666
<b>Total Expenditures by Function</b>	<b>2,194,922</b>	<b>4,998,321</b>	<b>5,506,259</b>	<b>4,964,422</b>	<b>4,964,422</b>	<b>4,972,951</b>
<b>By Category</b>						
Salaries	1,017,561	2,395,605	2,747,034	2,665,951	2,665,951	2,668,727
Associated Payroll Costs	630,256	1,568,528	1,766,149	1,470,626	1,470,626	1,471,439
Purchased Services	329,249	826,578	741,352	584,480	584,480	589,645
Supplies and Materials	217,856	185,917	251,724	243,365	243,365	243,140
Capital Outlay		21,693				
<b>Total Expenditures by Category</b>	<b>2,194,922</b>	<b>4,998,321</b>	<b>5,506,259</b>	<b>4,964,422</b>	<b>4,964,422</b>	<b>4,972,951</b>

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**7- Risk Management Reserve Fund Summary**

The purpose of this fund is to pay for costs associated with risk management activities including insurance premiums, activities to prevent or minimize exposure and incurred losses. A benefit expense is applied to all payrolls to generate the funds necessary to support these activities. The funding is then recognized in the Risk Management Fund as revenue for services to other funds. In the 2010-11 fiscal year a \$450 thousand PERS reserve was established in this fund to help offset the anticipated sharp increase in future PERS costs to the Operating Fund beginning in 2011-12. Annual transfers to the Operating Fund are intended to offset PERS costs as follows: 80% in 2011-12, 60% in 2012-13, 40% in 2013-14, 30% in 2014-15, and 10% in 2015-16.

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>Resources</b>						
<b>Beginning Fund Balance</b>	<b>613,018</b>	<b>777,333</b>	<b>779,057</b>	<b>745,622</b>	<b>745,622</b>	<b>669,144</b>
<b>Revenues</b>						
Miscellaneous Revenue	238,757	100,207				
Expenditure Subsidy	669	3,638				
Services - Other Funds	369,377	591,364	609,456	595,637	595,637	591,919
<b>Total Revenues</b>	<b>608,803</b>	<b>695,209</b>	<b>609,456</b>	<b>595,637</b>	<b>595,637</b>	<b>591,919</b>
<b>Transfers In</b>						
From Operating Funds	300,000					
<b>Total Transfers In</b>	<b>300,000</b>					
<b>TOTAL RESOURCES</b>	<b>1,521,821</b>	<b>1,472,542</b>	<b>1,388,513</b>	<b>1,341,259</b>	<b>1,341,259</b>	<b>1,261,063</b>
<b>Requirements</b>						
<b>Total Expenditures</b>	<b>622,986</b>	<b>609,244</b>	<b>761,313</b>	<b>661,843</b>	<b>661,843</b>	<b>726,843</b>
<b>Transfers Out</b>						
Operating Fund	121,502	84,241	65,708	22,778	22,778	22,778
<b>Total Transfers Out</b>	<b>121,502</b>	<b>84,241</b>	<b>65,708</b>	<b>22,778</b>	<b>22,778</b>	<b>22,778</b>
<b>Contingency</b>					<b>656,638</b>	<b>511,442</b>
<b>Total Budget</b>	<b>744,488</b>	<b>693,485</b>	<b>827,021</b>	<b>684,621</b>	<b>1,341,259</b>	<b>1,261,063</b>
<b>Ending Fund Balance</b>	<b>777,333</b>	<b>779,057</b>	<b>561,492</b>	<b>656,638</b>		
<b>TOTAL REQUIREMENTS</b>	<b>1,521,821</b>	<b>1,472,542</b>	<b>1,388,513</b>	<b>1,341,259</b>	<b>1,341,259</b>	<b>1,261,063</b>

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**7- Risk Management Reserve Fund Summary**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Department</b>						
Administration	618,560	599,184	751,313	652,476	652,476	717,476
Human Resources	4,426	10,060	10,000	9,367	9,367	9,367
<b>Total Expenditures by Department</b>	<b>622,986</b>	<b>609,244</b>	<b>761,313</b>	<b>661,843</b>	<b>661,843</b>	<b>726,843</b>
<b>By Function</b>						
Support Services	622,986	609,244	761,313	661,843	661,843	726,843
<b>Total Expenditures by Function</b>	<b>622,986</b>	<b>609,244</b>	<b>761,313</b>	<b>661,843</b>	<b>661,843</b>	<b>726,843</b>
<b>By Category</b>						
Salaries	78,112	94,676	96,327	96,427	96,427	96,427
Associated Payroll Costs	46,103	56,204	55,849	48,136	48,136	48,136
Purchased Services	494,539	457,844	606,917	515,060	515,060	580,060
Supplies and Materials	4,232	520	2,220	2,220	2,220	2,220
<b>Total Expenditures by Category</b>	<b>622,986</b>	<b>609,244</b>	<b>761,313</b>	<b>661,843</b>	<b>661,843</b>	<b>726,843</b>

**Expenditures by Department**



<b>ADMINISTRATION</b>
-----------------------

**Department Description:** The purpose of Administration is to assist component district efforts in providing efficient and high quality education opportunities for students served.

The Superintendent serves as the Board's Executive Officer, Chief Administrator of MESD, Budget Officer, and Executive Officer of the Local Contract Review Board. The Superintendent is tasked with organizing the staff and facilities of MESD to optimize the quality of services and efficiency of operation and to delegate appropriate authority to members of the Administrative/Supervisory staff as necessary, in the judgment of the Superintendent, for the operation of MESD.

Administration also includes Communication Services which provides internal and external communications, media and community relations, fundraising and resource development, support for MESD's publications and websites, and coordinates agency events throughout the year.

**Primary Funding Sources:**

Operating Fund

**Brief Description of significant department / service changes:**

For 2015-16, a new Superintendent will be in place.

**Brief Description of significant funding changes:**

No significant changes anticipated.

**Brief Description of FTE changes:**

No significant changes anticipated

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**Expenditures by Department**  
**100- Administration**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Category</b>						
Salaries	415,104	422,532	549,717	499,018	499,018	499,018
Associated Payroll Costs	219,378	244,678	318,240	256,424	256,424	256,424
Purchased Services	670,367	587,059	938,163	607,271	607,271	672,271
Supplies and Materials	22,796	37,022	21,198	21,198	21,198	21,198
<b>Total by Category</b>	<b>1,327,645</b>	<b>1,291,291</b>	<b>1,827,318</b>	<b>1,383,911</b>	<b>1,383,911</b>	<b>1,448,911</b>
<b>By Division</b>						
100 Board of Directors	121,585	75,138	139,300	58,300	58,300	58,300
110 Administration	327,126	391,619	532,507	446,702	446,702	446,702
160 Agency Support	618,560	599,184	751,313	652,476	652,476	717,476
300 Legal Services	2,085	1,492	79,794	76,872	76,872	76,872
500 Communication Services	154,322	167,052	161,924	147,081	147,081	147,081
520 School Closure	2,790	2,465	2,480	2,480	2,480	2,480
530 Foundation	101,177	54,341	160,000			
<b>Total by Division</b>	<b>1,327,645</b>	<b>1,291,291</b>	<b>1,827,318</b>	<b>1,383,911</b>	<b>1,383,911</b>	<b>1,448,911</b>
<b>By Fund</b>						
1 Resolution Services	2,790	2,465	2,480	2,480	2,480	2,480
2 Contracted Services		7,133	10,000			
6 Operating	706,295	682,509	1,063,525	728,955	728,955	728,955
7 Risk Management Reserve	618,560	599,184	751,313	652,476	652,476	717,476
<b>Total by Fund</b>	<b>1,327,645</b>	<b>1,291,291</b>	<b>1,827,318</b>	<b>1,383,911</b>	<b>1,383,911</b>	<b>1,448,911</b>
<b>FTE SUMMARY</b>						
<b>By Division</b>						
110 Administration	2.00	2.00	3.50	2.50	2.50	2.50
160 Agency Support	1.00	1.00	1.00	1.00	1.00	1.00
300 Legal Services			.40	.40	.40	.40
500 Communication Services	1.29	1.00	1.00	1.00	1.00	1.00
530 Foundation	.95	.85	.22			
<b>Total Number of FTE</b>	<b>5.24</b>	<b>4.85</b>	<b>6.12</b>	<b>4.90</b>	<b>4.90</b>	<b>4.90</b>
<b>By Fund</b>						
6 Operating	4.24	3.85	5.12	3.90	3.90	3.90
7 Risk Management Reserve	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total Number of FTE</b>	<b>5.24</b>	<b>4.85</b>	<b>6.12</b>	<b>4.90</b>	<b>4.90</b>	<b>4.90</b>



## FACILITIES SERVICES

**Department Description:** The Facilities Services department provides high quality project management, maintenance, custodial and transportation services to all MESD-operated sites. In addition, the department provides mail distribution and office supply services to all ESD facilities. Services include:

The Facilities Service team takes an active role in suggesting, planning and budgeting for capital projects. Once projects are approved, Facilities Service administers and manages these projects from bid process through completion.

The Facilities Maintenance team provides a wide variety of repairs and support services including everything from roof repair to rearranging furniture. All repairs related to MESD buildings are either directly conducted by or supervised by Facilities staff.

The Custodial staff provides services to the five locations operated by MESD. They ensure that all the buildings are cleaned nightly during the school year and also perform minor repairs, and moving materials.

Ainsworth Mail/Supply Room staff provides mail support for all agency staff as well as maintains a ready supply of forms and other office supplies.

The transportation side of the department provides courier and transportation services between the MESD locations, MESD component districts, and school districts in Clackamas ESD and NW Regional ESD.

**Primary Funding Sources:**

Resolution, contract and operating funds

**Brief Description of significant department / service changes:**

No significant changes anticipated

**Brief Description of significant funding changes:**

No significant changes anticipated

**Brief Description of FTE changes:**

The retirement of long-time supervisor may provide salary savings that will enable increased FTE for other staff.

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**Expenditures by Department**  
**150- Facilities Services**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Category</b>						
Salaries	321,988	277,578	242,969	253,546	253,546	256,322
Associated Payroll Costs	179,273	184,756	158,548	158,997	158,997	159,810
Purchased Services	87,656	462,208	116,601	155,277	155,277	156,377
Supplies and Materials	43,705	65,924	48,886	54,700	54,700	54,700
<b>Total by Category</b>	<b>632,622</b>	<b>990,466</b>	<b>567,004</b>	<b>622,520</b>	<b>622,520</b>	<b>627,209</b>
<b>By Division</b>						
150 Facility Services	500,682	972,612	544,004	599,520	599,520	604,209
510 Printing & Graphics	131,940	17,854	23,000	23,000	23,000	23,000
<b>Total by Division</b>	<b>632,622</b>	<b>990,466</b>	<b>567,004</b>	<b>622,520</b>	<b>622,520</b>	<b>627,209</b>
<b>By Fund</b>						
1 Resolution Services	32,939	36,867	34,925	33,632	33,632	33,632
2 Contracted Services	602,761					
6 Operating	(3,078)	953,599	532,079	588,888	588,888	593,577
<b>Total by Fund</b>	<b>632,622</b>	<b>990,466</b>	<b>567,004</b>	<b>622,520</b>	<b>622,520</b>	<b>627,209</b>
<b>FTE SUMMARY</b>						
<b>By Division</b>						
150 Facility Services	10.50	9.50	8.75	8.75	8.75	8.75
510 Printing & Graphics	1.28					
<b>Total Number of FTE</b>	<b>11.78</b>	<b>9.50</b>	<b>8.75</b>	<b>8.75</b>	<b>8.75</b>	<b>8.75</b>
<b>By Fund</b>						
1 Resolution Services	.50	.50	.50	.50	.50	.50
2 Contracted Services	6.00					
6 Operating	5.28	9.00	8.25	8.25	8.25	8.25
<b>Total Number of FTE</b>	<b>11.78</b>	<b>9.50</b>	<b>8.75</b>	<b>8.75</b>	<b>8.75</b>	<b>8.75</b>

<b>BUSINESS SERVICES</b>
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**Department Description:**

Business Services provides accounting, financial, budgeting, payroll, and purchasing services to the MESD.

Fiscal Services include preparing the annual budget, preparing and maintaining the resolution service plan, preparing requests for proposals and managing bid and procurement processes, audit services and comprehensive annual financial report preparation, and providing leadership to the department as well as fiscal leadership to the organization.

Accounting Services performs all accounts payable, accounts receivable, and general ledger functions for the agency.

Payroll Services performs all payroll functions for the agency.

**Primary Funding Sources:**

Operating Fund.

**Brief Description of significant department / service changes:**

Beginning in fiscal year 2015-16, the Accounting Services, Payroll Services, and a portion of Business Services Admin were combined into one division. The combined division formerly named Accounting Services is now named Fiscal Services.

**Brief Description of significant funding changes:**

No significant changes anticipated

**Brief Description of FTE changes:**

No significant changes anticipated

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**Expenditures by Department**  
**200- Business Services**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Category</b>						
Salaries	402,525	476,502	490,884	496,872	496,872	496,872
Associated Payroll Costs	218,415	298,746	305,814	260,309	260,309	260,309
Purchased Services	160,288	57,354	67,335	77,000	77,000	81,065
Supplies and Materials	8,697	9,203	11,647	8,200	8,200	7,975
Transit Payments	8,457,036	12,131,957	13,460,615	13,578,936	13,578,936	13,414,686
<b>Total by Category</b>	<b>9,246,961</b>	<b>12,973,762</b>	<b>14,336,295</b>	<b>14,421,317</b>	<b>14,421,317</b>	<b>14,260,907</b>
<b>By Division</b>						
210 Business Services Admin	300,641	365,731	386,731	168,868	168,868	169,213
220 Fiscal Services	312,880	286,663	296,654	673,513	673,513	677,008
221 Fiscal Services-Transits	8,457,036	12,131,957	13,460,615	13,578,936	13,578,936	13,414,686
240 Payroll Services	176,404	189,411	192,295			
<b>Total by Division</b>	<b>9,246,961</b>	<b>12,973,762</b>	<b>14,336,295</b>	<b>14,421,317</b>	<b>14,421,317</b>	<b>14,260,907</b>
<b>By Fund</b>						
1 Resolution Services	8,458,552	12,131,957	13,460,615	13,578,936	13,578,936	13,414,686
2 Contracted Services	671,183					
6 Operating	117,226	841,805	875,680	842,381	842,381	846,221
<b>Total by Fund</b>	<b>9,246,961</b>	<b>12,973,762</b>	<b>14,336,295</b>	<b>14,421,317</b>	<b>14,421,317</b>	<b>14,260,907</b>
<b>FTE SUMMARY</b>						
<b>By Division</b>						
210 Business Services Admin	2.50	3.00	3.00	1.00	1.00	1.00
220 Fiscal Services	3.00	3.00	3.00	7.00	7.00	7.00
240 Payroll Services	2.00	2.00	2.00			
<b>Total Number of FTE</b>	<b>7.50</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>
<b>By Fund</b>						
2 Contracted Services	7.50					
6 Operating		8.00	8.00	8.00	8.00	8.00
<b>Total Number of FTE</b>	<b>7.50</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>

## HUMAN RESOURCE SERVICES

**Department Description:** The Human Resources department supports the MESD community to succeed in the delivery of services to children and families by providing resources and knowledge to meet their personal and professional needs. This is accomplished through the recruitment and hiring of quality permanent and temporary staff, administration of employee benefits, management of worker's compensation and leaves of absences, and tracking of licensure and professional development.

**Primary Funding Sources:**

Operating Fund

**Brief Description of significant department / service changes:**

No significant changes anticipated

**Brief Description of significant funding changes:**

No significant changes anticipated

**Brief Description of FTE changes:**

No significant changes anticipated

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**Expenditures by Department**  
**400- Human Resources**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Category</b>						
Salaries	332,058	375,850	369,169	399,961	399,961	399,961
Associated Payroll Costs	264,457	364,590	348,866	300,157	300,157	300,157
Purchased Services	44,361	48,283	59,809	59,809	59,809	59,809
Supplies and Materials	9,449	15,759	16,002	16,002	16,002	16,002
<b>Total by Category</b>	<b>650,325</b>	<b>804,482</b>	<b>793,846</b>	<b>775,929</b>	<b>775,929</b>	<b>775,929</b>
<b>By Division</b>						
400 Human Resources	650,325	804,482	793,846	775,929	775,929	775,929
<b>Total by Division</b>	<b>650,325</b>	<b>804,482</b>	<b>793,846</b>	<b>775,929</b>	<b>775,929</b>	<b>775,929</b>
<b>By Fund</b>						
2 Contracted Services	534,478					
6 Operating	111,421	794,422	783,846	766,562	766,562	766,562
7 Risk Management Reserve	4,426	10,060	10,000	9,367	9,367	9,367
<b>Total by Fund</b>	<b>650,325</b>	<b>804,482</b>	<b>793,846</b>	<b>775,929</b>	<b>775,929</b>	<b>775,929</b>
<b>FTE SUMMARY</b>						
<b>By Division</b>						
400 Human Resources	6.24	6.67	6.26	6.60	6.60	6.60
<b>Total Number of FTE</b>	<b>6.24</b>	<b>6.67</b>	<b>6.26</b>	<b>6.60</b>	<b>6.60</b>	<b>6.60</b>
<b>By Fund</b>						
2 Contracted Services	6.24					
6 Operating		6.67	6.26	6.60	6.60	6.60
<b>Total Number of FTE</b>	<b>6.24</b>	<b>6.67</b>	<b>6.26</b>	<b>6.60</b>	<b>6.60</b>	<b>6.60</b>

## TECHNOLOGY SERVICES

**Department Description:** Multnomah ESD is a founding member of the Cascade Technology Alliance (CTA). This organization is created through the participation of the Multnomah ESD, Columbia Gorge ESD, Northwest Regional ESD, and Willamette ESD technology departments. The technology staffs from these ESDs have combined to form a single organizational group that serves their 53 constituent districts, as well as other public and nonprofit agencies in need of technology solutions.

The Technology Services department provides services both to the component districts through resolution and contracted services as well as internally to MESD. The goal of Technology Services is to deliver administrative computer technology and support designed to increase the component district's efficiency and improve internal and external communications. The services fall into four primary categories: Student Information Services, Business Systems Support, Network Services, and Internal Agency Support.

Student Information Services provides comprehensive computer services for administrative student applications. CTA supports a web-based student information system with access for administrators, teachers and professional staff concerned with the management of student records. This integrated system includes demographics, scheduling, attendance, progress/grade reporting, graduation requirement tracking, state reporting, special education, and grade book access for parents and students.

Business Systems Support provides extensive integrated administrative, financial and human resource computer systems. CTA supports a web-based financial and human resources system.

The Network Services division manages the Wide Area Network (WAN). Management of the WAN responsibilities includes deployment of updated routers, router maintenance, network management and connection to the Internet, and other emerging networks.

Lastly, Internal Agency Support provides Local Area Network (LAN) and desktop support services. Internal Agency Support provides industry standards based hardware and software to MESD employees and students.

### **Primary Funding Sources:**

Resolution, contracted, and operating funds

### **Brief Description of significant department / service changes:**

No significant changes anticipated

### **Brief Description of significant funding changes:**

No significant changes anticipated

### **Brief Description of FTE changes:**

No significant changes anticipated

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**Expenditures by Department**  
**600- Technology Services**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Category</b>						
Salaries	2,206,464	2,373,850	2,612,260	2,595,217	2,595,217	2,595,216
Associated Payroll Costs	1,047,378	1,341,321	1,507,265	1,275,562	1,275,562	1,275,562
Purchased Services	3,851,124	5,041,952	10,713,781	5,860,689	5,860,689	5,860,689
Supplies and Materials	840,187	107,388	255,429	243,429	243,429	243,429
Capital Outlay	5,711	21,693	13,402	13,402	13,402	13,402
<b>Total by Category</b>	<b>7,950,864</b>	<b>8,886,204</b>	<b>15,102,137</b>	<b>9,988,299</b>	<b>9,988,299</b>	<b>9,988,298</b>
<b>By Division</b>						
610 Student Applications	2,679,624	1,666,195	1,705,152	1,226,841	1,226,841	1,226,840
620 Business Applications	82,123	108,467	70,423	50,156	50,156	50,156
630 Infrastructure Services	996,144	1,206,339	1,251,924	1,246,388	1,246,388	1,246,388
640 Internal Agency Support	1,039,938	957,433	1,097,795	1,180,281	1,180,281	1,180,281
650 Application Development	387,223	550,648	492,546	477,669	477,669	477,669
660 Substitute Registration	213,171	160,206	72,093	157,110	157,110	157,110
695 Support Services	2,552,641	4,236,916	10,412,204	5,649,854	5,649,854	5,649,854
<b>Total by Division</b>	<b>7,950,864</b>	<b>8,886,204</b>	<b>15,102,137</b>	<b>9,988,299</b>	<b>9,988,299</b>	<b>9,988,298</b>
<b>By Fund</b>						
1 Resolution Services	3,224,311	2,970,766	3,038,533	2,637,562	2,637,562	2,637,561
2 Contracted Services	3,955,359	4,794,922	10,313,803	5,810,948	5,810,948	5,810,948
6 Operating	771,194	1,120,516	1,749,801	1,539,789	1,539,789	1,539,789
<b>Total by Fund</b>	<b>7,950,864</b>	<b>8,886,204</b>	<b>15,102,137</b>	<b>9,988,299</b>	<b>9,988,299</b>	<b>9,988,298</b>
<b>FTE SUMMARY</b>						
<b>By Division</b>						
610 Student Applications	11.85	11.00	10.70	14.00	14.00	14.00
620 Business Applications	.30	.30	.15	.15	.15	.15
630 Infrastructure Services	2.78	2.78	2.63	2.83	2.83	2.83
640 Internal Agency Support	7.15	7.15	7.50	7.66	7.66	7.66
650 Application Development	4.02	5.82	3.10	3.35	3.35	3.35
660 Substitute Registration	2.00	1.00	1.00			
695 Support Services	6.00	6.00	8.67	7.76	7.76	7.76
<b>Total Number of FTE</b>	<b>34.10</b>	<b>34.05</b>	<b>33.75</b>	<b>35.75</b>	<b>35.75</b>	<b>35.75</b>
<b>By Fund</b>						
1 Resolution Services	16.23	14.48	14.38	16.98	16.98	16.98
2 Contracted Services	14.76	11.82	5.60	6.78	6.78	6.78
6 Operating	3.11	7.75	13.77	11.99	11.99	11.99
<b>Total Number of FTE</b>	<b>34.10</b>	<b>34.05</b>	<b>33.75</b>	<b>35.75</b>	<b>35.75</b>	<b>35.75</b>



## SPECIAL EDUCATION SERVICES

**Department Description:** The Special Education Services Department (SPED) provides special education services for students K-21 to our component districts as well as to districts outside of Multnomah County. Staff includes teachers, educational assistants, behavioral and instructional consultants, school psychologists, speech pathologists, physical therapists, assistive technology consultants, occupational therapists, various levels of support staff, supervisors and a coordinator. This includes program services for students at Arata Creek and Wheatley Schools. Special Education Services collaborates with community organizations and our component districts to ensure that every child with a disability is provided the best educational opportunities available.

The SPED department is organized into Functional Living Skills (FLS), FLS Alternative at Wheatley School, and Related Services. In addition, each division is comprised of several programs.

The department includes a SAMHSA grant and Project Launch which to promote wellness and improve children's health. Staffing includes a young child wellness specialist.

**Primary Funding Sources:**

Resolution funds and contracts for service, IDEA, federal grants, and ODE sub-grants

**Brief Description of significant department / service changes:**

<pending>

**Brief Description of significant funding changes:**

<pending>

**Brief Description of FTE changes:**

<pending>

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**Expenditures by Department**  
**700- Special Education Services**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Category</b>						
Salaries	14,130,085	5,762,918	6,828,617	6,292,806	6,292,806	6,579,213
Associated Payroll Costs	7,790,843	3,907,090	4,757,494	3,624,150	3,624,150	3,753,275
Purchased Services	2,992,830	1,525,192	2,039,411	2,228,616	2,228,616	2,794,666
Supplies and Materials	401,039	176,075	383,829	371,838	371,838	300,304
Transit Payments	5,098,110	1,189,376				
<b>Total by Category</b>	<b>30,412,907</b>	<b>12,560,651</b>	<b>14,009,351</b>	<b>12,517,410</b>	<b>12,517,410</b>	<b>13,427,458</b>
<b>By Division</b>						
710 EI/ECSE	15,128,490	1,792,450	1,450,759	1,227,755	1,227,755	1,375,026
750 Special Education	12,370,500	7,569,147	8,974,445	7,822,248	7,822,248	8,324,573
780 Related Services	656,070	1,013,753	962,486	972,776	972,776	1,123,638
850 Social Services	977,349	1,004,842	1,068,210	1,039,436	1,039,436	987,053
910 Curriculum & Instruction	1,408					
960 Arata Creek	1,279,090	1,180,459	1,553,451	1,455,195	1,455,195	1,617,168
<b>Total by Division</b>	<b>30,412,907</b>	<b>12,560,651</b>	<b>14,009,351</b>	<b>12,517,410</b>	<b>12,517,410</b>	<b>13,427,458</b>
<b>By Fund</b>						
1 Resolution Services	9,698,766	7,544,231	7,767,322	7,980,901	7,980,901	8,129,092
2 Contracted Services	20,590,383	4,844,515	6,117,216	4,414,221	4,414,221	5,176,078
6 Operating	123,758	171,905	124,813	122,288	122,288	122,288
<b>Total by Fund</b>	<b>30,412,907</b>	<b>12,560,651</b>	<b>14,009,351</b>	<b>12,517,410</b>	<b>12,517,410</b>	<b>13,427,458</b>
<b>FTE SUMMARY</b>						
<b>By Division</b>						
710 EI/ECSE	168.29	1.00	5.91	2.15	2.15	2.84
750 Special Education	130.52	126.27	122.72	104.78	104.78	106.52
780 Related Services	6.66	4.26	7.20	7.71	7.71	8.38
850 Social Services	10.34	9.63	10.38	11.24	11.24	10.94
960 Arata Creek	19.23	12.30	14.33	15.93	15.93	18.73
<b>Total Number of FTE</b>	<b>335.04</b>	<b>153.46</b>	<b>160.54</b>	<b>141.81</b>	<b>141.81</b>	<b>147.41</b>
<b>By Fund</b>						
1 Resolution Services	140.51	100.72	101.02	103.14	103.14	105.99
2 Contracted Services	193.53	52.24	58.82	37.97	37.97	40.72
6 Operating	1.00	.50	.70	.70	.70	.70
<b>Total Number of FTE</b>	<b>335.04</b>	<b>153.46</b>	<b>160.54</b>	<b>141.81</b>	<b>141.81</b>	<b>147.41</b>

## SCHOOL HEALTH SERVICES

**Department Description:** The Department of School Health Services provides and coordinates specialized health services that support the educational experience for students enrolled in our component districts as well as some Clackamas County districts. Staff includes nurses, school health assistants, support staff, outreach and eligibility specialists, audiologists and immunization specialists. The department coordinates the services MESD staff provides to students with parents and families, school district staff, community health care providers, health care systems, local and state health departments, hospital staff, and other community partners. The department works to ensure that all areas of health and education are supported for our students' physical, emotional and mental well-being. Together, an essential connection is formed between health and education helping Oregon achieve its vision for health and education transformation.

The Department of School Health Services is comprised of many programs, including population-based nursing services, contracted and grant funded nursing services, special needs nursing including 1:1 nursing for students with complex health needs, health conservation, immunization tracking and monitoring, communicable disease surveillance, health education and training, health insurance eligibility and enrollment services.

**Primary Funding Sources:**

Resolution Funds, Local District Contracts

**Brief Description of significant department / service changes:**

No significant changes anticipated

**Brief Description of significant funding changes:**

Wage increase based upon MESDEA bargained contract.

**Brief Description of FTE changes:**

No significant changes anticipated.

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**Expenditures by Department**  
**800- School Health Services**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Category</b>						
Salaries	5,544,984	5,278,383	5,861,006	6,081,159	6,081,159	6,080,063
Associated Payroll Costs	3,012,012	3,328,978	3,563,914	3,123,620	3,123,620	3,121,515
Purchased Services	325,732	128,714	426,505	302,739	302,739	303,849
Supplies and Materials	156,635	153,627	179,146	185,319	185,319	184,409
<b>Total by Category</b>	<b>9,039,363</b>	<b>8,889,702</b>	<b>10,030,571</b>	<b>9,692,837</b>	<b>9,692,837</b>	<b>9,689,836</b>
<b>By Division</b>						
810 Health Services	8,941,129	8,889,702	10,030,571	9,692,837	9,692,837	9,689,836
850 Social Services	98,234					
<b>Total by Division</b>	<b>9,039,363</b>	<b>8,889,702</b>	<b>10,030,571</b>	<b>9,692,837</b>	<b>9,692,837</b>	<b>9,689,836</b>
<b>By Fund</b>						
1 Resolution Services	4,933,421	5,217,200	5,971,299	6,236,256	6,236,256	6,219,587
2 Contracted Services	3,947,170	3,454,134	3,836,286	3,234,946	3,234,946	3,248,614
6 Operating	158,772	218,368	222,986	221,635	221,635	221,635
<b>Total by Fund</b>	<b>9,039,363</b>	<b>8,889,702</b>	<b>10,030,571</b>	<b>9,692,837</b>	<b>9,692,837</b>	<b>9,689,836</b>
<b>FTE SUMMARY</b>						
<b>By Division</b>						
810 Health Services	116.17	109.62	111.58	107.86	107.86	107.75
850 Social Services	.18					
<b>Total Number of FTE</b>	<b>116.35</b>	<b>109.62</b>	<b>111.58</b>	<b>107.86</b>	<b>107.86</b>	<b>107.75</b>
<b>By Fund</b>						
1 Resolution Services	63.69	64.18	67.17	69.56	69.56	69.36
2 Contracted Services	51.66	43.94	42.91	36.80	36.80	36.89
6 Operating	1.00	1.50	1.50	1.50	1.50	1.50
<b>Total Number of FTE</b>	<b>116.35</b>	<b>109.62</b>	<b>111.58</b>	<b>107.86</b>	<b>107.86</b>	<b>107.75</b>

## INSTRUCTIONAL SERVICES

**Department Description:** The Instructional Services department provides a variety of value added services to teachers, administrators, para-educators, students and parents in our component districts as well as to districts outside of Multnomah County.

Students in MESD's educational programs receive comprehensive educational support, social services, career training, college assistance, environmental education, and specialized education services within one or more of the following programs and/or schools: Incarcerated Programs, Helensview, Home School Registration, Migrant Education, and Outdoor School. These programs emphasize compassion for others, nonviolent ways of settling disputes, resiliency to handle life's challenges, and preparation for college, work, parenthood, and civic responsibility.

Instructional Services provides instruction for students enrolled in regional programs, instructional support for schools, and professional development for educators on a wide range of topics. These programs offer a variety of enrichment and enhancement opportunities which complement instruction within our component districts.

**Primary Funding Sources:**

Resolution Funds, Local District Contracts, ODE Contracts

**Brief Description of significant department / service changes:**

<pending>

**Brief Description of significant funding changes:**

<pending>

**Brief Description of FTE changes:**

<pending>

**Multnomah Education Service District**  
**2015-2016 Fiscal Year Annual Budget**  
**Expenditures by Department**  
**900- Instructional Education Svcs**

	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Revised 2014-15</b>	<b>Proposed 2015-16</b>	<b>Approved 2015-16</b>	<b>Adopted 2015-16</b>
<b>EXPENDITURE PERSPECTIVES</b>						
<b>By Category</b>						
Salaries	5,163,665	4,287,176	4,726,027	5,017,799	5,017,799	5,020,727
Associated Payroll Costs	2,409,428	2,568,305	2,850,999	2,491,929	2,491,929	2,510,234
Purchased Services	1,261,214	1,074,110	1,489,566	1,424,768	1,424,768	1,709,407
Supplies and Materials	477,737	472,701	872,835	676,929	676,929	630,456
Capital Outlay			9,950			
<b>Total by Category</b>	<b>9,312,044</b>	<b>8,402,292</b>	<b>9,949,377</b>	<b>9,611,425</b>	<b>9,611,425</b>	<b>9,870,824</b>
<b>By Division</b>						
850 Social Services	1,157,044	1,212,261	1,325,546	1,328,197	1,328,197	1,756,827
900 Instructional Services	242,054	263,353	651,778	551,187	551,187	275,958
910 Curriculum & Instruction	1,887,825	457,230	573,594	480,902	480,902	525,916
920 Outdoor School	1,875,575	1,820,891	2,007,099	2,646,193	2,646,193	2,677,737
940 Alpha	700,408	717,253	872,491	140,177	140,177	
950 Helensview	1,511,336	1,802,970	1,968,395	1,833,862	1,833,862	2,114,688
970 Youth Correction Education	1,471,666	1,593,121	1,961,146	2,095,333	2,095,333	1,984,124
980 Alternative Pathways	207,972	216,987	226,822	216,613	216,613	216,613
990 Migrant Education	258,164	318,226	362,506	318,961	318,961	318,961
<b>Total by Division</b>	<b>9,312,044</b>	<b>8,402,292</b>	<b>9,949,377</b>	<b>9,611,425</b>	<b>9,611,425</b>	<b>9,870,824</b>
<b>By Fund</b>						
1 Resolution Services	1,959,901	2,241,635	2,396,560	4,374,583	4,374,583	3,680,152
2 Contracted Services	7,142,809	5,945,460	7,399,288	5,082,918	5,082,918	6,036,748
6 Operating	209,334	215,197	153,529	153,924	153,924	153,924
<b>Total by Fund</b>	<b>9,312,044</b>	<b>8,402,292</b>	<b>9,949,377</b>	<b>9,611,425</b>	<b>9,611,425</b>	<b>9,870,824</b>
<b>FTE SUMMARY</b>						
<b>By Division</b>						
850 Social Services	15.48	15.65	15.53	15.69	15.69	20.82
900 Instructional Services	1.80	1.74	1.54	5.21	5.21	2.29
910 Curriculum & Instruction	4.20	3.55	3.95	4.10	4.10	4.10
920 Outdoor School	9.42	8.24	8.24	11.69	11.69	11.15
940 Alpha	7.00	6.25	7.60	2.15	2.15	
950 Helensview	24.70	18.91	18.07	19.34	19.34	21.38
970 Youth Correction Education	22.35	18.79	18.86	24.14	24.14	22.05
980 Alternative Pathways	3.10	3.16	3.10	3.06	3.06	3.06
990 Migrant Education	2.82	3.65	3.65	3.84	3.84	3.88
<b>Total Number of FTE</b>	<b>90.87</b>	<b>79.94</b>	<b>80.54</b>	<b>89.22</b>	<b>89.22</b>	<b>88.73</b>
<b>By Fund</b>						
1 Resolution Services	26.32	21.06	24.65	34.41	34.41	24.49
2 Contracted Services	63.15	57.54	54.75	53.67	53.67	63.10
6 Operating	1.40	1.34	1.14	1.14	1.14	1.14
<b>Total Number of FTE</b>	<b>90.87</b>	<b>79.94</b>	<b>80.54</b>	<b>89.22</b>	<b>89.22</b>	<b>88.73</b>

## **Debt Service and Capital Expenditures**





**Multnomah Education Service District  
Debt Service Schedule**

PERS UAL Bonding OSBA Limited Tax Pension Obligations, Series 2004							2004 Refunding of 1997 Full Faith Credit Obligation (FFCO)					Total Debt Service (Fund 3)				
Period Ending	Principal	Coupon	Interest	Debt Service	Total Annual Debt Service	Principal Balance Remaining	Principal	Interest	Debt Service	Total Annual Debt Service	Principal Balance Remaining	Principal Paid	Interest Paid	Annual Debt Service	Balance	Year End
Dec-2011			883,658	883,658				55,065	55,065							
Jun-2012	375,000	4.59%	883,658	1,258,658	2,142,316	32,330,000	440,000	55,065	495,065	550,130	2,415,000	815,000	1,877,446	2,692,446	34,745,000	6/30/2012
Dec-2012			875,055	875,055				46,265	46,265							
Jun-2013	510,000	4.77%	875,055	1,385,055	2,260,111	31,820,000	455,000	46,265	501,265	547,530	1,960,000	965,000	1,842,641	2,807,641	33,780,000	6/30/2013
Dec-2013			862,884	862,884				38,303	38,303							
Jun-2014	655,000	4.79%	862,884	1,517,884	2,380,768	31,165,000	470,000	38,303	508,303	546,605	1,490,000	1,125,000	1,802,373	2,927,373	32,655,000	6/30/2014
Dec-2014			847,187	847,187				28,315	28,315							
Jun-2015	810,000	4.92%	847,187	1,657,187	2,504,374	30,355,000	490,000	28,315	518,315	546,630	1,000,000	1,300,000	1,751,004	3,051,004	31,355,000	6/30/2015
Dec-2015			827,249	827,249				19,250	19,250							
Jun-2016	985,000	5.02%	827,249	1,812,249	2,639,498	29,370,000	500,000	19,250	519,250	538,500	500,000	1,485,000	1,692,998	3,177,998	29,870,000	6/30/2016
Dec-2016			802,511	802,511				9,750	9,750							
Jun-2017	1,170,000	5.12%	802,511	1,972,511	2,775,021	28,200,000	500,000	9,750	509,750	519,500	0	1,670,000	1,624,521	3,294,521	28,200,000	6/30/2017
Dec-2017			772,541	772,541												
Jun-2018	1,375,000	5.22%	772,541	2,147,541	2,920,082	26,825,000						1,375,000	1,545,082	2,920,082	26,825,000	6/30/2018
Dec-2018			736,633	736,633												
Jun-2019	1,595,000	5.32%	736,633	2,331,633	3,068,266	25,230,000						1,595,000	1,473,266	3,068,266	25,230,000	6/30/2019
Dec-2019			694,182	694,182												
Jun-2020	1,835,000	5.37%	694,182	2,529,182	3,223,364	23,395,000						1,835,000	1,388,364	3,223,364	23,395,000	6/30/2020
Dec-2020			644,885	644,885												
Jun-2021	2,095,000	5.42%	644,885	2,739,885	3,384,770	21,300,000						2,095,000	1,289,770	3,384,770	21,300,000	6/30/2021
Dec-2021			588,079	588,079												
Jun-2022	2,375,000	5.47%	588,079	2,963,079	3,551,158	18,925,000						2,375,000	1,176,158	3,551,158	18,925,000	6/30/2022
Dec-2022			523,087	523,087												
Jun-2023	2,680,000	5.53%	523,087	3,203,087	3,726,174	16,245,000						2,680,000	1,046,174	3,726,174	16,245,000	6/30/2023
Dec-2023			449,012	449,012												
Jun-2024	3,015,000	5.53%	449,012	3,464,012	3,913,024	13,230,000						3,015,000	898,024	3,913,024	13,230,000	6/30/2024
Dec-2024			365,677	365,677												
Jun-2025	3,370,000	5.53%	365,677	3,735,677	4,101,354	9,860,000						3,370,000	731,354	4,101,354	9,860,000	6/30/2025
Dec-2025			272,530	272,530												
Jun-2026	3,755,000	5.53%	272,530	4,027,530	4,300,061	6,105,000						3,755,000	545,061	4,300,061	6,105,000	6/30/2026
Dec-2026			168,742	168,742												
Jun-2027	4,170,000	5.53%	168,742	4,338,742	4,507,484	1,935,000						4,170,000	337,484	4,507,484	1,935,000	6/30/2027
Dec-2027			53,483	53,483												
Jun-2028	1,935,000	5.53%	53,483	1,988,483	2,041,967	0						1,935,000	106,967	2,041,967	0	6/30/2028

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## **Facilities and Equipment Reserve Plan**

### **Summary of Significant Changes from 2014-15**

#### **Facilities**

##### **Repairs, Replacements & Improvements:**

The 2015-16 fiscal year is the second year most repairs, equipment replacements, and building improvements will be recorded in Fund 4. Expenditures will be funded by an ongoing transfer from the Operating Fund and will help to reduce the financial impact of fluctuations from one year to the next. Initial estimates of expenditures and the transfers needed have been extrapolated from historical costs and will be revised as the District monitors the fund activity.

##### **Ainsworth Building:**

This last year we completed the replacement of the Heating Ventilation Air Conditioning (HVAC) chiller unit as planned, and also completed the Exterior Weatherization Project for the main building. For this next year the concrete in the Ainsworth patio area on the south side of the building is in need of major repair/replacement to eliminate trip hazards caused by trees in that location. This next year we will also continue our Exterior Weatherization Project by completing work on the Ainsworth vehicle shed. Due to positive roof inspection reports, we are once again going to delay the replacement of the roof.

On the energy conservation side, we are hoping to complete major upgrades to HVAC system, completing the transition of our building from the aging pneumatic controls to Direct Digital Controls (DDC). At this point we are waiting on design/estimate phase of the project, and a report from Energy Trust of Oregon informing us of potential for assistance with funding the project. Even if the larger project of DDC upgrades are deemed not practical at this time, Facilities recommends to move forward with upgrading operating software and hardware for existing controls for Ainsworth, Alpha, and Arata Creek.

##### **Alpha and Arata Creek Buildings:**

Re-carpeting at Alpha and Arata Creek has been deemed not necessary for this coming year and will be postponed until at least 2016-17. Please see above for suggested HVAC software and hardware upgrades.

##### **Thompson (Wheatley) Building FLS Upgrades:**

As the Functional Living Skills (FLS) program moved to this building in summer of 2014, significant upgrades were completed to interior finishes and fixtures. Other work included installation of backflow device, construction of safe rooms, new carpeting in some classrooms, new drinking faucets, etc... No further upgrades are planned at this time.

**Technology Services****Student Information Services:**

Major hardware purchases occurred in 2014-15 and no further purchases are expected in 2015-16. For 2015-16 and beyond major vendor supplied software enhancements will be budgeted and paid for from this fund.

**Business Systems Support:**

MS SQL transition completed in 2014-15. No hardware or software purchases expected for 2015-16.

**Network Services:**

ISP (Internet Service) routers will be upgraded in 2015-16.

**Agency Services:**

Conference room upgrades are planned for the upcoming year.

**Multnomah Education Service District**  
**FY2016 Facilities & Equipment Reserve Plan**  
**Fund 4**  
**Facilities Services Plan**

	Estimated FY2015	Adopted FY2016	Projected			
			FY2017	FY2018	FY2019	FY2020
<b>Ainsworth (1989)</b>						
Carpet Replacement (common areas)		20,000				
Exterior Weatherization	70,000	10,000				
HVAC Computer Controls		20,000				
HVAC Control System Upgrade		200,000				
Parking Lot Resealing and Painting		10,000				
Patio & Shed Repairs		40,000				
Re-organization	37,000					
Roof Replacement (25yr)			300,000			
Non-routine Repairs & Maintenance	14,000	15,000	15,000	15,000	15,000	15,000
Subtotal	121,000	315,000	315,000	15,000	15,000	15,000
<b>Alpha (1998)</b>						
Repairs & Maintenance (non-routine)	10,000	10,000	10,000	10,000	10,000	10,000
HVAC Computer Controls		20,000				
Carpet Replacement (15 yr)			40,000			
Fire Panel			20,000			
Roof Replacement (20yr)				80,000		
Subtotal	10,000	30,000	70,000	90,000	10,000	10,000
<b>Arata (1999)</b>						
Repairs & Maintenance (non-routine)	15,000	15,000	15,000	15,000	15,000	15,000
HVAC Computer Controls		20,000				
Carpet Replacement (15 yr)			40,000			
Fire Panel			15,000			
Roof Replacement (20yr)					30,000	
Subtotal	15,000	35,000	70,000	15,000	45,000	15,000
<b>Helensview</b>						
Repairs & Maintenance (non-routine)	10,000	10,000	10,000	10,000	10,000	10,000
Subtotal	10,000	10,000	10,000	10,000	10,000	10,000
<b>Wheatley</b>						
Repairs & Maintenance (non-routine)	10,000	10,000	10,000	10,000	10,000	10,000
FLS Instructional Equipment	58,518					
Pathways-Wheatley Transition	275,482					
Subtotal	344,000	10,000	10,000	10,000	10,000	10,000
Total Expenditures	500,000	400,000	475,000	140,000	90,000	60,000
<b>Funding Sources</b>						
Beginning Fund Balance	860,010	794,866	484,866	99,866	49,866	49,866
Transfer from Operating Fund	100,856	90,000	90,000	90,000	90,000	90,000
Transfer from Contracted Services	334,000					
Total Funding Sources	1,294,866	884,866	574,866	189,866	139,866	139,866
<b>150-FACILITIES BALANCE</b>	<b>794,866</b>	<b>484,866</b>	<b>99,866</b>	<b>49,866</b>	<b>49,866</b>	<b>79,866</b>

**Multnomah Education Service District**  
**FY2016 Facilities & Equipment Reserve Plan**  
**Fund 4**  
**Technology Equipment Reserve Plan**

	Estimated FY2015	Adopted FY2016	Projected			
			FY2017	FY2018	FY2019	FY2020
<b>Student Information Systems</b>						
Computer Hardware: Servers & Routers	250,000			250,000		
Software Updates & New Application Modules		75,000	75,000		75,000	75,000
Funding Sources						
Beginning Fund Balance	335,708	165,708	210,708	255,708	125,708	170,708
Transfer from Resolution Fund	80,000	120,000	120,000	120,000	120,000	120,000
Total Funding Sources	415,708	285,708	330,708	375,708	245,708	290,708
Ending Contingency Balance	165,708	210,708	255,708	125,708	170,708	215,708
<b>Business Systems Support</b>						
Software: BusinessPLUS Application Updates	25,000			25,000		
Funding Sources						
Beginning Fund Balance	115,253	90,253	90,253	90,253	65,253	65,253
Ending Contingency Balance	90,253	90,253	90,253	65,253	65,253	65,253
<b>Network Services</b>						
Network Hardware Replacement		86,631			90,000	
Funding Sources						
Beginning Fund Balance	86,631	86,631	-	30,000	60,000	-
Transfer from Resolution Fund			30,000	30,000	30,000	30,000
Total Funding Sources	86,631	86,631	30,000	60,000	90,000	30,000
Ending Contingency Balance	86,631	-	30,000	60,000	-	30,000
<b>Agency Support</b>						
Meeting & Conference Room Hardware		100,000				
Funding Sources						
Beginning Fund Balance	187,963	203,009	103,009	103,009	103,009	103,009
E-Rate Revenue	15,046		-	-	-	-
Total Funding Sources	203,009	203,009	103,009	103,009	103,009	103,009
Ending Contingency Balance	203,009	103,009	103,009	103,009	103,009	103,009
<b>600-TECHNOLOGY BALANCE</b>	<b>545,601</b>	<b>403,970</b>	<b>478,970</b>	<b>353,970</b>	<b>338,970</b>	<b>413,970</b>

**Fund 4: Facilities and Equipment Reserve Summary**

Beginning Fund Balance	1,585,565	1,340,467	888,836	578,836	403,836	388,836
Total Transfers In	514,856	210,000	240,000	240,000	240,000	240,000
Total Other Revenues	15,046	-	-	-	-	-
Total Expenditures	775,000	661,631	550,000	415,000	255,000	135,000
<b>Fund 4 Ending Contingency Balance</b>	<b>1,340,467</b>	<b>888,836</b>	<b>578,836</b>	<b>403,836</b>	<b>388,836</b>	<b>493,836</b>

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## Appendix







## **Superintendent's Budget Message**

2015-2016 Proposed Budget

March 31, 2015

The Multnomah Education Service District (MESD) is pleased to present the proposed budget for fiscal year 2015-2016. This document represents the collective work of all MESD departments and has been prepared in accordance with Local Budget Law, Oregon regulations, and MESD Board of Directors policies.

The specified revenue and expenditures are based upon educated suppositions as of March 26, 2015. We expect adjustments will be made before June 30, 2015 dependent upon the availability of additional information. Our level of service is contingent upon what our component school districts order from the MESD Local Service Plan. Our customers have provided their preliminary estimates on Local Service Plan selections and our budget is largely based on these estimates. Once their final selections are known, the MESD will adjust its budget and staffing levels accordingly.

Assumptions have been made in preparing the MESD budget document. These assumptions include:

- The MESD budget is based on a \$7.5 billion State School Fund (SSF) allocation needed to sustain current K-12 education needs. The MESD assumes a 49% split for Year 1.
- MESD's estimated SSF allotment for 2015-16 is approximately \$38.3 million per the current SSF formula.
- Other Federal, State & Local Revenue sources are budgeted based on the most current information available.
- MESD has used the following payroll assumptions:
  - Salary step increases for eligible employees
  - The tentatively agreed upon salary schedule for MESDEA represented employees
  - PERS defined rates are 5.55% for Tier I/II, 0.86% for OPSRP, and 4.97% for Fire & Police
  - MESD contribution rate for PERS pickup is 6%
  - Increased employer contribution for health insurance premiums is capped at 6%

This year, the MESD worked with component districts to begin the budget process earlier. We provided detailed cost estimates for all programs on the Local Service Plan using the estimated level of usage provided by districts. This provided transparency in how our programs are costed and enabled open discussion with our customers on the level of service provided, as well as conversations on areas of potential savings.

**Interim Superintendent /Chief Operating Officer** *Jim Rose*

**Board of Directors** *Francisco Acosta, Jr. • Bernie Giusto • Gary Hollands • Nels Johnson • Doug Montgomery • Kevin Spellman • Erica Thatcher*

11611 NE Ainsworth Circle • Portland, Oregon 97220 • 503-255-1841 • fax 503-257-1519 • [www.mesd.k12.or.us](http://www.mesd.k12.or.us)

The MESD will continue to update our business model as we strive to provide quality, cost effective services to districts. We will continue to see:

- Continued accountability from component school districts of our programs for value and cost efficiency;
- Increased options in fee-for-service regional cooperatives wholly dependent on participation through customer dollars;
- Programs, that have been supported wholly by resolution dollars, will see a mix of this structure with fee-for-service and pay-as-you go funding;
- Program decisions on the part of our customers that, more than ever, will be driven by competing priorities and cost-cutting considerations
- Continued work to achieve the requirements related to SB 290 and implementation of the new teacher and administrator evaluations;
- Continued involvement in the State Educator Effectiveness Centers;
- Continued work with the Cascade Education Alliance for regionalizing services within four ESD's
- MESD's support of the option for districts to opt out of ESD services. MESD component school districts currently have the option to opt out of our Local Service Plan, but at this time, none of our component school districts have exercised this option;
- Significant increases to payroll costs throughout the state due to rising rates for PERS, health insurance, workers compensation insurance and Property and Casualty Coverage for Education (PACE) insurance premiums; and

The strategic underpinnings will remain constant. These are:

- MESD's spending plan will continue to reflect the needs and wants of our customers. Our menu of services ensures that the only programs we offer are those valued by customers;
- Continue to pursue reasonable and appropriate grant and contract opportunities; and
- Continue to decrease expenditures for operations as we can.

The process that was followed to finalize the proposed budget document presented today was completed through the efforts of many staff and multiple departments inputting information with the intent of presenting the most complete document at this point in time. We want to acknowledge their teamwork, the many hours of time it took to create this budget snapshot and their professionalism throughout this process.

With the many questions about the future of the ESD system in this state and the outcomes we will face, the staff at MESD continues to demonstrate incredible stamina and show the strongest commitment to the children, families, and districts within this county. We, the staff of MESD, are leaders of a strong and

effective educational agency. We believe in our ability to meet the unique and individual needs of our students, to assist our districts in the achievement of all students, and are committed to delivering services with the most cost-effective strategies we can to demonstrate our value as a regional service delivery agency.

We respectfully submit this proposed budget to the MESD Budget Committee and the public as a means to those ends.

A handwritten signature in cursive script that reads "James Rose".

James (Jim) Rose  
MESD Interim Superintendent and Budget Officer

**Multnomah Education Service District  
2014 - 2015 Fiscal Year Estimated Budget  
Combining Fund Summary- Budgetary Funds**

	Program Funds		Support Funds				
	Resolution Services	Contracted Services	Operating	Debt Service	Facilities & Equipment Reserve	Risk Management Reserve	Total
<b>Resources</b>							
<b>Beginning Fund Balance</b>	<b>1,461,383</b>	<b>4,807,487</b>	<b>4,108,152</b>	<b>35,521</b>	<b>1,585,565</b>	<b>779,057</b>	<b>12,777,165</b>
<b>Revenues</b>							
Property Taxes	29,132,499						29,132,499
State School Fund	6,307,067						6,307,067
Local Sources	30,692	9,150,079	45,206		15,046		9,241,023
State Sources	(2,600)	9,933,553					9,930,953
Federal Sources		2,804,974					2,804,974
Investment Earnings		1,517	80,000				81,517
Sales of Goods & Services		11,152	24				11,176
Other Revenues	156,749	625,798	164,753			94,505	1,041,805
Services to Other Funds				2,468,886		609,456	3,078,342
<b>Total Revenues</b>	<b>35,624,407</b>	<b>22,527,073</b>	<b>289,983</b>	<b>2,468,886</b>	<b>15,046</b>	<b>703,961</b>	<b>61,629,356</b>
<b>Transfers In &amp; Overhead Revenues</b>							
Overhead Revenues			1,096,295				1,096,295
From Resolution Services			3,543,957		80,000		3,623,957
From Contract Services					334,000		334,000
From Operating				546,588	100,856		647,444
From Risk Mgmt Reserve			65,708				65,708
<b>Total Transfers In/Overhead</b>			<b>4,705,960</b>	<b>546,588</b>	<b>514,856</b>		<b>5,767,404</b>
<b>TOTAL RESOURCES</b>	<b>37,085,790</b>	<b>27,334,560</b>	<b>9,104,095</b>	<b>3,050,995</b>	<b>2,115,467</b>	<b>1,483,018</b>	<b>80,173,925</b>
<b>Requirements</b>							
<b>Total Expenditures</b>	<b>31,792,697</b>	<b>20,570,767</b>	<b>5,160,429</b>	<b>3,050,995</b>	<b>775,000</b>	<b>748,166</b>	<b>62,098,054</b>
<b>Transfers Out &amp; Overhead Charges</b>							
Overhead Charges		1,096,295					1,096,295
To Debt Service			546,588				546,588
To Facilities & Equip Reserve	80,000	334,000	100,856				514,856
To Operating	3,543,957					65,708	3,609,665
<b>Total Transfers Out/Overhead</b>	<b>3,623,957</b>	<b>1,430,295</b>	<b>647,444</b>			<b>65,708</b>	<b>5,767,404</b>
<b>Contingency</b>							
<b>Ending Fund Balance</b>	<b>1,669,136</b>	<b>5,333,499</b>	<b>3,296,222</b>		<b>1,340,467</b>	<b>669,144</b>	<b>12,308,468</b>
<b>TOTAL REQUIREMENTS</b>	<b>37,085,790</b>	<b>27,334,560</b>	<b>9,104,095</b>	<b>3,050,995</b>	<b>2,115,467</b>	<b>1,483,018</b>	<b>80,173,925</b>

Combining Fund Summary- Budgetary Funds

## Public Notices

Budget Committee Meeting, Online: [www.mesd.k12.or.us](http://www.mesd.k12.or.us), March 20, 2015

### NOTICE OF MULTNOMAH EDUCATION SERVICE DISTRICT BUDGET COMMITTEE MEETING

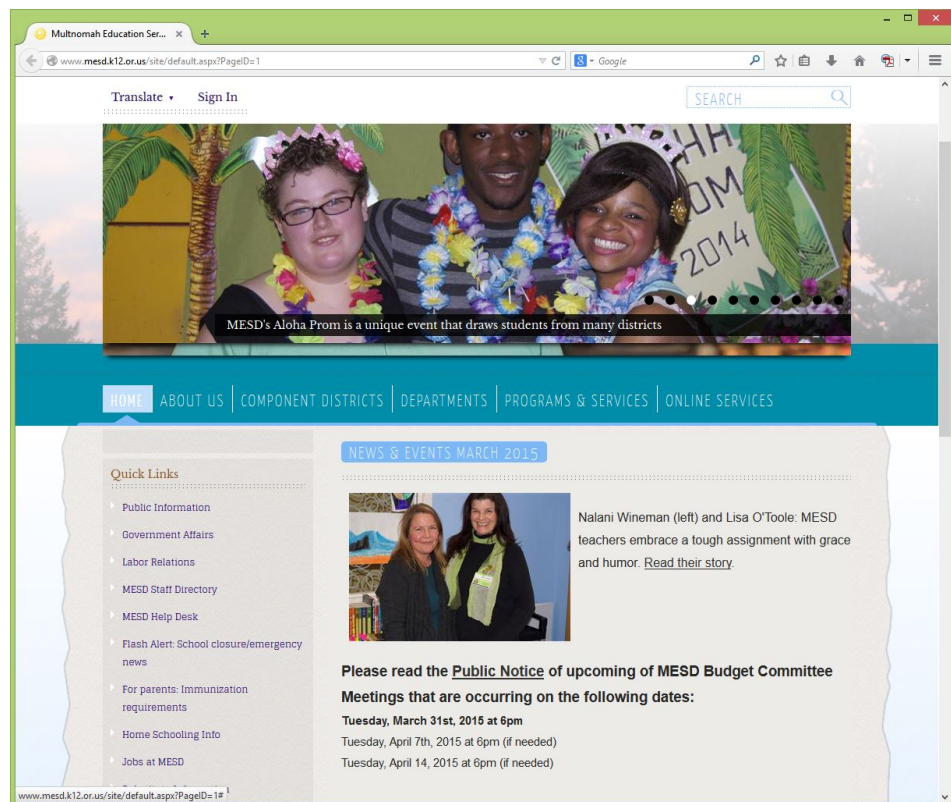
A public meeting of the MESD Budget Committee of the Multnomah Education Service District, Multnomah County, State of Oregon, to discuss the budget for the fiscal year July 1, 2015 to June 30, 2016, will be held at 11611 NE Ainsworth Circle, Portland, Oregon 97220 in the Board Room. The meeting will take place on Tuesday, March 31, 2015 at 6:00 p.m.

The purpose of the meeting is to receive the budget message and to receive public comment on the budget. A copy of the budget document may be inspected or obtained in the Business Services Office at 11611 NE Ainsworth Circle, Portland, OR 97220, beginning Friday, March 27, 2015 between the hours of 8:00 a.m. and 5:00 p.m. or viewed on the MESD website: [www.mesd.k12.or.us](http://www.mesd.k12.or.us).

This is a public meeting where deliberation of the MESD Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the MESD Budget Committee.

Additional MESD Budget Committee meetings, *if needed*, are scheduled to be held on Tuesday, April 7, 2015, and Tuesday, April 14, 2015 at 6:00 p.m. at the same location. All meetings are open to the public.

Jim Rose  
Budget Officer  
Multnomah Education Service District



**Public Notices**

Budget Committee Meeting, Newspaper: The Oregonian, March 20, 2015

**OREGONIAN MEDIA GROUP****1515 SW 5th Ave, Suite 1000 Portland, OR 97201-5615****Affidavit of Publication**

I, Gerald Brickel, being first duly sworn depose and say that I am the Principal Clerk Of The Publisher of The Oregonian, a newspaper of general circulation, published at Portland, in Multnomah County, Oregon; that I know from my personal knowledge that the advertisement, a printed copy of which is hereto annexed, was published in the entire issue of said newspaper in the following issues:

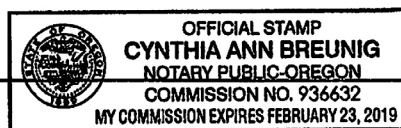
3/20/2015

Gerald Brickel

Principal Clerk of the Publisher

Subscribed and sworn to before me this date: 23rd day of March, 2015.Cynth Ann Breunig

Notary Public for Oregon

My commission expires 23rd day of February, 2019.

Ad Order Number: 0003687076

**NOTICE OF MULTNOMAH EDUCATION SERVICE DISTRICT BUDGET COMMITTEE MEETING** A public meeting of the MESD Budget Committee of the Multnomah Education Service District, Multnomah County, State of Oregon, to discuss the budget for the fiscal year July 1, 2015 to June 30, 2016, will be held at 11611 NE Ainsworth Circle, Portland, Oregon 97220 in the Board Room. The meeting will take place on Tuesday, March 31, 2015 at 6:00 p.m. The purpose of the meeting is to receive the budget message and to receive public comment on the budget. A copy of the budget document may be inspected or obtained in the Business Services Office at 11611 NE Ainsworth Circle, Portland, OR 97220, beginning Friday, March 27, 2015 between the hours of 8:00 a.m. and 5:00 p.m. or viewed on the MESD website: [www.mesd.k12.or.us](http://www.mesd.k12.or.us). This is a public meeting where deliberation of the MESD Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the MESD Budget Committee. Additional MESD Budget Committee meetings, if needed, are scheduled to be held on Tuesday, April 7, 2015, and Tuesday, April 14, 2015 at 6:00 p.m. at the same location. All meetings are open to the public. Jim Rose Budget Officer Multnomah Education Service District

**Public Notices**

TSCC Budget Hearing, Newspaper Notice: Published May 8, 2015

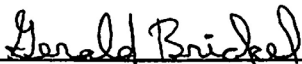
**OREGONIAN MEDIA GROUP****1515 SW 5th Ave, Suite 1000 Portland, OR 97201-5615****Affidavit of Publication**

I, Christine D. Cassel, being first duly sworn depose and say that I am the Principal Clerk Of The Publisher of The Oregonian, a newspaper of general circulation, published at Portland, in Multnomah County, Oregon; that I know from my personal knowledge that the advertisement, a printed copy of which is hereto annexed, was published in the entire issue of said newspaper in the following issues:

5/8/2015



Principal Clerk of the Publisher

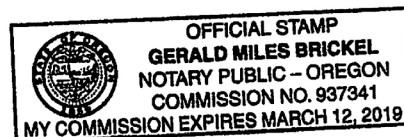
Subscribed and sworn to before me this date: 11th day of May, 2015.

Notary Public for Oregon

My commission expires 12th day of March, 2019.

Ad Order Number: 0003699965

**NOTICE OF TSCC BUDGET HEARING for May 19, 2015** A public hearing will be held by the Tax Supervising and Conservation Commission on the budget approved by the budget committee for the Multnomah Education Service District, Multnomah County, State of Oregon, for the fiscal year July 1, 2015 to June 30, 2016. The hearing will be held at 11611 NE Ainsworth Circle, Portland, OR 97220 in the Board Room on the 19th day of May, 2015 at 6:00 pm. The purpose of the hearing is to discuss the budget with interested persons. A copy of the budget document may be inspected or obtained in the Business Office at 11611 NE Ainsworth Circle, Portland, OR 97220 between the hours of 8:00 am and 5:00 pm, or viewed on the MESD website: [www.mesd.k12.or.us](http://www.mesd.k12.or.us). **Total Budget Requirements: \$79,991,040 Last Year's Total Levy Rate: \$0.4576 per \$1,000 This Year's Total Levy Rate: \$0.4576 per \$1,000 Change from Last Year's Rate: \$0 per \$1,000**





**RESOLUTION 14-045      Approval of the 2014-2015 Budget Calendar for Development  
of the Fiscal Year 2015-2016 Budget**

**Background:** Although the law does not require the adoption of a Budget Calendar by education service districts, there are certain legal requirements in the development of the budget. It is, therefore, in the best interest of the agency that the Board adopt the Budget Calendar as a guide for the orderly development of the proposed budget for the ensuing year.

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**WHEREAS,** a Budget Calendar is desirable as a guide for the orderly development of the proposed budget for the ensuing fiscal year; and

**NOW THEREFORE BE IT RESOLVED,** that the Multnomah Education Service District Board of Directors approved the 2014-2015 Budget Calendar for the Development of the Fiscal Year 2015-2016 Budget.



### Multnomah ESD 2014-2015 Calendar for Fiscal Year 2015-2016 Budget

Tuesday, July 1, 2014	MESD Board Meeting	MESD Board
<ul style="list-style-type: none"><li>Adopt the 2014-2015 Calendar for the Fiscal Year 2015-16 Budget (<b>Resolution</b>)</li></ul>		
Tuesday, November 18, 2014	MESD Board Meeting	MESD Board
<ul style="list-style-type: none"><li>Presentation by Auditors – Talbot, Korvola &amp; Warwick of 2013-2014 Audit</li></ul>		
Tuesday, December 16, 2014	MESD Board Meeting	MESD Board
<ul style="list-style-type: none"><li>Approve 2015-2016 Local Service Plan (<b>Resolution</b>)</li><li>Adopt Budget Planning Parameters (<b>Resolution</b>)</li></ul>		
January 2015 thru March 2015		
<ul style="list-style-type: none"><li>MESD Management develops the Proposed Budget</li><li>MESD Board appoints new Budget Committee members</li><li>MESD Management provides new member training</li></ul>		MESD Board
Friday, January 9, 2015	Superintendent Council Meeting	Council
<ul style="list-style-type: none"><li>MESD Superintendent delivers to Component Districts 2015-2016 Local Service Plan</li></ul>		
Sunday, March 1, 2015	Component District Boards	District Boards
<ul style="list-style-type: none"><li>2015-2016 Local Service Plan Approval (ORS 334.175(5)(b)/OAR 581-024-0285(2)) (<b>Resolution</b>)</li></ul>		
Thursday, March 19, 2015	Budget Committee Orientation	Budget Committee
<ul style="list-style-type: none"><li>Introduction to MESD and budget process for new and current committee members.</li></ul>		
Friday, March 20, 2015	<i>Publish Notices of Budget Committee Meetings</i>	
<ul style="list-style-type: none"><li><i>Newspaper notice within 5-30 days before meeting – (ORS 294.401)</i></li><li><i>Online notice for at least 10 days before meeting</i></li></ul>		
Friday, March 27, 2015	Access to Proposed Budget	
<ul style="list-style-type: none"><li>Proposed budget document available to public – (ORS 294.401)</li><li>Open online access to Proposed Budget to the Budget Committee – no deliberations allowed</li></ul>		
Tuesday, March 31, 2015	Budget Committee Meeting	Budget Committee
<ul style="list-style-type: none"><li>Proposed Budget Presentation</li><li>Elect Board Committee Chair</li><li>Presentation of revenue forecast and assumptions</li><li>Superintendent’s Budget Message – (ORS 294.401)</li><li>Proposed Budget Presentation and Department Summaries – (ORS 294.401)</li><li>Public Comment</li><li>Budget Committee Recommendations</li><li>Approve Budget (<b>Resolution</b>)</li></ul>		
Tuesday, April 7, 2015, and Tuesday, April 14, 2015	Budget Committee Meetings <i>if necessary</i>	Budget Committee
<ul style="list-style-type: none"><li>Continue discussion of proposed budget presentation for approval</li></ul>		

**Multnomah ESD 2014-2015 Calendar for Fiscal Year 2015-2016 Budget (continued)**

Wednesday, April 15, 2015	Deadline to submit Approved Budget to TSCC (ORS 294.635)	
<i>Friday, May 8, 2015</i>	<i>Publish Notices of TSCC Public Hearing</i>	
	<ul style="list-style-type: none"> <li>• <i>Newspaper notice within 5-30 days before hearing – (ORS 294.421))</i></li> <li>• <i>FlashNews Alert notice of hearing – (ORS 294.421)</i></li> <li>• <i>Online notice for at least 10 days before meeting</i></li> </ul>	
Tuesday, May 19, 2015	TSCC Public Hearing (ORS 294.430)	TSCC
Tuesday, June 16, 2015	MESD Board Meeting	MESD Board
	<ul style="list-style-type: none"> <li>• Adopt Budget, Appropriation, &amp; Certify Tax Levy (ORS 294.435) <b>(Resolution)</b></li> <li>• Each fund cannot be increased by more than 10% of Approved Budget</li> </ul>	
Wednesday, July 15, 2015	Deadline to File Certification of Tax Levy with Counties	

**Motion:** Director Spellman moved to approve Resolution 14-045. Director Montgomery seconded the motion.

**Action:** There being no further discussion the motion carried with Directors Acosta, Giusto, Montgomery, and Spellman voting aye. Motion passed 4-0.

**RESOLUTION 15-015 – Fiscal Year 2015-2016 Budget Planning Parameters**

**Background:** The resolution planning process and budget development begins with the Multnomah Education Service District Budget Officer's recommendation of planning parameters.

The Board Finance Committee recommends approval:

**WHEREAS**, the 2015-2016 budget planning parameters above were presented to the Board Finance Committee on March 2, 2015; and

**WHEREAS**, the Board Finance Committee requested that the draft be taken to the Board on March 2, 2015 for discussion; and

**WHEREAS**, the MESD Board of Directors discussed the draft Planning Parameters.

**NOW THEREFORE BE IT RESOLVED**, that the Multnomah Education Service District Board of Directors authorizes budget authority in support of 2015-2016 budget planning parameters as follows:

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### **2015-2016 Budget Planning Parameters**

#### **Revenues:**

1. The MESD will forecast State School Fund (SSF) revenue using the most current information available. For the purpose of preparing a proposed budget, the MESD will assume a \$7.5 billion biennium (\$3.675 billion year-one) SSF base rate. Under this assumption, the MESD's estimated SSF revenue for 2015-16 will be approximately \$38 million per the current SSF formula with 90% going to component districts for service plan activities or transits.
2. Other funding sources including federal grants, state contracts and local sources will be budgeted utilizing the most current information available.
3. The indirect rate for grants passed through ODE will be budgeted at 9% unless specifically identified for individual grants or contracts.
4. MESD will continue to charge a 10% administrative fee to non-component districts that purchase services listed in the Local Service Plan.

#### **Expenditures:**

1. The MESD will budget utilizing the most current information available on service level.
2. The MESD will use the following payroll assumptions:
  - a. Step increases are budgeted for eligible employees.
  - b. The most current proposed salary schedules for represented employees will be used for budgeting purposes.
  - c. PERS defined rates remain 5.55% for Tier I/II, 0.86% for OPSRP, and 4.97% for OPSRP Fire & Police.
  - d. The MESD contribution rate for the PERS pickup is 6%.
  - e. The increased employer contribution for health insurance premiums will be capped at 6%.
  - f. Other payroll rates will be calculated to fund estimated annual liabilities for workers' compensation and unemployment.
3. The PERS UAL Bond debt service requirement of \$2,639,498 will be funded by a benefit expense applied to all payrolls and received into the Debt Service Fund as revenue for services to other funds.
4. The 2004 Refunding Obligation debt service requirement of \$538,500 will be funded by a transfer from the Operating Fund to the Debt Service Fund.

#### **Ending Fund Balance and Contingency:**

1. The Operating Fund unappropriated ending fund balance will ensure the agency's Operating and Resolution funds cash flow needs are met until property tax revenues are received in November.
2. Contingency will be set at an appropriate amount as a buffer for unexpected requirements.

**RESOLUTION 15-020      Approval of MESD Budget Committee Representatives**

**Background:** Currently MESD's Budget Committee is comprised of the MESD Board of Directors and members from component district Boards. Four members of the Budget Committee have had their term expire and the MESD Board of Directors approves a new three year term for each of the candidates listed below.

**Candidate Information:**

**Ernie Butenschoen – Centennial School District**

**Charlie O'Neil – Corbett School District**

**John Hartsock-Gresham-Barlow School District**

**Joe Prats-Riverdale School District**

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**WHEREAS**, the Multnomah Education Service District Board of Directors has elected to continue with the Budget Committee structure aligned with the passage of Senate Bill 250 to include members from component district Boards and taken action at their March 17, 2015 Board meeting to approve new three year terms for the members whose terms were complete; and

**WHEREAS**, the Centennial School District Board of Directors has submitted the name of Ernie Butenschoen to represent Centennial School District on the MESD Budget Committee; and

**WHEREAS**, the Corbett School District Board of Directors has submitted the name of Charlie O'Neil to represent Corbett School District on the MESD Budget Committee; and

**WHEREAS**, the Gresham-Barlow School District Board of Directors has submitted the name of John Hartsock to represent Gresham-Barlow School District on the MESD Budget Committee; and

**WHEREAS**, the Riverdale School District Board of Directors has submitted the name of Joe Prats to represent Riverdale School District on the MESD Budget Committee; and

**WHEREAS**, the Multnomah Education Service District Board Finance Committee recommends approval of Mr. Butenschoen, Mr. O'Neil, Mr. Hartsock, and Mr. Prats to serve another term with the MESD Budget Committee, and the Multnomah Education Service District Board of Directors have reviewed the recommendation as submitted.

**NOW THEREFORE BE IT RESOLVED**, that the Multnomah Education Service District Board of Directors approves Ernie Butenschoen from Centennial School District, Charlie O'Neil with Corbett School District, John Hartsock with Gresham-Barlow School District and Joe Prats with the Riverdale School District to the MESD Budget Committee.

**RESOLUTION MBCM-15-02(Revised)**  
**Approval of the Proposed 2015-2016 Budget and Ad Valorem Property Tax Rate**

This resolution requests the MESD Budget Committee's acknowledgement of receipt and approval of the proposed 2015-2016 Budget Document and the Ad Valorem Property Tax Rate.

**Background:** The Budget Officer is required by law to prepare a budget to submit to the MESD Budget Committee. The MESD Budget Committee should acknowledge receipt of that Proposed Budget and then is faced with two choices. The MESD Budget Committee can either approve the budget as submitted by the Budget Officer or approve a budget as modified by the MESD Budget Committee. Secondly, the MESD Budget Committee is required to approve the Ad Valorem Property Tax Rate.

The Budget Officer recommends adoption of the following resolution:

**WHEREAS**, the Budget Officer is required to prepare a Proposed Budget and present it to the MESD Budget Committee; and

**WHEREAS**, the MESD Budget Committee has met in a public MESD Budget Committee Work Session on March 31 to review the financial programs of the MESD and prepare a budget for the operational and administrative expenses of the MESD; and

**WHEREAS**, the MESD Budget Committee has received and reviewed the 2015-2016 Proposed Budget Document.

**NOW THEREFORE BE IT RESOLVED**, that the MESD Budget Committee approves the 2015-2016 Proposed Budget in the following amounts:

**Resolution Services Fund**

Instruction	\$ 6,587,239
Support Services	14,405,555
Enterprise & Community Services	272,620
Other Uses	13,578,936
Transfers Out	3,950,500
Contingency	2,934,966
Total	<u>\$ 41,729,816</u>

**Contracted Services Fund**

Instruction	\$ 6,166,935
Support Services	6,959,469
Enterprise & Community Services	6,794,566
Contingency	3,442,323
Total	<u>\$ 23,363,293</u>

**Operating Fund**

Support Services	\$ 4,608,756
Enterprise & Community Services	355,666
Transfers Out	628,500
Contingency	400,000
Total	<u>\$ 5,992,922</u>

**Debt Service Fund**

Debt Service	<u>\$ 3,177,998</u>
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**Facilities & Equipment Reserve Fund**

Support Services	646,631
Contingency	903,836
	<u>\$ 1,550,467</u>

**Risk Management Reserve Fund**

Support Services	\$ 661,843
Transfers Out	22,778
Contingency	656,638
Total	<u>\$ ,341,259</u>

<b>Total Appropriation, All Funds</b>	\$ 77,155,755
<b>Total Unappropriated Amounts, All Funds</b>	<u>2,835,285</u>

<b><i>TOTAL APPROVED BUDGET</i></b>	<u>\$ 79,991,040</u>
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**BE IT FURTHER RESOLVED**, that the MESD Budget Committee approves the levy of the Ad Valorem Tax Rate of \$.4576 per \$1,000 of assessed for the Resolution Fund.

**Motion:** Centennial SD Representative Ernie Butenschoen moved to approve the Resolution MBCM 15-02 as revised and distributed. Parkrose SD Representative Mary Lou Baetkey seconded the motion.

**Action:** There being no further discussion the motion carried with Representatives Acosta, Baetkey, Bottomley, Butenschoen, Hartsock, Hopper, Montgomery, O'Neil, Scarcelli, and Spellman voting aye. Motion passed 10-0.

**RESOLUTION 15-037      Adoption of the Fiscal Year 2015-2016 Budget and Appropriations for All Funds, and Declaration of Taxes Imposed**

**Background:** Oregon Budget Law (ORS 294.435(2)) requires the Board adopt the budget and make appropriations by June 30, 2015, and certify the taxes imposed to the County Assessor prior to July 15, 2015.

The law also requires that the approved budget be submitted by April 15<sup>th</sup> to the Tax Supervising and Conservation Commission (TSCC) and that the TSCC hold a public hearing prior to adoption. The approved budget was submitted in a timely fashion and the public hearing was held on May 19, 2015. The TSCC certified the 2015-16 approved budget without objection.

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The Superintendent recommends adoption of the following resolution:

**WHEREAS**, a public hearing and review of the budget previously approved by the Board Budget Committee was held on May 19, 2015 by the Tax Supervising and Conservation Commission (TSCC) and the budget has been certified by TSCC without objection; and

**WHEREAS**, the following totals reflect the amounts approved by the Budget Committee and changes as noted in the budget document.

**NOW THEREFORE BE IT RESOLVED**, that the Multnomah Education Service District Board of Directors hereby adopts the budget for the fiscal year 2015-16 in the sum of \$79,605,277 now on file at the district Administrative Office;

**BE IT FURTHER RESOLVED**, that the amounts for the fiscal year 2015-16 beginning July 1, 2015 and for the purposes shown below are hereby appropriated as follows:



**Resolution Services Fund**

Instruction	\$ 6,796,706
Support Services	13,619,785
Enterprise & Community Services	286,013
Other Uses	13,414,686
Transfers Out	3,910,000
Contingency	1,989,784
Total	<u>\$ 40,016,974</u>

**Contracted Services Fund**

Instruction	\$ 6,841,234
Support Services	7,995,063
Enterprise & Community Services	6,817,287
Contingency	3,211,119
Total	<u>\$ 24,864,703</u>

**Operating Fund**

Support Services	\$ 4,617,285
Enterprise & Community Services	355,666
Transfers Out	628,500
Contingency	229,676
Total	<u>\$ 5,831,127</u>

**Debt Service Fund**

Debt Service	\$ 3,177,998
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**Facilities Acquisition & Improvements Fund**

Support Services	\$ 661,631
Contingency	888,836
Total	<u>\$ 1,550,467</u>

**Risk Management Reserve Fund**

Support Services	\$ 726,843
Transfers Out	22,778
Contingency	511,442
Total	<u>\$ 1,261,063</u>

<b>Total Appropriation, All Funds</b>	<b>\$ 76,702,332</b>
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<b>Total Unappropriated Amounts, All Funds</b>	<b><u>2,902,945</u></b>
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<b>TOTAL ADOPTED BUDGET</b>	<b><u>\$ 79,605,277</u></b>
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**BE IT FURTHER RESOLVED**, that the Multnomah Education Service District Board of Directors hereby levies the taxes provided for in the adopted budget at the rate of \$0.4576 per \$1,000 of assessed value for operations, and that these taxes are hereby imposed for the fiscal year 2015-16 upon the assessed value of all taxable property within the district and categorized as follows:

**Education Limitation**

Resolution Services Fund \$0.4576 / \$1,000 of Assessed Value

**Motion:** Director Francisco Acosta moved to approve Resolution 15-037.  
Director Erica Thatcher seconded the motion.

**Discussion:** None

**Action:** The motion carried with Directors Acosta, Giusto, Johnson, Montgomery, Spellman and Thatcher voting aye. Motion passed 6-0.

## Glossary

### Fund Definitions

**Agency Pass-Through Fund (Fund 5):** This fund was established in 2008-09 to record funds being held by the MESD in a custodial capacity for the component districts. All monies received by the MESD for distribution to the component districts are recorded in the Agency Pass-Through Fund as a liability. Distributions to the component districts will reduce this liability. Beginning in late-May 2013, the District became the fiscal agent for the Oregon Association of Education Service Districts (OAESD). This fund reports activity on behalf of OAESD.

**Contracted Services Fund (Fund 2):** This fund accounts for activities carried on for the benefit of participating local school districts, as well as food dispensing programs. The fund is self-supporting through grants and other reimbursements, mainly from the state and participating school districts. A maximum surcharge of 10% is added to the cost of services from this fund in order to cover the operating costs of the agency. Where grants specify a different overhead rate the lower rate is applied.

**Debt Service Fund (Fund 3):** This fund accounts for the principal and interest payments associated with the agency's two bond issues. The OSBA Limited Tax Pension Obligations, Series 2004 were sold to fund the District's Public Employees Retirement System (PERS) unfunded actuarial liability. A benefit expense is applied to all payrolls to generate the funds necessary to pay this debt service. The funding is then recognized in the Debt Service Fund as revenue for services to other funds. The second issue is the Full Faith & Credit Refunding Obligations, Series 2004. This general obligation issue refunded the 1997 Certificates of Participation (COP) originally used to fund the construction of Alpha High School and Arata Creek School. A portion of the debt service is expensed to the programs located at the schools and recorded in the Debt Service Fund as revenue for services to other funds; the remainder is funded by a transfer from the Operating Fund.

**Facilities and Equipment Reserve Fund (Fund 4):** This fund accounts for facility acquisitions and improvements as well as major maintenance projects. In addition, it also accounts for the accumulation of resources for future acquisition of major software, equipment and furniture. It is funded primarily by transfers from the Operating and Resolution Funds. This fund was formerly known as the Facilities Acquisition and Improvement Fund.

**Operating Fund (Fund 6):** This fund accounts for the general operating costs of the agency. In accordance with Oregon Revised Statute 334.177, 10% of local revenues from the Resolution Services Fund are transferred to this fund. In addition, a maximum 10% surcharge in the Contracted Services Fund is credited to this fund as overhead revenue.

**Resolution Services Fund (Fund 1):** This fund accounts for the various programs provided to the component districts as specified by the resolutions. The sources of revenues for this fund come exclusively from local property taxes and the State School Fund. In accordance with Oregon Revised Statute 334.177, a maximum of 10% of these revenues are transferred to the Operating Fund and used to pay for the general operating costs of the District. The remaining 90% is apportioned to the eight component school districts according to average daily membership weighted (ADMw).

**Risk Management and Reserve Fund (Fund 7):** The purpose of this fund is to pay for costs associated with risk management activities including insurance premiums, activities to prevent or minimize exposure and incurred losses. A benefit expense is applied to all payrolls to generate the funds necessary to support these activities. The funding is then recognized in the Risk Management Fund as revenue for services to other funds. In the 2010-11 fiscal year a \$450 thousand PERS reserve was established in this fund to help offset the anticipated sharp increase in future PERS costs to the Operating Fund beginning in 2011-12. Annual transfers to the Operating Fund are intended to offset PERS costs as follows: 80% in 2011-12, 60% in 2012-13, 40% in 2013-14, 30% in 2014-15, and 10% in 2015-16.

### **Function Definitions**

**1000 – Instruction:** This function relates to activities dealing directly with the teaching of students, or the interaction between teacher and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, or in other learning situations such as those involving co-curricular activities. It may also be provided through some other approved medium such as computer instruction applications, television, radio, telephone, and correspondence.

**2000 – Support Services:** This function accounts for those services which provide administrative, technical, personal (such as guidance and health), and logistical support to facilitate and enhance instruction. Support Services exist to sustain and enhance instruction, and would not otherwise exist if not for instructional programs.

**3000 – Enterprise and Community Services:** These are activities concerned with operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs of providing goods and services to the students or general public are financed or recovered primarily through user charges and community programs.

**4000 – Facilities Acquisition and Construction:** This function relates to activities concerned with the acquisition of land and buildings; major remodeling and construction of buildings and major additions to buildings; initial installation or extension of service systems and other built-in equipment; and major improvements to sites. Major capital expenditures, which are defined as capital expenditures that are eligible for general obligation bonding are recorded here.

**5000 – Other Uses:** This function is used for servicing the debt of a district, conduit-type transfers from one fund to another fund and apportionment of funds by ESD.

**6000 – Contingencies (for budget only):** These are expenditures which cannot be foreseen and planned in the budget process because of an occurrence of an unusual or extraordinary event.

**7000 – Unappropriated Ending Fund Balance:** This is an estimate of funds needed to maintain operations of the 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 shall be made from the unappropriated ending fund balance in the year in which it is budgeted.

### Other Terms

**Accounting System:** The total structure of records and procedures which discover, record, classify, summarize, and report information on the financial position and results of operations of its government of any of its funds, fund types, balanced account groups, or organizational components.

**Accrual Basis:** The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

**Activity:** A specific and distinguished line of work performed by one or more organizational components of a government for the purpose of accomplishing a function for which the government is responsible. For example, food inspection is an activity performed in the discharge of the health function.

**ADM:** Average daily membership is the year-to-date average of daily student enrollment.

**Appropriation:** A legal authorization granted by the school board to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

**Assets:** Resources owned or held by a government, which have monetary value.

**Budget:** A plan of financial operation embodying an estimate of proposed means of financing them for a single fiscal year. A proposed budget is presented to the budget committee for approval. An approved budget is subsequently adopted as approved or modified by the Board.

**Budget Document:** The instrument used by the budget-making authority to present a comprehensive financial program to the school board which is the appropriating body. The budget document contains a message from the Superintendent, together with a summary of the proposed expenditures, means of financing them, and the schedules supporting the summary. These schedules show in detail the information as to past years' actual revenues, expenditures and other data used in making the estimates.

**Budgetary Control:** The management of the district in accordance with an adopted budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenue.

**Budgetary Expenditures:** Decreases in net current assets. In contrast to conventional expenditures, budgetary expenditures are limited in amount to exclude amounts represented by noncurrent liabilities. Due to their spending measurement focus, government fund types are concerned with the measurement of budgetary expenditures.

**Capital Outlay:** Expenditures which result in the acquisition of or addition to fixed assets.

**Cash Basis:** A basis of accounting under which transactions are recognized only when cash changes hands.

**Certified Employees:** Includes teachers, counselors, media specialists, psychologists, social workers, nurses, athletic trainers, occupational speech, and physical therapists

**Classified Employees:** Support staff, including instructional assistants, clerical staff, custodians and maintenance.

**Component Districts:** The eight school districts within Multnomah County that MESD serves.

**Contingency:** A special amount budgeted each year for unforeseen expenditures. Transfer of general operating contingency funds to cover unanticipated expenditures requires board approval.

**Current Resources:** Resources to which recourse can be had to meet current obligations and expenditures. Examples are current assets, estimated revenues of a particular period not yet realized, transfers from other funds authorized but not received, and in the case of certain funds, bonds authorized and unissued.

**Deficit:** The excess of the liabilities of a fund over its assets. Oregon school districts may not carry deficits in any fund.

**Expenditures:** Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

**FTE:** Full-time equivalent staff. One FTE is defined as a regular position scheduled to work eight hours per day.

**Fixed Assets:** Asset of a long-term character which is intended to continue to be held or used, such as land, buildings, improvements other than building, machinery, and equipment.

**Fixed Cost:** A cost such as rent that does not change with increases or decreases in the amount of services provided.

**Functional Classification:** Expenditure classification according to the principle purposes for which expenditures are made.

**Fund:** A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**Indirect Cost:** A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

**Liabilities:** Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.

**Modified Accrual Basis:** All governmental funds and expendable trust funds are accounted for using the modified accrual basis of accounting. Under it, revenues are recognized when they become both “measurable” and “available to finance expenditures of the current period.” Expenditures are recognized when the related fund liability is incurred.

**Object:** As used in expenditure classification this term applies to the articles purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples are salaries, employee benefits, personal services, contractual services, materials, and supplies.

**Operating Budget:** Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is required by law.

**Payroll Costs:** Amounts paid by the district on behalf of employees, in addition to gross salary. Examples are:

- Group Health Insurance
- Contributions to public employees' retirement system (PERS)
- Social Security (FICA)
- Workers' compensation
- Unemployment insurance

**Program Budget:** A budget wherein expenditures are based primarily on programs of work and secondarily on character and object class. A program budget is a transitional type of budget between the traditional character and object class budget, on the one hand, and the performance budget, on the other hand.

**Purchase Order:** A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

**Resources:** Estimated beginning fund balances on hand at the beginning of the fiscal year, plus all anticipated revenues.

**Revenues:** Moneys received or anticipated by a local government from either tax or non-tax sources.

**Shared Services:** This is a cooperative model with Clackamas, Willamette, Columbia Gorge and Northwest Regional ESDs. Together these agencies have agreed to allow resolution dollars 63 districts receive from these ESDs, combined with their general fund dollars, to flow to reciprocal ESDs for services thus broadening the expertise across all boundaries. This opens up opportunities for districts to receive other needed services from five ESD partners rather than just one.

**State School Fund:** The major appropriation of state support for public schools. This fund consists of property tax loss replacement mandated by Measure 5 and state aid formerly called Basic School Support. The State School Fund is distributed to school districts according to a Legislature adopted formula.

**Supplemental Budget:** Prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. A supplemental budget cannot be used to increase a tax levy.

**Transfers:** Amounts distributed from one fund to finance activities in another fund.

**Unappropriated Ending Fund Balance:** Amount budgeted to carryover to the next year's budget to provide the district with needed cash flow until other money is received and to provide financial stability. This amount cannot be transferred by resolution or used through a supplemental budget during the year.

**Variable Cost:** A cost that increases/decreases with increase/decreases in the amount of service provided such as the payment of a salary.