

Multnomah Education Service District  
Multnomah County, Oregon

# Proposed Budget

For the Fiscal Year 2014-2015

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

Presented to the MESD Budget Committee  
3/11/2014

# **Multnomah Education Service District**

## **2014-2015 Fiscal Year Proposed Budget**

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

The 2014-15 Fiscal Year Proposed Budget is organized into the following sections:

**Introduction and Overview-** This section contains the Superintendent's budget message, 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 funds in separate columns. The Fund Summary displays all the resources and requirements of the agency. The following 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 final report in the section displays the full-time equivalent 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 projected balance for 2013-14 and the ensuing year proposed budget. The 2014-15 Proposed 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 proposed budget. The next document displays the expenditure perspectives by category, division and fund followed by position summaries by division and fund.

**Debt Service and Capital Expenditures-** This section completes the budget picture by providing additional information describing details on the Agency's debt issues and upcoming capital maintenance and equipment expenditures.

**Appendix-** The final section within this budget document displays 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  
2014-2015 Proposed Budget*

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# **Introduction and Overview**

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## Superintendent's Budget Message

2014-2015 Proposed Budget

March 11, 2014

The Multnomah Education Service District (MESD) is pleased to present the proposed budget for fiscal year 2014-2015. 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 policies.

The specified revenue and expenditures are based upon educated suppositions as of March 11, 2014. We expect adjustments will be made before June 30, 2014 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 the legislatively approved \$3.44 billion year-two State School Fund (SSF) base rate
- MESD's estimated SSF revenue for 2014-15 is approximately \$35.7 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
  - Cost of Living increase of 1.25%
  - PERS defined rates remain 13.85% for Tier I/II, 11.85% for OPSRP, and 14.58% for Fire & Police
  - MESD contribution rate for PERS pickup is 6%
  - Increased employer contribution for health insurance premiums is capped at 6%

The MESD has made some organizational changes in an effort to save money and better serve our customers. These changes include combining the Department of Instructional Services and the Special Education Departments into the Department of Educational Services under the Chief Program Officer of Education as well as some other minor program realignments. We believe these changes will improve the efficiency and effectiveness of these programs.

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 based on full utilization scenarios and then again 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.

The MESD may 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;
- More programs that offer a range of lower-cost options without sacrificing quality or student safety;
- 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.

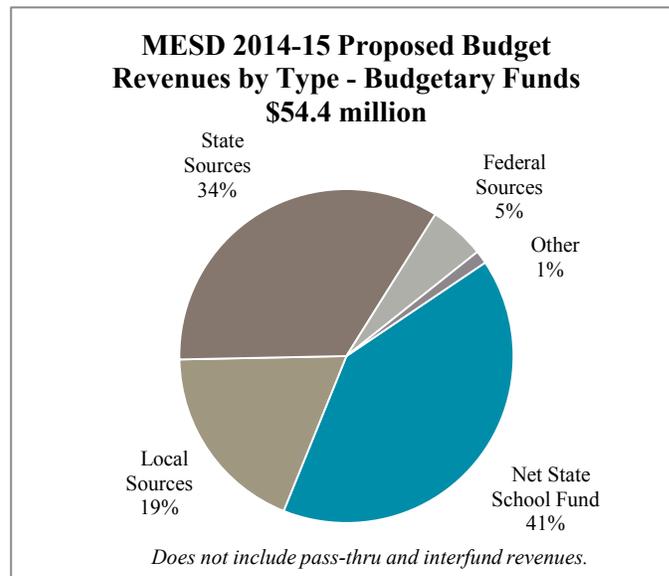
A handwritten signature in cursive script that reads "Barbara Jorgensen". The signature is written in black ink and is positioned above the typed name and title.

Barbara Jorgensen  
MESD Budget Officer

## Budget Overview

### Revenues – All Funds

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



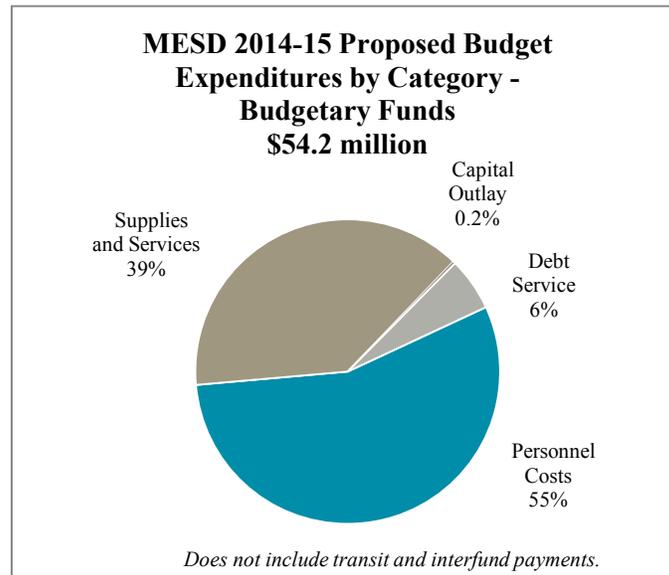
### Multnomah Education Service District 2013-14 Estimated Revenues and 2014-15 Proposed Budget

Revenues by Type:	Estimated 2013-2014	Proposed 2014-2015	Change
Property Taxes	\$27,448,421	\$27,394,000	0%
State School Fund	6,688,549	8,336,152	25%
Less Transits to Districts	<u>-11,950,243</u>	<u>-13,669,123</u>	14%
Net State School Fund	22,186,727	22,061,029	-1%
Local Sources	10,040,473	10,084,376	0%
State Sources	18,564,476	18,621,119	0%
Federal Sources	3,168,995	2,932,089	-7%
Other	<u>548,565</u>	<u>683,062</u>	25%
Subtotal - Revenues by Type	54,509,236	54,381,675	0%
SSF Revenue passed thru to Districts	11,950,243	13,669,123	14%
Interfund Revenues for Debt Service	2,380,748	2,504,374	5%
Interfund Revenues for Workers Comp	<u>602,745</u>	<u>609,456</u>	1%
Total Revenues - Budgetary Funds	69,442,972	71,164,628	2%
Add Agency Pass-Through Revenue	<u>140,500</u>	<u>140,500</u>	
Total Revenues - All Funds	<u>\$69,583,472</u>	<u>\$71,305,128</u>	

## Budget Overview

### Expenditures – All Funds

As with most all government agencies, our most significant expenditures are our people. Personnel costs make up 55% of our total expenditures for the District.



### Multnomah Education Service District 2013-14 Estimated Expenditures and 2014-15 Proposed Budget

Expenditure by Category:	Estimated <u>2013-2014</u>	Proposed <u>2014-2015</u>	<u>Change</u>
Personnel Costs	\$29,163,225	\$30,083,555	3%
Supplies and Services	21,446,603	20,898,284	-3%
Capital Outlay	239,246	133,402	-44%
Debt Service	2,927,374	3,051,004	4%
Subtotal - Expenditures by Category	53,776,448	54,166,245	0.7%
Transit Payments*	13,140,079	13,669,123	4%
Interfund Payment for Debt Service	2,927,374	3,051,004	4%
Interfund Payment for Workers Comp	602,745	609,456	1%
Total Expenditures - Budgetary Funds	70,446,646	71,495,828	1%
Add Agency Pass-Through Expenditures	149,980	151,057	
Total Expenditures - All Funds	<u>\$70,596,626</u>	<u>\$71,646,885</u>	

\*2013 Transit Payments includes one-time \$1.2 million payment to David Douglas SD for EI/ECSE funds.

## **Profile of the District**

### *Mission Statement:*

*The mission of MESD is to support our local school districts and share in providing a quality education for the children and families of our communities*

### **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 2014-15, 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	At Large	6/30/2017
Three	Erica Thatcher	Central Portland	6/30/2017
Four	Francisco (Frank) 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, Vice Chair	SE/SW Portland	6/30/2015

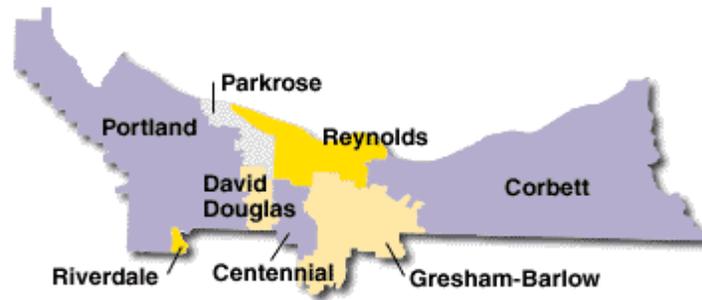
**Administration**

Barbara Jorgenson	Superintendent
Jim Rose	Chief Operating Officer, and Director, Technology Services
Heyke Nickerson	Director, Human Resource Services/Legal Services
Mark Skolnick	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	7,654	Parkrose	6	4,178
Corbett	3	1,427	Portland	92	54,087
David Douglas	16	12,920	Reynolds	19	14,226
Gresham-Barlow	20	14,000	Riverdale	2	576

Source: MESD Accountability Report 2012-2013, Enrollment = ADMw

Within these districts are 168 schools with 109,068 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 dental well-being. Together a connection is formed between health and education.

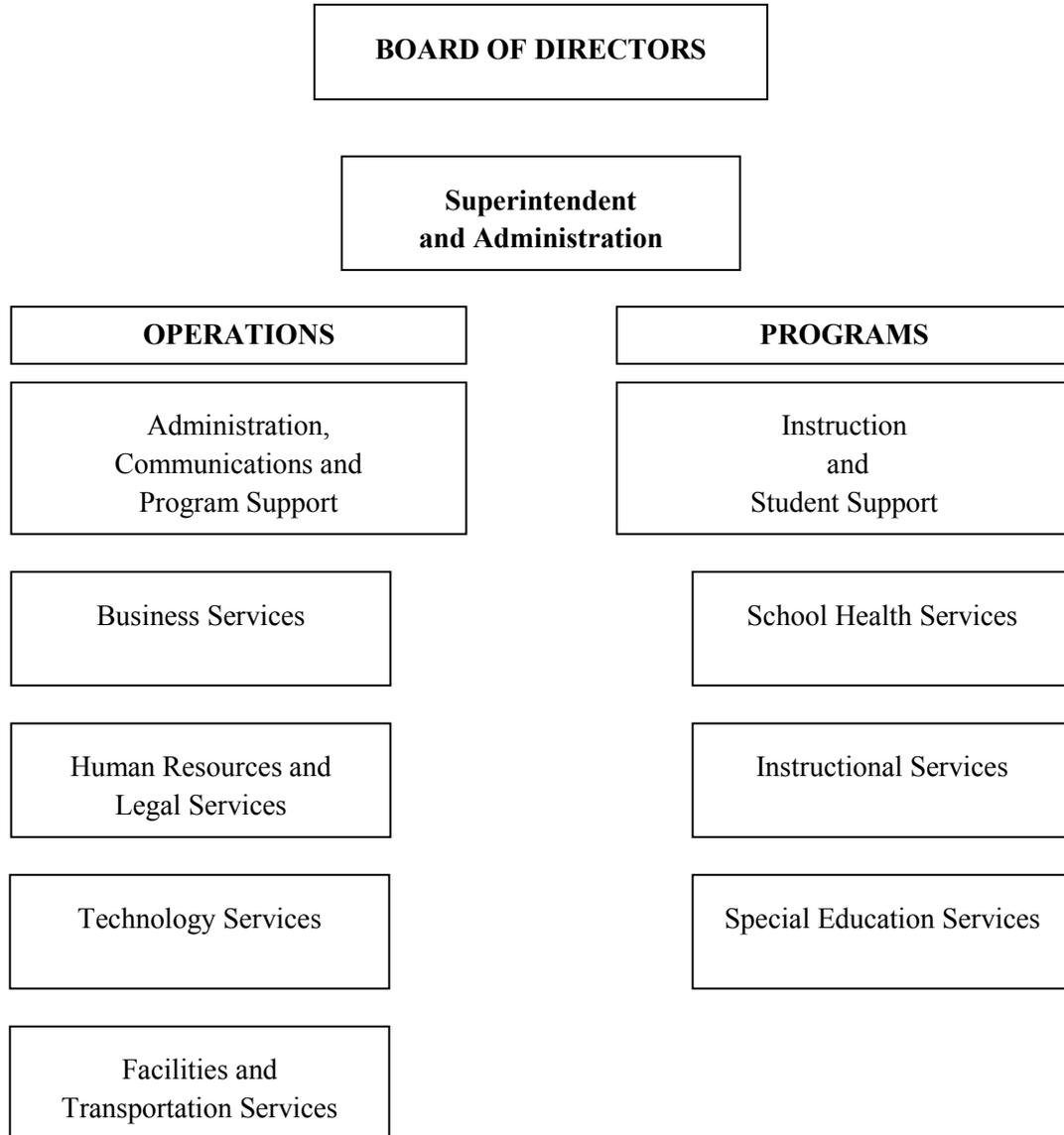
**Instructional Services** provides instruction for students enrolled in regional programs, instructional support for schools, and professional development for educators on a variety of topics. These programs offer a variety of enrichment and enhancement opportunities which complement instruction within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



## 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 beginning in 2014-15 the *Facilities and Equipment Reserve Fund (4)* that was formerly the Facilities Acquisition and Improvement Fund.

**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.	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, Vice-Chair	MESD Board Member	June 30, 2015
Erica Thatcher	MESD Board Member	June 30, 2017
Ernie Butenschoen	Centennial School District	June 30, 2014
Charlie O'Neil	Corbett School District	June 30, 2014
Cheryl Scarcelli	David Douglas School District	June 30, 2016
John Hartsock	Gresham-Barlow School District	June 30, 2014
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, 2014

**2014-2015 Budget Calendar**

January to March	MESD Management Develops Proposed Budget MESD Board appoints Budget Committee Members
February 20, 2014	Budget Committee New Member Orientation
March 11, 2014	Proposed Budget and Budget Message Presentation
March 18, 2014	Budget Committee Work Session, Department Presentations
April 1 & 8, 2014	Budget Committee Approves Budget and submits it to the TSCC
May 20, 2014	TSCC Public Hearing and Budget Certification
June 17, 2014	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**

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**Multnomah Education Service District  
2014 - 2015 Fiscal Year  
Combining Fund Summary- All Funds -- Proposed Budget**

	Program Funds				Support Funds				Total
	Resolution Services	Contracted Services	Operating	Debt Service	Facilities & Equipment Reserve	Risk Management Reserve	Agency Pass-Through		
<b>Resources</b>									
<b>Beginning Fund Balance</b>	1,236,048	4,053,939	3,907,377		1,514,090	726,799	117,308		11,555,561
<b>Revenues</b>									
Property Taxes	27,394,000								27,394,000
State School Fund	8,336,152								8,336,152
Local Sources		9,874,391	209,985						10,084,376
State Sources		18,608,619	12,500						18,621,119
Federal Sources		2,932,089							2,932,089
Investment Earnings			75,000						75,000
Sales of Goods & Services		8,372							8,372
Other Revenues	1,000	547,390	51,300				140,500		740,190
Services to Other Funds				2,504,374		609,456			3,113,830
<b>Total Revenues</b>	<b>35,731,152</b>	<b>31,970,861</b>	<b>348,785</b>	<b>2,504,374</b>	<b>1,514,090</b>	<b>609,456</b>	<b>140,500</b>	<b>140,500</b>	<b>71,305,128</b>
<b>Transfers In &amp; Overhead Revenues</b>									
Overhead Revenues			1,790,817						1,790,817
Resolution Services Fund			3,573,015		80,000				3,653,015
Operating Fund				546,630	115,000				661,630
Risk Mgmt Reserve			65,708						65,708
<b>Total Transfers In/Overhead</b>			<b>5,429,540</b>	<b>546,630</b>	<b>195,000</b>				<b>6,171,170</b>
<b>TOTAL RESOURCES</b>	<b>36,967,200</b>	<b>36,024,800</b>	<b>9,685,702</b>	<b>3,051,004</b>	<b>1,709,090</b>	<b>1,336,255</b>	<b>257,808</b>	<b>257,808</b>	<b>89,031,859</b>
<b>Requirements</b>									
<b>Total Expenditures</b>	<b>31,888,326</b>	<b>30,066,729</b>	<b>5,400,313</b>	<b>3,051,004</b>	<b>420,000</b>	<b>669,456</b>	<b>151,057</b>	<b>151,057</b>	<b>71,646,885</b>
<b>Transfers Out &amp; Overhead Charges</b>									
Overhead Charges		1,790,817							1,790,817
Debt Service			546,630						546,630
Facilities & Equipment Reserve	80,000		115,000						195,000
Operating	3,573,015					65,708			3,638,723
<b>Total Transfers Out/Overhead</b>	<b>3,653,015</b>	<b>1,790,817</b>	<b>661,630</b>			<b>65,708</b>			<b>6,171,170</b>
<b>Contingency</b>	<b>1,425,859</b>	<b>304,000</b>	<b>400,000</b>						<b>2,129,859</b>
<b>Ending Fund Balance</b>		<b>3,863,254</b>	<b>3,223,759</b>		<b>1,289,090</b>	<b>601,091</b>	<b>106,751</b>		<b>9,083,945</b>
<b>TOTAL REQUIREMENTS</b>	<b>36,967,200</b>	<b>36,024,800</b>	<b>9,685,702</b>	<b>3,051,004</b>	<b>1,709,090</b>	<b>1,336,255</b>	<b>257,808</b>	<b>257,808</b>	<b>89,031,859</b>

**Multnomah Education Service District  
2014 - 2015 Fiscal Year Proposed Budget  
Combining Revenue Detail- All Funds**

	Program Funds			Support Funds			Total
	Resolution Services	Contracted Services	Operating	Debt Service	Facilities Acquisition & Improvements	Risk Management Reserve	
<b>Property Taxes</b>							
Current Year Taxes	26,696,025						26,696,025
Prior Year Taxes	660,000						660,000
Tax Title Fund Receipts	31,975						31,975
Penalties & Interest Taxes	6,000						6,000
<b>Total Property Taxes</b>	<b>27,394,000</b>						<b>27,394,000</b>
<b>State School Fund</b>							
State School Support Fund	8,336,152						8,336,152
<b>Total State School Fund</b>	<b>8,336,152</b>						<b>8,336,152</b>
<b>Local Sources</b>							
Services to Other LocalEdAgency		9,356,531	9,985				9,366,516
Services to Other Ed Agencies		474,860	200,000				674,860
E-Rate Revenue		43,000					43,000
<b>Total Local Sources</b>		<b>9,874,391</b>	<b>209,985</b>				<b>10,084,376</b>
<b>State Sources</b>							
Mentoring Revenue - Students		56,700					56,700
Other Restricted Grants In Aid		11,250					11,250
Other State Revenue		15,010,000	12,500				15,022,500
ODE Contract Revenue		3,530,669					3,530,669
<b>Total State Sources</b>		<b>18,608,619</b>	<b>12,500</b>				<b>18,621,119</b>
<b>Federal Sources</b>							
Medicaid Admin Claiming Rev		65,000					65,000
Medicaid SBHS Revenue		1,230,000					1,230,000
Restricted Revenue From Fed		230,053					230,053
Title I Revenue		326,033					326,033
ARRA Federal Stimulus Revenue		6,500					6,500
Natnl School Lunch Program Rev		183,525					183,525
IDEA Revenue		57,561					57,561
Title II Revenue		2,500					2,500

**Multnomah Education Service District  
2014 - 2015 Fiscal Year Proposed Budget  
Combining Revenue Detail- All Funds**

	Program Funds			Support Funds			Total
	Resolution Services	Contracted Services	Operating	Debt Service	Facilities Acquisition & Improvements	Risk Management Reserve	
LAUNCH Grant		830,917					830,917
<b>Total Federal Sources</b>		<b>2,932,089</b>					<b>2,932,089</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
Sales- External		8,122					8,122
<b>Total Sales of Goods &amp; Services</b>		<b>8,372</b>					<b>8,372</b>
<b>Other Revenues</b>							
Fingerprinting Service Revenue			1,500				1,500
Rental/Lease Income			25,800				25,800
Contributions		76,849					76,849
Miscellaneous Revenue	1,000	448,541	24,000				473,541
Conference Fees						30,000	30,000
Dues Revenue						110,500	110,500
Restricted-Intermediate Source		22,000					22,000
<b>Total Other Revenues</b>	<b>1,000</b>	<b>547,390</b>	<b>51,300</b>			<b>140,500</b>	<b>740,190</b>
<b>Services to Other Funds</b>							
Services - Other Funds				2,504,374		609,456	3,113,830
<b>Total Services to Other Funds</b>				<b>2,504,374</b>		<b>609,456</b>	<b>3,113,830</b>
<b>Total Revenues</b>	<b>35,731,152</b>	<b>31,970,861</b>	<b>348,785</b>	<b>2,504,374</b>		<b>609,456</b>	<b>71,305,128</b>

**Multnomah Education Service District  
2014 - 2015 Fiscal Year Proposed Budget  
Combining Expenditure Summary- All Funds**

	Program Funds				Support Funds			Total
	Resolution Services	Contracted Services	Operating	Debt Service	Facilities & Equipment Reserve	Risk Management Reserve	Agency Pass-Through	
<b>By Department</b>								
Administration	2,480		944,030			659,456		1,605,966
Facilities Services	34,970		461,784					496,754
Business Services	13,669,123		875,680				151,057	14,695,860
Human Resources	59,577		873,337			10,000		942,914
Technology Services	2,452,599	14,501,081	1,744,154					18,697,834
Special Education	7,734,564	5,031,469	124,813					12,890,846
School Health Services	5,736,819	3,797,644	222,986					9,757,449
Instructional Services	2,198,194	6,736,535	153,529					9,088,258
Debt Service				3,051,004				3,051,004
Capital Improvements					420,000			420,000
<b>Total Expenditures by Department</b>	<b>31,888,326</b>	<b>30,066,729</b>	<b>5,400,313</b>	<b>3,051,004</b>	<b>420,000</b>	<b>669,456</b>	<b>151,057</b>	<b>71,646,885</b>
<b>By Function</b>								
Instruction	5,826,796	6,933,025						12,759,821
Support Services	12,381,251	7,746,104	4,847,795		185,000	669,456	151,057	25,980,663
Enterprise & Community Service	11,156	15,387,600	552,518		235,000			15,951,274
Facilities Acq. & Construction								235,000
Other Uses	13,669,123							13,669,123
Debt Service				3,051,004				3,051,004
<b>Total Expenditures by Function</b>	<b>31,888,326</b>	<b>30,066,729</b>	<b>5,400,313</b>	<b>3,051,004</b>	<b>420,000</b>	<b>669,456</b>	<b>151,057</b>	<b>71,646,885</b>
<b>By Category</b>								
Salaries	9,637,641	7,860,961	2,732,070			96,327	72,000	20,398,999
Associated Payroll Costs	6,384,038	5,222,511	1,754,526			55,941	8,157	13,425,173
Purchased Services	1,894,105	16,121,098	657,943		300,000	514,968	69,400	19,557,514
Supplies and Materials	290,017	862,159	255,774			2,220	1,500	1,411,670
Capital Outlay	13,402				120,000			133,402
Debt Service				3,051,004				3,051,004
Transit Payments	13,669,123							13,669,123
<b>Total Expenditures by Category</b>	<b>31,888,326</b>	<b>30,066,729</b>	<b>5,400,313</b>	<b>3,051,004</b>	<b>420,000</b>	<b>669,456</b>	<b>151,057</b>	<b>71,646,885</b>

**Multnomah Education Service District  
2014 - 2015 Fiscal Year Proposed Budget  
Interfund Transfers and Overhead Charges**

<u>From Fund</u>	<u>To Fund</u>	<u>Amount</u>
<b>Resolution Services</b>	<b>Facilities &amp; Equipment Reserve</b>	<b>80,000</b>
<p>This amount is being set aside to fund the future replacement of computer hardware necessary to serve the needs of the component districts.</p>		
<b>Resolution Services</b>	<b>Operating</b>	<b>3,573,015</b>
<p>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.</p>		
<b>Contracted Services</b>	<b>Operating</b>	<b>1,790,817</b>
<p>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.</p>		
<b>Operating</b>	<b>Debt Service</b>	<b>546,630</b>
<p>The Full Faith &amp; 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.</p>		
<b>Operating</b>	<b>Facilities &amp; Equipment Reserve</b>	<b>115,000</b>
<p>This amount funds current and future repairs, replacement, and improvements of the Agency's facilities.</p>		
<b>Risk Management Reserve</b>	<b>Operating</b>	<b>65,708</b>
<p>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.</p>		
<b>Total Interfund Transfers and Overhead Charges</b>		<b>6,171,170</b>

**Multnomah Education Service District  
2014 - 2015 Fiscal Year Approved Budget  
Total Requirements by Fund and Function - All Budgetary Funds**

	Program Funds			Support Funds				Total
	Resolution Services	Contracted Services	Operating	Debt Service	Facilities & Equipment Reserve	Risk Management Reserve		
<b>Requirements by Function</b>								
1000 Instruction*	\$ 5,826,796	\$ 7,107,580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,934,376
2000 Support Services*	12,381,251	8,277,098	4,847,795	-	185,000	669,456	-	26,360,600
3000 Enterprise & Community Services*	11,156	16,472,868	552,518	-	-	-	-	17,036,542
4000 Facilities Acquisition & Improvements	-	-	-	-	235,000	-	-	235,000
5000 Other Uses	13,669,123	-	-	-	-	-	-	13,669,123
5100 Debt Service	-	-	-	3,051,004	-	-	-	3,051,004
5200 Transfers Out	3,653,015	-	661,630	-	-	65,708	-	4,380,353
6000 Contingencies	1,425,859	304,000	400,000	-	-	-	-	2,129,859
<b>Total Appropriations</b>	<b>36,967,200</b>	<b>32,161,546</b>	<b>6,461,943</b>	<b>3,051,004</b>	<b>420,000</b>	<b>735,164</b>	<b>79,796,857</b>	
7000 Unappropriated Ending Balance	-	3,863,254	3,223,759	-	1,289,090	601,091	-	8,977,194
<b>Total Requirements</b>	<b>36,967,200</b>	<b>36,024,800</b>	<b>9,685,702</b>	<b>3,051,004</b>	<b>1,709,090</b>	<b>1,336,255</b>	<b>88,774,051</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.

**Multnomah Education Service District  
2014 - 2015 Fiscal Year Proposed Budget  
Combining Position Summary- All Funds**

	Program Funds		Support Funds		Total
	Resolution Services	Contracted Services	Operating	Risk Management Reserve	
<b>Positions by Department and Division</b>					
<b>Administration</b>					
Administration			2.50		2.50
Agency Support				1.00	1.00
Communication Services			1.00		1.00
Foundation			1.25		1.25
<b>Total Administration</b>			<b>4.75</b>	<b>1.00</b>	<b>5.75</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			3.00		3.00
Accounting Services			3.00		3.00
Payroll Services			2.00		2.00
<b>Total Business Services</b>			<b>8.00</b>		<b>8.00</b>
<b>Human Resources</b>					
Human Resources			6.75		6.75
Substitute Registration	.90		.10		1.00
<b>Total Human Resources</b>	<b>.90</b>		<b>6.85</b>		<b>7.75</b>
<b>Technology Services</b>					
Student Information Services	10.70				10.70
Business Systems Support	.15				.15
Network Services	2.63				2.63
Internal Agency Support			7.50		7.50
Medicaid Admin Claiming		3.10			3.10
OR-Case			6.17		6.17
Social Services		2.50			2.50
<b>Total Technology Services</b>	<b>13.48</b>	<b>5.60</b>	<b>13.67</b>		<b>32.75</b>
<b>Special Education</b>					
EI/ECSE		2.15			2.15
Special Education	91.69	39.56	.70		131.95
Related Services	5.95	2.60			8.55
Social Services		12.00			12.00
Arata Creek	13.50	.60			14.10
<b>Total Special Education</b>	<b>111.14</b>	<b>56.91</b>	<b>.70</b>		<b>168.75</b>

**Multnomah Education Service District  
2014 - 2015 Fiscal Year Proposed Budget  
Combining Position Summary- All Funds**

	Program Funds		Support Funds		Total
	Resolution Services	Contracted Services	Operating	Risk Management Reserve	
<b>School Health Services</b>					
Health Services	70.43	46.68	1.50		118.61
Social Services		2.20			2.20
<b>Total School Health Services</b>	<b>70.43</b>	<b>48.88</b>	<b>1.50</b>		<b>120.81</b>
<b>Instructional Services</b>					
Social Services		17.38			17.38
Instructional Services	.40		1.20		1.60
Curriculum & Instruction	4.90				4.90
Outdoor School	1.00	8.04			9.04
Alpha	1.10	8.62			9.72
Helensview	13.34	8.85			22.19
Youth Correction Education	4.00	18.61			22.61
Alternative Pathways		4.00			4.00
Migrant Education		4.00			4.00
<b>Total Instructional Services</b>	<b>24.74</b>	<b>69.50</b>	<b>1.20</b>		<b>95.44</b>
<b>Total Positions</b>	<b>221.19</b>	<b>180.89</b>	<b>44.92</b>	<b>1.00</b>	<b>448.00</b>
<b>Positions by Function</b>					
Instruction	98.00	91.01			189.01
Support Services	123.19	87.88	38.75	1.00	250.82
Enterprise & Community Service		2.00	6.17		8.17
<b>Total Positions</b>	<b>221.19</b>	<b>180.89</b>	<b>44.92</b>	<b>1.00</b>	<b>448.00</b>

## **Fund Financial Summaries**

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**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
Combined Fund Summary- All Funds**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>Resources</b>					
<b>Beginning Fund Balance</b>	<b>21,528,494</b>	<b>17,087,312</b>	<b>14,671,292</b>	<b>14,671,292</b>	<b>11,555,561</b>
<b>Revenues</b>					
Property Taxes	25,504,873	26,181,578	26,650,000	27,448,421	27,394,000
State School Fund	4,657,196	5,315,956	7,868,550	6,688,549	8,336,152
Local Sources	7,566,118	8,315,530	8,631,659	10,040,473	10,084,376
State Sources	15,748,002	19,077,165	18,490,094	18,564,476	18,621,119
Federal Sources	6,138,980	6,699,686	2,953,638	3,168,995	2,932,089
Investment Earnings	100,887	79,692	75,000	75,000	75,000
Sales of Goods & Services	1,221,129	22,904	9,372	9,372	8,372
Other Revenues	1,104,623	940,784	394,621	604,693	740,190
Services to Other Funds	2,507,188	2,629,464	2,973,324	2,983,493	3,113,830
<b>Total Revenues</b>	<b>64,548,996</b>	<b>69,262,759</b>	<b>68,046,258</b>	<b>69,583,472</b>	<b>71,305,128</b>
<b>Transfers In From</b>					
Overhead Revenues	2,101,237	2,557,142	1,857,208	1,754,378	1,790,817
Other Sources	15,353				
Resolution Services Fund	3,172,286	3,229,753	3,531,855	3,493,697	3,653,015
Contract Services Fund		645,941	770,980	770,980	
Operating Fund	1,497,943	1,618,510	546,606	546,606	661,630
Risk Mgmt Reserve	155,771	121,502	84,241	84,241	65,708
<b>Total Transfers In</b>	<b>6,942,590</b>	<b>8,172,848</b>	<b>6,790,890</b>	<b>6,649,902</b>	<b>6,171,170</b>
<b>TOTAL RESOURCES</b>	<b>93,020,080</b>	<b>94,522,919</b>	<b>89,508,440</b>	<b>90,904,666</b>	<b>89,031,859</b>
<b>Requirements</b>					
<b>Total Expenditures</b>	<b>69,032,716</b>	<b>71,747,186</b>	<b>70,021,619</b>	<b>70,596,626</b>	<b>71,646,885</b>
<b>Transfers Out To</b>					
Overhead Charges	2,101,235	2,557,138	1,848,577	1,754,378	1,790,817
Transfers	19,168				
Resolution Services Fund		770,980			
Debt Service	550,130	547,530	546,606	546,606	546,630
Facilities & Equipment Reserve	729,000	80,000	80,000	80,000	195,000
Operating	3,248,057	3,917,196	4,307,076	4,268,918	3,638,723
Risk Management Reserve	295,000	300,000			
<b>Total Transfers Out</b>	<b>6,942,590</b>	<b>8,172,844</b>	<b>6,782,259</b>	<b>6,649,902</b>	<b>6,171,170</b>
<b>Contingency</b>			<b>500,000</b>	<b>2,102,577</b>	<b>2,129,859</b>
<b>Total Budget</b>	<b>75,975,291</b>	<b>79,920,007</b>	<b>77,303,878</b>	<b>79,349,105</b>	<b>79,947,914</b>
<b>Ending Fund Balance</b>	<b>17,044,784</b>	<b>14,602,910</b>	<b>12,204,562</b>	<b>11,555,561</b>	<b>9,083,945</b>
<b>TOTAL REQUIREMENTS</b>	<b>93,020,075</b>	<b>94,522,917</b>	<b>89,508,440</b>	<b>90,904,666</b>	<b>89,031,859</b>

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
Combined Fund Summary- All Funds**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Department</b>					
Non-Departmental	144,726				
Administration	1,707,076	1,327,646	1,454,619	1,437,826	1,605,966
Facilities Services	2,530,287	632,624	1,032,656	952,808	496,754
Business Services	10,529,946	9,375,241	12,579,326	12,962,267	14,695,860
Human Resources	898,084	863,494	1,113,247	1,006,266	942,914
Technology Services	6,274,917	7,737,695	18,962,536	18,846,785	18,697,834
Special Education	26,479,717	30,412,913	13,055,730	13,739,301	12,890,846
School Health Services	8,795,973	9,039,366	9,721,818	9,596,832	9,757,449
Instructional Services	8,893,796	9,312,055	8,594,313	8,761,323	9,088,258
Debt Service	2,692,435	2,807,633	2,927,374	2,927,374	3,051,004
Capital Improvements	85,759	238,519	580,000	365,844	420,000
<b>Total Expenditures by Department</b>	<b>69,032,716</b>	<b>71,747,186</b>	<b>70,021,619</b>	<b>70,596,626</b>	<b>71,646,885</b>
<b>By Function</b>					
Instruction	19,034,937	17,644,081	12,101,558	12,596,302	12,759,821
Support Services	34,069,599	34,007,948	26,128,558	25,728,263	25,980,663
Enterprise & Community Service	3,084,255	3,621,890	15,777,588	15,978,764	15,951,274
Facilities Acq. & Construction	85,759	110,488	330,000	225,844	235,000
Other Uses	10,065,731	13,555,146	12,756,541	13,140,079	13,669,123
Debt Service	2,692,435	2,807,633	2,927,374	2,927,374	3,051,004
<b>Total Expenditures by Function</b>	<b>69,032,716</b>	<b>71,747,186</b>	<b>70,021,619</b>	<b>70,596,626</b>	<b>71,646,885</b>
<b>By Category</b>					
Salaries	28,781,384	28,564,881	19,476,645	19,821,148	20,398,999
Associated Payroll Costs	15,414,738	15,145,468	13,217,353	12,951,276	13,425,173
Purchased Services	9,270,340	9,521,393	19,790,911	20,014,186	19,557,514
Supplies and Materials	2,624,039	1,991,435	1,493,024	1,503,317	1,411,670
Capital Outlay	184,049	161,230	359,771	239,246	133,402
Debt Service	2,692,435	2,807,633	2,927,374	2,927,374	3,051,004
Transit Payments	10,065,731	13,555,146	12,756,541	13,140,079	13,669,123
<b>Total Expenditures by Category</b>	<b>69,032,716</b>	<b>71,747,186</b>	<b>70,021,619</b>	<b>70,596,626</b>	<b>71,646,885</b>

**Multnomah Education Service District**

**2014-2015 Fiscal Year Annual Budget**

**1- Resolution Services 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 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>Resources</b>					
<b>Beginning Fund Balance</b>	<b>1,185,480</b>	<b>216,320</b>	<b>1,063,053</b>	<b>1,063,053</b>	<b>1,236,048</b>
<b>Revenues</b>					
Current Year Taxes	24,810,438	25,455,148	26,098,550	26,784,771	26,696,025
Prior Year Taxes	677,865	713,497	540,450	625,675	660,000
Tax Title Fund Receipts	8,948	5,090	5,000	31,975	31,975
Penalties & Interest Taxes	7,622	7,843	6,000	6,000	6,000
State School Support Fund	4,657,196	5,315,956	7,868,550	6,688,549	8,336,152
Services to Other LocalEdAgency	77,000	120,034	15,000		
SSF School Lunch Match	(2,965)	(2,681)			
ARRA Ed Jobs Revenue	228,012				
Contributions	64,674				
Recovery of Pr Yr Expenditures	191,403				
Miscellaneous Revenue	152,542	1,300		59,212	1,000
Restricted-Intermediate Source	244,180				
<b>Total Revenues</b>	<b>31,116,915</b>	<b>31,616,187</b>	<b>34,533,550</b>	<b>34,196,182</b>	<b>35,731,152</b>
<b>Transfers In</b>					
From Operating Funds		770,980			
<b>Total Transfers In</b>		<b>770,980</b>			
<b>TOTAL RESOURCES</b>	<b>32,302,395</b>	<b>32,603,487</b>	<b>35,596,603</b>	<b>35,259,235</b>	<b>36,967,200</b>
<b>Requirements</b>					
<b>Total Expenditures</b>	<b>28,913,792</b>	<b>28,310,675</b>	<b>31,227,016</b>	<b>29,810,913</b>	<b>31,888,326</b>
<b>Transfers Out</b>					
Facilities & Equipment Reserve	80,000	80,000	80,000	80,000	80,000
Operating Fund	3,092,286	3,149,753	3,451,855	3,413,697	3,573,015
<b>Total Transfers Out</b>	<b>3,172,286</b>	<b>3,229,753</b>	<b>3,531,855</b>	<b>3,493,697</b>	<b>3,653,015</b>
<b>Contingency</b>				<b>718,577</b>	<b>1,425,859</b>
<b>Total Budget</b>	<b>32,086,077</b>	<b>31,540,433</b>	<b>34,758,871</b>	<b>34,023,187</b>	<b>36,967,200</b>
<b>Ending Fund Balance</b>	<b>216,319</b>	<b>1,063,052</b>	<b>837,732</b>	<b>1,236,048</b>	
<b>TOTAL REQUIREMENTS</b>	<b>32,302,397</b>	<b>32,603,485</b>	<b>35,596,603</b>	<b>35,259,235</b>	<b>36,967,200</b>

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
1- Resolution Services Summary**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Department</b>					
Administration	2,400	2,790	2,790	2,480	2,480
Facilities Services	32,113	32,939	35,628	33,778	34,970
Business Services	8,387,395	8,458,552	11,567,164	11,950,243	13,669,123
Human Resources	212,653	198,614	226,855	131,451	59,577
Technology Services	2,705,825	3,025,696	2,729,758	2,666,082	2,452,599
Special Education	10,169,575	9,698,763	9,076,090	7,255,025	7,734,564
School Health Services	4,951,059	4,933,425	5,336,892	5,431,681	5,736,819
Instructional Services	2,390,142	1,959,896	2,251,839	2,340,173	2,198,194
<b>Total Expenditures by Department</b>	<b>28,851,162</b>	<b>28,310,675</b>	<b>31,227,016</b>	<b>29,810,913</b>	<b>31,888,326</b>
<b>By Function</b>					
Instruction	7,407,124	7,193,575	7,227,826	5,786,296	5,826,796
Support Services	13,384,622	12,655,037	12,403,706	12,064,604	12,381,251
Enterprise & Community Service	7,498	5,027	28,320	9,770	11,156
Other Uses	8,114,548	8,457,036	11,567,164	11,950,243	13,669,123
<b>Total Expenditures by Function</b>	<b>28,913,792</b>	<b>28,310,675</b>	<b>31,227,016</b>	<b>29,810,913</b>	<b>31,888,326</b>
<b>By Category</b>					
Salaries	11,694,295	11,026,296	10,028,208	9,259,480	9,637,641
Associated Payroll Costs	6,507,504	6,129,288	6,975,586	6,209,085	6,384,038
Purchased Services	2,040,393	2,212,643	2,257,882	2,035,305	1,894,105
Supplies and Materials	451,497	479,701	381,774	343,398	290,017
Capital Outlay	105,555	5,711	16,402	13,402	13,402
Transit Payments	8,114,548	8,457,036	11,567,164	11,950,243	13,669,123
<b>Total Expenditures by Category</b>	<b>28,913,792</b>	<b>28,310,675</b>	<b>31,227,016</b>	<b>29,810,913</b>	<b>31,888,326</b>

**Multnomah Education Service District**  
**2014-2015 Fiscal Year Annual Budget**  
**2- Contracted Services 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 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>Resources</b>					
<b>Beginning Fund Balance</b>	<b>12,054,866</b>	<b>10,503,254</b>	<b>6,854,522</b>	<b>6,854,522</b>	<b>4,053,939</b>
<b>Revenues</b>					
Tuition From Individuals	41,824	33,370		2,286	
Services to Other LocalEdAgency	7,277,168	8,083,394	8,103,659	9,480,914	9,356,531
Services to Other Ed Agencies	101,698	56,713	459,500	474,860	474,860
E-Rate Revenue	3,838	4,029	43,000	43,000	43,000
SSF School Lunch Match	2,965	2,681			
Mentoring Revenue - Students				56,700	56,700
Grants - Early Childhood	11,304,653	12,155,105			
Other Restricted Grants In Aid	14,744	50,000		11,250	11,250
Other State Revenue	1,248,365	3,592,904	15,067,077	15,010,000	15,010,000
ODE Contract Revenue	3,180,240	3,279,156	3,423,017	3,484,026	3,530,669
Medicaid Admin Claiming Rev	143,089	66,965	140,000	65,000	65,000
Medicaid SBHS Revenue	1,220,243	1,523,088	1,244,000	1,230,000	1,230,000
Restricted Revenue From Fed	217,245	220,732	217,971	225,073	230,053
Title I Revenue	287,907	1,132,344	314,337	426,464	326,033
ARRA Federal Stimulus Revenue	391,121	299,974		6,500	6,500
Natnl School Lunch Program Rev	165,657	174,841	180,325	183,525	183,525
IDEA Revenue	2,395,767	2,541,519	26,088	65,910	57,561
Title II Revenue		6,346		2,500	2,500
ARRA Ed Jobs Revenue	271,604				
Fed Grants Thru Intermediate		730			
SAMHSA Grant	9,494	81,131			
LAUNCH Grant	697,423	652,016	830,917	964,023	830,917
Other Federal Revenue	106,674				
Interest on Investments	2,998	1,534			
Sale of Meals-Reimb Programs	789	3,070			
Sale of Meals-NonReimb Program			250	250	250
Sales- External	919,588	2,485	9,122	9,122	8,122
Sales- Internal	51,641				
Contributions	90,706	101,150	85,557	108,849	76,849
Recovery of Pr Yr Expenditures	18,672				
Miscellaneous Revenue	5,327	343,541	92,764	65,792	448,541
Rental/Lease Income		4,600			
Restricted-Intermediate Source	37,530	27,955	30,000	19,000	22,000
Services - Other Funds		(24)			
<b>Total Revenues</b>	<b>30,208,970</b>	<b>34,441,349</b>	<b>30,267,584</b>	<b>31,935,044</b>	<b>31,970,861</b>
<b>Transfers In</b>					
Fees Charged to Grants	2,101,237	2,557,142			
Transfers In	15,353				
From Operating Funds	3,813				

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
2- Contracted Services Summary**

	Actual 2011-12	Actual 2012-13	Revised Budget 2013-14	Projected Actual 2013-14	Proposed Budget 2014-15
<b>Total Transfers In</b>	<b>2,120,403</b>	<b>2,557,142</b>			
<b>TOTAL RESOURCES</b>	<b>44,384,239</b>	<b>47,501,745</b>	<b>37,122,106</b>	<b>38,789,566</b>	<b>36,024,800</b>
<b>Requirements</b>					
<b>Total Expenditures</b>	<b>31,764,402</b>	<b>37,444,165</b>	<b>29,036,468</b>	<b>31,326,269</b>	<b>30,066,729</b>
<b>Transfers Out</b>					
Federal/State Indirect	2,101,235	2,557,138	1,848,577	1,754,378	1,790,817
Transfers - Other	15,355				
Operating Fund		645,941	770,980	770,980	
<b>Total Transfers Out</b>	<b>2,116,590</b>	<b>3,203,079</b>	<b>2,619,557</b>	<b>2,525,358</b>	<b>1,790,817</b>
<b>Contingency</b>				<b>884,000</b>	<b>304,000</b>
<b>Total Budget</b>	<b>33,880,976</b>	<b>40,647,225</b>	<b>31,656,025</b>	<b>34,735,627</b>	<b>32,161,546</b>
<b>Ending Fund Balance</b>	<b>10,503,257</b>	<b>6,854,522</b>	<b>5,466,081</b>	<b>4,053,939</b>	<b>3,863,254</b>
<b>TOTAL REQUIREMENTS</b>	<b>44,384,234</b>	<b>47,501,747</b>	<b>37,122,106</b>	<b>38,789,566</b>	<b>36,024,800</b>

**EXPENDITURE PERSPECTIVES**

**By Department**

Administration	97,643				
Facilities Services	398,134	602,761			
Business Services	2,042,081	671,183			
Human Resources	500,832	534,478			
Technology Services	2,629,491	3,955,360	15,027,077	14,953,341	14,501,081
Special Education	16,150,224	20,590,390	3,757,882	6,262,518	5,031,469
School Health Services	3,643,891	3,947,170	4,165,867	3,946,092	3,797,644
Instructional Services	6,297,816	7,142,823	6,085,642	6,164,318	6,736,535
<b>Total Expenditures by Department</b>	<b>31,760,112</b>	<b>37,444,165</b>	<b>29,036,468</b>	<b>31,326,269</b>	<b>30,066,729</b>

**By Function**

Instruction	11,627,813	10,450,506	4,873,732	6,810,006	6,933,025
Support Services	15,108,649	18,278,686	7,224,091	7,357,433	7,746,104
Enterprise & Community Service	3,076,757	3,616,863	15,749,268	15,968,994	15,387,600
Other Uses	1,951,183	5,098,110	1,189,377	1,189,836	
<b>Total Expenditures by Function</b>	<b>31,764,402</b>	<b>37,444,165</b>	<b>29,036,468</b>	<b>31,326,269</b>	<b>30,066,729</b>

**By Category**

Salaries	15,059,715	16,394,912	6,873,344	7,986,397	7,860,961
Associated Payroll Costs	7,817,594	8,335,538	4,483,686	5,014,978	5,222,511
Purchased Services	5,049,669	6,357,146	15,654,931	16,289,352	16,121,098
Supplies and Materials	1,886,241	1,258,459	835,130	845,706	862,159
Transit Payments	1,951,183	5,098,110	1,189,377	1,189,836	
<b>Total Expenditures by Category</b>	<b>31,764,402</b>	<b>37,444,165</b>	<b>29,036,468</b>	<b>31,326,269</b>	<b>30,066,729</b>

**Multnomah Education Service District**

**2014-2015 Fiscal Year Annual Budget**

**3- Debt Service 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; the remainder is funded by the Operating Fund.

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>Resources</b>					
<b>Beginning Fund Balance</b>	<b>3,028</b>	<b>11</b>	<b>20</b>	<b>20</b>	
<b>Revenues</b>					
Services - Other Funds	<u>2,139,288</u>	<u>2,260,111</u>	<u>2,380,768</u>	<u>2,380,748</u>	<u>2,504,374</u>
<b>Total Revenues</b>	<b><u>2,139,288</u></b>	<b><u>2,260,111</u></b>	<b><u>2,380,768</u></b>	<b><u>2,380,748</u></b>	<b><u>2,504,374</u></b>
<b>Transfers In</b>					
From Operating Funds	<u>550,130</u>	<u>547,530</u>	<u>546,606</u>	<u>546,606</u>	<u>546,630</u>
<b>Total Transfers In</b>	<b><u>550,130</u></b>	<b><u>547,530</u></b>	<b><u>546,606</u></b>	<b><u>546,606</u></b>	<b><u>546,630</u></b>
<b>TOTAL RESOURCES</b>	<b><u>2,692,446</u></b>	<b><u>2,807,652</u></b>	<b><u>2,927,394</u></b>	<b><u>2,927,374</u></b>	<b><u>3,051,004</u></b>
<b>Requirements</b>					
<b>Total Expenditures</b>	<b><u>2,692,435</u></b>	<b><u>2,807,633</u></b>	<b><u>2,927,374</u></b>	<b><u>2,927,374</u></b>	<b><u>3,051,004</u></b>
<b>Total Budget</b>	<b><u>2,692,434</u></b>	<b><u>2,807,632</u></b>	<b><u>2,927,374</u></b>	<b><u>2,927,374</u></b>	<b><u>3,051,004</u></b>
<b>Ending Fund Balance</b>	<b><u>11</u></b>	<b><u>19</u></b>	<b><u>20</u></b>		
<b>TOTAL REQUIREMENTS</b>	<b><u>2,692,445</u></b>	<b><u>2,807,651</u></b>	<b><u>2,927,394</u></b>	<b><u>2,927,374</u></b>	<b><u>3,051,004</u></b>

**EXPENDITURE PERSPECTIVES**

<b>By Department</b>					
Debt Service	<u>2,692,435</u>	<u>2,807,633</u>	<u>2,927,374</u>	<u>2,927,374</u>	<u>3,051,004</u>
<b>Total Expenditures by Department</b>	<b><u>2,692,435</u></b>	<b><u>2,807,633</u></b>	<b><u>2,927,374</u></b>	<b><u>2,927,374</u></b>	<b><u>3,051,004</u></b>
<b>By Function</b>					
Debt Service	<u>2,692,435</u>	<u>2,807,633</u>	<u>2,927,374</u>	<u>2,927,374</u>	<u>3,051,004</u>
<b>Total Expenditures by Function</b>	<b><u>2,692,435</u></b>	<b><u>2,807,633</u></b>	<b><u>2,927,374</u></b>	<b><u>2,927,374</u></b>	<b><u>3,051,004</u></b>
<b>By Category</b>					
Debt Service	<u>2,692,435</u>	<u>2,807,633</u>	<u>2,927,374</u>	<u>2,927,374</u>	<u>3,051,004</u>
<b>Total Expenditures by Category</b>	<b><u>2,692,435</u></b>	<b><u>2,807,633</u></b>	<b><u>2,927,374</u></b>	<b><u>2,927,374</u></b>	<b><u>3,051,004</u></b>

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
4- Facilities & Equipment Reserve 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 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>Resources</b>					
<b>Beginning Fund Balance</b>	<b>1,202,725</b>	<b>1,931,704</b>	<b>1,799,934</b>	<b>1,799,934</b>	<b>1,514,090</b>
<b>Revenues</b>					
E-Rate Revenue	35,405	20,349			
Recovery of Pr Yr Expenditures	49,114				
Miscellaneous Revenue	1,220	6,400			
<b>Total Revenues</b>	<b>85,739</b>	<b>26,749</b>			
<b>Transfers In</b>					
From Resolution Services Funds	80,000	80,000	80,000	80,000	80,000
From Operating Funds	649,000				115,000
<b>Total Transfers In</b>	<b>729,000</b>	<b>80,000</b>	<b>80,000</b>	<b>80,000</b>	<b>195,000</b>
<b>TOTAL RESOURCES</b>	<b>2,017,464</b>	<b>2,038,453</b>	<b>1,879,934</b>	<b>1,879,934</b>	<b>1,709,090</b>
<b>Requirements</b>					
<b>Total Expenditures</b>	<b>85,759</b>	<b>238,519</b>	<b>580,000</b>	<b>365,844</b>	<b>420,000</b>
<b>Contingency</b>					
<b>Total Budget</b>	<b>85,758</b>	<b>238,518</b>	<b>580,000</b>	<b>365,844</b>	<b>420,000</b>
<b>Ending Fund Balance</b>	<b>1,931,703</b>	<b>1,799,934</b>	<b>1,299,934</b>	<b>1,514,090</b>	<b>1,289,090</b>
<b>TOTAL REQUIREMENTS</b>	<b>2,017,462</b>	<b>2,038,453</b>	<b>1,879,934</b>	<b>1,879,934</b>	<b>1,709,090</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Department</b>					
Capital Improvements	85,759	238,519	580,000	365,844	420,000
<b>Total Expenditures by Department</b>	<b>85,759</b>	<b>238,519</b>	<b>580,000</b>	<b>365,844</b>	<b>420,000</b>
<b>By Function</b>					
Support Services		128,031	250,000	140,000	185,000
Facilities Acq. & Construction	85,759	110,488	330,000	225,844	235,000
<b>Total Expenditures by Function</b>	<b>85,759</b>	<b>238,519</b>	<b>580,000</b>	<b>365,844</b>	<b>420,000</b>
<b>By Category</b>					
Purchased Services	7,265	83,000	236,631	95,000	300,000
Supplies and Materials				45,000	
Capital Outlay	78,494	155,519	343,369	225,844	120,000
<b>Total Expenditures by Category</b>	<b>85,759</b>	<b>238,519</b>	<b>580,000</b>	<b>365,844</b>	<b>420,000</b>

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
5- Agency Pass-Through Summary**

The Agency Pass-Through Fund was established in 2008-09 to record monies being held by the MESD in a custodial capacity for the component districts. The fund is primarily used for E-rate revenue which is recorded as a liability and passed on to component districts, and for resources held by the MESD for the Oregon Association of Educational Service Districts (OAESD) as fiscal agent. The funds cannot be used to support the District's own programs.

	Actual 2011-12	Actual 2012-13	Revised Budget 2013-14	Projected Actual 2013-14	Proposed Budget 2014-15
<b>Resources</b>					
<b>Beginning Fund Balance</b>		42,531	126,788	126,788	117,308
<b>Revenues</b>					
Conference Fees		14,862	30,000	30,000	30,000
Dues Revenue		129,292	110,500	110,500	110,500
<b>Total Revenues</b>		<b>144,154</b>	<b>140,500</b>	<b>140,500</b>	<b>140,500</b>
<b>TOTAL RESOURCES</b>		<b>186,685</b>	<b>267,288</b>	<b>267,288</b>	<b>257,808</b>
<b>Requirements</b>					
<b>Total Expenditures</b>		<b>128,279</b>	<b>149,980</b>	<b>149,980</b>	<b>151,057</b>
<b>Total Budget</b>		<b>128,277</b>	<b>149,980</b>	<b>149,980</b>	<b>151,057</b>
<b>Ending Fund Balance</b>		<b>58,406</b>	<b>117,308</b>	<b>117,308</b>	<b>106,751</b>
<b>TOTAL REQUIREMENTS</b>		<b>186,684</b>	<b>267,288</b>	<b>267,288</b>	<b>257,808</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Department</b>					
Business Services		128,279	149,980	149,980	151,057
<b>Total Expenditures by Department</b>		<b>128,279</b>	<b>149,980</b>	<b>149,980</b>	<b>151,057</b>
<b>By Function</b>					
Support Services		128,279	149,980	149,980	151,057
<b>Total Expenditures by Function</b>		<b>128,279</b>	<b>149,980</b>	<b>149,980</b>	<b>151,057</b>
<b>By Category</b>					
Salaries		48,000	71,100	71,100	72,000
Associated Payroll Costs		4,283	7,980	7,980	8,157
Purchased Services		44,818	69,400	69,400	69,400
Supplies and Materials		31,178	1,500	1,500	1,500
<b>Total Expenditures by Category</b>		<b>128,279</b>	<b>149,980</b>	<b>149,980</b>	<b>151,057</b>

**Multnomah Education Service District**  
**2014-2015 Fiscal Year Annual Budget**  
**6- Operating 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 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>Resources</b>					
<b>Beginning Fund Balance</b>	<b>6,508,458</b>	<b>3,780,474</b>	<b>4,049,642</b>	<b>4,049,642</b>	<b>3,907,377</b>
<b>Revenues</b>					
Services to Other LocalEdAgency	28,092	(2,667)	10,500	39,413	9,985
Services to Other Ed Agencies					200,000
E-Rate Revenue	1,093	308			
Other State Revenue				2,500	12,500
ARRA Ed Jobs Revenue	4,744				
Interest on Investments	97,889	78,158	75,000	75,000	75,000
Sales- External	92,289	17,349			
Sales- Internal	156,822				
Fingerprinting Service Revenue					1,500
Rental/Lease Income			25,800	84,633	25,800
Recovery of Pr Yr Expenditures		13,111			
Miscellaneous Revenue	26,755	19,400	20,000	24,000	24,000
Rental/Lease Income	19,800	15,200			
Sale of Fixed Assets		24,546			
<b>Total Revenues</b>	<b>427,484</b>	<b>165,405</b>	<b>131,300</b>	<b>225,546</b>	<b>348,785</b>
<b>Transfers In</b>					
Fees Charged to Grants			1,857,208	1,754,378	1,790,817
From Resolution Services Funds	3,092,286	3,149,753	3,451,855	3,413,697	3,573,015
From Contract Services Funds		645,941	770,980	770,980	
From Risk Management Funds	155,771	121,502	84,241	84,241	65,708
<b>Total Transfers In</b>	<b>3,248,057</b>	<b>3,917,196</b>	<b>6,164,284</b>	<b>6,023,296</b>	<b>5,429,540</b>
<b>TOTAL RESOURCES</b>	<b>10,183,999</b>	<b>7,863,075</b>	<b>10,345,226</b>	<b>10,298,484</b>	<b>9,685,702</b>
<b>Requirements</b>					
<b>Total Expenditures</b>	<b>4,905,582</b>	<b>2,194,929</b>	<b>5,448,225</b>	<b>5,344,501</b>	<b>5,400,313</b>
<b>Transfers Out</b>					
Contract Services Fund	3,813				
Resolution Fund		770,980			
Debt Service Fund	550,130	547,530	546,606	546,606	546,630
Facilities & Equipment Reserve	649,000				115,000
Risk Management Fund	295,000	300,000			
<b>Total Transfers Out</b>	<b>1,497,943</b>	<b>1,618,510</b>	<b>546,606</b>	<b>546,606</b>	<b>661,630</b>
<b>Contingency</b>			<b>500,000</b>	<b>500,000</b>	<b>400,000</b>
<b>Total Budget</b>	<b>6,403,524</b>	<b>3,813,432</b>	<b>6,494,831</b>	<b>6,391,107</b>	<b>6,461,943</b>
<b>Ending Fund Balance</b>	<b>3,780,473</b>	<b>4,049,641</b>	<b>3,850,395</b>	<b>3,907,377</b>	<b>3,223,759</b>
<b>TOTAL REQUIREMENTS</b>	<b>10,183,998</b>	<b>7,863,074</b>	<b>10,345,226</b>	<b>10,298,484</b>	<b>9,685,702</b>

Fund Summary

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
6- Operating Summary**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Department</b>					
Administration	938,871	706,296	809,273	776,101	944,030
Facilities Services	2,100,040	(3,076)	997,028	919,030	461,784
Business Services	100,470	117,227	862,182	862,044	875,680
Human Resources	182,015	125,976	876,392	862,315	873,337
Technology Services	939,601	756,639	1,205,701	1,227,362	1,744,154
Special Education	159,918	123,760	221,758	221,758	124,813
School Health Services	201,023	158,771	219,059	219,059	222,986
Instructional Services	205,838	209,336	256,832	256,832	153,529
<b>Total Expenditures by Department</b>	<b>4,827,776</b>	<b>2,194,929</b>	<b>5,448,225</b>	<b>5,344,501</b>	<b>5,400,313</b>
<b>By Function</b>					
Support Services	4,905,582	2,194,929	5,448,225	5,344,501	4,847,795
Enterprise & Community Service					552,518
<b>Total Expenditures by Function</b>	<b>4,905,582</b>	<b>2,194,929</b>	<b>5,448,225</b>	<b>5,344,501</b>	<b>5,400,313</b>
<b>By Category</b>					
Salaries	1,940,142	1,017,561	2,416,760	2,410,692	2,732,070
Associated Payroll Costs	1,045,741	630,256	1,697,111	1,662,849	1,754,526
Purchased Services	1,637,290	329,247	1,061,984	1,005,367	657,943
Supplies and Materials	282,409	217,865	272,370	265,593	255,774
<b>Total Expenditures by Category</b>	<b>4,905,582</b>	<b>2,194,929</b>	<b>5,448,225</b>	<b>5,344,501</b>	<b>5,400,313</b>

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
7- Risk Management Reserve 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 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>Resources</b>					
<b>Beginning Fund Balance</b>	<b>573,937</b>	<b>613,018</b>	<b>777,333</b>	<b>777,333</b>	<b>726,799</b>
<b>Revenues</b>					
Miscellaneous Revenue	202,700	238,758		100,207	
Expenditure Subsidy		669		2,500	
Services - Other Funds	367,900	369,377	592,556	602,745	609,456
<b>Total Revenues</b>	<b>570,600</b>	<b>608,804</b>	<b>592,556</b>	<b>705,452</b>	<b>609,456</b>
<b>Transfers In</b>					
From Operating Funds	295,000	300,000			
<b>Total Transfers In</b>	<b>295,000</b>	<b>300,000</b>			
<b>TOTAL RESOURCES</b>	<b>1,439,537</b>	<b>1,521,822</b>	<b>1,369,889</b>	<b>1,482,785</b>	<b>1,336,255</b>
<b>Requirements</b>					
<b>Total Expenditures</b>	<b>670,746</b>	<b>622,986</b>	<b>652,556</b>	<b>671,745</b>	<b>669,456</b>
<b>Transfers Out</b>					
Operating Fund	155,771	121,502	84,241	84,241	65,708
<b>Total Transfers Out</b>	<b>155,771</b>	<b>121,502</b>	<b>84,241</b>	<b>84,241</b>	<b>65,708</b>
<b>Total Budget</b>	<b>826,519</b>	<b>744,487</b>	<b>736,797</b>	<b>755,986</b>	<b>735,164</b>
<b>Ending Fund Balance</b>	<b>613,017</b>	<b>777,333</b>	<b>633,092</b>	<b>726,799</b>	<b>601,091</b>
<b>TOTAL REQUIREMENTS</b>	<b>1,439,537</b>	<b>1,521,821</b>	<b>1,369,889</b>	<b>1,482,785</b>	<b>1,336,255</b>

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
7- Risk Management Reserve Summary**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Department</b>					
Administration	668,162	618,560	642,556	659,245	659,456
Human Resources	2,584	4,426	10,000	12,500	10,000
<b>Total Expenditures by Department</b>	<b>670,746</b>	<b>622,986</b>	<b>652,556</b>	<b>671,745</b>	<b>669,456</b>
<b>By Function</b>					
Support Services	670,746	622,986	652,556	671,745	669,456
<b>Total Expenditures by Function</b>	<b>670,746</b>	<b>622,986</b>	<b>652,556</b>	<b>671,745</b>	<b>669,456</b>
<b>By Category</b>					
Salaries	87,232	78,112	87,233	93,479	96,327
Associated Payroll Costs	43,899	46,103	52,990	56,384	55,941
Purchased Services	535,723	494,539	510,083	519,762	514,968
Supplies and Materials	3,892	4,232	2,250	2,120	2,220
<b>Total Expenditures by Category</b>	<b>670,746</b>	<b>622,986</b>	<b>652,556</b>	<b>671,745</b>	<b>669,456</b>

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# Expenditures by Department

**mesd**

## ADMINISTRATION

**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:**

0.5 COO position (Jim Rose) has been moved from Fund 6 Technology Services to Fund 6 Administration to reflect the cost of the 'deputy superintendent' duties.

**Brief Description of significant funding changes:**

Funding is built on the legislatively approved \$3.44 billion year two SSF revenue, stable funding from grants and contracts, and an estimated 5% indirect rate unless specifically identified.

**Brief Description of FTE changes:**

No significant changes anticipated

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
Expenditures by Department  
100- Administration**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Category</b>					
Salaries	694,129	415,104	418,959	420,049	496,603
Associated Payroll Costs	326,293	219,378	248,223	246,773	289,570
Purchased Services	643,592	670,367	759,697	751,894	802,033
Supplies and Materials	43,062	22,797	27,740	19,110	17,760
<b>Total by Category</b>	<b>1,707,076</b>	<b>1,327,646</b>	<b>1,454,619</b>	<b>1,437,826</b>	<b>1,605,966</b>
<b>By Division</b>					
100 Board of Directors	50,519	121,586	92,331	88,375	139,300
110 Administration	532,025	327,127	394,914	377,361	489,994
160 Agency Support	668,162	618,560	642,556	659,245	659,456
300 Legal Services	101,469	2,084	7,137	3,450	3,450
500 Communication Services	200,534	154,323	154,891	146,915	154,436
520 School Closure	2,400	2,790	2,790	2,480	2,480
530 Foundation	151,967	101,176	160,000	160,000	156,850
<b>Total by Division</b>	<b>1,707,076</b>	<b>1,327,646</b>	<b>1,454,619</b>	<b>1,437,826</b>	<b>1,605,966</b>
<b>By Fund</b>					
1 Resolution Services	2,400	2,790	2,790	2,480	2,480
2 Contracted Services	97,643				
6 Operating	938,871	706,296	809,273	776,101	944,030
7 Risk Management Reserve	668,162	618,560	642,556	659,245	659,456
<b>Total by Fund</b>	<b>1,707,076</b>	<b>1,327,646</b>	<b>1,454,619</b>	<b>1,437,826</b>	<b>1,605,966</b>
<b>POSITION SUMMARY</b>					
<b>By Division</b>					
110 Administration	3.00	2.00	2.00	2.00	2.50
160 Agency Support	1.10	1.00	1.00	1.00	1.00
500 Communication Services	1.33	1.29	1.00	1.00	1.00
530 Foundation	1.48	.95	.85	1.17	1.25
<b>Total Number of Positions</b>	<b>6.91</b>	<b>5.24</b>	<b>4.85</b>	<b>5.17</b>	<b>5.75</b>
<b>By Fund</b>					
1 Resolution Services					
2 Contracted Services	.10				
6 Operating	5.81	4.24	3.85	4.17	4.75
7 Risk Management Reserve	1.00	1.00	1.00	1.00	1.00
<b>Total Number of Positions</b>	<b>6.91</b>	<b>5.24</b>	<b>4.85</b>	<b>5.17</b>	<b>5.75</b>

*Note: In 2014, Number of Positions switched from FTE to Individual Persons*

## 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 six locations operated by MESD. They ensure that all the buildings are cleaned nightly and also perform minor repairs, coordinate meeting rooms, and moving materials.

Ainsworth Mail/Supply Room staff provides mail support for all agency staff as well as maintains a ready supply of printer toner cartridges, 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:**

With the retirement of two key personnel MESD will utilize the services of Metro Presort to handle outgoing mail at a savings to the programs. Lease payment reduction assuming we will be out of the Pathways building and the program will move to the Thompson Building vacated by Early Childhood in FY 2014. Thompson lease was paid by Fund 6 in FY 2014 while preparations for program move were being made.

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

No significant changes anticipated in 2014-15

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

There will be a one FTE reduction in the Facility Service office as a result of the new mail service.

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
Expenditures by Department  
150- Facilities Services**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Category</b>					
Salaries	668,841	321,988	301,324	273,651	241,771
Associated Payroll Costs	401,817	179,273	207,693	182,352	158,095
Purchased Services	1,308,483	87,655	471,613	444,779	48,002
Supplies and Materials	151,146	43,708	52,026	52,026	48,886
<b>Total by Category</b>	<b>2,530,287</b>	<b>632,624</b>	<b>1,032,656</b>	<b>952,808</b>	<b>496,754</b>
<b>By Division</b>					
150 Facility Services	1,961,098	500,681	1,039,137	959,289	473,754
510 Printing & Graphics	569,189	131,943	(6,481)	(6,481)	23,000
<b>Total by Division</b>	<b>2,530,287</b>	<b>632,624</b>	<b>1,032,656</b>	<b>952,808</b>	<b>496,754</b>
<b>By Fund</b>					
1 Resolution Services	32,113	32,939	35,628	33,778	34,970
2 Contracted Services	398,134	602,761			
6 Operating	2,100,040	(3,076)	997,028	919,030	461,784
<b>Total by Fund</b>	<b>2,530,287</b>	<b>632,624</b>	<b>1,032,656</b>	<b>952,808</b>	<b>496,754</b>
<b>POSITION SUMMARY</b>					
<b>By Division</b>					
150 Facility Services	13.50	10.50	11.00	10.00	8.75
510 Printing & Graphics	4.40	1.28			
<b>Total Number of Positions</b>	<b>17.90</b>	<b>11.78</b>	<b>11.00</b>	<b>10.00</b>	<b>8.75</b>
<b>By Fund</b>					
1 Resolution Services	.50	.50	.50	.50	.50
2 Contracted Services	6.50	6.00			
6 Operating	10.90	5.28	10.50	9.50	8.25
<b>Total Number of Positions</b>	<b>17.90</b>	<b>11.78</b>	<b>11.00</b>	<b>10.00</b>	<b>8.75</b>

*Note: In 2014, Number of Positions switched from FTE to Individual Persons*

<b>BUSINESS SERVICES</b>
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**Department Description:** Business Services provides accounting, financial, budgeting, payroll, and purchasing services to the MESD. The department is organized into three divisions: Administration, Accounting Services, and Payroll Services.

Administration is responsible for 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:**

No significant changes anticipated in 2014-15

**Brief Description of significant funding changes:**

No significant changes anticipated in 2014-15.

**Brief Description of FTE changes:**

No significant changes anticipated in 2014-15

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
Expenditures by Department  
200- Business Services**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Category</b>					
Salaries	516,700	450,524	544,665	546,605	562,884
Associated Payroll Costs	709,846	222,698	309,319	305,460	313,971
Purchased Services	197,836	205,107	139,386	139,536	136,735
Supplies and Materials	991,016	39,876	18,792	20,423	13,147
Transit Payments	8,114,548	8,457,036	11,567,164	11,950,243	13,669,123
<b>Total by Category</b>	<b>10,529,946</b>	<b>9,375,241</b>	<b>12,579,326</b>	<b>12,962,267</b>	<b>14,695,860</b>
<b>By Division</b>					
000 Not Applicable	106,675				
210 Business Services Admin	748,516	300,643	376,720	374,494	386,731
220 Accounting Services	324,669	312,879	299,276	299,505	296,654
221 Accounting Services-Transits	8,114,548	8,457,036	11,567,164	11,950,243	13,669,123
222 Accounting Services-Fiscal Svc		128,279	149,980	149,980	151,057
230 Co-op Warehouse	1,126,754				
240 Payroll Services	108,784	176,404	186,186	188,045	192,295
<b>Total by Division</b>	<b>10,529,946</b>	<b>9,375,241</b>	<b>12,579,326</b>	<b>12,962,267</b>	<b>14,695,860</b>
<b>By Fund</b>					
1 Resolution Services	8,387,395	8,458,552	11,567,164	11,950,243	13,669,123
2 Contracted Services	2,042,081	671,183			
5 Agency Pass-Through		128,279	149,980	149,980	151,057
6 Operating	100,470	117,227	862,182	862,044	875,680
<b>Total by Fund</b>	<b>10,529,946</b>	<b>9,375,241</b>	<b>12,579,326</b>	<b>12,962,267</b>	<b>14,695,860</b>

**POSITION SUMMARY**

**By Division**

210 Business Services Admin	3.50	2.50	3.00	3.00	3.00
220 Accounting Services	3.00	3.00	3.00	3.00	3.00
222 Accounting Services-Fiscal Svc					
230 Co-op Warehouse	3.50				
240 Payroll Services		2.00	2.00	2.00	2.00
<b>Total Number of Positions</b>	<b>10.00</b>	<b>7.50</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>

**By Fund**

2 Contracted Services	10.00	7.50			
5 Agency Pass-Through					
6 Operating			8.00	8.00	8.00
<b>Total Number of Positions</b>	<b>10.00</b>	<b>7.50</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>

*Note: In 2014, Number of Positions switched from FTE to Individual Persons*

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## 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 and payroll services, management of worker's compensation and leaves of absences, tracking of licensure and professional development, and administration of the substitute finding and tracking system.

**Primary Funding Sources:**

Operating Fund and Contract Services Fund

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

The department has added fingerprinting services for purchase and Teachers Standards and Practices Commission (TSPC) professional development unit (PDU) verifications for substitutes.

**Brief Description of significant funding changes:**

The additional services being offered for Fingerprinting and TSPC Licensing services are funded as fee for service. No other significant funding changes are anticipated

**Brief Description of FTE changes:**

No changes in FTE expected

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
Expenditures by Department  
400- Human Resources**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Category</b>					
Salaries	444,449	437,037	468,020	401,711	445,332
Associated Payroll Costs	340,102	311,371	476,687	443,515	403,873
Purchased Services	105,156	105,577	151,138	143,638	76,307
Supplies and Materials	8,377	9,509	17,402	17,402	17,402
<b>Total by Category</b>	<b>898,084</b>	<b>863,494</b>	<b>1,113,247</b>	<b>1,006,266</b>	<b>942,914</b>
<b>By Division</b>					
400 Human Resources	685,292	650,325	862,012	864,512	870,768
660 Substitute Registration	212,792	213,169	251,235	141,754	72,146
<b>Total by Division</b>	<b>898,084</b>	<b>863,494</b>	<b>1,113,247</b>	<b>1,006,266</b>	<b>942,914</b>
<b>By Fund</b>					
1 Resolution Services	212,653	198,614	226,855	131,451	59,577
2 Contracted Services	500,832	534,478			
6 Operating	182,015	125,976	876,392	862,315	873,337
7 Risk Management Reserve	2,584	4,426	10,000	12,500	10,000
<b>Total by Fund</b>	<b>898,084</b>	<b>863,494</b>	<b>1,113,247</b>	<b>1,006,266</b>	<b>942,914</b>
<b>POSITION SUMMARY</b>					
<b>By Division</b>					
400 Human Resources	8.33	6.24	6.67	6.77	6.75
660 Substitute Registration	1.75	2.00	2.00	1.00	1.00
<b>Total Number of Positions</b>	<b>10.08</b>	<b>8.24</b>	<b>8.67</b>	<b>7.77</b>	<b>7.75</b>
<b>By Fund</b>					
1 Resolution Services	1.75	1.80	1.80	.90	.90
2 Contracted Services	8.33	6.24			
6 Operating		.20	6.87	6.87	6.85
7 Risk Management Reserve					
<b>Total Number of Positions</b>	<b>10.08</b>	<b>8.24</b>	<b>8.67</b>	<b>7.77</b>	<b>7.75</b>

*Note: In 2014, Number of Positions switched from FTE to Individual Persons*

## TECHNOLOGY SERVICES

**Department Description:** Multnomah ESD is a founding member of the Cascade Technology Alliance (CTA). CTA a new organization focused on technology related services. 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, and special education 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 and contracted

**Brief Description of significant department / service changes:** For 2014-15 the most significant change will be the transition from an Oracle database to a SQLServer database for the Financial/HR system.

**Brief Description of significant funding changes:** Additional contracts with the Department of Human Services at the county and state level are possible. Additional contracts with component and non-component districts for enhanced server and network support are likely.

**Brief Description of FTE changes:** None anticipated.

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
Expenditures by Department  
600- Technology Services**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Category</b>					
Salaries	1,947,813	2,101,484	2,260,782	2,314,372	2,360,832
Associated Payroll Costs	951,716	1,000,464	1,391,717	1,273,758	1,363,244
Purchased Services	2,937,778	3,789,907	14,976,349	14,977,066	14,712,839
Supplies and Materials	332,055	840,129	317,286	268,187	247,517
Capital Outlay	105,555	5,711	16,402	13,402	13,402
<b>Total by Category</b>	<b>6,274,917</b>	<b>7,737,695</b>	<b>18,962,536</b>	<b>18,846,785</b>	<b>18,697,834</b>
<b>By Division</b>					
610 Student Information Services	1,613,701	2,679,624	1,617,898	1,561,205	1,282,704
620 Business Systems Support	94,542	82,122	111,220	102,680	71,531
630 Network Services	1,173,988	996,145	1,154,833	1,156,712	1,146,854
640 Internal Agency Support	870,416	1,039,940	1,151,508	1,132,608	1,182,237
650 Medicaid Admin Claiming	431,007	387,223	514,059	447,103	494,194
695 OR-Case	1,940,077	2,472,661	14,389,273	14,457,670	14,506,006
850 Social Services	151,186	79,980	23,745	(11,193)	14,308
<b>Total by Division</b>	<b>6,274,917</b>	<b>7,737,695</b>	<b>18,962,536</b>	<b>18,846,785</b>	<b>18,697,834</b>
<b>By Fund</b>					
1 Resolution Services	2,705,825	3,025,696	2,729,758	2,666,082	2,452,599
2 Contracted Services	2,629,491	3,955,360	15,027,077	14,953,341	14,501,081
6 Operating	939,601	756,639	1,205,701	1,227,362	1,744,154
<b>Total by Fund</b>	<b>6,274,917</b>	<b>7,737,695</b>	<b>18,962,536</b>	<b>18,846,785</b>	<b>18,697,834</b>

**POSITION SUMMARY**

**By Division**

610 Student Information Services	11.72	11.85	11.85	11.00	10.70
620 Business Systems Support	.30	.30	.30	.30	.15
630 Network Services	2.88	2.78	2.78	2.78	2.63
640 Internal Agency Support	7.50	7.15	6.97	7.15	7.50
650 Medicaid Admin Claiming	4.04	4.02	4.14	5.83	3.10
695 OR-Case		2.00		3.50	6.17
850 Social Services	3.50	4.00	2.50	5.00	2.50
<b>Total Number of Positions</b>	<b>29.94</b>	<b>32.10</b>	<b>28.54</b>	<b>35.56</b>	<b>32.75</b>

**By Fund**

1 Resolution Services	14.40	14.43	14.43	13.48	13.48
2 Contracted Services	7.64	14.76	6.64	14.33	5.60
6 Operating	7.90	2.91	7.47	7.75	13.67
<b>Total Number of Positions</b>	<b>29.94</b>	<b>32.10</b>	<b>28.54</b>	<b>35.56</b>	<b>32.75</b>

*Note: In 2014, Number of Positions switched from FTE to Individual Persons*

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## SPECIAL EDUCATION SERVICES

**Department Description:** The Special Education Services Department provides special education services to the 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 Pathways sites. Special Education collaborates with community organizations and the component districts to ensure that every child with a disability is provided the best educational opportunities available.

The department is organized into three divisions: Special Education, Functional Living Skills (FLS), 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:**

Special Education, FLS and Related Services: Resolution funds and contracts for service

Project LAUNCH: Federal grant funds

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

At this point in time we plan to continue services with no changes. This, of course, will be dependent upon a consistent level of funding from all sources. Every effort will be made to maintain high quality services to our component districts and their students.

**Brief Description of significant funding changes:**

Funding is unknown at this time. We will make necessary adjustments as more information becomes available.

**Brief Description of FTE changes:**

To be determined.

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
Expenditures by Department  
700- Special Education**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Category</b>					
Salaries	13,940,781	14,130,087	5,675,391	5,992,114	6,239,699
Associated Payroll Costs	7,419,594	7,790,842	4,028,694	4,226,547	4,395,708
Purchased Services	2,866,365	2,992,832	1,798,203	1,968,552	1,896,307
Supplies and Materials	301,794	401,042	364,065	362,252	359,132
Transit Payments	1,951,183	5,098,110	1,189,377	1,189,836	
<b>Total by Category</b>	<b>26,479,717</b>	<b>30,412,913</b>	<b>13,055,730</b>	<b>13,739,301</b>	<b>12,890,846</b>
<b>By Division</b>					
710 EI/ECSE	14,807,435	15,128,494	2,171,199	2,306,513	1,061,138
750 Special Education	8,734,004	12,370,497	7,925,287	8,363,375	8,600,892
780 Related Services	601,126	656,071	911,466	874,143	901,982
850 Social Services	827,274	977,351	979,960	1,053,796	1,055,880
910 Curriculum & Instruction	3,569	1,409			
960 Arata Creek	1,506,309	1,279,091	1,067,818	1,141,474	1,270,954
<b>Total by Division</b>	<b>26,479,717</b>	<b>30,412,913</b>	<b>13,055,730</b>	<b>13,739,301</b>	<b>12,890,846</b>
<b>By Fund</b>					
1 Resolution Services	10,169,575	9,698,763	9,076,090	7,255,025	7,734,564
2 Contracted Services	16,150,224	20,590,390	3,757,882	6,262,518	5,031,469
6 Operating	159,918	123,760	221,758	221,758	124,813
<b>Total by Fund</b>	<b>26,479,717</b>	<b>30,412,913</b>	<b>13,055,730</b>	<b>13,739,301</b>	<b>12,890,846</b>
<b>POSITION SUMMARY</b>					
<b>By Division</b>					
710 EI/ECSE	177.82	168.29	1.00	1.00	2.15
750 Special Education	127.67	130.52	109.04	146.33	131.95
780 Related Services	6.70	6.66	7.15	8.95	8.55
850 Social Services	15.48	10.34	10.69	12.00	12.00
960 Arata Creek	22.20	19.23	12.26	13.10	14.10
<b>Total Number of Positions</b>	<b>349.87</b>	<b>335.04</b>	<b>140.14</b>	<b>181.38</b>	<b>168.75</b>
<b>By Fund</b>					
1 Resolution Services	139.89	140.51	123.15	147.50	111.14
2 Contracted Services	208.98	193.53	15.49	32.88	56.91
6 Operating	1.00	1.00	1.50	1.00	.70
<b>Total Number of Positions</b>	<b>349.87</b>	<b>335.04</b>	<b>140.14</b>	<b>181.38</b>	<b>168.75</b>

*Note: In 2014, Number of Positions switched from FTE to Individual Persons*

## SCHOOL HEALTH SERVICES

**Department Description:** The Department of School Health Services provides and coordinates specialized health and social services that support the educational experience for students enrolled in our component districts as well as some Clackamas County districts. Staff includes nurses, teachers, school health assistants, educational assistants, social services providers, support staff, Medicaid billing specialists, 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 enrollments services, and Outdoor School.

**Primary Funding Sources:**

Resolution Funds, Local District Contracts, ODE Contracts

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

In 2013 the Department of Health and Social Services transitioned to the Department of School Health Services. The Hospital School Program and Long Term Care and Treatment were transitioned to Instructional Services. Medicaid Billing Services transitioned to Technology Services..

**Brief Description of significant funding changes:**

Transfer of the Hospital School Program, Long Term Care and Treatment to the Special Education Department, and Medicaid Billing to Technical Services. The potential increase of a full time nurse from 178 days to 190 days will increase the cost of services minimally and would be spread between the different service delivery programs.

**Brief Description of FTE changes:**

No significant changes anticipated, pending funding decisions.

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
Expenditures by Department  
800- School Health Services**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Category</b>					
Salaries	5,590,295	5,544,983	5,529,216	5,462,101	5,627,759
Associated Payroll Costs	2,879,807	3,012,015	3,705,292	3,665,778	3,651,734
Purchased Services	263,260	325,731	277,723	291,882	304,419
Supplies and Materials	62,611	156,637	209,587	177,071	173,537
<b>Total by Category</b>	<b>8,795,973</b>	<b>9,039,366</b>	<b>9,721,818</b>	<b>9,596,832</b>	<b>9,757,449</b>
<b>By Division</b>					
810 Health Services	8,529,048	8,677,428	9,329,898	9,337,179	9,615,953
850 Social Services	266,925	361,938	391,920	259,653	141,496
<b>Total by Division</b>	<b>8,795,973</b>	<b>9,039,366</b>	<b>9,721,818</b>	<b>9,596,832</b>	<b>9,757,449</b>
<b>By Fund</b>					
1 Resolution Services	4,951,059	4,933,425	5,336,892	5,431,681	5,736,819
2 Contracted Services	3,643,891	3,947,170	4,165,867	3,946,092	3,797,644
6 Operating	201,023	158,771	219,059	219,059	222,986
<b>Total by Fund</b>	<b>8,795,973</b>	<b>9,039,366</b>	<b>9,721,818</b>	<b>9,596,832</b>	<b>9,757,449</b>

**POSITION SUMMARY**

**By Division**

810 Health Services	113.41	112.67	110.84	118.61	118.61
850 Social Services	3.75	3.68	5.17	4.40	2.20
<b>Total Number of Positions</b>	<b>117.16</b>	<b>116.35</b>	<b>116.01</b>	<b>123.01</b>	<b>120.81</b>

**By Fund**

1 Resolution Services	66.98	63.69	64.56	70.43	70.43
2 Contracted Services	48.48	51.66	49.95	51.08	48.88
6 Operating	1.70	1.00	1.50	1.50	1.50
<b>Total Number of Positions</b>	<b>117.16</b>	<b>116.35</b>	<b>116.01</b>	<b>123.01</b>	<b>120.81</b>

*Note: In 2014, Number of Positions switched from FTE to Individual Persons*

## INSTRUCTIONAL SERVICES

**Department Description:** The Instructional Services department provides a variety of value added services to teachers, administrators, educational assistants, students and parents in the 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: Alpha, Alternative Pathways, Curriculum/Instruction/Student Assessment, 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 variety of topics. These programs offer a variety of enrichment and enhancement opportunities which complement instruction within the component districts.

**Primary Funding Sources:**

Resolution Funds and Contract services with our component districts and the Oregon Department of Education.

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

The Instructional Services Department and Special Education Departments have been consolidated into the Department of Education Services under the Chief Program Officer of Education resulting in cost savings and improved efficiency. Currently anticipating a status quo approach to the delivery of services for 2014-15.

**Brief Description of significant funding changes:**

Funding has been reduced in certain program budgets due to the ending of specific grant funded projects. We continually seek other grant opportunities to serve the needs of children and families. Additionally in order to balance program expenditures against anticipated revenue we will need to increase our cost for services but will simultaneously look for areas in our budgets to make further reductions.

**Brief Description of FTE changes:**

To be determined.

**Multnomah Education Service District  
2014-2015 Fiscal Year Annual Budget  
Expenditures by Department  
900- Instructional Services**

	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Revised Budget 2013-14</b>	<b>Projected Actual 2013-14</b>	<b>Proposed Budget 2014-15</b>
<b>EXPENDITURE PERSPECTIVES</b>					
<b>By Category</b>					
Salaries	4,833,650	5,163,674	4,278,288	4,410,545	4,424,119
Associated Payroll Costs	2,385,563	2,409,427	2,849,728	2,607,093	2,848,978
Purchased Services	940,605	1,261,217	980,171	1,201,839	1,280,872
Supplies and Materials	733,978	477,737	486,126	541,846	534,289
<b>Total by Category</b>	<b>8,893,796</b>	<b>9,312,055</b>	<b>8,594,313</b>	<b>8,761,323</b>	<b>9,088,258</b>
<b>By Division</b>					
850 Social Services	1,116,833	1,157,046	1,263,465	1,209,427	1,274,001
900 Instructional Services	236,003	242,055	292,288	362,889	260,871
910 Curriculum & Instruction	742,283	1,887,832	472,637	501,462	535,576
920 Outdoor School	1,852,181	1,875,575	2,028,290	1,889,231	2,042,490
940 Alpha	726,441	700,407	711,896	698,684	861,522
950 Helensview	2,122,700	1,511,329	1,755,306	1,852,708	1,951,212
970 Youth Correction Education	1,696,679	1,471,676	1,575,420	1,697,100	1,696,762
980 Alternative Pathways	204,678	207,971	218,697	212,386	216,663
990 Migrant Education	195,998	258,164	276,314	337,436	249,161
<b>Total by Division</b>	<b>8,893,796</b>	<b>9,312,055</b>	<b>8,594,313</b>	<b>8,761,323</b>	<b>9,088,258</b>
<b>By Fund</b>					
1 Resolution Services	2,390,142	1,959,896	2,251,839	2,340,173	2,198,194
2 Contracted Services	6,297,816	7,142,823	6,085,642	6,164,318	6,736,535
6 Operating	205,838	209,336	256,832	256,832	153,529
<b>Total by Fund</b>	<b>8,893,796</b>	<b>9,312,055</b>	<b>8,594,313</b>	<b>8,761,323</b>	<b>9,088,258</b>

**POSITION SUMMARY**

**By Division**

530 Foundation					
850 Social Services	17.43	15.48	16.27	17.65	17.38
900 Instructional Services	1.90	1.80	2.23	1.80	1.60
910 Curriculum & Instruction	6.25	4.20	3.30	4.00	4.90
920 Outdoor School	13.62	9.42	9.24	9.04	9.04
940 Alpha	8.22	7.00	6.25	7.00	9.72
950 Helensview	23.78	24.70	17.91	21.04	22.19
970 Youth Correction Education	15.87	22.35	19.12	22.68	22.61
980 Alternative Pathways	4.38	3.10	3.10	4.00	4.00
990 Migrant Education	2.81	2.82	3.34	4.00	4.00
<b>Total Number of Positions</b>	<b>94.26</b>	<b>90.87</b>	<b>80.76</b>	<b>91.21</b>	<b>95.44</b>

**By Fund**

1 Resolution Services	41.09	26.32	19.91	23.04	24.74
2 Contracted Services	51.77	63.15	59.02	66.77	69.50
6 Operating	1.40	1.40	1.83	1.40	1.20
<b>Total Number of Positions</b>	<b>94.26</b>	<b>90.87</b>	<b>80.76</b>	<b>91.21</b>	<b>95.44</b>

*Note: In 2014, Number of Positions switched from FTE to Individual Persons*

## **Debt Service and Capital Expenditures**

**mesd**

## Multnomah Education Service District Debt Service Schedule

Period Ending	OSBA Limited Tax Pension Obligations, Series 2004					2004 Refunding of 1997 Full Faith Credit Obligation (FFCO)					Total Debt Service (Fund 4)					
	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		32,330,000	440,000	55,065	55,065	550,130	2,415,000	815,000	1,877,446	2,692,446	34,745,000	6/30/2012
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		31,820,000	455,000	46,265	46,265	547,530	1,960,000	965,000	1,842,641	2,807,641	33,780,000	6/30/2013
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		31,165,000	470,000	38,303	38,303	546,605	1,490,000	1,125,000	1,802,373	2,927,373	32,655,000	6/30/2014
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		30,355,000	490,000	28,315	28,315	546,630	1,000,000	1,300,000	1,751,004	3,051,004	31,355,000	6/30/2015
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		29,370,000	500,000	19,250	19,250	538,500	500,000	1,485,000	1,692,998	3,177,998	29,870,000	6/30/2016
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		28,200,000	500,000	9,750	9,750	519,500	0	1,670,000	1,624,521	3,294,521	28,200,000	6/30/2017
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		26,825,000	500,000					1,375,000	1,545,082	2,920,082	26,825,000	6/30/2018
Jun-2018	1,375,000	5.22%	772,541	2,147,541	2,920,082	26,825,000	500,000					1,375,000	1,545,082	2,920,082	26,825,000	6/30/2018
Dec-2018			736,633	736,633		25,230,000	500,000					1,595,000	1,473,266	3,068,266	25,230,000	6/30/2019
Jun-2019	1,595,000	5.32%	736,633	2,331,633	3,068,266	25,230,000	500,000					1,595,000	1,473,266	3,068,266	25,230,000	6/30/2019
Dec-2019			694,182	694,182		23,395,000	500,000					1,835,000	1,388,364	3,223,364	23,395,000	6/30/2020
Jun-2020	1,835,000	5.37%	694,182	2,529,182	3,223,364	23,395,000	500,000					1,835,000	1,388,364	3,223,364	23,395,000	6/30/2020
Dec-2020			644,885	644,885		21,300,000	500,000					2,095,000	1,289,770	3,384,770	21,300,000	6/30/2021
Jun-2021	2,095,000	5.42%	644,885	2,739,885	3,384,770	21,300,000	500,000					2,095,000	1,289,770	3,384,770	21,300,000	6/30/2021
Dec-2021			588,079	588,079		18,925,000	500,000					2,375,000	1,176,158	3,551,158	18,925,000	6/30/2022
Jun-2022	2,375,000	5.47%	588,079	2,963,079	3,551,158	18,925,000	500,000					2,375,000	1,176,158	3,551,158	18,925,000	6/30/2022
Dec-2022			523,087	523,087		16,245,000	500,000					2,680,000	1,046,174	3,726,174	16,245,000	6/30/2023
Jun-2023	2,680,000	5.53%	523,087	3,203,087	3,726,174	16,245,000	500,000					2,680,000	1,046,174	3,726,174	16,245,000	6/30/2023
Dec-2023			449,012	449,012		13,230,000	500,000					3,015,000	898,024	3,913,024	13,230,000	6/30/2024
Jun-2024	3,015,000	5.53%	449,012	3,464,012	3,913,024	13,230,000	500,000					3,015,000	898,024	3,913,024	13,230,000	6/30/2024
Dec-2024			365,677	365,677		9,860,000	500,000					3,370,000	731,354	4,101,354	9,860,000	6/30/2025
Jun-2025	3,370,000	5.53%	365,677	3,735,677	4,101,354	9,860,000	500,000					3,370,000	731,354	4,101,354	9,860,000	6/30/2025
Dec-2025			272,530	272,530		6,105,000	500,000					3,755,000	545,061	4,300,061	6,105,000	6/30/2026
Jun-2026	3,755,000	5.53%	272,530	4,027,530	4,300,061	6,105,000	500,000					3,755,000	545,061	4,300,061	6,105,000	6/30/2026
Dec-2026			168,742	168,742		1,935,000	500,000					4,170,000	337,484	4,507,484	1,935,000	6/30/2027
Jun-2027	4,170,000	5.53%	168,742	4,338,742	4,507,484	1,935,000	500,000					4,170,000	337,484	4,507,484	1,935,000	6/30/2027
Dec-2027			53,483	53,483		0	500,000					1,935,000	106,967	2,041,967	0	6/30/2028
Jun-2028	1,935,000	5.53%	53,483	1,988,483	2,041,967	0	500,000					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 2013-14**

#### **Facilities**

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

The 2014-15 fiscal year is the first 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 are extrapolated from historical costs and will be revised as the District monitors the fund activity.

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

The Ainsworth roof replacement originally planned for the 2013-14 fiscal year has been postponed until 2015-16 as a result of a positive inspection indicating it was not needed. Facility Services is using the appropriation for the Ainsworth chiller replacement instead. Recurring issues with performance and reliability, as well as the fact the chiller has served the majority of its anticipated life expectancy, led to this earlier than planned replacement. For 2014-2015 we are planning an Exterior Weatherization Project and replacing worn carpet in the common areas only.

##### **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 2015-16.

#### **Technology Services**

##### **Student Information Services:**

With the relatively recent acquisition of SIS hardware MESD did not spend the Fund 4 resources in 2013-14. MESD will continue to build a reserve for hardware needs in 2014-15 with a possible purchase of a test system/redundancy purchase in that timeframe.

##### **Business Systems Support:**

The transition from Oracle to SQL server database will continue for 2013-14 to 2014-15 with a smaller portion coming in the second year.

##### **Network Services:**

MESD is partially through the planned firewall upgrade and will see an increase in expenditures in 2014-15 to complete the project.

**Multnomah Education Service District  
Facilities and Equipment Reserve Plan  
Fund 4**

	<u>Estimated FY2014</u>	<u>Proposed FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>
<b>Facilities Department</b>						
<b>Ainsworth (1989)</b>						
ACCU - Chiller replacement	225,844					
Carpet Replacement (common areas)		20,000				
Re-organization	60,000					
Exterior Weatherization		100,000				
Roof Replacement (25yr)			250,000			
HVAC Control System Upgrade						300,000
Repairs and Improvements		50,000	35,000	35,000	35,000	35,000
Repairs and Replacements - leased bldgs		20,000	10,000	10,000	10,000	10,000
<b>Alpha (1998)</b>						
Carpet Replacement (15 yr)			40,000			
Roof Replacement (20yr)					80,000	
Repairs and Improvements		20,000	10,000	10,000	10,000	10,000
<b>Arata (1999)</b>						
Carpet Replacement (15 yr)			40,000			
Roof Replacement (20yr)						30,000
Repairs and Improvements		25,000	15,000	15,000	15,000	15,000
<b>Total</b>	<u>285,844</u>	<u>235,000</u>	<u>400,000</u>	<u>70,000</u>	<u>150,000</u>	<u>400,000</u>
<b>Funding Sources</b>						
Beginning Fund Balance	1,216,142	930,298	810,298	495,298	510,298	445,298
Transfer from Operating Fund		115,000	85,000	85,000	85,000	85,000
<b>Total Funding Sources</b>	<u>1,216,142</u>	<u>1,045,298</u>	<u>895,298</u>	<u>580,298</u>	<u>595,298</u>	<u>530,298</u>
<b>Department Ending Fund Balance</b>	<u>930,298</u>	<u>810,298</u>	<u>495,298</u>	<u>510,298</u>	<u>445,298</u>	<u>130,298</u>

**Technology Services**

<b>Student Information Systems</b>						
Computer Servers & Routers		100,000				
<b>Funding Sources</b>						
Beginning Fund Balance	255,708	335,708	315,708	395,708	475,708	555,708
Transfer from Resolution Fund	80,000	80,000	80,000	80,000	80,000	80,000
<b>Total Funding Sources</b>	<u>335,708</u>	<u>415,708</u>	<u>395,708</u>	<u>475,708</u>	<u>555,708</u>	<u>635,708</u>
Ending Fund Balance	<u>335,708</u>	<u>315,708</u>	<u>395,708</u>	<u>475,708</u>	<u>555,708</u>	<u>635,708</u>
<b>Business Systems Support</b>						
IFAS Database App. Upgrade	50,000	15,000				
Beginning Fund Balance	<u>136,662</u>	<u>86,662</u>	<u>71,662</u>	<u>71,662</u>	<u>71,662</u>	<u>71,662</u>
Ending Fund Balance	<u>86,662</u>	<u>71,662</u>	<u>71,662</u>	<u>71,662</u>	<u>71,662</u>	<u>71,662</u>
<b>Network Services</b>						
Replace Firewall Hardware	30,000	56,631				
Beginning Fund Balance	<u>86,631</u>	<u>56,631</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<u>56,631</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Agency Support</b>						
Replace Firewall Hardware		13,369				
Beginning Fund Balance	<u>104,791</u>	<u>104,791</u>	<u>91,422</u>	<u>91,422</u>	<u>91,422</u>	<u>91,422</u>
Ending Fund Balance	<u>104,791</u>	<u>91,422</u>	<u>91,422</u>	<u>91,422</u>	<u>91,422</u>	<u>91,422</u>
<b>Department Ending Fund Balance</b>	<u>583,792</u>	<u>478,792</u>	<u>558,792</u>	<u>638,792</u>	<u>718,792</u>	<u>798,792</u>

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

Beginning Fund Balance	1,799,934	1,514,090	1,289,090	1,054,090	1,149,090	1,164,090
Total Transfers In	80,000	195,000	165,000	165,000	165,000	165,000
Total Expenditures	365,844	420,000	400,000	70,000	150,000	400,000
<b>Fund 4 Ending Fund Balance</b>	<u>1,514,090</u>	<u>1,289,090</u>	<u>1,054,090</u>	<u>1,149,090</u>	<u>1,164,090</u>	<u>929,090</u>

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## Appendix

**mesd**

## Public Notices

Online: [www.mesd.k12.or.us](http://www.mesd.k12.or.us), February 20, 2013



**Multnomah Education Service District**  
*A Regional Cooperative Opening Doors to Education*

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

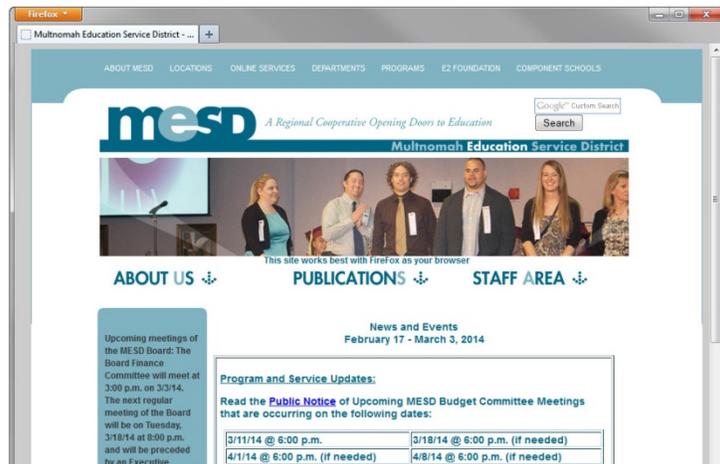
A public meeting of the MESD Budget Committee of the Multnomah Education Service District, Multnomah County, State of Oregon, to discuss the budget for the fiscal year July 1, 2014 to June 30, 2015, will be held at 11611 NE Ainsworth Circle, Portland, Oregon 97220 in the Board Room. The meeting will take place on Tuesday, March 11, 2014 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 7, 2014 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, March 18, 2014, Tuesday, April 1, 2014, and Tuesday, April 8, 2014 at 6:00 p.m. at the same location. All meetings are open to the public.

Barbara Jorgenson  
 Budget Officer  
 Multnomah Education Service District



Superintendent **Barbara Jorgensen**

Chief Operating Officer **Jim Rose**

Board of Directors **Francisco Acosta • Bernie Giusto • Erica Thatcher • Gary Hollands**

**• Doug Montgomery • Nels Johnson • Kevin Spellman**

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)

## Public Notices

Newspaper: The Oregonian, February 28, 2013

Print-Friendly Page of Search Results - OregonLive.com

[http://classifieds.oregonlive.com/?property=oregonlive.com&orig\\_prop=...](http://classifieds.oregonlive.com/?property=oregonlive.com&orig_prop=...)



### AD TEXT

#### Public Notices

**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, 2014 to June 30, 2015, will be held at 11611 NE Ainsworth Circle, Portland, Oregon 97220 in the Board Room. The meeting will take place on Tuesday, March 11, 2014 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 7, 2014 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, March 18, 2014, Tuesday, April 1, 2014, and Tuesday, April 8, 2014 at 6:00 p.m. at the same location. All meetings are open to the public. Barbara Jorgenson Budget Officer Multnomah Education Service District

Related Categories: Notices and Announcements - Legal Notice

Published in *The Oregonian* 2/28. Updated 2/28.

#### Ad Content Proof

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

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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, March 18, 2014, Tuesday, April 1, 2014, and Tuesday, April 8, 2014 at 6:00 p.m. at the same location. All meetings are open to the public.

Barbara Jorgenson  
Budget Officer  
Multnomah Education Service District

## Resolutions

RESOLUTION 14-008  
February 18, 2014  
Page 1 of 3

**RESOLUTION 14-008      Approval of the *REVISED* 2013-2014 Budget Calendar for  
Development of the Fiscal Year 2014-2015 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

**WHEREAS**, the 2013-2104 Budget Calendar for Development of the Fiscal Year 2014-2015 Budget was approved by the Multnomah Education Services District Board of Directors on July 1, 2013; and

**WHEREAS**, it was requested by the Budget Committee to adjust the approved Budget Committee meeting dates to meet the needs of all Budget Committee members.

**NOW THEREFORE BE IT RESOLVED**, that the Multnomah Education Service District Board of Directors approves the *REVISED* 2013-2014 Budget Calendar for the Development of the Fiscal Year 2014-2015 Budget.

**REVISED Multnomah ESD 2013-2014 Calendar for Fiscal Year 2014-2015 Budget**

Monday, July 1, 2013	MESD Board Meeting	MESD Board
	<ul style="list-style-type: none"> <li>MESD Board adopts the 2013-2014 Budget Calendar for 2014-15 <b>(Resolution)</b></li> </ul>	
Tuesday, August 20, 2013	MESD Board Meeting	MESD Board
	<ul style="list-style-type: none"> <li>MESD Board adopts 2014-15 Budget Planning Parameters <b>(Resolution)</b></li> </ul>	
Tuesday, November 19, 2013	MESD Board Meeting	MESD Board
	<ul style="list-style-type: none"> <li>Presentation by Auditors – Talbot, Korvola &amp; Warwick of 2012-2013 Audit</li> </ul>	
Tuesday, December 18	MESD Board Meeting	MESD Board
	<ul style="list-style-type: none"> <li>MESD Board Approves 2014-2015 Local Service Plan <b>(Resolution)</b></li> </ul>	
January 2014 thru March 2014		
	<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 10, 2014	Superintendent Council Meeting	Council
	<ul style="list-style-type: none"> <li>MESD Superintendent delivers to Component Districts 2014-2015 Local Service Plan</li> </ul>	
Thursday, February 20, 2014	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>	
Thursday, February 27, 2014	<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>	
March 1, 2014	Component District Boards	District Boards
	<ul style="list-style-type: none"> <li>2014-2015 Local Service Plan Approval (ORS 334.175(5)(b)/OAR 581-024-0285(2)) <b>(Resolution)</b></li> </ul>	
Friday, March 7, 2014	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 11, 2014	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> </ul>	

RESOLUTION 14-008  
 February 18, 2014  
 Page 3 of 3

**REVISED Multnomah ESD 2013-2014 Calendar for Fiscal Year 2014-2015 Budget (continued)**

Tuesday, March 18, 2014	Budget Committee Meeting	Budget Committee
	<ul style="list-style-type: none"> <li>• Continue discussion of proposed budget presentation for approval</li> <li>• Budget Committee Recommendations</li> <li>• Approve Budget <b>(Resolution)</b></li> </ul>	
Tuesday, April 1, 2014	Budget Committee Meeting <i>if necessary</i>	Budget Committee
	<ul style="list-style-type: none"> <li>• Continue discussion of proposed budget presentation for approval</li> </ul>	
Tuesday, April 8, 2014	Budget Committee Meeting <i>if necessary</i>	Budget Committee
	<ul style="list-style-type: none"> <li>• Continue discussion of proposed budget presentation for approval</li> </ul>	
Tuesday, April 15, 2014	Deadline to submit Approved Budget to TSCC (ORS 294.635)	
Friday, May 9, 2014	Publish Notices of TSCC Public Hearing	
	<ul style="list-style-type: none"> <li>• Newspaper notice within 5-30 days before hearing – (ORS 294.421))</li> <li>• FlashNews Alert notice of hearing – (ORS 294.421)</li> <li>• Online notice for at least 10 days before meeting</li> </ul>	
Tuesday, May 20, 2014	TSCC Public Hearing (ORS 294.430)	TSCC
Tuesday, June 17, 2014	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>	
Tuesday, July 15	Deadline to File Certification of Tax Levy with Counties	

RESOLUTION 13-107  
November 19, 2013  
Page 1 of 1

**RESOLUTION 13-107      Approval of MESD Budget Committee Representatives**

**Background:** Senate Bill 250 addressed several issues related to ESDs and Budget Committees. Currently, based on TSCC (Tax Supervising and Conservation Commission) requirements, MESD's Budget Committee has been comprised of the MESD Board of Directors. The MESD Board of Directors elected to move to a new Budget Committee structure to align with the passage of Senate Bill 250 to include members from component district Boards and has amended their Board policies to reflect this change.

**Candidate Information:**

**Mary Lu Baetkey – Parkrose School District**

Mary Lu Baetkey has a history of living in the Parkrose School District since she was seven. Both her father and brother have served on school boards in the state of Oregon. Her current term on the Parkrose Board is July 1, 2013 to June 30, 2017.

**Cheryl Scarcelli – David Douglas School District**

Ms. Scarcelli has served on the David Douglas School Board since 2009. She is a sales executive for Providence Health Plans. Her current term on the Board is July 1, 2013 to June 30, 2017.

\*\*\*\*\*

**WHEREAS**, the Multnomah Education Service District Board of Directors has elected to move to a new Budget Committee structure to align with the passage of Senate Bill 250 to include members from component district Boards and taken action at their January 17, 2012 Board meeting to amend Board Policies to align with Senate Bill 250; and

**WHEREAS**, the Parkrose School District Board of Directors has submitted the name of Board Member Mary Lu Baetkey to represent Parkrose School District on the MESD Budget Committee; and

**WHEREAS**, the David Douglas School District Board of Directors has submitted the name of Board Member Cheryl Scarcelli to represent David Douglas School District on the MESD Budget Committee; and

**WHEREAS**, the Multnomah Education Service District Board Finance Committee reviewed the biographical information submitted at their November 4, 2013 Committee meeting and recommends approval of Ms. Mary Lu Baetkey and Ms. Cheryl Scarcelli to the MESD Budget Committee, and the Multnomah Education Service District Board of Directors has reviewed the recommendation and biographical information as submitted.

**NOW THEREFORE BE IT RESOLVED**, that the Multnomah Education Service District Board of Directors approves Mary Lu Baetkey, Parkrose School District Board Member and Cheryl Scarcelli, David Douglas School District Board Member to the MESD Budget Committee.

RESOLUTION 14-009  
February 18, 2014  
Page 1 of 2

**RESOLUTION 14-009 – Fiscal Year 2014-2015 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 2014-2015 budget planning parameters above were presented to the Board Finance Committee on January 6, 2014; and

**WHEREAS**, the Board Finance Committee requested that the draft be taken to the Board on January 11, 2014 for discussion; and

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

**NOW THEREFORE BE IT RESOLVED**, that the Multnomah Education Service District Board of Directors authorizes budget authority in support of 2014-2015 budget planning parameters as follows:

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**2014-2015 Budget Planning Parameters****Revenues:**

1. The MESD budget will be based on the legislatively approved \$3.44 billion year-two State School Fund (SSF) base rate. The MESD's estimated SSF revenue for 2014-15 will be approximately \$34.3 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 will be 5% unless specifically identified for individual grants or contracts or if a new methodology is agreed to by ODE.

**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. Cost of Living increases are 1.25%
  - c. PERS defined rates remain 13.85% for Tier I/II, 11.85% for OPSRP, and 14.58% 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 \$2,504,374 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 \$546,630 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 General Fund cash flow needs of the agency 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.

## 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 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.

**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.

**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.

**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.