

Board of Directors Meeting
School District 4J, Lane County
Hybrid Meeting (virtual and in-
person)
200 North Monroe Street
Eugene, Oregon 97402
Tuesday, April 29, 2025

NOTICE: The Budget Committee meeting will be open to the public via live broadcast on KRVM 1280-AM, the internet at Zoom Webinar ID 972-3654-9771

Public Comment: Interested residents can submit a request to provide public comment during the meeting or via online by filling out the linked Public Comment Request form (or located here: https://docs.google.com/forms/d/e/1FAIpQLSeR-RYL_xmLNEISJHF8N03uCQbe3j7H4Bq5rNE6FP40KN8og/viewform). The deadline is 5:00 PM on the day before the Budget Committee Meeting. District staff will contact requesters after the deadline to notify them whether they have been selected to speak and, if so, when and how to connect to provide public comment to the Budget Committee.

Residents can continue to submit written comments via email to budget_committee_comments@4j.lane.edu, with "Written Public Comment" in the subject line. The Budget Committee will read and take into consideration all comments submitted by noon on the day of the meeting.

5:30 PM

Budget Committee Meeting

- | | | |
|------|--|----|
| I. | Meeting Call to Order & Roll Call | |
| II. | Items Raised by the Audience | |
| III. | Items Raised by Associations | |
| IV. | Information Requests from Previous Meeting | 2 |
| V. | Budget Presentation | 11 |
| VI. | Budget & Tax Rate Approval | |
| VII. | Adjourn | |

INTERPRETERS FOR THE DEAF AND HARD OF HEARING:

To request interpreter services for this meeting, please call (541) 790-7850 or TDD (541) 790-7712 or the TDD Relay Number 1 (800) 735-2900

Budget Committee 4/22 Questions

1. When we talk about almost 90 cents of every \$1.00 is spent on people... How is that broken out by the employee groups?

General fund staffing costs for the 25-26 budget total 90.6 cents of every dollar of the overall GF income at the district.

- Classified: 25.7 cents, 28.4%
- Licensed: 51.9 cents, 57.3%
- MAPS/Admin 13.0 cents, 14.3%

2. How much in vacancy savings are we anticipating in the 2024/25 year?

Salary savings for FY 25-26 is projected to be just under \$6 million (Salaries and Benefits)

3. What are the fully-loaded breakouts in the General fund by employee groups?

GROUP	SALARY \$	SALARY %	BENEFITS \$	BENEFITS %	TOTAL \$	TOTAL %
Classified	36.8M	26.8%	27.9M	30.5%	64.7M	28.3%
Licensed	79.8M	58.2%	51.0M	55.8%	130.8M	57.3%
MAPS/Admin	20.4M	14.9%	12.5M	13.7%	32.9M	14.4%
TOTAL	137.0M		91.4M		228.4M	

You may notice that the total of \$228.4 Million does not equal what is shown in the budget document for General Fund Salaries and Associated Payroll Costs. There is a difference of just over \$12 Million, which accounts for coaches, extended contracts, stipends and other miscellaneous payments to employees that are budgeted.

4. If the committee reduces this year’s transfer to Facilities by \$2.7 Million, what are the direct impacts?

Reducing the transfer to the capital reserve by \$2.7 million will not halt operations, but it will reduce our flexibility to respond to facilities, technology, and transportation needs that are not covered by bond funds. The capital reserve supports large-scale, multi-year projects such as the roof failures at Kelly Middle School and North Eugene High School, bus wash and fuel tank

upgrades at Transportation, and key deferred maintenance efforts like gym floor refinishing and siding replacement. With less funding, Facilities may need to delay or reprioritize projects, particularly those that are not urgent but remain important to the long-term health and safety of our buildings.

The reserve also covers the repair and replacement of student and staff technology devices. A reduction could extend device replacement cycles, shrink the repair pool, and shift some repair costs to schools, departments, or families. In Transportation, while projects like the bus wash system and fuel tank upgrades are not urgent, the reserve has allowed us to invest in efficiency, compliance, and modernization efforts that support long-term service delivery. Again, while the \$2.7 million reduction does not present critical impacts in the immediate term, it does limit our ability to respond quickly to emerging needs and decreases our capacity to invest in long-term improvements that strengthen district-wide operational readiness.

5. What is the percentage of reserves in the 2024-25 General Fund budget?

In the 2024-25 Adopted Budget, the beginning fund balance was \$75.4 million; included within that \$75.4 are the reserves, which consist of contingency and unappropriated amounts equaling \$22.7 Million, which is 7.59% of the General Fund.

6. Can you provide a more detailed breakout of the reduction levels in the General Fund?

In the 2025-26 proposed budget document, there is a net reduction within the General Fund of \$19 Million that is explained in more detail below. These reductions are only for the General Fund and do not include reductions from special purpose and other funds, which include Title and Integrated Guidance, among other grants.

In preparing the 2025-26 budget, even with these reductions, the district is projected to spend \$23 Million more than it will receive in revenue next year. To balance the General Fund, similar to this year, the district will again use reserve funds to balance our budget and make ends meet. This year, the district projects to use almost \$30 Million in reserves to balance its budget.

Teaching and learning is accomplished by people. We are a people-driven organization. Almost 90 cents of every dollar we spend is spent paying staff for their services to our students and system. When we have to reduce our budget, we try to preserve our people - because they make a difference for our students. We know our students are in schools and we need to protect those services most of all. Therefore, of the almost \$24 reductions, 80% are reductions made outside of schools with only 20% coming directly related from schools. The majority of

the school reductions are a direct correlation to adjustments with declining enrollment.

Outside of School Reductions

Communications Department	\$485,000
Facilities Capital Reserve Transfer	\$10,000,000
Finance Department	\$250,000
Human Resources Department	\$135,000
Instruction/SSD Department	\$5,287,700
Nutrition Department	\$405,000
Safety Department	\$85,000
Superintendent Department	\$1,500,000
All District Materials & Services	\$1,150,000
Total Outside Reductions	\$19,297,700 (80%)

School Reductions

Elementary Schools	\$2,565,000
Middle Schools	\$405,000
High Schools	\$1,345,500
Across all schools	\$382,500
Total School Reductions	\$4,698,000 (20%)

Our most significant budget challenge is a balance between enrollment levels and staffing levels. School districts receive revenue based on how many students they serve (enrollment) and their most significant expense is staffing.

4J is at its lowest enrollment in more than 25 years and continues to experience a slow decline in enrollment. This decline reflects a decline in birth rates, availability of affordable housing, and a deficit in student interdistrict transfers.

Our district is also at its highest staffing level in more than 25 years. This reflects additional federal COVID-Relief funding and addressing greater student needs and additional services.

While the majority of the reductions are in materials and services, the district's proposed budget includes staffing reductions to begin to balance staffing with enrollment. The proposed staffing reductions include:

- Licensed - 46.0 of 1,104 FTE or 4.2% of this year's General Fund licensed staff
- Classified - 12.8 of 986 FTE or 1.3% of this year's General Fund classified staff

- MAPS/Admin - 7.0 of 176 FTE or 4.0% of this year's of General Fund
MAPS/Administrative staff
- Total = 65.80 FTE or 2.9% of this year's total General Fund staffing

With these staff reductions, our distribution of Licensed, Classified, and MAPS/Admins remains steady as in previous years. Of our overall staffing levels, 48% are Licensed, 44% are Classified, and 8% are MAPS & Admin.

The Proposed Budget for 2025-26 also includes additional programs, based on student needs. These are mostly related to the Student Services Department (SSD) within Instruction that focuses on Special Education within our district.

\$270,000	Additional staffing needs for English Learning Development
\$2,250,000	Transitioning Special Education programs from Lane ESD back to the 4J district
\$750,000	Addition of a new Life Skills Classroom in the district
\$1,653,000	Transition from Integrated Guidance for extended day programs
\$4,923,000	Additional programs/services to the General Fund

Further Detail

During the 2025-26 budget process, the district has attempted to identify potential reduction areas across our district using the Budget Values Framework. As shown above, there are \$4.9 Million additions already coming into the General Fund on top of regular increases for items such as personnel, benefits, and materials like fuel, electricity, and food costs. To reach a net \$19 million in reductions, the proposed reductions below total about \$24 million. The reductions are broken down into two categories, Inside & Outside of School Reductions.

Specific details & job titles have not been identified below to avoid naming individual people or positions to be discussed openly at a public meeting.

Outside of School Reductions

<i>Communications Department</i>	<i>\$485,000</i>
Reduction in contracts for services = \$175,000	
Reductions of staffing & vacancies = \$310,000	
<i>Facilities Transfer</i>	<i>\$10,000,000</i>
Reduction of the annual transfer	
<i>Financial Services</i>	<i>\$250,000</i>

Reduction in contracts for services = \$10,000	
Reduction of staffing = \$240,000	
<i>Human Resources</i>	<i>\$135,000</i>
Reduction in contracts for services = \$135,000	
<i>Nutritional Services</i>	<i>\$405,000</i>
Reduction of staffing = \$155,000	
Change in services. Transition 2 smaller schools to delivery of food = \$250,000	
<i>School Safety</i>	<i>\$85,000</i>
Reduction of vacancies = \$85,000	
<i>Superintendent Department</i>	<i>\$1,500,000</i>
Reduction of Superintendent appropriations for staffing	
Adjustments and other unplanned expenses	
<i>All District Materials & Services</i>	<i>\$1,150,000</i>
Reductions in materials overall across departments	
<i>Instruction (Teaching & Learning) Department</i>	<i>\$5,287,700</i>
Reduction of staffing = \$4,035,000	
Reduction of Contracts for services = \$1,252,700	
TOTAL OUTSIDE OF SCHOOL REDUCTIONS	\$19,297,700
<u>School Reductions</u>	
<i>Elementary Schools</i>	<i>\$2,565,000</i>
19 Licensed FTE	
<i>Middle Schools</i>	<i>\$405,000</i>
3.0 Licensed FTE	
<i>High Schools</i>	<i>\$1,345,500</i>
6.3 Classified FTE = \$535,500	
6.0 Licensed FTE = \$810,000	
<i>All Schools</i>	<i>\$382,500</i>
4.5 Classified FTE spread across all schools	
TOTAL SCHOOL REDUCTIONS	\$4,698,000
TOTAL REDUCTIONS IN PROPOSED 2025/26 BUDGET	\$23,995,700
ADDITIONAL PROGRAMMING	(\$4,923,000)
NET REDUCTIONS IN PROPOSED 2025/26 BUDGET	\$19,072,700

7. What level of reductions were communicated with staff?

All levels of potential reductions were communicated to 4J staff in numerous ways and the messages have evolved with the dynamics of the budget process. The first communication began with numerous Financial Budget roadshows throughout the district beginning in January, that indicated we would be proposing budget reductions district wide. This was followed by Superintendent Gill directly emailing all employees through district wide messages beginning on February 27th. His message shared that we would have staffing reductions across our system. Superintendent Gill's message coincided with our Human Resources Department sharing staffing projections with building and department staffing, which initiates the staffing process for our licensed, classified, and MAPS employees. Each building administrator or department supervisor receives their staffing and then proceeds to have discussions with staff about reductions affecting their site. Individual conversations took place from the end of February through the first three weeks of March. Follow up written notices for licensed employees were sent out by April 2nd and classified written notices of displacements were sent out on April 14th. Weekly Budget Updates and webpage updates will continue through May.

8. Can you explain why forecasts are/will be better now than in the past?

Since stepping into this role three years ago, our Financial Services team has placed a strong emphasis on improving the accuracy, transparency, and consistency of our budget projections. We recognize that previous forecasts were, at times, further from actual results, which understandably contributed to questions and concerns around trust and predictability. While we cannot speak directly to the methodologies or assumptions used before my tenure, we can share how our current team has approached forecasting to support improved outcomes.

Over the last three years, we have implemented several changes that have contributed to more accurate projects. Those include but are not limited to the following:

- **Data-Driven Assumptions:** We have refined our forecasting models to rely more heavily on historical trends, updated enrollment data, and real-time expenditure tracking.
- **Cross-Departmental Collaboration:** We work closely with Human Resources, Schools, and other programs to ensure alignment in staffing assumptions and operational needs.
- **Conservative, yet realistic estimates:** We strive to strike a balance between caution and realism, ensuring that our projections neither overpromise nor understate the district's fiscal outlook.
- **Regular review and adjustment:** Our team reviews forecasts regularly throughout the year and adjusts for emerging trends or external changes to maintain accuracy.

These efforts have led to forecasts that more closely reflect year-end actuals, helping to rebuild confidence and provide a stronger foundation for decision-making. These efforts and forecasts will only get stronger as we continue to build foundations across our district. We want to emphasize that our focus remains on continuous improvement and accountability. We value the trust of our board, budget committee, leadership, and the Finance Team is committed to providing clear, timely, and accurate financial information moving forward.

Our goal is not to dwell on the past because we cannot control nor explain the decisions of past administration and leadership, but build a stronger foundation of trust and transparency going forward. We will continue refining our approach, listening to feedback, and making sure our projections help guide the district in a stable and sustainable way.

Our goal in Financial Services is always to provide as much financial information and data-driven forecasts to provide district leadership with enough information to make informed decisions and we will continue to strive for that goal every day.

9. [Over the previous years, can you explain how programs from Lane ESD and the district have gone back and forth?](#)

In 2013, Shelley Burman proposed that it would be more cost-effective for 4J to assume responsibility for the Lifeskills programs. At that time, 4J resumed oversight of the elementary Lifeskills programs, while the remaining programs continued under the ESD. After this transition, 4J started an analysis of program cost to see what model was more cost effective. Based on this, 4J did not take back middle through transition aged classrooms. At some point—though the specifics are unclear—4J also began supervising one middle school program, while the ESD continued to manage the other middle schools, secondary, transition and Tier III programs.

Around 2019, the decision was made to return that one middle school program to the ESD. The rationale was that supervision and management were challenging and confusing with ESD and 4J running the same program for our middle school students.

Since then, the current model has remained in place: the ESD manages middle school through age 21 Lifeskills programs, while 4J oversees the elementary programs. The change for next school year involves 4J taking back a Tier III program currently operated by the ESD at Fox Hollow. ESD is only willing to provide a half-day program and our students need a full day of school. We have also been paying for additional support costs as needed - like 1:1 support. Additionally, we are already funding full-day placements for a few students, which has necessitated providing a teacher and support staff to support that extended option.

Based on these concerns and rising ESD costs, the team feels it is better for our students if we take back management of the Tier III program moving forward. There is no cost savings for us to maintain this program at Lane ESD. With rising ESD slot costs and paying for additional 1:1 support for some of our students, plus the need to provide full-day services, we may save money over the ESD model, but it is not yet clear. A worst case scenario would be a break-even point, but staff hope that we believe there will be some savings.

10. Request for a response to information shared by EEA on 4/22/25 Budget Committee Comments

During the last meeting, our Finance Director explained in additional detail information that was shared across our district during last year’s Budget Roadshow that identified and recognized the General Fund forecasts from the previous Finance Director. Additional information about the new forecast methods are included above in one of the questions.

During EEA’s report, staff information was shared regarding the percentage increases of groups from a 4J chart shared at a previous Budget Roadshow. EEA shared that since 2011:

- There has been a 121% increase in Administrative staff
- A 41% increase in Licensed staff
- A 36% increase in Classified staff

The use of actual FTE numbers vs percentage change can be relative depending on the proportions of the size of the employee groups that are being compared.

<u>MAPS/Admin</u>	<u>Licensed</u>	<u>Classified</u>
2011: 80	2011: 820	2011: 657
2025: 177	2025: 1156	2025: 891
Diff: 97 FTE	Diff: 336 FTE	Diff: 234 FTE
% Change = 121%	% Change = 41%	% Change = 36%

Of the total of 667 additional FTE added between 2011 and 2025, 15% are MAPS, 50% are Licensed, and 35% are classified.

11. Request for a response to information shared by OSEA on 4/22/25 Budget Committee Comments

Information was shared by OSEA leadership that compiled a list of worksites and how many changes were made in the proposed reductions. Financial Services reviewed a portion of this data sampled. The information shared does appear to be accurate with what the district has.

It is important to note, all classified staff are considered hourly employees and are therefore assigned an FTE based on the number of hours worked in a day. In many areas marked under OSEA's partial column may be confusing, in that we found some areas of partial hours identified as reductions but were marked as whole numbers. An example would be a reduction in "crossing guard" FTE, which could be 0.15 FTE. This reduction appears to be shown as 1 on the sheet, with the intention that it has affected 1 employee. Another example would be a school that shows a Grand Total column of 2, however the actual reduction at this school was 1.34 FTE.

Another consideration to keep in mind is that it appears the OSEA information represents all funds across the district. Our discussions over this last week and our future meeting is solely about the General Fund. Some reductions shown are taking reductions from Grants, Integrated Guidance, Federal Funds, and other sources that may contribute to the reduction of FTE across our district in the overall 2025-26 proposed budget.

Budget Committee

MEETING #3 | APRIL 29, 2025

Considerations

- All proposals will require further reductions in future years.
- Consider your decisions as multi-year obligations. A \$5M add-back is just that for 1 year. The next year, this cost is \$5.25 million, then \$5.51 million in year 2, and so on. No decision has a single-year effect.
- Fund balances can impact the district's bond rating. Dropping below the reserve policy may affect future bond rates.

We can't
build a
future if
we don't
think we
have one.

Proposal A

General Description

Proposal A contains the following:

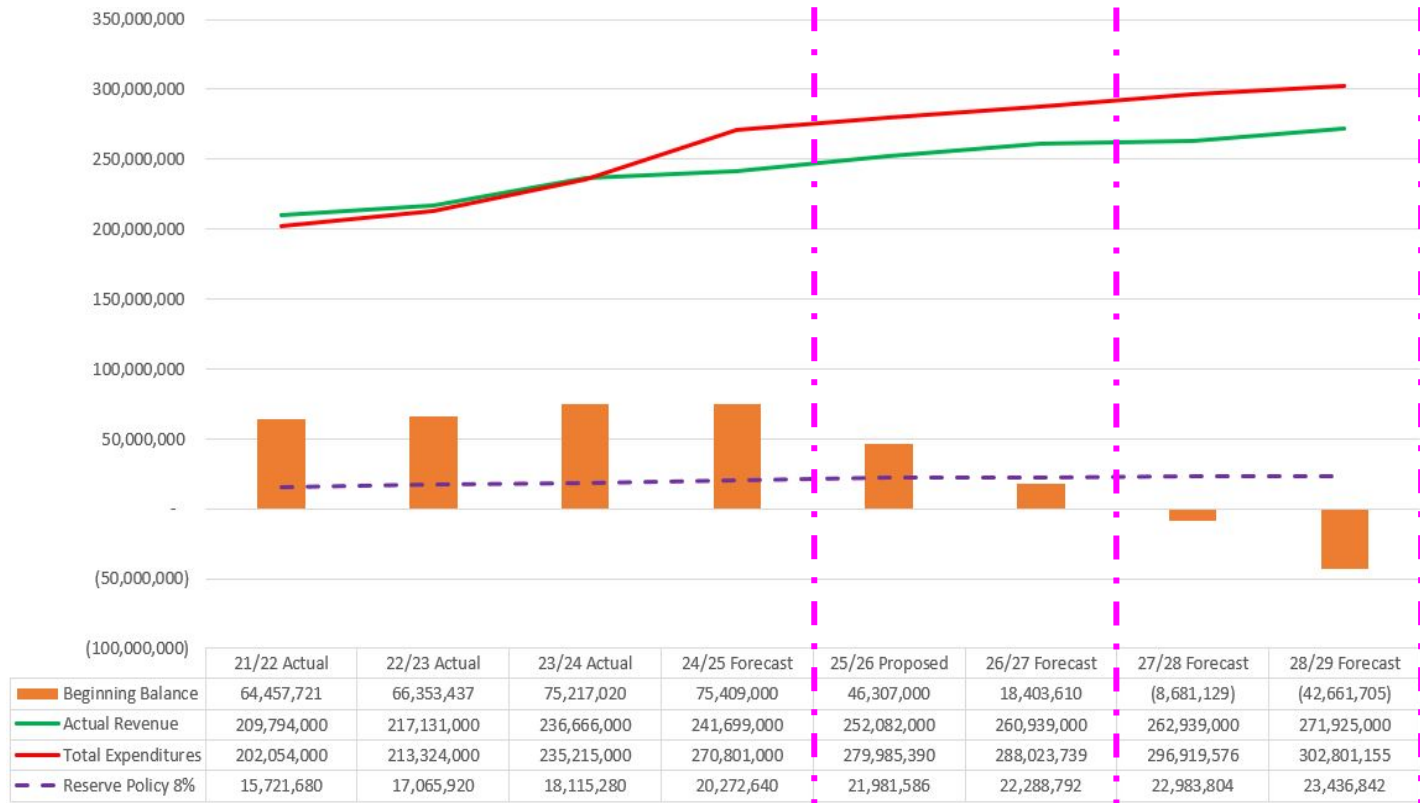
- Reductions with the “Outside School” category are included (\$19.2M) .
- Remove the \$4.7 reductions directly related to schools.

This proposal will do the following:

- Increase General Fund expenditures in Personnel Services & Associated Payroll Costs by \$4.7 million in 2025-26. This increase in cost also grows incrementally over the forecasted period based on COLA and payroll cost increases over that time period:
 - 2026-27 = \$4.9 million
 - 2027-28 = \$5.1 million
 - 2028-29 = \$5.4 million
- Over the next biennium, this total addition is \$9.6 million. Over the forecasted period, this is an additional \$20.1 million.
- This proposal would have our beginning balance for 2026-27 fall below the reserve policy.

Proposal A

Long Range Forecast



Proposal A

Pros and Cons

PROS

- Does not increase class size.
- Preserves investments at the school level.

CONS

- Reductions solely within the “outside” of classroom category eliminates future “easy” reductions and one-time funds that cannot be reduced again.
- Reductions likely needed in the future.

NEUTRAL

- Due to enrollment decline, this change has the impact of improving class size at the elementary level. If enrollment projections are accurate, this has the impact of adding 12 elementary teachers.

Proposal A

Employee Group Notes

From EEA & OSEA:

- While we recognize this request to seek our input feels like an important step in this process, we cannot be positioned to say that some members are worth saving while others are not. We want to emphasize: our members, classified and licensed, represent a wide range of roles that are all vital to student learning and well-being. Being asked to suggest restoring some roles while remaining silent on others is not just painful, it's fundamentally flawed. Our school system functions best when all roles are respected and supported.

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From MAPS:

- If we adopt this proposal, this will most likely just add that much more to the reductions next year.

Proposal B

General Description

Proposal B contains the following:

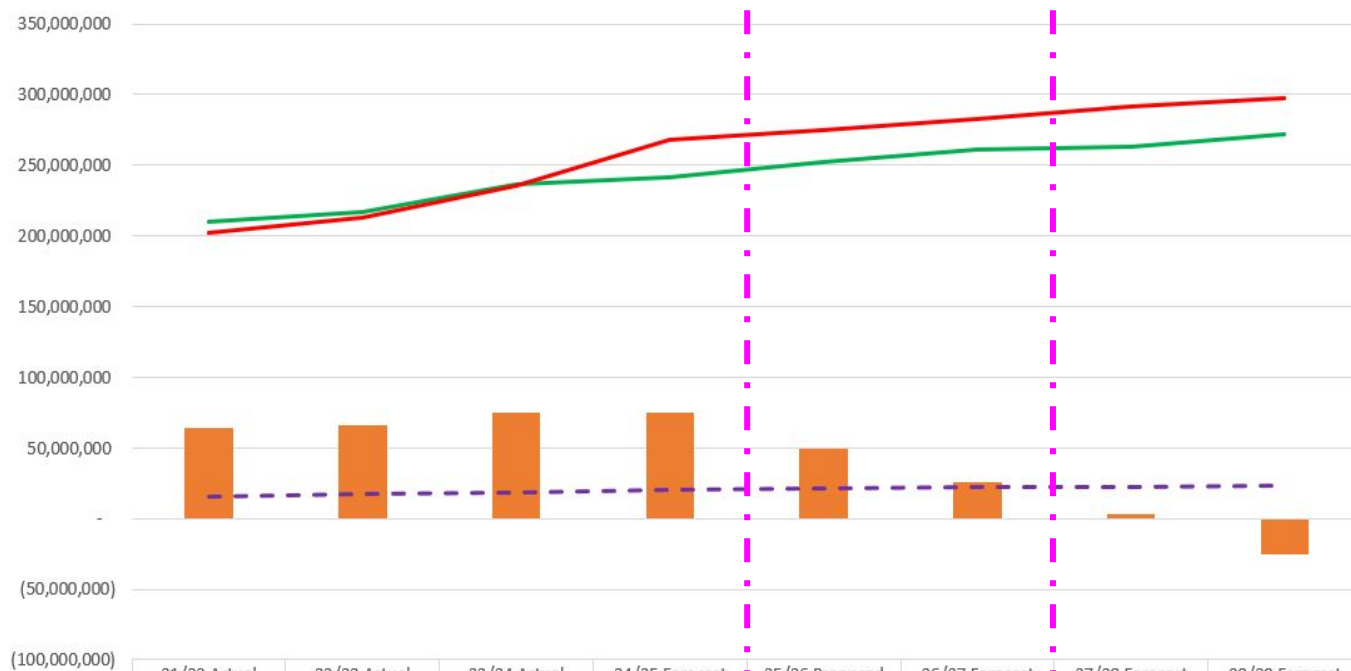
- Proposed Budget
- + Level 5: \$2.7M reduction in the current year facilities reserve transfer

This proposal will do the following:

- Increase the beginning fund balance for 2025-26 by \$2.7 million (to \$49.0 million)
- Decrease the beginning fund balance in the Facility Operations Reserve Fund by \$2.7 million (to \$21.7 million)
- Over the next biennium and with current forecast assumptions, the district would remain above the reserve policy for the next two years with no additional changes.
- This proposal would have our beginning balance for 2027-28 fall below the reserve policy requiring reductions in 2026-27.

Proposal B

Long Range Forecast



	21/22 Actual	22/23 Actual	23/24 Actual	24/25 Forecast	25/26 Proposed	26/27 Forecast	27/28 Forecast	28/29 Forecast
 Beginning Balance	64,457,721	66,353,437	75,217,020	75,409,000	49,007,000	25,801,610	3,649,771	(25,151,260)
 Actual Revenue	209,794,000	217,131,000	236,666,000	241,699,000	252,082,000	260,939,000	262,939,000	271,925,000
 Total Expenditures	202,054,000	213,324,000	235,215,000	268,101,000	275,287,390	283,090,839	291,740,031	297,362,633
 Reserve Policy 8%	15,721,680	17,065,920	18,115,280	20,272,640	21,605,746	21,894,160	22,569,440	23,001,760

Proposal B

Pros and Cons

PROS

- Increases beginning fund balance for 2025-26 allowing more appropriations/spending

CONS

- Reduces additional amounts in facilities operations reserve. This equates to less funds for projects that are not bondable that occur each year. Specific projects are not identified for these funds, so the direct impact is unknown at this time.

Proposal C

General Description

Proposal C contains the following:

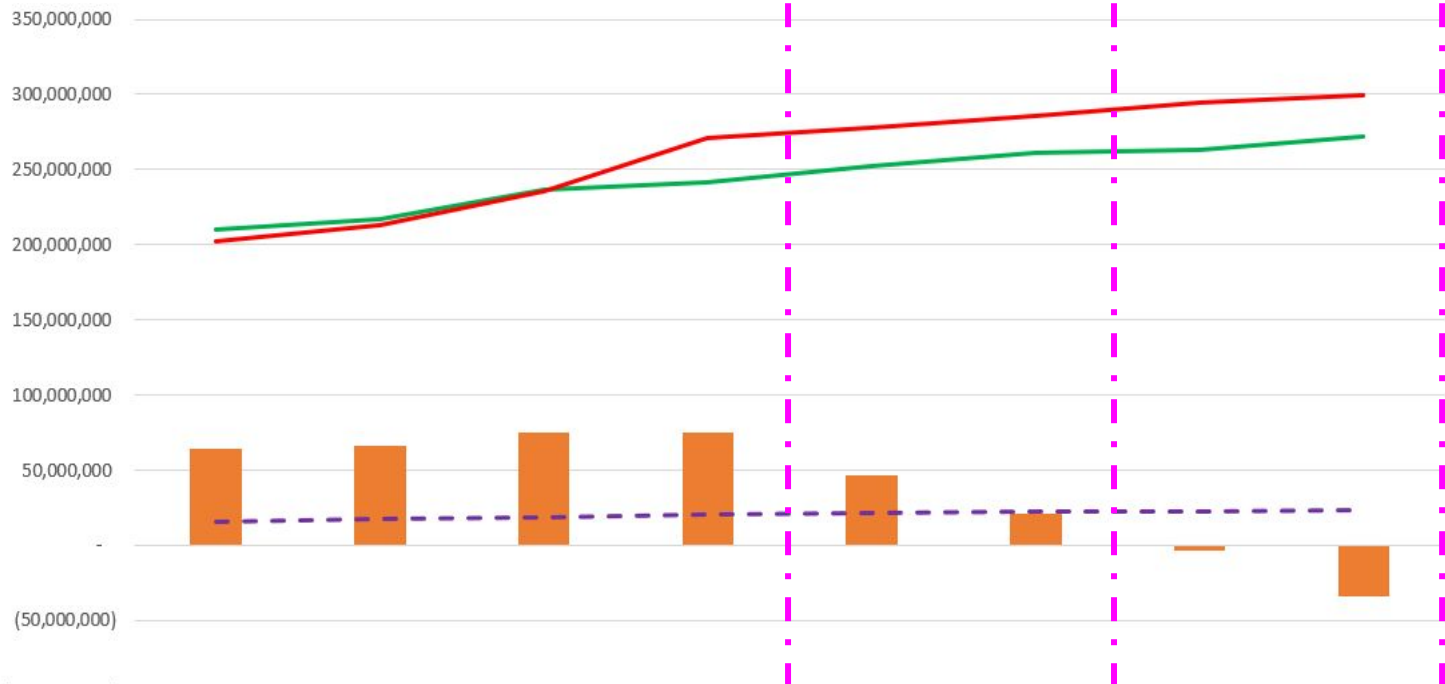
- Proposed Budget
- + Elementary Schools adding back 7 Licensed FTE
- + Middle Schools adding back 3 Licensed FTE
- + High School adding back 6 Licensed FTE

This proposal will do the following:

- Increase General Fund expenditures in Personnel Services & Associated Payroll Costs by \$2.16 Million in 2025-26. This increase in cost also grows incrementally over the forecasted period based on COLA and payroll cost increases over that time period;
 - 2026-27 = \$2.26 Million
 - 2027-28 = \$2.38 Million
 - 2028-29 = \$2.50 MillionOver the next biennium, this total addition is \$4.42 Million
Over the forecasted period, this is an additional \$9.30 Million
- This proposal would have our beginning balance for 2026/27 fall below the reserve policy.

Proposal C

Long Range Forecast



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	21/22 Actual	22/23 Actual	23/24 Actual	24/25 Forecast	25/26 Proposed	26/27 Forecast	27/28 Forecast	28/29 Forecast
Beginning Balance	64,457,721	66,353,437	75,217,020	75,409,000	46,307,000	20,941,610	(3,470,229)	(34,651,260)
Actual Revenue	209,794,000	217,131,000	236,666,000	241,699,000	252,082,000	260,939,000	262,939,000	271,925,000
Total Expenditures	202,054,000	213,324,000	235,215,000	270,801,000	277,447,390	285,350,839	294,120,031	299,862,633
Reserve Policy 8%	15,721,680	17,065,920	18,115,280	20,272,640	21,778,546	22,074,960	22,759,840	23,201,760

Proposal C

Pros and Cons

PROS

- Maintains current class sizes at each level.

CONS

- Reductions within the “outside” of classroom category eliminates future “easy” reductions and one-time funds that cannot be reduced again.
- Reductions still likely needed in the future.

Proposal C

Employee Group Notes

From EEA & OSEA:

- We understand the desire to protect current class sizes, and we know that educators and students feel the strain when those numbers grow. However, maintaining class size alone cannot be the only lens through which we view student experience.
- Support staff, including instructional assistants, behavior specialists, mental health professionals, and interventionists, are the glue holding classrooms together, particularly as student needs become more complex. A proposal that maintains class size but weakens the scaffolding around it does not improve outcomes for students. We urge the district to consider these dynamics holistically, not in isolation.

From MAPS:

- Adopting this proposal seems like a better option than Proposal A at this time, with a slight change or suggestion. The MAPS Board would like to suggest that the committee review the data available in regards to class size at the high school level. If we are having to make the cuts to positions and funding, the days of 10 or fewer students in a class needs to be evaluated.

Proposal D

General Description

Proposal D contains the following:

- Proposed Budget
- + Elementary Schools adding back 7 Licensed FTE
- + Middle Schools adding back 3 Licensed FTE
- + High School adding back 6 Licensed FTE
- + 1 FTE Library Services across district
- + Nutrition Services programs at Fox Hollow and Family School

This proposal will do the following:

- Increase Personnel Services & Associated Payroll Costs:

2025-26 = \$2.29 Million	2026-27 = \$2.40 Million
2027-28 = \$2.52 Million	2028-29 = \$2.65 Million

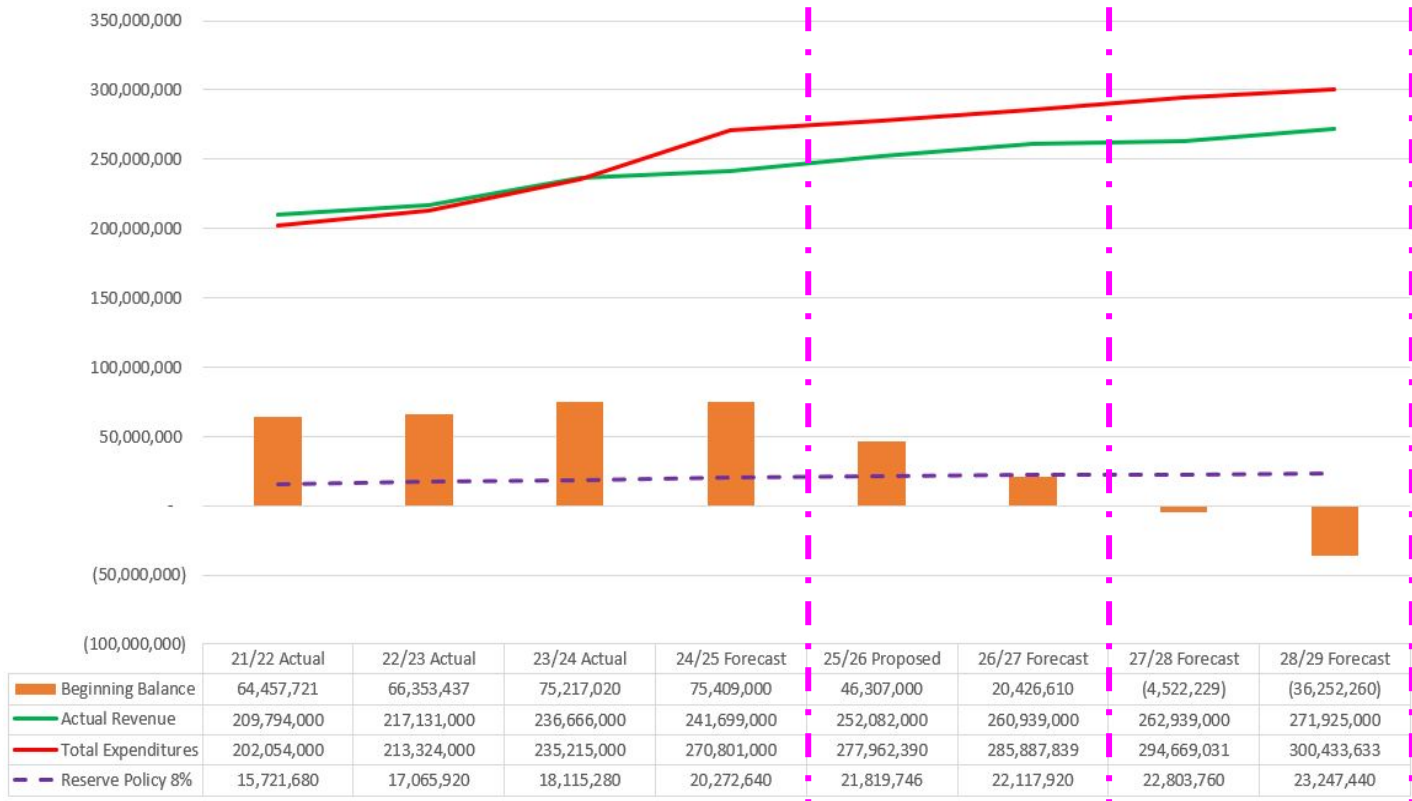
Over the next biennium, this total addition is \$4.69 Million
Over the forecasted period, this is an additional \$9.86 Million
- Increase Materials & Services Costs:

2025-26 = \$385k	2026-27 = \$397k
2027-28 = \$409k	2028-29 = \$421 Million

Over the next biennium, this total addition is \$782k
Over the forecasted period, this is an additional \$1.61 Million
- Combined biennium costs of \$5.47M Two biennium costs of \$11.47M

Proposal D

Long Range Forecast



Proposal D

Pros and Cons

PROS

- Maintains current class sizes
- Eliminates a reduction to licensed elementary library staffing
- Maintains current nutrition model at Fox Hollow and Family School

CONS

- Reductions within the “outside” of classroom category eliminates future “easy” reductions and one-time funds that cannot be reduced again.
- Reductions still likely needed in the future.

Proposal E

General Description

Proposal E contains the following:

- Level 1 Reductions
- + Additional Facilities Transfer reductions of \$6.5 million (total of \$9 million)

This proposal will do the following:

- Increase Personnel Services & Associated Payroll Costs:

2025-26 = \$3.92 million	2026-27 = \$4.11 million
2027-28 = \$4.32 million	2028-29 = \$4.53 million

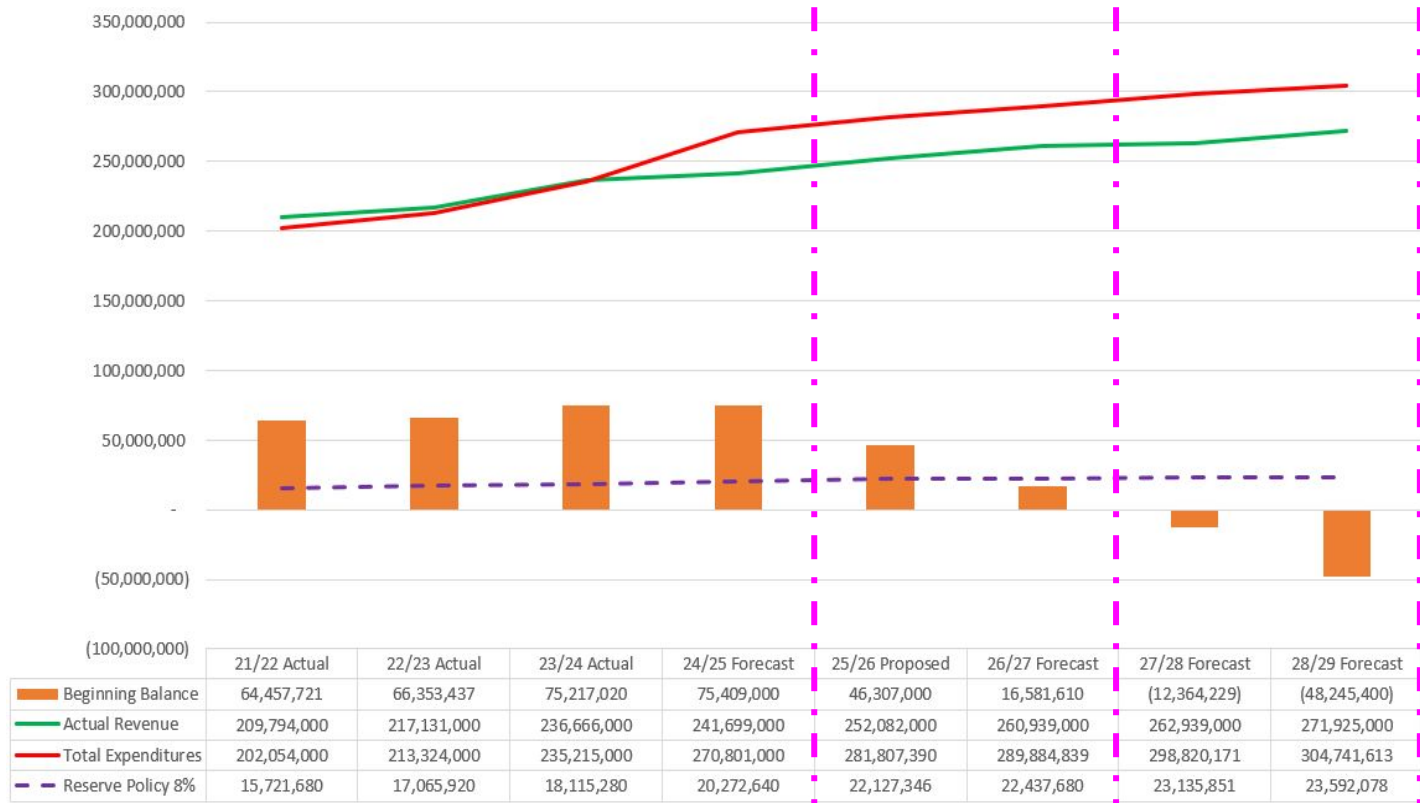
Over the next biennium, this total addition is \$8.03 million
Over the forecasted period, this is an additional \$16.88 million
- Increase Materials & Services Costs:

2025-26 = \$2.60 million	2026-27 = \$2.67 million
2027-28 = \$2.75 million	2028-29 = \$2.84 million

Over the next biennium, this total addition is \$5.27 million
Over the forecasted period, this is an additional \$10.86 million
- Combined biennium costs of \$13.3M; two biennium costs of \$27.74M
- This proposal would have our beginning balance for 2026-27 fall below the reserve policy.

Proposal E

Long Range Forecast



Proposal E

Pros and Cons

PROS

- Restores several reductions.

CONS

- Reductions still likely needed in the future.

NEUTRAL

- Maintains teacher reductions at elementary and high school level. Preserves several TOSA positions.

Proposal F

General Description

Proposal E contains the following:

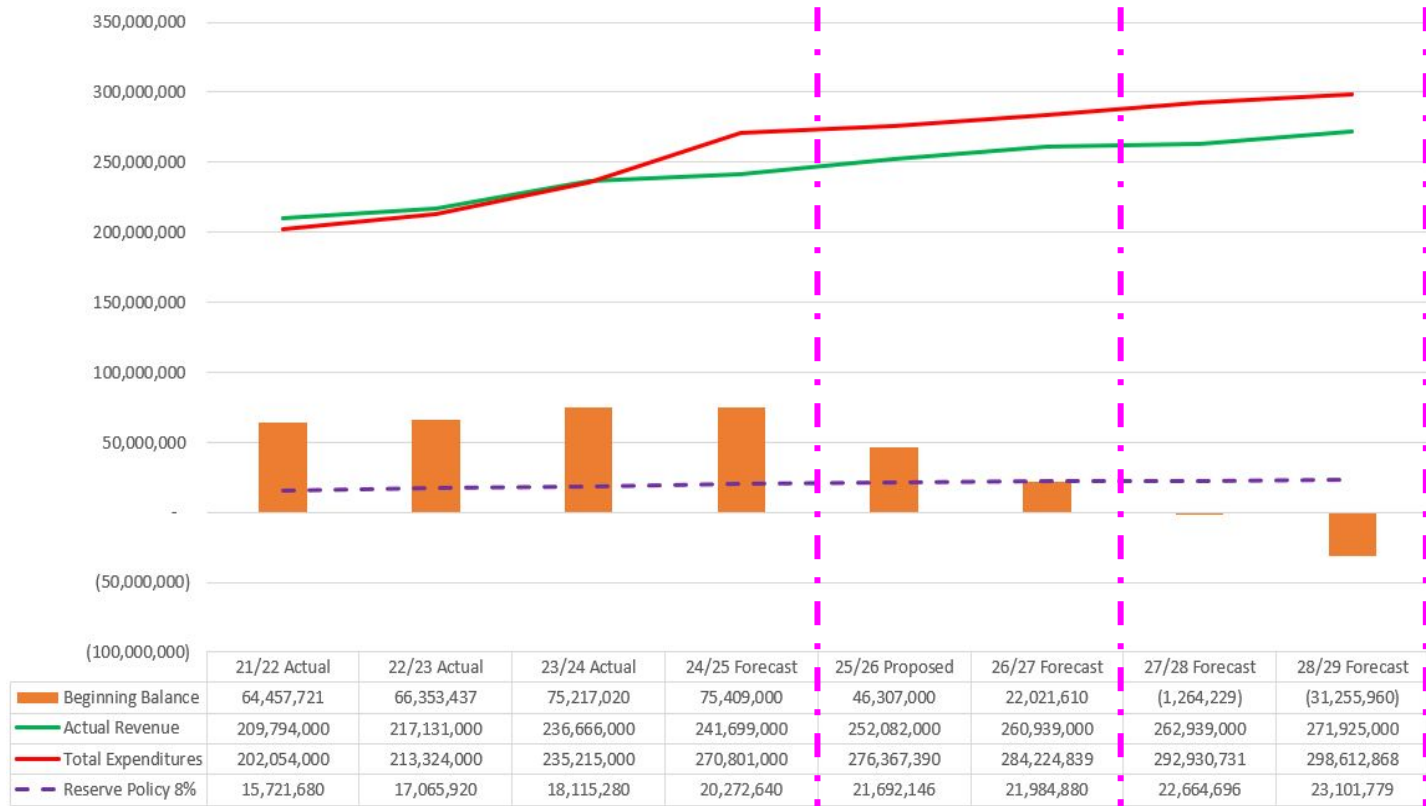
- Proposed Budget
- + Adds back all classified staffing

This proposal will do the following:

- Increase General Fund expenditures in Personnel Services & Associated Payroll Costs by \$1.08 million in 2025-26. This increase in cost also grows incrementally over the forecasted period based on COLA and payroll cost increases over that time period;
 - 2026-27 = \$1.13 million
 - 2027-28 = \$1.19 million
 - 2028-29 = \$1.25 millionOver the next biennium, this total addition is \$2.21 million
Over the forecasted period, this is an additional \$4.65 million
- Over the next biennium and with current forecast assumptions, the district would fall below the reserve policy in 2026-27 with this proposal.

Proposal F

Long Range Forecast



Proposal F

Pros and Cons

PROS

- Restores classified staffing and supports.

CONS

- Reductions within the “outside” of classroom category eliminates future “easy” reductions and one-time funds that cannot be reduced again.
- Reductions still likely needed in the future.
- Reductions may not be balanced across all employee groups.

Proposed Budget

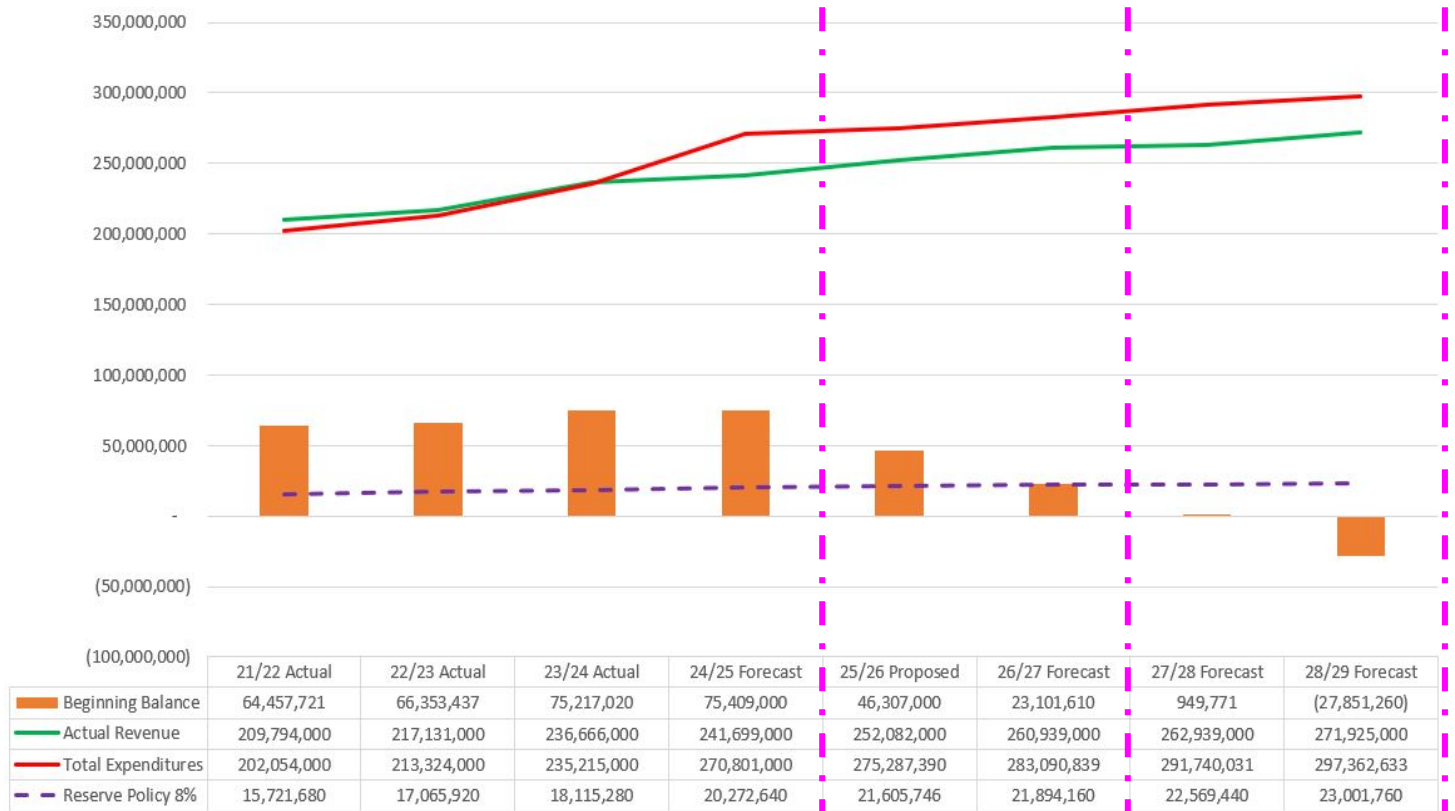
General Description

The proposed budget is what is recommended by the Superintendent for the 2025-26 year. This budget includes reductions of about \$23.9 million with the addition of programs and services of just under \$4.9 million. Together, these equate to a net reduction in the General Fund of about \$19.0 million.

This proposal will do the following:

- Utilizing the Board Goals and Budget Values Framework, the superintendent and executive leadership team created a budget that balanced reductions both in and out of the classroom. Reductions were identified with an emphasis on out-of-the-classroom reductions (roughly 80% of the \$19 million).
- Reductions of licensed staff within schools was identified through enrollment and class-size considerations given the district's enrollment decline outlook and previous year staffing adjustments not being made through the budget process.
- General fund reductions have parity in reductions across employee groups with approximately 4.2% of licensed workforce impacted, 1.3% of classified workforce impacted, and 4.0% of MAPS workforce impacted.

Proposed Budget Long Range Forecast



Proposed Budget

Pros and Cons

PROS

- Balances reductions across employee groups.
- Emphasizes reductions of Outside vs. Inside the classroom at an 80/20 split.
- In-classroom reductions are directly related to recent enrollment reductions and future projections.

CONS

- Reductions within the “outside” of classroom category eliminates future “easy” reductions and one-time funds that cannot be reduced again.
- Reductions still likely needed in the future.

Special Purposes Funds

Program reductions from ESEA Title Programs, SIA, and other Special Revenue Grants have not been restored in these proposals

The six new budget proposals do not restore any reductions instigated by decreased revenue in Special Purposes Funds for two reasons:

1. Changes to reductions in Special Purposes Funds were not discussed by the Budget Committee at the last meeting when these new proposals were introduced. ³⁶
2. Any restoration of reductions in these funds would call for increased spending in the General Fund and, in some cases, create a new permanent line item in the General Fund.

This means the Budget Committee has not addressed some reductions that have been raised by public comment. Including, but not limited to, 1st grade educational assistant time and family resource coordinators serving four schools.

Deliberation & Motions

Final
Steps

Tonight the Budget Committee is scheduled to:

- Vote on a Motion to Approve a Property Tax Rate³⁷
- Vote on a Motion to Approve 2025-26 Budget
 - Noting any changes from the Proposed Budget

Tax Rate Motion

I move to declare the tax rates and debt service levy for the General Fund tax rate of \$1.8401 per \$1,000 assessed valuation of the district and for the Local Option Levy tax rate of \$1.50 per \$1,000 of assessed valuation of the district and for the Debt Service Fund tax levy of \$37,560,172.

Budget Approval Motion

Motion - (Proposed Budget)

I move to approve the budget total for all funds, including the General Fund total of \$298,389,000 and Other Funds total of \$262,597,917.