

BUDGET COMMITTEE MINUTES

1. Call Meeting to Order

Nicole DeGraff

Chair Nicole DeGraff called the meeting to order at 6:00 p.m.

Board members and district staff in attendance were Ken Kohl, Jonathan Light, Nicole De Graff, Hollea Puzio, Patrick Walch, Superintendent Todd Hamilton, Brett Yancey, Brian Megert, Joan Bolls, Jeff Michna, Whitney McKinley, Brian Richardson, David Collins, Brenda Holt, Melissa Stalder, Andrea Wallace, Martie Steigleder, Jonathan Gault, Cliff Schutte, and Troy Barnhart.

Virtual Attendance: Nancy Cameron

Absent: Elaine Doornbus, David Walp, Heather Quaas-Annsa

2. Flag Salute

Nicole DeGraff

Nicole De Graff led those present in the recitation of the Pledge of Allegiance.

3. Election of Officers

a.) Chair of Committee

Nicole DeGraff

NOMINATION: *Ken Kohl nominated Hollea Puzio for the position of Board Chair.*

Nicole De Graff asked the committee members to indicate if they approve of nominating Hollea Puzio for the position of Board Chair: Jonathan Light - Y, Nicole De Graff - Y, Patrick Walch – Y, Hollea Puzio - Y, Nancy Cameron - Y, and Ken Kohl - Y.

The nomination passed unanimously (6:0).

b.) Vice-Chair of Committee

NOMINATION: *Jonathan Light nominated Ken Kohl for the position of Vice-Chair.*

Chair Hollea Puzio asked the Committee members to indicate if they approve of nominating Hollea Puzio for the position of Board Chair: Jonathan Light - Y, Nicole De Graff - Y, Patrick Walch – Y, Chair Hollea Puzio - Y, Nancy Cameron - Y, and Ken Kohl - Y.

The nomination passed unanimously (6:0).

4. 2025-2026 Budget Message

Todd Hamilton

Superintendent Hamilton presented a brief outline of the proposed budget and the Springfield

Public School's mission, which reflects a commitment to students, supported by increased allocations and new initiatives since 2019. Over 1500 community members were involved in shaping the Student Investment Account, prioritizing mental health, reducing disparities, and boosting academic achievement. The budget addresses financial pressures due to declining student enrollment and the expiration of federal relief funds. The need for new and increased funding was emphasized.

5. Budget Document Overview & Presentation

Brett Yancey

The School District's values, goals and the importance of an equity lens framework was highlighted. A brief summary of previous work sessions was provided. The responsibilities of the Budget Committee were briefly explained. The budget reflects a \$266.2 million total, with a permanent tax rate of 4.6412 per \$1,000 assessed value. Yancey confirmed that the budget between revenue and expenditure line items is balanced, as required by the process. The adoption of the budget involves multiple steps including input from the community and will conclude with a final approval by the School Board by June 30, 2025.

- **a.) Guiding Assumptions**
 - The beginning budget assumptions, including the Co-Chair Budget, projected enrollment and economic factors were detailed.
 - The budget is based on a 49% first-year allocation and a 51% second-year allocation of the biennial budget.
 - A continued decline in student enrollment has led to a reduction in funding, with a projected slight uptick for the 2025-26 year.
 - Assumptions include step advancement and longevity stipends, a 0% cost of living adjustment, and increases in PERS rates and Property Casualty insurance.
 - Special Revenue Funds decreased by \$10 million, primarily due to expired ESSER funds.
 - A stabilization and a slight uptick in student enrollment is projected for 2025-26.
- **b.) Document Overview**
 - Unknown budget assumptions, such as the potential impacts of federal legislation on education funding, including House Bills 2953 and 2448 were highlighted.
 - House Bill 2953 could increase Special Education funding by up to \$2 million, while House Bill 2448 could double the High-Cost Disability Grant.
 - The budget assumes flat funding for the State School Fund, but there is uncertainty due to pending legislation.
 - The financial impacts of collective bargaining are also unknown, with potential reductions in staffing if cost of living adjustments are greater than 0%.
- **c.) 2025-26 General Fund Revenue Assumptions**
 - The beginning assumptions are based on the Co-Chair Budget, which has not yet been adopted.
 - The focus is on the first year of the biennium, which is split between a 49% first year and a 51% second year.
 - The budget addresses financial pressures, such as a \$7.5 million revenue difference between projected revenues and expenditures.
 - The budget includes a \$1 million contingency fund and significant investments in staffing, PERS rate increases, and infrastructure improvements.

- **d.) 2025-26 General Fund Expenditures Assumptions**
 - The budget eliminates a \$2.2 million transfer from the General Fund to the Co-Curricular Fund.
 - \$1.8 million increase for the Life Skills program and supplies has been included in the budget.
 - A \$1 million contingency fund to address unexpected expenses, including potential insurance claims has been included in the budget.
 - Significant contributors to the budget gap include increased staffing costs, PERS rates, and Co-Curricular expenses.
- **e.) Summary of Proposed Adjustments**
 - Reduced transfers to co-curricular and other funds.
 - Reduced certified staffing due to a decline in enrollment.
 - Reduce unappropriated ending fund balance by \$329,000.
 - The budget also includes a \$180,000 increase in supplies and a \$2,500 transfer to debt service.
 - The final difference between the 2024-25 adopted budget and the 2025-26 proposed budget is \$8.18 million.
- **f.) Staffing Review**
 - The addition of two elementary assistant principal positions and two additional HVAC technicians.
 - The use of reserve allocations to mitigate enrollment adjustments and the absence of reserves for the coming school year.
 - The need for flexibility and creativity in staffing due to fluctuating student needs.
 - Declining special education students and the difficulty in hiring Special Education licensed staff members.
- **g.) Next Steps**
 - The total budget is \$266,188,367, with a permanent tax rate of \$4,6412 per \$1,000 assessed value.
 - Engage in collective bargaining conversations regarding compensation.
 - Provide updates to the Oregon Department of Education (ODE) and any changes to the Student Investment Account plan.
 - Approve the 2024-25 budget with a total amount of \$266,188,367 and a permanent tax rate of \$4,6412 per \$1,000 assessed value.
 - Approve the 2025-26 proposed budget as presented.
 - Second Budget Committee meeting May 15, 2025, if needed.
 - Subsequent meetings of the Budget Committee, as needed.
 - The deadline to adopt the Proposed 2025-26 Budget is June 30, 2025 and the certification deadline of the Tax Levy by July 15, 2025.

6. Budget Questions and/or Clarifications

Chairperson

Co-Chair Kohl asked questions concerning Special Education decline rates of the students and programs, staffing adjustments, specifically in regard to the HVAC system maintenance, Springfield's specialized enrollment percentage vs. the State average in relation to House Bill 2953, the reasoning behind a dedication of \$200,000 for contingency.

Chair Puzio asked for further clarification on the adjustment of new staff positions.

Nicole De Graff asked for more details regarding the collected community feedback.

Patrick Walch asked if the additional FTE certified positions were incremental or reclassified from other positions.

7. Public Input (in person or in writing)

Chairperson

Employee Cliff Schutte, requested the Budget Committee ask strategic funding questions, maintain transparency and keep the focus on the school end of things.

8. Approval of Document

Committee

MOTION: *Nicole De Graff moved, seconded by Co-Chair Kohl to approve the Springfield School District Budget and the aggregate amount of \$266,188,367 and that the permanent tax rate of 4.6412 per 1000 assessed value be assessed in support of the general fund and expect the permanent rate to raise \$33,710,653 and to a tax of \$6,526,316 is approved for the debt service fund for the purpose of the retirement of bonded debt owned by the school district.*

Chair Puzio asked the committee members to indicate if they approve the Springfield School District Budget and the aggregate amount of \$266,188,367 and that the permanent tax rate of 4.6412 per 1000 assessed value be assessed in support of the general fund and expect the permanent rate to raise \$33,710,653 and to a tax of \$6,526,316 is approved for the debt service fund for the purpose of the retirement of bonded debt owned by the school district : Jonathan Light - Y, Nicole De Graff - Y, Chair Hollea Puzio - Y, Patrick Walch – Y, Nancy Cameron - Y, and Vice Chair Ken Kohl - Y.

The motion passed unanimously (6:0).

9. Budget Committee Meetings (if needed)

Chairperson

- a.) May 15, 2025, 6:00 p.m.
- b.) May 22, 2025, 6:00 p.m.

10. Adjournment

Chairperson

Having no further business, Chair Puzio adjourned the meeting at 7:06 p.m.

(Minutes recorded by Trenay Ryan, LCOG)