

# OSBORN SCHOOL DISTRICT #8

## February 11, 2026 BUDGET COMMITTEE MINUTES

Ms. McCabe began the meeting at 3:53 pm.

### Information/ Discussion

**2026 fiscal year revenue and expenditure projections; including staffing allocations, salary schedules, staff compensation and fringe benefits, working conditions and recommendations for policy change related to these items.**

Ms. McCabe reviewed FY27 revenue projections, reminding the committee of the (\$955,000) deficit resulting from a loss of 115 student ADM (average daily membership). She explained that this deficit does not include the 2% inflation funding that may be received after the legislature finalizes the state budget. General agreement was reached around holding the 2% and not including it in the FY27 revenue projections at this time. This will allow for discussion on expenditure savings to offset the 25-26sy decline in enrollment prior to adding in 26-27sy inflation funding increases.

A possible source of M&O funding is to use 100% of the state DAA (capital) funding formula to support the M&O budget. The committee discussed the pros and cons to this move and was asked to gather feedback from their sites and departments regarding this option.

Pros:

- This would provide an additional \$190,000 in M&O revenues.
- The district generates \$1.5million annually from the voter approved capital override. The override funds would remain dedicated for capital needs per the voters as they are separate from the state's capital funding formula.

Cons:

- If the district fails to renew the capital override in future years, this would require M&O cuts in order to shift the state revenues back to DAA (capital).

- The portion of state allocated DAA dollars utilized for M&O purposes is one of the Auditor General's financial risk factors used to analyze Districts financial stability.

Ms. McCabe shared anticipated increases that will further impact the budget including increased costs for health insurance and utility rates explaining the importance of finding savings.

The committee agreed that a staff survey will be sent as a means of gathering feedback on the district's health insurance plans and premium costs.

Members will continue to gather information from their sites around possible cost savings.

### **M&O Revenue & Budget Projections**

- Current revenue projections show a decrease of **(\$955,000)** this is due to decrease student enrollment.
- Salaries and benefits account for approx. 85% of the M&O budget
- Remaining 15% is allocated to items such as property insurance, utilities, substitutes, site & department budgets. Site & Department budgets are used for materials & supplies, repair & maintenance, and support agreements.

### **Working List / Recommendations**

**The 26-27sy revenue projections began with (\$955,000).**

Expenditures considered at this time include teaching positions based on staffing allocation formula, along with estimates for expenditure increases in health insurance premiums and utility rates, and certified staff movement on the salary schedule.

#### **Updated Expenditure projections:**

- **Reduce 6 teacher FTEs** - based on staffing allocations for k-3, 4-8 = **\$345,000 cost savings.**
- **Additional 1.0 Resource teacher FTE** - based on staffing allocations for sped = **(\$57,500) increase cost.**
- **Certificated staff movement on the salary schedule = estimated (\$60,000) increase cost**
- **Utility Rate increases = estimated (\$48,000) increase cost.**

**Current Net Deficit = (\$776,075)**

## Contract Issuance & Timeline

### **Contract Timeline**

- **March 16- Contract issuance. Due April 3rd.**
  - Teachers
- **March 18- Contract issuance. Due April 6th.**
  - Support Professionals, Classified Exempt
- **March 18- Contract issuance. Due April 16th.**
  - Psychologists, Administrative
  
- Contracts will be issued at current salary amounts, with the ability to be increased later this spring based on outcome of budget committee process and legislative funding levels.
- There will not be any one-time longevity payments or retention payments for FY27 as these were funded in past years with ESSER dollars.

Next meeting February 25.

Meeting adjourned at 5:08PM.

### **Present:**

Colleen McCabe

Kurtis Collins

Cory Alexander

Debra Murillo

Elaine Marxer

Eric Thompson absent

Emerald Woodland Abasumoh absent

Jenny Davey

John Formanek

Jorge Meza absent

Katrina Roberts

Michael Robert via phone

Rodi Vehr absent

Storm Gerlock

Kimberly Fernandez

Alison Ahl-

Brianne Ellison- absent

Jennifer Flaherty absent

Kirsten Callisen

Meredith Cole Jo- absent

Mary Jo Winters Gemuenden

Raymond Linn absent

Zachary Jensen

Lisa Nye - Recorder