

Introduction:

We recognized years ago that we needed additional revenue to sustain our current programming. However, we were not successful in passing a new money levy in 2024. Our plan was to pass our two renewals this past November and then place a new money levy on the ballot in the spring to cover the shortfall between our revenues and expenditures.

Although we were successful with the passage of the two renewal levies, we lost funds from what we were projected to receive from federal, state and local property taxes.

However, not only were our revenues far less than what we anticipated but also, we were not made aware of the shortfall in time to make any meaningful decreases in our expenditures for the FY2026 school year.

We were notified of the following reductions in projected revenue:

- June 2025 — we received \$4.9 million less from the state.
- August 2025 — we received \$787,000 less from federal funds.
- October — Lorain County Commissioners voted to double local property tax breaks for homeowners, veterans, and disabled residents which resulted in \$1.02 million less in local funds.

This accounts for a grand total loss of \$6.7 million/year from what we thought we would receive to what the district actually received — which represents approximately 6% of our annual budget. Although the district decreased \$6.43 million/year in spending at the end of FY2026, the district will need to reduce spending by an additional \$17.6 million/year.

To accomplish this, our administrative team has examined all positions and developed the proposal below with the goal of having the least impact on safety and educational quality, while legally honoring the district's contractual requirements. Please note that many of the student support services which were provided at school will be referred to outside agencies when possible to ensure continuum of care.

To decrease expenditures to the level expected required the district to take a very aggressive approach to evaluating PreK-12 programming and assessing community expectations while placing a strong emphasis on increasing efficiencies.

The district is placing a new money, 11 mill levy on the ballot in May of 2026. If the levy passes, it may decrease the number of reductions that will be enforced. However, if the levy fails, the district will be forced to cut an additional \$4 million — \$8 million.

To assist in the translation of positions being addressed in FY2027, please reference the list below:

OAPSE 120 — Paraprofessionals and personal attendants

OAPSE 377 — Cleaners and couriers

LEA — Teachers, school counselors, speech language pathologists and social workers

LAA — Principals, assistant principals, school psychologists and building managers

SMART — Maintenance, custodians, warehouse staff and groundskeepers

USW — Safety officers, safety compliance officers

LACE — Healthcare professionals, media clerks, secretaries and interpreters (ASL)

Non-Represented Administrator — Administrators who are not principals or assistant principals

Non-Represented Administrative Support — Coordinators

Non-Represented Administrative Hourly Support — Executive secretaries, payroll, accounts payable

Change in assumptions

We have a districtwide mass notification system through our safety and security department for a total cost of \$999,000. We have received a \$500,000 grant to offset half of the costs. The grant was not included in the forecast.

Below is a list of reductions along with an explanation and the actual cost savings:

Summer school savings to begin in FY2026

Decrease in programming will result in the decrease of staff — \$57,900

Savings to begin FY2027

Decades ago, the district entered into an agreement with the Ohio Schools Facility Commission (OSFC). At that time, the community chose to support 10 neighborhood elementary schools designed to serve 3800 students in grades pre k-5 — seven schools with a capacity of 350 students and three schools with a capacity of 450 students.

However, since that time, our needs have changed:

1. Our current student enrollment is 3077 students — which puts us at 81% capacity — and considering the transient nature of the families in our community, the district can no longer afford to maintain 10, pre k-5 elementary schools.
2. With a 10 school elementary model, we lack the space to properly serve our students with autism whose needs are too extreme to be met in traditional schools.

Therefore, two elementary schools will be repurposed for the following reasons:

- An elementary school designed to serve 350 students will serve preschool students only.
- An elementary school designed to serve 450 students will serve students diagnosed with autism whose needs are too extreme to meet in a traditional school setting.

Preschool

Purely as a cost saving measure, the district will only provide mandatory preschool in a preschool only building.

Preschool proposal:

- Serve all students with disabilities as legally required
- Serve students without disabilities in the 8:7 classroom models as required
- Switch to all ½ day preschool

- Develop a community and family hub for partner organizations

These changes in preschool services would result in the loss of the following:

- One preschool support specialist — who currently provides coaching supports to our preschool teachers.
- Two itinerant teachers
- Twenty three paraprofessionals
- Eleven teachers

This will result in the decrease of the following:

LEA members — 14

OAPSE 120 members —23

School for students with autism — grades K-12

Although no savings or revenue will be incorporated into our forecast as a result of meeting this district need, we anticipate it being significant as we currently spend approximately \$6.5 million/year serving our students whose needs are so extreme that their needs cannot be met in a traditional school setting. That number includes approximately \$1.5 million in transportation costs. We already have a number of families who have expressed interest in enrolling their children back to the district.

Elementary — grades K-5

We will maintain eight elementary schools serving students in grades K-5. By repurposing two elementary schools and adjusting the enrollment boundaries of the remaining eight, we will increase the number of students per building. This will result in increased scheduling efficiencies which will require the need for fewer staff in grades K-5.

This will result in the decrease of the following:

LEA members — 57

LAA members — 7

LACE members — 1

OAPSE 120 members — 7

Middle School — grades 6-8

For many years, we have followed the middle school model in our three middle schools that allowed for a team planning time in addition to the planning time required by the negotiated agreement. We will be moving back to a junior high school model, which will result in the elimination of the team planning time. The outcome will allow our core teachers to teach more sections and allow us to teach fewer elective courses creating a much more efficient manner in which to educate students.

Current configuration:

- Core teachers - 54
- Encore teachers - 27

Grade 6-8 proposal:

New Master Schedule for middle school will result in decreasing the number of periods in the school day from six to five by increasing the length of each period.

This would decrease the number of elective periods which in turn, would result in a decreased need for encore teachers and a higher percentage of time taught by core teachers.

Proposed Staffing for middle school

- Teachers will teach 4/5 periods instead of 4/6
- Students will select one encore class per semester instead of two

This will result in:

- Core teachers - 43
- Encore teachers - 15

This will result in the decrease of the following:

LEA members — 23

High school proposed reductions:

This will result in the decrease of the following:

LEA members — 2

Proposed Title Programming Adjustment

- Utilize the flexibility of being school wide Title I
- Repurpose 16 teachers who are currently serving as Title I teachers as classroom teachers:
 - o 10 elementary teachers
 - o 6 middle school teachers
- Allows district to save 16 additional classroom teacher positions from general fund by covering their cost through federal funding

This will result in the decrease of the following from the general fund:

LEA members — 16

Proposed administrative reductions

Non-rep administrators —7

Non-rep administrative support —5

Non-rep hourly support — 4

USW

Safety officer positions - 2

OAPSE 377

Cleaners - 5

Transportation

Transportation savings will come as a result of the district canceling all field trips moving forward, unless paid for by a grant or fundraiser. This would save the district an additional \$280,000/year.

Field trip savings — \$280,000/year

Purchased services - \$1,540,000

Keys to Literacy materials - \$30,000.00

Football stadium phase 2 - \$680,000.00

Communications expenses - \$10,000.00

Auxilio contract termination - \$620,000.00*

Delay chiller replacements - \$200,000.00

*Starting in August of FY27, all transportation will be provided in-house as opposed to contracting it out to our vendor, Auxilio, who currently provides bussing services to our private schools and charter schools. This will result in an annual savings of \$620,000/year.

Capitol projects - \$945,000

Brickwork on elementary buildings - \$650,000

Elementary parking lots - \$40,000.00

Partial parking lot replacement at George Daniel Stadium - \$110,000

2" Mill for elementary parking lots - \$145,000.00

Curricular materials

We will be postponing the implementation of our science curriculum until we secure additional funds to cover the cost. It was scheduled to be implemented in FY2026.

Curricular materials savings — \$700,000

Pay Freeze

Non-Rep Administrators - 31 Employees - \$109,112

Position for Director of Autism -Salary & Benefits - \$162,876.00 increase

Supplementals - Approximately 552 positions - Salary & Benefits - \$799,518.00

Substitute Costs related to reduced professional development - \$360,000.00

Financial Oversight

The Board will be kept informed of the district finances by the monthly financial report prepared by the Treasurer. The financial reports will contain:

1. General Fund Spending Plan — Comparisons of both revenue and expenses of month to-date, fiscal to-date, to what has been forecasted and the variances of each.
2. General Fund Cash Balances — Compares balances from the current fiscal year to the previous fiscal year.

3. General Fund Revenue & Expense Comparisons — Graphs comparing revenue and expenses by type and by the month in contrast to the preceding fiscal year.
4. Also included will be the Investment Portfolio, Appropriations, Check Register, and Cash Activity Summary by fund.

The Board will be kept informed when they are acting upon the necessary cost-saving/reduction item(s) at a board meeting. After Board approval, the impact of the cost-savings/reduction item will be explained when reviewing the revenue and expenses of the monthly financial report.

This plan has been created based upon the best information available at this time along with known staff demographics, revenue estimates, spending obligations and compliance measurements. Depending on the May 5th ballot outcome, student needs, legislation, budgetary requirements and anticipated or unknown staffing changes, reductions may vary from those listed to yield the same or higher savings.

All pages on the workbook were reviewed and approved by the Board of Education.