

SPRINGFIELD PUBLIC SCHOOLS

SPRINGFIELD, OR 97477

BUDGET COMMITTEE

MONDAY, JANUARY 8, 2026

WORK SESSION MINUTES

Budget Committee members in attendance included Board Chair Heather Quaas-Annsa, Directors Ken Kohl, Jonathan Light, Nicole De Graff; At-Large members Patrick Walch, Hollea Puzio, and Nancy Cameron.

Board Vice Chair Amber Langworthy attended virtually.

Absent: At-Large member Elaine Doornbus.

District staff in attendance included Superintendent Todd Hamilton, Brett Yancey, David Collins, and additional as audience members.

I. Welcome and Introductions

Chief Operations Officer Brett Yancey welcomed everyone. The Budget Committee work session came to order on Monday, January 8, 2026 at 6:01 p.m. Yancey provided a brief overview of the varied topics discussed that evening, as well as outlining three work sessions scheduled to address budget issues.

II. Budget Committee Training for Members

The importance of Budget Committee training was emphasized, including maintaining focus on educational commitments despite potential chaos. Yancey outlined best practices for the Budget Committee, which included training, calendar, comprehension of the state school fund, and discussing the budget document. Work sessions have been planned to cover topics such as vision and goals, assumptions, and economic projections. The importance of being on the same page, in time for the official meeting in May, was highlighted.

III. Current Year Financial Review

An overview of the current financial situation, including salary and benefits, additions, and reductions was presented.

1. 2025-26 Enrollment Update

Enrollment has declined by 473 students, impacting revenue and operational costs. The impact of enrollment declines on the budget and the district's revenue was discussed. Smaller districts can control their enrollment with online and physical transfers, however a large majority of districts in Oregon are in the same, if not worse, position than that of the Springfield Public School District.

Topics Addressed:

1. The need to continue monitoring and addressing enrollment projections, potential reductions, and additions to the budget
2. Continued district monitoring on the impact of declining enrollment and homeschooling trends, which may affect future budgeting and resource allocation

2. Enrollment vs. Functional Capacity

The district's functional capacity is at 73%, raising questions about efficiency and potential future adjustments. The importance of understanding the district's functional capacity and potential operational cost savings were discussed.

Topics Addressed:

1. The concept of functional capacity and its relevance to future budget discussion
2. The potential for operational cost savings through efficiency improvements
3. The need for the Budget Committee to understand district operational costs and potential efficiencies

3. Revenue/Expenditure Summary (as of 12/31/2025)

Yancey discussed the impact of various budget adjustments, including salary and benefits increases, PERS rate increases, and insurance utility increases.

Topics Addressed:

1. The importance of managing the budget within the confines of the State School Fund (SSF) allocation and the need for the Budget Committee to understand the district's financial situation and potential challenges
2. Expenditure projections outline, including salaries and benefits, which are expected to be under budget; and purchase services, which are projected to be fully expended
3. A significant capital outlay due to insurance issues, with buildings over 50 years old requiring inspection and certification by a structural engineer
4. A projected net fund balance at the end of the year at \$13 million, with a \$6.7 million spent so far, and the impact on next year's budget
5. The Reserve Ceiling and Floor Policy, requiring superintendents to bring a plan back if the reserve falls below 5%

IV. 2026-27 Budget Process Overview & Discussion

Yancey explained the four-part district budget process involving district staff, the Budget Committee, the school board, and the superintendent. The budgeting process begins July 1st and ends June 30th. An explanation of the different funds within the district was provided, with a focus on the general fund.

1. Governor's Recommended Budget

2025-27 Biennium = \$11.36 billion

2025-26 = \$5.57 billion (49%)

2026-27 = \$5.79 billion (51%)

Springfield Public Schools = 1.63% of State Average Daily Membership Weighted (ADMw)

2. State School Fund Discussion

The largest revenue source is the State School Fund (SSF), which is informed by local revenue, funding ratios (average daily membership, weighted (ADMw) and the reconciliations of 197 other districts), Transportation Grant (70% reimbursement), and teacher experience adjustment. The district is \$500,000 less than expected before

federal resources, which provided a benefit.

Topics Addressed:

1. SSF variables and local revenue
2. How local levy options significantly impact a district's revenue
3. The reconciliation process in May can result in adjustments to the General Purpose Grant
4. The beginning fund balance, which was overestimated, and the importance of this number for projections
5. Declining enrollment and state reimbursements
6. Assumptions for high-cost disability reimbursements
7. Clarification on the Budget Committee's authority to change appropriation levels but not programmatic changes
8. The importance of federal resources and the unexpected benefits from federal funds

3. Issues Impacting Considerations

1. Managing budget challenges with unpredictable economic forecasts, enrollment shifts, district data fluctuations, and collective bargaining
2. The ongoing collective bargaining process with the SEA and the need to make assumptions for the proposed budget
3. Contributing factors to the decline in enrollment are falling birth rates, inflated living costs, increase in homeschooling, and lack of affordable housing

4. Budget Process Overview

Property tax collections are expected to reach 100%, but enrollment-based SSFs have declined, affecting State revenue. The district's beginning fund balance is \$20.85 million, with a projected net fund balance of \$13 million by year-end. Significant capital outlay is needed for structural repairs on aging buildings.

Topics addressed:

1. The importance of the February 4th State Economic Forecast for the current year's budget and the May 20th forecast for next year's budget

2. An outline of the internal budget process, starting with preliminary projections in mid-January and finalizing the proposed budget in late April and early May
3. The roles, responsibilities of each group in proposing, approving, and managing the budget
4. The roles, responsibility and composition of the Budget Committee, including elected governing board members and at-large members
5. The importance of reaching a consensus among the Budget Committee members
6. The importance of public input and the need for the Budget Committee to approve appropriations for expenditures

Yancey reminded the committee that the budget should, at all times, be closely aligned with district goals and values.

V. Committee Discussion

The committee covered a wide variety of topics, such as:

1. The impact of enrollment transfers
2. A regional approach to advocacy efforts for additional funding, considering the impact on all of the districts, and partnering with Oregon School Board Association (OSBA) and local legislators for advocacy efforts.
3. Extending an invite to local legislators to attend budget committee meetings
4. The need for a board conversation to restart the Facilities Advisory Committee, to address next year's budget areas.
5. The use of state reserves instead of impacting programs, allocating funds for accountability measures, use of pension bonds to offset increases, appropriation levels, programmatic changes, budget transfers, and the mental health budget

Future meetings in February, March, and May were outlined, with a focus on budget planning and discussions regarding a Facilities Advisory Committee. Assumptions and general economic projections to be addressed.

VI. Resource Information and Future Meetings

1. Budget Committee Handbook (resource)

2. Budget Document Composition & Detail (resource)

3. Budget Calendar (adopted 2026-27)

February 12, 2026 - Second Budget Committee Work Session

March 12, 2026 - Third Budget Committee Work Session

May 7, 2026 - "Official" Budget Committee Meeting; Board Chair & Vice Chair election

May 14, 2026 - Subsequent meetings (as needed)

June 8, 2026 - Budget Hearing and Adoption

July 15, 2026 - Certify Levy to County Tax Assessor

4. Questions/Clarifications/Requests

Additional Information Requested:

1. Arrange for a presentation explaining the mental health supports included in the proposed budget
2. Provide updated enrollment projections for review at an upcoming work session, to inform next year's budget
3. Provide structural engineer inspection reports and solidified repair cost estimates to the board as reports arrive, so the budget impact can be assessed and contingency requests prepared if repairs exceed the current estimate
4. Obtain detailed information about the new 'Postgraduate Scholars' ADMw's (definition, eligibility, and how the weight is applied) report back to the committee
5. Ask state/ESD contacts whether statewide homeschool enrollment data including comparative percentages is available and obtain that data or guidance on access to inform district enrollment analysis
6. Distribute budget sheets to departments based on current assumptions and begin the internal staffing allocation process per the timeline
7. Prepare and deliver the proposed budget to the committee in late April or May following the internal timeline and economic forecasts, incorporating finalized revenue estimates and bargaining outcomes as available

8. Double-check what Lane ESD collects during registration regarding family contact information and indicate whether that same information is available for homeschooling families.
9. Provide a projected overall budget deficit figure to the committee at the next meeting and discuss a formal plan to address the projected deficit in the school board executive session on Monday.
10. Share information about Advocacy Days and other legislative advocacy opportunities with board and committee members, PTOs and other stakeholders when that information becomes available.

VII. Adjournment

Chair Heather Quaas-Annsa adjourned the meeting at 7:19 p.m.

(Minutes recorded by Trenay Ryan, LCOG)