



Budget Meeting Minutes

March 12, 2026, 5:30PM
55 Academy St, Lebanon, OR 97355

Present:

Nichole Piland, Chair

Melissa Baurer, Vice Chair

Lorlee Engler, Member

Mike Martin, Member

Clyde Rood, Member

Jeff King, Budget Committee Vice Chair

Anthony Morelos, Budget Committee Member

Roger Maurer, Budget Committee Member

Kelly Tucci, Budget Committee Member

Jennifer Meckley, Superintendent

William Lewis, Chief Operations Officer

Steven Prososki, Finance Director

1. WELCOME AND CALL TO ORDER

Budget Committee Vice Chair, Jeff King, called the meeting to order at 5:32 PM. Jeff turns the meeting over to Finance Director, Steven Prososki.

2. ROLE OF THE BUDGET COMMITTEE

Steven references a document shared with the committee, referring specifically to page two which outlines the roles of the budget committee members with full descriptions of responsibilities.

3. FINANCIAL INTEGRITY

On page two of the document provided, Steven goes through the district's focus areas, specifically highlighting financial integrity.

4. ENROLLMENT PROJECTIONS AND TRENDS

Referencing page four, Steven explains how enrollment trends continue to reflect a changing climate driven by declining birth rates across Linn County, with kindergarten projections holding steady but low at approximately 286 students this year and 285 over the next two years.

Page five, he adds that Average Daily Membership (ADM), representing the number of students in our schools, continues to decline, with enrollment typically peaking on October 1 and decreasing throughout the year by an average of 73 students. This year, however, the decline is occurring more rapidly, with a decrease of 74 students already recorded by March 9. Approximately 94 students are enrolled in our online program with Evergreen Virtual Academy, and 74 students no longer attending in-person, resulting in fewer students in our buildings overall. The district began the year with 3,888 students and is now projecting 3,815, indicating a sharper-than-average decline.

On page six, he notes that looking ahead, projected October 1 enrollment for 2026–27 shows Lebanon High School at 1,045 students, including approximately 60 attending Ralston and about 50 enrolled in online, marking the first time in recent history that in-person enrollment is expected to fall below 1,000 students. Hamilton Creek is projected at 224 students, with approximately 30 participating in K–8 online learning. Overall, enrollment decline remains a key factor shaping current and future budget considerations.

5. SSF & PROPERTY TAX REVENUE FORMULA

Page 7 included a review of the State School Fund and how the district is funded through the weighted ADM formula, which provides additional funding for students receiving services such as English Learners, IEPs, and those experiencing poverty. The district is currently showing approximately 100 fewer ADMw compared to prior projections. It was noted that Sand Ridge has been adding a class each year, which will increase their numbers until they hit their cap. It is also noted that funding is based on the previous year's enrollment. Mike asked about Sand Ridge's enrollment cap, prompting discussion regarding the contract, including its 10-year term.

The following page reviewed the State School Fund formula in more detail, including the relationship between property taxes and ADMw. It was explained that increases in property tax revenue can reduce the amount received from the State School Fund, and that enrollment projections directly impact overall funding. With declining enrollment, the district must continue to carefully manage staffing levels.

The next page highlighted current and prior year comparisons of property tax revenue and State School Fund allocations, emphasizing the district's efforts to maintain a balanced budget despite financial pressures.

6. HISTORY OF EXPENSES - Unemployment, Property & Liability Insurance, PERS

Discussion included rising cost pressures in several areas of the budget. Unemployment costs for classified staff are expected to increase significantly, as classified employees are eligible to file claims during scheduled breaks (spring, summer, and winter). These costs are fully paid by the district and are not state-funded or employee-contributed. The district anticipates budgeting

approximately \$250,000 for the 2026–27 school year, compared to about \$8,000 four years ago. It was noted that while classified staff who are offered continued work are not intended to file, all claims are currently being approved due to limited capacity at the unemployment office. Clarification was made that this applies only to classified staff, not certified employees.

Additional cost increases include property and liability insurance premiums, which have historically risen 10–15% annually but are now being budgeted at a 17% increase. The district also reviewed PERS obligations, noting that it budgets at 100% to ensure full coverage, as this remains one of the few areas with potential variability depending on new hires and eligibility timelines. Overall, the discussion emphasized the need to carefully manage rising costs within a tight budget.

7. IMPORTANCE OF A FINANCIALLY HEALTHY EFB

Discussion emphasized the importance of maintaining a financially healthy Ending Fund Balance (EFB), with a preferred range of 10–20%, though the district is currently expecting 5–8%. Maintaining reserves allows the district to pursue grant opportunities and respond to unexpected circumstances; however, declining enrollment continues to create challenges. Steven shared that the district is planning for approximately \$2 million in budget reductions, with roughly 80% anticipated to come from staffing. Upcoming budget meeting dates were also reviewed. Jen noted that recent communication outlined the impact of declining enrollment and that, while staff have not yet been formally notified, this discussion makes the information public. Additional communication will be shared with staff, the Board, associations, and the Budget Committee, with an emphasis on transparency and pursuing reductions primarily through attrition. The next meeting is scheduled for May 14, and the committee members are encouraged to reach out to Steven with any questions in the meantime.

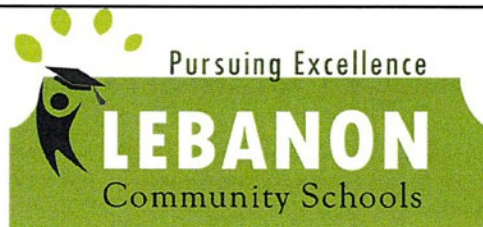
8. ADJORNMENT at 5:52 PM.

Signed: Nicholas M. Poland
(Board Chair)

Date: 5/14/26

Signed: Jennifer Meckley
(Superintendent)

Date: 5/14/26



Budget Committee Meeting March 12, 2026

- Jennifer Meckley - Superintendent
- William Lewis III - Chief Operations Officer
- Steven Prososki - Director of Financial Services

Welcome to the intro meeting. Thank you for your time and contribution to this process.

Role of the Budget Committee

Budget Committee Members

The budget committee is a local government's fiscal planning advisory committee. The governing body of each local government must establish a budget committee (ORS 294.414, renumbered from 294.336). The budget committee is composed of the governing body and an equal number of electors appointed by the governing body.

Duties of the Budget Committee

The budget committee meets publicly to review the budget document as proposed by the budget officer. The committee receives the proposed budget and the budget message and holds at least one meeting in which the public may ask questions about and comment on the budget.

The committee must eventually approve the budget and, if ad valorem property taxes are required, approve the amount of tax or the rate per \$1,000 of assessed value for each levy that will be certified to the assessor.

Once the budget committee has approved the budget, it has completed all of the duties required of it by Local Budget Law.

Budget Committee Meetings

The budget committee elects a presiding officer from among the members at the first meeting [ORS 294.414(9), renumbered from 294.336(9)]. The budget committee also hears the budget message at its first meeting. One of the committee's most important duties is to hear and consider any testimony presented by the public about the budget. The budget committee reviews and, if a majority of the committee feels it is necessary, revise the proposed budget submitted by the budget officer.

Committee members may not discuss or deliberate on the budget outside of a public meeting. The committee may ask questions of the executive officer or other staff and request additional information. The committee is entitled to receive any information it needs to make decisions about the budget (ORS 294.428, renumbered from 294.406). Any budget committee action requires the affirmative vote of a majority of the total budget committee membership [OAR 150-294.336-(B), implementing ORS 294.414].

Approving the taxes

The budget committee sets and approves the amount or rate of property taxes to be imposed.

- Budget Committee Responsibilities:
- Reviews the Proposed Budget
- Listens to Public Comment regarding the budget
- Can recommend changes
- Approve the budget total and tax rates to be forwarded to the Board for Adoption

Lebanon CSD Focus Areas

- Academic Achievement
- Safety and Belonging
- Effective Facilities
- Financial Integrity
- Community Connections

Lebanon Community School District Board Focus Areas

Kinder Enrollment - Birth Rates

	History								Projection		
Kindergarten	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Live Birth Year:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Live Births	1,424	1,434	1,509	1,521	1,464	1,511	1,444	1,450	1,424	1,418	1,418
Kindergarten Enrollment	326	310	281	315	295	305	280	289	286	285	285
Enrollment/Live Births Ratio	22.89%	21.62%	18.62%	20.71%	20.15%	20.19%	19.39%	19.93%	20.07%	20.07%	20.07%

5 Year AVG Ratio



- Linn County Birth rates are level for the next 3 years, related to the Kinder enrollment year
- Kinder enrollment trend shows around 20% of total birth rate enroll with Lebanon Community Schools.

Lebanon ADM History and Trends

Grade	FY17/18 Actual	FY18/19 Actual	FY19/20 Actual	FY20/21 Actual	FY21/22 Actual	FY22/23 Actual	FY23/24 Actual	FY24/25 Actual	FY25/26 Reported Period 1	26/27 Estimate	Sand Ridge	LCSD
KG	328	328	307	277	313	297	298	273	289	286	49	237
1	313	333	331	260	293	313	286	296	275	285	49	236
2	286	313	326	276	295	309	322	288	294	272	51	221
3	315	293	317	286	309	306	313	331	297	292	39	253
4	338	315	288	283	314	307	317	300	343	297	40	257
5	360	339	326	251	330	320	309	314	311	351	42	309
6	379	356	333	299	280	320	331	293	307	318	39	279
7	291	368	351	306	310	282	320	332	304	308	41	267
8	323	286	362	319	333	308	271	304	329	302	35	267
ELEM SUB TOTAL	2934	2930	2941	2557	2777	2762	2766	2730	2749	2712	385	2327
9	334	292	319	306	333	343	319	259	314	330		330
10	300	344	298	315	294	319	328	288	251	315		315
11	323	299	339	273	291	277	302	287	272	247		247
12	362	344	310	319	283	273	285	274	302	267		267
HS SUB TOTAL	1318	1279	1265	1214	1202	1212	1234	1108	1139	1159		1159
DISTRICT TOTAL	4252	4210	4206	3771	3979	3973	4000	3838	3815	3798		
1-Oct	4274	4338	4230	3779	4063	4046	4057	3916	3888	3871	385	3486
Dif	-22	-128	-24	-8	-84	-73	-57	-78	-73			
									AVG			

- ADM represents the number of students in seats. The school year begins at the peak of enrollment
- After Oct 1, enrollment declines during the school year, with an average decrease of 73 students during the school year over the past four years.
- A portion of this decline is due to seniors graduating mid-term.
- Started current year at 3,888 and project to finish at 3,815. You will see on the next slide that the data pulled from the end of February enrollment is currently 3,818, decreasing faster than average.

October 1, 2026 Projected Enrollment

School Name	2023-2024 Oct 1 Enrollment	2024-2025 Oct 1 Enrollment	2025-26 Oct 1 Enrollment	Current Enrollment	2026-27 Oct 1 Projected Enrollment
Cascades School	262	262	277	268	278
Green Acres School	294	293	283	285	283
Hamilton Creek School	260	252	231	217	224
Lacomb School	228	228	229	230	227
Lebanon High School	1,240	1,162	1,139	1,028	1,045
Pioneer School	348	261	293	293	292
Riverview School	426	423	416	408	414
Sand Ridge Charter School	333	359	373	363	385
Seven Oak Middle School	666	676	647	626	616
District Total	4,057	3,916	3,888	3,718	3,764
Without Sand Ridge	3,724	3,557	3,515	3,355	3,379

- Current total of 3,718 in our buildings and 100 online at Evergreen.
- The projected enrollment on this chart shows students in these buildings
- We project 60 at Ralston Alt Ed and 50 at Evergreen to start

State School Fund Grant

STATE SCHOOL FUND GRANT

2025-2026

As of 2/22/2026

Linn County, Lebanon Community SD 9

District ID: 2101

2025-2026 Extended ADMw

Lebanon Community SD 9: District total extended ADMw for funding calculations

	2025-2026	2024-2025
ADM:	3,418.86 X 1.00 3,418.86	3,483.06 X 1.00 3,483.06
Students in EL programs:	115.38 X 0.50 57.69	110.96 X 0.50 55.48
Students in Pregnant and Parenting Programs:	0.00 X 1.00 0.00	1.98 X 1.00 1.98
877 IEP Students capped at 11% of District ADM:	416.37 X 1.00 416.37	422.22 X 1.00 422.22
Students on IEP Above 11% of ADM:	87.10 X 1.00 87.10	87.10 X 1.00 87.10
Students in Poverty:	450.26 X 0.25 112.57	580.30 X 0.25 145.08
Students in Foster Care and Neglected/Delinquent:	21.00 X 0.25 5.25	21.00 X 0.25 5.25
Remote Elementary School Correction:	8.90 X 1.00 8.90	8.90 X 1.00 8.90
Small High School Correction:	0.00 X 1.00 0.00	0.00 X 1.00 0.00
Post Graduate Scholars:	0.00 X-0.25 0.00	0.00 X-0.15 0.00
	2025-2026 ADMw 4,104.73	2024-2025 ADMw 4,209.07
	Lebanon Community SD 9 Extended ADMw 4,581.57	

Sand Ridge Charter School: Charter ADMw for information only

	2025-2026	2024-2025
ADM:	366.28 X 1.00 366.28	355.33 X 1.00 355.33
Students in EL programs:	4.00 X 0.50 2.00	4.75 X 0.50 2.38
Students in Pregnant and Parenting Programs:	0.00 X 1.00 0.00	0.00 X 1.00 0.00
0 IEP Students capped at 11% of District ADM:	0.00 X 1.00 0.00	0.00 X 1.00 0.00
Students on IEP Above 11% of ADM:	0.00 X 1.00 0.00	0.00 X 1.00 0.00
Students in Poverty:	49.26 X 0.25 12.32	59.20 X 0.25 14.80
Students in Foster Care and Neglected/Delinquent:	0.00 X 0.25 0.00	0.00 X 0.25 0.00
Remote Elementary School Correction:	0.00 X 1.00 0.00	0.00 X 1.00 0.00
Small High School Correction:	0.00 X 1.00 0.00	0.00 X 1.00 0.00
Post Graduate Scholars:	0.00 X-0.25 0.00	0.00 X-0.15 0.00
	2025-2026 ADMw 380.68	2024-2025 ADMw 372.51

Lebanon Community SD 9 Extended ADMw 4,581.57

State School Fund in relation to ADMw = w stands for weighted, additional 0.50 for English Language, 1.00 for students on IEPs with 11% cap. Students navigating poverty is a mysterious calculation by the State.

We see about a 100-count drop from the prior year.

Next slide will show we are funded on the higher of the two years.

SSF Formula

Property Tax & ADMw

STATE SCHOOL FUND GRANT 2025-2026 Based on \$11,359,400.00 Budget with a 49/51 split as of 2/20/2026 Linn County, Lebanon Community SD 9 - 2101	
2025-2026 Local Revenue Property Taxes and in-lieu of property taxes from other sources = \$11,417,052.03 Common School Fund = \$559,293.52 County School Fund = \$20,000.00 State Managed Timber = \$150,000.00 ESD Equalization = \$2.00 In-lieu of Property Taxes (various sources) = \$2.00 Revenue Adjustments = \$2.00 Sum of Local Revenue = \$14,145,642.52 2025-2026 Experience Adjustment District Average Teacher Experience = 11.73 State Average Teacher Experience = 12.57 Experience Adjustment (Difference in District and State Teacher Experience) = -0.84	2025-2026 Transportation Grant Salaries = N/A Payroll = N/A Purchased Services = N/A Supplies = N/A Other = N/A Garage Depreciation = N/A Bus Depreciation = N/A Fares Collected = N/A Non-Reimbursable = N/A Net Eligible Transp. Expenses = \$2,492,395.00 Transportation per ADM-Rate = 22% Transportation Reimbursement Rate = 72.00% 72.00% of the Net Eligible Transportation Expenses = the Transportation Grant \$1,744,656.20
2025-2026 ADMw - 4,487.33	2025-2026 Extended ADMw - 4,581.57
2025-2026 General Purpose Grant Multiply the Teacher Experience Adjustment of -0.84 by \$25 then add \$4500 to the result = \$4,473.00 Then multiply \$4,473.00 by the Extended ADMw - 4,581.57 and then by the funding ratio 2.43797644526 = \$51,255,363.03	
2025-2026 Total Formula Revenue Add the General Purpose Grant \$51,255,363.03 to the Transportation Grant \$1,744,656.20 = \$52,800,019.23	
2025-2026 State School Fund Grant Subtract the Local Revenue \$14,145,642.52 from the Total Formula Revenue \$52,800,019.23 = \$38,654,376.71	
2025-2026 Rates per ADMw General Purpose Grant per Extended ADMw = \$11,144 Charter Schools Rate (GRS 201.155) = \$11,379 Total Formula Revenue per Extended ADMw = \$11,525	
Payments SSF Total Paid To Date = \$29,351,560 SSF Estimated Remaining Balance Due = \$9,303,327.51 Small HS Grant Total Paid To Date = \$0.00 Small HS Grant Estimated Remaining Balance Due = \$0.00 High Cost Disability Estimated Remaining Balance Due = \$0.00	

The SSF uses Property tax collections in the formula. Example of a District receiving an additional \$17M. Important to be as close as possible to keep SSF from feeling like a budgeting rollercoaster.

We use history trend of percentage increase in assessed value and the percentage of property tax collections

In the middle, you see the 2025-26 Extended ADMw. 2025-26 ADMw is 4,487 and 2024-25 is **4,581** The State funds the District based on the higher of the two years, to keep from having a financial cliff.

2026-27 ADMw estimate is currently 4,534

You can see the revenue numbers line up with our monthly Financial Board reports.

With declining enrollment, the district must focus on staffing needs first, with that being about 80% of total district expenses.

Lebanon Community School District
General Fund: Statement of Revenues Budget Vs. Actual For the Fiscal Year 2025-26

Source	2025-26 Budget	Actual YTD Rev. 3/3/2026	Projected through 6/30/2026	Total Estimated 2025-26	(Over)/Under Budget
SSF Funding					
1111 Current Year Property Taxes	13,349,416	12,377,778	799,281	13,177,059	172,357
1112 Prior Year Property Taxes	201,478	137,173	68,727	205,901	(4,423)
1190 Penalties & Interest on Taxes	1,000	950	50	1,000	-
3101 State School Funds	38,732,367	29,351,550	9,303,327	38,654,877	77,490
3103 Common School Fund	500,000	279,045	279,045	558,091	(58,091)
3104 State Managed County Timber	150,000	53,399	96,601	150,000	-
Total SSF Funding	52,934,261	42,199,896	10,450,431	52,596,927	187,334
Total SSF Revenue	\$ 52,934,261	\$ 42,199,896	\$ 10,450,431	\$ 52,596,927	\$ 187,334

Expense History

UNEMPLOYMENT CLAIM COST HISTORY		
Fiscal Year	Expenses	Notes:
2022-23	\$ 8,270	Actuals
2023-24	\$ 39,641	Actuals
2024-25	\$ 83,307	Actuals
2025-26	\$ 112,994	YTD
2026-27 Budget Projections	\$ 250,000	

PROPERTY & LIABILITY INSURANCE PREMIUMS HISTORY		
Fiscal Year	Expenses	Notes:
2022-23	\$ 390,270	Actuals
2023-24	\$ 463,838	19%
2024-25	\$ 568,026	22%
2025-26	\$ 761,656	34%
2026-27 Budget Projections	\$ 891,138	17%

PERS HISTORY		
Fiscal Year	Expenses	Notes:
2022-23	\$ 8,354,272	Actuals
2023-24	\$ 9,001,789	Actuals
2024-25	\$ 9,322,706	Actuals
2025-26	\$ 9,767,312	YTD (Budget \$10,671,705)
2026-27 Budget Projections	\$ 10,999,353	Budget @ 100%

2022-23 Totals	\$ 8,752,812	
2026-27 Projected Budget	\$ 12,140,491	
4 Year Difference	\$ 3,387,679	39% increase in costs from 2022-23

- Unseen expenses
- With the new law, Unemployment claims are on the rise for Classified staff. Staff can file a claim for Spring, Summer, and Winter breaks. We project to budget 30x our actual expenses from four years ago. This is a direct dollar-for-dollar expense for the District. Misconception: staff do not pay into unemployment, and the funds for claims do not come from the State.
- Property & Liability Ins premiums have risen consistently over the last few years...
- PERS – As we run a tight budget, PERS is a space we must budget at 100%. Meaning there can be some padding with vacancies, or new staff who may have a 6 month waiting period.

Importance of a Financially Healthy Ending Fund Balance



- Our goal is to maintain the recommended 5 - 8% EFB and prefer to be in the 10-20% range relative to GF revenue.
- 5% - 8% = \$3.2 to \$5.2M
- With a healthy EFB, the District can continue to apply for Federal and Other grants that require us to have the money to spend before we are reimbursed. It also protects us from any unknown circumstances.
- We expect to utilize some of our EFB in the current year to support needs, but it is not sustainable with enrollment trends.
- Our budget plan is to right-size our staffing and reduce the total budget expenses by \$2M in 2026-27

