

On January 21, 2025, members of the Central Linn Budget Committee met to discuss the 2023/2024 District budget. The meeting was held in the Central Linn Elementary Conference Room and via Zoom. The meeting began at approximately 6:00 p.m.

**1.0 ATTENDANCE**

Budget Committee Members Present: David Karo, Stacey Winter, Jason Curtis, Suzy Parker, Parker Leigh, Kirt Glenn, Garrett Leabo, Willie Tenbusch, Mandy Brady, Dace Phearson, Nittaya Shannon

Others Present: Candace Pelt, Dena Crowell, Celeste Van Cleave, Joel Sauter, Jessica Patterson, Brenda Phearson

**2.0 DISTRICT BUDGET**

After introductions, Dr. Pelt provided a brief overview of the District's Strategic Plan before discussing enrollment trends, financial challenges, and staffing ratios with the committee.

Dr. Pelt reported that regional enrollment had declined by 2,800 students over the last four years, impacting funding. Within our district, the high school experienced the most significant decline. The district now faces a \$937,000 budget shortfall for 2024/25 due to lower-than-expected enrollment at 66 fewer students than projected (\$739,704), along with a property tax revenue shortfall of \$197,000. The district's primary funding sources include property taxes, the state school fund, and state and federal grants. It was emphasized that funds listed in the budget document are not necessarily available until the revenue is received.

A review of general fund expenses by category showed that the majority (71%) is allocated to personnel costs, followed by 12% for services. Reported that the district employs 28.2 FTE licensed staff and 31.7 FTE classified staff. The discussion also covered Senate Bill 489, which pertains to classified unemployment, as well as rising staff costs, including a 3% cost-of-living adjustment (COLA) and increased health insurance expenses for licensed staff, further straining the budget.

Dr. Pelt outlined her primary financial goal for 2024/25 was to ensure payroll obligations were met. These include limiting the use of substitutes to essential supervision only, relying on administrators to cover absences, not filling vacated staff positions, filling only contractually obligated stipends, and reducing costs related to professional development and supplies.

Mrs. Van Cleave outlined the 2025–26 financial outlook, forecasting a \$963,311 deficit despite a projected \$671 increase per weighted student. The district expects \$7.7 million in revenue against \$8.67 million in expenses and is planning for 450 students to prevent mid-year cuts. Declining enrollment remains a concern, with additional reductions likely. An expected executive order is anticipated to cut Title I \$163,000, and reduce IDEA funding by \$60,000, while a food service shortfall and a zero ending fund balance will necessitate further budget cuts.

Staffing ratios across all departments were reviewed, with a recommendation to decrease elementary class sizes while increasing high school staff to student ratios. Staffing levels in food service, transportation, technology, and facilities were also assessed, with potential reduction in the facility transfer if a bond passes. To maintain a balanced budget and meet payroll obligations, staff reductions may be necessary. Dr. Pelt informed the committee that they could recommend adjustments to the school board, such as reducing deferred

maintenance costs or making staffing reductions. If staff reductions are recommended at the classified or licensed levels, they will be determined based on seniority.

The discussion emphasized that the district's core mission is to provide education. While considering potential budget cuts, programs such as athletics were discussed as secondary to classroom instruction. Concerns were raised about staff reductions and the potential elimination of middle school sports to reduce costs, though maintaining classroom integrity remains the priority. However, it was recognized that cutting programs such as sports or early literacy could have a significant impact on student retention and literacy development.

State funding remains uncertain, with the Governor's recommended budget estimated at \$11,200 per student. Concerns were raised about state funding if it comes in will increase the cap on special education, but not increase State School Fund.

Additional topics included enrollment declines due to students shifting to online programs and a lack of affordable housing. Revenue-generating ideas such as reinstating sports fees, installing solar panels, and developing affordable housing were discussed. Maintenance challenges remain, with urgent repairs such as the gym heating unit potentially requiring loans, while limited reserve funds are prioritized for payroll. Securing funding for the CTE building and other infrastructure needs is also a priority. When asked about looking into grant funding, the committee was reminded of the USDA Rus Grant but the district does not have a grant writer to keep applying for grants.

The committee discussed the current state of district facilities, specifically the gym heating system, which was deemed beyond repair. However, volunteer assistance to assess the units was welcomed. It was noted that the lack of heating could negatively impact public perception during the bond process. Questions arose on whether the community could afford a bond. However if it passed, the bond would free up approximately \$500,000 annually in the district's budget.

The discussion also covered the CTE building, outlining the steps needed to expand its use beyond the culinary program, which will require additional funding. Various funding options were explored, including donations, loans, levies, bonds, and surplus property sales. Dr. Pelt informed the committee that securing adequate power for the CTE programs remains a challenge, requiring further costs, and that negotiations with Pacific Power for an additional transformer are ongoing.

To conclude the meeting, Dr. Pelt invited committee members to submit any further questions via email for follow-up.

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Dena Crowell, Board Secretary

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David Karo, Board Chair

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Date Approved

Board meeting minutes approved on February 10, 2025.  
Original minutes with signatures on file at the District Office.