

## **Executive Summary: FY27 Staffing Plan and Reduction in Force (RIF)**

This report outlines the revised recommendation for a Reduction in Force (RIF) and strategic staffing realignment for the FY27 school year. At the February 4th regular meeting of the Board of Education, I presented a proposal for the elimination of 7.0 FTE teaching positions. After much discussion with staff and community members, my new recommendation is the elimination of 6.0 FTE teaching positions.

### **Rationale for Revisions to Initial Proposal Based on Stakeholder Feedback**

In our commitment to collaborative decision-making, I have carefully reviewed feedback from our staff and community regarding the initial proposal. As a direct result of these conversations, I am recommending two key adjustments to the plan.

1. **Classroom:** Rather than eliminating two 3rd-grade teaching positions, I now recommend we only reduce one position. I've heard the community and staff concerns regarding class sizes and transition support, and I am pleased to report that this single reduction will be absorbed entirely through natural attrition via retirement.
2. **Instructional Coaching:** I am shifting the deployment model for our two remaining instructional coaches. Elementary teachers clearly expressed that K-12 coaching felt spread too thin and requested dedicated, building-level support. In response, we will transition to a building-based coaching model: one K-5 ELA Instructional Coach will be stationed full-time at Highland Elementary, and one K-8 Math Coach will be based at Monroe Center. This shift ensures our educators have consistent, accessible support that is highly tailored to the specific developmental and academic needs of their respective buildings. These coaches will work as a team and support the ELA and math needs of both elementary buildings and also secondary teachers upon request.

Through careful planning, this new proposal maximizes the use of natural attrition and internal staff transfers to achieve our financial and operational goals. Consequently, while the plan reduces our overall FTE footprint to reduce the FY 27 budget, the actual impact on our current workforce has been minimized to a single involuntary staff dismissal. Furthermore, the employee who is honorably dismissed will have callback rights through the summer of 2027.

### **Financial Context & Imperative**

The primary driver for this Reduction in Force is the District's financial trajectory. We are currently operating in a deficit for the fourth time in the last six years. Without structural corrections, the District risks depleting its reserves below sustainable levels. We are not in an immediate financial crisis. However, to ensure the long-term financial health and sustainability of our district, we must align our staffing levels with our financial reality.

### **Operating Fund Deficits**

The total operating funds (Education, O&M, Transportation, and Working Cash) have shown a concerning trend of expenditures exceeding revenue:

Year	(10) Education	(20) O & M	(40) Transportation	Total Operating Funds (10, 20, 40, and 70)*
2021	2,491,852	388,882	384,056	3,316,440
2022	(938,009)	(1,075)	(384,100)	(1,263,159)
2023	(511,791)	14,786	(186,686)	(581,068)
2024	980,083	(318,396)	(140,961)	641,943
2025	(1,606,978)	(249,447)	(482,833)	(2,204,553)
2026**	(1,595,666)	545,215	(501,474)	(1,420,108)

\*The significant fluctuations in EOY fund balance is partially due to the district receiving an unequal distribution of \$2,749,564 in ESSER funds over the years FY21-FY24.

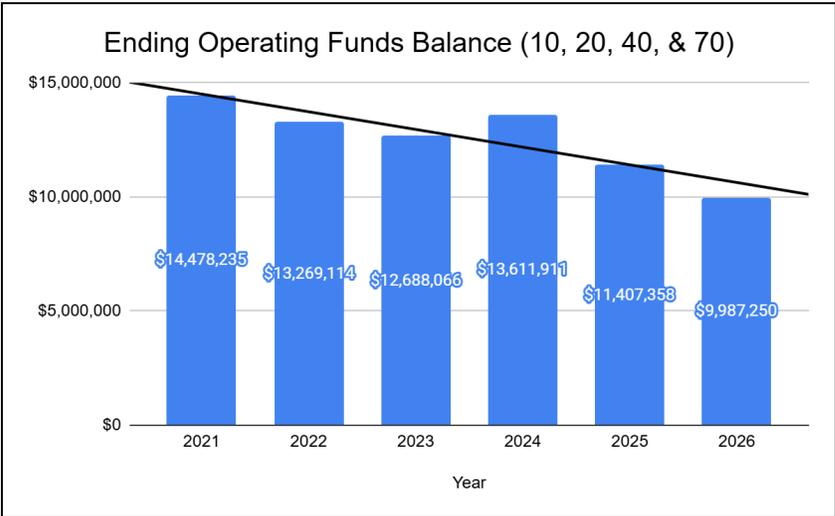
\*\* Estimated

**Fund Balance Erosion**

Repeated deficits have significantly impacted our ending total operating funds balance (Education, O&M, Transportation, and Working Cash), reducing our financial cushion:

- **2021:** \$14,478,235
- **2022:** \$13,269,114
- **2023:** \$12,688,066
- **2024:** \$13,611,911
- **2025:** \$11,407,358
- **2026 Projection:** \$9,987,250

Specifically, the FY26 Education Fund is estimated to end with a deficit of \$1,595,666, highlighting that our core instructional costs are outpacing revenue. This is driven mainly by salary and benefit expenses.



The table below shows our audited fund balances at the beginning of the fiscal year and our estimated ending balances based on our budget.

	Audited Beginning	FY26 BUDGET SUMMARY (Estimated)			Estimated Ending
	July 1, 2025	Revenue	Expenditures	Difference	June 30, 2026
<b>(10) Education</b>	9,586,437	17,240,252	18,835,918	(1,595,666)	7,990,771
<b>(20) Operations &amp; Maintenance</b>	15,471	2,919,806	2,374,591	545,215	560,686
<b>(30) Debt Service</b>	999,052	1,648,675	1,649,118	(443)	998,609
<b>(40) Transportation</b>	678,995	1,235,296	1,736,770	(501,474)	177,521
<b>(50) IMRF/Social Security</b>	562,256	805,014	859,207	(54,193)	508,063
<b>(60) Capital Projects</b>	7,390	1,000	0	1,000	8,390
<b>(70) Working Cash</b>	1,126,455	131,817	0	131,817	1,258,272
<b>(80) Tort</b>	649,067	1,206,467	1,220,350	(13,883)	635,184
<b>(90) Fire Prevention &amp; Safety</b>	224,279	133,290	75,000	58,290	282,569
<b>TOTAL</b>	<b>\$13,849,402</b>	<b>\$25,321,617</b>	<b>\$26,750,954</b>	<b>(\$1,429,337)</b>	<b>\$12,420,065</b>

## Elementary Cost Comparisons

This table shows the average spending per student for FY 25 for elementary schools in the Meridian, Byron, Oregon, Rochelle, Winnebago, Forrestville Valley, Rockton, Kinnikinnick (Roscoe), Prairie Hill (westside of South Beloit/north side of Roscoe), Dixon, and Polo school districts.

School	District	FY 25 Spending per Student
Jean McNair Elem	Winnebago	\$17,630
Oregon Elem	Oregon	\$17,553
<b>Highland Elem</b>	<b>Meridian</b>	<b>\$17,396</b>
Jefferson Elem	Dixon	\$17,027
<b>Monroe Center Grade</b>	<b>Meridian</b>	<b>\$16,949</b>
Washington Elem	Dixon	\$16,401
Madison School	Dixon	\$16,351
Mary Morgan Elem	Byron	\$16,312
Dorothy Simon Elem	Winnebago	\$16,278
Ledgewood School	Kinnikinnick	\$14,584
German Valley Grade	Forrestville Valley	\$14,557
Rockton Elem	Rockton	\$14,121
Tilton Elem	Rochelle	\$14,043
Forreston Grade	Forrestville Valley	\$13,989
Kinnikinnick School	Kinnikinnick	\$13,424
Prairie Hill Elem	Prairie Hill	\$13,374
Stone Creek Elem	Kinnikinnick	\$13,155
Central Elem	Rochelle	\$13,117
Centennial Elem	Polo	\$12,613
Whitman Post Elem	Rockton	\$12,602
Lincoln Elem	Rochelle	\$12,452

These totals are the actual dollars spent, including site-level costs (like school staff) and district-wide centralized costs allocated to each individual school (like transportation and central office staff), divided by the school's enrollment. Only certain expenditures like capital outlay (facilities, property, and major equipment purchases) and debt service (such as payments on bonds/longer-term debt) are excluded from the spending reported.

The average FY 25 spending per pupil for the 21 schools was \$14,949. At Highland Elementary, we spent \$2,447 or 16.4% more per student than the average. We spent \$2,000 or 13.4% more per student than the average at Monroe Center.

Every community is very different, so it's not wholly appropriate to compare districts by this measure, but you can see our two schools are funded at a higher level than most of the local comparables. The main reason our expenditures per student exceed those of many neighboring schools is staffing costs (salaries and benefits).

### **Prior Cost Savings Measures**

It is important to note that this RIF recommendation follows a series of aggressive cost-saving measures implemented over the last 18 months. We have already attempted to close the gap through attrition and operational efficiency, including:

- **Personnel:** Not filling 4 vacated non-special education paraprofessional positions (\$129,597) and 1 food service position (\$13,542); replacing a full-time science position with a part-time role (~\$55,000).
- **Operations:** Cutting 3 transportation routes (\$36,750) and switching to index natural gas pricing.
- **Technology & Curriculum:** Switching hotspot providers, non-renewing unused software (\$8,000), and utilizing open-source curriculum.
- **Facilities:** Utilizing grant funds for facility repairs rather than operating budgets and using substitutes in place of part time or full time employees.

Despite these efforts, the structural deficit remains, necessitating the proposed staffing reductions.

### **Staffing & Enrollment Analysis**

Analysis of district enrollment trends and class size guidelines indicates overstaffing. Total district enrollment has declined from 1,664 students in 2018 to 1,463 in 2026, yet total staffing has increased by 27 employees. This equates to a 12% drop in enrollment with an 11% increase in staffing as shown in the table at the top of the next page.

	<b>STUDENT ENROLLMENT</b>	<b>STAFF MEMBERS</b>	<b>AIDES (Included in Staff Members Totals)</b>
<b>2018</b>	1,664	239	42
<b>2019</b>	1,642	240	38
<b>2020</b>	1,584	245	50
<b>2021</b>	1,476	245	44
<b>2022</b>	1,418	237	44
<b>2023</b>	1,462	255	48
<b>2024</b>	1,466	249	52
<b>2025</b>	1,441	265	61
<b>2026</b>	1,463	266	60
<b>Change Over Time</b>	<b>-201</b>	<b>+27</b>	<b>+18</b>

**Proposed Classroom Teacher Reductions**

- **Kindergarten:** Reduction of 2.0 FTE (From 6 to 4 sections). This is contingent upon summer enrollment.
- **3rd Grade:** Reduction of 1.0 FTE (From 6 to 5 sections).

**Class Size Impact & Justification**

- **3rd Grade:** With 98 students projected, reducing to 5 sections results in an average class size of 19.6. This is consistent with our other elementary class sizes.
- **Kindergarten:** Enrollment is currently TBD. However, the plan allows for flexibility; these reductions will be re-evaluated immediately following registration to ensure class sizes remain desirable. This year’s average kindergarten class size of fewer than 17 is too small and not fiscally prudent. If the average kindergarten class size exceeds 22 students, I will recommend to the Board of Education to add an additional section. For comparison purposes, here are publicly posted class size guidelines for some other Illinois districts: Barrington 220 K-2 (21-23), Harlem 122 K-3 (25), Prairie Hill 144 K-4 (25), and Rockton 140 K-2 (22).

**Proposed Elementary Class Sizes for 2026-2027**

<b>Grade Level</b>	<b>FY 27 Student Count</b>	<b>FY26 Staffing</b>	<b>FY27 Proposed Staffing</b>	<b>Difference</b>	<b>FY26 Avg Class Size</b>	<b>FY 27Avg Class Size</b>
K	TBD	6	4	-2	16.8	TBD
1st	100	5	5	0	20.4	20
2nd	101	5	5	0	19.6	20.2
3rd	98	6	5	-1	18.5	19.6
4th	110	5	5	0	22.6	22
5th	111	5	5	0	20.8	22.2

**Academic Performance Review**

A key factor in the decision to restructure our instructional coaching model is the inconsistency of our academic results. Despite significant investment in coaching and resources at the elementary level, student proficiency data (IAR) reveals stagnation in several key areas when compared to Byron, Forrestville Valley, Oregon, Polo, and Rochelle.

<b>IAR MATH</b>	
3rd Grade	5th in 2025, 4th over last five years
4th Grade	3rd in 2025, 3rd over last five years
5th Grade	5th in 2025, 5th over last five years

<b>IAR ELA</b>	
3rd Grade	5th in 2025, 5th over last five years
4th Grade	5th in 2025, 5th over last five years
5th Grade	5th in 2025, 5th over last five years

This data suggests that our current investment in instructional coaching is not translating into the broad-scale academic growth required to justify its continued expense in a deficit budget.

**Restructuring Instructional Coaching**

The District is investing \$571,890.86 this year in salaries and benefits for the instructional coaching program which includes 5 veteran teachers and a consultant. Four of the coaches are K-5 ELA Instructional Coaches and the other is a K-8 Math Coach. The proposal recommends the reduction of 3 K-5 ELA Instructional Coaches and the consultant.

### Survey Data & Challenges

Recent survey data highlights a disconnect between the coaching program and classroom needs, particularly in the intermediate grades (3-5):

- **Low Engagement:** Only 22.7% of teachers in grades 3-5 participated in a coaching cycle.
- **Low Value Perception:** Grades 3-5 teachers rated the "Overall Value" of coaching at 2.77/5, the lowest in the district.
- **Experience Gap:** Mid-career teachers (6-15 years) reported the lowest participation (21.1%) and lowest value scores (3.0), suggesting the model is failing to support our core teaching force.
- **Teacher Feedback:** Qualitative feedback cited "program overload" and lack of time as primary barriers. Teachers feel overwhelmed by initiatives rather than supported by them.

### Acknowledged Benefits of the Program

While the recommendation is to reduce the scale of the program, we must acknowledge the specific successes achieved by our coaches, including:

- **Special Education Integration:** Coaches successfully facilitated common resource use across grade levels and supported the design of Specially Designed Instruction within CKLA.
- **Curriculum Alignment:** They helped bridge intervention and core curriculum, ensuring a sharper focus on grade-level standards.
- **Collaboration:** Teachers who did engage highly valued the non-judgmental support and collaborative planning opportunities provided.

Restructuring Note: The remaining coaching staff will refocus efforts to maintain these specific benefits while reducing the overall financial footprint. The two remaining coaching positions, one language arts and one math, will be assigned to Highland Elementary and Monroe Center, respectively.

### Financial Impact Summary

The proposed FY27 Staffing Plan will result in the following financial adjustments:

Action	Estimated Savings/Cost
4 retirements, 1 honorable dismissal, elimination of instructional coach consultant, elimination of 3 x 10 extra day stipends (instructional coaches), and two transfers into vacated positions (one results in savings and one results in increased cost)	~\$608,000
New hire for reading specialist position at MC	~\$80,000
Addition of ToSA - AI Specialist position (approved in Feb)	~\$65,000
<b>TOTAL NET SAVINGS</b>	<b>~\$463,000</b>

### **Timeline for Board Action**

To ensure compliance with Illinois School Code and collective bargaining agreements, we are adhering to the following approximate timeline:

- **March 4, 2026:** Board of Education takes official action on the Reduction in Force (RIF).
- **April 3, 2026:** Proposed deadline for voluntary transfer requests (MOU)
- **April 15, 2026:** Deadline for delivery of official RIF notices to affected staff.

### **Summary**

This plan addresses three critical challenges:

1. **Financial Solvency:** Addressing a recurring structural deficit and preserving the District's eroding fund balance.
2. **Staffing Efficiency:** Realigning elementary staffing with declining enrollment trends.
3. **Program Effectiveness:** Restructuring an instructional coaching model that has not yielded consistent academic returns proportional to its cost.

### **Recommendation**

I recommend the Board of Education consider the approval of the proposed Reduction in Force (RIF). This includes the elimination of 2 kindergarten teaching positions, 1 third grade teaching position, and 3 K-5 ELA Instructional Coach positions.

This plan represents a fiscally responsible approach to our budget deficit while demonstrating a compromise based on staff and community feedback. By right-sizing our elementary staffing and restructuring our coaching model, we can ensure the long-term financial health of the District without negatively impacting academic outcomes.