Board of Directors Meeting
School District 4J, Lane County
Hybrid Meeting (virtual and in-person)
200 North Monroe Street
Eugene, Oregon 97402
Wednesday, November 18, 2026

NOTICE: The Budget Committee Training Work Session at 5:00 -6:00 p.m. will be open to the public to attend in person, via live broadcast on KRVM 1280-AM and 98.7 FM, on the internet at https://icecast.4j.lane.edu/board and via **Zoom Webinar at: https://4J-lane-edu.zoom.us/j/95182566139 Webinar ID:** 951 8256 6139
A video of the meeting will be made available after the meeting at https://vimeo.com/4Jschools

5:00 PM
Budget Committee Training Work Session

I. **5:00-6:00 p.m. Budget Committee Traning Work Session:**
II. Call to Order, Roll Call
III. Board Chair Welcome
IV. **Items for Information**
1. School District Budget Process 2
Presenters: Dr. Miriam Mickelson, Superintendent and Bob Blyth, Interim Director of Finance

V. Adjourn

INFORMATION FOR THE DEAF AND HARD OF HEARING:
Closed Captioning is available during Board meetings through a zoom live feed which is also displayed at in-person meetings.

Eugene School District 4J
200 North Monroe Street
Eugene, OR 97402-4295

ITEM FOR INFORMATION

Date of Meeting:
November 18, 2026

Title:
School District Budget Process

Presenters:
Dr. Miriam Mickelson, Superintendent
Bob Blyth, Interim Director of Finance

Description:
Eugene School District 4J's budget process is guided by a clear set of values and priorities that center students, promote equity, and ensure responsible operation of a large public school district. Every decision reflects our collective commitment to coherence, care, transparency, and accountability.

Members of the Budget Committee will join the School Board to review roles and responsibilities of the Budget Committee, best practices for the budget process and discuss the district's vision, goals, spending priorities, and the philosophy guiding development of the budget.

Background:
School district budgets guide how resources are allocated to support students, staff, and schools. Although the majority of school funding comes from the state, local budget committees play an essential role in shaping district priorities and ensuring community involvement in financial decision-making.

Oregon law requires every school district to adopt an annual budget that outlines how funds will be used to maintain quality schools, manage programs and facilities, and comply with state and federal requirements. This process is highly structured and emphasizes transparency and citizen participation. Budgets must cover at least one fiscal year, running from July 1 through June 30. Districts may also choose to develop a two-year budget, which requires certifying property taxes for both years.

The school district budgeting process includes three major phases: preparation and staff proposal, budget committee approval, and formal adoption by the school board. A designated budget officer—usually the superintendent or business manager—begins by preparing the initial draft budget. The budget committee then reviews the proposal and invites public input through hearings and comment opportunities. After finalizing its recommendations, the committee forwards the approved budget to the district board for adoption before the June 30 deadline.

The budget committee serves as the community's official avenue for participation in school

budgeting. The budget committee helps to ensure that the budget reflects the district's values. Once the committee submits the approved budget to the school board, its authority concludes until the next annual budget cycle begins.

Budget Planning for 2027-28

4J is facing a projected shortfall of about $30-$35 million for the upcoming 2027–28 school year. This challenge is largely the result of increasing costs and end of one-time federal funding during the pandemic, coupled with declining enrollment across Lane County — linked primarily to a lower birth rate.

The district recognizes difficult choices lie ahead about programs, staffing and district operations.

Guiding Principles

This year's budget reduction process in preparation for Fiscal Year 2027-2028 will be guided by three principles:

- Prioritize direct student services
- Align staffing with enrollment
- Favor sustainable strategies that lead to fiscal sustainability and resilience and limit reliance on one-time fix

Fiscal stability and resilience allows our educators to carry out our strategic priorities - Focus 4J: every student attends, every student learns, and every student graduates.

Budget Committee Training

November 18, 2026

Focus 4J

Strategic Priorities for 2026-27 and Beyond

Eugene School District 4J

Every Student Attends

Focus: Regular Attendance

Focus on cost-neutral and non-time-intensive but high-leverage/high-impact strategy.

Sample Indicators:

- Attendance Rate
- Chronic Absenteeism

Every Student Learns

Focus: Literacy, Inclusive Practices & Student Well-Being

Focus on cost-neutral and non-time-intensive but high-leverage/high-impact strategy.

Sample Indicators:

- Academic Growth
- Reading Proficiency

Every Student Graduates

Focus: Graduation/Completion Rate

Focus on cost-neutral and non-time-intensive but high-leverage/high-impact strategy.

Sample Indicators:

- 9th Grade On-Track
- Graduation/Completion Rate

Foundational Pillars: Culture and Belonging | Community Engagement | Financial Sustainability

TONIGHT'S AGENDA

ITEM 1

Budget Committee Key Points and Reminders

ITEM 2

Review of FY 2026-2027 Deficit

ITEM 3

Preview of FY 2027-2028 Preliminary Deficit Projection

ITEM 4

Q and A

Key Points and Reminders

Committee Composition

14 Total Members: 7 Board members & 7 members appointed by the Board.

One member **must** be a member of the District's Equity Committee.

Leadership Selection

Selection occurs at the **first official** Budget Committee meeting.

Chair and Vice Chair **shall be selected** from the community appointed members.

Voting Threshold

A **majority of the committee** is required to pass any action item.

Minimum required: 8 votes.

Legal & Policy Authority

Board Policy DBEA: "BUDGET COMMITTEE"

State Law: ORS 294.414 governs Budget Committees in Oregon.

Key Points and Reminders

BUDGET REALITY

Nature of Budgeting

"School budgeting is one part science and one part educated guesses seasoned with unforeseen circumstances... Few key numbers are under leaders' control."

STATE FUNDING

Fund Recalculation

ODE recalculates State School Fund allotments right up to biennium end. Final numbers won't be certain until end of FY 2027, despite the June 30 budget deadline.

GOVERNANCE

Board Policy DI

Board Policy DI "Financial Management Policies" gives the Board and staff further guidance regarding the budget process and management.

Key Points and Reminders

STEP 01

DISTRICT STAFF

RESPONSIBILITY

Propose Budget

STEP 02

BUDGET COMMITTEE

RESPONSIBILITY

Approve Budget

STEP 03

SCHOOL BOARD

RESPONSIBILITY

Adopt Budget

Role of Budget Committee

PUBLIC MEETINGS

Receive & Discuss

Holds meetings to receive the budget message and document, providing public opportunity to ask questions and comment.

TRANSPARENCY

Open Access

All meetings of the budget committee are fully open to the public.

APPROVAL ROLE

Approve Appropriations

Approves expenditure appropriations before the start of each new fiscal year as presented by the Budget Officer.

AUTHORITY LIMITS

Appropriation Adjustments

The committee may choose to change appropriation levels; however, it does not have authority to make programmatic changes.

FINAL ADOPTION

School Board Submission

Once approved by the budget committee, the budget is forwarded to the School Board for final adoption following a public hearing.

BUDGET PROCESS TIMELINE

Key Dates Leading to Proposed 27-28 Budget

OCTOBER 21

Board Resolution and Priorities

DECEMBER • PHASE 1

Leadership Positions | District Department Reorganization | Materials & Services | Permissible Grant Reallocation

FEBRUARY • PHASE 2

Class Size Average Adjustments and Enrollment Decline Related Reductions - Building Based Licensed and Classified Staff

SPRING • PHASE 3

Long Term Strategies for Fiscal Sustainability and Resilience

FINANCIAL OVERVIEW

2026-27 Budget Deficit Review

TOTAL REVENUES

$258,600,000

TOTAL EXPENDITURES

$274,990,000

SURPLUS / DEFICIT

$-16,390,000

STAFFING ADJUSTMENT

262.7 FTE Reductions

$27M

Cost savings achieved through workforce and operational position reductions.

ONE-TIME RESOURCES

One-Time Funds: $10,000,000

- Facilities reserve
- $2,900,000 building sales revenue
- $3,490,000 draw down of ending fund balance

FTE Reductions Summary (25-26)

Category	25-26 FTE	Up-to FTE Reduction	Actual FTE Reduction	FTE Reduction
Licensed	1,151	150	147.77	**13%**
Classified	960	87	83.14	**9%**
Non-bargaining	177	32	31.85	**18%**
Sub-total	**2,288**	**269**	**262.76**	**11%**
Executive	6	-	3	**50%**

HISTORICAL CONTEXT

Budget Reductions 25-26 (Non-Exhaustive)

Position Reductions

- Assistant principals & leadership consolidation (MAPS)
- Various district level supports/non-student-facing positions/directors/coordinators (MAPS, classified)
- Nutrition Services staff (MAPS, classified)
- General education EAs (classified)*
- Affinity Program coordinators (classified)
- Behavior Support Specialists (classified)
- Instructional TOSAs (licensed)
- Instructional coaches (licensed)
- Counselors, specialists, librarians (licensed)*
- SPED Support Specialists
- Mental Health Therapists
- Community of Care Positions
- Mentors

Program Consolidations

- He Lin and Kennedy
- Family School and Camas

De-Implemented / Reduced

- CALCI
- Middle School EOA
- Reduced FTE HS EOA
- AVID Elementary and Middle School

FY 2028 BUDGET FORECAST

Path to Fiscal Sustainability in Support of Student Learning

Eugene School District 4J

BUDGET GAP – WHY?

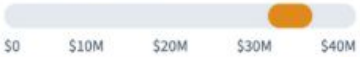
- **One-time ESSER funds that paid for positions are gone**
- **Declining enrollment**
  ~600 fewer students this year than last October
- **State funding not keeping up with rising costs and complex student needs**

Last year we reduced 265 FTE, but we still have a $16M deficit carried over from last year.

THE FORECAST

Projected FY 2028 deficit

$30M–$35M



PRELIMINARY SUBJECT TO CHANGE

The deficit is based on several assumptions.

NOT YET KNOWN

- State School Fund for next biennium (known when the session ends in June)
- Exact increase related to upcoming bargaining
- PERS costs
- Federal budget reductions

THE PATH FORWARD

Engagement is built into the reduction planning process. Staff, students and community will have a chance to weigh in.

OCT. 21
Board vote
Reduction in Force resolution

DECEMBER
Phase 1
Bell schedule, leadership positions, district department reductions

FEBRUARY
Phase 2
Building-level licensed and classified, class size adjustments

SPRING
Phase 3
Long-term financial sustainability strategies

MAY–JUNE
Approval
Budget Committee and Board approve the budget. Plans may be adjusted once state funding is confirmed.

GUIDING PRINCIPLES

Prioritize direct student services
Minimize impact on direct, student-facing services.

Align staffing with enrollment
Align overall staffing with declining student enrollment.

Limit one-time fixes
Favor sustainable strategies that lead to long-term stability.

Figures are preliminary, based on several assumptions, and subject to change. State school funding will be known when the legislative session ends in June.

2027-28 Budget Deficit (Preliminary Projection)

Total Revenues - $257MM-$266MM

Total Expenditures - $278MM-$296MM

Surplus/Deficit - $30-$35M

Budget Gap - Why

Declining Enrollment and Increased Staffing

Eugene School District 4J

2020–2025 STAFFING INCREASE

24% Total Staffing Increase

35% MAPS • 31% Classified • 17% Licensed

2020–2025 STUDENT ENROLLMENT

8% Enrollment Decrease

1,331 enrollment decrease (16,080 to 14,749) (13715 Next Year Projection)



	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Unrep	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20
MAPS	90	89	83	88	80	77	78	80	83	82	79	80	76	79	81	116	118	123	120	125	130	133	136	165	170	176	152
Licensed	963	975	944	889	986	907	901	837	853	873	842	820	750	757	710	806	814	853	876	923	942	964	986	1069	1111	1104	1090
Classified	730	721	717	736	730	640	650	658	678	683	661	657	603	602	624	649	657	691	702	726	753	630	507	762	871	986	893
Total	1,783	1,785	1,744	1,713	1,796	1,624	1,629	1,575	1,614	1,638	1,582	1,557	1,429	1,438	1,415	1,571	1,589	1,667	1,698	1,774	1,825	1,727	1,629	1,996	2,152	2,266	2,155

Budget Gap - Why

Declining Enrollment

Structural Deficit 27-28(Subject to Change)

$30M - $35M

Preliminary, based on several assumptions

Student Demographics

Enrollment Decline

Continued downward trajectory across district grade levels.

Enrollment Projection Breakdown

Grade	27-28 Projection	26-27 Enrollment	DIFF.	
K	866	849	17	(219)
1	866	941	(75)	
2	946	954	(8)	
3	958	949	9	
4	944	1,042	(98)	
5	1,027	1,091	(64)	
6	1,101	1,127	(26)	(30)
7	1,116	1,232	(116)	
8	1,203	1,091	112	
9	1,165	1,201	(36)	(161)
10	1,159	1,213	(54)	
11	1,171	1,180	(9)	
12 and beyond	1,193	1,255	(62)	
	13,715	14,125	(410)	

PERS Budget Impact & Rate Breakdown

GENERAL FUND PERS ALLOCATION

$45.7M

FY 26-27 General Fund Budget

Budget Impact:

- Represents **~37.1%** of State School Fund dollars
- Represents **17.7%** of total operating revenues in the General Fund

RATE COMPONENTS & COST DRIVERS

Composite Rate Structure

Regular PERS Composite Rate: 24%

Employee Pick-Up: 6%

Debt Service Need: 4.1%

4J is currently budgeting $53.1MM all funds for PERS.

Unfunded Mandates: Structural Pressure on 4J's Budget

What's Happening

Federal, state, and local mandates continue to expand. These requirements are **not optional.**

They require:

- Staff time
- Systems
- Training
- Compliance oversight

The Pattern

- Funding is **partial or inconsistent**
- Costs are **real and recurring**
- Gaps are **absorbed locally**

What This Means

General Fund used to **backfill required work**

Reduced flexibility for:

- Staffing
- Programs
- Innovation

Ongoing structural pressure on the budget

Mandates are required. Funding is not. Districts must backfill with limited general funds.

Unfunded Mandates: Structural Pressure on 4J's Budget

Division 22: Scope of Required Work

INSTRUCTION & PROGRAMS
15–20 rules

- Instructional time
- Required subjects
- Curriculum alignment

ASSESSMENT & ACCOUNTABILITY
8–10 rules

- State assessments
- Local assessments
- Data reporting

SPECIAL EDUCATION
10–12 rules

- SPED services
- IEP requirements
- Student access/supports

HEALTH & SAFETY
10–15 rules

- Safety plans
- Screenings
- Required training

EQUITY & ACCESS
5–8 rules

- Access to instruction
- ML/underserved support
- Program access

STAFFING & PROFESSIONAL
8–10 rules

- Licensed staff
- Professional development
- Instructional standards

~70 Rules
100+ Compliance Requirements

REPORTING & AUDITS
8–10 rules | ODE & Compliance

Compliance required
Not all funded

Budget Plannng ($30M-$35M)

Eugene School District 4J

Phase 1 (December)

Systems Restructuring

- High School Bell Schedule Change
- Leadership Position Reductions
- District Department Reductions (Staffing/Materials & Services)
- Grant funds reallocation according to state guidelines

Phase 2 (February)

Enrollment Adjustments (Licensed/Classified Building Based)

Class size adjustments

Align staffing with declining enrollment

Phase 3 (Spring)

Fiscal Sustainability and Resilience

Long-term strategies for fiscal sustainability

•Explore and discuss school closure/consolidation and other strategies

Eugene School District 4J

Questions?