



FOREST GROVE SCHOOL DISTRICT BUDGET COMMITTEE
1728 Main Street; Forest Grove, OR 97116

May 15, 2025

CALL TO ORDER

Chair Ingram called the meeting to order at 6:01 p.m. and welcomed everyone; she then led the pledge of allegiance. The following were in attendance:

Budget Committee

Kristy Kottkey
Kate Grandusky
Brad Bafaro
Mark Everett
Valyrie Ingram
Nicholas Hafez
Melinda Fischer
Peter Bower
Peter Truax
David Andersen
Jordan Miller
Paola Garcia Andrade, Student Rep. - absent

Staff

Suzanne West, Superintendent
John O'Neill, Assistant Superintendent - absent
Ilean Clute, Director of Finance
Kim Shearer, Director of Student Service
Arturo Lomeli, Director of Curriculum and Instruction
Enrique Pinon, Technology Manager - absent
David Warner, Director of Communications
Cynthia Schuh, Accounting Supervisor
Bethany Magnuson, Executive Assistant

Approval of the Agenda

Committee member Andersen moved to approve the agenda as presented, Committee member Kottkey seconded and the agenda was approved.

Approval of April 22, 2025 Meeting Minutes

Committee member Truax moved to approve the May 8, 2025 Budget Committee Meeting Minutes as presented, Committee member Kottkey seconded and the minutes were approved.

Response to Budget Committee Questions/ Comments:

Superintendent West provided an overview of the State of Oregon's June Economic Forecast:

- \$11.4 billion in projected state funding is likely to hold.
- Governor recently signed PERS relief legislation, now built into the budget. If not signed, it would have required adjustments.
- The forecast supports the district's conservative budgeting approach.
- Demographic shift highlighted: There are now more Oregonians aged 65+ than children, signaling continued enrollment decline. A potential enrollment increase is anticipated in approximately a decade.
- Hafez asked if high-cost disability caps and special education funding levels are typical.
 - West responded: Additional legislative-level funding expansions are highly unlikely.

IA (Instructional Assistant) Staffing and Reductions

- Discussion around IA reductions and classified staffing trends:
 - Over 10 years, enrollment decreased by 6.6%, while classified FTE increased by 56%.
 - Graphs showing classified IA FTE by building, excluding SPED and migrant.

- Goal: Ensure equitable staffing across schools.
Ingram asked for clarification on FTE vs. number of employees.
West explained that FTE is not the individual employee count. Example: one FTE could represent multiple part-time staff.
- Everett asked about general fund impact.
West clarified reductions are in the general fund, not SIA.
- Andersen: Concerned about whether this results in actual layoffs.
- West responded: No formal RIFs planned. Reduction via:
 - Not renewing temporary positions,
 - Vacancy savings,
 - Natural attrition over summer,
 - Strategic reallocation of staff.
- Andersen asked how the \$1.8M reduction target was established.
- West: Started with long-term financial forecast. Based on declining enrollment, aligned with the strategic plan to ensure sustainability through the biennium.

Curriculum & Instruction Budget Adjustments

- Reductions will be made through:
 - Phased implementation of instructional materials.
 - Cuts to innovation funds, equity initiatives, teacher professional development, and summer school.
 - Title II FTE costs shifted into the general fund.
 - West emphasized that while adoption of materials may be delayed, high-quality instruction and best practices remain a priority. Shared comparative district example highlighting a less measured approach to budget cuts.
 - Truax appreciated the foresight in spreading reductions more evenly.

Broader Budget Considerations & Concerns

- Andersen raised concerns about cost of living increases.
- Clute addressed utilities and rising operational costs.
Andersen asked how to change trajectory amid declining enrollment.
Response: Conservative budgeting and annual savings intended to “smooth the line.”
- Bafaro commented on historical trends:
 - Budget reductions typically span 5-year windows following revenue drops.
 - Praised efforts to “flatten out” funding volatility.
- Andersen remained cautious, asking if more aggressive action is needed.
- West reiterated that small, steady changes are intended to prevent sudden system shocks.
- Ingram expressed concern about a potential State School Fund shortfall.
- West: Optimistic with continued advocacy that the district will receive the \$11.3 million allocation.
- Kottkey added broader reflections on state and community responsibility:
 - Cited transportation funding and community commitment as emerging concerns.
 - Emphasized the need for broader conversations beyond the budget committee.

Budget Framework & Contingency Planning

- Clute: This budget proposal represents maximum spending limits.
 - Internal adjustments may be needed if actual funding is less than projected.
 - Andersen: Asked whether reducing COLA by 1% would make a significant difference.
 - Note that bargaining constraints prevent the budget committee from influencing labor negotiations.
 - Truax shared broader economic concerns, specifically referencing Washington County growth and Intel’s outlook.

Public Comment:

None

Budget Committee Discussion/ Deliberation:

- Andersen raised concerns about the cost of living and broader economic trends:
 - How do we change the trajectory if enrollment continues to decline?
 - Do you think we're smoothing it out enough?
 - This one is making me nervous given my experience in the city. Wondering — are we diving back fast enough?
 - How much of a difference would it make if we reduced the cost of living adjustment by even 1%?
- *Response Highlights:*
 - It was noted that many assumptions are built into the model (State School Fund, negotiations).
 - Budgeting remains conservative to smooth financial shifts over time.
 - The Budget Committee cannot offer direct suggestions on bargaining matters.
 - Incremental adjustments are preferred to avoid system shocks.
- Clute focused on utility costs and emphasized that the proposed budget reflects maximum allowable spending and commented that we will have to make internal adjustments and decisions if the funding is lower.
- Bafaro provided historical context:
 - Based on district history, we'll likely see reductions over the next five years. This follows past patterns related to the economy and State School Fund behavior. I believe we've done enough to get us to next year before we reassess.
- West highlighted the importance of gradual adjustments: making small changes over time helps the system avoid shock.
 - *Response to State funding concern:* With advocacy, we will likely see the \$11.3 million allocation.
- Ingram expressed worry we aren't going to get as much from the State School Fund.
- Kottkey urged for a broader community and state-level conversation: there's reason to be nervous. Many areas may face reductions—transportation, and other commitments. Where is our community, and what is our state willing to invest?
- Truax discussed economic shifts in Washington County: applauded the work of West and Clute for proactive budgeting.
 - Asked what is the nutrition budget? Estimated at \$4 million.
- Grandusky inquired about grant funding: what percentage of our budget comes from grants?
 - West stated the majority of funding comes from the State.
 - Free lunch for kids — partially state-funded and grant-supported. Have there been any reductions?
 - Not at this time. This underscores the importance of maintaining healthy reserves.
- Miller sought clarification on staffing allocations: Support services — adding 7 FTE and reducing by 17 FTE — it's not adding up. Where are we off?
 - Instruction includes 8 FTE, partly classified.
 - Support services include additions such as:
 - 1 Maintenance, 1 Math TOSA, SLP investment, Reserve FTE (3.0), 1 HR Benefits Specialist
- Andersen asked will we need to go into deficit spending?
- West stated we will still need to do incremental savings throughout the year.
- West Closing Remark: We need to be careful and cautious. We're not in a crisis. As long as we are steady and thoughtful with incremental changes, we will be okay.

Budget Approval:



Budget Committee member Truax motioned to approve the 2025-2026 budget as presented, Committee member Kottkey seconded and the motion passed with a vote of 9-1.

Roll Call Vote:

Bafaro: Yes, Everett: Yes, Kottkey: Yes, Bower: Yes, Truax: Yes, Andersen: Yes, Miller: No, Fischer: Yes, Grandusky: Yes, Ingram: Yes

Budget Committee Chair Ingram moved to have the permanent tax rate on ad valorem taxes of \$4.9142 per thousand, be applied to the total property value determined by the Washington County Tax Assessor, Committee member Bafaro seconded and the motion passed with a vote of 10-0.

Roll Call Vote:

Bafaro: Yes, Everett: Yes, Kottkey: Yes, Bower: Yes, Truax: Yes, Andersen: Yes, Miller: Yes, Fischer: Yes, Grandusky: Yes, Ingram: Yes

Budget Committee member Truax motioned to levy the ad valorem taxes for debt services at \$13,587,300, Budget Committee Chair Ingram seconded and the motion passed with a vote of 10-0. Alternate Committee Member Hafez

Roll Call Vote:

Bafaro: Yes, Everett: Yes, Kottkey: Yes, Bower: Yes, Truax: Yes, Andersen: Yes, Miller: No, Fischer: Yes, Grandusky: Yes, Ingram: Yes

- Closing Remarks:

- Superintendent West expressed appreciation for the committee's work, stating that the incorporation of survey data reflects what is needed moving forward. She reminded members that financial reports are regularly presented to the school board and noted that the quarterly report will also be shared with the Budget Committee.
- Committee Member Hafez inquired about next steps if the financial situation worsens in the coming month. Dr. West responded that rather than returning to the committee, the district will focus on internal adjustments to reduce expenditures within the approved budget maximum.
- Committee Member Truax emphasized trust in district leadership and reiterated that the budget serves as a forward-looking plan. He praised Dr. West's focus on prioritizing student welfare as a guiding principle.
- Committee Member Bower expressed interest in reviewing financial numbers earlier in the process for the upcoming year.
- Budget Committee Chair Ingram requested that the Budget Committee be informed when financial updates are presented to the school board.

ADJOURNMENT

There being no further business the meeting adjourned at 6:55 p.m.

The May 22, 2025 Budget Meeting has been canceled.