



**ST. JOSEPH**  
SCHOOL DISTRICT

# **Budget Reduction Plan Proposal**

School Year 2025-2026

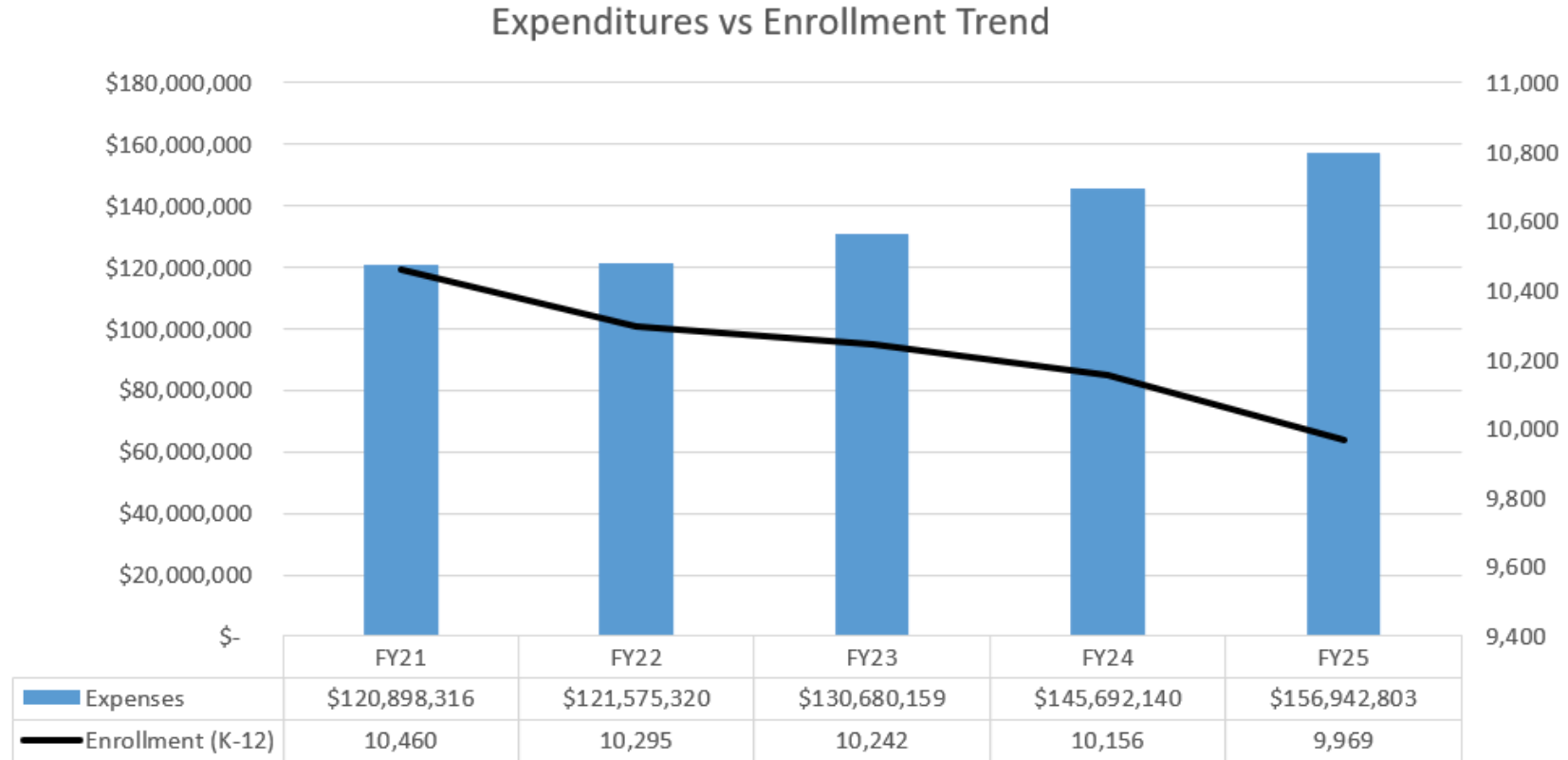
# Our Financial Reality

Like many school districts across the country, we are dealing with budget deficits caused by reduced federal funding, declining enrollment, and increased costs related to student needs. During FY24 and FY25, the district had an operating budget deficit over \$10M each year after the fund 1 to fund 4 transfer was completed. The final operating reserve ratio for FY25 was 10.02%, which is below BOE policy DIAA of 20%.

To put us on a path to fiscal stability, we need to reduce spending by approximately \$4M in FY27 and \$3M in FY28. This amount is in addition to the \$2.748M that is part of the budget reduction plan for FY26.



# Operating Expenditures (Fund 1, 2, 5 & 6) vs Enrollment



- Fund 1 - Incidental Fund
- Fund 2 - Teachers Fund
- Fund 5 - Nutrition Services Fund
- Fund 6 - Activity Fund

The Combination of these funds are typically considered Operational Expenditures

Expenditure Data Source - ASBR (DESE)  
 Enrollment Data Source - Core Data (DESE)

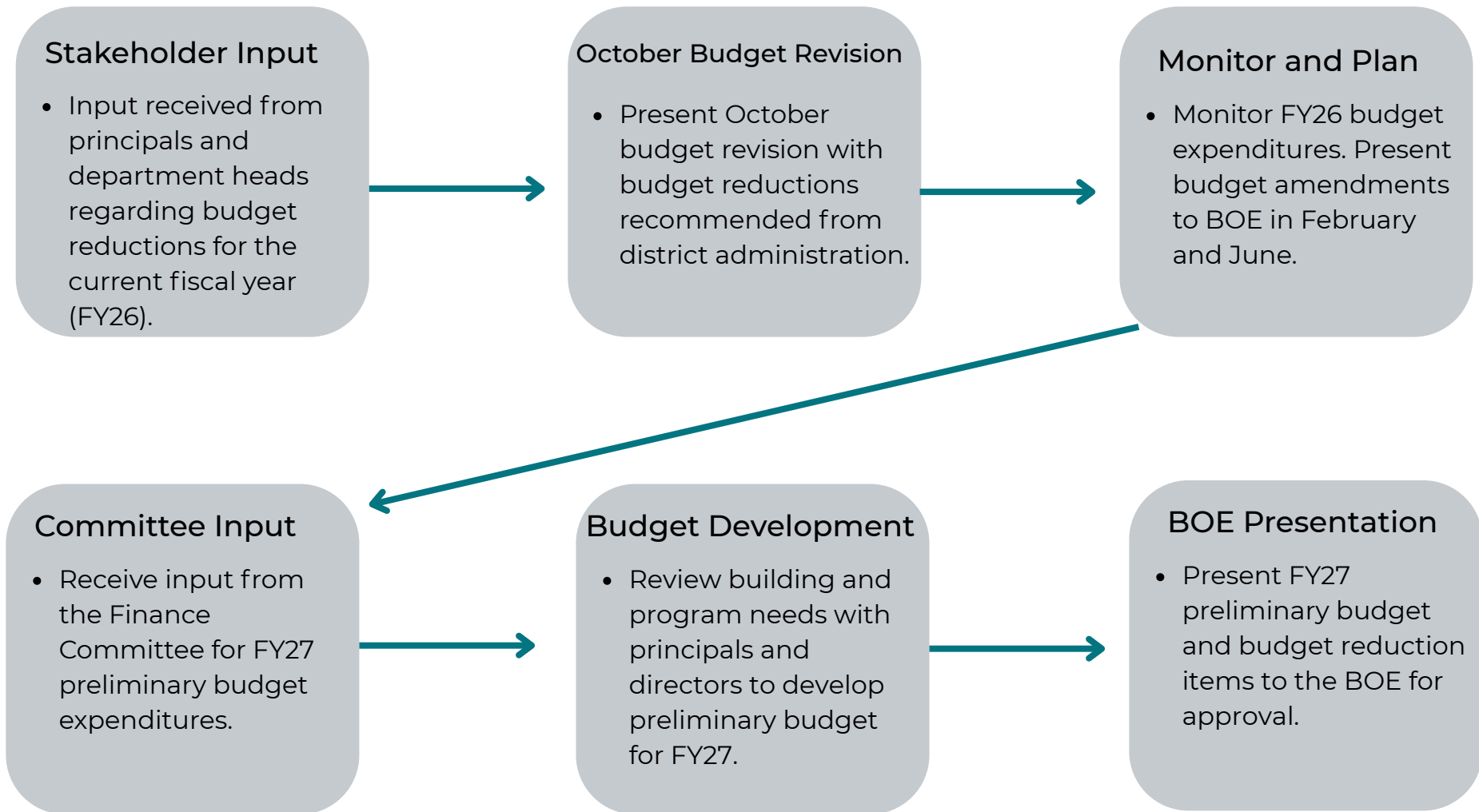


# How We Got Here.

Items Impacting the Budget	
<b>Local</b>	<ul style="list-style-type: none"><li>• Senate Bill 190 (Senior Citizen Property Tax cap)</li><li>• Budget and Spending Management</li><li>• Inaccurate Budget Assumptions (Salaries and Benefits)</li><li>• Capital Improvement Expenditures (Fund 4)</li></ul>
<b>State</b>	<ul style="list-style-type: none"><li>• Declining enrollment trend (Foundation Formula)</li><li>• Low attendance percentage (Foundation Formula)</li></ul>
<b>Federal</b>	<ul style="list-style-type: none"><li>• End of ESSER Funds while continuing ESSER Investments</li><li>• Delayed Federal Funding Requests</li><li>• Reduced Title Funding</li></ul>



# Budget Planning Timeline



## Key Considerations

- Evaluate budget reductions that have the least impact on students in the classroom.
- Preserve student engagement and learning.
- Focus on narrowing budget projections for greater accuracy.
- Look for efficiencies starting with District Office.
- Evaluate all third-party contracts and services to ensure value related to contract costs.
- Improve transparency & communication.
- Technology and deferred maintenance.



## What is NOT included in the FY26 budget reduction plan

- Increase in any type of fees that are charged to students or parents (ex. lunch prices, athletic ticket prices, etc.)
- Reduction in Force (RIF)
  - Savings related to staffing were realized by filling vacant positions internally.
- Building consolidation
- Student Safety initiatives
- Instruction and Curriculum core materials



## 2025-2026 RECOMMENDED BUDGET REDUCTION PLAN

District-wide: Central Office	Projected Savings
Technology Supplies	\$1,511,000
Technology Purchase Services	\$325,000
BOE Purchase Services	\$20,760
Human Resources Purchase Services	\$104,000
Operations Supplies\Capital Improvement	\$413,989
Operations Purchase Services	\$640,000
ELD\ELC Supplies\Purchase Services	\$12,300
School Improvement Supplies\Purchase Services	\$76,121
Special Programs Supplies	\$12,000
Special Programs Purchase Services	\$30,000
Special Programs Staffing	\$29,876
Student Services Purchase Services\Capital Impr.	\$45,141
Superintendent's Office Supplies\Purchase Serv.	\$18,280
Communications Supplies\Purchase Services	\$5,650
Business Office Supplies	\$10,000
Business Office Purchase Services	\$48,000
CCR & Family Services Supplies	\$3,000
CCR & Family Services Purchase Services	\$3,111
Health Services Supplies	\$5,000
Nutrition Services Supplies	\$21,500
<b>Total Central Office</b>	<b>\$3,334,728</b>
<b>% of Reduction</b>	<b>87.8%</b>

Secondary Schools	Projected Savings
Supplies	\$96,005
Purchase Services	\$25,719
Classified Staff	\$5,000
Certified Staff	\$271,600
<b>Total High Schools</b>	<b>\$398,324</b>
<b>% of Reduction</b>	<b>10.5%</b>

Elementary Schools	Projected Savings
Supplies	\$48,231
Purchase Services	\$11,131
Classified Staff	\$0
Certified Staff	\$5,000
<b>Total Elementary Schools</b>	<b>\$64,362</b>
<b>% of Reduction</b>	<b>1.7%</b>

<b>Total Initial Savings</b>	<b>\$3,797,414</b>
<b>Budget Overage</b>	<b>(\$1,049,440)</b>
<b>Total Projected Savings</b>	<b>\$2,747,974</b>