

# ASHLAND PUBLIC SCHOOLS

JACKSON COUNTY SCHOOL DISTRICT #5

**Dr. Joseph Hattrick**  
*Superintendent*



*Inspire Learning for Life*

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## **2026-27 BUDGET MESSAGE**

Presented by Dr. Joseph Hattrick

In Ashland School District, we believe that every student deserves the opportunity to thrive—academically, emotionally, and socially; it’s what our mission of “*empower students to be lifelong learners, responsible citizens and stewards of the world*” is built on. As we look to the 2026-27 school year, we are guided by a clear and powerful purpose: to continue the tradition of providing inclusive, equitable, and engaging learning environments where all students can succeed and feel a sense of belonging.

The budget message is designed to summarize and highlight points of special interest related to the budget for the 2026-2027 school year. Prior to adoption, the budget committee may recommend changes and/or assign information gathering to the superintendent and the business manager in order to make informed decisions.

## **A District in Transition and Recovery**

The 2026–27 budget reflects both the realities and the opportunities currently facing Ashland School District. Over the past two years, our district has undergone a significant financial stabilization effort in response to a structural budget deficit created by declining enrollment, rising operational costs, and the expiration of one-time federal pandemic relief funds (ESSER). While those funds temporarily expanded staffing and services during and after COVID-19, proportional reductions were not made when the funding ended.

Since July 2024, the district has engaged in a multi-phase financial restructuring and transformation process designed to:

- Eliminate ongoing overspending;
- Restore positive fund balances and improve cash flow stability;
- Right-size staffing and operations to align with enrollment realities;
- Preserve high-quality educational opportunities for students; and
- Rebuild trust through transparency, accountability, and long-term planning.

This work has not been easy. It has required difficult decisions, including staffing reductions, operational restructuring, and increased scrutiny of every expenditure. However, these actions have already begun to improve the district’s financial position.

The district projects a beginning fund balance of approximately \$3.5 million for 2026–27 compared to a negative beginning fund balance of more than \$2 million just two years ago. This improvement reflects a combination of expenditure reductions, improved oversight systems, and community support.

While challenges remain, the district is moving from crisis stabilization toward long-term sustainability.

## **Transformation and Long-Term Sustainability**

The district is simultaneously engaged in the Ashland School District Transformation Process, a multi-year effort focused on ensuring long-term sustainability, operational efficiency, and continued educational excellence.

This process recognizes several important realities:

- Enrollment has declined significantly over the past several years, and projections indicate this trend to continue;
- Operational costs continue to rise faster than revenue growth;
- Some facilities and staffing structures no longer align with current student populations; and
- The district must continue adapting to remain financially sustainable while preserving educational quality.

Throughout 2026–27, the district will continue engaging staff, families, students, and community members through surveys, town halls, listening sessions, and the Transformation Steering Committee process. This work is not about reducing opportunities for students; it is about ensuring Ashland School District can continue providing outstanding opportunities for generations to come.

## **Student-Centered Priorities**

Even during financial restructuring, our commitment to students remains unwavering.

Ashland School District continues to believe every student deserves an inclusive, engaging, and equitable educational experience where they feel connected, challenged, and supported.

### **Academic Achievement and Literacy**

The district continues implementation of a new English Language Arts curriculum and ongoing professional learning aligned with the Science of Reading and Oregon Department of Education curriculum review requirements. Improving literacy outcomes, particularly third-grade reading proficiency, remains a key district priority.

The district will also continue implementing new mathematics instructional practices and professional development designed to strengthen conceptual understanding and improve achievement for all students. This year will mark the final year of implementing our corrective action plan with ODE curriculum adoption through the postponement of ELA, PE, World Languages, and the Arts to be reviewed in 2027-28 and Social Sciences to be reviewed and adopted during the 2026-27 school year.

## **Student Belonging, Wellness, and Mental Health**

Ashland School District recognizes that academic success is deeply connected to student wellness, attendance, and relationships. The district will continue investing in:

- Mental and behavioral health supports;
- Student advocacy systems;
- Attendance improvement strategies;
- Multiple Tiered Systems of Support (MTSS);
- Counseling and intervention services; and
- Safe and inclusive school environments.

These systems are essential to ensuring every student feels seen, valued, and supported.

## **College, Career, and Future Readiness**

Students deserve access to pathways that prepare them for a rapidly changing future. The district will continue supporting:

- Career and Technical Education (CTE);
- Dual-credit opportunities;
- Online and alternative learning pathways;
- College readiness programming; and
- Expanded career-connected learning opportunities through Measure 98 and community partnerships.

## **Investing in Staff**

Behind every successful student is a dedicated and highly skilled educator. The district remains committed to supporting staff through targeted professional development, improved operational systems, and strategic investments in instructional support. While staffing reductions have been necessary during the restructuring process, Ashland School District continues working to preserve strong student learning experiences and maintain a highly qualified workforce. These reductions show up in our budget as a decrease of approximately 8% of budgetary usage (from 85% of the budget in 2024-25 to ~78% of the budget on personnel).

## Revenue Assumptions

The primary revenue source is the State School Fund, which is distributed by the Oregon Department of Education. We are entering the second year of the biennium and Ashland School District is building its 2026-2027 budget based on the following assumptions:

- Revenue is distributed by the state to school districts based upon an average ADMw (Average Daily Membership weighted). ADMw is calculated based on actual enrollment and additional weights based on student characteristics. Currently the 2026-27 ADMw is projected to be 2,724.61. Revenue assumptions are based upon calculations using ADMw and Oregon looks at the past two years to determine revenue (referred to as Extended ADMw, which helps stabilize funding during enrollment declines), therefore, we will be funded on the 2025-26 ADMw of 2,783.
- We are building our budget on an estimated \$11.359 billion for K-12 funding. The biennium provides a 49/51 split for funding over the biennium and we have developed this budget with that in mind. The split leaves \$5,793,294,000 for the 2026-27 state school fund. The total proposed budget for 2026-27 is \$75,224,987.
- The 2026-27 projected beginning fund balance is \$3,500,000 compared to the 24-25 and 25-26 actual BFB respectively in the amounts of -\$2,004,188 and \$1,235,405.
- Conservative assumptions estimate all Federal grants (Title I, II, IV, IDEA,) to remain relatively flat funded.
- All State grants are budgeted conservatively to also be flat funded.
- The Ashland community has continued to demonstrate their deep commitment to education through the Youth Activities and Academics Levy which will be in the amount of approximately \$5M.

## Budget Resources Summary

The district's proposed budget reflects both stabilization and restructuring efforts across all funds.

Key highlights include:

- General Fund resources are projected at approximately \$43.2 million;
- Special Revenue Funds are projected at approximately \$8.1 million;
- Debt Service Funds are projected at approximately \$8.9 million;
- Insurance Funds are projected at approximately \$7.1 million;
- Capital project spending has significantly decreased following completion of prior capital work;
- Overall district resources decreased from approximately \$90.7 million in the adopted 2025-26 budget to approximately \$75.2 million in the proposed 2026-27 budget.

This decrease largely reflects the reduction of one-time expenditures, capital projects, and restructuring of district operations to align with ongoing revenue realities.

## **Staffing and Operational Alignment**

The proposed budget continues the district's effort to align staffing with enrollment and operational realities.

The district's total FTE is projected at approximately 319.24 positions compared to 314.76 in the prior adopted budget. While staffing remains significantly reduced from historical levels, adjustments have been made to maintain core instruction while enhancing operational supports.

Key staffing highlights include:

- Certified staffing projected at approximately 154.66 FTE;
- Classified staffing projected at approximately 142.58 FTE;
- Administrative staffing remaining stable at 13 FTE;
- Continued efforts to prioritize classroom instruction and student supports;
- Operational restructuring to improve efficiency and sustainability.

### **Expenditure Assumptions**

Program costs for instruction, support, and administrative functions primarily consist of personnel related expenses. We are currently in the midst of our transformation process with the goal of stabilizing our district operations for long-term sustainability. In alignment with Board policy, this budget represents another important step toward restoring the district's minimum 8% General Fund reserve target. The General Fund budget for 2025–26 reflected a projected ending fund balance (EFB) of 3%, while the actual EFB reached 7%. For 2026–27, the General Fund budget projects an EFB of 5.5%.

That said, there are still some major issues that impact our current budget which include:

- Continued declining enrollment
- Maintain Staffing levels for the 2026-27 school year in anticipation of potential operational modifications as recommended by the Transformation Steering Committee.
- Substitute teacher costs remain high (As a result of Oregon Paid Leave).
- Alignment with Oregon Department of Education's Curriculum review cycle through a multi-year corrective action plan which will put the district in compliance following this fiscal year.
- Increased professional development for staff through general fund allocation and grants.
- Liability Insurance increased 9%.
- Have stabilized special revenue funds requiring decreased amount in transfers.

## **Community Partnership and Gratitude**

Ashland School District continues to benefit from extraordinary community support.

The continued passage and support of the Youth Activities and Academics Levy (YAAL), the generosity of the Ashland Schools Foundation, local partnerships, volunteers, and community donations all play an essential role in sustaining programs and opportunities for students.

This community support has allowed the district to preserve many important academic, arts, athletic, counseling, and enrichment opportunities during a period of financial recovery.

## **Looking Ahead**

The 2026–27 budget represents another important step forward in Ashland School District’s recovery and long-term transformation journey.

Ashland School District is no longer simply responding to crisis. We are building the systems, structures, and long-term plans necessary to create stability, restore confidence, and ensure sustainability for the future.

While important work remains ahead, the district now has:

- Improved financial oversight systems;
- Clearer operational structures;
- More accurate budgeting practices;
- Increased transparency;
- Stronger alignment between staffing and enrollment; and
- A clear focus on long-term sustainability.

Most importantly, we continue to be strengthened by extraordinary students, dedicated staff, supportive families, and a deeply engaged community.

As we move forward together, we remain committed to thoughtful planning, educational excellence, and responsible stewardship of public resources. We will continue working to strengthen district stability while preserving and expanding meaningful opportunities for students. Our programs will continue to reflect our values of equity, excellence, and choice, ensuring every student has access to opportunities that support their individual goals, interests, and aspirations.

The progress made over the past two years demonstrates what is possible when a community comes together with shared purpose, resilience, and determination. Although challenges remain, Ashland School District enters the 2026–27 school year with greater clarity, stability, and confidence in the future ahead.

Together, we are building a district that is stronger, more responsive, and better positioned to serve current and future generations of Ashland students.