NTF worksheet: ops120.1.doc. 9-25.

NEBRASKA TAXPAYERS FOR FREEDOM PRESENTATION ON OPS FY 2025-2026 BUDGET, SEPT. 8, 2025.

Good evening. Doug Kagan, 416 South 130 Str., representing NE Taxpayers for Freedom. We appreciated meeting with the OPS CFO to discuss this budget, and we do understand the financial stress under which this district operates. We saw positive things in this budget. The district apparently is moving teachers among schools to reflect changing school populations to minimize staff needs and does not fill vacant job slots. The district is refinancing existing bonds if feasible to save taxpayer dollars. OPS continues to pay down the pension debt. The district also is aggressively seeking grant funding.

However, we do have objections to the present budget. It has expectations of receiving greater amounts of federal money, despite the federal government cutting local education funding. The district in this and subsequent fiscal years is offering substantial pay bonuses to attract teachers and paraprofessionals. However, experienced teachers continue to leave OPS for other districts, creating a revolving door. Bonuses for teachers in, then teachers out appears a waste of money. And a number of prospective teachers simply may not want to continue working in this district because of student discipline problems, etc. Instead of shoveling in more tax dollars, remedy the causes for employees leaving.

Our biggest objection is to the proposed tax levy override. By our calculations, if an OPS homeowner resides in a house worth $300,000 in 2025 but increased in valuation to $315,000 in 2026 because of market conditions, that homeowner would pay, with a 4% override, $236 additional tax, a 7.36% increase! Instead of busting your tax lid as you did last year, we suggest you implement viable spending cuts, several of which we have listed below, and spare district residents, especially seasoned citizens, an unwarranted tax boost:

NTF SUGGESTIONS:

- ✓ The budget increases by $10.2 million for supplies and materials, an emergency reserve we believe too large. Make interlocal agreements with adjacent school districts to purchase equipment and supplies, also for transportation.
- ✓ OPS does not need a separate educational service unit. ESU 9 provides technology, special ed, professional development, and printing and publication services. However, OPS already provides these services. It appears that retaining this redundant ESU is a means to avoid the property tax levy lid.
- ✓ Average class size for elementary students is 16-18. Studies have shown that classrooms with 20+ students learn and achieve at the same level. Increase these class sizes to match the middle school and high school 25/1 student-teacher ratio, thus requiring fewer teachers.
- ✓ Supply free and reduced meals only to students qualifying under federal guidelines.
- ✓ Increased salaries and benefits are not retaining veteran teachers, who may leave because of classroom discipline problems, plus a continuing need for special ed instructors. The district should determine causes for employees leaving or candidates not applying and implement remedies.
- ✓ The district should establish stricter rules for student behavior in order to stop the outflow of experienced teachers.
- ✓ Eliminate non-mandated after-school programs.
- ✓ The OPS contingency budget is overly large.
- ✓ OPS is drastically draining its General Fund Reserves of $44.5 million by $15.8 million, yet it seeks a 4% tax levy override too.
- ✓ The district pegged the new county valuation percentage at 5.25%, though the county assessor pegged it at 5.8% in June. If the latter figure holds, the district should lower its tax levy accordingly.
- ✓ Make systematic budget cuts to avoid a tax levy override.

(over)

- ✓ Future expected less state aid and decreasing federal aid should provide impetus for cutting the budget.
- ✓ Privatize the maintenance services.
- ✓ Lobby state senators and congressional representatives to eliminate or reduce unfunded mandates.