



EDUCATE • INSPIRE • EMPOWER

2026-27 Budget Committee Orientation

April 1, 2026

Welcome and Objectives



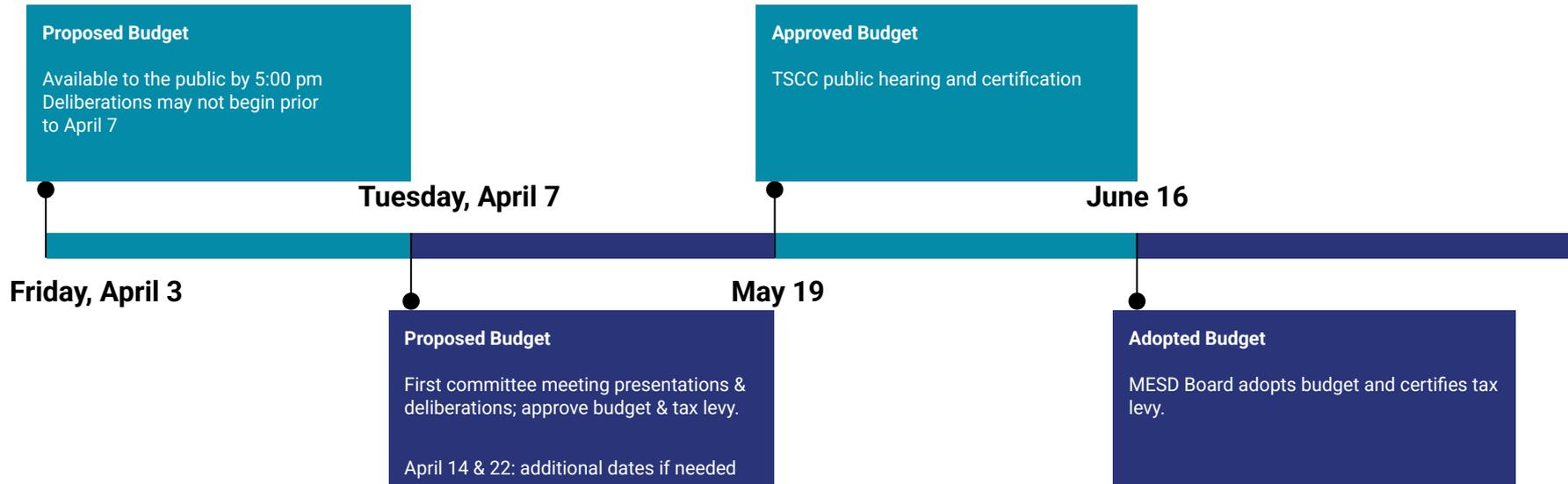
Provide a broad understanding of Oregon ESDs and regional financial information.

Ensure a transparent view of the budget process

Understand Budget Committee responsibilities.

Important: Orientation is for information only; not for policy debate.

2026-27 Budget - Upcoming Dates



What is an ESD?



Purpose

- ❖ Established by Oregon Statute to assist school districts in achieving educational goals.

Mission

- ❖ Assisting districts in improving student learning and instructional quality.

Scale

- ❖ 19 ESDs in Oregon; MESD serves the 2nd largest student population (82,000 or 15%).

Governance

- ❖ Board of Directors: 7 publicly-elected members (5 zones, 2 at-large).
- ❖ Superintendent: Chief Administrative Officer appointed by the Board.
- ❖ Mandate: ORS 334 requirements for operational and fiscal efficiencies.

ORS 334.175 Core Services



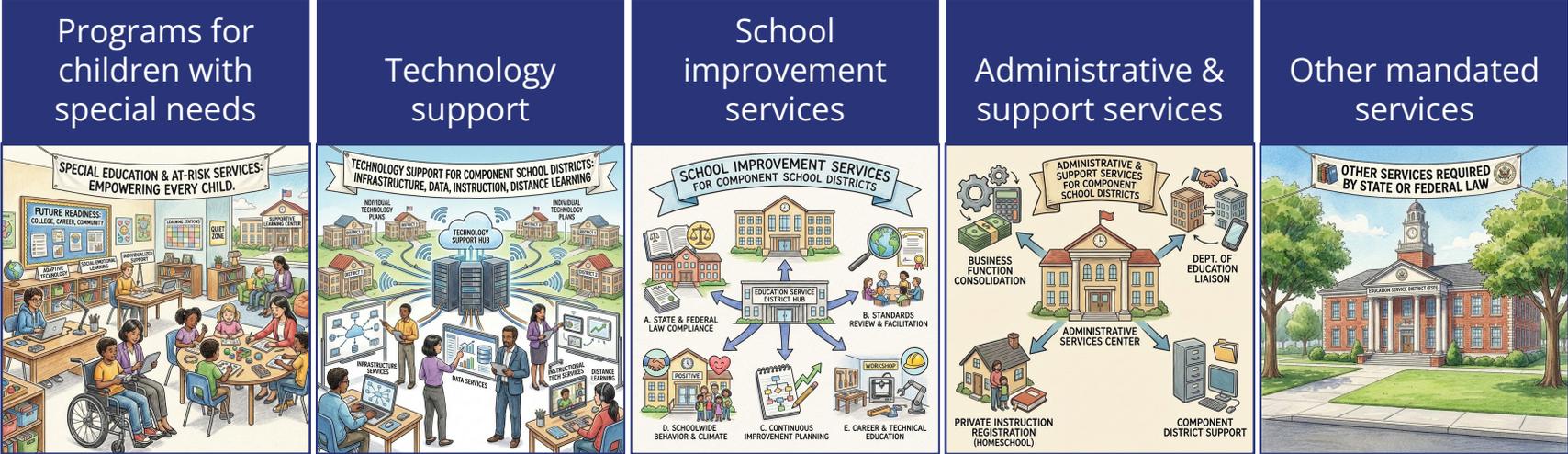
An education service district must provide regional core services to component school districts. These services aim to:

<p>Help districts meet state and federal law requirements</p>	<p>Improve student learning</p>	<p>Enhance instruction quality</p>	<p>Provide equitable resource access for districts and their students</p>	<p>Maximize operational and fiscal efficiencies for districts</p>

ORS 334.175 Local Service Plan



The local service plan, developed by the ESD and component school districts, must meet specified goals and include services in at least the following areas:

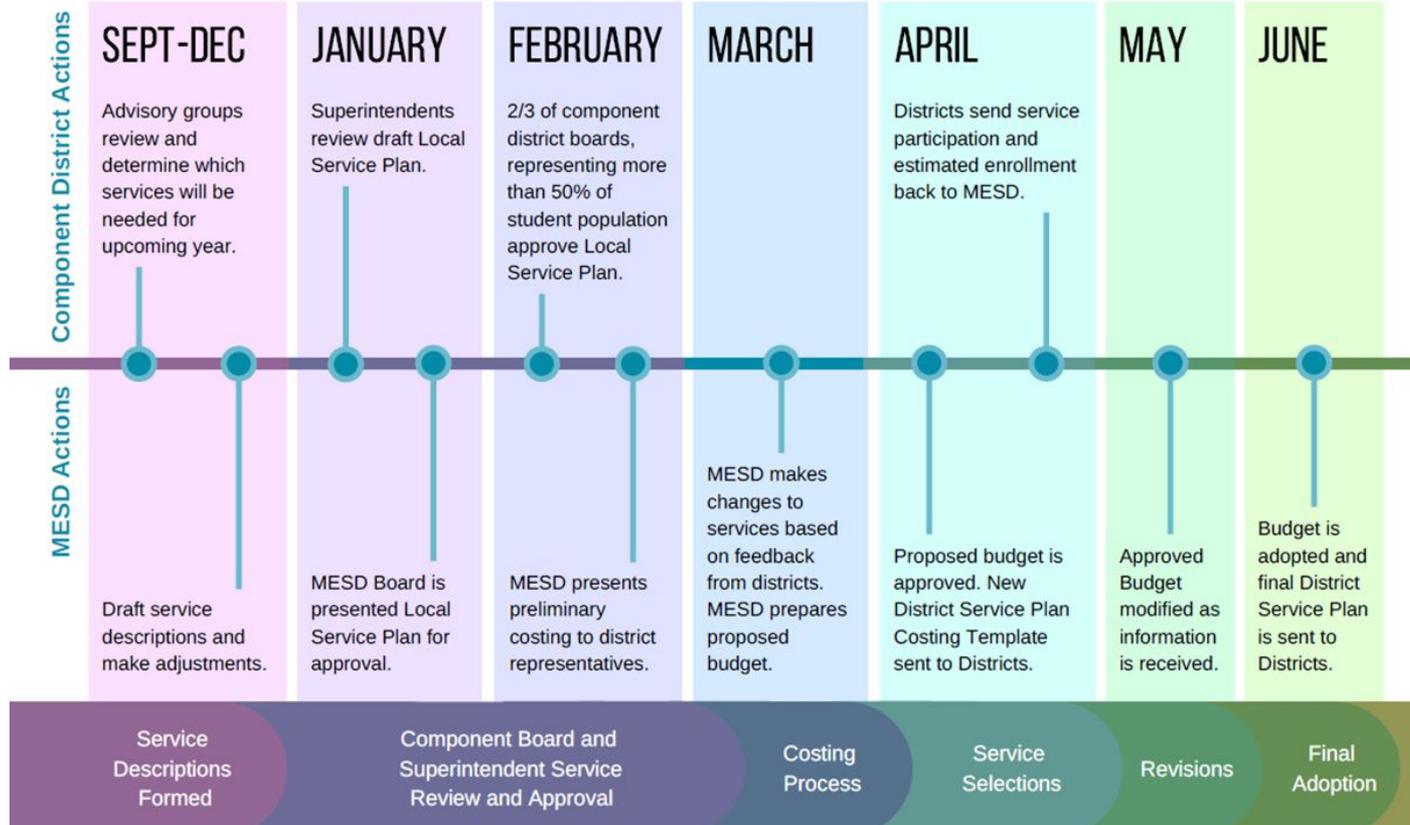


Local Service Plan (LSP) Programs



Local Service Plan Area ORS 334.175(2)	MESD Program Examples	Local Service Plan Area ORS 334.175(2)	MESD Program Examples
	<p>Children with Special Needs: Alternative and designated schools Helensview School Education programs in restricted facilities Special education services The Creeks (SESP/BH program) Functional Living Skills K-8 & Transition Wheatley School (FLS Alternative) One-to-one student behavior support facilitators</p>		<p>School Improvement: Curriculum services School health services Hearing and vision screening Immunization School nurses and health assistants Complex needs nursing One-to-one nursing</p>
	<p>Technology: Business applications Network infrastructure Student applications</p>		<p>Administrative & Support Services: Home school notification Government affairs liaison Inter-district courier services Safety liaison services</p>

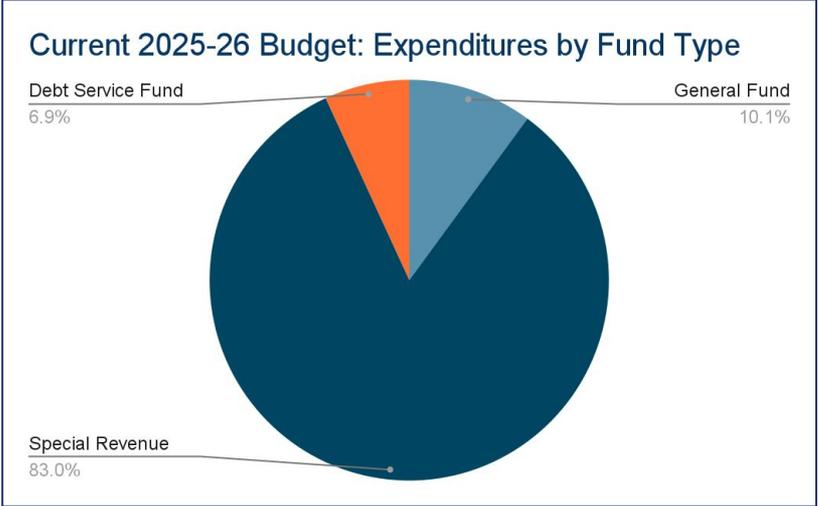
Local Service Plan (LSP) Development



Financial Fund Structure



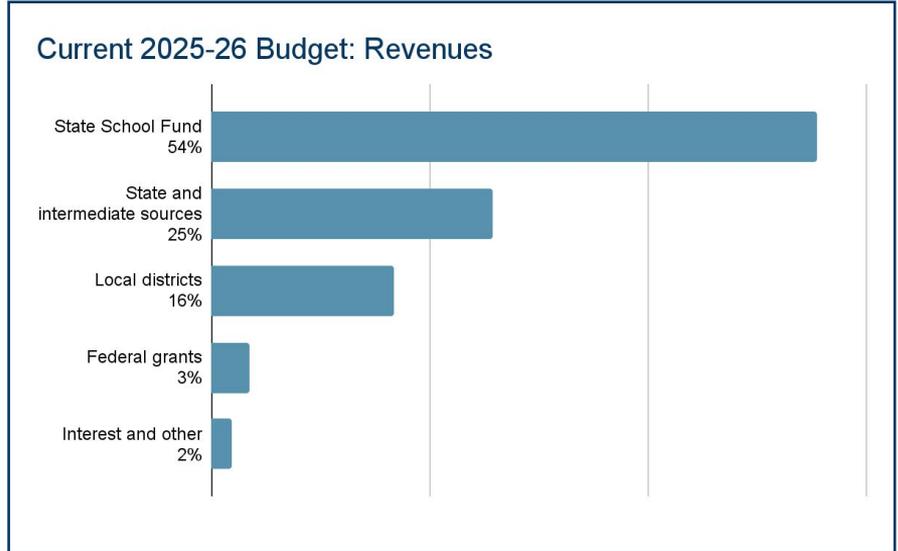
Governmental Funds	MESD Fund	% of Expenditures
General Fund	Operating Fund (F6) Facilities & Equipment Reserve (F4) Risk Management & Reserve (F7)	10%
Special Revenue	Resolution Services (F1) Contracted Services (F2)	83%
Debt Service	Debt Service Fund (F3)	7%



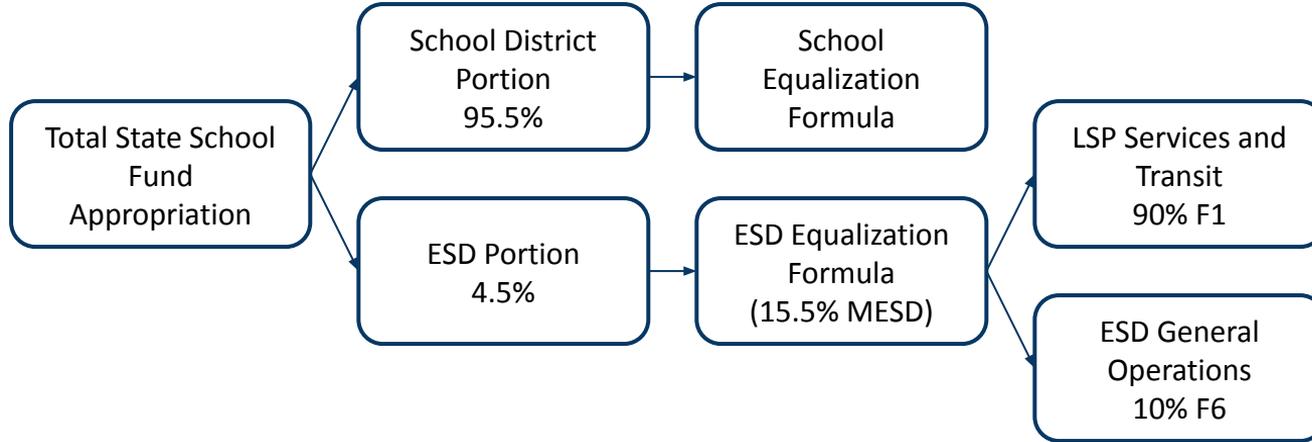
External Revenue Sources



Revenue	Primary Source	% of Revenues
State School Fund	Property Taxes SSF Grant	54%
State and Intermediate	State, county & city contracts and grants	25%
Local Districts	Fee for Service contracts	16%
Federal	Federal grants	3%
Interest & Other	Interest, fees, and contributions	2%



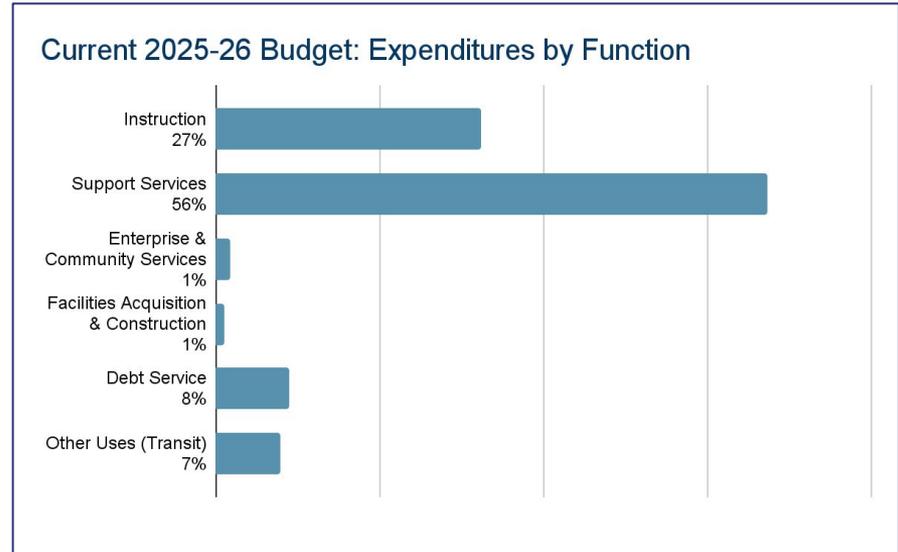
State School Fund Appropriation



Expenditures by Function (Activity)



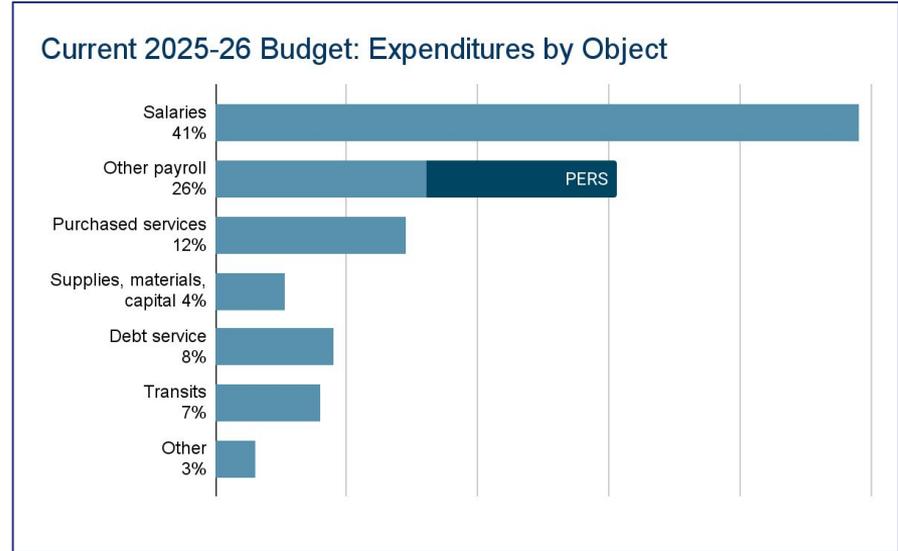
Expenditure	Primary Use	% of Expenditures
Instruction	Direct instruction to students	27%
Support services	Student services, instructional staff support, central support, administration, business services	56%
Enterprise & community services	School nutrition program	1%
Facilities Acquisition & Construction	Facility repairs and maintenance	1%
Debt Service	PERS UAL Bond debt service	8%
Transits	Distribute SSF allocation to districts as requested	7%



Expenditures by Object



Expenditure	Primary Use	% of Expenditures
Payroll	Salaries, PERS, and other related costs	67%
Purchased services	Property services, networking services, staffing services,	12%
Supplies, materials	Supplies, materials, and capital outlay	4%
Debt Service	PERS UAL Bond debt service	8%
Transits	Distribute SSF allocation to districts as requested	7%
Other	Liability & property insurance, overhead charges	3%



Budget Committee Responsibilities



- ❖ Review the proposed budget document and the Superintendent's budget message.
- ❖ Provide an opportunity for public comment in a public forum.
- ❖ Ensure public transparency and statutory compliance throughout the process.
- ❖ Approve expenditures by fund and function.
- ❖ Specify the maximum ad valorem property tax rate for the levy.



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