



School Board Budget Committee Meeting Agenda

April 8, 2025, 4:00 PM

Location:

Education Center, Board Room #314
520 NW Wall Street
Bend, OR 97703

1. **Call to Order**
Speaker(s): Budget Committee Chair Cara Marsh-Rhodes
2. **Review of Agenda**
Speaker(s): Budget Committee Chair Cara Marsh-Rhodes
3. **Election of Budget Committee Officers**
Speaker(s): Budget Committee Chair Cara Marsh-Rhodes
4. **Public Comment**
Speaker(s): Budget Committee Chair
5. **Reports**
Speaker(s): Budget Committee Chair
 - A. 2025-26 Budget 2
Speaker(s): Dan Emerson, Chief Financial Officer
Description:
 - 2025-26 Proposed Budget**Attachments:**
Presentation: FY 2025-26 Proposed Budget 2
6. **Adjourn**
Speaker(s): Budget Committee Chair
Description: Meeting will be adjourned with next Budget Committee Meeting scheduled for May 13, 2025.

FY 2025-26 PROPOSED BUDGET



B E N D
LA PINE

S C H O O L S

AGENDA

- Acknowledgements
- Budget Assumptions
 - Revenues
 - State School Fund
 - SIA and HSS
 - Federal Funds
 - Expenditures
 - Personnel Budget
 - Personnel Assumptions
 - Operating Cost Assumptions
- Requested to Proposed Budget Changes
- Forecast and Future Years Outlook

FY 2025-26 PROPOSED BUDGET ASSUMPTIONS

- Why are budget assumptions necessary?
 - First year of State biennial budget
 - Uncertain final State School Fund Allocation (SSF)
 - Federal funding volatility
 - Title resources remain unclear
 - Potential Federal cuts to other areas of the State budget would likely have ripple effects on K-12 education funding
 - Bend-La-Pine labor negotiations related to compensation is in process
 - Important personnel assumptions such as the COLA and the insurance cap have not been finalized in bargaining

REVENUE ASSUMPTIONS (SSF)

- The State School Fund, or SSF, revenue is based off State revenues + local property taxes appropriated towards the K-12 budget
- There are some funding carve outs for specific programs such as the High Cost Disability Grant
- After carve outs and the ESD's appropriation, the remaining funding is distributed to Districts based on student enrollment counts
- Our percentage of the funding is based on our student enrollment compared to the total enrollment of all K-12 students across the State.
- We estimate our percentage to be 2.9% or flat since FY 2024-25

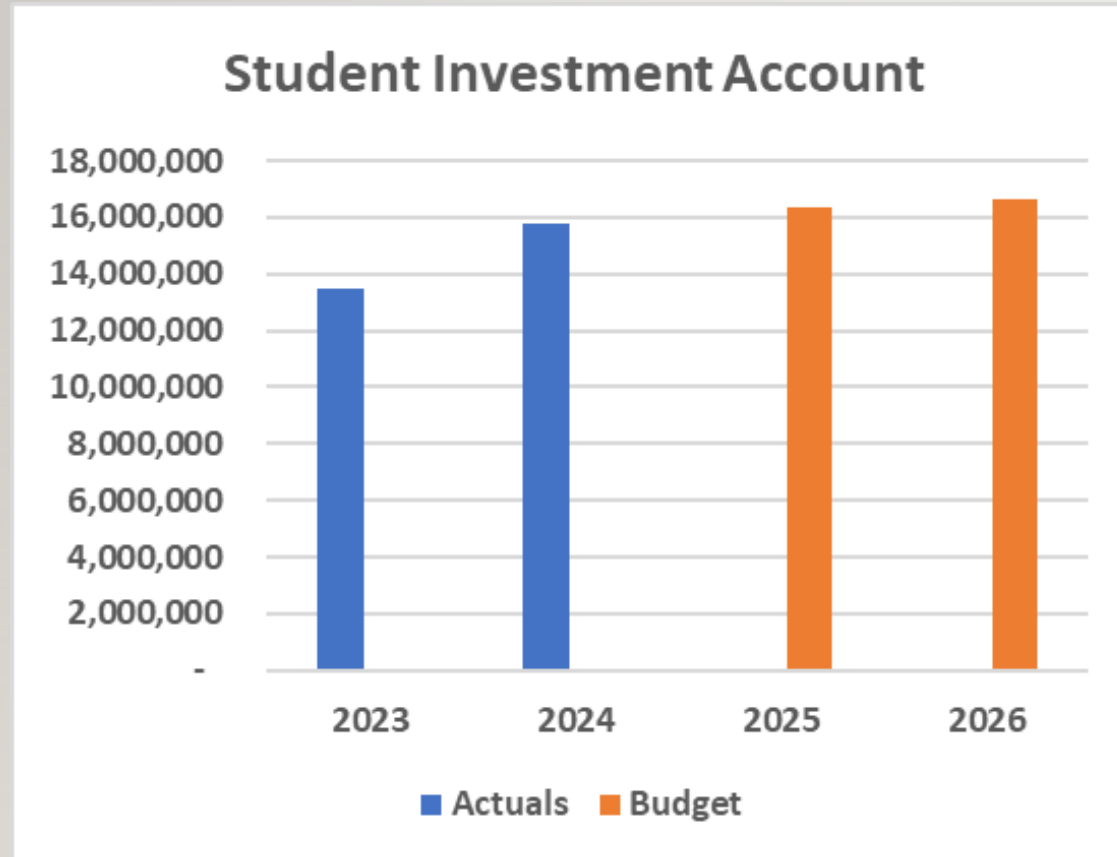
REVENUE ASSUMPTIONS (SSF CONT.)

Year	Biennial Amount	% Increase	Biennial Split	Annual Amount	YOY Change %
2015-16	7,376,260,692	10.9%	49/51	3,629,130,346	5.5%
2016-17				3,747,130,346	3.3%
2017-18	8,200,000,000	11.2%	50/50	4,100,000,000	9.4%
2018-19				4,100,000,000	0.0%
2019-20	8,996,000,000	9.7%	49/51	4,408,040,000	7.5%
2020-21				4,587,960,000	4.1%
2021-22	9,296,000,000	3.3%	49/51	4,555,040,000	-0.7%
2022-23				4,740,960,000	4.1%
2023-24	10,200,000,000	9.7%	49/51	4,998,000,000	5.4%
2024-25				5,202,000,000	4.1%
2025-26*	11,600,000,000	13.7%	49/51	5,684,000,000	9.3%
2026-27*				5,916,000,000	4.1%

* represents an assumed biennial state school fund

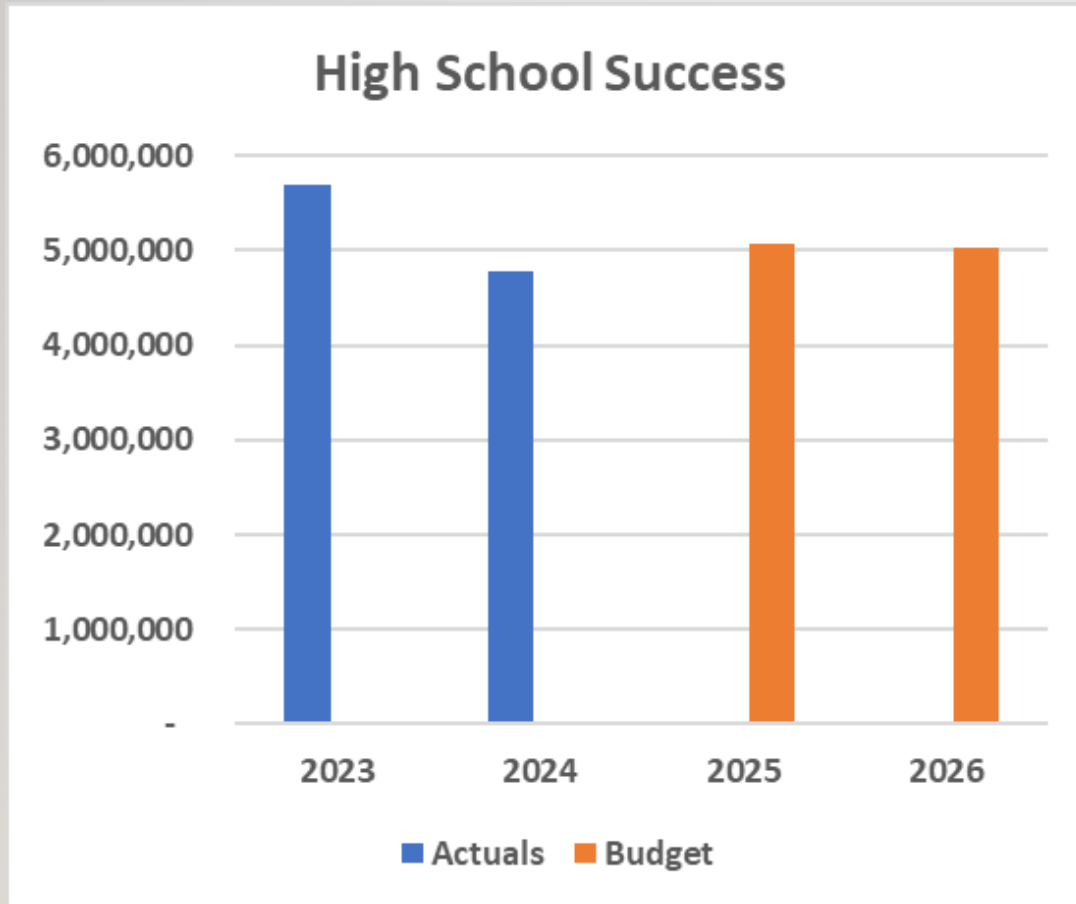
- SSF is 96% percent of total General Fund operations revenue
- FY 2025-26 Proposed budget includes an estimate of \$11.6B in Statewide SSF allocation
- Way and Means committee approved \$11.4B for SSF
- We forecast additional high cost disability funds and an increase in the SPED cap for double weight would push us to \$11.6B in SSF revenue

REVENUE ASSUMPTIONS (SIA)



- FY 2025-26 Proposed budget includes an estimate of \$16.6M in SIA funding
- This is a 1.7% increase in SIA resources compared to FY 2024-25
- The increase in funding is not sufficient to cover the increased cost of personnel in FY 2025-26
- To retain staff, FTE was moved to other grants and materials and services budgetary appropriations were reduced from the District-wide requested budget.

REVENUE ASSUMPTIONS (HSS)

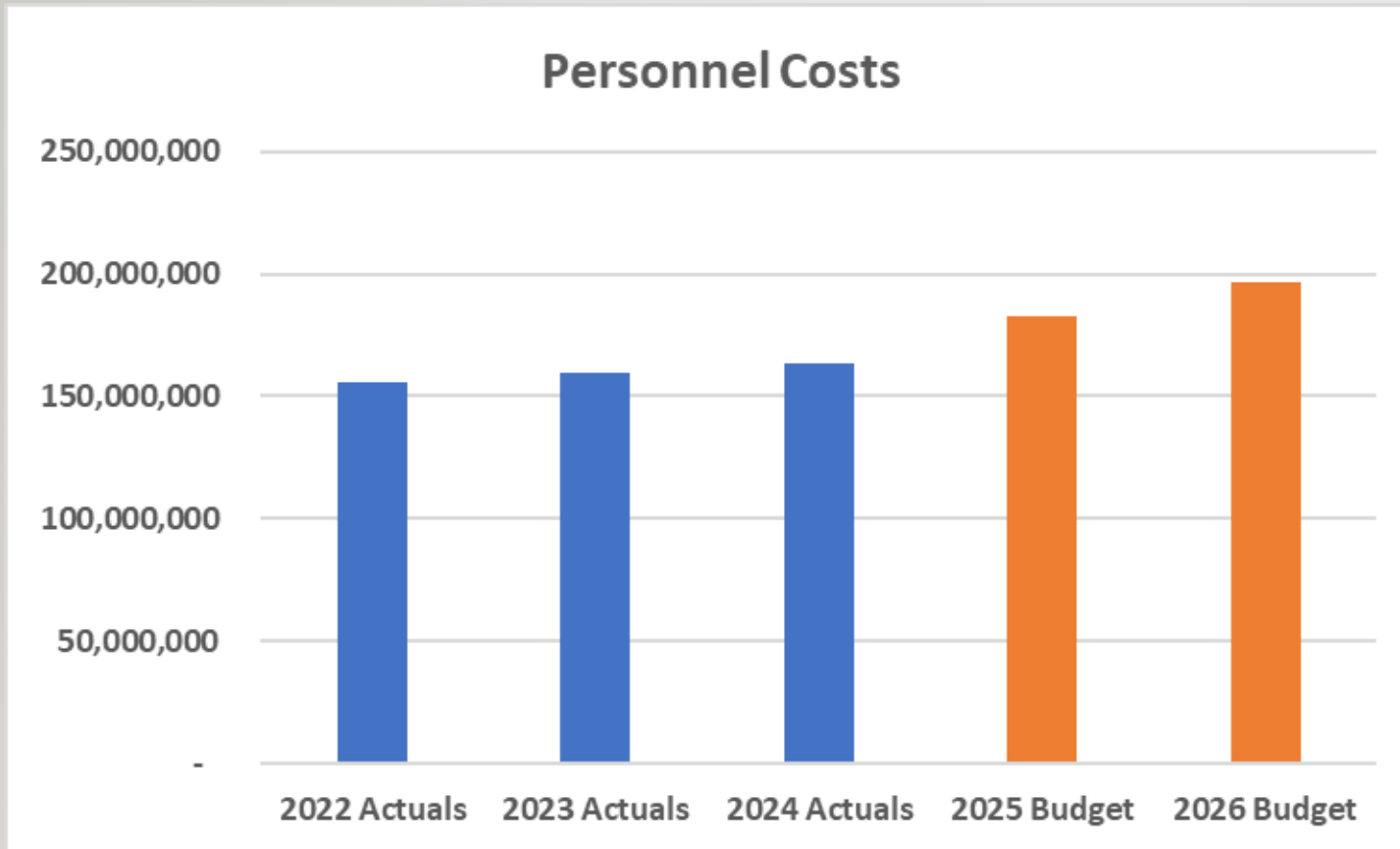


- FY 2025-26 Proposed budget includes an estimate of \$5M in HSS funding
- This is a 1% decrease in HSS resources year over year
- Due to a decrease in funding the HSS grant needed to cut materials and services costs to retain staff.

REVENUE ASSUMPTIONS (OTHER MAJOR GRANTS)

- Federal funding appears uncertain and remains volatile
 - We have budgeted Title I & III funds to remain flat in FY 2025-26
 - The proposed FY 2025-26 budget removes Title II and Title IV funds (500K)
 - IDEA funding appears to be able to sustain current service levels
- The Governor's budget proposed a large increase in revenue to the Early Literacy Grant.
 - 900K increase offsets about half of the lack of funding in SIA and HSS.

EXPENDITURE ASSUMPTIONS (PERSONNEL)



- Personnel expenditures make up 85% of the General Fund (GF) operations budget
- School personnel is based off staffing ratios applied to projected enrollment, operational personnel has historically been held flat or reduced
- FY 2025-26 Proposed GF operations budget includes \$196M in personnel appropriations
- 9% increase over FY 2024-25 personnel
- The FY 2025-26 Proposed personnel budget does not have any cushion and includes a larger than prior year vacancy estimate to ensure reserve estimates are accurate

EXPENDITURE ASSUMPTIONS (PERSONNEL & OPERATING COSTS)

- Major Personnel expenditure assumptions in the FY 2025-26 Proposed budget include:
 - On-going PERS rate increases of 4.1% or \$4.6M this FY
 - 2.4% increase in annual steps for employees
 - Moderate Cost of Living Adjustment (currently being negotiated as a part of bargaining)
 - Moderate Insurance cap increase (currently being negotiated as a part of bargaining)
 - Increased vacancy savings projection reduced total Personnel appropriations
- Major Operating Costs assumptions in the FY 2025-26 proposed budget include:
 - Liability Insurance increase of 22%
 - Reduction in computer hardware costs due to switching to a lease model for iPads.

REQUESTED VS PROPOSED BUDGET FY 2025-26

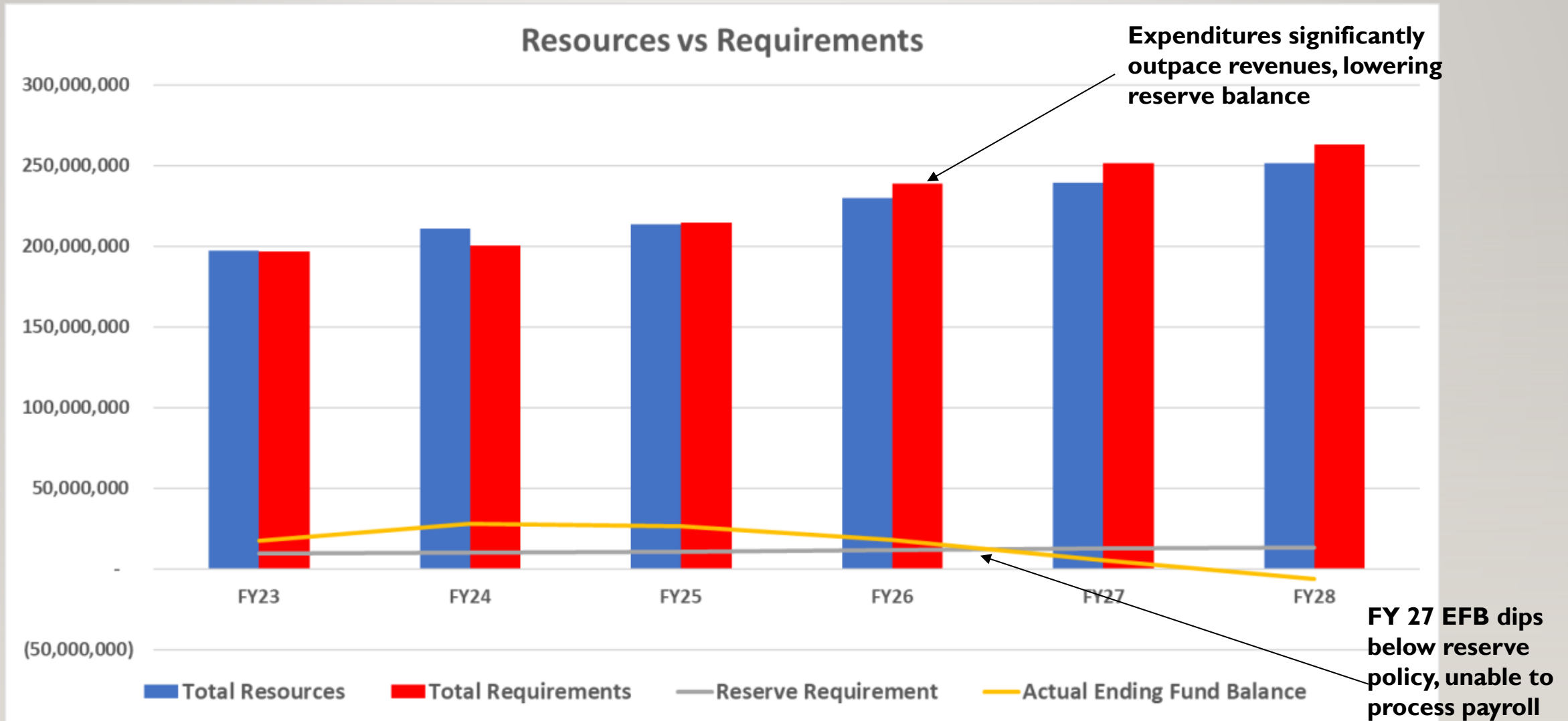
Requested Budget

- Department heads and level leaders meet with finance to evaluate current year expenditures and prioritize appropriations for next fiscal year budget
- Finance makes an initial budget based on Department wants and needs
- We evaluate if the requested budget can be balanced with sufficient reserves for cash flow and emergency funding
- For FY 2025-26 the requested budget could not be balanced while maintaining adequate reserves

Proposed Budget

- The requested budget needed to be reduced by approximately \$3M to balance
- Operational departments cut over \$1M in current year expenditures and \$2M in FY 2025-26 expenditures to balance the budget and have no impact on school staffing or discretionary budgets
- Reductions included:
 - Leased iPads
 - Reduced Travel and Professional Development
 - Decreased utilities usage (water)
 - Supplies reduction
 - Deferred Maintenance
- Reduced Materials and Services budgets below optimal appropriations
- Should SSF revenue come in at \$11.4B as opposed to the budgeted \$11.6B the District will need to make \$3M in expenditure cuts
- Operations would not be able to absorb those reductions

FUTURE YEARS FORECAST



QUESTIONS?

For additional questions please reach out to BLSbudget@bend.k12.or.us

THANK YOU

