



School Board Budget Committee Meeting Agenda

March 17, 2026, 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

Description: This is the time provided for individuals to address the Budget Committee. Public Comment requests are accepted in advance via Google Form until 3:00 p.m. on the day of the meeting for both in-person and virtual comment. Individuals may also sign up for public comment on the day of the meeting on a space available basis in alignment with Governance Process 6 (GP-6). In-person sign up will be accepted at the boardroom door until 3:55 p.m. on the day of the meeting.

5. **Reports**

Speaker(s): Budget Committee Chair

A. 2026-27 Budget

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Speaker(s): Dan Emerson, Chief Financial Officer

Description:

- 2026-27 Proposed Budget

Attachments:

Presentation: FY 2026-27 Proposed Budget

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6. **Adjourn**

Speaker(s): Budget Committee Chair

Description: Meeting will be adjourned with next Budget Committee Meeting scheduled for May 12, 2026.

FY 2026-27 PROPOSED BUDGET

AGENDA

- Acknowledgements
- Proposed Budget
 - Revenues
 - State School Fund
 - State Grants
 - Federal Funds
 - Expenditures
 - Personnel
 - Materials and Services
- Requested to Proposed Budget Changes
- Forecast and Future Years Outlook
- Financial Solutions

PROPOSED BUDGET REVENUES (SSF)

- The State School Fund, or SSF, revenue is based off State revenues + local property taxes appropriated towards the K-12 budget.
- 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% of total SSF.
- We are in the second year of the biennium, in the first year we receive 49% of the SSF funding, in the second year we receive 51%.
- SSF proposed budget is \$236.6M, made up of \$122.3M in local revenue and \$114.3M in State revenues.
- 4% increase year over year.

PROPOSED BUDGET REVENUES (SIA)

- Largest funding source outside of SSF.
- State grant.
- FY 2026-27 Proposed budget includes an estimate of \$16.7M in SIA funding.
- 4% increase compared to FY 2025-26.
- Not sufficient to cover the increased cost of personnel in FY 2026-27.
- To retain staff, FTE was moved to the General Fund, and other grants.



PROPOSED BUDGET REVENUES (HSS)

- State grant.
- FY 2026-27 Proposed budget includes an estimate of \$5.2M in HSS funding.
- This is a 3.7% increase in HSS revenue year over year.
- The modest funding increase does not fully cover growth in personnel and staff have been moved to the general fund.

REVENUE ASSUMPTIONS (FEDERAL FUNDS)

- We anticipate Title I funds at \$2.8M in FY2026-27.
- \$200k reduction from FY 2025-26.
- IDEA funding is budgeted at \$2.2M and covers some SPED staff.
- Overall federal funding is flat to slightly downward depending on the program.



PROPOSED BUDGET EXPENDITURES (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 2026-27 Proposed GF operations budget includes \$195.1M in personnel appropriations
- .01% increase from \$194.8M in FY 2025-26 personnel appropriations
- Cut \$5.3M or 2.7% in personnel from requested budget to proposed budget to ensure services and financial viability in future years.
- Represents 75% of total cuts
- We are still modeling and evaluating final personnel decisions and are working with HR to determine how much of this cut can be absorbed through attrition.

PROPOSED BUDGET EXPENDITURES (MATERIALS AND SERVICES)

- Major Materials and Services assumptions in the FY 2026-27 proposed budget include:
 - Liability Insurance increase of 22%
 - ERP implementation \$1.1M
 - Cost associated with moving of out Realms \$750K
 - Cut \$1.8M or 4% out of material and services budget between the requested and proposed budgets
 - Represents 25% of total cuts



REQUESTED VS PROPOSED BUDGET FY 2026-27

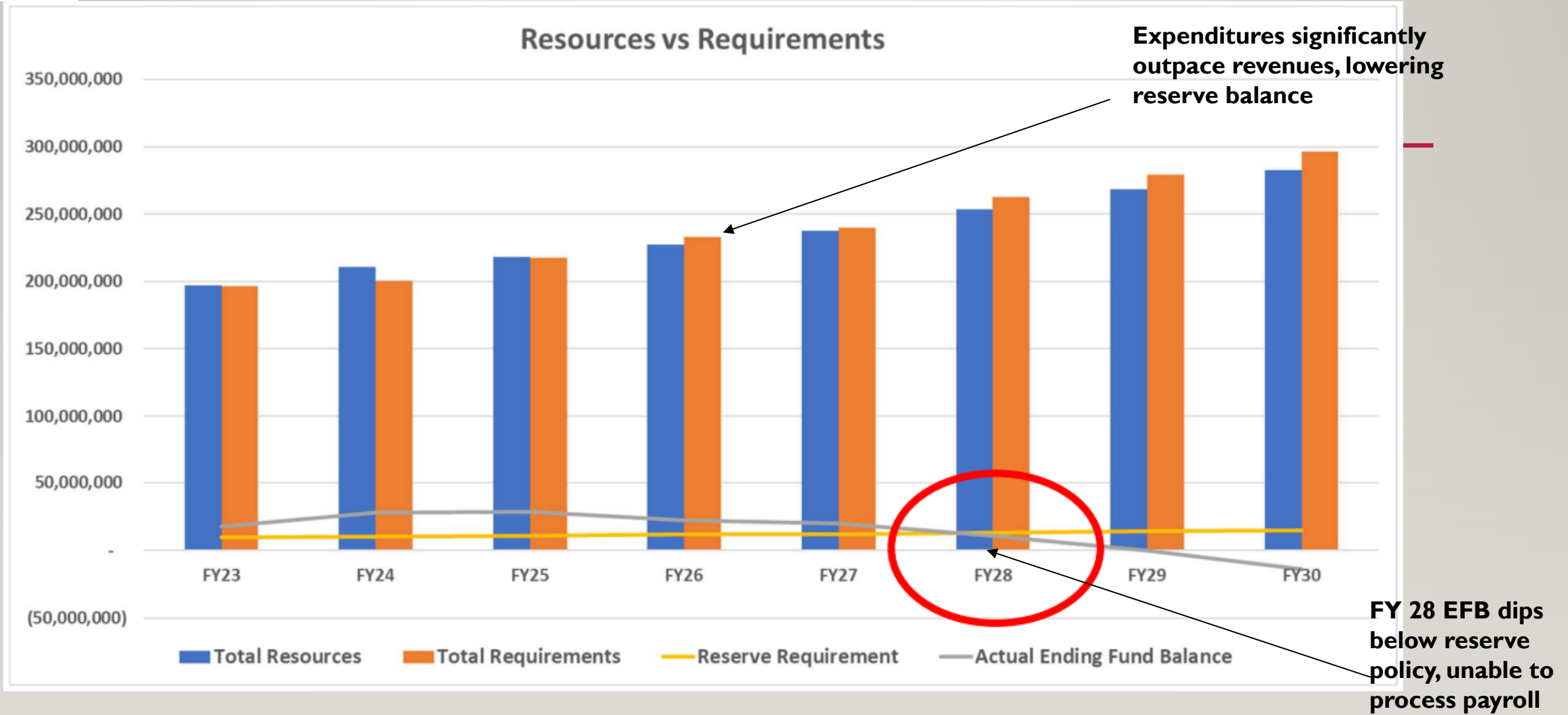
Requested Budget

- 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 funding for future years.
- For FY 2026-27 the requested budget could not be balanced while maintaining adequate reserves.

Proposed Budget

- The requested budget needed to be reduced by approximately \$7.1M or 3.4% to balance the budget in a manner that is fiscally prudent and prioritizes future service levels.
- Personnel was cut \$5.3M in the proposed budget.
 - We are still modeling and evaluating this cut, we are assessing staffing plans and working with HR to estimate how much of this reduction can be absorbed through attrition.
- Reduced Materials and Services budgets by \$1.8M in the proposed budget.
 - Operations team reduced by \$900K, (this was in addition to the even larger cut they made last year)
 - Primarily effects deferred maintenance, software, and computer hardware
 - TLC cut \$860K, primarily with respect to curricular expenditures.
- Budget is balanced as has an ending fund balance of \$19.8M which is the minimum needed to ensure fiscal prudence in coming years.

FUTURE YEARS FORECAST



FINANCIAL SOLUTIONS FOR LONG-TERM FUTURE

- There are three major financial solutions:
 - Significantly reduce expenditures (cuts), this does not change to slope of the expenditure line but lowers it below revenues.
 - Evaluating viable compensation packages in future years. Decreasing the slope of the personnel line so that it doesn't grow as fast as revenues.
 - Present a local option levy to the community, maintains current level of service by increasing revenue to District.
- Likely will need to utilize a combination of 2 of the 3 options to minimize impacts to staff and the community.
- Staff will continue to analyze and work towards additional financial solutions such as land sales, increased Medicaid billing, grant additions, energy savings, community partnerships, contract renegotiations, scheduling and consolidation.



QUESTIONS?

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

THANK YOU

