



Board Work Session of the Board of Directors
BANKS SCHOOL DISTRICT 13
Banks, OR
Monday, December 8, 2025

Note: The District will endeavor to provide the following services if requested 48 hours prior to the meeting: qualified bilingual interpreters or qualified sign language interpreters. These services are provided at no cost to recipient. To obtain services, call 503-324-8591 at least 48 hours prior to this meeting.

1. Preliminaries
 - 1.1. Call to Order
 - 1.2. Roll Call
 - 1.3. Approval of Agenda
2. Discussion Items
 - 2.1. Social Emotional Learning Connection
 - 2.2. Bond Update
 - 2.2.1.
 - Restroom Design
 - Timeline
 - Communication Plan
 - 2.3. Legislative priorities for 2026 short session; State & Federal budgets
Brian Sica, Superintendent
 - 2.3.1.
 - Budget Updates (Current Year and Next Year)
 - State Priorities (Including the Legislative Summit)
 - Federal Priorities
3. Adjourn



Banks School District December Worksession

Bond Updates - Restrooms, Demo Schedule, Design Schedule
Legislative Priorities - Budget Outlook, State Priorities, Federal
Priorities



Inclusive Opening: Focused Breathing



THE IMPORTANCE OF FOCUSED BREATHING



Calms the Nervous System

Breathing slowly helps reduce stress



Builds Self-Awareness

Noticing emotions is the first step in managing them



Strengthens Self-Management

It provides a way to pause and respond calmly



Improves Focus

Focused breathing exercises increase attention



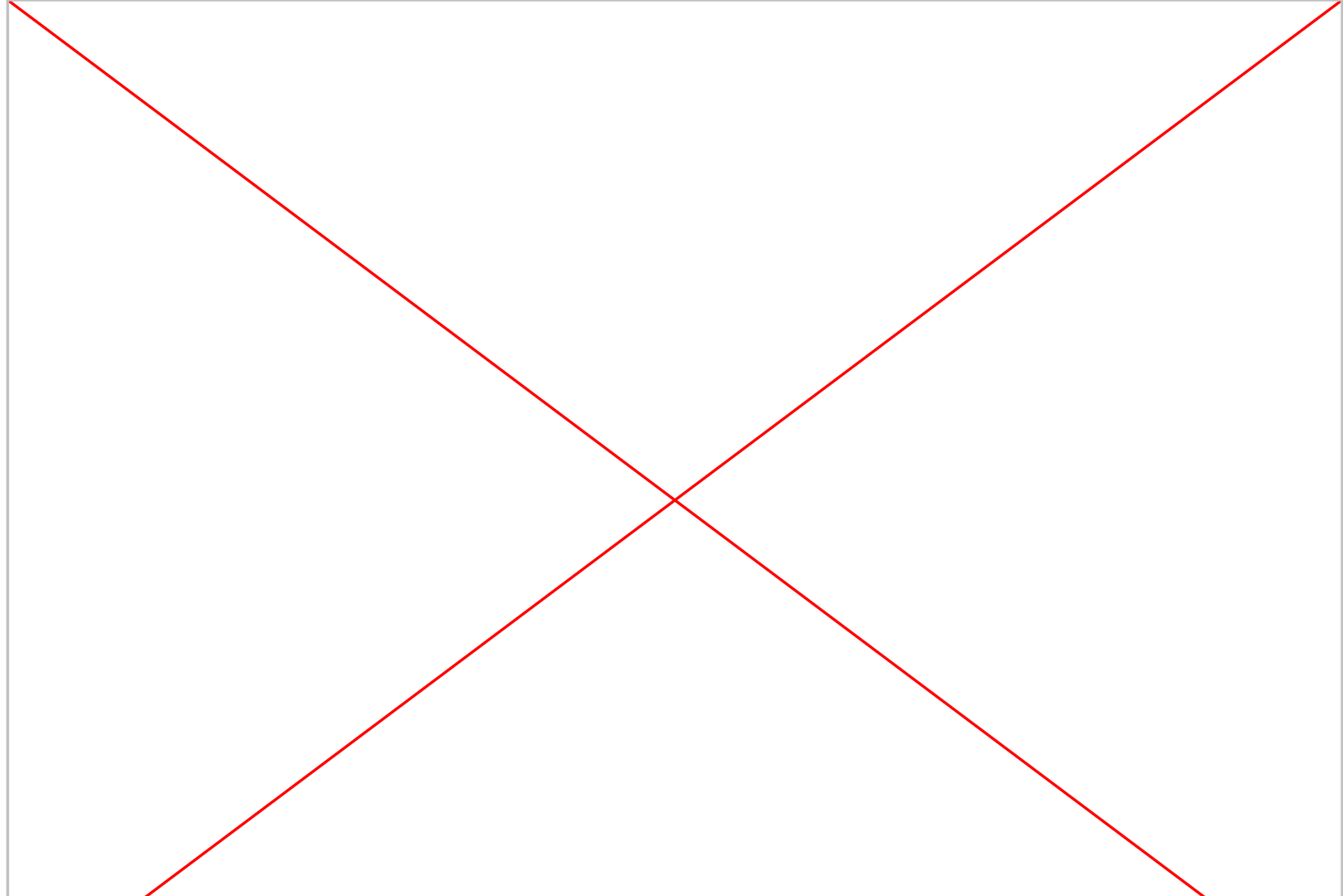
Promotes Resilience

It helps students manage challenges and setbacks



Supports Classroom Climate

It can create a sense of calm and community





Bond Progress

Design recommendation, Immediate timeline, Upcoming decisions

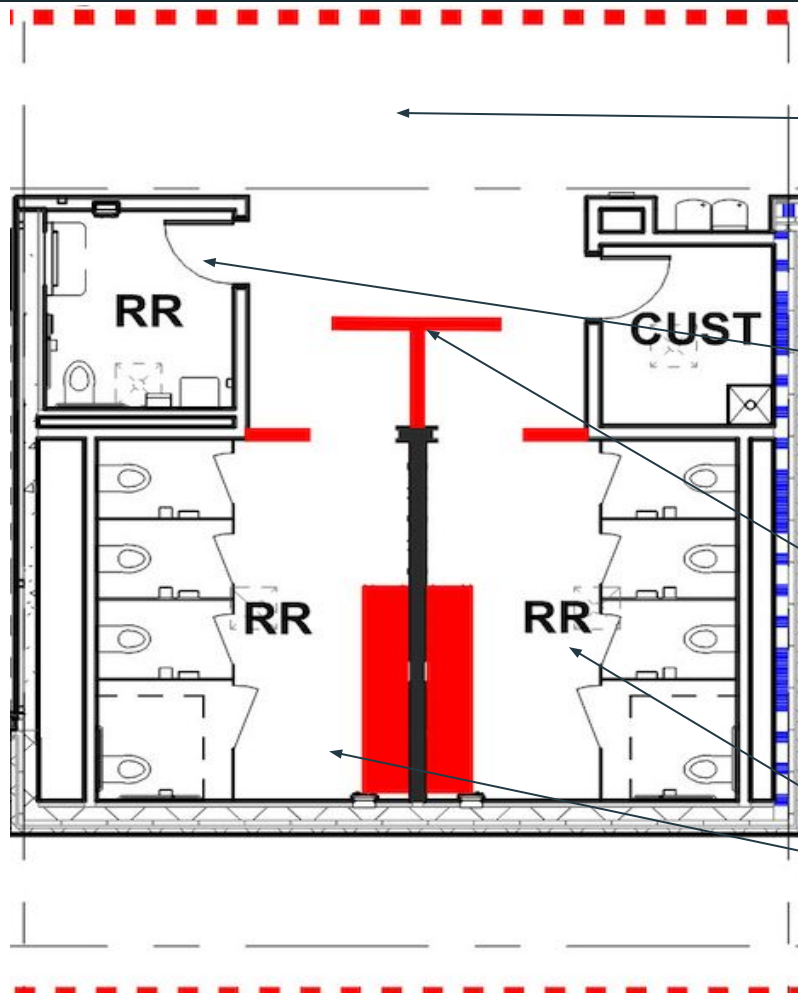


Background and Context

- The District has established a steering committee consisting of Administrators, Facilities Lead, Board Member, and a City Representative that meets weekly with the Architect, General Contractor, and our Owner's Representative. This group is the key decision making team for the Bond work.
- Additional guidance and oversight are provided by Bond Oversight Committee (community based), Focus Groups (staff and students) and the High School Design Team (staff, students, and community members).
- In the Spring of 2025 the Board agreed that decisions that would impact the adopted Master Plan (likely through value engineering) and the prioritization of the “Wish List” would be decided by the School Board.

High School Restrooms

- The design of the high school restrooms considered a wide variety of factors including: accessibility, student privacy, student supervision, and use by the community (at after hours events).
 - Accessibility concerns were addressed using the lens of the ADA as well as Oregon Statute and ODE guidance allowing students to use restrooms aligned to their gender identity.
 - Privacy concerns were present throughout the spectrum of the discussion and not solely associated with gender identity and fluidity. (Privacy includes sight, smell, sound)
- Local districts that have recently completed restroom construction were directly or indirectly consulted (Hillsboro SD, Beaverton SD, Forest Grove SD, Astoria SD, PPS, Bend SD)
 - There is a perceived relationship between increased privacy and the adequacy of supervision.



1. Main hallway with cameras and some line of sight supervision.

2. ADA/Single Use/Gender neutral. Includes specific "Vape Detector"

3. Privacy wall with gender specific signage

4. Gender specific rooms with raised partitions. Sectional vape detectors.

Discussion and Questions

Current Timeline (Demolition Phase)

- **Auxiliary Gym/Maintenance facility** - Component parts have been ordered, Planning Commission Hearing has been completed (with approval), Early Grading Permit has been issued. Construction beginning in the Spring and completed in early Winter 2026.
- **High School Modernization** - Demolition Permits have been issued, Planning Commission Hearing in Late January/Early February.
- **Look Ahead - “Demo Site” includes the HS South Wing, the former Admin Center, and the Barn**
 - Site mobilization on December 15, begin with moving teachers out of the South Wing
 - Final abatement and “wall shoring” begins on December 20th.
 - Salvage and “separation” occur through mid January
 - Significant demolition beginning in late December and completing in early February
 - Utilities and grading in Spring

Communication Plan

- Board Report
- Monthly Community Newsletter (Friday, December 12)
 - Newsletter posted to the website and social media
- Separate Social Media Post (Monday, December 15)
 - Kick off to the visual work
- Letter (electronic) from the district/high school (Wednesday, December 17)
 - Transparency and logistics
- Bond Oversight Committee
 - December 16, 2025
- State Historic Preservation Office
 - MOA
 - Response to a petitioner filing for the NHR.
 - The response is due on February 8th
- Continued Monthly Newsletter/Weekly Social Media
 - Next Community meeting is February 3, 2026

Discussion and Questions

Current Timeline (Budget Phase)

- **Design Development** - completed at an acceptable “path to budget level” (well within contingencies)
- **Construction Documents (50% milestone completed)** - BRIC has delivered construction documents to P&C for the next round of budget refinement. P&C will issue a budget update on **January 13, 2026**.
- **Early Bidding** - Begins on **December 19, 2025**, outreach is currently underway.
- **High School Value Engineering or Wish List Additions** - P&C’s January budget may indicate a balanced budget, a surplus (adding wish list), or a need for additional value engineering. Should either of the latter two occur and be of significant value (previous slide), we may hold a virtual special board meeting (January 26). Using the February 9th board meeting would bring in a risk to the timeline.

Discussion and Questions



Legislative Priorities for 2026

Maintaining the budget of the biennium

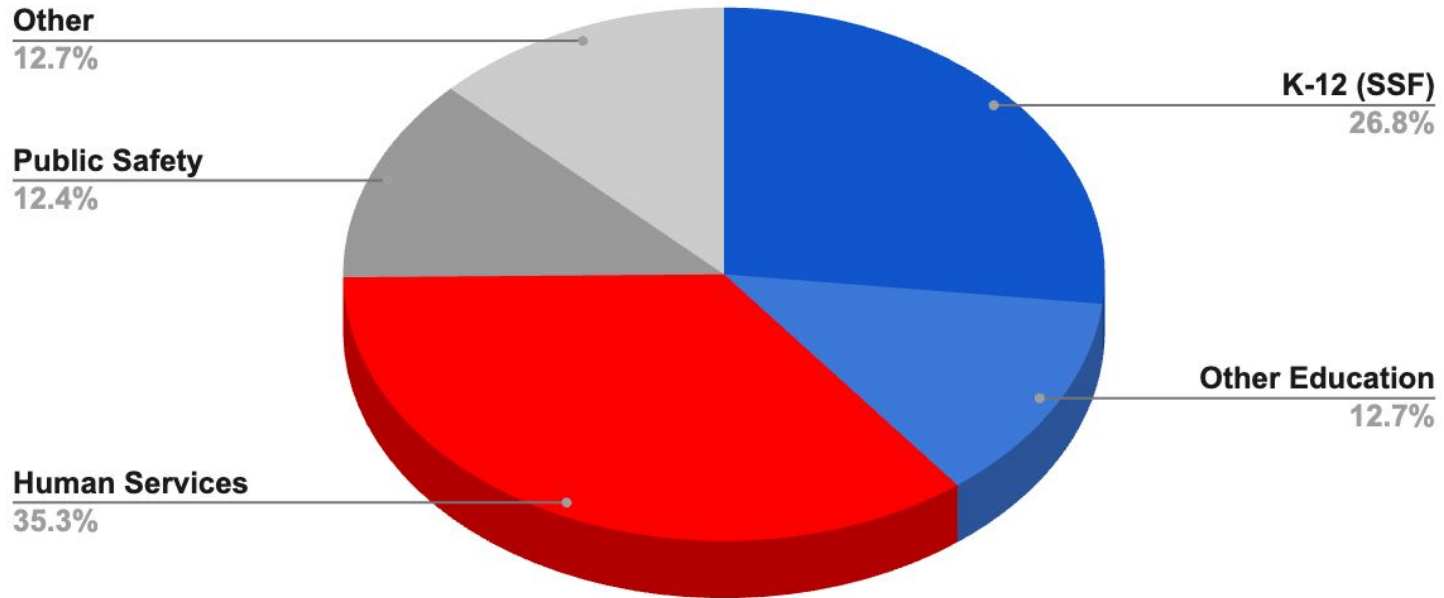


Revenue Streams (Largest and Most Significant to Banks)

- General Fund (from the State School Fund)
- Integrated Programs
 - Student Investment Account
 - Measure 98 (High School Success)
- Early Literacy Grant
- IDEA (Special Education)
- Title I (ESEA)

Note: All funds are based on student enrollment, which is down this year (primarily at the K-2 level) AND the prioritization of K-12 education in the overall state budget.

2025-2027 % of General Fund and Lottery



2025-2027 Biennium (Resources/Revenue)

- **State School Fund**

- Overall @ \$11.36B, representing a ~11% increase from 2023-2025
 - All Banks resources are a ~3% increase in revenue for Banks School District from 2024-2025 to 2025-2026
 - Our certified, administrative and confidential employees received a 4% COLA
 - Our classified employees received a 5.5% COLA

New and/or Unfunded Mandates (Requirements)

- **Accountability Bill (SB141)**
 - Expands the metrics and requirements related to state test scores, attendance, and graduation. Includes the required use of selected “interim assessments”. No additional funding was attached to the bill.
- **Special Education** (Bill failed in the 2025 Legislature)
 - Students receiving Special Education Services are weighted higher in the funding formula. However the number of students is capped at 11% while the actual SpEd enrollment is ~15%. Should the cap be removed Banks SD would receive approximately \$500,000 additional funds.
 - High Cost Disability - Student services that exceed \$30K are reimbursed. However, that reimbursement is via a fixed allotment of funds and typically delivers approximately 30% of the actual cost.
- **Paid Leave Oregon** (Bill passed in the 2024 Legislature)
 - Additional Protected leave that does not require the use of accumulated days.
 - Costs include a 0.6 % payroll deduction, significant increase to substitute costs, and significant workload for the business office.
- **Classified Unemployment** -
 - Classified employees can claim unemployment benefits for certain breaks and summer. Creates additional insurance costs and significant workload for the business office.
- **Program Budgeting and Accounting Manual (PBAM)**
 - Significant and retroactive changes to the statewide accounting manual. Will require very significant increases to the workload of the business office.
- **Higher Education Coordinating Commission’s proposed (and accepted) cuts to Outdoor School**
 - Outdoor school funding flows through Oregon State University. The HECC proposed and the legislature accepted a 20% reduction in outdoor school funding. These cuts resulted in \$15K loss to Banks SD. The Northwest Regional ESD is utilizing their internal reserve accounts to offset the majority of these losses. These offsets are only for the current year.

Mid-Biennium Challenges

- **H.R.-1 (Federal Tax Bill)**
 - Oregon's Income tax structure is coupled to the Federal structure in that cuts to Federal Income Taxes automatically apply to Oregon taxes.
 - SNAP Benefits
 - Medicaid Benefits

- **Other Legislative Priorities**
 - Wildfire mitigation costs, HR 1 state implementation costs, transportation shortfall (pending referendum), required ending balance for the state general fund, etc.

In summary the total budget deficit based on the December forecast is approximately \$600M (plus impact of the transportation bill). For context, if the state school fund is 26% of this, the K-12 shortfall is about \$150M, the Banks shortfall (proportion of the state) would be \$300,000 (very rough and approximated)

Reserve Funds

1. Education Stability Fund

- Projected Balance on June 30th, 2027= \$1.261 Billion (compared to the “Education shortfall of ~\$150M)
- Can only be used for public education - no cap on withdrawals
- Created by state constitutional amendment in 2002, replenished by the first ~20% of lottery revenue.

2. Oregon Rainy Day Fund

- Projected balance on June 30th, 2027 = \$2.158 Billion
- No limit on programmatic use of funds, but withdrawals cannot exceed two-thirds of the balance at the beginning of the biennium
- Created by statute in 2007

Note: Both funds have economic and political (votes) that must be met to trigger use. However, the ESF can override the economic triggers with a supermajority vote and declaration by the Governor.

Budget Reductions

All state agencies, including the Department of Education, submitted a sliding scale of reduction (5%, 3%, 1%, etc) across various funds and programs.

- **Current School Year** - Reductions are not likely based on the December economic forecast.
- **Next School Year** - Mid-Biennium reductions are likely without the use of the education stability fund (and/or other reserves)
- **Next Biennium and beyond** - The State is predicting very significant reductions from the current service level calculations in 2027-2029 and 2029-2031. These reductions continue to assume the same general federal tax structure (Medicaid and SNAP, included)

Our Actions

How is the District preparing?

- **Current Year** - reducing discretionary spending to increase the ending fund balance, as possible. If the legislature cuts current year funding we have a plan that does not reduce personnel. Working with state and local legislators to understand the impacts of their decision on the students and community. (The next economic forecast, February 4th, will be used to make state budget decisions.)
- **Next Year** - Advocate for the use of the Education Stability Fund to maintain full budget allocations. Resolve the budget gap created by the reduction to Outdoor School Funding. Advocacy includes direct meetings and involvement in state and federal groups. There is a possibility that staffing reductions could occur if the shortfall is not addressed through reserves.
- **Next Biennium** - Monitor any changes to the Federal Tax Code and its impact on Oregon Funding. Advocate for sufficient funding for all requirements and opportunities for students (end unfunded mandates). Current predictions are a lower than current service level allocation, which would result in staffing reductions.

Legislative Priorities

- Educate legislators to the successes of the district (Level 5 growth in Elementary Math, >98% Graduation Rate, increased attendance K-8). Help them to understand the fatal flaws in the State Tests (opt outs). We welcome accountability and need to have a clear message of its importance.
- Advocate for stable funding through the **use of the Education Stability Fund**.
- Focus on the needs of our students and the increased demands placed on schools and districts. Including how the cuts to SNAP, Medicaid and increased immigration pressures have increased burdens on our students that the schools will be called upon to support.
- Fully fund Special Education by raising the SpEd cap and increasing the amount allocated to High Cost Services (Not likely in the short session)
- Understand the impacts of new mandates and the need for funding to follow requirements.

How can the Board be involved?

- Help to shift the national narrative on education by highlighting the success of our district. Suggest concerned community members reach out directly to school administrators.
- Build relationships with local legislators. Invite them to visit school events with you while highlighting our success and educating them on the impacts that reductions will have on our students and community. These relationships will have an immediate impact and be crucial during the next biennium.
- Attend the Washington County Legislative Summit on January 7th. We will meet with elected representatives from across Washington County
- Always use our students as the lens of conversation. The need for social services in Oregon is widespread and real.

Discussion and Questions