

Dear North Wasco County School District Budget Committee Members and Community:

It continues to be an honor to serve the students, staff, families and the community of The Dalles as North Wasco County School District Superintendent. The following proposed budget is a culmination of months of work behind the scenes meeting with several of our internal stakeholders, gathering input and listening to the continued challenges and lived experiences of our students, families and employees this past year.

What I submit for your consideration is a proposed budget for the North Wasco County School District for the 2026-2027 school year that is in accordance with ORS 294.391 and representative of continuing to provide a level of service aimed at supporting and better serving our students, families, employees and greater community.

The Budget that follows represents the financial plan for North Wasco County School District #21 for the next fiscal year. This document, the related Budget Committee review and the applicable filings with the Wasco County Assessor, the Oregon Department of Revenue and the Oregon Department of Education are intended to meet the legal requirements so that the District may legally expend funds beginning July 1, 2026.

Revenue projections included in this budget indicate a **4.3%** increase in available general fund revenues. Total budgeted general fund revenue for 2025-2026 was **\$44.1 million**, compared to projected revenue of **\$45.6 million** for 2026-2027. This budget is the plan for the final year of the 2025-2027 biennium.

This budget document includes levying local property taxes in the General Fund (Fund 100). As one of the legal requirements of a budget committee, you will be asked to approve a permanent tax rate levy of **\$5.2399** dollars per one thousand dollars of taxable assessed value for the general fund.

This financial plan is driven by our District's Mission:

***“Educating each student to the highest standards while motivating them to reach their fullest potential and graduating them to be college, career, and life ready.”***

And our Vision:

***“Our schools are a place where children belong. Each student is known by name, strength, and need, and provided the education and opportunities to achieve success.”***

and guided by our District Goals, the District 2027 Strategic Plan, and individual School Work Plans.

The major highlights for the district budget include the following items:-

1. This budget is built on a SSF (State School Fund) of **\$11.36 billion for the 2025-2027 biennium**. The legislatively approved SSF is allocated 49% to the first year of the biennium and 51% to the second.
2. This budget includes the roll-up costs of the current level of service (staffing, programs, operations).
3. This budget includes general fund revenues from the state that are expected to increase by approximately **\$1.18 million**. This is attributed to a slight increase in funding per pupil.
4. This budget does not include any federal coronavirus relief funds (ESSER dollars) which were used to mitigate any circumstances related to the pandemic.
5. This budget includes risk management and liability insurance costs which are expected to increase **14%** due to increased high cost claims across the state.
6. This budget includes the continuation of the Innovations Academy which houses several existing North Wasco pathway programs and consolidates them into one called the Innovations Academy (IA) and Innovations Virtual Academy (IVA). An additional FTE is included in this budget for the 2026-2027 school year due to the increased demands of students and families choosing this program as a preference for their educational programming.
7. This budget includes the expansion of our Dual Language Immersion program which will expand to sixth grade next year. An additional FTE is included in this budget for the 2026-2027 school year to support the expansion.
8. This budget includes increases for contracted salary and benefits increases in accordance with our negotiated agreements through June 30, 2027.

I want to thank all staff involved in the preparation of this budget, especially Chief Financial Officer, Dan Pedersen and all of our fiscal office staff. I would also like to express my

appreciation to the members of the budget committee for their service, thoughtful analysis and consideration of this proposed budget.

Currently districts across Oregon are making difficult decisions regarding their ability to roll forward with current staff and programs. For some, it means reductions in staff, programs, or school closures next year. For others, it means depleting reserves for one or both years in order to keep a current service level.

North Wasco's 2026/2027 budget continues to be lean and we will continue to monitor expenditures extremely closely while exploring all funding alternatives such as additional grant funding opportunities where possible.

There is no doubt that Oregon finds itself at a pivotal moment with respect to the K-12 educational system. PERS, Special Education, and High Cost Disability costs are increasing at unsustainable rates. Coupled with ongoing Executive Orders, unfunded mandates, and accountability expectations, asking school districts to do more with the same or less resources is not a viable option - our students deserve better. We are hopeful that legislators will be responsive to our advocacy efforts ahead of the upcoming long legislative session and recognize that this is their call to action to address the inadequacies in how we fund K-12 education.

In closing it's important to restate that unaddressed rising costs to adequately serve our students will continue to make for some difficult adjustments in both this and future budgets. And yet, I hold a spirit of optimism that our state and elected representatives understand that the nation-wide conditions of workforce shortages paired with increased inflation and wages are not going away overnight. We will be in this economic predicament for the foreseeable future. There needs to be a more stable and adequate funding source and commitment in Oregon for K-12 education.

Lastly, I am proud and humbled to serve the North Wasco County School District and to bring forward a balanced budget that continues to support the mission, vision, and goals of this school district, striving to create schools where each child feels a sense of belonging, the adults know each student by name, strength, and need, and students are provided educational opportunities in order to reach their full potential, achieve success, and graduate to be college, career, or life ready.

I offer this balanced 2026-2027 budget proposal to the Budget Committee for your consideration.

Respectfully submitted,

*Carolyn Bernal*

Dr. Carolyn Bernal

Superintendent