

Memorandum

To: Board of Directors, Estacada School District

From: Scott B. Pillar, Director of Finance

Date: January 7, 2026

Subject: Monthly Financial Report

Enclosed in your Board Packet is the financial report summarizing preliminary transactions through December. Overall, both revenues and expenditures are tracking largely as expected. On the revenue side, property tax collections are proceeding normally, with year-to-date collections showing a modest increase of 2.9 percent compared to the same period last year.

At the state level, there has been limited activity regarding plans to address the projected (though smaller) deficit anticipated in the upcoming biennium. A special legislative session is scheduled to begin in February and is expected to focus primarily on budget-related matters.

Regarding the annual audit for fiscal year 2024–2025, while the original deadline of December 31 has passed, we now anticipate completion by the Oregon Department of Education's extended deadline of January 31, 2026. As noted in last month's report, this extension applies to districts subject to Federal Single Audit requirements, including Estacada School District, and will not affect the mid-January State School Fund distribution.

The committee responsible for the Construction Manager/General Contractor (CM/GC) selection process for the upcoming seismic grant project for the new commons is recommending that the Board approve the intent to award the CM/GC contract to CB Construction, Inc. of La Grande, Oregon. CB Construction emerged as the clear top candidate following a thorough and competitive selection process. On behalf of the committee, I respectfully request Board approval of the intent-to-award statement included in your packet.

Additionally, the Board is asked to review and acknowledge the agreement entered into between the Oregon Department of Education and Estacada School District related to the Student Investment Account (SIA). This grant supports efforts to address students' mental and behavioral health needs, increase academic achievement, and reduce academic disparities among targeted student populations. Funding is derived from Oregon's Corporate Activity Tax, and all school districts in the state are eligible. The SIA is a biennial grant distributed annually; over the two-year period, the district anticipates receiving approximately \$3.9 million.

As we enter the new year, planning is underway for the development of next year's budget. This year, the district will begin implementing a program-based budgeting (PBB) framework, which organizes financial resources around programs and intended outcomes rather than traditional line items. While the first year of implementation will present challenges, subsequent years are

expected to be significantly more efficient as district leadership refines program evaluation and budgeting practices. Districts that have adopted program-based budgeting commonly report stronger alignment with strategic goals, improved transparency, and more equitable allocation of resources. Given the current softening of the economy, a more deliberate alignment between programs, budgets, and outcomes is both timely and appropriate, and I am enthusiastic about participating in this important work!

Thank you for your continued support of the Estacada School District and its students. Please do not hesitate to contact me should you desire for additional detail or clarification regarding any aspect of the district's financial position.