

# Budget Update

School Board Retreat

January 27, 2026

# Numbers

As of January 8, 2026

Resources	2024-2025 Actual	2025-2026 Estimated	2026-2027 Estimated	2027-2028 Estimated	2028-2029 Estimated
Beginning Fund Balance	\$ 164,436,027	\$ 163,355,697	\$ 143,063,715	\$ 117,623,593	\$ 61,969,425
State Controlled	512,606,804	544,144,054	557,328,499	573,371,918	582,997,616
Locally Controlled	73,043,087	77,317,695	72,063,602	73,718,856	75,422,547
<b>Total</b>	<b>\$ 750,085,918</b>	<b>\$ 784,817,446</b>	<b>\$ 772,455,816</b>	<b>\$ 764,714,367</b>	<b>\$ 720,389,588</b>
Expenditures	2024-2025 Actual	2025-2026 Estimated	2026-2027 Estimated	2027-2028 Estimated	2028-2029 Estimated
Salaries	\$ 330,419,945	\$ 353,255,275	\$ 369,175,767	\$ 389,874,065	\$ 411,975,182
Benefits	196,608,594	221,391,082	219,795,351	243,578,433	244,143,555
All Other	59,701,682	67,107,374	65,861,105	69,292,444	72,990,354
<b>Total</b>	<b>\$ 586,730,221</b>	<b>\$ 641,753,731</b>	<b>\$ 654,832,223</b>	<b>\$ 702,744,942</b>	<b>\$ 729,109,091</b>
Surplus/(Deficit)	<b>(1,080,330)</b>	<b>(20,291,982)</b>	<b>(25,440,122)</b>	<b>(55,654,168)</b>	<b>(70,688,928)</b>
<b>Ending Fund Balance</b>	<b>\$ 163,355,697</b>	<b>\$ 143,063,715</b>	<b>\$ 117,623,593</b>	<b>\$ 61,969,425</b>	<b>\$ (8,719,504)</b>
Financial Reserve (PERS)	32,913,084	41,265,143	41,765,143	42,265,143	42,765,143
<b>Total Reserves</b>	<b>\$ 196,268,781</b>	<b>\$ 184,328,858</b>	<b>\$ 159,388,736</b>	<b>\$ 104,234,568</b>	<b>\$ 34,045,639</b>

# Numbers Assumptions

- Based on actuals and projections
- Assumes \$11.36B for 2025-2027 (11.4% increase), 10% increase for future biennia
- Uses most recent SSF estimates
- Assumes enrollment declines based on demographer assumptions through 2026-27 with additional 200 student decline, reduced by 600 students in 2027-28 and 2028-29
- Includes negotiated COLA and health caps increases for all years.
- Includes step increases
- Includes revised PERS rates for 2025-2027 biennium and advisory rates for the 2027-2029 biennium
- Includes Apple Lease for teacher laptops in 2025-26
- Does not include further contributions to the district PERS reserve
- Does not include SIA or HSS funds
- Based on best information we have today

# Significant staffing changes due to enrollment decline and student demographic changes

- Budget FTE reductions due to enrollment and student demographic changes in all funds:
  - 54.8 Licensed Staff
  - 9.7 Classified Staff
  - 5.0 Administrative Staff
- Budget FTE additions due to enrollment and student demographic changes:
  - 45.0 Special Education paraeducators
- Some adjustment to the FTE listed above are expected as updated enrollment and direct certification numbers are available

# Other Budget Pressures/Reductions - Local Option Levy

## Local Option Levy

Estimated FY27 revenue: \$44,500,000

Estimated FY 27 expenditures: \$49,583,438

(assumes same FTE as adopted in FY26)

- When approved by voters in 2023, the district estimated approximately 287 classroom teachers would be funded
- Based on collections, we have funded as many as 313 classroom teachers
- The projected shortfall for 2026-2027 will force a reduction of approximately 30 classroom teachers moving us just below the 287 estimate

Estimated Shortfall: **\$5,083,438**

**This shortfall is reflected on the numbers on slide 2.**

# Other Budget Pressures/Reductions - IDEA/SIA

## IDEA Grant (SPED)

Estimated FY27 award: \$4,840,642

Estimated FY 27 expenditures: \$5,547,186

Estimated Shortfall: **\$706,544**

## SIA Grant (Student Investment Account)

Estimated FY27 award: \$38,209,597

Estimated FY 27 expenditures: \$39,188,098

Estimated Shortfall: **\$469,974**

# Other Budget Pressures/Title Grants

## **Title I-A, Title I-C, Title II-A, Title III-A, Title IV**

- We are watching carefully to determine if further reductions and/or a holdback of funds will be necessary
- Hoping for some sense of direction in February

# SAM Review Team



# Goals

## For Student Success

**1**

**Safe & Thriving**



**2**

**Foundations of  
Success**



**3**

**Progress on  
Standards**



**4**

**College &  
Career Ready**



# Equity Lens



When **making decisions and taking action**, utilize the following questions:

**Whose voice** is and isn't represented in this decision?

Whom does this decision **benefit or burden** ?

Is this decision in alignment with the **BSD Equity Policy** ?

Does this decision **close or widen** the access, opportunity, and expectation gaps?

## **Additional considerations:**

What **systemic barriers** might be at play in this situation?

What **other possibilities** were explored?

Is the decision/outcome **sustainable** ?

# At the Center of Budget Considerations



**Balancing the preservation of services  
while minimizing impact to the classroom**

# 2026-2027 Reductions for Consideration

Description	FTE	Amount
District Office Reductions	TBD	TBD
Reduction in Credit Recovery Allocation (presently unused)	0.25	\$40,926
Adjustment to teacher allocation increments at middle schools and options - matching the schedule models	1.71	\$271,646
Change in practice of 2 classrooms per grade at elementary	12.0	\$1,932,162
Adjustment of Elementary Specialist Allocations - proportionate staffing to weighted student population	7.0	\$1,141,446
FLEX Online - maintaining the option for students while maximizing resources	TBD	TBD
Adjustment of Instructional Coach Allocations - proportionate to the number of sections in the school	2.0	\$355,735

# 2026-2027 Reductions for Consideration

<b>Description</b>	<b>FTE</b>	<b>Amount</b>
Adjustment of Student Behavioral Specialist Allocations - proportionate staffing to weighted student population	4.0	\$694,696
Regional Social Worker Model - Maintaining services in a centralized model with regional clusters	19.5	\$2,741,686
Adjustment of Counselor Allocations - proportionate staffing to weighted student population	10.5	\$1,618,253
Centralizing District Library Instruction Technology support	8.5	\$1,407,649
Restructuring WEX service model	3.0	\$451,816
Centralizing of Substance Use Supports	6.5	\$915,733
<b>TOTAL</b>	<b>74.96</b>	<b>\$11,571,748</b>

# Process Reminder - We are at the beginning. Much more work ahead!

- October - December 2025
  - SAM Committee/Reduction identification
- January 2026
  - Share initial SAM reductions
  - Prepare Budget L&L for feedback
- February 2026
  - Collect feedback about reductions
- March 2026
  - Share feedback at Budget 101
- May 2026
  - Proposed Budget

# Numbers using \$10million annual reduction

As of 1/8/26

Resources	2024-2025 Actual	2025-2026 Estimated	2026-2027 Estimated	2027-2028 Estimated	2028-2029 Estimated
Beginning Fund Balance	\$ 164,436,027	\$ 163,355,697	\$ 143,063,715	\$ 127,623,593	\$ 92,701,104
State Controlled	512,606,804	544,144,054	557,328,499	573,371,918	582,997,616
Locally Controlled	73,043,087	77,317,695	72,063,602	73,718,856	75,422,547
<b>Total</b>	<b>\$ 750,085,918</b>	<b>\$ 784,817,446</b>	<b>\$ 772,455,816</b>	<b>\$ 774,714,367</b>	<b>\$ 751,121,267</b>
Expenditures	2024-2025 Actual	2025-2026 Estimated	2026-2027 Estimated	2027-2028 Estimated	2028-2029 Estimated
Salaries	\$ 330,419,945	\$ 353,255,275	\$ 369,175,767	\$ 389,874,065	\$ 411,975,182
Benefits	196,608,594	221,391,082	219,795,351	243,578,433	244,143,555
All Other	59,701,682	67,107,374	65,861,105	69,292,444	72,990,354
Reduction Year 1	-	-	(10,000,000)	(10,731,679)	(11,134,289)
Reduction Year 2	-	-	-	(10,000,000)	(10,375,160)
Reduction Year 3	-	-	-	-	(10,000,000)
<b>Total</b>	<b>\$ 586,730,221</b>	<b>\$ 641,753,731</b>	<b>\$ 644,832,223</b>	<b>\$ 682,013,263</b>	<b>\$ 697,599,643</b>
Surplus/(Deficit)	(1,080,330)	(20,291,982)	(15,440,122)	(34,922,489)	(39,179,480)
<b>Ending Fund Balance</b>	<b>\$ 163,355,697</b>	<b>\$ 143,063,715</b>	<b>\$ 127,623,593</b>	<b>\$ 92,701,104</b>	<b>\$ 53,521,624</b>
Financial Reserve (PERS)	32,913,084	41,265,143	41,765,143	42,265,143	42,765,143
<b>Total Reserves</b>	<b>\$ 196,268,781</b>	<b>\$ 184,328,858</b>	<b>\$ 169,388,736</b>	<b>\$ 134,966,247</b>	<b>\$ 96,286,767</b>

# Budget Worries

- A number of budget reductions scenarios presented by ODE for legislative review during the short session beginning in February
- State School Fund is listed with two (2) 2.5% reductions
  - First 2.5% = \$6.2M
  - Second 2.5% = \$7.7M

# Questions?