

Memorandum

To: Board of Directors, Estacada School District
From: Scott B. Pillar, Director of Finance
Date: March 4, 2026
Subject: Monthly Financial Report

Enclosed in your Board Packet is the financial report summarizing preliminary transactions through February. Overall, both revenues and expenditures are tracking largely as expected. The primary exception is within the purchased services category, where expenditures are approximately \$200,000 higher than anticipated.

Further analysis indicates that a portion of this increase is attributable to higher than projected charter school payments, which reflects their increased enrollment. These costs are generally offset by corresponding State School Fund revenue. However, the review also revealed notable year over year increases in special education services and legal expenditures associated with both the charter school and the district operated program.

It is important to note that under law, special education responsibilities remain with the district, regardless of where the student is enrolled. As a result, the district is obligated to cover many of these costs. We will continue to closely monitor expenditures in this area, particularly within purchased services, as we move into the final quarter of the fiscal year.

By the time of your meeting the Legislative short session will have concluded. At this writing it appears likely that K-12 education funding for the upcoming year will remain largely unchanged from the projected levels established at the beginning of the biennium. While this provides a measure of stability, the district continues to face a structural challenge in that the cost of educating our students is increasing at a rate that exceeds projected revenue growth.

In response we are continuing the work of developing a more disciplined and sustainable budget framework for the district, one that maintains our financial obligations while preserving our core mission. Our work with district leaders has been very productive and positive and I admire their commitment to district financial stability.

Also included in your board packet is a proposed, slightly streamlined budget calendar for the upcoming cycle, which will require board action. In addition, budget committee members must be appointed in accordance with board policy, preferably by the April meeting.

I have been working with district leadership to identify appropriate candidates for these positions. If any board members have recommendations, please feel free to contact me. My goal is to present a full slate of qualified budget committee members in order to increase transparency in the process and support a well-functioning outcome.

Thank you for your continued commitment to Estacada schools! As always, please let me know if you have any questions or would like further clarification in any area of district finances.