

March 5, 2026 Superintendent Report

State Revenue Forecast Update

The March state revenue forecast was released and included some positive news for Oregon's budget outlook. Net General Fund and Lottery resources increased by approximately \$286 million since the December forecast, reducing the projected state budget deficit from roughly \$750 million to under \$500 million. Since this forecast update, Oregon has passed a bill that partially disconnects state tax code from federal tax code, which is anticipated to further reduce the state's projected budget shortfall by an additional \$291 million, leaving an approximate shortfall of \$200 million.

While this improvement is encouraging, the state still faces a significant budget shortfall, and funding decisions for the 2025–27 biennium remain uncertain. Currently, no personal or corporate kicker is projected, and Corporate Activity Tax revenues, which support Student Success Act programs, continue to trend slightly above expectations.

The key takeaway for school districts is that, although the financial outlook has improved, advocacy for stable K–12 funding remains critical as lawmakers work to balance the state budget. Education leaders across Oregon continue encouraging the Legislature to prioritize student needs and consider the Education Stability Fund to prevent reductions to K–12 programs.

The Legislature is also considering House Bill 4075, which would authorize the state treasurer to guarantee a loan for Bay Area Hospital to help refinance its debt. While the goal is to stabilize local healthcare services, the proposal would use earnings from the Unclaimed Property and Estates Fund, which currently help support the Common School Fund. For reference, our first Common School Fund payment in January was \$133,000.

Because Common School Fund distributions flow to Oregon school districts, education organizations have raised concerns that the bill could reduce funding available to schools, potentially resulting in an estimated \$1.6 million annual impact statewide and establishing a precedent for using education-related funds to backstop non-education liabilities. While we want to emphasize support for the hospital, it's critical we caution against solutions that may unintentionally reduce K–12 resources during an already challenging budget environment.

I will continue to monitor developments and keep the board informed as the legislative session progresses.

Epidemic

Dr. Bartle has been acting as the self-appointed watchman and guardian of the school children's health, and in the matter of sanitation he was a real bulldog. With epidemics of smallpox, whooping cough, and measles running concurrently in spring, he was instrumental in gaining a temporary school closure, and in having the board fumigate Central School twice a week until the diseases had run their courses. A vaccine has been developed for the control of smallpox,

but it has not been made mandatory for pre-school children to be vaccinated before going to school. (NBSD School Board, April, 1914)

OSAA 3A State Basketball Tournament

Once again, we are proud to host the OSAA 3A State Basketball Tournament on March 5th, 6th, and 7th, and we are looking forward to another exciting weekend of outstanding competition. Eight girls teams and eight boys teams from across Oregon, along with their enthusiastic supporters, will gather in our community with hopes of bringing home a state championship.

We are deeply appreciative of the many individuals and organizations who help make this event such a success. The North Bend and Coos Bay School Districts rely on the dedication of our volunteers and the generous support of our business partners to create a memorable experience for student-athletes, schools, and fans. We are grateful for the continued community support that makes this tournament a highlight each year.

Classified Appreciation

Classified Appreciation Week is March 2–6, 2026. While we will be celebrating all of our staff together during Staff Appreciation Week on April 6–10, I would like to take a moment to recognize our classified employees for the important work they do each day. From supporting students in classrooms, feeding students, maintaining safe and welcoming facilities, to keeping our offices running smoothly, their contributions are essential to the success of our district. We are grateful for their dedication and the care they show our students and schools.

Broadway Property Update

We have a signed agreement on the Broadway property, which is the house next to Clyde Allen Baseball Field, with a close date of April 30th.

Pacific House Update

The board authorized the sale of the house on Pacific Ave, across from the high school, on November 13th. Since then, the property was appraised, listed for sale, and is now closed. After receiving an offer that was very close to the appraised value, the board chair authorized the sale. I signed final closing documents last week. Our final proceeds were just over \$257,000.

Reconfiguration Update

We will be convening a team to score our transportation Request for Proposals on March 16th. We anticipate bringing a recommendation to the board at the April board meeting.

Spring Break

I want to remind everyone that before we meet again, our students and staff will get to enjoy their last major break of the school year. Schools will be closed for Spring Break from March 23rd through March 27th. Only 12-month employees will be working during that week, but even those staff members will have Friday, March 27th off, as the entire district will be closed.