

## **Memorandum**

**To:** Board of Directors, Estacada School District

**From:** Scott B. Pillar, Director of Finance

**Date:** October 2, 2025

**Subject:** Monthly Board Report – Written

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In your Board Packet, you will find the financial report reflecting preliminary transactions through September, including our first fall payroll. This payroll sets the baseline for salary and benefit expenditures for the remainder of the year.

Current projections indicate that our budgeted allocations are sufficient to support salary and benefit obligations. This fall, we will be closely managing purchased services to maintain budget discipline, which should significantly reduce projected variances.

We continue to anticipate a negative cash flow for the year. While this outcome is not unexpected, we are working to minimize the deficit as much as possible. At present, finances appear stable; however, I remain cautious. Several economic uncertainties—such as the ongoing federal government shutdown, potential negative impacts from changes in the federal tax code on state revenue, and unclear future funding levels for programs like Title I and IDEA—underscore the need for vigilance.

At your upcoming meeting, we will discuss the proposed increase to the Construction Excise Tax (CET) rate. While a rate increase is never easy, it is important to recognize that CET represents the only non-bond mechanism available to provide short-term, immediate funding for growth-related projects.

In other developments, the new seismic grant is progressing well, and the fiscal office is preparing for the 2024–25 fiscal year audit.

Thank you for your continued commitment to the students of the Estacada School District. As always, I am available to provide any additional information you may need to support your work.