



Budget Priorities Discussion

Facing a \$3,000,000 + deficit

Top Priority: Maintain and support classroom staff and conditions

Priority Two: Maintain and support programs that directly impact student learning and school experience

- Balance budget using a deficit hybrid model
 - Take \$1,000,000 from ending fund balance
 - Take \$1,000,000 from Thompson fund
- Balance the remaining 1 to 1.5 million using SIA, HSS, and other grants
 - Analyze grants to determine the areas where there is not direct classroom support ie.. contracts for some services
- Add Special Education Classrooms in Parkrose
 - Provide in school support by hiring our own staff and reducing the number of students placed in outside services that range in costs from \$70,000-\$150,000 a year per student

Priority 3: Communicate with staff and community regarding our budget circumstances

Priority 4: Intensify and communicate the need for a local option

Why a deficit in Parkrose:

State School Fund: historically has underfunded our schools. 2000-2020- 80% of those budgets were deficit budgets in PR. Top 5 states in funding- New York \$24k, New Jersey, Vermont, DC, Connecticut- \$21,000+ per student compared to \$10,400 per student in Oregon. **Student Success Act brought us to #25 in the country.**

Enrollment: While we did have a slight increase in enrollment this past year, we remain significantly below our 2019 numbers. We are hopeful that the increases continue next year. However, although we have less kids, specifically at elementary schools, the needs of students have significantly increased. Rising needs for more intensive support and assistance for many students. Costs of supporting students through staffing and services outpaces the revenue we receive from the state school fund.

Rising Special Education Costs: Years ago we had well over 500 students on IEP's and paid about \$8,000,000 a year in costs. This past year we had just under 400 students on IEP's and our total costs are still expected to be over \$8,000,000. The district is capped in its funding for special education weight at 11%.

Overall Costs Outpacing Revenue: Rates across the board continue to increase. Capital projects, insurance costs, cost of materials and labor all have outpaced our revenue.