

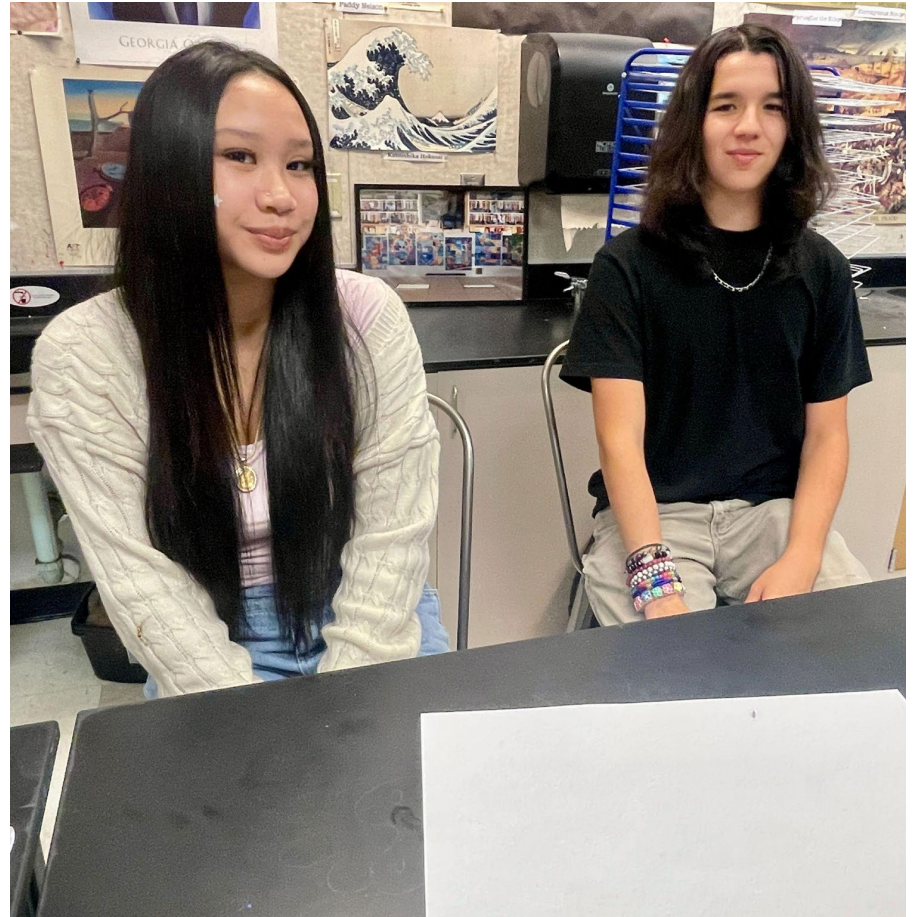
Budget Committee Meeting

May 5, 2026

Welcome & Opening Remarks



Elect Budget Committee Chair and Vice Chair



Roles & Responsibilities



- Administration

- Charged with presenting the proposed budget to the budget committee

Using the District's Equity Lens, our budget supports students and they are at the center of decisions made using our available resources.

- After the budget message, the administration serves in an advisory capacity

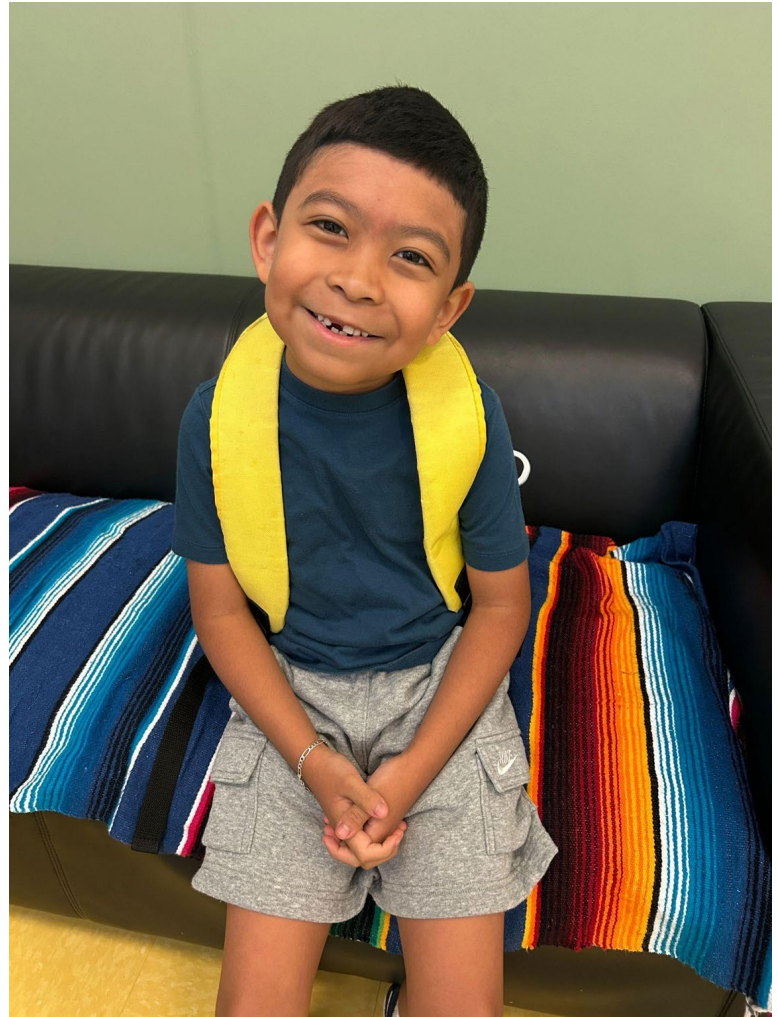
Roles & Responsibilities

- **Budget Committee**
 - Approves appropriations, tax rates and amounts
 - Appropriation approval is by Fund/Function only
 - Expenditures are accounted for at a very detailed level
 - Subject to public meeting laws, simple majority
 - May discuss, but not determine program ([see policy DBEA](#))

Roles & Responsibilities

- **Budget Committee Options For Approval**
 - Approve the budget as proposed
 - Increase the appropriation (we think we'll get more \$\$)
 - Decrease the appropriation (we think we'll get less \$\$)

Superintendent's Budget Message



Presentation Agenda

- Components of the Budget
 - Fund Sources and Uses
- General Fund
 - Where the money comes from
 - How we spend it
 - Our approach
- Big Picture/ Budget Process Overview
- Significant Budget Assumptions/Modifications
- The Numbers
- Other Funding Sources
- Budget Resource Information
- Key Takeaways/Outlook
- Budget Document Overview
- Committee Questions/Comments
- Public Comment
- Next Steps
- Summary for Next Meeting
- Superintendent's Closing Remarks
- Adjourn

11 Funds

\$1.4B

All Funds Proposed

\$780.4M

General Fund Proposed

37,080

Current Enrollment

36,273

Projected Enrollment

\$546.8M

Current State School Fund

\$557.4M

Projected State School Fund

Components of the Budget

1XX – General Fund (core operations)

2XX – Special Revenue Funds (grants, nutrition services, SIA, HSS, etc.)

3XX – Debt Service Fund (general obligation bonds, pension bonds, other debt)

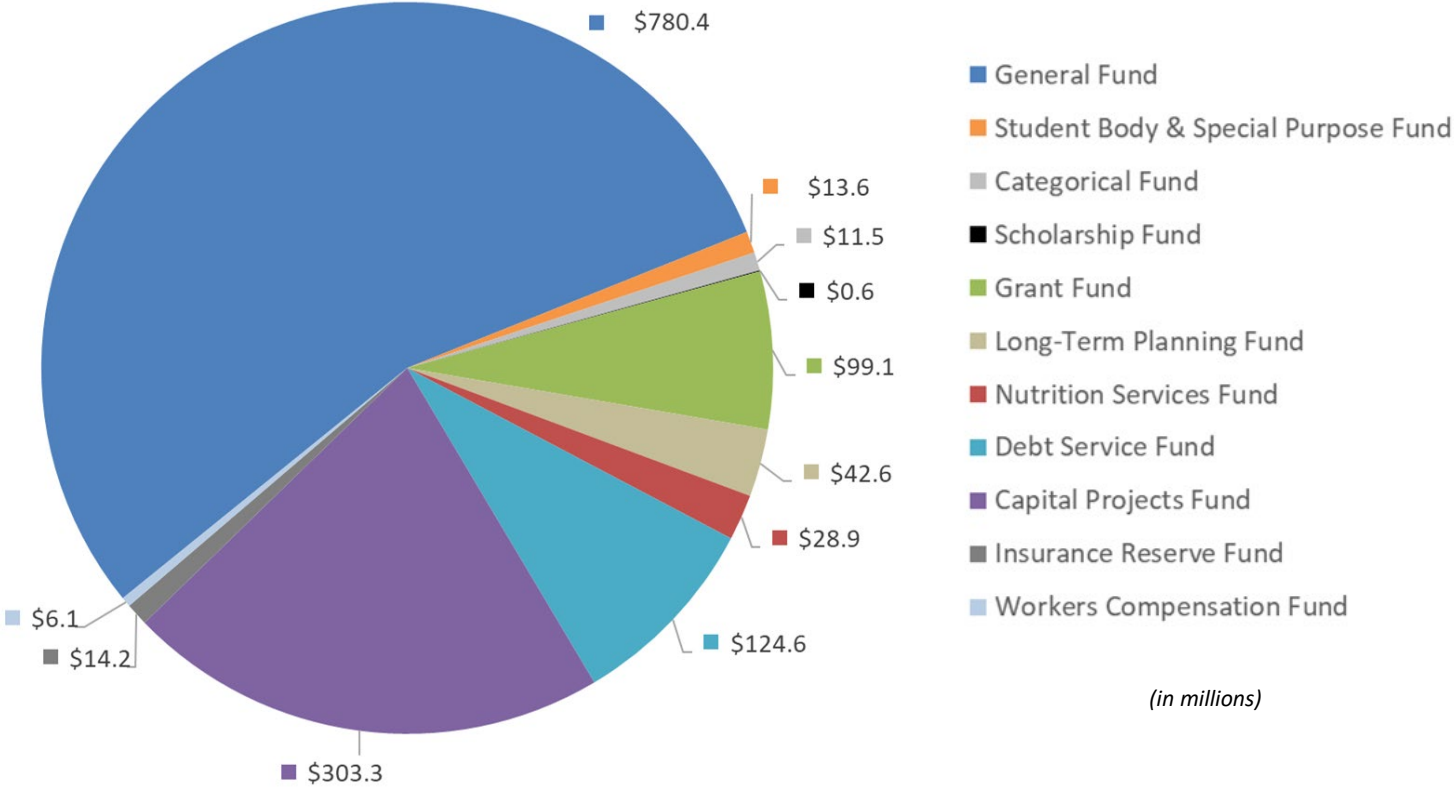
4XX – Capital Projects Fund (facility construction, acquisition, equipment)

5XX – Enterprise Funds (none for us)

6XX – Internal Service Funds (insurance reserve, worker's compensation)

7XX – Fiduciary Funds (none for us)

Components of the Budget – 2026–27 Proposed

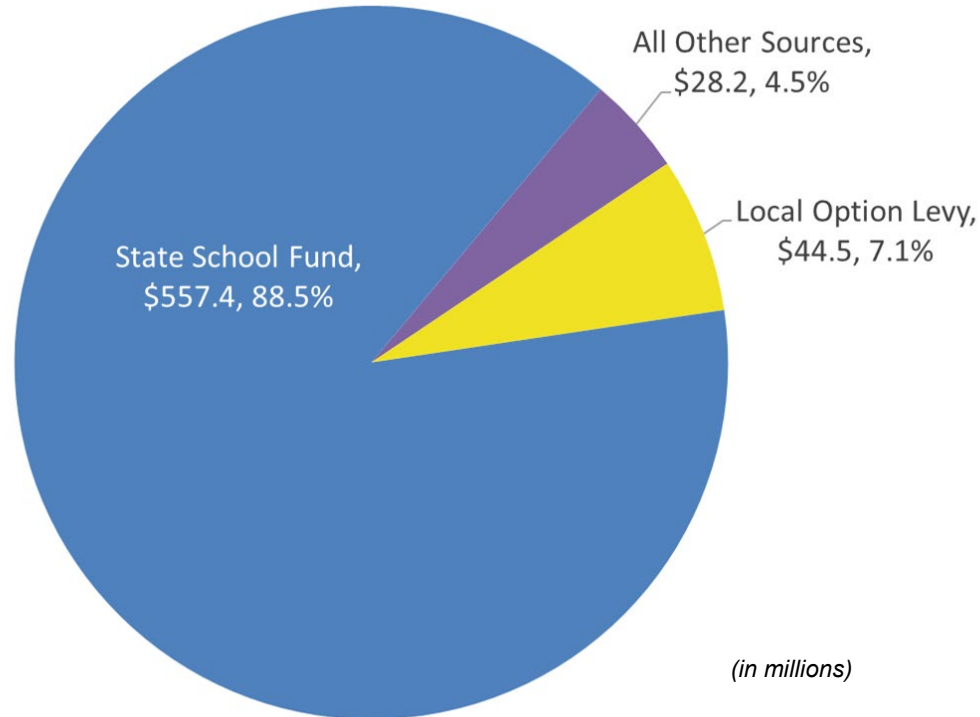


(in millions)

General Fund – Building the Budget (Revenue)

- State School Fund
 - Average number of students enrolled during the school year (higher of current or immediate prior year)
 - Additional “weights” for:
 - Students in ESL
 - Pregnant and Parenting Programs
 - Students on Individualized Education Plans (IEP)
 - District Poverty Data
 - Students in Foster Care
- Local Option Levy
 - Property Tax Based (\$1.25/\$1,000 of Assessed Value)
 - Property by property assessment varies
- Beginning Fund Balance
 - Estimated difference between resources and expenditures in the prior year

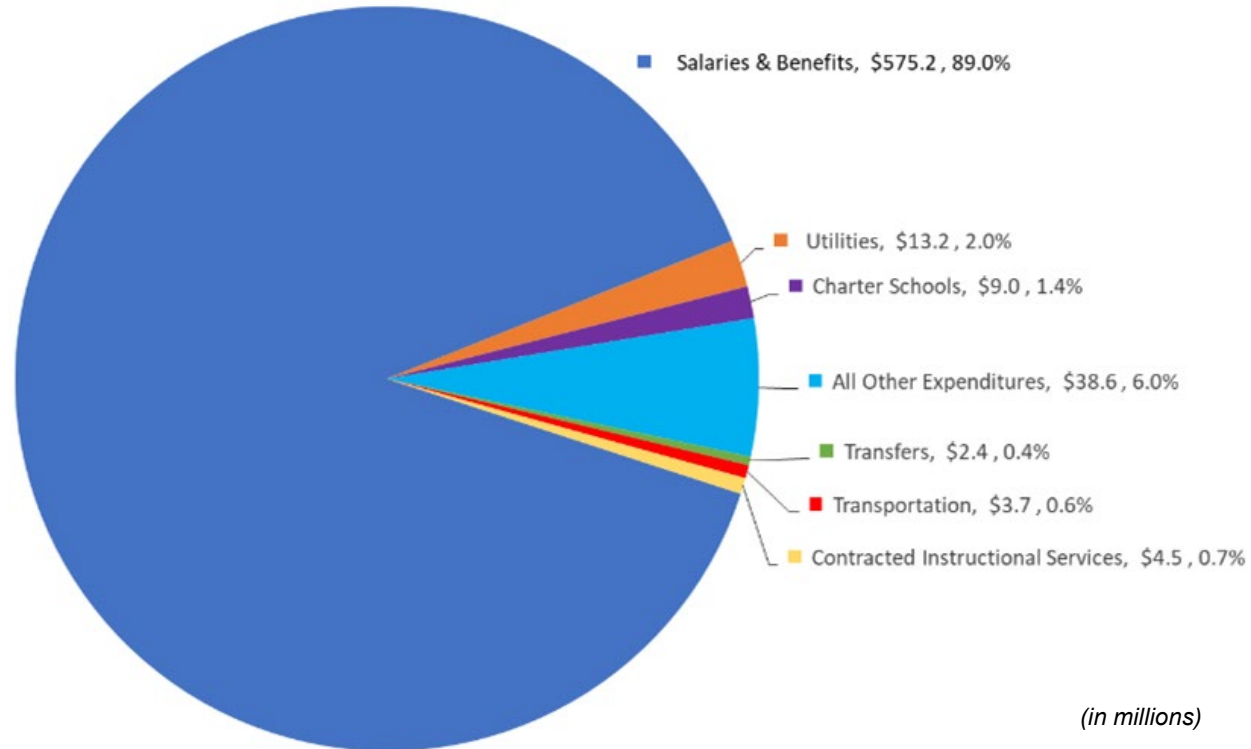
General Fund Revenue – 2026–27 Proposed



General Fund – Building the Budget (Expenditures)

- Bargaining Items – Licensed and Classified (known)
 - Step
 - Cost of Living Adjustment (COLA)
 - Professional Development
 - Working Conditions (preparation time, etc)
 - Benefits (health and other)
 - Leaves (sick, personal, other)
- Schools
 - Staffing (allocation based on number of students & demographics)
 - Discretionary (allocation based on number of students & demographics)
 - Uses Staffing Allocation Methodology (SAM)
- Central Department Budgets
 - Support based, very defined

General Fund Expenditures – 2026–27 Proposed



The Big Picture

Four budget challenges we're addressing in the 2026–27 Proposed Budget:

- Reductions due to enrollment decline (using the same staffing allocation as prior years)
- Local Option Levy Shortfall (revenue not keeping up with costs)
- Structural deficit (overall revenue not keeping up with costs – target \$10 million)
- Flat funding in grants (overall revenue not keeping up with costs)

Budget Process Overview

- Process began in August 2025 with school board
- Large group Staffing Allocation Methodology (SAM) Committee met in fall/winter 2025 to discuss model changes
- Proposed SAM modifications shared with school board in January 2026
- Gathered community feedback February 2026
- \$16.6 million shortfall anticipated for 2026–27 after all budget reductions.
- Structural deficit is an ongoing concern

Significant Budget Assumptions

- Budget is based on \$11.36 billion State School Fund (SSF)
- Projected enrollment decrease of about 800 students
- Planned \$16.6M deficit spending, uses reserves
- Local option levy funds 273 teachers (\$44.5M)

Budget Modifications

– Enrollment Adjustments

Reductions due to declining enrollment:

- 59.9 Licensed
- 10.8 Classified
- 4.0 Administrators

Additions due to increased special education:

- 3.5 Licensed
- 38.5 Classified

Budget Modifications – Local Option Levy

*Direct impact to class size

Reductions due to levy
revenue shortfall:

- 30.0 Licensed
- Total General Fund Reduction:
\$4.9M

Significant Budget Modifications – Due to McKay Closure

- 7.0 Licensed
- 7.9 Classified
- 1.0 Administrator
- \$22K Discretionary
- Total General Fund Savings = \$1.7M
- Total Other Fund Savings = \$412K

Budget Modifications – Budget Reductions District Office

General Fund: \$2.0M

Other Funds: \$1.2M

All Funds Reductions by Department

- Business Office:
 - Reorganization (net impact)
 - -1.0 Classified
 - -0.5 Confidential Support
 - Net Reduction \$168K

- Human Resources:
 - Reorganization (net impact)
 - -1.0 Licensed
 - -1.0 Confidential Support
 - Non-Salary budget
 - Net Reduction \$285K

Budget Modifications

– Budget Reductions

District Office

Continued

General Fund: \$2.0M

Other Funds: \$1.2M

All Funds Reductions by Department

- Information Technology:
 - Non-Salary budget
 - Net Reduction \$344K
- Operations:
 - -0.5 Confidential Support
 - Net Reduction \$88K
- Facilities Development:
 - -5.0 Classified
 - Net Reduction \$698K

Budget Modifications – Budget Reductions District Office Continued

General Fund: \$2.0M

Other Funds: \$1.2M

All Funds Reductions by Department

- Safety:
 - Non-Salary budget
 - Net Reduction \$41K
- Teaching & Learning:
 - -5.0 Licensed
 - -1.0 Classified
 - Net Reduction \$1.1M
- Superintendent's Office:
 - -2.0 Leadership
 - Net Reduction \$458K

Budget Modifications – Budget Reductions Support/Programs

General Fund: \$693K

Other Funds: \$212K

All Funds Reductions by Department

- Teaching & Learning:
 - -1.0 Classified
 - -2.0 Administrators
 - Net Reduction \$585K

- Custodial:
 - -3.0 Classified
 - Net Reduction \$320K

Budget Modifications

– Budget Adjustments Staffing Allocation Methodology (SAM)

All Funds Reductions

- Proportional Staffing at Elementary (-16.0 FTE)
- Regional Social Worker model (-10.5 FTE)
- Secondary Counselors (flexibility) (-8.0 FTE)
- Credit Recovery (-0.25 FTE)
- Middle School/Option School schedule and allocation alignment (-4.28 FTE)
- Library Instructional Technology Teachers (LITTs) (-8.5 FTE)
- FLEX Online Elementary (-5.0 FTE)
- Title IA Convertible Staffing (-7.5 FTE)
- Graduation Mentors - unused (-1.0 FTE)

Budget Modifications

– Budget Adjustments Staffing Allocation Methodology (SAM)

Totals

- 58.5 Licensed
- 2.6 Classified
- Total General Fund Reduction = \$8.4M
- Total Other Funds Reduction = \$1.4M
- Proportions (outside of enrollment):
 - Elementary 57.8%
 - Secondary 42.2%

Budget Considerations – Reductions Not Implemented

The following SAM consideration areas were not reduced or were reduced less than proposed:

- Elementary Counselors – maintained a minimum of 1.0 per building
- Regional Social Worker Model
 - Proposed 19.5 FTE reduction
 - Actual 10.5 FTE reduction
- WEX Service Model – no reduction
- Centralizing Substance Use Supports – no reduction

Budget Modifications

– Additions

General Fund: \$4.9M

Other Funds: \$678K

Strategic Plan Goals / Foundational Building Blocks:

- *Engaging & Effective Teaching & Learning Systems*
- *Progress on Standards*
- *Safe & Thriving*

General Fund Additions:

- Support for special education teachers due to federal funding shortfalls (3.0 FTE)
- Outdoor school support due to state grant shortfalls
- Adoption of new math curriculum
- Transportation for middle school after-school programs
- Boys volleyball

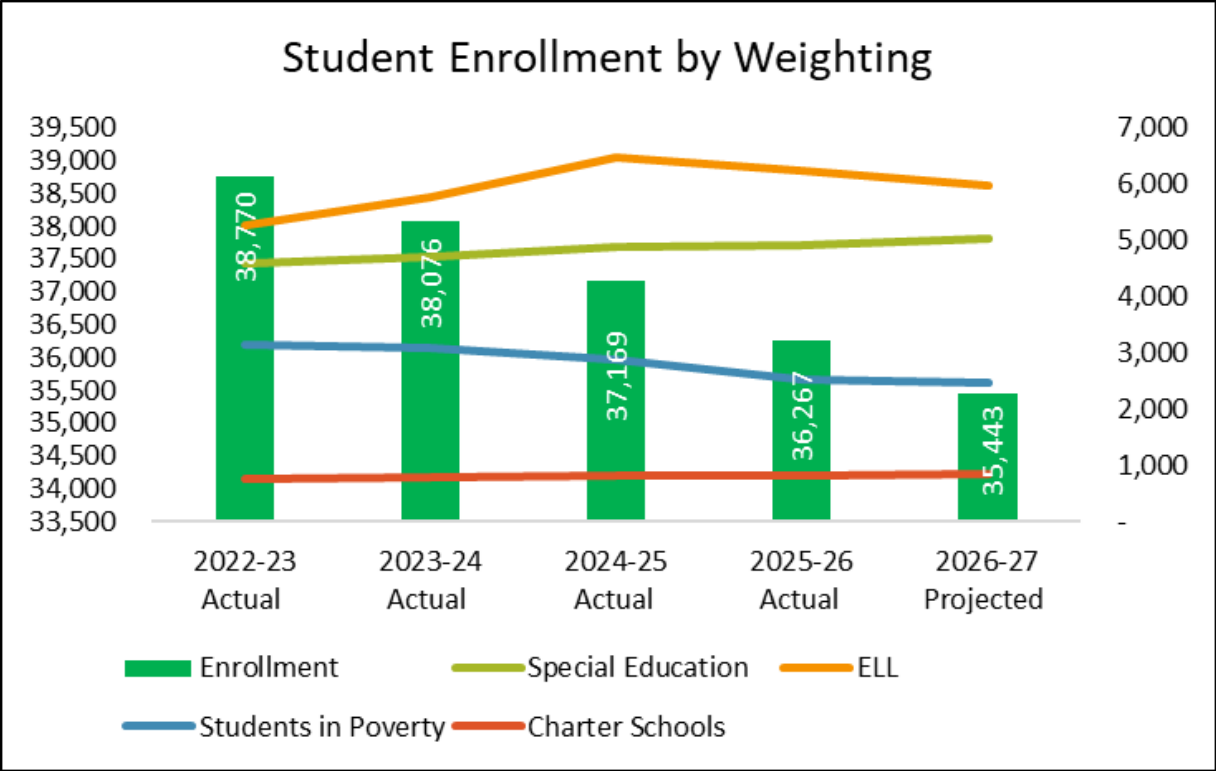
Other Funds Additions:

- Literacy Intervention Teachers at four high schools provided by new Comprehensive Literacy State Development grant (2.0 FTE)
- Additional staffing in Nutrition Services due to increased participation (6.9 FTE)

General Fund Summary

	Total
Reductions due to Enrollment	(\$8.0M)
Local Option Levy	(\$4.9M)
School Closure	(\$1.7M)
Budget Reductions:	
Schools	(\$8.4M)
Program Support	(\$0.7M)
District Office	(\$2.0M)
Budget Additions	\$4.9M
Total	(\$20.8M)

The Numbers: Enrollment



The Numbers

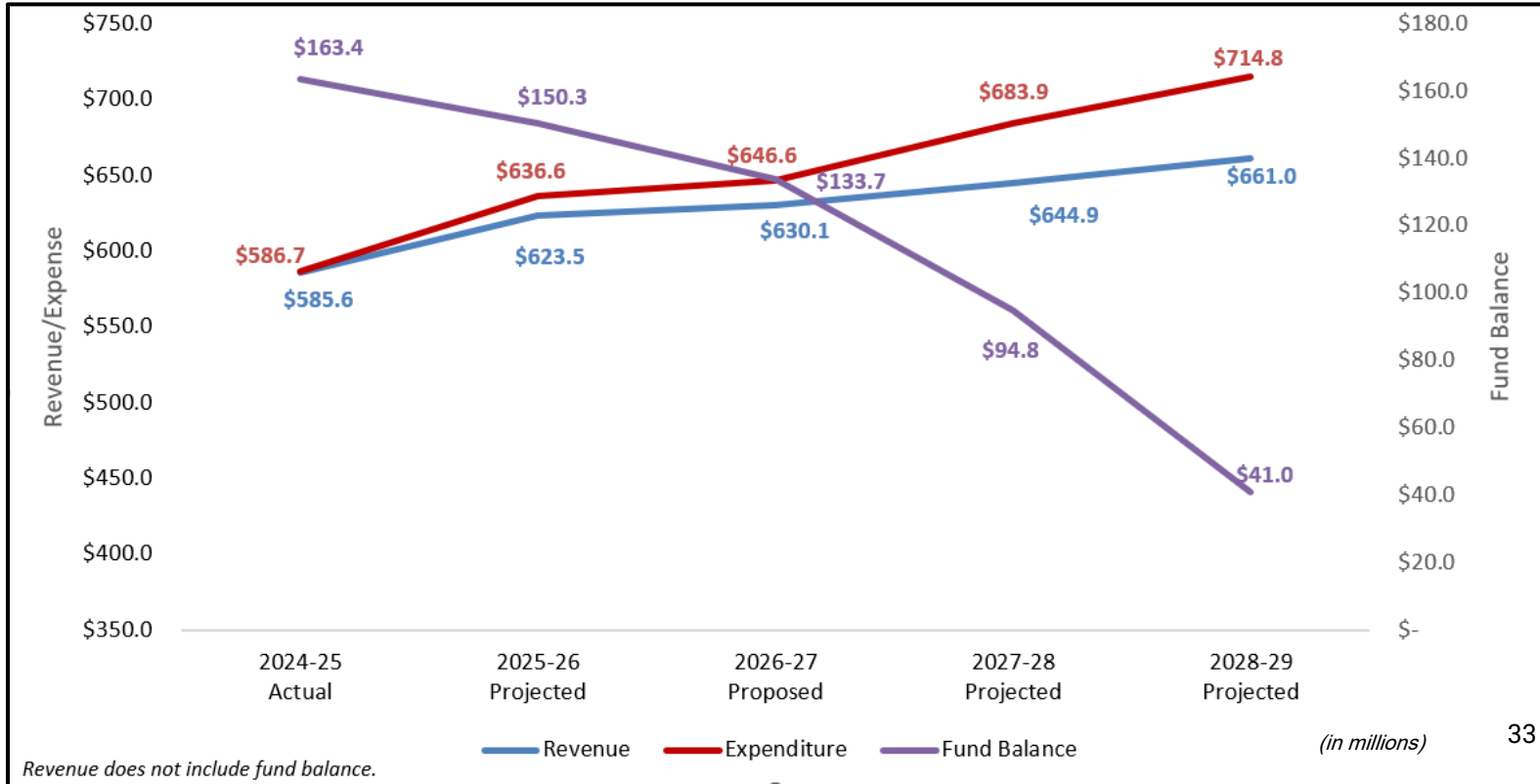
Assumptions:

- Based on most recent ODE State School Fund updates for 2025-26 and 2026-27
- Includes most recent enrollment adjustments for 2025-26 and 2026-27
- State School Fund at \$11.36B for 2025-27, \$12.5B for 2027-29
- Includes PERS advisory rates for 27-29 biennium
- Assumes some PERS rate credit in FY28
- Includes 2026-27 budget reductions/modifications
- Does not include the PERS reserve as of 2026-27
- Does not include SIA or HSS funds
- Based on best information available at this time

As of April 24, 2026

Resources	2024-2025 Actual	2025-2026 Projected	2026-2027 Proposed	2027-2028 Projected	2028-2029 Projected
Beginning Fund Balance	\$ 164,436,027	\$ 163,355,695	\$ 150,278,925	\$ 133,711,061	\$ 94,786,365
State Controlled	512,606,804	546,756,498	557,383,949	570,590,288	584,913,569
Locally Controlled	73,043,087	76,729,382	72,691,711	74,358,879	76,074,630
Total	\$ 750,085,918	\$ 786,841,575	\$ 780,354,585	\$ 778,660,228	\$ 755,774,564
Expenditures	2024-2025 Actual	2025-2026 Projected	2026-2027 Proposed	2027-2028 Projected	2028-2029 Projected
Salaries	\$ 330,419,945	\$ 354,455,275	\$ 360,327,814	\$ 380,388,047	\$ 401,805,500
Benefits	\$ 196,608,594	219,000,000	214,914,683	228,457,570	234,040,829
All Other	\$ 59,701,684	63,107,375	71,401,027	75,028,246	78,928,455
Total	\$ 586,730,223	\$ 636,562,650	\$ 646,643,524	\$ 683,873,863	\$ 714,774,784
Surplus/(Deficit)	(1,080,332)	(13,076,770)	(16,567,864)	(38,924,696)	(53,786,585)
Ending Fund Balance	\$ 163,355,695	\$ 150,278,925	\$ 133,711,061	\$ 94,786,365	\$ 40,999,780
Financial Reserve (PERS)	32,913,084	41,426,104	41,926,104	42,426,104	42,926,104
Total Reserves	\$ 196,268,779	\$ 191,705,029	\$ 175,637,165	\$ 137,212,469	\$ 83,925,884

The Numbers: General Fund Revenue & Expenditure



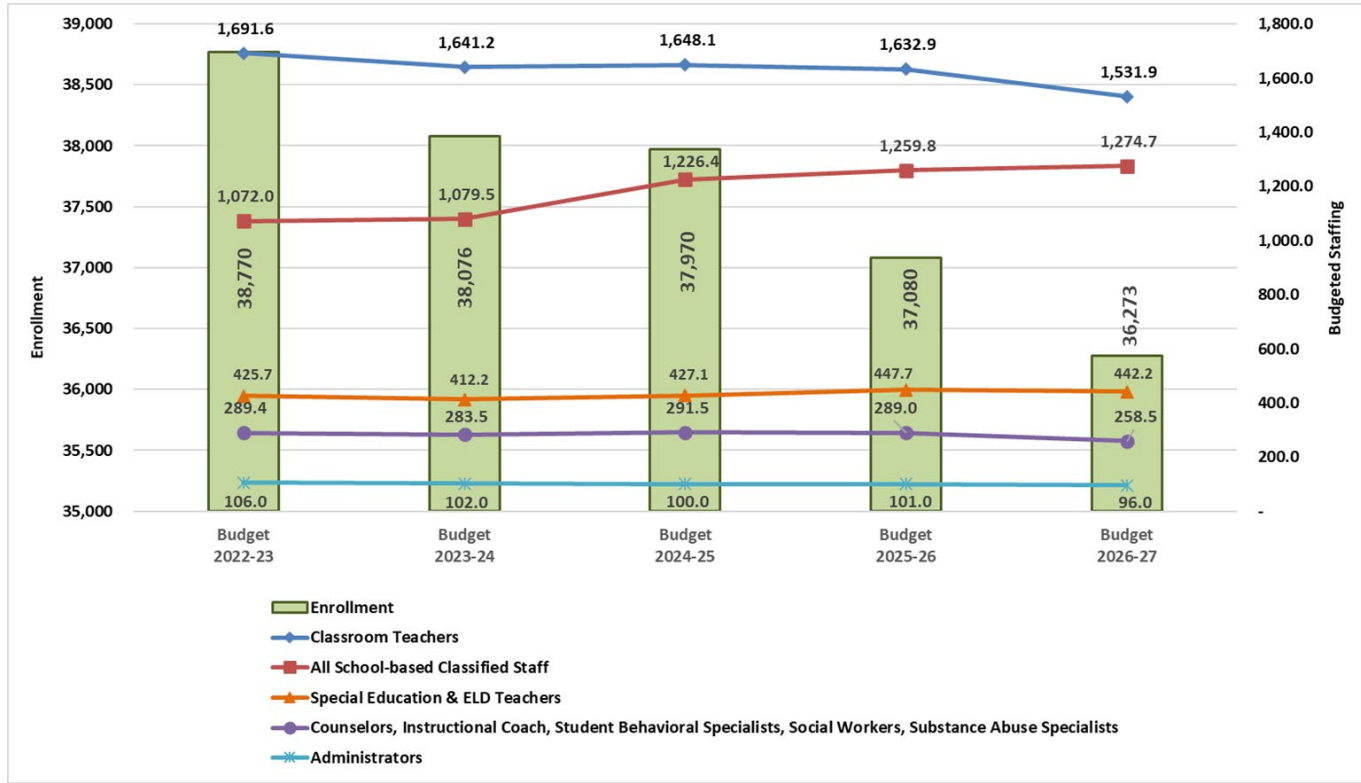
Other Funding Sources – Integrated Programs (SIA/HSS) and Federal Funds

- The Student Investment Account (SIA) and High School Success (HSS) grants provide nearly \$50M additional funding for the District.
- Major Federal Grant Programs including Title IA, IC, IIA, III, IV and the IDEA grant provide over \$15.0M in funding to the District in the 2025–26 school year.
- “Good news” – essentially flat funding for new 2026–27 awards.
- Some reductions as costs are rising faster than awards

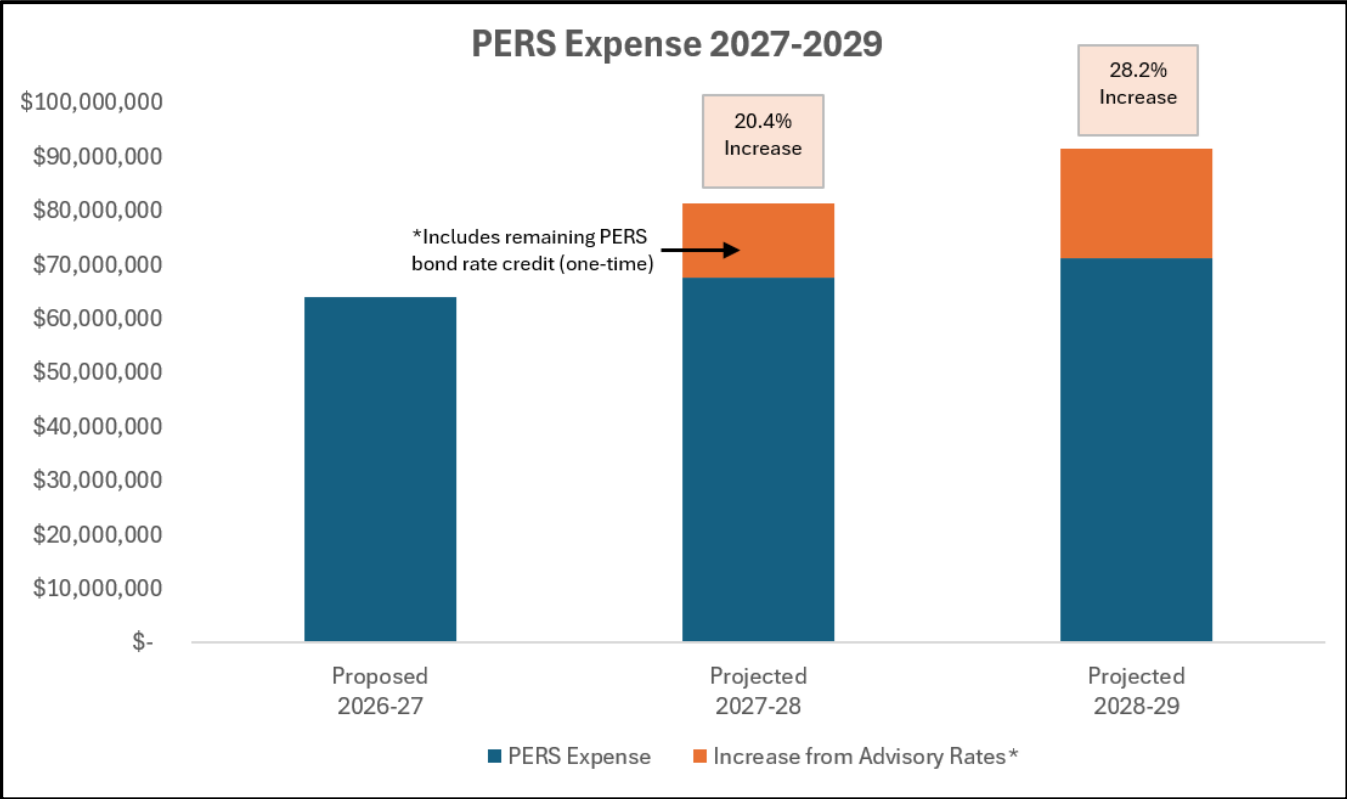
Budget Resource Information

- [District Strategic Plan](#)
- [District Equity Lens](#)
- [Aligning for Student Success: Integrated Guidance Process](#)
- [Budget Listening & Learning Video](#)
 - [Budget Listening & Learning Survey Feedback - Part 1](#)
 - [Budget Listening & Learning Survey Feedback - Part 2](#)
- [Budget 101 Meeting March 10, 2026](#)

Key Takeaways – School Based Staffing



Key Takeaways – PERS Outlook



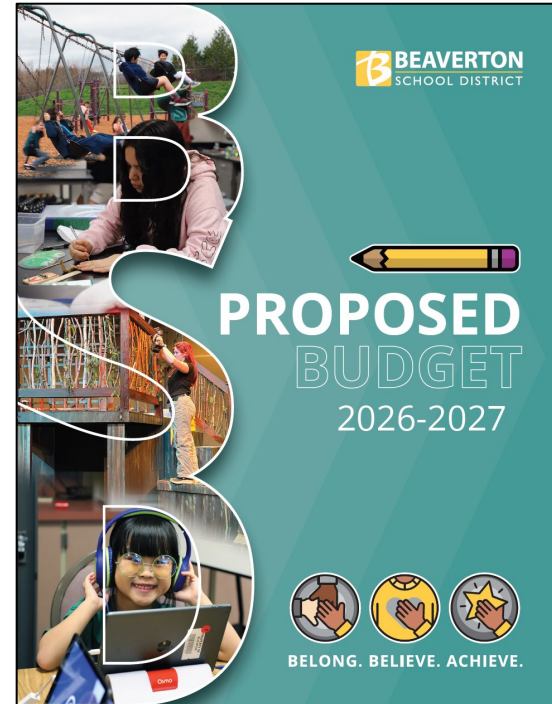
Key Takeaways and Outlook

- Staff Impacts
 - Individual school staffing affected by enrollment changes
 - Less funding available via other funding sources (Grants, Local Option Levy)
 - District Office reductions
 - School staffing adjustments due to Staffing Allocation Methodology (SAM) changes
- Overall budget
 - Budget anticipates deficit spending growing in future years
 - Healthy reserves
 - Based on birth rates, lower enrollment will continue
 - State School Fund not keeping up – Special Education costs continue to rise
 - Bargaining begins next year
 - Watching PERS rates in future

Budget Document Overview

Four Main Sections

- Executive Summary
- Organizational Section
- Financial Section
- Informational Section



Executive Summary

- Lifiable stand-alone document presenting high-level financial and organizational data
 - Superintendent's Budget Message - Page 3
 - Summary by Fund - Page 9
 - Benchmark Data - Page 13
 - Enrollment History & Projections - Page 14

Organizational Section

- District structure, School Board, administrative staff
 - Department pages – page 26
 - Budget process and financial reporting description – page 57
 - Strategic investment summary – page 64

Financial Section

- Summary and detail level financial information for all funds
 - Fund overviews – pages 99, 111, 121, 129, 135, 141, 148, 155, 161, 177, 185
 - Variance analysis – page 88
 - Debt service information – page 153
 - Capital projects information – page 159

Informational Section

- Ratio teacher staffing by school – page 194
- Personnel resource allocations – page 195
- Detailed enrollment history and projections – page 206
- Staffing Allocation Methodology (SAM) – page 208
- School summary pages – page 233
- **Glossary and Acronyms – page 302**

Committee Questions & Comments



Written Public Comment



Live Public Comment



Next Steps

Budget Committee

- Receive and review public input
- What questions must be answered?

Next Meeting: 5/19/2026

Summary for Next Meeting



Superintendent's Closing Comments and Adjournment

Budget documents are available at
<https://www.beaverton.k12.or.us/about-us/annual-budget>

