

## Budget Committee Meeting

Tuesday, May 5, 2026 5:30 PM

The Dalles Middle School - Library, 1100 East 12th Street, The Dalles, Oregon  
97058

1. **Call Budget Meeting to Order and Pledge of Allegiance** **Presenter:** Betsy Hege, Chair
2. **District Mission / Vision Statement / Values**
3. **Action Item:**
  - 3.a. *Election of Budget Committee Officers*
4. **Budget Message and Comments** **Presenter:** Dr. Carolyn Bernal, Superintendent
5. **Presentation & Review of Budget Documents** **Presenter:** Dan Pedersen, CFO
6. **Public Comments on the proposed 2026-2027 Budget document**
7. **Committee Questions**
8. **Recess Budget Committee Meeting until May 12, 2026.**

Dear North Wasco County School District Budget Committee Members and Community:

It continues to be an honor to serve the students, staff, families and the community of The Dalles as North Wasco County School District Superintendent. The following proposed budget is a culmination of months of work behind the scenes meeting with several of our internal stakeholders, gathering input and listening to the continued challenges and lived experiences of our students, families and employees this past year.

What I submit for your consideration is a proposed budget for the North Wasco County School District for the 2026-2027 school year that is in accordance with ORS 294.391 and representative of continuing to provide a level of service aimed at supporting and better serving our students, families, employees and greater community.

The Budget that follows represents the financial plan for North Wasco County School District #21 for the next fiscal year. This document, the related Budget Committee review and the applicable filings with the Wasco County Assessor, the Oregon Department of Revenue and the Oregon Department of Education are intended to meet the legal requirements so that the District may legally expend funds beginning July 1, 2026.

Revenue projections included in this budget indicate a **4.3%** increase in available general fund revenues. Total budgeted general fund revenue for 2025-2026 was **\$44.1 million**, compared to projected revenue of **\$45.6 million** for 2026-2027. This budget is the plan for the final year of the 2025-2027 biennium.

This budget document includes levying local property taxes in the General Fund (Fund 100). As one of the legal requirements of a budget committee, you will be asked to approve a permanent tax rate levy of **\$5.2399** dollars per one thousand dollars of taxable assessed value for the general fund.

This financial plan is driven by our District's Mission:

***“Educating each student to the highest standards while motivating them to reach their fullest potential and graduating them to be college, career, and life ready.”***

And our Vision:

***“Our schools are a place where children belong. Each student is known by name, strength, and need, and provided the education and opportunities to achieve success.”***

and guided by our District Goals, the District 2027 Strategic Plan, and individual School Work Plans.

The major highlights for the district budget include the following items:-

1. This budget is built on a SSF (State School Fund) of **\$11.36 billion for the 2025-2027 biennium**. The legislatively approved SSF is allocated 49% to the first year of the biennium and 51% to the second.
2. This budget includes the roll-up costs of the current level of service (staffing, programs, operations).
3. This budget includes general fund revenues from the state that are expected to increase by approximately **\$1.18 million**. This is attributed to a slight increase in funding per pupil.
4. This budget does not include any federal coronavirus relief funds (ESSER dollars) which were used to mitigate any circumstances related to the pandemic.
5. This budget includes risk management and liability insurance costs which are expected to increase **14%** due to increased high cost claims across the state.
6. This budget includes the continuation of the Innovations Academy which houses several existing North Wasco pathway programs and consolidates them into one called the Innovations Academy (IA) and Innovations Virtual Academy (IVA). An additional FTE is included in this budget for the 2026-2027 school year due to the increased demands of students and families choosing this program as a preference for their educational programming.
7. This budget includes the expansion of our Dual Language Immersion program which will expand to sixth grade next year. An additional FTE is included in this budget for the 2026-2027 school year to support the expansion.
8. This budget includes increases for contracted salary and benefits increases in accordance with our negotiated agreements through June 30, 2027.

I want to thank all staff involved in the preparation of this budget, especially Chief Financial Officer, Dan Pedersen and all of our fiscal office staff. I would also like to express my

appreciation to the members of the budget committee for their service, thoughtful analysis and consideration of this proposed budget.

Currently districts across Oregon are making difficult decisions regarding their ability to roll forward with current staff and programs. For some, it means reductions in staff, programs, or school closures next year. For others, it means depleting reserves for one or both years in order to keep a current service level.

North Wasco's 2026/2027 budget continues to be lean and we will continue to monitor expenditures extremely closely while exploring all funding alternatives such as additional grant funding opportunities where possible.

There is no doubt that Oregon finds itself at a pivotal moment with respect to the K-12 educational system. PERS, Special Education, and High Cost Disability costs are increasing at unsustainable rates. Coupled with ongoing Executive Orders, unfunded mandates, and accountability expectations, asking school districts to do more with the same or less resources is not a viable option - our students deserve better. We are hopeful that legislators will be responsive to our advocacy efforts ahead of the upcoming long legislative session and recognize that this is their call to action to address the inadequacies in how we fund K-12 education.

In closing it's important to restate that unaddressed rising costs to adequately serve our students will continue to make for some difficult adjustments in both this and future budgets. And yet, I hold a spirit of optimism that our state and elected representatives understand that the nation-wide conditions of workforce shortages paired with increased inflation and wages are not going away overnight. We will be in this economic predicament for the foreseeable future. There needs to be a more stable and adequate funding source and commitment in Oregon for K-12 education.

Lastly, I am proud and humbled to serve the North Wasco County School District and to bring forward a balanced budget that continues to support the mission, vision, and goals of this school district, striving to create schools where each child feels a sense of belonging, the adults know each student by name, strength, and need, and students are provided educational opportunities in order to reach their full potential, achieve success, and graduate to be college, career, or life ready.

I offer this balanced 2026-2027 budget proposal to the Budget Committee for your consideration.

Respectfully submitted,

*Carolyn Bernal*

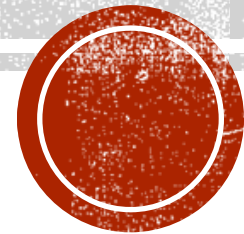
Dr. Carolyn Bernal

Superintendent

# NWCSD 21 BUDGET

Proposed for Fiscal Year 2027 – School Year 2026 / 2027

Presentation and Review of Budget Documents



# OREGON BUDGET LAW (ORS 294)

- **Oregon Local Budget Law** is spelled out in section 294 of the Oregon Revised Statutes, and mandates that local governments, including school districts, prepare a balanced annual or biennial budget to estimate revenues, expenditures, and taxes, ensuring fiscal transparency.
- **Citizen Involvement:** The law ensures public participation through meetings and required publication of budget notices. A budget committee of local residents ensures community input before approval.



# **PURPOSE OF LOCAL BUDGET LAW**

- **Establish Standard Procedures**
- **Outline programs & fiscal policies**
- **Require estimates of resources and expenditures**
- **Encourage citizen involvement**
- **Control expenditure of public funds**



# WHY FOLLOW LOCAL BUDGET LAW?

- Without a legal budget, the district may not:
  - Legally spend money, or
  - Certify property taxes to the county assessor.
- Property taxes levied without a legal budget may be voided by the Oregon Tax Court. Appeals can be made by
  - The county assessor, county courts, or County Board of Commissioners.
  - The Oregon Department of Revenue
  - Ten or more interested taxpayers.
- Public officials who spend money without legal authority may be civilly liable for the return of the money
  - But only if there is malfeasance in office or willful or wanton neglect of duty.



# THE BUDGET PROCESS: FOUR PHASES

- **Preparation** (Proposed Budget): A budget officer is appointed to prepare a proposed budget, which must follow specific format requirements.
- **Approval** (Budget Committee): A committee, composed of school board members and citizen members, reviews the proposal, holds public comment meetings, and approves the budget.
- **Adoption** (Governing Body): A summary is published, a public hearing is held, and the governing body formally adopts the budget and appropriates funds by June 30.
- **Execution** (Implementation): The budget is implemented, and property taxes are certified to the county assessor by July 15.
  - Changes to the budget may be made after adoption.
  - The change process is also prescribed in ORS 294.



# WHAT'S A BUDGET?

- A financial plan.
- For one fiscal year: July 1 – June 30
  - Biennial budgets are also allowed.
- Based on estimates of revenues and expenditures.
  - Must be “good faith” estimates, and revenues and expenditures must balance
- When adopted, gives the government the authorization to spend money as detailed in the budget.
  - Authorization ≠ Obligation: the budget sets the ceiling, not the floor.
  - Plans change, so can the budget.



# FUND ACCOUNTING 101

- Standards for Governmental Accounting are set forth by GASB, the Governmental Accounting Standards Board.
- Governments (yes, the school district is a government) use fund accounting.
- Each fund is a self-balancing set of financial records.
- All governments have a General Fund: this is the largest pool of money and the one over which we have the most discretion.
- Governments may also have Special Revenue Funds, Capital Projects Funds, Debt Service Funds, and other types of funds.
  - Sources of revenue for these funds include internal transfers, grants, donations, etc.
  - Expenditures from these funds are restricted to specific purposes, either by Board Policy or by the grantor or donor.



# THE BUDGET COMMITTEE:

## ROLES & RESPONSIBILITIES

- A local government's fiscal planning advisory committee.
- Composed of the governing body (aka the Board of Directors), and
- An equal number of electors appointed by the governing body.
- All members of the budget committee have equal authority, and any member may be elected as its chair.
- Meets publicly to review the budget document as proposed by the budget officer,
  - Receive the proposed budget and budget message,
  - Provides the public an opportunity to ask questions and/or comment on the budget.
    - *Please note that no response to public comments is required.*
  - Approve the budget and approve the rate of the tax to be levied.



# THE BUDGET COMMITTEE:

## OUTSIDE THE SCOPE

- Setting staff salaries or benefit levels
- Assign staff to specific locations or discuss individual employees
- Add or delete programs or choose curriculum
- Develop policies

*Please note: these tasks are the within the purview of the School Board and the Superintendent.*



# BUDGET MEETINGS

- Subject to Public Meetings Law
- Quorum is required to conduct business
- Committee may request additional information & ask questions
- Majority vote is required to take action
- The Proposed Budget became a public document when it was released to you, the committee members.
- Take public comment at one or more meetings



# SCHOOL FUNDING IN OREGON

- Largest source of funds is the Oregon State School Fund.
- Determined by the legislature on a biennial basis; 2026-27 is the second half of the 2025-27 biennium.
- Local taxes matter too, but every dollar of local tax reduces State funding on a dollar-for-dollar basis.
- Largest determinant is enrollment: ADMr (est. 2,725 for 2026/27).
- Extra weight is given to kids with greater needs: ADMw (est. 3,395 for 2026/27)
- Estimated Revenue per ADMw for 2026/27 is \$11,960
- Payments are adjusted once actual values are known.



Date: 3/2/2026  
 To: District Business Managers  
 Re: 2026-27 State School Fund Estimates

| 2025-26                                                              | 2026-27                                                  | 2025-27 Biennium       |
|----------------------------------------------------------------------|----------------------------------------------------------|------------------------|
| \$5,566,106,000                                                      | \$5,793,294,000                                          | \$11,359,400,000       |
| <b>2026-27 Budget Appropriation for school districts &amp; ESDs:</b> |                                                          | <b>\$5,793,294,000</b> |
| Oregon Revised Statute                                               | Less Reserve Account:                                    | (\$20,000,000)         |
| 327.008(14),(15)                                                     | Less TAG, Speech Pathology, and Oregon Digital Learning: | (\$1,050,000)          |
| 327.023(1),(3),(4)                                                   | Less Long Term Care and State Schools:                   | (\$14,500,000)         |
| 327.008(12)                                                          | English Language Learner Improvement Funds:              | (\$6,250,000)          |
| 327.008(11)(b)(A)                                                    | Educator Advancement Fund (EAF):                         | (\$3,397,356)          |
| 327.008(18)                                                          | Less Small High School Grant:                            | (\$2,500,000)          |
| 327.008(3)                                                           | Less Charter School Closure Funds:                       | (\$300,000)            |
| 327.339                                                              | Less Local Option Equalization Grant:                    | (\$2,000,000)          |
| 327.008(7),(8),(16)                                                  | Less Office of School Facilities:                        | (\$7,500,000)          |
| 327.008(9)                                                           | Skilled Nursing Facilities (pediatric nursing):          | (\$1,062,224)          |
| 327.008(19), 327.029                                                 | Oregon Youth Challenge program and Recovery Schools:     | (\$3,037,810)          |
| 327.008(17)                                                          | Menstrual Hygiene HB 3294                                | (\$1,297,500)          |
| Transfers/Deductions                                                 |                                                          | (\$62,894,889)         |
| <b>State Revenue for Formula</b>                                     |                                                          | <b>\$5,730,399,111</b> |
| District Local Revenue:                                              |                                                          | \$2,657,888,631        |
| ESD Local Revenue:                                                   |                                                          | \$181,555,072          |
| <b>Local Rev. for Formula (District + ESD)</b>                       |                                                          | <b>\$2,839,443,702</b> |
| <b>Total Revenue For Formula</b>                                     |                                                          | <b>\$8,569,842,813</b> |
| District Share at 95.50%                                             |                                                          | \$8,184,199,886        |
| ESD Share at 4.50%                                                   |                                                          | \$385,642,927          |
| Other Transfers/Deductions:                                          |                                                          |                        |
| 327.008(11)(b)(B)                                                    | 327.008(10) Less High Cost Disability Grants:            | (\$55,000,000)         |
|                                                                      | Less share of EAF:                                       | (\$9,484,284)          |
| <b>Districts</b>                                                     |                                                          | <b>(\$64,484,284)</b>  |
| 327.008(13)                                                          | Less ESD testing contract:                               | (\$484,000)            |
| 327.008(11)(b)(C)                                                    | Less share of EAF:                                       | (\$9,484,284)          |
| <b>ESDs</b>                                                          |                                                          | <b>(\$9,968,284)</b>   |
| <b>Formula Revenue for Distribution</b>                              |                                                          |                        |
| <b>School Districts</b>                                              |                                                          | <b>\$8,119,715,602</b> |
| <b>ESDs</b>                                                          |                                                          | <b>\$375,674,643</b>   |

Sources for 2026-27 Estimates

|                                |                  |
|--------------------------------|------------------|
| ADM:                           | Estimated        |
| Property Taxes:                | Estimated        |
| Common School Fund:            | Estimated        |
| Federal Forest Fees:           | Estimated        |
| Other Local Revenues:          | Estimated        |
| Teacher Experience:            | 2024-25          |
| 11% Cap Waiver Basis:          | 2023-24          |
| Poverty Basis:                 | December 2025    |
| School District Funding Ratio: | 2.592253994      |
| Transportation Grant:          | \$376,298,425.10 |
| Estimated ADM:                 | 530,225          |
| Estimated ADMw:                | 663,702          |
| District Accrual per ADMw:     | \$695            |
| ESD Accrual per ADMw:          | \$25             |
| YCEP/JDEP amount per ADMw:     | \$11,665         |

If you have any questions please contact Jerod Nunn at Jerod.Nunn@ode.oregon.gov

STATE SCHOOL FUND GRANT

2026-2027

Based on \$11,359,400,000 Budget with a 49/51 split as of 3/2/2026

| Wasco County, North Wasco County SD 21 - 4131                                                                        |                                                      |
|----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| <b>2026-2027 Local Revenue</b>                                                                                       |                                                      |
| Property Taxes and in-lieu of property taxes from local sources =                                                    | \$13,300,000.00                                      |
| Common School Fund =                                                                                                 | \$399,023.86                                         |
| County School Fund =                                                                                                 | \$75,000.00                                          |
| State Managed Timber =                                                                                               | \$100,000.00                                         |
| ESD Equalization =                                                                                                   | \$0.00                                               |
| In-Lieu of Property Taxes(non-local sources) =                                                                       | \$0.00                                               |
| Revenue Adjustments =                                                                                                | \$0.00                                               |
| <b>Sum of Local Revenue =</b>                                                                                        | <b>\$13,874,023.86</b>                               |
| <b>2026-2027 Experience Adjustment</b>                                                                               |                                                      |
| District Average Teacher Experience =                                                                                | 11.03                                                |
| State Average Teacher Experience =                                                                                   | 12.57                                                |
| Experience Adjustment (Difference in District and State Teacher Experience) =                                        | -1.54                                                |
| <b>2026-2027 Extended ADMw</b>                                                                                       |                                                      |
| 2026-2027 ADMw 3,458.63                                                                                              | 2025-2026 ADMw 3,508.51                              |
| Extended ADMw 3,508.51                                                                                               |                                                      |
| <b>2026-2027 General Purpose Grant</b>                                                                               |                                                      |
| Multiply the Teacher Experience Adjustment of -1.54 by \$25 then add \$4500 to the result = \$4,461.50               |                                                      |
| Then multiply \$4,461.50 by the Extended ADMw 3508.5107 and then by the funding ratio 2.5922539943 = \$40,577,123.33 |                                                      |
| <b>2026-2027 Total Formula Revenue</b>                                                                               |                                                      |
| Add the General Purpose Grant \$40,577,123.33 to the Transportation Grant \$1,386,000.00 = \$41,963,123.33           |                                                      |
| <b>2026-2027 State School Fund Grant</b>                                                                             |                                                      |
| Subtract the Local Revenue \$13,874,023.86 from the Total Formula Revenue \$41,963,123.33 = \$28,089,099.48          |                                                      |
| <b>2026-2027 Rates per ADMw</b>                                                                                      |                                                      |
| General Purpose Grant per Extended ADMw =                                                                            | \$11,565                                             |
| Total Formula Revenue per Extended ADMw =                                                                            | \$11,960                                             |
| Charter Schools Rate( ORS 338.155 ) =                                                                                | \$11,732                                             |
| <b>Payments</b>                                                                                                      |                                                      |
| SSF Total Paid To Date                                                                                               | SSF Estimated Remaining Balance Due                  |
| Small HS Grant Total Paid To Date                                                                                    | Small HS Grant Estimated Remaining Balance Due       |
|                                                                                                                      | High Cost Disability Estimated Remaining Balance Due |



# BUDGET OVERVIEW, PART ONE

- **Revenue** is projected to be similar to 2025/26.
  - State School Fund up slightly,
  - Reduced Seismic grant funding,
  - Grant funding (State and Federal) mostly flat.
  - Enrollment is projected to be down by ~65 kids.
    - But we benefit from “extended ADMw”.

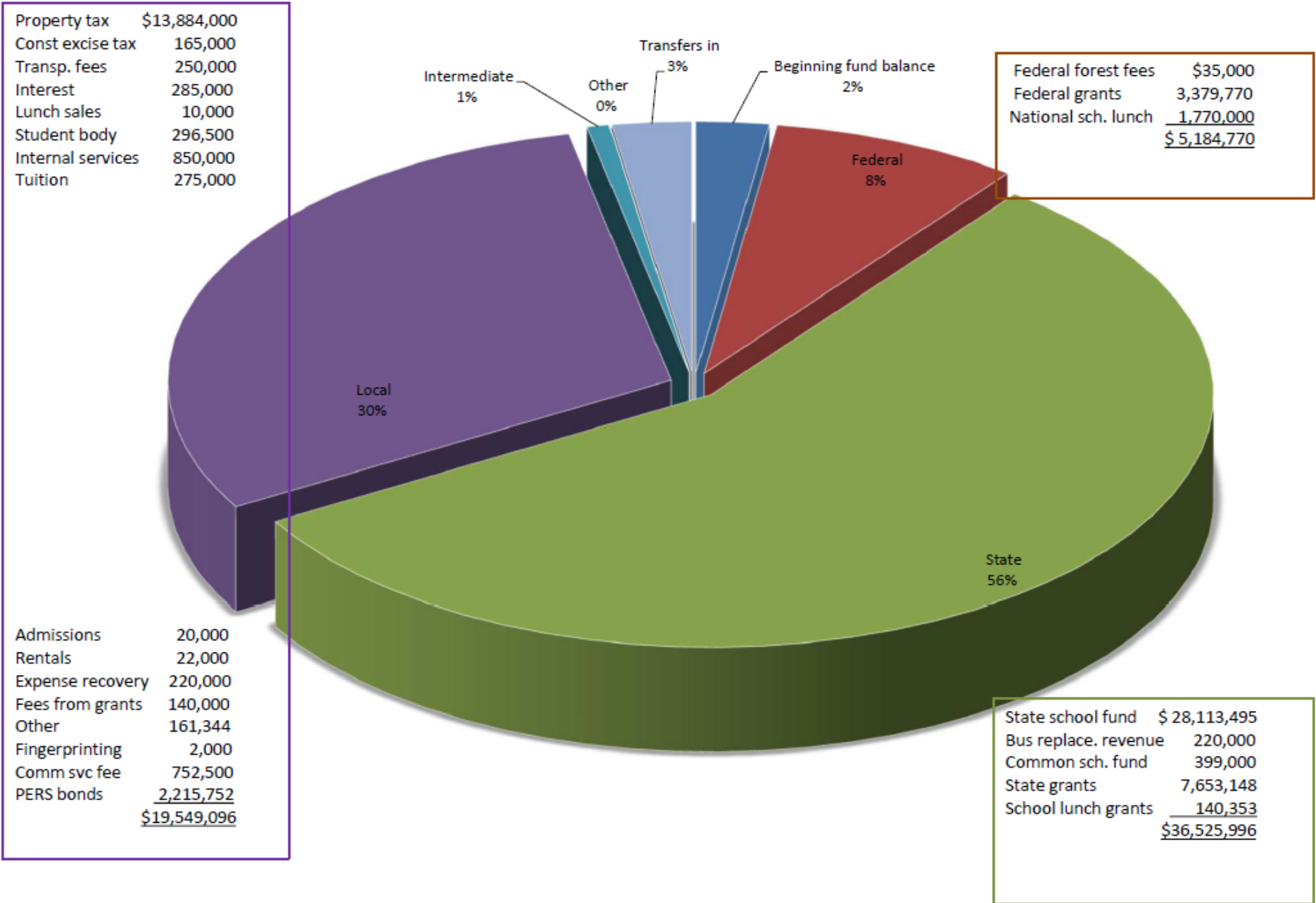


# BUDGET OVERVIEW, PART TWO

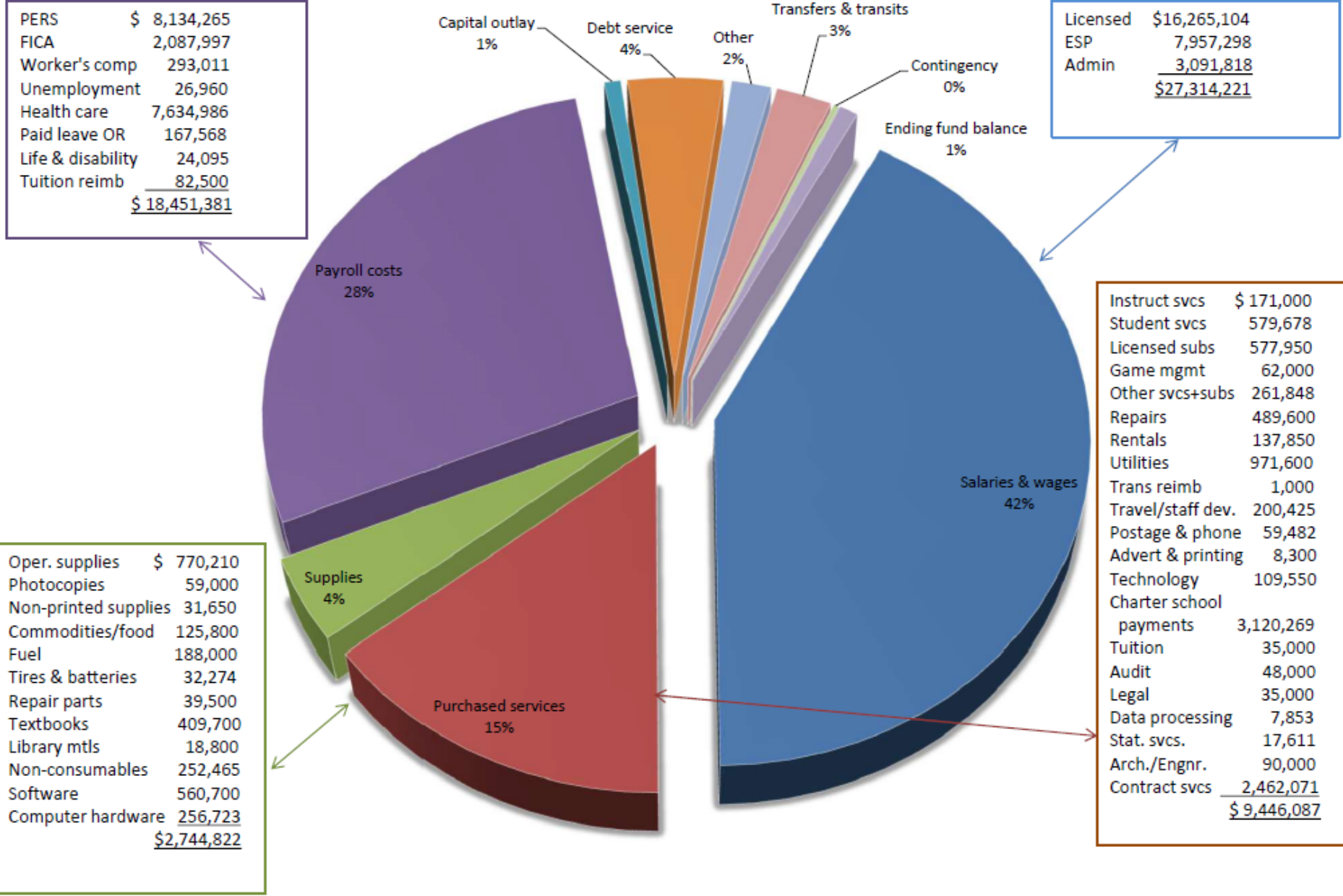
- **Expenditures** are required to balance revenue and are therefore also flat.
  - Payroll costs (73% of budget) are higher per staff member due to:
    - a bargained raise applied to 2025/26 and
    - a COLA applied to 2026/27 and
    - step increases for staff who have longer tenure or have attained educational milestones
  - But balanced by the reduction of ~5 FTE by attrition.
  - Inflation
    - Especially fuel & utility costs: projected to be up over 10%



## 2026-27 Budgeted Revenues-all funds (\$64,896,163)



## 2026-27 Budgeted Expenditures-all funds (\$64,896,163)





**WHAT  
QUESTIONS DO  
YOU HAVE?**