BUDGET COMMITEE MEETING

Wednesday, May 20, 2026 6:15 PM
South Umpqua School District, 558 Chadwick Ln, Myrtle Creek, OR 97457

1. **Call to Order/Roll Check**

   David Marshall
   Cynthia Rohn
   Don Brown
   Jennifer Reid
2. **Flag Salute**
3. **Public input**
4. **Receive Budget Message**
5. **Current Budget Information, Projection and Costs**
6. **Approve Budget Document**
7. **Announcements**
8. **Adjourn Meeting**

South Umpqua School District
Budget Message
2026-2027

The proposed budget document represents the South Umpqua School District's financial plan for the 2026-2027 fiscal year. Revenue forecasts included in the proposed budget document are based on the latest information available from sources at the Oregon Department of Education, including the latest estimates for the State School Fund and for all federal awards that flow through the Oregon Department of Education.

The 2026-2027 biennial budget and State School Fund distributions are based on the $11.36 billion State appropriation that the legislature allocated for the biennium last fiscal year. Further, it is anticipated that income tax collections will remain relatively stable while property tax collections are expected to increase slightly from the prior year.

District staff are proposing a budget that allows the District to continue providing high quality services to students. The District is completing year one of a five-year strategic plan. As we built this budget, all decisions were made to support us in moving toward the goals outlined in the four pillars of this plan. The four pillars are:

1. Supported and Successful Students
2. Empowered and Valued Staff
3. Strong Family and Community Partnerships
4. Modern and Safe Facilities

A significant investment made this year in service to Empowered and Valued staff was in the form of updated contracts with teachers, supervisors, and administrators. We focused on ensuring that compensation was competitive for our area and size, requiring a substantial investment. This investment in our educators is the most important one we can make, as they have the most direct impact on student success.

Declining enrollment has had a significant impact on the upcoming budget. Our estimated enrollment for next year is 1360 students, a decrease of 65 students from the estimated 2025-2026 enrollment. This decline represents decreased State School Fund revenue of $865,192 in 25-26. This is an ongoing trend in South Umpqua. In 2019 our enrollment was 1549, representing a loss of 189 students in the past seven years. Declining enrollment has also impacted our Title I grant, resulting in a decrease of over 10% in these critical federal funds.

With declining enrollment, it is incumbent on us to ensure that our staffing levels are appropriate to the number of students we have. Throughout this school year, we have examined every position that has come open and evaluated carefully if the position continues to be required given our smaller population of students. This has resulted in the reduction of three licensed teaching positions and four classified instructional assistant positions in the proposed budget. While the District remains in a stable financial position, continued enrollment declines will require ongoing evaluation of staffing and operational structures to ensure long-term financial sustainability.

Another investment we included in this budget is the addition of a choice program we are calling Waypoint. This is in strong alignment with the first pillar of our strategic plan. A significant number of

students that live within South Umpqua School District's boundaries have chosen on-line charter schools or homeschooling. In order to provide service to families that require this level of flexibility, we have created a choice program that will allow students to work in a hybrid environment, providing the flexibility of on-line instruction, with the support of high-level educators available to help them in person. This requires an investment in staffing of $228,149. We are doing this because we believe it will increase our enrollment, resulting in increased revenue of at least that amount, while also providing a needed service to families. For budgeting purposes, however, we did not assume increased enrollment, as we cannot know this will materialize. We will use this year to evaluate if the program is successful and self-sustaining from a budgetary perspective.

Another significant contributing factor to our proposed budget is continuing good performance from the District's PERS side accounts, allowing the District to avoid the PERS increases experienced by our neighboring districts. The District has a 0% PERS rate for this biennium. The current bonds allowing for this side account will expire in 2027. When this does expire, we can expect a significant increase in personnel costs. The District has wisely been setting aside funds in the PERS UAL reserve in anticipation of this to help lessen the impact.

Based on current funding estimates, the 2026-2027 fiscal year finds the District in a sound financial position despite a reduction in state school revenue sources due to declining enrollment in 2025-26.

Revenues projected in the 2026-2027 budget are constructed of local, intermediate, state, and federal sources and total $19,621,810. The latest estimates from the Oregon Department of Education have the District set to receive $14,352,615 from the State School Fund. The proposed 2026-2027 budget includes a beginning fund balance of $3,793,345, providing the district a total general fund revenue projection of $23,415,155.

Previously approved SIA programs continue to have stable funding which allows us to staff and maintain opportunities for students, eliminate all "Pay to Play" athletic, music, and club fees, as well as provide behavioral and mental health staff. It is important to note that increased personnel costs as well as the impact of declining enrollment has limited our flexibility within these grants to maintain the critical staffing within them.

The current proposed budget contains some staffing reductions for 2026-2027. The most notable shift includes the reduction of three teachers as well as several special education assistant positions to account for lowered enrollment. We will continue to examine every position as it becomes open.

The licensed bargaining agreement was negotiated this past year and is for three years beginning in 2026-2027. The licensed agreement provides for a 6% COLA and an insurance cap of $2,090 per month for 2026-2027. The classified bargaining agreement began in 2024-25 and is for three years. The classified agreement will see a 2% COLA and an insurance cap of $2,090 per month. To keep as much money available to preserve staff and services the District has opted to budget its health insurance liabilities closer to actual expenditures. Actual usage has typically wavered between 80-85%, therefore for 2026-2027 school year the District is conservatively budgeting health insurance liabilities at 85%. All employee bargaining agreements, staff contract increases, and benefit increases are reflected in the 2026-2027 proposed budget.

Due to sound financial decisions and planning the District's 2026-2027 budget looks to maintain a firm financial position despite some significant financial challenges. I am grateful to the skill and leadership of Shy Chapman in preparing this budget, and to the executive leadership team and the Board of

Directors for their thoughtful planning throughout the years that has allowed us to maintain our current budget position. We will continue to monitor enrollment and uncertainty with federal funding as we keep our eye on the future. We remain diligent in protecting taxpayer investments in our children as we implement the District's strategic plan that was formed by the interests of all our constituent groups. By aligning our resources to the goals set for us by the community we are on our way to fulfill our mission to "Unlock the Unlimited Potential in Every Student."

Budget Process

The proposed budget document for the 2026-2027 fiscal year was prepared under the direction of the Budget Officer and the Superintendent in accordance with District policies and local budget law. The proposed budget document is based on the latest estimates and allocations of funds available from the Oregon Department of Education and other sources. This document was developed with an eye to the future, a future we hope sees enrollment stability, renewed economic growth, and a continued investment in education by the State.

Respectfully submitted by:

Erika Bare
Superintendent/Clerk

Shy Chapman
Director of Fiscal Services/Budget Officer

SOUTH UMPQUA SCHOOL DISTRICT
Unlocking Unlimited Potential in Every Student

Superintendent's Reports

May 20th, 2026

To: Board of Directors

From: Superintendent, Erika Bare
Director of Fiscal Services, Shy Chapman

Subject: **Superintendent Reports – Fiscal Responsibility (Board Goal)**

Date: May 13th, 2025

Summary:

Superintendent Erika Bare and Director of Fiscal Services Shy Chapman will provide announcements/reports to the Board on Fiscal Responsibility.

Financial Report: In your packet are the following documents to review at the May 20th budget hearing meeting:

1. The **Proposed 2026-27 Budget** can be found on our website: https://www.susd.k12.or.us/wp-content/uploads/2026/05/2026-27-Proposed-Budget-Document.pdf
2. **Summary of All Expenses by Fund and Object** – This document outlines district-wide expenses categorized by our four major funds:
   - General Fund (Fund 100)
   - Special Fund (Fund 2XX)
   - Debt Service Fund (Fund 300)
   - Capital Project Fund (Fund 400)
3. **General Fund Projections** – Financial Report as of May 6, 2026, showing the anticipated ending balance for the 2025–26 fiscal year, used as the beginning fund balance for proposed budget.

*Budget Committee members are not required to attend the Budget Hearing on June 3rd, 2026

South Umpqua School District #19
Estimated 2025-2026 Revenues and Expenditures **2025-2026 Fiscal Year**
As of May 6th, 2026

	Prior Year Actual Audited	2025-26 Budget	Actual YTD 5/6/26	Total Projected for the Year	Net Difference
REVENUE					
Taxes, Current & Prior	4,163,716	4,273,234	4,258,561	4,273,234	-
Interest on Investments	705	700	541	541	(159)
Student Activities	56,960	55,000	58,354	58,354	3,354
Miscellaneous Local Sources	170,229	147,150	92,458	147,150	-
County School Fund	20,314	20,000	25,184	25,184	5,184
Other Intermediate Sources	3,638	4,555	2,758	4,555	-
ESD Flow Through	123,720	124,521	82,311	122,411	865,192
State School Support Fund	13,995,191	15,203,421	13,511,965	14,338,229	(865,192)
Common School Fund	195,515	195,520	190,476	190,476	(5,044)
Other State Grants In Aid	9,795	1,100	-	1,100	-
Prior YR Forster Child Transportation Reimb	4,557	-	4,335	4,335	4,335
Federal Forest Fees	22,027	25,000	324,385	324,385	299,385
TOTAL REVENUE	18,766,368	20,050,201	18,551,329	19,489,955	(560,246)
ESTIMATED BEGINNING FUND BALANCE	5,076,392	3,503,807	4,540,219	4,540,219	1,036,412
TOTAL REVENUE & BEG. FUND BALANCE	23,842,760	23,554,008	23,091,548	24,030,174	476,166
EXPENDITURES					
Instruction					
Salaries	5,295,429	5,619,953	3,747,971	5,430,782	189,171
Associated Payroll Costs	2,975,879	3,880,475	2,066,521	3,013,057	867,418
Purchased Services	508,683	488,924	469,491	488,924	-
Supplies & Materials	399,452	202,859	106,594	202,859	-
Capital Outlay			-	-	-
Other Objects	27,420	17,850	17,539	17,850	-
Total Instruction	9,206,863	10,210,061	6,408,116	9,153,472	1,056,589
Support Services					
Salaries	3,319,620	3,594,336	2,620,749	3,562,532	31,804
Associated Payroll Costs	1,740,030	2,560,202	1,536,957	2,061,765	498,437
Purchased Services	2,449,888	3,146,793	2,084,311	3,146,793	-
Supplies & Materials	755,640	971,711	687,844	971,711	-
Capital Outlay	72,044	113,717	29,735	113,717	-
Other Objects	292,362	396,206	373,365	396,206	-
Total Support Services	8,629,583	10,782,965	7,332,961	10,252,724	530,241
Community and Enterprise Services					
Associated Payroll Costs	5,210	14,286	11,746	14,286	-
Transfers to Other Funds	1,416,196	810,000	816,347	816,347	(6,347)
				-	
TOTAL EXPENDITURES	19,257,852	21,817,312	14,569,171	20,236,829	1,580,483
ESTIMATED ENDING FUND BALANCE	4,584,908	1,736,696	8,522,378	***3,793,345***	2,056,649

SOUTH UMPQUA SCHOOL DISTRICT SUMMARY BY OBJECT

	Fund 100	Fund 2??	Fund 300	Fund 400
Expenses By Object				
Instructional				
01?? - Salaries	6,065,359	$ 1,143,274		
02?? - Associated PR Costs	4,073,986	$ 760,361		
03?? - Purchased Services	472,242	$ 69,830		
04?? - Supplies	447,845	$ 585,087		
05?? - Capital Outlay	$ -	$ -		
06?? - Other Expenses	23,800	$ 47,500		
Total Instructional	**$ 11,083,232**	**$ 2,606,051**	**$ -**	**$ -**
Support Services				
01?? - Salaries	3,831,693	749,463		
02?? - Associated PR Costs	2,618,004	485,540		
03?? - Purchased Services	3,217,936	456,409		
04?? - Supplies	957,691	47,255		
05?? - Capital Outlay	85,118	9,000		
06?? - Other Expenses	432,523	140,330		
Total Support Services	**$ 11,142,965**	**$ 1,887,997**	**$ -**	**$ -**
Community and Enterprise Services				
01?? - Salaries		363,867		
02?? - Asscociate PR Costs	8,200	256,497		
03??- Purchased Services		540,546		
04?? - Supplies		69,000		
05?? - Captial Outlay		100,354		
06?? - Other Expenses		2,000		
Total Community	**$ 8,200**	**$ 1,332,264**	**$ -**	**$ -**
Facilities Acquisition and Construction				
03??- Purchased Services				
04?? - Supplies				
05?? - Captial Outlay		299,400		
06?? - Other Expenses		500		
Total Facilities		**$ 299,900**		
Total General Fund Expenses	**$ 22,234,397**			
Transfer to other funds	10,000			
Debt Service			1,956,695	
Fund 400 Capital Projects:				
03?? - Purchased Services				500,621
04?? - Supplies				102,000
05?? - Captial Outlay				1,177,000
06?? - Other Expenses				10,000
Reserve	1,170,758	894,200	6,255,270	62,778
Total Revenues/Expenses	**$ 23,415,155**	**$7,020,412**	**$ 8,211,965**	**$ 1,852,399**

ALL TOTAL	**$ 40,499,931**

SOUTH UMPQUA SCHOOL DISTRICT SUMMARY BY OBJECT - **GENERAL FUND**													
	Board of Directors	**Administration**	**Distirct Services**	**Student Services**	**Textbooks**	**Unemploy**	**Waypoint-Choice**	**Canyonville**	**Myrtle Creek Elementary**	**Coffenberry**	**Tri City Elementary**	**South Umpqua HS**	**Total Fund 100**
Expenses By Object													
Instructional													
01?? - Salaries	$ -	$ -	$ -	$ 1,123,897		$ -	$ 153,211	$ 756,248	$ 741,928	$ 1,034,806	$ 815,569	$ 1,439,700	6,065,359
02?? - Associated PR Costs	-	-	-	870,610		65,600	74,938	495,353	522,465	642,115	547,639	855,266	4,073,986
03?? - Purchased Services	-	-	-	111,080		-		45,238	44,172	73,862	50,589	147,301	472,242
04?? - Supplies	-	-	-	29,000	268,235	-		17,195	17,160	23,550	17,125	75,580	447,845
05?? - Capital Outlay	-	-	-	-		-		-	-	-	-		0
06?? - Other Expenses	-	-	-	-	-	-		600		1,000	-	22,200	23,800
Total Instructional	**$ -**	**$ -**	**$ -**	**$ 2,134,586**	**$ 268,235**	**$ 65,600**	**$ 228,149**	**$ 1,314,634**	**$ 1,325,725**	**$ 1,775,333**	**$ 1,430,923**	**$ 2,540,047**	**$ 11,083,232**
Support Services													
01?? - Salaries	$ -	$ 826,853	$ 884,888	$ 211,096	$ -	$ -		$ 256,872	$ 315,375	$ 457,561	$ 344,377	$ 534,671	3,831,693
02?? - Associated PR Costs	-	500,465	641,341	121,458	-	49,200		175,043	238,290	287,833	247,500	356,873	2,618,004
03?? - Purchased Services	151,200	418,490	2,194,316	399,072	-	-		10,858	7,190	14,200	7,250	15,360	3,217,936
04?? - Supplies	4,500	508,571	360,450	6,100	-	-		11,200	11,500	17,650	11,200	26,520	957,691
05?? - Capital Outlay	-	51,118	34,000	-	-	-		-	-	-			85,118
06?? - Other Expenses	408,368	12,600	300	1,500	-	-		1,105	1,100	2,100	1,100	4,350	432,523
Total Support Services	**$ 564,068**	**$ 2,318,097**	**$ 4,115,295**	**$ 739,226**	**$ -**	**$ 49,200**	**$ -**	**$ 455,078**	**$ 573,455**	**$ 779,344**	**$ 611,428**	**$ 937,774**	**$ 11,142,965**
Community & Enterprise													
02?? - Asscociate PR Costs	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 8,200**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 8,200**
Total General Fund Expenses	**564,068**	**2,318,097**	**4,115,295**	**2,873,812**	**268,235**	**123,000**	**228,149**	**1,769,712**	**1,899,181**	**2,554,677**	**2,042,350**	**3,477,821**	**22,234,397**
Transfer to other funds	**10,000**												**10,000**
Unreserved Fund Balance 5%	**1,170,758**												**1,170,758**
Total	**1,744,826**	**2,318,097**	**4,115,295**	**2,873,812**	**268,235**	**123,000**	**228,149**	**1,769,712**	**1,899,181**	**2,554,677**	**2,042,350**	**3,477,821**	**23,415,155**

SOUTH UMPQUA SCHOOL DISTRICT SUMMARY BY OBJECT - **SPECIAL REVENUE**

	Title I	Fed Sch Imp	Title II	IDEA	PERKINS	Title IV	COPS	Renew America Schools	Early Literacy	CLSD	HDTS	CTE	TAP - Long-Range	SIA	HSS-Measure 98	Summer School Program	PERS RESERVE	FOOD SERVICE	Student Extra Curricular AC's	Total Fund 2XX
Expenses By Object																				
Instructional																				
01?? - Salaries	$ 386,478			$ 118,202							$ 37,808			$ 350,499	$ 194,605	$ 55,682				1,143,274
02?? - Associated PR Co	252,497			104,657							$ 13,238			238,409	132,078	19,481				760,361
03?? - Purchased Service	14,000			24,000	2,000						-			6,330	23,500	-				69,830
04?? - Supplies	64,786			17,500	20,000	51,101				65,600	13,100	15,000		17,500	25,500	65,000			230,000	585,087
05?? - Capital Outlay				-										-	-	-				0
06?? - Other Expenses				-										42,500	5,000	-				47,500
Total Instructional	**$ 717,760**	**$ -**	**$ -**	**$ 264,360**	**$ 22,000**	**$ 51,101**	**$ -**	**$ -**	**$ -**	**$ 65,600**	**$ 64,147**	**$ 15,000**	**$ -**	**$ 655,238**	**$ 380,683**	**$ 140,163**		**$ -**	**$ 230,000**	**$ 2,606,051**
Support Services																				
01?? - Salaries	40,591	20,408	8,800	62,594					67,960	88,504				430,599	17,007	13,000				749,463
02?? - Associated PR Co	20,611	13,539	3,078	38,331					41,045	55,273				297,834	11,284	4,546				485,540
03?? - Purchased Service	43,369	32,848	71,425	10,215	1,000	37,000	5,000	20,000		13,031			40,840	108,804	20,586	52,291				456,409
04?? - Supplies			3,860	5,500		1,645	10,000	100						26,150	-	-				47,255
05?? - Capital Outlay			-	-		-	9,000							-	-	-				9,000
06?? - Other Expenses	32,256		3,209	13,819		3,255			1,556	8,067	2,327			55,261	15,580	-	5,000			140,330
Total Support Services	**$ 136,827**	**$ 66,795**	**$ 90,372**	**$ 130,459**	**$ 1,000**	**$ 41,900**	**$ 24,000**	**$ 20,100**	**$ 110,560**	**$ 164,875**	**$ 2,327**	**$ -**	**$ 40,840**	**$ 918,648**	**$ 64,457**	**$ 69,837**	**$ 5,000**	**$ -**	**$ -**	**$ 1,887,997**
Community and Enterprise Services																-				
01?? - Salaries																-		363,867		363,867
02?? - Asscociate PR Costs																-		256,497		256,497
03??- Purchased Service	55,000															-		485,546		540,546
04?? - Supplies	12,000													5,000		-		52,000		69,000
05?? - Captial Outlay																-		100,354		100,354
06?? - Other Expenses																-		2,000		2,000
Total Community	**$ 67,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**			**$ -**			**$ -**	**$ 5,000**	**$ -**	**$ -**	**$ -**	**$ 1,260,264**	**$ -**	**$ 1,332,264**
Facilities Acquisition and Construction																				
03??- Purchased Services																				0
04?? - Supplies																				0
05?? - Captial Outlay								299,400												299,400
06?? - Other Expenses								500												500
Total Facilities	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 299,900**		**$ -**			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 299,900**
Reserve																	**$ 595,000**		**$ 299,200**	**894,200**
Total Expenses	**921,587**	**66,795**	**90,372**	**394,819**	**23,000**	**93,001**	**24,000**	**20,100**	**110,560**	**230,475**	**66,474**	**15,000**	**40,840**	**1,578,886**	**445,140**	**210,000**	**600,000**	**1,260,264**	**529,200**	**7,020,412**

SOUTH UMPQUA SCHOOL DISTRICT SUMMARY BY OBJECT		
	Fund 300	**Fund 400**
Expenses By Object		
Debt Service		
06?? - Other Objects	1,956,695	
Capital Projects:		
03?? - Purchased Services		500,621
04?? - Supplies		102,000
05?? - Captial Outlay		1,177,000
06?? - Other Expenses		10,000
Reserve	6,255,270	62,778
Total Expenses	**8,211,965**	**1,852,399**