

A black and white photograph of a large group of graduates in caps and gowns, seen from behind, filling the background of the slide.

As a community, we prepare lifelong learners to achieve their full potential in a complex and interconnected world.

2025-26 Budget Committee Information and Training Session

April 3, 2025

Agenda

- Introductions
- Budget Calendar
- Budget 101
- Building a Budget
- Assumptions & Estimating
- Historical Data & Funding Considerations
- Goals & Priorities
- Questions

Introductions:



2025-26 Budget Committee & Term Dates

Board Members

1	Aaron Muñoz	June 30, 2025
2	Joyce Rosenau	June 30, 2025
3	Michael Reyes	June 30, 2025
4	Cayle Tern	June 30, 2025
5	Patty Carrera	June 30, 2027
6	Ana Gonzalez Muñoz	June 30, 2027
7	Francisco Ibarra	June 30, 2027

Community Members

8	Vacant	June 30, 2026
9	William Ohle	June 30, 2026
10	Thatcher Green	June 30, 2026
11	Victoria Rizzo	June 30, 2027
12	Catherine Nicewood	June 30, 2027
13	Kim Richmond	June 30, 2028
14	Margaret Breithuapt	June 30, 2028

Budget Calendar



Thursday April 17, 2025	Budget Committee Meeting - Proposed Budget • Appoint Presiding Officer • Receive Budget Message • Receive Proposed Budget Document and Discuss Relevant Changes • Respond to Questions from Budget Committee
Thursday May 1, 2025 (and May 8 if needed)	Budget Committee Meeting - Approved Budget • Receive Public Testimony • Budget Committee Deliberations • Respond to Questions from First Meeting Action: Approve Budget and Set Tax Levy
Wednesday May 28, 2025 (and June 18 if needed)	Board of Directors Meeting - Budget Hearing • Open to public for providing testimony • Board deliberations Board of Directors Meeting - Adopted Budget Action: Adopt Budget, Authorize Appropriations, Impose and Categorize Taxes
Tuesday July 15, 2025	Submit Tax Certification Documents File Budget Document with County Recorder and Designated Agencies

Budget 101

What is a Budget?

- Financial plan containing estimates of revenues and expenditures for a single fiscal year
- Justification for imposing property taxes
- Authority for spending public money
- Legally required under ORS 294 Local Budget Law
- Follows basic format prescribed by Oregon Department of Education

What's the Budget Process?

Proposed >>>>

Initial budget prepared by RSD staff

Presented at first meeting

Receive Budget Message

Discussion and deliberation

Approved >>>>

Revised budget based on budget committee and public input

Formal approval by the Budget Committee of proposed budget and ad valorem tax rate

Adopted

Approved budget presented to School Board

Formal approval by the School Board of approved budget and any changes made during hearing(s)

No later than June 30

What does the Budget Committee do?

- Receive the Budget Message
- Review the Proposed Budget
- Hear and consider public comment
- Ensure Proposed Budget aligns to the strategic plan and stated goals
- Formally approve budget

What is not decided by the Budget Committee?

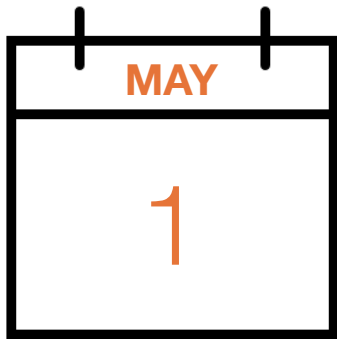
- Salary, benefit, or contract terms
- Class size or staffing level
- Provision of programs and services
- Creating or modifying district policies

What happens at the **first** meeting?



- Appoint Presiding Officer
- Receive the Budget Message
- Receive Proposed Budget document and discuss relevant changes
- Confirm/set dates for future meeting(s)

What happens at the **last** meeting?



- Receive Public Testimony
- Discuss Proposed Budget
- Finalize Budget for Approval

Action: Approve Budget and Set Tax Levy

What happens after the Budget Committee meets?



- School Board holds Public Hearing on Approved Budget
- School Board Adopts Budget *(scheduled for same day, but must act before July 1)*

Action: School Board adopts Budget,
Authorizes Appropriations & Imposes and
Categorize Taxes

Building a Budget: Oregon Law Requirements

Budget Book Content

Proposed Budget must include:

1. Budget Message
2. Budget Detail Sheets

Adopted Budget adds:

3. Budget Committee meeting notices

4. Budget Hearing notices
5. Resolution statement to adopt budget and appropriate funds
6. Resolution statement to impose ad valorem taxes
7. Resolution statement to categorize ad valorem taxes
8. Notice of Property Tax Levy

Budget Detail Sheets

2022-23 Actual	2023-24 Actual	2024-25 Budget	FTE	Resource or Expenditure Description	2025-26 Proposed	FTE	2025-26 Approved	FTE	2025-26 Adopted	FTE

Actual expenditures or resources for preceding two years	Budgeted expenditures or resources for current year
Proposed, Approved, and Adopted expenditures or resources for the upcoming year.	FTE staff full-time equivalents

Budget Detail Sheets for Each Fund

- **100 General Fund** is the operating fund
- **200 Special Revenue Fund** is for specific purposes, such as grants or federal funds requiring separate funds
- **300 Debt Service Fund** is for payment of principal and interest on all long-term debt
- **400 Capital Project Fund** is for one or more capital projects, such as facilities and acquisition of other capital assets
- **Reserve Fund** is to accumulate money to finance a future, planned expense and is held within one of the above

Prepare by Source or Function for Each Fund

Revenue Source:

- 1000 Local Sources
- 2000 Intermediate Sources
- 3000 State Sources
- 4000 Federal Sources
- 5000 Other Sources

Expenditure Function:

- 1000 Instruction
- 2000 Support Services
- 3000 Enterprise and Community Services
- 4000 Facilities Acquisition and Construction
- 5000 Other Uses
- 6000 Contingency
- 7000 Unappropriated Ending Fund Balance

Prepare by Object with Each Expenditure Function

Expenditure Object:

- 100 Salaries
- 200 Associated Payroll Costs
- 300 Purchased Services
- 400 Supplies and Materials
- 500 Capital Outlay
- 600 Other Objects
- 700 Transfers
- 800 Other Uses (Reserve, Contingency)

Building the Budget: Assumptions & Estimating

Estimating Resources

“Each municipal corporation shall estimate in detail its budget resources for the ensuing year by funds and sources” [ORS 294.361(1)].

Generally, an “estimate” is defined as an approximate calculation, or an opinion formed from imperfect data. All resource and requirement estimates should be based on “good faith.”

That is, they should be reasonable and be reasonably likely to prove correct, based on the known facts at the time.”

Estimating General Fund Revenue

Step 1: Enrollment Forecast

- Ten-year trend by grade
- Prior-year cohort
- Demographer Forecast
- Birth rates

Step 2: ODE Estimate of Membership and Revenues

- ADMw (Average Daily Membership, Weighted)
- Property Taxes
- Common School Fund
- County School Fund
- Transportation Expenditures

Step 3: ODE Release of State School Fund Estimate

- Estimate of current year ending fund balance
- Estimate of Property Tax Receipts
- Estimate of other local revenue

Estimating Requirements

Cost of Current Service Level

- Step increase, COLA
- Staffing adjusted for Enrollment Forecast, strategic goals/priorities
- Status quo on purchased services, goods and materials
- Required debt payments, transfers
- Required reserve (ending balance)

Beyond Current Service Level

- Board Goals, Priorities
- Collective Bargaining
- New state/federal mandates
- Federal & state grant funding
- Local Service Plan Options
- Retirement, vacancies, longevity
- Staffing ratios based on enrollment changes

General Fund 2024–2025 Financial Summary at February 2025			General Fund 2025–2026 Beginning Budget Assumptions	
RESOURCES	FY25 Adopted Budget	FY25 Forecasted	FY26 Revenue	Assumptions
Operating Revenues				
State School Fund Formula	146,694,485	143,320,630	150,188,730	3.3.25 ODE Estimate; (11,359,400,000 budget); Property Taxes; County & Common SF
Local Sources	3,465,500	3,206,145	2,500,000	
Intermediate Sources	2,500,000	2,500,000	1,000,000	This is mostly ESD apportionment
State Sources	5,600,000	4,085,230	2,600,000	High Cost Disability
Federal Sources	75,000	44,332	45,000	JROTC reimbursement; FEMA or other fed reimbursements when applicable
All Other Sources	11,640,500	9,835,707	6,145,000	
Total Operating Revenues	\$ 158,334,985	\$ 153,156,338	\$ 156,333,730	Total FY26 Revenue
Beginning Fund Balance	18,548,922	20,618,328	7,804,975	This is prior year ending fund balance
TOTAL RESOURCES	\$ 176,883,907	\$ 173,774,665	\$ 164,138,705	Total FY26 Resources
REQUIREMENTS BY OBJECT	FY25 Adopted Budget	FY25 Forecasted		
Operating Expenditures				
Salaries	\$ 79,246,200	\$ 78,977,062	82,035,850	FY26 estimate with current FTE, COLA, steps
Associated Payroll Costs	41,432,206	41,361,191	51,044,044	PERS +10%, health +5%
Purchased Services	38,105,247	37,859,929	37,859,929	FY25 status quo (includes Charter School Payments)
Supplies and Materials	5,345,428	4,216,335	4,216,335	FY25 status quo
Capital Outlay	445,100	443,402	443,402	This is usually bus replacement; but is only prioritized maintenance and updates
Other Objects	1,936,727	1,660,521	1,660,521	This will need updated for liability insurance increases, debt schedules
Transfers	1,781,250	1,451,250	1,451,250	Capital projects, Early Retirement, Nutrition Services - under review
Total Operating Expenditures	\$ 168,292,157	\$ 165,969,690	\$ 178,711,331	Total FY26 Operating Requirements
Ending Fund Balance	8,591,750		8,206,935	Required 5% of FY25 Revenues
TOTAL REQUIREMENTS	\$ 176,883,907	\$ 165,969,690	\$ 186,918,266	Total FY26 Requirements
Ending Fund Balance		\$ 7,804,975	\$ (22,779,561)	Operating Deficit and reductions required (or additional revenue)

Estimated ending fund balance for this year. This amount becomes the beginning fund balance for 2025-26 (in red).

Initial assumptions for building 2025-26 budget on. This requires enrollment projection, ODE budget estimate, COLAs, vendor proposals, etc.

Historical Data & Funding Considerations

Enrollment

Enrollment drives revenue allocations

- State Schools Fund
- Student Investment Account
- High School Success Grant
- Early Literacy Grant
- Federal Title Funds Distribution

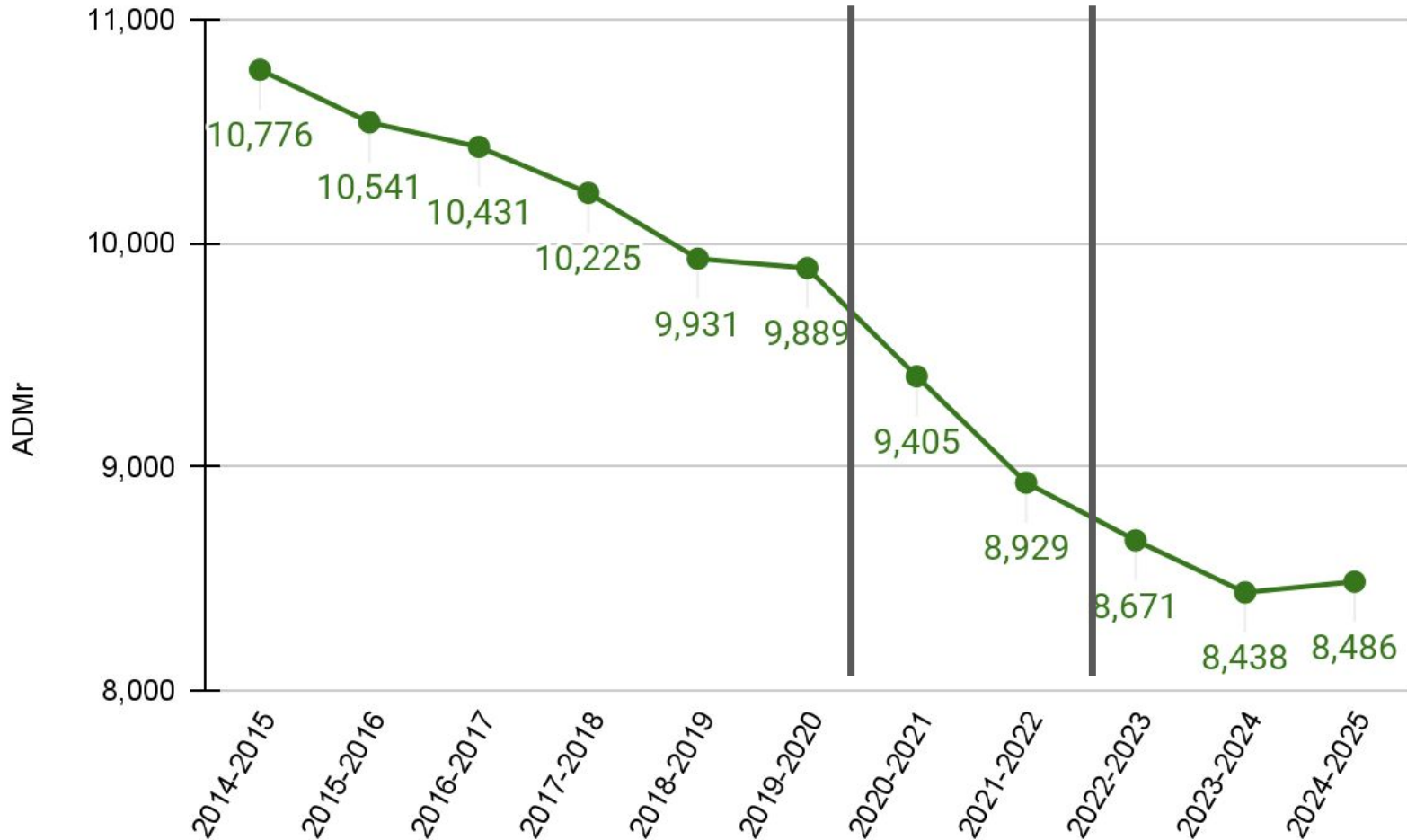
The next slide shows ten-year student enrollment

- RSD loss of 2,300 (21%) students since 2014
- State decrease of 7.2% since 2019

Enrollment (excluding charters)

COVID-19
March 2020

Masks in School
Ends April 2022

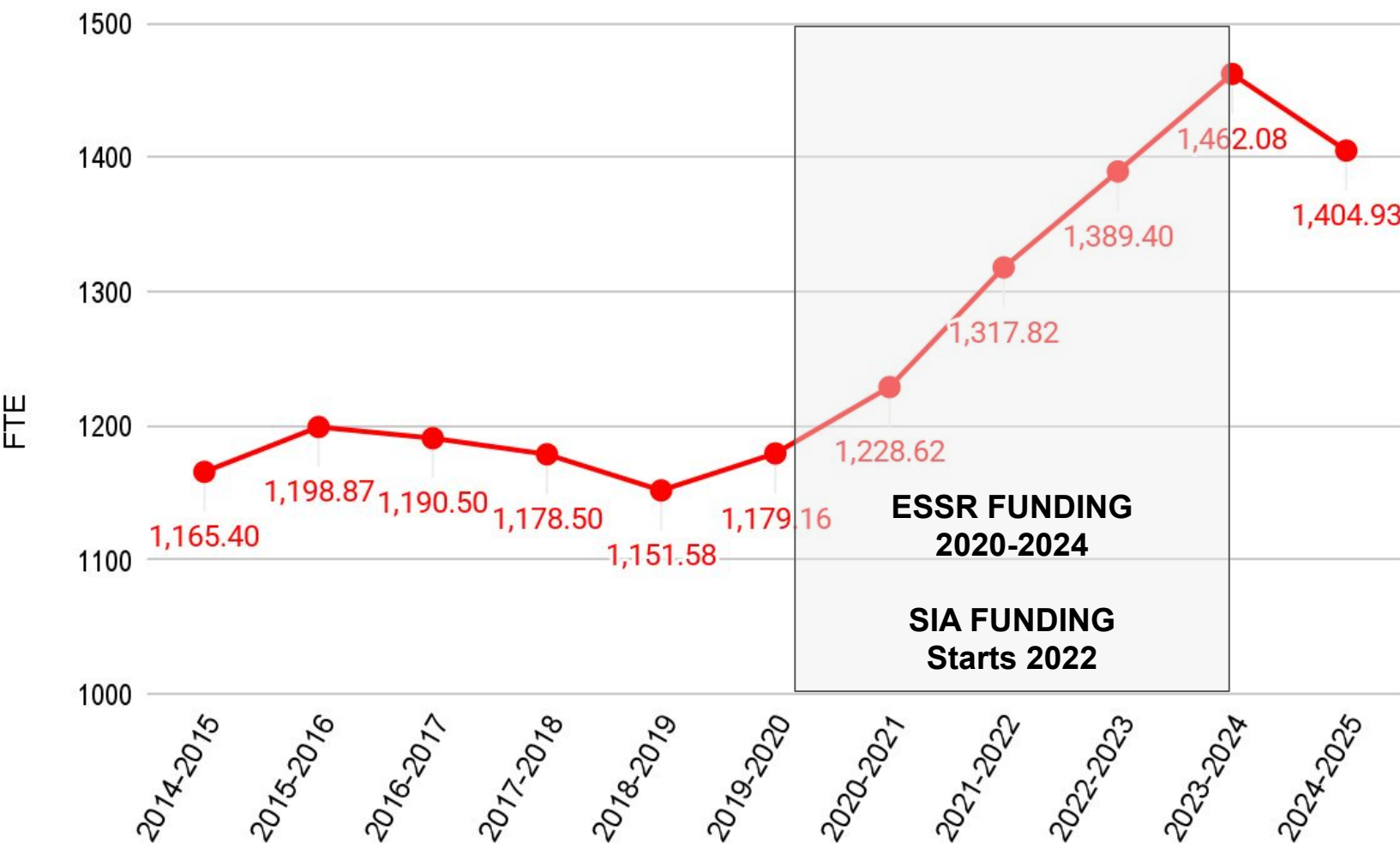


Staffing (FTE) 10 Year Trend

Staffing is 65-70% of general fund expenditures

- FTE has increased over the past ten years by almost 21% across all funding sources
- Budget staffing estimates need to consider enrollment, classroom sizes, special programs, operational support, administrative support.

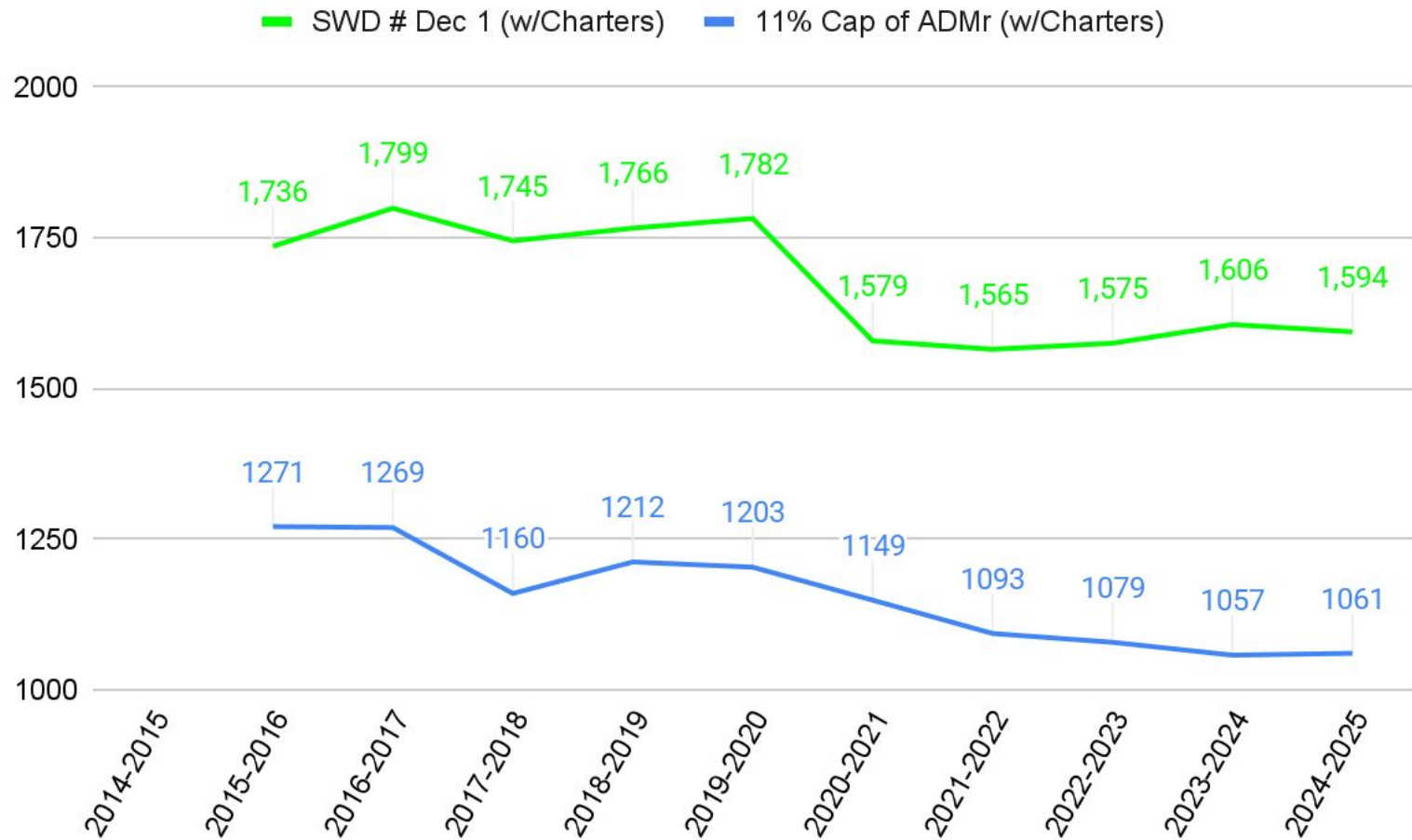
FTE



Staffing History by Classification

CLASSIFICATION	2020-21	2021-22	2022-23	2023-24	2024-25
ADMINISTRATORS	55.25	65.68	72.68	72.00	64.40
CERTIFIED	652.15	698.35	720.57	741.57	700.32
CLASSIFIED	497.22	524.79	558.15	611.51	609.21
SPECIALISTS & SUPERVISORS	24.00	29.00	38.00	37.00	31.00
TOTAL FTE	1,228.62	1,317.82	1,389.40	1,462.08	1,404.93

Unfunded Special Education



Special Education Funding and the 11% Cap

- **11% Cap:** ODE funding for students with disabilities is limited to 11% of enrollment.
 - 2023-24: about 1,600 students qualified as students with disabilities. We received additional funding for only 1,057
- **11% Cap Waiver:** additional funding for districts where the number of students with disabilities exceeds the 11% cap. RSD is at approximately 13% of enrollment.
- **High Cost Disability Fund:** additional funding for IEPs exceeding \$30,000 per year, equally distributed statewide; rate of reimbursement varies each year; RSD receives approximately 40% reimbursement, or 40 cents per dollar of reimbursement requested. In 2023-24, we submitted for \$5.5 million and received \$2.7 million in reimbursement, or 48%.

Cost Drivers

Additional Considerations

- **PERS:** rates updated every two years; 2025-27 will increase by 10%, which is an additional \$8 million per year.
- **Health insurance:** average increase by 4-5%; increase to deductibles
- **Other insurance:** district liability, cybersecurity, workers compensation
- **Operations:** utilities, MESD services, facilities supplies
- **Debt & Transfers:** loan repayment and transfers to other funds, nutrition services
- **Federal funding** remains a concern. The district receives significant Federal funding for Title programs and school meal reimbursements.

Board Goals & Priorities

Board Goals

Goal 1 - 3rd Grade Reading: Increase the percentage of 3rd grade students whose score on Acadience meets or exceeds grade level benchmark from 30% to 50% by June 2028.

Goal 2 - 5th Grade Math: Increase the percentage of 5th grade students whose score on i-Ready meets or exceeds grade level benchmark from 20% to 50% by June 2028.

Goal 3 - 8th Grade Math: Increase the percentage of 8th grade students whose score on STAR Math meets or exceeds grade level benchmark from 27% to 50% by June 2028.

Goal 4 - 9th Grade on Track: Increase the percentage of 9th grade students who are on track to graduate from 65% to 85% by August 2028.

Goal 5: Graduation: Increase the percentage of the 4-year cohort graduation rate from 62% to 85% by August 2028.

2025-2026 Board Budget Priorities

1

Academic
Success

2

Student and
Staff Safety,
Support, &
Wellness

3

Safe & Well-
Maintained
Facilities

Mission:

We lead with equity to educate and support all students to graduate with the skills and confidence to thrive.

Vision:

As a community, we prepare lifelong learners to achieve their full potential in a complex and interconnected world.

Questions