PORTLAND
Public Schools



The current vision of Portland Public Schools is clear:

A graduate of Portland Public Schools will be a compassionate critical thinker, able to collaborate and solve problems, and be prepared to lead a more socially just world.

Together, we rise with excellence. With purpose. That message continues to guide us. Our students are making progress. We have stayed focused on literacy, math, attendance, and ninth grade success.

That focus is grounded in our District Continuous Improvement Plan. We see the results in our classrooms – in spite of our fiscal realities and declining enrollment, our students have exceeded prepandemic performance levels in mathematics and are at prepandemic performance levels in reading. Portland Public Schools is one of the few districts in the country to have achieved this feat.

We built this budget with intention. We aligned it to our goals. We engaged principals early. We included community voice. This approach is reflected in our budget development framework that we have present throughout the year.

At the same time, we face a hard reality. The hardest thing a district does is reduce the supports it knows students need. This includes staff and critical services. Over a 4 year period, we have made the largest reductions in our history, totaling more than 170 million dollars. There is real concern and uncertainty across our system.

For the 2026-27 FY we are closing a 56 million dollar gap. This is driven by rising costs, limited revenue, and declining enrollment. We are reducing 336 FTE from the 2025-26 adopted general fund budget. These decisions impact people and services.

I want to share a few key facts:

- Support services are at $453.2 million. These are the functions that keep schools running, for example, transportation, counseling, safety, tech.
- Facilities construction totals $1.4 billion, reflecting the volume of capital work happening now, and what we're planning ahead.

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Enrollment Trends

- We've seen a 12.2% enrollment drop since 2019–20. This is one of our biggest financial challenges, and it's happening across the state, and the Nation.
- Our projected weighted enrollment is 51,390 students. That's what drives our state funding, and accounts for students with higher needs.
- Despite the decline, 98.7% of elementary classrooms are within target size. Our class sizes remain strong, averaging about 24 students.

Workforce and Compensation

- We currently employ over 8,000 full and part-time people across our schools and central departments. Each role plays a part in supporting student success.
- We reduced 96 Central Office FTE from all funds in the 2025-26 Adopted Budget. This is one of the clearest signals of our commitment to protect classrooms. We took the hardest hit where we could, centrally, so schools could stay focused on students.

The categories below that have been used throughout the early engagement process have changed relative to the current service level:

- Schools have been reduced by 4.74%
- Building supports like facilities and transportation budgets have been increased by 2.74%
- Specialized Programs have been reduced by 8.75% from the general fund (and partially restored by the Student Investment Account grant)
- Central Office staff and services have been reduced by 14.82%

We also need to be clear about what comes next. **Based on current available data, we are facing another deficit of more than 65 million dollars for the 27-28 fiscal year.** This is not a one time issue. It is ongoing. Our expenses are growing faster than our revenue.

PERS costs continue to rise - a PERS employer rate that has moved from just over 4% to just over 20%. Compensation and benefits continue to grow. Operating costs are increasing. At the same time, our enrollment is declining and our revenue is limited.



This creates a long term challenge. The question is how we sustain over time. We are also operating more buildings than we can support. This limits our ability to invest fully in every school. We will need to plan for consolidation and closure. This is necessary for long term stability.

This is a fragile budget. We have limited reserves. We have little flexibility. Every dollar matters. Every decision matters. We are taking steps to reset our system. We are lowering our cost structure. We are building a more sustainable base for future budgets.

We are doing our part. We are making difficult decisions. We are staying focused on students. Now we need partnership. We need a long term commitment from the state. We need funding that reflects the real cost of education. Our outlook is clear. The challenges are real. The path forward requires focus, discipline, and shared responsibility.

Together, we will still rise.