Pleasant Hill School District No. 1

Budget Committee Meeting

May 18, 2026

Agenda

- Election of Officers
- Superintendent's Budget Message
- Proposed 2026-27 Budget
- Public Comment
- Budget Committee questions and comments

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Budget Committee Guidance

Budget Committee Considerations:

- Our Board Mission, District Policy, District Equity Lens
- The statutory requirement to approve a balanced budget
- The value of a sustainable budget where on-going obligations are supported by on-going resources
- The impact of budget decisions on the District's bond rating and ability to meet cash flow needs

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Pleasant Hill School District

Proposed 2026-27 Budget

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Proposed 2026-27 Budget All Funds (p.19)

FUND	2025-26 Budget	2026-27 Budget	Change
General Fund	$22,750,293	$21,068,177	($1,682,116)
Special Revenue Funds	9,115,989	9,166,466	50,477
Debt Service Fund	1,750,000	1,795,000	45,000
TOTAL	$33,616,282	$32,029,643	($1,586,639)

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General Fund Staffing History and Budget (p.14)

General Fund	2025-26 Budget	2026-27 Budget	Change from 2024-25 Budget
Licensed	54.91	54.16	(.75)
Classified / Confidential	30.91	30.56	(.35)
Managerial	3	3	0
Administrative	6.25	6.50	0.25
Total Staff	95.06	94.22	(.84)
October 1 Enrollment	962 (budget)	975 (projected)	13

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General Fund

Proposed 2026-27 Budget

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2025-26 General Fund Resources Financial Projection - Update

Resources	2025-26 Budget	Projected as of 04/1/2026	Change from Budget
Current Property Taxes	$3,856,873	$3,840,000	($16,873)
Prior Year Taxes, other	55,000	41,000	(14,000
State School Fund	9,247,469	9,100,000	(147,469)
Other SSF Rev.	268,500	310,628	(372)
Interest on Investments	450,500	450,000	(500)
Other Revenue	268,500	238,950	(29,550)
Total Revenue	$14,189,341	$13,980,578	($208,764)
Beginning Fund Balance	8,560,951	8,341,019	(219,932)
Total Resources	$22,750,293	$22,321,597	($428,696)

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2025-26 General Fund Requirements Financial Projection - Update

Requirements	2025-26 Budget	Projected as of 04/1/2026	Change from Budget
Salaries	$6,735,593	$6,640,794	($94,799)
Benefits	4,226,279	3,949,000	(277,279)
Purchased Services	2,817,062	2,226,820	(590,242)
Supplies	548,873	497,800	(51,073)
Other Objects	251,925	245,815	(6,110)
Transfers	2,595,000	2,330,000	(265,000)
Contingency	291,595	0	(291,595)
Total Expend.	$17,466,327	$15,890,229	($1,576,198)
Ending Fund Balance	5,283,966	6,431,368	1,147,402
Total Requirements	$22,750,293	$22,321,597	($428,696

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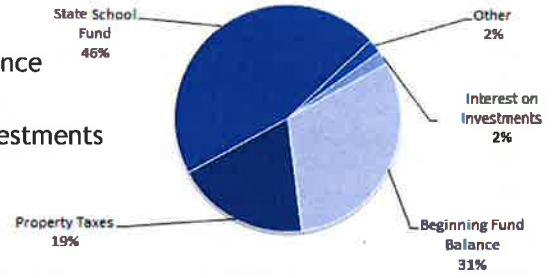
Proposed 2026-27 Budget General Fund Overview

	2025-26 Budget	2026-27 Budget	Difference
Beginning Fund Balance	$8,560,951	$6,534,313	($2,026,638)
Total Revenues	14,189,342	14,533,864	344,522
Total Expenditures	14,579,732	14,973,044	393,312
Transfers	2,595,000	2,345,000	(250,000)
Contingency	291,595	299,461	7,866
Unappropriated Ending Fund Balance	$5,283,966	$3,450,672	($1,833,294)
UEFB as % of Revenues	37.2%	23.7%	(13.5%)

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General Fund Resources (p.20)

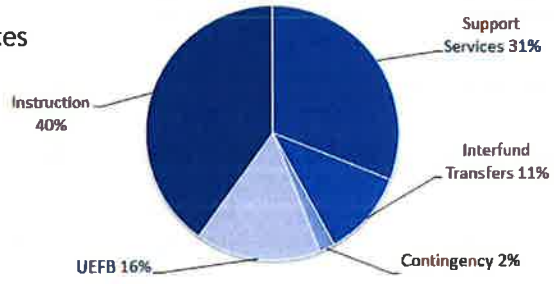
- State Funding
  - $9.68 million
- Property Taxes
  - $4.05 million
- Beg. Fund Balance
  - $6.53 million
- Interest on Investments
  - $450,000
- Other
  - $348,875



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General Fund Requirements by major function (p.24)

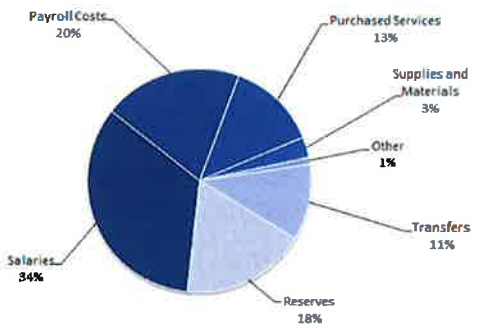
- Instruction
  - $8.43 million
- Support Services
  - $6.54 million
- Transfers
  - $2,345,000
- Contingency
  - $299,461
- UEFB
  - $3.45 million



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General Fund Requirements by object (p.32)

- Salaries
  - $7.17 million
- Payroll Costs
  - $4.27 million
- Purchased Services
  - $2.67 million
- Supplies/Materials
  - $591,048
- Cap Outlay/Other
  - $271,175
- Transfers/Reserves
  - $6.09 million



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General Fund Requirements Changes from 2025-26

- Salaries - Up $438,197 - 6.11%
  - Step movement/cost of living increase for eligible staff/new CBA for licensed
- Payroll Costs / Benefits - Up $44,190 - 1.03%
  - Benefit costs increase from additional salary and step increases
  - Addition of Paid Leave Oregon benefit and increased substitute costs.

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General Fund Requirements Changes from 2025-26 (Cont'd)

- Purchased Services - Down $150,500 - (5.64%)
  - Increase in student transportation services costs
  - Increase in heating and cooling costs
  - Decrease resulting from hire of Speech Therapist and cancellation of online speech therapy services
  - Decrease in high cost student placements as some students age out of the system

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General Fund Requirements Changes from 2025-26 (Cont'd)

- Supplies and Materials - Up $42,175 - 7.14%
- Other Objects - Up $19,250
  - Increased property and liability insurance premiums, dues & fees

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General Fund Requirements Changes from 2025-26 (Cont'd)

- Transfers - Down $250,000
  - We are still investing in our future with some major building improvements and building projects.

It is important to note that the seismic rehabilitation on the high school gym is supported through a grant that will reimburse the district's costs up to $2,499,940 ending in the 2026-27 fiscal year.

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General Fund Requirements Changes from 2025-26 (Cont'd)

- Contingency - Up $7,866
  - Contingency is set at 2% of budgeted operating expenditures
- Unappropriated Ending Fund Balance - Down $1,825,428
  - UEFB = 23.7% of total general fund revenues
    - GFOA (Government Finance Officer's Association) recommendation is two months operation expenditures held in reserve. With our spending model that level is considers to be 20%

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Other Funds

Proposed 2026-27 Budget

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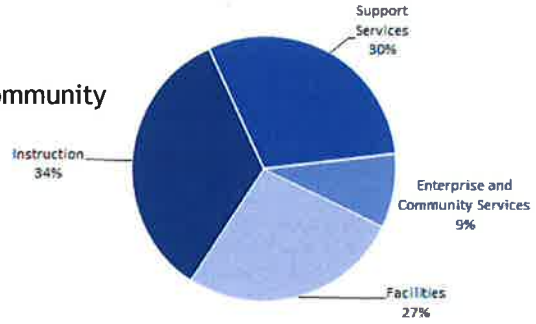
Special Revenue Funds (starts on p. 57)

- Funds that are restricted for specific purposes:
  - Grants
  - Student Activity Funds
  - Reserve Funds
  - Preschool and Food Service Operations

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Special Revenue Funds

- Instruction
  - $3.15 million
- Support Services
  - $2.67 million
- Enterprise and Community Services
  - $866,220
- Facilities
  - $2,484,940



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Debt Service Fund (p. 34)

	2025-26	2026-27	Change
Property Taxes	$1,637,975	$1,663,208	$25,233
Interest Earnings	750	1000	250
Beginning Fund Balance	111,275	130,792	19,517
Total Resources	$1,750,000	$1,795,000	$45,000
Principal and Interest Payments	$1,625,000	$1,670,000	$45,000
Unappropriated Ending Fund Balance	125,000	125,000	0
Total Requirements	$1,750,000	$1,795,000	$45,000

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Debt Service Levy (p. 18)

	2025-26	2026-27	Change
Total Requirements	$1,750,000	$1,795,000	$45,000
Less Total Resources before Current Year Taxes	124,025	143,792	19,767
Property Taxes Needed to Balance	1,625,975	1,651,208	25,233
Plus Uncollected Taxes	76,617	81,434	4,817
Estimated Tax Levy	$1,702,592	$1,732,642	$30,050
Assessed Value	$870,395,305	$912,762,347	$42,367,042
Debt Service Tax Rate per $1,000 Assessed Value	$1.9561	$1.8982	($0.0579)

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Financial Forecast 2025-2027 General Fund - Proposed Budget

	2025-26 Projected (as of 03/25/2026)	2026-27 Proposed
Total Revenues	$13,771,444	$14,533,864
Total Expenditures	(13,572,635)	(15,272,505)*
Annual Surplus / (Deficit)	198,809	(738,641)
Projected Ending Fund Balance	$6,534,313	$3,450,672
% Total Revenues	47.4%	23.7%

Note: 2026-27 Total expenditures include a contingency of 2% of operating expenditures

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Financial Forecast - Summary

General Fund Summary	2025-26 Adopted	2026-27 Proposed
Total General Fund Revenues	**$14,189,342**	**$14,533,864**
General Fund Expenditures		
Operating Expenditures	$14,579,732	$14,973,044
Contingency	291,595	299,461
Underspending (Contingency plus x% Op. Expend.)	-	-
Total General Fund Expenditures	**$14,871,327**	**$15,272,505**
Annual Operating Surplus / (Deficit) (Revenues less Expenditures)	**($681,985)**	**($738,641)**
Transfers to / (from) Reserves		
Insurance / Benefit Reserve (271)	$100,000	$110,000
K-12 Enrichment Reserve Fund (282)	$50,000	$35,000
Equipment Repair/Replacement Reserve (283)	$80,000	$75,000
Maintenance Reserve (284)	$650,000	$250,000
Capital Projects (285)	$1,150,000	$1,320,000
Technology Reserve (286)	$0	$150,000
Instructional Materials Reserve (287)	$100,000	$150,000
Field Repair and Replacement Reserve (289)	$200,000	$80,000
Nutrition Services Fund (299)	$265,000	$175,000
Net Transfers	**2,595,000**	**2,345,000**
Annual Surplus / (Deficit)	**($3,276,985)**	**($3,083,641)**
GENERAL FUND RESERVES		
Beginning Fund Balance	$8,560,951	$6,534,313
Transfer to / (from) Reserves	(3,276,985)	(3,083,641)
Ending Fund Balance	$5,283,966	$3,450,672
% of Total General Fund Revenues	37.2%	23.7%

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Summary

The 2026-27 Proposed Budget reflects a stability-focused, conservative financial plan designed to balance current needs with long-term sustainability. It is built in response to a tightening fiscal environment, including slowing State School Fund growth, inflationary pressures and uncertainty in federal funding.

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Summary (Cont'd.)

At its core, the budget prioritizes key components:

Fiscal Stability Through Guardrails

The district continues to operate within a defined financial guardrail system to guide decision making and protect reserves. This budget remains above the minimum reserve threshold, allowing for temporary use of ending fund balance to maintain programs without creating structural imbalance.

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Summary (Cont'd.)

Strategic Investment in People and Programs

A major component of the budget is investment in licensed staff through a new collective bargaining agreement, reinforcing the district's commitment to teacher quality and retention as the primary driver of student achievement.

Additionally, targeted student support investments—such as adding an Educational Assistant at the secondary level—focus on strengthening intervention systems while controlling overall district costs.

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Summary (Cont'd.)

Managing Structural Programs While Maintaining Programs

The district is responding to declining or unstable grant funding (Title, IDEA, SIA, HSS) by:

- Gradually shifting some positions to the General Fund
- Using grant funding first before backfilling with local funds
- Managing staffing through attrition and reassignment

These strategies allow the district to maintain program continuity while limiting long-term financial risk

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Summary (Cont'd.)

Long Range Planning Focus

The budget is explicitly tied to a multi-year strategy that includes:

- Aligning staffing with enrollment trends
- Reducing dependency on unstable grant funding
- Maintaining facilities through planned investments rather than reactive spending
- Balancing compensation growth with sustainable revenue projections

Thank you for your ongoing engagement and support in the budget process!

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Questions and Comments

June 1 - Second Budget Committee Meeting - (if needed)
June 8 - Third Budget Committee Meeting - (if needed)
June 15 - Budget Hearing and Board Meeting

Contact Information:
Jim Crist
jcrist@pleasanthill.k12.or.us
541-736-0701
Sheri Longobardo
slongobardo@pleasanthill.k12.or.us
541-736-0797

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