

FORM ED-1

NOTICE OF BUDGET HEARING

A public meeting of the Gervais School District Board of Directors will be held on June 17, 2026 at 6:00 pm at the District Office, 290 First Street, City of Gervais, Marion County, Oregon (additional information on the district's website or request more information at businessmanager@gervais.k12.or.us). The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2026 as approved by the Gervais School District Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at 290 First Street, Gervais, OR, between the hours of 9:00 a.m. and 3:00 p.m., or online at www.gervais.k12.or.us/Explore/departments/Business/Fiscal/Budget Documents/Proposed Budget. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

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FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount Last Year 2024-25	Adopted Budget This Year 2025-26	Approved Budget Next Year 2026-27
Beginning Fund Balance	\$ 5,394,205	\$ 34,505,674	\$ 28,784,333
Current Year Property Taxes, other than Local Option Taxes	\$ 3,737,346	\$ 4,049,299	\$ 3,978,253
Current Year Local Option Property Taxes	\$ 1,384,271	\$ 1,595,372	\$ 1,650,000
Other Revenue from Local Sources	\$ 3,372,278	\$ 2,510,211	\$ 3,140,643
Revenue from Intermediate Sources	\$ 15,086	\$ 10,500	\$ 11,000
Revenue from State Sources	\$ 17,287,264	\$ 24,451,112	\$ 20,352,196
Revenue from Federal Sources	\$ 2,664,126	\$ 1,956,238	\$ 1,825,907
Interfund Transfers	\$ 1,469,822	\$ 2,677,025	\$ 2,122,958
All Other Budget Resources	\$ 31,556,027	\$ -	\$ -
Total Resources	\$ 66,880,427	\$ 71,755,431	\$ 61,865,290

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Salaries	\$ 9,342,422	\$ 10,070,923	\$ 9,385,953
Other Associated Payroll Costs	\$ 5,624,801	\$ 5,969,983	\$ 7,708,231
Purchased Services	\$ 9,930,848	\$ 11,568,960	\$ 10,741,459
Supplies & Materials	\$ 2,186,664	\$ 2,190,219	\$ 1,976,080
Capital Outlay	\$ 1,003,269	\$ 34,255,478	\$ 23,781,981
Other Objects (except debt service & interfund transfers)	\$ 451,492	\$ 391,458	\$ 1,597,424
Debt Service*	\$ 3,201,518	\$ 3,500,283	\$ 3,601,943
Interfund Transfers*	\$ 1,469,822	\$ 2,677,025	\$ 2,122,958
Operating Contingency	\$ 33,669,591	\$ 1,131,100	\$ 949,260
Unappropriated Ending Fund Balance & Reserves	\$ -	\$ -	\$ -
Total Requirements	\$ 66,880,427	\$ 71,755,431	\$ 61,865,290

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY FUNCTION			
1000 Instruction	\$ 15,404,986	\$ 16,048,400	\$ 15,491,559
FTE	98.49	101.22	93.51
2000 Support Services	\$ 8,325,320	\$ 8,762,908	\$ 10,095,633
FTE	44.13	45.23	40.34
3000 Enterprise & Community Service	\$ 1,366,149	\$ 1,437,520	\$ 1,454,933
FTE	9.23	8.83	7.76
4000 Facility Acquisition & Construction	\$ 3,443,040	\$ 38,198,195	\$ 28,149,004
FTE		0.85	0.90
5000 Other Uses			
5100 Debt Service*	\$ 3,201,519	\$ 3,500,283	\$ 3,601,943
5200 Interfund Transfers*	\$ 1,469,822	\$ 2,677,025	\$ 2,122,958
6000 Contingency	\$ -	\$ 1,131,100	\$ 949,260
7000 Unappropriated Ending Fund Balance	\$ 33,669,591	\$ -	\$ -
Total Requirements	\$ 66,880,427	\$ 71,755,431	\$ 61,865,290
Total FTE	151.85	156.13	142.51

* not included in total 5000 Other Uses. To be appropriated separately from other 5000 expenditures.

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING **

Passage of our General Obligation (GO) Bond in May of 2024 has impacted various areas of the budget. The bond was passed for \$26.13M, as reflected in the Current Year Local Option Property Taxes row, increased due to the related tax collection. We also see the beginning fund balance impact from receipt of the GO Bond funds, these funds were received in August of 2024. With the passage of the bond, the district is also eligible to receive a \$6M OSCIM grant from the state, reflected in the Revenue from State Sources row. Property taxes continue to increase slowly, and local sources are expected to increase, reflecting an increase in the interest rates for our investments. Interfund Transfers reflects a capacity to transfer from our Charter School Fund for unexpected and anticipated non-bond funded capital projects, if the need arises.

Negotiated salary increases and associated payroll costs will continue to be one of the biggest impacts to the non-bond parts of the budget. The State School Fund is not keeping up with the inflation. Purchased Services are expected to decrease due to anticipated enrollment numbers for the district's charter school. The Enterprise & Community Service Function has slightly increased to account for the rise in food costs related to our food service program. The Facility Acquisition & Construction costs will continue to decline as the to the GO Bond is being spent out, this will be a multi-year process for the spending down of these funds.

PROPERTY TAX LEVIES			
	Rate or Amount Imposed	Rate or Amount Imposed	Rate or Amount Approved
Permanent Rate Levy (Rate Limit 4.6427 per \$1,000)	4.6427	4.6427	4.6427
Local Option Levy	0	0	0.00
Levy For General Obligation Bonds	\$0	\$0	\$ 1,650,000

STATEMENT OF INDEBTEDNESS			
LONG TERM DEBT	Estimated Debt Outstanding on July 1	Estimated Debt Authorized, But Not Incurred on July 1	
General Obligation Bonds	\$ 27,835,000	\$ -	-
Other Bonds	\$ 1,714,400	\$ -	-
Other Borrowings	\$ 6,220,885	\$ -	-
Total	\$ 35,770,285	\$ -	-