

# Budget Review 2025-26

## Riverdale SD 51J School District



### BUDGET HIGHLIGHTS

- The total Proposed budget is \$17.2 million, a slight increase from last year (3.3%), in line with the districts fiscally conservative budget approach. The district maintains enrollment at 568 total students, in line with current year's actuals.
- Revenue increased by \$485,000, or 3% resulting largely from normal increases in State School Funding (SSF), property taxes, a 3% tuition hike and continued support from the Riverdale Foundation.
- Considerations beyond FY 2025-26 include the expiration of the Local Option Tax Levy during this budget cycle (the district plans to submit a renewal to voters; if approved, the new levy would begin in FY 26-27), and possible volatility in the SSF.
- Expenditures increased \$582,000, or 4% over the current year. \$322,000, or 56%, of that increase is resulting from large PERS rate increases. Other increases included escalation in transportation costs and additional needs for repair and maintenance.
  - Considerations beyond FY 2025-26 include a PERS side account renewal and the upcoming negotiations with the Riverdale Teachers Association. It is anticipated that for every percentage increase in COLA, it will result in \$61,000 additional expense ongoing.
  - Contingency in the General Fund meets the board established policy of 5% of expenditures sitting at \$0.5 million. This will be used to mitigate contract increases resulting from the pending bargaining if needed.
- The total budgeted FTE is 67.02. This is a net reduction of 2.0 FTE through retirements and vacancies.
- Debt Service remaining at 6/30/2025 for the district is \$8.0 million dollars with debt payment scheduled in the amount of \$2.7 million dollars.

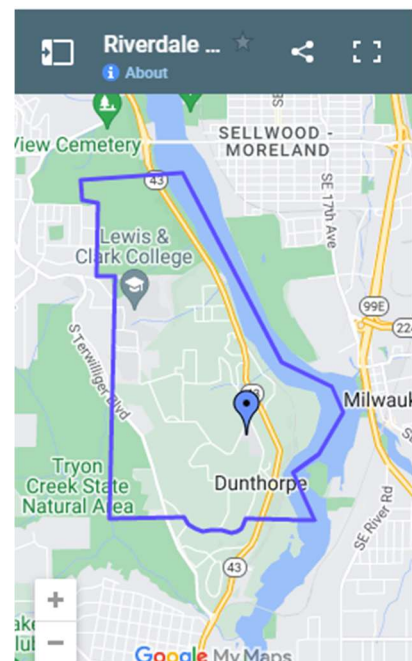
### INTRODUCTION & BACKGROUND

Riverdale School District boundaries encompass a two-square-mile area. The district serves an estimated population of 2,100, primarily in the unincorporated area between the cities of Portland and Lake Oswego. Boundaries also include a minor portion of the City of Portland and extend into Clackamas County.

The five directors that govern the district serve without compensation and are elected at large to four-year terms.

Education programs are conducted at one elementary school (K-8) and one high school facility (grades 9-12). Riverdale High School is located on land leased from the Portland School District.

Riverdale serves many students who do not live within the district's boundaries. If these students receive a release from their home district,



the funding from the state will follow the student. Students not released from their home district can attend Riverdale on a tuition basis.

<b>Riverdale SD 51J</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Assessed Value in Millions	\$781.9	\$806.3	\$834.9	\$861.4
Real Market Value(M-5) in Millions	\$1,139.7	\$1,179.3	\$1,253.3	\$1,402.8
Property Tax Rate Extended:				
Operations	\$3.8149	\$3.8149	\$3.8149	\$3.8149
Local Option	\$1.3700	\$1.3700	\$1.3700	\$1.3700
Debt Service	\$2.2510	\$2.4321	\$2.4227	\$2.5357
Total Property Tax Rate	\$7.4359	\$7.6170	\$7.6076	\$7.7206
Measure 5 Impact	\$-58,392	\$-70,027	\$-58,172	\$-29,350
Number of Employees (FTE's)	75	74	70	69
Average Daily Enrollment – ADMr*	538	506	480	484
Weighted Enrollment ADMw*	680	645	623	629
* Latest May estimates from ODE web site				

## BUDGET OVERVIEW

The FY 2025–26 Riverdale School District budget totals \$17.2 million, reflecting a \$0.55 million increase. It maintains a conservative approach, focusing on optimized spending and revenue opportunities, with a stable beginning fund balance of \$1.8 million. This conservative approach takes into consideration the exploration of increasing the local option levy when they go out for renewal, exploration of a PERS side account renewal, consideration of potential State School Fund volatility, and upcoming licensed contract negotiations.

## Resources

The district has five primary revenue sources. These revenues, along with transfers and the beginning fund balance make up total resources. In FY 2025-26, revenue will total \$15.4 million, a modest 3% increase compared to the current year.

**Property taxes** are the most significant resource for the district. The district has three tax levy collections. All tax estimates are reasonable for the purposes considered:

1. The permanent rate is \$3.8149 per 1,000 AV and is expected to yield (\$3.3 million), a modest increase of 3.5%.
2. The five-year local option rate is \$1.3700 per 1,000 AV and will net the district \$1.1 million after compression. This is an increase of \$78,000. The revenue received from the Local Option Tax Levy does not decrease state funding.

3. The General Obligation Bond levy will raise \$2.1 million to cover the debt service and enough to carry forward to use for the December 2026 interest payment.

It is important to note that the local option levy is set to expire in FY 2025-26 and will be up for renewal. If approved by voters in the anticipated November 2025 ballot, the new levy would begin in the 2026-27 school year. The budget message states that the district may consider increasing the levy.

**Intergovernmental Revenue** is budgeted at \$5.3 million. The amount is 2.8% more than the current year. Included in this amount is the SSF, which is budgeted at 4 million, an increase of 4.8% from current year.

**Fees and Charges** contribute \$1.8 million to the FY 2025-26 budget, with tuition making up 69% of this resource.

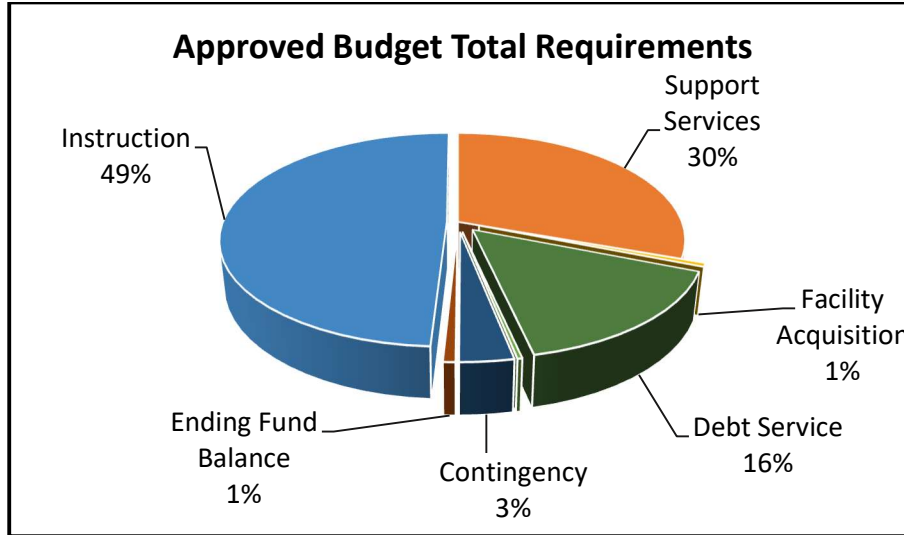
Students attending Riverdale schools either live within the district, transfer in from other districts, or enroll on a tuition-paying basis. When students transfer from another district, State School Funding follows them. In contrast, tuition-paying students do not bring this funding. For FY 2025–26, tuition revenue is projected to bring in \$1.3 million. The Riverdale School Board approved a 3% tuition increase for out-of-district students—the third consecutive annual increase following several years of stable rates. Since FY 2022–23, this represents a cumulative 10% rise in tuition. The accompanying chart displays the new tiered tuition rates by grade level alongside previous year comparisons and the makeup of anticipated enrollments.

Riverdale School District Tuition Charges			
Grades	FY 2025	FY 2026	% Change
Kindergarten	\$12,900	\$13,287	3%
Grades 1-4	\$14,050	\$14,472	3%
Grades 5-8	\$14,480	\$14,914	3%
Grades 9-12	\$14,990	\$15,440	3%

2025-26 Enrollment Projection			
Grade	Tuition	Resident/ Transfer	Total
K-8	55	357	412
9-12	31	125	156
Total Enrollment	86	482	568

**Other Income** includes funding from the Riverdale Schools Foundation and other donations (\$1.8 million); the large contributions from the foundation allow the district to enhance instructional offering and expand student services.

## Requirements

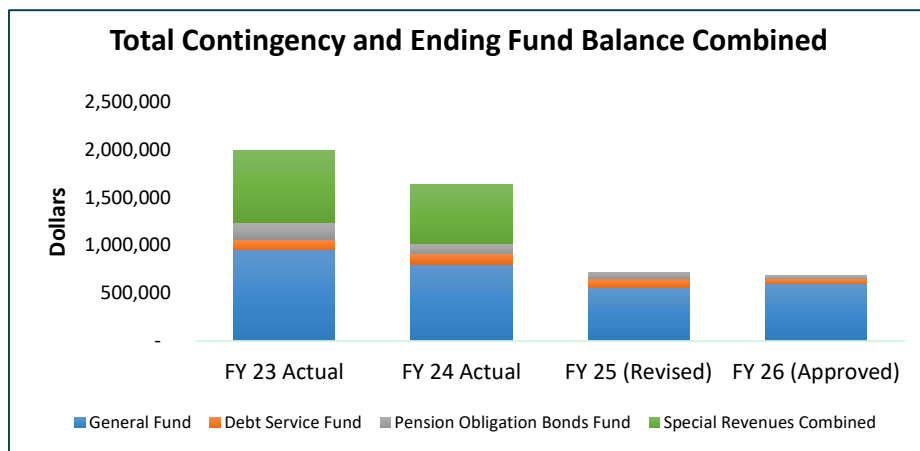


Summary of Total Budget by Object Classification					
(\$ Thousands)					
	FY 23 Actual	FY 24 Actual	FY 25 Rev. Budget	FY 26 App. Budget	Budget Change
Personnel Services	9,265.0	9,193.7	9,556.8	9,930.5	3.9%
Materials & Services	2,711.4	3,199.2	3,479.1	3,881.9	11.6%
Capital Outlay	15.1	0.0	254.6	0.0	-100.0%
Debt Service	2,459.3	2,512.7	2,618.3	2,678.9	2.3%
Fund Transfers	124.2	8.5	50.0	50.0	0.0%
Contingencies	0.0	0.0	550.7	557.2	1.2%
Ending Fund Balance	2,203.4	1,778.2	169.1	127.3	-24.7%
<b>Total Requirements</b>	<b>16,778.4</b>	<b>16,692.2</b>	<b>16,678.7</b>	<b>17,225.8</b>	<b>3.3%</b>

Riverdale School District's total expenditures (personnel services, materials & services, capital outlay, and debt service) for the current year total \$16.5 million, reflecting a 4% increase over the previous year. This rise is primarily attributed to increased costs in salaries and benefits, transportation, and repair and maintenance. Despite this growth, the district continues to follow a conservative fiscal approach. As the district looks ahead, it will need to navigate several key financial considerations, including the expiration and potential renewal or adjustment of the local option levy, evaluation of a PERS side account renewal, possible volatility in the State School Fund, and upcoming negotiations for licensed staff contracts.

**Contingency** remains at \$0.6 million, meeting the board policy requirement of maintaining 5% of General Fund expenditures. Any funds remaining after this requirement are met are allocated to the unappropriated fund balance, which serves as a buffer against current and future risks such as enrollment declines, union negotiations, and unforeseen expenditures. The unappropriated fund balance budgeted for FY 25-26 totals \$127,000. Since FY 2022-23, the combined total of contingency and ending fund balance has decreased by 69%. From the chart below you can see that much of the decline is in the special

revenue funds, where the entire appropriation is budgeted in expenses, but will become ending fund balance if not spent.



Instruction requirements are 51% of the Riverdale School District's total expenditure budget, with support services following at 32%. Instruction and Support Services both increased over current year, 4.2% and 5.0% respectively.

### Personnel Services

The overall personnel service expenditure is \$9.93 million, a 3.9% increase over the current year expenditure. The total budgeted FTE is 67.05. This is a net reduction of 2.0 FTE, due to vacancies and resignations.

The budget includes step increases where applicable, however due to the pending negotiations with the Riverdale Teachers Association (RTA) no Cost of Living Adjustment (COLA) has been budgeted. It is anticipated for every 1% of COLA bargained will cost the district \$61,000. If the agreement matches prior years, the anticipated impact will increase expenses by \$183,000 annually. Health Insurance rates are also in limbo and budgeted at a flat rate until negotiations are complete.

The new PERS rates for the biennium will go in effect on July 1, 2025, and remain in place through June 30, 2027. The rates increased significantly and was the largest impact to the district. Riverdale School District participates in the pension bond pool to offset the unfunded actuarial liability (UAL) with PERS. The chart below shows the vast increases districts have undergone since 2015.

PERS Rates		
Biennium	Tier 1/Tier 2	OPSRP
2025-27	21.50%	18.32%
2023-25	13.98%	11.14%
2021-23	14.67%	11.56%
2019-21	21.18%	15.73%
2017-19	16.05%	10.72%
2015-17	8.86%	4.17%

### Materials and Services

Materials and Services are budgeted to increase 11.6% from \$3.5 million to \$3.9 million. Some changes from current year include contract escalation for transportation increases 8% (\$28k) – but are 70% reimbursable with SSF Formula, repair and maintenance (\$57k) due to aging systems, contract escalation

(\$56k) for inflation and spend down of one-time funds supporting consumable curriculum needs, and various other line items to align with actual spending.

### Revenues vs. Expenditures

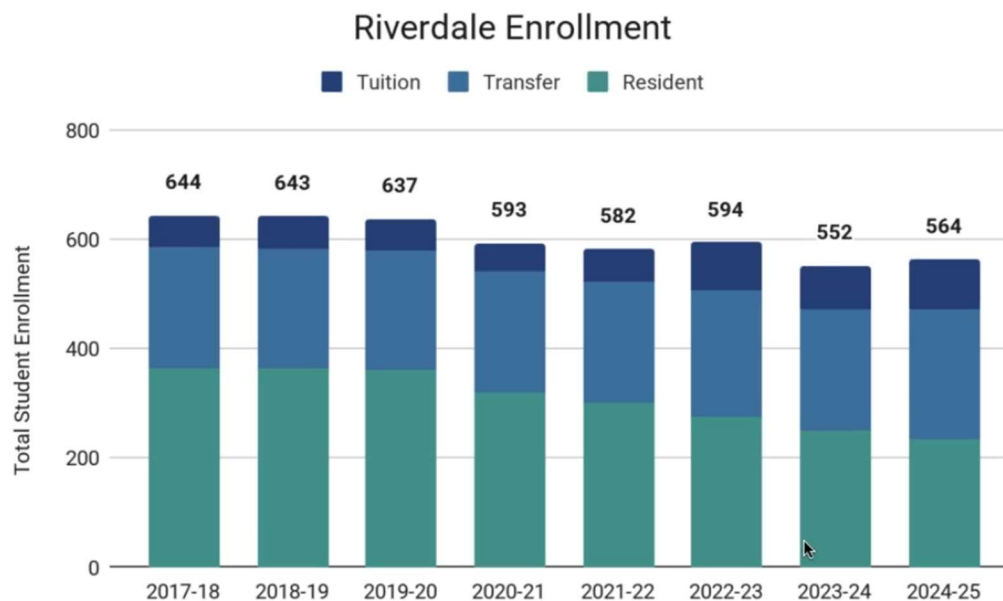
As stated earlier, budgeted expenditures are outpacing revenues. The districts subcommittee continues to review revenue-generating and cost-saving measures and to make recommendations to the board. Some suggestions have already been implemented and will provide ongoing relief in future years.

District's Revenue vs. Expenditures				
	FY 23	FY 24	FY 25	FY 26
Revenue	14,422,209	14,471,842	14,930,204	15,415,590
Expenditures	14,450,794	14,905,558	15,908,867	16,491,298
Gain/Loss	(28,586)	(433,716)	(978,663)	(1,075,708)

## GENERAL FUND

For FY 2025-26, General Fund revenue is projected to be \$11.4 million, an increase of \$0.5 million or 5% from the current year's revised budget.

State revenue is the primary source of revenue for the district. That revenue is directly tied to student enrollment and is adjusted periodically during the year and trued-up at the end of the year. The chart below shows the Riverdale school district's unusual enrollment mix of students who are residents of the district, those who attend by choice through transfers, or tuition payments.



Source: Riverdale School District April 9<sup>th</sup>, 2025 Budget Committee Workshop

Expenditures in the General Fund are estimated at \$11.5 million, an increase of \$0.5 million (4.8%) over the current year's budget. The most notable increases in the General Fund are:

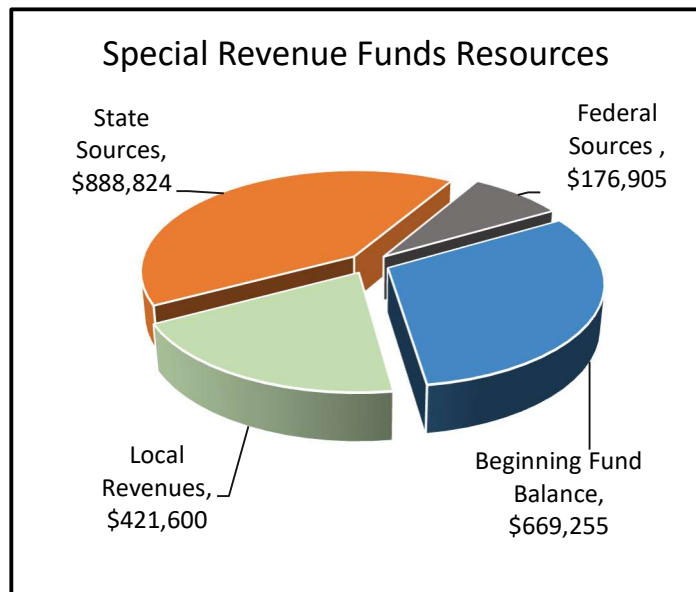
- Salaries and Associated Payroll costs (+\$355,000)
- Repairs & Maintenance (+\$57,000) to support aging infrastructure.
- Consumable Supplies/Professional Services (+\$56,000) to support contract escalation and inflation on supplies.
- Transportation (+\$28,000) increases directly related to staff and inflation costs across the state for transportation providers.

## OTHER FUNDS

The **Special Revenue Funds** are supported by federal, state, and local grants and specific revenue sources for stated activities. These resources are used for instruction (71%) and support services (28%).

The district also uses two capital funds. The **2010 Grade School Bond Proceeds Fund** has a small remaining balance (\$52k) that will be used only for the original proposed use.

The second fund is the **Construction Excise Tax Fund**, which accounts for all resources and expenditures related to the construction excise tax (CTE). Resources (\$55K) in this fund will be held for projects that meet the requirements related to the tax.



The two remaining funds are debt funds for repaying general obligation bonds and pension bonds.

## DEBT STATUS

The district holds general obligation bonds for capital projects and PERS bonds to address its share of the Unfunded Actuarial Liability. As of 6/30/25, \$6.8 million remains on the GO bonds, with a \$2.2 million payment due in FY 2025-26. PERS bond debt stands at \$1.2 million as of 6/30/25, with \$0.5 million budgeted for annual debt service.

## BUDGET PROCESS & COMPLIANCE

Yes	No	Compliance Issue
X		Did the district meet publication requirements?
X		Do resources equal requirements in every fund?
X		Does the GO Debt Service Fund show only principal and interest payments?
X		Are contingencies shown only in operating funds?
X		Did the budget committee approve the budget?
X		Did the budget committee set the levy?
X		Does the audit show the district was in compliance with budget law?

**LOCAL BUDGET LAW COMPLIANCE**

The FY 2025-26 Budget is in substantial compliance with local budget law. Estimates were judged to be reasonable for the purpose shown.

The audit report for FY 2024-25 notes no issues of budgetary noncompliance.

**CERTIFICATION LETTER RECOMMENDATIONS & OBJECTIONS**

TSCC staff notes no deficiencies in the district's FY 2025-26 budget development process.



# Riverdale School District

## Budget Summary

	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	%
<b>SUMMARY OF ALL FUNDS</b>	<b>Actual</b>	<b>Actual</b>	<b>Revised</b>	<b>Approved</b>	<b>Change</b>
<b>PROPERTY TAX BREAKDOWN:</b>					
Permanent Rate Property Taxes	2,930,273	3,016,502	3,099,000	3,208,000	3.50%
Local Option Levy Property Taxes	989,006	1,030,879	1,037,000	1,115,000	7.50%
GO Debt Property Taxes	1,892,499	1,943,393	2,095,000	2,055,000	-1.90%
Prior Years Property Taxes	53,291	55,948	61,000	61,000	0.00%
<b>TOTAL PROPERTY TAX</b>	<b>5,865,069</b>	<b>6,046,722</b>	<b>6,292,000</b>	<b>6,439,000</b>	<b>2.30%</b>
<b>RESOURCES:</b>					
Beginning Fund Balance	2,232,032	2,211,932	1,698,466	1,760,255	3.60%
Property Taxes	5,865,069	6,046,722	6,292,000	6,439,000	2.30%
Other Taxes	252	18,865	10,000	10,000	0.00%
Intergovernmental Revenue	4,773,984	5,017,181	5,192,656	5,339,176	2.80%
Fees and Charges	1,688,815	1,675,534	1,778,732	1,854,264	4.20%
Other Income	2,094,088	1,713,540	1,656,816	1,773,150	7.00%
Transfers In	124,153	8,457	50,000	50,000	0.00%
<b>TOTAL RESOURCES</b>	<b>16,778,394</b>	<b>16,692,230</b>	<b>16,678,670</b>	<b>17,225,845</b>	<b>3.30%</b>
<b>REQUIREMENTS BY FUNCTION:</b>					
Instruction	7,190,421	7,295,623	8,125,195	8,469,866	4.20%
Support Services	4,786,763	5,051,031	4,998,702	5,248,297	5.00%
Enterprises and Community Services	4,958	0	12,077	12,077	0.00%
Facilities Acquisition and Construction	9,399	46,251	154,561	82,150	-46.80%
Debt Service	2,459,253	2,512,653	2,618,332	2,678,908	2.30%
Transfers Out	124,153	8,457	50,000	50,000	0.00%
Contingencies	0	0	550,737	557,237	1.20%
Ending Fund Balance	2,203,447	1,778,215	169,066	127,310	-24.70%
<b>TOTAL REQUIREMENTS BY FUNCTION</b>	<b>16,778,394</b>	<b>16,692,230</b>	<b>16,678,670</b>	<b>17,225,845</b>	<b>3.30%</b>
<b>REQUIREMENTS BY OBJECT:</b>					
Personnel Services	9,265,003	9,193,716	9,556,811	9,930,480	3.90%
Materials & Services	2,711,438	3,199,189	3,479,090	3,881,910	11.60%
					-
Capital Outlay	15,100	0	254,634	0	100.00%
Debt Service	2,459,253	2,512,653	2,618,332	2,678,908	2.30%
Fund Transfers	124,153	8,457	50,000	50,000	0.00%
Contingencies	0	0	550,737	557,237	1.20%
Ending Fund Balance	2,203,446	1,778,215	169,066	127,310	-24.70%
<b>TOTAL REQUIREMENTS BY OBJECT</b>	<b>16,778,393</b>	<b>16,692,230</b>	<b>16,678,670</b>	<b>17,225,845</b>	<b>3.30%</b>

**SUMMARY OF BUDGET - BY FUND**

General Fund	11,698,095	11,815,007	11,630,443	12,200,803	4.90%
Special Revenues Combined	2,123,466	1,924,477	2,124,733	2,156,584	1.50%
Debt Service Fund	2,045,026	2,106,402	2,186,700	2,209,000	1.00%
Pension Obligation Bonds Fund	699,203	624,048	589,732	552,308	-6.30%
Capital Projects Fund	67,625	67,850	67,919	52,150	-23.20%
Construction Excise Tax Fund	144,979	154,446	79,143	55,000	-30.50%
<b>GRAND TOTAL ALL FUNDS</b>	<b>16,778,394</b>	<b>16,692,230</b>	<b>16,678,670</b>	<b>17,225,845</b>	<b>3.30%</b>

**DETAIL OF GENERAL FUND****RESOURCES:**

Beginning Fund Balance	809,581	958,686	800,000	800,000	0.00%
Property Tax	3,972,571	4,103,329	4,197,000	4,384,000	4.50%
State Revenue	3,832,136	4,053,901	4,028,443	4,183,547	3.90%
Local Revenue	79,719	71,589	68,000	89,900	32.20%
Fees and Charges	1,249,232	1,199,955	1,257,000	1,350,356	7.40%
Other Income	1,754,856	1,427,546	1,280,000	1,393,000	8.80%
Transfers In	0	0	0	0	0.00%
<b>TOTAL FUND RESOURCES</b>	<b>11,698,095</b>	<b>11,815,007</b>	<b>11,630,443</b>	<b>12,200,803</b>	<b>4.90%</b>

**REQUIREMENTS:**

Instruction	6,263,206	6,439,587	6,594,007	6,934,187	5.20%
Support Services	4,352,077	4,560,663	4,424,733	4,614,469	4.30%
Transfers Out	124,153	8,457	50,000	50,000	0.00%
Contingencies	0	0	550,737	557,237	1.20%
Ending Fund Balance	958,659	806,300	10,966	44,910	309.50%
<b>TOTAL FUND REQUIREMENTS</b>	<b>11,698,095</b>	<b>11,815,007</b>	<b>11,630,443</b>	<b>12,200,803</b>	<b>4.90%</b>

**DETAIL OF GENERAL OBLIGATION DEBT  
SERVICE FUND****RESOURCES:**

Beginning Fund Balance	113,518	106,825	91,700	154,000	67.90%
GO Debt Property Taxes	1,892,499	1,943,393	2,095,000	2,055,000	-1.90%
Interest on Investments	37,110	54,670	0	0	0.00%
<b>TOTAL FUND RESOURCES</b>	<b>2,043,126</b>	<b>2,104,887</b>	<b>2,186,700</b>	<b>2,209,000</b>	<b>1.00%</b>

**REQUIREMENTS:**

Debt Services	1,938,200	1,991,600	2,095,000	2,155,000	2.90%
Ending Fund Balance	106,826	114,802	91,700	54,000	-41.10%
<b>TOTAL FUND RESOURCES</b>	<b>2,045,026</b>	<b>2,106,402</b>	<b>2,186,700</b>	<b>2,209,000</b>	<b>1.00%</b>