

# 2019-20 Budget

## August 13, 2019

All changes from 7-9-19 have been highlighted in gold with blue text

Edmonds School District

# What is a budget?

- A plan at a point in time
- Establishes spending authority
- Required by RCW 28A.505.010 through RCW 28A.505.150
- Is filed with the Office of Superintendent using the state-prescribed format, the F-195
- Shall include estimated revenues, estimated expenditures, and estimated fund balances for each fund





**General Fund - \$343,400,000**



**Capital Projects Fund - \$64,798,000**



**Associated Student Body Fund- \$3,432,924**



**Debt Service Fund- \$56,235,825**



**Transportation Vehicle Fund - \$2,200,000**

# Agenda

- ▶ Legislative Session
- ▶ Enrollment Projections
- ▶ Revenues for General Fund
- ▶ Expenditures for General Fund
- ▶ MSOC Budget Proviso
- ▶ Ending General Fund Balance Projections
- ▶ Capital Projects Fund
- ▶ Debt Service Fund
- ▶ Transportation Vehicle Fund
- ▶ Associated Student Body Fund



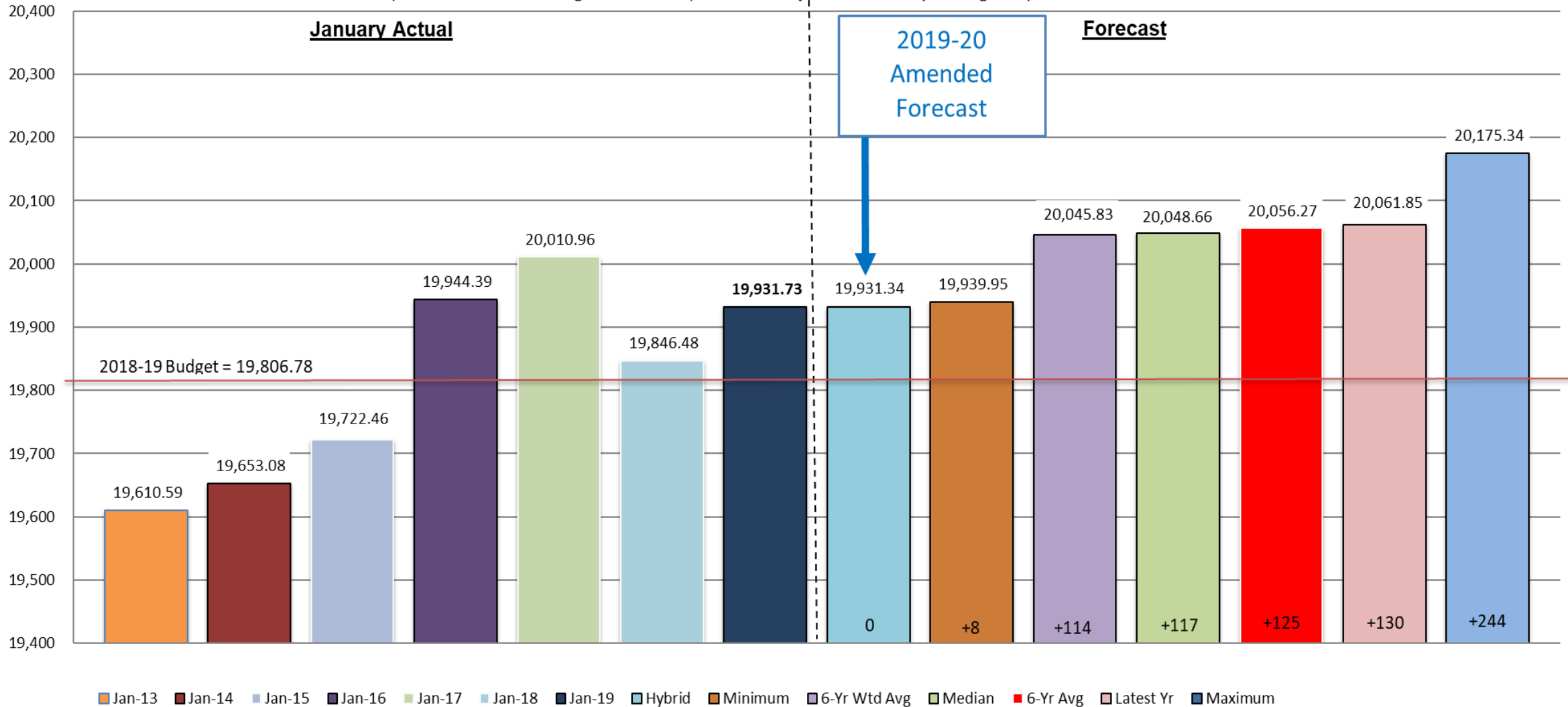
# 2019 Legislative Session

- Changed Levy Formula from \$1.50/\$1,000 of assessed valuation to \$2,500 plus inflation per student full-time equivalent
- Did not delay implementation of the School Employee's Benefits Board (SEBB) on January 1, 2020
- Increased funding by the Implicit Price Deflator (IPD) of 2%
- Requires K-3 Class Size Compliance of 17:1 in 2019-2020 (or funding reduction)
- Increased the Special Education Multiplier from .9609 to .995. Reduced the APPE Multiplier (Safety Net) from 2.7 to 2.3
- Adds a Prototypical Staffing Workgroup with results to be communicated by December 1, 2019
- In the 2019–20 school year, OSPI must require districts to provide a supplemental expenditure schedule by revenue source that identifies the amount expended by object for each of the following supplementary enrichment activities beyond basic education

## Forecast January 2019 Student FTE Enrollment\* Compared to Jan 2013-2019 Actual

Range= 252 students between  
Maximum and Minimum forecast

\*(Does Not Include Running Start or EdCAP; Prior Years Adjusted for Full Day Kindergarten)





# Total Revenues: \$342,200,000

## *Significant Changes:*

- Estimated levy collection decrease (6.2M) in 19-20
- Stable enrollment, increase revenues by amount of 18-19 estimated, actual enrollment over budget (approx. \$900K)
- Additional, State-funded professional development day for Certificated Instructional Staff (\$600K)
- State-funded Implicit Price Deflator of 2% (\$2.5M)
- Use of one-time funds such as a refund of Medical Retention balance (due to change to SEBB), transfer of accrued cell tower lease revenues (\$1.7M)
- Special Education Multiplier increase from .9609 to .995 (\$1M)
- Anticipated increase to Safety Net Grant Award (\$0.5M)
- Increase to State Transportation Funding (\$1M)

# Revenues

Local Taxes	\$50,366,947
<b>Local Support Nontax</b>	<b>\$11,412,531</b>
State, General Purpose	\$196,968,206
State, Special Purpose	\$61,846,113
Federal, General Purpose	\$60,000
Federal, Special Purpose	\$16,164,620
Revenues from Other School Districts	\$2,000,000
Revenues from Other Entities	\$1,359,583
Other Financing Sources	\$2,022,000
<b>Total Revenues</b>	<b>\$342,200,000</b>



# Total Expenditures: \$343,400,000

## *Significant Changes:*

- Staff Allocation Model Changes in grades 4-12 (decrease \$5.7M)
- Staff Allocation Model Changes in grades K-3 (increase \$1.25M)
- Elementary and Secondary Support Model Changes (decrease \$1.4M)
- Categorical Program Changes (decrease \$200K)
- Career and Technical Education Reductions (decrease \$1.9M)
- Class Size “Trigger” Compensation (increase \$300K)
- Increase compensation for employees in accordance with collective bargaining agreements (CBAs) or anticipated agreements (increase \$7.5M)
- Reductions to Business Services, Human Resources, Equity and Public Relations, Superintendent, School Board, Athletics and Operations (decrease \$1.4M)

# Expenditures

<b>Regular Instruction</b>	<b>\$185,695,032</b>
<b>Special Education</b>	<b>\$53,757,062</b>
<b>Vocational Education</b>	<b>\$9,333,500</b>
<b>Compensatory Education</b>	<b>\$16,280,075</b>
<b>Other Instructional Programs</b>	<b>\$23,385,294</b>
<b>Community Services</b>	<b>\$872,060</b>
<b>Support Services</b>	<b>\$54,076,977</b>
<b>Total Expenditures</b>	<b>\$343,400,000</b>



# MSOC Budget Proviso Language

- As part of the budget development, hearing, and review process required under RCW 28A.505, each district must disclose; (A) the amount of state funding to be received, (B) the amount the district proposes to spend for materials, supplies and operating costs (MSOCS), (C) the difference between these two amounts, and (D) if the state funding exceeds the proposed expenditures for MSOCS the proposed use of the difference and how this use will improve student achievement.

Budgeted MSOC Revenues: \$24,460,840

Budgeted MSOC Expenditures\*: \$22,583,839

Difference: \$1,877,001

The difference in funding will be used to offset the costs of special education not funded by state or federal sources.

\* Programs 01 and 97

# Estimated Ending Fund Balance Projection 8/31/2019

Materials and Supplies Inventory	\$	350,000
Food Services Inventory	\$	250,000
Prepaid Expenditures	\$	800,000
<b>Nonspendable</b>	<b>\$</b>	<b>1,400,000</b>
Carryover of LAP Funds	\$	75,000
Self Insurance Required for L&I	\$	463,587
Uninsured Risks	\$	2,317,935
<b>Restricted</b>	<b>\$</b>	<b>2,856,522</b>
Assigned to Department Carryover	\$	1,500,000
Assigned to Schools Carryover	\$	900,000
Assigned to Professional Development Carryover	\$	40,000
Assigned to Grant Carryover	\$	860,000
Assigned to Enterprise Activity Carryover	\$	1,000,000
Assigned for Kaiser & Premera Refunds	\$	1,400,000
<b>Assigned</b>	<b>\$</b>	<b>5,700,000</b>
Unassigned Fund Balance	\$	2,493,478
<b>Unassigned Fund Balance</b>	<b>\$</b>	<b>2,493,478</b>
<b>Total Fund Balance</b>	<b>\$</b>	<b>12,450,000</b>
Estimated 2018-19 Expenditures	\$	330,000,000
Fund Balance as a Percent of Est. Expenditures		3.77%



# Estimated Ending Fund Balance Projection – 8/31/2020

Materials and Supplies Inventory	\$	350,000
Food Services Inventory	\$	250,000
Prepaid Expenditures	\$	800,000
Nonspendable	\$	1,400,000
Carryover of LAP Funds	\$	75,000
Self Insurance Required for L&I	\$	463,587
Uninsured Risks	\$	2,317,935
Restricted	\$	2,856,522
Assigned to Department Carryover	\$	1,500,000
Assigned to Schools Carryover	\$	900,000
Assigned to Professional Development Carryover	\$	40,000
Assigned to Grant Carryover	\$	860,000
Assigned to Enterprise Activity Carryover	\$	1,000,000
Assigned	\$	4,300,000
Unassigned Fund Balance	\$	2,693,478
Unassigned Fund Balance	\$	2,693,478
Total Fund Balance	\$	11,250,000
Estimated 2019-20 Expenditures	\$	343,400,000
Fund Balance as a Percent of Est. Expenditures		3.3%

# Summary of General Fund

<b>Beginning Balance</b>	<b>\$12,450,000</b>
<b>Revenues</b>	<b>\$342,200,000</b>
<b>Expenditures</b>	<b>\$343,400,000</b>
<b>Ending Fund Balance</b>	<b>\$11,250,000</b>





# Capital Projects Fund

Beginning Fund Balance	\$31,822,679
Revenues	\$220,000,000
Expenditures + Transfers Out	\$66,800,000
Ending Fund Balance	\$185,022,679



Revenues include \$200,000,000 (plus a small amount of premium) for a spring bond sale. The actual sale is dependent upon a successful bond approval, construction needs and market conditions. Expenditures include Phase II of Spruce Elementary, and capacity to begin the 2020 Bond Plan. Transfers out include \$2,002,000 to the General Fund from the 2016 Technology and Capital Levy for previously approved projects and cell tower lease revenue.



# Debt Service Fund

<b>Beginning Fund Balance</b>	<b>\$29,702,752</b>
<b>Revenues</b>	<b>\$58,212,140</b>
<b>Expenditures</b>	<b>\$56,235,825</b>
<b>Ending Fund Balance</b>	<b>\$31,679,067</b>

<b>Outstanding Debt at 9/1/2019</b>	
<b>Date of Issue:</b>	<b>Amount Outstanding:</b>
06-30-2009	\$2,210,000
08-15-2012	\$43,440,000
06-12-2014	\$141,815,000
12-02-2015	\$22,040,000
07-12-2016	\$57,015,000
10-31-2017	\$31,950,000
<b>Total Voted Bonds Outstanding:</b>	<b>\$298,470,000</b>

- The Debt Service Fund pays principal and interest on debt (bonds) that were issued in previous years.
- If we issue bonds in 2020, the first bond principal and interest payments would likely be December 2020 (2020-21 budget)





# Transportation Vehicle Fund

<b>Beginning Fund Balance</b>	<b>\$2,706,332</b>
<b>Revenues</b>	<b>\$1,197,981</b>
<b>Expenditures</b>	<b>\$2,200,000</b>
<b>Ending Fund Balance</b>	<b>\$1,704,313</b>

The Board authorized the purchase of 10 buses for the 2019-20 school year at the May 28, 2019 Board meeting.

The district would like to budget capacity for an additional 10 buses, if needed.

Total Budget Requested:  
**\$2,200,000**





# Associated Student Body Fund

<b>Beginning Fund Balance</b>	<b>\$1,752,689</b>
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<b>Revenues</b>	<b>\$3,217,701</b>
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<b>Expenditures</b>	<b>\$3,432,924</b>
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<b>Ending Fund Balance</b>	<b>\$1,537,466</b>
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## Revenues

<b>General Student Body</b>	<b>\$915,811</b>
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<b>Athletics</b>	<b>\$941,605</b>
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<b>Classes</b>	<b>\$99,300</b>
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<b>Clubs</b>	<b>\$1,214,210</b>
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<b>Private Moneys</b>	<b>\$46,775</b>
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## Expenditures

<b>General Student Body</b>	<b>\$776,511</b>
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<b>Athletics</b>	<b>\$1,221,159</b>
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<b>Classes</b>	<b>\$102,323</b>
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<b>Clubs</b>	<b>\$1,286,014</b>
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<b>Private Moneys</b>	<b>\$46,917</b>
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Any Questions?

