

2019-2020 Preliminary Budget Review

July 10, 2019 Board Meeting

Budgeting is projecting the future



Agenda

- Budget Timeline and Process
- Transportation Vehicle Fund
- Associated Student Body Fund
- Debt Service Fund
- Capital Projects Fund
- General Fund:
 - Enrollment Projections
 - Projected Revenues
 - Budgeted Expenditures
 - Projected Fund Balance
 - Four-Year Budget Outlook



Acknowledgements

- Thank you to Superintendent Dent and Cabinet members for their commitment to the budget process.
- Thank you to the Budget Core Team (Finance and HR) for their hard work and dedication.

- Matt Young
- Merridith Stevens
- Shelli Stickell
- Kelli Wolfe
- Becky Gunderson

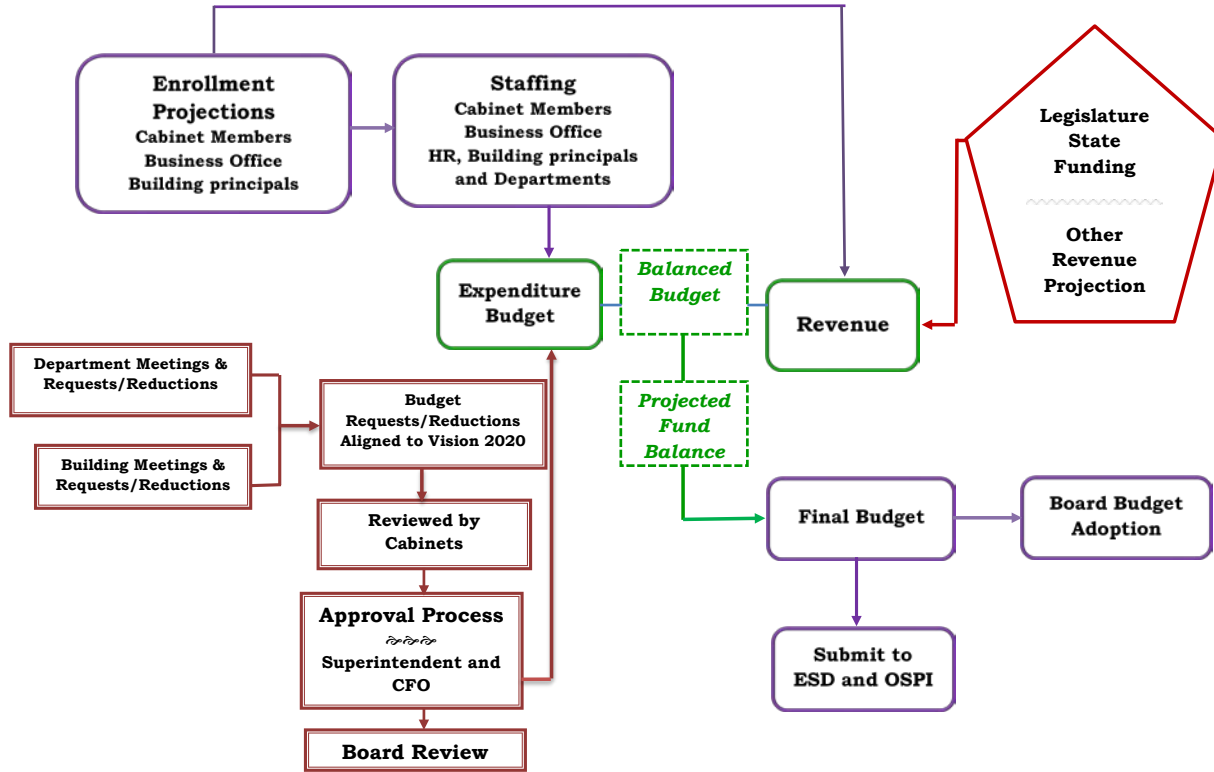


Budget Timeline

2019-2020 Budget Calendar	2018	2019							
	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG
Enrollment Model and Projections	Yellow	Yellow	Yellow						
Staffing Model and Staffing		Red	Red	Red	Red	Red			
Budget Prep Meetings (with Principals and Departments)			Green	Green	Green	Green			
Budget Reduction Process			Blue	Blue	Blue	Blue			
Legislative Session		Orange	Orange	Orange	Orange	Orange			
Budget Development for All Funds				Yellow	Yellow	Yellow	Yellow		
Legislative Updates to the Board		Blue	Blue	Blue	Blue	Blue	Blue		
Budget Preliminary Review with the Board								Grey	
Budget Submission to ESD & OSPI								Red	
Budget Public Hearing and Adoption									Green



Budget Process and Involvement 2019-2020



Transportation Vehicle Fund 2019-2020 Budget

Budget Description	Budget Amount
Revenues	\$ 331,021
Expenditures	\$ 385,000
Beginning Fund Balance	\$ 395,484
Ending Fund Balance	\$ 341,505



Transportation Vehicle Fund 2019-2020 Bus Acquisition Plan



Bus Type	Cost Per Bus	Quantity	Total
A34G 30 Passenger Bus (Gas Powered)	\$85,000	1	\$85,000
D84D 84 Passenger Bus (Diesel Powered)	\$150,000	2	\$300,000
			\$385,000



Bus Depreciation Schedule (Bus Counts)

2018-19 Addition	4 buses
2018-19 Fully Depreciated	1 bus
2019-20 Addition (Estimated)	3 buses
2019-20 Fully Depreciated	4 buses
Buses on the Depreciation List as of Today	41 buses
Buses on the Road as of Today	81 buses



Transportation Vehicle Fund Four-Year Budget Outlook

Four-Year Budget Outlook	2019-2020	2020-2021	2021-2022	2022-2023
Total Revenues	\$ 331,021	\$ 285,966	\$ 279,638	\$ 326,631
Total Expenditures	\$ 385,000	\$ 341,506	\$ 279,638	\$ 285,966
Ending Fund Balance	\$ 341,505	\$ 285,965	\$ 285,965	\$ 326,630

Projections are subject to change due to next biennium legislative budget sessions and other unforeseen events



Debt Service Fund 2019-2020 Budget

Budget Description	Budget Amount
Revenues	\$ 21,143,011
Expenditures	\$ 19,950,556
Beginning Fund Balance	\$ 9,249,783
Ending Fund Balance	\$ 10,442,238



Debt Service Fund Four-Year Budget Outlook



Four-Year Budget Outlook	2019-2020	2020-2021	2021-2022	2022-2023
Total Revenues	\$ 21,143,011	\$ 23,436,402	\$ 25,761,993	\$ 24,289,427
Total Expenditures	\$ 19,950,556	\$ 21,902,181	\$ 24,156,862	\$ 25,602,274
Ending Fund Balance	\$ 10,442,238	\$ 11,976,459	\$ 13,581,590	\$ 12,268,743

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Associated Student Body Fund 2019-2020 Budget

Budget Description	Budget Amount
Revenues	\$ 2,528,194
Expenditures	\$ 2,391,777
Beginning Fund Balance	\$ 780,500
Ending Fund Balance	\$ 916,917



Associated Student Body Fund Four-Year Budget Outlook

Four-Year Budget Outlook	2019-2020	2020-2021	2021-2022	2022-2023
Total Revenues	\$ 2,528,194	\$ 2,528,194	\$ 2,528,194	\$ 2,528,194
Total Expenditures	\$ 2,391,777	\$ 2,391,777	\$ 2,391,777	\$ 2,391,777
Ending Fund Balance	\$ 916,917	\$ 1,053,334	\$ 1,189,751	\$ 1,326,168

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Capital Projects Fund 2019-2020

Budget Description	Budget Amount
Revenues	
- Tech Levy	\$ 5,465,793
- Erate	\$ 202,018
- State Match	\$ 8,700,000
- Impact Fees	\$ 772,000
- Investment Earnings	\$ 800,000
- Sunset Stadium naming rights	\$ 32,400
Total Revenues	\$ 15,972,211
Expenditures (Construction projects and Tech Levy projects)	\$ 70,636,319
Transfers out to General Fund (Tech Levy)	\$ 832,580
Total Expenditures	\$ 71,468,899
Beginning Fund Balance	\$ 62,501,496
Ending Fund Balance	\$ 7,004,808



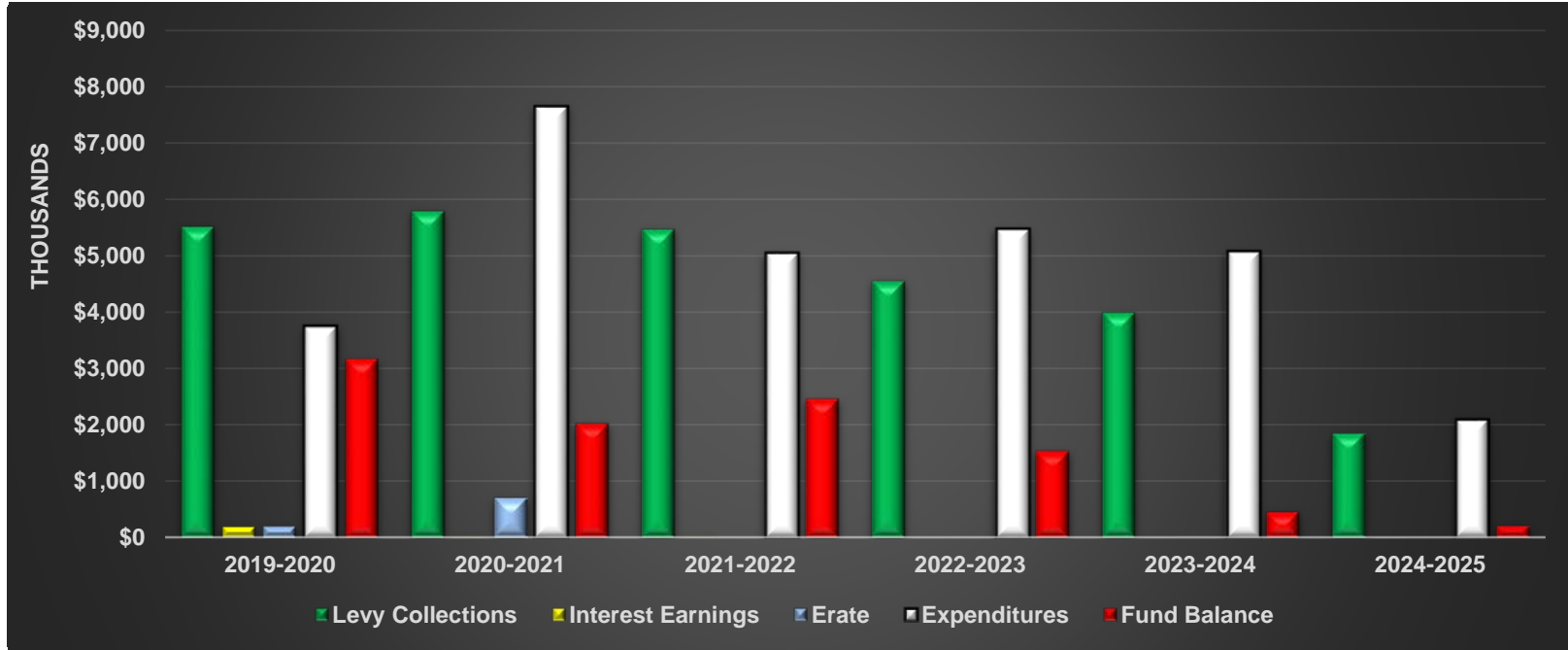
Capital Projects Fund

Projected Major Projects 2019-2020

Technology Levy	\$2.6 mil
Mt. View Middle School.....	\$15.0 mil
Emerald Hills Elementary Replacement	\$2.6 mil
Sumner High School Expansion.....	\$45.0 mil



Capital Projects Fund Technology Levy Plan At a Glance



Capital Projects Fund Four-Year Budget Outlook

Four-Year Budget Outlook	2019-2020	2020-2021	2021-2022	2022-2023
Total Revenues	\$ 15,972,211	\$ 7,574,400	\$ 6,509,280	\$ 5,575,160
Total Expenditures	\$ 71,468,899	\$ 11,206,401	\$ 6,320,605	\$ 6,843,764
Ending Fund Balance	\$ 7,004,808	\$ 3,372,807	\$ 3,561,482	\$ 2,292,878

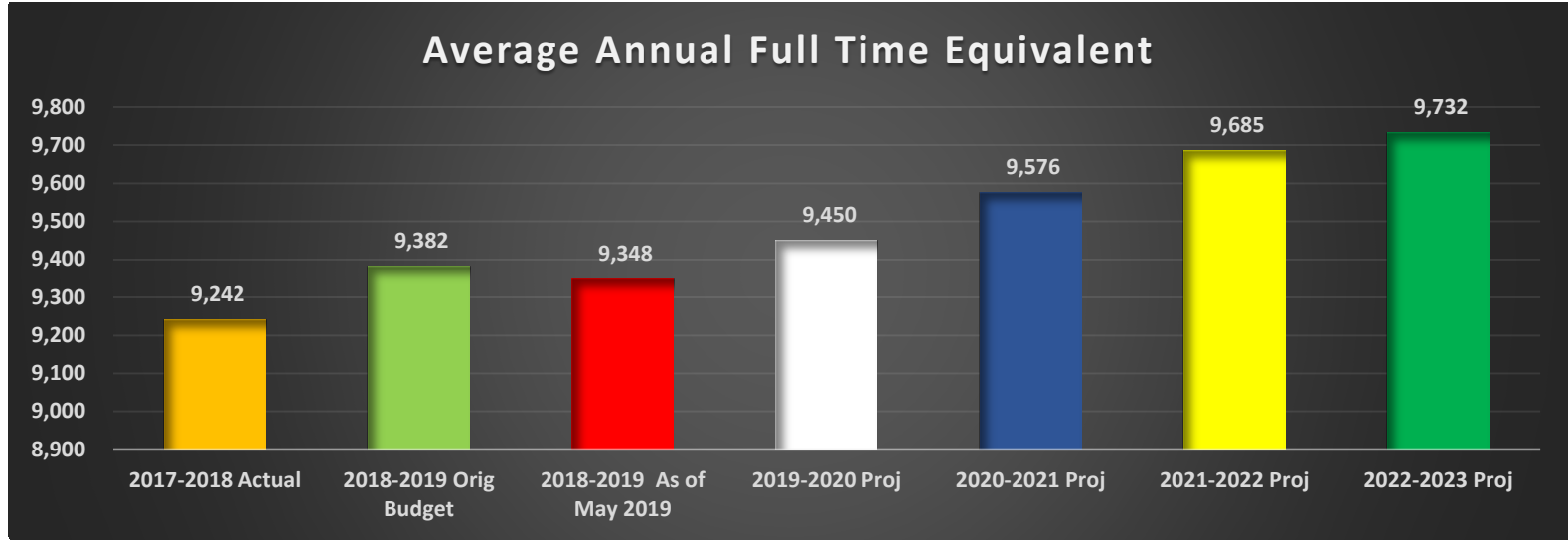
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Operating Fund: General Fund

- Enrollment Projections
- Projected Revenues
- Budgeted Expenditures
- Projected Fund Balance
- Four-Year Budget Outlook

Enrollment Projections for 2019-2020 and Beyond

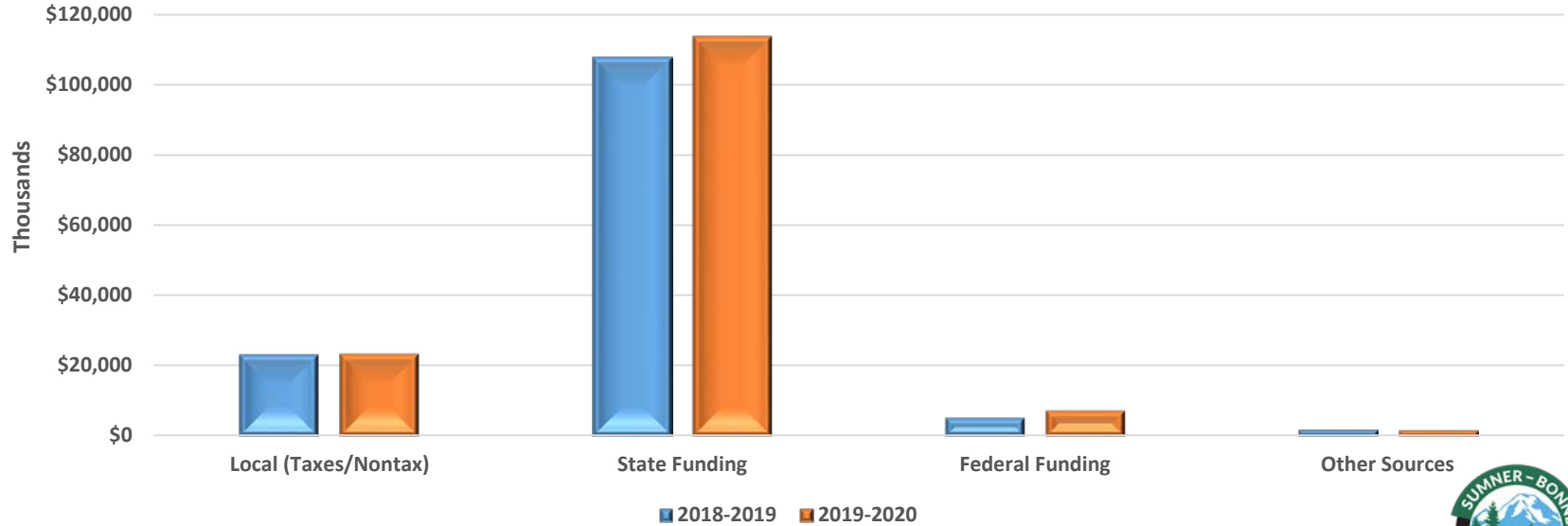


General Fund – State Funded and Levy/LEA Revenue Projections

- General Apportionment.....Increase \$2.3 million
- Levy and LEA.....Increase \$663 K
- State Categorical Grants.....Increase \$1.6 million
 - Special Ed \$ 1.18 mil
 - Transportation..... \$ 142.6K
 - CTE..... \$ 199.0K
 - LAP..... \$ 40.6K
 - ELL..... \$ 32.4K
 - HiCap..... \$ 15.7K



General Fund – Two Year Revenue Comparison

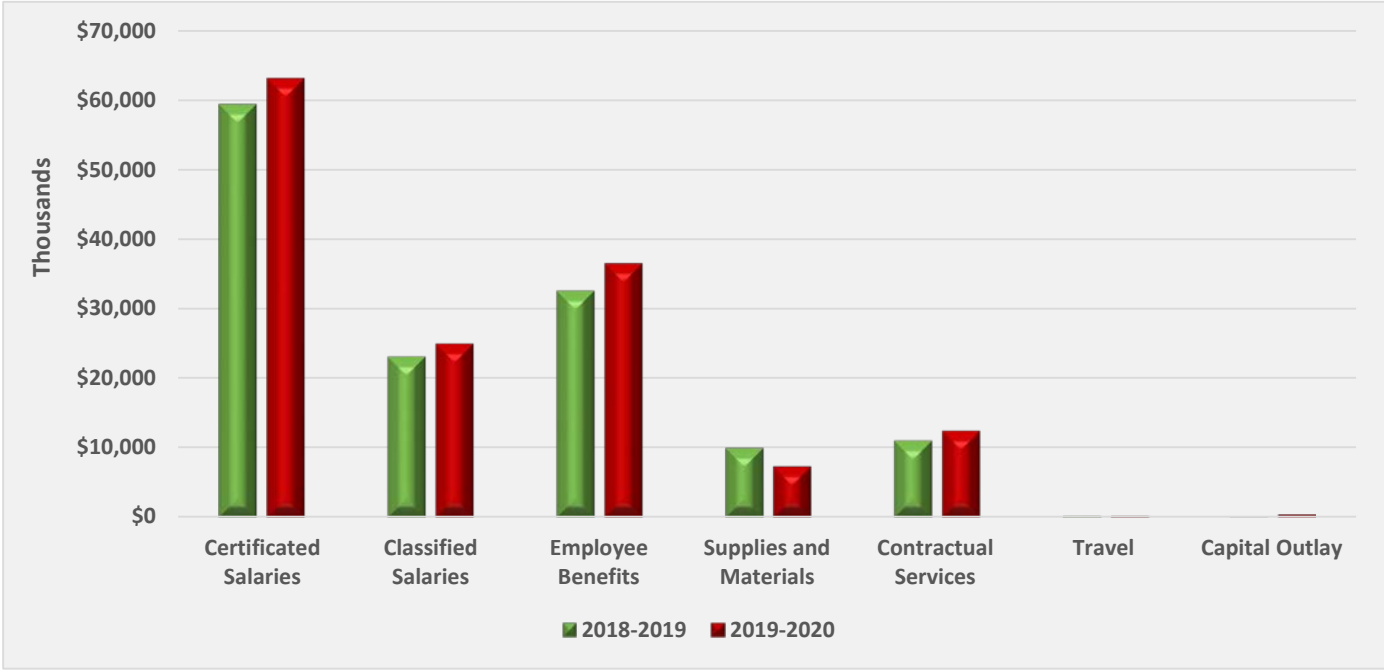


General Fund – Expenditure Changes

- Certificated Salaries..... Increase \$2.5 million
- Classified Salaries..... Increase \$800K
- Employee Benefits Costs..... Increase \$3.0 million
- SEBB cost alone \$2.2 million
- Budget Reductions Decrease \$5.0 million



General Fund – Two Year Expenditures Comparison



General Fund Certificated Positions

- Addition

- 1.0 FTE AP at SELC
- 12.6 FTE Basic Ed for K-3 class size and enrollment increase (Elementary only)
- 0.6 FTE for Middle School teacher position
14.2 FTE

- Reduction

- 3.0 FTE MS Dean of Student Success
- 4.8 FTE HS Teacher positions
- 3.0 TOSA positions
- 3.0 Central Administrators
- 1.0 Mt. View Academy Program
- 0.2 IB Coordinator
15.0 FTE



General Fund Classified Positions

- Addition

- 0.5 Adm Secretary at Elhi
- 0.5 Counselor at SELC
- 1.0 Adm Secretary at SELC
2.0 FTE

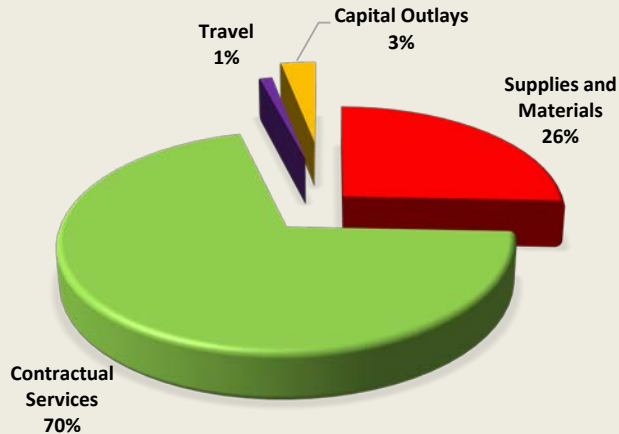
- 2 Contracted SROs

- Reduction

- 10.0 Custodian, Ground, Maintenance, Warehouse positions
(District-wide)
- 1.0 Building Manager at SHS
- 1.0 Bookkeeper at SHS
- 4.0 Central Office secretaries/specialists
- 3.0 Nurse Office/Floating Nurse positions
- 3.9 Library Media Assistants (equals to 44.5 hours/day)
- 4.0 Secondary Secretary/Campus Safety Positions (equals to 41.5 hours/day)
- 3.2 MS & HS Writing Support Specialists (equals to 37 hours/day)
- 9.2 BEA Para Positions (equals to 99 hours/day)
- 0.2 IB CAS Position
39.5 FTE



MSOC Funding vs. Budget Allocation



- State Funded: \$12,138,638
- Budget Allocation: \$13,865,377



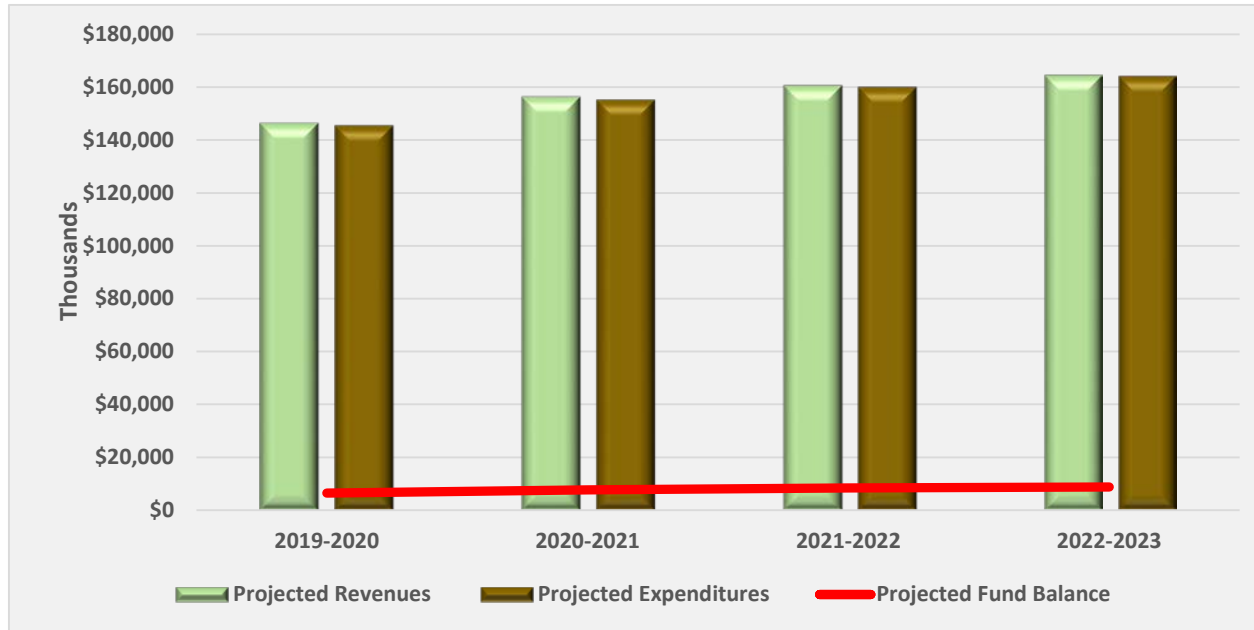
General Fund – Four Year Outlook

	2019-2020	2020-2021	2021-2022	2022-2023
Projected Enrollments	\$ 9,450	\$ 9,576	\$ 9,685	\$ 9,732
Projected Revenues	\$ 146,327,527	\$ 156,371,442	\$ 160,617,814	\$ 164,487,714
Projected Expenditures	\$ 145,457,907	\$ 155,126,302	\$ 159,964,236	\$ 164,125,448
Fund Balance Restoration	\$ 869,620	\$ 1,245,140	\$ 653,578	\$ 362,266
Projected Fund Balance	\$ 6,369,620	\$ 7,614,759	\$ 8,268,337	\$ 8,630,603

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General Fund – Four Year Outlook



What Do We Do Differently in 2019-2020 Budget Process

- New Enrollment Projection Model
- New Staffing Model for both Certificated and Classified Positions
- Position Control System
- New Budget Request Process and Forms
- Contract and Purchasing Management
- New Print Management Contract and Software
- Create a Long Range Project Budget
- Change Chart of Accounts (Thanks to Rhonda Ohlson for her work)





**Public Hearing and Budget Adoption
August 21, 2019 Board Meeting**



