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

July 10, 2019 Board Meeting – 2019-20 Budget Review
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

<table>
<thead>
<tr>
<th>2019-2020 Budget Calendar</th>
<th>2018</th>
<th>2019</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>DEC</td>
<td>JAN</td>
</tr>
<tr>
<td>Enrollment Model and Projections</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staffing Model and Staffing</td>
<td></td>
<td></td>
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<tr>
<td>Budget Prep Meetings (with Principals and Departments)</td>
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<tr>
<td>Budget Reduction Process</td>
<td></td>
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<tr>
<td>Legislative Session</td>
<td></td>
<td></td>
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<tr>
<td>Budget Development for All Funds</td>
<td></td>
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<tr>
<td>Legislative Updates to the Board</td>
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<tr>
<td>Budget Preliminary Review with the Board</td>
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<tr>
<td>Budget Submission to ESD &amp; OSPI</td>
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<tr>
<td>Budget Public Hearing and Adoption</td>
<td></td>
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</tbody>
</table>
Budget Process and Involvement 2019-2020

- Enrollment Projections
  - Cabinet Members
  - Business Office
  - Building principals

- Staffing
  - Cabinet Members
  - Business Office
  - HR, Building principals and Departments

- Expenditure Budget
- Balanced Budget
- Revenue

- Revenue
  - Legislature State Funding
  - Other Revenue Projection

- Department Meetings & Requests/Reductions
- Building Meetings & Requests/Reductions

- Budget Requests/Reductions
  - Aligned to Vision 2020

- Reviewed by Cabinets

- Approval Process
  - Superintendent and CFO

- Board Review

- Final Budget
  - Submit to ESD and OSPI

- Board Budget Adoption
## 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

**Total:** $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

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>$331,021</td>
<td>$285,966</td>
<td>$279,638</td>
<td>$326,631</td>
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<tr>
<td>Total Expenditures</td>
<td>$385,000</td>
<td>$341,506</td>
<td>$279,638</td>
<td>$285,966</td>
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<tr>
<td>Ending Fund Balance</td>
<td>$341,505</td>
<td>$285,965</td>
<td>$285,965</td>
<td>$326,630</td>
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</table>

Projections are subject to change due to next biennium legislative budget sessions and other unforeseen events.
# Debt Service Fund
## 2019-2020 Budget

### Budget Description

<table>
<thead>
<tr>
<th>Budget Description</th>
<th>Budget Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$21,143,011</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$19,950,556</td>
</tr>
<tr>
<td>Beginning Fund Balance</td>
<td>$9,249,783</td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>$10,442,238</td>
</tr>
</tbody>
</table>
# Debt Service Fund

## Four-Year Budget Outlook

### Four-Year Budget Outlook 2019-2020

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Total Revenues</td>
<td>$ 21,143,011</td>
<td>$ 23,436,402</td>
<td>$ 25,761,993</td>
<td>$ 24,289,427</td>
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<tr>
<td>Total Expenditures</td>
<td>$ 19,950,556</td>
<td>$ 21,902,181</td>
<td>$ 24,156,862</td>
<td>$ 25,602,274</td>
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<tr>
<td>Ending Fund Balance</td>
<td>$ 10,442,238</td>
<td>$ 11,976,459</td>
<td>$ 13,581,590</td>
<td>$ 12,268,743</td>
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</tbody>
</table>

Projections are subject to change due to next biennium legislative budget sessions and other unforeseen events.
## Associated Student Body Fund
### 2019-2020 Budget

<table>
<thead>
<tr>
<th>Budget Description</th>
<th>Budget Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$2,528,194</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$2,391,777</td>
</tr>
<tr>
<td>Beginning Fund Balance</td>
<td>$780,500</td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>$916,917</td>
</tr>
</tbody>
</table>

**July 10, 2019 Board Meeting – 2019-20 Budget Review**
### Associated Student Body Fund

**Four-Year Budget Outlook**

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>$2,528,194</td>
<td>$2,528,194</td>
<td>$2,528,194</td>
<td>$2,528,194</td>
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<tr>
<td>Total Expenditures</td>
<td>$2,391,777</td>
<td>$2,391,777</td>
<td>$2,391,777</td>
<td>$2,391,777</td>
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<td>Ending Fund Balance</td>
<td>$916,917</td>
<td>$1,053,334</td>
<td>$1,189,751</td>
<td>$1,326,168</td>
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</table>

Projections are subject to change due to next biennium legislative budget sessions and other unforeseen events.
# Capital Projects Fund
## 2019-2020

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

Levy Collections | Interest Earnings | Erate | Expenditures | Fund Balance

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>$0</td>
<td>$1,000</td>
<td>$2,000</td>
<td>$3,000</td>
<td>$4,000</td>
<td>$5,000</td>
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</table>

July 10, 2019 Board Meeting – 2019-20 Budget Review
Capital Projects Fund
Four-Year Budget Outlook

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>$15,972,211</td>
<td>$7,574,400</td>
<td>$6,509,280</td>
<td>$5,575,160</td>
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<tr>
<td>Total Expenditures</td>
<td>$71,468,899</td>
<td>$11,206,401</td>
<td>$6,320,605</td>
<td>$6,843,764</td>
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<tr>
<td>Ending Fund Balance</td>
<td>$7,004,808</td>
<td>$3,372,807</td>
<td>$3,561,482</td>
<td>$2,292,878</td>
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</table>

Projections are subject to change due to next biennium legislative budget sessions and other unforeseen events.
Operating Fund: General Fund

- Enrollment Projections
- Projected Revenues
- Budgeted Expenditures
- Projected Fund Balance
- Four-Year Budget Outlook
Enrollment Projections for 2019-2020 and Beyond

Average Annual Full Time Equivalent

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9,242</td>
<td>9,382</td>
<td>9,348</td>
<td>9,450</td>
<td>9,576</td>
<td>9,685</td>
<td>9,732</td>
</tr>
</tbody>
</table>
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

July 10, 2019 Board Meeting – 2019-20 Budget Review
General Fund – Two Year Revenue Comparison

<table>
<thead>
<tr>
<th>Source</th>
<th>2018-2019</th>
<th>2019-2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local (Taxes/Nontax)</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>State Funding</td>
<td>$100,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>Federal Funding</td>
<td>$0</td>
<td>$10,000</td>
</tr>
<tr>
<td>Other Sources</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>
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

- Certificated Salaries
- Classified Salaries
- Employee Benefits
- Supplies and Materials
- Contractual Services
- Travel
- Capital Outlay

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

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>Projected Enrollments</strong></td>
<td>$9,450</td>
<td>$9,576</td>
<td>$9,685</td>
<td>$9,732</td>
</tr>
<tr>
<td><strong>Projected Revenues</strong></td>
<td>$146,327,527</td>
<td>$156,371,442</td>
<td>$160,617,814</td>
<td>$164,487,714</td>
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<tr>
<td><strong>Projected Expenditures</strong></td>
<td>$145,457,907</td>
<td>$155,126,302</td>
<td>$159,964,236</td>
<td>$164,125,448</td>
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<td><strong>Fund Balance Restoration</strong></td>
<td>$869,620</td>
<td>$1,245,140</td>
<td>$653,578</td>
<td>$362,266</td>
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<tr>
<td><strong>Projected Fund Balance</strong></td>
<td>$6,369,620</td>
<td>$7,614,759</td>
<td>$8,268,337</td>
<td>$8,630,603</td>
</tr>
</tbody>
</table>

Projections are subject to change due to next biennium legislative budget sessions and other unforeseen events.
General Fund – Four Year Outlook

Projected Revenues
Projected Expenditures
Projected Fund Balance

Thousands

2019-2020
2020-2021
2021-2022
2022-2023

$0
$20,000
$40,000
$60,000
$80,000
$100,000
$120,000
$140,000
$160,000
$180,000
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)
what's next?

Public Hearing and Budget Adoption
August 21, 2019 Board Meeting