


Board Study Session:

Budget and Planning Process
Facility Update
May 20, 2019

Budget and Planning Process

Session Overview

- ▶ Update on 2018–19 budget picture
 - ▶ Review of 2019–20 legislative budget
 - ▶ Update on 2019–20 budget process and planning process
 - Review of current budget considerations
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Update on 2018–19 Budget Picture

2018–19 Budget Status

- ▶ The Board receives monthly Budget Status reports
- ▶ Staff complete mid-year review in February to project ending fund balances

General Fund

- ❑ Beginning Fund Balance was higher than budgeted due to carryover of grants/donations/program commitments
- ❑ Enrollment increased by 371 students (481 budgeted)
- ❑ Revenue and Expenditures lower than budgeted due to planned contingencies

	2018-19 Budget	2018-19 Estimated
Beginning Fund Balance	\$45.8	\$47.4
Revenues	\$440.5	\$433.9
Expenditures	\$418.2	\$413.3
Ending Fund Balance	\$68.1	\$68.0

As part of our long-term planning, the district reserved the additional funds received from McCleary in 2018-19 knowing that these funds will be needed to cover future expenditure increases (legislative impacts, fixed costs, new schools) and additional revenue losses from the levy.

Debt Service Fund

- Minor changes from budget due to planned contingencies.

	2018-19 Budget	2018-19 Estimated
Beginning Fund Balance	\$30.1	\$31.0
Revenues	\$76.5	\$75.2
Expenditures	\$80.2	\$75.6
Ending Fund Balance	\$26.4	\$30.6


Capital Projects Fund

- ❑ Beginning fund balance higher than planned
- ❑ Revenue lower than planned due to estimated sale of property proceeds occurring in next fiscal year
- ❑ Expenditures lower than budgeted due to contingencies

	2018-19 Budget	2018-19 Estimated
Beginning Fund Balance	\$141.3	\$182.5
Revenues	\$124.9	\$117.3
Transfers Out	(\$8.6)	(\$8.0)
Expenditures	\$241.8	\$194.0
Ending Fund Balance	\$15.8	\$97.8

Budget Changes for 2019–20


2019–20 Legislative Budget

- ▶ McCleary
 - Levy Reduction (2nd year)
 - Move to statewide employee benefits (SEBB – January 1, 2020)
 - Special Education
 - ▶ K–3 Staffing
 - ▶ Para Educator Training
 - ▶ Inflationary adjustment (COLA)
 - ▶ Small increase in pension rate
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2019–20 Budget and Planning process

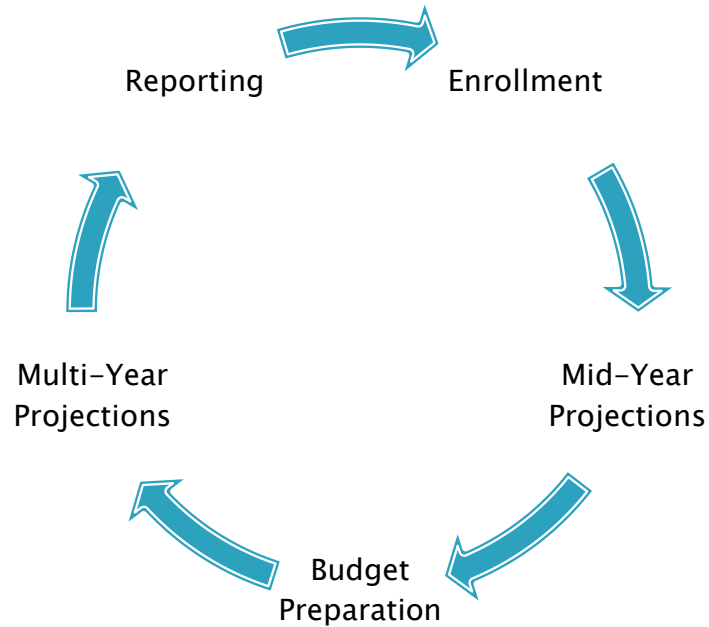
Review of current budget considerations

Strategic Goals:


- 1 Ensure academic success for every student**
 - 2 Provide safe & innovative learning environments**
 - 3 Recruit, hire & retain highly effective personnel**
 - 4 Use resources effectively & be fiscally responsible**
 - 5 Engage our communities**
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Budget Cycle

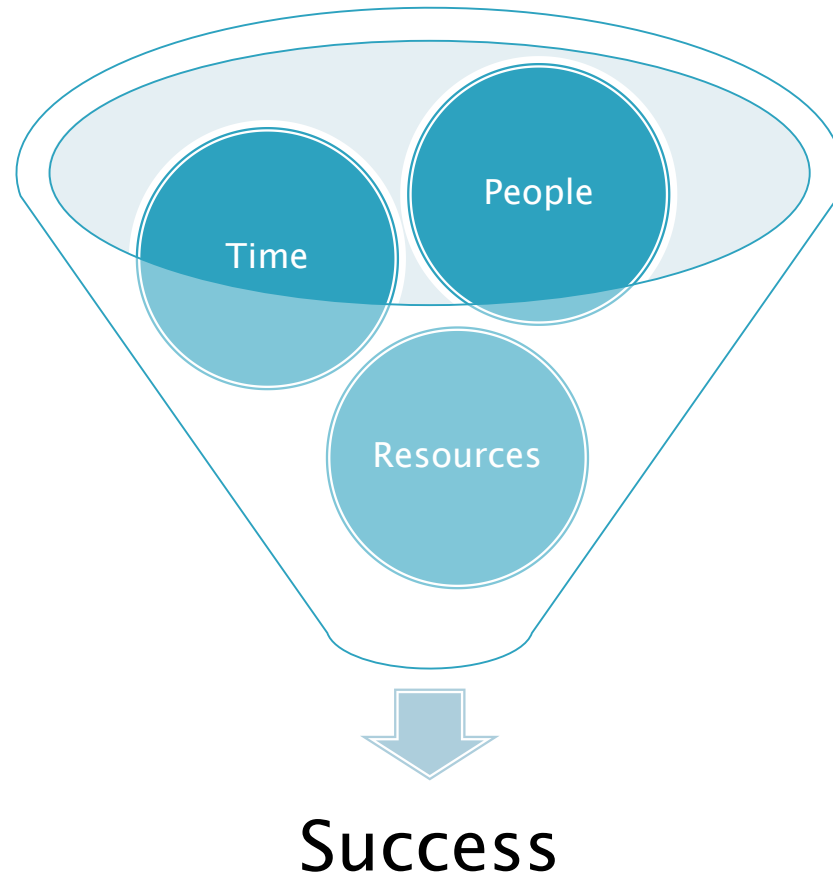
- ▶ Enrollment
- ▶ Mid-Year Projections
- ▶ Legislative Impact
- ▶ Budget Preparation
- ▶ Multi-year Budget Projection
- ▶ Monitoring and Reporting



Overarching Budget Interests

- ▶ Fiscal responsibility and solvency
 - ▶ Healthy organizational culture
 - ▶ Transparency
 - ▶ Balancing the needs of the organization
 - ▶ Efficiency and efficacy in processes
 - ▶ Clarity
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Supporting Strategic and Ongoing Work



Budget & Strategic Planning Process and Timeline

February	March	April	May	June	August
<ul style="list-style-type: none">• Staff program survey deploys	<ul style="list-style-type: none">• Board holds Extended Study Session• Parent program survey deploys• District receives legislative funding level and new mandates• Strategic Planning Rep. Group convenes	<ul style="list-style-type: none">• Departments receive budget information for review• DLT identifies budget addition requests and submits to Business Office	<ul style="list-style-type: none">• SALT reviews strategic plan and budget requests associated with strategic work and provides feedback• Board holds Study Session	<ul style="list-style-type: none">• Board holds Study Session• Public budget presentation• Public feedback period begins	<ul style="list-style-type: none">• Board holds public hearing• Board final budget approval

Budget Addition Request Process


- ▶ Describe request and projected costs
 - ▶ Identify if the request is connected to a district issue or initiative.
 - ▶ Provide rationale, origin, driving factors
 - Due to new regulation or conditions?
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Budget Categories

Budget Categories

Organizational Capacity	Strategic Outcomes	Contractual/Handbook
<i>Resources needed to meet the needs of the organization to function at desired performance levels</i>	<i>Resources needed to achieve desired strategic outcomes</i>	<i>Resources to attract and retain highly qualified staff</i>
Legal Requirements, Growth/Service Levels	Strategic Goals & Objectives	Compensation and Working Conditions
<i>Examples:</i> <ul style="list-style-type: none">• Administrator Staffing• Maintenance/water quality	<i>Examples:</i> <ul style="list-style-type: none">• Support for Safety• Support for Equity• Support for Curriculum, Technology, Special Education, etc.	<ul style="list-style-type: none">• Collective Bargaining Agreements<ul style="list-style-type: none">○ LWEA (2021)○ Trades (2019)○ LWESP (2019)○ SEIU (2019)○ Theater Managers and Workers (2020)• Professional Handbooks<ul style="list-style-type: none">○ Prof Tech (2020)○ DLT (2020)

Current Budget Considerations – Contractual/Handbook

- ▶ Collective Bargaining Agreements
 - LWESP (2019)
 - SEIU (2019)
 - Trades (2019)
 - Theater Managers and Workers (2020)
 - LWEA (2021)
 - ▶ Professional Handbooks
 - Prof Tech (2020)
 - DLT (2020)
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Budget Decision Making Process – Part 1

DLT Requests

*Needs of specific parts of the organization

- Reviewed by SALT for feedback

SALT Feedback

*Needs of the entire organization

- Go to superintendent for consideration

Budget Decision Making Process – Part 2

Superintendent Recommendation

- *Legislative mandates
- *SALT feedback
- *Superintendent assessment of needs of the organization
- *Board, community priorities
- *Short and long-term budget picture


• Goes to Board for consideration

Board Decision


- *Superintendent recommendation
- *Community input
- *Board priorities

• Goes to public for input

Required/Legal/Maintain Service Level


- ▶ Professional Learning – paraeducator training/new teacher support
 - ▶ Maintenance – mandatory inspections, equipment, grounds
 - ▶ Technology – infrastructure support
 - ▶ Highly Capable testing
 - ▶ Assessment Kit updates for SLP, Psych, OT/PT
 - ▶ Vision Support
 - ▶ Health Services
 - ▶ Communications
 - ▶ Safety/Security
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Strategic Outcomes

- ▶ MTSS
 - ▶ Professional Learning
 - ▶ Recruitment support
 - ▶ Technology support
 - ▶ Communications
 - ▶ Safety/Security
 - ▶ Behavioral Health support
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Facility Update

Old Redmond Schoolhouse

- ▶ 2015 Long-Term Facility Task Force recommend this district owned facility be renovated so that it can be used for preschool classrooms.
 - ▶ April 2016 – Voters approved a bond that included the Old Redmond Schoolhouse remodel project.
 - Interior remodel of 1922 historic building
 - 10 classrooms and program space
 - Project scope reflects approximately 49% of building area
 - Original scheduled opening – Fall 2019
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Old Redmond Schoolhouse Project Area

- ▶ Spring 2014: Third-party building condition assessment recommends only minor envelope repairs
 - ▶ November 2018: Contractor selected for project
 - ▶ January 2019: Began interior demolition
 - ▶ Spring 2019: Contractor determined additional maintenance needed to ensure the building is secure from moisture
 - ▶ Spring 2019: Third-party envelope assessment performed
 - ▶ Spring 2019: Project team identifies necessary solutions to secure project area from moisture
 - ▶ Timeline needed for this work results in delayed opening until Fall 2020
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