



# 2018-19 Budget Public Hearing

**Presented by:**

Susan Smith Leland, Assistant Superintendent of  
Finance and Support Services

**Budget Staff:**

Jason Franklin, Executive Director of Business Services  
Barbara de Kruyf, Finance Manager  
Patti Goodall, Budget Coordinator

# Our Mission

Each student graduating with options and prepared to participate fully in our democracy.



# District Core Values



## **Service**

We serve our students, staff, families, and communities.



## **Excellence**

We strive for excellence in all that we do.



## **Equity**

We remove barriers and pursue outcomes that enable all students to realize their potential and maximize their future opportunities.

# 2018-19 Budget Hearing Topics

- Public hearing
  - Review general fund recommendations
  - Review other funds
  - Discuss fund balance
  - Accept public comment
- Expected Board actions upon adoption
  - Budget Resolution sets appropriations for ALL funds
  - Sets preliminary tax levies for calendar year 2018

# School District Funds

- School districts are organized and operate on a fund basis. A fund is a fiscal and accounting entity...
- School districts are authorized to have several types of funds with different purposes:
  - General Fund is used to account for the general operations of the district.
  - Capital Projects is used for acquisition or construction of major capital facilities, including purchase of equipment and energy audits.
  - Debt Service Fund is for the accumulation of resources for, and the payment of, long-term debt principal and interest.
  - ASB Fund is a special revenue fund allowed, under Washington State law, to account for student body fund revenue and expenditures.
  - Transportation Vehicle Fund is used to provide for the purchase and major repair of buses.
  - Trust and Agency Funds to account for assets held by the district in a trustee capacity.



# General Fund

Used to account for the general operations of the district

# District Budget Assumptions

- Funds are provided to support student needs in the classroom
- All new state funding has been included in the revenue
- Levy collection has been reduced \$8 million
- Funds are allocated for their intended purpose or program
- Resources are in place for district initiatives and priorities
- Conservative enrollment projection
- Updated state and federal categorical revenues and expenditures

# District Initiatives and Priorities

- Expanded focus on district-wide safety and security
- Opening of Sartori Elementary School and related staffing
- Continued support for West Hill Now and Renton Innovation Zone (RIZ)
- Enhanced staffing to meet student needs
- PK-2 behavior supports through enhanced funding for development of a multi-tiered system of supports (MTSS)



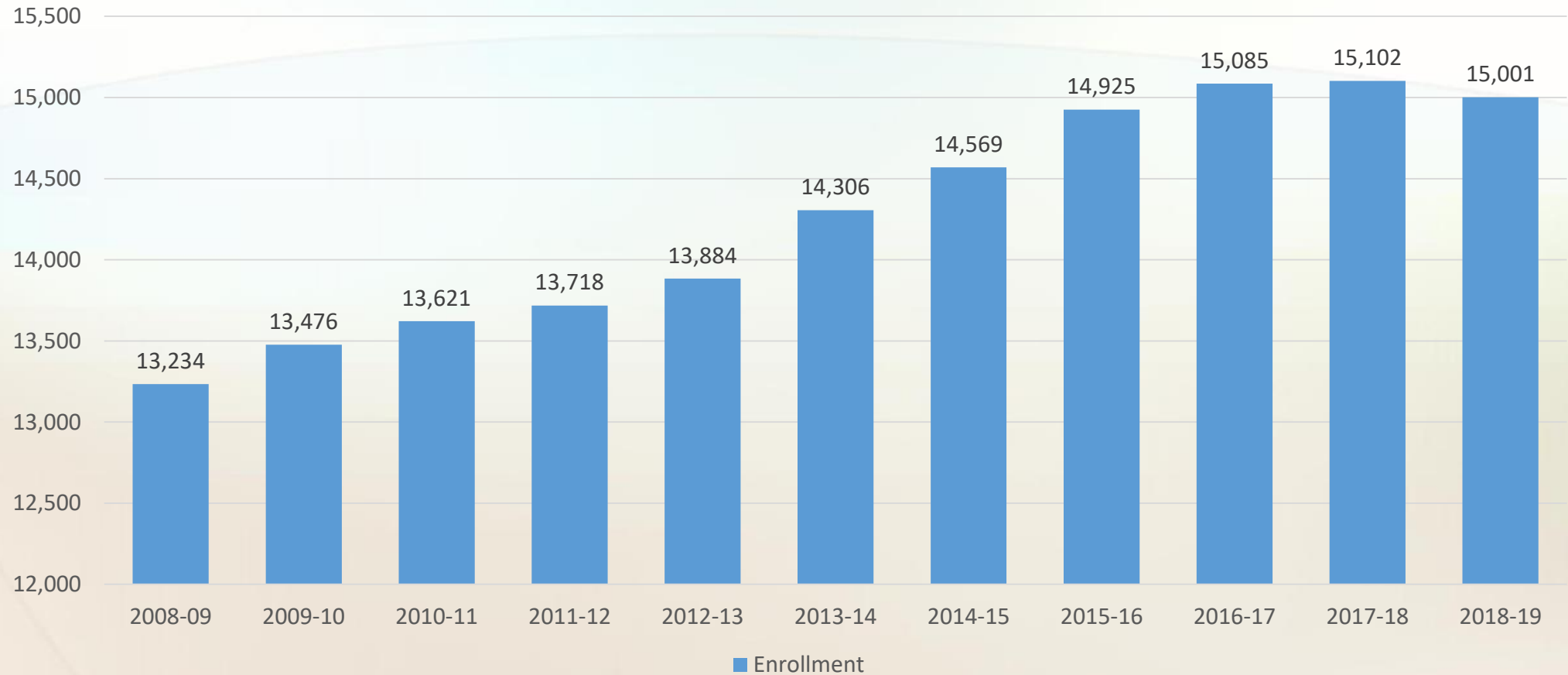
# Enrollment Projection

## Modified Medium Range Forecast (w/o Running Start)

	Actual October 2017 Headcount	Actual October 2017 FTE	Projected October 2018 Headcount	Projected 2018-19 AAFTE
Total Enrollment	15,462	15,271	15,228	15,001
Elementary (K-5)	7,718	7,711	7,568	7,446
Middle (6-8)	3,417	3,411	3,511	3,491
High (9-12)	4,327	4,149	4,159	4,064

# Enrollment History by FTE

(Annual Average FTE)



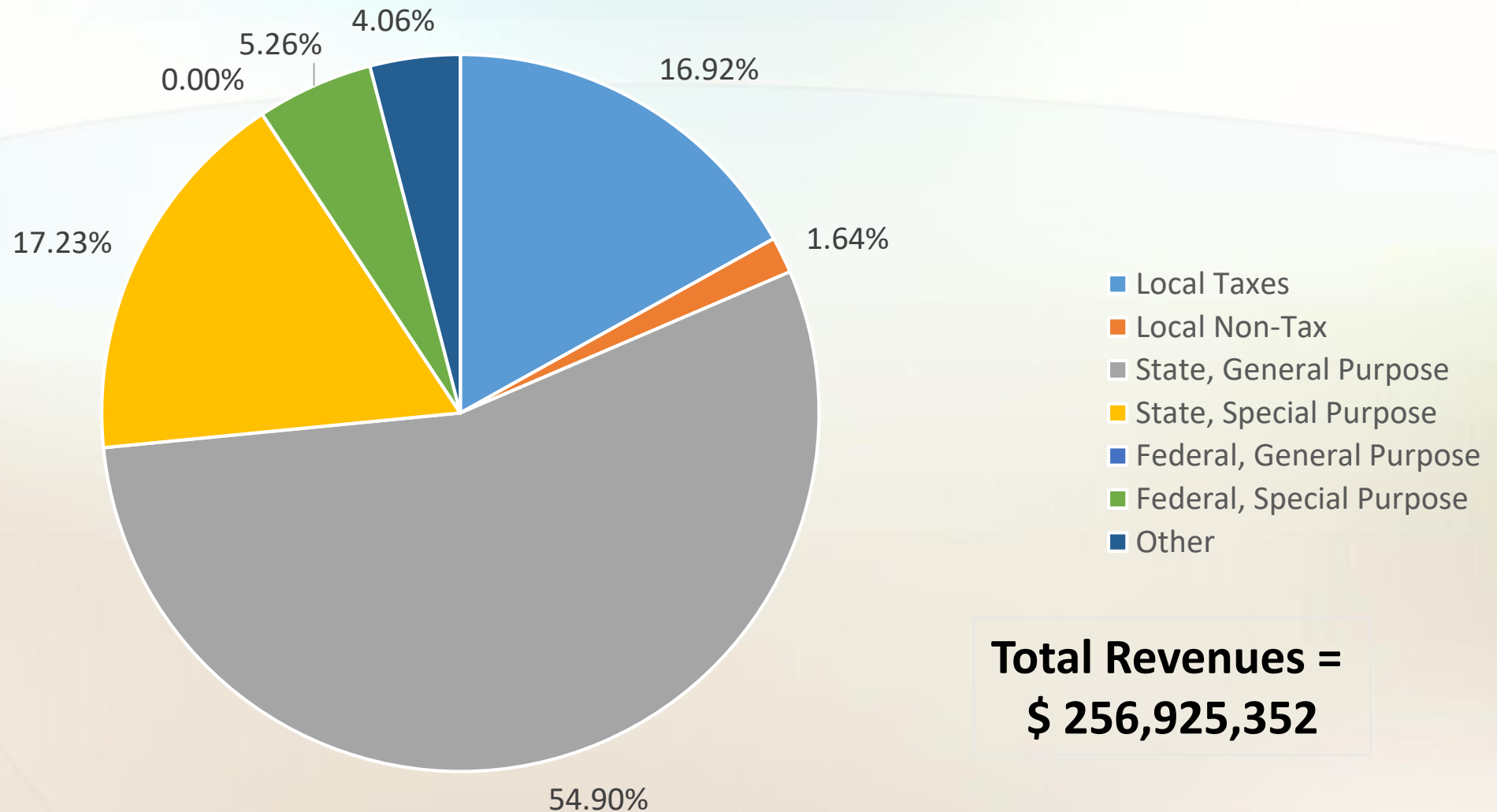
# Revenue Assumptions

- 15,874 Full Time Equivalent Students  
(including Running Start, ALE, etc.)
- 1,156 Vocational Education Students
- 2,243 Special Education Students
  - 2,127 –3 to 21 year olds
  - 116 –0 to 2 year olds
- Reduced levy collection \$8 million
- Built in \$8 million in budget capacity

# General Fund Revenue Summary

Revenue Type	Amount
Local Taxes	\$ 43,464,935
Local Non-Tax	4,211,100
State, General Purpose	141,045,901
State, Special Purpose	44,265,448
Federal, General Purpose	3,000
Federal, Special Purpose	13,506,568
Other	10,428,400
<b>Total</b>	<b>\$ 256,925,352</b>

# General Fund Revenue Percentages



# Levy Collections

Levy Description	2017	2018	2019
Levy – General	\$ 49,581,000	\$ 53,077,000	\$ 57,151,000
Less rollback	<u>-3,476,923</u>	<u>-1,526,400</u>	<u>-21,451,375</u>
Actual Tax Levy	46,104,077	51,550,600	35,699,625
Levy – Debt Service	27,000,000	27,000,000	27,000,000
Levy – Capital Projects (Technology)	8,000,000	8,500,000	9,000,000
Levy – Capital Projects (Capital Construction)	18,500,000	17,500,000	16,000,000

Tax Rate: (per \$1,000 of assessed value)	2017	2018	2019
General	\$ 2.28	\$ 2.27	\$ 1.50
Debt Service	1.34	1.19	1.13
Capital Projects (Technology/Construction)	1.31	1.15	1.05
<b>Total</b>	<b>\$ 4.93</b>	<b>\$ 4.61</b>	<b>\$ 3.68</b>

\*Tax rates from ESD112 Financial Advisors

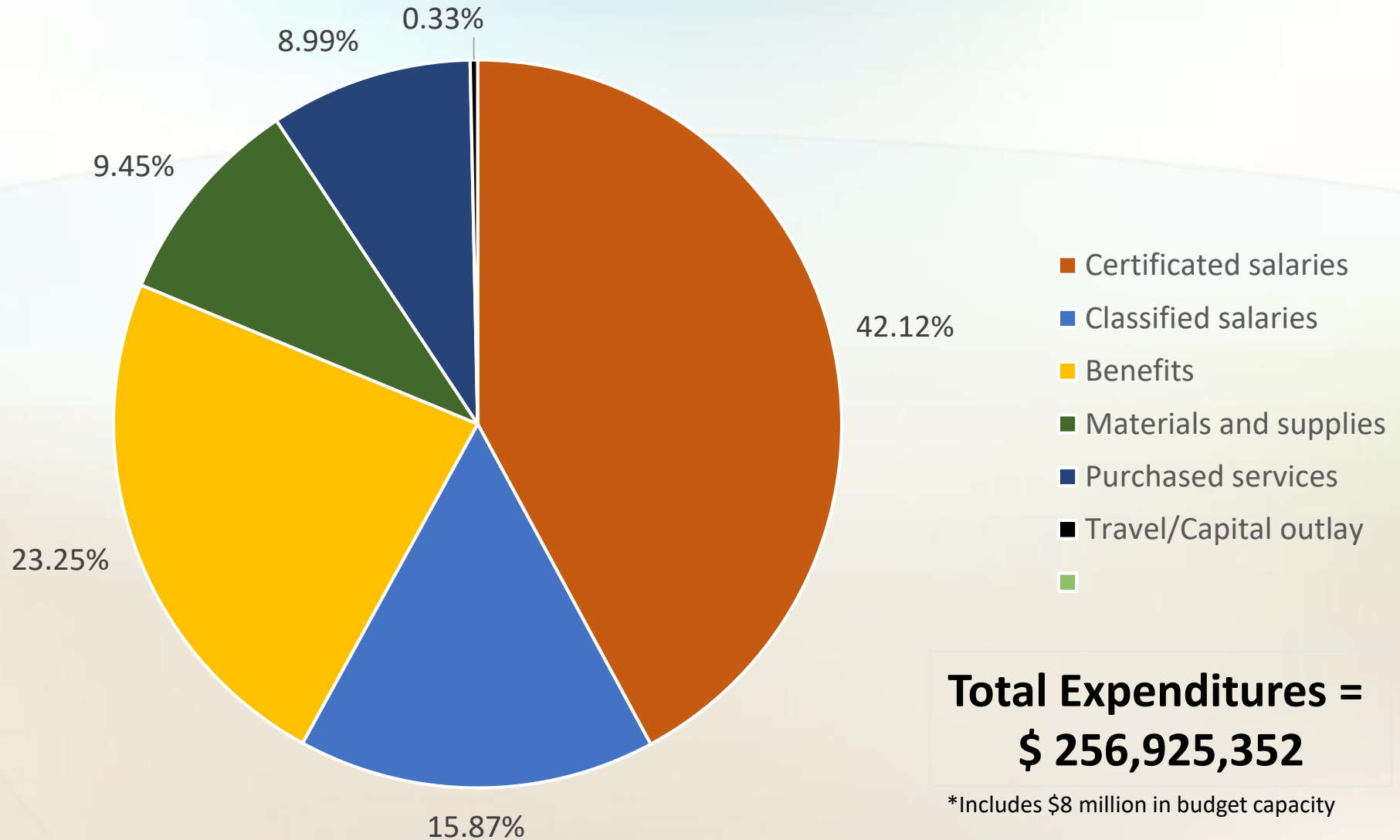


# Expenditure by Program

Program Description	Amount
Regular instruction	\$ 138,846,664
Special education	39,092,897
Vocational education	9,459,261
Compensatory education	19,657,036
Other instructional programs	8,482,357
Community services	1,441,654
Support services	39,945,483
<b>Total</b>	<b>\$ 256,925,352</b>

\*Includes \$8 million in capacity

# Expenditure by Object Percentages



# 2018-2019 MSOC Certification

The 2016 Legislature added a sentence at the end of the budget requiring that districts disclose, during the budget hearing, the use of the MSOC monies provided by the state. **We use all MSOC monies provided by the state for its intended purpose.**

# General Fund – Fund Balance

Fund balance will steadily decline as new state funding model is fully implemented

<b>Beginning fund balance 2018-19</b>	<b>17,330,444</b>
Non-spendable	800,000
Restricted	2,340,300
Assigned	3,198,442
Unassigned*	10,991,702

<b>Ending fund balance 2018-19</b>	<b>15,754,242</b>
Non-spendable	800,000
Restricted	1,953,662
Assigned	1,038,105
Unassigned*	11,962,475

\*Estimated beginning and ending fund balances meet 5% policy without contingency

# Other Funds

# Capital Projects Fund

- Completion of Sartori Elementary School
- Land acquisition for new school
- Major construction projects and planning
- Technology hardware and support of technology training and staff
- Safety and security upgrades
- Continuing support for critical facility needs
- Includes capacity for sale of new bonds with passage of the proposed 2019 bond



# Fall of 2018



# Capital Projects Fund Summary

Description	Amount
Beginning fund balance	\$ 21,220,600
Projected revenues	76,240,300
Projected expenditures	60,075,302
Transfers to the General Fund	824,000
Ending fund balance	\$ 36,561,598

\*2019 Tax Collection Set at \$25,000,000

# Debt Service Fund Summary

Description	Amount
Beginning fund balance	\$ 15,300,000
Projected revenues	27,097,400
Projected expenditures	28,059,688
Ending fund balance	\$ 14,337,712

\*2019 Tax Collection Set at \$27,000,000

# Associated Student Body Fund

Description	Amount
Beginning fund balance	\$ 1,018,172
Projected revenues	1,764,541
Projected expenditures	1,763,299
Ending fund balance	\$ 1,019,414

\*Budget authorizes fundraiser and extracurricular activity

# Transportation Vehicle Fund

Description	Amount
Beginning fund balance	\$ 947,518
Projected revenues	749,000
Projected expenditures	912,700
Ending fund balance	\$ 783,818

\*Budget authorizes the purchase of buses under our plan

# Next Steps

- Take public comment
- Address public interest
- Incorporate any new bargaining agreements
- Bring a completed finalized budget to the School Board for approval on August 22, 2018