



2020-21 PROPOSED BUDGET

Lake Washington School District
June 22, 2020 Board Meeting

Budget Presentation Outline

- ❑ 2020-21 Proposed Budget Document Presentation
 - ❑ *Budget Policies, Process & Timeline*
 - ❑ *Overview of All Funds*
 - ❑ *General Fund Revenues & Expenditures*
 - ❑ *Strategic Work and Resource Alignment*
 - ❑ *Next Steps*

BUDGET POLICIES, PROCESS & TIMELINE



Budget Hearings, Review & Adoptions Policy: 6000

Annual Budget

A district's annual budget is **tangible evidence of the board's commitment toward fulfilling the aims and objectives of the instructional program**. The budget expresses in specific terms the services to be provided, consistent with immediate and long-range goals and resources available and establishes priorities within broad program areas such as basic education, other separately funded programs and support services.

Prior to presentation of the proposed budget for adoption, the superintendent shall prepare for the board's study and consideration appropriate documentation supporting his/her recommendations, which shall be designed to meet the needs of students within the limits of anticipated revenues consistent with reasonable management practices.

Program planning and budget development shall provide for staff participation and the sharing of information with patrons prior to action by the board.

Budget Hearings, Review & Adoptions

Policy: 6000

Budget Adoption

The budget shall be presented in a **public hearing** no later than August 31. Following this formal presentation, the president shall invite any written or oral testimony for or against the budget. After sufficient opportunity to react, the budget shall be adopted by the board. Such action shall be recorded in the official minutes of the board. Copies of the budget as adopted shall be filed with the educational service district no later than September 3. Copies of the budget will be filed with the State Superintendent of Public Instruction.

Budget Hearings and Reviews

The board shall hold an **annual budget meeting** as prescribed by state law at which time the voters of the district are invited to a **public hearing** on the proposed budget for the coming year. Members of the board and the administration shall be present at this meeting to answer questions on any phase of the budget.

Operational Expectations

OE-5 Financial Planning

The Superintendent shall develop and present to the Board a multi-year financial plan that is related directly to the Board's **Results** priorities and **Operational Expectations** goals, and that avoids long-term fiscal jeopardy to the district.

The Superintendent will develop a budget that:

- 5.1 Is in a summary format understandable to the Board and community, presented in a manner that allows the Board to understand the relationship between the budget and the **Results** priorities and any **Operational Expectations** goals for the year.
- 5.2 Clearly describes revenues and expenditures with adequate supporting detail.
- 5.3. Shows the amount spent in each budget category for the most recently completed fiscal year, the amount budgeted for the current fiscal year, and the amount budgeted for the next fiscal year.
- 5.4. Discloses budget-planning assumptions.
- 5.5 Assures fiscal soundness in future years that includes provisions for reasonable contingencies.

Operational Expectations

OE-5 Financial Planning (continued)

- 5.6 Provides necessary information to the Board on matters with a significant budgetary impact, allowing the Board adequate time to consider the information presented.
- 5.7 Reflects anticipated changes in employee compensation, including inflationary adjustments, step increases, performance increases and benefits.
- 5.8 Includes such amounts as the Board determines to be necessary for its own governing function.
- 5.9 Is based on reasonable consultation with appropriate constituent groups.

The Superintendent may not develop a budget that:

- 5.10 Plans for the expenditure in any fiscal year of more funds than are conservatively projected to be available during the year.
- 5.11 Provides for an anticipated year-end fund balance of less than five percent of the projected revenue.

Timeline

- ❑ June 22, 2020
 - ❑ *Budget presentation*
 - ❑ *Proposed budget will be available on district's website or copies can be obtained from the Budget office*
 - ❑ *Public comment period - June 23 – August 9*
- ❑ August 10, 2020
 - ❑ *Public Hearing*
- ❑ August 24, 2020
 - ❑ *Formal Board action*

2020-21 PROPOSED BUDGET OVERVIEW

All Funds



Expenditures By Fund

	<u>Millions</u>
■ General Fund	\$491.1
■ Associated Student Body Fund	\$6.5
■ Debt Service Fund	\$79.1
■ Capital Projects Fund	\$132.9
■ Transportation Vehicle Fund	\$1.2
Total	\$710.8



Associated Student Body Fund

		<u>Millions</u>
Beginning Fund Balance		\$1.475
Revenues		<u>\$6.213</u>
Total Resources Available		\$7.688
Expenditures		
General Student Body	\$2.016	
Athletics	\$1.466	
Classes	\$0.217	
Clubs	\$2.609	
Private Monies	<u>\$0.162</u>	
Total Expenditures		<u>\$6.470</u>
Ending Fund Balance		\$1.218

Debt Service Fund



		<u>Millions</u>
Beginning Fund Balance		\$28.781
Revenues		<u>\$75.628</u>
Total Resources Available		\$104.409
Expenditures		
Bond Principal	\$50.370	
Bond Interest	\$28.658	
Transfer Fees	<u>\$0.100</u>	
Total Expenditures		<u>\$79.128</u>
Ending Fund Balance		\$25.281



Capital Projects Fund

		<u>Millions</u>
Beginning Fund Balance		\$85.692
Revenues		
Levy	\$56.628	
Interest/Impact Fees	\$4.166	
State Special Purpose	\$13.471	
Other Financing Sources	<u>\$18.000</u>	
Total Revenues		\$92.265
Transfer to General Fund		(\$8.832)
Transfer to Debt Service Fund		<u>(\$14.196)</u>
Total Resources Available		\$154.929
Expenditures		<u>\$132.906</u>
Ending Fund Balance		\$22.023

2020-21 Major Capital Projects

2016 Bond Construction Projects

- Completion of Juanita High School rebuild and enlarge Phase II – open Fall 2020
- Completion of Old Redmond Schoolhouse preschool remodel – open Fall 2020

2019 Six-year Levy Projects - Capacity and Safety

- Lake Washington High School Addition
- Elementary Additions at Franklin, Rose Hill, Twain, and Carson
- Safety Projects – High School entrance modifications and Elementary security cameras

2018 Four-year Levy Projects – Facilities and Technology

- Building Systems & Improvements
- Code, Compliance, Health & Safety
- School and Program improvements
- Site Improvements, Athletics & Playfield Upgrades
- Technology Infrastructure, Equipment, Software, Systems & Training



Transportation Vehicle Fund

		<u>Millions</u>
Beginning Fund Balance		\$3.161
Revenues		<u>\$0.669</u>
Total Resources Available		\$3.830
Expenditures		<u>\$1.161</u>
Ending Fund Balance		\$2.669

GENERAL FUND



2020-21 Legislative Budget

- Inflationary adjustment (COLA)
- Special Education
- Transfer of Special Education Infants & Toddlers
- Small increase in health benefits (SEBB)
- Small increase in pension rate

General Fund

		<u>Millions</u>
Beginning Fund Balance		\$90.224
Revenues		\$472.367
Transfer from Capital Projects Fund		<u>\$8.832</u>
Total Revenues		\$481.199
Expenditures		<u>\$491.088</u>
Ending Fund Balance		
Committed to Economic Stabilization	\$40.000	
Nonspendable Inventory	\$0.950	
Unassigned Minimum Fund Bal.	\$24.060	
Unassigned	<u>\$15.325</u>	
Total Ending Fund Balance		\$80.335

Key Changes – Enrollment

	2019-20 Budgeted Enrollment	2019-20 Actual Enrollment	Change (19-20 Budget to Actual)	2020-21 Budgeted Enrollment	Change (19-20 Actual to 20-21 Budget)	Change Budget to Budget
Elementary	14,952	15,392	440	15,357	(35)	405
Middle	7,163	7,315	152	7,430	115	267
Sr. High	7,534	7,560	26	7,655	95	121
Subtotal	29,649	30,267	618	30,442	175	793
Skill Center	352	310	(42)	352	42	0
ALE (EMK12)	60	60	0	60	0	0
Total Enrollment	30,061	30,637	576	30,854	217	793

Figures represent Average Annual Full-time Equivalent (FTE) and excludes Running Start

Key Changes – Enrollment

	2019-20 Budgeted Enrollment	2020-21 Budgeted Enrollment	Change in Enrollment from Budget to Budget
CTE			
Middle	235	235	0
Sr. High	1,200	1,200	0
Skill Center	352	352	0
Special Education			
Birth – 2	260	0	(260)
3-5	295	280	(15)
K-21	2,940	3,020	80
EL	3,200	3,200	0
EL Exit	1,770	1,770	0
Running Start	610	610	0

Budget Proposal

Key Changes - Revenues

State Legislative Changes	Millions
Salary Allocations/Benefits/Pension	\$6.9
Materials, Supplies, and Operating Costs (MSOC)	\$0.8
Special Education Formula Change	\$0.2
Special Education Infant & Toddlers transferred	(\$2.9)
Total Legislative Changes	\$5.0
Enrollment/Levy Changes	Millions
Basic Ed/Special Ed Enrollment	\$7.8
Levy	\$2.9
Categorical Programs (EL, LAP, Running Start, Transp.)	\$1.4
Total Local Impact	\$12.1

Budget Proposal

Key Changes - Revenues

Federal Grants*	Millions
Title I	(\$0.1)
IDEA Federal Special Ed	(\$0.3)
Total Federal Grants	(\$0.4)
Other Self-Supporting Programs	Millions
Grants/Self-Supporting Programs	\$0.8
Total Other	\$0.8

*Waiting for authorization from OSPI for Federal Elementary and Secondary School Emergency Relief Funds (ESSER) – LWSD allocation approximately \$1.6 Million

Budget Proposal

Key Changes - Revenues

Revenue Impact Summary	Millions
Local Impact	\$5.0
State Legislative/Grant Impact	\$12.1
Federal Grant Impact	(\$0.4)
Other Self-Supporting	\$0.8
Total Revenue Changes	\$17.5

Revenue Summary

	2019-20	2020-21	%
	<u>Budget</u>	<u>Budget</u>	<u>Change</u>
State Apportionment	\$300,200,645	\$314,429,364	4.7%
State Categorical	56,529,790	56,457,299	(0.1%)
Federal	18,093,693	18,003,807	(0.5%)
Levy	60,611,961	63,548,980	4.8%
Fee Programs	19,636,948	19,912,688	1.4%
Other	8,623,581	8,846,829	2.6%
Total Revenue Budget	\$463,696,618	\$481,198,967	3.8%

Budget Proposal

Key Changes - Expenditures

	Millions
Staffing due to Enrollment	\$5.50
Compensation/Benefits/Pension	\$11.20
Special Education Infant & Toddlers transferred	(\$2.90)
Categorical/Grants/Self-Supporting Programs	\$1.50
Fixed Costs	\$1.10
Less one-time expenditures from prior year	(\$1.20)
Strategic and Organizational Work	\$9.70
Total Expenditure Changes	\$24.90

Materials, Supplies and Operating Costs (MSOC)

- ❑ State Funded MSOC \$40.2
- ❑ District Budgeted MSOC Expenditures \$31.1
- ❑ Difference \$9.1

Difference used for special education, substitute costs, professional learning, compensation for curriculum work, meetings, and training.

Expenditure Program Summary

	2019-20	2020-21	%
	<u>Budget</u>	<u>Budget</u>	<u>Change</u>
Regular Education	\$291,424,353	\$302,201,863	3.7%
Alternative Learning Exp.	\$836,130	\$883,054	5.6%
Special Education	62,033,890	68,175,453	9.9%
CTE/Vocational Education	13,438,345	13,735,679	2.2%
Skill Center Instruction	3,631,537	3,709,579	2.1%
Compensatory Ed.	15,642,148	16,456,930	5.2%
Other Instruction	13,130,004	13,273,696	1.1%
Community Services	3,381,672	3,483,062	3.0%
District Wide Support	42,003,366	46,091,137	9.7%
Nutrition Serv./Transportation	20,704,984	23,077,749	11.5%
Total Expenditure Budget	\$466,226,429	\$491,088,202	5.3%

Four-year Required Outlook: Assumptions

Revenue Assumptions

- Enrollment growth averages 0.5% per year*
- No significant changes in state funding*
- Levy based on current voter approved amounts*

Expenditure Assumptions

- Staffing is aligned with enrollment growth*
- Ongoing local costs needs over state funding for salaries/benefits/retirement*
- Ongoing fixed cost increases and strategic adds*

General Fund Budget Preliminary Four-Year Required Outlook

	2018-19 Actual	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
Beginning Fund Balance	\$47.4	\$68.0	\$50.2	\$40.3	\$30.1	\$27.4
Reserve Economic Impact			\$40.0	\$40.0	\$40.0	\$30.0
Revenues	\$439.6	\$463.7	\$481.2	\$492.1	\$502.8	\$513.3
Expenditures	\$407.0	\$466.2	\$491.1	\$502.3	\$515.5	\$528.5
Ending Fund Balance	\$80.0	\$65.5	\$40.3	\$30.1	\$27.4	\$27.2
Reserve Economic Impact			\$40.0	\$40.0	\$30.0	\$15.0
						\$42.2

STRATEGIC WORK AND RESOURCE ALIGNMENT



Meritorious Budget Award Transparency and Accountability

Lake Washington School District has been awarded the Meritorious Budget Award for the last three years



Lake Washington School District
2020-21 Draft Budget



16250 N.E. 74th Street
Redmond, WA 98052
King County
425-936-1200 | www.lwsd.org

Strategic Goals



Academic Success



Well-Being



Community Engagement



Excellent Staff



Effective Use of Resource

Strategic Goal: Academic Success



	2019-20		2020-21	
	Ongoing	One-Time	Ongoing	One-Time
Elementary Associate Principals			\$1,758,230	
Multi-Tiered System of Support (MTSS) Training Inclusion and Co-Teaching Training		\$186,318		
Special Education <ul style="list-style-type: none"> • Early Childhood Enhancements • Behavioral Health Support • Vision Support • Curriculum and Assessment Test Kits • Reserve funds for academic and behavioral supports and instruction for two years 	\$1,473,862			\$4,000,000
Instructional and Operational Support <ul style="list-style-type: none"> • Reserve funds for professional training, support and staffing related to reopening school 				\$1,300,000
Tech Integration <ul style="list-style-type: none"> • Supports for tech integration 				\$300,500

Strategic Goal: Academic Success (Cont.)



	2019-20		2020-21	
	Ongoing	One-Time	Ongoing	One-Time
Teaching and Learning <ul style="list-style-type: none"> • K-5 Math Assessment Pilot • Highly Capable Program and Testing Support • Musical Instrument Replacement and Maintenance • Technology Application Support • 5th Grade Teacher Training in technology and science • Curriculum Training • K-12 Next Generation Science Standards (NGSS) Science Training • International High School Transcript Support 	\$464,636	\$459,415		
Data, Research, and Accountability <ul style="list-style-type: none"> • Data services and specialist support 			\$147,100	
High School Deans of Students			\$347,850	
Additional Resource Needs Identified:	\$2,584,231		\$7,853,680	

Strategic Goal: Well-Being



	2019-20		2020-21	
	Ongoing	One-Time	Ongoing	One-Time
Equity Efforts and Training <ul style="list-style-type: none"> • Reserve funds for equity, community partnership supports and professional development 	\$150,000	\$50,000	\$200,000	\$200,000
Safety, Security & Supervision <ul style="list-style-type: none"> • Campus Security Uniforms and supplies • Emergency Management • SRO support • Middle School Supervision Supports 	\$184,339	\$12,000	234,200	
Student Services <ul style="list-style-type: none"> • Behavioral and Mental Health Support • Interpreter Services • PBIS training 	\$376,800	\$185,840		\$300,000
Health Services Specialists (School Nurses)	\$151,214			
Athletics and Activities <ul style="list-style-type: none"> • Summer Athletics and Management • Activity stipend alignment cheer and dance 	\$150,223			
Additional Resource Needs Identified:	\$1,260,416		\$934,200	

Strategic Goal: Community Engagement



	2019-20		2020-21	
	Ongoing	One-Time	Ongoing	One-Time
Communications <ul style="list-style-type: none"> • Community Engagement Tools • Public Records Request Support • LINKS Support • School Webmaster Stipends • Sustainability Efforts School Green Team Stipends • Community and Government Relations Support • Website tool for additional accessibility 	\$466,267		\$20,300	
Additional Resource Needs Identified:	\$466,267		\$20,300	

Strategic Goal: Excellent Staff



	2019-20		2020-21	
	Ongoing	One-Time	Ongoing	One-Time
Human Resources Classified Recruitment Support	\$373,223			
Professional Development <ul style="list-style-type: none"> • Professional Learning Management Systems (PLMS) Supports • Paraeducator Certification Program Development and Training • Substitute Safety and Technology Training • New Teacher Support Program 	\$567,144	361,801	\$147,100	\$1,250
Additional Resource Needs Identified:	\$1,302,168		\$148,350	

Strategic Goal: Effective Use of Resources



	2019-20		2020-21	
	Ongoing	One-Time	Ongoing	One-Time
Business Services <ul style="list-style-type: none"> Business Services Support On-site credit card acceptance at secondary schools 	\$226,896		\$35,000	
Facility Maintenance <ul style="list-style-type: none"> Inspection and Testing Support Grounds Support and Equipment Custodial Support 	\$380,830	\$196,000	\$413,975	
Technology Services <ul style="list-style-type: none"> Imaging, Materials and Procurement Supports Technology Supports 	\$286,225		\$183,910	
Data, Research, and Accountability <ul style="list-style-type: none"> Support for student and fiscal software migration (Qmlative) 			\$114,723	
Additional Resource Needs Identified:	\$1,089,951		\$747,608	

Budget Proposal Strategic Work – Summary

Strategic Goal Area	2019-20 (Millions)	2020-21 (Millions)
Academic Success	\$2.6	\$7.9
Well-Being	\$1.2	\$0.9
Community Engagement	\$0.5	\$0.02
Excellent Staff	\$1.3	\$0.2
Effective Use of Resources	\$1.1	\$0.7
Total Strategic Work Expenditures	\$6.7	\$9.7

Budget Proposal

Next Steps

- 2020-21 Proposed Budget document will be available on the district's website. Hard copies can be obtained from Budget office.
- Public comment period: June 23 – August 9
- Public Hearing: August 10
- Formal Board action: August 24