



P U Y A L L U P

S C H O O L D I S T R I C T

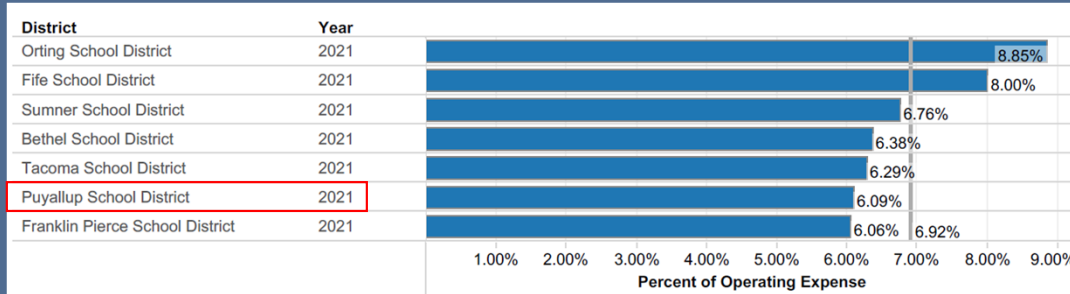
A Tradition of Excellence

2023-24 Superintendent's
Recommended Budget

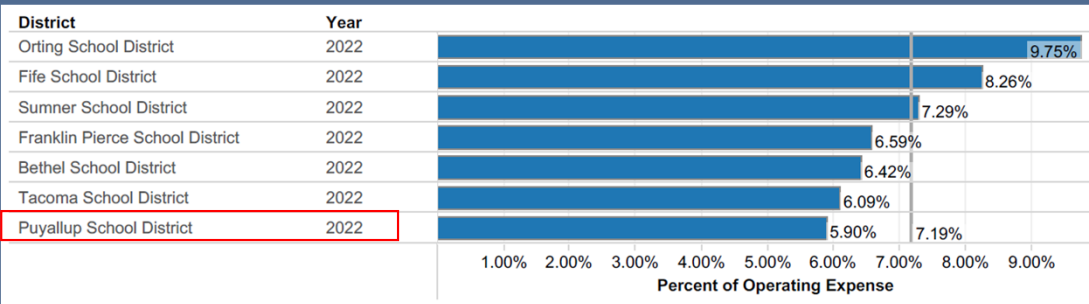
Alignment with Strategic Directions

Central administration expenditures as % of total expenditures

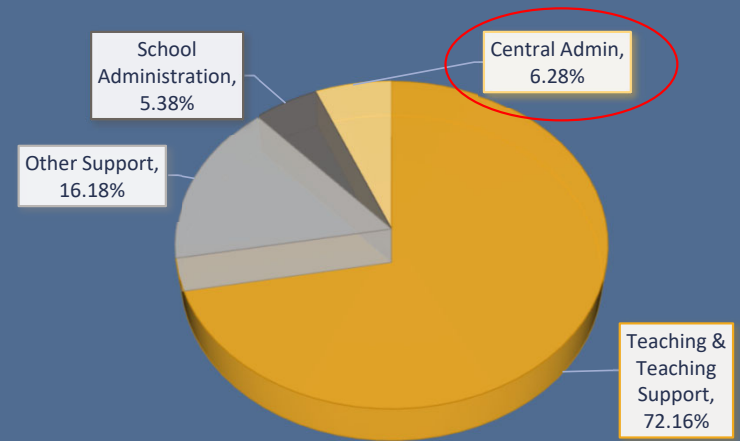
2020-21 Actual



2021-22 Actual



Approximately 94% of total expenditures are focused on schools and support of the classroom!



2023-24 Budgeted

*Vertical gray bar and associated percentages in the graphs above indicate the avg. % spend on Central Admin for the listed districts.



Alignment with Strategic Directions

- Academic Achievement
- Family and Community Engagement
- Social-Emotional Supports
- Staff Development, Culture, and Satisfaction
- Facilities, Safety, and Security



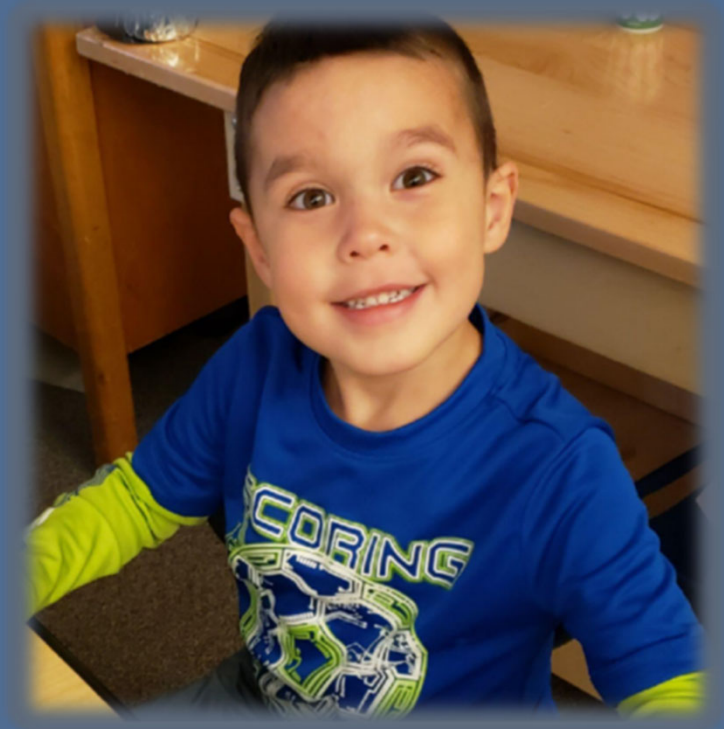
Alignment with Strategic Directions

Description	Strategic Direction
5.8 FTE Secondary Math Teachers	Academic Achievement
Performance Matters	Academic Achievement
1.0 Exec Dir Innovation/Career & College Readiness (Grant Funded)	Academic Achievement
1.0 Curriculum Data Analyst (50% Grant Funded)	Academic Achievement
Asst Dir Math Improvement (Realigned Position)	Academic Achievement
6.0 Dean of Students	Academic Achievement Social-Emotional Support
14.0 Elementary/Secondary SEL TOSAs	Academic Achievement Social-Emotional Support
1.0 Truancy Specialist	Academic Achievement Social-Emotional Support
15.0 FTE Instructional Coaches/ Teacher Mentors	Academic Achievement Staff Dev, Culture & Satisfaction
1.0 Dir of Safety, Security, and Risk Management	Facilities, Safety, Security

Description	Strategic Direction
Energy Conservation Contract	Facilities, Safety, Security
Stop Paddle Cameras for School Buses	Facilities, Safety, Security
Additional Recess Paras (130 hours/day)	Facilities, Safety, Security
Additional Health Services Staffing (79 hours/day)	Facilities, Safety, Security
Communities in Schools - Secondary Expansion	Family & Comm Engagement
Digital Communications	Family & Comm Engagement
1.0 Capital Communications Strategist	Family & Comm Engagement, Facilities, Safety & Security
Stakeholder Survey (Staff, Students, Families)	Family & Comm Engagement, Staff Dev, Culture, and Satisfaction
3.0 Social Workers & 1.0 Counselor (COSA)	Social-Emotional Supports
Recruitment Resource Enhancements	Staff Dev, Culture, and Satisfaction



- Legislative session ended April 23, 2023
- State salary increase of 3.7% for 2023-24 & estimated 3.9% for 2024-25
- Major funding impacts:
 - ✓ Regionalization Factor Increase
 - ✓ Special Education Funding Formula Increases
 - ✓ Transition To Kindergarten Established
 - ✓ Physical, Social & Emotional Support Enhancements



Legislative Highlights

The Seattle Times

Why schools across WA are slashing their budgets

June 25, 2023 at 6:00 am | Updated June 25, 2023 at 6:00 am

March 17th, 2023 | Paige Cornwell

Bellevue School Board votes to consolidate 2 elementary schools

The Bellevue School District anticipates about a \$31 million shortfall for the 2023-24 school year, in part because of a declining student population.

July 8th, 2023 | Monica Velez

Seattle Schools digs itself out of deficit – for now

The Seattle School Board approved a balanced budget for the 2023-24 school year Tuesday, cutting central office staff and some school programs.



Local school district estimates \$12 million deficit without staffing, program changes

BY ASPEN SHUMPERT

UPDATED MARCH 03, 2023 3:53 PM



As post-pandemic enrollment lags, schools compete for fewer students

BY LINDA JACOBSON STACKER

UPDATED JUNE 06, 2023 7:57 PM

Tacoma Public Schools slashes 22 jobs for next school year. Are more cuts coming?

BY SHEA JOHNSON

UPDATED APRIL 24, 2023 5:46 PM




Several western Washington school districts facing budget cuts in coming year




By [Gwen Baumgardner, KIRO 7 News](#)

April 05, 2023 at 7:21 pm PDT


Declining enrollment, funding formulas causing budget woes for several Washington school districts

Author: Erica Zucco
Published: 5:28 PM PST February 6, 2023
Updated: 5:28 PM PST February 6, 2023

 KOMO-TV Seattle [+ Follow](#)

Budget cuts spark widespread concern: Washington school districts face backlash over potential job losses, program cuts

Story by Denise Whitaker, KOMO News Reporter • Jul 10



Regionalization Factor Increase

- The 2023-25 biennium marked the first “rebase” of regionalization factor since its inception.
- Regionalization enhances the base funding allocations from the state, intended to reflect economic differences between districts.
- Puyallup School District is 1 of only 20 in the state to receive an increase for the current 4-year cycle, increasing from 6% to 12% enhancement.
- 28 districts had regionalization reduced.
- Provided an additional \$11M in funding.

This increase BARELY covered the original deficit that was projected based on 6% regionalization!

District	Current Regionalization	New Regionalization	Impact
Puyallup	1.06	1.12	Increase
Tacoma	1.12	1.12	No Change
Bethel	1.00	1.06	Increase
Sumner-Bonney Lake	1.12	1.12	No Change
Franklin Pierce	1.06	1.06	No Change
Fife	1.12	1.12	No Change
Orting	1.06	1.06	No Change



Legislative Highlights

Special Education Funding Formula

- The state has increased the funding model factors for special education to help close the significant gap in funding vs the cost of operating the program.

Classification Group	Current Factor	New Factor	Factor Increase
Birth to Pre-K	1.15	1.20	5.00%
Tier 1 (>80% in General Classroom Setting)	1.0075	1.12	11.25%
Tier 2 (<80% in General Classroom Setting)	0.995	1.06	6.005%

With this enhanced funding the district still estimates a subsidy of approximately \$7.5M



Legislative Highlights

Transition to Kindergarten (Kindergarten Academy)

- State legislators elected to end the OSPI created Transitional Kindergarten (TK) program and replace with the new Transition to K (TTK) program in 23-24.
 - Districts with existing TK programs will continue in 23-24 with TTK through federal funding.
 - Enrollment in TTK will be funded as a separate program vs additional K enrollment as previously reported.
 - The new funding model allocates at a level close to maintaining TTK as a self-supported program.



Legislative Highlights

Physical, Social and Emotional Support Staff

- State allocation increased for:
 - Counselors
 - Nurses
 - Social workers
 - Psychologists

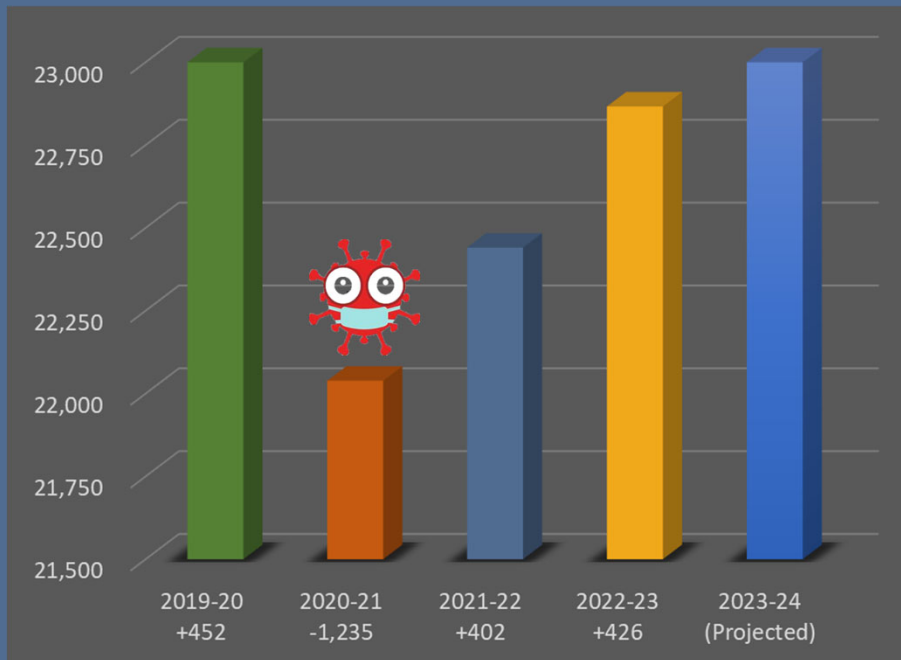
Resulted in approximately \$2.3M in additional funding, however this still doesn't cover the district's total costs for all PSES staffing.



Legislative Highlights

Enrollment

Average Annual FTE



➤ Projecting +270 FTE for 2023-24

- ❖ Enrollment markedly decreased in 2020-21 related to the pandemic
- ❖ The District gained back 828 students throughout 2021-22 and 2022-23
- ❖ 2022-23 continued the prior year trend, with the largest growth in K-3
- ❖ Data below shows the large growth at K-3 over 2 years and the continued impact of the 6th to 7th grade “bubble” in 2021-22

Grades	2020-21	2021-22	2022-23	1 Year Change	2 Year Change
K-3	6,284.41	6,718.88	6,962.52	243.64	678.11
4-6	5,235.55	5,080.04	5,137.78	57.74	(97.77)
7-9	5,262.57	5,430.41	5,459.12	28.71	196.55
10-12	5,256.17	5,210.34	5,307.15	96.81	50.98
	22,038.70	22,439.67	22,866.57	426.90	827.87



Enrollment Projections

General Fund



Key Points:

- Local Taxes (levy) increase to \$64.3M which is the maximum allowable collection approved by the voters.
- State General and State Special Purpose revenue increases due to regionalization increase (from 6% to 12%); state salary, benefit and supply increases (3.7%) and enhanced staffing model allocations for PSES and SPED.
- Federal Special Purpose revenue increase due to the new TTK program offsetting the decrease in ESSER funds.

Revenue	22-23 Projected	23-24 Budget	Difference	% Change
Local Taxes (Levy)	\$59,540,954	\$64,285,591	\$4,744,637	7.97%
Local Non-Tax (Fees, Rentals, Interest)	8,067,599	6,247,083	(1,820,516)	-22.57%
State General (Apportionment)	222,785,523	240,924,673	18,139,150	8.14%
State Special Purpose (State Categorical Programs)	55,611,164	65,098,331	9,487,167	17.06%
Federal General Purpose (Federal Forest, Impact Aid)	209,124	67,000	(142,124)	-67.96%
Federal Special Purpose (Federal Categorical Programs)	27,028,039	27,647,236	619,197	2.29%
Revenue From Other Entities (Out of Dist SPED Svcs)	1,504,500	1,500,000	(4,500)	-0.30%
Other (Sale of Surplus Equip)	195,000	215,000	20,000	10.26%
Total	\$374,941,903	\$405,984,914	\$31,043,011	8.28%



General Fund Revenues

Key Points:

- Basic Ed expenditures increase \$7M due to 3.7% state salary increase and other bargained commitments, however total expenditures decreased due to:
 - ❑ **22-23 Basic Ed expenditures were inflated by \$7.7M due to supply chain challenges and budget capacity restraints in 21-22.**
 - ❑ **22 Elem SEL TOSA positions removed from Basic Ed, 7 retained through grant funding at the Elementary sites without Asst. Principal support.**

Program	22-23 Projected	23-24 Budget	Difference	% Change
Basic Education	\$227,276,058	\$223,525,784	(\$3,750,274)	-1.7%
Federal Special Purpose (ESSER)	6,503,148	4,482,852	(2,020,296)	-31.1%
Special Education	51,605,137	60,439,812	8,834,675	17.1%
Vocational Education	15,003,863	17,359,687	2,355,824	15.7%
Categorical	14,828,071	17,132,975	2,304,904	15.5%
Other Instructional Programs*	751,602	3,494,819	2,743,217	365.0%
Community Services	903,325	992,306	88,981	9.9%
Support Services	72,176,222	78,162,269	5,986,047	8.3%
Total	\$389,047,427	\$405,590,504	\$16,543,077	4.3%

* Includes grant capacity of \$2,500,000 (budgeted in both revenues and expenditures)



General Fund Expenditures

Key Points:

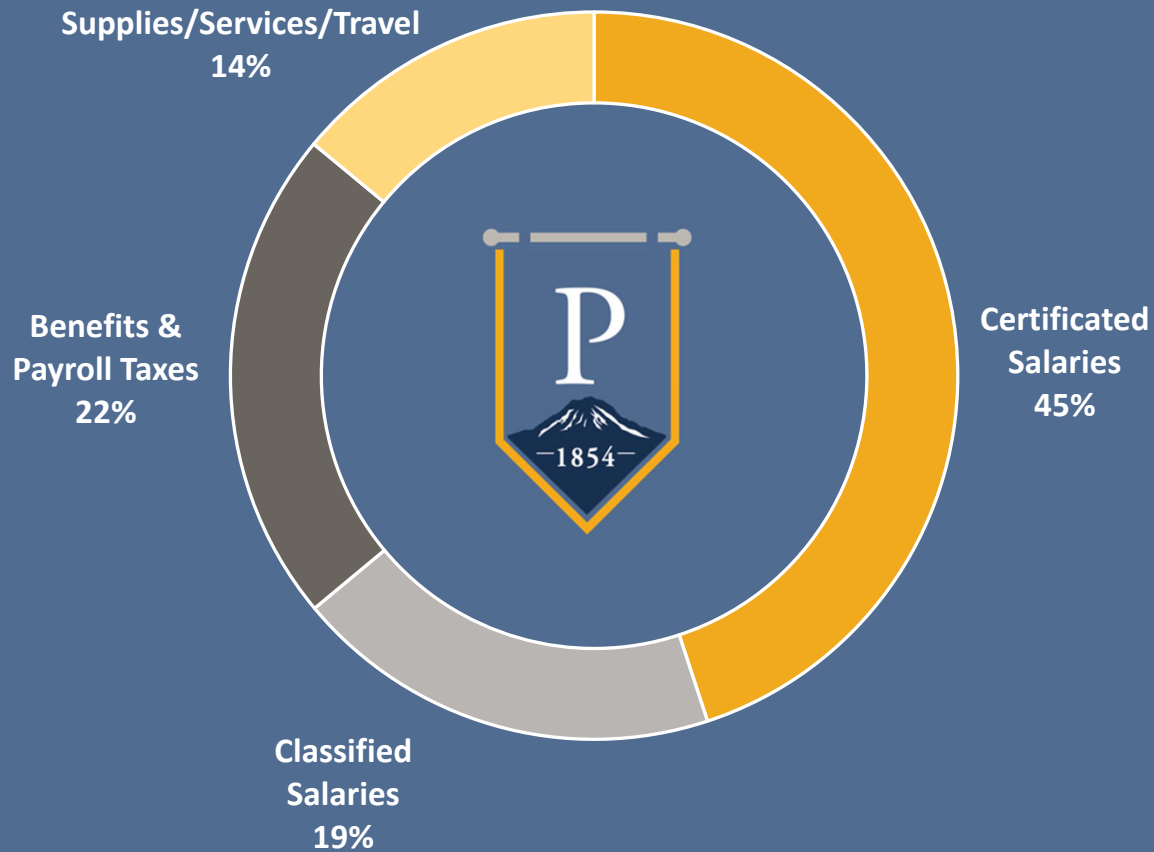
- Federal Special Purpose expenditures decrease as ESSER funds are spent down in the final year of the 4-year ESSER plan
- Categorical increase of \$2.3M is due to the funding of the new TTK program.
- Support Services increase \$6M due to state salary increases along with increased costs of fuel, food, technology, and maintenance of buildings and sites.

Program	22-23 Projected	23-24 Budget	Difference	% Change
Basic Education	\$227,276,058	\$223,525,784	(\$3,750,274)	-1.7%
Federal Special Purpose (ESSER)	6,503,148	4,482,852	(2,020,296)	-31.1%
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* Includes grant capacity of \$2,500,000 (budgeted in both revenues and expenditures)



General Fund Expenditures - Continued



Total
Salaries &
Benefits =
86%



General Fund Expenditures – By Object

MSOC Category	Total
Supplies	\$10,744,611
Services	28,588,741
Travel	213,450
Total Budgeted	39,546,802
State Allocation	31,227,677
Difference	\$8,319,125

***NOTE:** If state MSOC allocation exceeds budgeted MSOC expenditures, the district must report the proposed use of the difference and how this use will improve student achievement.*



Required MSOC Disclosure

Materials, Supplies & Operating Costs

Staffing Category	State Funded Units	State Funded Salary/Benefits	Actual FTE	District Actual Salary/Benefits	Difference
Classroom Teachers	1,037	117,302,333	866	111,077,341	(6,224,992)
Librarians	28	3,181,423	23	3,421,777	240,354
Counselors	61	6,920,960	50	6,457,415	(463,545)
Nurses/Audiologists	22	2,470,067	17	2,005,400	(464,667)
Social Workers	8	890,948	-	-	(890,948)
Psychologists	3	301,959	-	-	(301,959)
Elem Music/PE			49	5,885,746	5,885,746
Secondary Intervention/OTGS			23	2,899,117	2,899,117
CIS Admin Leave					-
Other (KA Ctr, BE TOSA)			3	303,575	303,575
Athletic/PAC Coordinator			4	534,471	534,471
PEA Appendix B/C/D Stipends				1,371,597	1,371,597
Professional Learning Days		1,914,328		7,776,356	5,862,028
Total Cert Instructional Staff	1,159	132,982,017	1,033	141,732,795	8,750,778
Cert Administrators	20	3,304,466	17	4,542,531	1,238,065
Principals	63	10,208,669	64	13,899,051	3,690,382
Classified Administrators	-	-	22	5,001,836	5,001,836
Total Administrative Staff	84	13,513,135	104	23,443,418	9,930,283
School-Based Support	105	9,720,732	85	8,724,432	(996,300)
Teaching Assistance (Paraprofessionals)	41	3,821,930	117	11,837,385	8,015,455
Security	4	392,017	13	1,400,968	1,008,951
Custodians	89	8,236,059	123	11,037,063	2,801,004
Technology	13	1,176,606	40	5,658,357	4,481,751
Facilities/Maintenance/Grounds/ Warehouse/Laborers/Mechanics	43	4,018,680	65	7,517,267	3,498,587
Coaches				2,598,145	2,598,145
Professional, Technical & Clerical	60	5,554,651	65	7,866,510	2,311,859
Total CLS Support Staff	355	32,920,675	509	56,640,127	23,719,452
Totals	1,598	179,415,827	1,645	221,816,340	42,400,513

Key Points:

- Table includes basic ed and district support only; no categorical or grant-funded positions
- Other employee costs not included in this table:
 - Bus Drivers & Food Service
 - Subs and Leave Cash-Outs
- Even with the increase in regionalization, employee salary and benefit commitments are **\$42M** more than what is funded by the state!



State Funded vs District Funded FTE

State salary increases only apply to the staff units that are funded by the state

The district passes the salary increase to ALL employees – including grant-funded positions

Grant programs MUST adjust their expenditures to accommodate the increased salaries

A 1% salary increase from the state results in approx. \$1.9 M increase in revenue but \$2.6 M increase in salary and benefits expenditures!



Classified

% State Funded 90%

Examples: paras, custodians, security, prof/tech, facilities, maintenance, classified administrators



Cert Admin

% State Funded 72%

Examples: principals, cert central administrators



Cert Teacher

% State Funded 85%

Examples: classroom teachers, nurses, counselors, librarians



Impacts of State Salary Increases



Description	Amount
Unfunded Salary & Benefits	\$ 42,400,000
Special Education Subsidy	7,500,000
Teacher Training & Professional Development	4,900,000
Athletics & Extra Curricular Activities	4,800,000
Educational Programs & Materials	3,200,000
Transportation	1,500,000
TOTAL	\$ 64,300,000



How Do We Spend Our Levy?

Review:

- Total ESSER/ARP funds awarded = \$34 M
- 2023-24 final year for expenditures
- Funding not intended for regular operations
- Expenditures are earmarked for addressing:
 - ✓ Academic and wellness recovery
 - ✓ Social/emotional needs
 - ✓ Homeless students
 - ✓ Special education

ESSER/ARP Grant Funds Received by Year					
19-20 Actual	20-21 Actual	21-22 Actual	22-23 Projected	23-24 Projected	Total Grant Revenue
2,412,933	4,880,975	14,498,195	7,089,979	5,117,918	34,000,000



Enhanced
Teaching Staff
(Lower Class
Size)



Summer Learning
Academy



Mental Health and
Behavioral
Staffing/Services



Student Technology
and Wi-Fi Hot Spots



Additional Nursing
Staff and Health
Room Support



Student and Family
Connection Activities



ESSER/ARP Grant Funding

Elementary and Secondary School Emergency Relief / American Rescue Plan

General Fund		2023-24 Budget	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
Beginning Fund Balance		38,198,118	38,592,528	38,945,362	39,097,296
Revenues		405,984,914	412,175,277	419,985,580	431,138,516
Expenditures	(b)	(405,590,504)	(411,822,443)	(419,833,646)	(427,112,106)
Increase (Decrease) in Fund Balance		394,410	352,834	151,934	4,026,410
Ending Fund Balance	(a)	38,592,528	38,945,362	39,097,296	43,123,706
Non-Spendable (Inventory)		1,600,000	1,600,000	1,600,000	1,600,000
Restricted (State Grant Carryover & Contracts)		2,903,170	4,172,187	3,558,005	2,994,777
Committed (Min FB Req)		22,499,489	22,840,055	23,276,426	23,673,342
Assigned (School/Dept C/O & Contingency)		5,628,000	5,659,000	5,699,000	5,736,000
Unassigned	(c)	3,811,869	2,274,120	2,313,865	5,736,000
Total Ending FB (a) as a % of XP (b)		9.5%	9.5%	9.3%	10.1%
Unassigned FB (c) as a % of XP (b)		0.9%	0.6%	0.6%	1.5%

**NOTE: Fund Balance increases significantly in 2026-27 for projected recertification of Levy to maximize collections for increased Assessed Property Values.*



General Fund 4-Year Forecast

Other Funds

ASB

Transportation Vehicle

Capital Projects

Debt Service



ASB Fund



	2023-24 Budget	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
Beginning Fund Balance	\$1,790,713	\$1,800,426	\$1,810,431	\$1,820,737
Revenues	7,152,348	7,366,918	7,587,926	7,815,564
Expenditures	(7,142,635)	(7,356,913)	(7,577,620)	(7,804,949)
Increase (Decrease) in Fund Balance	9,713	10,005	10,306	10,615
Ending Fund Balance	\$1,800,426	\$1,810,431	\$1,820,737	\$1,831,352



Transportation Vehicle Fund



	2023-24 Budget	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
Beginning Fund Balance	\$6,783,122	-	-	-
Revenues	2,675,459	2,637,390	2,484,881	2,454,716
Expenditures	(9,458,581)	(2,637,390)	(2,484,881)	(2,454,716)
Increase (Decrease) in Fund Balance	(6,783,122)	-	-	-
Ending Fund Balance	-	-	-	-

Additional Information for 2023-24 Budget:

- Plan is to replace 2 medium 44 passenger and 5 large 84 passenger buses.
- All resources are budgeted to be spent to allow for maximum purchasing capacity if needed.



Capital Projects Fund



	2023-24 Budget	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
Beginning Fund Balance	\$30,251,853	\$23,936,370	\$14,558,737	\$9,921,604
Revenues	10,370,112	1,811,200	1,561,200	1,311,200
Expenditures	(16,685,595)	(11,188,833)	(6,198,333)	(5,233,333)
Increase (Decrease) in Fund Balance	(6,315,483)	(9,377,633)	(4,637,133)	(3,922,133)
Ending Fund Balance	\$23,936,370	\$14,558,737	\$9,921,604	\$5,999,471

Additional Information for 2023-24 Budget:

- Revenues include \$7M in state match funds for Ferrucci & Ballou Junior Highs, and Pope & Sunrise Elementary Schools
- With the Capital budget dwindling, only the projects with the highest priority for safety, security, or instructional impacts are being funded above the projects currently committed to and in progress.
- The Capital team is working on a capital levy proposal to bring to the board this fall for preparation of running a levy in February of 2024.



Debt Service Fund



	2023-24 Budget	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
Beginning Fund Balance	\$8,022,308	\$6,232,880	\$5,287,355	\$10,852,406
Revenues	30,750,297	31,135,725	26,874,926	22,895,114
Expenditures	(32,539,725)	(32,081,250)	(21,309,875)	(22,021,500)
Increase (Decrease) in Fund Balance	(1,789,428)	(945,525)	5,565,051	873,614
Ending Fund Balance	\$6,232,880	\$5,287,355	\$10,852,406	\$11,726,020

Additional Information for 2023-24 Budget:

- Revenue based on bond rate of \$1.06/\$1,000 AV.
- This is a major reduction from prior year at \$1.76/\$1000 AV due to significant growth in Assessed Values, refunding of two bond series, and retirement of existing bond debt.



Next Steps

- August 21 - Board consideration for approval of the 2023-24 budget
- September 1, 2023 - Fiscal year starts
- September 6, 2023 – First Day of School
- Fall 2023 – Anticipate bringing forth a Capital Levy for board consideration
- December 15, 2023 – Resolution filing date for Capital Levy



Questions?

