



Northshore
School District

Budget Study Session

October 14, 2024



Agenda

1. Review 2023-24 Budget guiding principles
2. Proposed Budget Development timeline
3. Fiscal update and review of 4-year outlook
4. Enrollment update
5. Bond/levy timeline
6. Communication plan for 2024-25



2023-24 Budget Guiding Principles – for review and discussion

1. Honor the District Strategic Plan as the foundational policy guidance (including its focus on Racial and Educational Justice as well as student outcomes).
2. Minimize the impact on students both in the classroom and in their educational experiences.
3. Keep schools open.
4. Comply with negotiated agreements.
5. Minimize reduction in force (RIF).
6. Preserve consistent and predictable operations and services to the extent possible while working to avoid any additional burdens on the work within classrooms.
7. Comply with state mandates (whether funded or not).
8. Conform with adopted, existing school board policies.



Proposed 2025-26 Budget Development Calendar

- **October 14, 2024** - Budget Study Session
- **November 12, 2024** - Budget Study Session
 - Review 2023-24 final numbers
- **January 13, 2025** – Budget Study Session
- **January 15 to February 1, 2025** - Central budgets developed
- **February 28, 2025** - Budget Allocations to Schools
- **May 12, 2025** - Budget Study Session
- **June 23, 2025** - Introduce Budget to Board and Required Public Hearing
- **July 14, 2025** - Board Action to adopt school year 2025-26 budget

Fiscal update and review of 4-year projections



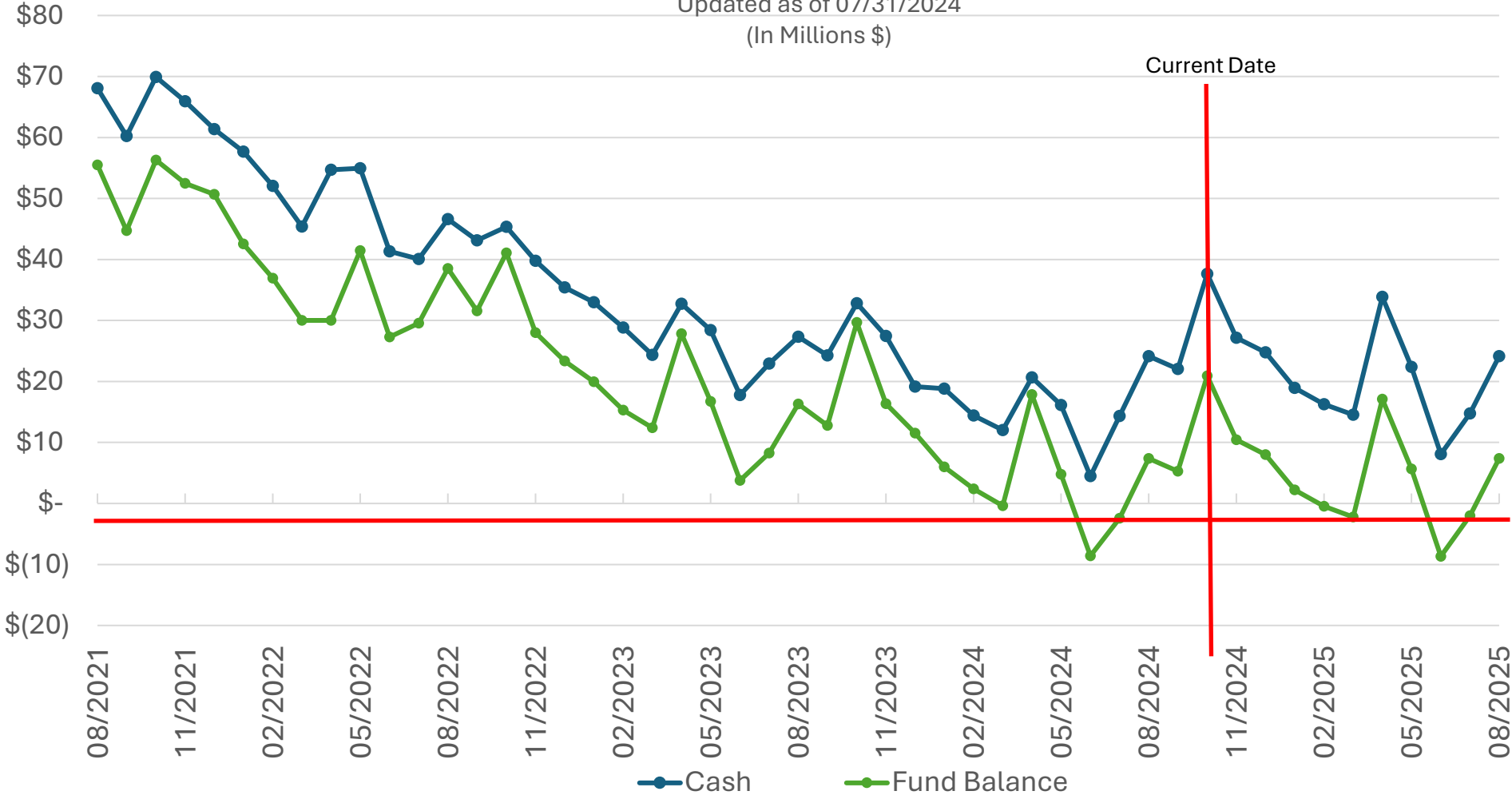
Fund Balance to Cash without \$10M CPF Loan

Fund Balance to Cash

FY2021-2025

Updated as of 07/31/2024

(In Millions \$)



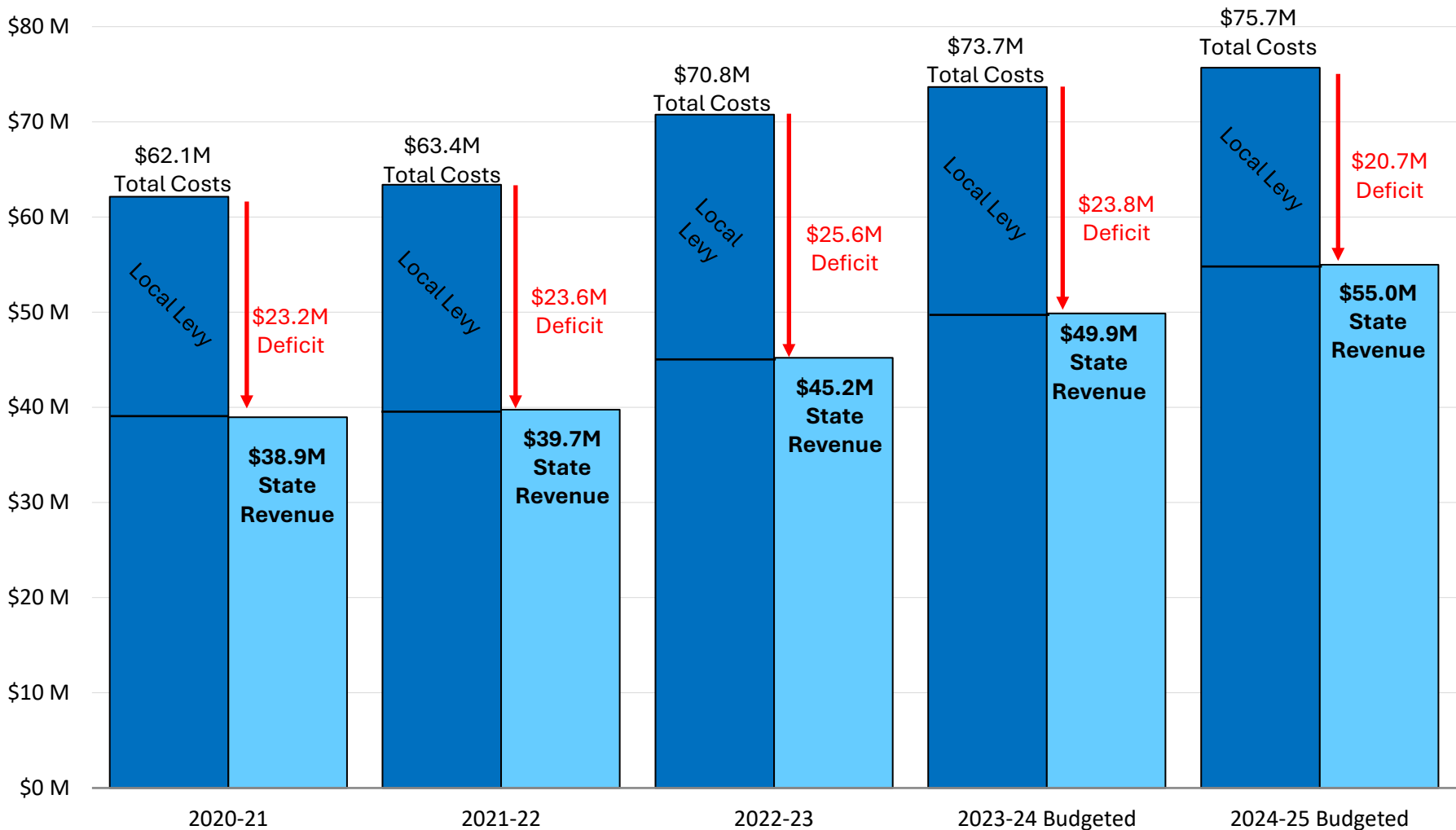


Four Year Outlook 2024-25 to 2027-28 – adopted budget

Four Year Outlook					
General Fund	23-24 Budget	24-25 Budget	25-26	26-27	27-28
Revenue(in 25-26 assume 2% forward)	\$ 431,300,000	\$ 453,500,000	\$ 462,570,000	\$ 471,821,400	\$ 481,257,828
Expenditure (in 25-26 assume 2.5% forward)	\$ 444,530,000	\$ 453,500,000	\$ 464,837,500	\$ 478,782,625	\$ 493,146,104
Budget Over/(Short)	\$ (13,230,000)	\$ -	\$ (2,267,500)	\$ (6,961,225)	\$ (11,888,276)
Restore Minimum Fund Balance			\$ (3,783,708)	\$ (4,787,826)	\$ (3,628,849)
Total to Solve	\$ (13,230,000)	\$ -	\$ (6,051,208)	\$ (11,749,051)	\$ (15,517,124)
Fund Balance - unreserved and available					
Other variables					
Ending FB for 22-23 - actual available Nov 24	\$ (700,000)	\$ 2,594,000			
Enrollment - actual available Oct	\$ 2,900,000	\$ -			
Increased expenditures	\$ (6,700,000)	\$ -			
Updated Projection	\$ (17,730,000)	\$ 2,594,000			
			to go into board reserve		
Solutions					
Use Fund Balance/Minimum FB Reserve	\$ 17,430,000	\$ -	\$ -	\$ -	\$ -
Total Remaining Available/(Gap)	\$ (300,000)	\$ 2,594,000	\$ -	\$ -	\$ -
Board Policy for Fund Balance					
Fund balance reserve equal to 3% of budgeted expenditures		\$ 13,605,000	\$ 13,945,125	\$ 14,363,479	\$ 14,794,383
Estimated to be available at year end		\$ 2,594,000	\$ 6,377,708	\$ 11,165,535	\$ 14,794,383



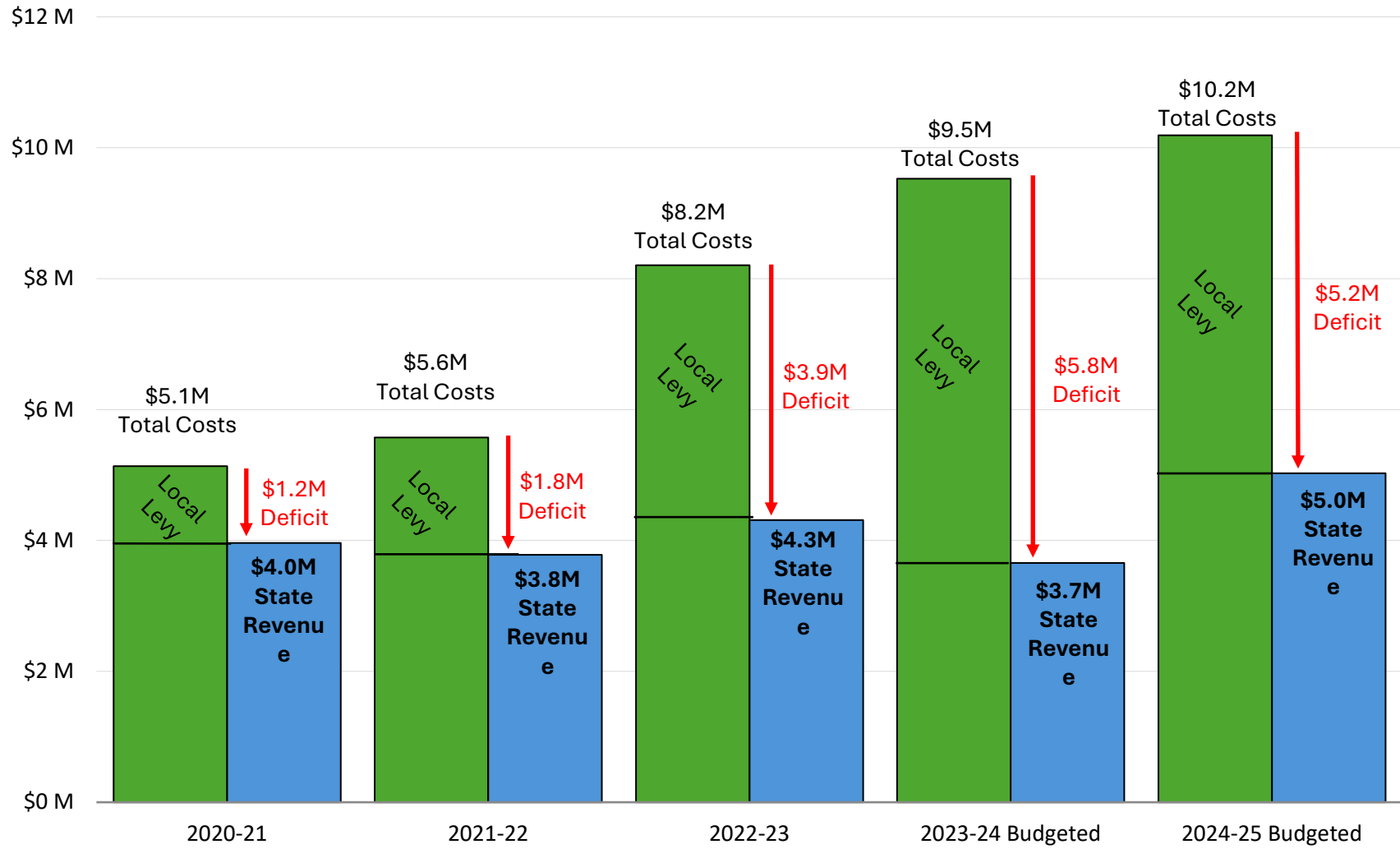
Special Ed – Remaining Gap in State Basic Ed Funding



2023-24
Preliminary as of 10/4/24
Costs \$74.9M
Revenue \$53.0M
Deficit \$21.9M



English Language Learners – Gap in State Basic Ed Funding



2023-24
Preliminary as of 10/4/24
 Costs \$9.4M
 Revenue \$4.7M
 Deficit \$4.6M



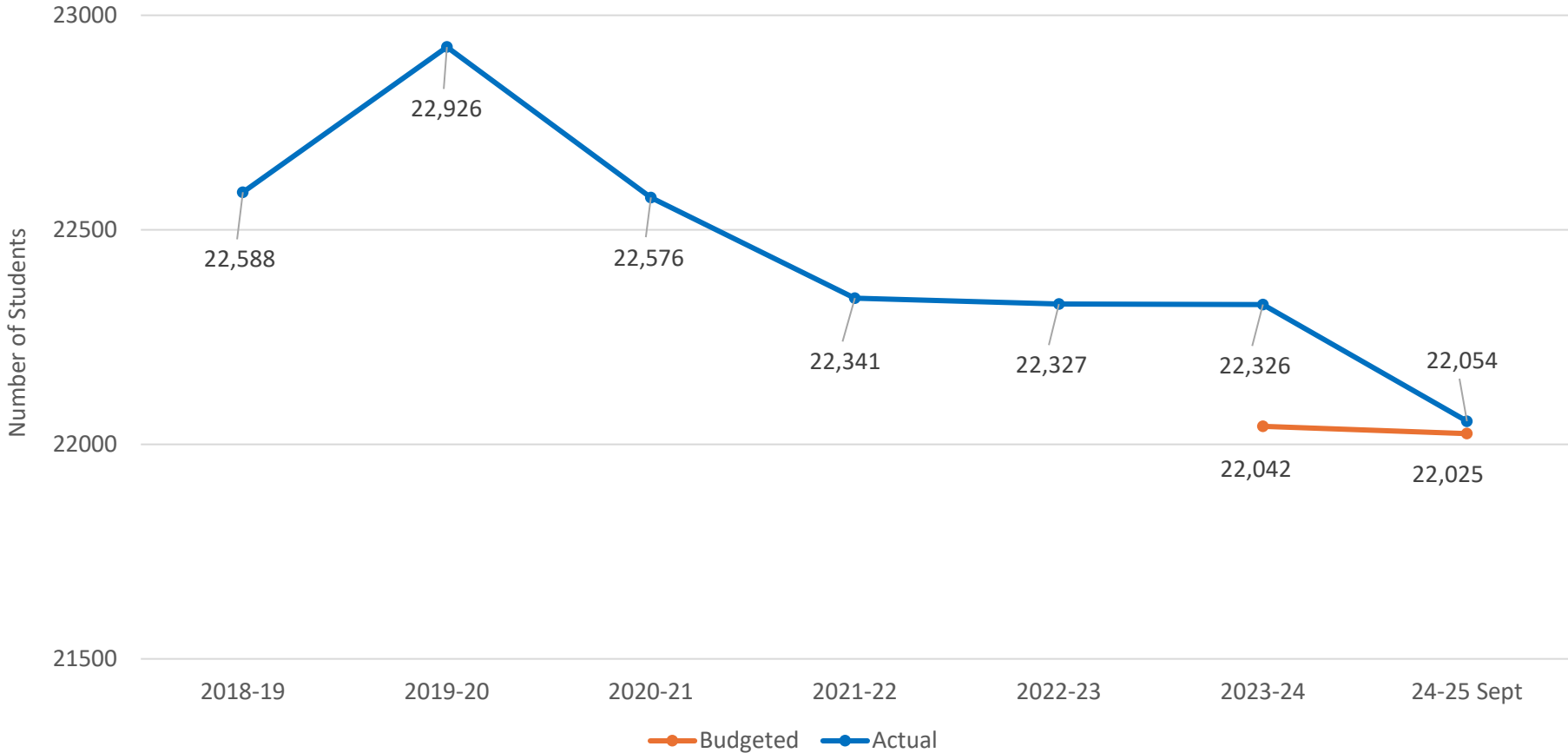
Snapshot for Community Conversations

2024-25 Budget (in millions)			
	Expenditures	Revenues	Funding Shortfall
Special Education	\$ 75.7	\$ 55.0	\$ 20.7
Teacher Substitutes	\$ 3.1	\$ 0.7	\$ 2.4
Paraeducators	\$ 4.4	\$ 4.0	\$ 0.4
Utilities & Insurance	\$ 10.5	\$ 9.4	\$ 1.1

Enrollment and Other Updates



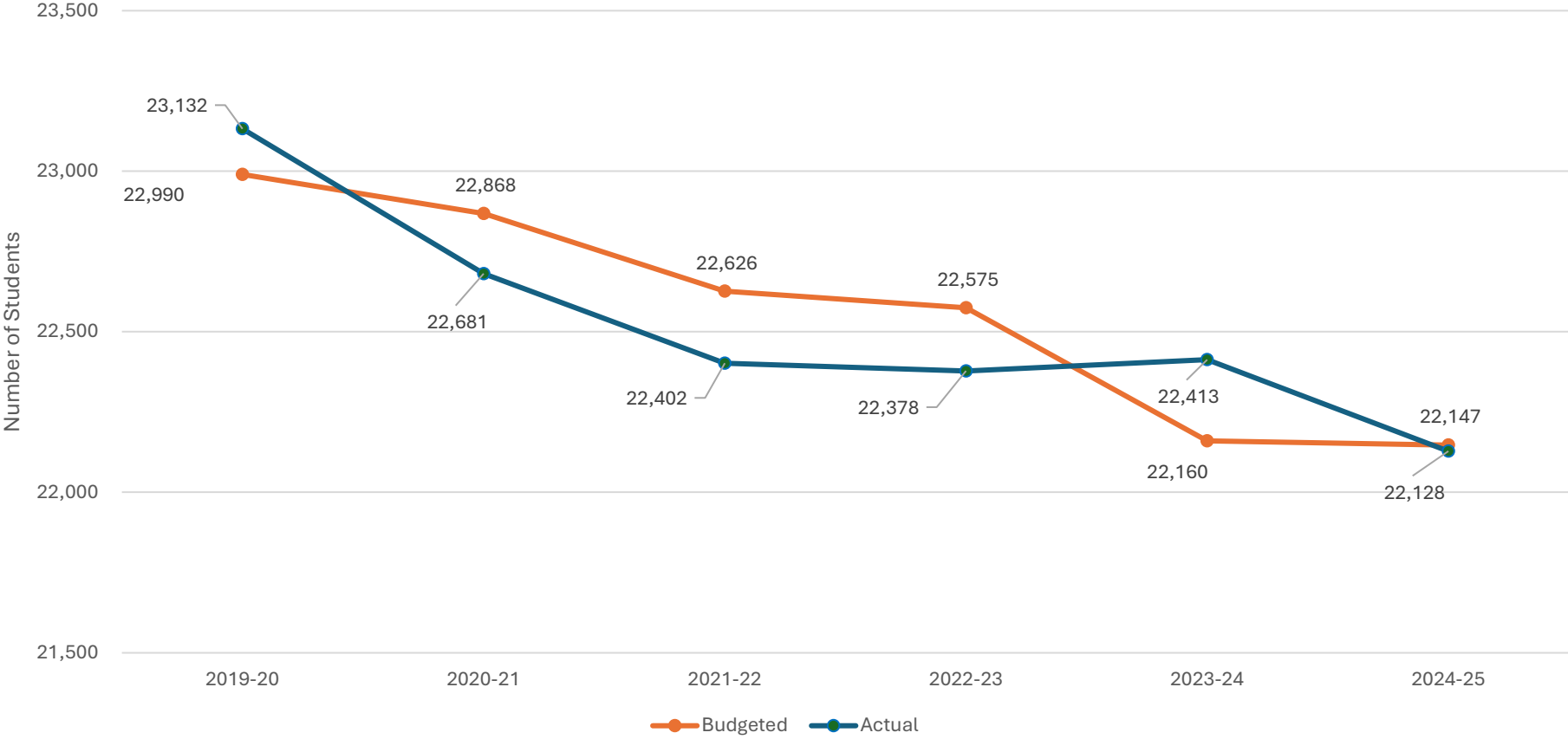
Enrollment – Headcount as of Oct 1, 2024



Source: Actual October 1 Headcount for 2018-19 thru 2023-24, per OSPI report 1251H.
2024-25 reflects headcount enrollment as of October 1st, not including Running Start or Open Doors program enrollment.



Enrollment - Annual Average Full Time Equivalent (AAFTE) as of October 1, 2024

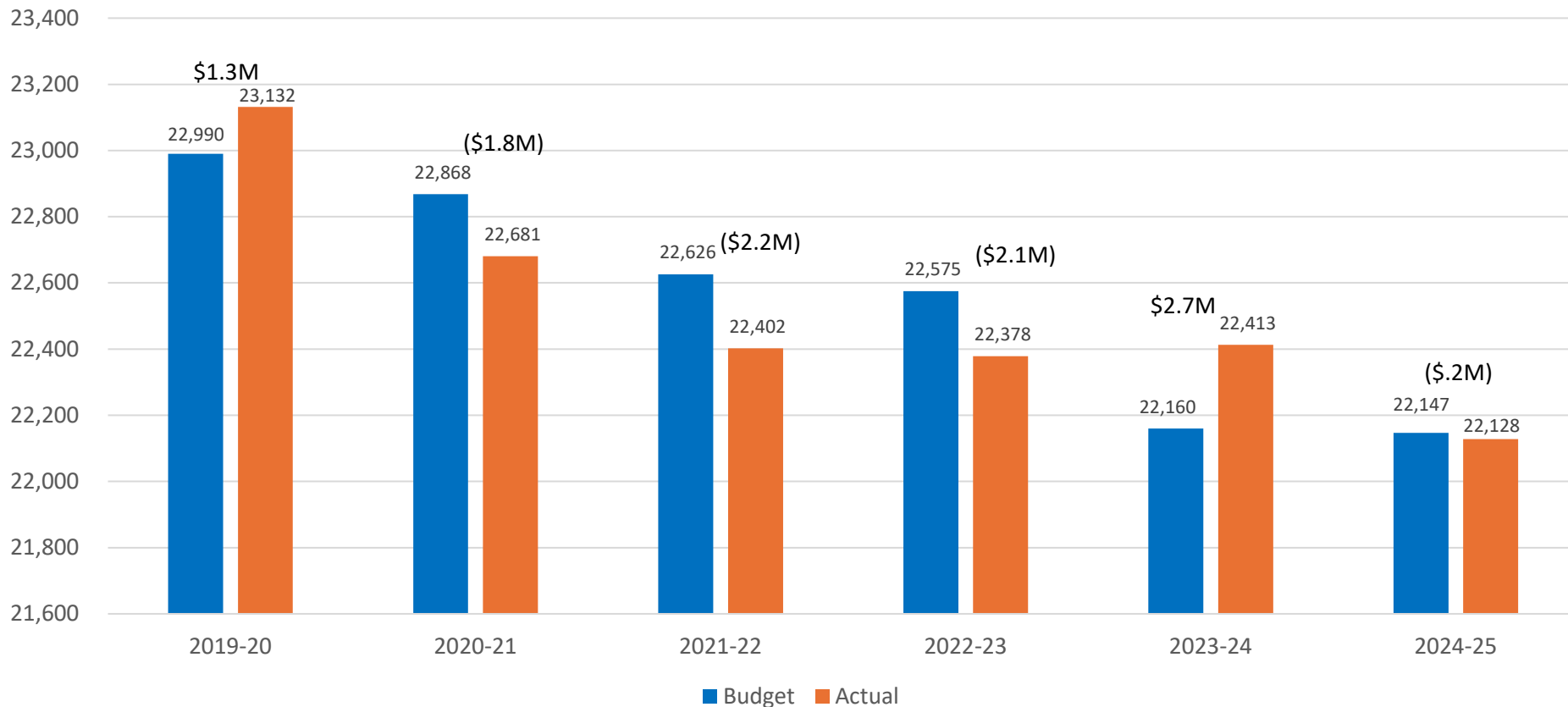


Including Running Start and Open Doors Enrollment
2024-25 reflects FTE counts as of October 1st, and budgeted Running Start enrollment



Enrollment – Annual Average Full Time Equivalent (AAFTE)

Variance Between Planned and Actual
as of October 1, 2024



*Including Running Start and Open Doors Enrollment
2024-25 reflects FTE counts as of October 1st, and budgeted Running Start enrollment*



Enrollment

Grade	Head Count as of 10-01-24	Prior Year		Actual FTE as of 10-01-24	Difference
		Average FTE 23-24	Budgeted FTE 24-25		
Kindergarten	1,463.00	1,497.29	1,428	1,458.09	30.09
Grade 1	1,536.00	1,585.45	1,533	1,529.13	-3.87
Grade 2	1,588.00	1,747.72	1,583	1,582.66	-0.34
Grade 3	1,747.00	1,660.24	1,747	1,744.21	-2.79
Grade 4	1,669.00	1,781.38	1,662	1,667.29	5.29
Grade 5	1,786.00	1,745.19	1,780	1,782.68	2.68
Grade 6	1,742.00	1,728.79	1,751	1,738.76	-12.24
Grade 7	1,743.00	1,763.80	1,728	1,737.14	9.14
Grade 8	1,754.00	1,759.50	1,748	1,752.44	4.44
Grade 9	1,835.00	1,775.62	1,834	1,831.18	-2.82
Grade 10	1,810.00	1,870.88	1,776	1,803.64	27.64
Grade 11	1,763.00	1,570.16	1,658	1,608.96	-49.04
Grade 12	1,627.00	1,458.72	1,434	1,401.53	-32.47
Totals	22,063.00	21,944.75	21,662	21,637.71	-24.29
Running Start					
		Prior Year Average FTE 23-24	Budgeted FTE	Actual FTE as of 10-01-24	Difference
Academic RS FTE		425.22	451.00	N/A ¹	N/A ¹
Vocational RS FTE		28.27	24.00	N/A ¹	N/A ¹
Total Running Start		453.49	475.00	N/A¹	N/A¹
Open Doors (1418)					
		Prior Year Average FTE 23-24	Budgeted FTE	Actual FTE as of 10-01-24	Difference
Open Doors FTE		14.4	10.00	15.00	5.00

(1) Running Start enrollment FTE numbers are not yet available



Proposed 2026 Bond and Levy Timeline

2024-2025

- October – June: Capital Bond Planning Task Force (CBPTF)
- November – June: Technology Advisory Committee (TAC)
- February: Board Study total Tax Rate/EPO (Educational Programs and Operations) Levy
- March: Board Study Tech/Capital Levy
- June: Board Study Session
 - Maintenance and Operations
 - Capital Projects
 - Technology
- June: Board Report – Preliminary Ballot Measure Recommendations
- August: TAC Recommendations to the Board

2025-2026

- September: CBPTF Recommendations to the Board
- September: District Recommendations on Levy and Bond
- September: First Reading by Board on Resolutions
- October: Second Reading by board on Resolutions
- December: Filing Deadline with King and Snohomish Counties
- February: Vote Special Election



Proposed Communication Plan

- ❖ PTSA meetings
- ❖ Conversations with the board community meetings
- ❖ Monthly Financial Advisory Committee meetings
- ❖ Superintendent's student advisory committee

Questions and Discussion

