

Budget Updates

Study Session

February 11, 2025



**Edmonds
School District**

Agenda



Legislative Updates



Deficit Updates



DLT Exercise



A Balancing Act

Legislative Updates



Federal Changes

From the January 31, 2025 TWIO (This Week in Olympia):

With or without the President's freeze, federal programs and funding will continue to be scrutinized. About 2,600 programs are being reviewed to ensure funding aligns with the new Administration's positions and policies.

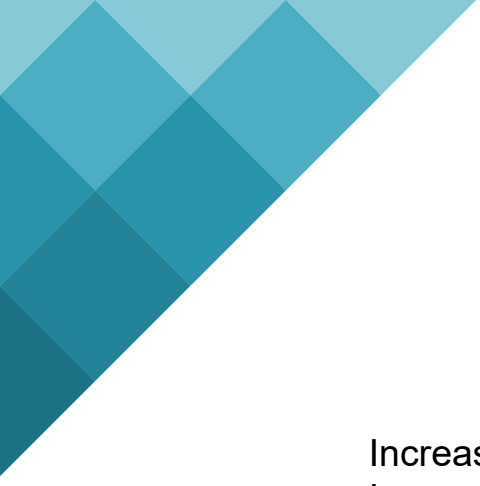
Other districts have encountered delays in receiving Impact Aid, Headstart, and Cash in Lieu of Commodities. While we are not eligible for these programs, it may filter to other programs – causing a cash flow issue...or worse.

State Changes

State anticipates a 4-year shortfall between \$10-12 Billion

The Caseload Forecast Council is set to release projections in mid-February

The Economic and Revenue Forecast Council will provide updated projections (revenues) in mid-March



Special Education - SB 5263/HB 1267/HB 1357/HB 1310

Increases multiplier (funding) for preschool

Increases multiplier (funding) for Tiers 1 and 2 (the amount of time a special education student spends in general education)

These bills are heavily dependent on available state funding.

\$1.5M-\$9M

Some bills also raise the special education cap from 16% - we are currently at 15.3%.



Materials, Supplies & Operating Costs (MSOCs)– SB 5192/HB 1338

SB 5192:

Increases MSOC allocation by approximately 10%

Adds additional reporting requirements

Based on full-time equivalent (FTE) student enrollment, however, changes the FTE computation from the current year to the previous three years.

\$2.7M

HB 1338:

Increases MSOC allocation by approximately 20%, and rebase (review) every 4 years

These bills are heavily dependent on available state funding.

Transportation – SB 5187/HB 1579

Requires an OSPI analysis to be done by 6/1/2028 – then develop a new funding model (deadline silent)

Additional \$400 per McKinney-Vento (homeless) students, with additional reporting requirements

Prospect is “dim.” The current allocation does not meet current realities/expectations. Edmonds will need to consider reductions in routes/services in 25-26.



Would allow the District to collect full voter authorization in calendar year 2026, increase of \$3.5M for 25-26 (1/2 year collections).

**Educational
Programs and
Operations
Levy – HB
1356/SB 5593**



Other Bills

We anticipate that there will be bills that add new, unfunded mandates



Edmonds School District			
2025-26 Budget Impacts Worksheet		Draft at 2/11/2025	
<u>Expenditures</u>		<u>Revenues</u>	
Decreases to Staff due to Enrollment (50 FTE)	\$ (330,000)	Increase to Levy Collections	\$ 2,000,000
IPD of 2.4% (with mandatory benefits) - net	\$ 2,500,000	Carryover reductions not available 25-26	\$ (1,484,000)
EEA potential rollups (2 year average)	\$ 1,530,000	Enrollment change (50 FTE)	\$ (569,000)
Est midpoints for closed contracts with benefits	\$ 2,350,000		
<u>Negotiated Contract Increases</u>			
Library materials restoration (\$10/FTE)	\$ 190,000		
EEA - 1 furlough day	\$ 1,000,000		
EMA - 3 furlough and prof dev reduction	\$ 112,000	Note that the levy amount is based on current law	
AA - 1 furlough and prof dev reduction	\$ 6,000		
Professional Technical - 3 furlough and prof dev	\$ 169,000		
Cabinet/Superintendent	\$ 51,000		
EPA - 3 furlough & prof dev	\$ 235,000	This analysis does not yet consider transportation shortfalls	
Curriculum adoption delay	\$ (450,000)		
Retirement rate reduction	\$ (430,000)		
Additional Insurance Premium	\$ 550,000		
Additional Election Costs (Board of Directors)	\$ 20,000		
Increase to FML Premium (.0074 to .0092)	\$ 380,000		
Additional insurance (SEBB) for substitute employees	\$ 275,000		
Subtotal	\$ 8,158,000	Subtotal	\$ (53,000)
Increase needed to unassigned fund balance	\$ 326,320		
Budget Balance	\$ (8,537,320)		



DLT Exercise

Budget Survey

Welcome to Balancing Act!



This budget simulation is a way for you to learn about spending and revenue and provide your input.

[Help & Tips](#)

☐ Don't show this again

[Continue](#)

Where the Money Goes

Spending

A Balancing Act

Thank you!
Any Questions?



**Edmonds
School District**