

# 2025-26 REP & Enrollment Projections

Budget Advisory Team Meeting

March 31, 2025



# Welcome!

## **Introductions:**

**Superintendent:** Dr. Susana Reyes

**Assistant Superintendent:** Angela Von Essen

**Director of Finance and Business Services:** Art Clarke

# Land Acknowledgement

The Shoreline School District acknowledges the Coast Salish peoples of this land, the land which touches the shared waters of all tribes and bands within the Duwamish, Puyallup, Suquamish, Tulalip, Snoqualmie and Muckleshoot nations.

*Land Acknowledgement Resources: [#HonorNativeLand](#) & [Native Land](#)*

[Understanding Coast Salish Design](#)



# Race and Equity Decision-Making Tool

## Before a Decision:

### **A. Pause and examine YOU - Who are you?**

- Who is involved in making a decision? (race, gender, class etc.)
- What inherent biases do you bring to the table?

### **B. Who is affected?**

- What dimensions of diversity (race, gender, class, sexuality, gender identity, culture, age, ability, immigrant status, etc.) are in the impacted group?
- In which ways is the impacted group involved in the decision-making?

### **C. What are the impacts?**

- How will the decision of this group advance equity in our system?
- What evaluation tools and measures do we need to determine the impacts of our decision?
- What are the potential challenges, structural barriers, or unexpected blind spots?

### **D. What do you think happened?**

- Did you succeed in advancing equity?
  - To what degree?
  - How do you know? (What evaluation tools and measures were used to determine the impacts of our decision?)
- If no, what steps are we taking to ensure equity is still achieved?

The purpose of this tool is to engage everyone involved in Shoreline Schools to learn, think, and address how race and equity impacts choices in instruction, programming, staffing, funding, and policy. All members of the Shoreline Schools community should strive to improve anti-racist practices and equity awareness through all of our activities and choices. We encourage the application of this tool in decisions that impact students, staff, and families.

# Committee Agreements

We will...

- start and end on time
- listen carefully and participate in discussions
- not interrupt others
- consider the thoughts and ideas of those who are not represented/present
- assume positive intent
- be respectful of others
- encourage all voices, especially those who do not speak up
- all be treated as peers
- keep students at the center of our work

# Committee Purpose and Meeting Outcomes

**Committee Purpose:** The BAT is an advisory group of community members who receive detailed information about the school district's finances, provide feedback to district leadership from their perspectives, monitor the progress of our annual budget, ask questions, and serve as budget ambassadors within their schools and community networks.

**Meeting Outcomes:** Gain an understanding of how the 2025-26 enrollment projections were determined and a high-level knowledge of the 2025-26 draft Reduced Educational Program (REP)

## **Agenda Topics:**

1. Q&A from Previous Meetings
2. Enrollment Projections
3. High-Level Overview of Draft REP

# Questions from Previous Meeting

Since **Basic Ed funding and property tax revenue makes up 90%** of the District's budget, the remaining 10% consists of local revenues, facility use fees, transfers for bonds and capital levy, and federal grants.

1. What can be funded by the levy, community donations, fees, and grants
2. Pockets of money: What could it be spent on and why? "We pay a lot in taxes."
3. What are the limitations on funding?
4. How is the General Fund funded, if enrollment doesn't help?
5. Prototypical school funding model: What does that look like?
6. High class sizes: What are the student/teacher ratios?
7. Do we pay banking fees? How is the banking relationship (analyzed) and should we consider an RFP?

# 2025-26 Enrollment Projections

# Budget vs Actual Average Student FTE Enrollment Comparison

## (September 2024 through March 2025)

	September	October	November	December	January	February	March	April	May	June	Average	Budget	Variance
K	612.00	619.00	619.80	621.86	621.06	618.06	618.06				618.55	604.00	14.55
1	606.00	611.00	613.00	612.00	610.00	615.00	614.00				611.57	610.00	1.57
2	629.26	633.00	638.00	639.00	637.02	639.02	638.02				636.19	619.00	17.19
3	700.00	708.00	711.00	712.00	714.00	715.00	721.00				711.57	699.00	12.57
4	657.02	661.02	662.02	663.02	662.02	670.02	671.02				663.73	662.00	1.73
5	700.80	706.85	706.80	705.00	699.00	703.00	706.00				703.92	684.00	19.92
<b>Elementary</b>	<b>3,905.08</b>	<b>3,938.87</b>	<b>3,950.62</b>	<b>3,952.88</b>	<b>3,943.10</b>	<b>3,960.10</b>	<b>3,968.10</b>	-	-	-	<b>3,945.54</b>	<b>3,878.00</b>	<b>67.54</b>
6	668.19	674.02	674.02	672.02	672.02	673.02	674.02				672.47	662.00	10.47
7	705.00	712.68	716.68	712.36	714.36	717.53	721.53				714.31	703.00	11.31
8	696.08	707.08	707.53	706.38	705.04	704.29	705.72				704.59	673.00	31.59
<b>Middle</b>	<b>2,069.27</b>	<b>2,093.78</b>	<b>2,098.23</b>	<b>2,090.76</b>	<b>2,091.42</b>	<b>2,094.84</b>	<b>2,101.27</b>	-	-	-	<b>2,091.37</b>	<b>2,038.00</b>	<b>53.37</b>
9	728.94	734.94	732.62	734.09	734.92	739.41	747.26				736.03	712.00	24.03
10	805.06	812.04	812.40	811.06	805.05	799.08	796.23				805.85	809.00	(3.15)
11	689.61	683.46	676.47	673.81	667.69	651.82	650.99				670.55	684.00	(13.45)
12	636.89	627.66	619.90	620.56	619.05	609.16	606.84				620.01	631.00	(10.99)
<b>High</b>	<b>2,860.50</b>	<b>2,858.10</b>	<b>2,841.39</b>	<b>2,839.52</b>	<b>2,826.71</b>	<b>2,799.47</b>	<b>2,801.32</b>	-	-	-	<b>2,832.43</b>	<b>2,836.00</b>	<b>(3.57)</b>
<b>Total BEA</b>	<b>8,834.85</b>	<b>8,890.75</b>	<b>8,890.24</b>	<b>8,883.16</b>	<b>8,861.23</b>	<b>8,854.41</b>	<b>8,870.69</b>	-	-	-	<b>8,869.33</b>	<b>8,752.00</b>	<b>117.33</b>
K	11.00	11.00	11.00	11.00	11.00	11.00	11.00				11.00		
1	19.87	19.87	19.87	20.87	19.87	19.87	19.87				20.01		
2	8.98	9.98	9.98	9.98	9.96	9.96	9.96				9.83		
3	10.49	10.49	10.49	10.49	10.49	10.49	10.49				10.49		
4	18.98	18.98	18.98	18.98	18.98	18.98	18.98				18.98		
5	17.00	16.95	17.00	17.00	16.00	14.00	14.00				15.99		
6	13.58	13.58	13.58	13.58	13.58	13.58	13.58				13.58		
7	13.08	13.00	13.00	13.00	13.00	13.00	12.00				12.87		
8	9.64	9.64	9.64	9.64	8.98	8.98	8.98				9.36		
9-12	-	-	-	-	-	-	-				-		
<b>Total ALE</b>	<b>122.62</b>	<b>123.49</b>	<b>123.54</b>	<b>124.54</b>	<b>121.86</b>	<b>119.86</b>	<b>118.86</b>	-	-	-	<b>122.11</b>	<b>123.00</b>	<b>(0.89)</b>
<b>BEA &amp; ALE FTE</b>	<b>8,957.47</b>	<b>9,014.24</b>	<b>9,013.78</b>	<b>9,007.70</b>	<b>8,983.09</b>	<b>8,974.27</b>	<b>8,989.55</b>	-	-	-	<b>8,991.44</b>	<b>8,875.00</b>	<b>116.44</b>

# 2024-25 Enrollment - Key Observations

- As of March 1, 2025, the total annual average FTE (**AAFTE**): **8,991.44** \*
- 2024-25 total **budgeted FTE: 8,875\***
- AAFTE is **116.44** \* **students greater** than budget.
- Historically, enrollment will decline slightly each month for the rest of the school year. However, we seen an increase of 15 FTE students in March 2025. We will continue to monitor for staffing projections for next school year.

\* *does not include Running Start*

# 2025-26 Enrollment Projection

	<b>3/1/25</b>		<b>Class</b>			
	<b>AAFTE</b>		<b>Yr. to Yr.</b>			
<b>Grade</b>	<b>24-25</b>	<b>25-26</b>	<b>Change</b>			
K	618.55	660	<b>39.99</b>	<b>6.4%</b>	New K vs outgoing 12	
1	611.57	653	34.45	5.6%		
2	636.19	654	42.43	6.9%		
3	711.57	662	25.81	4.1%		
4	663.73	739	27.43	3.9%		
5	703.92	702	38.27	5.8%		
6	672.47	726	22.08	3.1%		
7	714.31	689	16.53	2.5%		
8	704.59	737	22.69	3.2%		
9	736.03	780	75.41	10.7%	Private Schools K-8, Choice In	
10	805.85	740	3.97	0.5%		
11	670.55	691	(114.85)	-14.3%	Running Start	
12	620.01	588	(82.55)	-12.3%	Running Start	
	<b>8,869.34</b>	<b>9,021</b>	<b>151.66</b>			
		<b>151.66</b>				
		<b>1.7%</b>				

# Key Observations

- Projections are based on prior enrollment and cohort trends, and consideration of state funding.
- 2025-26 BEA and ALE enrollment **projection: 9,021 FTE**
  - Increase of 151.66 FTE and 1.7% over 2024-25 annual average enrollment
- 2025-26 Running Start student enrollment **projection: 270 FTE**
  - Increase of 5.97 FTE students over 2024-25 annual average
  - Running Start enrollment reduces the number of grades 11 and 12 students for building basic ed funding and staffing

# Revenue Source Discussion

The three main **revenue sources** for the district are:

- State funding based on student enrollment
- 2022-2026 Enhanced and Technology Levies
- Legislative action

The four **major areas of spending** that are not fully funded:

- Salaries and benefit costs (87% - Basic Ed staffing is approximately \$28M over state funding)
- Special Education services (\$6.5M over funding generated)
- Risk management cost (15% - 22% increase for 2025-26, approximately \$500,000)
- Surface water fees (12.5% increase for 2025-26, approximately \$50,000)

In small groups of 3-4, discuss the following:

1. What suggestions do you have for improving revenue?
2. What suggestions do you have for minimizing costs?

Estimated Budget Deficit  
and  
Target for Reduction Amount

# How Are We Set Up to Start and Finish 2025-26?

Ending 2024-25 with a possible **\$4.4M (2.4%)** unreserved fund balance is higher than budgeted and may help our future financial situation.

However, we are still likely to end 2025-26 with a **negative unreserved fund balance** if we don't make significant changes.

	Possible Adjusted <b>2024-25</b> Budget as of 3/18/25 Mid-Year Financial Update	Updated <b>2025-26</b> Forecast	Updated <b>2025-26</b> Forecast without Improvement in Fund Balance
Beginning Fund Balance	\$9,610,769	\$7,176,015	\$7,176,015
+ Revenues	\$180,197,411	\$180,616,000	\$180,616,000
- Expenditures	\$182,632,165	\$189,150,000	\$189,150,000
Deficit	<b>-\$2,434,754</b>	<b>-\$8,534,000</b>	<b>-\$8,534,000</b>
Restricted/Reserved Fund Balance	\$2,745,797	\$2,745,797	\$2,745,797
<b>Unreserved Fund Balance</b>	<b>*\$4,430,218</b> 2.4%	<b>*-\$2,103,782</b> <b>-1.1%</b>	<b>-\$4,103,782</b> <b>-2.2%</b>
Total Ending Fund Balance	\$7,176,015	\$642,015	<b>-\$1,387,812</b>

\* Includes \$2M Possible Improvement to Fund Balance

# 2025-26 Estimated Budget Deficit and Target

## Potential Revenue: \$2.4M

- Increase of Existing Levy
- Enrollment Increase
- Materials, Supplies, & Operating Costs (MSOCs) Increase
- 2024-25 Budget Reduction Efforts

## Additional Costs: **-\$6.9M**

- Return of Labor Partner Contract Pauses
- Rising MSOCs
- Salary Increases of 1.9% Implicit Price Deflator (IPD)

## Continued Annual Deficit (from 2024-25): **-\$4M**

### Unknown Revenue and Costs

Impact from 2025 State Legislative Session

Open Bargaining Agreements:

- Shoreline Education Association (SEA)
- Professional-Technical Association
- SEIU-Grounds/Custodians/Warehouse
- SEIU-Food Service
- Mechanics

[Learn more about employee groups and who they support](#)

**Estimated Budget Deficit:**

**\$8.5M**  
plus unknowns

Reduced to reflect  
potential \$2M  
improvement of fund  
balance

**\$6.5M**  
plus  
unknowns

# School Board Fiscal Guidance

- **Avoid binding conditions**
- Seek to pass a budget that does **not rely on borrowing against ourselves**
- **Center student outcome goals** identified in the strategic plan
- To the extent possible, make **reductions furthest away from students in need** of the most support
- Maintain **sufficient building and central administration** that supports continued sustainable operations and student supports
- Work to **rebuild our unreserved fund balance over 3-5 years**, as conditions permit
- **Continue engaging with the school community** to provide budget information and opportunities for sharing priorities

**DRAFT 2025-26**  
**Reduced Educational Program**

# About Reduced Educational Programs

In Washington State, a Reduced Educational Program (REP) resolution is a legally required step a school district must take to proceed with a reduction in force (RIF) for the following school year.

## A Reduced Educational Program is:

- a **formal, legal process** that allows school districts to make staff and program reductions
- a crucial part of the **budget process** for the upcoming school year
- developed based on the understanding of the **School Board guidance**
- adopted by the School Board of Directors **authorizing the reductions** outlined in the REP, and if future budget work allows, positions *may* be reinstated

# Summary of DRAFT Reduced Educational Program

- The 2025-26 **targeted reduction** is approximately **\$6.5M**.
- Over the last few years, **substantial reductions** have been made while attempting to maintain critical functions.
- Most school staffing is **contractually obligated** and cannot be adjusted without agreement by our labor partners.
- **School Board guidance** was considered in developing the REP.
- The REP includes **non-contractual positions** totaling approximately **\$1.5M**.
- The **difference** between the targeted reduction amount and the REP is **\$5M**.
- **Ongoing work** and continued efforts to explore expenditure constriction and implementing efficiencies are needed in order to develop a balanced budget.

# Next Steps

- **April 1** – Board: Introduction and review of DRAFT Reduced Educational Program
- **April 15** – Reduced Educational Program provided to the Board for approval
- **April 27** – Last day of legislative session
- **May 20** – Board: Report on legislative impacts on Shoreline School District budget
- **April through August 2025** – Ongoing Budget Development
  - Continue work with labor partners
  - Continue meeting with staff impacted by the REP and support transitions
  - Continue to refine budget projections and development by monitoring possible impacts in future revenue, such as changes in state legislation, federal mandates, enrollment due to additional housing and choice transfers, and various fees
  - Continue to make program and departmental improvements and implement efficiencies where possible
  - Staff, students, and families will continue to receive updates and have opportunities to provide input at board meetings and via survey
- **July/August 2025** – Budget Adoption

# Draft REP Discussion

In groups of 2-3, discuss the following:

- What concerns you?
- What questions do you have?

# Future BAT Meetings

## 2025 Meeting Dates and Tentative Topics

2025 Meeting Dates and Tentative Topics	
January 27	<ul style="list-style-type: none"><li>● Overview of 2024-25 Budget and 2025-26 Budget Projections</li></ul>
February 10	<ul style="list-style-type: none"><li>● Brief Overview of Revenue and Expenditures</li><li>● Financial Oversight</li></ul>
March 31	<ul style="list-style-type: none"><li>● Q&amp;A from Previous Meetings</li><li>● 2025-26 Enrollment Projections</li><li>● 2025-26 Draft Reduced Educational Program</li></ul>
April 28	<ul style="list-style-type: none"><li>● Revenue and Program Planning</li><li>● Approved 2025-26 REP</li></ul>
May 19	<ul style="list-style-type: none"><li>● Legislative Update</li><li>● 2024-25 Financial Update</li></ul>

# Questions and Feedback

Thank you!

