

Budget Outlook

School Board Work Session

Adoption of 2025-26 Highline Public Schools Budget

June 12, 2025

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Our Promise

Every student in
Highline Public
Schools is known by
name, strength and
need, and graduates
prepared for the
future they choose.



LAND ACKNOWLEDGEMENT

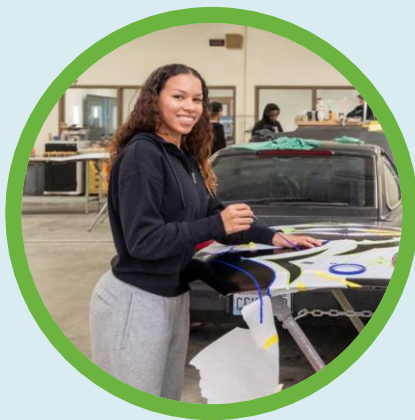
“We begin by acknowledging that we are on the ancestral land stewarded since time immemorial by the Salish people of the Duwamish, Green, White, Cedar, and Upper Puyallup Rivers, many of these giving birth to the contemporary citizens of the Muckleshoot Indian Tribe. We honor and give thanks that we are able to collectively engage in this conversation on their sacred homelands about the future of teaching and caring for our sacred children and youth.”





CULTURE OF BELONGING

A culture where all are welcome, valued, and safe.



INNOVATIVE LEARNING

Academic experiences that engage, empower, and challenge every student.



BILINGUAL & BILITERATE

Multicultural skills that enable students to live, work, and communicate across cultures.



FUTURE READY

Students explore possibilities and develop mindsets that prepare them for a changing future.

*Our Promise: Every student is known by **name**, **strength** and **need**, and graduates prepared for the **future they choose**.*

Objectives

- Review the 2025 legislative impacts
- Understand the 2025-26 Highline Public Schools budget:
 - General Fund
 - Capital Fund
 - Transportation Vehicle Fund
 - Associated Student Body Fund
 - Debt Service Fund
- Understand Highline's long-term fiscal outlook
- Review engagement during Budget Development process



Policy 6000 – Financial Management for Equity

"As trustee of local, state, and federal funds allocated for use in public education, the board shall be vigilant in fulfilling its responsibility to see that these funds are used in alignment with the District's Strategic Plan goals. The Board is committed to using the District's Equity Lens, as found in Policy and Procedure 0010, when determining the equitable fiscal practices for the district."



Policy 6000 – Financial Management for Equity

"The board's goals for district fiscal management, including budget development, are:

- To distribute Highline resources in a way that considers equity in a student-centered mindset to eliminate or significantly reduce systemic, measurable inequities in opportunity.
- To ensure open communication with staff, families and community as to how the district strategies are guiding resource allocation decisions.
- To keep in mind the long-term fiscal and academic impacts of any budget decision.
- To recognize the importance of and maintain adequate resources for operational support for schools, staffs, and students.
- To provide timely and appropriate information to staff who have fiscal management responsibilities.
- To establish maximum efficiency procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors, and all other areas of fiscal management.
- To establish a strong system of internal control to safeguard district assets, to assure management that financial transactions occur as intended, and to protect employees."

Budget Development Context



2023-24

\$8M in reductions for
2024-25

Loss of ESSER funds
for 2024-25

Unassigned ending
fund balance at 7%



2024-25

Enrollment higher than
demographer's projection

Long legislative session

No reductions for 2025-26

Unassigned ending fund
balance projected at 7%



2025-26

Steady enrollment
projected

Minimal new revenue
from legislation

Create efficiencies and
evaluate potential
reductions

2025 Legislative Update – Statewide

	2019-21	2021-23	2023-25	2025-27
Total Spend (Billions)	\$26.6	\$27.5	\$31.2	\$33.7
K-12 Percentage	51.6%	44.5%	43.4%	43.2%



If the state invested **51.6%** of its operating budget for the 2025-27 biennium, it would result in an additional **\$6.5 billion** for Washington schools.

2025 Legislative Update – Highline

Bill	Estimated Funding Impact	Timing
SB 5263: Special Education	\$14M \$2.5M	September 2025
SB 5192: Materials, Supplies, Operating Costs (MSOC)	\$5.6M Less than \$1M	September 2025
SB 5187: Transportation	\$1M \$0	
SB 5812: Levy/LEA	2025-26: \$4M	April 2026

2025-26 General Fund



2025-26 General Fund

Beginning Fund Balance	\$48,090,420
Revenues	+ \$421,524,511
Expenditures	- \$428,067,011
Ending Fund Balance	\$41,547,942



2025-26 Revenue



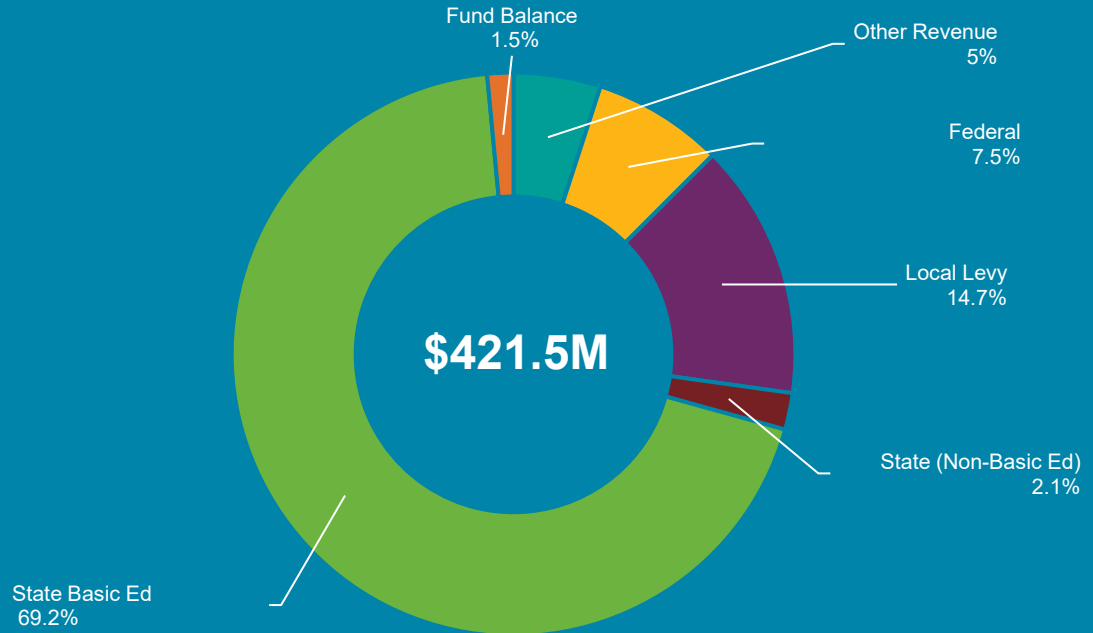
2025-26 Revenue Sources

71.3% of our revenue comes from state funded sources

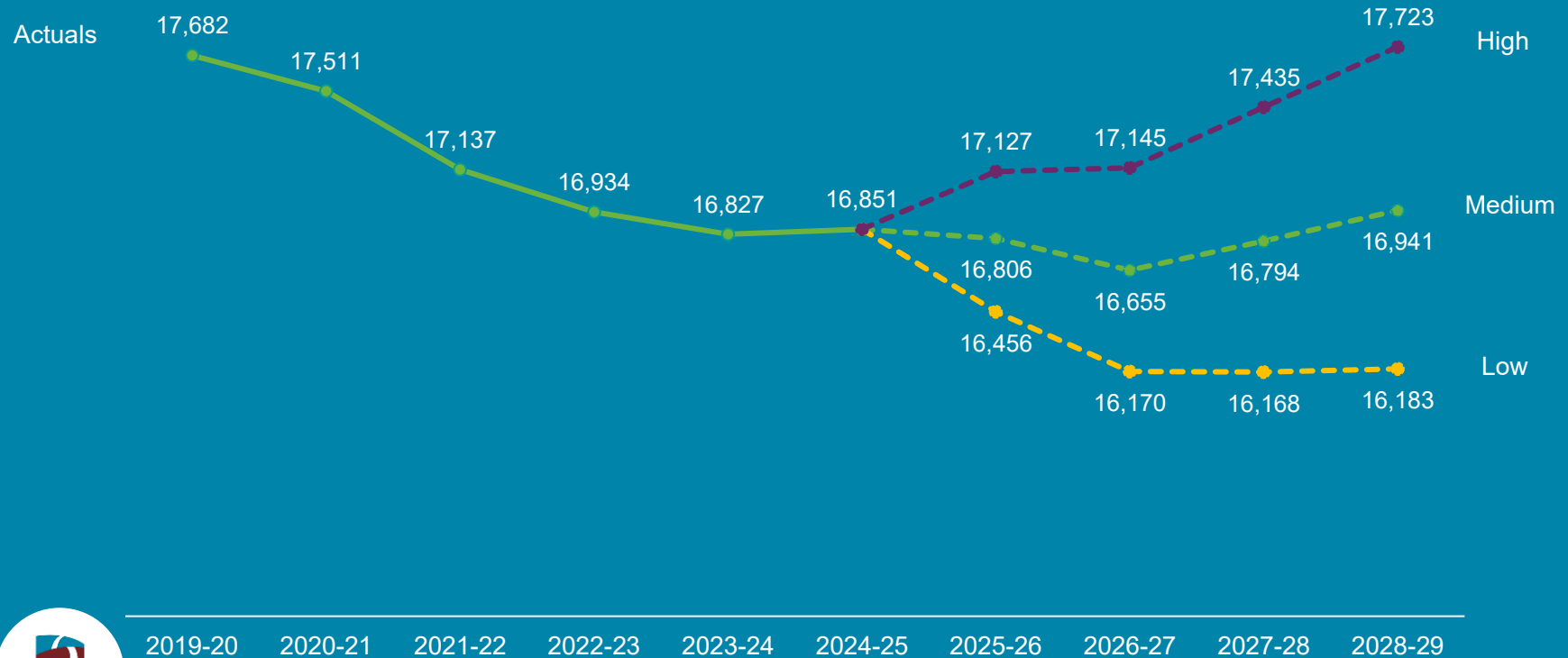
14.7% of our revenue comes from the local levy

7.5% of our revenue comes from federal sources

5.0% of our revenue comes from other sources, such as grants and donations



State Funding Driven by Enrollment

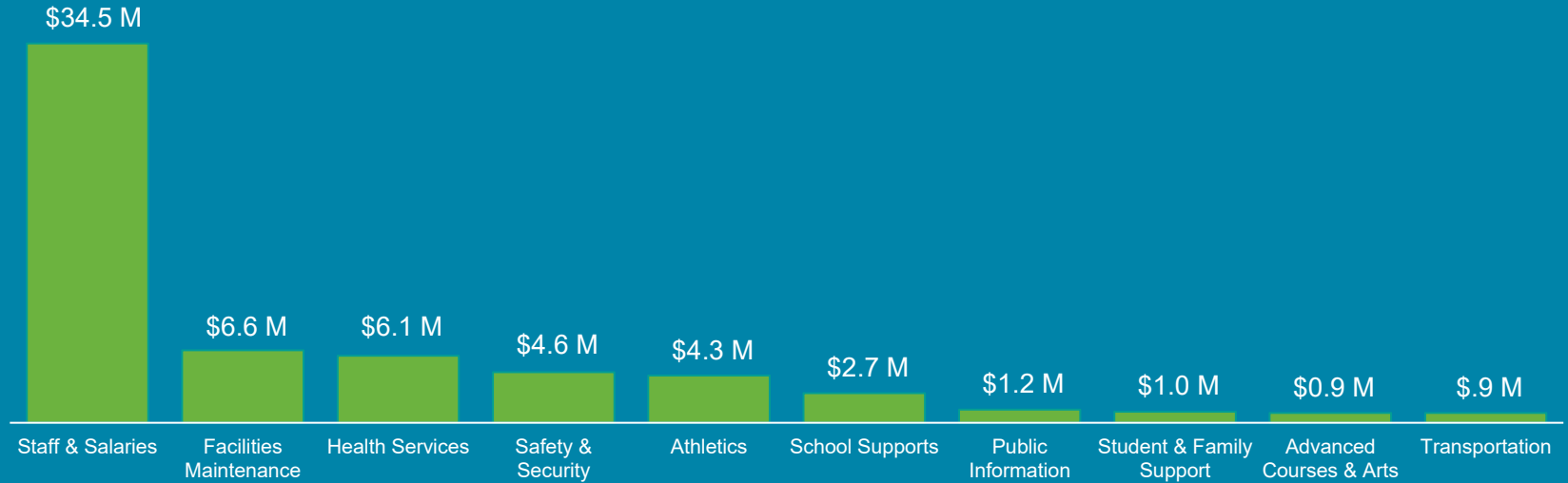


2025-26 State Revenues

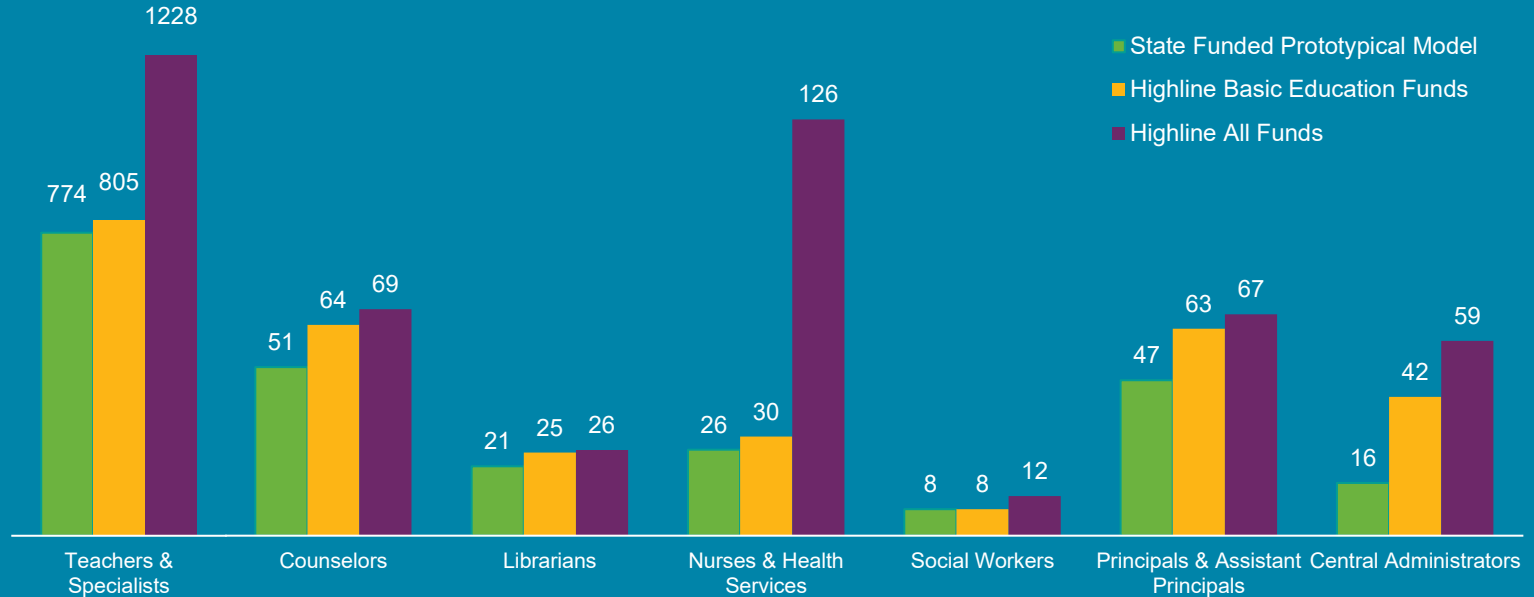
What is Basic Education?



2025-26 Local Revenues

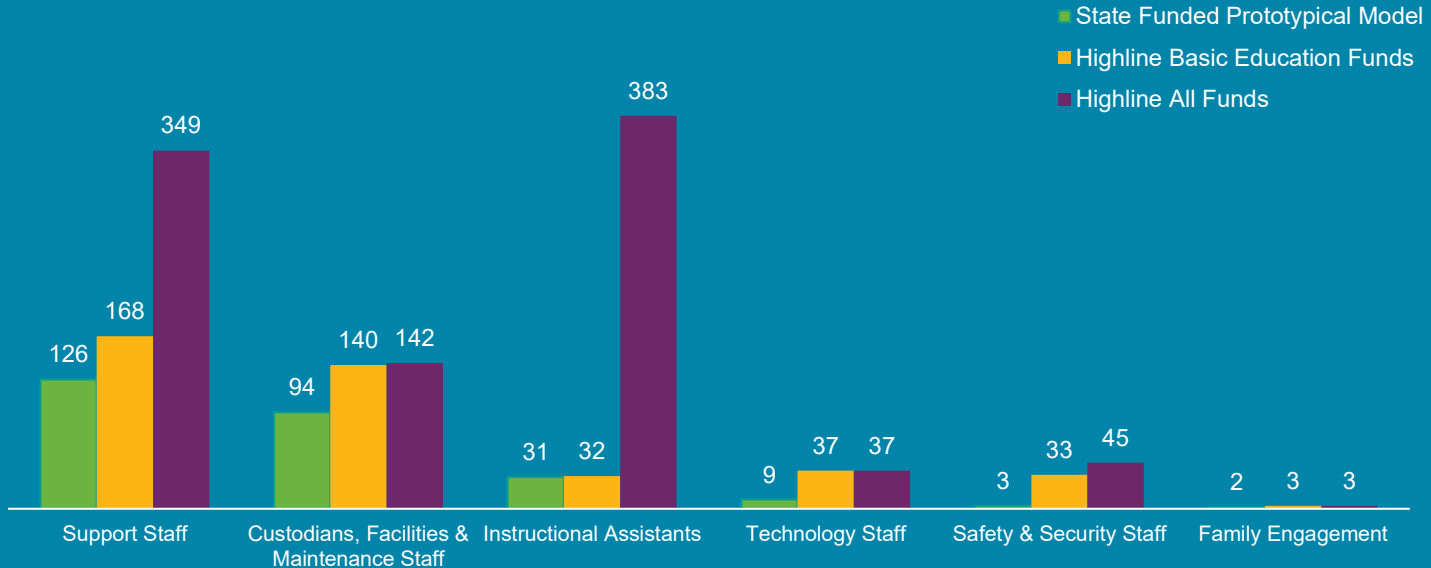


State Prototypical Model Comparison



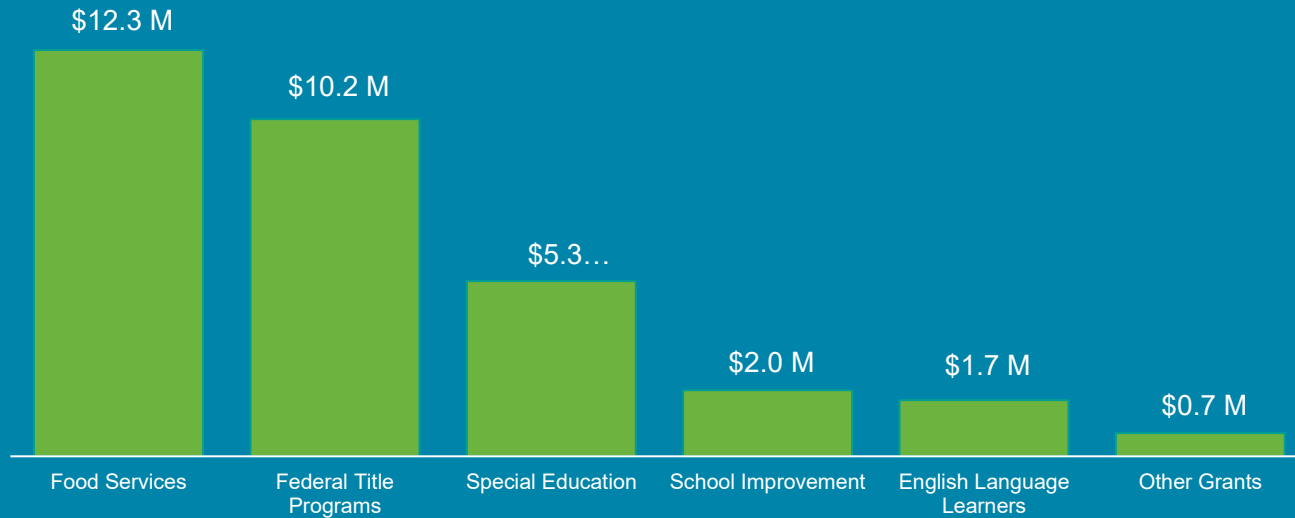
Certificated Staff

State Prototypical Model Comparison



Classified Staff

2025-26 Federal Revenues



*includes carryover from 2024-25

2025-26 Expenditures

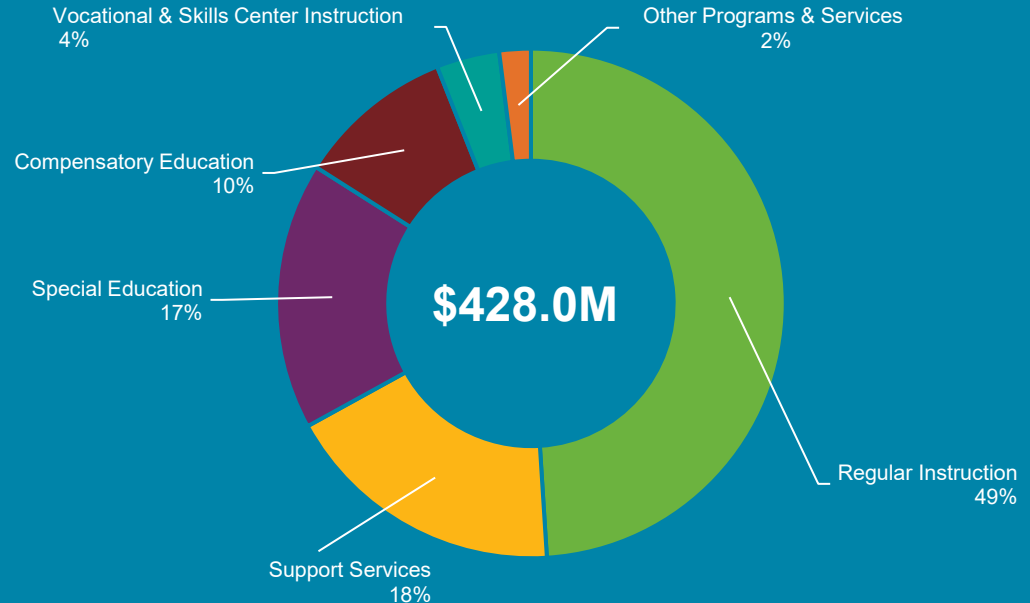


2025-26 Expenditures

79% funds instructional activities

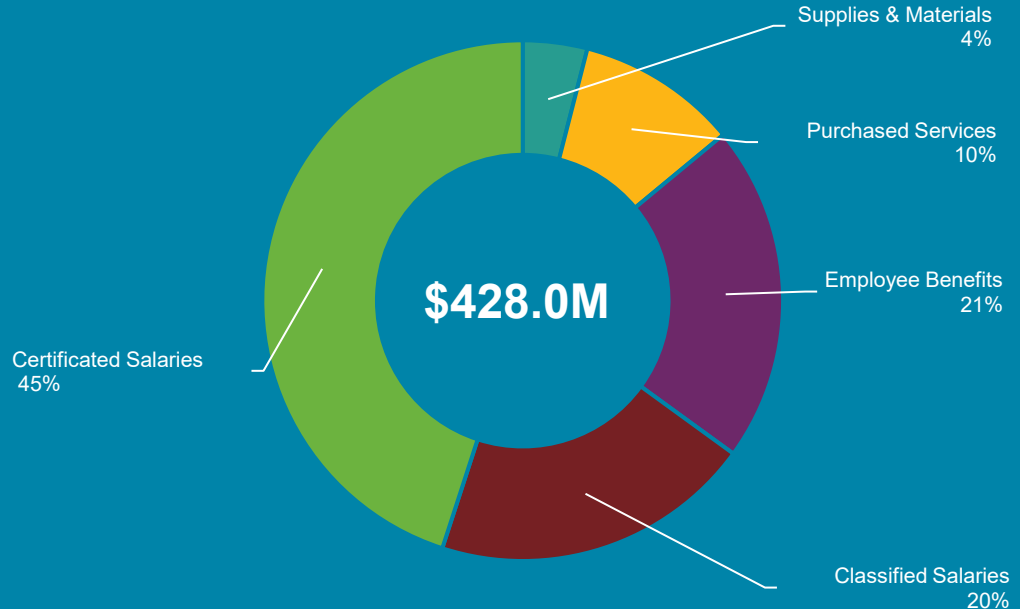
4% funds student nutrition and transportation

17% funds districtwide services such as utilities, facilities, security, technology and central office support



2025-26 Expenditures

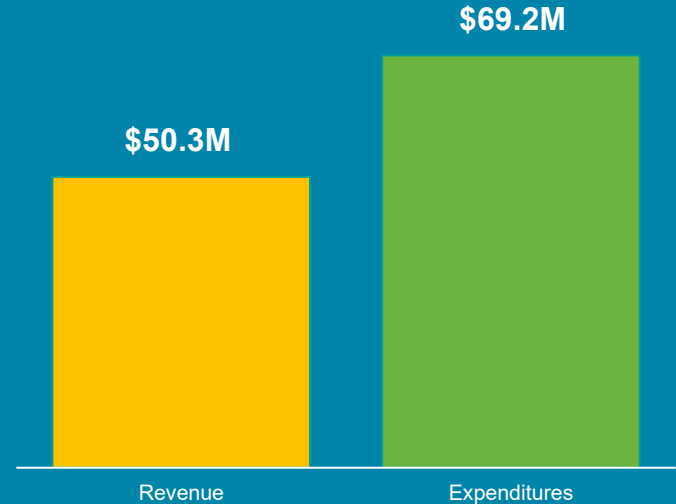
86% funds staff salaries and benefits



2025-26 Special Education

Even with additional state funding, the legislature has not fulfilled their paramount duty to fully fund basic education.

Highline Public Schools is budgeted to be underfunded in Special Education by a minimum of **\$19M**.



2025-26 Special Education

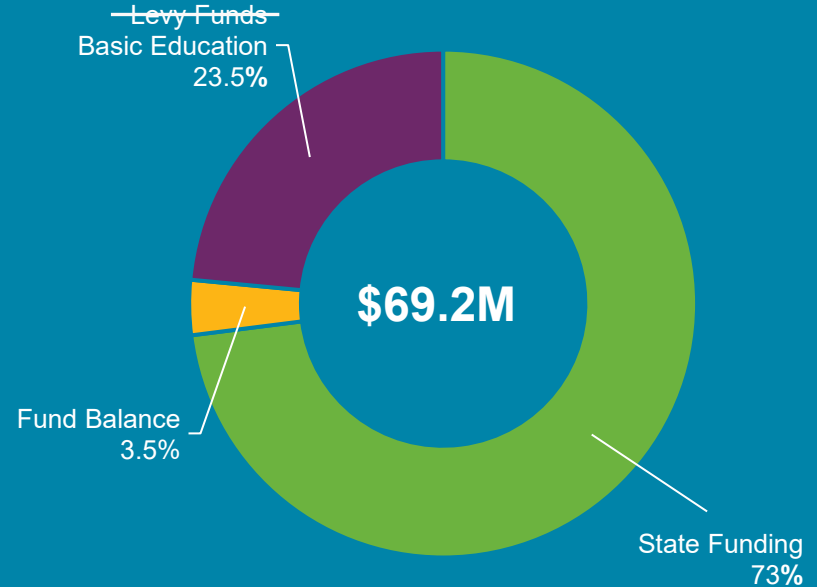
73% of total costs funded from state funding

3.5% of total costs funded from committed fund balance

23.5% of total costs funded from local levy basic education



Levy funds can no longer be used to fund special education. Basic education dollars must be transferred to special education to close the funding gap.

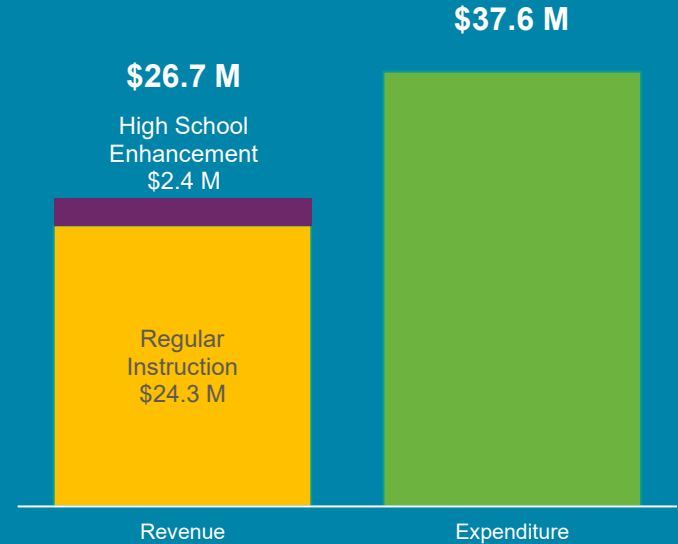


2025-26 Expenditures

Supplies, Materials & Operating Costs

\$10.9M above state funding is going towards supplies, materials and operating cost

5-15% inflationary increase in utilities, insurance and other materials



Four-Year Outlook

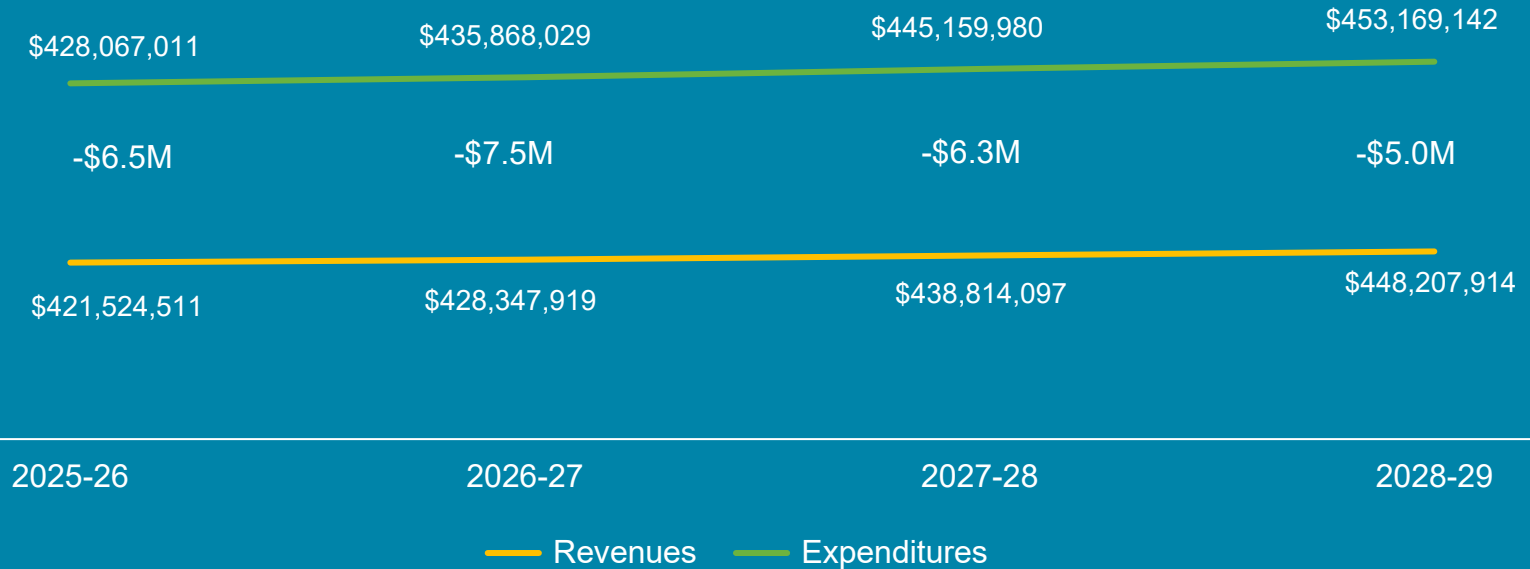


Four-Year Projection Assumptions

- Demographer's medium enrollment projections
- Implicit Price Deflator (IPD) projections from OSPI
- OSPI multi year and levy tools
- No bargaining impact included
- No new legislation included
- No new positions included unless driven by enrollment

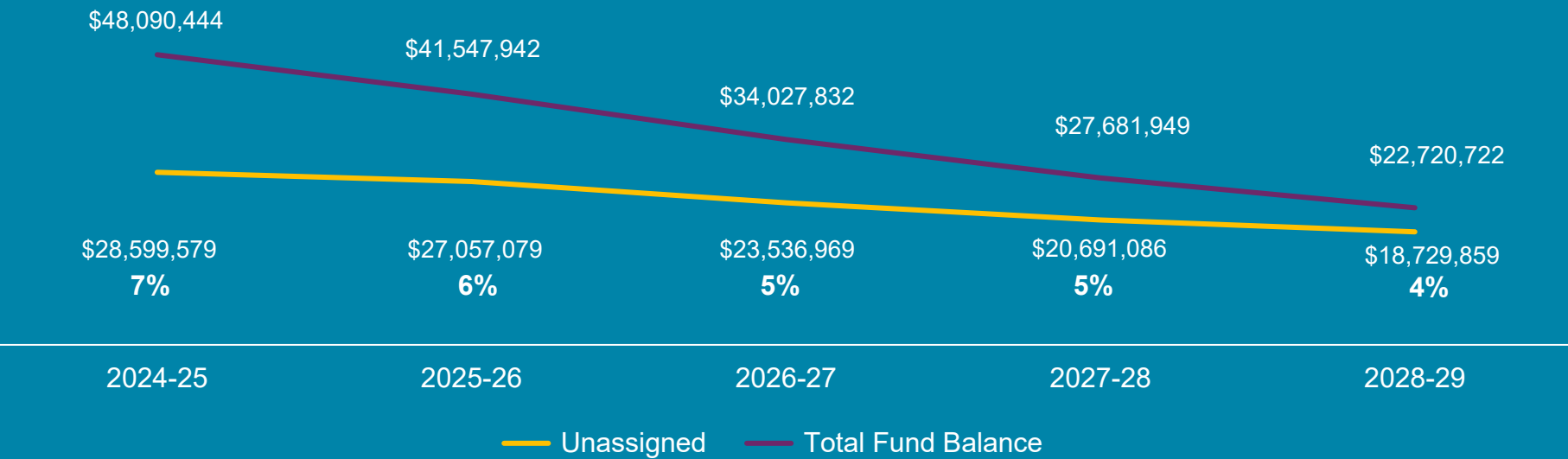
Four-Year Outlook

2025-26 Budget Estimates. Subject To Change.

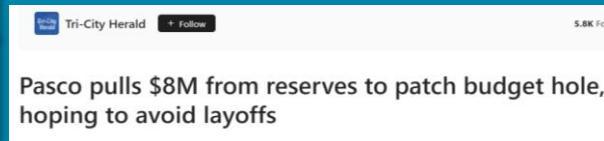
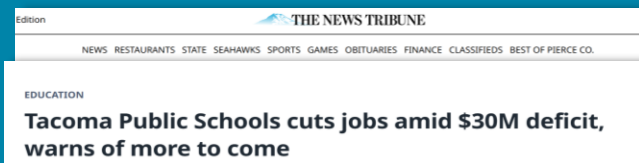


Fund Balance Projections

2025-26 Budget Estimates. Subject To Change.



Regional & Statewide Story



2025-26 Capital Projects Fund



2025-26 Capital Projects Fund

Beginning Fund Balance	\$109,769,767
Revenues	+ \$155,085,568
Expenditures	- \$124,054,416
Ending Fund Balance	\$134,874,103



Evergreen High School

Opening September 2025



**ON TIME
&
ON BUDGET**



Tyee High School

Opening September 2025



ON TIME
&
ON BUDGET



Pacific Middle School

2025-26 Budget – \$62,565,066

Opening September 2027



Transportation Building

Opening September 2025



Safety, Security & Critical Improvements

2025-26 Budget – \$ 3,262,247

Projects include:

- Fire Alarm System Upgrades
- Roof Replacements
- Boiler Replacements
- Carpet & Flooring Replacement
- Tennis Court Improvements
- Stadium Drainage Repairs



2025-26 Transportation Vehicle Fund



2025-26 Transportation Vehicle Fund

Beginning Fund Balance	\$2,947,578
Revenues	+ \$2,800,000
Expenditures	- \$2,700,000
Ending Fund Balance	\$3,047,578



2025-26

Associated Student Body Fund



2025-26 ASB Fund

Beginning Fund Balance	\$1,334,457
Revenues	+ \$1,385,800
Expenditures	- \$1,413,600
Ending Fund Balance	\$1,306,657



ASB Fund



2025-26 Debt Service Fund



2025-26 Debt Services Fund

Beginning Fund Balance	\$26,320,170
Revenues	+ \$71,090,716
Expenditures	- \$71,500,000
Ending Fund Balance	\$25,910,886

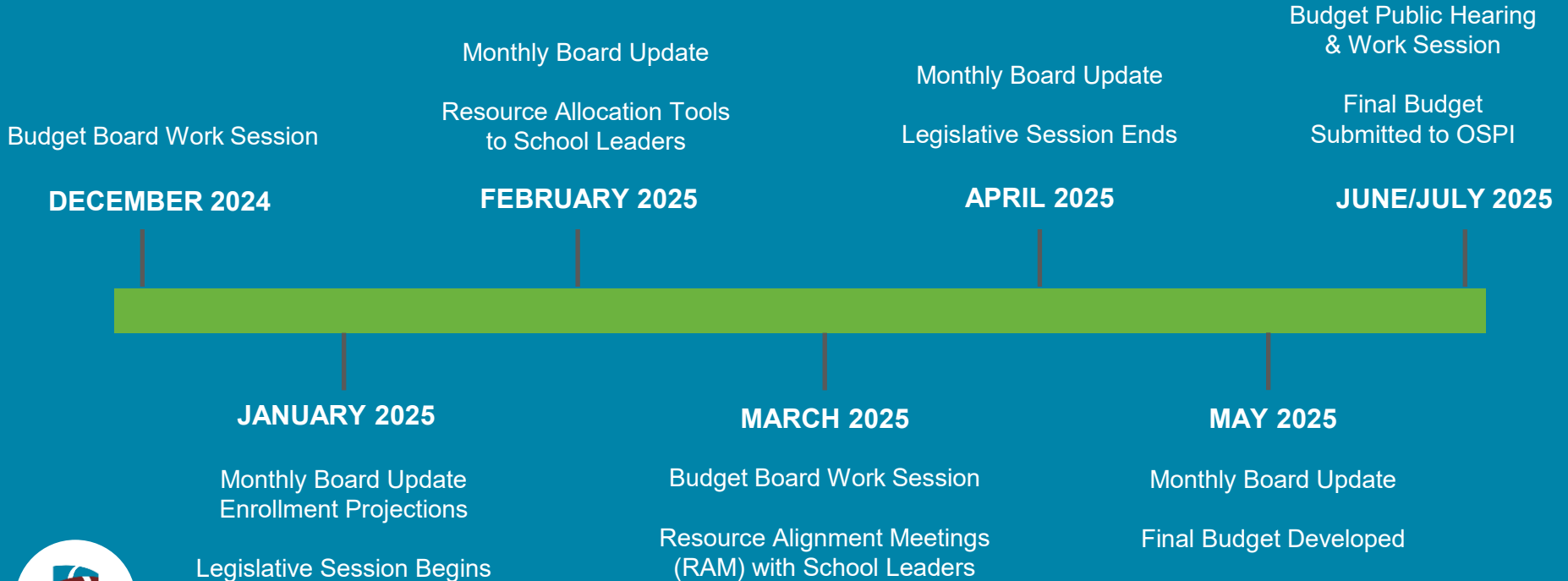


Next Steps



2025-26 Budget Development Timeline

Board & School Leader Engagement



Staff, Student, Family, & Community Engagement

Staff

Superintendent
Advisory Leadership
Team- SALT

Resource Alignment
Meetings

Central Budget
Development Meetings

ThoughtExchange (3)

Students

Student Superintendent
Leadership Team-
SSLT

ThoughtExchange (3)

Associated Student
Budget (ASB) Fund
development

Families

Family Action
Committee- FAC

Capital Facilities
Advisory Committee-
CFAC

ThoughtExchange (3)

Public Hearing

Community

Capital Facilities
Advisory Committee-
CFAC

Capital Oversight
Committee

ThoughtExchange (3)

Public Hearing

January ThoughtExchange

Question: As we plan for the next school year's budget, what are the most important things Highline needs to think about in order to support all students?

- 330 ideas shared
- Nearly 13,000 ratings
- 360 participants
- 69% of participants reported knowing at least a little bit about the budget development process



January ThoughtExchange

Top Priorities Identified:

- **Retain Staff:** Prioritize competitive pay and support for teachers and paraeducators.
- **Class Size:** Keep class sizes small to support inclusion.
- **Special Education:** Ensure staffing and resources for inclusive practices.
- **Mental Health:** Increase support for student mental health and safety.
- **Resources:** Fund staff, meals, and essentials for student success.



March/April ThoughtExchange

Question: How do you believe we can best allocate resources to support our four priorities (secondary redesign, literacy, inclusion and MTSS)

- 265 ideas were shared across four ThoughtExchanges
- Nearly 5,400 ratings
- 332 participants



March/April ThoughtExchange

Top Priorities Identified:

- **Inclusion:** Add staff and training to support inclusive classrooms and behavior needs.
- **Literacy:** Prioritize phonics, writing, small-group support, and access to real books.
- **MTSS:** Strengthen Tier 1–3 supports, schedule interventions, and involve families.
- **High School Redesign:** Ensure relevance and rigor, with school-specific approaches and feedback.



78% of participants reported they know at least a little bit about the development process, up from 69% in January.

June ThoughtExchange

**What questions do
you have about
the proposed
2025-26 budget?**



To Participate:

1. *Scan the QR Code or
go to: tejoin.com*
2. *Enter code:
523-159-282*



Next Steps

- June 12: Budget Work Session
- June 18: Budget Intro
- June 25: Public Hearing
- July 2: Budget Action

2025-26 and Beyond

- Monthly Board budget updates
- Continue student, staff, and community engagement





What questions do you have about Highline's fiscal long-term plan?

Is there any additional information that would be helpful as the Board approves the 2025-26 budget?

Additional Information can be found online:

- Interactive Budget Book
- Printable Budget Book
- F-195/F-195F State Budget Book

highlineschools.org/budget