

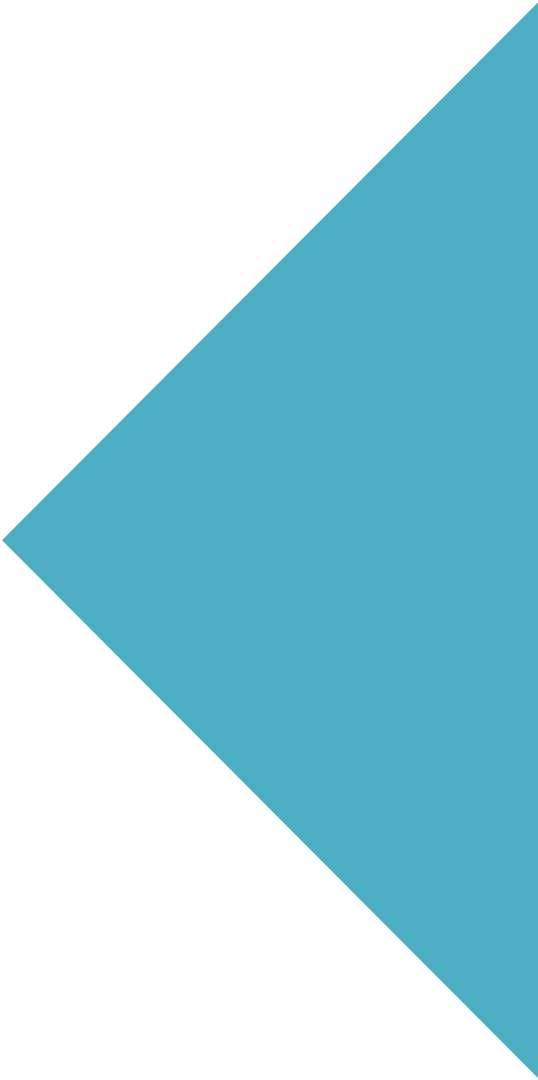
2026 -27 Budget Review

Study Session
February 10, 2026





Agenda

- Budget Updates
 - Legislative Updates
 - Federal Funding Update
 - Future Considerations
- 

Budget Updates



Edmonds School District			
2026-27 Budget Impacts Worksheet		Draft	at 2-10-26
<u>Expenditures</u>		<u>Revenues</u>	
Decreases to Staff due to Enrollment (233 FTE)	\$ (1,500,000)	Increase to Levy Collections	\$ 7,500,000
IPD of 2.7% (with mandatory benefits) - net	\$ 2,700,000	Enrollment change (233 FTE)	\$ (2,700,000)
EEA experience or education increases (1.2%)	\$ 2,600,000	Increase to MSOC apportionment for IPD	\$ 770,000
Additional Insurance Premium	\$ 625,000		
Election Costs (none in 26-27)	\$ (120,000)		
Increase to PFML Premium 1/1/26 (.0092 to .0113)	\$ 100,000		
Additional payroll taxes on PFML per IRS 1/1/27	\$ 75,000		
CCEIS	\$ 700,000		
Est midpoints for closed contracts with benefits	TBD		
Negotiated Contract Increases starting 2026-27	TBD		
Negotiated Contract Increases starting 2025-26	\$ 400,000		
Increase to SEBB FTE	TBD		
Subtotal	\$ 5,580,000	Subtotal	\$ 5,570,000
Increase needed to unassigned fund balance	\$ 223,200		
Budget Balance	\$ (233,200)		

CCEIS Comprehensive Coordinated Early Intervening Services

District will need to set aside \$700,000+ of IDEA funds that are currently being spent on special education activities.

Those activities do not go away, resulting in a new budget need of \$700,000+

Legislative Updates





SSB 5918 - MSOCs

In 2026-27, would provide an additional MSOC (Materials, Supplies and Operating Costs) allocation of \$100 per student FTE

Last year's bill added additional reporting requirements on the use of MSOCs beginning in 2026-27



HB 2257 – Sales Tax

Full or partial sales tax exemption for school districts for staffing, professional development and IT, to amend 5814

SHB 2257, which exempts K-12 from the sales tax on services, passed the House Finance Committee unanimously, and is now headed to Rules 2.



SEBB – HB 2160

School Employees Benefits Board - changes from a 2-year
lookback to a 1-year lookback, adds \$1.4M in costs



HB 2593 – Fund Balance

Minimum and maximum fund balance, reporting requirements, OSPI requirements (HB 2593, regarding fund balances and reporting requirements, passed the House Education Committee on an 11-3 vote and now heads to Appropriations)

Multiple bills/discussions focusing on school district financial solvency



HB 2661 - Public Records

Creates a stakeholder task force to examine PRA abuse and recommend solutions to the legislature that protect open government while reducing unreasonable burdens on public agencies.

2/4/26: HB 2661 was amended and passed unanimously with a striker amendment. The primary difference is that instead of creating a task force, it directs JLARC to study the PRA issues raised in the original bill. In studying these issues, it says JLARC "may" organize a work group and that the work group should include the [original] 8 members and have public meetings.

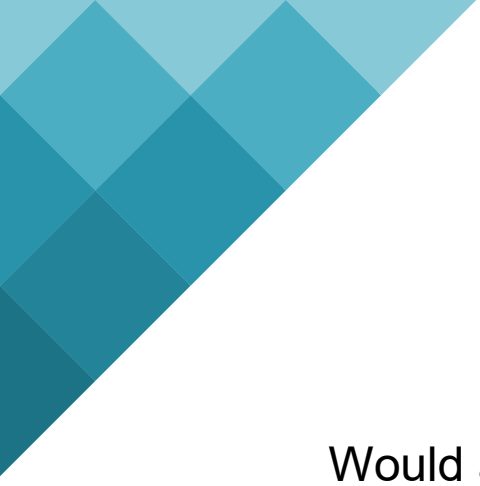


SB 6263 - Updating Bid Limits

Current: Every purchase of furniture, equipment, or supplies, except books, the cost of which is estimated to be in excess of \$40,000 shall be on a competitive basis.

Quotes from \$40,000 to \$75,000 and bids from \$75,000+

Proposed: Quotes from \$75,000 to \$150,000 and bids from \$150,000+



SB 6222 – Surplus Technology Hardware

Would allow districts to sell surplus laptops and other electronic devices at depreciated cost to public school students (currently considered a gift of public funds)



Federal Funding

The final FY26 negotiated bill for Labor, Health and Human Services and Education level funds most K12 education programs - with small increases for Title I and IDEA. **There were no drastic K12 cuts or program eliminations in the final bill. (From WASBO 2/3/26)**

Future Considerations



New middle school and grade reconfiguration

Thank you!
Any Questions?



**Edmonds
School District**