

Budget Development

School Board Study Session
June 23, 2026



**Edmonds
School District**

What is a budget?

-  A plan at a point in time
-  Establishes spending authority
-  Required by Chapter 28A.505 RCW
-  Filed with OSPI using State-prescribed F-195 format
-  Includes estimated revenues, expenditures, and fund balances
-  Includes a 4-year budget projection (F-195F)



Adopted vs. Current Budget

The Adopted Budget



Remains fixed and does not change once established.

The Current Budget

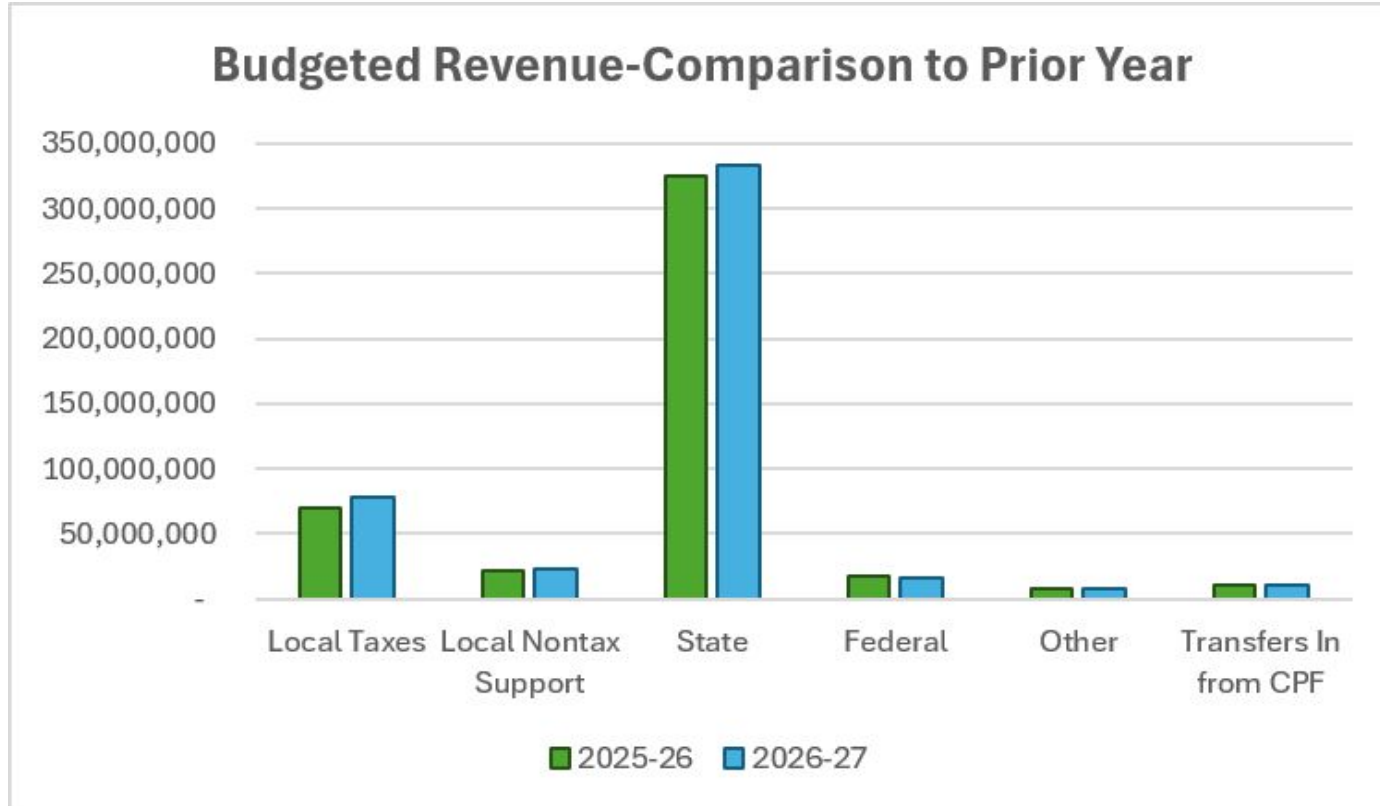


Continually updated throughout the fiscal year as new information is realized.

Subject to the constraint that total expenditures must not exceed the adopted budget for each fund.

Both budget versions are essential tools utilized for financial forecasting.

Budgeted Revenues: \$470,160,000



Expenditure Budgets (Spending Authority)

General Fund

\$470,075,000

Capital Projects Fund

\$331,426,500

Debt Service Fund

\$55,000,000

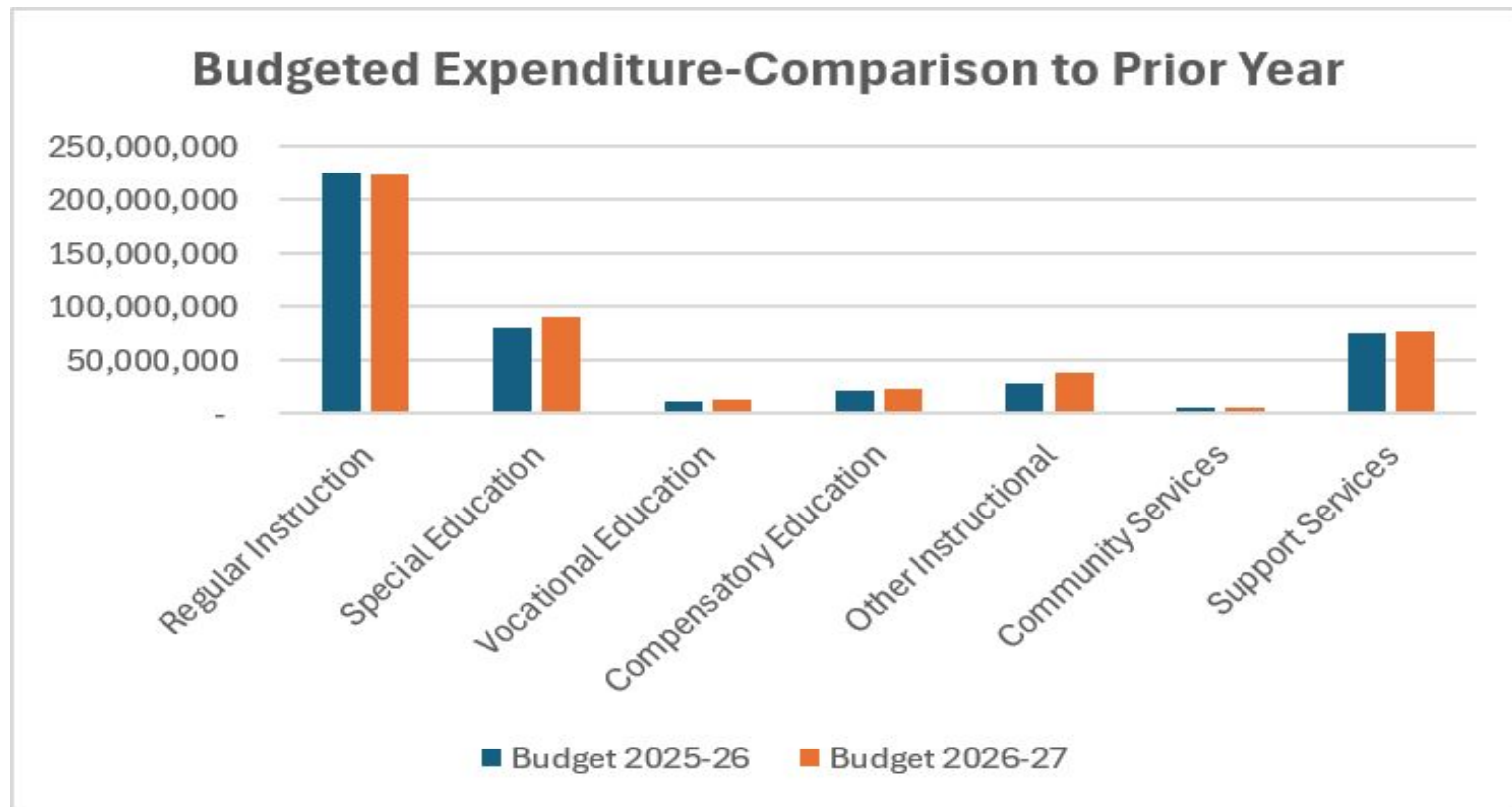
Transportation Vehicle Fund

\$6,000,000

Associated Student Body Fund

\$3,715,000

Budgeted Expenditures: \$470,075,000



Notable Changes from Prior Year

- 2026 Educational Programs and Operations Levy passage continues this source of funding for the next four years
- Increase Student Intervention Coordinator allocation
- Enrollment decline of 233 next year; anticipated to level out in 27-28 and 28-29
- Increase to safety net award revenue budget based on current year grant request
- Increase to special education teachers and paraeducators based on increased need

Notable Changes from Prior Year, Cont.

- Large increase to risk pool premium (districts affected state-wide)
- Oak Heights Elementary students return to their new school; College Place Elementary students move to Woodway (transportation considerations)
- Implicit Price Deflator increase of 2.6%
- New Materials, Supplies and Operating Costs reporting requirements to support legislative reporting needs - waiting on rules
- Increase to planned investment earnings

Grade	Basic Education	ALE (a)	2026-27 Enrollment Budget
K	1,369	15	1,384
1	1,395	12	1,407
2	1,447	22	1,469
3	1,420	27	1,447
4	1,463	40	1,503
5	1,520	34	1,554
6	1,394	43	1,437
7	1,393	73	1,466
8	1,399	76	1,475
9	1,458	85	1,543
10	1,360	109	1,469
11	1,197	140	1,337
12	1,035	129	1,164
Subtotal	17,850	805	18,655
Running Start			680
Open Doors			405
Total			19,740
(a) ALE (Alternative Learning Education) includes Edmonds Heights K-12 and eLearning Academy			



*No change from
1-20-2026 study
session*

Edmonds School District				
Ending Fund Balance - Comparison				
	8/31/2025 - Actual	8/31/2026 - Budget	8/31/2026 - Projected	8/31/2027 - BUDGET
Materials and Supplies Inventory	642,690	800,000	700,000	700,000
Food Services Inventory	57,784	125,000	65,000	65,000
Prepaid Expenditures	1,974,520	1,750,000	1,750,000	1,750,000
Nonspendable	2,674,993	2,675,000	2,515,000	2,515,000
Carryover/Recovery of State Funds	843,362	500,000	950,000	850,000
Carryover - Food Service	2,052,867	2,000,000	3,000,000	3,000,000
Self Insurance Required for L&I	3,551,509	4,165,000	4,165,000	4,000,000
Restricted	6,447,738	6,665,000	8,115,000	7,850,000
Assigned to Department C/O & Contingency	542,280	1,150,000	750,000	750,000
Assigned to School Carryover	961,023	750,000	950,000	950,000
Assigned to Professional Development Carryover	242,258	425,000	450,000	400,000
Assigned to Grant Carryover	654,639	600,000	650,000	650,000
Assigned to Enterprise Activity Carryover	722,512	600,000	700,000	700,000
Assigned to Curriculum Adoption	1,000,000	-	-	-
Assigned	4,122,712	3,525,000	3,500,000	3,450,000
Unassigned Fund Balance	5,809,185	2,008,200	10,200,000	9,117,000
Unassigned to Minimum Fund Balance Policy	16,526,292	17,989,800	17,320,000	18,803,000
Unassigned Fund Balance	22,335,477	19,998,000	27,520,000	27,920,000
Total Fund Balance	35,580,921	32,863,000	41,650,000	41,735,000
Fiscal Year Revenues	423,892,901	452,385,000	439,000,000	470,160,000
Fiscal Year Expenditures	413,157,295	449,745,000	433,000,000	470,075,000
Unassigned Fund Balance as a % of Expenditures	5.41%	4.45%	6.36%	5.94%
Total Fund Balance as a % of Expenditures	8.61%	7.31%	9.62%	8.88%

Materials, Supplies, and Operating Costs (MSOCS) Budget Proviso Language



As part of the budget development, hearing, and review process required under RCW 28A.505, each district must disclose:

- (A) the amount of state funding to be received
- (B) the amount the district proposes to spend for materials, supplies, and operating costs (MSOCS)
- (C) the difference between the two amounts, and
- (D) if the state funding exceeds the proposed expenditures for MSOCS, the proposed use of the difference and how this use will improve student achievement.

MSOC DISCLOSURE 26-27

Combined 1191 (F-203)

Regular Instruction \$27,843,219

Grades 9-12 Additional \$ 1,113,171

Total \$28,956,390

Object	Program 01- Basic Ed	Program 02-ALE	Program 03- Dropout Reengagement	Program 97- Districtwide Support	Total
5 (Supplies)	\$3,394,662	\$ 72,575	\$ 59,771	\$ 2,041,123	\$ 5,568,131
7 (Purchased Services)	\$7,358,921	\$262,306	\$ 3,766,672	\$ 16,777,457	\$28,165,356
8 (Travel)	\$ 17,621	\$ -	\$ -	\$ 9,393	\$ 27,014
9 (Capital Outlay)	\$ 6,800	\$ -	\$ -	\$ 25,485	\$ 32,285
					<u>\$33,792,786</u>
				Difference:	<u>\$ (4,836,396)</u>

Difference exceeds MSOC allocation; no further reporting required

ESSB 5998 - Section 504(8)(a)(ii) and 504(8)(d)(ii) pages 441 and 442:

Of the amounts allocated in (a)(i) of this subsection, \$35.27 per student FTE for the 2025-26 school year and \$37.76 per student FTE for the 2026-27 school year are provided solely for implementation of ESSB 5192 (school district materials).

Of the amounts allocated in (d)(i) of this subsection, \$4.69 per student FTE for the 2025-26 school year and \$5.03 per student FTE for the 2026-27 school year are provided solely for implementation of ESSB 5192 (school district materials).

In the 2026-2027 school year, an additional allocation per AAFTE is generated by the apportionment formula.

As part of budget development, the **Edmonds School District** certifies the increased allocation is being used to address growing materials, supplies, and operating costs.

Secretary to the Board (or designee)

Date Signed

Associated Student Body Fund

Total Expenditure Authority: \$3,715,000

Student Participation

Budgets require student involvement and are submitted to the Business Office by each school.

Business Office Role

Compiles data and ensures it meets all required criteria for the ASB fund.

District Governance

The District acts as the banker, providing capacity for planned student activities.

Capital Projects Fund

Total Expenditure Authority: \$331,426,500

Modernization Projects

- Oak Heights
- College Place Campus
- Westgate
- Salish Middle School

Renewal Projects

Focuses on critical maintenance including:

Roofs, gutters, boilers, HVAC systems, windows, LED lighting, intercoms, accessibility, and fields/turf.



Transportation Vehicle Fund (TVF)

Total Expenditure Authority: \$6.0M

Electric Bus Grant

Applied for a grant to fund **two electric buses** from the Dept. of Ecology.

\$1.1M

Large Bus Fleet

Seeking to replace **10 large buses**.

\$1.8M

Small Bus Fleet

Need to replace **20** of the **smallest buses** in the next few years.

\$2.8M

** Actual 26-27 expenditures will depend on availability of buses*

Debt Service Fund

Total Expenditure Authority: \$55M

2026 Bond Issuance

Unlimited General Obligation and Refunding Bonds expected to close in **September 2026**.

Future Authorization

Balance of **\$194M** in authorization from the 2024 bond election available for future sale.

Outstanding Bonds

If 2015/2016 bonds are refunded, outstanding bonds will be comprised of **2024 and 2026** series.

2021 Obligation

The 2021 limited general obligation bond will be **paid off** this fiscal year.

Future Budget Considerations

Volatility in insurance and utilities markets

**Move to 6th-8th middle schools in 28-29
and boundary changes**

Opening of Salish Middle School in 28-29

State economy and school funding

- Implicit Price Deflator currently estimated at 2.2%-2.7%

