Finance Committee

November 5, 2026

Dr. Tim Reller
Mrs. Sonymar Deibis

Purpose & Norms

Purpose

- Discuss major financial issues and educate constituents on public school finances

Norms

- Be respectful of everyone's time and input

Agenda

5:30-5:35 Purpose, Norms, Introductions

5:35-5:45 FY26 Budget

5:45-6:00 FY27 Budget

6:00-6:15 Insurance Updates

6:15-6:30 Questions and Comments

Member Introductions

Name:

Comment? Purpose? Expectations?

Fund Accounting

Fund # and Name	2026 Levy	Fund Description	
1 - General Fund	**$2.2356**	Non-certified staff salary & benefits, support services, supplies, general district operations	Students/ Teachers
2 - Teachers Fund	**$0.9416**	Certified staff salary & benefits, contracted education services	
3 - Debt Service Fund	**$0.9304**	Principal and interest on bonded debt	Facilities/ Equipment
4 - Capital Projects Fund	**$0.4283**	Construction, capital improvements, equipment, lease purchase payments	

FY26 Operating Budget

- July 1, 2025 Beginning Balance - $76,922,092
  - Fund Balance as a Percentage of Expenses - 29.08%
- Revenue - $282,288,416
- Expenses - ($271,214,893)
- Transfers - ($10,039,388)
- June 30, 2026 Ending Balance - $77,956,227
  - Fund Balance as a Percentage of Expenses - 28.72%

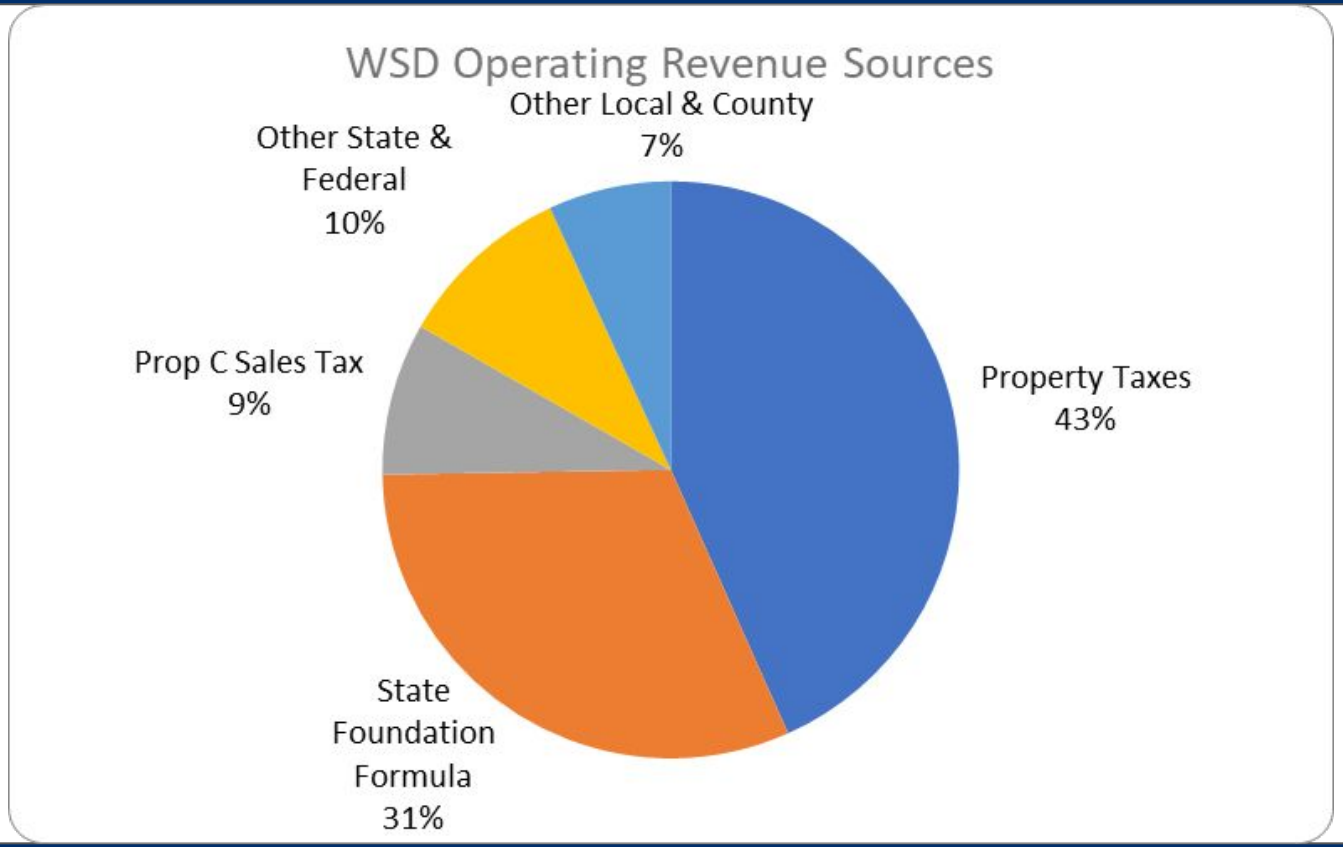
FY26 Capital Budget

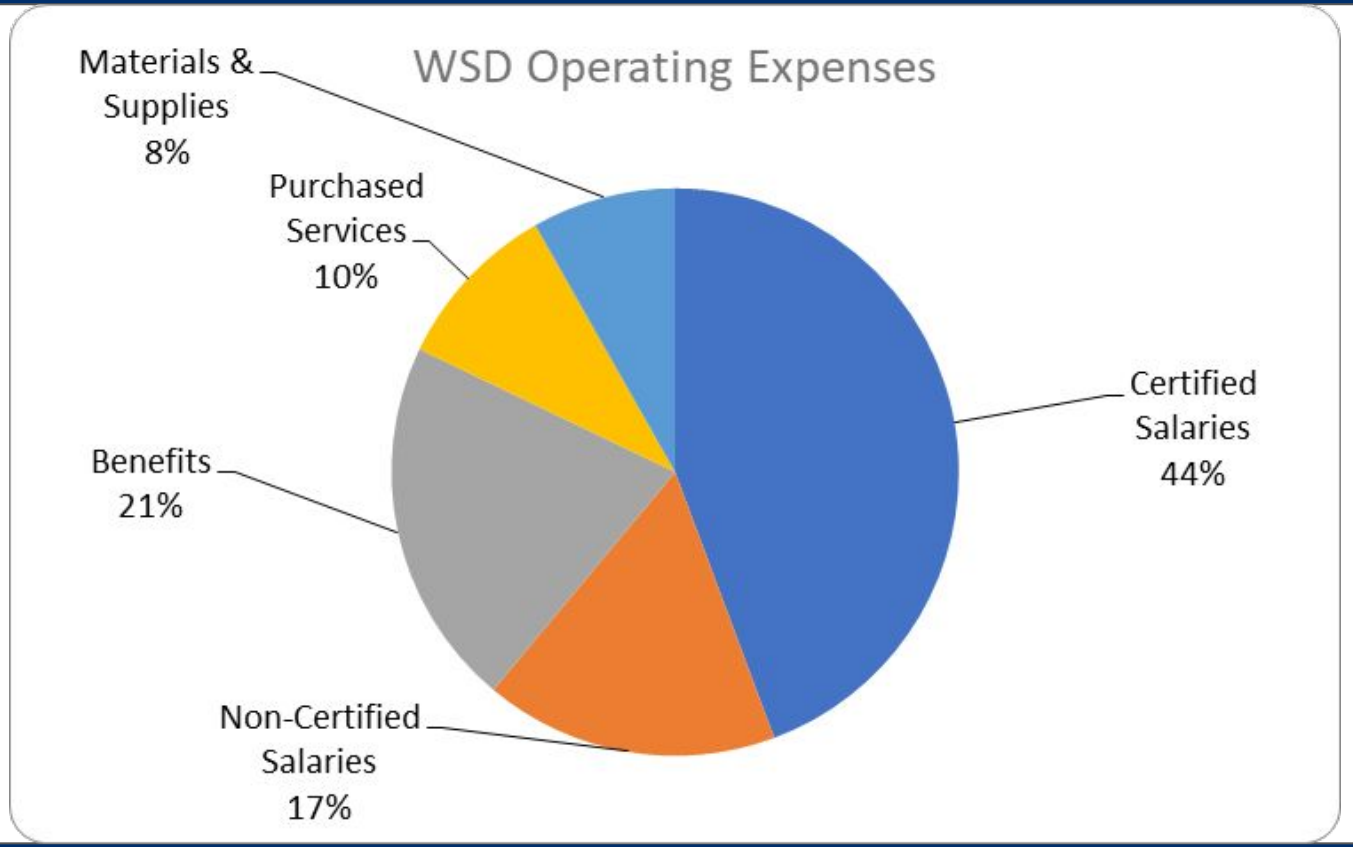
- July 1, 2025 Beginning Balance - $63,951,520
- Revenue - $20,808,898
- Expenses - ($43,182,568)
- Transfers - $10,039,388
- June 30, 2026 Ending Balance - $51,617,237
- Funded projects - REACH/Samuelson Center, Admin Center Renovation, Timberland HVAC Upgrade, Frontier Roof Replacement, Holt Weight Room & Auditorium upgrade

FY27 Operating Budget

- **Fund 1 (General) & Fund 2 (Teachers)**

Beginning Balance 7/1/26	**$77,956,227**
Revenues	**$284,380,320**
Expenses	**$284,376,985**
Surplus	**$3,335**
Budgeted Balance 6/30/27	**$77,959,562**


WSD Operating Revenue Sources
Other Local & County
7%
Other State &
Federal
10%
Prop C Sales Tax
9%
Property Taxes
43%
State
Foundation
Formula
31%


WSD Operating Expenses
Materials & Supplies 8%
Purchased Services 10%
Certified Salaries 44%
Benefits 21%
Non-Certified Salaries 17%

Shortfall in State Funding

Due to shortfalls in appropriations by the state legislature, the State Adequacy Target (SAT) has been reduced from the calculated amount which results in a loss of revenue for WSD.

Year	Calculated SAT	Projected Actual SAT	WSD Revenue Loss
2025-26	$7,145	$6,958	$3,369,160
2026-27	$7,145	$6,830	$5,726,650
2027-28	$7,145	$6,727	$7,636,956
Combined Total			$16,732,766

Executive Order - 25-14 State Foundation Formula Task Force

- Executive Order issued by Gov. Kehoe creating a task force to study Foundation Formula and make recommendations to modernize the formula
- Recommendations due Dec. 1, 2026
- Formula simulations were supposed to be released at the Task Force Meeting on 10/19, but the meeting was cancelled
- Changes to Foundation Formula are likely to negatively impact WSD

FY27 Capital Budget

- **Fund 4 (Capital Projects)**

Beginning Balance 7/1/26	**$51,617,237**
Revenues	**$17,919,826**
Expenses	**$28,782,177**
Surplus	**($10,862,351)**
Budgeted Balance 6/30/27	**$40,754,886**

Insurance Updates

- WSD became self-insured for medical and dental claims as of 10-1-24
- WSD deposits premiums into an account that is used for paying all claims
- Anthem administers the plan for the district
- Most large employers use this model
- All plan benefits remained the same
- 3% rate increase 2024-25, 5% rate increase 2025-26, 3% rate increase 2026-27

Plan Year Update

- 2024-25 - 94.4% loss ratio
- 2025-26 - 93.2% loss ratio
- Rx is 37.7% of gross claims
- Claims over $100k represent 9% of total claims
- Stop loss coverage for claims over $600k per plan year
- On-site Clinic
  - Renovations underway at Heritage Kindergarten
  - Projected opening March 2027

Prop O Update

- Currently in design phase for renovations
- Bids will be issued in the spring 2027
- Work will begin in the summer 2027
- Bonds will be sold in spring 2027

Questions or Comments