



2020-2021 Budget Work Session

JUNE 10, 2020



Budget Information: www.spokaneschools.org/page/2190

- Review Budget Planning Standards and Priorities
- Budget forum debrief
- Targeted reductions
- Budget communication activities timeline

School Board Planning Standards

- Focus financial resources on programs that directly support the District Strategic Plan and student achievement, with an emphasis on maximizing instructional time with certificated staff and:
 - Preparing students to successfully complete some form of post-secondary experience: military careers, technical or trade programs, 2-year or 4-year degree (T-2-4)
 - Ensuring and supporting equitable offerings for students of all academic abilities at all grade levels
 - Maintaining a strong K-3 foundation (e.g. all-day kindergarten and lower-class size)
 - Increasing, where possible, new resources toward teaching and direct classroom activities consistent with School Board Resolution 2013-26
- Maintain a safe learning and working environment for students and staff
- Sustain staff, parent and community support
- Maintain the District's:
 - Financial integrity
 - Investments in human capital, facilities, technology and other physical assets
 - Commitment toward market sensitive employee compensation
- Retain an essential level of support services for District operations
- Assure revenue generating programs break even (e.g. Nutrition Services, Express, Camps, etc.)
- Budget decisions should be:
 - Student focused ▪ equitable ▪ practical ▪ sustainable (on-going revenue supports on-going expenditures) ▪ timely ▪ cost effective ▪ commensurate with adjustments in student enrollment ▪ evaluated on an ongoing basis, based on these standards

- The guiding Principles for 2020-2021 Budget Development are to:
 - Protect basic needs for educating the whole child
 - Provide equitable distribution of resources that recognize the diverse needs of students
 - Maintain essential support services
 - Meet legal compliance and educational standards
- The School Board's Adopted Budget Priorities:
 - Focus on restoring contract workload provisions to support students in basic and special education programs
 - Provide for lower class sizes and staff-to-student ratios for K-3 students, while seeing some increase in combination classrooms and staff to student ratios in grades 4-12; prioritize equitable staffing
 - Provide educational programs and services within available resources
 - Authorize the use of unrestricted fund balance below the target range in 2020-2021 and designate unplanned savings to restore fund balance to a minimum of five percent (5.0%) over the next five years

- High participation (55-80 participants)
 - Clarifying questions
 - Mix of staff and community members
 - No feedback that would change budget assumptions
- Thought Exchange
 - Questions for consideration
 - Feedback will be incorporated into the final budget prior to adoption

Budget Planning – Use of Fund Balance (CAU)

	(In Millions)			
	2020-2021	2021-2022	2022-2023	2023-2024
Current EP & O Authorized Levy (Feb 2018)	\$ 36.6	\$ 18.0	\$ -	\$ -
Estimate of EP & O Replacement Levy (Feb 2021)	-	34.7	68.7	73.9
LEA Estimate	13.4	11.9	12.3	12.7
Apportionment	272.5	274.2	275.8	277.5
Other Revenue	135.3	136.2	137.0	137.7
Total Revenue	457.8	475.0	493.8	501.8
Maintenance Level Expenditures	471.6	482.8	490.4	499.2
Targeted Budget Reductions	(2.0)	(3.0)	(3.0)	(3.0)
Program Restoration	-	8.3	8.7	9.0
Opening of New Middle Schools	-	-	4.0	6.0
Total Expenditures	469.6	488.1	500.1	511.2
Net Operations	\$ (11.8)	\$ (13.1)	\$ (6.3)	\$ (9.4)
Beginning CAU	26.2	14.4	1.3	(5.0)
Ending CAU	14.4	1.3	(5.0)	(14.4)
Adjusted Fund Balance % (CAU)	3.15%	0.28%	(1.09)%	(3.15)%

Discussion of Targeted Reductions

Category	Sum of Estimated Cost
Building location budget allocation (\$10 per student reduction to student-based allocation)	\$ 250,000
Capital Equipment	100,000
Central administration reorganization, staffing adjustment and temporary assignments	1,200,000
Contracted services and administrative costs	200,000
Curriculum and assessment	290,000
Custodial support	(300,000)
Extracurricular and extended learning	629,715
Option programming	60,000
Professional development	120,000
Travel	50,000
Grand Total	\$ 2,599,715

Preliminary Estimate of CARES and FEMA Allowable Expenditures

Description of Preliminary Safe Start Costs (To be refined based on re-opening plans)	Estimated Cost 19-20 (In Millions)	Estimated Cost 20-21 (In Millions)	Estimated Total Cost (In Millions)
Technology – student computers, cases, charging cords, headphones, software for computer tracking/remote management, content filter, summer staffing and additional staffing for help desk	\$ 4.2	\$ -	\$ 4.2
Additional online instructional support software	1.0	-	1.0
Additional Custodial support (use substitutes to complete additional cleaning tasks)	-	1.4	1.4
Increased net cost of transportation (additional routes or less revenue)	-	5.0	5.0
Personal protective equipment (PPE) – masks, gloves (dependent upon requirements)	0.2	0.2	0.4
Hand sanitizer, cleaning supplies	0.1	0.1	0.2
Social distancing measures– plexiglass, floor marking for distancing, etc.	0.2	-	0.2
Other – to be determined as reopening plan is developed	TBD	TBD	TBD
Preliminary Total	\$ 5.7	\$ 6.7	\$ 12.4
CARES funding available			(9.2)
Estimated FEMA reimbursement			(0.6)
Costs in excess of funding			\$2.6

Budget Communication Activities Timeline

June

- Thought Exchange with community and staff
- Presentations at community group board meetings
- Superintendent's recommended budget – June 24

July

- Draft budget posted for public – July 10

August

- Community forums – early August

Ongoing

- Internal communications with staff
- Communications with SEA
- Media engagement