



2020-2021 School Year Budget Planning

JUNE 23, 2021



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

- Budget Principles and Priorities
- 4 Year forecast
 - Revenue assumptions
 - Expenditure assumptions
 - ESSER spending plan
 - Fund balance
 - OSPI required reporting assumptions
- Next steps

Budget Planning Principles

- Protect basic needs for educating the whole child
- Provide equitable distribution of resources that recognize the diverse needs of students
- Implement academic programming focused on closing the opportunity gap
- Maintain essential support services
- Meet legal compliance and educational standards
- Support the implementation and sustainability of the district's strategic plan

2021- 2022 Budget Planning Priorities

- Utilize strategies that support learning recovery and intervention supports for students impacted by the pandemic
- Restore contract workload provisions to support student learning and district operations
- Provide anti-racism and social emotional learning programs and services as well as integrate trauma informed practices within available resources
- Ensure that resources are allocated to support the district's equity resolution
- Restore elementary school day model and library programming
- Budget for committed, assigned and unassigned fund balance to meet the minimum fund balance of 5% of expenditures as specified in Policy 6022.

4 Year Forecast Revenue Assumptions

- IPD applied to State funding for salaries & materials, supplies and other costs (MSOCs)
 - 2021-2022: 2.0%
 - 2022-2023: 1.6%
 - 2023-2024: 1.7%
 - 2024-2025: 1.9%
- 1.0% reduction of regionalization annually through fiscal year 2022-2023
- Local Effort Assistance (LEA)
 - Held at current formula allocation
- Levy
 - Calendar year 2022: \$65,700,000
 - Calendar year 2023: \$73,800,000
 - Calendar year 2024: \$82,100,000
 - Calendar year 2025: \$82,100,000
- Enrollment return to pre-COVID levels
- Federal assistance – CARES, ESSER and FEMA

General Fund Revenue Summary

(\$ In Millions)

	2020-21	2021-22	2022-23	2023-24	2024-25
	Adopted	Preliminary	Preliminary	Preliminary	Preliminary
Local Tax (Levy)	\$ 36.5	\$ 52.6	\$ 70.0	\$ 78.2	\$ 82.1
Local Effort Assistance (LEA)	13.4	9.1	6.1	3.1	2.2
State General Purpose	272.6	273.3	275.9	280.8	286.4
State Special Purpose	83.3	87.1	87.2	88.2	89.3
Federal Grants	48.9	41.3	41.0	39.2	34.7
ESSER	-	38.1	31.4	26.6	22.2
Other Revenue	15.7	15.5	15.5	15.5	15.7
Total Revenue	\$ 470.4	\$ 517.0	\$ 527.1	\$ 531.6	\$ 532.6

4 Year Forecast Expenditure Assumptions

- Staffing and class sizes budgeted at:
 - K-3 average class size of 18.3
 - 4-6 average class size of 22.1
 - 7-12 average class size of 25.2
- IPD applied to subsequent budget years at:
 - 2021-2022: 2.0% for salaries and MSOCs
 - 2022-2023: 1.6% for salaries
 - 2023-2024: 1.7% for salaries
 - 2024-2025: 1.9% for salaries
- Steps per salary schedule
- ESSER expenditure plan
- Operating costs for new middle schools
 - Northwest: \$2.0 million annually beginning in 2022-2023
 - Northeast: \$2.0 million annually beginning in 2022-2023
 - South: \$2.0 million annually beginning in 2023-2024

General Fund Expenditure Summary

(\$ In Millions)

	2020-21	2021-22	2022-23	2023-24	2024-25
	Adopted Budget	Preliminary Budget	Preliminary Forecast	Preliminary Forecast	Preliminary Forecast
Teaching – Classroom instruction and paraeducators, extracurricular activities	59.9%	61.4%	61.6%	62.2%	63.2%
Teaching Support – Counselors, libraries, nurses, curriculum, curriculum development, instructional professional development, student safety, etc.	13.4%	14.2%	13.4%	12.4%	11.0%
Total Teaching Activities	73.3%	75.6%	75.0%	74.6%	74.2%
Other Support Activities – Food service operations, pupil transportation, insurance, information systems, printing, facilities maintenance & operations, utilities, warehouse and Express childcare	16.3%	14.5%	14.4%	14.4%	14.6%
Building Administration – Principal’s office: duties assigned to the principal, assistant or vice principal, and secretarial/clerical assistants, to coordinate and manage the operation of school building	6.0%	5.4%	6.2%	6.6%	6.7%
Central Administration – Supervision of instruction, food service, facilities, and transportation; Board of Directors, superintendent’s office, governmental relations, business office, human resources, community relations, legal and audit fees, election costs	4.4%	4.5%	4.4%	4.4%	4.5%
Total Expenditures	100.0%	100.0%	100.0%	100.0%	100.0%

General Fund Preliminary 4 Year Forecast

	(\$ In Millions)			
	2021-2022	2022-2023	2023-2024	2024-2025
	Preliminary	Forecast	Forecast	Forecast
Local Tax (Levy)	\$ 52.6	\$ 70.0	\$ 78.2	\$ 82.1
Local Effort Assistance (LEA)	9.1	6.1	3.1	2.2
State General Purpose	273.3	275.9	280.8	286.4
State Special Purpose	87.1	87.2	88.2	89.3
Federal Grants	41.3	41	39.2	34.7
ESSER	38.1	31.4	26.6	22.2
Other Revenue	15.5	15.5	15.5	15.7
Total Revenue	517.0	527.1	531.6	532.6
Expenditures	490.4	511.8	525.7	534.3
ESSER	37.2	30.7	26.0	21.7
Total Expenditures	527.6	542.5	551.7	556.0
Net Operations as % of Expenditures	-2.01%	-2.84%	-3.64%	-4.21%

ESSER Plan for the 2021-2022 Budget

Concept	FY22
Staffing - class size	\$ 15.9
Staffing - equity	6.0
Staffing - student support	0.6
Spokane Virtual Academy	2.0
Summer programs	0.2
School support	1.5
PPE, equipment and other COVID response	1.7
Student technology	3.5
Curriculum	1.2
Professional development	2.5
Grant contingency	2.1
Total	\$ 37.2

4 Year Fund Balance Projections

(\$ In Millions)

Description	2019-2020	2021-2022	2022-2023	2023-2024	2024-2025
	Projected May-21	Preliminary Budget	Preliminary Forecast	Preliminary Forecast	Preliminary Forecast
Beginning Fund Balance, September 1	\$ 57.6	\$ 49.5	\$ 38.9	\$ 23.5	\$ 3.4
Revenue	439.2	517.0	527.1	531.6	532.6
Expenditures	447.3	527.6	542.5	551.7	556.0
Net Operations	(8.1)	(10.6)	(15.4)	(20.1)	(23.4)
Ending Fund Balance, August 31	49.5	38.9	23.5	3.4	(20.0)
Less: Restricted balances	(14.5)	(14.2)	(13.9)	(13.6)	(13.3)
Unrestricted Fund Balance Subject to Policy 6022 (CAU)	\$ 35.0	\$ 24.7	\$ 9.6	\$ (10.2)	\$ (33.3)
CAU as a percent of Expenditures *	8.10%	5.71%	2.22%	-2.36%	-7.70%

* CAU as a percent of August 31, 2020 expenditures

4 Year Fund Balance Projections – OSPI required assumptions



(\$ In Millions)

Description	2019-2020	2021-2022	2022-2023	2023-2024	2024-2025
	Projected May-21	Preliminary Budget	Preliminary Forecast	Preliminary Forecast	Preliminary Forecast
Beginning Fund Balance, September 1	\$ 57.6	\$ 49.5	\$ 38.9	\$ 23.5	\$ 3.4
Revenue	439.2	517.0	527.1	531.6	489.4
Expenditures	447.3	527.6	542.5	551.7	556.0
Net Operations	(8.1)	(10.6)	(15.4)	(20.1)	(66.6)
Ending Fund Balance, August 31	49.5	38.9	23.5	3.4	(63.2)
Less: Restricted balances	(14.5)	(14.2)	(13.9)	(13.6)	(13.3)
Unrestricted Fund Balance Subject to Policy 6022(CAU)	\$ 35.0	\$ 24.7	\$ 9.6	\$ (10.2)	\$ (76.5)
CAU as a percent of Expenditures *	8.10%	5.71%	2.22%	-2.36%	-17.70%

* CAU as a percent of August 31, 2020 expenditures

Preliminary Budgets for Other Funds

(\$ In Millions)

Description	Actual	Adopted Budget	Preliminary Budget
	2019-2020	2020-2021	2021-2022
Associated Student Body	\$ 1.2	\$ 2.6	\$ 2.4
Debt Service	56.0	59.0	69.0
Capital Projects	73.6	195.0	157.1
Transportation Vehicle	-0-	-0-	-0-

- **Preliminary Budget**

- Supports on-going school operations
- Allocates resources in alignment with budget priorities
- Establishes the initial 4-year budget outlook and the need for multi-year budget planning

- **2021-2022 Budget Presentation, Public Hearing and Budget Adoption**

- School Board Meeting, August 25, 2021