

**Hockinson School District
2017-2018
Budget Hearing**

June 26, 2017



Overview

- ▶ 2017–2019 State Budget
- ▶ Budget Process
- ▶ Enrollment
- ▶ Staffing
- ▶ General Fund Revenue, Expenditure and Fund Balance
- ▶ Capital Projects, ASB and Debt Service Funds
- ▶ Budget Timeline and Resources



2017–2019 State Budget

- ▶ Regular session was 1 / 9 – 4 / 23
- ▶ Currently in Special Session #3 (6 / 23)
- ▶ Final deadline is 6 / 30 to Governor
- ▶ School Districts must still have a public budget hearing and adopt budget on time



2017–2019 State Budget

CAUTION!

Budget has been built with assumptions that may or may not happen.

Another budget hearing may need to take place and a revised budget presented.



2017–2018 State Budget

Proposed budgets from both House & Senate:

Maintenance, Supplies & Operating Costs
(MSOC) funding increase 1.7%

K–3 lower average class size (including specialist that
serve K–3 students) change to 17:1

Retirement benefit increases about 2%



2017–2018 State Budget

Salaries – very different approach

Senate: Repeal temporary 1.8% 15–17 COLA

Give a 2.3% COLA

New base salary at 35,884 (0.52% increase)

Staff mix factor continues

House: No staff max factor

Certificated 35,700 to 59,184

Administrator 65,591 to 79,802

Classified 33,412 to 40,061



2017–2018 State Budget

Policy updates:

Paraeducators – new minimum employment standards

Truancy changes – timing of school conference, etc.

PE Assessment – review of PE programs and reporting

School Safety Drills – revised list

School Nurses – Only a qualified nurse may evaluate the practice of nursing

On Time Graduation – facilitate for at risk students

Foster Student Success – graduation support

AP Exam Credit– granting credits by higher ed.

Responsible Bidder – no L&I wage violations, attestation

Sunscreen – may bring to school

Digital Citizenship – policy

Public Records – best practices – technology, service charge, request for all records not valid

Levy Cliff Delay – sub fund established, reporting details



Developing the Budget

- ▶ Year round process
 - Assessing program needs
 - Strategic Plan
- ▶ Enrollments and staffing needs
- ▶ Analyze changes to State, local and federal funding levels



17-18 Enrollment Budget

- ▶ K-12 1,850 FTE
- ▶ SPED 165 FTE
- ▶ Career & Tech HS 50 FTE
- ▶ Career & Tech MS 10 FTE
- ▶ Running Start 75 FTE



Position changes budgeted for 17-18

- ▶ ES added 4 teachers (1 art)
- ▶ ES increased 2 hrs. duty aid per day
- ▶ MS added .2 French & .6 classroom
- ▶ MS added Librarian
- ▶ SPED increased speech team .2
- ▶ SPED added 1 para educator at ES

- ▶ Most new position posting being held until we know more on funding.



Staffing units for Basic Ed and District Wide (not SPED) 17-18

Staff FTE	Budgeted	Funded	Unfunded
CIS - Teachers/Specialist	107.3	100.1	7.2
CLS - Classified	46.6	32.2	14.4
CAS - Principals & Superintendents	6.75	7.35	(0.6)



Revenue Changes for 17–18

- ▶ Levy collection increased \$678,122 (28% LID)
 - 2018 Levy rollback is \$156,391
- ▶ Local effort assistance increased \$34,904
- ▶ Apportionment increased \$1,366,000 from current funding
 - Benefits, staffing units, MSOC's
 - Increase funding for K–3



Revenue

Basic Education

61.5% Basic Education \$14.3M (Apportionment)

- Driven by Student enrollments
- Certificated Staff Salary Mix factor
- LEA (Local Effort Assistance) \$620K
- Includes SPED

(16-17 59.7%)



Revenue

Federal and Local Receipts

- ▶ 3.4 % Federal Funding \$791,215

- Title 1 Improving Basic Programs
- Title 2 Teacher Principal Training
- Federal Lunch & Breakfast Program
- Special Education

- ▶ 3.7 % Local Receipts \$861,200

- Community Education
- Activity & Sports Fees
- Food Service local receipts

(16-17 3.6% Federal and 4.0% Local Receipts)



Revenue

State Special Purpose

▶ 12.6% Special Purpose \$2.9M

- Special Education \$1.2M
- Transportation \$920K
- Learning Assistance Program (LAP) \$181K

(16-17 14.1 %)



Revenue Levy collections

▶ 18.8% Funding \$4.7M

- Certified Staff 7.2 FTE
- Classified Staff 14.4 FTE (about 24 positions)
- Supplemental pay & enhancement
- Professional development
- Curriculum
- Extracurricular – Sports & Activities
(ASB pays for transportation & officials)
- Special Education and SPED Transportation
- Some MSOC's (16–17 18.6%)



Expenditure Changes for 17–18

- ▶ No change to building budget allocations
- ▶ Curriculum \$200,000
- ▶ Assessment – STAR PD decreased \$18,500
- ▶ Utilities, insurance, maintenance bump up \$70,200
- ▶ Transportation Co-op funding delay \$40,000
- ▶ Audit and elections expenses \$27,500



Expenditure Changes for 17-18

- ▶ Increased ESD contract \$8,000 Prevention & Treatment
- ▶ Capital
 - HS Video production/drama \$36,000
 - ES Large kitchen dishwasher replaced \$10,800
 - HS fix track and restripe 18,640
 - HS Weight room equipment replaced – 15,000
 - iPads – replace 300 \$95,000
 - MS Roofing at old gym – \$43,000



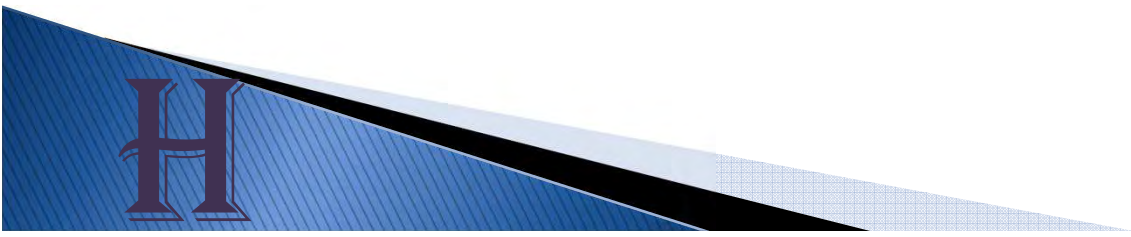
Expenditure Changes for 17-18

- ▶ Certificated – 6.3 additional TRI days added for certificated and moved on on salary scale for experience
- ▶ Classified – moved on salary scale for experience
- ▶ Non represented salaries – follows represented
- ▶ Special Education – additional staffing & high needs students. (Net increase in expenditure of \$119,000 for total unfunded amount of \$669,744)



Disclosure Required 2017-2018

MSOC Basic Ed and Lab Science	
Total MSOC Allocation	\$2,327,712
Total Budgeted MSOC Expenditures (Non categorical)	\$2,929,257
Difference - Expenditures > Allocation	\$601,545



General Fund Balance

Beginning Fund Balance	\$ 2,200,000
Revenue	\$ 23,198,955
Expenditures / Transfer out	\$23,198,130
Ending Fund Balance	\$ 2,200,825



General Fund Balance Categories (rounded) based on \$22,000,000 in expenditures

Minimum Fund Balance per Policy	\$1,100,000	5.0%
Assigned to Other Purpose per Policy	\$660,000	3.0%
Assigned / Restricted	\$440,825	2.0%
Total	\$2,200,825	10.0%



Capital Projects Fund – Impact Fees

- ▶ Beginning balance – \$1,250,000
- ▶ Revenue – \$500,000
- ▶ Expenditures – Capacity for funding for 4 portables at ES \$500,000
- ▶ Ending balance – \$1,250,000



Capital Projects Fund – Bond Projects

- ▶ Beginning balance – \$2,000,000
- ▶ Revenue – \$7,500,000 State construction funding assistance
- ▶ Expenditures – New Middle School \$9,500,000
- ▶ Ending balance – \$0



17-18 Capital Projects Fund

Beginning Fund Balance	\$ 3,250,000
Revenue*	\$ 8,500,000
Expenditures*	\$ 10,500,000
Ending Fund Balance	\$ 1,250,000

*Includes \$500,000 contingency.



Debt Service Fund

- ▶ Bond principal and interest payment
for New Middle School

\$2,959,000

- ▶ Bond principal and interest payment
for Elementary School Chiller

\$26,752



17-18 Debt Service Fund

Beginning Fund Balance	\$ 1,000,000	
Revenue / Transfer In	\$ 3,029,412	
Expenditures*	\$ 2,990,752	
Ending Fund Balance	\$ 1,038,660	

*Includes \$5,000 Administrative Expense



Associated Student Body Fund

- ▶ Governed by Student Body with support from an Advisor
- ▶ Revenue
 - \$72,908 Middle School
 - \$262,100 High School
- ▶ Expenditures
 - \$68,408 Middle School
 - \$262,080 High School



17-18 ASB Fund

Beginning Fund Balance	\$ 104,945	
Revenue	\$ 335,008	
Expenditures	\$ 330,488	
Ending Fund Balance	\$ 109,465	



Budget Timeline and Resources

- ▶ Board directs Superintendent to make necessary changes.
- ▶ Budget adoption at Board Meeting July 10, 2017
- ▶ Preliminary F195 Budget document on file at District Office.
- ▶ Questions?

Please contact Sandra Yager or Michelle Scott

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