

2022-2023 Budget

BUDGET HEARING

August 9, 2022

Wenatchee School District

A Budget is a Value Statement

OUR VALUES

*Excellence in Learning
Equity
Accountability*

Thriving Environment

Welcoming spaces where all individuals flourish, are seen and valued, feel safe, and know they belong.

Priority Action Steps

- Supporting the social and emotional well being of people with healthy and supportive spaces
- Develop facilities and operations that reinforce equitable learning and opportunities
- Hiring staff that reflects our student body

OUR PROMISE

We promise to build a foundation of diversity, equity, and inclusion from which each student emerges future-ready.

OUR 'BIG 6' FUTURE-READY OUTCOMES

1. *Experience High-quality Instruction*
2. *Belong and are Connected*
3. *Read on Grade Level*
4. *Ready for Algebra*
5. *On-track for Graduation*
6. *Involved in Real-world, Relevant Learning*

Opportunities

Equitable access to high-quality academic, extracurricular, and real-world experiences.

Priority Action Steps

- Building the skills and knowledge of our staff in Diversity, Equity, and Inclusion (DEI) and Math & Literacy
- Eliminating systemic barriers and obstacles for each student

OUR PRIORITIES

Partnerships

Relationships between students, staff, families, schools, and community that enhance student well-being and success.

Priority Action Steps

- Staff teaming/collaboration
- Engaging students, parents, and community
- Fiscally responsible stewardship

District Funds



General Fund Accounts for all the financial resources except those required to be accounted for another fund

Associated Student Body Fund For non-curricular Cultural, Athletic, Recreational, or Social (CARS) benefit to students

Debt Service Fund For the accumulation of resources for, and the payment of, general long-term debt principal and interest related to the redemption of outstanding bonds and notes, as well as other long-term liabilities

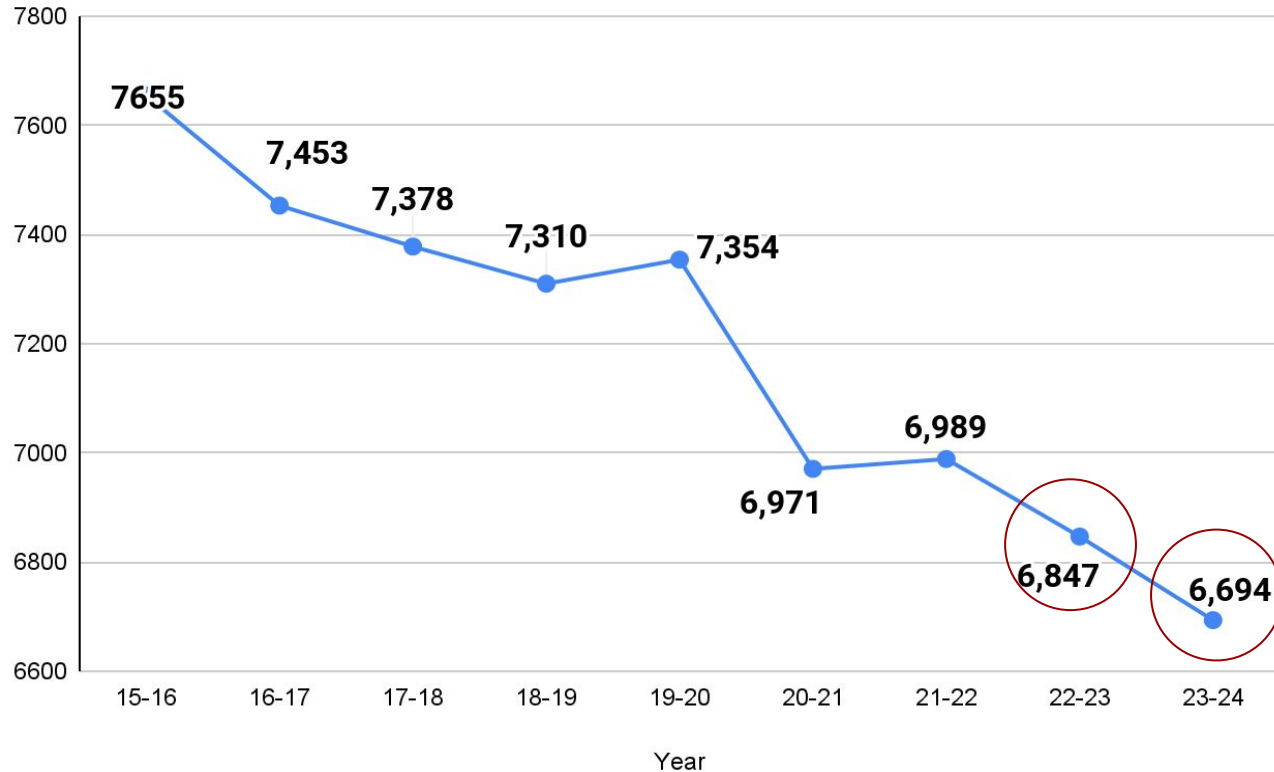
Capital Projects Fund For the financial resources to be used for the acquisition or construction of major capital facilities

Transportation Vehicle Fund For the purchase and major repair of pupil transportation equipment (buses)

Enrollment



Enrollment History



2016-17: Alcoa Closure

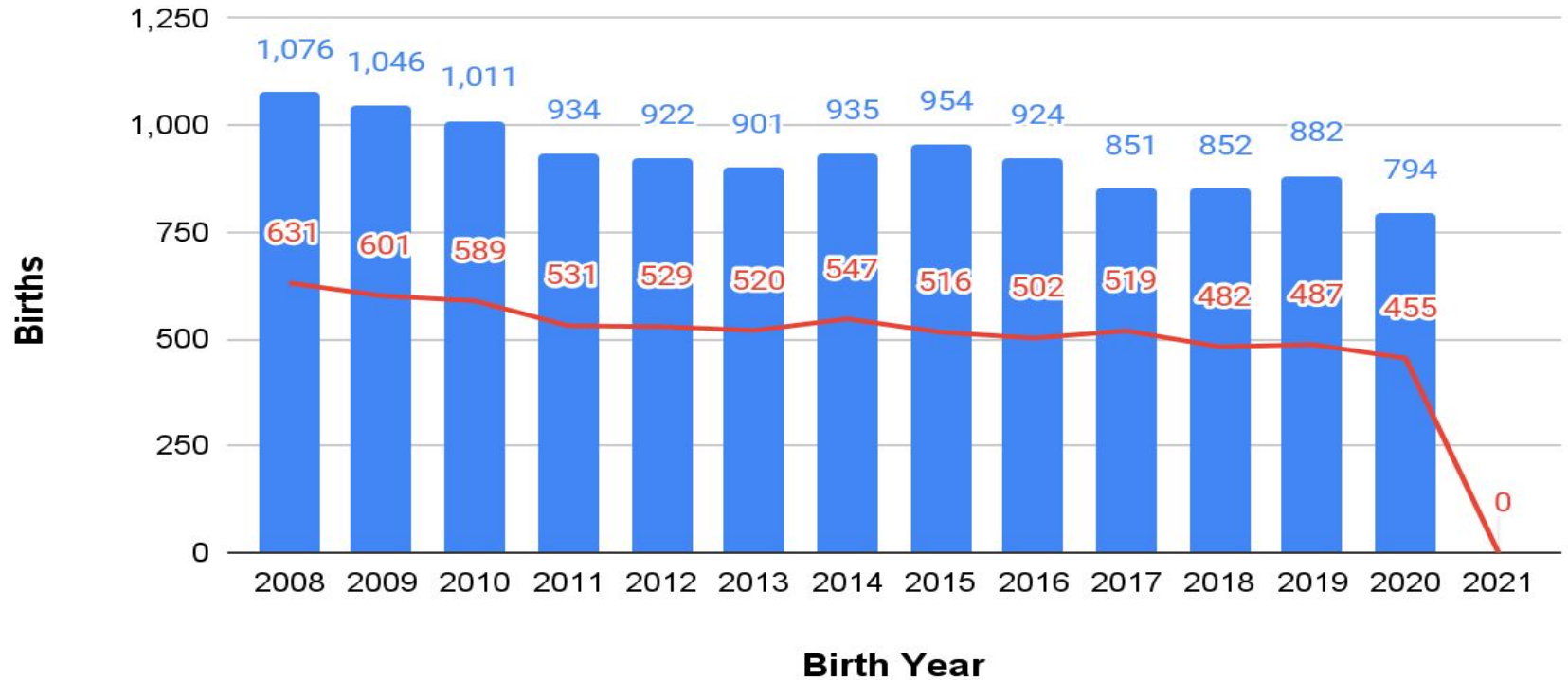
2020-21: Remote Learning -> Hybrid Learning AND “new” Wenatchee Internet Academy

2021-22: Pinnacles Prep Opening

22-23 and 23-24 Enrollment Projections are shown as well

Birth Rates

County & City Birth Rates



Projected Enrollment

As mentioned before, our birth rates were declining and have since leveled off.

Our graduating class sizes are larger than our new year incoming Kindergarten classes. This gap is to be 50-100 over the next 4 years.

Pinnacles Prep continues to add grade levels and we are projecting the WSD impact to be 40 students per year decreased enrollment.

	11/1/2021	K-12 Enrollment			
	21-22	22-23	23-24	24-25	25-26
K	498	521	502	493	475
1	465	487	479	460	451
2	490	464	487	479	460
3	501	491	464	487	479
4	555	497	491	464	487
5	572	553	497	491	464
Elem	3,080	3,013	2,920	2,874	2,815
6	551	533	513	457	451
7	542	546	528	508	452
8	588	543	541	512	493
M.S.	1,681	1,622	1,581	1,477	1,396
9	563	587	548	546	517
10	613	567	593	554	551
11	523	520	510	504	495
12	530	538	542	522	514
HS	2,228	2,212	2,193	2,126	2,077
Total K-12	6,989	6,847	6,694	6,476	6,289
Difference		-142.15	-152.61	-218.01	-187.84
		-2.03%	-2.23%	-3.26%	-2.90%
Running Start	259	250	245	245	245
Open Doors	44	45	45	45	45
W/ ALE	7,292	7,142	6,984	6,766	6,579
		-149.87	-157.61	-218.01	-187.84
		-2.06%	-2.21%	-3.12%	-2.78%

Revenues

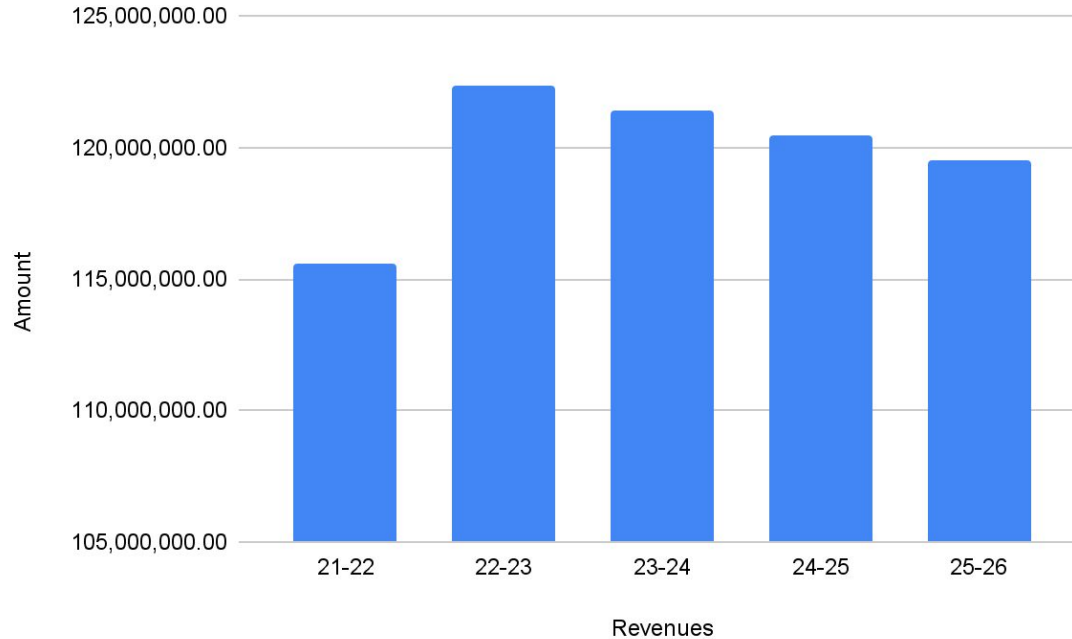


Revenues by Source

Revenue Category	2022-23 Budget	
1000 Local Taxes	12,186,999.00	8.76%
2000 Local Nontax	1,526,300.00	1.10%
3000 State, General Purpose	72,874,731.00	52.37%
4000 State, Special Purpose	23,405,372.00	16.82%
5000 Federal, General Purpose	300,000.00	0.22%
6000 Federal, Special Purpose	28,743,116.00	20.66%
7000 Revenues from Other Districts	115,000.00	0.08%
8000 Revenues from Other Agencies	2,000.00	0.00%
9000 Other Financing Sources	0.00	0.00%
Total Revenues	139,153,518.00	100.00%

Includes \$16.8 Million in COVID Funds in Category 6000

Budgeted Revenues By Year



COVID Funds Removed

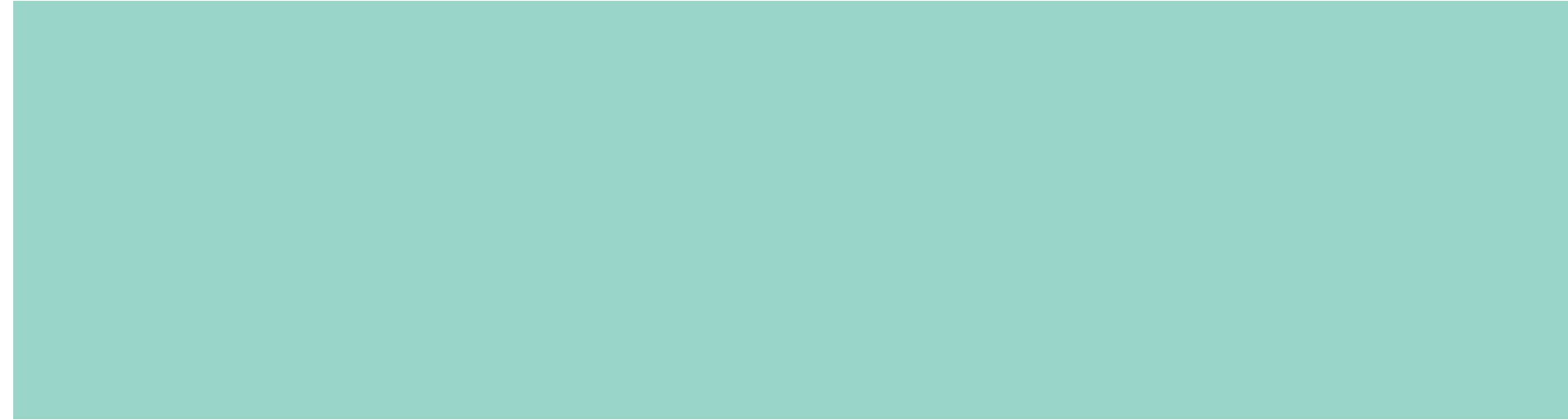
Levy & Levy Equalization Funds

The maximum amount of levy funds we can collect in any given year is the TOTAL that our tax payers approved on the ballot.

Levy Equalization Funds provided by the state are affected by our total enrollment AND our taxable assessed value.

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Enrollment	UP	DOWN	FLAT	FLAT
Assessed Values	FLAT	FLAT	UP	DOWN
LEA \$	UP	DOWN	DOWN	UP

Expenses



Budgeted Expenses By Program

Expense Category	2022-23 Budget		2023-24 Budget		2024-25 Budget		2025-26 Budget	
00 Regular Instruction	62,461,887.00	44.15%	60,215,948.00	47.94%	59,459,189.00	47.68%	57,874,190.00	47.10%
10 Federal Stimulus	5,244,722.00	3.71%	652,400.00	0.52%	0.00	0.00%	0.00	0.00%
20 Special Ed Instruction	16,024,901.00	11.33%	16,101,025.00	12.82%	16,302,245.00	13.07%	16,450,421.00	13.39%
30 Vocational Instruction	8,282,946.00	5.85%	7,932,469.00	6.32%	8,001,677.00	6.42%	8,071,568.00	6.57%
40 Skill Ctr / Voc-Tec Instruction	2,033,571.00	1.44%	1,996,731.00	1.59%	2,019,194.00	1.62%	2,019,615.00	1.64%
50/60 Compensatory Instruction	15,672,849.00	11.08%	15,126,842.00	12.04%	15,236,752.20	12.22%	15,347,702.00	12.49%
70 Other Instructional Program	11,298,509.00	7.99%	4,123,293.00	3.28%	4,131,032.00	3.31%	4,138,924.00	3.37%
80 Community Support	46,591.00	0.03%	46,622.00	0.04%	46,652.00	0.04%	46,683.00	0.04%
90 Support Services	20,408,612.00	14.43%	19,400,908.00	15.45%	19,515,439.00	15.65%	18,916,370.61	15.40%
535/536 Transfers Out	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
	141,474,588.00	100.00%	125,596,238.00	100.00%	124,712,180.20	100.00%	122,865,473.61	100.00%

- The expenses above include COVID grant related expenses (majority in Categories 10 & 70)
- Any expenses for grants that do not continue have also been removed from these figures
- This is also reflective of the staffing and non-staffing reductions necessary to maintain a fund balance above board policy.

Budgeted Expenses by Type

	21-22 Budget	22-23 Budget	23-24 Budget	24-25 Budget	25-26 Budget
Staffing	101,171,232.00	110,148,127.00	104,258,127.00	103,448,127.00	102,998,127.00
Non-Staffing	20,048,692.00	21,773,961.00	18,338,454.10	18,264,501.55	16,867,641.47
Staffing	83.46%	83.49%	85.04%	84.99%	85.93%
Non-Staffing	16.54%	16.51%	14.96%	15.01%	14.07%

- Expenses related to COVID grants that are not reflective of continuing expenses are removed from these figures.
- Any expenses for grants that do not continue have also been removed from these figures
- This is also reflective of the staffing and non-staffing reductions necessary to maintain a fund balance above board policy.

2022-2023 MSOC Disclosure

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

- The amount of state funding to be received by the district for *materials, supplies, and operating costs* (MSOC);
- The amount the district proposes to spend for materials, supplies, and operating costs (MSOC);
- If (A) exceeds (B) any proposed use of this difference, and how this use will improve student achievement.

For the Wenatchee School District No. 246 these values are:

- Amount of budgeted Stated MSOC funding: \$8,248,945
- Amount District proposes to spend for MSOC: \$11,438,106
- Difference between amounts: -\$3,189,161
- The amount the District anticipates spending on MSOC exceeds the amount of anticipated state funding.

Staffing



Staffing History

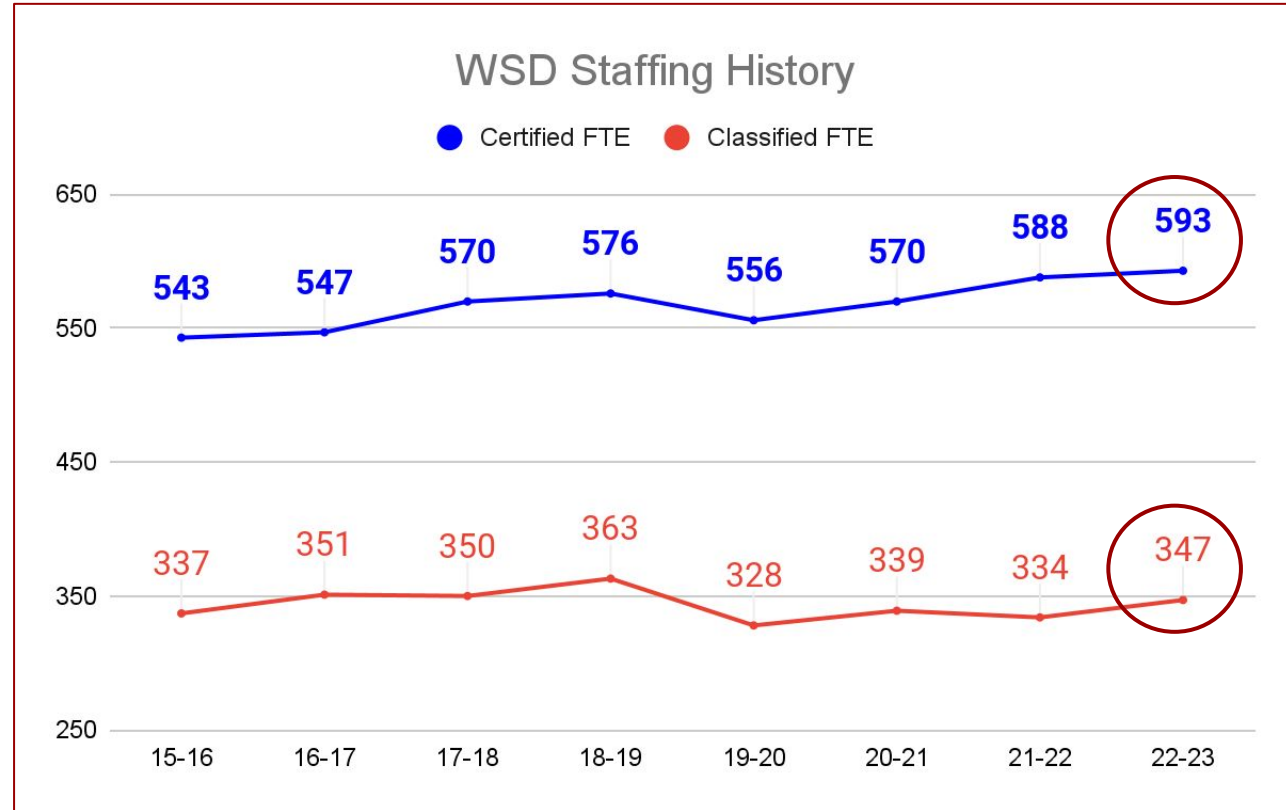
FTE = Full Time Equivalent

Certificated Staff

- FTE= 7.5 hours per day,
180 days per year

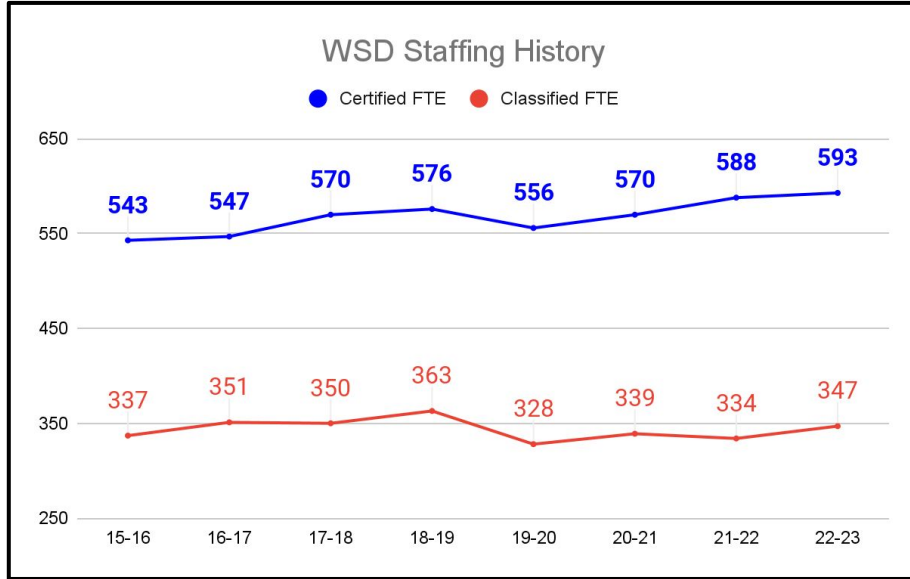
Admin/Classified Staff

- FTE = 8 hours per day,
260 days per year

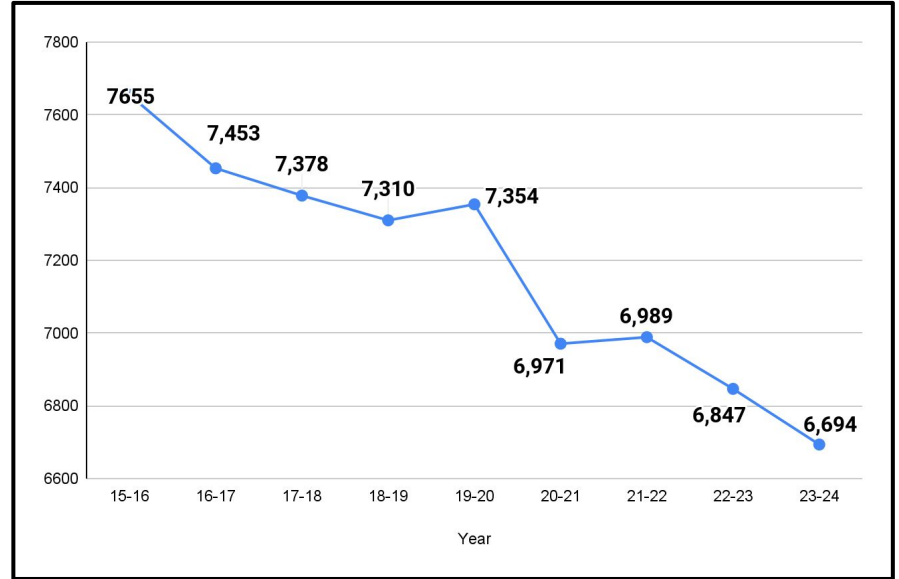


Enrollment and Staffing

Staffing



Enrollment



22-23 Four Year Staffing Plan

	20-21 Budget	21-22 Budget	22-23 Budget	23-24 Budget	24-25 Budget	25-26 Budget
FTE Certificated Employees	569.82	588.22	593.72	551.72	536.72	526.72
FTE Classified Employees	339.08	333.91	347.96	338.01	335.01	332.01

Staffing at the buildings will continue to be allocated based on anticipated enrollment.

As enrollment continues to decline, our staffing will continue to be adjusted.

Class sizes will increase from current levels and schedules may need to be re-evaluated.

All positions will continue to be analyzed based on need and funding.

Fund Balance Projections



22-23 Beginning Fund Balance



2022-2023 Est. Beginning Fund Balance (06/2022)			
821	Restricted for Carryover of Restricted Revenue	645,000	LAP, LAP HP, & CTE Carryovers
825	Restricted for Skills Center	1,345,000	Wen Valley Tech. Skills Center Carryover
840	Inventory-Nonspendable	40,000	Food Inventory & Prepaid Items
884	Assigned to Capital Projects	4,000,000	Softball Field
888	Assigned to Other Purposes	400,000	Donations, Admin Match, Misc. Carryovers
890	Unassigned	3,620,000	
891	Unassigned to Min Fund Bal Policy	6,200,000	Minimum 5% of Current Year Expenditures. Policy 6022
	Total Beginning Fund Balance	\$16,250,000	13.10%

22-23 Ending Fund Balance



2022-2023 Est. Ending Fund Balance (06/2022)			
821	Restricted for Carryover of Restricted Revenue	225,000	LAP, LAP HP, & CTE Carryovers
825	Restricted for Skills Center	1,345,000	Wen Valley Tech. Skills Center Carryover
840	Inventory-Nonspendable	40,000	Food Inventory & Prepaid Items
884	Assigned to Capital Projects	4,000,000	Softball Field
888	Assigned to Other Purposes	400,000	Donations, Admin Match, Misc. Carryovers
890	Unassigned	1,345,201	
891	Unassigned to Min Fund Bal Policy	6,573,729	Minimum 5% of Current Year Expenditures. Policy 6022
	Total Ending Fund Balance	\$13,928,930	10.59%

22-23 Four Year Projections



	22-23 Budget	23-24 Budget	24-25 Budget	25-26 Budget
Beginning Balance	16,250,000	13,928,930	13,388,131	12,131,201
Revenues	139,153,518	125,055,439	123,455,250	122,482,886
Expenses	141,474,588	125,596,238	124,712,180	122,865,474
Ending Balance	13,928,930	13,388,131	12,131,201	11,748,613
Ending Balance % of Expenses	9.85%	10.66%	9.73%	9.56%
Total Enrollment	7,142	6,984	6,766	6,579
FTE Certificated Employees	593.72	551.72	536.72	526.72
FTE Classified Employees	347.96	338.01	335.01	332.01

Calendar Year ----->>>>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Tax Rate Est. \$/1,000	\$1.95	\$1.93	\$1.92	\$1.92	\$1.91

22-23 Four Year Projections



	22-23 Budget	23-24 Budget	24-25 Budget	25-26 Budget
Beginning Balance	16,250,000	13,928,930	13,388,131	12,131,201
Revenues	139,153,518	125,055,439	123,455,250	122,482,886
Expenses	141,474,588	125,596,238	124,712,180	122,865,474
Ending Balance	13,928,930	13,388,131	12,131,201	11,748,613
Restricted for Carryover of Restricted Revenue	225,000	225,000	225,000	225,000
Restricted for Skills Center	1,345,000	1,345,000	1,345,000	1,345,000
Inventory-Nonspendable	40,000	40,000	40,000	40,000
Assigned to Capital Projects	4,000,000	4,000,000	4,000,000	4,000,000
Assigned to Other Purposes	400,000	400,000	400,000	400,000
Unassigned	1,383,001	1,248,319	35,592	-254,660
Unassigned to Min Fund Bal Policy	6,571,929	6,129,812	6,085,609	5,993,274

Other Funds



Associated Student Body



	22-23 Budget	23-24 Budget	24-25 Budget	25-26 Budget
Revenues				
General Student Body	\$229,280	\$225,000	\$225,000	\$225,000
Athletics	\$340,175	\$340,000	\$340,000	\$340,000
Classes	\$5,000	\$5,000	\$5,000	\$5,000
Clubs	\$665,846	\$665,000	\$665,000	\$665,000
Private Monies	\$73,232	\$75,000	\$75,000	\$75,000
	\$1,313,533	\$1,310,000	\$1,310,000	\$1,310,000
Expenditures				
General Student Body	\$261,535	\$261,000	\$261,000	\$261,000
Athletics	\$346,810	\$347,000	\$347,000	\$347,000
Classes	\$3,500	\$5,000	\$5,000	\$5,000
Clubs	\$622,237	\$622,000	\$622,000	\$622,000
Private Monies	\$74,850	\$75,000	\$75,000	\$75,000
	\$1,308,932	\$1,310,000	\$1,310,000	\$1,310,000
Net Revenue-Expenses	\$4,601	\$0	\$0	\$0
Beginning Fund Balance	\$650,000	\$654,601	\$654,601	\$654,601
Ending Fund Balance	\$654,601	\$654,601	\$654,601	\$654,601

Debt Service Fund



	<u>21-22 Budget</u>	<u>22-23 Budget</u>	<u>23-24 Budget</u>	<u>24-25 Budget</u>	<u>25-26 Budget</u>
Revenues					
Taxes	\$6,028,800	\$6,146,848	\$6,269,960	\$6,395,040	\$6,522,560
Local In-Lieu-Of Taxes	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Timber Excess	\$1,000	\$591	\$591	\$591	\$591
Investment Earnings	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
	\$6,046,800	\$6,164,439	\$6,287,551	\$6,412,631	\$6,540,151
Expenditures					
Principal on Bonds	\$3,000,000	\$3,265,000	\$3,550,000	\$3,850,000	\$4,170,000
Interest on Bonds	\$2,892,113	\$2,737,788	\$2,567,413	\$2,382,413	\$2,202,763
Bond Transfer Fees	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
	\$5,942,113	\$6,052,788	\$6,167,413	\$6,282,413	\$6,422,763
Net Revenue-Expenses	\$104,688	\$111,652	\$120,139	\$130,219	\$117,389
Beginning Fund Balance	\$2,856,739	\$2,907,306	\$3,018,958	\$3,139,096	\$3,269,315
Ending Fund Balance	\$2,961,427	\$3,018,958	\$3,139,096	\$3,269,315	\$3,386,703
Calendar Year ----->>>>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Est. \$/1,000	\$1.08	\$0.98	\$1.00	\$1.02	\$1.04

Capital Projects Fund



	22-23 Budget	23-24 Budget	24-25 Budget	25-26 Budget
Revenues				
Rentals/Leases	\$2,600	\$2,600	\$2,600	\$2,600
Investment Earnings	\$2,500	\$2,500	\$2,500	\$2,500
Misc./Other Revenue	\$4,000,000			
Transfer in From General Fund				
	\$4,005,100	\$5,100	\$5,100	\$5,100
Expenditures				
Long Range Planning	\$400,000			
Softball Fields	\$4,000,000			
	\$4,400,000	\$0	\$0	\$0
Net Revenue-Expenses	-\$394,900	\$5,100	\$5,100	\$5,100
Beginning Fund Balance	\$1,560,500	\$1,165,600	\$1,170,700	\$1,175,800
Ending Fund Balance	\$1,165,600	\$1,170,700	\$1,175,800	\$1,180,900

Transportation Vehicle Fund



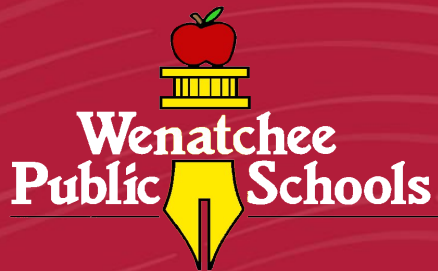
	22-23 Budget	23-24 Budget	24-25 Budget	25-26 Budget
Revenues				
Miscellaneous Revenues	\$2,000	\$2,000	\$1,000	\$1,000
Ecology Grant	\$0	\$0	\$0	\$0
Depreciation (OSPI Model	\$255,807	\$247,223	\$252,182	\$204,536
Transfer in From General Fund				
	\$257,807	\$249,223	\$253,182	\$205,536
Expenditures				
Bus Purchase	\$605,000	\$350,000	\$375,000	\$390,000
Major Repairs				
	\$605,000	\$350,000	\$375,000	\$390,000
Net Revenue-Expenses	-\$347,193	-\$100,777	-\$121,818	-\$184,464
Beginning Fund Balance	\$870,000	\$522,807	\$422,030	\$300,212
Ending Fund Balance	\$522,807	\$422,030	\$300,212	\$115,748

Budget Timeline



- ~~March 8th: Fund Balance Projections, Enrollment Estimates, Staffing~~
- ~~Mid March: Legislative Session Deadline~~
- ~~April 12th: Board Meeting HB 1664 Staffing Implementation~~
- ~~May 16th: Budget Workshop Enrollment & Staffing~~
- ~~June 14th: Board Presentation General Fund~~
- ~~June 28th: Board Presentation All Funds and 4 Year Projections~~
- ~~July 11th: Budget Due to ESD & Available for the Public on request~~
- ~~August 9th: Public Hearing Summary & any changes after ESD review~~
- August 23rd: Budget Adoption at Regular Meeting

Questions?



August 9, 2022

Wenatchee School District