

2019-2020 F195 Budget Study Session

Questions? Please contact Bonnie Haley, Business Manager
at (360)466-3171 or bhaley@lc.k12.wa.us

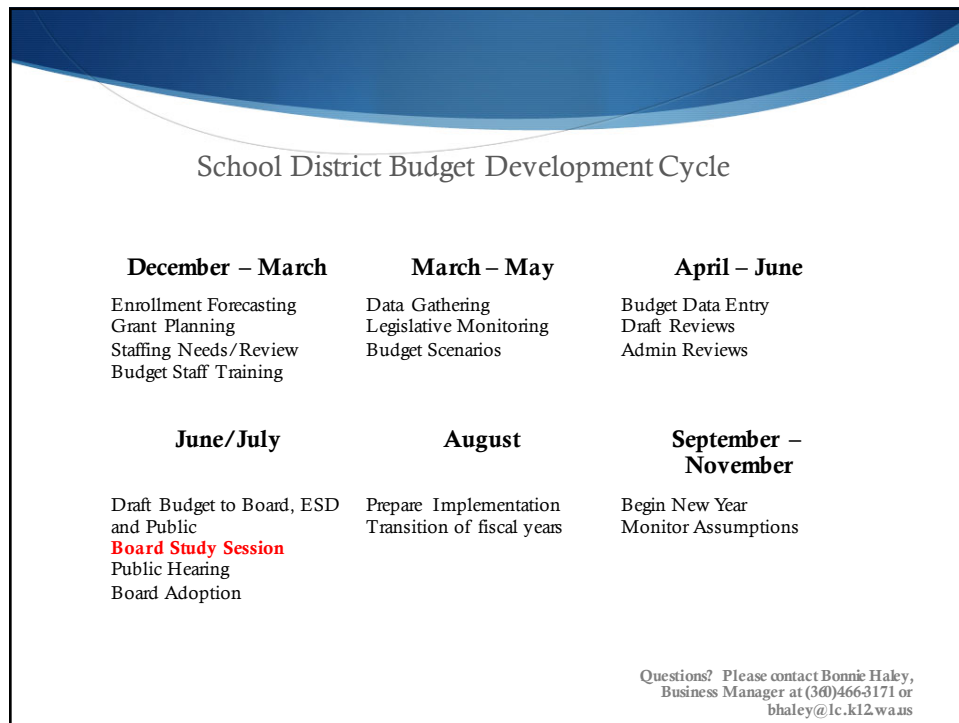


Budget Reminders

Reminder:

- ◆ *The budget reflects estimated expenditures and revenues for the 2019-2020 school year, based on what we know to be true at the time it is created.*
- ◆ *The formal adoption of the budget will authorize a maximum expenditure amount for each fund.*
- ◆ *Any increase in expenditures over the authorized amount must be approved through a budget extension (F200) prior to the funds being expended.*

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us



Accounting System: Fund Basis

CAPITAL PROJECTS (CP)	DEBT SERVICES (DS)	ASSOCIATED STUDENT BODY (ASB)	TRANSPORTATION VEHICLE (TVF)	GENERAL (GF)
20	30	40	90	10

- Fund = a fiscal and accounting entity with a self-balancing set of accounts for revenues and expenditures.
- Funds are segregated for the purpose of carrying on specific activities or certain objectives in accordance with special regulations, restrictions, or limitations.
- ALL school district funds are Public Funds and are subject to laws, regulations and are subject to audits.

Parts of a Budget

Beginning Fund Balance
(+) Revenues
(-) Expenditures
(+/-) Transfers
Ending Fund Balance

Questions? Please contact Bonnie Haley, Business Manager at (360)466-3171 or bhaley@lc.k12.wa.us

Tips and Hints for Reading the F195

- ◆ *Year to year comparison – The 18-19 budget data is the original budget information, not the revised F200 budget data. Please see the summary worksheet I've provided that compares the 19-20 budget to the 18-19 revised budget.*
- ◆ *Reference: In the bottom right corner of each page you will see a reference to the section of the budget you are looking at. These are not page numbers. For example, GF4 is the General Fund Revenues and this section is six pages long.*
- ◆ *The page numbers are for each section, not the entire document.*

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

BUDGET AND EXCESS LEVY SUMMARY					
	General Fund	Associated Student Body Fund	Debt Service Fund	Capital Projects Fund	Transportation Vehicle Fund
SECTION A: BUDGET SUMMARY					
Total Revenues and Other Financing Sources	12,920,580	65,000	1,542,580	112,000	62,590
Total Appropriation (Expenditures)	13,100,000	85,000	1,507,208	150,000	137,000
Other Financing Uses--Transfers Out (G.L. 536)	45,580	XXXX	0	0	0
Other Financing Uses (G.L. 535)	0	XXXX	0	0	0
Excess of Revenues/Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	-225,000	-20,000	35,372	-38,000	-74,410
Beginning Total Fund Balance	1,200,000	75,500	746,500	664,925	127,535
Ending Total Fund Balance	975,000	55,500	781,872	626,925	53,125
SECTION B: EXCESS LEVIES FOR 2020 COLLECTION					
Excess levies approved by voters for 2020 collection	874,605	0	0	0	0
Rollback mandated by school district Board of Directors 1/	0	0	0	0	0
Net excess levy amount for 2020 collection after rollback	874,605	XXXX	1,500,000	0	0

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

General Fund

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Enrollment

ENROLLMENT

◆ Recommendation:

◆ **585 FTE K-12**

Projections included analysis of cohort roll up and average look back, and includes grade level trends such as the gain/drop from one year to the next (example: 8th to 9th gains average of 9)

GF1

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Enrollment

Estimate Methodology:

- 1: Cohort roll up
 - 2: Average
 - 3: Roll up factored by transition trends
- Final: A reasonable and usually conservative combination of all three.

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Enrollment Projections for Budget

GRADE	13/14	14/15	15/16	16/17	17/18	18/19	COHORT ROLL UP	AVERAGE	RU W/ TRENDS & ROLL UP	19-20	
	Final	Final	Final	Final	Final	Final				FINAL FOR BUDGET	Running Start
K	48.1	34.2	37.3	30.8	41.8	44.5	42.0	39.4	42.0	42	
1	46.6	46.2	35.1	39.4	35.6	40.9	44.5	40.6	44.1	46	
2	45.3	48.7	46.2	35.8	43.1	33.6	40.9	42.1	46.3	41	
3	48.1	45.7	48.4	45.3	36.4	47.5	33.6	45.2	40.9	32	
4	46.8	44.3	44.8	48.6	47.3	39.1	47.5	45.2	33.1	48	
5	51.7	49.1	47.4	42.8	52.9	46.1	39.1	48.3	49.4	39	
6	39.3	51.7	49.9	41.0	47.7	55.6	46.1	47.5	39.1	46	
7	43.3	40.3	51.3	46.9	48.1	49.8	55.6	46.6	47.3	54	
8	51.8	41.2	37.6	54.1	48.9	49.2	49.8	47.1	55.3	50	
9	67.4	58.4	52.8	46.7	76.1	58.2	49.2	59.9	62.2	50	
10	58.5	67.1	50.3	47.9	38.8	62.4	58.2	54.2	43.5	51	
11	33.9	43.7	52.7	33.2	28.1	30.4	62.4	37.0	41.5	56	2
12	42.7	31.1	35.4	40.5	32.8	31.1	30.4	35.6	57.3	30	4
TOTAL	599.4	601.6	589.5	552.9	577.5	588.4	599.3	588.9	601.9	585	6
DIF FR PREV YR		2.1	-12.1	-36.6	24.6	10.9	10.9	0.5	13.5		
BUDGET	550.0	558.0	569.0	569.0	535.0	550.0					
DIF FR ACTUAL	49.4	43.6	20.5	-16.1	42.5	38.4					

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Revenues

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

	(1) Actual 2017-2018	(2) Budget 2018-2019	(3) Budget 2019-2020
REVENUES AND OTHER FINANCING SOURCES			
1000 Local Taxes	1,142,042	1,006,174	877,728
2000 Local Nontax Support	1,068,509	1,173,200	1,210,258
3000 State, General Purpose	4,630,790	5,418,543	5,994,472
4000 State, Special Purpose	1,397,639	1,642,610	1,994,015
5000 Federal, General Purpose	1,891,249	1,836,000	2,007,124
6000 Federal, Special Purpose	587,785	495,445	693,336
7000 Revenues from Other School Districts	23,359	15,000	22,750
8000 Revenues from Other Entities	127,825	115,500	120,897
9000 Other Financing Sources	0	275,000	0
A. TOTAL REVENUES AND OTHER FINANCING SOURCES	10,869,197	11,977,472	12,920,580

Questions? Please contact Bonnie Haley, Business Manager at
(360)466-3171 or bhaley@lc.k12.wa.us

Revenues Assumptions/Characteristics:	
Decreased Levy Collection	
Decreased Local Effort Assistance	
Increased State Funding	
Increased Food Services Revenues	
Increased Donations/Contributions	
Stabilizing Impact Aid Payments	
<p><i>Unknown:</i></p> <ul style="list-style-type: none"> • Impact Aid (How much and/or when) • Categorical funding – increased funding <u>may</u> create increased expenditures • Actual expenditures eligible for transfers will determine transferred in funds • Capacity isn't a revenue until an unplanned revenue is received 	
<p>Questions? Please contact Bonnie Haley, Business Manager at (360)466-3171 or bhaley@lc.k12.wa.us</p>	

Expenditures

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

	(1) Actual 2017-2018	(2) Budget 2018-2019	(3) Budget 2019-2020
EXPENDITURES			
00 Regular Instruction	5,649,547	6,278,020	6,543,394
10 Federal Stimulus	0	0	0
20 Special Education Instruction	1,252,443	1,303,895	1,405,344
30 Vocational Education Instruction	0	80,000	143,055
40 Skill Center Instruction	115,956	0	113,500
50 and 60 Compensatory Education Instruction	631,244	701,499	764,642
70 Other Instructional Programs	605,026	709,381	824,876
80 Community Services	0	0	0
90 Support Services	3,000,699	3,028,931	3,305,189
B. TOTAL EXPENDITURES	11,254,915	12,101,726	13,100,000
C. OTHER FINANCING USES--TRANSFERS OUT (G.L.536) 1/	39,029	285,582	45,580

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Certificated Staff	
Actual 2018-2019 FTE	55.679 FTE
Budgeted 2019-2020 FTE	51.126 FTE
Difference	-4.553 FTE

Classified Staff	
Actual 2018-2019 FTE	37.035 FTE
Budgeted 2019-2020 FTE	36.064 FTE
Difference	-.971 FTE

FTE is based on 2080 hours per year. Most full time classified positions are 1260 hours. A .971 FTE represents about 1.65 para positions.

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

<p>Expenditure Assumptions/Characteristics:</p> <ul style="list-style-type: none"> Two (2) 'new' certificated positions are included: <ul style="list-style-type: none"> 1.000 Grant funded Social Worker 1.000 Speech Language Pathologist (this was a contracted position 18-19) Regular programming exceeds funding for most categorical programs such as Special Ed, Title I, Migrant, Highly Capable, Transitional Bilingual. LAP program increased revenues – program expenditures haven't yet been fully developed, this may reduce expenditures in Title I. Port Lease for NCTA is a flow through Preschool partnership with Swinomish Tribe and ECEAP

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Expenditure Assumptions/Characteristics:

- ~~Pupil Transportation expenditures exceeds state funding~~
- Food Services deficit continues, but assumes progressive improvement
- Braves' Club assumes increased revenues and reduced expenditures
- Transfer from GF to Transportation Vehicle Fund - \$10k to supplement the new bus purchase.
- Transfer from GF to Debt Service for non-voted debt (grand stands project) - \$35k

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Expenditure Assumptions/Characteristics:

- Salary assumptions:
 - Incremental step increases for each employee, as applicable.
 - IPD of 2% increase for all employees (actual increase is not applied without board approval)
- SEBB health insurance – increased costs to district

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

SEBB Health Insurance

As of January 1, 2020, all Washington State school employees will be covered by the new SEBB - School Employee's Benefits Board program.

- ◆ The district will pay the full SEBB benefit amount for each employee working more than 630 hours regardless of if the individual takes any of the benefits offered.
- ◆ Currently, benefits are offered to employees at a prorated amount based on their individual FTE.

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

For example:

Employee A: 5 hours per day, 191 days per year = 955 hours per year.

Old model:

Benefit FTE: $955 / 1260 (180 \times 8) = .758$

Benefit Allocation: $\$800 \times .758 = \$606 \times 12 \text{ months} = \$7,277 / \text{year}$

New model:

Does employee exceed 630 hours per year – Yes.

Benefit Allocation: $\$1000 \times 12 = \$12,000$

Difference in benefit cost for the same employee: **\$4,723**

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Good news:

The state has included a funding inflator for classified positions. For example:

Funded Benefit amount: \$ 1009.50

Classified inflator: x 1.43

Classified Allocation: \$1,444.00

Bad news:

Classified Allocation of funded units has not changed.

School Generated Classified FTE	7.85 FTE
District Generated Classified FTE	<u>3.21 FTE</u>
	11.06 FTE

Actual	33.334 FTE
--------	------------

Estimated to be about 30 positions @ \$12,000 =	\$360,000
---	-----------

Questions? Please contact Bonnie Haley, Business Manager
at (360)466-3171 or bhaley@lc.k12.wa.us

Summary of General Fund

Beginning Fund Balance	\$1,200,000
Revenues	\$12,920,580
Transfers In	\$0
Expenditures	\$13,100,000
Transfers Out	\$45,580
Ending Fund Balance	\$975,000

Unknown: Beginning/Ending fund balance

GF2

Questions? Please contact Bonnie Haley, Business Manager at (360)466-3171 or bhaley@lc.k12.wa.us

Four Year Forecast F195F

New Requirement with EHB 2242

The annual budget development process shall include the development or update of a four-year budget plan that includes a four-year enrollment projection. The four-year budget plan must include an estimate of funding necessary to maintain the continuing costs of program and service levels and any existing supplemental contract obligations. The completed budget must include a summary of the four-year budget plan and set forth the complete financial plan of the district for the ensuing fiscal year [RCW 28A.505.040 Effective January 1, 2018]

Purpose: To evaluate current and future fiscal conditions to guide policy and programmatic decisions. A financial forecast is a fiscal management tool that presents estimated information based on past, current, and projected financial conditions. This will help identify future revenue and expenditure trends that may have an immediate or long-term influence on government policies, strategic goals, or community services. The forecast is an integral part of the annual budget process. An effective forecast allows for improved decision-making in maintaining fiscal discipline and delivering essential community services

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

REVENUES AND OTHER FINANCING SOURCES

Description	2019-2020 Current	2020-2021 Forecast	2021-2022 Forecast	2022-2023 Forecast
1000 Local Taxes	877,728	870,605	870,605	870,605
2000 Local Nontax Support	1,210,258	1,200,000	1,200,000	1,200,000
3000 State, General Purpose	5,994,472	6,114,400	6,114,400	6,236,280
4000 State, Special Purpose	1,994,015	2,033,895	2,074,575	2,116,065
5000 Federal, General Purpose	2,007,124	1,900,000	1,900,000	1,900,000
6000 Federal, Special Purpose	693,336	707,200	721,350	735,775
7000 Revenues from Other School Districts	22,750	23,342	24,135	24,860
8000 Revenues from Other Entities	120,897	121,000	121,000	121,000
9000 Other Financing Sources				
A. TOTAL REVENUES AND OTHER FINANCING SOURCES	12,920,580	12,970,442	13,026,065	13,204,585

Questions? Please contact Bonnie Haley, Business Manager at (360)466-3171 or bhaley@lc.k12.wa.us

EXPENDITURES				
Description	2019-2020 Current	2020-2021 Forecast	2021-2022 Forecast	2022-2023 Forecast
00 Regular Instruction	6,543,394	6,739,700	6,941,890	7,150,140
10 Federal Stimulus				
20 Special Education Instruction	1,405,344	1,447,500	1,490,930	1,535,660
30 Vocational Education Instruction	143,055	147,350	151,770	156,320
40 Skill Center Instruction	113,500	113,500	113,500	113,500
50 and 60 Compensatory Education Instruction	764,642	779,935	764,600	764,600
70 Other Instructional Programs	824,876	849,620	875,110	901,365
80 Community Services				
90 Support Services	3,305,189	3,350,000	3,350,000	3,350,000
B. TOTAL EXPENDITURES	13,100,000	13,427,605	13,687,800	13,971,585
C. OTHER FINANCING USES--TRANSFERS OUT (G.L.536) 1/	45,580	33,844	31,250	

Increased with IPD as minimum salary inflators

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Description	2019-2020 Current	2020-2021 Forecast	2021-2022 Forecast	2022-2023 Forecast
H. TOTAL ENDING FUND BALANCE (E+F, +OR-G) 3/	975,000	483,993	-210,540	-980,134

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Questions?

Questions? Please contact Bonnie Haley, Business Manager at (360)466-3171 or bhaley@lc.k12.wa.us



Capital Projects Fund

◆ **Capital Projects Fund (20):**

◆ Revenues:

- Includes the donation from the Swinomish Indian Tribal Community of \$100,000 for the roof project
- Interest on investments

◆ Expenditures:

- Regular computer deployment costs from remaining tech levy funds.

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Capital Projects Fund

Beginning Fund Balance	\$664,925
Revenues	\$112,000
Transfers In	\$0
Expenditures	\$150,000
Transfers Out	\$0
Ending Fund Balance	\$626,925

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Capital Projects Fund Four Year Budget

	2019-20	2020-21	2021-22	2022-23
Beginning Fund Balance	\$664,925	\$626,925	\$663,925	\$700,925
Revenues	\$112,000	\$112,000	\$112,000	\$112,000
Expenditures	\$150,000	\$75,000	\$75,000	\$75,000
Ending Fund Balance	\$626,925	\$663,925	\$700,925	\$737,925

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Debt Service Fund

- ◆ **Debt Service Fund (30):**
 - Revenues
 - Tax collection for bond payments
 - Transfer from GF for non-voted debt
 - Interest earned on investments
 - Expenditures
 - Scheduled bond principal and interest payments

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Debt Service Fund

Beginning Fund Balance	\$746,500
Revenues	\$1,542,580
Transfers In	\$35,372
Expenditures	\$1,507,208
Transfers Out	\$0
Ending Fund Balance	\$781,872

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Debt Service Fund Four Year Budget

	2019-20	2020-21	2021-22	2022-23
Beginning Fund Balance	\$746,500	\$781,872	\$792,996	\$787,746
Revenues	\$1,542,580	\$1,540,844	\$1,538,250	\$1,522,000
Expenditures	\$1,507,208	\$1,529,720	\$1,543,500	\$1,535,625
Ending Fund Balance	\$781,872	\$792,996	\$787,746	\$774,121

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Associated Student Body Fund

Associated Student Body (40):

- Revenues and Expenditures are student driven for cultural, athletic, recreational or social activities.

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

ASB Fund

Beginning Fund Balance	\$75,500
Revenues	\$65,000
Transfers In	\$0
Expenditures	\$85,000
Transfers Out	\$0
Ending Fund Balance	\$55,500

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

ASB Fund Four Year Budget

	2019-20	2020-21	2021-22	2022-23
Beginning Fund Balance	\$75,500	\$55,500	\$55,500	\$55,500
Revenues	\$65,000	\$65,000	\$65,000	\$65,000
Expenditures	\$85,000	\$65,000	\$65,000	\$65,000
Ending Fund Balance	\$55,500	\$55,500	\$55,500	\$55,500

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Transportation Vehicle Fund

Transportation Vehicle Fund (90):

- Revenues:
 - State depreciation reimbursement (Aug 2020)
 - Transfer from general fund (Sep 2019)
 - Interest earned on investments
- Expenditures:
 - New bus (already ordered) in September 2019

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Transportation Vehicle Fund

Beginning Fund Balance	\$127,535
Revenues	\$62,590
Transfers In	\$10,000
Expenditures	\$137,000
Transfers Out	\$0
Ending Fund Balance	\$53,125

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Transportation Vehicle Fund Four Year Budget

	2019-20	2020-21	2021-22	2022-23
Beginning Fund Balance	\$127,535	\$53,125	\$98,101	\$157,151
Revenues	\$62,590	\$44,976	\$59,050	\$65,850
Expenditures	\$137,000	\$0	\$0	\$140,000
Ending Fund Balance	\$53,125	\$98,101	\$157,151	\$83,001

Questions? Please contact Bonnie Haley,
Business Manager at (360)466-3171 or
bhaley@lc.k12.wa.us

Questions?

Questions? Please
contact Bonnie
Haley, Business
Manager at
(360)466-3171 or
bhaley@lc.k12.wa.us