

# Fiscal Advice

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Kassidy Probert:  
Assistant Superintendent  
NEWESD 101

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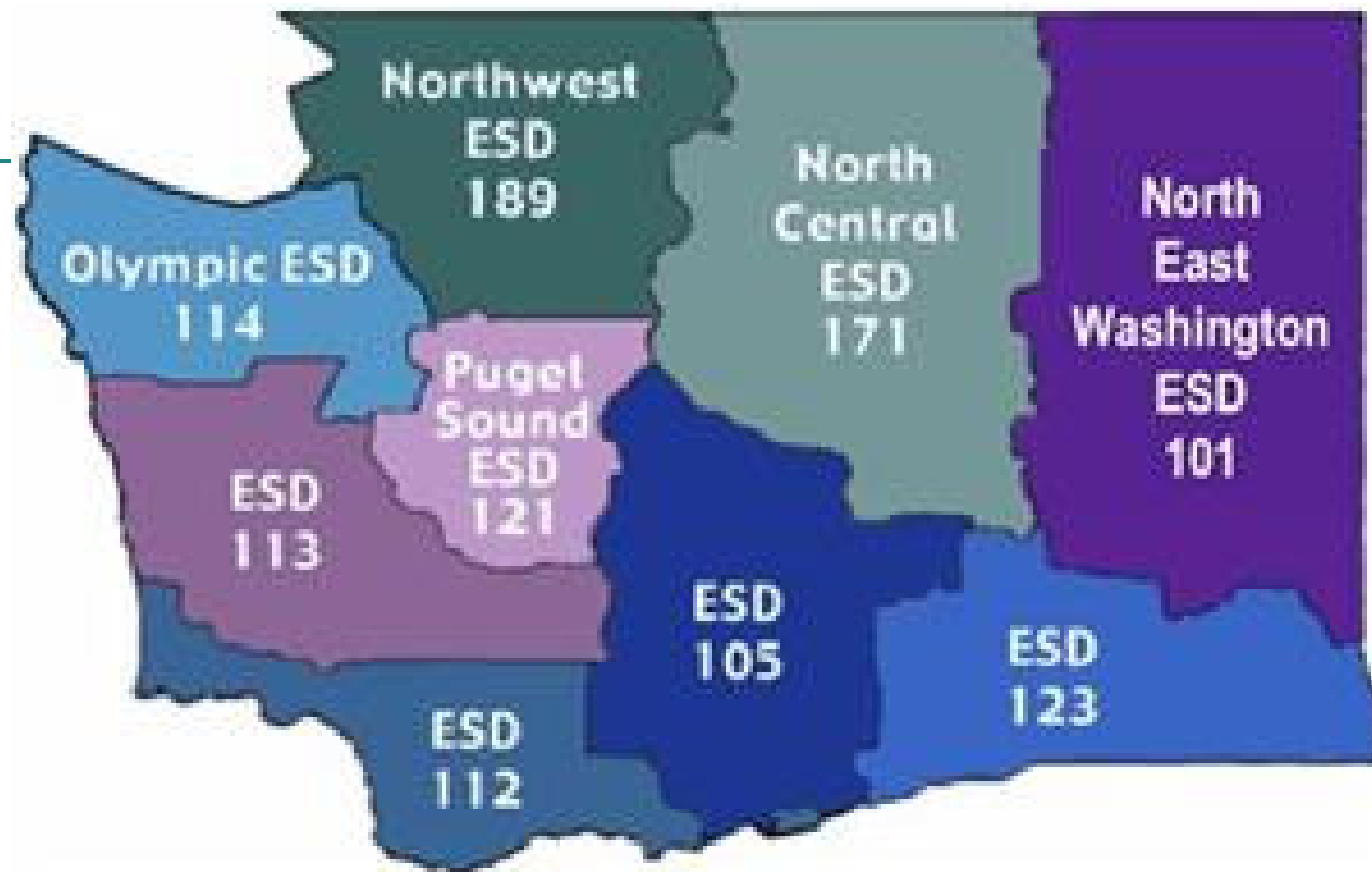
Thank You!!

# Who am I?

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- 5 years at NEWESD 101
  - Spokane
- 5 years school district CFO
- 5 years Director of Finance, Critical Access Hospital
- 2 years Superintendent – Benge School District
- 3 Superintendent transitions
- Two children – Asher(6<sup>th</sup> grade) Blakely (2nd grade)





<b>Educational Service Districts by Number</b>	<b>District Office</b>	<b>School Districts Served</b>	<b>Students Served 2018–19</b>
Northeast Washington Educational Service District 101	Spokane	59	92,323
Educational Service District 105	Yakima	25	64,669
Educational Service District 112	Vancouver	30	100,692
Capital Region Educational Service District 113	Olympia	44	73,191
Olympic Educational Service District 114	Bremerton	15	47,124
Puget Sound Educational Service District 121	Renton	35	420,100
Educational Service District 123	Pasco	23	75,440
North Central Educational Service District 171	Wenatchee	29	47,145
Northwest Educational Service District 189	Anacortes	35	164,949
<b>Total</b>		<b>295</b>	<b>1,091,873</b>

# AGENDA

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1. School Fiscal Cycle
2. Fiscal Monitoring
3. What should you know now
4. Prototypical Funding Model
5. Labor Negotiations
6. Levies & Bonds

# Fiscal Cycle

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- July: Budget hearings & adoptions for Class 2 districts
- August: Class 1 budget hearing & adoption
- September/October: Actual vs. budget enrollment comparison
- November/December: Make adjustments to current year spending plan based on actual enrollment and begin planning for following year budget

# Fiscal Cycle cont.

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- January: Legislature comes into session
  - 2024 short session, ends in March
  - Funding becomes actual
    - September-December funding is distributed based on budget
- February – June: Hiring and program evaluation
  - Analysis of potential legislative changes and impacts
  - Collective bargaining



# What do you need to know now?

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- **Current Financial Position:**

- Fund Balance – How much cash do you have?
  - Has the board adopted a target for the district? Are you meeting expectations?
    - Fund balance percentage? Days cash on hand?
  - What has your fund balance trajectory been over the last several years?
  - How do you compare to like-size districts?
  - Supplemental funding: Capital levies, bonds, grants, etc....

# Tools for Regular Fiscal Monitoring

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- Budget Status Report
- Fund Balance Trend
- County Treasurer Report
- Grant Claims Summary

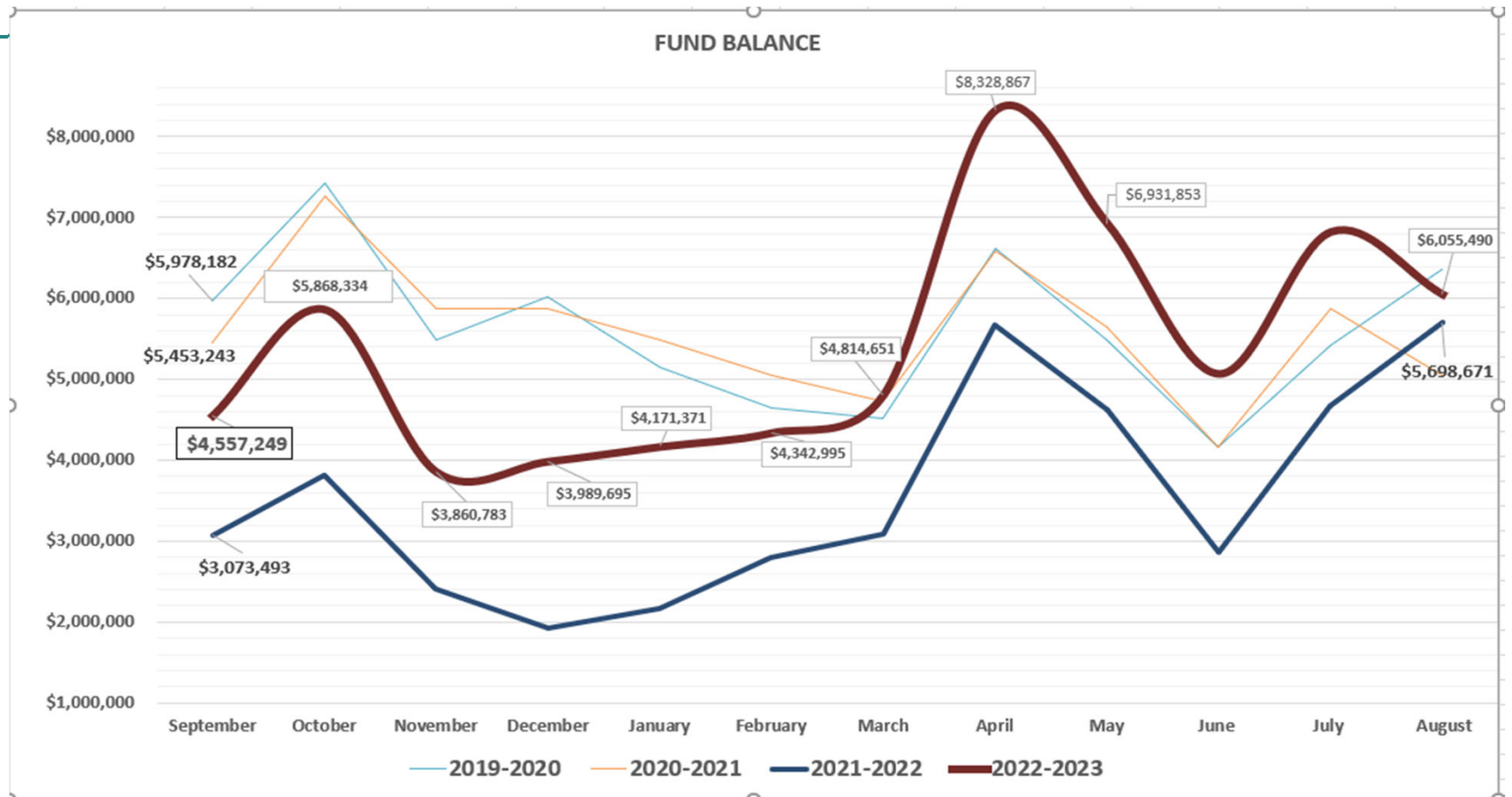
# Budget Status

10--General Fund-- FUND BALANCE -- AGENCY ACCOUNTS -- Revised -- BUDGET-STATUS-REPORT  
Fiscal Year 2022 (September 1, 2022 - August 31, 2023)

For the Cheney School District No. 360 School District for the Month of June, 2023

	ANNUAL BUDGET	ACTUAL FOR MONTH	ACTUAL FOR YEAR	ENCUMBRANCES
<u>A. REVENUES/OTHER FIN. SOURCES</u>				
1000 LOCAL TAXES	8,794,590	54,605.74	8,990,256.55	
2000 LOCAL SUPPORT NONTAX	1,220,406	128,911.61	781,404.79	
3000 STATE, GENERAL PURPOSE	48,961,141	2,977,779.81	38,622,984.95	
4000 STATE, SPECIAL PURPOSE	14,425,668	1,055,060.81	12,143,823.62	
5000 FEDERAL, GENERAL PURPOSE	9,000	9,999.22	9,999.22	
6000 FEDERAL, SPECIAL PURPOSE	8,457,215	1,048,427.55	6,716,641.19	
7000 REVENUES FR OTH SCH DIST	35,000	.00	58,938.25	
8000 OTHER AGENCIES AND ASSOCIATES	323,035	.00	.00	
9000 OTHER FINANCING SOURCES	0	.00	.00	
 <u>Total REVENUES/OTHER FIN. SOURCES</u>	 82,226,055	 5,274,784.74	 67,324,048.57	
<u>B. EXPENDITURES</u>				
00 Regular Instruction	39,699,642	3,346,899.23	32,639,895.14	4,965,652.96
10 Federal Stimulus	3,005,310	288,194.13	2,377,984.27	366,798.34
20 Special Ed Instruction	12,075,565	1,111,602.86	9,806,978.34	1,651,894.76
30 Voc. Ed Instruction	4,764,393	361,230.87	2,940,225.91	550,611.24
40 Skills Center Instruction	0	.00	.00	0.00
50+60 Compensatory Ed Instruct.	4,694,060	429,139.66	3,613,277.87	530,383.91
70 Other Instructional Pgms	232,568	33,431.71	396,805.98	52,294.26
80 Community Services	912,027	56,868.87	552,261.48	92,469.05
90 Support Services	16,851,743	1,505,181.16	15,673,500.12	1,963,134.74
 <u>Total EXPENDITURES</u>	 82,235,308	 7,132,548.49	 68,000,929.11	 10,173,239.26
 <u>C. OTHER FIN. USES TRANS. OUT (GL 536)</u>	 0	 .00	 .00	
 <u>D. OTHER FINANCING USES (GL 535)</u>	 0	 .00	 .00	
 <u>E. EXCESS OF REVENUES/OTHER FIN.SOURCES OVER(UNDER) EXP/OTH FIN USES (A-B-C-D)</u>	 9,253-	 1,857,763.75-	 676,880.54-	
 <u>F. TOTAL BEGINNING FUND BALANCE</u>	 4,800,000		 5,750,951.98	
 <u>G. G/L 898 PRIOR YEAR ADJUSTMENTS(+OR-)</u>	 XXXXXXXXXX		 .00	
 <u>H. TOTAL ENDING FUND BALANCE (E+F + OR - G)</u>	 4,790,747		 5,074,071.44	

# Fund Balance



# County Treasurer

## Spokane County Treasurer's Monthly Report

School District No. 360 Cheney For 06/2023 E  
Month/Year

		ITEM No.	General Fund 1
<b>I CASH:</b>			
<u>Beginning Cash Balance</u>			<u>\$7,959,432.54</u>
ADD:	School District Deposits Received in	01	\$186,495.16
	Investments Earnings	02	
	Investments Sold (Exclude Interest)	03	\$0.00
	Interfund Loan Proceeds from Fund 2	52	\$0.00
	Repayment of Interfund Loan Principal From Fund 2, 3, or 9 (Exclude Interest)	49	\$0.00
	Proceed from Revenue Anticipation Notes Issued	15	\$0.00
	Total Schedule A Cash Increases (see page 6)	04	\$5,034,418.48
	Other Cash Increases - Identify:	19	\$50.00
DEDUCT:	Warrants Redeemed	05	(\$1,481,174.13)
	Warrants Interest Paid	06	\$0.00
	Investments Purchased	07	\$0.00
	Interfund Loans to Funds 2, 3, or 9	13	\$0.00
	Repayment of Interfund Loan Principal to Fund 2 (Exclude Interest)	08	\$0.00
	Interfund Loan Interest Paid	09	\$0.00
	Revenue Anticipation Notes Redeemed	16	\$0.00
	Revenue Anticipation Note Interest Paid	17	\$0.00
	Operating Transfer to Funds 2, 3, or 9	10	\$0.00
	Other Cash Decreases - Identify	11	(\$5,696,162.12)
<u>Ending Cash Balance</u>			<u>\$6,003,059.93</u>

# County Treasurer

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## II INVESTMENTS:

Beginning Investments Balance		\$0.00
ADD: Investments Purchased	07	\$0.00
DEDUCT: Investments Sold (Exclude Interest)	03	\$0.00
Ending Investments Balance		\$0.00

## III WARRANTS OUTSTANDING:

Beginning Warrants Outstanding Balance		\$1,328,494.95
ADD: Warrants Issued	12	\$1,541,047.07
DEDUCT: Warrants Redeemed	05	(\$1,481,174.13)
Warrants Cancelled	14	(\$140.96)
Ending Warrants Outstanding Balance		\$1,388,226.93

## IV REVENUE ANTICIPATION NOTES OUTSTANDING:

Beginning Revenue Anticipation Notes Outstanding Balance		\$0.00
ADD: Revenue Anticipation Notes Issued	15	\$0.00
DEDUCT: Revenue Anticipation Notes Redeemed	16	\$0.00
Ending Revenue Anticipation Notes Outstanding Balance		\$0.00

ENDING CASH PLUS INVESTMENTS LESS WARRANTS OUTSTANDING  
LESS REVENUE ANTICIPATION NOTES OUTSTANDING

\$4,614,833.00

# County Treasurer

## Spokane County Treasurer's Monthly Report

School District No. 360 Cheney For 06/2023 1  
Month/Year

		ITEM No.	Capital Projects Fund 2
I CASH:			
Beginning Cash Balance			\$2,668,079.95
ADD:	School District Deposits Received in	01	\$0.00
	Investments Sold (Exclude Interest)	03	\$0.00
	Interfund Loan Proceeds from Fund 1 or 2	52	\$0.00
	Repayment of Interfund Loan Principal From Fund 1, 3, or 9 (Exclude Interest)	49	\$0.00
	Proceed from Revenue Anticipation Notes Issued	15	\$0.00
	Total Schedule A Cash Increases (see page 6)	04	\$9,690.92
	Other Cash Increases - Identify:	19	\$0.00
DEDUCT:	Warrants Redeemed	05	(\$513.00)
	Warrants Interest Paid	06	\$0.00
	Investments Purchased	07	\$0.00
	Interfund Loans to Funds 1, 3, or 9	13	\$0.00
	Repayment of Interfund Loan Principal to Fund 1 or 2 (Exclude Interest)	08	\$0.00
	Interfund Loan Interest Paid	09	\$0.00
	Revenue Anticipation Notes Redeemed	16	\$0.00
	Revenue Anticipation Note Interest Paid	17	\$0.00
	Residual Equity Transfer to Fund 1 and 3 or Operating Transfer to Fund 3	10	\$0.00
	Bond Issuance Expenditures	18	\$0.00
	Other Cash Decreases - Identify	11	\$0.00
Ending Cash Balance			\$2,677,257.87



# Grant Claims

2022-23 GRANT CLAIMS									
CHENEY SCHOOL DISTRICT									
EGMS CONSOLIDATED GRANT									
FEDERAL (Revenue Source 61): FY 9/1/2022 - 8/31/2023									
Grant Name	Grant Total	Indirects	Budget	Status	FYTD Activity as of 5/31/2023			Unspent/Unencumbered	
					Expenditures	Indirects	Total Claim	Balance	%
Title I, Part A	\$ 1,050,090	\$ (20,288)	\$ 1,029,802	Approved	\$ 632,739.25	\$ 12,464.96	\$ 645,204.21	\$ 183,040.20	18%
Title II, Part A	\$ 228,392	\$ (4,413)	\$ 223,979	Approved	\$ 185,726.16	\$ 3,658.81	\$ 189,384.97	\$ 30,620.72	14%
Title III, Part A	\$ 35,905	\$ (694)	\$ 35,211	Approved	\$ 13,726.07	\$ 270.40	\$ 13,996.47	\$ 20,089.39	57%
<b>TOTAL EGMS</b>	<b>\$ 1,314,387</b>	<b>\$ (25,395)</b>	<b>\$ 1,288,992</b>		<b>\$ 832,191.48</b>	<b>\$ 16,394.17</b>	<b>\$ 848,585.65</b>	<b>\$ 233,750.31</b>	
EDS iGRANTS									
FEDERAL (Revenue Source 61): FY 9/1/2022 - 8/31/2023									
Grant Name	Grant Total	Indirects	Budget	Status	FYTD Activity as of 5/31/2023			Unspent/Unencumbered	
					Expenditures	Indirects	Total Claim	Balance	%
9th Gr. Success	\$ 25,000	\$ -	\$ 25,000	Approved	\$ -	\$ -	\$ -	\$ 23,746.82	95%
CES Dual Credit	\$ 20,000	\$ (2,913)	\$ 17,087	Approved	\$ 9,305.00	\$ 1,586.50	\$ 10,891.50	\$ 7,782.00	46%
ESSER III	\$ 4,787,712	\$ (529,697)	\$ 4,258,015	Approved	\$ 1,559,987.55	\$ 194,062.45	\$ 1,754,050.00	\$ 2,287,336.12	54%
ARP - HCY	\$ 29,780	\$ (1,161)	\$ 28,619	Approved	\$ 4,071.72	\$ 165.31	\$ 4,237.03	\$ 24,547.28	86%
BEST ESA	\$ 4,000	\$ (582)	\$ 3,418	Approved	\$ 3,418.00	\$ 582.00	\$ 4,000.00	\$ (8,122.34)	-238%
ESSER III LL	\$ 1,196,928	\$ (132,424)	\$ 1,064,504	Approved	\$ 290,377.01	\$ 36,122.90	\$ 326,499.91	\$ 647,858.77	61%
ALE Unfin Learn	\$ 184,000	\$ (20,357)	\$ 163,643	Approved	\$ 121,935.64	\$ 15,168.79	\$ 137,104.43	\$ 4,343.61	3%
SPED ARP 611	\$ 175,535	\$ (3,391)	\$ 172,144	Approved	\$ 172,144.00	\$ 3,391.00	\$ 175,535.00	\$ (170,348.54)	-99%
SPED ARP 619	\$ 19,940	\$ (385)	\$ 19,555	Approved	\$ 19,555.00	\$ 385.00	\$ 19,940.00	\$ -	0%
SPED 611	\$ 966,992	\$ (18,681)	\$ 948,311	Approved	\$ 559,024.72	\$ 11,012.79	\$ 570,037.51	\$ 216,102.69	23%
SPED 619	\$ 24,252	\$ (468)	\$ 23,784	Approved	\$ 19,490.61	\$ 383.97	\$ 19,874.58	\$ (2,246.96)	-9%
Perkins	\$ 40,002	\$ (772)	\$ 39,230	Approved	\$ 29,229.95	\$ 575.83	\$ 29,805.78	\$ 5,806.80	15%
OSSI Betz	\$ 30,000	\$ (579)	\$ 29,421	Approved	\$ 23,639.29	\$ 465.69	\$ 24,104.98	\$ (2,898.37)	-10%
OSSI Salnave	\$ 30,000	\$ (579)	\$ 29,421	Approved	\$ 18,882.21	\$ 371.98	\$ 19,254.19	\$ 3,599.68	12%
SPED TII A KESE	\$ 20,000	\$ (386)	\$ 19,614	Approved	\$ 3,082.69	\$ 60.73	\$ 3,143.42	\$ 16,531.31	84%
<b>FEDERAL</b>	<b>\$ 7,554,141</b>	<b>\$ (712,375)</b>	<b>\$ 6,841,766</b>		<b>\$ 2,834,143.39</b>	<b>\$ 264,334.94</b>	<b>\$ 3,098,478.33</b>	<b>\$ 3,054,038.87</b>	



## Things to know..

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- Cost of 1% salary increase
  - Certificated & classified
- Cost of one additional work day
- Levy rate per thousand

# Current initiatives and financial commitments

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- **What commitments and initiatives did you inherit?**

- Are they based on the district goals or strategic plan?
  - Transitional kindergarten, mental health, curriculum adoptions, etc.
  - Timing can be difficult to make significant program changes, greater opportunity in next years budget cycle
- Collective bargaining agreements; What is the annual cost and how much will they cost in future years? Multi-year agreements or upcoming negotiations?
- Do you still have ESSER funds?

# Prototypical School Funding Model

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- It's a complicated formula....
  - Formula factors include:
    - Varying staff/student ratios for different grade levels
    - Staff unit allocations for administrative, instructional & classified staff
    - Salaries allocations adjusted for regionalization & experience
    - Allocations for materials, supplies and operating costs (MSOC)
    - Enhanced funding for small schools
    - Enhanced funding for vocational programs (CTE & Skills Center)
    - Separate rates for ALE & Running start students
  - Small School enhancements

# Prototypical School Funding Model example

Other School Staffing	Elementary (K–6)	Middle (7–8)	High (9–12)	Staff Type
Base Enrollment	400	432	600	Student FTE

Other School Staffing	Elementary (K–6)	Middle (7–8)	High (9–12)	Staff Type
Principals	1.253	1.353	1.880	CAS
Teacher Librarians	0.663	0.519	0.523	CIS
Guidance Counselors	0.493	1.216	2.539	CIS
School Nurses	0.076	0.060	0.096	CIS
Social Workers	0.042	0.006	0.015	CIS
Psychologists	0.017	0.002	0.007	CIS
Teaching Assistance	0.936	0.700	0.652	CLS
Office Support	2.012	2.325	3.269	CLS
Custodians	1.657	1.942	2.965	CLS
Student & Staff Safety	0.079	0.092	0.141	CLS
Parent Involvement	0.0825	-	-	CLS

# Small High School Staffing Example

<b>D. District Summary</b>	
1. School Generated – General Education (Includes Small School District and Remote and Necessary Bonus Units)	
a. Certificated Instructional Staff (CIS) [Teachers FTE] + [Librarian FTE] + [Counselor FTE] + [Nurses FTE] + [Social Workers FTE] + [Psychologist FTE] + [SS RN CIS FTE] - [Staff Unit Reduction] - [PSES CIS Staffing Reduction]  7.066 + 0.195 + 0.463 + 0.087 + 0.032 + 0.011 + 7.002 - 0.000 - 0.000	14.856
b. Certificated Administrative Staff (CAS) [Principal FTE] + [SS RN CAS FTE]  0.436 + 0.337	0.773

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		<b>1191ED</b>
		Run June 22, 2023 6:28 PM
		<b>TOTALS</b>
c. Classified (CLS) [Teaching Assist FTE] + [School Office FTE] + [Custodians FTE] + [Security FTE] + [Family Involve FTE] + [SS RN CLS FTE]  0.268 + 0.720 + 0.610 + 0.029 + 0.018 + 2.496		4.141

# Small High School Funding Model

<small>IF: ENROLL TOTAL W/ ROLL START &gt; 50 AND &lt; 100 AND 40.46 = 0 THEN: 0.50 ELSE: 0</small>	
<b>11. Small School and Remote and Necessary Subtotal</b>	
<b>a. Certificated Instructional Staff (CIS)</b> [SS K-8 <5 CIS] + [RN K-8 <5 CIS] + [SS 5 < K-8 <25 CIS] + [RN 5 < K-8 <25 CIS] + [SS 25 < K-8 <100 CIS] + [RN 25 < K-8 <100 CIS] + [SS Small High CIS] + [SS Non-High K-6] + [SS Non-High K-8] + [Add BEA CIS]  0.000 + 0.000 + 0.000 + 0.000 + 0.000 + 0.000 + 7.002 + 0.000 + 0.000 + 0.000	<b>7.002</b>
<b>b. Certificated Administrative Staff (CAS)</b> [SS K-8 <5 CAS] + [RN K-8 <5 CAS] + [SS 5 < K-8 <25 CAS] + [RN 5 < K-8 <25 CAS] + [SS 25 < K-8 <100 CAS] + [RN 25 < K-8 <100 CAS] + [SS Small High CAS] + [Add BEA CAS]  0.000 + 0.000 + 0.000 + 0.000 + 0.000 + 0.000 + 0.337 + 0.000	<b>0.337</b>
<b>c. Classified (CLS)</b> [SS CLS Small Districts] + [SS CLS Non-High]  2.496 + 0.000	<b>2.496</b>

# Timing of Apportionment Funding

## FY 2021–22 Payment Schedule—State Moneys

<u>Month</u>	<u>Final Date of Revisions * Received at OSPI</u>	<u>Date Documentation Transmitted to ESDs and SDs</u>	<u>Electronic Moneys Transfer Date</u>	<u>Apportionment Payment Percentage</u>
September 2021	20	24	September 30	9.0
October	19	25	October 29	8.0
November	16	22	November 30	5.0
December	17	23	December 30	9.0
January 2022	19	25	January 31	8.5
February	15	22	February 28	9.0
March	21	25	March 31	9.0
April	19	25	April 29	9.0
May	18	24	May 31	5.0
June	20	24	June 30	6.0
July	19	25	July 29	12.5
August	19	25	August 31	<u>10.0</u>
			TOTAL	<u>100.0</u>

# Enrollment & Staffing

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- Enrollment = Revenue = Staffing
  - Enrollment trend for district will dictate how you manage your district budget
    - Growing enrollment will provide fresh revenue and allow for growth without prioritization or cuts
    - Declining enrollment will lead to a more conservative financial approach and taking advantage of cost savings opportunities (retirements/attrition of staff)
- Levy funding and levy equalization are also determined based on enrollment
- Business Manager's experience and expertise can be extremely helpful when the budget needs to be tightened



# How is your district's staffing determined?

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- As a new superintendent, know how your district is currently staffed:
  - Does your district utilize staffing ratios?
  - Community/board expectations
  - Goals, requirements, funding etc.
  - Collective bargaining agreements? (Class sizes or caseloads)
  - Ratios are the best methodology and allow for consistency across the district and prevent the squeaky wheel from getting additional resources

# Labor Negotiations

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- You may be coming into a settled or tumultuous labor environment
- Superintendent at the table.....maybe
- Your single largest cost is labor, typically 80-85% of your budget
- Fund with ongoing revenue, fund balance should be reserved for one-time expenditures
- The bargaining environment has changed significantly in the last 5 years
- Different environment, but the same challenge
  - Pay less people more or more people less

# Levies and Bonds

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- When are your current levies up for renewal?
  - What is an enrichment levy? Also known as an educational programs and operation levy.
- Do you also have a capital levy, transportation levy or bonds?
  - How can you use these other levies to take pressure off of the general fund?
- Garnering community support for bonds and levies is ongoing and always

# Newer Requirements

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- **For/Against statements**
  - School boards are required to solicit for/against committees for each ballot initiative
  - Individuals do not have to reside within the district
- **Levy Expenditure plan must be approved by the board and submitted to OSPI for approval**
  - <https://www.k12.wa.us/policy-funding/school-apportionment/budget-preparations>

## Estimated Levy Authority & Local Effort Assistance (LEA)

- [Enrichment Levy Pre-Ballot Approval form with worksheet for estimating 2024 through 2028 Levy Authority and LEA \(XLSX\)](#) This form is used to complete the Pre-Ballot Levy Approval Form with the selected data from the Estimated Levy File. Please send this completed form to the [Pre-Ballot Approvals](#) email. (Updated May 24, 2023)

## Newer Requirements (cont.)

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### **“For”/“Against” Committee Notice**

Benge School District is seeking applications from citizens interested in being appointed to a committee to write the pro/con statements for the Adams County Local Voters' Pamphlet related to the District's upcoming Replacement Educational Programs and Operations Levy ballot measure to be considered at the February 8, 2022 election. Those interested should send their name, address, phone number and which position they represent to Kassidy Probert at 509-789-3564 or via email at [kprobert@esd101.net](mailto:kprobert@esd101.net) by October 24, 2021. The board will take action on the appointments at its October 25, 2021 regular board meeting.

# Election Filing Dates

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Election Date	Resolution Filing Deadline	Approximate Date Ballots Mailed	Election Certified
November 7, 2023	August 1, 2023	October 20, 2023	November 28, 2023
February 13, 2024	December 15, 2023	January 26, 2024	February 23, 2024
April 23, 2024	February 23, 2024	April 5, 2024	May 3, 2024
August 6, 2024	May 10, 2024	July 19, 2024	August 20, 2024
November 5, 2024	August 2, 2024	October 18, 2024	November 26, 2024

# Closing Thoughts.....

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## **Review these 3 items:**

- Budget status report
- Treasurer statement
- Cash flow

# QUESTIONS?

## Thank You!

**Kassidy Probert**  
**kprobert@esd101.net**  
**509-789-3564**