

Board Special Meeting
2017-18 Budget; Executive Session:
to Evaluate the Performance of a Public Employee
July 26, 2017, 5:30 - 8:30pm
Auditorium, John Stanford Center
2445 – 3rd Avenue South, Seattle WA 98134



Agenda

- I. **Call to Order** 5:30pm
- II. **Restoration Plan**
- Legislative Session Update
 - Restoration Plan Update
 - Outcome
- III. **Business Action Item: 2017-18 Budget - Discussion and Action**
- Public testimony will not be taken at this meeting as a public hearing for the 2017-18 budget was held on July 19, 2017.*
- **Resolution 2016/17-27, Fixing and Adopting the Budget** - (A&F, June 13, for consideration) Approval of this item would adopt Resolution 2016/17-27, to fix and adopt the 2017-18 budget. (attachment added)
- IV. **Executive Session¹: to Evaluate the Performance of a Public Employee; Potential Litigation** 6:30pm*
- V. **Adjourn** 8:30pm*

Special meetings of the Board, including work sessions and retreats, may contain discussion and/or action related to the items listed on the agenda.

¹Executive Sessions are closed to the public, per RCW 42.30

*Times given are estimated

Budget Work Session

July 26, 2017



Budget Work Session 7/26/2017 Presented
by JoLynn Berge

Agenda

1. Legislative Session update
2. Restoration plan update
3. Outcome

Outcome for Budget

- Consensus on final piece of a restoration plan for 2017-18
- Decisions on restoration do NOT impact the budget approval. Amounts in this final restoration have been included in the final budget amount, but consensus is needed on before the dollars could be spent.

Legislative Session Update

These updates changed the planned expenditure amount in each program, but did not change the overall total expenditure amount for the 2017-18 budget.

Updates included in budget (plan to spend) in 2017-18:

- Increase in Learning Assistance Funds \$2.8m
- Increase in program resources for Career and Technical education of \$.9m
- Increase in medical allocation for staff – revenue increase \$2.2m, expenditure increase \$2.7m
- Additional Skill Center funds of \$.1m, Bilingual funds of \$.7m and Highly Capable funds of \$.6m to backfill levy (used for Restoration)

Legislative Session Update

These updates are NOT planned to be spent in 2017-18 and therefore did not impact the overall total expenditure amount for the 2017-18 budget.

Updates to save to reduce projected \$50m deficit in 2018-19:

- Revenue funding for 2.3% staff Cost of Living increase \$5.2M above planned amount
- One year of continuation of “Ghosting funds” for levy – increase of \$16.5m
- Increase in revenue for K-3 class size \$17.0m

Why Save for 2018-19?

- Currently projected deficit of \$53m (refer to April 26 work session, slide 12)
- K-3 class size funding, while an allocation, will be needed to help smooth the class sizes between K-3 and Grades 4-5
- Engagement!!
 - We need to communicate with and listen to the community and our partners regarding these additional revenues



• We will need to be disciplined and focused

Legislative Session Update

- \$11m received has been identified for Restoration:
 - Per Pupil Inflator receiving a total of \$9.6m
 - Increase in allocation, to **backfill** for what **levy** has been paying for
 - Highly Capable \$600k
 - ELL \$700k
 - Skill Center \$100k

Restoration Summary To Date

Restoration Summary for \$74m Worst Case for 2017-18		
2017-18 Cuts	Items that were reduced	Approved - Amount Restored - \$24.4m Levy cliff bill + anticipated Per Pupil Inflator \$6m (A)
Economic Reserve Fund*	\$ 11,500,000	\$ -
WSS Formula	\$ 16,600,000	\$ 16,600,000
Equity Funding for High Need Schools	\$ -	\$ 2,800,000
24 Credits	\$ 6,600,000	\$ -
Central Office reductions	\$ 4,000,000	\$ 500,000
District contingency reserve	\$ 2,000,000	\$ -
Mitigations	\$ -	\$ -
Waitlists	\$ -	\$ -
Fall enrollment reserve	\$ 2,000,000	\$ -
Funding to reduce school splits	\$ 1,800,000	\$ -
K-5 ELA Adoption	\$ 4,500,000	\$ 5,400,000
Middle School Math	\$ 1,800,000	\$ -
2017-18 Funding for curriculum	\$ 5,000,000	\$ -
Title II/STAR, etc	\$ -	\$ 500,000
SMART Goals/EOG	\$ -	\$ 1,500,000
Other Needs (HCC, district goals, IB etc.)	\$ -	\$ 500,000
Total	\$ 55,800,000	\$ 27,800,000

Staff Recommendation for additional restorations

Total of \$7.6m

1. \$2m for Equity/Mitigations
2. \$2m for Fall enrollment adjustments
3. \$800k for Central Office
4. \$1.8m for MS math
5. \$1m for SMART Goals

The “Why”

1. Identified school needs
2. Minimize staffing changes for students
3. Restore total of \$1.3m out of \$4m in reductions for needed staff and critical work
4. Complete new math adoption work
5. To enable all goals to reach for Proficiency vs. Basic

Staff Recommendation for additional restorations

Restoration Summary for \$74m Worst Case for 2017-18

2017-18 Cuts	Items that were reduced	Approved - Amount Restored - \$24.4m Levy cliff bill + anticipated Per Pupil Inflator \$6m (A)	PROPOSED Recommendation for any remaining funds (per Supt on 6/13) (B)	Total Amounts to be restored and/or funded (A+B)
Economic Reserve Fund*	\$ 11,500,000	\$ -	\$ -	\$ -
WSS Formula	\$ 16,600,000	\$ 16,600,000	\$ -	\$ 16,600,000
Equity Funding for High Need Schools	\$ -	\$ 2,800,000	\$ -	\$ 2,800,000
24 Credits	\$ 6,600,000	\$ -	\$ -	\$ -
Central Office reductions	\$ 4,000,000	\$ 500,000	\$ 800,000	\$ 1,300,000
District contingency reserve	\$ 2,000,000	\$ -	\$ -	\$ -
Mitigations	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000
Waitlists	\$ -	\$ -	\$ -	\$ -
Fall enrollment reserve	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 2,000,000
Funding to reduce school splits	\$ 1,800,000	\$ -	\$ -	\$ -
K-5 ELA Adoption	\$ 4,500,000	\$ 5,400,000	\$ -	\$ 5,400,000
Middle School Math	\$ 1,800,000	\$ -	\$ 1,800,000	\$ 1,800,000
2017-18 Funding for curriculum	\$ 5,000,000	\$ -	\$ -	\$ -
Title II/STAR, etc	\$ -	\$ 500,000	\$ -	\$ 500,000
SMART Goals/EOG	\$ -	\$ 1,500,000	\$ 1,000,000	\$ 2,500,000
Other Needs (HCC, district goals, IB etc.)	\$ -	\$ 500,000	\$ -	\$ 500,000
Total	\$ 55,800,000	\$ 27,800,000	\$ 7,600,000	\$ 35,400,000



Outcome for Budget

- Consensus on \$7.6m additional restorations



SCHOOL BOARD ACTION REPORT

DATE: June 26, 2017
FROM: Dr. Larry Nyland, Superintendent
LEAD STAFF: JoLynn Berge, Asst. Superintendent for Business & Finance,
jdberge@seattleschools.org;

For Intro: July 5, 2017
For Action: July 26, 2017

1. TITLE

Resolution 2016/17-27, Fixing and Adopting the Budget

2. PURPOSE

This action report calls for adoption by resolution of the 2017-18 recommended budget. The attached presentation provides more detail about planned expenditures.

3. RECOMMENDED MOTION

I move that the School Board adopt Resolution 2016/17-27, to fix and adopt the 2017-2018 Budget.

4. BACKGROUND INFORMATION

The School Board is being asked to adopt the 2017-2018 Recommended Budget. This adoption includes approval of operating transfers from the Capital Projects Fund to the Debt Service Fund up to the amount of \$2,566,650 and transfers up to the amount of \$18,502,852 to the General Fund.

General Fund

The 2017-2018 General Fund Budget is recommended at \$857,737,940. General Fund resources are comprised of \$ 772,704,831 in non-grant resources and \$ 85,033,109 in grant funds. Included in these amounts are capacity reserves of \$ 37,739,891 in non-grant capacity and \$13,000,000 in grant capacity. The capacity reserves are placeholders for potential spending in the event that new revenues are received or unspent funds from 2016-17 are transferred to 2017-18. Expenditures will not be made against capacity unless actual resources are received.

Associated Student Body Fund

The 2017-2018 Associated Student Body Fund Budget is recommended at \$ 6,707,000. The budget is used to support various Associated Student Body activities.

Debt Service Fund

The 2017-2018 Debt Service Fund Budget is recommended at \$ 2,576,650. This fund will be used to pay the debt service on the 2010 Series-A Refunding bond that financed the John Stanford Center for Educational Excellence, and \$10,000 in capacity for administrative fees or other currently unknown expenses.

Capital Fund

The 2017-2018 Capital Fund is recommended at \$258,523,031. The Capital Fund revenue is comprised of: \$194,058,165 of Building Technology Academics IV and Building Excellence IV levy collections; \$12,296,697 of State Assistance Funding; \$6,000,000 of E-Rate; \$1,363,819 of investment earnings from Building Technology Academics/ Athletics IV, Building Excellence IV, Building Technology Academics III, Building Excellence III, Building Technology Academics II, and Capital Eligible Projects; \$1,154,217 in rentals and leases; \$4,269,000 in Capital Grants and \$60,000,000 in a cash flow bond, less \$2,566,650 million in funding transfers to the Debt Service, and \$18,502,852 million in funding transfers to the General Fund. \$450,634 of the Fund balance from prior bond sales and levies will also be used to fund projects for the 2017-2018 fiscal year.

a. Alternatives

1. The board can choose not to approve the budget. This is not recommended because approval is necessary in order to allow schools, educational support programs and administrative functions to continue operating.
2. The board can choose to make amendments to the recommended budget. This is not recommended due to the significant amount of work and discussions that have already occurred to reach the proposed budget decisions. Making any major changes this late could create a delay in finalizing and submitting the budget to the state.

b. Research

This motion reflects the culmination of budget development work that started in October of 2016. This was a public process that included several community meetings and School Board work sessions. A public hearing on the budget will be held on July 19, 2017.

5. FISCAL IMPACT/REVENUE SOURCE

Fiscal impact to this action will be \$857,737,940 (General Fund), \$ 6,707,000 (Associated Student Body Fund), \$ 2,576,650 (Debt Service Fund), and \$ 258,523,031 (Capital Projects Fund).

The revenue source for this motion is multiple sources.

Expenditure: ☐ One-time ☒ Annual ☐ Multi-Year ☐ N/A

Revenue: ☐ One-time ☒ Annual ☐ Multi-Year ☐ N/A

6. COMMUNITY ENGAGEMENT

With guidance from the District's Community Engagement tool, this action was determined to merit the following tier of community engagement:

- ☐ Not applicable
- ☐ Tier 1: Inform
- ☒ Tier 2: Consult/Involve
- ☐ Tier 3: Collaborate

Through multiple budget discussions and meetings with our community, labor partners, employees and senior leaders, ongoing programs and investments for student learning were identified and incorporated into the annual budget decision-making process. A public hearing as required in WAC 392-12-054 will take place on July 19, 2017.

7. **EQUITY ANALYSIS**

Detailed review of budget balancing strategies and support needs for the district's equity goals were discussed and evaluated over the last year during development of the proposed budget.

8. **STUDENT BENEFIT**

Adopting the proposed budget benefits students by providing a balanced budget that is designed to provide necessary resources for teachers, teacher support and administrative support for academic success for all students of Seattle Public Schools within the constraints of our current funding environment.

9. **WHY BOARD ACTION IS NECESSARY**

- ☐ Amount of contract initial value or contract amendment exceeds \$250,000 (Policy No. 6220)
- ☐ Amount of grant exceeds \$250,000 in a single fiscal year (Policy No. 6114)
- ☐ Adopting, amending, or repealing a Board policy
- ☐ Formally accepting the completion of a public works project and closing out the contract
- ☒ Legal requirement for the School Board to take action on this matter
- ☒ Board Policy No. 6000, Program Planning, Budget Preparation, Adoption and Implementation, provides the Board shall approve this item
- ☐ Other: _____

10. **POLICY IMPLICATION**

The 2017-2018 Recommended Budget is in compliance with the following:

- 1) Board Policy No. 6000, Program Planning, Budget Preparation, Adoption, and

- 2) Revised Code of Washington State Law: RCW 28A.505.130 which requires school districts to adopt a balanced budget, RCW 28A.505.060 which requires first-class school districts to adopt a budget no later than August 31st each year and to forward copies of their adopted budget to their Educational Service District no later than September 3rd, and RCW 28A.335.060 which allows school districts to deposit revenue into the General Fund from the lease, rental, or occasional use of surplus school property to be expended for general maintenance, utility, insurance costs, and any other costs associated with the lease or rental of such property.

11. BOARD COMMITTEE RECOMMENDATION

This motion was discussed at the Quarterly Audit and Finance Committee meeting on June 13, 2017. The Committee reviewed the motion and the item forwarded for consideration.

12. TIMELINE FOR IMPLEMENTATION

Upon approval of this motion, staff will file a completed budget with the State. This budget will go into effect on September 1, 2017 and expire on August 31, 2018.

13. ATTACHMENTS

- Resolution 2016/17-27, Fixing and Adopting the Budget (for approval)
- Presentation on 2017-18 Recommended Budget (dated July 5, 2017)
- District-wide Staff FTE Summary
- Presentation on 2017-18 Budget (dated July 26, 2017)

RESOLUTION OF FIXING AND ADOPTING THE BUDGET

SEATTLE SCHOOL DISTRICT NO. 1 RESOLUTION NUMBER 2016/17-27

WHEREAS, WAC 392-123-054 requires that the Board of Directors of every school district meet for the purpose of fixing and adopting the budget of the district for the ensuing fiscal year; and

WHEREAS, public notices were published on July 06, 2017 and July 10, 2017 announcing that the Board of Directors of Seattle School District No. 1, King County, Washington, would meet in a public meeting on July 19, 2017 for the purpose of holding a required public hearing regarding the 2017–2018 Fiscal Budget of the district; and

WHEREAS, the Board of Directors has been requested to approve operating transfers from the Capital Projects Fund to the Debt Service Fund up the amount of \$ 2,566,650 and

WHEREAS, pursuant to RCW 28A.320.330 the Board of Directors has been requested to approve operating transfers from the Capital Projects Fund up to the amount of \$ 18,502,852 to the General Fund for certain major renovations, facility repairs and technology - related expenditures; and

WHEREAS, pursuant to RCW 28A.335.060, the Board of Directors has been requested to redirect revenues derived from the rental and lease of real property for 2017–2018 to be used exclusively for nonrecurring costs related to operating school facilities up to a maximum of \$ 3,984,669; now therefore

BE IT RESOLVED that the Board of Directors of Seattle School District No. 1, King County, Washington, has determined that the final appropriation level of expenditures for each fund in 2017–2018 will be as follows:

APPROPRIATION LEVEL

A.	General Fund	\$ 857,737,940
B.	Associated Student Body Fund	\$ 6,707,000
C.	Debt Service Fund	\$ 2,576,650
D.	Capital Projects Fund	\$ 258,523,031

BE IT FURTHER
RESOLVED that the Board of Directors of Seattle School District No. 1, King County, Washington, approves, in a meeting thereof held July 26, 2017, operating transfers from the Capital Projects Fund to the Debt Service Fund up to the amount of \$ 2,566,650 and Capital Projects Fund transfer up to the amount of \$ 18,502,852 to the General Fund and to redirect up to \$ 3,984,669 of rental and lease revenue to the General Fund.

ADOPTED by the Board of Directors of Seattle School District No. 1, King County Washington, at a regular open public meeting thereof, held this 26th day of July, 2017, the following Directors being present and voting in favor of the resolution.

Director Sue Peters, Board President

Director Leslie Harris, Board Vice President

Director Scott Pinkham, Member-at-Large

Director Stephan Blanford

Director Rick Burke

Director Jill Geary

Director Betty Patu

ATTEST: _____
Dr. Larry Nyland, Superintendent
Board Secretary
Seattle School District No. 1
King County, WA

Presentation on 2017-18 Budget

Board Meeting
July 5, 2017

Agenda

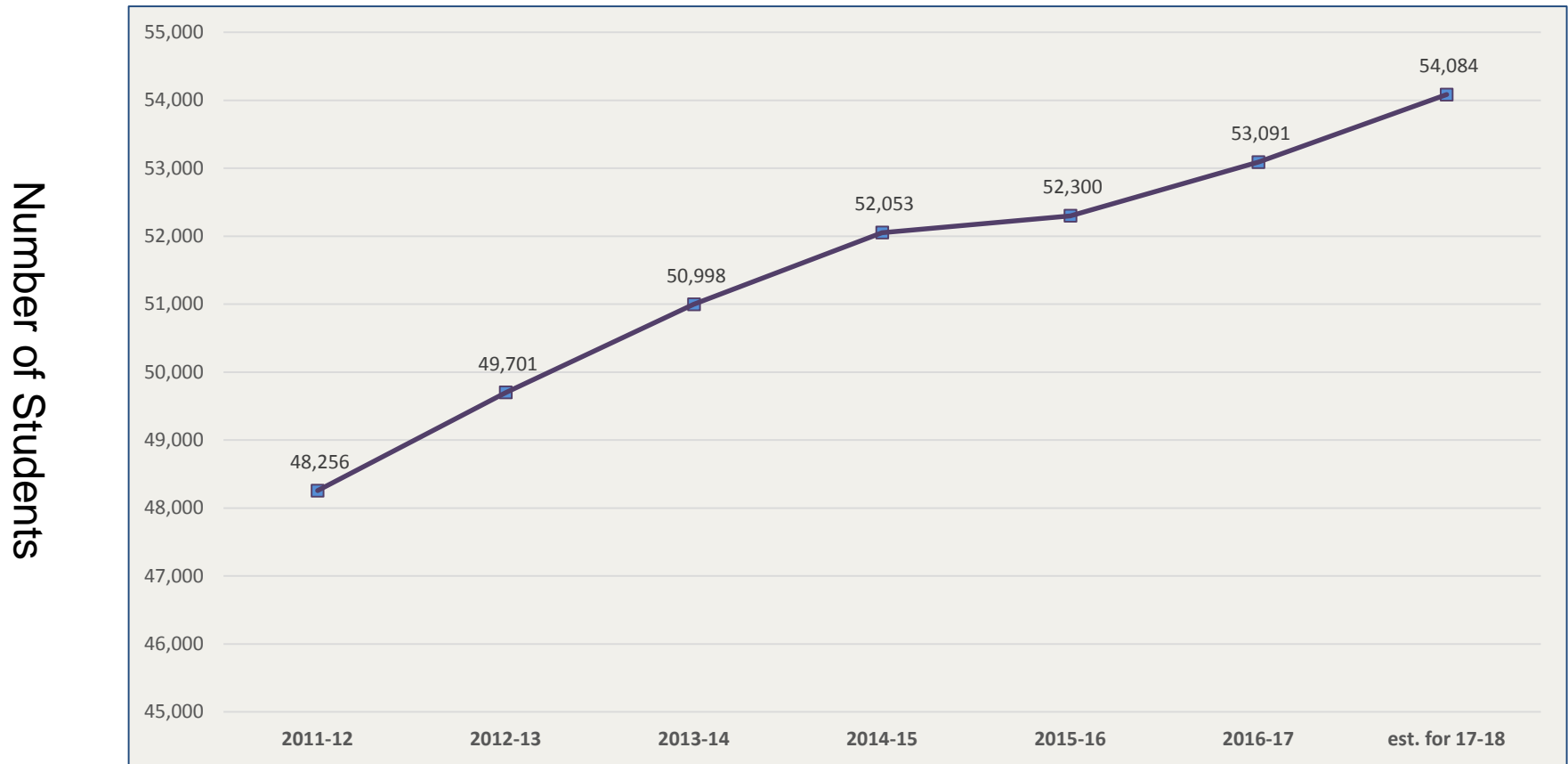
1. Recommended FY17-18 Budget Summary
2. Enrollment
3. General Fund Resources
4. Expenditures by State Program
5. Expenditures by State Activity
6. Expenditures by State Object
7. Comparison of Direct Services to Support Services
8. Maintenance Supplies & Operating Cost (MSOC) Funding vs Expenditures FY 2017-18
9. Next Steps
10. Appendix
 1. District wide staffing
 2. School Funding Allocations

Recommended FY17-18 Budget Summary

(Dollars in Millions)

	General Fund	ASB Fund	Debt Service Fund	Capital Fund
Beginning Fund Balance	\$68.7	\$3.8	\$1.3	\$4.7
Revenue and Other Financing Sources	\$816.1	\$7.1	\$2.6	\$279.1
Expenditures	\$857.7	\$6.7	\$2.6	\$258.5
Transfers Out				\$21.1
Net Operating Activities (Change of Fund Balance)	<u>(\$41.7)</u>	<u>\$0.4</u>	<u>\$0.0</u>	<u>(\$0.5)</u>
Ending Fund Balance	\$27.0	\$4.3	\$1.3	\$4.2

Enrollment – October Headcount

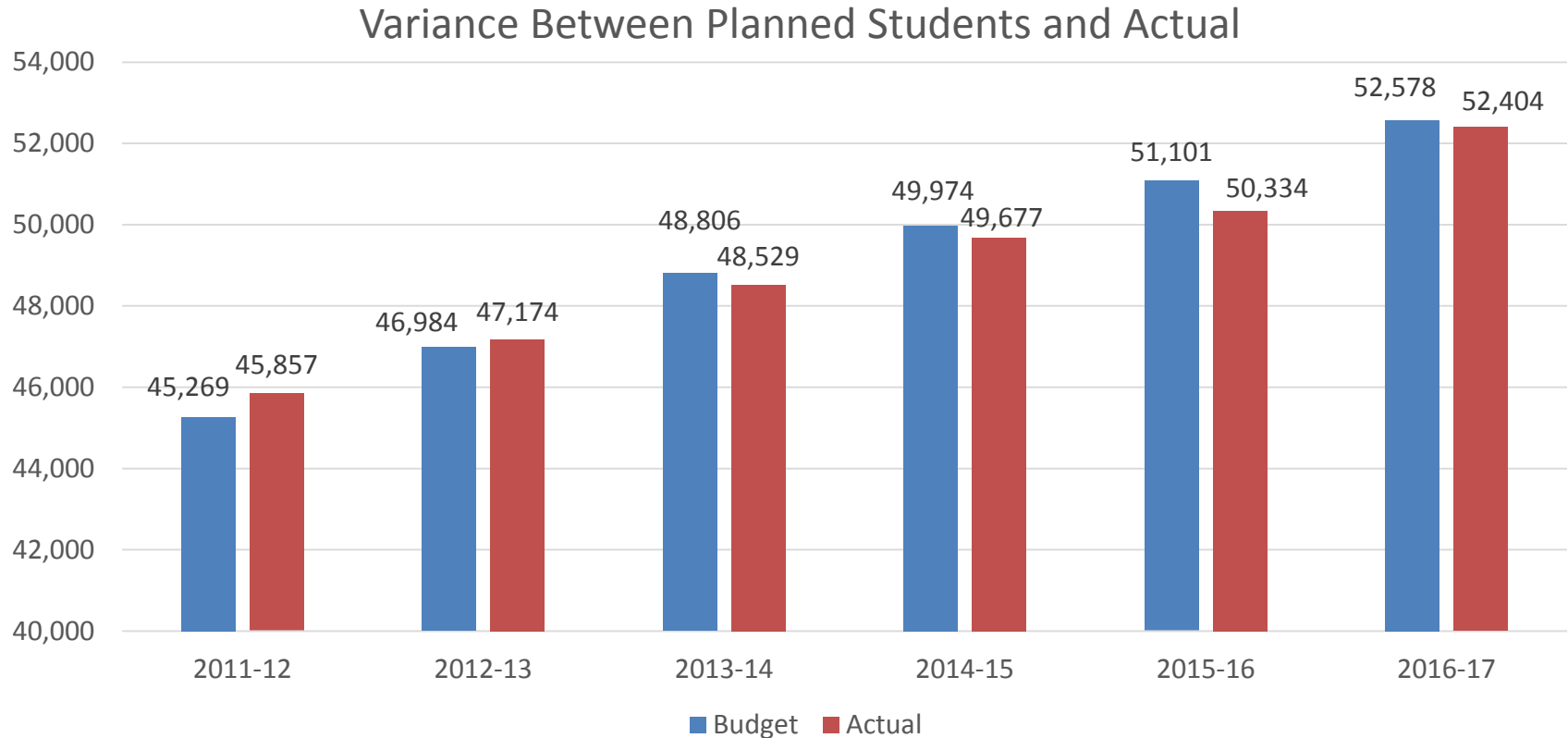


Actual enrollment per OSPI report 1251H. Estimated 2017-18 enrollment provided by Seattle's Enrollment Planning Department

Board Meeting 7/5/2017 Presented by
JoLynn Berge

Enrollment

Annual Average Full Time Equivalent (AAFTE)



Enrollment excludes Running Start, Dropout Reengagement, and Summer School
Source: OSPI Report 1251 for Actual and F-195 for Budget

Board Meeting 7/5/2017 Presented by
JoLynn Berge

General Fund Resources

Dollars in Millions	2015-16 Actual	2016-17 Adopted	2017-18 Recommended	Change 2016-17 vs 2017-18	2017-18 Rec. Percent of Total
State	\$418.9	\$446.3	\$491.2	\$44.9	10.1%
Local Levy	\$190.4	\$197.8	\$201.1	\$3.3	1.7%
Federal	\$52.4	\$53.0	\$55.5	\$2.4	4.6%
Other	<u>\$46.7</u>	<u>\$40.3</u>	<u>\$49.8</u>	<u>\$9.5</u>	<u>23.5%</u>
Total Revenue	\$708.5	\$737.4	\$797.6	\$60.1	8.2%
Other Resources	<u>\$15.2</u>	<u>\$52.3</u>	<u>\$60.2</u>	<u>\$7.9</u>	<u>15.1%</u>
Total Resources	\$723.7	\$789.7	\$857.7	\$68.0	8.6%

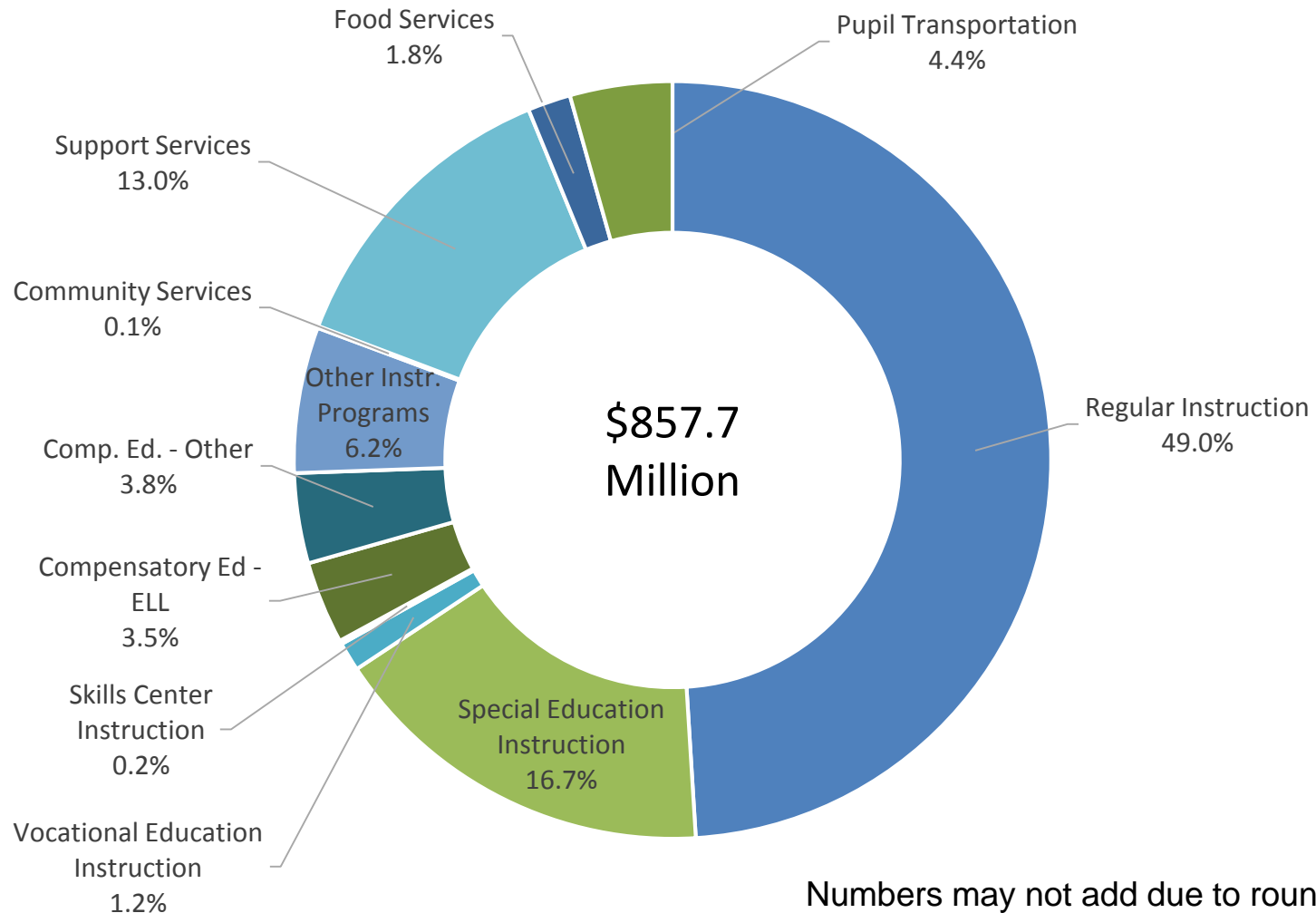
Expenditures by State Program

Dollars in Millions	2015-16 Actual	2016-17 Adopted	2017-18 Recommended	Change 2016-17 vs 2017-18	2017-18 Rec. % of Total
Regular Instruction	\$332.8	\$385.7	\$420.4	\$34.7	49.0%
Special Education	\$119.5	\$128.0	\$143.0	\$15.0	16.7%
Vocational Education	\$10.2	\$10.6	\$10.5	(\$0.1)	1.2%
Skills Center	\$1.0	\$1.0	\$1.3	\$0.4	0.2%
Comp Ed. - ELL	\$25.7	\$28.4	\$30.2	\$1.8	3.5%
Comp Ed. - Other	\$36.4	\$32.9	\$33.0	\$0.1	3.8%
Other Instructional Progs	\$34.4	\$44.2	\$53.4	\$9.1	6.2%
Community Services	\$1.8	\$0.6	\$0.7	\$0.1	0.1%
Food Services	\$14.0	\$15.1	\$15.8	\$0.7	1.8%
Pupil Transportation	\$33.2	\$34.3	\$37.5	\$3.2	4.4%
Support Services	<u>\$101.6</u>	<u>\$108.8</u>	<u>\$111.8</u>	<u>\$3.0</u>	13.0%
Total Expenditures	\$710.6	\$789.7	\$857.7	\$68.0	100.0%



Budgeted Expenditures by Program

School Year 2017-18

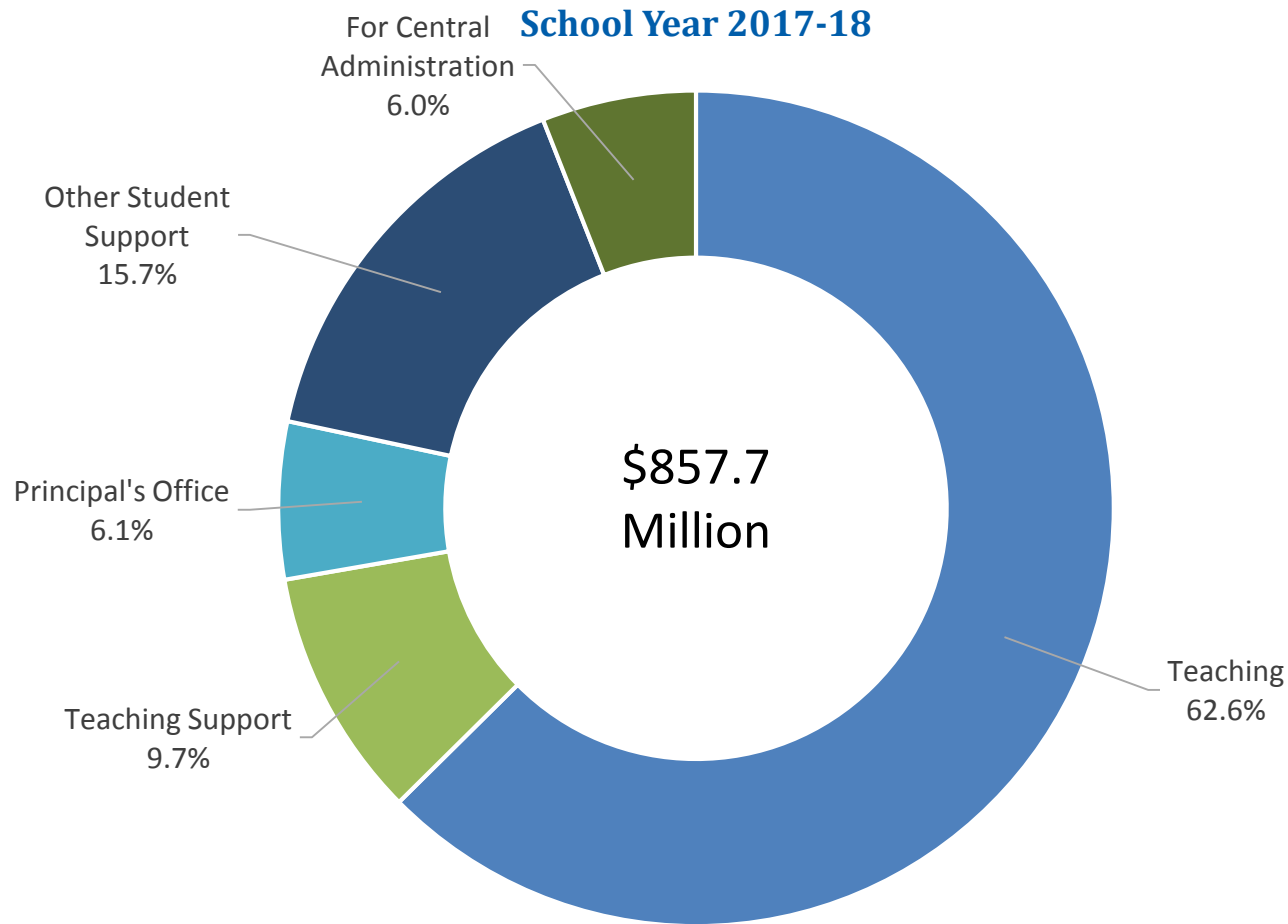


Numbers may not add due to rounding

Expenditures by State Activity

Dollars in Millions	2015-16 Actual	2016-17 Adopted	2017-18 Recommended	Change 2016-17 vs 2017-18	2017-18 Recommended Percent of Total
Teaching	\$425.8	\$480.3	\$536.8	\$56.5	62.58%
Teaching Support	\$74.6	\$85.6	\$83.0	(\$2.6)	9.68%
Principal's Office	\$46.3	\$49.8	\$52.2	\$2.4	6.09%
Other Student Support (Food Services, Utilities, Transportation, etc)	\$119.7	\$127.4	\$134.5	\$7.1	15.69%
Central Administration	<u>\$44.2</u>	<u>\$46.6</u>	<u>\$51.2</u>	<u>\$4.6</u>	5.97%
Total Expenditures	\$710.6	\$789.7	\$857.7	\$68.0	100.00%

Budgeted Expenditures by Activity Group



Numbers may not add due to rounding

State Activity Groups Defined

- **Teaching** - Includes expenditures related to direct instruction of students. Includes instructional materials, basic instructional and student supplies, but does not include textbooks or instructional software.
- **Teaching Support** – includes support services related to teaching and student well-being. Includes, counseling, pupil safety, health related services, instructional professional development, textbooks, and instructional software.
- **Principal's Office** – Includes management and coordination at the school level. Includes the duties of the principal, assistant principal, attendance specialists, and school clerical staff.
- **Other Support** – Includes activities foundational to student success and the operation of schools but not directly in the context of student instruction. Includes Nutrition Services, Maintenance, Custodial Services, Grounds, Utilities, and Information Systems.
- **Central Administration** – Includes those activities related to management, regulation and control at the district level such as the Board of Directors, Superintendent's Office, Human Resources, Finance and Education Leaders. Also includes the management and administrative components of support areas such as Nutrition Services, Transportation, and Building Maintenance.

Expenditures by State Object

(Dollars in Millions)

Major Object		2015-16 Actual	2016-17 Adopted	2017-18 Rec.	Change	2017-18 Percent of Total
0	Debit Transfer	\$6.4	\$3.0	\$3.1	\$0.1	0.4%
1	Credit Transfer	(\$6.4)	(\$3.0)	(\$3.1)	(\$0.1)	(0.4%)
2	Cert. Salaries	\$316.0	\$360.9	\$395.5	\$34.5	46.1%
3	Class. Salaries	\$128.6	\$140.2	\$156.6	\$16.4	18.3%
4	Employee Benefits	\$153.5	\$165.7	\$187.3	\$21.6	21.8%
5	Supplies	\$27.4	\$48.1	\$38.2	(\$9.8)	4.5%
7	Purchased Services	\$82.8	\$74.2	\$79.1	\$5.0	9.2%
8	Travel	\$1.3	\$0.6	\$0.6	\$0.1	0.1%
9	Capital Outlay	<u>\$1.1</u>	<u>\$0.1</u>	<u>\$0.4</u>	<u>\$0.2</u>	<u>0.0%</u>
Total		\$710.6	\$789.7	\$857.7	\$68.0	100.0%



Budgeted Expenditures by State Object

School Year 2017-18

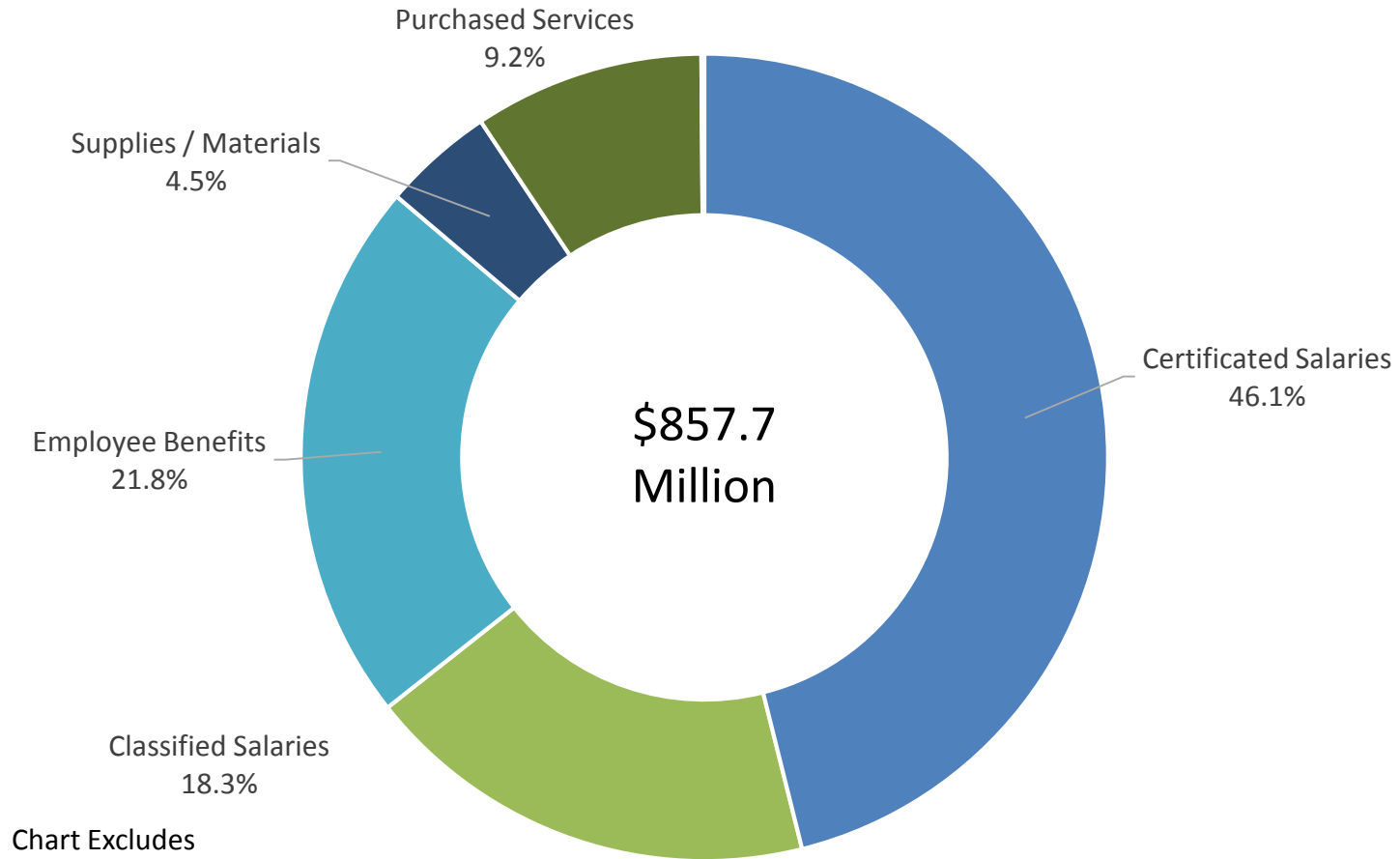


Chart Excludes
Travel: .07%
Capital Outlay: .04%

Numbers may not add due to rounding

Comparison of Direct Services to Support Services

- Direct Services - \$690.0M (80.4%)
 - School allocation budget (Weighted Staffing Standard formula)
 - Centrally held budget for staff and supplies exclusively in the schools such as nurses, instructional assistants, custodians, bus drivers and food service workers
- Support Services- \$167.7M (19.6%)
 - Support staff not in schools but instrumental in running the district
 - Activities such as cost of processing payroll, paying bills, administering programs, managing grants, hiring staff, warehouse and delivery staff and technology support

Next Steps

- July 17 – Budget submittal to ESD for error checking
- July 19 – Hold Required Public Hearing
- July 26 – Board Action to adopt FY17-18 budget
- August 18 – Budget loaded into SAP financial system
- September 5 – Approved budget due to ESD

Appendix

1. Districtwide Staff FTE Summary
2. School Funding Allocations

https://www.seattleschools.org/UserFiles/Servers/Server_543/File/District/Departments/Budget/2018%20Budget%20Development/17-18%20Allocations/allocations18.pdf

DISTRICTWIDE STAFF FTE SUMMARY

JOB TYPE*	Budgeted FTE By Year		
	Adopted 2015-16	Adopted 2016-17	Rec. 2017-18
Superintendent	1.0	1.0	1.0
Deputy/Assistant Superintendent	2.5	2.5	2.4
Other District Administrator	42.0	41.7	42.2
Elementary Principal	70.0	71.0	73.0
Elementary Vice Principal	30.1	31.7	31.8
Secondary Principal	27.0	28.0	30.0
Secondary Vice Principal	61.0	61.8	60.0
Other School Administrator			1.0
Elementary Teacher	1,422.4	1,237.4	1,204.6
Secondary Teacher	1,025.1	1,044.8	1,047.7
Other Teacher	662.6	675.0	721.8
Elementary Specialist		256.5	269.8
Other Support Personnel	128.5	139.0	113.0
Library Media Specialist	63.6	63.2	64.5
Counselor	97.7	109.7	112.6
Occupational Therapist	30.8	37.6	43.0
Social Worker	2.7	2.3	2.5
Audiologist	78.3	79.8	87.8
Psychologist	55.1	58.5	60.9
Nurse	61.0	61.6	61.6
Physical Therapist	12.6	12.6	11.9
Extracurricular	10.2	10.2	10.2
Certificated on Leave	2.0	2.0	3.0
Classified on Leave	1.0	1.0	1.0
Aide	1,059.0	1,118.7	1,105.4
Crafts/Trades	105.0	107.0	101.0
Office/Clerical	356.5	355.9	365.0
Operator	15.0	15.0	15.0
Professional	159.0	173.2	179.2
Service Worker	377.7	396.4	418.1
Technical	16.3	21.3	37.6
Director/Supervisor	95.9	100.9	104.0
GRAND TOTAL	6,071.4	6,317.2	6,382.3

* As defined by state duty code

Presentation on 2017-18 Budget

Board Meeting
July 26, 2017

Recommended FY17-18 Budget Summary

(Dollars in Millions)

	General Fund	ASB Fund	Debt Service Fund	Capital Fund
Beginning Fund Balance	\$68.7	\$3.8	\$1.3	\$4.7
Revenue and Other Financing Sources	\$816.1	\$7.1	\$2.6	\$279.1
Expenditures	\$857.7	\$6.7	\$2.6	\$258.5
Transfers Out				\$21.1
Net Operating Activities (Use of Fund Balance)	<u>(\$41.7)</u>	<u>\$0.4</u>	<u>\$0.0</u>	<u>(\$0.5)</u>
Ending Fund Balance	\$27.0	\$4.3	\$1.3	\$4.2



Updates to Recommended General Fund Budget

These updates changed the planned expenditure amount in each program, but did not change the overall total expenditure amount for the 2017-18 budget.

Updates included in budget (plan to spend) in 2017-18:

- Increase in Learning Assistance Funds \$2.8m
- Increase in program resources for Career and Technical education of \$.9m
- Increase in medical allocation for staff – revenue increase \$2.2m, expenditure increase \$2.7m
- Additional Skill Center funds of \$.1m, Bilingual funds of \$.7m and Highly Capable funds of \$.6m to backfill levy (used for Restoration)

Updates to Recommended General Fund Budget

- Increase in revenue for K-3 class size \$17.0m was a late minute planned revenue. No expenditures however are planned at this time.

These updates are NOT planned to be spent in 2017-18 and therefore did not impact the overall total expenditure amount for the 2017-18 budget.

Could reduce projected \$50m deficit in 2018-19:

- Revenue funding for 2.3% staff Cost of Living increase \$5.2M above planned amount
- One year of continuation of “Ghosting funds” for levy – increase of \$16.5m

Capital Program Activity 2015-2018

	2015-2016 Capital Budget Actuals	2016-2017 Adopted Capital Budget	2017-2018 Recommended Capital Budget
Beginning Fund Balance	122,146,447	15,692,540	4,652,192
Total Revenue & Other Financing Sources	164,378,105	293,352,523	279,141,899
Total Transfers and Direct Expenditures	247,768,013	300,245,922	279,592,533
Ending Fund Balance	\$38,756,539	\$8,799,141	\$4,201,558

Beginning Fund Balance Projection is Low due to the Acceleration of the Arbor Heights BEX IV Project

FY 2017-2018 Recommended Capital Budget

Source	FY 2017-2018 Beginning Balance	FY 2017-2018 Anticipated Revenue ¹	Intra Fund Transfers (Out)/In	Inter Fund Transfers (Out)/In	FY 2017-2018 Anticipated Expenditures	FY 2017-2018 Ending Fund Balance
BTA IV Levy	1,004,521	144,254,096	(2,500,000)	(15,479,086)	127,363,442	(83,911)
BEX IV Levy	(70,753,336)	131,634,280	0	(4,501,000)	87,271,534	(30,891,590)
BTA III Levy	52,782,971	1,456,650	0	(212,766)	15,611,951	38,414,904
BEX III Bond	4,422,462	533,944	0	0	3,626,194	1,330,212
BTA II Levy	1,200,000	2,800	0	0	0	1,202,800
BEX II Levy	662,939	3,943	0	0	647,816	19,066
CEP/ CS ²	15,332,635	1,256,186	2,500,000	(876,650)	500,000	17,712,171
Capital Capacity Reserve ³	0	0	0	0	23,502,094	(23,502,094)
Grand Total	\$4,652,192	\$279,141,899	\$0	(\$21,069,502)	\$258,523,031	\$4,201,558

¹ Includes All Anticipated Revenue and an "as-needed" Cash Flow Loan

² CEP (Capital Eligible Program) / CS (Community Schools) Primary Funding is from Surplus Property Sales and Facility Rental/Lease Income

³ Assumes Capital Capacity Reserve is 100% Spent

FY 2017-2018 Recommended Capital Budget

- A list of recommended projects is attached for reference
- As a reminder, all projects and purchases that exceed \$250k go before the board for separate and distinct approval

Questions?

Attachment

Seattle Public Schools Capital Projects		2017-2018 Budget
Academics (New) District Wide		500,000
Capacity Management (Includes Portables) District Wide		3,566,665
Program Placement Academics and Curriculum		503,753
Special Education Placement District Wide		800,000
Academics and Capacity Management	\$	5,370,418
AED Defibrillator Batteries		90,000
Chief Sealth Field		1,935,478
Cleveland Field and Track		1,976,329
Eckstein Field and Track		1,180,000
Emergency Field Repairs District Wide		167,352
Field Lighting @ Various Locations		1,251,904
Garfield Field and Lights		1,599,278
Robert Eagle Staff Field		667,003
Athletic Fields and Tracks	\$	8,867,344
Custodial/Grounds/Maintenance Equipment District Wide		587,500
Downtown School Feasibility		1,000,000
JSCEE Freezer Replacement		350,000
Nutritional Services Equipment		1,100,000
Property Acquisition		15,000,000
Reserve Capacity Management		2,000,000
Security Cameras/Systems District Wide		1,010,000
Water Testing and Risk Management		100,000
Web-Based Facilities Archival Record		10,000
District Wide Support	\$	21,157,500
Aki Kurose Doors and Window Alarms		353,032
Franklin and Ballard Cladding		1,712,809
Franklin Windows and Doors		4,590,459
Gatewood Cladding Phase 2		530,143
Meany MS Intercom Replacement		382,272
McGilvra/Lunchrooms Carryforward		4,205,141
Rainier Beach Doors and Window Alarms		352,579
Sanislo Exterior Doors		102,251
Solar Panels @ Various Locations		2,174,010
2016-2017 Project Carryforward		7,333,053
Facility Improvements	\$	21,735,749
Olympic Hills Replacement		1,236,582
Prior Year Projects Carryforward		3,142,698
Wilson Pacific (Cascadia ES and Robert Eagle Staff MS)		4,922,254
Wing Luke Replacement		6,697,017
2017-2018 Reserve/Escalation (BTA IV, BEX IV, BTA III)		11,279,139
New Construction/Replacements	\$	27,277,690

Seattle Public Schools Capital Projects	2017-2018 Budget
Bagley Modernization and Addition	4,379,000
EC Hughes Reopening	10,825,540
Ingraham Addition/Roof/Seismic	3,630,319
Jane Addams MS Phase 4 Renovation	189,102
Lincoln HS Reopening	38,855,138
Loyal Heights Modernization and Addition	22,685,610
Magnolia Reopening	5,500,000
Prior Year Projects Carryforward	3,940,144
Queen Anne Addition	5,981,650
Webster School Reopening	2,065,422
Repurposing, Modernization and Additions	\$ 98,051,925
Capacity Contingency Reserve	23,502,094
Emergency Projects @ Various Locations	300,000
Contingency Reserve	\$ 23,802,094
Ballard/West Seattle/Garfield Roofs	4,402,746
Dearborn Park Roof and Seismic	829,612
Eckstein Seismic	2,332,794
Lowell Seismic	855,811
Roof Replacement and Seismic Improvements	\$ 8,420,963
BEX V Levy and Election Planning	1,000,000
Moving Associated with BEX IV Major Projects	500,000
Property Management (CEP)	200,000
Project Management (PM) Software Licenses	183,018
Staff and Administration	8,039,613
Volunteer Projects @ Multiple Locations	30,000
Support Services	\$ 9,952,631
Classroom Technology	544,591
Infrastructure	1,176,712
Academic/Business Operations	855,767
Enhance Technology-Based Tools for Students and Teachers	325,185
Upgrade School-Based and District-Wide Technology Systems	436,113
Replace and Enhance Technology Infrastructure at Schools and Central	308,332
Communication Transparency and Outreach	1,415,066
Information/Data Security and Privacy	677,414
Instructional Support and Delivery	8,915,637
Physical Safety and Security	2,948,617
School and Instructional Support	9,114,006
Student Learning	7,169,278
Technology Enhancements and Modernizations	\$ 33,886,718
2017-2018 Capital Fund Direct Expenditures Total	\$ 258,523,031

Seattle Public Schools Capital Projects		2017-2018 Budget
TRANSFERS		
JSCEE Series A bond		2,566,650
Debts Service Transfers	\$	2,566,650
Facilities Technology		212,766
Major Preventative Maintenance (MPM)		6,500,000
Measures of Academic Progress (MAP) Assessment		550,000
Ongoing Technology Support		6,744,830
Science, Technology, Engineering, Mathematics (STEM)		135,021
Software Licenses		2,700,000
Teacher Training		1,660,235
General Fund Transfers	\$	18,502,852
2017-2018 Capital Fund Transfers Total	\$	21,069,502
2017-2018 Capital Fund Grand Total	\$	279,592,533