



2020-2021 School Year Budget Planning

AUGUST 26, 2020



Agenda

- Present the 2020-2021 Recommended Budgets and 4-Year Forecasts
- Recess for Public Hearing
- Adopt Resolution 2020-18
 - Expenditures by Fund

- National
 - Recession began in February 2020
 - April 2020 unemployment rate of 14.7% was the highest since the Great Depression
 - Unemployment rate
 - June 2020 11.1%
 - July 2020 10.2%
- State
 - Experiencing significant reduction to state sales tax revenue - \$9 billion shortfall
 - State agencies directed to implement budget reductions
 - State agencies have implemented furlough days
 - Unemployment rate
 - June 2020 9.8%
 - July 2020 10.36%
- Regional - City of Spokane
 - Budget impact estimated to exceed \$10M
 - Hiring freeze
 - Budget reductions

General Fund Revenue Summary

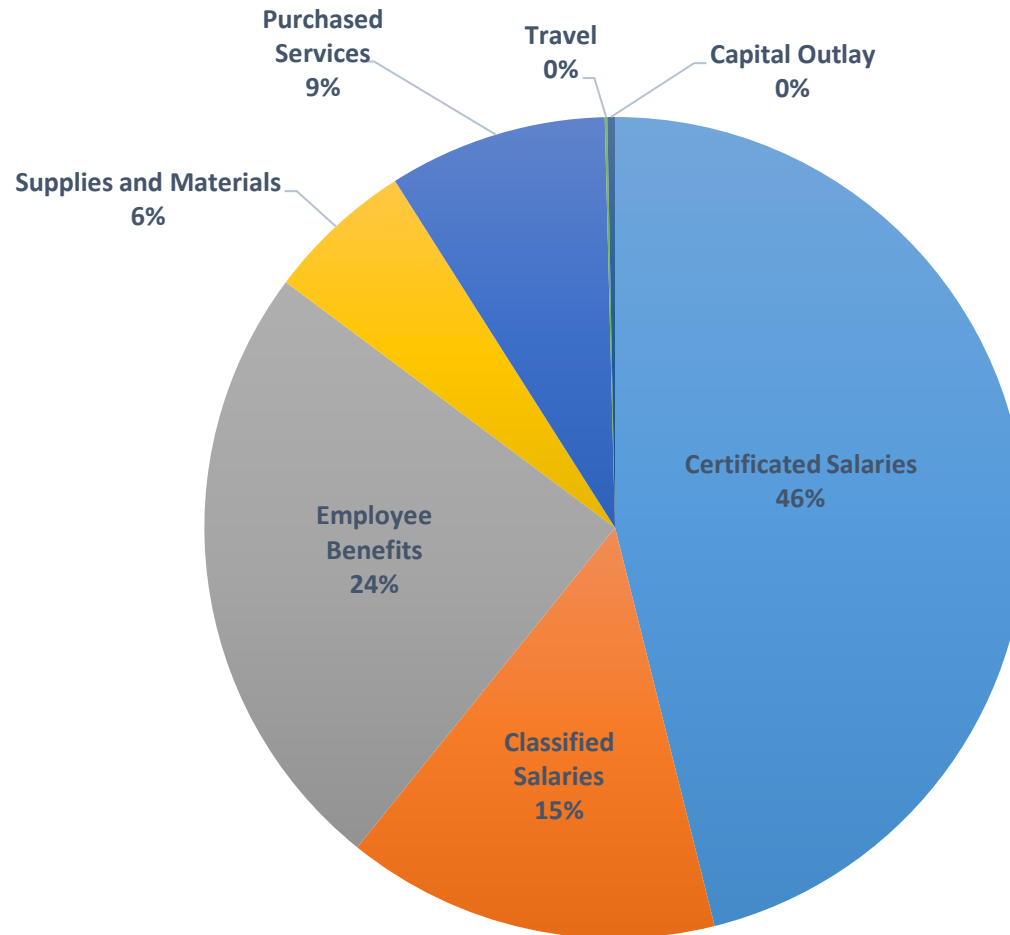
Revenue Source	Actual 2018-2019	Budget 2019-2020	Budget 2020-2021	Change
State	\$ 339.0	\$ 359.8	\$ 355.8	\$ (4.0)
Local Levy	46.9	32.8	36.6	3.8
Local Effort Assistance (LEA)	17.0	16.6	13.4	(3.2)
Federal	37.1	36.7	48.9	12.2
Other Local Revenues	13.4	14.0	15.7	1.7
Total Revenue	\$ 453.4	\$ 459.9	\$ 470.4	\$ 10.5

General Fund Expenditure Summary – by Program

Expenditure Program	Actual 2018-2019	Budget 2019-2020	Budget 2020-2021	Change
Basic & Vocational Education	\$ 260.3	\$ 266.4	\$ 276.5	\$ 10.1
Special Education	64.7	64.5	63.8	(0.7)
Title I & LAP (5X)	33.6	35.0	37.3	2.3
Federal & State Special Programs (6X)	5.8	6.2	6.5	0.3
Other Instructional Programs (7X)	3.8	5.2	5.0	(0.2)
Community Services (8X)	8.4	9.4	10.3	0.9
Support Service Operations (9X)	80.3	75.2	82.7	7.5
Total Expenditures	\$ 456.9	\$ 461.9	\$ 482.1	\$ 20.2

General Fund Expenditure Summary – by Object

Total Recommended Expenditure Budget - \$482,137,168



Recommended General Fund Budget Summary

Budget Summary	Amount (in Millions)
Revenues	\$ 470.4
Expenditures	482.1
<hr/> Estimated Expenditures Over Revenues	<hr/> (11.7)
Fund Balance Summary	
Beginning Fund Balance – Forecast, September 1	\$ 44.5
Revenue Over Expenditures	(11.7)
<hr/> Ending Fund Balance, August 31	<hr/> 32.8
Less: Restricted Balances	(14.5)
<hr/> Committed, Assigned, Unassigned (CAU)	<hr/> \$ 18.3
CAU as a percent of Expenditures*	4.00%

* CAU as a percent of August 31, 2019 expenditures

General Fund

- Funds to operate schools each year provided by state, federal and local sources

Associated Student Body Fund

- Funds for student government activities provided from school-based fundraisers

Debt Service Fund

- For the payment of principal and interest and related expenditures for bonds outstanding

Capital Projects Fund

- Funds restricted to improvement of facilities and technology provided by voter approved local bonds

Transportation Vehicle Fund

- Inactive due to contracted pupil transportation services

Recommended Expenditures by Fund

2020-2021 Recommended Expenditures by Fund

Proposed Resolution No. 2020-18

Description	Actual	Budget	Budget
	2018-2019	2019-2020	2020-2021
General Fund	\$ 456,966,091	\$ 461,901,475	\$ 482,137,168
Associated Student Body	1,999,797	2,607,000	2,596,000
Debt Service	31,530,645	56,180,000	59,002,000
Capital Projects	47,332,580	88,800,000	195,002,000
Transportation Vehicle	-0-	-0-	-0-

General Fund 4-Year Forecast – Budget Basis

(\$ In Millions)

Description	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
	Projected July 2020	Recommended Budget	Preliminary Forecast	Preliminary Forecast	Preliminary Forecast
Beginning Fund Balance, September 1	\$ 36.5	\$ 44.5	\$ 32.8	\$ 15.9	\$ 5.1
Revenue	445.3	470.4	474.5	492.5	501.3
Expenditures	437.3	482.1	491.4	503.3	514.4
Net Operations	8.0	(11.7)	(16.9)	(10.8)	(13.1)
Ending Fund Balance, August 31	44.5	32.8	15.9	5.1	(8.0)
Less: Restricted balances	(14.4)	(14.5)	(14.5)	(14.5)	(14.5)
Unrestricted Fund Balance	\$ 30.1	\$ 18.3	\$ 1.4	\$ (9.4)	\$ (22.5)
Subject to Policy 6022 (CAU)					
CAU as a percent of Expenditures	6.59%	4.00%	0.32%	(2.06)%	(4.92)%
	*	*	*	*	*

* CAU as a percent of August 31, 2019 expenditures

General Fund 4-Year Forecast – Regulatory Basis

(\$ In Millions)

Description	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
	Projected July 2020	Recommended Budget	Preliminary Forecast	Preliminary Forecast	Preliminary Forecast
Beginning Fund Balance, September 1	\$ 36.5	\$ 44.5	\$ 32.8	\$ 1.1	\$ (39.6)
Revenue	445.3	470.4	459.7	462.6	465.4
Expenditures	437.3	482.1	491.4	503.3	514.4
Net Operations	8.0	(11.7)	(31.7)	(40.7)	(49.0)
Ending Fund Balance, August 31	44.5	32.8	1.1	(39.6)	(88.6)
Less: Restricted balances	(14.4)	(14.5)	(14.5)	(14.5)	(14.5)
Unrestricted Fund Balance Subject to Policy 6022 (CAU)	\$ 30.1	\$ 18.3	\$ (13.4)	\$ (54.1)	\$ (103.1)
CAU as a percent of Expenditures	6.59%	4.00%	(3.06)%	(11.84)%	(22.56)%
	*	*	*	*	*

* CAU as a percent of August 31, 2019 expenditures

Associated Student Body Fund 4-Year Forecast

(\$ In Millions)

Description	2019-2020 Recommended Budget	2020-2021 Preliminary Forecast	2021-2022 Preliminary Forecast	2022-2023 Preliminary Forecast
Beginning Fund Balance, September 1	\$1.50	\$1.60	\$1.60	\$1.60
Revenue	2.7	2.8	2.9	3.0
Expenditures	2.6	2.8	2.9	3.0
Net Operations	0.1	0	0	0
Ending Fund Balance, August 31	1.6	1.6	1.6	1.6
Less: Restricted balances	(1.6)	(1.6)	(1.6)	(1.6)
Unrestricted Fund Balance	\$0.00	\$0.00	\$0.00	\$0.00

Debt Service Fund 4-Year Forecast

(\$ In Millions)

Description	2020-2021	2021-2022	2022-2023	2023-2024
	Recommended Budget	Preliminary Forecast	Preliminary Forecast	Preliminary Forecast
Beginning Fund Balance, September 1	\$23.9	\$22.70	\$23.50	\$23.50
Revenue	57.8	59.8	60.0	61.0
Expenditures	59	59.0	60.0	61.0
Net Operations	(1.2)	0.8	-	-
Ending Fund Balance, August 31	22.7	23.5	23.5	23.5
Less: Restricted balances	(22.7)	(23.5)	(23.5)	(23.5)
Unrestricted Fund Balance	\$0.00	\$0.00	\$0.00	\$0.00

Capital Projects Fund 4-Year Forecast

(\$ In Millions)

Description	2020-2021 Recommended Budget	2021-2022 Preliminary Forecast	2022-2023 Preliminary Forecast	2023-2024 Preliminary Forecast
Beginning Fund Balance, September 1	\$98.50	\$66.30	\$67.20	\$55.60
Revenue	162.8	177.7	107.5	14.8
Expenditures	195.0	176.8	119.1	40.1
Net Operations	(32.2)	0.9	(11.6)	(25.3)
Ending Fund Balance, August 31	66.3	67.2	55.6	30.3
Less: Restricted balances	(66.3)	(67.2)	(55.6)	(30.3)
Unrestricted Fund Balance	\$0.00	\$0.00	\$0.00	\$0.00

4-Year Enrollment Forecast

Description	2020-2021	2021-2022	2022-2023	2023-2024
Kindergarten	2,460	2,345	2,405	2,405
1st Grade	2,380	2,480	2,360	2,360
2nd Grade	2,420	2,385	2,455	2,455
3rd Grade	2,350	2,490	2,410	2,410
4th Grade	2,315	2,360	2,480	2,480
5th Grade	2,335	2,310	2,325	2,325
6th Grade	2,220	2,215	2,190	2,190
7th Grade	2,230	2,145	2,145	2,145
8th Grade	2,240	2,235	2,165	2,165
9th Grade	2,165	2,220	2,235	2,235
10th Grade	1,990	2,135	2,170	2,170
11th Grade	1,700	1,715	1,865	1,865
12th Grade	1,645	1,645	1,645	1,645
Subtotal	28,450	28,680	28,850	28,850
Running Start	425	410	410	410
Drop Out Re-Engagement	126	130	130	130
Alt Lrn (ALE)	1,075	1,075	1,075	1,075
Total	30,076	30,295	30,465	30,465

- **Public Hearing for Recommended Budgets**
- **Reconvene for School Board consideration to adopt Recommended 2020-2021 Budget**
- **Roll Call Vote on Resolution 2020-18**