

2023-24 School Year Budget

June 8, 2023 Budget Preparation
and 1st Reading of Resolution 649



Budget Adoption

- Adoption of the Budget authorizes the Superintendent (Administration) to expend resources – and sets the limit.
- Budget identifies a spending plan, associated revenue assumptions, and compliance with Policy 6022 (EFB 3% to 7%).
- Fee schedule is re-introduced since pandemic.
- Breakfast and Lunch minimum costs are updated according to USDA cost tool.
- Assess/approve that revenue assumptions will support the spending authorization.

Adoption Timeline

- Wednesday June 14, 5 – 5:30 pm – Public Hearing
- Wednesday June 14, 6 – 7 pm – Community Forum (Link and QR code available)
- Thursday June 22 – Regular Board Meeting – 2nd Reading
- July 1 – Education Service District begins review/sign-off of Budget
- August 31 – Due date for Superintendent to submit budget to OSPI

Enrollment, Levy Revenue, ESSER Funds

and Other Resource Drivers



Overview of Resource Drivers

1. Enrollment has not rebounded to pre-pandemic levels.
2. Levy funds are constrained by McCleary legislation.
3. 1 & 2 have been masked by Pandemic stabilization funds – and these are expiring.
4. Inflation
5. Grants

Enrollment Projection Method

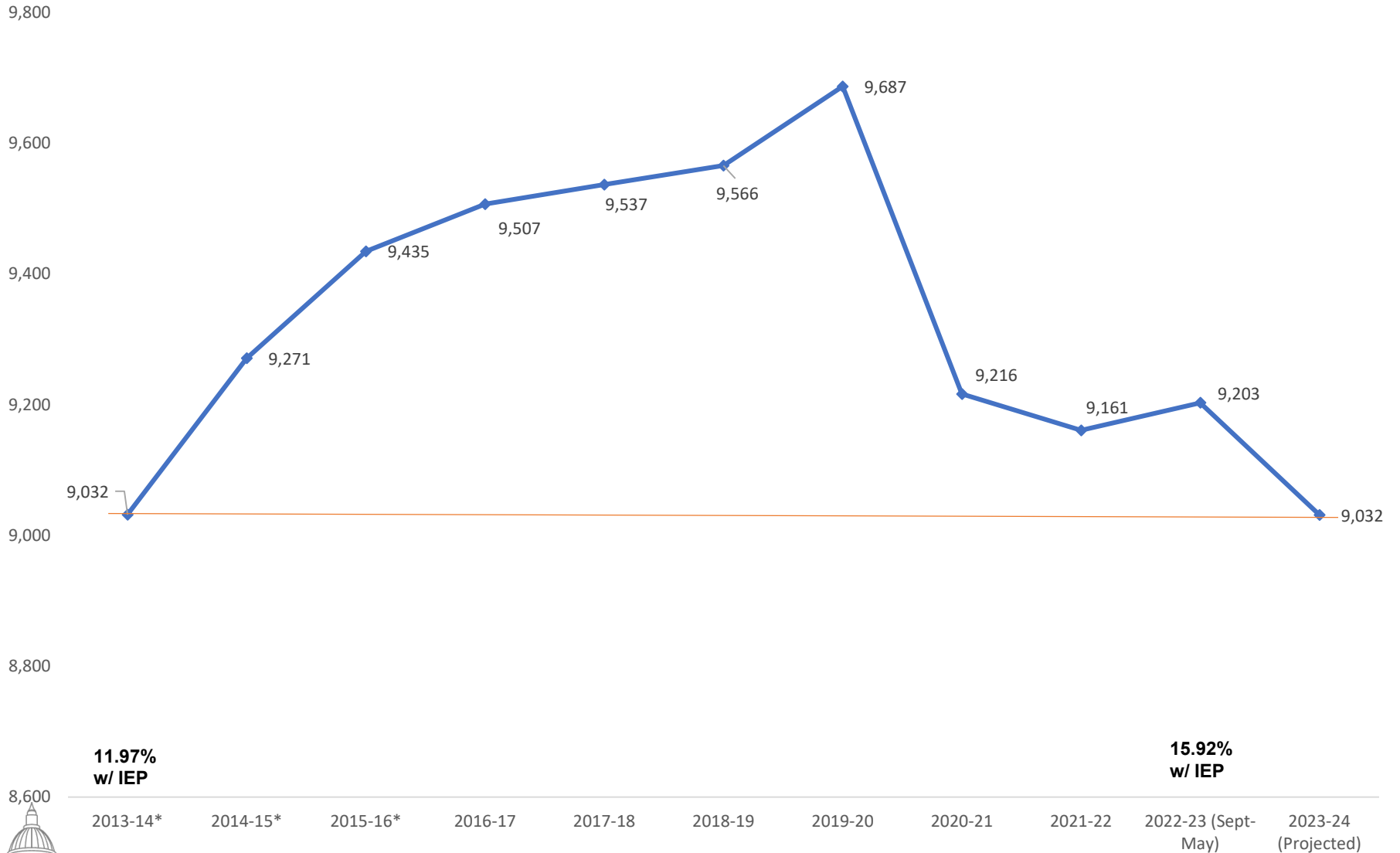
- Projected enrollment for the upcoming school year drives revenue estimates:
 - Amount of state general fund revenue that we will receive.
 - Amount of levy authorization that we can collect.
 - Staffing level that we must plan for.
- Projection method for 2023-24:
 - Incoming kindergarten enrollment is based on prior 3 year average.
 - Grades 1-12:
 - ✓ Project Average Annual FTE for 2022-23 (based on October)
 - ✓ Identify historical rates of FTE progression from grade-to-grade with 5 years of data; 4, 3, 2, and 1 year of data also
 - ✓ Make 5 projections for future grade progression based on historical data: Highest, 2nd Highest, Median, 2nd Most Conservative, Most Conservative.
 - ✓ Identify which of the 5 projections to use as the basis for setting 2023-24 enrollment—majority of schools based on 2nd most conservative.
 - Choice Programs:
 - ORLA is based on March enrollment – not October.
 - Lincoln is updated based on lottery; Avanti updated based on applications.



Olympia SD Full Time Equivalent Enrollment

(BEA & ALE; No Gravity, No Running Start)

(*for comparison purposes, Half-Day Kindergarten is Converted to Full-Day)



11.97%
w/ IEP

15.92%
w/ IEP

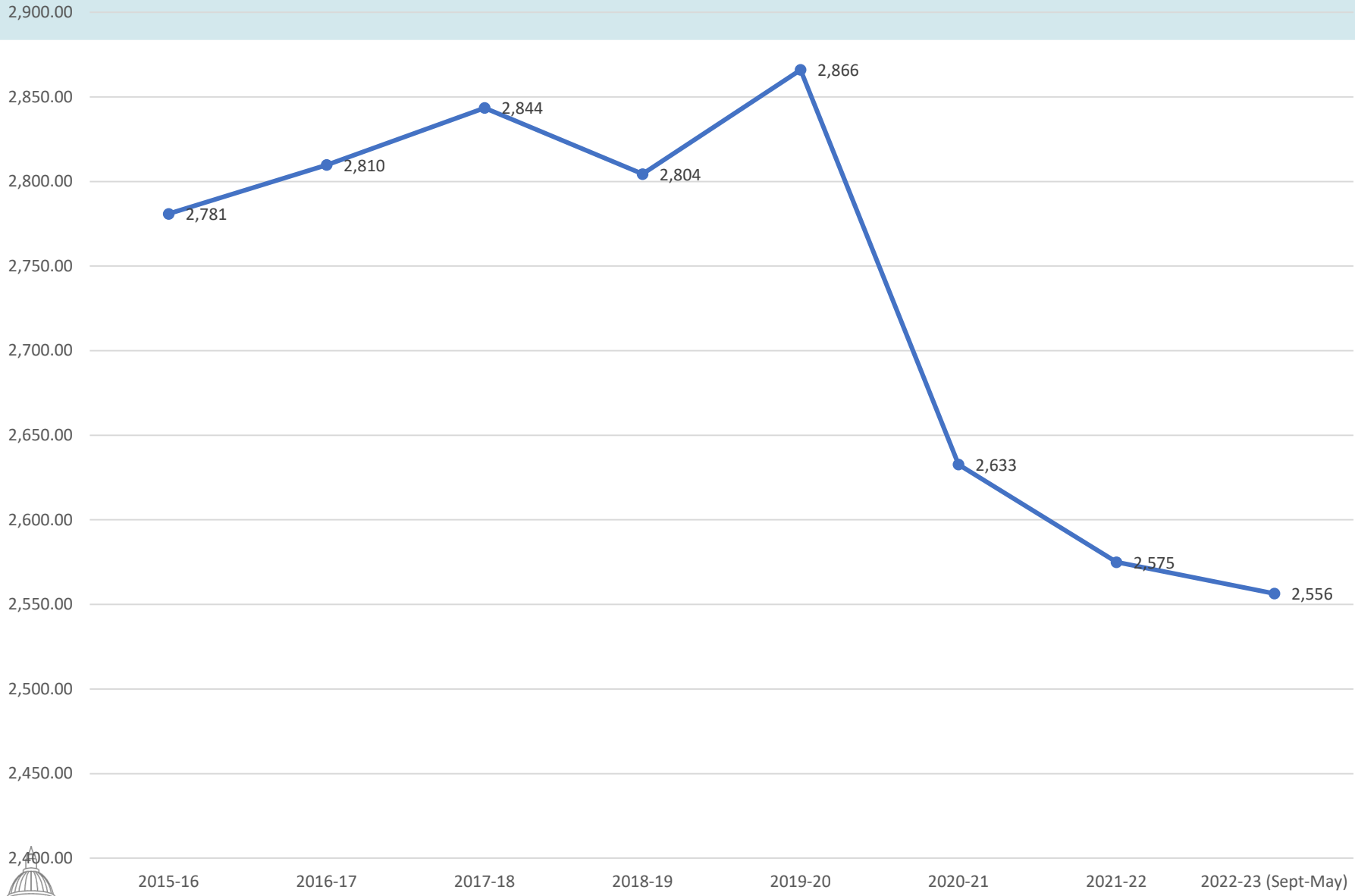


Change by Level

Level	2013-14 Neighborhood	2013-14 ORLA/AHS	2013-14 SY Total	2023-24 Neighborhood	2023-24 ORLA/AHS	2023-24 SY Projected Total	Difference
Elementary	3,765.93	213.75	3,979.68	3,516.77	266.83	3,783.60	(196.08)
Middle	1,942.65	59.14	2,001.79	2,049.33	106.50	2,155.83	154.04
High School	2,858.01	192.54	3,050.55	2,802.64	289.48	3,092.11	41.56
Total	8,566.58	465.43	9,032.02	8,368.73	662.81	9,031.54	(0.48)



K-3 Headcount Enrollment

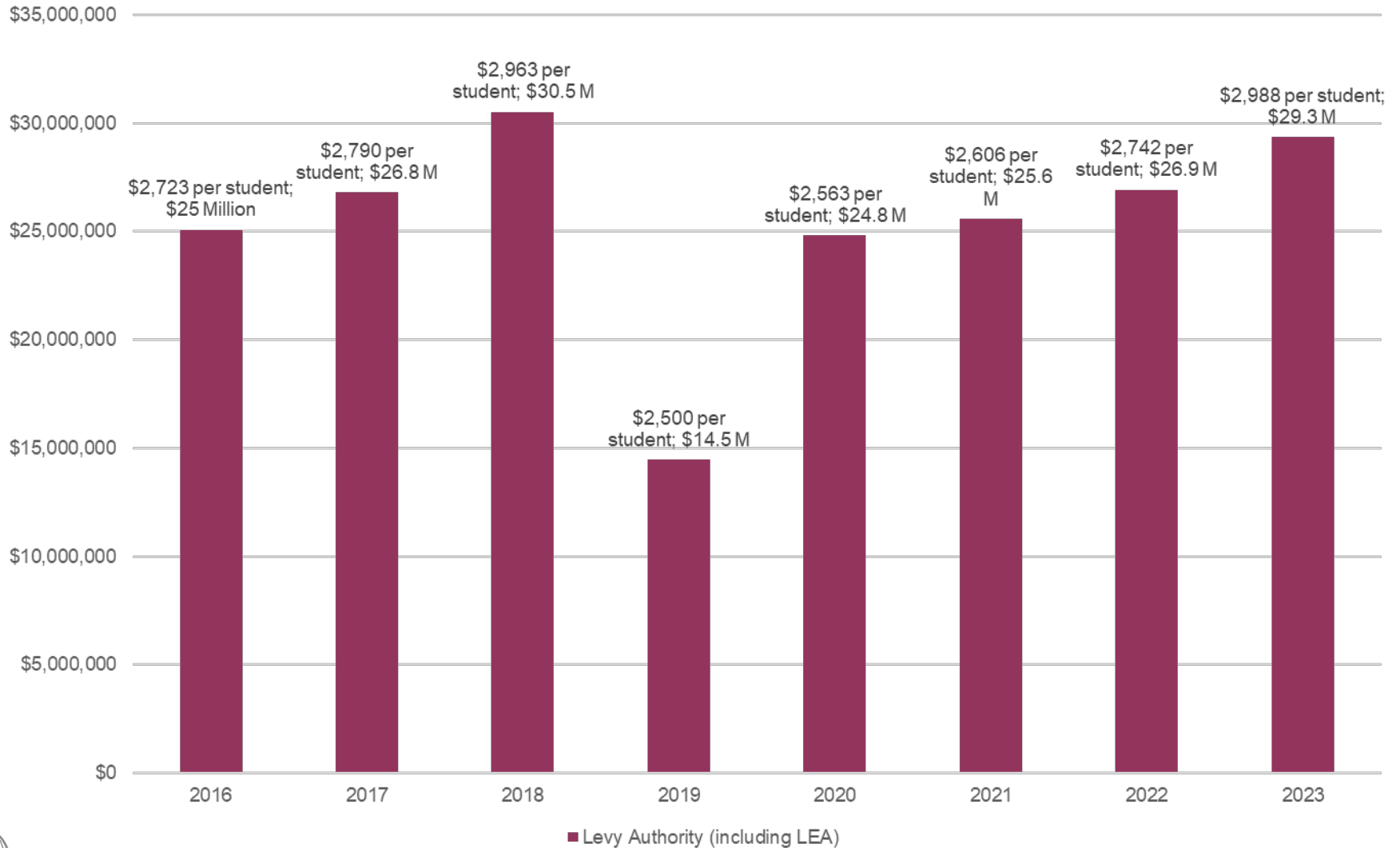


Enrollment is Updated Slightly

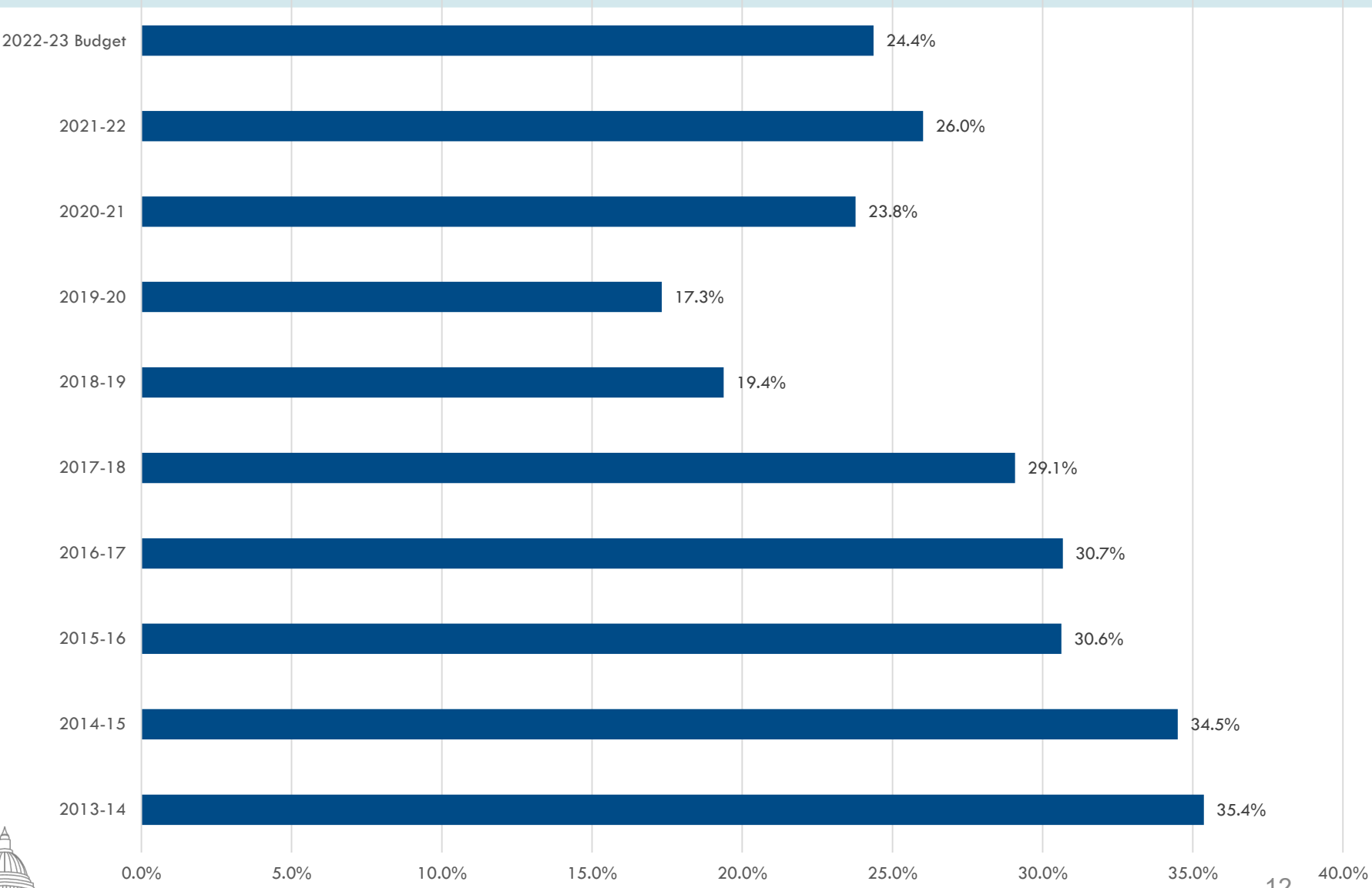
Schools	1 Proposed 2023-24 Budgeted FTE Students (May 2023)	2 Change from 2022-23 (Projected AAVG to 2023-24)	3 Change from 2019-20 (Actual AAVG to 2023-24)	4 % Change from 2019-20 SY	6
Boston Harbor	165.8	(10.4)	(20.3)	-12.3%	
LP Brown	288.9	(25.0)	(76.0)	-26.3%	
Centennial	470.0	(13.2)	(60.5)	-12.9%	
Garfield	285.0	(14.8)	(81.1)	-28.4%	
Hansen	440.9	(13.6)	(53.9)	-12.2%	
Lincoln	282.5	12.1	1.1	0.4%	
Madison	194.3	(11.8)	(84.3)	-43.4%	
McKenny	260.3	(14.1)	(75.3)	-28.9%	
McLane	412.1	(3.6)	44.5	10.8%	
Pioneer	345.9	(37.6)	(106.8)	-30.9%	
Roosevelt	371.0	(17.3)	(24.3)	-6.5%	
Subtotal	3,516.8	(149.4)	(537.0)	-15.3%	
Jefferson	454.3	7.3	(23.3)	-5.1%	
Thurgood Marshall	465.6	15.8	45.8	9.8%	
Reeves	401.3	10.0	6.4	1.6%	
Washington	728.1	(17.4)	(70.4)	-9.7%	
Subtotal	2,049.3	15.7	(41.4)	-2.0%	
Avanti	185.2	14.0	35.9	19.4%	
Capital	1,163.2	(1.4)	(42.3)	-3.6%	
Olympia	1,639.4	12.9	(40.8)	-2.5%	
Subtotal	2,987.8	25.6	(47.2)	-1.6%	
ORLA	477.6	63.2	(28.8)	-6.0%	
TOTAL	9,031.5	(44.9)	(654.4)	-7.2%	

Enrichment Levy

Olympia School District Levy Authority and Per Student Levy Authority (Calendar Year)

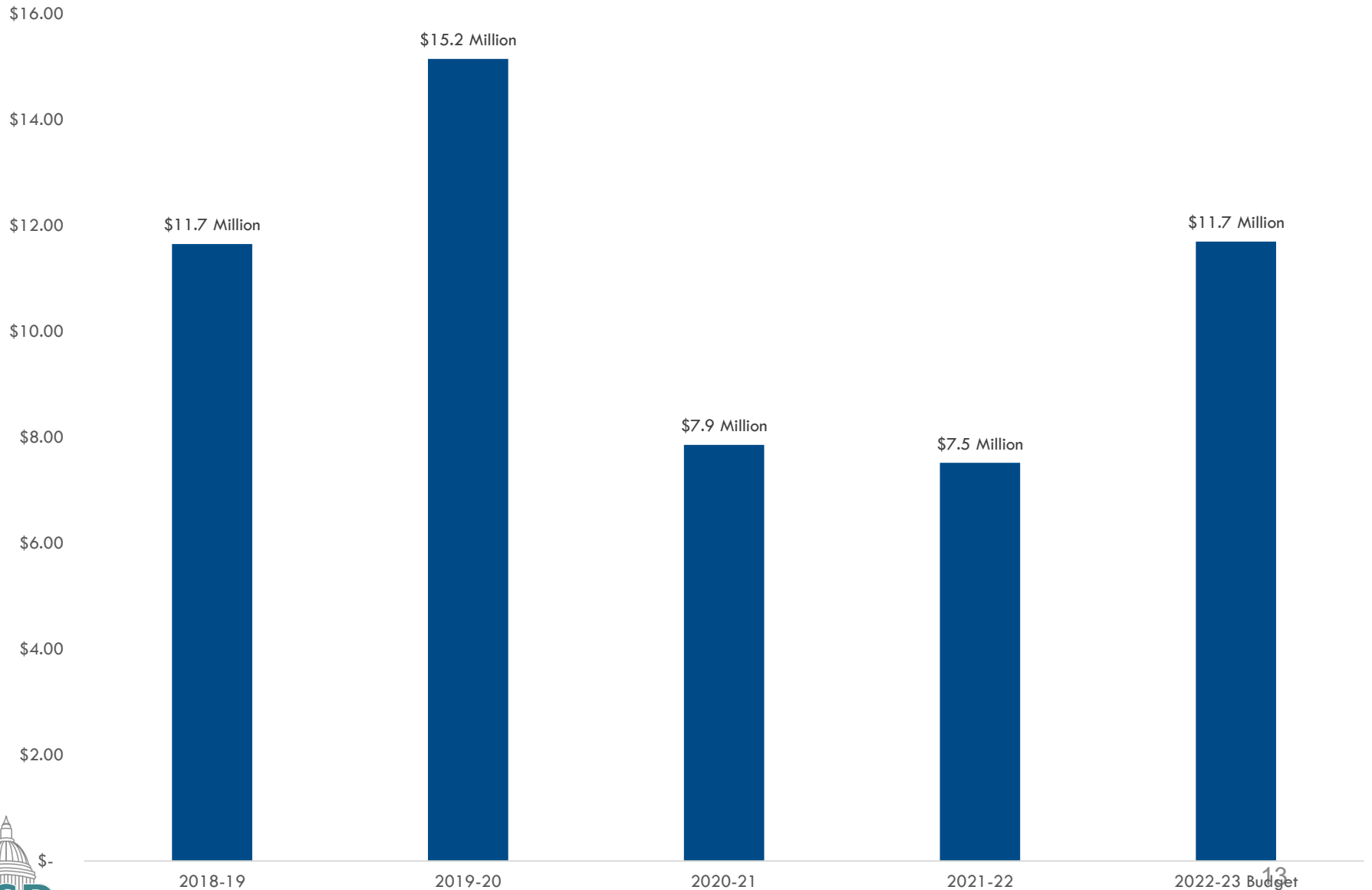


Enrichment Levy Revenue as a Percent of Total Revenue, by School Year



Levy Revenue Impacts

Additional Revenue by Year if Enrichment Levy had not been Converted to a Per Student Funding Amount of \$2,500 (plus annual inflation)



The McCleary Levy Loss was Never Filled

In the 2019-20 SY, OSD was preparing for reductions stemming from the 2017 enacted McCleary legislation that disadvantaged Olympia.

- Olympia lost flexible Enrichment Levy funding that voters had already approved – new state revenue came with strings that were underfunded, making the loss of revenue more detrimental.
 - In 2022-23 SY, OSD would collect an additional \$9.8 M in Enrichment Levy had the McCleary “fix” had left levies alone.
- Olympia lost historical funding for a relatively highly experienced workforce – the new “experience factor” underfunds prior funding levels.
- Olympia was not granted regionalization funding, but competed with neighboring and regional districts who did receive this funding. Those districts raised salaries, and to compete, Olympia did as well.



ESSER Funding will be Depleted

OSD invested in student academic and emotional recovery. This work is not done, but the funding will be depleted by August 2023.

Percent	Purpose of Expenditure	Staff Positions	2022-23 Expenditures
2%	Central positions scheduled to end (administration of the ESSER funds).	1.5	\$182,000
13%	Middle and High School teaching positions to enhance student academic recovery.	8.2	\$1,016,000
4%	Elementary positions to enhance student academic recovery.	2.2	\$254,000
29%	Staff positions paid for with ESSER funds to off-set for enrollment decline.	18.0	1,980,000
4%	School Social Workers and other SEL investments.	2.6	\$318,000
19%	Elementary school family liaisons.	12.0	\$836,000
2%	Multi-lingual program teachers.	1.0	\$72,000
24%	Elementary and Middle school instructional coaches.	15.0	\$1,324,000
2%	Health services staff.	1.5	\$272,000
	Total	62.0	\$6,254,000*

*\$685,000 savings from positions Held Vacant plus fewer instructional coaches and family liaisons.



Total Resources Comparison

Row	Source	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 (May '23)**
1	Beginning Fund	\$ 8,692,966	\$ 11,585,222	\$ 13,004,050	\$ 11,579,308
2	State (includes Indirect Pandemic Subsidy)	<i>\$ 114,181,341</i>	<i>\$ 105,124,591</i>	\$ 104,348,705	\$ 115,155,227
3	Federal General	\$ 6,702,992	\$ 7,961,110	\$ 11,264,621	\$ 10,646,679
4	State Enrollment Stabilization	<i>\$ -</i>	<i>\$ 1,271,788</i>	\$ 2,825,120	\$ 49,144
5	CARES / ESSER / Misc. Pandemic	\$ -	\$ 1,233,113	\$ 6,833,103	\$ 7,154,220
6	Levy	\$ 22,596,574	\$ 26,151,733	\$ 27,270,570	\$ 27,945,293
7	Levy Enrollment Stabilization	\$ -	\$ -	\$ 616,013	\$ 307,565
8	All Other*	\$ 552,291	\$ 1,270,827	\$ 1,196,587	\$ 1,318,384
9	Total	\$ 152,726,164	\$ 154,598,383	\$ 167,358,769	\$ 174,155,820
10	Direct Pandemic Total	\$ -	\$ 2,504,901	\$ 10,274,236	\$ 7,510,929
11	Pandemic Related as % of Total	0.0%	1.6%	5.8%	4.1%

Amounts in red/italics, row 4: in these years, the state stabilized districts by holding districts harmless from enrollment decline within general apportionment. Therefore, stabilization funds are embedded in the "State" funding row.

*In 2022-23, revenue from other entities & local non-tax support are not included as these net out based on expenditures.

**2022-23 represents current estimated revenue.



Special Education Funding Drivers

- ESHB 1436 enacted to increase funding cap; improve funding multipliers. \$2.7 Million increase in funding.

	2022-23	2023-24 (Old BEA Rate)	Change for Olympia
Funding Cap – Unfunded Special Education Svcs.	13.5% of BEA Enrollment (\$2.170 M unfunded)	15% of BEA Enrollment (\$878 K unfunded)	\$1.3 M Increase
K-21 Students w/ >80% of Day in General Setting	1.0075 times BEA Rate	1.12 times BEA Rate	\$920 K Increase
K-21 Students w/ <80% of Day in General Setting	0.995 times BEA Rate	1.06 times BEA Rate	\$400 K Increase
Change in High-Need Threshold from 2.3 to 2.2	2.3 times Threshold	2.2 times Threshold	Under Review
Pre-Kindergarten	1.15 times BEA Rate	1.2 times BEA Rate	\$73 K Increase

Grant and Levy Funding Drivers

- Inflation Gap.
 - Compensation increases and goods/services/utilities increases greater than state's inflation measure (IPD). This is about 3.3% gap in 23-24 SY.
 - Levy inflation gap is about 1.8%.
- Enrollment Decline.
 - Grants – Title I, Learning Assistance Program, Highly Capable Program are all lower or growing more slowly due to inflation & enrollment.
 - Some off-set to Title I and LAP if poverty increases.
 - Inflation gap and enrollment decline compound to reduce district purchasing power.
- *Enrollment increases = capacity to cover the gap in inflation. Without that growth, funding flaws are more detrimental.*

Revenue Summary

Impacts	Basic Education and CTE	ESSER	Levy	Special Education	All Other Grants
Enrollment	Declining Enrollment	---	Declining Enrollment	Increasing Enrollment – Cap Limits Number Funded	Mixed Enrollment – Some Increases
Inflation	Inflation Gap 3.3% for most staff, utilities	---	Inflation Gap 1.8%	Inflation Gap 3.3%	Inflation Gap 3.3% (Varies)
Other	---	Depleted - \$6.2 M unavailable in 23-24	---	Increased Funding Multipliers	Slight Poverty Increase
Total	Reduced Purchasing Power	Eliminated Purchasing Power	Reduced Purchasing Power	Mixed	Reduced Purchasing Power

Breakfast and Lunch Prices

	Current Price	2023-24 SY
Elementary Lunch	\$3.00	\$3.10
Secondary Lunch	\$3.25	\$3.35
Breakfast – All Schools	\$2.00	\$2.00

Key Components of Proposed Budget



OLYMPIA SCHOOL DISTRICT

Reduced Classroom Teachers for Enrollment, ESSER and REP

Level	Enrollment-Based Teacher Reduction	ESSER Reduction of 1-Time Teacher Positions	Increase in Class Size (Reduced Education Plan) (1% Increase)
Elementary Schools	- 14.8	0.0	0.0
Middle Schools	+ 3.7	- 3.2	- 0.9
High Schools	+ 2.8	- 4.3	- 1.3
ORLA	- 3.0	- 3.0	- 0.1
Total	- 11.3	- 10.5	- 2.3

- Classroom teacher allocations are reduced by 24.1.
- ESSER funding reduction was absorbed in two steps:
 - Immediate reductions of 1-time positions (largely those listed above);
 - Some ESSER positions embedded in the Reduced Education Plan.

Elementary Classroom Teachers

	21-22 Classroom Staff	22-23 Classroom Staff	Proposed 23- 24 Classroom Staff	Change from 22-23 to 23-24 School Years
Boston Harbor	9	8	7	-1
LP Brown*	16	16	13	-3
Centennial	24	22	22	0
Garfield*	16	14	13	-1
Hansen*	24	23	21	-2
Lincoln	12.6	11.6	12.6	1
Madison	12	10	9	-1
McKenny	14	13	11	-2
McLane	18	19	19	0
Pioneer	21	19	17	-2
Roosevelt	20	19	18	-1
Total	186.6	174.6	162.6	-12

Also, 2.8 FTE AMP teacher reductions are associated with enrollment decline.

Quantitative Impacts of Fewer Classroom Teachers

Elementary Schools	Secondary Schools
Higher class sizes at K-3 level (but district will still meet requirement of 1-to-17 ratio)	Middle School class size ratio increases from 28.5 to 28.8. (With ESSER, ratio was 27.5)
4 th and 5 th grade class sizes are larger	High School ratio increases from 29.0 to 29.3. (With ESSER, ratio was 28.0)
Additional combination-grade classrooms (8 in 22-23; 9 in 23-24)	Avanti and ORLA HS ratio increases from 26.4 to 26.7. (With ESSER, ratio was 25.4)
More classrooms in overload (K-5, 38 in 22-23; 47 in 23-24)	
Little margin for additional students without additional costs	

Elementary Student Teacher Ratio

Schools	Proposed 23-24 Classroom Staff	Projected 2023-24 Students	Average Student Teacher Ratio	Change in # Teachers from 22-23 to 23-24 School Years	Enrollment Change from 22-23 to 23-24 SY
Boston Harbor	7	167	23.9	-1	-6%
LP Brown*	14.1	290	20.6	-3	-9%
Centennial	22	460	20.9	0	-3%
Garfield*	14	284	20.3	-1	-5%
Hansen*	22.2	440	19.8	-2	-3%
Lincoln	12.6	272	21.6	1	4%
Madison	9	195	21.7	-1	-6%
McKenny	11	260	23.6	-2	-5%
McLane	19	413	21.7	0	-1%
Pioneer	17	347	20.4	-2	-11%
Roosevelt	18	371	20.6	-1	-5%
Total	162.6	3,499	21.4	-12.0	-4%

*Includes District concentrated poverty staffing allocations.

4th and 5th Grade # Students in Overload

Across 102 4th and 5th Grade Classrooms

Schools	22-23 4th and 5th Grade Overload	23-24 4th and 5th Grade Overload
Boston Harbor	2	1
LP Brown	2	5
Centennial	12	7
Garfield	0	2
Hansen	1	0
Lincoln	1	5
Madison	0	0
McKenny	0	3
McLane	4	0
Pioneer	9	6
Roosevelt	2	5
Total	33	34

Table identifies the number of students in overload across the districts' 102 4th and 5th grade classrooms of each school. Table is not identifying the number of classrooms in overload status.

Levy-Funded Concentrated Poverty Funding – 3rd Year of Implementation

- Resource: Improve teacher staffing allocations to reduce class size (teacher/student ratio) by 1 student.
- Eligibility: Schools with poverty rate at 1 standard deviation higher than average rate, are eligible.
 - Added step-down allocation if school no longer qualifies; improve by 0.5 students.
- LP Brown, Garfield, Hansen, Jefferson, Thurgood Marshall, and Capital qualify in 23-24. (No school is receiving the step-down factor.)
- Total staff: elementary, 3.30; secondary, 2.7 FTE; \$860,000 total.

1-Time Help in 2022-23 SY at Schools with Complex Needs

This temporary resource is discontinued in the 2023-24 School Year:

- Capital High School – 1 additional Dean
- LP Brown Elementary – 1 Dean; 0.2 Teacher
- H-Connect, Montessori, I-Connect, VAO –
 - 1 additional Assistant Principal
 - 3 additional teachers (via ESSER)

Fall Contingency

- 1.0 Certificated FTE - \$144,000

Enrollment Overall Is High – District will “hit” its Revenue Assumption	Enrollment Overall is Low – District will not “hit” its Revenue Assumption
Elementary school with high classroom size: can add a teacher w/o using Contingency	Elementary school with high classroom size: must use Contingency to add a teacher in high-spots; after Contingency is depleted – must involuntarily transfer from a school with low class sizes
Elementary school with low class sizes: less need to involuntarily transfer a teacher to another school; Can fill unexpected vacant positions by hiring	Elementary school with low class sizes: must rely on involuntary transfers to fill vacant positions or to add teachers where class sizes are high
Secondary schools: where enrollment is high, can allocate additional FTE to assist with master schedule	Secondary schools: where enrollment is high, cannot allocate additional FTE to assist with master schedule

Ending Fund Balance

- Implement district policy minimum (policy 6022).
- Ending Fund Balance on August 31, 2024 is 3.00% or \$5.3 million.
 - If Contingency of \$144,000 is not expended, then 3.08%.
- This is about 1/3 of a months' operating costs, or about 1/2 of a months' payroll.
 - 1 month is a low standard; a partial month is extreme.
- Revenue in-flow is not even; state under-funds March and June and over-funds July/August.
 - Inter-fund loan may be required in March 2024 (enact resolution in February 2024).

Competing Priorities re: Ending Fund Balance

- By budgeting a 3% EFB, Board is able to invest as much as possible in services to students.
 - More resources are “released” to the system to spend.
 - We do often under-spend – and end with a higher percentage ending fund balance.
 - But if we budgeted 6% - for example – it would hold-back an additional \$5 million and would have caused \$5 million more in cuts.

Balance Sheets

And Reductions to Balance



Simplified: Change to Deficit

Step in Budget Process	Dollar Impact to Deficit	
1 Beginning Estimated Deficit - August 2022	\$ 17,916,898	<i>Preliminary Estimate</i>
3 Implement Reduction of Temporary ESSER Positions	\$ (1,928,000)	13.2 Staff FTE
4 Reduce Staffing for Enrollment Reduction (net of Revenue/Expenditures)	\$ (24,179)	Net of 138 Students; and 8.7 Staff FTE
5 Reduction in Projected Expenditures for 23-24	\$ (1,822,411)	Governor's Budget Rate Reductions and Misc
6 Re-Base Ending Fund Balance	\$ (142,662)	Minimum 3% Reserve is Cheaper
7 March 9, 2023 Updated Deficit Estimate	\$ 13,999,646	
8 Increase in Assumed Beginning Fund Balance	\$ (1,412,917)	Increase in BFB Reduces Deficit
9 Assumed New Revenue / 2023 Legislative Session	\$ (1,972,500)	Mid-point of House/Senate Proposals
10 Impact of State COLA / 2023 Legislative Session	\$ (482,075)	Net of Revenue/Costs
11 Reduction to Required Pension Contributions / 2023 Legislative Session	\$ (504,000)	Reduced Contributions for Levy-paid Staff
12 Convert Skyward to Qmlativ	\$ (767,870)	Some Staff paid via Tech Levy
13 Assumed Contingency for 23-24	\$ 540,848	Effectively a Reserve of 3.3% (not 3%)
14 Re-Base Ending Fund Balance	\$ 4,541	
15 April 13, 2023 Updated Deficit Estimate	\$ 9,405,673	<i>Reduced Education Plan Adopted April 13, 2023</i>
16 Reduce Assumed Contingency for 23-24	\$ (51,725)	Effectively a Reserve 3.27% (not 3%)
17 Increase Reliance on Technology Levy for Software	\$ (350,000)	
18 Final Estimate New Revenue SpEd / 2023 Legislative Session	\$ (983,361)	April 23 Sine Die
19 New Funding for High Increase in Assessed Value	\$ (377,000)	April 23 Sine Die
20 Re-Base Ending Fund Balance	\$ (12,051)	
21 April 27, 2023 Preliminary Estimate of Legislative Outcome	\$ 7,631,536	
22 Increase in Assumed Beginning Fund Balance	\$ (450,000)	Increase in BFB Reduces Deficit
23 Reduced Assumed Contingency for 23-24	\$ (345,123)	Effectively a Reserve of 3.08% (not 3%)
24 Update Choice Program Enrollment Assumptions; Shifts FTE & Adds FTE	\$ (708,400)	Higher April Lottery/Enrollment in Choice Programs
25 Added Certificated Staffing	\$ 666,600	
26 Re-Base Ending Fund Balance	\$ 9,644	
27 Current Estimate of Deficit	\$ 6,804,257	
28 Increased Beginning Fund Balance Estimate (higher Transportation SN Award)	\$ (180,000)	
29 Reduced Education Plan, Tech Levy Revenue	\$ (6,534,176)	
30 Balance	\$ 90,081	



Excerpt: See Attachment

>>Work in Progress<< Savings are Estimates Based on Avg. Salary; Actual Implementation is More or Less based on Specific Staff Member Salary Placement

		Add-Back Tracking			
		\$6,945,721 Amended by Board	Position FTE Associated with Proposed Reductions and Enrollment Alignment		
			CIS FTE	CLS FTE	CAS FTE
1			39.50	51.98	4.00
2					
3	Reductions for Enrollment and 1-time ESSER		17.20	1.50	3.00
4	Central Office Reductions	\$3,275,200	15.60	9.60	1.00
5	Eliminate Printed 12 Month Wall Calendar	\$12,000	0.00	0.00	0.00
6	Reduce Facilities Rental position	\$26,000	0.00	0.30	0.00
7	Reduce Grounds positions	\$35,000	0.00	0.40	0.00
8	Reduce Transportation Office positions	\$40,000	0.00	0.40	0.00
9	Eliminate Accessibility Assurance Specialist position	\$65,000	0.00	1.00	0.00
10	Reduce Human Resources Office position	\$90,000	0.00	1.00	0.00
11	Eliminate Central Office travel; Only online Professional Development	\$95,000	0.00	0.00	0.00
12	Reduce T&L Dept, Reduce 3.0 & Reconfigure/Restore 2.0 positions	\$106,000	0.00	0.00	1.00
13	Reduce Maintenance Department positions	\$145,000	0.00	1.60	0.00
14	Reduce Business & Payroll Office positions	\$150,000	0.00	1.50	0.00
15	Reduce Custodial positions (3.4 of 5.4)	\$265,200	0.00	3.40	0.00
16	Reduce historical Instructional Coach positions (3.6 of 5.6)	\$518,000	3.60	0.00	0.00
17	Eliminate ESSER Instructional Coach positions (12 of 12)	\$1,728,000	12.00	0.00	0.00
18	Physical, Social, Emotional, Safety Staffing Reductions	\$600,000	4.20	4.13	0.00
19	Eliminate Graduation Specialist positions	\$144,000	2.00	0.00	0.00
20	Reduce Hall Monitor positions at Middle Schools	\$70,200	0.00	1.56	0.00
21	Health Room Assistants to Pre-Pandemic Level	\$113,000	0.00	2.57	0.00
22	Replace 2 Nurse positions w/ 2 Hlth Room Assistants	\$100,000	1.00	0.00	0.00
23	Reduce Counselor Allocations to Small Elementary Schools	\$172,800	1.20	0.00	0.00

Summary of Improvements Since April 17 Adoption of REP

Amount	Item
\$1,360,361	Legislative Resources in Excess of Mid-point Assumption
\$396,848	Reduced Contingency/Reserve from 3.27% to 3.08%
\$450,000	Improved Beginning Fund Balance Projection
\$180,000	Improved BFB – Addt'l \$ for new Transportation Safety Net Award
\$41,800	Improved Choice Program Revenue (Net of Expenditures)
\$350,000	Additional Expenditures to Technology Levy
\$2,779,009	Total Improvements to April 13 Deficit Estimate

Certificated Staffing Restorations

Staff	Item
1.7 FTE	Added back K-3 Support for small schools Teacher Librarian contracts
7.9 FTE	Restored secondary Classroom Teachers (1% class size increase; not 5% increase)
1.0 FTE	Restored Nurse position
0.5 FTE	Added Secondary Music staffing for CBA provision
0.9 FTE	Kept contracts for Special Education Teachers at 1.0 FTE
5.5 FTE	Choice Programs out-of-district enrollment generating more revenue
1.7 FTE	Multiple small adjustments
19.2 FTE	Total Increases to Allocations/Restorations Since April 13

Central Administration

- Reductions total 26 positions
 - 14 positions non-coach positions
 - 12 Instructional coach positions
- 22% of reductions are in Central Office
 - 47% if include Instructional Coach positions
- 2021-22 SY: OSD compared to Peers
 - Average administration was 6.38%
 - OSD was 6.45%



Operating Budget Balance Sheet

For School Year 2023-24 School Year	June 8, 2023 1st Reading	Row
Beginning Balance	\$ 7,741,550	1*
Revenue	\$ 174,587,543	2
Expenditures	\$ 176,902,565	3
Balance	\$ 5,426,528	4
Mandatory Ending Fund Balance (Minimum 3%)	\$ 5,307,077	5
Variance from Mandatory Minimum Fund Balance	\$ 119,451	6



Risks to Budget

	Overall Resources	Revenue	Expenditures
Risk	<ul style="list-style-type: none"> Beginning FB: Aggressive or Conservative assumptions? Ending FB: Budgeting high (conservative) or low (aggressive)? 	<ul style="list-style-type: none"> Revenue is assumed too high – Resources are overstated and cannot support expenditures. Revenue is assumed too low – System is starved for resources. 	<ul style="list-style-type: none"> Expenditures assumed too low – and we spend at a higher rate. Expenditures assumed to high – and we spend a lower rate
Conservative – Assumptions that constrict expenditure capacity.		<ul style="list-style-type: none"> 2nd Most Conservative enrollment projection (2nd of 5. However, increased choice programs in May –therefore, final enrollment is closer to Mid-Point of 5. 	
Mixed	<ul style="list-style-type: none"> BFB: 3 months remain for expenditures. BFB assumes aggressive/high 22-23 revenue but mid-point expenditures. (Example: \$1.5 M for Safety Net revenue.) BFB is assumed a 4.64%. 	<ul style="list-style-type: none"> Carry Over of unspent grants is not aggressive – may be conservative. 	<ul style="list-style-type: none"> Cost of sick leave and vacation cash-out, substitute utilization, cost of stipends and staff development are closely aligned with current year expenditures. These have been growing rapidly – budget assumes stabilization.
Aggressive – Assumptions that “give” more expenditure capacity.	<ul style="list-style-type: none"> EFB: Budget is based on a 3% EFB. By budgeting a low amount – this provides the most resources available to spend. 	<ul style="list-style-type: none"> Vacancy Savings (\$3.8 M) Use of Technology Levy 1-time savings (\$1.4 M) Safety Net (\$1.5 M) 	

Capital Budget

And Resolution 649



OLYMPIA SCHOOL DISTRICT

Capital Budget Expenditures

Type of Expenditure	<u>2023-24 SY</u>	Notes
Secondary Schools	\$1,140,000	Expenditures for CHS and OHS
Elementary Schools	0	Tail of expenditures for 3 elementary remodels
Emerging Projects	\$13,150,000	Progress on Bond Small Projects List across District
Misc project & HVAC	\$307,918	---
Safety Vestibules	\$2,130,000	---
Technology Levy Plan	\$15,342,015	Expenditures per Technology Levy Plan
Total	\$32,069,933	---

Resolution 649

Fund	Appropriation Amount
General Fund Appropriation (Operating)	\$176,902,565
Capital Projects Fund Appropriation	\$32,069,933
Transportation Vehicle Fund Appropriation	\$1,500,000
Debt Service Fund Appropriation (including interest)	\$18,496,573
Associated Student Body Appropriation	\$1,657,958
Total Budget	\$230,627,029

Next Steps

- June 14, 2023 - Community
 - Public Hearing 5:00 – 5:30 p.m. (in-person @ Knox Building and Zoom option) (copies of budget document available @ Knox)
 - Community Webinar 6:00 – 7:00 p.m. (Zoom, online comment form)
- June 22, 2023 – 2nd Reading and Adoption
 - Regular Board Meeting 6:30 p.m. (in-person @ Knox Building, Zoom option)
 - (will include 3 year forecast and program-by-program balance)