



22-23 Budget

August 8, 2022

Presented by: Amy Suarez, Executive Director of Business

Othello School District Board of Directors:

Jenn Stevenson	Director District 1 (Board Vice President)
Sharon Schutte	Director District 2
Kenneth Johnson	Director District 3
Lindsay Prows	Member at Large
Mike Garza	Member at Large (Board President)

District Administration:

Pete Perez	Superintendent
Jessica Schenck	Assistant Superintendent
Amy Suarez	Executive Director of Business Services
Sandra Villarreal	Executive Director of Human Resources

- May-June: Budget Preparation**
- July 10: Preliminary Budget Available**
- August 8: Budget Hearing Advertisement**
- August 8: Budget Presentation**
- August 22: Budget Hearing and Official Adoption**

A Budget is a Value Statement

- **Develop a fiscally sound operating budget and forecast**
- **Create alignment of our budget with our values**
- **Comply with local, state, and federal mandates**
- **Follow OSPI accounting requirements**
- **Maintain district programs**
- **Setting expectations and holding ourselves to the highest standards of integrity, learning, fiscal responsibility and transparency**

- **BUDGET:** A tool that provides an estimation of revenues and expenditures over a period of time.
- **PROJECTION:** Forecasting future expenditures, revenues and district needs to provide an indication if we are reaching budgetary goals.
- **ESSER:** Elementary and Secondary School Emergency Relief Fund
- **IPD:** Implicit Price Deflator-amount applied to salary allocations by OSPI
- **MSOC:** Misc. Supplies and Other Costs- Supplies, Services, Travel

The responsibility for the financial management of funds of the Othello School District (OSD) rests with the school **board, the superintendent and the staff** retained to manage the operations of the school district. OSD must follow uniform guidelines for budgeting, accounting, and financial reporting practices. Additionally, the Washington State Auditor **audits the school district financial records for compliance** with laws and regulations, general accounting practices, and adequate internal controls.

Governmental accounting systems in the state of Washington are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities.

The budget for Othello School District consists of **five distinct funds**:

1. General Fund
2. Capital Projects Fund
3. Debt Service Fund
4. Associated Student Body Fund
5. Transportation Vehicle Fund

- **General Fund (\$87,653,578)** is financed from local, county, state, and federal sources that are used for the ordinary normal and recurring operations of the school district. These expenses are used for programs of instructions for students and include salaries, benefits, food services, maintenance, data processing, and pupil transportation.
- **The Capital Projects Fund (\$900,000)** is used to record land acquisitions, major facility additions, remodeling and major repairs. This fund is funded from sale of voter-approved bonds, state match, interest and transfers from the general fund.
- **The Debt Service Fund (\$2,466,925)** is used to pay bond principal and interest. As of December 31, 2021, the remaining amount owing for the 2014 (refinanced from 2007 Bond) Voted Bond issue was \$13,425,000.
- **The Associated Student Body Fund (\$435,162)** is used to record all revenue and expenditures for student activities that are “by kids, for kids” for Cultural, Athletic, Recreational & Social (CARS) activities.
- **The Transportation Vehicle Fund (\$416,150)** is used to pay the costs of major bus repair and, more commonly, for the purchase of new school buses. OSPI provides funding for school buses based on the replacement costs established by annual school bus pricing. In order to continue with 2-bus per year rotation, increased costs per bus, plus the addition of air conditioning, it is necessary to ***transfer \$150,000 from the general fund to TVF.***

- **ESSER** allowed us to maintain staffing levels despite a significant decrease in enrollment and a significant increase in operating costs.
- **Enrollment/Staffing** go hand-in-hand. Through thoughtful and strategic budgeting, we were able to maintain staffing levels, despite a decrease in enrollment. However, this is not a sustainable model.
- **Reserve** projections indicate that by the 25-26 SY we will not be able to maintain a 10% of expenditures as a fund balance reserve. In fact, expenditures begin to exceed revenues this school year.

What are the major changes?

- **ESSER Funding- COVID-19 Federal Funds (grants available through 2024)**
- **Planned Carryover of Funds in Special Programs**
- **Support of Facility Needs**
- **Support of Technology Initiatives**
- **Increase enrollment in Transitional Kindergarten**
- **Efforts to maintain staffing**

- **OSPI Salary funding increased by 5.5% (IPD)****
 - IPD is currently forecasted at 2.8% for 22-23, but the budget funds 5.5% to catch up IPD inflation since the 17-18 school year (rebased inflation)
- **ESSER Funding (COVID Relief Funds- Federal)**
- **SEBB-** State Insurance Program Rate increased by 6% to \$1,026 per funded FTE per month (**substitutes that work more than 630 hours are eligible but are not funded**)
- **Certified Professional Development- 3 funded days-** In 22-23, one day must be used for “Social Emotional Learning”
- **Physical, Social, and Emotional Support (PSES) Staff** - State allocations increased in the prototypical funding model for counselors, nurses, social workers, and psychologists
 - Phased in over three years beginning in the 22-23 school year.
 - OSD meets compliance—see slide
- **K-3 Class Size Compliance** - With enrollment down, K-3 Class size calculator indicated a projected class size of 15.12; less than 21-22. BEA class size is funded at 17. Therefore, K-3 Specialists will continue to be funded from ESSER to maximize funding.

Physical, Social and Emotional Support Staff Calculator For 2022-23 School Year Budgeting

Othello School District

	Total Staffing FTEs	State Funded Prototypical Staffing Units	Difference
Elementary	11.891	7.309	4.582
Middle	3.028	3.093	(0.065)
High	9.203	6.333	2.870
Total	24.122	16.735	7.387

	Salary & Benefits	
Certificated Staffing Units	6.944	\$708,114
Classified Staffing Units	0.443	\$20,827
(amount over funding)	7.387	\$728,940

K-3 Enrollment

K-3 Enrollment (Not including TK)						
	Budget	Actual	Actual	Actual	Actual	Actual
School Year	22-23	21-22	20-21	19-20	18-19	17-18
Kinder	305	309	311	342	368	335
Grade 1	304	298	327	362	330	372
Grade 2	297	332	352	334	366	387
Grade 3	332	350	338	366	376	353
Average Enrollment	1238	1289	1328	1404	1441	1448
Diff. from Prev. Yr.	(51)	(39)	(77)	(36)	(7)	
Difference between SY 19-20 & 22-23 Projection:				(166)		
K-3 Class Size Compliance became in effect in SY 19-20						

How Many K-3 BEA Teachers does OSD Have? 81.86

How Many K-3 BEA Teachers are Funded? 72.82

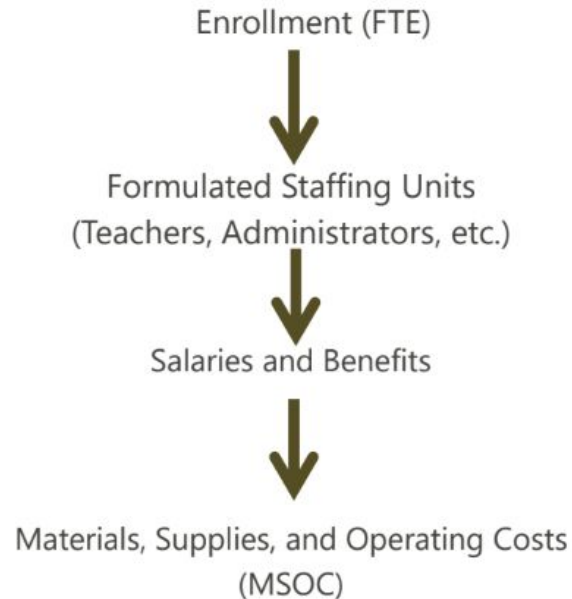
How Many K-3 BEA Teachers are unfunded? 9.04

What does the state say is the unfunded amount? \$925,196
(Note: This is using funded teacher pay of \$72,778 + benefits)

What is the actual unfunded amount? \$1,056,321
(Note: This is using actual teacher pay of \$84,475 + benefits)

Why is enrollment important?

General Apportionment Basic Funding Concepts



- Conservative roll-up from current grade to next grade level
- Budgeting 109 less FTE than 21-22 budget; but 76 more than 21-22 actual.
- There was a drop in enrollment in 21-22 of 42 students; total of 60 less students since the start of the pandemic.
- 22-23 kinder enrollment includes 50 “Transitional Kindergarten” (TK) students. This is an increase of 32 from 21-22 SY.
- There is a projected decrease of 39 students in elementary, a decrease of 4 students in middle school and an increase of 119 students at OHS.

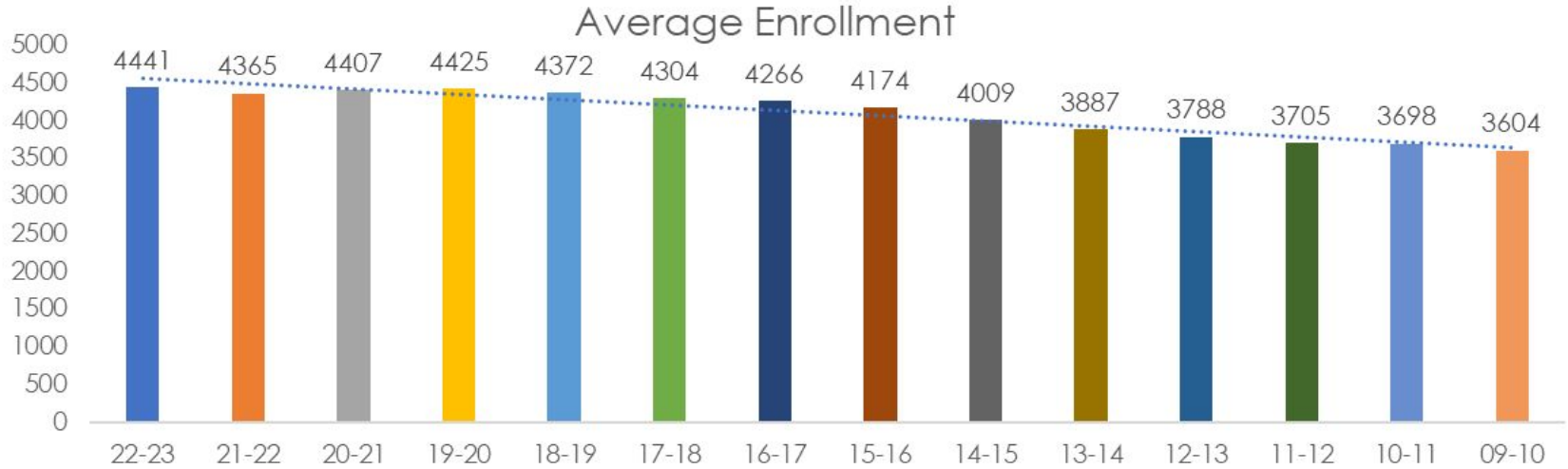
Enrollment: 21-22 Actual vs. Budget

Grade Level	21-22 FINAL Average	21-22 Budget	Difference from Budget
Kinder+TK	324.00	318.00	6.00
1	298.00	312.00	(14.00)
2	332.00	322.00	10.00
3	350.00	355.00	(5.00)
4	333.00	338.00	(5.00)
5	376.00	372.00	4.00
6	373.00	387.00	(14.00)
7	345.00	349.00	(4.00)
8	380.00	388.00	(8.00)
9	362.00	364.00	(2.00)
10	345.00	377.00	(32.00)
11	285.00	365.00	(80.00)
12	262.00	303.00	(41.00)
Total	4,365.00	4,550.00	-185.00

Enrollment Projection

Grade Level	21-22 Average	22-23 Projected	Difference
Kinder	323.90	355.00	31.10
1	297.80	304.00	6.20
2	332.10	297.00	(35.10)
3	350.03	332.00	(18.03)
4	332.70	350.00	17.30
5	376.32	333.00	(43.32)
6	373.42	376.00	2.58
7	345.49	374.00	28.51
8	379.66	347.00	(32.66)
9	362.04	380.00	17.96
10	344.56	361.00	16.44
11	285.06	345.00	59.94
12	262.02	287.00	24.98
Total	4,365.10	4,441.00	75.90

10 Year Enrollment



FUND BALANCE – ALL FUNDS

The annual budget is prepared to provide a fiscal road map to ensure the financial resources are in place to accomplish the mission and educational goals identified by the Board of Directors, Administration, and all Stakeholders. The budget, as presented, is fiscally sound, complies with state mandates, and follows OSPI accounting requirements.

Budget Summary	General	ASB	Debt Service	Capital Projects	TVF
Beginning Fund Balance	13,507,323	240,000	1,517,600	919,123	239,880
Revenue 22-23	87,234,946	463,500	2,502,000	20,100	416,500
Expenditures 22-23	87,653,578	435,162	2,466,925	900,000	416,150
Transfers In/Out	-150,000	0	0	0	150,000
Excess of Revenues/Expenditures	-568,632	28,338	35,075	-879,900	350
Ending Fund Balance	12,938,691	268,338	1,552,675	39,223	240,230

BUDGET COMPARISON – ALL FUNDS

BUDGET SUMMARY COMPARISON 21-22 vs 22-23 BUDGET

REVENUE COMPARISON FOR ALL FUNDS

Fund	21-22	22-23	Change	%
General	\$77,042,862.00	\$87,234,946.00	\$10,192,084.00	13.23%
Capital Projects	\$5,000.00	\$20,100.00	\$15,100.00	302.00%
Debt Service	\$2,502,000.00	\$2,502,000.00	\$0.00	0.00%
ASB	\$427,418.00	\$463,500.00	\$36,082.00	8.44%
Transportation	\$238,358.00	\$416,500.00	\$178,142.00	74.74%

EXPENSE COMPARISON FOR ALL FUNDS

Fund	21-22	22-23	Change	%
General	\$76,904,781.00	\$87,653,578.00	\$10,748,797.00	14.0%
Capital Projects	\$812,400.00	\$900,000.00	\$87,600.00	10.8%
Debt Service	\$2,414,000.00	\$2,466,925.00	\$52,925.00	2.2%
ASB	\$468,705.00	\$435,162.00	-\$33,543.00	-7.2%
Transportation	\$325,000.00	\$416,150.00	\$91,150.00	28.0%

GENERAL FUND

Revenue-General Fund

Revenue Projections 2022-23	Amount	% of Revenues	2021-22 Budget	% of Revenues
Levy & Local Non-Tax	\$3,845,315.00	4.41%	\$3,757,777.00	4.88%
State General Purpose	\$48,085,390.00	55.12%	\$45,035,203.00	58.45%
State Special Purpose	\$15,463,175.00	17.73%	\$14,434,143.00	18.74%
Federal Programs	\$19,431,568.00	22.27%	\$13,713,243.00	17.80%
From Other Districts	\$100.00	0.00%	\$100.00	0.00%
Community Programs	\$97,000.00	0.11%	\$102,496.00	0.13%
Sale of Equipment	\$0.00	0.00%	\$0.00	0.00%
Other Financing Sources (new in 22-23)	\$312,398.00	0.36%	\$0.00	0.00%
Total Projected Revenues	\$87,234,946	100%	\$77,042,862	100%

Revenue-General Fund

Local Property Taxes	\$2,503,775	The Levy approved for 2022 totaled \$2,435,000 and for 2023 totaled \$2,560,000. As a result of Legislative action, beginning in 2019, the collection limit for a Maintenance and Operation Levy is \$1.50 per \$1,000 of property valuation. This limitation requires a "roll-back" so the District does not collect more tax revenue than allowed by law.
Local Support - Non Tax	\$1,341,540	Local non-tax revenue includes money collected for testing fees, community school tuition, investment earnings, E-rate, fines for damages to school-owned items, donations, and the cost of purchasing a school food service meal. There is also an amount budgeted for grants OSD may apply for during the school year, but not yet available.
State General Purpose	\$48,085,390	State General Purpose dollars (Apportionment) is the largest source of revenue for the school district. State General Purpose dollars pay for Basic Education program expenses: staff salaries and benefits, classroom supplies, and vocational education. Apportionment also supports the Special Education program. This allocation also includes "Local Effort Assistance (LEA)". The allocation provides a formula for the amount of dollars a district receives in State support. The District determines the actual use of the funds, regardless of the label the dollars may have in the allocation formula. Enrollment drives the amount OSD is allocated.
State Special Purpose	\$15,463,175	Programs funded with State Special Purpose dollars include Special Education, Learning Assistance, Transitional Bilingual, Highly Capable, Nutrition and School Bus Transportation for bringing students to school and returning them home. Includes projected 21-22 carryover.
Federal Special Purpose	\$9,139,568	Federal Special Purpose dollars are allocated to school districts to provide funding for supplemental services needed to assist students with academic needs that may not be met with state and local funding. Programs include Title I, Title II, Title IV, Supplemental Special Education Services, Vocational, School Improvement, and services for Migrant children. Federal funding is also provided for the school meal program, allowing the District to provide nutritional meals to all students.
Federal Special Purpose	\$10,292,000	ESSER II, ESSER III - 80% and ESSER III 20% Learning Loss
Other School Districts	\$100	Othello School District assists other school districts with school bus repair & maintenance. Transportation Co-op fee.
Other Entities	\$97,000	Grants received from private foundations and Governmental Entities.
Other Financing Sources	\$312,398	Long-term Financing. New for 22-23, in accordance with GASB 87, OSD now has to account for the present value of our leases (Ricoh, Turf Tank, and Pitney Bowes)

ADMINISTRATIVE--

Assistant Principal OHS

CERTIFICATED –

Behavior Intervention Specialist

Transitional Kindergarten (Hiawatha) – Replaced Kindergarten position

Transitional Kindergarten (Scootney) – Replaced Kindergarten position

Physical Education – Girls (OHS)

CLASSIFIED –

(2) Migrant Student Advocate (OHS)

Career and Technical Education Paraprofessional (OHS)

Transitional Kindergarten Paraprofessional (Hiawatha)

Transitional Kindergarten Paraprofessional (Scootney)

Special Education Paraprofessional – Temporary (Hiawatha)

Special Education Paraprofessional – Temporary (Wahitis)

Special Education Paraprofessional (Lutacaga)

Computer Technician I

Expenditures by Object – General Fund

Summary	22-23 Budget	% of Expenses	21-22 Budget	% of Expenses
Certified Salaries	\$32,366,261.00	36.93%	\$30,477,655.00	39.63%
Cert Benefits & PR Taxes	\$11,745,088.06	13.40%	\$10,932,470.00	14.22%
Total Certificated	\$44,111,349.06	50.32%	\$41,410,125.00	53.85%
Classified Salaries	\$13,332,984.00	15.21%	\$13,108,049.00	17.04%
Class Benefits & PR Taxes	\$6,735,455.94	7.68%	\$6,505,932.00	8.46%
Total Classified	\$20,068,439.94	22.90%	\$19,613,981.00	25.50%
Supplies & Instructional Resources	\$7,478,770.00	8.53%	\$7,148,968.00	9.30%
Purchased Services	\$10,383,009.00	11.85%	\$8,065,329.00	10.49%
Travel	\$300,228.00	0.34%	\$287,000.00	0.37%
Capital Outlay	\$5,311,782.00	6.06%	\$379,378.00	0.49%
	\$87,653,578.00	100.00%	\$76,904,781.00	100%
Salaries & Benefits:		73.32%		79.35%

- Staffing adjustments based on planned programming and department needs
- Benefit rate adjustments based on latest information
- Salaries and benefits are 73.32% of budgeted expenditures

Expenditures by Object – Excluding ESSER

Summary (Excl. ESSER)	22-23 Budget	% of Expenses	21-22 Budget	% of Expenses
Certified Salaries	\$30,411,311.03	39.26%	\$28,857,907.00	40.77%
Classified Salaries	\$13,217,983.75	17.07%	\$12,628,035.00	17.84%
Benefits & PR Taxes	\$17,853,421.45	23.05%	\$16,901,819.00	23.88%
Supplies & Instructional Resources	\$6,195,438.42	8.00%	\$4,723,167.00	6.67%
Purchased Services	\$8,810,008.31	11.37%	\$7,011,753.39	9.91%
Travel	\$300,228.00	0.39%	\$287,000.00	0.41%
Capital Outlay	\$663,163.47	0.86%	\$379,378.00	0.54%
	\$77,451,554.43	100.00%	\$70,789,059.39	100%
Salaries & Benefits %		79.38%		82.48%

- Salaries & Benefits total percentage is more aligned with historical %'s.
- This is excluding 14 22-23 Certificated FTE's
 - o 6 Floating Substitute Teachers (also in 21-22)
 - o 7 K-3 Instructional Specialists

How will it support the work for 2022-2023?

- Sub Floaters
- K-3 Instructional Specialists
- Summer School
- Instructional Coach
- Technology
- Food service building
- MMS Office Updates
- HVAC
- Portables
- Social Distancing
- Classified Stipend
- Professional Development

Object Summary History

Summary	22-23 Budget	% of Expenses	21-22 Actual + Encumbrance + Anticipated	% of Expenses	20-21 Actual	% of Expenses	19-20 Actual	% of Expenses	18-19 Actual	% of Expenses
Certified Salaries	\$32,366,261.00	36.93%	\$30,389,742.22	41.18%	\$27,543,144.71	41.55%	\$26,120,613.98	40.07%	\$24,688,503.97	41.03%
Classified Salaries	\$13,332,984.00	15.21%	\$12,113,583.57	16.42%	\$11,309,720.74	17.06%	\$11,163,750.14	17.12%	\$10,326,343.85	17.16%
Benefits & Taxes	\$18,480,544.00	21.08%	\$17,236,038.37	23.36%	\$16,633,163.10	25.09%	\$15,333,105.42	23.52%	\$14,215,283.79	23.62%
Supplies & Instructional Resources	\$7,478,770.00	8.53%	\$5,563,603.56	7.54%	\$3,963,863.46	5.98%	\$4,566,786.12	7.01%	\$4,434,028.46	7.37%
Purchased Services	\$10,383,009.00	11.85%	\$7,838,478.55	10.62%	\$6,155,299.17	9.29%	\$6,650,133.40	10.20%	\$5,358,341.49	8.90%
Travel	\$300,228.00	0.34%	\$116,457.78	0.16%	\$50,214.41	0.08%	\$122,922.75	0.19%	\$219,315.95	0.36%
Capital Outlay	\$5,311,782.00	6.06%	\$535,123.91	0.73%	\$628,257.99	0.95%	\$1,234,375.12	1.89%	\$932,915.44	1.55%
	\$87,653,578.00	100%	\$73,793,027.96	100%	\$66,283,663.58	100%	\$65,191,686.93	100%	\$60,174,732.95	100%

Expense by Activity

Activity	22-23 Budget	% of Budget	21-22 Budget	% of Budget
Teaching/Instruction (27-29)	\$43,763,321.00	49.93%	\$42,126,727.00	55.33%
Teaching Support (22, 24, 25, 26, 31-34)	\$13,294,319.00	15.17%	\$13,293,005.00	16.34%
Building Administration (23)	\$3,642,882.00	4.16%	\$3,293,280.00	4.50%
Instructional Support	\$60,700,522.00	69.25%	\$58,713,012.00	76.17%
Facilities (62-64, 67)	\$8,324,592.00	9.50%	\$3,906,906.00	4.75%
Utilities (65)	\$1,334,796.00	1.52%	\$1,176,100.00	1.86%
Insurance (68)	\$515,500.00	0.59%	\$445,000.00	2.53%
Technology (72)	\$1,107,943.00	1.26%	\$1,075,189.00	2.53%
Food Services (42-44)	\$3,391,468.00	3.87%	\$2,552,358.00	4.52%
Transportation (52-56, 75, 91)	\$2,059,865.00	2.35%	\$2,123,715.00	2.63%
Operations (Other Support)	\$16,734,164.00	19.09%	\$11,279,268.00	16.29%
Administration (11-15, 21, 83-84)	\$9,381,768.00	10.70%	\$6,139,530.00	6.43%
Operations (41, 51, 61, 83-84)	\$837,124.00	0.96%	\$772,971.00	1.11%
Central Office	\$10,218,892.00	11.66%	\$6,912,501.00	7.54%
Total	\$87,653,578.00	100.00%	\$76,904,781.00	100.00%

Expense Allocation by Program

Program:	Amount	%
Regular Instruction	\$ 37,550,769.00	43%
Federal Special Purpose (ESSER)	\$ 10,202,029.00	12%
Special Education	\$ 8,318,733.00	9%
Vocational Education	\$ 2,458,241.00	3%
Compensatory Education	\$ 11,723,879.00	13%
Other Instructional Programs	\$ 184,474.00	0%
Community Services	\$ 319,642.00	0%
Support Services	\$ <u>16,895,811.00</u>	<u>19%</u>
Total Expenditures	\$ <u>87,653,578.00</u>	<u>100%</u>

Expense Allocation by Program

Regular Instruction (01, 02, 03)	\$ 37,550,769.00	Basic education expenses include salary and benefits for certificated and classified staff. Also included are MSOCs (materials, supplies, and operating costs), purchased services, travel, and capital outlay. Expenses for extra-curricular activities are included.
Federal Special Purpose (ESSER) (12,13,14)	\$ 10,202,029.00	Expenses to address learning loss (summer school, after-school programs, floating teachers), student mental health services, preparing schools for reopening, projects to upgrade air quality, technology, and facility improvements due to the impact of COVID-19 pandemic. ESSER funding is a one-time allocation expiring on August 2024. The district will begin to reduce the reliance on ESSER funds in the 23-24 SY.
Special Education (21 ,23, 24)	\$ 8,318,733.00	Expenditures to provide supplemental education services for students identified with special needs. Expenditures include salary and benefits for teachers, para-educators, program director and clerical support staff.
Vocational Education (31, 34, 38)	\$ 2,458,241.00	Vocational Education provides the opportunity for middle school and high school students to experience classroom opportunities that provide an occupational skill set. Salary and benefits for teachers, para-educators, program director, vocational specific classroom materials, and costs associated with introducing students to a vocational career path are included.
Compensatory Education (51, 52, 53, 55, 58, 64, 65)	\$ 11,723,879.00	Supplemental education programs are included: Learning Assistance Program and Title I, Migrant Education. Salary and benefits for teachers, para-educators, directors. Family support services are also included.
Other Instructional Programs (74, 79)	\$ 184,474.00	Salary and benefits for the Highly Capable program, as well as classroom materials and instructional supplies.
Community Services (86, 88, 89)	\$ 319,642.00	The District supports a Community Schools program. Supplemental education for early childhood.
Support Services (97, 98, 99)	\$ 16,895,811.00	<ul style="list-style-type: none"> \$ 3,431,789 Board of directors, superintendent, business office, human resources, public relations 312,277 Pupil management - school security officers and student supervision. 6,988,342 Facility and grounds maintenance, utilities, insurance, information services and motor pool. 3,638,416 Nutrition program - school breakfast and lunch program 2,524,987 Transportation - cost of transporting students to and from school

Change to Ending Fund Balance

Operating Statement Projection	22-23 Budget	21-22 Budget	20-21 Actual	
Beginning Fund Balance	\$13,507,323	\$11,558,968	\$15,112,578	
Revenue	\$87,234,946	\$77,042,862	\$67,716,945	
Projected Expenditures	\$87,653,578	\$76,904,781	\$66,283,664	
Transfers Out	\$150,000	\$0	\$3,000,000	
Ending Fund Balance	\$12,938,691	\$11,697,049	\$13,545,859	-4.5%
Net Revenues/Expenses	-\$568,632	\$138,081	-\$1,566,719	

A Closer Look at “Fund Balance”

Assets = Liabilities + “Fund Balance” + Revenues - Expenditures. Fund Balance represents the difference between the assets and liabilities of a fund. It is the equity of the fund. The difference between our revenues and expenditures will either increase or decrease fund balance. Within our fund balance, we have fund balance accounts. The 22-23 Budget ending fund balance is projected to be \$12,938,691. Within this balance are the following accounts that hold OSD’s plan for fund balance:

Ending Fund Balance	22-23 Forecast	21-22 Budget	20-21 Actual
GL 821 Restricted for Carryover of Restricted Revenue (LAP, LAP HP, SPED & CTE)	\$500,000		\$1,171,882
840 Inventory - Nonspendable and prepaid items (Food Inventory & Prepaid Items)			\$712,971
GL 870 Committed to Other Purposes (Board Resolution for Technology Infrastructure)	\$200,000		\$298,818
GL 875 Assigned to Contingencies \$ 1,500,000 (Infrastructure) 1,000,000 (Negotiation Costs) 100,000 (Building Budget BEA Carryover)	\$2,600,000		\$2,500,000
GL 884 Assigned to Capital Projects (Remaining balance of Board Approved transfer in 20-21)	\$500,000		\$500,000
GL 890 Unassigned Fund Balance	\$382,359	\$11,697,049	\$1,251,570
GL 891 Unassigned to Minimum Fund Balance Policy (10% of expenditures) (adjustment to be made after final budget is approved)	\$8,756,332		\$7,110,618
Projected Ending Fund Balance	\$12,938,691	\$11,697,049	\$13,545,859

MSOC Required Statement

<u>REQUIREMENT OF DISTRICT REPORTING OF THE MSOC BUDGET</u>			
OTHELLO SCHOOL DISTRICT 2022-2023 MSOC BUDGET (Materials, Supplies, and Operating Costs)			
Estimated amount of MSOC allocation from the F-203 Report:			\$6,292,512
Combined 1191 MSOC from F-203 (Revenue Estimate Report)			
Regular Instruction	\$		6,025,862
Grades 9-12	\$		266,650
Total MSOC Allocation	\$		6,292,512
Total Amount the district proposes to spend for MSOCs for basic education and district-wide support:			
			\$7,705,730
F-195 Budget Expenditures		Program	
Category	Totals	01	97
Object 5	\$ 2,076,966	\$ 1,273,673	\$ 803,293
Object 7	\$ 4,992,186	\$ 1,328,082	\$ 3,664,104
Object 8	\$ 83,421	\$ 52,910	\$ 30,511
Object 9	\$ 553,157	\$ 97,577	\$ 455,581
Total MSOC Expenditures	\$ 7,705,730	\$ 2,752,241	\$ 4,953,489

4-YEAR BUDGET FORECAST

Student FTE 4-Year Forecast

Grade Level	22-23 BUDGET	23-24 Forecast	24-25 Forecast	25-26 Forecast	4 YR Forecast
Kinder	355.00	355.00	355.00	355.00	0.00
1	304.00	305.00	315.00	320.00	16.00
2	297.00	304.00	305.00	315.00	18.00
3	332.00	297.00	304.00	305.00	(27.00)
4	350.00	332.00	297.00	304.00	(46.00)
5	333.00	350.00	332.00	297.00	(36.00)
6	376.00	333.00	350.00	332.00	(44.00)
7	374.00	376.00	333.00	350.00	(24.00)
8	347.00	374.00	376.00	333.00	(14.00)
9	380.00	347.00	374.00	376.00	(4.00)
10	361.00	380.00	347.00	374.00	13.00
11	345.00	361.00	380.00	347.00	2.00
12	287.00	345.00	361.00	380.00	93.00
Total	4,441.00	4,459.00	4,429.00	4,388.00	-53.00
Difference From Prior Year		18.00	(30.00)	(41.00)	(53.00)

General Fund Balance 4-Year Forecast

Operating Statement Projection	22-23	23-24	24-25	25-26
Projected Beginning Fund Balance	\$13,507,323	\$12,938,691	\$12,045,389	\$10,379,794
Projected Revenue	\$87,234,946	\$78,165,214	\$79,100,000	\$79,790,491
Projected Expenditures	\$87,653,578	\$78,908,516	\$80,565,595	\$82,176,906
Projected Transfers Out	\$150,000	\$150,000	\$200,000	\$200,000
Projected Ending Fund Balance	\$12,938,691	\$12,045,389	\$10,379,794	\$7,793,379
Net Revenues/Expenses	(\$568,632)	(\$893,302)	(\$1,665,595)	(\$2,586,415)
Expenditure to Fund Balance %	14.76%	15.27%	12.88%	9.48%

Note: Without significant adjustments to revenues or expenditures we project that in the 25-26 SY we will not be able to maintain the historical board goal of 10% of expenditures as a fund balance reserve.

This budget includes all ESSER Revenues allocated to the district. The \$8.7 million decrease in revenues for the 2023-2024 school will demand that we make adjustment in expenditures.

How will it support the work for 2022-2023?

- Sub Floaters
- K-3 Instructional Specialists
- Summer School
- Instructional Coaches
- Technology
- ~~Food service building~~
- ~~MMS Office Updates~~
- ~~HVAC~~
- ~~Portables~~
- ~~Social Distancing~~
- ~~Classified Stipend~~
- Professional Development

General Fund 4-Year Forecast

Revenue Projections	2022-23	2023-24	2024-25	2025-26
Levy & Local Non-Tax	\$3,845,315.00	3,925,637.00	3,991,767.00	4,054,643.00
State General Purpose	\$48,085,390.00	\$ 49,241,686.00	\$ 49,944,637.00	\$ 50,481,942.00
State Special Purpose	\$15,463,175.00	\$ 15,835,013.00	\$ 16,061,067.00	\$ 16,233,852.00
Federal Programs	\$19,431,568.00	\$ 9,065,392.00	\$ 9,005,686.00	\$ 8,924,087.00
From Other Districts	\$100.00	\$ 100.00	\$ 100.00	\$ 100.00
Community Programs	\$97,000.00	\$ 97,386.00	\$ 96,743.00	\$ 95,867.00
Other Financing Sources (new in 22-23)	\$312,398.00	\$0.00	\$0.00	\$0.00
Total Projected Revenues	\$87,234,946.00	\$78,165,214.00	\$79,100,000.00	\$79,790,491.00

Expenses	2022-2023	2023-2024	2024-2025	2025-2026
00 Regular Instruction	\$37,550,769.00	\$38,301,784.00	\$39,106,122.00	\$39,888,244.00
10 Federal Stimulus	\$10,202,029.00	\$0.00	\$0.00	\$0.00
20 Special Education	\$8,318,733.00	\$8,485,108.00	\$8,663,295.00	\$8,836,561.00
30 Vocational Education	\$2,458,241.00	\$2,507,406.00	\$2,560,061.00	\$2,611,263.00
50-60 Compensatory Education	\$11,723,879.00	\$11,958,357.00	\$12,209,482.00	\$12,453,672.00
70 Other Programs	\$184,474.00	\$188,163.00	\$192,115.00	\$195,957.00
80 Community Services	\$319,642.00	\$326,035.00	\$332,882.00	\$339,539.00
90 Support Services	\$16,895,811.00	\$17,141,663.00	\$17,501,638.00	\$17,851,670.00
Total Projected Expenses	\$87,653,578.00	\$78,908,516.00	\$80,565,595.00	\$82,176,906.00

ASB 4-Year Forecast

ASB Projection	22-23	23-24	24-25	25-26
Projected Beginning Fund Balance	\$240,000	\$268,338	\$227,051	\$185,764
Projected Revenues:	\$463,500	\$427,418	\$427,418	\$427,418
<i>General</i>	\$159,500	\$109,650	\$109,650	\$109,650
<i>Athletics</i>	\$217,000	\$178,323	\$178,323	\$178,323
<i>Classes</i>	\$3,000	\$10,300	\$10,300	\$10,300
<i>Clubs</i>	\$57,000	\$112,545	\$112,545	\$112,545
<i>Private Monies</i>	\$27,000	\$16,600	\$16,600	\$16,600
Projected Expenditures:	\$435,162	\$468,705	\$468,705	\$468,705
<i>General</i>	\$230,004	\$135,450	\$135,450	\$135,450
<i>Athletics</i>	\$17,900	\$153,593	\$153,593	\$153,593
<i>Classes</i>	\$7,134	\$17,182	\$17,182	\$17,182
<i>Clubs</i>	\$153,287	\$147,105	\$147,105	\$147,105
<i>Private Monies</i>	\$26,837	\$15,375	\$15,375	\$15,375
Projected Ending Fund Balance	\$268,338	\$227,051	\$185,764	\$144,477

Debt Service Fund 4-Year Forecast

Debt Service Projection	22-23	23-24	24-25	25-26
Projected Beginning Fund Balance	\$1,517,600	\$1,552,675	\$1,590,671	\$1,660,745
Projected Revenue	\$2,502,000	\$2,537,046	\$2,620,749	\$2,673,858
Projected Expenditures	\$2,466,925	\$2,499,050	\$2,550,675	\$2,604,300
Projected Ending Fund Balance	\$1,552,675	\$1,590,671	\$1,660,745	\$1,730,303

Capital Projects 4-Year Forecast

Capital Projects Projection	22-23	23-24	24-25	25-26
Projected Beginning Fund Balance	\$919,123	\$39,223	\$39,723	\$40,223
Projected Revenue	\$20,100	\$500	\$500	\$500
Transfer				
Investment Interest	5,000	500	500	500
Projected Expenditures	\$900,000	\$0	\$0	\$0
MMS Roof Repair	300,000			
Lutacaga Roof Repair	500,000			
Misc	100,000			
Projected Ending Fund Balance	\$39,223	\$39,723	\$40,223	\$40,723

The Vehicle Fund 4-Year Forecast

TVF Projection	22-23	23-24	24-25	25-26
Projected Beginning Fund Balance	\$239,880	\$240,230	\$212,965	\$213,465
Projected Revenue	\$266,500	\$280,500	\$270,500	\$280,500
Transfers In From General Fund	\$150,000	\$150,000	\$200,000	\$200,000
Projected Expenditures	\$416,150	\$457,765	\$470,000	\$500,000
Projected Ending Fund Balance	\$240,230	\$212,965	\$213,465	\$193,965

- ~~→ Building and Departmental Staffing Review~~
- ~~→ Grant Analysis~~
- ~~→ Projection of Beginning Fund Balance~~
- ~~→ July 10th- Draft budget available to the Board & Community~~
- August 8th- Budget Public Presentation
- August 22nd- Budget hearing and adoption by the Board
- August 31st- Final Submission to OSPI



Amy Suarez

Executive Director of Business