



# Budget Development Update

Board of Directors Meeting





# Overview

- Outlook
- Budget Development Timeline
- Legislative Outcomes
- ESSER Update
- Next Steps



# Budget Outlook Continues to Improve



## Program cuts not planned for the 2022-23 operating budget

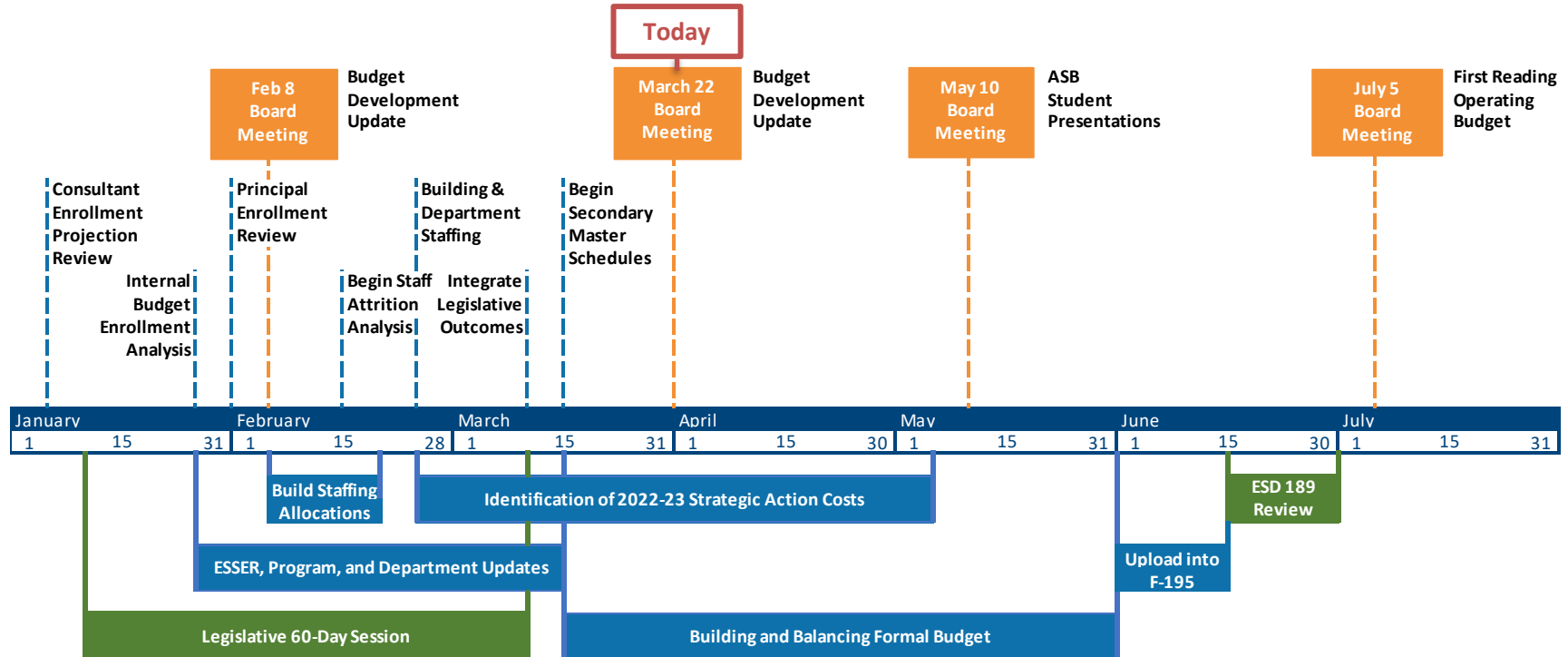
- Passage of Educational Programs and Capital levies
- COVID fiscal impacts have been supported by ESSER
- COVID savings have maintained higher fund balance
- Current fund balance projection is at 9.2%
- State economy continues to improve
- Legislature increased funding for this year and next
- Projection will be updated based upon legislative outcomes
- Program enhancements are driven by the strategic plan



# Budget Development Timeline



## Integrating strategic plan needs next step in budget planning







# Legislative Outcomes



# Legislative Outcomes



## SHB 1732 - PASSED

Delays the implementation of the long-term care services and supports trust program by 18 months

---

## HB 1590 / SSB 5563 - PASSED

Provides enrollment stabilization funding to address enrollment declines due to COVID-19.

---

## HB 1985 & 1664 / SB 5595 - PASSED

Increases prototypical school formulas for physical, social, and emotional support in schools.

---

## SB 5326 - DID NOT PASS

Requires health and pension benefits for school bus drivers employed by private nongovernmental entities.

# Legislative Outcomes – SHB 1590 & COLA



## Enrollment stabilization funding

- Enrollment stabilization funding for general apportionment compares enrollment loss between 2019-20 and 2021-22 and funds 50% of loss in current year totaling \$3.96 million to be allocated in the current year
- Bill allows levy calculation for student enrollment to be the greater of 2019-20 or 2021-22 increasing levy cap for Everett by \$1.4 million in calendar year 2023
- Increased funding will help offset local cost of COLA

## Cost of Living Adjustment (COLA) of 5.5%

- COLA is now based upon Implicit Price Deflator (IPD)
- Actual IPD has been adjusted up by legislature to 5.5%
- Everett funding increase will be 3.5% for final year of 2% regionalization phase-out





## Funding increases for physical, social, and emotional support

- Funding for “nurses, social workers, psychologists, counselors, classified staff providing student and staff safety, parent involvement coordinators, and other school district employees and contractors who provide physical, social, and emotional support to students”
- Prototypical model is a funding allocation model, not a prescriptive staffing model
- Districts must verify that budget staffing units are above the sum of all SEL categories
- ESSER plan moves 3 social workers, 2 nurses, and 2 social workers to state funding

	Current State Funded Units	BE/ESSER Budgeted Units	Current funded unit shortfall	2022-23 State Funded Units	2022-23 funded unit shortfall
Counselors	37.5	50.4	(12.9)	44.2	(6.2)
Nurses	3.1	12.1	(9.0)	11.1	(1.0)
Social Workers	1.3	3.0	(1.7)	4.2	1.2





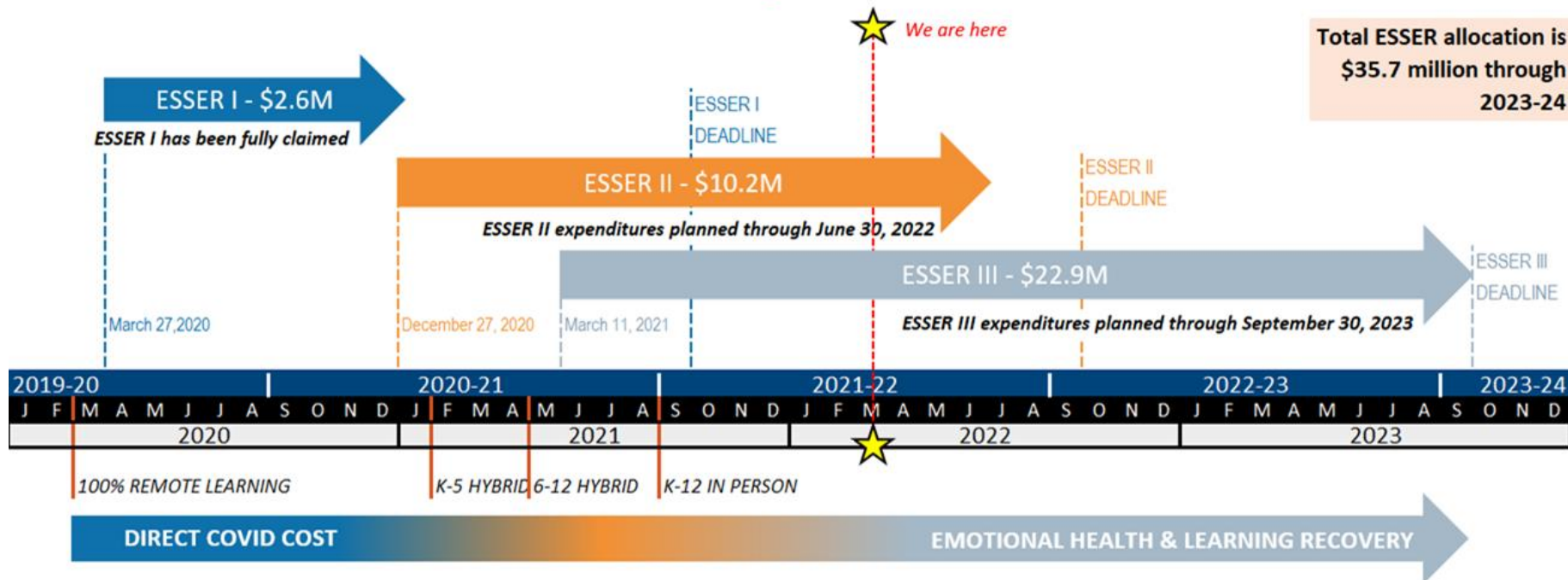
# ESSER Update



# UPDATE FEDERAL RELIEF FUNDING



## Elementary and Secondary School Emergency Relief (ESSER) Funding Timeline



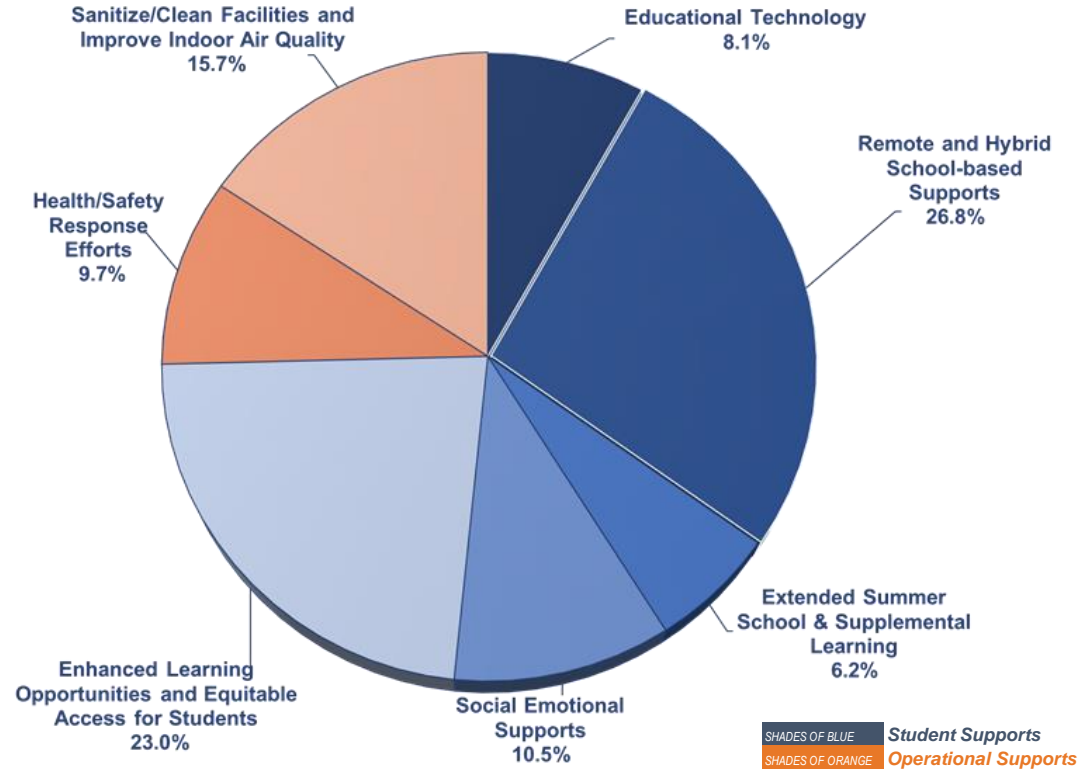
3/11/2022

# 2021-22 ESSER III Projected Expenditures

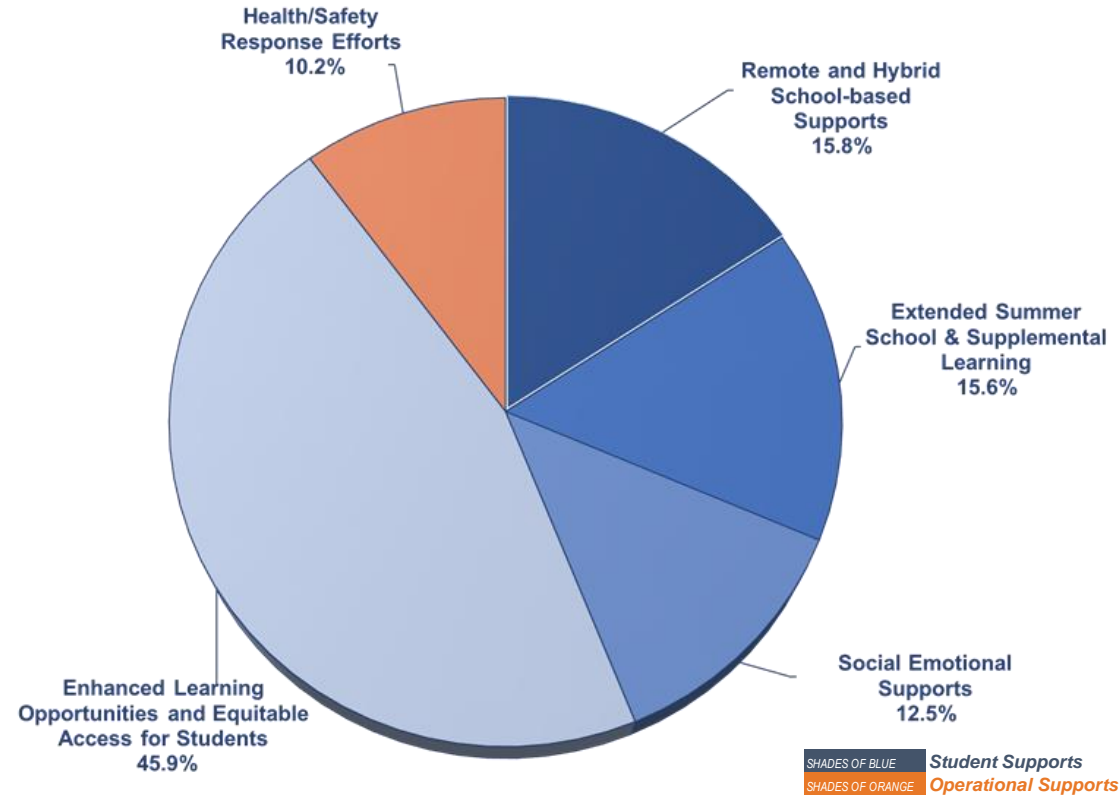


## 2021-22 ESSER III planned expenditures total just over \$13.2 million

- 2021-22 expenditure categories continue to increase investments in education technology, enhanced and remote learning, and SEL
- 74.6% of 2021-22 expenditure plan directly supports student social emotional and learning needs



# 2022-23 ESSER III Projected Expenditures



**2022-23 ESSER III planned expenditures total just over \$7.7 million**

- 89.8% of ESSER III expenditure plan directly supports student social emotional and learning needs
- Enhanced learning opportunities and equitable access increased 22.9%
- Sanitize/clean facilities and indoor air quality costs shift to general fund
- Social workers and some nurses shift to general fund





# Next Steps





## Budget development next steps

- March and April guidance from OSPI on implementation of legislative outcomes
- April update of year-end projections based on:
  - Revised ESSER plan
  - OSPI revenue forecasting
  - Evaluation of local costs of COLA
  - Expenditure and revenue patterns
- May integration of resources in support of new 2022-23 strategic plan actions
- May 10 ASB budget presentation
- May final development of budgets for all other funds (Capital, Debt Service, Transportation)



# Thank You!

