Fiscal Advisory Council

2023-24

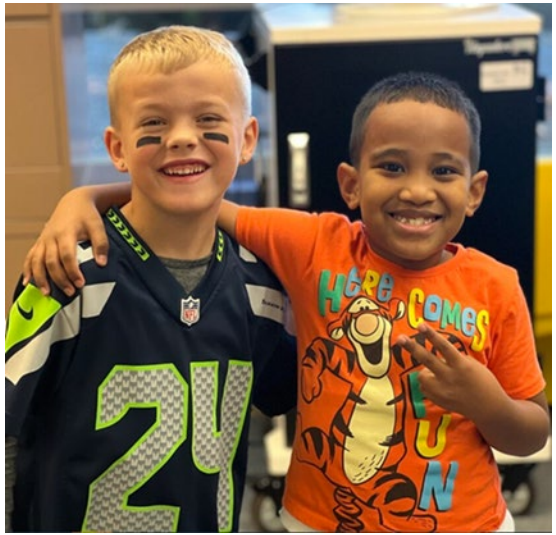
Meeting 3

Updates on State Legislative Session and Community Engagement

EVERETT PUBLIC SCHOOLS®

Welcome and overview

- Welcome!
- Role of FAC
  - Develop a shared understanding of the district's fiscal outlook
  - Provide guidance and advice to district staff regarding development of the district's operating budget for next year



Welcome, introductions, overview

Members

- Students and staff
- Community members
- District administrative and support staff

Schedule

• October 12	Meeting 1	Introductions, overview, school budget basics
• January 11	Meeting 2	Enrollment projections, budget assumptions
• February 27	Meeting 3	Legislative updates and community engagement
• April 11	Meeting 4	Legislative outcomes, budget development
• May 23	Meeting 5	Review budget prior to board adoption

School board updates throughout the year

State Legislative Update

State Legislative Update

Legislative calendar (day 51 of 60)

- January 8 – First day of session
- February 13 – Last day to adopt bills in house of origin
- March 1 – Last day to adopt bills from opposite house
- March 7 – Last day of session

Legislative activity

- 1,200 bills introduced this session
- Over 500 bills still active as of February 16
- 473 bills were adopted last year
- Senate and house released supplemental budget proposals

Legislative advocacy

- Board approved legislative priorities in November
- Meetings with individual legislators in November/December
- Legislative conference and Day on the Hill in Olympia in January (WASA, WSSDA, WASBO)
- Regular meetings and newsletters to review legislation and discuss advocacy efforts
- Testimony provided on legislation as needed
- Legislative reports at regular board meetings

Dead bills or bills with no budget impacts

- Increase in enrichment levy authority - HB 1244/SB 5692/SB 5956 (dead)
- Simple majority threshold for approval of bonds - SB 5823 (dead)
- Special Education evaluation and data reporting requirements – HB 1914 (dead)
- Allow use of non-voted debt to build new schools in addition to renovating them HB 2411/SB 5969 (dead)
- Increase special education enrollment cap - HB 6014 / HB 2180 (no impact for Everett)
- Experience Factor changes to annual assessment – HB 2458 (no impact for Everett)

Live bills with potential budget impacts

- Increasing state funding for MSOC (operating costs) in schools– HB 2494
- Increases classified staffing allocations - SB 5882/HB 1960
- Adjustments to special education Safety Net funding - SB 5852
- Transportation funding review, provides support for special students, requires private transportation vendors to provide employee health and retirement benefits comparable to public school employees – SB 5873/HB1248
- Due process - moves the burden of proof in litigation to school districts - SB 5883

House supplemental operating budget proposals

- Increase enrollment limit for special education students from 15% to 17.25% - $32.3 million
- Expand CEP reimbursement for food service costs - $41.2 million
- Increase MSOC reimbursement for utilities, insurance, instructional professional development, security and central office - $43.4 million

Senate supplemental operating budget proposals

- Increase enrollment limit on special education funding from 15% to 15.6% - $13.5 million
- Expand CEP reimbursement for food service costs - $45 million
- Modify prototypical K-12 school staffing model to increase staff allocations for paraeducataors, office support and non-instructional aides - $49.6 million
- Reimburse districts for costs to provide benefits to employees of private transportation providers - $4 million

Supplemental capital budget proposals

House

- No significant new budget proposals

Senate

- SCAP (school construction assistance program) enhancement changes CCA (construction cost allocation) from $271.61 to $400.00 per square foot and includes coverage for WSST on construction projects - $144.1 million
- Funding for school-based health centers at Cascade HS and Everett HS - $488,000

Supplemental transportation budget proposals

House
- Zero emission vehicle (bus) grants - $44 million

Senate
- Transition diesel busses to zero emission vehicles via Dept. of Ecology grants - $15.7 million

Six ballot initiatives moving forward

3 initiatives heading to November general election

- Repeals portions of state's climate commitment act
- Allows employees to opt out of state's long-term care program
- Repeals the state's capital gains tax

3 initiatives to be addressed by legislators this week

- Removes some of the restrictions on police pursuits
- Concerns parental rights relating to their children's public school education
- Prohibits the imposition of state and local income taxes

Community Engagement

Budget Information Session

Purpose
- Understand deficit range
- Budget assumptions and methodology
- Timeline
- Guiding principles

Session/Stakeholder Group
- Everett Education Associations
- President's Council
- Community Resource Center staff meeting

The 2024-25 Budget Outlook

2023-24 budget

Original Budget

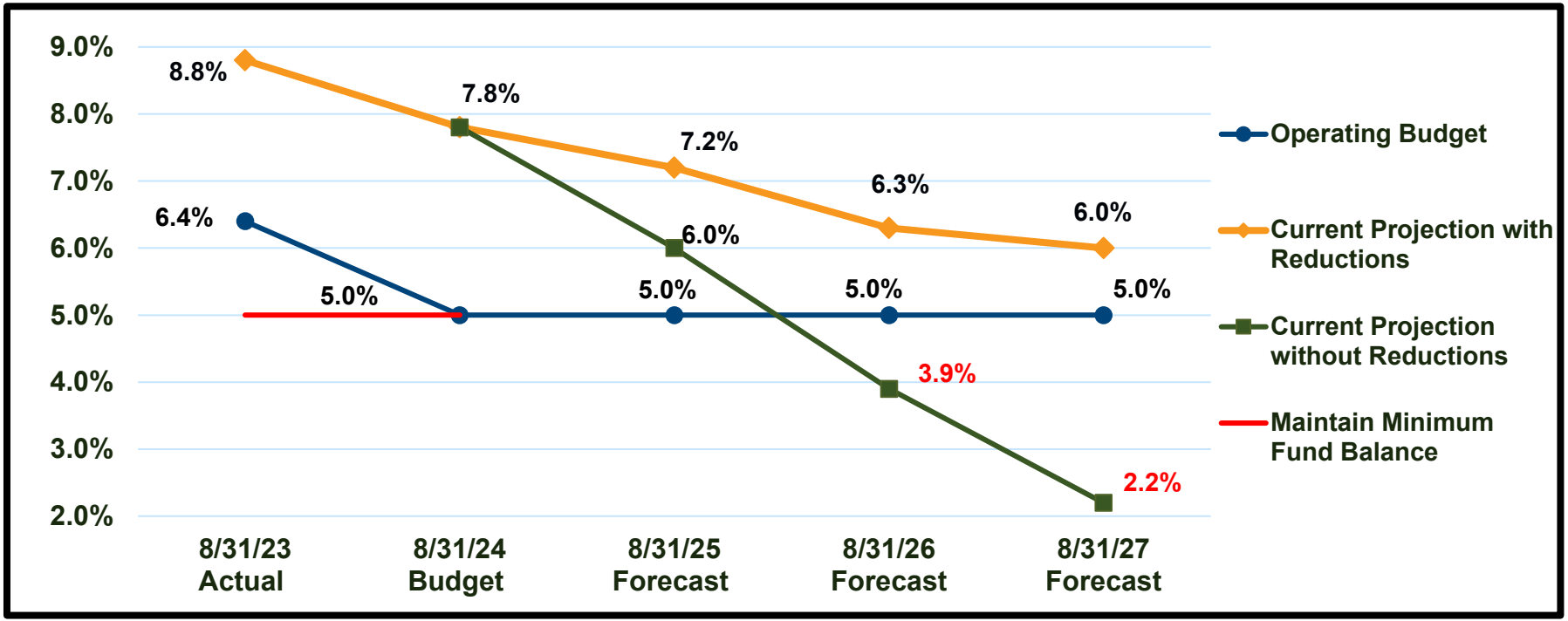
- Revenue $385.2 million
- Expenditures $389.5 million
- Deficit $ 4.3 million

Based on spending through December 2023

- Revenue projected $382.9 million
- Expenditures projected $385.9 million
- Deficit $ 3.0 million
  (decreases the fund balance)

Four Year Forecast

Improved fiscal outlook, however reductions still needed



Guiding principles

- We will preserve items and services that directly affect student learning to the greatest extent possible
- We will be guided by prioritizing Tier 1 instruction led by the Strategic Plan
- We will consider regulatory, legal and contractual requirements as well as space needs
- We will consider consolidating and reorganizing work to increase efficiencies

Budget information session & solicitation of feedback

Purpose

- Understand deficit range
- Budget assumptions and methodology
- Timeline
- Guiding principles
- Solicit Feedback

Session/Stakeholder Group

- Administrators
- Presidents' Council
- Community budget meeting
- Staff & community survey

Feedback

Administrators

- All principals and assistant principals
- Open ended feedback and suggestions

Response data

- Guiding principles – 27 Responses
  - Student focus
- Suggested reductions– 13 responses
  - Building budgets
  - Subscriptions
  - Restructure

Feedback

Administrator & Professional Technical Budget Committee

- 37 Members
- Fiscal Update
- Suggested reductions
- Prioritization of reductions

Community budget meeting

- Fiscal Update
- Four attendees
- Open ended feedback requested

Feedback

Staff, community & student survey

- February 16 – 23
- Open ended feedback & suggestions

Response data

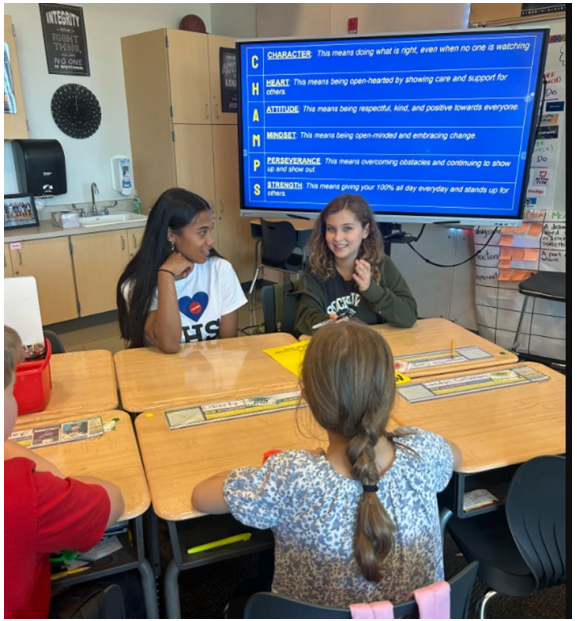
- Parent/guardians - 389 (50%)
- Staff - 369 (47%)
- Community members – 11 (2%)
- Students - 10 (1%)

Questions and Discussions

Questions and Discussions

Legislative update and community engagement

- What surprised you?
- What would you like to hear more about?
- What guidance or advice would you like to offer?



Questions and Discussions

Do we need to meet on April 11?

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Thank you!

See you on April 11! (or May 23)