



# VASHON ISLAND SCHOOL DISTRICT

*The Vashon Promise: Every student is welcomed, known, and treasured, and graduates confident and competent to thrive in a future they imagine.*

## VISD Budget Presentation/Discussion 2023

*“A budget is more than just a series of numbers on a page; it is an embodiment of our values.”*

– Barack Obama

# Presentation/Discussion Overview

- Introductions
- “Take-Aways”
- Our VISD Students
- WA Public School Funding & Considerations in the Creation of the 2023-2024 Budget
- VISD’s Current Financial Position
- Solvency and Sustainability Plan - Solutions
- Discussion, Q&A

# Three Key “Take-Aways”

1. **“Live within our means”** - *VISD must balance it’s high quality educational programs with financial sustainability.*
1. **“Attract and retain high quality staff”** - *VISD must fulfill its bargaining agreements as it competes with neighboring districts.*
1. **“Right-size programs”** - *As program and school enrollment decrease or remain flat, we have to adjust staffing accordingly.*

Our VISD Students  
*“Students are the priority!”*

# VASHON ISLAND SCHOOL DISTRICT



*Students are the priority*

# VASHON ISLAND SCHOOL DISTRICT

## HISTORICAL & PROJECTED STUDENT ENROLLMENT - FTE

YEAR	YEAR-END AVERAGE	INCREASE/DECREASE	% +/-
2017-2018	1,509	-4	-.26%
2018-2019	1,469	-40	-2.6%
2019-2020	1,461	-8	-.05%
2020-2021	1,421	-40	-2.7%
2021-2022	1,449	+30	+2.1%
2022-2023*	1,456(current)	+7	+.004%
2023-2024*	1,438	-18	-1.2%
2024-2025*	1,445	+5	+.003%
2025-2026*	1,445	0	0%

\*Projection as required per RCW 28A.505.06

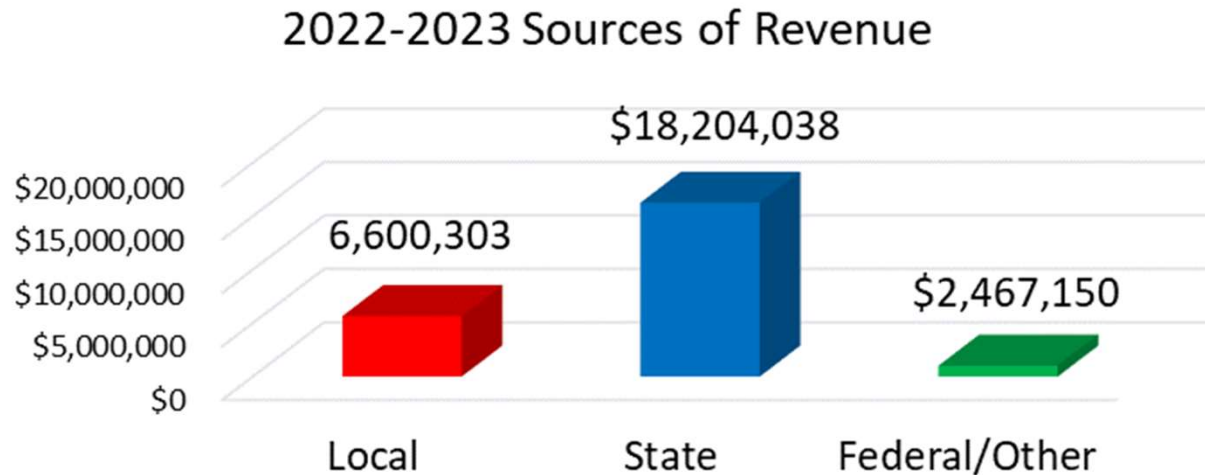


*Students are the priority*

# WA Public School Funding



# Does the state fully fund public education? **No**

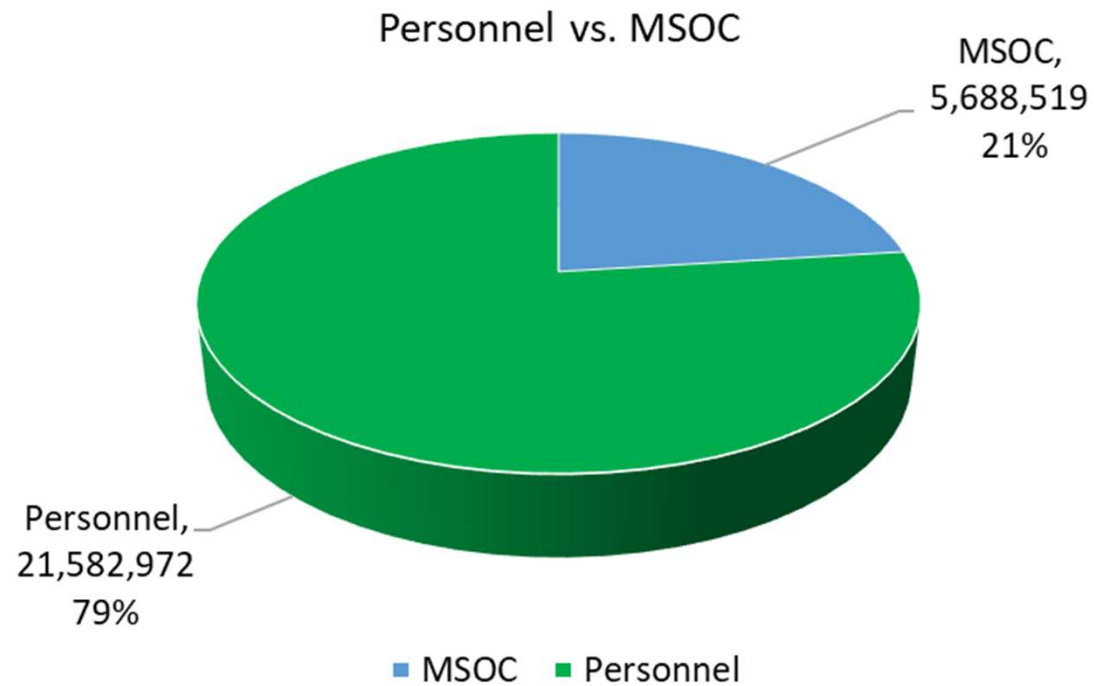


**Revenue= 24.2% from Local / 66.8% from the State / 9.0% from Federal/Other**

**Total Revenue = \$27,271,491**

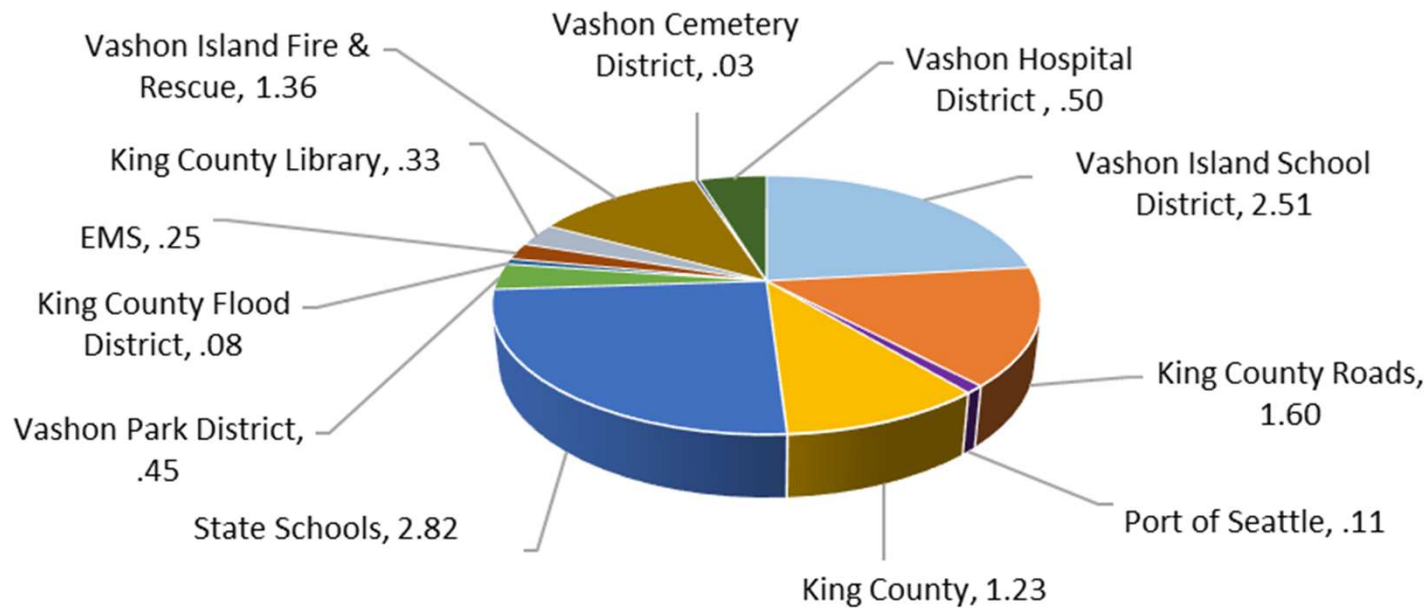
# 79% of VISD's Budget is Spent on People

Gener



# VISD Property Taxes 2022

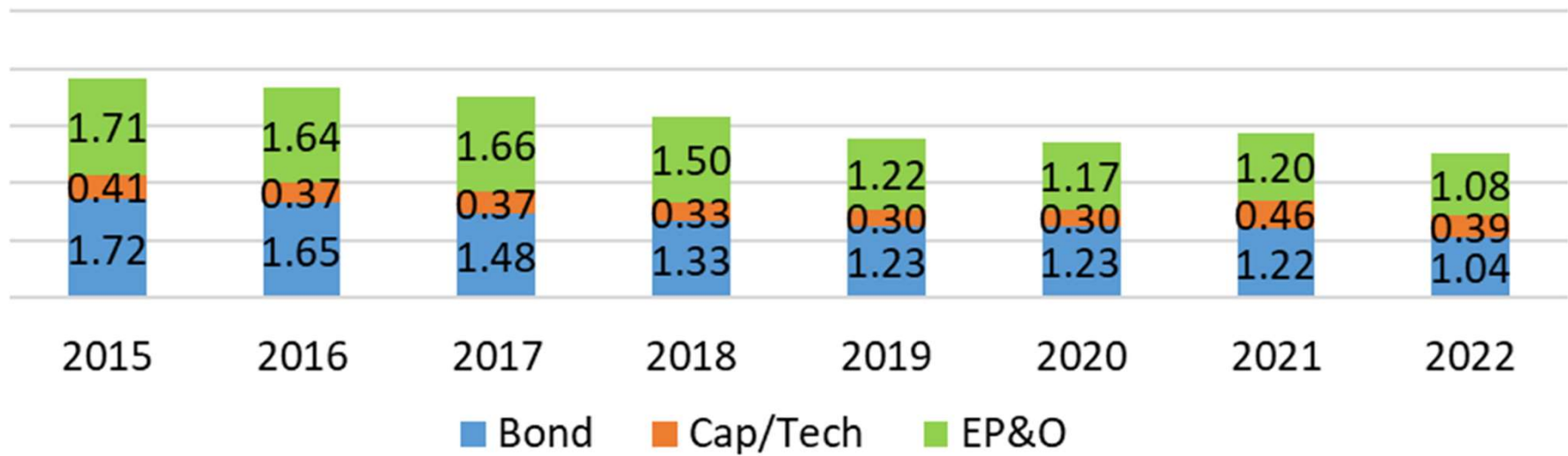
2022 Property Taxes - Total Rate = \$11.27



Of the \$2.51 locally assessed levy for schools, \$1.04 goes towards the payment of the bond (Debt Service Fund), \$1.08 is for the Educational Programs and Operations (EP&O) Levy and \$.39 is for the Capital and Technology (Cap/Tech) Levy.

# VISD Bond and Levy Rates

Historical & Current Levy & Bond Rate(s)\*

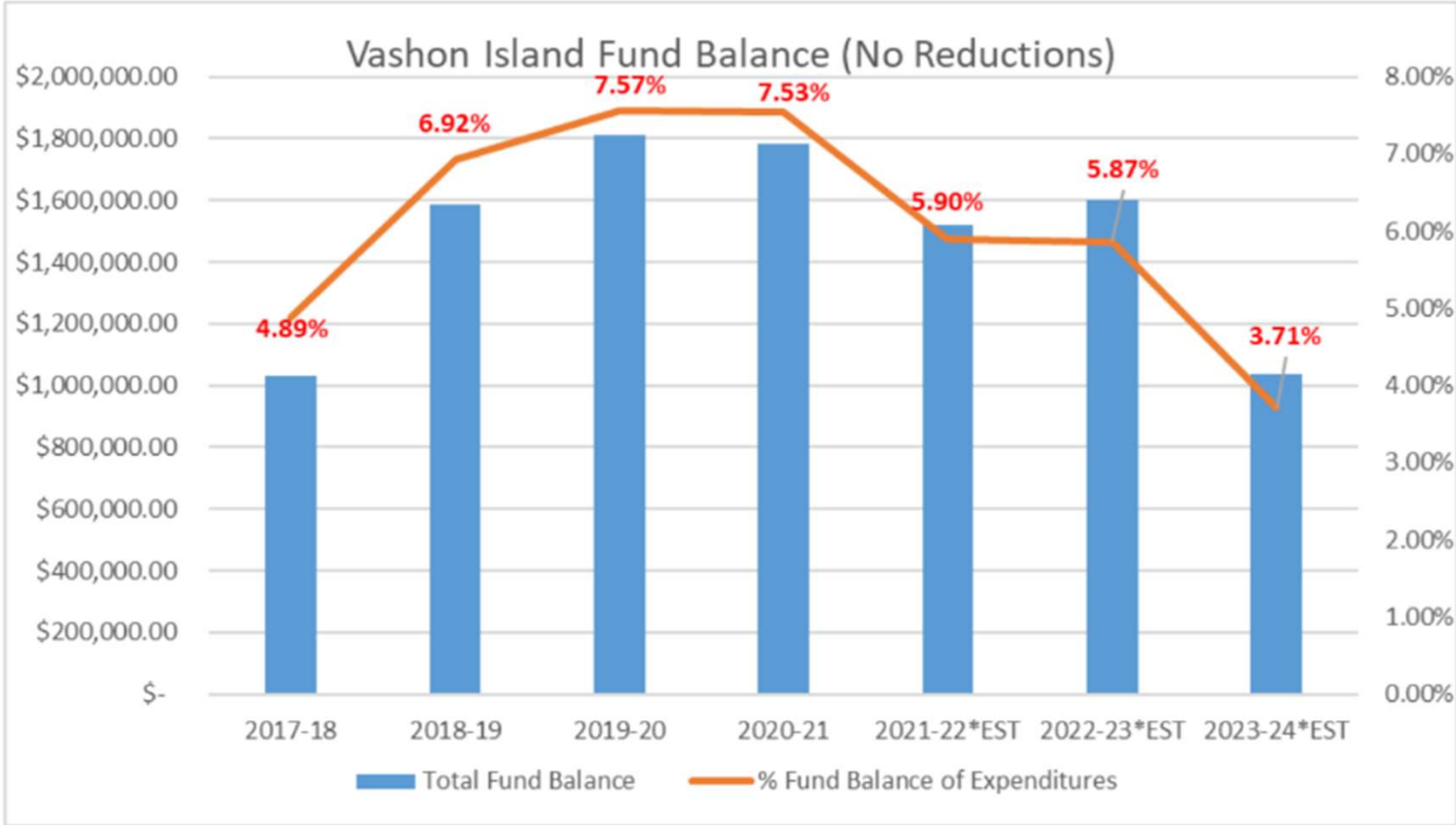


# Fund Balance - Reserve Account

The “Fund Balance” is cash-in-the-bank or district reserves. The establishment of sufficient and stable district **cash reserves, covering industry standard two months salary**, is considered a prudent business practice and demonstrates solid financial planning, sound fiscal management and a strong district fiscal position.

Per District Policy 6000, it is the **goal of the District to maintain a fund balance of 6.5%** of the current fiscal year budgeted expenditures with a minimum unreserved **fund balance of no less than 5%**. The unreserved ending fund balance will be preserved as an emergency fund.

# Vashon Island Fund Balance



# VISD's Current Financial Position

# WA State Funding = Broken System

## **VISD Challenges:**

- **State Prototypical Funding Model**
- **Staff salaries/Cost Of Living Adjustments (COLA/IPD) & SEBB**
- **State Regionalization (adjustment for local housing costs)**
- **Special Education Funding**





# # of Students to Generate 1.0 Position

School Level Staffing	Elementary (K-6)	Middle (7-8)	High (9-12)	Staff Type
Principals	319	319	319	CAS
Teacher Librarians	603	832	1,147	CIS
Guidance Counselors	811	355	236	CIS
School Nurses	5,263	7,200	6,250	CIS
Social Workers	9,524	72,000	40,000	CIS
Psychologists	23,529	216,000	85,714	CIS
Teaching Assistance	427	617	920	CLS
Office Support	199	186	184	CLS
Custodians	241	222	202	CLS
Student and Staff Safety	5,063	4,696	4,255	CLS
Family Involvement Coordinators	4,848	0	0	CLS

# State vs Local Investments

**\$10.1 Million**  
**2022-23 State Salary & Benefits**  
**Apportionment to VISD**  
**(Approx 47%)**

**+**

**\$11.5 Million**  
**2022-23 Levy & Grant Salary &**  
**Benefits to VISD**  
**(Approx 53%)**

**=**

What does the state pay  
for and what does it  
actually cost?

**\$21.6 Million**  
**2022-23 VISD Salary & Benefits**  
**Expenditures**



# State vs Local Investments pt. 2

**96.7 employees (FTE)  
State Funded**

**+**

**105.3 employees (FTE)  
Local Levy and Grant Funded**

**=**

**Number of Positions Funded  
State vs. Levy  
2022-23**

**202(+) total employees (FTE)  
Total Employees (FTE) VISD**



# State vs Local Investment pt. 3

**96.7 employees (FTE)**  
**State Funded**

**State Pays for IPD?**  
**YES!**  
**State Pays for SEBB?**  
**YES!**

**105.3 employees (FTE)**  
**Local Levy and Grant Funded**

**State Pays for IPD?**  
**NO!**  
**State Pays for SEBB?**  
**NO!**

**IPD** - Implicit Price Deflator - Formerly "Cost Of Living Increase" (COLA), +5.5%

**SEBB** - State Employees Benefits Board (Health Insurance Costs), \$13,000.00/yr

# What Does Our Local Levy & Grants Fund?

<b>Position</b>	<b>FTE Funded by State</b>	<b>FTE Funded by Our Local Levy and Grants</b>
Custodians/Maintenance/Facilities	8.017	7.733
Nurses	0.761	.839
Classified Instructional Support	2.181	16.83
Counselors/Social Workers	3.724	1.276
School Psychologists	0.088	1.912
Certificated Teachers	59.794	33.957

# VISD Disadvantage...

- **State Regionalization (adjustment for local housing costs):**

VISD's state regionalization rate is 12%. We are surrounded by districts in King and Kitsap Counties with regionalization rates of 18%. Without competitive salaries, it will be difficult to continue to attract and retain highly qualified staff.



# Special Education and Support Services Chronic Statewide Underfunding

## Special Education Funding Gap- 2021-2022 & 2022-2023

Programs 2100 & 2400	2021-2022	2022-2023
Revenue-State	\$1,891,687.75	\$2,010,332.61
Revenue-Federal	\$290,288.00	\$301,799.00
Safety Net	\$173,027.00	\$150,000.00
Total Revenues	\$2,355,002.75	\$2,462,131.61
Additional Transportation	\$65,058.00	\$95,000.00
Expenditures	\$3,008,807.74	\$3,088,325.34
Total Expenditures	\$3,073,865.74	\$3,183,325.34
	<b>-\$718,862.99</b>	<b>-\$721,193.73</b>

# WASA Management Review - Reduction Recommendations

Vashon Island School District			
Vashon Island School District - WASA Financial Stability Plan		2.0 IPD +1%	5.5 IPD +1%
Est. 2023-24 Expenditure Budget		\$ 27,953,278	
Current Projected Deficit 2022-23			
Current Projected Deficit 2023-24		\$ (584,000)	-881,750
Reductions Needed to Break Even		\$ (584,000)	-881,750
Estimated Ending Fund Balance 2022-23		\$ 1,621,775	\$ 1,621,775
Reductions needed for Fund Balance Restoration to 6.5% (One Year)		\$ 195,188	\$ 195,188
Total Reductions for Breakeven and One Year Fund Balance Restoration to 6.5%		\$ (779,188)	-1,076,938





# Solvency and Sustainability Plan/Solutions

# VISD Solvency and Sustainability Priorities

- Priority #1: Increase VISD revenues.
- Priority #2: Honor VISD values and beliefs while aligning district expenditures more closely with state revenue sources.
- Priority #3: Maximize the impact of every dollar.



# Legislative Priorities

- Increase Regionalization for VISD
  - 18% for most King County School Districts
- Fund Special Education
  - Close the \$750K gap
- Prototypical School Model
  - More positions funded by the state
- Increase Transportation Funding
  - Close the \$80K gap



# District Changes in Practice

- Basic Education - Change Allocation Model, Target Class Size Closer to 28 instead of 25 (Grades 6-12)
- Revenue neutral food service programming
- Increase strategic planning of staff absences
- Increase energy efficiency and conservation



# Recommended Certificated Reductions

## Certificated Staff Reductions:

1. *Primary, Grades Pre-K-5: Total Reduction 2.4 FTE*
  - a. Certificated Classroom Instructional Staff: 2.0 FTE
  - b. Certificated Specialist Instructional Staff: .4 FTE
2. *Secondary, Grades 6-12: Total Reduction 5.6 FTE*
  - a. English Instructional Staff: .8 FTE
  - b. Math Instructional Staff: .8 FTE
  - c. Social Studies Instructional Staff: .8 FTE
  - d. Science Instructional Staff: .8 FTE
  - e. Health/PE Instructional Staff: .9 FTE
  - f. Counseling Instructional Staff: .2 FTE
  - g. Electives Instructional Staff: 1.1 FTE
  - h. Library Instructional Staff: .2 FTE

**Total Certificated Staff Reduction: 8.0 FTE**



# Recommended Classified Reductions

## Classified Staff Reductions:

1. Food Services: Total Reduction .865 FTE
2. Classified Instructional Staff: Total Reduction .597 FTE

**Total Classified Staff Reduction: 1.462 FTE**

## Classified Administration Reduction:

1. Facilities Manager: 1.0 FTE

**Total Classified Administration Reduction: 1.0 FTE**



# 2023-2024 Resignations/Retirements

Secondary Certified Staff: 4.6  
Elementary Certified Staff: 1.5

**Total Certificated Staff: 6.1 FTE**





# Next Steps?

## Staff and Community Participation:

- Staff and Community Survey
- Join VISD School Community in Collective Legislative Action

## Budget Reduction Planning Timeline:

- February 16th - School Board Budget Discussion - Reduction In Force Authorization, First Read
- March 7th - VISD Budget Advisory Board, Review Survey Feedback
- March 9th - School Board Budget Work Session - Review Survey Feedback
- March 23rd - School Board Budget Discussion - Reduction in Force Authorization, Second Read, Board Action Recommended.
- April 13th - School Board Budget Work Session
- April 27th - School Board RIF Action





# Three Key “Take-Aways”

1. **“Live within our means”** - *VISD must balance it's high quality educational programs with financial sustainability.*
1. **“Attract and retain high quality staff”** - *VISD must fulfill its bargaining agreements as it competes with neighboring districts.*
1. **“Right-size programs”** - *As program and school enrollment decrease or remaining flat, we have to adjust staffing accordingly.*

Our collaborative work, bright ideas, and commitment to our students and community will help ensure we fulfill Our Vashon Promise: *Every student is WELCOMED, KNOWN, and TREASURED and graduates confident and competent to thrive in a future they imagine.*

Thank You  
Q&A