



Lake Washington School District
Study Session of the Board of Directors

Date: June 5, 2017

Topic: **Strategic Planning/Budget Process**

Purpose

The purpose of the study session is to provide the Board information including an update an overview of 2017-18 budget implications based on current and future legislative changes, and a review of processes to align the 2017-18 budget to district strategic work and Board and organizational priorities.

Background/Overview

At the May 8, 2017 Study Session the Board received an update on the mid-year review of the 2016-17 budget completed by the Business Office. That information included a review of revenues, expenditures and fund balances projected for each fund. It also include an update on Legislative actions that will affect the 2017-18 budget and beyond, including the impacts of the levy cliff. An overview of the process to align expenditure requests with strategic work and organization and priorities was also included. This process aims to provide appropriate resources for accomplishment of organizational priorities. Over the past three years, specific budget additions have been made based on organizational priorities. Organizational priorities and strategic work continue to inform the budget considerations for 2017-18.

Study Session Overview:

- Budget Policies, Porcess and Timeline
- Legislative Update
- Update on 2017-18 strategic planning and budget process
- Recommended investments in organizational capacity and strategic work
- Preliminary Budget Changes for 2017-18
- Board feedback

Legislative Updates

The legislature is continuing to work on a biennial budget. They are in their second special session and the last day allowed for this is June 21st. The district works with a School Funding alliance which is continuing efforts to ensure the legislature define the allowed uses for local levies to be as broad as possible. This will allow districts to continue to use levies for current and future funding gaps. Superintendent of Public Instruction Reykdal presented his six-year vision of the K-12 education system. He also put out a funding model for districts. The Governor held a news conference regarding possible revenue solutions. He said that capital gains tax proposals are off the table, but compromise efforts on real estate excise tax changes, expansion of online sales tax and property tax adjustments may be suggested.

Strategic planning and budget process

Each year a comprehensive strategic planning and budget process occurs. Through staff and parent program surveys, the district seeks feedback that helps inform strategic planning and budget prioritization. District Leadership Team identifies budget additions aligned to strategic priority work. The Strategic Advisory Leadership Team completes a process to make budget recommendations to the superintendent, who in turn submits a budget recommendation to the Board for approval. The Board holds a series of study sessions throughout the spring focused on strategic planning and budget alignment and ultimately holds a public hearing to adopt the budget in August.

We have completed the strategic planning and budget process and will provide an overview of additional investments recommended to be included in the 2017-18 budget. We will seek additional Board feedback at the Study Session.

Preliminary changes for the 2017-18 budget were shared including enrollment, revenue and expenditures changes. Additional changes will be made when the legislative session is complete and we can determine the impact on the district budget.