

"It is the paramount duty of the state to make ample provision for the education of all children residing within its borders, without distinction or preference on account of race, color, caste, or sex." Washington State Constitution, Article IX, Section 1.

2007	2012	2018	2018	2019+
State is sued over funding by McCleary family, school districts, teacher's unions and others.	Supreme Court orders state to raise education spending by 2018.	New funding model raises state spending and restricts local property taxes historically voted on by school district residents.	Additional salary spending requirements are implemented with the new funding.	For most districts, additional funding is not enough to fund new spending requirements.

Legislature changes school finance with a 3 pronged approach

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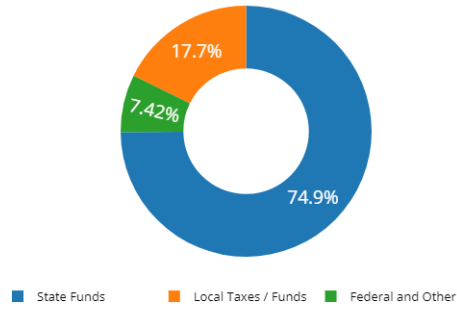
1. State funding goes up by increasing taxes collected by the state.
2. Average minimum pay for employees is mandated to increase.
3. Local property taxes are reduced and limits are put in place. Severely limiting local decisions on property taxes.

Expectation is created for significant salary increases.

WEA references teacher & support staff increases of 12%-40+% in one year.

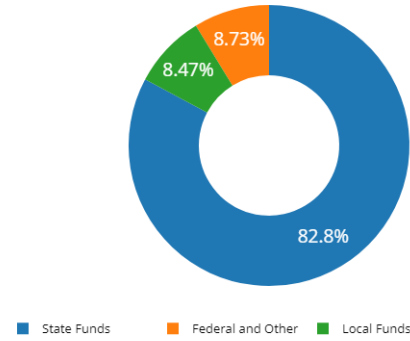
Revenues before new legislation

2013-2014 Revenue Sources (Pre-McCleary)



Revenues after new legislation

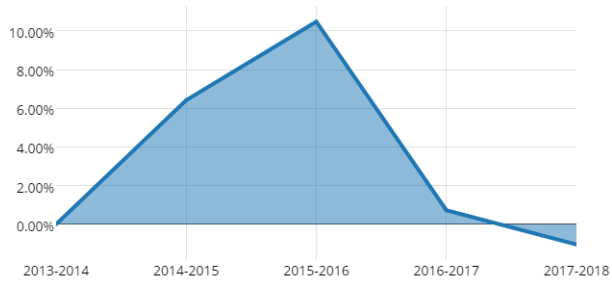
2019-2020 Revenue Sources (Post-McCleary)



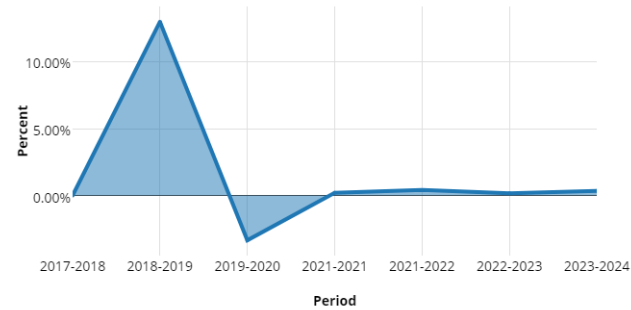
Pre-McCleary Suit Revenue Sources					
Source Category	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Total	\$6,326,294	\$6,732,595	\$7,438,365	\$7,491,905	\$7,413,310
State Funds	\$4,737,001	\$5,130,861	\$5,651,052	\$5,759,018	\$5,666,696
Local Funds	\$1,119,652	\$1,141,505	\$1,243,308	\$1,240,332	\$1,279,435
Federal and Other	\$469,640	\$460,229	\$544,006	\$492,556	\$467,178

Post McCleary Decision Sources of Funding							
Source Category	2017-2018	2018-2019	2019-2020	2021-2021	2021-2022	2022-2023	2023-2024
Total	\$7,413,310	\$8,375,301	\$8,095,502	\$8,112,587	\$8,145,540	\$8,159,055	\$8,187,483
State Funds	\$5,666,696	\$6,679,622	\$6,703,085	\$6,711,955	\$6,736,527	\$6,741,495	\$6,761,205
Local Funds	\$1,279,435	\$989,340	\$686,078	\$694,294	\$702,673	\$711,221	\$719,939
Federal and Other	\$467,178	\$706,339	\$706,339	\$706,339	\$706,339	\$706,339	\$706,339

Pre-McCleary General Fund Revenue Increase %

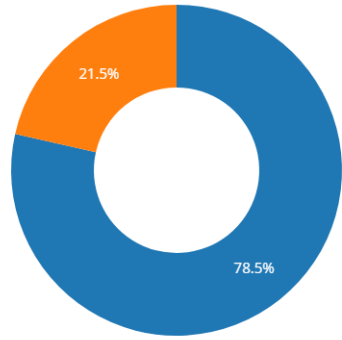


Post McCleary General Fund Revenue Change Per Year



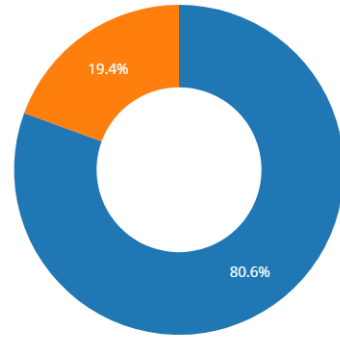
Expenses

2017-2018 (Pre McCleary) Actual Expenditures



■ Salaries and Benefits ■ Other Expenses

2018-2019 (Post McCleary) Budgeted Expenditures



■ Salaries and Benefits ■ Other Expenses

2017-2018 Actual Salary and Benefit Expenses

\$6,284,435

2018-2019 Budgeted Salary and Benefit Expenses

\$6,841,270

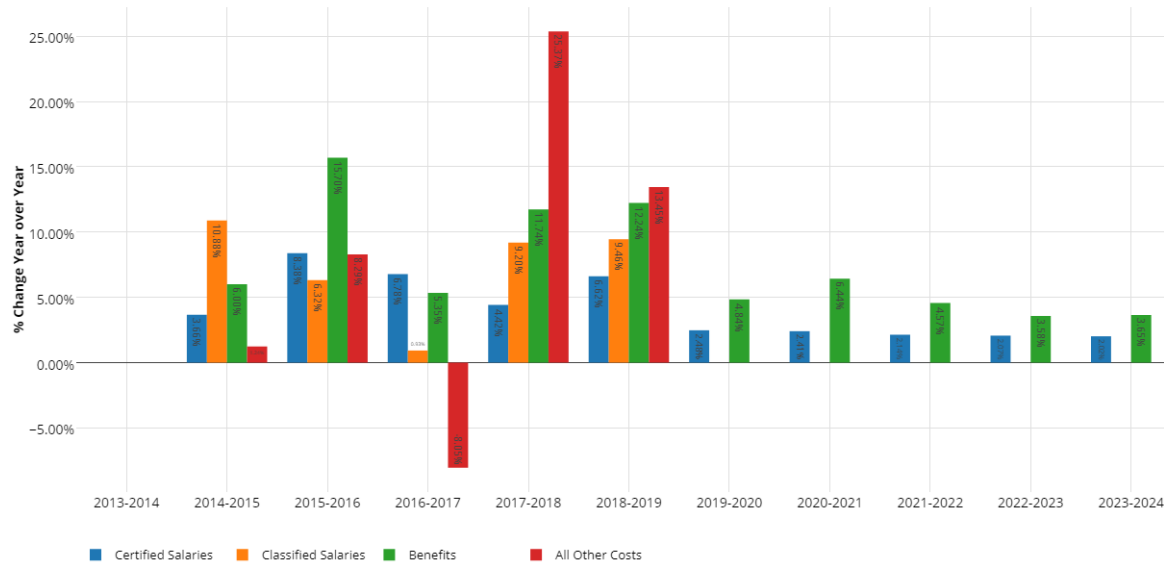
Salary and Benefit Increase, due to McCleary

\$556,835

8.86%

Object	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total	\$6,365,346	\$6,570,976	\$7,403,821	\$7,411,123	\$8,003,479	\$8,489,507	\$8,672,599	\$8,894,725	\$9,075,265	\$9,235,715	\$9,400,784
Certified Salaries	\$2,495,923	\$2,587,326	\$2,804,131	\$2,994,205	\$3,126,558	\$3,333,414	\$3,416,176	\$3,498,529	\$3,573,537	\$3,647,374	\$3,721,032
Classified Salaries	\$1,010,228	\$1,120,189	\$1,191,002	\$1,202,101	\$1,312,641	\$1,436,799	\$1,436,799	\$1,436,799	\$1,436,799	\$1,436,799	\$1,436,799
Benefits	\$1,278,112	\$1,354,801	\$1,567,503	\$1,651,332	\$1,845,235	\$2,071,057	\$2,171,387	\$2,311,160	\$2,416,693	\$2,503,306	\$2,594,717
All Other Expenses	\$1,581,082	\$1,508,659	\$1,841,186	\$1,563,484	\$1,719,044	\$1,648,237	\$1,648,237	\$1,648,237	\$1,648,237	\$1,648,237	\$1,648,237

Budget % Change, History and Projections



Fund Balance

Statewide, the average general fund balance in FY 2017 was 19.95%

Fund	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund	\$388,490	\$517,109	\$508,652	\$470,435	\$612,988	\$468,782	\$-138,315	\$-950,453	\$-1,910,178	\$-3,016,839	\$-4,260,139

Fund Balance Graph

