

“INVESTING IN OUR STUDENTS.”



2022-2024 Solvency and Sustainability Plan

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

– Barack Obama

Outline

- The Foundation of Our 2022-2024 Solvency and Sustainability Plan
- Budget Priorities, Goals, & Strategies



THE FOUNDATION OF OUR 2022-2024 SOLVENCY AND SUSTAINABILITY PLAN

Keeping the Vashon Promise as our North Star, the VISD school board and district leadership are taking action to address the ongoing revenue challenges that we and other regional districts are experiencing each year. As many in our community and across the state know, the state legislature continues to underfund public school budgets. There are three key areas where Vashon Island School District is at a disadvantage:

- **Staff salaries/Cost Of Living Adjustments (COLA):** VISD only receives the state COLA for state funded positions (prototypical funding model), which accounts for approximately 80% of our staff. The remaining 20% of increased salary costs are funded by local levy dollars as well as state and federal grants. These funding sources do not increase by the COLA rate.
- **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% which makes it extremely difficult to attract and retain highly qualified staff at all levels with competitive salaries.
- **Special Education Funding:** The Vashon Promise says, "Every student in the District is welcomed, known and treasured..." regardless of their needs. For many years, the services required for students with special needs have been underfunded. In 2022, the gap increased to approximately \$800K and is expected to continue growing.

During an October Board work session, the Board discussed a recently completed management review report. The review and report was executed and provided by the consultant, Jake Kuper, from the Washington Association of School Administrators (WASA). WASA has completed over 200 similar independent reviews of school district finances and operations. The management review is intended to provide an objective look at the current operational effectiveness of our district in particular focus areas and to produce a report that our district can utilize in planning for the future.

The review process involved stakeholder participation including labor leadership, building administration, and central office administration. At the beginning of the discussion, Mr. Kuper reported, "The district is not in this position due to mismanagement." This is in line with the Board's confidence in our district leadership. In fact, Mr. Kuper praised our Director of Business and Finance, Kay Adams, for the exemplary work she has completed over the years, her knowledge of school budgets, and strategies she has used to stave off reductions to the degree we have been able to over the years. The full report can be found at this link: [2022 WASA VISD Management Review Report](#).

VISD has a three priorities that will guide our solvency and sustainability planning:

- 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.

This working plan includes goals in each priority area as well as strategies to meet the goals. Embedded in each of these priorities is the spirit of working together for our student's future. We are confident that the actions we take as a result of this process will keep the district solvent while also maintaining shared values and responsibility, continuing the long standing tradition of offering a unique, exceptional, place-based experience for our students and community for generations to come.

Toby Holmes, VISD Board Chair
Allison Krutsinger, VISD Board Vice-Chair
Mariel Thuraingham, VISD Board Director

Kali Aguilera, VISD Board Director
Zabette Macomber, VISD Board Director
Slade McSheehy, VISD Superintendent, Board Secretary

2022-2024 VISD BUDGET PRIORITIES, GOALS, & STRATEGIES

Priority #1: Increase VISD revenues.

Priority #1 Goals	Priority #1 Strategies for Implementation
<p>Goal #1.A Increase state regionalization factor from 12% - 18%</p>	<p>Goal #1.A Strategies</p> <ul style="list-style-type: none"> A. Increase VISD Budget Advisory Board and Vashon community members' advocacy role in yearly legislative sessions. B. Partner with area districts with similar regionalization to lobby state legislators to fully fund basic education.
<p>Goal #1.B Increase state special education allocations</p>	<p>Goal #1.B Strategies</p> <ul style="list-style-type: none"> A. Increase VISD Budget Advisory Board and Vashon community members' advocacy role in yearly legislative sessions. B. Partner with regional districts to lobby state legislators to fully fund special education.
<p>Goal #1.C Revenue neutral food service programming</p>	<p>Goal #1.C Strategies</p> <ul style="list-style-type: none"> A. Adjust meal costs following analysis of cost per meal in relation to meal program participation rates. B. Source USDA commodities as necessary and basic pantry items.
<p>Goal #1.D Increase student enrollment</p>	<p>Goal #1.D Strategies</p> <ul style="list-style-type: none"> A. Increase visibility and marketing of unique VISD educational experiences to on-island and off-island communities.
<p>Goal #1.E Strengthen and develop staff, community, and administration partnerships</p>	<p>Goal #1.E Strategies</p> <ul style="list-style-type: none"> A. Active engagement with all VISD staff to develop new revenue sources. B. Expand membership on VISD Budget Advisory Board to key community leaders.

Priority #2: Honor VISD values and beliefs while aligning district expenditures more closely with state revenue sources.

Priority #2 Goals	Priority #2 Strategies for Implementation
<p>Goal #2.A Reduce labor expenses as a total percentage of the operating budget to 80% or less.</p>	<p>Goal #2.A Strategies</p> <ul style="list-style-type: none"> A. Align certified and classified instructional staff FTE more closely to state and contract standards. <ul style="list-style-type: none"> a. Student FTE drives primary and secondary instructional staffing FTE & master schedules. b. Examine and more closely align student staffing supports to documented student needs. B. Reorganize central office, building administration, and classified non-instructional FTE more closely to state and contract standards. <ul style="list-style-type: none"> a. Student FTE drives central office, building administration, and classified non-instructional FTE. C. Review staff resignations and retirements for potential reductions.
<p>Goal #2.B Increase fund balance</p>	<p>Goal #2.B Strategies</p> <ul style="list-style-type: none"> A. Prioritize positive changes in revenue to meet fund balance goals.

2022/2023 = 6.0% - 6.5% 2023/2024 = 6.5% - 7.5% 2024/2025 = 8%	B. Be transparent about the necessity for additional reserves for capital needs (field turf), liability accounts (district insurance), and additional designated reserves (curriculum).
Goal #2.E Minimize funding of extracurriculars with non-Levy revenues	Goal #2.E Strategies Resource other revenues for extracurricular activities or reduce extracurricular activities.

Priority #3: Maximize the impact of every dollar.

Priority #3 Goals	Priority #3 Strategies for Implementation
Goal #3.A Increase additional revenue sources	Goal #3.A Strategies A. Locate and apply for every revenue opportunity, including national, state, and local funding sources, and allocate it to defer basic education dollars.
Goal #3.B Maintain less than 5% variance from annual budget to year-end actual	Goal #3.B Strategies A. Ensure that any additional staff FTE requests are tied to additional student FTE or specific program changes. B. Improve accurate enrollment projections using local demographics and comprehensive local networking. C. Regular program evaluation that reviews expenditures to revenues related to program design.
Goal #3.C Increase strategic planning of staff absences	Goal #3.C Strategies A. Collaborate with labor leaders to review strategies that more closely align current district substitute expenditures with district substitute state revenues.
Goal #3.D Increase fiscal literacy and participation in school and district budget planning and implementation	Goal #3.D Strategies A. Increase School Leadership Team and VISD Budget Advisory Board's consultative role in planning school and district budgets while continuously aligning with VISD Strategic Plan and building School Improvement Plans.
Goal #3.E Increase energy efficiency and conservation	Goal #3.E Strategies A. Audit staff workplaces for non-standardized appliances and work to eliminate all non-essential personal appliances. (This measure would also help VISD comply with newly adopted Clean Buildings Act legislation.)
Goal #3.F Maximize longevity of current curriculum	Goal #3.F Strategies A. Review curriculum adoption time tables and consider expanding time between adoptions.