

## Our Path to First Choice No. 26

Everyone,

Here is Path Note No. 26.

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### Our Path Topic

Valentine's Day is probably a good time to talk about sweetheart deals. However, not this year. This week's update topic is going to give a brief overview of our budget process. It is far from a sweetheart deal, but it is part of what we all have to deal with as educators.

The most complaints one hears about from our members of WASD staff is the fact that we always seem to be operating on a shoestring budget. There is a lot of truth to that. There are many factors that impact our budget. Federally, WASD receives money for academic help for low achievers, professional development, English as a Second Language, student support, grants, etc. When you receive federal funds, you have to abide by federal education laws, statutes, and guidelines. The District also has to cope with politics and the cuts and additions to budgets depending on the leading political party and political winds.

State funding isn't really much different, but there are State laws, codes, and statutes that must be followed. Act 1 was enacted in 2006 and revised in 2011 was intended to ease the financial burden of home ownership by providing school districts the means to lower property taxes to homeowners, especially senior citizens, through the funding provided by gaming revenue. It was anticipated that gaming would generate \$1 billion each year for local property tax relief. A cost of living index is set as the maximum amount a school district could tax; unless exceptions for special education, medical, and other costs could move that index higher. If a school district wants to go above the State maximum index, it can go to a referendum, or vote to the public. However, that decision must be made during the months of December or January to approve a preliminary budget. If the district chooses to tax at the maximum state index, the school district has until the end of May to have an approved preliminary final budget. When approved, it is on public display for 30 days, and the school board must adopt a final budget. The budget then is submitted to the State. Unfortunately, schools need to approve budgets long before knowing what the State will approve. It can become a guessing game.

Locally, politics certainly play a part, but decisions are more personal and closer to the action. Some board members will look item for item, and some don't. Some just say no increases, so the administration has to figure a way to balance the needs of the educational program and the budget as expected by the Board.

To answer the complaint about not knowing what is approved or cut, it is usually due to the various stages of a process that the budget goes through. However, the Clayton Team is looking to find a way or process that can be used to help everyone know sooner rather than later, what will be or was purchased, before the start of the school year.

Next week, the topic will still be about the school budget, but we will look at how it impacts our team members here at WASD.

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### Another Article Attached

Another article attached to the email.

### New for You

- What are the various budgetary funds or accounts a school can have?

### Events

- Reminder—February 19<sup>th</sup> (Presidents' Day) is now a day in session due to our January 17<sup>th</sup> snow day.
- A two-hour delay for students on Tuesday, February 20<sup>th</sup>.

### Piece of the Puzzle

- The WASD Technology Department and the Mowrey staff have been nominated for the Piece of the Puzzle this week. These folks survived a 21<sup>st</sup> Century catastrophic fiber connection failure. Recently, Mowrey Elementary was without internet for days, and, as a result, teachers and staff had to adjust to life without internet service, copiers, and telephones. Thanks to the quick response from the Tech Department, Mowrey was set up with one hard wired telephone and a hot spot to run two laptops in the office. Special thanks to the service companies who worked around the clock to replace the pole and fiber optic wiring. Mowrey staff is relieved and excited to be back online!! Teamwork Makes the Dream Work!

### New for You Answers

- The various balances or accounts for schools are Fund Balance, Capital Reserve, and General Fund. A General Fund is a budgeted amount of money to spend. If you go under your expenses or over on revenue, you will have a remaining balance. That remaining amount may go into the Fund Balance. The Fund Balance is sort of a savings account. If your budget is over expenses in the red, or overdrawn, you have to use some of your Fund Balance—if you have a fund balance. Another account would be a Capital Reserve Fund. These funds are reserved for capital projects, or building maintenance or construction. In addition, you can assign some funds to help pay for health care, pension payments, and other. The State doesn't like to see your Fund Balance over 8%, so you can assign funds to help lower that number.

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### Final Thoughts

- *Disability only becomes a tragedy when society fails to provide the things needed to lead one's daily life.*—Judith Heurman
- *A budget tells us what we can't afford, but it doesn't keep us from buying it.*—William Feather
- *Budget for better business operations to avoid basement-bargaining another's skill and brilliance...that's a dead end detour toward business excellence*—Tracey Bond

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Have a great rest of the week. Hang in there as we trek through winter. Take care!

Tod