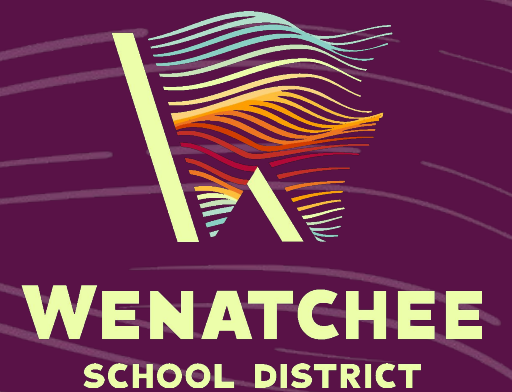


# Budget Update

March 11, 2025



# Milestones for Decision Making and Gathering Input

- **August** - Preliminary budget reduction dollar amount for 2025-26 is \$3-4 million based on 225 less students, levy outcomes, 3.7% IPD, and no significant legislative funding changes
- **October**
  - Enrollment projections updated based on October 2024 count
  - 2023-24 year-end close out (fund balance)
  - Update preliminary budget reduction amount
  - Initial Feedback from Leadership Team
- **November/December**
  - Additional Leadership Team Feedback Opportunity
  - Developing preliminary budget reduction plan
- **January** - State legislative budget session begins
- **February** - Replacement EP&O on ballot
- **April** - State legislative budget sessions ends
- **May** - Budget reductions finalized
- **June** - 2025-26 preliminary budget presented to the board
- **August** - 2025-26 budget approved by the board

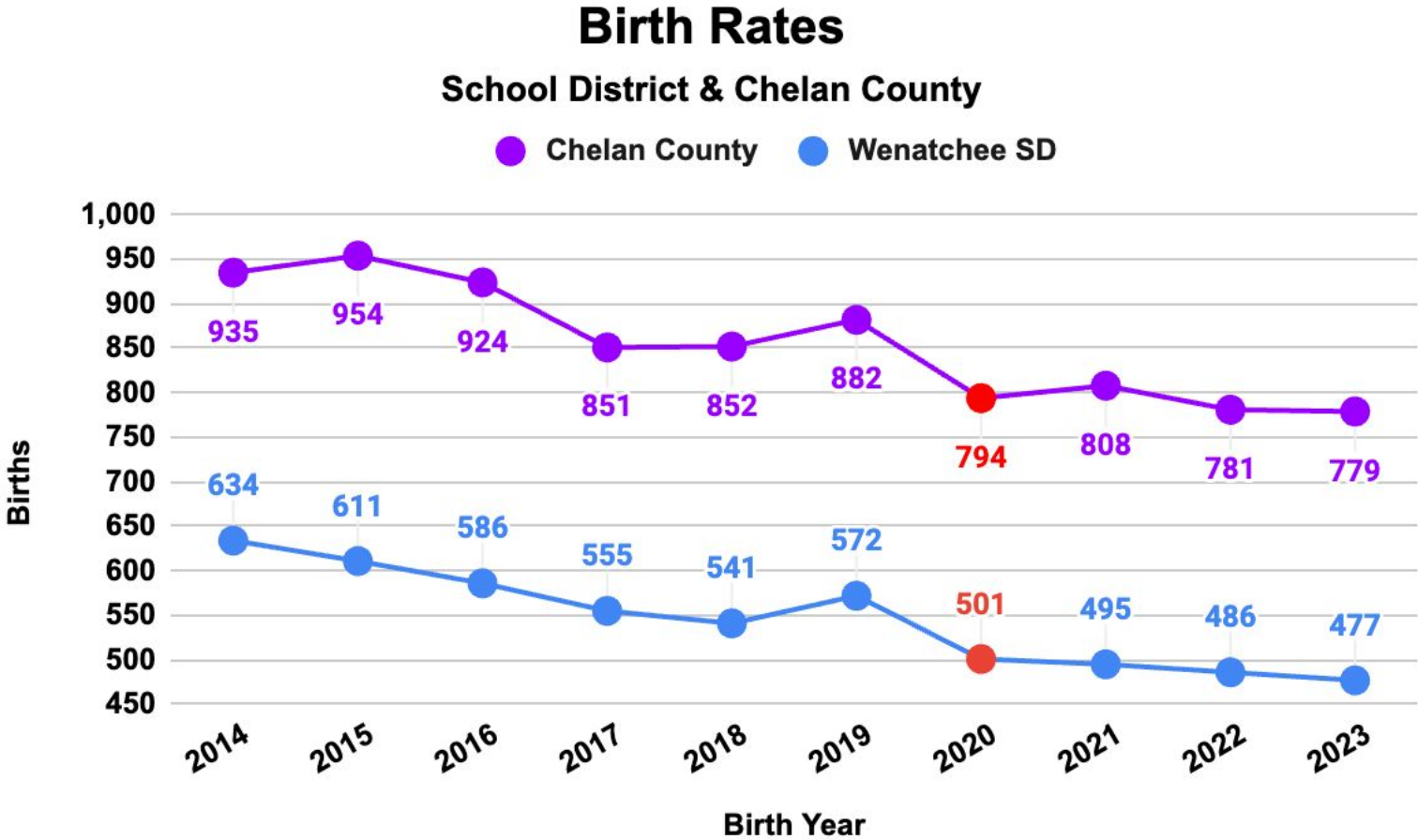
# Budget Reduction Target

## 2025-26 Reduction Target: *Up to \$2.5M*

### Amounts & areas of reduction

- Staffing - staffing to enrollment
- Attrition - carefully review those retiring and resigning
- Unfilled positions and/or positions filled throughout the school year
- MSOC - contracts, copy costs, etc.
- Growth - factoring areas for growth

# Birth Rates

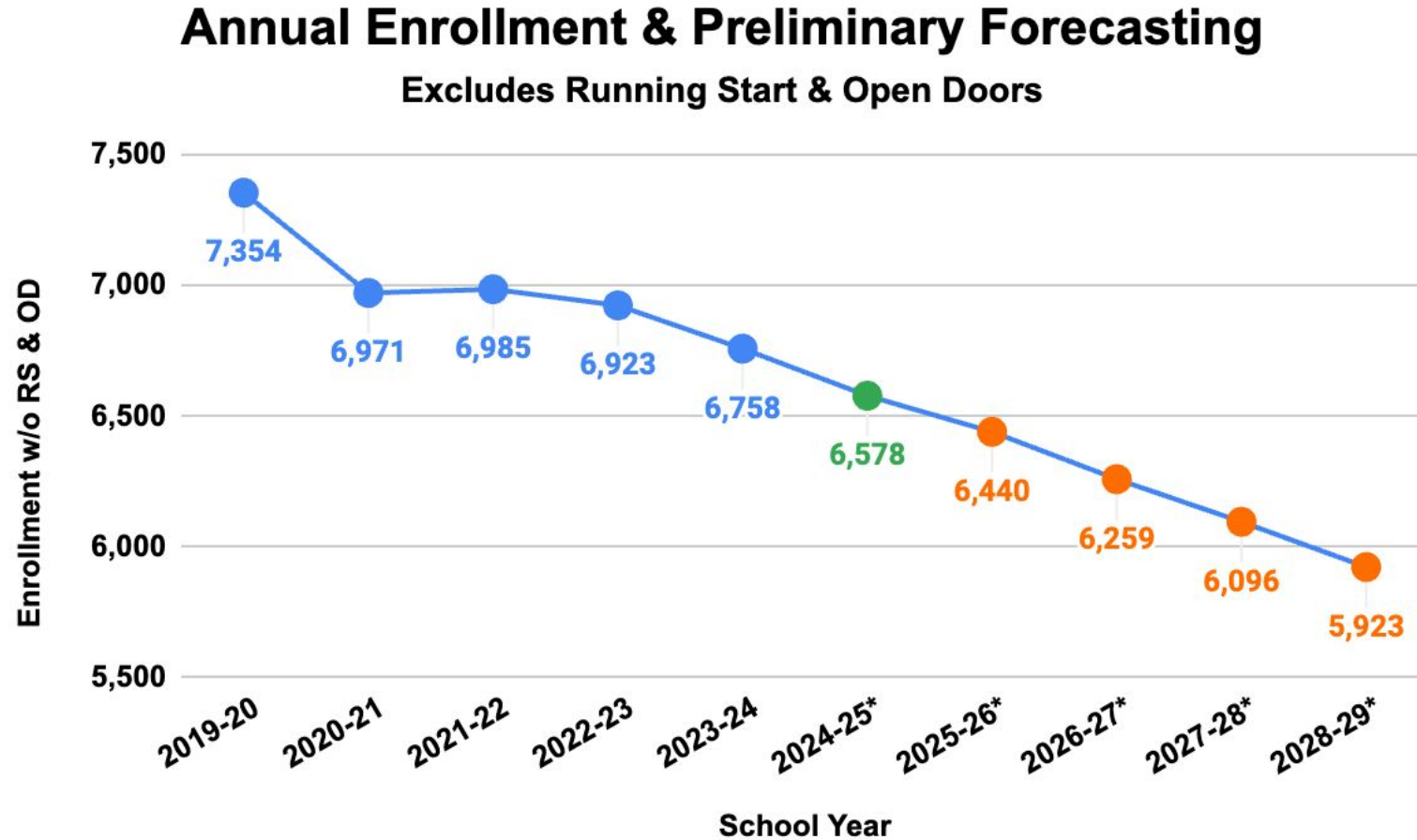


Source: Washington State Department of Health



# Annual Enrollment & Preliminary Forecasting

## Board Workshop: January 21, 2025



\*Preliminary projection, subject to change  
Source: OSPI 1251 FTE Reports (2019-20 through January 2025)

# Budget Reduction Factors

- **Declining enrollment - actual and projected**
  - Enrollment drives about 75% of our funding
- **Inflationary costs outpacing funding**
  - Salaries and benefits
  - Insurance premiums
  - Materials, Supplies, and Operating Costs (MSOC)
- **EP&O Replacement Levy passes in February**
- **State Legislature (January through April)**

# Budget Communication

- 24/25 Board Budget Committee Meetings
- 24/25 Association Budget Committee Meetings
- December 4th Budget/Levy Update - all certificated staff
- Budget/Levy Presentations - all departments
- Weekly Budget Bites - January and February
- Stakeholder Update email - late February
- Stakeholder Survey- late February

# Preliminary Budget Reduction Plan

We need to honor the work of the Wenatchee School District over the past two years for the heavy budget reduction process. It has been challenging to every single staff member, our stakeholders, and our system. We have done a great deal of heavy lifting.

**23/24 School Year = \$4.4 million dollars in reductions**

**24/25 School Year = \$8.9 million dollars in reductions**



# Budget Reduction Plan

Budget Reduction Area	Estimated Savings	Status
Restructure DO/Cabinet District Admin	\$345,000	Complete
Staffing: Budgeted positions internally filled	\$1,050,000	Complete
MSOCs (Contracts, Building Budgets, Misc)	\$585,000	In Progress
Reduce staffing to align with Enrollment (Attrition)	\$550,000	In Progress
<b>Total</b>	<b>\$2,530,000</b>	

# Opportunities for Future Growth

# Federal Funding

# Questions, Comments and Celebrations

**Thank you!**