

PAE Community Budget Forum
Presented by WAE budget analyst Marie Conas

A district's budget is an indicator of its priorities. Pasco is a fiscally healthy and stable district. We have more than enough money to address the needs of the district (including curriculum, technology, teacher pay, and overloaded classrooms), but it will mean shifting our budget to reflect our priorities. Last year and this year PSD had a surplus of 13-14 million dollars left over. That is money that could be spent to meet the needs of Pasco students today.

Each year the majority of the district's budget is made up of state funding. This year the money given to PSD for the explicit purpose of paying for materials and supplies for students was increased by 40%. The state pays \$1210.05 per student for curriculum. Where has that money gone? Levies are also continually passed in ever increasing amounts (along with state matching funds), but that money is not showing up in the classroom.

Over all PSD is very fiscally prudent. They spend less than they budget, and they save more each year. When money rolls over from year to year, it is occasionally moved out of the general fund into the capitol project fund. \$5.4 million in 2012, \$4.5 million in 2013, \$8.7 million in 2014, and an expected \$4.2 million in 2015. The problem with this is that bonds are meant to pay for buildings. So why are millions of dollars being diverted each year to this fund?

Any responsible budget allows for a certain amount of money to be kept in savings. The school board suggest that at least 5% of the district's operating budget be held back in reserves. Currently 22.8% of PSD's budget is left over at the end of the year. That is double the state average, and 5% higher than Kennewick and Richland. A district needs a certain amount of money in reserve to keep their credit rating high in order to qualify for a good bond rate. But when a school district sits on large sums of money it looks bad to Olympia. It makes it difficult to lobby for matching funds for our schools when the state sees that we haven't even spent the money they already gave us.

Over the past few years Pasco's priorities have been shifting. Student enrollment is up over 15%. At the same time spending on teachers has gone up 17% while spending on administrators has gone up almost 25% (spending on support staff like para-professionals has actually gone down 1.7%). If we spent the same percentage of our budget on classroom needs as Kennewick does, we would have an additional \$2 million dollars per year to spend in the classroom. The ratio of students to administrators is grossly out of alignment compared to the rest of the state and the rest of the Tri Cities.

Based on this information, there are two main fiscal problems in Pasco. First we are sitting on way too much money that should be spent in the classroom. Second, we need to shift the way we spend our money to reflect our priorities as a district.

The following are some questions and comments made by those in attendance. Some were answered, some were not, based on available information.

Q=Question, A=Answer, C=Clarification

Q. Can you predict the cost of putting two qualified teachers in each classroom?

A. It is estimated \$4.5 million, vs. keeping class size constant and giving teachers a raise of 5% would cost \$3.5 million.

Q. This budget surplus equals how many months of spending? If this were a family budget would we want to spend it all down, or would we want to keep a sizable amount in the bank?

A. Approximately 1-2 months worth of reserves. But because a district doesn't operate on a paycheck the way a family might, they don't need the same level of savings. They get continual funding from the state and some of that is contingent on whether they spent the previous monies.

C. A memo from Saundra Hill was sent out recently stating that the \$35 million dollars in reserves was there because it had government restrictions on how it could be spent. But according to the WAE budget analysis, this is not true.

Q. Is there a correlation between dollars spent per child and actually success?

A. Unknown.

Q. How much is spent each year on curriculum?

A. This is unknown, but they will try to get an answer for the bargaining team.

C. A former teacher from Richland stated that they had wonderful curriculum in Richland and that even their title one schools were very successful.

Q. Why are some teachers spending money out of pocket when others are not. Not all schools in the district are being funded equally, can we address that?

A. Yes, we are trying to address that as part of our bargaining. When a teacher is hired, they should be able to expect that their classroom will be reasonably supplied.

Q. Are we heavy on school administrators or Booth administrators?

A. Unknown. We just know our overall number of administrators is very high compared to other districts.

C. New "Director of Innovation" was just hired.

C. A parent whose last child just graduated said, he was finally free to say what he wanted. He said many things including: "Your problem is Saundra Hill." "Saundra has no interest in your needs and you might as well know that now." And "School is for education not football."

Q. If you strike what message does that send to kids? Are you just going on strike for money?

A. Thirty years ago teachers had over 40 students per classroom. They went on strike for smaller class sizes and won. It may be difficult in the short term, but we are going on strike FOR our students. What will hurt students more? Missing a few days of school in September, or going a whole other year without text books?

C. Administrators are getting money from the state that should go to classrooms.

Q. Where are the parents who will stand up and fight with teachers?

A. Parents are here, they support teachers, and they support teachers striking FOR their students.

C. We cannot fight for pay. We must fight for our students.

Q. Why is the Booth building being remodeled with money they say we don't have.

A. This is the eternal question with PSD.

Q. Will children go hungry if we strike?

A. No more than usual. The school feeds them for 180 days a year. They will get fed 180 days no matter when the school year begins.

C. There are not enough parents here. If we strike, parents will show up. If we disrupt their lives, they will wake up and take notice of what is going on here and they will speak out with us.